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PCX.

*Holmes*

122.5-9

October 16, 1916.

Mr. Rexford L. Holmes,  
Room 322 Southern Building,  
Washington, D. C.

Dear Sir:-

This will acknowledge the receipt of  
your letter of October 14th enclosing three copies  
of material to be substituted in the record of  
proceedings held before the Federal Reserve Board  
on August 8 and 9, 1916, in connection with the  
petition of certain Wisconsin bankers to be trans-  
ferred from District No. 9 to District No. 7.

Very truly yours,

Assistant Secretary.

REXFORD L. HOLMES

SHORTHAND REPORTER  
CONVENTION REPORTING A SPECIALTY  
ROOM 322 SOUTHERN BUILDING  
WASHINGTON, D. C.

123.5-9

October 14, 1916.

The Honorable  
The Federal Reserve Board,  
Treasury Department,  
Washington, D. C.

Gentlemen:

I inclose herewith three copies of material forwarded to this office by Mr. J. W. Dunegan, of Stevens Point, Wisconsin, a member of the petitioning delegation in the matter of application of banks in eastern Wisconsin to be detached from Federal Reserve District Number Nine and annexed to Federal Reserve District Number Seven, which he desires substituted in place of his testimony now appearing in the record of proceedings held before the Federal Reserve Board August 8-9, 1916.

Very truly yours,

REXFORD L. HOLMES.

Per *CEL*.

Inc. *GC*



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FEDERAL RESERVE BOARD

Washington

122-5-9  
October 5, 1916.

Memorandum for Mr. Hamlin:

I have the honor to present below certain statistical data in connection with the recommended transfer of 52 National banks from the 9th to the 7th District.

The transfer from the 9th to the 7th District of the 52 National banks will result in a decrease of the paid-in capital of the Minneapolis Federal Reserve Bank by \$229,350, while the member bank deposits of the Federal Reserve Bank will decrease by \$1,300,709.

These computations are based upon data contained in reports of the banks in question to the Comptroller under date of June 30, 1916.

The total paid-in capital of the Minneapolis Federal Reserve Bank on June 30, 1916, as reported to the Federal Reserve Board, was \$2,574,650. The decrease resulting from the transfer of the 52 National banks amounts thus to less than 9% of the bank's total paid-in capital.

The aggregate member bank deposits of the Minneapolis Federal Reserve bank on June 30, 1916, as reported to the Federal Reserve Board, were \$19,378,659. The decrease in member bank deposits as the result of the recommended transfer will thus

amount to less than 7% of the total member bank deposits of the Federal Reserve Bank of Minneapolis.

Net amounts due to the 52 National banks on June 30, 1916, from approved Reserve Agents show the following distribution:

Due net from Approved Reserve Agents in -		Per Cent
Milwaukee.....	\$2,999,036.13	50.3
Chicago.....	1,994,521.56	33.5
Minneapolis.....	250,454.34	4.2
In other cities (mainly New York and St. Paul)...	<u>714,251.82</u>	<u>12.0</u>
Total.....	\$5,958,263.85	100.0

Respectfully submitted,

Statistician.

To the Federal Reserve Board:

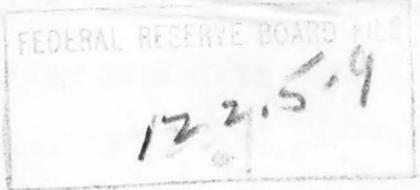
October 5, 1916.

WISCONSIN PETITION

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REPORT OF COMMITTEE

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The Organization Committee rendered its decision assigning part of Wisconsin to the Minneapolis District and part to the Chicago District on April 2, 1914.

Many banks in Wisconsin assigned to the Minneapolis District protested.

Beginning in October, 1914, and up to the time of the hearing, petitions of protest against the decision of the Organization Committee were circulated, and these were signed in the form of printed slips and sent to the Federal Reserve Board.

The formal petition to the Board, with the said slips, was filed early in March, 1915, and a hearing was ordered for May 20, 1915.

Between March 15th and May 20th a number of letters favoring the transfer, signed by bankers and Congressmen, were filed.

At the hearing, May 20, 1915, briefs and arguments were submitted to the Board.

On May 4, 1915, the Board, after deciding a number of pending redistricting petitions, stated that action on other pending petitions will be deferred until further experience in the operation of the several districts, especially in the light of the new clearing system about to go into effect, and of the extent to which State Banks take membership in the System, shall have provided the Board with the

necessary data for a conclusion. (See Bulletin, June 15, 1915).

At this time the only pending redistricting petitions were those filed by Wisconsin and Connecticut Banks.

So far as your Committee is aware no mention of this decision of the Board was made in the Record of this case, although it greatly broadened the scope of this and all other future inquiries on the matter of redistricting.

At the hearing, counsel for the petitioning banks referred to the appeal regulations issued by the Board on August 28, 1914, in which the Board announced that it would not take testimony in pending appeals but would limit the parties to the record before the Organization Committee.

The counsel, basing his argument upon this ruling of the Board, contended that there was not a scrap of evidence introduced before the Organization Committee favoring the inclusion of any part of Wisconsin in the Minneapolis District; that on the contrary, the evidence was practically unanimous in favor of its inclusion in the Chicago District; that the Minneapolis bankers conceded Wisconsin to Chicago in a written statement; that in a summary of the proposed capital and surplus for the Minneapolis Bank, no reference whatsoever was made to Wisconsin banks; that positively the only evidence relating to Wisconsin banks was a map which included part of Wisconsin but which was withdrawn and the Secretary of the Treasury so notified, and the further fact that St. Paul bankers did at one time make some pretensions to part of Wisconsin but expressly upon the assumption that

the Organization Committee should decide to have only eight Federal Reserve Banks.

Based on these facts, which apparently were not put in issue by the Federal Reserve Bank, counsel for the petitioners claimed that the Board was bound as a matter of law, upon this record, to reverse the decision of the Organization Committee, it being against the evidence and the weight of the evidence.

On the other hand, counsel for the Reserve Bank argued that the Reserve Board was not bound by the record as would be an appellate court by the record of the lower court; that the decision of this Board was not judicial but administrative; that the Board was entitled to use its own judgment and expert knowledge, and could take the testimony before the Organization Committee for what it was worth, supplemented by its own inquiries.

As a matter of fact, the petitioners, although taking this very technical position in argument and in their brief, did not confine themselves to the record before the Organization Committee but put in evidence actual conditions, tables, figures, etc., based on actual experience of the operation of the system, as did also the respondents, the Federal Reserve Bank.

Briefly stated, the brief and oral argument of the petitioning banks brought out that Milwaukee is the business and financial center of Wisconsin; that Wisconsin is limited in a banking and business sense to the State and part of Michigan, being bounded on the East and North by the Great Lakes, on the West by the Twin Cities, and on the South by

Chicago; that the trend of business in the petitioning territory is almost entirely North and South between said territory and Milwaukee and Chicago; that this was shown by these banks in 1914 in asking admission, which was given by the Secretary of the Treasury, to the Milwaukee Currency Association for the issue of the so-called Aldrich-Vreeland currency; that little or no exchange is created with Minneapolis, it almost all originating with Chicago or Milwaukee; that Milwaukee and Chicago from time immemorial have been distributing centers for this petitioning territory; that the trend of the railroads was generally North and South between this territory and Milwaukee and Chicago; that railroad, telephone and telegraph rates were higher to Minneapolis than to Chicago and that the railroad journey to Minneapolis was much longer from many points and more circuitous than to Milwaukee and Chicago; that an inquiry had been made of all of the 244 banks, State and National, in the petitioning territory asking as to the course of general business in their communities, and that 234 replies had been received, of which 200 said the general trend of business was to and from Chicago, 34 said Minneapolis and 10 failed to reply; that including this Wisconsin territory in the Minneapolis District prevented the banks of Wisconsin which were in the Chicago District from loaning on farm mortgages in the part of Wisconsin in the Minneapolis District, although this District was rapidly being settled and there was a great demand for farm loans there, and but little demand in the part of Wisconsin in the Chicago District; that the necessity of keeping their reserve deposits in the Minneapolis

Federal Reserve Bank rather than in Chicago Federal Reserve Bank will necessitate keeping even larger accounts with the banks of Milwaukee and Chicago, thus reducing their loaning power and crippling their industries; that the suggestion that their difficulties may be removed by the operation of the clearing system is not helpful as the simpler way would be to remove these difficulties by transfer of the territory; that even in the western part of the petitioning territory from 90 to 91% of all transactions were with Chicago and Milwaukee, which percentage is even greater in the eastern part; that the reserves should be kept where the business is; that under the present division State banks will not join the Federal Reserve System as under it their reserves would be separated from the natural channels of trade.

The respondent, the Federal Reserve Bank, in its brief and argument claimed that the Reserve Board had lawful authority to rest its decision on its own expert judgment and was not bound, as in a judicial proceeding, by the record before the Organization Committee; that the Organization Committee was not so bound nor was it even bound to take any evidence; that it was merely authorized to take evidence if it saw fit to do so; that it had power, as did also the Reserve Board, to district without taking any evidence; that experience under the Act and not the record before the Organization Committee was the real test; that neither the Organization Committee nor the Board had power under the Act to so district as to leave Northern Michigan cut off from the remainder of the District; that the regulations of the Board required

the signatures of two-thirds of the banks involved; that this required the signature of two-thirds of all the banks in the District, including those not in the petitioning territory and that the 53 banks signing the petition were less than the necessary two-thirds; that the petition filed in March, 1915, contained only three signatures; that the slips attached to the petition were not, as matter of law, signatures; that the words "due regard" in Section 2 of the Act did not mean sole regard; that they meant only proper regard; that in many other parts of the United States the decision of the Organization Committee did and must necessarily interfere, more or less, with existing channels of business; that other reasons for its decision appear in the report of the Organization Committee, e.g. the necessity for providing the minimum capitalization of four millions of dollars, the mercantile conditions of the districts, fair distribution of available capital among the respective districts, geographical situation, railroad, mail, telephone and telegraphic facilities, population, business activities, and future prospects of growth, etc; that the Minneapolis Bank is the smallest, except one, of the Reserve Banks that the transfer of the petitioning territory would leave to the Minneapolis Reserve Bank a margin over the four million minimum requirement of only a little over \$300,000; that if the peninsula of Northern Michigan also were transferred the margin would only be about \$134,000; that the Minneapolis Reserve Bank would be crippled by such a reduction in its capital and the consequent reduction in its reserve deposits.

The Federal Reserve Bank did not put in issue the fact that the natural and actual movement of business in the territory was to and from Milwaukee and Chicago; it admitted that the railroad passenger facilities were better to Milwaukee and Chicago, but claimed business with Reserve Banks does not require personal attendance; it stated it had no reliable data as to telephone and telegraph rates but that probably there was not much difference; it pointed out that the center of the petitioning territory was 50 miles nearer Minneapolis than Chicago so that probably railroad transportation was not cheaper to Chicago; it claimed that with four exceptions, letters from points in the territory in question, mailed in the afternoon would be delivered in Minneapolis the next morning; that of the total rediscounts with the Minneapolis Reserve Bank, amounting to \$341,206, the banks in this territory had taken \$277,256; that the proposed transfer would prevent these banks loaning on farm mortgages in Minnesota, North and South Dakota and Montana; that some of the eight banks refusing to sign the petition had given this as their reason; that one of these banks, -the Commercial National of Fon du Lac, - stated that it opposed the transfer because it could secure very much higher rates on farm loans in Northern Wisconsin, Minnesota, North and South Dakota and Montana than it could in the Chicago District; that the North Dakota Bankers Association in its Bulletin of March 30, 1915, stated that the transfer would prevent these Wisconsin banks from loaning on farm mortgages in the above mentioned States and urged the banks of North Dakota to take an active part in a

campaign against the transfer.

The Minneapolis Reserve Bank also claimed that the petitions were not filed within a reasonable time after the decision of the Organization Committee and should, therefore, be dismissed.

In the reply brief and arguments the petitioners claimed that the power of review vested in the Federal Reserve Board is a continuing power; that the petitioners filed their petition within a reasonable time; that the Regulations of the Board required the signatures of only two-thirds of the banks in the petitioning territory; that they were willing to accept a broad and liberal construction of the rule of the Board limiting testimony to the record before the Organization Committee; that the Board can take into consideration matters of common knowledge or facts within the knowledge of its members; that the testimony before the Organization Committee is not necessarily controlling.

The petitioners also averred that the Federal Reserve Bank had practically admitted all the essential allegations and facts offered by them as to the trend of business, railroad, telephone and telegraph facilities; that the statement of the respondent as to mail deliveries in and from Minneapolis was not true as such mail in nearly all of the petitioning territory is not delivered until the afternoon of the following day, and banks are unable to care for it on that day.

The respondent Reserve Bank, through its counsel, also put in evidence a number of letters from banks in the petitioning territory some of which had signed the original petition, indicating satisfac-

tion with the operation of the Minneapolis Federal Reserve Bank, and in some cases evincing a change of mind as to the proposed transfer.

These letters were from the following banks:

1. First National, Berlin, Green Lake County.
2. First National, Black River Falls, Jackson County.
3. First National, Brillion, Calumet County.
4. First National, Clintonville, Waupaca County.
5. National Bank of De Pere, Brown County.
6. McCortney National, Green Bay, Brown County.
7. First National, Marshfield, Wood County.
8. First National, New London, Waupaca County.
9. Oshkosh City National, Winnebago County.
10. Commercial National, Oshkosh, Winnebago County.
11. Shawano Ger. American National, Shawano County.
12. Alma First National, Buffalo County.
13. First National Bank in Ripon, Fond du Lac County.
14. Commercial National " " " "

Of these banks, Nos. 5, 6, 7, and probably most of the others signed the original petition.

It is significant, however, to note that in the poll taken by the Board some six or seven months later, out of the 14 banks above mentioned, all but five voted in favor of the proposed transfer, these five being those numbered 1, 9, 12, 13 and 14 above.

One bank, - the Commercial National of Fond du Lac, - gave as its chief reason for opposing the transfer the fact that it could get very much higher rates from farm mortgage loans in Minnesota, North and South Dakota and Montana than it could in the Chicago District.

The Reserve Bank also claimed that Michigan receives the bulk of its checks from banks in Wisconsin now in the Minneapolis District and that the proposed transfer would cut off Michigan from the benefits of the clearing system.

No action was taken by the Board upon this petition until November, 1915, when the matter was discussed. No attempt was made to discuss the evidence, the question raised being primarily concerned with whether to take up the matter at that time for final determination or whether to postpone it.

Some of the members expressed the opinion, informally, that the expressed desire of such a large majority of the banks of the territory involved would warrant the granting of the petition, although some doubt was expressed as to whether the reduction of capital involved and the withdrawal of reserves would not impair the Minneapolis Reserve Bank in its ability to care for its district.

Finally, especially in view of the letters introduced by the Reserve Bank showing a change of mind as to the merits of the transfer by some of the banks which had signed the original petition of the slips attached thereto, it was voted to take a poll of all of the banks in the territory asked to be transferred, and a poll was accordingly ordered.

It will be remembered that at this time the question was still an open one whether the Reserve Bank had authority under the Act to reduce, by redistricting, the capital of a Reserve Bank below the four million minimum imposed as a condition of commencing business. The opinion of the Attorney General in the affirmative was not rendered until April 15, 1916.

The result of this poll, as originally rendered, was Aye, 45; No, 10; Not voting, 6.

The capital and surplus of the banks voting Aye was 6.4 millions; of those voting No, 1.2 millions; and of those not voting, \$746,000/

In the second hearing, held August 8, 1916, some changes were recorded in the attitude of the banks. It is probably substantially accurate to state that at the time of said second hearing the banks in favor of the transfer were 53 and those opposed, 8.

On January 7, 1916, Federal Reserve Agent Rich wrote to the Board or to a Member, that he was surprised at the action of the Board in ordering the poll; that he did not know the Board desired to reopen the question and that if any territory were taken from the Minneapolis Bank, other territory should be added in compensation.

On May 15, 1916, the Committee having charge of the matter, consisting of Messrs. Delno, Warburg and Miller, made a report. In this report it was pointed out that to grant the whole petition would result in cutting off 23 banks in the upper peninsula of Michigan from the remainder of the Minneapolis District; that most of the petitioning banks were in the 16 counties nearest Milwaukee; that the poll showed that the banks in these 16 counties voted Aye, 29 (76%); No. 7 (18%) Not voting, 2 (6%); that the capital and surplus of the banks voting Aye was 4.3 millions; of those voting No, about \$900,000; and of those not voting, about \$400,000; that it was remarkable that some of the banks nearest to the Chicago District voted to remain in the Minneapolis District; that the principal reason for the change was that these banks had their chief business relations with Milwaukee and Chicago

banks and wished to continue to do business through Milwaukee and Chicago as a gateway and not through Minneapolis.

The Committee report also stated that there was no considerable preponderance of evidence of inconvenience under existing circumstances nor is it apparent that there is any very strong feeling on the subject either one way or the other; that it did not seem desirable to transfer even the 16 counties nearest Chicago for fear that it might weaken the Minneapolis Bank.

The Committee concluded its report with the recommendation that no change be made at the present time, but that the petitioning banks be informed that if at the end of the current year they wish to renew the petition in an amended form, the Board will be glad to take it up; it also expressed the belief that the development of the new clearing system may change somewhat the views of the member banks in the District.

After a brief discussion it was felt that it might be well to adopt the report of the Committee in the hope that the operation of the new clearing system would make the banks more contented with their present location and less disposed to a transfer to the Chicago District.

The merits of the contentions of the petitioners as to the trend of business in the territory and as to the propriety of ultimately granting the petition, were ~~is~~ not considered by the board, these questions being left for future determination in case they should file an amended petition at some future time.

On May 24, 1916, a formal Order of the Board was issued, setting forth that the Board found no present necessity for any change and th

the petition was dismissed without prejudice to the rights of the signers to file an amended petition at a later date.

On the same date a letter was sent out to all parties interested, enclosing a copy of said Order.

On June 26th, the Board received a letter from a Committee of Milwaukee bankers in which the injurious effect of the new clearing system,- which was to be started in June and later postponed to July 15th,- upon their relations with their country correspondents in Wisconsin and Michigan.

This letter either preceded or followed a visit to Washington of this Committee and a conference with the Committee of the Board on clearings and, later, with other members of the Board.

This letter, among other statements, declared that since the decision of the Board on May 24, 1916, the Twin City banks had made every effort to secure the deposit accounts maintained with the Milwaukee banks by banks in Wisconsin and Michigan in the Minneapolis District; that the Federal Reserve Bank had sent out notices in which State Banks were invited to join the clearing system, in which notices it was announced that settlement could only be made by drafts upon member banks in the Twin Cities; that the very next day member banks of Minneapolis sent out letters of solicitation referring to this notice; that there are 34 individual banks and 5 branch banks (of 3 State banks) in Milwaukee; that their total deposits are 121 millions, of which 25 millions is due to country banks chiefly in Wisconsin and Northern Michigan; that the banking territory of Milwaukee was limited to Wisconsin and Northern Michigan by

the fact that on two sides it was bounded by the Great Lakes and on the other sides by the Twin Cities and Chicago respectively; that all parties believe that the Organization Committee would place this territory in the Chicago District where it logically belonged; that the Twin City member banks were working hand in hand with the Minneapolis Reserve Bank to deprive Milwaukee and Chicago of business logically and properly belonging to the latter; that Wisconsin State banks would join the Federal Reserve System if they could remit in drafts upon their Milwaukee correspondents.

The letter finally asked that to further the check clearing system the question of redistricting be opened or that the Minneapolis Reserve Bank be instructed to accept Milwaukee exchange from both National and State banks in their district.

About the same time, Congressman Stafford, of Wisconsin, called upon a member or members of the Board, urgently advocating a reopening of the whole matter of redistricting.

From about July 1st to July 20th the members constituting your Committee, later appointed to hear the evidence at the hearing on August 8th, considered carefully whether some modification of the clearing regulations could not be devised which would prevent the suggested injury from the loss of these accounts. Among others, the suggestion was made that the banks could remit to the Minneapolis Reserve Bank by drafts on Milwaukee sent to the Chicago Reserve Bank to the credit of the Minneapolis Reserve Bank, on the assumption that the Milwaukee banks could have their checks parred at the Chicago Reserve Bank by

making there the necessary excess deposits. It was found, however, that the Chicago bank had refused to allow this, and further consideration led your Committee to the conclusion that such an arrangement would cause delay, additional labor, and confusion and would very likely lead to the creation of artificial exchange which would hamper and injure the new clearing system.

Shortly after this, Mr. Wing, President of the Batavian National Bank of La Crosse County, wrote to one of the present Committee strongly urging that the proposed transfer be allowed by the Board. Then followed also conferences with representatives in Congress or in the Senate strongly urging this. Conferences were also held with Governor Wold on the same subject, and on July 21st Governor Wold wrote a member of this Committee stating conferences he had had with the Committee of Milwaukee bankers on the subject beginning July 3rd. In this letter, among other things, he stated that the Milwaukee bankers felt that reopening of the redistricting question would enable them to hold substantial country balances they are now threatened with losing, and that he had written them raising the question as to remitting in Chicago exchange, the Minneapolis Reserve Bank thus carrying the float one day, instead of two days as would be the case if Milwaukee exchange were accepted. This letter finally concluded by expressing the opinion that, if any change were made, all of Wisconsin should be transferred to the Minneapolis district; that it would be better to transfer the 19 Wisconsin counties and 45 member banks - excluding Milwaukee - now in the Chicago District to the Minneapolis District than to transfer to the

Chicago District the 33 Wisconsin counties and 83 member banks now in the Minneapolis district; that 62 out of 83 member banks and 123 out of the 146 State banks in the territory sought to be transferred now have Milwaukee accounts; that 32 out of the 45 member banks and 103 out of the 130 State banks of Wisconsin, excluding Milwaukee, now in the Chicago District have accounts in Milwaukee; that if all this territory were transferred to the Minneapolis District it would be based on State lines; that in such an event Milwaukee could be made a clearing agency and perhaps in the future a branch bank; that such a transfer would group the Wisconsin banks about their chief center. (Italics ours).

On the afternoon of July 25th, the matter was taken up by the Board, and on the morning of July 26th, a motion to reopen the petition and transfer certain Wisconsin territory, leaving enough to connect Michigan with the balance of the Minneapolis territory, was lost by a tie vote.

This vote was not on the merits of the case, those voting No resting their vote upon the fact that as the original petition was dismissed there was now no pending petition and that a new petition must be filed before action by the Board.

In the afternoon of the same day, the question was considered again and the conclusion was reached that the Board had power to reopen the original petition and that, in fact, it had power under the Act to redistrict on its own motion without any petition filed.

It was then voted unanimously to reopen the petition and to

order a new hearing, which was finally fixed for August 8th, all banks being notified and the Michigan banks being permitted to intervene.

On August 8th, the hearing was held and your committee was duly appointed to hear the evidence and report to the Board.

The Comptroller of the Currency, duly appointed a member of the Committee, attended the hearings, but decided not to join in the Committee deliberations or in its report because of the fact that he had been a member of the Organization Committee.

Your Committee suggests that each member of the Board read carefully the evidence taken at said hearing, as only a general resume can be given in this report.

There were present at the hearing, Senators La Follette and Husting and Congressmen Stafford, Reilly, Browne, Konop and Lenroot (the latter by letter), representing the petitioning banks and the bankers of Milwaukee; Mr. Lombard, representing the petitioning banks and also the Milwaukee Clearing House Association; the officers of seven National banks in Milwaukee; Mr. Bissell, representing all the National banks in four counties of the Peninsula of Upper Michigan, and officers of six banks in Wisconsin.

The Federal Reserve Bank of Minneapolis was represented by its Governor and by its counsel, Judge Ueland.

