

# FEDERAL RESERVE BANK OF CHICAGO

79 WEST MONROE STREET

BULLETIN No. 95

February 5, 1918.

*TO ALL BANKS AND BANKERS  
IN FEDERAL RESERVE DISTRICT NUMBER SEVEN:*

We beg to quote the following excerpt from a recent communication sent out by the Federal Reserve Bank of Minneapolis to banks located in the Ninth Federal Reserve District:

"The seed corn situation is alarming. In Minnesota only about 20 per cent of the corn of this year's crop will germinate. Out of the entire crop, only about 4 per cent is what would have been considered first-class seed corn in other years.

In North Dakota the seed shortage is acute, and very little good corn is available. South Dakota has some seed, and so has Wisconsin, but in all of the northwestern states the seed value of all of the corn, excepting that which has already been selected, dried, and stored, is growing less day by day, because of increased damage from mold and dampness.

Corn in Iowa, Illinois and Nebraska, is also soft, and a limited amount of seed only will be available from those states. This seed is not desirable for planting in this district, since it will produce nothing better than fodder and ensilage.

**An extremely serious seed shortage is threatened in the spring, and without immediate action the corn acreage will be greatly reduced.**

**It is of the utmost importance that every bank take up this question at once with the farmers.**

There seems to be little prospect of obtaining seed enough for spring planting unless each farmer, individually, will immediately sort over the corn on hand and pick out all the good ears. These should be carefully dried and then tested for germination. Much evidence has been accumulated during the last three weeks to show that many ears that looked very promising for seed have been ruined by mold and will not germinate. There is urgent necessity for germination tests on each ear selected.

Practically all of the corn is damp. Unless immediately dried, it will continue to deteriorate. Most of the seed corn that it is possible to save at this date will constantly diminish in value through the destruction of its germinating quality by mold and dampness, unless it is dried, tested and stored at once."

Believing the foregoing warning from our Minneapolis friends to be sound and based on the facts, we suggest the formation in your town of a local seed corn committee. This can be best done by having your bank co-operate with the other banks in your town if possible, take up the matter with your local commercial or improvement society or farm bureau, secure

an empty store room or other large room, adequately heated, appoint a committee consisting of competent corn men and representing every township, then employ a manager in the person of a practical corn man, who knows how to sort, rack, dry and test seed corn. Then let the committee arrange with the local telephone exchange to call every farmer asking him whether he will have enough seed corn for himself, whether he has any surplus for sale, and the committee to then systematically gather all the best seed corn in the county into this local seed headquarters, dry it out thoroughly and make necessary tests.

The Federal Reserve Bank of Chicago has received the authority of the Board of Trade of the City of Chicago to say that its Crop Improvement Committee will cheerfully furnish you any other information or advice desired by you. This committee is headed by Mr. Bert Ball, Room 65 Board of Trade Building, Chicago, Illinois.

We know of no work more important or vital than that of securing good crops for the coming year, and earnestly urge prompt and intelligent action on the foregoing lines.

Very truly yours,

**JAMES B. McDOUGAL**

Governor.