

FEDERAL RESERVE BANK OF ST. LOUIS

STATEMENT FOR THE PRESS

FOR RELEASE: MONDAY, DECEMBER 28, 1959

The twelve Federal Reserve Banks announced over the week end the location of the five of their thirty-six offices where high speed electronic document handling equipment will be installed to further the program for mechanization of their check processing operations.

The five pilot installations will be located in the head offices of the Federal Reserve Banks of Boston, New York, Philadelphia, Chicago, and San Francisco. The selection of these offices was influenced by the prospective volume of checks drawn on commercial banks of the areas that would be preprinted with numerals in magnetic ink characters identifying the drawee banks and making possible automatic sorting of the checks.

The high speed sorting and listing equipment for each installation will be supplied by a different manufacturer. That in Boston will be supplied by The National Cash Register Company, Dayton, Ohio; in New York by Ferranti-Packard Electric Limited, Toronto, Ontario and Pitney-Bowes, Inc., Stamford, Connecticut; in Philadelphia by International Business Machines Corporation, New York, N. Y.; in Chicago by the Burroughs Division of the Burroughs Corporation, Detroit, Michigan; and in San Francisco by National Data Processing Corporation, Dallas, Texas.

The installations are designed to test the equipment of manufacturers for performance capability and for operational and economic feasibility under the varied requirements of check handling in different Federal Reserve offices. The equipment will employ magnetic ink character recognition as the common machine language for the automatic processing of checks in conformity with the recommendations of the Bank Management Commission of the American Bankers Association.

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