A resolution, passed unanimously by the Wisconsin Bankers Association, was presented in favor of the proposed transfer and it was stated that many members of the Association were prevented from being

present inasmuch as the Bankers Convention was still in session, but that they would be represented by those in attendance above enumerated.

Mr. Lombard stated that members of the Board had expressed regret that the Milwaukee bankers did not appear at the former hearing in 1915, and that Mr. Lindsay was present to speak in behalf of the Milwaukee banking interests.

There were in all nine or ten bankers, representing banks in different parts of Wisconsin, who testified in favor of granting the petition for transfer, and in addition four Congressmen representing districts in Wisconsin appeared in favor and the two Senators from the State.

It was represented that 53 out of 61 banks in the territory in question were in favor of the transfer; that the banks in four counties of Michigan were acting independently and were unanimous in favor of being transferred to the Chicago District; that the petitioners were willing that Ashland and Iron Counties, embraced in the original petition, be retained in the Minneapolis District in order to avoid shutting off Michigan from the balance of the Minneapolis District; that in compensation, La Crosse, Trempealeau and possibly Buffalo Counties be transferred to the Chicago District; that the Milwaukee National banks held over 4.5 millions due to country banks in Wisconsin and Michigan now in the Minneapolis district and the State banks of Milwaukee held 5 millions, making a total of over 9-1/2 millions; that Wisconsin and Michigan banks originate very little exchange in

the Twin Cities; that the trend of business is to and from Milwaukee and Chicago and that the Chicago Reserve Bank will handle a large volume of checks drawn on Wisconsin and Michigan banks now in the Minneapolis District on two days deferred credit which must be sent to Minneapolis for collection, consuming surely four and perhaps five days; that if the territory is transferred to Chicago, returns could be made in two days, - the exact time of deferred credit; that the expense of carrying this float on Northern Wisconsin and Michigan checks is a large item and will steadily increase; that the normal business relations of this territory lie with Milwaukee and Chicago; that this is proven by the fact that 292 of the 363 banks in this territory carry Milwaukee accounts as against only 71 in the Twin Cities; that of the 204 banking towns in this territory 202 carry their accounts in Milwaukee or Chicago as against 46 in the Twin Cities; that the items sent for collection to the Minneapolis Reserve Bank, as reports from the banks in the territory show, almost all originate from territory which made collection through the Minneapolis Reserve Bank in a roundabout way; that one bank, the Old National of Oshkosh analyzed its account at a particular period and found that out of 120 items received from the Minneapolis Reserve Bank, 115 originated out of the Minneapolis District, coming to Minneapolis from Chicago and St. Louis; that this routing caused a delay of two days; that only five out of 120 items were indorsed directly to the Minneapolis Reserve Bank by Northern Wisconsin banks; that railroad connections are more direct to Milwaukee and Chicago and much quicker; that mail facilities are better to Milwaukee and Chicago than to Minneapolis; that reserves

should be deposited where the natural course of business flows; that disregard of trade currents will set back banking progress; that the petition was not a Milwaukee movement but the feeling of a large majority of the banks in the territory in question; that in the long run banking business will go where the reserves are; that the banks, or some of them, opposing the transfer do so because they get higher rates on farm loans in Minnesota, North and South Dakota and Montana than they could get in the Chicago District; that the Organization Committee was undoubtedly influenced in its decision by the necessity for providing a minimum capital of four millions for the Minneapolis Reserve Bank; that since then the Attorney General of the United States had advised the Board that in redistricting the four million minimum need not be considered; that in any event, the capital remaining, even if the Michigan territory were transferred, would be in excess of four millions.

The Federal Reserve Bank, by its counsel, in argument, claimed that a new petition should have been filed; that the claims in the present proceeding are somewhat different as to territory from the first petition; that Michigan banks can not intervene if the former decision of the Board is a judicial decision; that the proposed transfer would impair the earning power of the Minneapolis Bank; that it was unwise to increase the assets of the Chicago Reserve Bank; that the purpose of the Act was to decentralize banking reserves; that no serious inconvenience has been shown up to the present time; that the matter should be delayed until the clearing system is more fully developed;

that the Minneapolis Reserve Bank is now well balanced, consisting of loaning and borrowing districts; that parties not in the petitioning territory had no right to be heard by the Board; that the only parties interested are the banks in the petitioning territory; that the public is not interested; that the petition should be dismissed.

Governor Wold also spoke in behalf of the Minneapolis Reserve Bank, stating, among other things, that the bankers protest was based on the rule of the Federal Reserve Bank requiring 'Twin City exchange in settlement; that the rule had been changed so that now settlement can be made in Milwaukee or Chicago exchange and that this was all Milwaukee had contended for; that it does not necessarily follow that because their reserves are in Minneapolis the Wisconsin banks will open accounts there with Twin City banks; that the Wisconsin banks are now sending items direct to Chicago Reserve Bank; that there is no difference whether these items are sent to the Minneapolis Reserve Bank or to Chicago; if sent to Chicago it gets there next day and goes out; Chicago takes it on two days deferred credit; if sent direct to Minneapolis Reserve Bank it would be taken on same basis of two days deferred credit; that it is not true that there would be a days difference in favor of Chicago, as Chicago does not send out items received after certain time in the day.

In answer to a question of Governor Harding, Governor Wold said his bank was now taking checks on Milwaukee and Chicago at par for immediate credit, absorbing the float.

Governor Harding then asked whether this was an economical arrangement looked at from the point of view of the whole system, and whether it would not be better to transfer these banks to Chicago where they naturally belong.

Governor Wold replied that it made no difference, that if the volume of such checks is large, instructions can be given Chicago to remit to credit of Minneapolis in Chicago. Governor Wold also said that one year ago, one-third of his rediscounts were from Wisconsin banks, but that today there were none owing to the concerted effort of the Milwaukee banks which offered rates as low as those of the Minneapolis Reserve Bank. He farther denied that there was any loss of time in sending Wisconsin checks to Minneapolis, as banking is done on an overnight proposition.

In reply to a question from a member of the Board, Governor Wold said the circular accepting Milwaukee and Chicago exchange at par was dated July 26th and that he was not sure whether the Board was advised of this circular, that it should have received it.

Mr. Lombard asked whether July 26th was not the date on which Governor Wold received the telegram from the Board reopening the petition and Governor Wold replied that the telegram was received July 27th. (Page 86 of Record).

In this connection it is interesting to note that later Governor Wold admitted to Governor Harding that this circular was antedated.

Governor Wold also stated that he had written some of the banks, - which said they had larger deposits in Milwaukee than in Chicago and

that it would be more convenient to check on Milwaukee than on Chicago, - sending the new circular.

As a matter of fact your Committee would point out that this circular was never sent to the Board, until Governor Wold produced it at the hearing.

At this point a member of the petitioning delegation said that it was necessary to keep larger reserves with the Minneapolis Reserve Bank to maintain their balance intact, but this was denied by Governor Wold.

Governor Wold added that if Milwaukee has money not belonging to her, taken out of normal channels, paying therefor high rates of interest, thus getting business belonging to some other territory she will lose it as the Federal Reserve Act will put it where it belongs; that he did not mean to imply that Milwaukee by giving high interests rates was getting money to which it was not entitled; that there will be a readjustment under the Federal Reserve Act and it is intended to do so; that it would be absurd to trade Ashland and Iron Counties for Buffalo, Trempealeau and La Crosse Counties, as every bank in these counties opposes the transfer.

In this connection your Committee would point out that in the record, page 125, there is a telegram from Mr. Wing, of the Batavian National Bank of La Crosse, as follows:-

La Crosse, Wisconsin,  
July 17, 1916.

The bankers in La Crosse County, all but one in Trempealeau, and majority in Buffalo, want to go into Seventh District. Mr. Dickinson will agree to whatever is for best interests of La Crosse bankers. Am wiring Mr. Harding as above. Letter follows.

E. M. Wing.

Your Committee deems it wise, at this point, to give some special consideration to the technical claims in the brief filed by Federal Reserve Agent Rich subsequent to the hearing of August 8, 1916. These claims, in substance, made in this brief are as follows:-

(1) That the Federal Courts have power, - under U.S. Revised Statutes Section 716 and Section 263 of the Judiciary Act, - to Review upon certiorari the redistricting decisions of the Federal Reserve Board.

(2) That the Board, therefore, must act in a judicial manner, although the brief admits that the Board is an Administrative Board.

(3) That the Board is bound by its rules of procedure promulgated August 21, 1914, both as hearings and rehearings.

(4) That the Michigan bankers can intervene only in support of or in opposition to the original petition and cannot, therefore, raise the question of the proposed transfer of any part of the peninsula of Michigan.

These claims may well be considered together. They practically amount to a claim that the Federal Reserve Board is a Court of Record, bound to consider and weigh evidence presented, according to the usual rules of evidence in courts of law, and subject to the technical rules of pleading. Only in this way could a record be made upon which the record could be reviewed by a higher court.

Such a claim loses sight of the fact that the Federal Reserve

ard consists of experts and that any decision rendered may be the result as much of personal knowledge of the Board as upon any evidence which might be taken; while the Board is given quasi judicial powers it can find all the facts upon which its decisions rest unhampered by any technical rules of legal pleading or evidence.

This was clearly so as to the Organization Committee, which was empowered to summon witnesses but was not obliged to do so; on the other hand the Federal Reserve Board is given no express power under the Act to summon witnesses at all.

It would seem reasonably clear that either the Organization Committee or the Federal Reserve Board, respectively, could have originally districted or later redistricted without giving any hearing whatsoever to any parties, and, having this power, it can give hearings and decide questions upon the merits, without being bound by any legal technicalities, such as are raised in the respondents brief.

It is interesting to note here the somewhat startling change of attitude on the part of the respondent bank. At the first hearing in May, 1915, the petitioning banks raised the technical question that the Reserve Board was compelled to decide the question upon the record before the Organization Committee and that, as there was not a scrap of evidence in that record favoring the inclusion of this territory in the Minneapolis District, the Board, it claimed, as matter of law, was bound to overrule the decision of the Organization Committee and to transfer this territory to the Chicago District in accordance with the uncontradicted testimony. (Record, p.8,12,13.)

The Minneapolis Reserve Bank, however, vigorously controverted this argument. For example:

(1) Counsel in argument claimed that under Section 2 of the Act the Board is to be governed by experience and not by a review of the decision of the Organization Committee. (Record, p. 2)

(2) That while a court can only ascertain facts from evidence and can not act on its own knowledge, or obtain information in its own way, the Organization Committee, under the Act, can do this and is directed by the Act to do it. (Record, P. 4)

(3) That the Organization Committee is merely empowered, and not directed to take testimony. (Record, p.4)

(4) That the Organization Committee had power to district without taking any testimony. (Record, p. 4)

(5) That the determination of boundaries rested in the good judgment of the Organization Committee. (Record, p. 4)

(6) That the Federal Reserve Board can rely upon its own judgment and is not bound by testimony taken by the Organization Committee. (Record, p. 5)

It would seem clear to your Committee that the Board has ample power to render justice on the merits of the case free from the necessity, - admittedly incumbent upon a court of record, - to give regard to legal technicalities and niceties of legal pleading.

It would also seem clear that the Minneapolis Reserve Bank had ample notice of every claim advanced by any of the petitioners. If there were any doubt upon this point, a reading of Governor Wold's letter of July 21st to the Board, - showing that he was in conference with the petitioning

parties, including the Wisconsin bankers from July 3rd to August 8th, the date of the final hearing, - will remove any doubt as to this.

(7) That no one was entitled to be heard upon the question of transfer except the banks in the territory involved.

As to this, it would seem sufficient to state that the public, including all bankers in any way affected, is as much interested in the decision as the banks in the territory.

The Federal Reserve Board is bound to consider questions presented from the broad aspect of the whole Federal Reserve system, and in fact, in every case, the Board has ordered notice given to the Federal Reserve Bank to which the proposed territory is asked to be transferred as well as to the Reserve Bank in which the territory is situated.

Furthermore, if there were anydoubt, the letter of Governor Wold of July 21, 1916, above referred to, suggesting that all of Wisconsin be transferred to the Minneapolis District, in case any change is ordered by the Board, would clearly give the Milwaukee bankers the right to intervene and be heard.

Furthermore, it will be remembered that the counsel for the Reserve Bank argued that the Member banks of the territory involved knew best what was for the interest of the District and that he could not see that the public had any interest in the matter, whereupon the Comptroller of the Currency reminded him that 53 out of the 61 banks in the territory involved had voted for and strongly urged that the transfer be made.

(Record, pages 73, 74)

(8) That the proceedings before the Board were inconsistent with

Methods employed by judicial or quasi judicial inquiries, - mentioning particularly inquiries before the Interstate Commerce Commission, - in that, among other things, Congressmen and Senators were permitted to testify at the hearing; that to sanction such a practice would be pernicious and will establish a precedent so that delegations from Congress may at any time importune the Board for acquisition of territory in utter disregard of the Board's rules and regulations; that if such is to become the method of the Board the Federal Reserve System will suffer a set-back hard to retrieve; that the aspect given to the advocacy employed (meaning the appearance of said Senators and Congressmen) makes the decision of the Board a matter of National concern.

This is the first time the right of Senators and Congressmen to appear before the Federal Reserve Board in matters of general public interest, involving the trend of commerce and of trade, has been put in issue.

Your Committee assumes that the Minneapolis Reserve Bank does not intend to charge that partisan political influence prompted these representatives of the people of Wisconsin to appear before the Board. The political composition of the delegation which appeared, - four Republicans and three Democrats, - would clearly in advance negative any such charge.

Furthermore, these gentlemen confined themselves to testimony as to the general course of business in the territory involved and their testimony was unanimous that this course was North and South, from and to Milwaukee and Chicago, and not East and West from and to Minneapolis.

When further it is considered that the two Senators represented the whole State and that the five Congressmen represented a population of over one million of people, in 35 counties, every county in the territory involved in which the banks voted, except two, and that these two were unanimous in favor of the transfer, it will be manifest that their evidence should be entitled to great weight as to the usual course of business.

The references of the Reserve Bank to procedure before the Interstate Commerce Commission may also require passing mention. Inquiry of the Commission shows that while it has instituted Rules of Procedure, yet its intent is to secure substantial justice without adherence to fixed rules either of procedure or of evidence. As a fact, Section 17 of the Interstate Commerce Act specifically authorizes the Commission to conduct its proceedings in "such manner as will best conduce to the proper dispatch of business and to the ends of justice."

Upon application for rehearing, Section 16-A of the Statute specifically provides that the Commission shall not only consider its original order but as well all facts arising since the former hearing.

Furthermore, while Section 16-A provides that the proceedings at the rehearing shall conform as nearly as may be to the proceedings in an original hearing, specific power is vested in the Commission to direct otherwise if it so desires.

To deny that the Interstate Commerce Commission would have power to reopen a case, under circumstances similar to those now under consideration before the Board, would be to deny to the Commission power

to conduct its proceedings in such manner as will best conduce to the "dispatch of business and to the ends of justice."

Your Committee is satisfied that the Federal Reserve Board has ample power to reopen this petition and to permit new parties to intervene and that to require a new petition to be filed, - involving time, labor and expense, when the parties have already properly raised the principal question in the original petition, and when all parties have had ample notice not only as to the original petition, but as to all new claims arising out of new conditions such as the clearing regulations, - would be to obscure justice in technicalities, which no Commission nor Board would wish to do.

Furthermore, as this Board has power to redistrict of its own motion without any hearing or notice, it clearly follows that it has power to reopen and broaden the scope of the present petition upon due notice to all parties.

As to the objection of the Minneapolis Reserve Bank that Senators and Congressmen were allowed to appear and testify, with the intimation that such procedure was contrary to the precedents of the Interstate Commerce Commission, and other quasi-judicial bodies, it is only necessary to state that inquiry of the said Commission discloses that, so far as the practice of the Commission is concerned, a Senator or a Congressman can appear at any hearing and discuss the merits of a case from any point of view, whether the case involves a matter of general public interest or a purely private matter, and that Members of Congress have in fact so appeared and discussed the merits of cases, al-

though such appearance was very infrequent. It was further stated that the appearance of a Member of Congress rested entirely with the Member of Congress and not with the Commission.

In this connection, it is hardly necessary to point out that Senators and Congressmen have from time to time appeared before the Board, notably in the redistricting cases of Oklahoma and Connecticut, without objection, at least from any of the parties interested.

#### CONCLUSION AND RECOMMENDATION

Your Committee has endeavored to give an abstract of the testimony presented in the case so as to show fairly the contentions of the respective parties.

On the evidence presented, your Committee finds as follows:

(1) The testimony before the Organization Committee and also that taken before the Board at its two hearings, is practically substantially uncontradicted that the normal, customary course of business in the territory involved is South and North to and from Milwaukee and Chicago.

(2) That Milwaukee is the financial and business center of Wisconsin and the chief distributing point of this territory.

(3) That if no question of capital for the Reserve Bank of Minneapolis had been involved, the mandate of the law, Section 2 of the Act, would, in the opinion of your Committee, have required the Organization Committee to place at least the greater part of the territory involved in the petition, including Milwaukee, in the Chicago District.

(4) That the Organization Committee was justified in placing this territory in the Minneapolis District in view of the necessity for

securing a minimum capitalization of four millions of dollars for the Minneapolis Reserve Bank.

(5) That this necessity, before mentioned, no longer exists, in view of the opinion of the Attorney General rendered April 15, 1916, and that the question is to be considered by the Board on its merits, unhampered by any such limitation, and in accordance with the requirement of Section 2 of the Act that "The districts shall be apportioned with due regard to the convenience and customary course of business."

(6) That from time immemorial, the business of this territory has covered upon Milwaukee and Chicago; that this is borne out by the fact that 200 out of 234 replies from the 244 banks, National and State, in this territory, stated that the trend of business was towards Milwaukee and Chicago; that the bulk of the exchange created originates in business transactions between said territory and Milwaukee, and that the railroad, mail and telegraph facilities are, on the whole, more favorable to Milwaukee and Chicago than to Minneapolis.

(7) That a large majority of the National banks in the territory in question, - approximately 53 out of 61, are in favor of and urge the transfer and that their attitude seems to be consistent with interest of the public in this territory.

(8) That while the Federal Reserve Bank of Minneapolis is willing and able to care for the interests of the member banks in this territory, the necessity for depositing capital and reserves in Minneapolis takes these deposits away from the usual and ordinary course of trade and will probably necessitate accounts to be established with the banks

of the Twin Cities, if for no other reason, to maintain reserve balances and care for demands caused by circuititious routing of checks rather than by legitimate business demands, to the injury of the commercial and business interests of the State.

(9) That while the threatened injury caused by the clearance regulation accepting only Twin City exchange in settlement has been temporarily averted by the new regulation, - published without the knowledge or consent of the Board, - accepting Chicago and Milwaukee exchange at par for immediate credit, your Committee entertain grave doubts as to the expediency of such a course, involving as it does the absorption of such an amount of float by the Minneapolis Reserve Bank as may total, in the aggregate, a very considerable sum, and we greatly fear that such action will be found impracticable and that it will ultimately have to be rescinded.

(10) That the exchange business of the banks in this territory consists largely of checks drawn on Milwaukee and Chicago; this would seem clearly to be demonstrated by the evidence to the effect that out of 363 banks in the territory in question, 292 carry accounts in Milwaukee or Chicago, as against only 71 in the Twin Cities, while out of 304 banking towns in the territory, 202 carry accounts in Milwaukee of Chicago as against only 46 in the Twin Cities (Kasten, Record p.14,15); also by the testimony of Mr. Lindsay that Milwaukee banks, National and State, held county balances due to banks in Wisconsin and Northern Michigan of over 9-1/2 millions of dollars. (Record p.10,11); also by

the letter of Governor Wold, above referred to, dated July 21, 1916, showing, among other things, that in the territory sought to be transferred, out of 229 banks, National and State, 185 have Milwaukee accounts, and that of the total 404 banks, National and State, in Wisconsin, excluding those in Northwest Wisconsin and Milwaukee, 320 have Milwaukee accounts; also by the fact that in the Directory for July, 1916, the banks in Wisconsin reported among their principal correspondents 669 banks in Chicago, 573 banks in Milwaukee and 105 banks only in the Twin Cities, those reporting the latter being, as to the greater number, located in the Northwestern part of the State, not affected by the proposed transfer; also by the fact that our statistical division reports, under date of August 2, 1916, that the National banks in Northwestern Wisconsin had only \$780,000 deposited in the Milwaukee and Chicago National banks, while the National banks in the territory proposed for transfer had 5.4 millions so deposited; also by the fact, as shown in petitioners brief, page 87, that letters received from National banks in forty cities in the petitioning district, representing 19 counties scattered over the territory, showed that during the first six months of 1916 they received approximately 780,000 items on Chicago and Milwaukee as against 19,000 on Minneapolis, or 34 to 1; while the amount of the items on Chicago and Milwaukee was 93 millions as against 2.8 millions on Minneapolis, or 33 to 1.

(11) That the transfer of said territory will still leave the capital of the Minneapolis Federal Reserve Bank in excess of four millions of dollars, and we believe that this amount, with the corresponding

reserve deposits, will be ample to enable the Bank to care for all the needs of its district.

(12) That the transfer of the proposed territory, or a substantial part thereof, may tend to remove, in part at least, the objections of the State banks towards entering the Federal Reserve System.

(13) On the question raised as to the transfer of four counties in the Peninsula of Michigan, while the testimony seems to show that business tends towards Milwaukee and Chicago rather than towards Minneapolis, yet your Committee feels that a more careful and thorough investigation must be made, especially in view of the fact that a majority of the banks in the Peninsula were not represented at the hearing, and that nothing but the clearest necessity, after most careful inquiry, would warrant the splitting up of this territory; it should further be noted that while the 31 National banks in this territory have only negligible deposits in the Twin Cities (\$167,000), and large deposits in Chicago and Milwaukee (\$1,864,000), they have even larger deposits, - (\$2,276,000), - in Cleveland, Detroit, New York and Boston. This would seem to indicate that the territory, on the question of redistricting, should be treated as a whole, and in the absence of testimony, showing such a difference in the business of the banks in the four counties petitioning from that of the banks in the remaining part of the territory as would warrant splitting up the territory, we cannot recommend the proposed transfer. Your Committee, therefore, recommends that no action be taken as to these four Michigan counties.

(14) Your Committee realizes that in these cases of redistricting

it is impossible to draw a sharp and distinct line and that all that can be hoped for is a decision which, on the whole, will work substantial justice in accordance with the letter and the spirit of the Act. With this end in view we recommend that the territory included in the counties of Monroe, Jackson, Clark, Marathon, Langlade, Oconto, and Marinette, and all other counties now in the Minneapolis District east and south thereof be transferred from the Minneapolis to the Chicago District.

There is annexed hereto memoranda of our Statistical Division giving information as to the questions involved, and a computation showing the effect on the Minneapolis Bank of the transfer recommended; also an informal opinion of counsel against the claim of the Minneapolis Federal Reserve Bank that redistricting decisions of the Federal Reserve Board are subject to review by the courts upon certiorari proceedings.

Respectfully submitted,

.....  
.....  
.....  
Committee.

122.5-9

808

*Holmes*

FEDERAL RESERVE BOARD.  
WASHINGTON.

September 26, 1916.

To be circulated and returned to office of Secretary.

Letter from Rexford L. Holmes, dated Sept. 25th, asking that the word "Delta" be changed to "Ashland" in the brief on the Wisconsin Petition. Page 8, line 17 last line, and Page 57, line 17.

CHAIRMAN	<i>Changed</i> GOVERNOR	<i>We have no</i> VICE GOVERNOR SEP 28 <i>copy</i>
<i>copy</i> COMPTROLLER <i>10/2/16</i>	<i>We have no</i> MR. DELANO <i>copy of brief</i>	<i>We have no</i> MR. HAMLIN <i>copy,</i>
<i>changed</i> MR. MILLER <i>10/3/16</i>	SECRETARY	COUNSEL <i>[Signature]</i>

PCM.

