Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, December 29, 1952. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Szymczak, Acting Chairman
Mr. Evans
Mr. Vardaman
Mr. Mills
Mr. Robertson
Mr. Sherman, Assistant Secretary
Mr. Kenyon, Assistant Secretary
Mr. Allen, Director, Division of Personnel Administration

Governor Szymczak said that he had had a telephone conversation before this meeting with Chairman Martin, who was in New York, that Chairman Martin referred to the selection of Mr. Stevens, Chairman and Federal Reserve Agent at the Federal Reserve Bank of New York, by President-elect Eisenhower to be Secretary of the Army, and that Chairman Martin thought it would be desirable for the Board to agree upon a successor to Mr. Stevens, who was expected to resign as Class C director soon after the middle of January. Governor Szymczak noted that Mr. W. Randolph Burgess, who had been elected as a Class A director of the New York Bank beginning January 1, 1953, and Mr. Marion B. Folsom, a Class B director, had been selected for positions with the Treasury Department, and stated that Chairman Martin would like to have an expression of the Board's views with respect to Mr. Irving S. Olds, former Chairman of the Board of United States Steel Corporation, and Mr. Jay E. Crane, Vice President and Director of the Standard Oil Company (New Jersey), who is now serving as a Class B
director of the New York Reserve Bank, as possible successor to Mr. Stevens as a Class C director and Chairman of the Bank.

There followed a discussion during which reference was made to Mr. Crane's previous service as an officer of the Federal Reserve Bank of New York, and of the value his experience might have in serving as Chairman of the Bank. For this reason and also because Mr. Crane was about five years younger than Mr. Olds, who would be 66 years of age in January 1953, the members of the Board present indicated a preference for Mr. Crane. Governor Vardaman suggested that Mr. Allen review the files for any references to previous discussions by the Board concerning Mr. Olds so that Governor Szymczak might have that information available before he talked with Chairman Martin again. It was also suggested that Mr. Allen furnish information to Governor Szymczak concerning the number of Class C directors of Federal Reserve Banks who are affiliated with the oil industry.

At the conclusion of the discussion, it was agreed unanimously that Governor Szymczak would transmit to Chairman Martin the views expressed at this meeting and state to him that the other members of the Board would be willing to approve the appointment of either Mr. Crane or Mr. Olds to succeed Mr. Stevens.

Governor Szymczak then read two telegrams dated December 26, 1952, from Mr. Young, President of the Federal Reserve Bank of Chicago, sent at
the request of Mr. Lunding, Chairman of the Chicago Bank. The first telegram, prepared in response to the Board's telegram of December 23, 1952, stated that Mr. Meyer Kestnbaum, President of Hart, Schaffner & Marx, Chicago, Illinois, would be unable to accept appointment as a Class C director of the Chicago Bank for the remainder of the term ending December 31, 1954, presently occupied by Mr. Lunding, because of certain other commitments, while the second telegram suggested for appointment in place of Mr. Kestnbaum either Mr. Gaylord Donnelley, Executive Vice President of R. R. Donnelley and Sons Company, Chicago, or Mr. Robert L. Milligan, Executive Vice President of Pure Oil Company, Chicago.

During a brief discussion, it was understood that further consideration of the appointment of a Class C director to succeed Mr. Lunding would be given after additional information concerning Messrs. Donnelley and Milligan and perhaps other individuals had been furnished the members of the Board.

Reference was made to a statement which had been handed to the members of the Board by Mr. Carpenter, Secretary of the Board, suggesting a revision of the procedures followed in functioning personnel actions affecting members of the staff of the Board and the Federal Reserve Banks.

There was a brief discussion of the suggested procedures and it was understood that the matter would be discussed further in executive session.
In this connection, Governor Robertson called attention to the delay involved in the current procedure for approving appointments of examiners and assistant examiners and designations of special examiners and special assistant examiners at the Federal Reserve Banks. He said that the staff had made arrangements to process the requests from the Reserve Banks promptly, and he suggested that it would further expedite action if one member of the Board were authorized to approve such appointments and designations on behalf of the Board. Governor Robertson said that he had discussed the matter with Chairman Martin, who was agreeable to the suggested procedure.

Following discussion, the Secretary was authorized by unanimous vote to enter in the minutes approvals of appointments of examiners and assistant examiners and designations of special examiners and special assistant examiners at the Federal Reserve Banks, when approved by Governor Robertson, with the understanding that a report would be submitted to all of the members of the Board monthly showing the appointments and designations approved during the preceding month.

