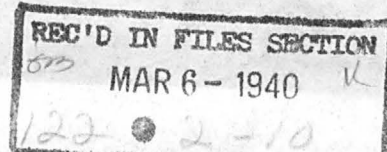


122.2-10 - Transfer of Upper Peninsula of
Michigan from 9th to 7th FRDistrict

TRANSFER

RETURN TO
FILES SECTION
DO NOT REMOVE ANY
PAPERS FROM THIS FILE

SUOMI COLLEGE
HANCOCK, MICHIGAN



JOHN WARGELIN, M. A., D. D., President

May 6, 1935.

Hon. M. S. Eccles,
Governor of the Federal Reserve Board,
Washington, D. C.

Dear Sir:

We have been informed that a change of the Houghton County banks of Upper Michigan from the Ninth Federal Reserve District to the Seventh District is being contemplated, and that such a change would necessitate the Upper Michigan banks to transact their business with the Federal Reserve Bank of Chicago-Detroit Branch.

As such a change would necessitate many changes in the reorganization of relations with outside banks, and as the change would result in poorer banking facilities for this territory than we now enjoy, we wish to submit hereby the protest of Suomi College against such a change.

Yours very truly,

John Wargelin

President.

JW:IN

UNDER STATE SUPERVISION

REC'D IN FILES SECTION

MAR 6 - 1940

Detroit & Northern Michigan Building & Loan Association

Member Federal Home Loan Bank System

ESTABLISHED JANUARY 22, 1889

AUTHORIZED CAPITAL \$50,000,000.00

E. M. LIEBLEIN, PRESIDENT
A. F. HEIDKAMP, VICE-PRESIDENT
T. L. HILTON, VICE-PRESIDENT
F. G. EDDY, VICE-PRESIDENT
W. C. DOUGLASS, SECRETARY-TREASURER
S. L. LAWTON, GEN'L ATT'Y & REC. SEC'Y
D. W. SEATON, HANCOCK MANAGER

HOTEL SCOTT BUILDING



TELEPHONE 1100

Hancock, Michigan

BRANCHES:
308 LAFAYETTE BLVD. W.
DETROIT, MICHIGAN
AND
518 NORTH SAGINAW STREET
FLINT, MICHIGAN

April 30th
1935

Hon. M. S. Eccles
Governor of the Federal Reserve Board
Washington, D. C.

Dear Sir,

It is our understanding that some action has been taken recently in Washington relative to transferring banks of the Upper Peninsula of Michigan from the Ninth District to the Seventh.

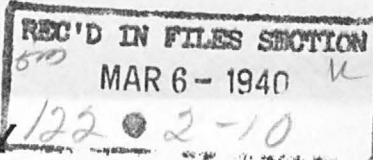
We believe it would be a mistake to make this change, principally from the standpoint of time involved in the handling of transactions which are very satisfactorily taken care of under the present setup.

It is our understanding that you are anxious to know the sentiment of the public on the proposed change in districts; hence our interest in the matter. We feel it would be more advisable that the banks of the Upper Peninsula operate under the jurisdiction of the Ninth Federal Reserve District and should continue as part of that district. The service to the public is accommodating and prompt.

Yours very truly

DWS:BB

Manager



KEWEENAW COPPER COMPANY

101 QUINCY STREET

C. A. WRIGHT
SECRETARY AND TREASURER

HANCOCK, MICHIGAN

April 26, 1935

BANKS,--UPPER MICHIGAN

Dear Mr. Eccles:

Some of our banking friends here thought you might wish to be informed concerning public sentiment in connection with the proposed transfer of Upper Michigan banks from the Ninth Reserve District to the Seventh District.

From what contacts we have with banks of Houghton County, we believe we are giving you true information when we say that all prefer to remain in the Ninth Federal Reserve District. If the proposed transfer were made and items had to be cleared through the Detroit Branch, it would take approximately two days extra time for advices to reach Houghton County banks. That is the main reason why our banks do not like to contemplate a transfer to the Seventh Federal Reserve District.

There is naturally the further reason that they have established helpful contacts, connections, and relationships in the Ninth District which they would be sorry to lose.

Thank you in advance for your consideration of the desires of the banks of Houghton County.

Very truly yours,

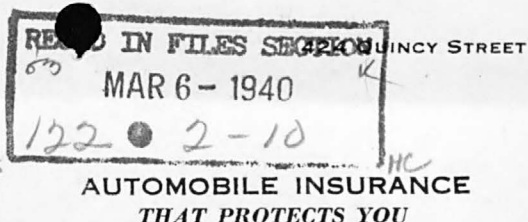
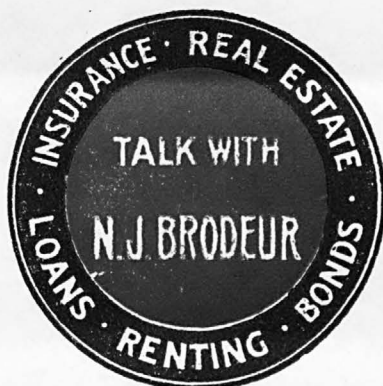
Secretary.

To-
The Hon. M. S. Eccles
Governor of the Federal Reserve Board
Washington, D. C.

CAW/GH

TELEPHONES: OFFICE 56
RES. 1294

INSURANCE THAT ASSURES



HANCOCK, MICH., April 26, 1935

Hon. M. S. Eccles
Governor of Federal Reserve Board
Washington, D. C.