25021  
122.5-9

September 26, 1916.

Mr. Rexford L. Holmes,  
#322 Southern Building,  
Washington, D. C.

Dear Sir:-

Your letter of September 25th, asking  
that the word "Delta" be changed to "Ashland" where  
it occurs on page 8 in the brief filed in connec-  
tion with the Wisconsin Petition, is received and  
the change will be made.

Very truly yours,

Assistant Secretary.

*Changed in File Copy - Sept 27-1916*

**REXFORD L. HOLMES**  
**ATTORNEY AND COUNSELLOR AT LAW**  
ROOM 322 SOUTHERN BUILDING  
WASHINGTON, D. C.

1225-9

September 25, 1916.

The Honorable,  
The Federal Reserve Board,  
Washington, D. C.

Gentlemen:

Will you have the kindness to change the word "Delta" to "Ashland" where it occurs in the last line on page 8 and in line 17 on page 57 in the brief recently filed by me "In the Matter of Application of Banks in Eastern Wisconsin to Be Detached from Federal Reserve District Number Nine and Annexed to Federal Reserve District Number Seven?"

I should be glad to have these words changed particularly in the copies of the briefs that are being used by Members of the Board.

Very respectfully,

*Rexford L. Holmes*

RLH/CO



FEDERAL RESERVE BANK  
OF MINNEAPOLIS

2021  
COPY

122.5-9

#9

*[Handwritten signature]*



September 16, 1916.

Mr. Rexford L. Holmes,  
Washington, D.C.

Dear Sir:

We have your favors of September 8th and September 13th,  
calling our attention to errors and corrections you desire made in your  
brief to the Federal Reserve Board in the matter of application of banks  
in Eastern Wisconsin to be detached from Federal Reserve District No. 9,  
and annexed to Federal Reserve District No. 7.

I trust that we will continue to hear from you along similar  
lines. Your table upon Page 37 is not in accordance with the actual facts.  
On Page 47 your statement that the rate charged upon sixty and ninety day  
paper is higher than the rate charged by the Federal Reserve Bank of Chicago  
upon the same character of paper, is not in accordance with the facts. On  
the contrary, the rate on sixty day paper charged by the Federal Reserve Bank  
of Minneapolis, is  $1/2\%$  lower than the rate charged on sixty day paper by the  
Federal Reserve Bank of Chicago.

I therefore hope you will continue to send us corrections from  
time to time as you find that the statements made by you in your brief are  
not in accordance with the facts.

Yours truly,

TW-C

Governor

REXFORD L. HOLMES  
ATTORNEY AND COUNSELLOR AT LAW  
ROOM 322 SOUTHERN BUILDING  
WASHINGTON, D. C.



September 13, 1916.

F I B B  
SEP 16 1916

Federal Reserve Board

Dear Sir:

Kindly make the following pen corrections in the brief recently sent you "In the matter of application of banks in eastern Wisconsin to be detached from Federal Reserve District No. Nine" etc.:

Page 8, last line: Delta should be Ashland.

Page 57, under "Conclusion" --(2): Delta should be Ashland.

Page 87, first name in table, instead of First National Bank of Milwaukee should be Wood County National Bank, Grand Rapids; and the last name in table, instead of Wisconsin National Bank, Milwaukee, should be Citizens National Bank, Grand Rapids. (Grand Rapids in both cases is in Wisconsin)

Very truly yours,

Rex ford L. Holmes,

Counsel.

OFFICE OF THE FEDERAL RESERVE BANK OF MINNEAPOLIS  
NINTH DISTRICT

OFFICE OF THE FEDERAL RESERVE BANK OF MINNEAPOLIS  
FILE NO. 33001-4  
FEDERAL RESERVE BANK OF MINNEAPOLIS  
122.529  
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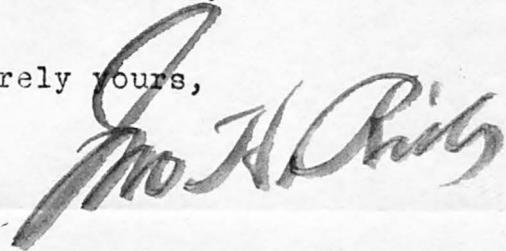
September  
fifth,  
1916

My dear Dr. Miller,-

The suggestions in your letter of the 30th. ult. are very good, and I am writing both Governor Harding and Mr. Hamlin today.

I hope that you will find opportunity to come back and visit us again. I greatly enjoyed having you here. If there is opportunity before the winter is over, I should much like to have you come when you can attend a session of our directors and put in a day or two. There are always matters to discuss, and the opportunity to sit down and talk things over is very helpful.

Sincerely yours,



EX-OFFICIO MEMBERS

WILLIAM G. MCADOO  
SECRETARY OF THE TREASURY  
CHAIRMAN  
JOHN SKELTON WILLIAMS  
COMPTROLLER OF THE CURRENCY

P.C.M.

*H. Holmes*

FEDERAL RESERVE BOARD

WASHINGTON

W. P. G. HARDING, GOVERNOR  
PAUL M. WARBURG, VICE GOVERNOR  
FREDERIC A. DELANO  
ADOLPH C. MILLER  
CHARLES S. HAMLIN  
H. PARKER WILLIS, SECRETARY  
SHERMAN P. ALLEN, ASST. SECRETARY  
AND FISCAL AGENT

FEDERAL RESERVE BOARD FILE  
12215-9  
ADDRESS REPLY TO  
FEDERAL RESERVE BOARD

September 1, 1916.

Mr. Rexford L. Holmes,  
Southern Building,  
Washington, D. C.

Dear Sir:-

The Federal Reserve Board has received a copy of questions said to have been sent out by you to banks in the Ninth Federal Reserve District asking their preference as to location.

RECEIVED  
SEP. 2 1916  
FEDERAL RESERVE BOARD

Will you kindly tell me for the information of the Board, the purpose of these questions and the motive which lead to their circulation by you?

Very truly yours,

W. P. G. HARDING, GOVERNOR

PCM.

177.5-9

September 1, 1916.

Mr. Rexford L. Holmes,  
Southern Building,  
Washington, D. C.

Dear Sir:-

The Federal Reserve Board has received a copy of questions said to have been sent out by you to banks in the Ninth Federal Reserve District asking their preference as to location.

Will you kindly tell me for the information of the Board, the purpose of these questions and the motive which lead to their circulation by you?

Very truly yours,

As Governor. secretary.

*g.a.*

122.5.9

August 30, 1916.

Mr. John H. Rich,  
Chairman of the Board and Federal Reserve Agent,  
Federal Reserve Bank of Minneapolis,  
Minneapolis, Minnesota.

My dear Mr. Rich:

As I return to my office here, I recall with the greatest pleasure the delightful day I had with you and your associates last Saturday in Minneapolis. Please accept my warm thanks for your courtesy and hospitalities.

I am returning with this note your letter to me of As our discussion last Saturday developed that I had put a construction on certain passages of your letter different from what you had intended, and as the substantive questions upon which you presented your views in that letter are to be disposed of by the Board in a formal way, and after examination of the brief to be submitted by your Bank, your letter has no further relevance, and its return, in accordance <sup>with</sup> your request, <sup>or</sup> seems to me the proper course to pursue.

I think this same course <sup>would</sup> ~~had~~ best be pursued with reference to your letter to Mr. Hamlin of August 16th, copy of which was sent to Mr. Harding. That letter, as I pointed out to you when you showed me your copy, is also, I think, clearly subject to misconstruction, and calculated to give an impression which

Mr. John H. Rich

- 2 -

Aug. 30, 1916.

you did not intend. I would therefore suggest that you write to Mr. Hamlin substantially to this effect and request the return of the letter, and also to Mr. Harding, requesting the return of *his* copy. This course, I believe, will close the incident satisfactorily without leaving any cause for embarrassment or irritation to anyone concerned in the matter.

Sincerely yours,

*Holmes*

FEDERAL RESERVE BOARD FILE  
722.5-9

August 23, 1916.

*A*

Mr. Rexford L. Holmes,  
Room 322, Southern Building,  
Washington, D. C.

Dear Sir:-

This will acknowledge and thank you for your  
letter of August 22nd enclosing copies of a letter from  
the Cashier of the City National Bank of Oshkosh, Wis.,  
for insertion in the reports on the Wisconsin petition.

*Page 156*

Very truly yours,

Assistant Secretary.

REXFORD L. HOLMES

SHORTHAND REPORTER  
CONVENTION REPORTING A SPECIALTY  
ROOM 322 SOUTHERN BUILDING  
WASHINGTON, D. C.

1225-9

August 23, 1916.

Hon. Sherman Allen,  
Federal Reserve Board,  
Washington, D. C.

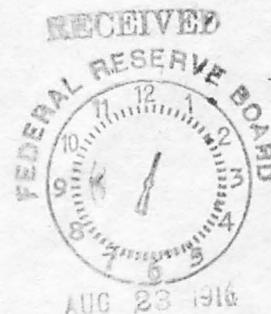
Dear Mr. Allen:

Mr. Lombard has sent me the letter mentioned on "Errata" sheet, just following page 154 of the Wisconsin report. I have made copies of same and enclose them herewith, to be included in the copies of the report now filed with the Board.

Very respectfully,

*cf*

*Rexford L. Holmes*



*HG*  
TELEGRAM

FEDERAL RESERVE BOARD  
WASHINGTON

FEDERAL RESERVE BOARD FILE  
*122.5-9*

August 19, 1916.

*W. H. C.*  
~~AUG 19 1916  
Federal Reserve Board~~

Governor, Federal Reserve Bank,  
Minneapolis, Minn.

Transcript of hearing mailed you Thursday night by reporter.

Assistant Secretary.

ES

CLASS OF SERVICE	SYMBOL
Day Message	
Day Letter	Blue
Night Message	Nite
Night Letter	N L

If none of these three symbols appears after the check (number of words) this is a day message. Otherwise its character is indicated by the symbol appearing after the check.

# WESTERN UNION TELEGRAM



NEWCOMB CARLTON. PRESIDENT

CLASS OF SERVICE	SYMBOL
Day Message	
Day Letter	Blue
Night Message	Nite
Night Letter	N L

If none of these three symbols appears after the check (number of words) this is a day message. Otherwise its character is indicated by the symbol appearing after the check.

RECEIVED AT WYATT BUILDING, COR. 14TH AND F STS., WASHINGTON, D. C. ALWAYS OPEN

DB 1 GH BJ 40 BLUE

MINNEAPOLIS MINN 126P AUGUST 18 1916

FEDERAL RESERVE BOARD

WASHINGTON DC

WE HAVE NOT YET RECEIVED THE TRANSCRIPT OF THE TESTIMONY  
 TAKEN AT THE HEARING ON AUGUST EIGHTH UNLESS IT IS  
 RECEIVED SOON WOULD ASK TO HAVE FURTHER TIME IN WHICH  
 TO PREPARE BRIEF CAN YOU HURRY IT ALONG FOR US

WOLD GOVERNOR

427P

122.57

#9

FEDERAL RESERVE BOARD FILE  
3122.549

August 1, 1916. *W. H. C.*

Dear Mr. Rich:

Complying with the request contained in your telegram of July 31st I enclose herewith copy of the letter and order relative to Wisconsin banks referred to in the June Bulletin.

Very truly yours,

Assistant Secretary.

Honorable John H. Rich,  
Chairman, Federal Reserve Bank,  
Minneapolis, Minn.

enc.

POSTAL TELEGRAPH-CABLE COMPANY

# NIGHT LETTERGRAM

THE POSTAL TELEGRAPH-CABLE COMPANY (INCORPORATED) TRANSMITS AND DELIVERS THIS NIGHT LETTERGRAM SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE BACK OF THIS BLANK.

CLARENCE H. MACKAY, PRESIDENT.

RECEIVED AT

DELIVERY No.

122.5-9

INDEPENDENT COMPETITIVE PROGRESSIVE

4-550

030

358Ch Gi 48 N1 1210am Collect Collect Govt

Ms Minneapolis Minnd Jul 31 16

Sherman Allen

Asst Secretary Federal Reserve Board, Washington DC

Will you please send by first  
mail copy of letter referred to on  
page two hundred sixty four of June bulletin  
which was sent to interested Banks in transmitting  
to them decision in Wisconsin Bank case

RICH Agent

122,579

7/20/16

*Batavia, Wis.  
LaCrosse, Wis.*

FEDERAL RESERVE BOARD FILE  
122,579-272  
Date July 20, 1916.

No. 857

FEDERAL RESERVE BOARD

MEMORANDUM

For Mr. Harding:-

At a meeting of the Federal Reserve Board on  
July 20, 1916, the following matter  
(as Chairman, Committee on  
was referred to you (as member, " " "  
(as  
Operation of the F. R. Bank of Minneapolis.

Telegram from E. M. Wing, President, Batavian,  
Wisconsin, National Bank, dated July 17th, stating  
that all banks in LaCrosse county and other counties  
desire to be transferred to District No. 7.

RECEIVED *Allen*  
Assistant Secretary.

JUL 25 1916

FEDERAL RESERVE BOARD

FILE

JUL 26 1916

Federal Reserve Board

Please return this memorandum with copy of  
documents resulting from action taken, if any.

Date 7/25/16  
Documents On docket today  
Signature RRB

FEDERAL RESERVE BOARD FILE

350.21

B

July 19, 1916.

Mr. E. M. Wing,  
President Batavian National Bank,  
La Crosse, Wisconsin.

Dear Mr. Wing:-

I have your letter of the 17th instant enclosing map, for which I am very much obliged.

Senator Husting called to see me this morning and we discussed the wishes of the Wisconsin banks. The readjustment that you desire appears reasonable to me, and I am in hopes that the Board will take the matter up in the very near future.

Very truly yours,

122.5-9

July 18, 1916.

Mr. E. M. Wing,  
President Batavian National Bank,  
La Crosse, Wisconsin.

Dear Sir:-

I acknowledge receipt of your telegram of  
the 17th instant regarding the desire of a  
majority of the banks in your immediate section  
to be transferred to the Seventh District.

I will bring your telegram to the attention  
of the Board at its regular meeting on the 20th  
instant, and will await in the meantime your let-  
ter which I presume will reach me tomorrow.

Very truly yours,

E.M. WING, PRESIDENT.  
G. VAN STEENWYK, VICE PRESIDENT.  
JOHN A. BAYER, CASHIER.  
H.O. KLEIN, ASST. CASHIER.

BATAVIAN NATIONAL BANK

CAPITAL AND SURPLUS \$550,000

122.5-9

LA CROSSE, WIS. July 17 1916.

Hon. W. P. G. Harding,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Harding:

I returned to La Crosse Saturday morning and immediately tried to ascertain the sentiment of the bankers of La Crosse, Trempeleau, and Buffalo Counties as to which Federal Reserve District they preferred to be in. The information regarding Buffalo County I obtained through Mr. Southworth, vice-president of the First National Bank of Mondovi. The First National Bank of Alma and the Farmers and Merchants Bank of Cochrane expressed a preference for Minneapolis. Mr. Southworth was unable to get the First State Bank of Fountain City. The German American Bank of Alma had no preference and the First National Bank of Nelson, the Waumandee State Bank of Waumandee, the Gilmanston State Bank of Gilmanston, and the Buffalo County Bank of Mondovi preferred Chicago. Mr. Southworth himself was of the opinion that they should belong to the Chicago District.

In Trempeleau County, all of the banks heard from except a new State Bank at Dodge preferred the Chicago District. I was unable to get the First National Bank of Blair and cannot get them today because of trouble with the telephone.

In La Crosse County, all of the banks in the city as well as all of those in the country favor the transfer of La Crosse County to the Chicago District.

I had a talk with Mr. Hixon and told him what you said about his serving his term <sup>out</sup> on the Minneapolis Board, and he did not seem to care to express himself when I talked with him. He did say that if La Crosse Banks thought it was to their interest to go into the Chicago District he should certainly make no objection. He told Mr. Burton the same thing and Mr. Burton agrees with me that it is to our interest to go into the Chicago District. I tried to reach Mr. Hixon this morning to get his opinion after consideration, and found that he was out of town.

Very truly yours,

*E. M. Wing*  
President.

7/19

122.5-9  
7/17/16

UNITED STATES DEPOSITORY

# The *Wisconsin* *National Bank* of *Milwaukee*

Capital, \$2,000,000 Surplus, \$1,000,000



Wisconsin National Bank Building

#### OFFICERS

L. J. PETIT - - - President  
HERMAN F. WOLF - Vice-President  
L. G. BOURNIQUE - Vice-President  
WALTER KASTEN - Vice-President  
J. M. HAYS - - - Cashier  
FRANZ SIEMENS - Asst. Cashier  
WM. K. ADAMS - Asst. Cashier  
F. K. McPHERSON - Asst. Cashier  
A. V. D. CLARKSON - Asst. Cashier

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PATRICK CUDAHY CHAS. SCHRIBER  
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OLIVER C. FULLER HENRY M. THOMPSON  
R. W. HOUGHTON GEO. D. VAN DYKE  
HERMAN F. WOLF

*SPECIAL ATTENTION GIVEN TO COLLECTIONS*

**Accounts of Banks, Trust Companies, Bankers,  
Merchants and Corporations Solicited**

When In Doubt

ABOUT

BANKERS'  
DIRECTORY  
SERVICE

Ask Your Reserve City  
Correspondents

THEY KNOW THE BEST  
AND USE IT.



Treasury Department

TELEGRAM

18WU MO 47 4 ex

LACROSSE Wis 1024am July 17 1916

W P G Harding Federal Reserve Board

Washington

All of the banks in LaCrosse county including Mr Hixons bank  
practically all in Trempeleau and a majority in Buffalo  
prefer to be in seventh district. Mr Hixon is satisfied if  
LaCrosse banks think it to their interest to be transferred.  
Letter follows

E M Wing, President,  
Batavian National Bank

138pm

*Mr Allen 122.5-9*  
*Please today*

FILED  
JUL 26 1916

FILE  
JUL 26 1916  
Federal Reserve Board

122.5-9

Washington, D. C., June 28, 1916.

Wis

At a conference of representatives of Milwaukee Banks carrying country bank balances, we were appointed a Committee to confer with you concerning the effect of the par clearance plan on our relations with country correspondents. Milwaukee has for years been a wide open town in exchange matters. In fact, exchange is a red ink proposition with probably all of us. Under the circumstances you can realize that we are, generally speaking in favor of the new clearance plan, but, naturally we would like to minimize the effect on our relations with correspondents in Wisconsin and Northern Michigan. As having a direct bearing on such relations, it will be necessary to digress for a moment and tell you something of Milwaukee. A city of over 400,000 population, of which 130,000 are employed in factories having a production valued at \$400,000,000 last year. It will be seen that Milwaukee is essentially a manufacturing city, but our banks have kept pace with the city's growth. At present we have 24 individual banks and 5 branches of three state banks. Total deposits \$121,000,000 of which \$25,000,000 is due country banks (nearly all of it to Wisconsin and Northern Michigan institutions) Years ago we realized that our banking territory was practically limited to Wisconsin and Northern Michigan as we had the Great Lakes on two sides, the wonderful city of Chicago 85 miles to the south and the aggressive and growing Twin-Cities to the West and Northwest.

With the realization of this limitation Milwaukee banks conceived and carried out the plan of intensive cultivation. To illustrate how successfully, we again refer to figures previously quoted, namely, \$25,000,000 country bank deposits. The depositing banks must have been well served or their business would have gone elsewhere. A close knowledge of local conditions coupled with an intimate acquaintance with the men in charge of the country banks, growing out of business and social relations extending over many years, resulted in a confidence that brought them to us with their affairs and placed us in a position of intelligently meeting their needs.

Assuming that the statements are correctly reported made by the officers of your Board and of the various district banks at recent bankers conventions, to the effect that the Board does not wish to impose any hardships or unreasonable conditions, we are here thinking we may be helpful to you in working out some of the problems arising in our territory in the proposed check clearance plan, many of which problems are influenced by geographical lines.

When the Federal Reserve Bank Measure became a law the Committee charged with the preliminary steps, assumed an enormous task, with no precedents for guidance. It was doing pioneer work. The wording of the law made Wisconsin bankers feel that Northern Michigan and Wisconsin would be placed in a district with Chicago as the reserve city, because convenience and the customary course of trade placed them there, but the

Organization Committee, using its best judgment, decided to establish the full number of banks permitted by the law, namely twelve, and place one in Minneapolis. The Northern two-thirds of Wisconsin and Northern Michigan were located in the Minneapolis district.

Even Minneapolis bankers expressed their surprise at this apportionment, but were not so overcome that they failed to instantly realize the business-getting possibilities thereby opened up in a territory which they had heretofore never been able to cultivate because the trend of trade and banking connections were toward Milwaukee and Chicago, and the campaign they immediately inaugurated did not produce tangible results. When the district boundaries were announced Northern Wisconsin and the Peninsula of Michigan were quick to voice their protests, and were advised by your Board, that the law afforded a remedy, namely petition by a requisite number of banks located in the territory seeking to be changed.

A conference between Northern Wisconsin bankers and their Milwaukee friends developed the fact that the portion of Wisconsin lying West of a line drawn from La Crosse to Ashland following county lines preferred to remain in District No.9. Although the banks of Northern Michigan were almost unanimous in protesting when district boundaries were first announced, they seemed to have become indifferent. They were royally entertained at Minneapolis for several days and a prominent business man from their section was placed on the Board of the Minneapolis Reserve Bank.

The banks in Wisconsin north of the line dividing districts Nos. 7 and 9 and East of the before-mentioned La Crosse Ashland line then petitioned your Honorable Body for a hearing. All the National banks but eight in the territory in question joining in the petition. At the hearing Minneapolis made every effort to retain this territory. Although a poll taken about a year later by your Board showed practically no change in the sentiment of the petitioning banks, when the decision was finally made it was adverse.

Since the decision the efforts of the Minneapolis banks to secure the business of this territory have been undiminished. It has recently come to our attention that a notice sent to the State Banks inviting them to join the check clearance plan, provided for settlement <sup>only</sup> by draft on member banks in Minneapolis or St. Paul, which notice was followed the next day by letters of solicitation sent by Minneapolis banks referring to the Federal Bank's notice, leading to the conclusion that the Minneapolis Federal Reserve Bank, and the Minneapolis member banks were working hand in hand to deprive Milwaukee and Chicago of business which logically and properly is theirs. We hear of the Wisconsin State Banks that would join in the check clearance plan could they remit in drafts drawn on their present correspondents in Milwaukee.

We, therefore, suggest that to further the check clearance plan that re-districting of the territory in question be reopened, -- or that the Minneapolis Federal Reserve Bank be instructed to accept Milwaukee exchange from both National And State Banks in their district. Respectfully submitted,

*Marine Nat. Bk. - A. H. ...*

*Marshall's Bk. - J. H. ...*

*S*  
*Wisconsin Bankers' Assn*  
PCM.

FEDERAL RESERVE BOARD FILE  
3122.59

June 9, 1916.

*His*

Mr. George D. Bartlett, Secretary,  
The Wisconsin Bankers' Association,  
Milwaukee, Wisconsin.

Dear Sir:-

Your letter of June 7th, stating the receipt by you of inquiries as to the grounds upon which the Federal Reserve Board based its decision to postpone action on the petition of certain Wisconsin banks to be separated from District No. 9 and attached to District No. 7, is received.

There is enclosed for your information copy of the statement to newspapers authorized by the Federal Reserve Board. There is also being sent you under separate cover a copy of the Federal Reserve Bulletin in which you will find a statement relative to the matter.

While I trust the matter sent you will give you the information which you desire, I shall in addition bring your letter to the attention of the Federal Reserve Board at its next meeting.

Very truly yours,

Assistant Secretary.