At this point Mr. Allen withdrew from the meeting and the following additional actions were taken by the Board:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on December 24, 1952, were approved unanimously.

Telegram to Mr. Phil H. Lowery, Lowery Hereford Ranch, Loco, Oklahoma, prepared pursuant to action taken at the meeting of the Board.
on December 24, 1952, and reading as follows:

"Board of Governors of the Federal Reserve System has appointed you director of Oklahoma City Branch of the Federal Reserve Bank of Kansas City for two-year term beginning January 1, 1953, and will be pleased to have your acceptance by collect telegram. It is understood that you are not a director of a bank and do not hold public or political office. Should your situation in these respects change during the tenure of your appointment, it will be appreciated if you will advise the Chairman of the Board of Directors of the Federal Reserve Bank of Kansas City."

Approved unanimously.

Letter to Mr. Hill, Vice President, Federal Reserve Bank of Philadelphia, reading as follows:

"In accordance with the request contained in your letter of December 16, 1952, all authorizations heretofore given to your bank to designate various employees of the Federal Reserve Bank of Philadelphia as special assistant examiners in order that their services might be available to assist your regular examining staff are hereby canceled; and the Board approves the designation of the following named employees of the Federal Reserve Bank of Philadelphia as special assistant examiners for the purpose of participating in the examination of State member banks and State banks applying for membership:

**Accounting**
- James Coan
- Wm. H. Crozier, Jr.
- Albert N. Curley
- Samuel G. Forte
- Thomas F. Maguire
- Edward T. Sloan
- Henry Wright

**Bank Examination**
- Betty Cooper
- Evelyn Endres
- Eleanor V. Jahn
- Norma B. Kline
- Mary E. Leonetti
- Audrey MacCart
- M. Kathryn Mathis
- Audrey Vogel
- Jane Wilson
- A. Y. McGowan
- Vincent J. Moran
- Norman C. Morris
- J. C. Ommerle
- Wm. F. Ray, Jr.
- Victor T. Sjostrom
- Chas. V. Wenner
- John L. Ackroyd, Jr.
- Harry J. Donnelly
- E. Thomas Hannam
- Norman E. Simpson
- Robert E. Wilson
"Audit
G. Halvor Bockman
Wm. F. Boehner, Jr.
Edmund Cole
Stanley J. Grigelunas
Edward R. Keane
A. Lamont Magee
Raymond M. Moore
J. Donald Murray
Edwin J. Poplawski
Elmer J. Rea
Earle M. Snader
Guido J. Viglione
Paul E. Kirn, Jr.
Olga B. Matuck
Edith M. Salkeld
Vault
Clarence H. Brehm
John J. Brenner, Jr.
Robert Wharton Clement
John J. Davis
A. Elmer Harvey
Edward W. Kemp
Wm. J. St. Clair
Daniel J. Scanlan
Wm. C. Woessner

Executive Training Program
Gerald E. Bachman
Charles Baker
Fred R. Davis
Charles G. Hankins
Charles H. Sulzberger, Jr.

U. S. Savings Bond Dept.
Walter C. Benz
Francis J. Brutschea
John T. Callaghan
Alexander C. Carberry
Lawrence Dash
Alexander dePutron
Erwin T. Flynn
George W. Gray
Richard Hallahan
Raymond Leek

Bank Relations
John W. Boyer
Herbert P. McAdams
Raymond W. Yarroll
Cash
James A. Agnew, Jr.
Francis J. Aitkin
Arthur J. Bartels
Francis A. Brennen
Herbert Denish
John J. Kiefer
Robert E. McCarthy

Personnel
David Noonan
Post Office
Hugh S. Campbell
Walter E. Chatham
Joseph A. Dahms
Irwin V. Dutton
James A. Gordon
Albert F. Preston
Wm. W. Schwinhart

Research & Statistics
John R. Bunting, Jr.
Marjorie M. Moody

Credit-Discount
Lewis H. Bergman
Jay M. Daniels
P. H. Delphye, Jr.
A. J. Spencer, Jr.
Russell P. Sudders
Joseph F. Creahan