Dear Governor:

Having an interest in one of Hancock's banks, it has been brought to my attention that there is some action being taken, in Washington, relative to transferring the Upper Michigan Banks from the Ninth Federal Reserve District to the Seventh Federal Reserve District, which is the Chicago District. It is contemplated that if a transfer of this nature were made, it would necessitate the Upper Michigan Banks transacting their business with the Federal Reserve Bank of the Chicago-Detroit Branch. It is my understanding that all the banks of the Upper Peninsula, with the exception of St. Ignace and the "Soo", have protested vigorously against any such change. On account of the delay it would cause in the transaction of their business, which would be a difference of two or three days from the present arrangement. With the mail service which is now direct with the Federal Reserve Bank of Minneapolis, items deposited in the Houghton County Banks today would be cleared through the Federal Reserve Bank tomorrow. If transfer were made, items deposited today and forwarded to the Federal Reserve Bank of the Chicago-Detroit Branch, would require two days to be cleared through the Detroit Branch; then, the Federal Reserve Bank in Detroit would send them out for collection and upon receipt of notice of payment, it would take an additional two days for advices to reach the Houghton County Banks. This is the main reason why such vigorous protest has been made against transfer to the Seventh Federal Reserve District.

Several years ago the Chamber of Commerce of Detroit chartered a boat and came to the Upper Peninsula to try and get the Upper Peninsula business men to deal with the wholesalers and manufacturers of that city. It is very true that this trip was a total failure from a business point of view, on account of the enormous delay in receiving and shipping goods. If the Upper Peninsula business men, on account of the loss of time, could not afford to deal with the wholesalers and manufacturers of Detroit, I certainly believe it would be a gross injustice to impose this enormous delay on the banking institutions of the Upper Peninsula as speed is more important to them than most other business firms. It has often been said that on account of the distance and inconvenience of transportation to and from Lower Michigan, that we should be a little Empire of our own or be annexed to Wisconsin. With this information in mind, won't you kindly interest yourself and see what can be done to have the bankers of the Upper Peninsula continue to do business with the Ninth Federal Reserve District, where they have been doing business for the last eighteen years and are so well pleased with the connection. Thanking you for any consideration you may give us in this matter, I wish to remain,

NJB/L

Yours very truly,

N.J. Brodeur

Keweenaw Drive

S. S. Octorara Passing Through Portage Lake

Bond Falls,
Ontonagon County

Portage Lake Golf Course

KE'-WEE-NAW

In Lake Superior

Houghton, Keweenaw, Ontonagon, and Baraga
Counties of the Upper Peninsula of Michigan

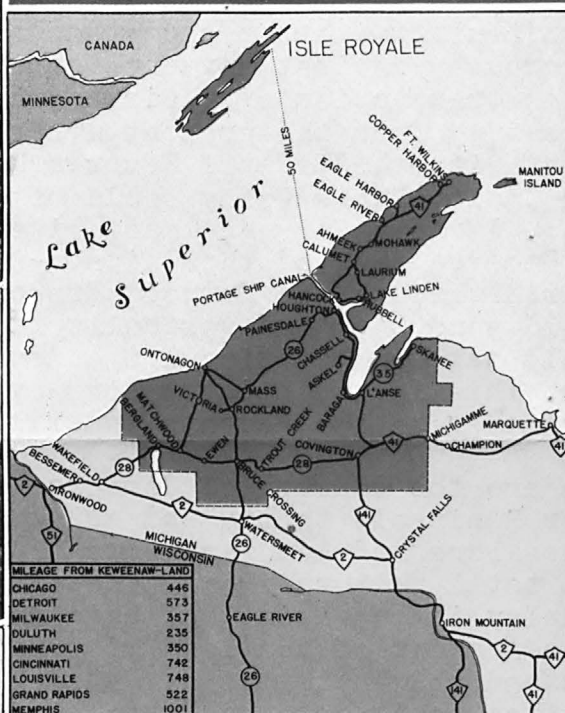
KEWEE-NAW'S past is replete with picturesque romance, legend, and adventure offering its appeal to the historian. Its present teems in flora, fauna, geology, mineralogy and topography of interest to the scientist. Its pollen free air, long summer days and twilights, climate tempered by the world's largest body of fresh water, camping, hunting and fishing facilities, delight the vacationist and invite and stimulate his ambition.

Other sections may have some of these advantages but none have a better balanced combination of all of them.

That a man should prefer his native country above all others, whatever the advantages or disadvantages in the eyes of strangers, is understandable. That a district should be described as incomparable by natives, residents and visitors alike argues a superiority that cannot be gainsaid.

Any further information desired on any point will be gladly supplied if you will command us. See our address on the front of this sheet.

PHOTOS COPYRIGHTED BY BUTLER, REEDER AND ABRAMS

Baraga County
Road SceneVictoria Dam,
Ontonagon CountyGulls on
Shore LeaveEvening Dress Parade,
R.O.T.C., Michigan College
of Mining and TechnologyKeweenaw's Famous
Old Fort WilkinsIsle Royale
Cow MooseLake of the Clouds,
Ontonagon CountyIsle Royale
Bull Moose

JAY R. PEARCE

DISTRIBUTOR

Duluth Universal Flour

DEALER IN

Mill Feeds, Hay and Oats

Hancock, Mich.,

April 25, 1935

Hon. M.S. Eccles, Governor of Federal Reserve Board
Washington, D.C.