Association Officers:-

President, S. M. SMITH, Janesville  
Vice-President, J. R. WHEELER, Columbus  
Treasurer, C. E. GIBSON, Clintonville  
Secretary, GEO. D. BARTLETT

Secretary's Office  
Room 408 Pabst Building  
Milwaukee, Wis.  
Phone Main 390



Executive Council:-

EARLE PEASE, Grand Rapids  
A. E. BRADFORD, Augusta  
H. G. HAMBRIGHT, Marshfield  
W. W. WARREN, Tomah  
  
A. C. KINGSTON, Chilton  
E. J. PERRY, Fond du Lac  
  
J. J. JAMIESON, Shullsburg  
W. E. SPRECHER, Independence  
E. H. WILLIAMS, Milwaukee

Milwaukee, June 7, 1916.

122.5-9

Secretary, Federal Reserve Board,  
Washington, D.C.

Dear Sir:-

We notice from newspaper reports that the protest filed by various National Banks in Northern Wisconsin, in opposition to their assignment to the Minneapolis Federal Reserve District, has been denied by your Board. This office is in receipt of inquiries from several of those banks for information as to the grounds on which your Board based its decision (if the newspaper reports are correct in announcing such decision.)

That I may be in position to correctly answer such inquiries, I would appreciate it very much if you can consistently give me the reasons and grounds upon which your Board has made the decision in this protest matter.

Thanking you in advance for the same and hoping to receive an early reply, I remain,

Very respectfully yours,

*Geo. D. Bartlett*  
Secretary, Wisconsin Bankers' Assn.

GB f



TELEGRAM

FEDERAL RESERVE BOARD  
WASHINGTON

RECEIVED BOARD FILE  
122:529/

May 25, 1916.

*Wis.*

~~xxxx~~

Federal Reserve Agent, Chicago, Ill.  
Federal Reserve Agent, Minneapolis, Minn.

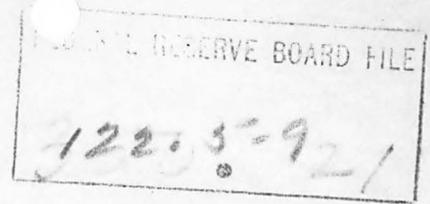
Board today dismissed without prejudice as to filing new petition  
request of Wisconsin banks to be attached to Chicago.

Vice Governor.

OFFICIAL BUSINESS  
GOVERNMENT RATES  
CHARGE FEDERAL RESERVE BOARD

PCM.

#7



May 25, 1916.

*His*

Mr. Charles H. Bosworth,  
Federal Reserve Agent,  
Chicago, Illinois.

Dear Sir:-

There is enclosed for your information copy of a letter today sent out to those interested in the petition filed by certain banks in Wisconsin to be separated from District No. 9 and attached to District No. 7. This is accompanied by a press notice which was given out today.

Very truly yours,

Vice Governor.

*W.C. Weed*

*#7*

FEDERAL RESERVE BOARD FILE  
*322.5-9*

*W.C.*

PCM.

May 25, 1916.

Henry L. Weed, Esq.,  
Oshkosh, Wisconsin.

Dear Sir:-

There is enclosed for your information  
copy of a letter today sent out to those interested  
in the petition filed by certain banks in Wisconsin  
to be separated from District No. 9 and attached to  
District No. 7. This is accompanied by a press notice  
which was given out today.

Very truly yours,

Vice Governor.

*Ueland*  
PCM.

#9

FEDERAL RESERVE BOARD FILE  
+22.5-9  
330.21

May 25, 1916. *Wis.*

A. Ueland, Esq.,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir:-

There is enclosed for your information copy of a letter today sent out to those interested in the petition filed by certain banks in Wisconsin to be separated from District No. 9 and attached to District No. 7. This is accompanied by a press notice which was given out today.

Very truly yours,

Vice Governor.

#9

PCM.

FEDERAL RESERVE BOARD FILE  
3/22.5.9  
3/30.2/

May 25, 1916.

Wis.

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis, Minn.

Dear Sir:-

There is enclosed for your information  
copy of a letter today sent out to those interested  
in the petition filed by certain banks in Wisconsin  
to be separated from District No. 9 and attached to  
District No. 7. This is accompanied by a press notice  
which was given out today.

Very truly yours,

Vice Governor.

200

# 666 /  
3/24/16  
122.5-9

IN THE MATTER OF THE PETITION OF CERTAIN BANKS IN WISCONSIN  
FOR MODIFICATION OF DISTRICTS NOS. 7 AND 9.

.....

Upon consideration of the petition of certain banks  
in Wisconsin that the geographical limits of Districts Nos. 7  
and 9 be modified so as to include in District No. 7 a part  
of the territory now included in District No. 9, and

*After <sup>a</sup> full investigation  
~~of the entire~~ of the entire  
matter and in view of the fact that  
the petition if granted would have <sup>resulted in</sup> isolating  
<sup>and disconnecting</sup> the upper Peninsula of Michigan  
though leaving it in the Minneapolis  
District, the Fed Res Board has arrived  
at the conclusion that there is no present  
necessity for any change ~~to~~*

100  
in letter heads

FEDERAL RESERVE BOARD  
322.5-9  
#662/116

SUGGESTED FORM OF LETTER TO BE SENT TO PARTIES  
IN INTEREST.

May 24, 1916. Wis

Dear Sir:-

For your information I beg to enclose copy of order entered by the Board in the matter of the petition of certain banks in Wisconsin for change in the geographical limits of Districts Nos. 7 and 9.

The Board has given careful consideration to the views presented and has reached the conclusion that it would not be justified in making any alterations at this time.

If <sup>future</sup> subsequent developments, ~~however~~, should indicate any necessity for such change the Board will, at a later date, give consideration to the matter upon the application of banks desiring to be transferred.

In ~~this connection~~ <sup>particular</sup> attention is called to the fact that if the Board ~~should~~ <sup>had</sup> grant the petition as filed, those banks located in that portion of the Minneapolis District embraced within the upper peninsula of Michigan would <sup>have been</sup> ~~be~~ isolated <sup>and</sup> ~~or~~ cut off from the rest of the District. This fact should be taken into consideration if, at a future date, <sup>an amended</sup> ~~another~~ petition is filed for modification of these district <sup>lines</sup>.

Respectfully,  
Very truly yours,

The Board, however, is very hopeful that the results <sup>of</sup> the new clearing system will make <sup>a</sup> transfer unnecessary. War ~~is~~ <sup>is</sup> ~~over~~

122,5-9

666a.

IN THE MATTER OF THE PETITION OF CERTAIN BANKS IN WISCONSIN  
FOR MODIFICATION OF DISTRICTS NOS. 7 AND 9.

*Carded*

Upon consideration of the petition of certain banks in Wisconsin that the geographical limits of Districts Nos. 7 and 9 be modified so as to include in District No. 7 a part of the territory now included in District No. 9, and

After a full investigation of the matter the Federal Reserve Board has arrived at the conclusion that there is no present necessity for any change in the geographical limits of the said Districts Nos. 7 and 9 at this time.

It is ordered that said petition be dismissed without prejudice to the rights of the signers to file an amended petition at a later date.

5/25/16.

*Sent to 88 banks interested*

EX-OFFICIO MEMBERS  
WILLIAM G. MCADOO  
SECRETARY OF THE TREASURY  
CHAIRMAN  
JOHN SKELTON WILLIAMS  
COMPTROLLER OF THE CURRENCY

CHARLES S. HAMLIN, GOVERNOR  
FREDERIC A. DELANO, VICE GOVERNOR  
PAUL M. WARBURG  
W. P. G. HARDING  
ADOLPH C. MILLER

FEDERAL RESERVE BOARD

WASHINGTON

H. PARKER WELLES, SECRETARY  
SHERMAN P. ALLEN, ASST. SECRETARY  
ADDRESS REPLY TO  
FEDERAL RESERVE BOARD

FEDERAL RESERVE BOARD FILE  
132-5-9 665.

*Wis*

May 24, 1916.

*Carded*

Dear Sir:

For your information I beg to enclose copy of order entered by the Board in the matter of the petition of certain banks in Wisconsin for change in the geographical limits of Districts Nos. 7 and 9.

*See 5-25-16*

The Board has given careful consideration to the views presented and has reached the conclusion that it would not be justified in making any alterations at this time.

*666a*

If future developments should indicate any necessity for such change the Board will, at a later date, give consideration to the matter upon the application of banks desiring to be transferred. The Board, however, is very hopeful that the results under the new clearing system will make a transfer unnecessary.

Attention is particularly called to the fact that if the Board had granted the petition as filed, those banks located in that portion of the Minneapolis District embraced within the upper peninsula of Michigan would have been isolated and cut off from the rest of the District. This fact should be taken into consideration if, at a future date, an amended petition is filed for modification of the district lines.

Very truly yours,

*F. A. Delano*  
Vice Governor.

Enclosure.

122.5A

122.6A

FEDERAL RESERVE BOARD

N.L.M.

January 17, 1916.

MEMORANDUM FOR MR. DELANO.

The total capital and surplus of national banks in the following counties <sup>in Wisconsin</sup> in district No.

9, is \$2,695,323.30:

- |           |          |
|-----------|----------|
| Ashland   | Lincoln  |
| Iron      | Langlade |
| Vilas     | Clark    |
| Forest    | Marathon |
| Florence  | Shawano  |
| Price     | Oconto   |
| Oneida    | Door     |
| Marinette | Jackson  |
| Taylor    |          |

122.5-9  
1/17/16

122.5-9

FEDERAL RESERVE BOARD

N.L.M.

January 17, 1916.

MEMORANDUM FOR MR. DELANO.

The total capital and surplus of  
national banks in the State of Michigan,  
in district No. 9, is \$4,390,300.

122.5-9

11/17/16

List of the National Banks in the petitioning territory who joined in the petition.

City	Aggregate Capital and Surplus.
Antigo	195,000
Appleton,	950,000
Askland,	175,000
Berlin	100,000
Black River Falls	62,500
Brillion	32,500
Chilton	60,000
Clintonville	72,000
Crandon	29,500
Dale	28,400
De Pere	75,000
Fond du Lac	250,000
Grand Rapids,	450,000
Green Bay	800,000
Kaukauna	75,000
Manawa	30,000
Manitowoc	106,000
Marinette,	100,000
Marshfield	200,000
Medford,	50,000
Merrill	111,500
Neenah	187,500
Neillsville	187,500
New London	63,500
Oconto	150,000
Oshkosh	540,000
Peshtigo	433,000
Princeton	30,000
Rheinlander,	80,000
Rib Lake	27,500
Ripon,	125,000
Seymour	37,000
Shawano	140,000
Stevens Point	250,000
Tigerton	30,000
Waupaca	565,000
Wausau	450,000
Weyauwega	29,000

122.5.9

7,277,400

122.5-9

1/17/16

122.5-9

Total Cap. & Sur. of banks in  
Petitioning Dist., Wisconsin, \$8,368,723.

6% equals, \$502,123.

Total Cap & Sur. Banks in  
Nor. Michigan, 4,390,300.

6% equals 263,418

765,541 13,759,023.

Total Cap. Minn'pls. F.R.  
Bank Dec.31, 5,100,000

Deduct Petitioning Wis.  
Banks percentage, 502,123.  
4,597,877

Deduct No. Mich. Banks 263,418  
4,334,459

122.59  
117/116

122.59

192.59  
117/116

Make list showing result if all  
banks in petitioning district plus  
all banks in upper Mich. were added  
to Chicago. (Capital and surplus,  
6% interest). What effect would  
this have on Minn. capitalization?

1/22/39  
1/17/16

1/22/39

Banks in Wisconsin petitioning territory  
who did not participate in petition:

			Cap. & Sur.
Northern National,	Ashland		190,000
Commercial	"	Fond DuLac	200,000
First	"	" "	150,000
First	"	Marinette	140,000
First	"	Menasha	100,000
First	"	Park Falls	29,825
First	"	Phillips	27,700
First	"	Ripon	125,000

962,525

There are 84 National Banks in the  
State of Wisconsin now members of  
Minneapolis District.

Of this number, 61 are in that part  
of the State which appealed for a  
revision of district lines.

In the appealing territory, 8 banks  
did not join in the appeal.

23 Banks in the state are outside of  
the territory covered by the appeal.

122.5.9

122.5.9

N.L.M.

FEDERAL RESERVE BOARD

January 15, 1916.

MEMORANDUM FOR MR. DELANO.

The total capital and surplus of the banks  
in the following counties is \$5,673,400:

Wood	Waushara
Portage	Winnebago
Waupaca	Calumet
Outagamie	Manitowoc
Brown	Marquette
Kewaunee	Green Lake
Juneau	Fond du Lac
Adams	Sheboygan

The total capital and surplus of the banks  
in the above counties answering "No" is \$911,000

Remarks of M. W. K. Coffin, Pres., Eau Claire National  
Bank of Eau Claire, Wis., Jan. 11, 1916:

122.5-9

"We do not blame the banks in the Northeastern part of Wisconsin for preferring to be in the Seventh District, rather than the Ninth. Their business has always been with Chicago and Milwaukee, rather than with the Twin Cities. We are strongly of the opinion that the banks in Northwestern Wisconsin had better stay in the Ninth District, and we are inclined to think that the District had better not be changed until the present arrangement is fairly tried out. "

PCM.

#9

FEDERAL RESERVE BOARD FILE  
722.5-9

January 10, 1916.

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis, Minn.

Dear Sir:-

<sup>1/7/16</sup> This will acknowledge the receipt of your  
letter addressed to Vice Governor Delano forwarding  
replies of six Wisconsin banks as to their desire to  
be transferred from the 9th Federal Reserve District,  
these having been sent to you in error.

Very respectfully,

Secretary.

FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

OFFICERS

THEODORE WOLD, GOVERNOR S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
J. C. BASSETT, ABERDEEN, S. DAK.	E. W. DECKER, MINNEAPOLIS, MINN.
F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
	N. B. HOLTER, HELENA, MONT.

122-5-9  
 RECEIVED  
 JAN 10 1916  
 OFFICE OF  
 VICE-GOVERNOR

January 7, 1916.

Hon. F. A. Delano, Vice Governor,  
Federal Reserve Board,  
Washington, D. C.

My dear Mr. Delano:-

I enclose herewith communications to the Federal Reserve Board from six Wisconsin banks, which have been sent here by mistake. We were not advised that the Federal Reserve Board desired to reopen this question with the banks in that part of the district, and were surprised at the poll that is being taken.

*1st of New London*  
*Comm. of Fond du Lac*  
*1st of Dale*  
*Chilton of Chilton*  
*Citizens of Stevens Point*  
*German of Shawano*

I should like to call attention to the fact that out of these six banks, the only one that has had any business with this reserve bank, or any opportunity to form an opinion as to the value of the service rendered by this bank as compared with what might be afforded by the Seventh at Chicago, is the German-American National of Shawano, which has discounted an aggregate of \$7612.83, and you will note that they speak very well of their relations with us. I am much interested in the remarks of Mr. H. R. Potter, President of the Commercial National of Fond du Lac, because he is a very active man, and while his bank has discounted no paper, he has taken every occasion to write us on questions arising from time to time, and has kept himself well informed as to our progress.

One of the principle considerations involved, is the effect upon our capital and deposits and also upon our rediscounts, if our present Wisconsin territory is cut down. During December the rediscounts from the Wisconsin portion of our territory were greater than for the entire state of North Dakota and almost twice as great as for all of Montana. From the date of organization to December 31st, the aggregate rediscounts for Wisconsin banks were greater than for

*Substitute*

~~for investigation and report, the Board being of the opinion that no present necessity exists for any change in the geographical limits of the said Districts Nos. 7 and 9 at this time,~~

It is ordered that said petition be dismissed without prejudice to the rights of the signers to file an amended petition at a later date.



No. 2. To Hon. F. A. Delano.

J. H. R. 1-7-16.

any other state in this district with the exception of Minnesota. They amounted to \$1,323,480, out of a total of \$5,817,899 for the entire district.

We have thought it would be unfortunate to lose the portion of the district from which we have had so much good business, particularly when we know that the particular part of Wisconsin that may be detached from this district is the part from which our best business has been coming. If the Board should come to a decision to take Wisconsin territory from us and give it to Chicago, Governor Wold and I believe that it should by all means, consider at the same time what compensating territory it can detach from some other district and give to us in order that our paid-in capital and deposits may not be impaired, and in order that we may not be handicapped through the loss of what promises to be very good business during 1916.

I think there is no instance, during the entire period since organization, of any Wisconsin bank that has not been thoroughly well pleased with the results of its rediscounting here. We, therefore, think that you should not give too much weight to the expressions of banks that have done no business with us and can have no practical knowledge of the subject.

Very truly yours,



Federal Reserve Agent.

Presidents Office.  
The First National Bank  
Superior, Wis.

William B. Banks,  
President.

Dec. 29, 1915.

122.5-9

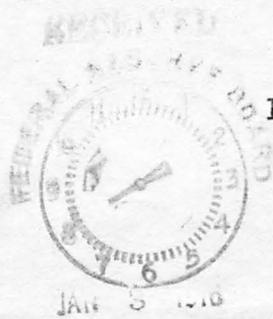
Mr. H. Parker Willis, Secretary,  
Federal Reserve Board,  
Washington, D. C.

Sir:

In answer to yours of the 27th instant we beg to advise you that we have not been connected with any movement seeking to be transferred from the Ninth Federal Reserve District to the Seventh Federal Reserve District, nor are we interested in any such movement, being entirely satisfied with the present arrangement. At the same time, if a change should take place, whereby the greater part of the banks in Northern Wisconsin were transferred from the Ninth Federal Reserve District to the Seventh Federal Reserve District, then we might prefer to be transferred with the rest of the banks, for we cannot see any particular advantage in being one of a very few Wisconsin banks to remain in the Ninth District while all the rest were going into the Seventh.

Our Board of Directors have not considered the question at all, and I think they would agree with me in expression of satisfaction as respects our relations to the Ninth Federal Reserve District.

Respectfully,



PRESIDENT.

CLASS OF SERVICE	SYMBOL
Day Message	
Day Letter	Blue
Night Message	Nite
Night Letter	N L

If none of these three symbols appears after the check (number of words) this is a day message. Otherwise its character is indicated by the symbol appearing after the check.

# WESTERN UNION TELEGRAM



NEWCOMB CARLTON, PRESIDENT

GEORGE W. E. ATKINS, VICE-PRESIDENT

BELVIDERE BROOKS, VICE-PRESIDENT

CLASS OF SERVICE	SYMBOL
Day Message	
Day Letter	Blue
Night Message	Nite
Night Letter	N L

If none of these three symbols appears after the check (number of words) this is a day message. Otherwise its character is indicated by the symbol appearing after the check.

RECEIVED AT 2449 BERLIN, WIS.

Dec 29-1913

Wack 26-1 Extra

Stevens Point, Wis 11<sup>38</sup>-29

First Natl Bank

Berlin, Wis.

Referring to Federal Board Circular Letter  
Dec. Twenty Seventh the Committee Trusts  
that you will confirm their previous  
request for transfer to District Number  
Seven.

J. W. Dunagan  
Chairman

115 pm  
J



Over

Received Dec 29<sup>th</sup>  
Show what efforts are being made  
A influenza bank to change to ser. + 7 -  
(Confidential)

122.5-9

12/27/15

377

TO THE FEDERAL RESERVE BOARD:

In response to your request, and by authority of its Board of Directors, I beg to advise that the \_\_\_\_\_  
(Name of bank)

of \_\_\_\_\_, \_\_\_\_\_ desire to  
(Place) (Does or does not)

be transferred from the ~~Eleventh~~ <sup>Ninth</sup> Federal Reserve District to the ~~New Orleans Branch of the Sixth~~ <sup>Seventh</sup> Federal Reserve District.

\_\_\_\_\_  
(Name and official title.)

Dated \_\_\_\_\_

Remarks:

EX-OFFICIO MEMBERS  
WILLIAM G. MCADOO  
SECRETARY OF THE TREASURY  
CHAIRMAN  
JOHN SKELTON WILLIAMS  
COMPTROLLER OF THE CURRENCY  
N.L.M.

FEDERAL RESERVE BOARD  
WASHINGTON

FEDERAL RESERVE BOARD FILE  
12215-9  
CHARLES S. HAMLIN, GOVERNOR  
FREDERIC A. DELANO, VICE GOVERNOR  
PAUL M. WARBURG  
W. P. G. HARDING  
ADOLPH C. MILLER  
H. PARKER WILLIS, SECRETARY  
SHERMAN ALLEN, ASST. SECRETARY  
ADDRESS REPLY TO  
FEDERAL RESERVE BOARD

OK  
Prall  
12/27/16  
12/27/16

My dear Sir:

Some months ago petitions were filed with the Federal Reserve Board by fifty-three banks in Wisconsin for the purpose of securing the transfer of the territory in which these banks were situated from the ninth (Minneapolis) district to the seventh (Chicago) district. Recently request has been made of this Board to consider and dispose of these petitions.

The Board requests you kindly to indicate upon the inclosed blank whether it would be the preference of your bank to be transferred to the Chicago district or whether you prefer to remain attached to the Minneapolis district. Prompt return of the blank would be appreciated by the Board.

Past experience has shown in canvasses made by several Federal Reserve Banks, that some member banks have hesitated to give any but equivocal expressions of their views so that not unfrequently they have been claimed by both sides. In order to secure absolutely authentic expressions, the Board has decided upon canvassing the district direct and assures you that your vote in the matter will be <sup>considered in</sup> ~~treated with~~ strict confidence.

If you desire to give the Board the benefit of the expression of your views in connection with the suggested transfer, the Board will be glad to receive it.

Respectfully,

Secretary

PCM.

*Dunegan*

FEDERAL RESERVE BOARD FILE  
722.5-9

December 27, 1915.

*Wes*

Mr. J. W. Dunegan,  
Stevens Point, Wisconsin.

Dear Sir:-

In answer to your letter of December 22nd, I send you herewith a copy of the Federal Reserve Bulletin in which is printed an opinion of the Attorney General with reference to the powers of the Federal Reserve Board with regard to districting.

This has no relation to the changing of boundaries in the way you refer to and I may add for your information that efforts are now being made by the Federal Reserve Board to get further information with reference to the question of transferring the banks to which you have made reference.

I shall be glad to keep you advised concerning this matter from time to time.

Very respectfully,

Secretary.

J. W. DUNEGAN  
STEVENS POINT, WISCONSIN

COMPLIMENTS OF  
THE SEASON

122.5-9

December 22nd, 1915.

Mr. H. Parker Willis,  
Sec. Federal Reserve Board,  
Washington, D. C.

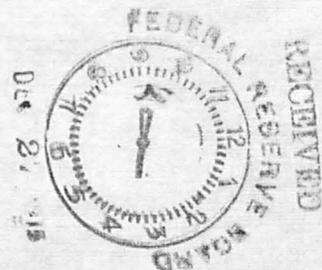
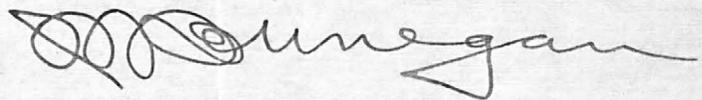
Dear Sir:

Referring to the protest of the banks  
in District 9 asking to be transferred to District  
7. I noticed recently in some financial papers  
an opinion of the Attorney General, U. S. rendered  
to the Federal Reserve Board concerning their right  
to

Abolish Federal Reserve districts  
Change the reserve city of a district  
Change the geographical boundaries of  
of a district.

The attorney general stated that there was nothing  
to prevent the changing of district boundaries.  
Would like to have you write me, giving me all the  
information on the proposition that you can.

Yours very truly,



122.5-9

FEDLR  
3

FEDERAL RESERVE BOARD

December 22, 1915.

