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E. R. Fancher

Cleveland

1915 - 1919, 1921

FEDERAL RESERVE BANK OF CLEVELAND

OFFICE OF THE GOVERNOR

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FEDERAL RESERVE BANK  
OF NEW YORK

February 1, 1915.

My dear Governor Strong:-

I acknowledge with thanks receipt of your letter of January 30th together with the set of circular letters and forms issued by the Gold Fund Committee. We are glad to be advised of the method in which the Gold Fund is to be distributed.

Very truly yours,

*E. R. Tamm*  
Governor.

EB:D

To- Mr. Benjamin Strong, Jr.  
Governor, Federal Reserve Bank of New York,  
New York City.

57  
January 31st, 1916.

Dear Mr. Fancher:

I have to thank you for your favor of the 28th, and particularly for your good wishes in regard to my trip. I am looking forward to it with keen anticipation and ohly wish that some of the other members of our Governors' Conference were in the party. I will try and write you from the other side at least once.

Very truly yours,

E. R. Fancher, Esq.,  
Governor, Federal Reserve Bank,  
Cleveland, Ohio.

BS Jr/VCM

PERSONAL AND CONFIDENTIAL:

March 6, 1919.

My dear Governor Fancher:

For some time I have been interested with some friends in a study of some of the problems of our national financial system and particularly to the possibilities of a reform movement which might result in the establishment of a scientific plan for a Federal budget. The need for this has been made apparent to me during the past two years and as a result of contact with the financial machinery in Washington, Some of my friends believe the time is now opportune for a general attempt to interest the people of the country in national financial reform.

The campaign for savings, thrift and sensible spending, incident to the flotation of Government loans has put many of our people in a receptive mood for further suggestions in these matters. The national debt must be reduced and can only be reduced if both individuals and the Government practise sensible spending. It is particularly true with the Government but cannot be made possible until scientific machinery is installed to accomplish it

Students of this subject seem to be in general agreement that a scientific budget system is the only solution. To persuade our people that such a system should be installed, a nonpartisan organization should be built up and a wise and sane campaign of publicity inaugurated. It is a plan of that sort in which some of my friends are interested with a view to activity after the next loan is placed. In the meantime, steps must be taken to prepare the publicity, and the personnel of the organization must be developed in advance.

It is, of course, out of the question to utilize the Liberty Loan organizations as such for an enterprise of this character. It does not, however, seem improper for me to ask you if in your experience with the Liberty Loan, War Savings, or other organizations in connection with the war, you have come in contact with individuals in your district who would be likely to be interested in this movement and who would

March 6, 1919.

be qualified for service in such an organization and who would do so as a matter of public duty. What is first needed is a representative in every State, competent to take charge of the movement and direct it in the State. He should have qualifications to enable him to become a leader of the State movement, some ability as an organizer, should be public spirited, able to grasp the subject and willing to study it, and should be regarded locally as without political prejudice or purpose, and have the confidence in general of the people of the State.

In addition to State directors, similar organizers must be appointed in the various counties and principal cities.

I shall be greatly indebted to you if you can let me have suggestions and names of men in your district for this work without, however, mentioning the matter to them. You may know them well enough to make definite recommendations not only because you came in contact with them in Liberty Loan matters, but other public spirited activities with which you are acquainted or connected.

This is a matter in which I have a strong personal interest and will be grateful for your assistance. At our meeting in Washington on the 20th I hope to have an opportunity to refer to this matter more specifically.

Sincerely yours,

Governor.

E. R. Fancher, Esq.,  
Governor, Federal Reserve Bank of Cleveland,  
Cleveland, Ohio.

BS/NB

September 14, 1921.

Dear Governor Fancher:

You will recall that about two years ago we had some correspondence in regard to the work of the National Budget Committee. In part, at least, passage of the budget legislation by the Congress was due to the work conducted by that committee. Now that the basis of the budget system has been adopted by Congress, our organization is endeavoring to crystallize public sentiment for the support of the program of government economy and thereby to insure permanent success for the new national budget system.

We are seeking to extend this work by selecting, so far as possible, bankers to accept active chairmanships in various of the more important cities, simply to carry on work which will be laid out for them by the national committee. The scope of the work is described in the enclosed memorandum.

Can you suggest representative men, preferably bankers, who might be willing to accept such appointments in the cities of Akron, Columbus, Dayton, Toledo and Youngstown.

At the present time I shall only ask you to suggest names, but later on possibly you would be willing to communicate with them directly and further our object of having them accept these appointments.

If for any reason you think it unwise to make these suggestions, will you not write me quite frankly and, if you are willing to do so, give me your reasons.

With best regards, and thanking you very cordially, I am,

Yours very truly,

E. R. Fancher, Esq.,  
Governor, Federal Reserve Bank of Cleveland,  
Cleveland, Ohio.

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OF CLEVELAND

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JUN 26 1922

June 24, 1922.