Dear Sir:

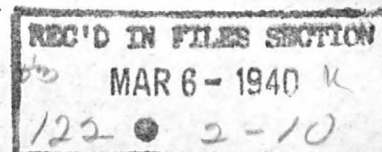
I am writing this letter relative to the proposed transfer of the Upper Michigan Banks from the 9th Federal Reserve District to the 7th District.

The services that have been rendered this community by the Federal Reserve Bank of Minneapolis cannot be improved upon. As I understand this proposal, it would mean that all items would be forwarded to the Federal Reserve Bank of Chicago-Detroit Branch. This would mean an additional delay of two to three days in all of these transactions. Any effort that you might make in the behalf of this district will be appreciated by the people of this district.

Sincerely yours,

Jay R. Pearce
JAY R. PEARCE

MG.HM.



9
FEDERAL RESERVE BOARD FILE

122,2-10

~~722~~ /

APR 15 1935

Mr. J. N. Peyton,
Federal Reserve Agent,
Federal Reserve Bank of Minneapolis,
Minneapolis, Minnesota.

Dear Mr. Peyton:

Referring to your letter of March 14, inclosing
a copy of your confidential communication of the same date
to Governor Eccles in regard to a proposal to transfer the
upper peninsula of Michigan from the Ninth to the Seventh Fed-
eral Reserve District, there are inclosed, for your information,
copies of letters dated April 9, 1935, received from the First
National Bank in Gladstone and The Gladstone State Savings Bank,
both of Gladstone, Michigan, together with copies of the Board's
replies thereto of this date, which are self-explanatory.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,
Secretary.

Inclosures.

LPB-jcb

LPB
CMB

FILE COPY

122.2-10

APR 15 1935

Mr. J. M. Olson, Cashier,
The Gladstone State Savings Bank,
Gladstone, Michigan.

Dear Mr. Olson:

Receipt is acknowledged of your letter of April 9,
1935, in regard to a proposal to have the territory situated in
the upper peninsula of Michigan transferred from the jurisdiction
of the Ninth Federal Reserve District to that of the Seventh Fed-
eral Reserve District.

While the Board understands that there has been some
local agitation to transfer the northern Michigan area from the
Minneapolis to the Chicago District, such a proposal has not yet
been presented to the Board and is therefore not under considera-
tion at this time. However, the Board is glad to have the benefit
of the reaction of your bank, and it will be borne in mind in the
event the matter should subsequently come up for consideration.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,
Secretary.

LPB *mkc*

LPB-jcb

FILE COPY

122,2-10

APR 15 1935

Mr. E. J. Noreus, Cashier,
First National Bank in Gladstone,
Gladstone, Michigan.

Dear Mr. Noreus:

Receipt is acknowledged of your letter of April 9,
1935, in regard to a proposal to have the territory situated in
the upper peninsula of Michigan transferred from the jurisdiction
of the Ninth Federal Reserve District to that of the Seventh Fed-
eral Reserve District.

While the Board understands that there has been some
local agitation to transfer the northern Michigan area from the
Minneapolis to the Chicago District, such a proposal has not yet
been presented to the Board and is therefore not under considera-
tion at this time. However, the Board is glad to have the benefit
of the reaction of your bank, and it will be borne in mind in the
event the matter should subsequently come up for consideration.

Very truly yours,

(Signed) Chester Morrill

Chester Morrill,
Secretary.

And see

APR 16 1935 RCT

LPB-jcb
aw
msc
uw
lyb

FOR APPROVAL

Gov.	<i>Eck</i>
Mr. Hamlin	
Mr. Miller	<i>✓</i>
Mr. James	<i>✓</i>
Mr. Thomas	<i>✓</i>
Mr. Symmes	
Mr.	

If you approve, please
initial and return to
Mr. Carpenter

FILE COPY



NO. 9087

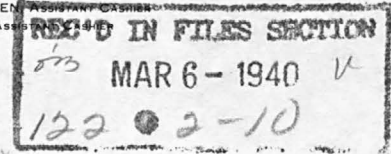
THE SUPERIOR NATIONAL BANK

CHARLES L. LAWTON, President
GORDON R. CAMPBELL, Vice President
JOSEPH RUPPE, Vice President

RICHARD E. ODGERS, Cashier
W. S. HENDRICKSEN, Assistant Cashier
J. M. BORLACE, Assistant Cashier

HANCOCK, MICH.,

April 13, 1935.



Mr. Marriner S. Eccles,
Chairman of the Federal Reserve
Board,
Washington, D. C.

Dear Sir:

Information has come to this bank that there has been some talk of petitioning for a change in the Federal Reserve district for the Upper Peninsula of Michigan banks.

As you probably know, we have been in the Federal Reserve district of Minneapolis since its organization and during that period of time they have given the banks in this district every consideration that seemed in keeping with good business and we see no special benefit in making a change to the Chicago district at this time.

We wish to make it known at this time that it is our desire that the Upper Peninsula of Michigan banks should still remain in the Federal Reserve district of Minneapolis.

Very truly yours,

Richard E. Odgers
Cashier.

REO:DAK

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

WESTERN UNION

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

SIGNS

DL = Day Letter

NM = Night Message

NL = Night Letter

LC = Deferred Cable

NLT = Cable Night Letter

Ship Radiogram

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Received at 708 14th St., N. W. Washington, D. C.