RECORDED  
DEC 22 1915  
OFFICE OF  
VICE-GOVERNOR

MEMORANDUM FOR MR. DELANO.

As requested, I hand you herewith draft of a letter to be used in polling the Wisconsin banks asking for transfer.

*Robert S. Seward*  
Secretary.

*Satisfactory to  
Mr. Delano }  
Caulfield } Com on Minn<sup>S</sup> BK  
What banks will be addressed ?*

122.5-9  
11/10/15

# THE FIRST NATIONAL BANK

WAUSAU, WISCONSIN

UNITED STATES DEPOSITARY

## REPORT OF CONDITION

AT THE CLOSE OF BUSINESS NOVEMBER 10, 1915

RESOURCES	LIABILITIES
Loans and Discounts, \$1,836,177.99	Capital Stock, . . . . . \$350,000.00
U. S. Bonds, . . . . . 205,000.00	Surplus and Profits, . . . . . 172,207.51
Bonds, Securities, Etc., . . 34,950.00	Circulation . . . . . 200,000.00
Real Estate, Furn. and Fix., 80,000.00	Notes and Bills Rediscounted, 27,220.88
Internal Revenue Stamps, 296.00	Reserved for Taxes, . . . 6,500.00
Stock in Federal Reserve Bank, 15,000.00	Dividends Unpaid . . . . . 123.00
Due from Federal Reserve Bank, 26,651.12	Deposits, . . . . . 1,640,891.29
Due from U. S. Treasurer, . . 10,000.00	
Cash, and Due from Banks, . . 188,867.57	
<u>\$2,396,942.68</u>	<u>\$2,396,942.68</u>

The Savings Department of this Bank is especially helpful to those who desire to build up reserve funds for future uses. You can start the account with any amount and add to it at any time. We pay interest on these accounts.

122.5-9

Mainland

May 26, 1915.

William Mainland, Esq.,

Oshkosh, Wisconsin.

My dear Sir:

Your note of May 22nd, addressed  
to the Secretary of the Treasury, has  
been referred to me, and I shall call it  
at once to the attention of the Federal  
Reserve Board.

Believe me,

Very truly yours,

(Signed) C. S. Hamlin,  
Governor.

122.5-9  
333.21WILLIAM & SINCLAIR MAINLAND  
OSHKOSH, WISCONSINMay Twenty-second,  
Nineteen Fifteen.

Wis.

Hon Wm. G. McAdoo,  
Washington, D. C.Re' Federal Reserve Bank:

Dear Mr. McAdoo:-

While further North in the state recently, I incidentally met some bankers who brought up the question of the desirability of having the greater part of the state transferred from the Minneapolis to the Chicago district, giving their reasons for the same.

It is a fact that a great deal of the buying by merchants is made in Chicago, and not a few, I am told, keep Chicago accounts where their business amounts to a considerable volume in a year.

Personally I am quite in sympathy with their views and so expressed myself, whereupon some of them asked me to write to any one whom I happened to know, if any, connected with the Treasury Department. This I promised to do, but as a matter of fact, have overlooked it in the press of my own business, until the present time.

So far as this state is concerned, I am of the opinion that it would not be a bad move for the Administration to do this.

I am,

Very respectfully yours,

W.M.



122.5-9  
51.7 MS

FEDERAL RESERVE BOARD FILE  
122.5-9  
350.21

*Reilly*

May 17, 1915.

*His*

Hon. M. K. Reilly,  
House of Representatives.

My dear Mr. Reilly:

I have your note of May 15th, as to  
the petition of certain banks in Wisconsin  
to be transferred to the Chicago district.  
I shall with pleasure refer this to the  
Federal Reserve Board.

Believe me,

Very truly yours,

(Signed) C. S. Hamlin,  
Governor.

M. K. REILLY  
6TH DISTRICT WISCONSIN

COMMITTEE ON AGRICULTURE

HOUSE OF REPRESENTATIVES

WASHINGTON

122.5-9

RECEIVED

MAY 17 1915

GOVERNOR'S OFFICE

Fond du Lac, Wis.,  
May Fifteenth,  
Nineteen Fifteen.

RECEIVED

MAY 22 1915

Hon. Charles S. Hamlin,  
Washington, D.C.

My Dear Sir:-

I understand that there is to be a hearing, next week, before the Federal Reserve Board, in the matter of the application of certain National Banks in Wisconsin to be transferred from the Minneapolis Reserve District to the Chicago Reserve District.

FIDF  
MAY 22 1915  
Federal Reserve Board

There has been a great deal of dissatisfaction expressed by the large majority of the National banks of this District over the inclusion of this territory in the Minneapolis Reserve district. This part of Wisconsin is tributary to Chicago, and in fact very few of the banks or business institutions have any business dealings at all with Minneapolis.

I trust that your Board will give very careful consideration to the petition of the Wisconsin bankers, as I am satisfied that the business and banking interests of my district, all of which is involved in the proposed change, will be pleased to learn of the transfer of this territory from the Minneapolis to the Chicago Federal Reserve District.

Sic.

Very truly yours,

*M. K. Reilly*

May 12, 1915.

127.5-9

<u>Name</u>	<u>No. of Banks Re-dis.</u>	<u>No. of Times Re-discounted.</u>	<u>Number of Items Re-discounted.</u>	<u>Number of Items In Force.</u>	<u>Total Amt. Items Rediscounted.</u>	<u>Total Amt. Items In Force.</u>
Minnesota	23	36	157	68	\$ 707,121.18	\$ 75,807.35
North Dakota	12	19	106	77	96,343.40	69,718.67
South Dakota	13	25	104	62	130,397.31	73,434.20
Montana	11	20	89	78	112,467.71	99,074.26
Michigan	2	4	13	3	28,041.87	8,092.50
<u>Wisconsin</u>	<u>11</u>	<u>38</u>	<u>277</u>	<u>112</u>	<u>434,527.42</u>	<u>165,204.59</u>
Grand Total	72	142	746	400	\$1,508,898.89	\$491,331.57

Banks in that portion of the Wisconsin district covered by appeal.

<u>No. of Banks.</u>	<u>No. of Times.</u>	<u>No. of Items</u>	<u>Items in Force.</u>	<u>Total to date.</u>	<u>Amount in force.</u>
8	33	245	104	\$332,333.84	\$123,382.59

CAPITAL STOCK MAY 12, 1915

Total amount of capital subscribed by all member banks in this district ----- \$4,916,000.00

Total subscriptions as above of our member banks in Michigan ----- 262,500.00

Total subscriptions as above by member banks in that portion of the Wisconsin district covered by the appeal-- 502,640.00

The number of banks in the district covered by appeal and their stock subscriptions about one-tenth.

The business of these banks with the Reserve Bank more than one-fifth.

H. I. WEED  
R. A. HOLLISTER

WEED & HOLLISTER  
ATTORNEYS AND COUNSELORS  
No. 123 MAIN STREET

FEDERAL RESERVE BOARD FILE  
TELEPHONE No. 18  
7122.5-9

*Weed*  
Dictated

OSHKOSH, WIS.,

May 10, 1915.  
*Wis.-*

Mr. H. Parker Willis,  
Sec'y. Federal Reserve Board,  
Washington, D. C.

In the matter of the application of banks in Eastern Wisconsin to be transferred from the Ninth to the Seventh Federal Reserve District.

Dear Sir:

I have your letter of May 6th in the above entitled matter. Complying with your suggestion therein, I have expressed to the Federal Reserve Board, twenty copies of reply brief and have also mailed to counsel for the Federal Reserve Bank of Minneapolis, a copy of said brief.

Respectfully yours,

*H. I. Weed*

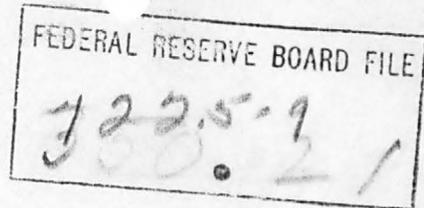
RECEIVED

MAY 12 1915

Federal Reserve Board

*Weed.*

GHE/M.



May 6, 1915.

*Wis.*

Mr. Henry I. Weed,  
Care Weed & Hollister,  
Oshkosh, Wisconsin.

S i r :

I wish to acknowledge receipt of your letter of April 26 relating to the application of certain banks in Eastern Wisconsin to be transferred from the Ninth to the Seventh Federal Reserve District.

You are advised that it will be proper for you to file a brief in reply to the answer of the Federal Reserve Bank of Minneapolis.

Attention is called to the fact, however, that the hearing of oral arguments in this case will be held in the office of the Federal Reserve Board on May 20, and it is suggested that your reply brief be filed on or before May 15, and that a copy be sent to the Federal Reserve Bank of Minneapolis as soon as printed.

Respectfully,

Secretary.

*G.L.H.*

PCM.

*T. Konop*

FEDERAL RESERVE BOARD FILE  
3122.5-9

*Miss*

May 5, 1915.

Dear Sir:-

Your letter of May 3rd, with relation to the petition of certain bankers in Wisconsin to be changed from Federal Reserve District No. 9 to Federal Reserve District No. 7 is received, and I shall bring it promptly to the attention of the Federal Reserve Board.

I have noted what you say of your action in this matter prior to this letter and have no doubt that you know that May 20th has been fixed as the date on which the Federal Reserve Board will hold a hearing on the petition.

Very respectfully,

Secretary.

Hon. Thomas F. Konop, M. C.,  
Green Bay, Wis.

SIXTY-THIRD CONGRESS.

THOMAS P. KONOP, WIS., CHAIRMAN.  
FINIS J. GARRETT, TENN.  
ADOLPH J. SABATH, ILL.  
JEREMIAH DONOVAN, CONN.  
HARRY H. DALE, N. Y.  
JOHN J. ESCH, WIS.  
JAMES C. MCLAUGHLIN, MICH.  
JOS. H. RAY, CLERK.

House of Representatives U. S.  
Committee on Expenditures on Public Buildings  
Washington, D. C.

122.5-9

Green Bay, Wis., May, 3, 1915

Federal Reserve Board,  
Washington, D. C.

Gentlemen;

Bankers in my district have joined in a petition to change East Wisconsin from the Federal Reserve District Number Nine to Federal Reserve District Number Seven.

After the Organization Committee had made public the boundary of the different Federal Reserve Districts, I entered a written protest against including Northeastern Wisconsin in District Number Nine and filed petitions and letters for the change to the Chicago District Number Seven.

I was then informed that the Organization Committee was powerless to act in the premises and that the matter would be referred to the Federal Reserve Board. I am writing you now to call your attention to the papers on file in the matter and the reasons presented in such papers for the change.

The bankers in my district are put at a great disadvantage, as all business and commercial relations in this part of the state are transacted with Milwaukee and Chicago.

I therefore hope that the petition of the bankers of Eastern Wisconsin will be granted by your Honorable body.

Thanking you in advance, I am,

Sincerely yours,

*Thomas P. Konop*



#9

FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

FEDERAL RESERVE BOARD FILE  
3172.5-9  
7/1/15

OFFICERS

THEODORE WOLD, GOVERNOR S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT  
J. C. BASSETT, ABERDEEN, S. DAK.  
F. R. BIGELOW, ST. PAUL, MINNESOTA  
JOHN W. BLACK, HOUGHTON, MICH.  
P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT  
E. W. DECKER, MINNEAPOLIS, MINN.  
L. B. HANNA, FARGO, N. DAKOTA  
F. P. HIXON, LA CROSSE, WISCONSIN  
N. B. HOLTER, HELENA, MONT.

MAY 1 1915

Federal Reserve Board April 29, 1915,

Mr. H. Parker Willis, Sec'y,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Willis:-

Acknowledging your favor of the 27th inst. with reference to the hearing of the petition of the Eastern Wisconsin group of banks.

I have made note of the hearing set before the Board on May 20th at 11 o'clock A. M. and will be present in Washington at that time to present the answer in behalf of this bank.

Very truly yours,

*J. H. Parks*

Federal Reserve Agent.

RECEIVED  
FEDERAL RESERVE BOARD  
MAY 1 1915

PGM.

*North Dakota  
Bankers Assn*

FEDERAL RESERVE BOARD FILE  
322.529

*Y/10*

April 27, 1915.

Dear Sir:-

Your letter of April 23rd, acknowledge by the Federal Reserve Board on April 26th, has been laid before the Board, and I am directed to inform you that what you say will have consideration..

A hearing in the matter of the petition of banks in Eastern Wisconsin to be separated from the District of Minneapolis and attached to the District of Chicago, will be held at 11:00 A. M., Thursday, May 20th, in the Room of the Federal Reserve Board at Washington.

Very respectfully,

Secretary.

Mr. W. C. McFadden,  
Secretary, North Dakota Bankers' Association,  
Fargo, North Dakota.

#9

FEDERAL RESERVE BOARD FILE  
323.5-9

April 27, 1915.

Nis

Dear Sir:-

Your letter of April 23rd, stating that you have mailed, under separate cover, twenty-five copies of the answer and brief to the petition of the Eastern Wisconsin group of banks to be detached from Federal Reserve District No. 9, is received. The briefs have also come to hand.

Your letter has been called to the attention of the Federal Reserve Board and I am directed to inform you that the Board has fixed May 20th as the date on which the hearing on the above mentioned petition will be held. Like the other hearings this one will be conducted in the Board Room, beginning at eleven A. M.

I trust that this will be entirely satisfactory to you.

Very respectfully,

Secretary.

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis, Minn.

Weed

FEDERAL RESERVE BOARD FILE  
3172.5-9

April 27, 1915.

MS

Dear Sir:-

You are hereby notified that the Federal Reserve Board has fixed Thursday, May 20th for the hearing of arguments on the petition of banks in Eastern Wisconsin to be detached from Federal Reserve District No. 9 and annexed to Federal Reserve District No. 7. Like the other hearings this one will be conducted in the Board Room, beginning at 11:00 A. M.

A copy of the reply brief of the Federal Reserve Bank of Minneapolis is forwarded to you herewith.

Very respectfully,

Secretary.

Mr. H. I. Weed,  
Care, Weed & Hollister,  
Oshkosh, Wis.

100.5-9

Dictated

OSHKOSH, WIS.

Apr. 26, 1915.

Mr. Parker Willis,  
Sec'y. Federal Reserve Board,  
Washington, D. C.

In the matter of the application of banks in Eastern Wis-  
consin to be annexed to Reserve District Number  
Seven.

Dear Sir:

I have been favored with a copy of brief by counsel for  
the Minneapolis Federal Reserve Bank.

Will you be kind enough to inform me if it is proper un-  
der the rules of the Federal Reserve Board for me to file a printed  
reply to this brief.

Respectfully yours,

Henry I. Weed

PCM.

#9

FEDERAL RESERVE BOARD FILE  
3522.59  
3523.21

Wic.

April 26, 1915.

My dear Governor Wold:-

Your letter of April 24th, acknowledging receipt of a copy of the petition of the Wisconsin Bankers, is received and I note your inquiry as to when the petition was signed.

I find that the banks signed individual printed slips, which are attached to the typewritten copy of the petition, and most of these slips are dated in October, but some in November and one in December, 1914.

The printing upon the slip is as follows:

"C. S. Hamlin, Governor,  
Washington, D. C.

"Believing that the Organization Committee of the Federal Reserve Board were not fully informed concerning 'The convenience and customary course of business' in our locality when we were placed in District No. 9, and referring to your circular letter of August 28th, 1914, marked 'Regulation No. 1' Section 2-'Petition for changes in geographical limits of Federal Reserve Districts,' we earnestly petition your Board for a hearing to the end that we may be taken from District No. 9 and placed in District No. 7.

"This request being authorized by Directors of this bank, on..  
(Bank).....  
Corporate Seal. (Town).....  
By....."  
Dated..

Respectfully,

Assistant Secretary.

Mr. Theodore Wold,  
Governor, Federal Reserve Bank,  
Minneapolis, Minn.

Dictated

OSHKOSH, WIS.,

Apr. 26, 1915.

122.5-9

Mr. A. Ueland,  
Minneapolis, Minn.

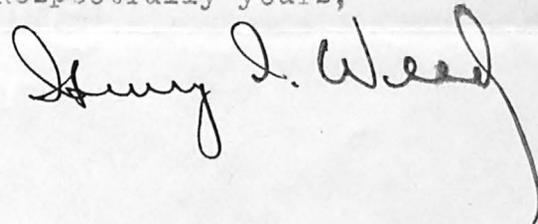
Dear Sir:

I acknowledge receipt of your communication of April 23rd last, together with a copy of your brief in the matter of the application of banks in eastern Wisconsin to be changed from Federal Reserve District Number Nine to Federal Reserve District Number Seven.

I take pleasure in complying with your request for a copy of the petition in the above mentioned matter, which is enclosed herewith.

If you have two extra copies of your brief that you could furnish me, I would greatly appreciate it.

Respectfully yours,



4/26/15

ABSTRACT OF CONTENTS OF THE FOLLOWING

FEDERAL RESERVE BOARD FILE  
720.5-9  
Wis

1. Copy of the petition for review, furnished by Counsel for the petitioners April 26, after the brief of the representative of the Reserve Bank was filed, shows that only three member banks have signed the petition; Regulation 1 requires the signatures of at least two-thirds of the member banks.
2. The local press asserting that the actual operation of the law has increased rather than lessened the dissatisfaction in the district, a circular letter of inquiry to the member banks in the district was sent by the Governor of the Reserve Bank February 16.
3. Fifteen letters, marked Ex. A-1 to Ex. A-15, are replies from banks which are claimed to be petitioners, showing that these banks have no real grievance for having been attached to the Ninth District, or for the service which they have so far received; and they indicate, clearly, that some of the banks are not aware of being parties to the appeal.
4. Five letters, marked Ex. B-1 to Ex. B-5, are replies from member banks in the district, not claimed to be petitioners, all strongly opposed to any change in the district boundaries.
5. Seven letters, marked Ex. C-1 to Ex. C-7, are replies from Wisconsin banks in counties bordering on the district affected by the appeal showing that these banks, situated practically the same as banks which are claimed to be petitioners, are well satisfied to be in the Ninth District.

6. Two bulletins issued by the North Dakota Banker's Association show that the banks in that state are strongly opposed to a change in the boundaries of the Ninth District.
  
7. Three tables show between which towns and the City of Minneapolis there is over-night mail service; show comparative express rates to Minneapolis and Chicago; show the mail insurance rates, alike to and from both these cities; show the rediscounts May 12 by the member banks in the district affected by the appeal and by the other member banks in the Ninth District and show the capital stock held May 12 by the member banks in the district affected by the appeal and by the member banks in the entire Ninth District.

FEDERAL RESERVE BANK OF MINNEAPOLIS

122.5.9

NINTH DISTRICT

OFFICERS

THEODORE WOLD, GOVERNOR S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
J. C. BASSETT, ABERDEEN, S. DAK.	E. W. DECKER, MINNEAPOLIS, MINN.
F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
N. B. HOLTER, HELENA, MONT.	

April 24, 1915.

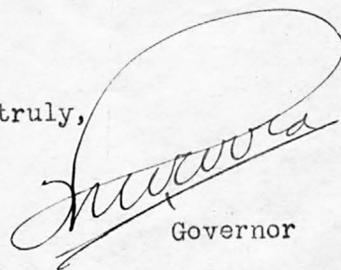
Mr. Sherman Allen, Assistant Secretary,  
Federal Reserve Board,  
Washington, D.C.

Dear sir:

I thank you for your favor of the 22nd  
enclosing me a copy of the petition of the Wisconsin  
bankers, as requested by me in my letter of the 13th.

I do not find any place in this petition  
that the date appears giving any time as to when the  
petition might have been executed. Is there any information  
in your department that would indicate that the petition was  
signed by the banks this year or last year? If so, I would  
thank you for advising me.

Yours truly,



Governor



TW-C

J. J. NIERLING, PRESIDENT  
PRESIDENT CITIZENS NATIONAL BANK, JAMESTOWN, N. D.

W. D. McCLINTOCK, VICE PRESIDENT  
PRESIDENT MERCHANTS BANK, RUGBY, N. D.

J. J. EARLEY, TREASURER  
PRESIDENT BANK OF VALLEY CITY, VALLEY CITY, N. D.

L. F. CRAWFORD, CHAIRMAN EXECUTIVE COUNCIL  
CASHIER INTERSTATE BANK OF BILLINGS, SENTINEL BUTTE, N. D.

W. C. MACFADDEN, SECRETARY  
FARGO, N. D.

HON. EDWARD ENGERUD, ATTORNEY  
FARGO, N. D.

# North Dakota Bankers Association

ORGANIZED 1903.  
INCORPORATED 1906.

April  
23rd  
1915.

122.5-9



Federal Reserve Bank,  
Washington, D. C.

*asked  
4/12/15*

Gentlemen:--

I have been authorized by the Executive Council of our organization - the North Dakota Bankers Association - to file objections to any change in the Ninth Federal Reserve District which would contemplate the transfer of any part of the state of Wisconsin to any other District, and it seems to our Executive Council and to the individual members of our Association that such change would be detrimental, not only to Reserve Bank members in North Dakota but to such members of the state of Wisconsin. As the District is now located Wisconsin Banks in the Ninth District are able to carry real estate mortgages on farm lands in North Dakota, South Dakota and Minnesota. These mortgages are very desirable and offer to the Wisconsin banks a class of investment which they cannot obtain if the change proposed is made.

North Dakota farm lands are being rapidly developed and are increasing in value from year to year which make mortgages on such lands particularly desirable. Wisconsin is an older state and the banks of that state are seeking investments outside of their own state. North Dakota is a borrowing state. We need funds to improve and build up the business of agriculture in our state and thus the interests of the two states are very much in common. Wisconsin has developed the dairying interest to such an extent that farmers from our state are continually going there and are encouraged to do so by our banks for the purpose of learning the methods of handling dairy herds and also for purchasing the foundation for such herds. The farming class of the two states are becoming more and more interested in each other and there can be no doubt but that the interests of both states would be very materially increased if all of the state of Wisconsin could be attached to the Ninth District. Such an arrangement would open a vast territory for the investment of Wisconsin funds and would materially assist in the development of agriculture and dairying in the states that need capital for this purpose.

We believe in North Dakota that perhaps the banks of Wisconsin do not fully realize the advantages which they gain by being attached to the Ninth Federal Reserve District and we trust that your Honorable body will go into this matter thoroughly before making any change in the District unless such

NG, PRESIDENT  
T CITIZENS NATIONAL BANK, JAMESTOWN, N. D.  
W. FORD, CHAIRMAN EXECUTIVE COUNCIL  
ER INTERSTATE BANK OF BILLINGS, SENTINEL BUTTE, N. D.

W. D. McCLINTOCK, VICE PRESIDENT  
PRESIDENT MERCHANTS BANK, RUGBY, N. D.  
W. C. MACFADDEN, SECRETARY  
FARGO, N. D.

WALTER BRIG & HARDY, LITTON FARGO, N. D.  
J. FARLEY, TREASURER  
RESIDENT BANK OF VALLEY CITY, VALLEY CITY, N. D.  
HON. EDWARD ENGERUD, ATTORNEY  
FARGO, N. D.

# North Dakota Bankers Association



ORGANIZED 1903.  
INCORPORATED 1906.

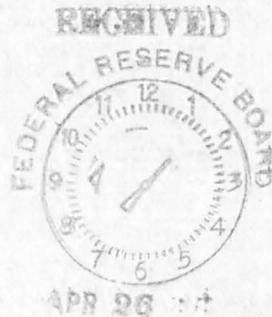
F.R.B. # 2.

change would add to the Ninth District all of the  
state of Wisconsin.

Very truly yours,

Secretary.

WCM/T.



# FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

OFFICERS

THEODORE WOLD, GOVERNOR      S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
J. C. BASSETT, ABERDEEN, S. DAK.	E. W. DECKER, MINNEAPOLIS, MINN.
F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
	N. B. HOLTER, HELENA, MONT.