G. C. H.

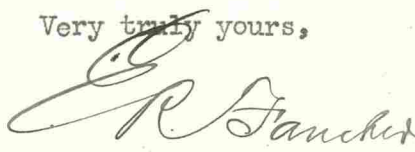
Mr. Benj. Strong, Governor,  
Federal Reserve Bank of New York,  
New York, N. Y.

Dear Governor Strong:

Your letter of June 21 is received, concerning the matter of asking the Treasury for reimbursement for fiscal agency expenses growing out of discussion of certain topics at the recent conference of Governors.

I want to refer this matter to our Executive Committee the forepart of the week, and will endeavor to wire you the position that this bank will take in the matter at a very early date.

Very truly yours,

  
Governor.

F.B

FEDERAL RESERVE BANK  
OF CLEVELAND

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## FEDERAL RESERVE BANK OF CLEVELAND

August 12, 1922.

Dr. Carl Snyder, Statistician,  
Federal Reserve Bank of New York,  
New York.

My dear Doctor:

At the instance of your letter, Mr. Anderson has made a survey of the tire situation. When I was in New York, our information was to the effect that the tire companies were afraid to give out their figures because of an over-production. A number of the companies had not made the reduction in the number of tires usual at this time of the year, and it was thought that they were on the road to a repetition of their former spree.

Referring to the clipping from the Journal of Commerce, Mr. Anderson reports as follows, which gives the situation as it appears to be at this writing:

The statement that 2,500,000 tires were turned out in Akron in July does not appear to be overstating the facts. Tire production, so far as we have been able to learn, for that month was approximately as follows for the four leading companies:

Goodyear	22,000	)	
Firestone	25,000	(	Daily
Goodrich	18,000	)	average.
Miller	7,500	(	

On a basis of twenty-five working days per month, this would bring the production of these four companies alone to approximately 1,800,000. The multitude of other small companies in the Akron district would easily make up the 700,000 difference.

The direct statement that Miller is making 7,500 tires is confirmed by that company. Goodyear reduced their production slightly during the month of July but increased it about 2,000 tires per day in August. The increase is largely in Ford sizes. Firestone contemplates reducing their output during the month of August, although sales and shipments are approximately equal to production at this time.

Stocks, in the judgment of producers, are not excessive, Mr. Rockhill of the Goodyear Company stating that their present stocks are lower than what they would consider safe to carry in what we choose to call normal times. Stocks reported by the Firestone Company as being usual for this season.

With tire production for the year at approximately 35,000,000, which the majority of the larger producers state will be about the number produced, I do not believe that production is in excess of the demand. In the year 1919,

FEDERAL RESERVE BANK OF CLEVELAND

Dr. Carl Snyder,  
Federal Reserve Bank of New York,  
New York.

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33,000,000 tires were made; in 1920, 32,400,000; 1921, 27,275,000. Car registrations for 1919 were 7,558,848; 1920, 9,211,295\* 1921, 10,448,632. This will give an average of tires produced per car registered of:

1919	4.4
1920	3.5
1921	3.8
1922 (est)	3.2

Motor car registration July 1 of this year has been given as 10,863,000. Assuming the production of 35,000,000 tires, this would make the average per car 3.2, which is below that of any of the three preceding years.

Another point which would seem to indicate that there is no over-production is that almost without exception producers report shipments for the past month in excess of production. After the bitter experience of tire dealers during the past two years, it is difficult to conceive of them accumulating stocks of tires. For this reason it is also difficult for me to see how production is in excess of current demand when tire makers are selling all that they are producing.

Sorry we have been so long in getting the information to reply to your letter.

With best wishes.

Very truly yours,



Assistant Federal Reserve Agent.

JCN-L.

Mr. Carl Snyder,  
Federal Reserve Bank of New York,  
New York.

55,000,000 tires were made; in 1923, 35,400,000; 1921, 27,275,000. 1924 registrations for 1919 were 7,548,848; 1920, 9,211,295; 1921, 10,448,532. This will give an average of tires produced per car registered of:

1919	4.4
1920	3.8
1921	3.8
1922	3.2

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Motor car registration July 1 of this year has been given as 1,123,000. Assuming the production of 55,000,000 tires, this would make the average car 4.9, which is below that of any of the three preceding years.

Another point which would seem to indicate that there is no over-production is that almost without exception producers report that the year 1924 is the best year in years of production. After the latter expansion of 1923, during the past two years, it is difficult to conceive of their expanding stocks of tires. For this reason it is also difficult for me to see how production is in excess of current demand when the average car is 4.9. All this they are producing.

Very as I have been so long in getting the information to me.

With best wishes,

Very truly yours,

*[Handwritten signature]*

Very truly yours, Carl Snyder

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