1WU c 24 1 Extra

1935 APR 12 PM 5

MAR 6 - 1940

Menominee Mich 337p Apr 12 1935

Governor M S Eccles

Federal Reserve Board Washington

Associated press carries story of attempt to transfer upper peninsula to seventh district stop Banks of Menominee prefer to remain in ninth district

Howard F Nadeau Secretary Menominee Clearing House Assn

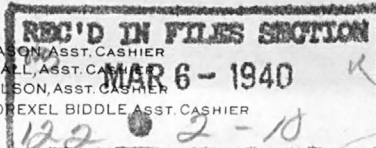
522p

LOUIS G. KAUFMAN, PRESIDENT
EDWARD S. BICE, 1st VICE PRESIDENT
EDWARD J. HUDSON, VICE PRESIDENT
CHARLES L. BRAINERD, CASHIER

NO. 390.



WALTER O. JOHNSON, ASST. CASHIER
DONALD C. McCALL, ASST. CASHIER
HERMAN E. OLSON, ASST. CASHIER
GEORGE DREXEL BIDDLE, ASST. CASHIER



THE FIRST NATIONAL BANK AND TRUST COMPANY OF MARQUETTE

CAPITAL AND SURPLUS \$300,000.

MARQUETTE, MICH. Apr-12-1935

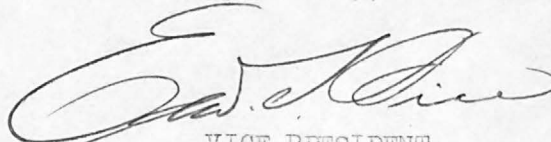
Hon. Marriner S. Eccles, Governor,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Eccles:-

We understand there have been negotiations by a few banks in Northern Michigan to have the banks in this part of our state assigned to the Seventh Federal Reserve Bank.

Just a line to say that we are thoroughly satisfied with being in the Ninth District and believe it is most advantageous to the member banks in this section as well as the Federal Reserve Bank, and trust no change will be made.

Respectfully,


VICE PRESIDENT



Office Correspondence

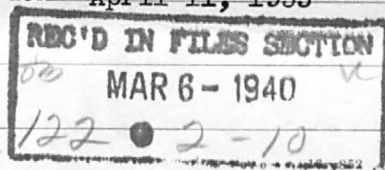
FEDERAL RESERVE
BOARD

Date April 11, 1935

To Mr. Szymczak

Subject:

From Governor Eccles



I am handing you herewith telegrams which I have received in connection with the matter about which Senator Brown wrote me, relative to the transferring of the upper peninsula of Michigan from the Ninth District to the Seventh District.

A handwritten signature in cursive script, appearing to read "M. S. Szymczak", written over a horizontal line.

RECEIVED BY PRIVATE
WIRE FROM
POSTAL TELEGRAPH
⌚
STANDARD TIME INDICATED
IN THIS MESSAGE

Postal Telegraph

THE INTERNATIONAL SYSTEM

Commercial
Cables



All America
Cables

Mackay

Radio

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DL	DAY LETTER
NL	NIGHT LETTER
NM	NIGHT MESSAGE
LCO	DEFERRED CABLE
NLT	NIGHT CABLE LETTER
WLT	WEEK END CABLE LETTER

Form 16 P. W.

2pos 10

Houghton Mich Apl 11

Hon M S Eccles

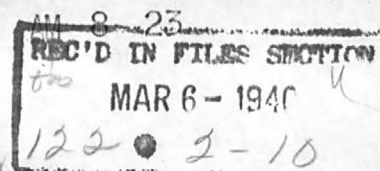
Washington

prefer remaining as member bank in ninth federal reserve district

Houghton National Bank

824AM Apl 12.

1935 APR 12



THE
GLADSTONE STATE SAVINGS BANK



RECEIVED
FEDERAL RESERVE BOARD
WASHINGTON

GLADSTONE, MICHIGAN
4-9-35

122,2-10

1935 APR 11 AM 11 27

Federal Reserve Board
Washington, D. C.

Gentlemen:

✓
Carded

The newspapers today carried an article advising that our representative, Honorable Prentiss M. Brown, was endeavoring to have the Upper Peninsula become a part of the Chicago Federal Reserve District instead of the Minneapolis Federal Reserve District.

The officers of our bank do not consider this a wise move at this particular time and I have personally contacted several of the banks in our territory and find that they are of the same mind. We have had, since the moratorium, a closer contact with the personnel of the Minneapolis Federal Reserve Bank than ever before. Our license to reopen after the moratorium, the deposit insurance, and, in practically all cases, the preferred stock deals with the Reconstruction Finance Corporation have all been arranged by the Federal Reserve Bank at Minneapolis, and until the bulk of this preferred stock has been retired it would seem best to continue on dealing with the Federal Reserve Bank at Minneapolis and the Reconstruction Finance Corporation office in the same city.

It is true that the normal trend of business in our territory is toward Chicago. It would, however, be very inconvenient for the banks here and those West of us in the Peninsula to deal with the Detroit branch and it would not be any more convenient to deal with Chicago than direct with the Minneapolis bank, and considering, as said before, the close contact the banks now have with the personnel at Minneapolis it does not seem like a wise move to make a change now. We understand that the Minneapolis Federal Reserve District is one of the smallest and it would seem that from that angle it would also be advisable to keep the Upper Peninsula as a part of the Minneapolis Federal Reserve District and not add to the Chicago District, which is already much larger.

The officers of our bank wish to put themselves on record as being very much opposed to any change at this time.