122,5-9

April 23, 1915.

Mr. H. Parker Willis, Secretary,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Willis:-

I have mailed you, under separate cover, parcel post, a package containing twenty-five copies of the Answer and Brief to the Petition of the Eastern Wisconsin Group to be detached from Federal Reserve District No. 9.

I suppose that on receipt of these the Board will set a date for the hearing, and I will have to go to Washington to be present at this hearing, according to my present instructions. Now I have addresses to be delivered before the different Groups of Bankers in North Dakota as follows:

Jamestown, No. Dak.	May 11,
Fargo, No. Dak.	" 12,
Grand Forks, No. Dak.	" 13,
Minot, No. Dak.	" 14.

I shall return here immediately from Minot. My next meeting is on the first of June, but of course this June first meeting can be cared for by somebody else if I am not here. So if this hearing can be arranged in Washington any time between the 19th and the 28th of May it would exactly suit my convenience, but I do not expect my convenience to be consulted unless it should work out right with the engagements of the Federal Board. I simply offer this as a suggestion. I would like to keep these appointments if possible.

Copy sent to each member, secy, + Council 4/26/15

Very truly yours,

*W. H. Pats*

Federal Reserve Agent.



APR 26 1915

*Brief rec'd + sent to Council*

122.5-9

Dictated

OSHKOSH, WIS.,

Par. 23, 1915.

Mr. H. Parker Willis,  
Secretary Federal Reserve Board,  
Washington, D. C.

Dear Sir:

In the matter of the application of banks in Eastern Wisconsin to be detached from Federal Reserve District Number Nine and annexed to Federal Reserve District Number Seven.

I have your communication under date of March 13th in the above matter, stating that when a date for oral arguments has been fixed by the Board, I will be notified. Since that time no communication from you has reached me.

Would it be possible for you now to give me the date of the hearing.

Respectfully yours,

*H. I. Weed*



122.5-9

April 23rd, 1915.

Mr. Henry I. Weed,  
Attorney at-law,  
Oshkosh, Wisconsin.

Dear Sir:

Pursuant to Regulation 1 of the Federal Reserve Board, the Board of Directors of the Federal Reserve Bank of Minneapolis designated Mr. John H. Rich, the Federal reserve agent of the bank, as its representative to file answer and brief in the matter of the application of banks in the Eastern Wisconsin District to be detached &c &c. Mr. Rich obtained from the Federal Reserve Board an extension of time until May 1st. To-day there is being forwarded to the Federal Reserve Board twenty copies of the answer and brief and I enclose one copy for yourself, for which please acknowledge receipt, and oblige.

Yours very truly,

(signed) A. Helander

Counsel for the Federal Reserve  
Bank of Minneapolis

P. S. I have not been able to obtain a copy of the petition and if you have a copy to spare and would send it to me, I shall be very much obliged.

BEFORE THE FEDERAL RESERVE BOARD.

122,5-9  
4/23/15

-----  
In the matter of the application of banks in )  
Eastern Wisconsin to be detached from Federal )  
Reserve District Number Nine (Minneapolis) and )  
annexed to Federal Reserve District Number )  
Seven (Chicago). )  
-----

The petitioning banks respectfully represent and show to  
your Honorable Board;

That they comprise more than two thirds of the member banks  
in the territory asking to be taken out of Federal Reserve District  
Number Nine and to be annexed to Federal Reserve District Number Seven.

That the petitioning banks are named and located as follows:-

- |       |                             |                              |
|-------|-----------------------------|------------------------------|
| 1.    | First National Bank         | Antigo, Wisconsin            |
| 2.    | Langlade National Bank      | Antigo, Wisconsin            |
| 3.    | Citizens National Bank      | Appleton, Wisconsin          |
| ✓ 4.  | Commercial National Bank    | Appleton, Wisconsin          |
| 5.    | First National Bank         | Appleton, Wisconsin          |
| 6.    | Ashland National Bank       | Ashland, Wisconsin           |
| ✓ 7.  | First National Bank         | Berlin, Wisconsin            |
| ✓ 8.  | First National Bank         | Black River Falls, Wisconsin |
| ✓ 9.  | First National Bank         | Brillion, Wisconsin          |
| 10.   | Chilton National Bank       | Chilton, Wisconsin           |
| ✓ 11. | First National Bank         | Clintonville, Wisconsin      |
| 12.   | First National Bank         | Crandon, Wisconsin           |
| ✓ 13. | First National Bank         | Dale, Wisconsin              |
| ✓ 14. | National Bank of De Pere    | De Pere, Wisconsin           |
| 15.   | Fond du Lac National Bank   | Fond du Lac, Wisconsin       |
| 16.   | First National Bank         | Grand Rapids, Wisconsin      |
| 17.   | Citizens National Bank      | Grand Rapids, Wisconsin      |
| 18.   | Wood County National Bank   | Grand Rapids, Wisconsin      |
| 19.   | Citizens National Bank      | Green Bay, Wisconsin         |
| ✓ 20. | McCartney National Bank     | Green Bay, Wisconsin         |
| 21.   | Kellogg National Bank       | Green Bay, Wisconsin         |
| 22.   | First National Bank         | Kaukauna, Wisconsin          |
| 23.   | First National Bank         | Manawa, Wisconsin            |
| 24.   | National Bank of Manitowoc  | Manitowoc, Wisconsin         |
| 25.   | Stephenson National Bank    | Marinette, Wisconsin         |
| ✓ 26. | First National Bank         | Marshfield, Wisconsin        |
| 27.   | American National Bank      | Marshfield, Wisconsin        |
| 28.   | First National Bank         | Medford, Wisconsin           |
| 29.   | Citizens National Bank      | Merrill, Wisconsin           |
| 30.   | First National Bank         | Neenah, Wisconsin            |
| 31.   | National Manufacturers Bank | Neenah, Wisconsin            |
| ✓ 32. | First National Bank         | Neillsville, Wisconsin       |
| ✓ 33. | First National Bank         | New London, Wisconsin        |
| 34.   | Citizens National Bank      | Oconto, Wisconsin            |
| 35.   | Oconto National Bank        | Oconto, Wisconsin            |
| ✓ 36. | City National Bank          | Oshkosh, Wisconsin           |
| ✓ 37. | Commercial National Bank    | Oshkosh, Wisconsin           |
| 38.   | Old National Bank           | Oshkosh, Wisconsin           |

- |       |                               |                          |
|-------|-------------------------------|--------------------------|
| ✓ 39. | Peshtigo National Bank        | Peshtigo, Wisconsin      |
| ✓ 40. | First National Bank           | Princeton, Wisconsin     |
| 41.   | First National Bank           | Rhineland, Wisconsin     |
| 42.   | First National Bank           | Rib Lake, Wisconsin      |
| 43.   | German National Bank          | Ripon, Wisconsin         |
| 44.   | First National Bank           | Seymour, Wisconsin       |
| 45.   | First National Bank           | Shawano, Wisconsin       |
| ✓ 46. | German American National Bank | Shawano, Wisconsin       |
| 47.   | Citizens National Bank        | Stevens Point, Wisconsin |
| 48.   | First National Bank           | Stevens Point, Wisconsin |
| 49.   | First National Bank           | Tigerton, Wisconsin      |
| 50.   | Old National Bank             | Waupaca, Wisconsin       |
| ✓ 51. | First National Bank           | Wausau, Wisconsin        |
| ✓ 52. | National German American Bank | Wausau, Wisconsin        |
| 53.   | First National Bank           | Weyauwega, Wisconsin     |

being fifty-three in number out of a total of sixty one located in the territory petitioning for the change and that their petitions signed by the duly authorized officers of each bank are hereto attached.

That apportioning the Federal Reserve Districts with due regard to the convenience and customary course of business requires that the territory in Wisconsin, embraced within the counties of Monroe, Jackson, Clark, Taylor, Price, Ashland, Iron, Vilas, Oneida, Lincoln, Marathon, Wood, Portage, Juneau, Adams, Marquette, Green Lake, Fond du Lac, Waushara, Winnebago, Waupaca, Outagamie, Shawano, Oconto, Marinette, Langlade, Forest Florence, Door, Kewaunee, Brown, Calumet, Manitowoc and Sheboygan be detached from Federal Reserve District Number Nine (Minneapolis) and attached to Federal Reserve District Number Seven (Chicago).

That a map showing the territory petitioning for such change is hereto attached marked Exhibit "A" and herewith referred to and made a part of this petition.

The the ground and reason of their petition is that the customary course of business of your petitioners is almost entirely north and south and with the cities of Chicago and Milwaukee and that but a small fraction thereof pursues a westerly course. That the business of your petitioners centers very largely in Chicago while the business of this section of Wisconsin with Minneapolis is of small consequence. That as the customary course of business in this district is toward Chicago and but a very small proportion thereof goes toward the west, your petitioners claim that the inclusion of the pe-

tioning territory in Federal Reserve District Number Nine was not in conformity with the letter or spirit of the Federal Reserve Act in that the inclusion of the petitioning territory within said District Number Nine was without due regard to the convenience and customary course of business.

That the testimony taken before the Organization Committee at Chicago tended to prove that the petitioning district was tributary to Chicago and that the trend of trade and the flow of exchange was in that direction and that there was no testimony to the contract.

WHEREFORE, your petitioners pray that your honorable body will review the determination of the Organization Committee, appointed and acting under the Act of Congress known as the Federal Reserve Act, placing your petitioners within Federal Reserve District Number Nine and will by proper order determine that the territory named in this petition be taken out of Federal Reserve District Number Nine and annexed to Federal Reserve District Number Seven.

Louis Schriber,  
Cashier, Old National Bank, Oshkosh.

John P. Shiells,  
Vice-Pres., First Nat. Bank, Neenah.

J. W. Dunegan,  
Cashier, First Nat. Bank, Stevens Point.

H. I. Weed, Oshkosh,  
Counsel.

FCM.

*Gov. Wold*

# 9

FEDERAL RESERVE BOARD FILE  
3172.59

*Wis.*

April 22, 1915.

My dear Governor:-

Your letter of April 13th was duly received and I have had a copy of the petition of the Wisconsin banks made, which is enclosed herewith. The report of the Organization Committee was sent to you some days ago.

If there is anything else I can send you I shall be glad to have you ask for it.

Very respectfully,

Assistant Secretary.

Theodore Wold, Esq.,  
Governor, Federal Reserve Bank,  
Minneapolis, Minn.

#9

FEDERAL RESERVE BOARD FILE  
722.5-91

April 20, 1915.

*Mrs*

*file 4/20*

Mr. John H. Rich,  
Federal Reserve Agent,  
Federal Reserve Bank,  
Minneapolis, Minn.

Sir: -

In reply to yours of the sixteenth instant,

I beg to advise that your request for extension of time in which to file reply brief in the case of certain banks in Eastern Wisconsin asking that part of that State be detached from the Ninth District and added to the Seventh District, has been duly received and considered.

As requested by you the Board has authorized the extension of time in which to file reply until May first.

Respectfully,

Vice Governor.

*M. G.*

FEDERAL RESERVE BOARD FILE

322.5-9  
21

Wio

April 20, 1915.

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis, Minnesota.

S i r :

I wish to acknowledge receipt of your two letters of April 8 and April 10, addressed to Mr. Willis, which have been referred by the Board to me for reply.

In reply I beg to advise that under the regulation of the Board, Federal reserve banks will not be limited to any particular hearing before the Organization Committee, but in preparing their brief may consider and refer to any evidence taken in any hearing, and may refer to the reasons assigned by the Organization Committee for its decision and to any part of the record, which consists of

- (a) Briefs filed by the several cities,
- (b) Testimony of witnesses at the various hearings,
- (c) Statistical information collected and analyzed by the Organization Committee,
- (d) Decision of the Organization Committee,
- (e) Statement of the Organization Committee as to its reasons,
- (f) Any exhibits filed.

It should be borne in mind that any proceedings relating to the establishment of the several Federal reserve banks and the determination of the various districts, were purely ex parte and that the hearings held were merely for the purpose of collecting information to be used in determining the question under consideration. In other words, the case before the Organization Committee is not analogous to a case in court where the procedure is designed to reduce the question under consideration to an issue and to take testimony on matters relating to the issue raised.

In presenting its case, therefore, the Counsel for the Federal Reserve Bank of Minneapolis should not be confined to the single issue, or to evidence adduced or not adduced in support of the issue of whether or not it is to the best inter-

J.H.R.-----2.

4/20/15.

ests of the territory involved to be attached to the Seventh or the Ninth District, but may properly discuss any evidence or arguments based thereon considered by the Organization Committee in reaching its conclusion as to the limits of any or all of the twelve districts.

In view of all the circumstances set forth in your two letters, the Board is very glad to extend the time for filing a reply brief until May 1, 1915.

Respectfully,

Counsel.

122.5-9  
4/20/15

Form 42

FEDERAL RESERVE BOARD  
OFFICE OF COUNSEL

#19  
122.5-9

RECEIVED  
APR 21 1915  
OFFICE OF  
VICE-GOVERNOR

SUBJECT:

DATE: April 20, 1915.

My dear Governor:-

I am handing you letter written to Mr. John H. Rich, Federal Reserve Agent, Minneapolis, in accordance with your request. Unless there is some objection I will send this tonight.

Please note the concluding paragraph in reference to extension of time for filing reply brief.

I have interpreted your note to write them along the line of my letter to you authorizing this.

Very sincerely,

*J. E. Stewart*

Hon. F. A. Delano,  
Federal Reserve Board.

*Judge Elliott  
I see no objection*

*FAD*

4/21/15

122.5-9  
4/16/15

*[Handwritten scribbles]*

122.5-9

FEDERAL RESERVE BOARD

April 16th, 1915.

My dear Mr. Elliott:

Referring to the attached papers concerning the application of banks in eastern Wisconsin to be transferred to the Seventh Federal Reserve District:

Will you kindly write to Mr. Rich, as upon the request of the Federal Reserve Board, following the lines of your letter to me?

Yours very truly,

F. A. Delano.

Hon. M. C. Elliott,  
Counsel.

FEDERAL RESERVE BANK OF MINNEAPOLIS

122,59

NINTH DISTRICT

OFFICERS

THEODORE WOLD, GOVERNOR S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
J. C. BASSETT, ABERDEEN, S. DAK.	E. W. DECKER, MINNEAPOLIS, MINN.
F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
N. B. HOLTER, HELENA, MONT.	

RECEIVED  
APR 19 1915  
OFFICE OF  
VICE-GOVERNOR

April 16, 1915.

Hon. Frederick A. Delano,  
Vice Governor,  
Federal Reserve Board,  
Washington, D. C.

*Journal*

Dear Mr. Delano:-

With reference to the notification of the Board dated the 13th ult. and the request that we make reply to the petition filed by certain banks in eastern Wisconsin, asking that part of that state be detached from the Ninth District and added to the Seventh District.

Pursuant to the regulation of the Board, this matter was presented to our Directors at the next ensuing meeting, which occurred on the 5th inst. and was at that time considered. I was named, by resolution, to make reply to this petition and am proceeding with the compilation of the information and argument. This work is still in progress, but has been somewhat delayed due to the necessity of sending for information and by the fact that it has been necessary to review a very large amount of material. The delays that have occurred were necessary and this matter is being handled with all possible dispatch.

In view of the circumstances, however, I would respectfully request that the Board allow this Bank until May 1st to file reply. Without this grant of additional time we may perhaps be embarrassed by the provision of the regulation allowing seven days in which to make reply, which provision it was not possible for us to comply with because our Board did not meet for more than two weeks after the receipt of the notification.

Very truly yours,

*John H. Rich*

Federal Reserve Agent.

FEDERAL RESERVE BOARD

WASHINGTON April 13th, 1915.

RECEIVED  
APR 14 1915  
OFFICE OF  
VICE-GOVERNOR

122.5-9

M. C. ELLIOTT  
COUNSEL

My dear Governor:-

I beg to hand you herewith two letters from Mr. John H. Rich, Federal Reserve Agent of the Federal Reserve Bank of Minneapolis referred to me by the Secretary to the Board which relate to applications of certain banks in Eastern Wisconsin to have that section transferred from the ninth to the seventh district.

Mr. Rich suggests that if in making reply to the brief and argument filed on behalf of the banks in question the Board of Directors of the Federal Reserve Bank of Minneapolis is limited to the subject matter covered in the testimony before the Organization Committee in Chicago they will be very seriously handicapped.

I would suggest that in reply he be advised that under the regulation of the Board Federal reserve banks will not be limited to any hearing heard by the Organization Committee but in preparing their brief may consider and refer to any evidence taken at any hearing and to the reasons assigned by the Organization Committee for its decision, and may refer to any part of the record which consists of

- (a) Briefs filed by the several cities,
- (b) Testimony of witnesses at the various hearings,
- (c) Statistical information collected and analyzed by the Organization Committee,
- (d) Decision of the Organization,
- (e) Statement of the Organization Committee as to its reasons,
- (f) Any exhibits filed.

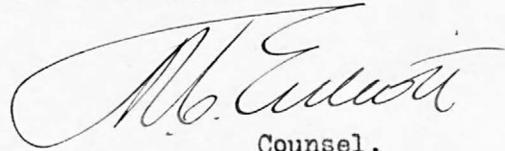
It should be borne in mind that any proceedings relating to the establishment of the several Federal reserve banks were purely ex parte and that the hearings held were merely for the purpose of collecting information to be used in determining the question under consideration. In other words, the case is not analogous to a case in court where the procedure is designed to reduce the question under consideration to an issue and to take testimony on matters relating to the issue raised.

The Federal Reserve Bank of Minneapolis, therefore, need not treat the case as if the Federal reserve Board were called upon to determine the single issue of

whether or not the territory involved should be included in the seventh or ninth district but may treat the matter on the broader scale of whether or not these districts are properly laid out, taking all factors and the whole country into consideration. It is obvious that in defining the geographical limits of a country of this size local considerations may, in some instances, run contra to the broader question of districting the whole country.

In the matter of request for extension of time within which to file reply brief, I recommend that this be granted. Three members of the Board, including the Chairman, are absent and no interests will be prejudiced by the delay.

Very sincerely,



Counsel.

Hon. F. A. Delano,  
Vice Governor.

122.5-9

4/17/15

122.5-9

FEDERAL RESERVE BOARD

MEMORANDUM FOR COUNSEL.

Can you supply us with the documents asked for in  
this letter <sup>4/13/15</sup> so that we can answer Mr. Wold?

*H. Robertson*  
Secretary.

April 17, 1915.

April 19, '15.

A copy of the Report of the  
Organization Committee was  
forwarded to Mr. Rich last week  
some time. (Letter & that effect sent Mr. Rich)  
The petition with names of banks  
attached is in the Gail Files.  
G.H.

122.59

# FEDERAL RESERVE BANK OF MINNEAPOLIS

## NINTH DISTRICT

### OFFICERS

THEODORE WOLD, GOVERNOR      S. S. COOK, CASHIER

### DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
J. C. BASSETT, ABERDEEN, S. DAK.	E. W. DECKER, MINNEAPOLIS, MINN.
F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
	N. B. HOLTER, HELENA, MONT.

April 13, 1915.

Mr. H. Parker Willis, Secretary,

Federal Reserve Board,

Washington, D.C.

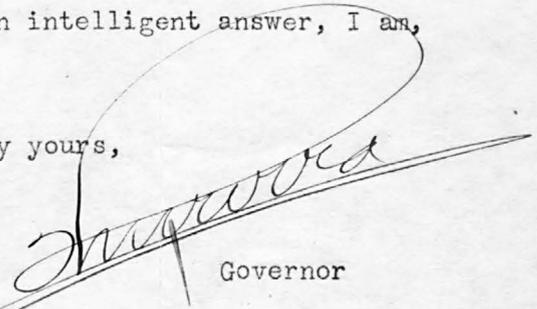
Dear Doctor Willis:

Our attorney in drawing an answer to the petition of certain Wisconsin national banks to be transferred from the Ninth District to the Seventh District, desires to have a copy of petition made by the Wisconsin Banks with names of petitioners, and if possible, a report of the Organization Committee to the Senate after the districts were formed. Can you furnish us with them?

*sent to Rich 4/12/14*

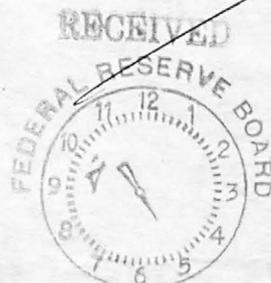
Assuring you we would very much appreciate it, and that it would enable him to draw an intelligent answer, I am,

Sincerely yours,



Governor

TW-C



APR 16 1915

122.5-9

G.L.H./M.

April 12, 1915.

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis, Minnesota.

S i r :

I wish to acknowledge receipt of your letter of April 8, requesting a copy of the testimony taken before the Organization Committee.

I have directed that a copy of Senate Document No. 485, which contains the report of the Organization Committee regarding the location of the Federal reserve districts, and the letter of transmittal to Congress, be sent to you. This document contains extracts of the testimony taken before the committee, together with reasons for its decision.

Verbatim reports of the testimony received in the various hearings in different parts of the country, may be purchased, at the rate of ten cents per typewritten page, from the Law Reporting Company, 115 Broadway, New York City.

Respectfully,

Secretary.

# FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

## OFFICERS

THEODORE WOLD, GOVERNOR S. S. COOK, CASHIER

## DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT  
J. C. BASSETT, ABERDEEN, S. DAK.  
F. R. BIGELOW, ST. PAUL, MINNESOTA  
JOHN W. BLACK, HOUGHTON, MICH.  
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L. B. HANNA, FARGO, N. DAKOTA  
F. P. HIXON, LA CROSSE, WISCONSIN  
N. B. HOLTER, HELENA, MONT.

127.59

April 10, 1915.

Mr. H. Parker Willis, Secretary,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Willis:-

Acknowledging your favor of the 8th inst. with reference to the petition of the eastern Wisconsin bankers.

Notification of the filing of this petition was received about the middle of March, but it was not possible for our Board to act on it until their meeting last Monday, at which I was designated as the representative of this bank to prepare a reply and to appear before the Board.

My letters, which reached you this morning, explain some of the complications that enter into this matter, and requested information as to the scope of the reply and likewise requested that the official record of the Organization Committee, so far as it relates to the boundaries of the Ninth District, be forwarded at once. We have already prepared some material, but are unable to make any progress with our reply to the Wisconsin brief and argument until we are advised as to the scope that will be permitted us under regulation No. 1.

I will proceed with this matter with all possible speed, but in view of all the conditions would like to ask that we be permitted a reasonable amount of time, after the receipt of the information which I have requested, in which to prepare proper evidence.

Very truly yours,

*John H. Rich*  
Federal Reserve Agent.



# FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

## OFFICERS

THEODORE WOLD, GOVERNOR      S. S. COOK, CASHIER

## DIRECTORS

JOHN H. RICH, CHAIRMAN  
AND FEDERAL RESERVE AGENT  
J. C. BASSETT, ABERDEEN, S. DAK.  
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F. P. HIXON, LA CROSSE, WISCONSIN  
N. B. HOLTER, HELENA, MONT.

122.5-9

April 8, 1915.

Mr. H. Parker Willis, Secretary,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Willis:-

Referring to your favor of the 13th ult., containing notification that certain banks in eastern Wisconsin have made application to have that section transferred from the Ninth District to the Seventh District.

A copy of the brief of the Wisconsin petitioners has been filed with this office, and in making answer thereto I have gone over Regulation No. 1, and find therein the statement that the Board, in this case, will not hear testimony, but will limit the parties at issue to the official record before the Organization Committee.