Dept. of Collection
Edward G. Beck
J. Elmer Boos
Joseph A. Costello
William Crozier
Warren Y. Eberlein
Howard W. Hillborn
Edgar W. Holloway
Quintin C. Kerlin
Paul E. Kirn
Wm. O. Mackey, Jr.
Joseph A. Maloy
Warren R. Moll
George Moore, Jr.
John T. Redington
Wilbur H. Reimer
John G. Roesch
Joseph A. Rentty
Wm. R. Shipley
James R. Traynor

Selective Credit
Walter J. Brobyn

Govt. Bond & Custody
Elwood Apple
Jos. E. P. Bonsall
H. Leland Clifford
George C. Haag
Charles A. Koch
Gustav A. Kress
William Lynn
Joseph Mullen
Oliver H. Otto
Andrew R. Smith

Machine Tabulating
Edw. Fitzpatrick
John J. Jones, Jr.
James F. Logan
"U. S. Savings Bond Dept.
Samuel Linton
John J. Lowery
Harold C. MacDonald
Harry K. Margolf
Leonard McCann
Anthony J. McKinley
Jules R. Meyer
John A. Muntz
John W. Murray

"The Board also approves the designation of the following named employees of your bank as special assistant examiners for the purpose of participating in the examination of all State member banks and State banks applying for membership in your district except the bank indicated immediately above their names:

Bank excluded from authorization:

Girard Trust Corn Exchange Bank, Philadelphia, Pennsylvania
Chas. V. Austin
Gladys S. Lane
Clarence B. King
John D. Moran
Jack A. Bernstein

Bank excluded from authorization:
The Penna. Company for Banking & Trusts, Philadelphia, Pennsylvania
Harry E. Horn
Dorothy M. Stott
John R. Kauffman
Gilbert S. Bayne
Cyril J. Bowman
Matthew J. Herion, Jr.
Francis McGirney

Bank excluded from authorization:
Real Estate Trust Co. of Philadelphia, Philadelphia, Pennsylvania
Fabian O. Cortez
James H. Muntz
Emerson M. Seward
Cyril J. Bowman
Robert Shaw
Thomas A. Kenny
James P. McNamee

Bank excluded from authorization:
Fidelity-Philadelphia Trust Company, Philadelphia, Pennsylvania
Daniel A. Brophy, Jr.
J. Norman McDowell

Govt. Bond & Custody
Eugene R. Pomendale
Henry A. Rickert, Jr.
Samuel J. Sauers
William Smithson
John S. Sulima
William Walder
Edward B. Watson
Joseph E. Rebic
Walter J. Steinman, Jr.
Ralph E. Springer, Jr.
James H. Wallace
"Bank excluded from authorization:
Camden Trust Company, Camden, New Jersey
Robert Shaw"

Approved unanimously.

Letter to Mr. Denmark, Vice President, Federal Reserve Bank of Atlanta, reading as follows:

"This refers to your letter of December 9 submitting with your favorable recommendation the request of Alabama City Bank of Gadsden, Alabama, for permission to act as trustee of its own profit sharing plan known as 'Alabama City Bank Employee's Profit Sharing Retirement Plan and Trust Agreement'. It is noted that it is not the desire of the bank to exercise general trust powers and that the authority requested is solely to permit the bank to act in the specific instance described.

"In view of the Reserve Bank's recommendation and the information submitted, the Board of Governors of the Federal Reserve System grants the applicant permission, under the provisions of its condition of membership numbered 1, to act as trustee in the matter above described with the understanding that it will not acquire any other fiduciary business without first obtaining the permission of the Board. Please advise the member bank accordingly."

Approved unanimously.

Letter to the Board of Directors of the Compton Commercial and Savings Bank, Compton, California, stating that, subject to conditions of membership numbered 1 and 2 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of San Francisco. The letter also contained the following paragraph:
"The Board of Governors also approves the establishment and operation of a branch at Redondo Beach, California, by Compton Commercial and Savings Bank upon compliance with the conditions prescribed in connection therewith by the Superintendent of Banks of California, and provided the branch is established within six months of the date of this letter."

Approved unanimously, for transmittal through the Federal Reserve Bank of San Francisco.

Letter to Mr. Millard, Vice President, Federal Reserve Bank of San Francisco, reading as follows:

"In view of your recommendation and the information contained in your letter of December 19, 1952, the Board of Governors further extends until May 8, 1953, the time within which Security Trust & Savings Bank of San Diego, San Diego, California, may establish a branch at Imperial Beach, California, under authority granted in the Board's letter of May 16, 1952, provided a like extension of time is granted by the State authorities."

Approved unanimously.