Very truly yours,

See ans. 4/15/35

J. M. Olson
J. M. Olson
Cashier

JMO:GM

CLASS OF SERVICE

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WESTERN UNION

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

SIGNS

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Ship Radiogram

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Received at 708 14th St., N. W. Washington, D. C.

4 WW MO 15 Via F

Lake Linden Michigan 224pm April 10 1935

HONORABLE M S ECCLES, GOVERNOR,
FEDERAL RESERVE BOARD.

This bank with others in this district oppose transferring from Ninth
to Seventh Reserve District.

FIRST NATIONAL BANK OF LAKE LINDEN.

343PM.

MAR 6 - 1940

MINUTES IN TRANSIT	
FULL-RATE	DAY LETTER

A. F. MAITLAND, VICE PRESIDENT
G. SHERMAN COLLINS, CASHIER

JOS. H. WINTER, PRESIDENT

JOHN J. BELDO, ASST. CASHIER
M. G. DEGABRIELE, ASST. CASHIER

NO. 3717

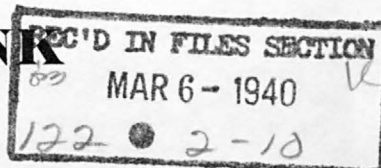
THE FIRST NATIONAL BANK

ESTABLISHED 1887

CAPITAL & SURPLUS \$ 200,000??

NEGAUNEE, MICHIGAN

Apr. 10, 1935.



Hon. Marriner S. Eccles, Governor,
Federal Reserve Bank,
Washington, D. C.

Dear Sir:

We have just sent you a telegram as per the copy attached in relation to the matter of transferring the banks of the Upper Peninsula of Michigan from the Ninth Federal Reserve District to the Seventh Federal Reserve District. There is not much we can add to this telegram except to say that we thoroughly believe the Federal Reserve Bank of Minneapolis has carefully guarded and conserved the interests of its member banks in the past and that we believe its familiarity with the territory acquired over the many years which has elapsed since the Federal Reserve System was established makes it particularly inadvisable to make any change.

Very truly yours,

GSC/HD

G. Sherman Collins,
Cashier.

X

paid

Negaunee, Mich., April 10, 1935

Hon. Marriner S. Eccles, Governor
Federal Reserve Bank
Washington, D. C.

When Federal Reserve system was inaugurated Upper Peninsula was allocated to Ninth District stop banks generally when felt territory properly tributary to Seventh District stop however this arrangement has been entirely satisfactory and our opinion is agricultural mining and lumbering industries this district more nearly comparable to interests territory served by Ninth Reserve than if the Upper Peninsula were added Seventh District stop we understand movement started transfer Upper Peninsula to Seventh District and we hereby record ourselves unfavorable and express opinion such will be disapproved by large majority member banks in these fifteen counties

First National Bank

Day letter--paid
chg a/c-First Natl. Bank
95 words

COPY

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WESTERN UNION

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

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HC Ship Radiogram

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Received at 708 14th St., N. W. Washington, D. C.

lw m 95 DL xc

1935 APR 10 AM 11 08

Negaunee Mich 916a apl 10

Hon Marriner S Eccles

Washn

When federal Reserve system was inaugurated upper peninsula was allocated to ninth district stop Banks generally then felt territory properly tributary to seventh district stop However this arrangement has been entirely satisfactory and our opinion is agricultural mining and lumbering industries this district more nearly comparable to interests territory served by ninth reserve than if the upper peninsula were added seventh district stop we understand movement started transfer upper peninsula to seventh district and we hereby

MINUTES IN TRANSIT

FULL-RATE	DAY LETTER
-----------	------------

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE

CLASS OF SERVICE

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WESTERN UNION

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

SIGNS

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MINUTES IN TRANSIT

FULL-RATE	DAY LETTER
-----------	------------

record ourselves unfavorable and express opinion
such will be disapproved by large majority member banks in
these fifteen counties.

First National Bank

1105a

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

WESTERN UNION

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

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Received at 708 14th St., N. W. Washington, D. C.

1935 APR 10 PM 1 37

2wus 26

Hancock Mich 109PM April 10

Marriner S Eccles

Washington DC

Have information it is proposed to transfer upper peninsula of Michigan to seventh district Federal Reserve system stop We much prefer to remain in ninth district

National Metals Bank

137PM

MINUTES IN TRANSIT	
FULL-RATE	DAY LETTER



CONFIRMATION OF TELEGRAM FROM

The National Metals Bank of Hancock

9 Paid

HANCOCK, MICHIGAN

April 10

35-

Merriner S. Eccles

Chairman Federal Reserve Board

Washington D.C.

Have information it is proposed to
transfer Upper Peninsula of Michigan to
Seventh District Federal Reserve System.
We much prefer to remain in Ninth
District.

National Metals Bank of Hancock

D. H. SCHAFER, PRESIDENT
H. R. HARRIS, VICE-PRES.



E. L. PEARCE, EXEC. VICE-PRES.
E. A. BROWN, CASHIER

UNION NATIONAL BANK

WITH FULL TRUST POWERS

CAPITAL AND SURPLUS \$300,000

MARQUETTE, MICHIGAN

REC'D IN FILES SECTION

MAR 6 - 1940

122 • 2-10

April 10, 1935

Hon. Marriner Eccles, Governor,
Federal Reserve Board,
Washington, D.C.