This ruling would present a very peculiar situation with reference to this Wisconsin matter. The arguments presented in behalf of establishing the Ninth Reserve Bank at Minneapolis were based upon the assumption that the territory of the Ninth District would be Minnesota, North and South Dakota, Montana, the northern part of Idaho and Washington. In all the voluminous statistics and figures presented to the Board there was no reference to Wisconsin. No attempt was made to show the relation of this center to the section of Wisconsin that is now involved, and witnesses before the Organization Committee, in behalf of Minneapolis, specifically said that their testimony was without intimation or request that any part of Wisconsin be attached to the Minneapolis district. These facts are brought out in the printed brief of the Wisconsin petition.

Following the testimony presented in Chicago, the Organization Committee proceeded to establish the boundary lines of the various districts, and instead of adding Wisconsin to the Chicago district, as was the supposition of the witnesses in behalf of Minneapolis, that Committee gave part of Wisconsin to Chicago and the rest to Minneapolis and added to the Minneapolis territory the northern peninsula of Michigan.

No. 2. To Mr. H. Parker Willis. J H R 4-8-15.

It will, therefore, be clear that if in making reply to the brief and argument in behalf of eastern Wisconsin, the Board of Directors of this bank is limited to the subject matter covered in the testimony before the Organization Committee in Chicago, that we will be very seriously handicapped.

We would be barred from showing the inconvenient situation that would arise by placing the northern peninsula of Michigan in an entirely detached relation to the rest of the Ninth District.

We would be barred from showing that the decision of the question raised by Wisconsin should rest, not on questions as to what the trend of commercial business may be, but upon the question as to whether the Ninth Bank can or cannot render prompt and adequate service to each one of its Wisconsin members.

We would, in fact, be barred from making any effective answer whatever, because we closed the door when the witnesses in behalf of Minneapolis frankly stated to the Organization Committee that they made no claims for Wisconsin whatever.

It, therefore, seems very important that I be advised at once what latitude we will be permitted in drawing up our reply and whether we will be allowed to meet the case upon its merits, or must confine ourselves strictly, as the regulations seem to indicate, to matters that were brought up before the Organization Committee and to no other facts or testimony.

It is also especially important to be advised at what approximate date we will be expected to appear in Washington on this argument. I assume that the hearing on this question will not be held at once, but it will take some days of active work to finish our reply and prepare for the hearing, and it would, therefore, be very desirable to have some idea as to how much time will be allowed for this work.

RECEIVED



Very truly yours,

A handwritten signature in dark ink, appearing to read "J. H. R." with a stylized flourish at the end.

Federal Reserve Agent.

APR 10 1915

#9

FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

FEDERAL RESERVE BOARD FILE  
122.5-9

OFFICERS

THEODORE WOLD, GOVERNOR S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
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F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
N. B. HOLTZ, HELENA, MONT.	

Wis

April 8, 1915.

Mr. H. Parker Willis, Secretary,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Willis:-

This Bank has never had an official copy of the testimony before the Organization Committee with reference to establishing boundaries of the Ninth District. In connection with my letter of this date with reference to the petition of banks in eastern Wisconsin it is highly important that we have this ~~and the~~ record before the Organization Committee on which to base our reply. I would like to ask that you take proper steps to have this forwarded to me at once.

very truly yours,

*John H. Rich*  
Federal Reserve Agent.

RECEIVED  
FEDERAL RESERVE BOARD  
APR 10 1915

GLH/M.

#9

FEDERAL RESERVE BOARD FILE  
322.5-91

Wis

April 8, 1915.

Mr. John H. Rich,  
Chairman, Federal Reserve Bank,  
Minneapolis, Minnesota.

S i r :

On March 13, 1915, you were notified from this office that certain member banks located in Eastern Wisconsin have petitioned for a transfer from the Minneapolis to the Chicago district, and the brief in support of that petition was forwarded you, with the request that you appoint a representative to reply thereto.

Will you please notify the Board whom you have designated, so that his appointment may be made a matter of record?

Will you also request your representative to expedite the filing of his brief. The regulation governing procedure in this matter, which was forwarded to you in the letter of March 13, specifies that the reply brief shall be filed within seven days.

Respectfully,

Secretary.

GLH

J. J. NIERLING, PRESIDENT  
PRESIDENT CITIZENS NATIONAL BANK, JAMESTOWN, N. D.

W. D. McCLINTOCK, VICE PRESIDENT  
PRESIDENT MERCHANTS BANK, RUGBY, N. D.

J. FARLEY, TREASURER  
PRESIDENT BANK OF VALLEY CITY, VALLEY CITY, N. D.

L. F. CRAWFORD, CHAIRMAN EXECUTIVE COUNCIL  
CASHIER INTERSTATE BANK OF BILLINGS, SENTINEL BUTTE, N. D.

W. C. MACFADDEN, SECRETARY  
FARGO, N. D.

HON. EDWARD ENGERUD, ATTORNEY  
FARGO, N. D.

# North Dakota Bankers Association

ORGANIZED 1903.  
INCORPORATED 1906.



March  
30th  
1915.

122.5-9

To Secretaries,  
J. E. Platt, and  
G. H. Richards.

Gentlemen:--

I enclose herewith a bulletin we are sending out to all of our members today in connection with an effort of the banks in Wisconsin, now in the Ninth Federal Bank District, to be transferred to the Chicago District, and it has occurred to me that you might want to take up this subject with members of your Associations. I also have an article on the subject in the "North Dakota Banker" which will be printed in a couple of days now, in which I have gone a little more into detail.

It surely is to the interest of the banks in Minnesota, North and South Dakota to prevent any change in the Ninth District. If the Wisconsin banks are transferred to the Chicago District it will cut off that much of a market for our real estate loans as well as other classes of loans in which those banks can invest while they are members in the Ninth District.

Our bankers have been encouraging their farmer clients in every way possible to visit Southern Minnesota and Wisconsin Dairying localities in order to become familiar with the methods on the dairying farms in these states. A great many dairy cattle have also been shipped into North Dakota from that territory and the interests of our banks here and the banks in that territory are common in many ways. It seems to me it is worth while for us to make an effort to have them see that their interest lies in remaining in the Ninth District. I have also taken up the matter with our delegation at Washington and they are doing what they can to present this matter in its proper light to the Federal Reserve Board.

Very truly yours,

*W. C. Macfadden*

Secretary.

WCM/T.  
Encl.

# North Dakota Bankers Association

SECRETARY'S OFFICE

Fargo, North Dakota

BULLETIN

Bulletin No. 172

122.59  
3/30/15

To Members North Dakota Bankers Association:-

An effort is being made by the banks located in that part of the new Federal Bank District in Wisconsin which is a part of the Ninth or Minneapolis District, to change the boundaries of the district so as to put the counties in Wisconsin which are now attached to the Minneapolis District in the Seventh or Chicago District. [The question naturally arises, how would such a change affect the banks of North Dakota?

North Dakota Real Estate mortgages can be carried, under the Federal Reserve Bank law, as legal assets by any Member Bank located in the Minneapolis District and a market is therefore open for such mortgages in any Member bank in that part of Wisconsin now a part of the Minneapolis District. Should the counties in Wisconsin be transferred to the Chicago District North Dakota Mortgages could not be placed with Member banks located in such counties, thereby diminishing very largely the available funds for investment in our mortgages.

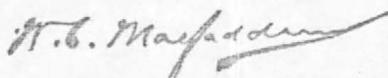
There are thirty-four counties in Wisconsin embraced in the proposed change and it would seem to be advisable that the banks in North Dakota should take an active part in a campaign to have the banks in that territory remain in the Minneapolis District. To this end members of the association are urged to write to the banks in the territory affected in Wisconsin urging them to remain in our Federal District. This is an attractive territory for them to invest surplus funds in and the Chicago District does not offer them a field that can be compared to this. Letters should also be written to the Governor of the Minneapolis Reserve Bank strongly opposing such a change. If convenient copies of all letters in this connection should be sent to the secretary's office at Fargo so that we can get up a strong petition to our representatives in Washington urging their support with the Federal Reserve Board, in Washington in opposing the proposed change.

Our delegation in Washington have signified their willingness to interest themselves in this matter.

This should be attended to as promptly as possible and the effort to prevent the change will be followed up energetically by the officers of the association.

Very truly,

Fargo, N. D., March 30th, 1915.



Secretary.

REMEMBER THE THIRTEENTH ANNUAL CONVENTION AT BISMARCK  
JUNE 16th and 17th, 1915.

NOTE—Members are requested to file this Bulletin on the Bulletin Board furnished by the Association. In corresponding with the Secretary about information in this Bulletin be sure to refer to the number.

122-5-9

3118/15

122.1  
122.5-9

March 18, 1915.

My dear Mr. Rich:

I am returning to you herewith the sixty-eight letters from member banks in Wisconsin, received with your letter of the 3rd instant. I have looked through these and have shown them to the various members of the Board, who have noted them.

Thanking you for letting me see the file, I am,

Yours very truly,

SIGNED) F. A. DELANO

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis.

FEDERAL RESERVE BOARD FILE  
3122.519  
Miss

STATEMENT FOR THE PRESS.

11:05 A. M. March 13,

There has been filed with the Federal Reserve Board an application on the part of the banks in Eastern Wisconsin to be detached from the Federal Reserve District of Minneapolis and annexed to the Federal Reserve District of Chicago.

The petitioning counties are:

- Ashland. ✓
- Iron. ✓
- Price. ✓
- Vilas. ✓
- Oneida. ✓
- Taylor. ✓
- Lincoln. ✓
- Forest. ✓
- Florence. ✓
- Marinette. ✓
- Langlade. ✓
- Clark. ✓
- Marathon. ✓
- Shawano. ✓
- Oconto. ✓
- Door. ✓
- Kewaunee. ✓
- Brown. ✓
- Manitowoc. ✓
- Outagamie. ✓
- Waupaca. ✓
- Portage. ✓
- Wood. ✓
- Jackson. ✓
- Monroe. ✓
- Juneau. ✓
- Adams. ✓
- Waushara. ✓
- Fond Du Lac. ✓
- Sheboygan. ✓
- Marquette. ✓
- Green Lake. ✓
- Winnebago. ✓
- Calumet. ✓
- TOTAL.....34 Counties.

#9

FEDERAL RESERVE BOARD FILE  
122.379

Wis

GLH/M.

March 13, 1915.

Mr. John H. Rich,  
Chairman, Federal Reserve Bank,  
Minneapolis, Minnesota.

S i r :

You are hereby notified that certain member banks located in eastern Wisconsin have duly petitioned for a transfer from the Minneapolis district to the Chicago district and have filed briefs in support of petition before this Board.

In accordance with Regulation No. 1 of the Federal Reserve Board, relating to the procedure in appeals from the decision of the Reserve Bank Organization Committee, you are requested to have the Board of Directors of your bank select a representative to reply to said brief, and to represent your bank at the hearing of oral arguments when a date therefor has been fixed.

I am forwarding, under separate cover, a copy of the brief filed by the petitioning banks, and enclose therewith a copy of Regulation No. 1, above referred to.

Respectfully,

Secretary.

GLH

Weed

GLEH/M

FEDERAL RESERVE BOARD FILE  
3/22/15 19

March 13, 1915.

Wis

Mr. Henry I. Weed,  
Oshkosh, Wisconsin.

S i r :

I wish to notify you that the Federal Reserve Board is in receipt of petition and twenty copies of the brief filed for you by Mr. R. A. Hollister with the Federal Reserve Board on March 12th.

As soon as a date for the hearing of oral arguments in the matter of this petition has been fixed, by the Board, you will be so notified.

Respectfully,

Secretary.

G. L. H.

*Reilly*

GLH/M

FEDERAL RESERVE BOARD FILE

*3/22.5EA*

March 13, 1915.

*Wis*

Honorable M. K. Reilly,  
House of Representatives,  
Washington, D. C.

S i r :

The Federal Reserve Board received on March 12 a petition and briefs filed by Mr. Henry I. Weed, of Oshkosh, Wisconsin, in behalf of certain member banks located in eastern Wisconsin, applying for transfer from the Minneapolis district to the Chicago district.

Petition and briefs appear to be in due form, and as soon as the date for the hearing of oral arguments has been fixed by the Federal Reserve Board, you will be so notified.

Respectfully,

Secretary.

*GLH*

Hollister

GLH/M



March 13, 1915.

Wis

Mr. R. A. Hollister,  
The New Willard,  
Washington, D. C.

S i r :

I wish to acknowledge receipt of petition and twenty copies of a brief submitted by you in behalf of certain member banks located in eastern Wisconsin, in the matter of the application of such banks to be transferred from Federal Reserve District No. 9 to Federal Reserve District No. 7.

As soon as a date for the hearing of oral arguments has been fixed by the Board, Mr. Henry I. Weed, Counsel for the banks, will be notified.

I am today sending a notice of the receipt of petition and briefs to Mr. Weed.

Respectfully,

Secretary.

GLH

122.5-9  
3/10/15

Mr. Delano:

Referring to the attached file of papers and to your request that I go through them and make a compilation:

I have gone through this file quite carefully and I find that, in the majority of cases, the replies indicate that while the bankers would have preferred to be in the Chicago District - the trend of business being in that direction - none of them expressed any dissatisfaction at the treatment they have received from the Minneapolis Bank. A number of them state that their transactions have been only the depositing of the required subscriptions to capital stock and a few of them, namely, those located close to Minneapolis, state that they would regret being removed and placed in the Chicago District.

In running through these papers I find that 17 prefer to remain where they are, and 37 would rather be in the Chicago District. Thirteen express no preference, but are not dissatisfied, and in no case is there any definite complaint registered.

You will also notice (fourth letter from the top) a letter signed by Mr. J. W. Dunegan, stating that he was incorrectly quoted in the newspaper article referred to, but that he does prefer doing business in Chicago.

J.D.

March 10, 1915.

FEDERAL RESERVE BOARD

To Messrs Warburg  
Parsons  
& Miller

For their information -

Admiral [unclear]

3/10/15

Return to Vice Governor [unclear]

8300  
18 1/2

122.1

File  
122.5.9

March 9th, 1915.

My dear Mr. Rich:

In connection with the large file of letters concerning the campaign alleged to have been instituted by Mr. J. W. Dunegan, of Stevens Point, Wis., I find two letters which do not seem to refer to the particular subject mentioned and, as I was running through this file for the benefit of Mr. Delano, I take the liberty of extracting these two and am returning them to you herewith. The one from Mr. Getchel, in particular, seems to contain several inquiries which you will doubtless want to arrange to answer.

Yours very truly,

Secy. to Vice-Governor.

Mr. John H. Rich,  
Federal Reserve Agent,  
Minneapolis, Minn.

PCM.

*Young*

FEDERAL RESERVE BOARD FILE  
1225-9

March 8, 1915.

*Wick*

Dear Sir:-

Your letter of March 5, relating to a telephone conversation concerning appeals for change of location by banks in the Federal reserve district of Minneapolis, is received.

Your request that in case application is made to the Board for change in the boundaries of this district, you be informed, has been noted and I will try to comply with your request.

Respectfully,

Secretary.

Hon. George M. Young,  
House of Representatives,  
Washington, D. C.

*Notified by phone  
3/12/15 S.A.  
Asks to notified of  
date of hearing  
then filed.  
S.A.*

THEODORE WOLD, GOVERNOR  
S. S. COOK, CASHIER

JOHN H. RICH, CHAIRMAN OF BOARD  
P. M. KERST, DEPUTY CHAIRMAN

FEDERAL RESERVE BANK  
NINTH DISTRICT

MINNEAPOLIS, MINN.

March 6, 1915.

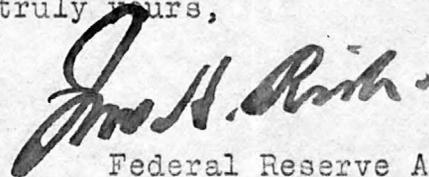
122.5-9

Hon. Frederick A. Delano,  
Vice Governor,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Delano:-

A few days ago I sent you a file of letters from Wisconsin bankers as to the question of contest over that portion of the district. I am enclosing herewith one more letter, which came in today, as I wish to make this file as complete for you as possible for future use. Will you kindly have this letter filed with the others.

Very truly yours,



Federal Reserve Agent .

GEORGE M. YOUNG  
MEMBER OF CONGRESS  
2D DISTRICT OF NORTH DAKOTA

*Young*

HOUSE OF REPRESENTATIVES  
WASHINGTON, D. C.

March 5th, 1915.

FEDERAL RESERVE BOARD FILE  
HOME ADDRESS:  
VALLEY CITY, N. D.  
DURING SESSIONS OF CONGRESS  
WASHINGTON, D. C.  
122.5-4-1  
#9

Federal Reserve Board,  
Washington, D. C.

Gentlemen:-

I wish to thank you for the information given to me over the telephone today, that no appeal had been made to the board respecting the boundaries fixed for the Minneapolis Reserve District.

In case any application is made to the board for a change of the boundaries of that district will you not kindly inform me?

Yours respectfully,

*George M. Young*

Dict.

*[Handwritten flourish]*



THEODORE WOLD, GOVERNOR  
S. S. COOK, CASHIER

JOHN H. RICH, CHAIRMAN OF BOARD  
P. M. KERST, DEPUTY CHAIRMAN

FEDERAL RESERVE BANK  
NINTH DISTRICT

MINNEAPOLIS, MINN.,  
March 3, 1915.

122.59

RECEIVED

MAR 5 1915

Hon. Frederick A. Delano,  
Vice Governor,  
Federal Reserve Board,  
Washington, D. C.

My dear Mr. Delano:-

With reference to a movement, headed by Mr. J. W. Dunegan, of the First National Bank of Stevens Point, Wis., to have a part of the eastern and southern Wisconsin territory, that is now in the Ninth District, transferred to the Seventh or Chicago District.

I understand that it is the intention to present this question to the Board for consideration. In anticipation of this action, I have asked Mr. Wold, Governor of this Bank, to take up the matter with the banks that are affected, and he has had a circular letter, which with file of newspaper clippings, is herewith enclosed, sent to the Wisconsin banks.

There was a very satisfactory reply to this letter and I enclose 68 replies, which indicate, while many of the banks feel that the natural drift of business is not in the direction of Minneapolis, that they have no complaint whatever against the Ninth Bank and express no dissatisfaction. These letters would seem to clearly indicate that there is no general sentiment among the Wisconsin banks to have a change made in the District boundary lines. On the other hand, it appears that a great majority of all the banks that have made reply are satisfied to allow the present boundaries to stand without change.

I submit this file for your consideration and such use as you may desire to make of it when this question is presented to the Board.

Very truly yours,

*John H. Rich.*

Federal Reserve Agent.

DIRECTORS:  
RAY J. HAGGERTY, PRESIDENT  
AUGUST SCHMIDT, VICE-PRESIDENT  
L. B. YOUNG  
THOS. BILLINGS  
D. E. RIORDAN  
F. J. KANDUTSCH, CASHIER

THE FIRST NATIONAL BANK  
OF PARK FALLS  
10489  
PARK FALLS, WISCONSIN

122.5.9

Feb 23rd, 1915.

Federal Reserve Bank,  
Minneapolis, Minn.

Gentlemen,

In reply to your letter of the 16th inst. relating to the reports of Mr. J. W. Dunegan of Stevens Point and the working of the federal reserve banking law wish to inform you that, at the time protest was sent us by Mr. Dunegan, we absolutely refused to sign same or have anything to do with it however, we understood that the only matter which was unsatisfactory to Mr. Dunegan and others was the District not properly divided. The largest volume of business was Chicago business and as we understood it correctly, they wanted to be transferred into the Chicago district.

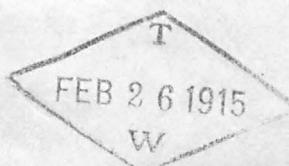
We as one are perfectly well pleased asto the operation of the law and our dealings with you have proven very satisfactory. We are,

Very truly yours,

*F. J. Kandutsch*

Cashier.

Exp B 2



122.59



# THE McCARTNEY NATIONAL BANK

CAPITAL \$200,000.00 SURPLUS \$100,000.00

J.H. TAYLER, PRESIDENT  
WM. LARSEN, VICE PRESIDENT — GEO. A. RICHARDSON, CASHIER  
C.W. LOMAS, VICE PRESIDENT — J.F. KETTENHOFEN, ASST. CASH.

GREEN BAY, WIS.

February 22, 1915

*Peterson 4020*

Hon. Theo. Wold, Governor  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir; Your favor of the 16th, arrived during my absence hence delay in answering.

At the time we were notified of our assignment to district number 9, we entered our protest against it and asked to be assigned to number 7 instead. Since that time we have taken no active part in seeking to effect a change.

It would be unfair to say that your dealings with us have been unsatisfactory, as we have as yet had no dealings beyond the payment by us of the amounts required by law.

The placing of this territory in district number nine is unsatisfactory to us for the reason that it requires the deposit of a considerable sum of money, where, under ordinary circumstances it is of no use to us. The commercial business of this section is transacted mostly with Chicago and Milwaukee and to divert the banking business to Minneapolis means unnecessary and annoying delay.

We believe there are several ways in which the operation of the law could be made more practicable and satisfactory to bankers, but presume you do not care to have us go into that matter at this time.

Very sincerely,

President.

*Exp A 7*

122.5-9  
2/19/16

T. R. WALL,  
PRESIDENT.

ROBT. MILLER,  
VICE PRESIDENT.

C. E. GIBSON,  
CASHIER.

F. E. RUTH,  
ASST. CASHIER.

NO. 6273

# The First National Bank of Clintonville

122.5-9

CAPITAL, SURPLUS AND PROFITS \$75,000.00

*Petitioner No 11*

CLINTONVILLE, WIS.,

FEB 19 1916

Theo. Wood Governor  
Federal Reserve Bank  
Minneapolis Minn

Dear Sir :-

Replying to your letter of the  
16<sup>th</sup> will say that our business naturally  
goes to Milwaukee & Chicago & the train  
service is better to those cities, than  
it is to Minneapolis. Thus far  
our business with your bank has  
been little & probably conducted as  
easily as it could have been done  
with the 7<sup>th</sup> District Bank in Chicago.  
We would prefer, however, to go  
south with our business, rather  
than west & north.

Yours Very Truly  
C. E. Gibson

First National Bank,  
Clintonville, Wis.

FEB 20 1916  
W

Exp a 5

# FIRST NATIONAL BANK

122.5-9

B.F. McMILLAN, President

H.G. HAMBRIGHT, Cashier

J.C. MARSH, Vice President

J.C. DORPAT, Asst. Cashier

*Petitioner No 26*

MARSHFIELD, WIS.

Feb. 19, 1915.

Mr. Theodore Wold, Governor,  
Federal Reserve Bank,  
M i n n e a p o l i s,  
M i n n.

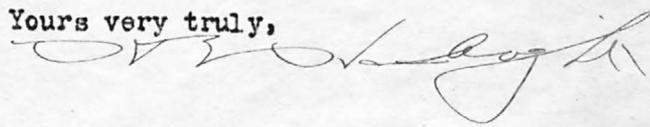
Dear Sir:-

Replying to your letter of February 16th, which  
was not answered before owing to my absence from the city,  
would say that the same was certainly news to me.

While we have always been of the opinion that it would be better  
for us to be in district #7 on account of the major part of our  
business being with Chicago or Milwaukee banks, we had not been  
trying to be transferred to that district.

We are not in a position to say whether your dealings with us  
have been satisfactory or unsatisfactory, as we have had no busi-  
ness to take up with you otherwise than to make the necessary de-  
posits according to law.

Yours very truly,



Cashier.

HGH-LT

*Ex A 8*

FEB 20 1915  
W



# The First National Bank

CAPITAL \$25,000.00

122.5-9

Princeton, Wisconsin.

FEB 19 1915

G. J. KRUEGER, PRESIDENT  
ERICH MUELLER, VICE PRESIDENT  
HENRY SCHULTHEIS, CASHIER

*Retirement \$40*

Theo. Wold Governor  
Federal Reserve Bank  
Minneapolis, Minn.  
Gentlemen.

