

**FEDERAL RESERVE BANK
OF DALLAS**

Dallas, Texas, February 26, 1962

**To All Banks in the
Eleventh Federal Reserve District:**

Another survey has been made by Federal Reserve banks to measure commercial bank participation in the Magnetic Ink Character Recognition Program of the American Bankers Association.

The survey indicates that 55 percent of the checks cleared through the Reserve System are preprinted in magnetic ink, while only 42 percent of those cleared through the Reserve bank offices of this District are preprinted. In fact, all except three districts have more preprinted checks than the Dallas District. The Philadelphia District, with a preprinting ratio of 73 percent, has the best record in the System.

The analysis of magnetic ink printing by states indicates that New Mexico, with a ratio of 44 percent, is ranked 28th; Texas, with 42 percent, 32nd; Oklahoma, with 40 percent, 35th; Arizona, with 38 percent, 36th; and Louisiana, with 36 percent, 40th. The State of Delaware, with a ratio of 79 percent leads the nation.

The information obtained from the survey clearly shows that many commercial banks in the Eleventh District are lagging in conforming to the MICR Program. Because of the importance of every bank to the check clearing system, I strongly urge that all banks redouble their efforts in moving forward in the program.

Survey figures for the Eleventh District are furnished on the other side of this letter.

Yours very truly,

Watrous H. Irons
President

BREAKDOWN BY RESERVE OFFICES OF THE ELEVENTH DISTRICT

<u>Office</u>	<u>Number of Checks Surveyed</u>	<u>Number of Checks Conforming</u>	<u>Percentage of Conformity</u>
Dallas			
City	44,892	27,259	61
Country	210,634	83,374	40
El Paso			
City	10,643	4,928	46
Country	39,691	17,255	43
Houston			
City	33,918	13,657	40
Country	133,735	61,117	46
San Antonio			
City	29,589	9,750	33
Country	112,813	40,921	36

BREAKDOWN FOR CERTAIN LARGER POINTS

<u>City</u>	<u>Number of Checks Surveyed</u>	<u>Number of Checks Conforming</u>	<u>Percentage of Conformity</u>
Abilene, Texas	3,536	1,006	28
Amarillo, Texas	5,688	1,062	19
Austin, Texas	8,505	4,906	58
Beaumont, Texas	7,527	5,985	80
Corpus Christi, Texas	8,824	3,670	42
Fort Worth, Texas	4,478	2,771	62
Lubbock, Texas	5,646	1,984	35
Waco, Texas	3,412	1,121	33
Wichita Falls, Texas	4,511	1,976	44
Shreveport, Louisiana	5,124	1,007	20
Tucson, Arizona	5,831	2,856	49