Dear Governor Eccles:

Our local paper had a Washington press notice yesterday to the effect that Representative Brown was taking steps to bring the Upper Peninsula of Michigan into the Seventh Federal Reserve District and that he had, in fact, already had this matter up with you.

We sent a telegram to Representative Brown today as per enclosed. As indicated therein, while we are not in Representative Brown's District, we have looked upon his services at Washington with great favor and know personally of the splendid constructive legislation which he is fostering. We are very proud also of the fact that he has won the confidence, not only of his colleagues, but of the administration leaders because of his sound judgment and excellent personal characteristics. Naturally, we are reluctant to oppose his views in this matter.

While possibly the Upper Peninsula might logically have been included in the Seventh Federal Reserve District when the boundary lines were originally established, I believe a majority of the bankers of the Upper Peninsula today are content to remain as now placed. We recognize that St. Ignace, Mich., and possible Sault Ste. Marie have mail conditions relating to Minneapolis which are not as favorable as they would be to Chicago, yet I cannot see why the rest of the bankers of the Upper Peninsula should be redistricted because of the situation affecting the extreme eastern portion. We believe that the banks in the Upper Peninsula, particularly west of Luce and Schoolcraft Counties, have mail service with Minneapolis which is comparable to that we would get if transferred to Chicago.

We have come to know the entire personnel of the Federal Reserve Bank of Minneapolis and it takes years to establish these intimate contacts which are so helpful in the daily activities. We feel that the staff of the Ninth Federal Reserve District are familiar with the conditions in the Upper Peninsula of Michigan and that this has been gained through many years of association. The Chairman of the Federal Reserve Bank, Minneapolis, J.N. Peyton, only two months ago came to the Upper Peninsula and had personal contact with the bankers of this district and is

SCHAFFER, PRESIDENT
HARRIS, VICE-PRES.



E. L. PEARCE, EXEC. VICE-PRES.
E. A. BROWN, CASHIER

UNION NATIONAL BANK

WITH FULL TRUST POWERS

CAPITAL AND SURPLUS \$300,000

MARQUETTE, MICHIGAN

Hon. M.E. # 2

planning to meet with us again this year. We hold Mr. Peyton and Governor Gary in high esteem.

We had an intimation of this move a little over a month ago and, after considering the matter carefully, the Marquette-Alger County Bankers Federation went on record as opposed to any change at this time.

We trust, therefore, that you will give the matter careful consideration before making any change.

Very truly yours,

Vice President

Postal Telegraph

(THE MACKAY SYSTEM)

ALL AMERICA
CABLES



COMMERCIAL
CABLES

CLASS OF SERVICE DESIRED

DOMESTIC		CABLE	
TELEGRAM		FULL RATE	
DAY LETTER		DEFERRED	
NIGHT MESSAGE		NIGHT CABLE LETTER	
NIGHT LETTER		WEEK-END CABLE LETTER	

Patrons should check class of service desired, otherwise message will be transmitted as a full-rate communication

RECEIVER'S NUMBER

CHECK

TIME FILED

STANDARD TIME

Form 2

Send the following Message, subject to the terms on back hereof, which are hereby agreed to

Marquette, Mich., April 10, 1935

Hon. Prentiss Brown,
House of Representatives,
Washington, D.C.

From press reports understand you plan to promote change of boundary lines in Ninth Federal Reserve District. I have been very enthusiastic about your activities since you went to Washington but frankly feel that in this matter you have not correctly interpreted the desires of the bankers in the Upper Peninsula particularly West of Luce and Schoolcraft Counties Stop Marquette Alger County Bankers Federation a month ago went on record as opposed to any change.

E.L.Pearce, Vice Pres.
Union National Bank

Charge acct- day letter rate



FIRST NATIONAL BANK IN GLADSTONE

CAPITAL \$ 50,000.00

GLADSTONE, MICHIGAN

April 9, 1935

DIRECTORS:
ELOF HANSON
JAMES T. JONES
J. P. CAMERON
F. A. MILLER
L. W. HANSON

RECEIVED
FEDERAL RESERVE BOARD
WASHINGTON

Federal Reserve Board
Washington, D. C.

1935 APR 11 AM 11 28

Gentlemen:

It has recently come to the attention of the bankers of Delta County, that there is to be proposed to your Board the question of transferring the Upper Peninsula from the Ninth to the Seventh Federal Reserve District.

This bank is opposed to the proposed change as are all of the other banks of the County, our reason being that we have identified with the Minneapolis bank since its inception, and have some personal contacts with the officers and with the R. F. C.

Our train service is all that could be desired between the two points and we prefer to be left as we are. From all I have learned, the matter has not been brought before the other banks of the Peninsula to any extent. Those with whom I have come in contact, although rather few in number, prefer being left as they are. From the very east portion of the Peninsula and the southern end, it might be of some advantage. On the other hand, if the banks were to be under the Detroit branch, it would be to a distinct disadvantage to everybody except to the few in the eastern portion of the Peninsula.

We will appreciate your good consideration in the matter if and when the matter is presented.

Very truly yours,

E. J. Noreus
Cashier

EJN RS

See ans. 4/15/35

Office Correspondence

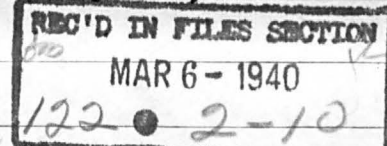
FEDERAL RESERVE
BOARD

Date April 9, 1935

To Governor Eccles

Subject:

From Mr. Szymczak.



I called Congressman Brown with reference to the situation that has arisen in the northern peninsula of the Ninth Federal Reserve District.

He stated that as soon as he obtained additional information he would call me.

I am now awaiting his call.

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	FULL RATE
DAY LETTER	DEFERRED
NIGHT MESSAGE	NIGHT LETTER
NIGHT LETTER	WEEK END LETTER

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

REC'D IN FILES SECTION

MAR 6 - 1940

122 • 2 - 10

COPY OF WESTERN UNION TELEGRAM

April 9th, 1935.

Hon. Prentiss Brown,
House of Representatives,
Washington, D. C.

The banks of Dickinson County have gone on record as opposing the inclusion of Upper Peninsula Banks in the Seventh instead of the Ninth Federal Reserve District. No advantage would be gained and we do not want our present pleasant relations disturbed.

W. W. Thompson, Cashier
The Commercial Bank of Iron Mountain

Office Correspondence

FEDERAL RESERVE
BOARDTo Mr. Szymczak

Subject: _____

From Mr. Eccles

Date March 29, 1935

REC'D IN FILES SECTION
MAR 6 - 1940
122 • 2-10

16-852

In accordance with telephone conversation which I just had with you, I am handing you herewith the file I have regarding the suggestion that the northern peninsula of Michigan be transferred from the Ninth Federal Reserve District to the Seventh Federal Reserve District. This file includes a letter from Mr. Peyton, copy of my reply thereto, and letter received from Representative Prentiss M. Brown.

3/27/35
[Signature]

~~*[Signature]*~~

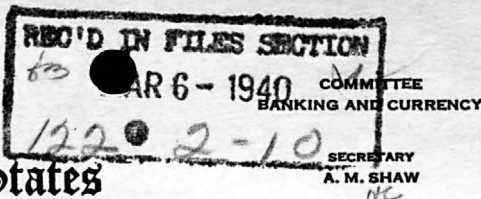
*File with
rest of
subject*

3/22/35

PRENTISS M. BROWN
11TH DISTRICT MICHIGAN

HOME ADDRESS
ST. IGNACE, MICHIGAN

Congress of the United States
House of Representatives
Washington, D. C.



March 27th, 1935.

Mr. Marriner S. Eccles, Governor,
Federal Reserve Board,
Washington, D.C.

Dear Governor Eccles:

For many years the northern peninsula of Michigan has been protesting its inclusion in the Ninth Federal Reserve District rather than the Seventh.

I write this letter for the purpose of bringing the subject before your Board so that we might have a hearing on the matter. The State of Michigan does the great bulk of its business in the cities of Chicago and Detroit, both in the Seventh Federal Reserve District. Rail transportation, mail connections and the general course of business have intimate connections with Chicago and Detroit and very little with Minneapolis. For example, from the Bank in my town, which is a member of the Federal Reserve, a letter mailed at the close of the business day on Monday, reaches Minneapolis on the best possible connections, mid-day on Wednesday. Assuming a reply is made on Thursday, it would leave Minneapolis that night and reach St. Ignace the following Saturday morning, consuming all of the business week. The same connections with either Chicago or Detroit by mail is as follows: A letter leaving Monday night would reach Detroit early Tuesday morning, - Chicago Tuesday noon. Assuming a reply is made on Wednesday, the letter would reach northern Michigan early Thursday. As far as the Detroit connection is concerned, there would be ample time for a reply on Tuesday, which would reach northern Michigan Wednesday morning. In Chicago this would be possible, but not probable. Express service necessary for the transportation of currency is subject to the same situation.

In the matter of business, the east end of the northern peninsula of Michigan does practically all of its business with Grand Rapids and Detroit; the west end does practically all of its business with Chicago. The mining

Mr. Marriner S. Eccles, Governor 2.

business, which is the principal business in the west end, forestry and agriculture in the east end, both tend to move southward and eastward. The shipments and funds received are from the south and east. Practically none of this business goes west.

Would like an opportunity to have the interested parties present the matter to the Federal Reserve Board at some opportune time before the close of the present session of Congress. As you know, Sec. 2 of the Act provides "that the districts shall be apportioned with due regard to the convenience and customary course of business." Certainly, the statute was not following in placing northern Michigan in the Ninth instead of the Seventh District. The statute further provides "The districts thus created may be readjusted - - - by the Federal Reserve Board".

I suppose applications have heretofore been made, and if the Board has any rules and regulations regarding procedure, I would be glad to receive them.

With kindest personal regards, I am

Yours truly,

B:G

Prentiss M. Brown

FEDERAL RESERVE BOARD FILE
122-2-10
~~122-1-1~~

March 22, 1935.

Mr. J. N. Peyton,
Chairman of the Board,
Federal Reserve Bank of Minneapolis,
Minneapolis, Minnesota.

Dear Mr. Peyton:

I acknowledge receipt of your letter of March 14th regarding efforts being made by Representative Prentiss Brown to transfer the Northern Michigan district from the Ninth Federal Reserve District to the Seventh Federal Reserve District.

I know Mr. Brown quite well and have seen him almost every day while I have been appearing before the Banking and Currency Committee of the House, of which he is a member. However, he has never mentioned to me the matter you refer to in your letter. I can assure you that should the matter come up through Mr. Brown or through any other source the Board will get in touch with you before any action is taken, if they feel the matter deserves serious consideration.

Sincerely yours,

(Signed) Marriner S. Eccles

M. S. Eccles,
Governor.

MSE:VE:sh

REC'D IN FILES SECTION
MAR 6 - 1940
122 • 2-10

March 22, 1935.

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Chairman of the Board,
Federal Reserve Bank of Minneapolis,
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Sincerely yours,

M. S. Eccles,
Governor.

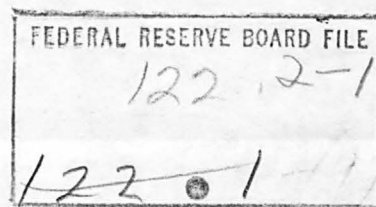
MSE:VE:sb

see memo 3/29/35

FEDERAL RESERVE BANK
OF MINNEAPOLIS

OFFICE OF
CHAIRMAN OF THE BOARD.
FEDERAL RESERVE AGENT.

March 14th, 1935.



Mr. Chester Morrill, Secretary,
Federal Reserve Board,
Washington, D. C.

Carded

Dear Mr. Morrill,

Confidentially, I enclose a copy of a letter which I today wrote to Governor Eccles, which explains itself. It seems to me advisable that you should be informed on this matter, as it may come to your attention through some other channel.

With my best personal regards,

J. N. Clayton

CHAIRMAN OF THE BOARD

JNP:B
ENCL.

see letter 4/15/35

See Ans 3/22/35

see memo 5/4/37

FEDERAL RESERVE BANK
OF MINNEAPOLIS

COPY

March 14th, 1935.

122, 2-10

Hon. Marriner S. Eccles, Governor,
Federal Reserve Board,
Washington, D. C.

Dear Governor Eccles,

From confidential sources I am informed that Representative Prentiss M. Brown, whose home is at St. Ignace, Michigan, is making an attempt to agitate the bankers of the Northern Peninsula of Michigan to make an effort to transfer the northern Michigan district from the Ninth Federal Reserve District to the Seventh Federal Reserve District.

These bankers have held a meeting in at least one case and have gone on record as opposed to any change in the boundary of the Ninth Federal Reserve District so far as it affects their territory.

I quote from Representative Brown's letter:

"I have talked a little with some of those in authority and am quite well acquainted with the present Governor of the Federal Reserve Board and if it is desired I would be glad to put the problem up to him informally and then before the Board formally."

Mr. Brown is President of the First National Bank of St. Ignace, which was reopened after reorganization on October 7th, 1933. The bank has deposits of approximately \$400,000.00.

Every banking town in that territory in Michigan lying within the Ninth Federal Reserve District has rail connections with Minneapolis which bring its mail to Minneapolis the morning after it is posted, with the exception of St. Ignace. Mr. Brown's bank at St. Ignace has a just complaint. The train schedules are so arranged that St. Ignace must get its mail to the train by 9:05 one morning to reach Minneapolis the next morning. In fairness to Mr. Brown, I feel he has a just complaint and that St. Ignace should be attached to the Chicago District, if it were possible to do so and if the First National Bank of St. Ignace would be satisfied to belong to the Chicago District while all the other banks in the Northern Peninsula of Michigan remained in the Ninth Federal Reserve District.

I believe I am personally acquainted with every banker in the Northern Peninsula of Michigan within the Ninth Federal Reserve District, and I do not know another banker in that territory who would leave the Ninth Federal Reserve District if he could, with the

COPY

FEDERAL RESERVE BANK
OF MINNEAPOLIS

Hon. M. S. Eccles,

(2)

March 14, 1935.

possibility there may be certain individuals disgruntled because of the necessity for reorganization after the bank holiday.

I bring this matter to your attention so you may be fully informed of the situation should Representative Brown approach you in the matter, and I ask that I be given a hearing should the Board be inclined to give serious consideration to his contention.

Very truly yours,

CHAIRMAN OF THE BOARD

JNP:B

7/11/78
MR. ECCLES' OFFICE TO

Mr. Hamlin

Mr. James

Mr. Miller

Mr. Szymczak

Mr. Thomas

~~Mr. Bethea~~ ✓

~~Mr. Carpenter~~ ✓ }

Mr. Clayton

Mr. Copeland

Dr. Currie

Mr. Edmiston

Mrs. Fitzgerald

Mr. Foulk

Dr. Goldenweiser

Mr. Kellogg

Mr. Kilgore

Miss Lally

~~Mr. Morrill~~ ✓

Mr. Noell

Mr. Paulger

Mr. Parry

Miss Rackstraw

Mr. Smead — OKP

Mr. Walters

Mr. Wyatt

Mr. Vest

Now on

FEDERAL RESERVE BANK
OF MINNEAPOLIS

OFFICE OF
CHAIRMAN OF THE BOARD.
FEDERAL RESERVE AGENT.

March 14th, 1935.

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Washington, D. C.

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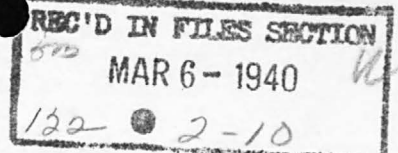
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Hon. M. S. Eccles,

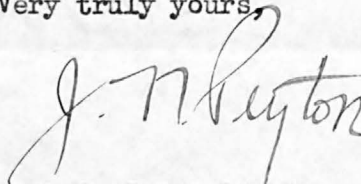
(2)

March 14, 1935.

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Very truly yours,

A handwritten signature in cursive script, appearing to read "J. N. Peyton".

CHAIRMAN OF THE BOARD

JNP:B