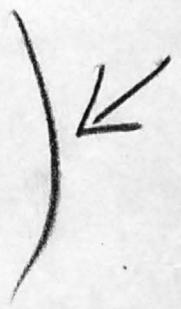
Referring to your letter of Feb 16th 1915 asking in just what manner the operation of the law and the dealings with your bank have been unsatisfactory.

Replying thereto will say that we have no good grounds for complaint as we have ~~done~~ no business with you except to pay our share to the capital stock and made our required deposit.

We have had no business that we might sent you, about the only thing we do not think is just right is that we do not receive any interest on the money we deposit with you.

Resp Yours.

*Erich Mueller*  
Cashier.



FEB 20 1915  
W

*Exp A 13*

The National German American Bank

OF WAUSAU, WISCONSIN.

CAPITAL \$300,000??    SURPLUS \$130,000??

UNITED STATES DEPOSITARY.

WAUSAU, WISCONSIN.

122.5-9

Feb. 19, 1915.  
" Friday "

*Petitioner #52*

Mr. Theo. Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir:

In reply to your favor of the 16th instant regarding statement made by J. W. Dunegan, Stevens Point, will say that we are very much surprised to hear that Mr. Dunegan made a statement of this kind. He usually is very conservative and we feel now that in all probability he has been misquoted by the press.

In regard to our position will say that we have always felt that we would prefer to belong in the Seventh District as our channels of trade and travel have been to Milwaukee and Chicago instead of Minneapolis. Besides we rather expected that on account of Montana and the Dakotas being high interest states that the rates of discount would be more reasonable in Chicago than they would be in Minneapolis, our interest rates here being based more on a line with Chicago than Minneapolis.

We want, however, to say that we appreciate the fact there are many strong banks at St. Paul and Minneapolis, that our connections at both places have been entirely satisfactory. We value the friendship and connection with the St. Paul and Minneapolis bankers highly.

We also want to state that our business relations with the Federal Reserve Bank at Minneapolis have been very pleasant and harmonious, and we have absolutely no criticism to make on that point.

Respectfully yours,

*H. G. Flieeth*

HGF-ML

Cashier.

*Ex a 15*

T  
FEB 20 1915  
W

A. G. Wells, President.

C. G. Wilcox, Vice-President.

J. B. Brockman, Cashier.

6769.

# The National Bank De Pere

UNITED STATES DEPOSITARY.

Capital \$50,000,000.

De Pere, Wis. Feb. 18, 1915.

122.59

Petitioner # 14

Theo. Wold, Governor,  
Federal Reserve Bank,  
Ninth District,  
Minneapolis, Minn.,

Honorable Sir:

Yours of the 16th inst., duly received, and in response beg to state that this is the first intimation that we have had that any movement of the kind you refer to, was on foot, as we do not remember of having any communication from Mr. Dunegan or anyone else with reference to the question, and certainly not for a long time.

While we naturally felt somewhat chagrined at the fact that we were placed in the Ninth District, instead of the Seventh, feeling that we naturally belonged with the Chicago people, where we were very intimately acquainted, while our business relations with you certainly have been very slight, indeed, we fully appreciate that we cannot all expect to have everything to our entire liking, and therefore, have learned to a great extent, to adapt ourselves to the conditions, and felt that experience would probably teach us that the business could be handled practically as well there as elsewhere.

Our relations with you have been of a very limited nature so far, and we really hardly anticipate where there will be a necessity of getting in very intimate touch with you, except to comply with the conditions of the Law, as it exists, and we confess we are somewhat ignorant of what we may be called upon to do in the future.

T  
FEB 20 1915  
W

Ex A 6

G. Wells, President.

C. L. Wilson, Vice-President.

J. B. Brockman, Cashier.

6469.

# The National Bank De Pere

UNITED STATES DEPOSITARY.

Capital \$50,000,000.

De Pere, Wis.

122,5-9

AGW-TW.

Sheet-2-

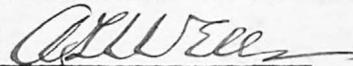
We certainly have had no occasion to criticise the manner in which you have dealt with us so far, and have not offered any protest.

Trusting that everything will be worked out satisfactorily, although we must confess we would have felt more at home in the Seventh District, than with yours, we remain,

Yours very truly,

THE NATIONAL BANK OF DE PERE.

Per



Pres.

AGW-HP.

# The Commercial National Bank of Oshkosh

CAPITAL & SURPLUS, \$ 250,000.

122.5-9

Reference No 37

Oshkosh, Wis. February 18th, 1915.

Theodore Wold, Governor,  
Federal Reserve Bank, Ninth District,  
Minneapolis, Minn.

Dear Sir:

We have your letter of the 16th inst. in which you quote from a letter of J. W. Dunegan, who, you state, is actively engaged in a campaign to have Wisconsin banks put in the Seventh Federal Reserve District, as follows:

"Many banks in Wisconsin who have previously done business in Chicago were placed in District No. 9, of which Minneapolis is the Reserve City. Immediately a strenuous protest was voiced and the actual operation of the law has increased rather than lessened the dissatisfaction."

You state that as Governor of the Ninth District, you are interested in knowing in just what manner the operation of the law and your dealings with us have proven unsatisfactory. While this bank was a party to the protest and petition to have Wisconsin included in the Seventh District, we have never expressed any dissatisfaction with the actual operation of the law. In fact, we have never availed ourselves of any of the many functions of the bank over which you preside, consequently are not in a position to express the opinion that you quote from Mr. Dunegan's letter; therefore, we are not to be included in the "Many banks in Wisconsin" mentioned above.

Yours very truly,

W.L

*E. R. Williams*

Cashier.

FEB 19 1915  
W

Ex a 12

CHAS. G. KAPELOVITZ  
PRESIDENT.

A. N. BENJAMIN  
V. PRESIDENT

T. S. SABY  
CASHIER

# First National Bank

— OF ALMA —

122.5-9

Alma, Wis. February 18, 1915.

Mr. Theo. Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

X

Dear Sir:-

Replying to your inquiry of the 16th instant regarding the inclusion of this part of Wisconsin in the Ninth Federal Reserve District of which Minneapolis is the reserve city, we wish to state that in no manner have the actual operation of the law and your dealings with us proved unsatisfactory.

We may state further <sup>that</sup> our inclusion in the ninth district is highly satisfactory to us and that for various reasons we would regret very much to have boundaries changed so as to place us in the Chicago district.

Yours very truly,

*T. S. Saby*  
Cashier.

FEB 19 1915  
W

Ex B 1

LUMBERMENS NATIONAL BANK

CHIPPEWA FALLS, WISCONSIN

WILLIAM IRVINE, PRESIDENT.  
S. B. NIMMONS, VICE PRESIDENT.  
F. G. MARTIN, CASHIER.  
T. W. JENNINGS, ASST. CASHIER.

to  
122.5-9

February 18, 1915.

Hon. Theodore Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir:-

Replying to your letter of the 16th would state that the location of the Federal Reserve Bank for the 9th District in Minneapolis is entirely satisfactory to us and was, as a matter of fact, our choice.

We are perfectly satisfied with all the dealings that we have had with your institution and have no complaint of any kind to make.

Yours truly,

S. B. NIMMONS  
Vice President.

FEB 19 1915  
W

Ex to 2

August Mason,  
President.

B.D. Viles,  
Vice President.

L.M. Newman,  
Vice President.

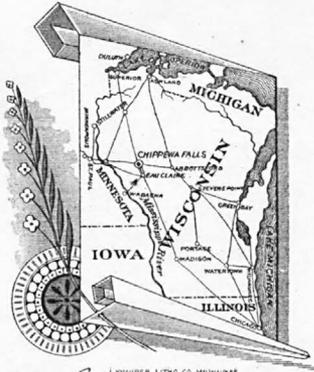
T.M. Cary,  
Cashier.

L.H. Marshall,  
Asst. Cashier.

Capital \$100,000. Established 1873.

# First National Bank

122.5-9



Chippewa Falls, Wis. Feby 18/15

Theron Wood, Governor

Dear Sir:-  
Municipal Union

Your favor of the 16<sup>th</sup> is received

and glad to say that there is no dissatisfaction here

Very truly  
T.M. Cary  
Cashier

FEB 19 1915

Exp 6 1

10322

# THE FIRST NATIONAL BANK

CAPITAL \$25,000.00



Stone Lake, Wis.

February 18, 1915.

122.5.9  
X

Mr. Theodore Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir:-

Replying to your letter of February 16th, will say that we have no objections to make about being in the 9th Federal Reserve District, or complaints in regard to the operation of the law and your dealings with us. We have always been in favor of being in the Minneapolis District.

Yours very truly,

*GEO. E. STUBBINS*  
Cashier.

2  
1

T  
FEB 19 1915  
W

Ex 67

H.G. FREEDMAN, PRESIDENT.  
JAMES W. WOOD, VICE PRES.

C.S. DICKINSON, CASHIER.  
GEO. H. PEPPER, BOOM, ASST. CASH.

2565

**COMMERCIAL NATIONAL BANK**

CAPITAL & SURPLUS \$ 250,000.

APPLETON, WIS.

122.5-9

*Petitioner No 4*

*4, 1, 1, 0*  
*— < — — — —*  
*see*  
*suppl*

February 17, 1915.

Theodore Wold, Governor,  
Minneapolis, Minn.

Dear Sir:

Replying to your letter of the 16th.  
We have no complaint to make regarding our Federal Reserve account. You of course are conversant with the natural trend of business in this district. It remains to be seen if it can be handled through Minneapolis.

Yours very truly,

*C. S. Dickinson*  
Cashier.

*Ex A 1*

T  
FEB 18 1915  
W

*Munich*  
*Lock away*

ESTABLISHED 1876

# First National Bank

CAPITAL \$75,000.00 SURPLUS \$25,000.00

*Patrolman #7*

*Berlin, Wis.* February 17, 1915.

Mr. Theo. Wold, Governor,  
Minneapolis, Minn.

*to -> file  
repl. out*

Dear Sir:-

We are in receipt of your favor of the 16th inst. in regard to our relations with the Federal Reserve Bank at Minneapolis and in reply would say that our business with the Reserve Bank has been limited to the payment of the stock and payment of the reserve required, and we are hardly in a position to criticise the actual operation of the law.

We are of the opinion, however, that our interest will not be materially effected by having the Reserve district in Minneapolis and we certainly would not be in a position to criticise until after our business was active.

Our relations with the Federal Reserve Bank of Minneapolis, which you represent as Governor, have certainly been satisfactory as far as we are concerned and we trust that this letter will answer your inquiries.

Yours very truly,

FIRST NATIONAL BANK

*R. A. Christie*  
President

RAC-LP

*Exa 2*

FEB 18 1915



F. JOHNSON, PRESIDENT.  
C. S. SECHLER, VICE-PRESIDENT.  
J. A. BAILEY, VICE-PRESIDENT.

H. H. RICHARDS, CASHIER.  
J. R. BOLGER, ASS'T CASHIER.  
LULU M. THOMPSON, ASS'T CASHIER.

# FIRST NATIONAL BANK

CAPITAL \$50,000.00

BLACK RIVER FALLS, WIS.

122.5-9

*Petitioner # 8*

Feb. 17th, 1915.

Mr. Theodore Wold,  
Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

T  
FEB 18 1915  
W

Dear Sir:

Replying to yours of the 16th, up to this time,  
the operation of the Law and your dealings with us, have  
been very satisfactory.

Yours very truly,  
*H. H. Richards* Cashier.

*Exp A 3*

A. F. Paustian, President,  
Frank H. Becker, Vice President.  
George E. Dawson, Cashier.

# First National Bank

NO. 7224.

\$8000.

CAPITAL \$25000.

SURPLUS \$7500.

T  
FEB 18 1915  
W

122.5-9

*Petitioner # 9*

BRILLION, WIS., Feb 17 1915

191

*might  
within a week*

Federal Reserve Bank.  
Minneapolis, Minn.  
Gentlemen;

We have your favor of the 16th. inst. and note contents with considerable surprise. We joined in former protests, although we do not recall being approached on the one in question, because we felt and still feel, that this district rightfully belonged to the Chicago one. This feeling was not due to any enmity to the Federal Reserve Bank of Minneapolis or any of its officials, but solely to the facts that 90 % of our " out of state " business was done with Chicago, and the better mail and express service etc with that point.

So far as this bank is concerned, wish to say that we have no complaint to make as to your manner of handling our business or the treatment given us. Neither do we imagine that any different, or better service, except in the matter of quicker returns, would be given us by any other Federal Reserve Bank, at this time.

Trusting this explains our position, I am,

Yours very truly,

*G. E. Dawson Cashier*

GEORGE KLOSTERMAN, President.

WUCKUK, Vice President.

~~F. J. MARTIN~~  
IRA J. WEEKS, Cashier.

~~IRA J. WEEKS, Assistant Cashier~~

6403

# The German American National Bank

122:5-9

SHAWANO, WIS., Feb 17. 15.

Petitioner No 46

Theodore Wold, Governor,  
Minneapolis, Minn.

Dear Sir:-

Replying to your letter of Feb 16th.

At one time this bank signed a petition asking that this district be removed from the Minneapolis district and placed in the district #7. Our principal reason for doing this was the fact that mail service from here to Chicago is much better than it is to Minneapolis and principally because we have always carried on business relations in Chicago. I am unable to say that our being located in the Minneapolis district would be unsatisfactory to us, but thus far, as you know, we have had very little business relations with the Federal Reserve Bank.

Unless we carried a very active account with your bank, I cannot see as it makes any difference to us whether we are in district #7 or #9. If we could get the same mail service to Minneapolis as to Chicago, then as far as we are concerned, there would be no difference.

It seems to me that the agitation is caused in a great part by the bankers of Chicago and Milwaukee, in order that the business, which has for years been coming their way, may not be taken to other cities.

Yours truly,

*Ira J. Weeks*  
Cashier.

2

GD

Ex 6 14

FEB 18 1915  
W

one night  
each way



# THE NATIONAL BANK OF LA CROSSE

GEO. W. BURTON, President.  
F. P. HIXON, Vice President.  
L. C. COLMAN, Vice President.  
F. H. HANKERSON, Cashier.  
JOSEPH BOSCHERT, Asst. Cash.  
R. C. WHELPLEY, Asst. Cash.

CAPITAL \$ 250,000. SURPLUS \$ 400,000.

LA CROSSE, WIS.. February 17, 1915.

122,59

+

Mr. Theo. Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

T  
FEB 18 1915  
W

Dear Mr. Wold:

Replying to your letter of the 16th, I would say that we have no part in Mr. Dunegan's campaign and had not heard of it until we received your letter. We are perfectly satisfied with our location in the Ninth District and believe the Federal Reserve Bank of Minneapolis is as well equipped in the way of officers and directors as any of the other banks. Of course, we have done very little business with you as yet, but we have no criticism to make and have heard of none from any source. We cannot imagine what is referred to in the newspaper report you quote. Probably it is nothing but newspaper inaccuracy.

Very truly yours,

*W. W. Winters*

Exp 6 6

S. M. MARSH, VICE-PRESIDENT  
W. H. WOODWORTH, VICE-PRESIDENT

CHARLES CORNELIUS, PRESIDENT

R. A. CLEMENS, CASHIER  
PAUL A. BARTELL, ASST. CASHIER

*First and Only National Bank in Clark County*



# FIRST NATIONAL BANK,

CAPITAL AND SURPLUS, \$60,000.00

U. S. DEPOSITORY FOR POSTAL SAVINGS FUNDS.

STATE DEPOSITORY.

122,59  
+

GOVERNMENT INSPECTED.

NEILLSVILLE, Wis., Feb. 17th. 15.

Mr. Theo. Wold, Governor.  
Minneapolis, Minn.  
Dear Sir:

2/16/15

Replying to your letter relative to the remarks of Mr. J. W. Dunegan will say that our business relations with the Federal Reserve Bank of Minneapolis, Minn. have been very satisfactory and we have no reason for any complaint.

In our opinion such remarks are detrimental to the purpose and workings of the bank and should not be made publicly, when there is no good reason.

Yours very truly,

Cashier

Petitioner # 34

FEB 18 1915  
W

5013

# First National Bank

Capital \$50,000

122.5-49

New London, Wis., Feb. 17th 1915.

*Petitioner No 33*

Theo. Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

Sir:-

Replying to yours of the 16th inst., we have no knowledge of any action taken upon the part of the management of the Federal Reserve Bank of the ninth District which has proven unsatisfactory to this bank. We are not aware of the fact that we are associated with J. W. Dunnegan, Steven Point, Wis., in any criticism.

Yours very truly,

*[Handwritten Signature]*  
Cashier

HSR-V.



*[Handwritten notes and scribbles]*



# City National Bank

OF OSHKOSH.

122.5.9

CAPITAL AND SURPLUS \$240,000.00

H. F. LANDECK  
GEORGE BAUMAN, PRESIDENT  
J. E. MORGAN, VICE PRESIDENT  
A. T. HENNIG, CASHIER  
A. A. ABRAHAM, ASST. CASHIER

Oshkosh, Wis. February 17, 1915.

*Petitioner No 36*

Mr. Theodore Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir:-

We have your letter of the 16th inst.  
in respect to campaign of J. W. Dunegan.

In reply, would say that we have not been  
approached by the gentleman in question, and doubt  
whether we would consider the same seriously.  
While we feel that we should have been put in the  
Seventh Federal Reserve District, nevertheless we  
are pleased to state that the service of the  
Minneapolis Reserve Bank has been entirely satis-  
factory to us.

Yours very truly,

*A. T. Hennig*  
Cashier.

T  
FEB 18 1915  
W

*Ex 411*

A. HIRSHHEIMER, PRESIDENT.  
E. M. WING, VICE PRESIDENT.  
JOHN A. BAYER, CASHIER.  
H. O. KLEIN, ASST. CASHIER.

# BATAVIAN NATIONAL BANK

CAPITAL AND SURPLUS \$500,000

122.5-9

LA CROSSE, WIS. Feb. 17, 1915

*Personal*

Mr. Theodore Wold, ~~Governor~~,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Mr. Wold:-

We have yours of the 16th calling attention to the activity of some Wisconsin bankers who are attempting to be transferred to the Chicago District and inquiring in just what manner we do not approve of the operation of the law.

In reply I beg to say that I was considerably peeved at being put in the Minneapolis District, inasmuch as we had appeared before the Committee at Chicago and had asked to be put in that District and the line was placed just six miles below us, but since you have been elected Governor of the Federal Reserve Bank, I have become entirely reconciled to the situation and I think I would object just as strenuously now to being transferred to the 7th District. As far as this bank is concerned, we feel that with Mr. Hixon one of the Directors and yourself as one of the officers, with your knowledge of this institution's methods of doing business and our standing, that we would be in a great deal better position if we should require assistance, than we would with the Chicago people. My objection to being put in the Minneapolis District was that the Minneapolis District is comparatively seasonal small and will have at times a very heavy demand.

X

T  
FEB 18 1915  
W

Yours truly,

*E. M. Wing*  
President.

Exp 6 5

## EAU CLAIRE NATIONAL BANK

CAPITAL \$150,000.00      SURPLUS \$30,000.00

W.K. COFFIN, PRESIDENT  
C.W. LOCKWOOD, VICE PRESIDENT  
E.J. LENMARK, CASHIEROTTO VON SCHRADER, ASSISTANT CASHIER  
J.A. PLAYTER, ASSISTANT CASHIER  
W.S. WOODRUFF, ASSISTANT CASHIER

EAU CLAIRE, WISCONSIN

February 17, 1915.

Dear Sir:

Your letter of the 16th is received and noted.

There was some dissatisfaction because Northern Wisconsin was put into the Minneapolis District. The dissatisfaction was from the eastern part of the state, and I think, came principally from a few individuals who were disappointed because they could not dictate and control the Wisconsin member of your board. I think Mr. Chapman of the Northwestern National Bank, or Mr. Hixon of your Board can tell you all about it. On some accounts, we would have liked to be in the Chicago District, but were entirely satisfied when we were put into your District. We are entirely satisfied with the organization and management of your Bank and have heard no criticism from any quarter. We know that you have a big job on your hands, and it will be remarkable if you do not have some criticism. You have our best wishes, and will have our loyal and faithful co-operation. If there is anything that we can do at any time, please advise us.

Yours truly,

*W.K. Coffin*  
President.

Theo. Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minnesota.

122,319  
+

Exp 64

82  
Union National Bank

CAPITAL \$200,000.00

O.H. INGRAM, PRES. M.E. BAUMBERGER, ASST. CASH.  
J. T. JOYCE, VICE PRES. M.B. SYVERSON, ASST. CASH.  
MARSHALL COUSINS, CASHIER. KNUTE ANDERSON, ASST. CASH.  
EAU CLAIRE, WISCONSIN

February 17th, 1915.

122.5-9  
+

Theodore Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

A

Dear Sir:

We are in receipt of yours of Feb. 16th and in reply would say last summer we heard a great deal from Mr. Dunnigan and others situated in the eastern part of the state, regarding their dissatisfaction at being placed in the Ninth District.

At a meeting held in Oshkosh a resolution was offered asking that the Wisconsin banks be changed to the Seventh District, but the resolution was withdrawn upon my strenuous objection that we people in the western part of the state were satisfied with Minneapolis. We have never heard anything from any of these people since that time.

T  
FEB 18 1915  
W

Our dealings with your bank have been perfectly satisfactory to us, and we do not see how they could be improved upon, viewing the matter from the immense amount of work that your Ninth District has had to do and the obstacles you have been obliged to overcome.

Very truly yours,

JTJ:M

Ex 63 -

No. 425

THE FIRST NATIONAL BANK

RIPON, WISCONSIN

CAPITAL \$100,000. SURPLUS \$25,000.

GARD MILLER, PRESIDENT. F. SPRATT, CASHIER.  
H.P. CODY, VICE PRESIDENT. W.R. DYSART, ASST. CASHIER.

122.5-9

Feb. 17, 1915.

X

Mr. Theodore Wold, Governor,  
Federal Reserve Bank,  
Minneapolis, Minn.

Dear Sir:-

Replying to your letter of Feb. 16th,  
I beg to say we have not taken any part in  
any of the steps taken by many of the banks  
in Wisconsin to have this part of the State  
put in the seventh Federal Reserve District,  
as we believe our interests can be as well  
served from Minneapolis as from Chicago.

2  
1

Respectfully yours,

*F. Spratt*  
Cashier.

*In district  
Funds loc 60*

2  
1

FEB 18 1915  
W

*one night  
back way*

*Exp B 4*

# THE COMMERCIAL NATIONAL BANK

H. R. POTTER, PRESIDENT  
 HENRY BOYLE, VICE PRESIDENT  
 A. G. BECHAND, 2<sup>ND</sup> VICE PRESIDENT  
 M. T. SIMMONS, CASHIER  
 F. A. BOYD, ASST CASHIER



CAPITAL  
 AND SURPLUS  
 \$ 200,000

FOND DU LAC, WIS.  
 FEBRUARY  
 SEVENTEENTH,  
 1915.

Mr. Theodore Wold, Governor,  
 The Federal Reserve Bank,  
 Minneapolis, Minn.

FEB 18 1915  
 W

My dear Sir:-

In reply to your letter of the 16th in which you call our attention to the effort that Mr. Dunegan of Stevens Point is making to have the banks in this district put in the Seventh Federal Reserve District.

The officers of this bank are not in sympathy with the effort that is being made to have our district changed. We think that all the unrest in this district has been caused by Milwaukee. They, I am sure, feel that if middle and Southern Wisconsin are added to the Seventh District that in time Milwaukee can be a branch, when such time comes. We feel that it is to our interest to remain in the Minneapolis District for the reason that all our northern Wisconsin, Minnesota, North and South Dakota and Montana farm loans can be made at a very much higher rate than can be secured in the Chicago district. We will be able to help just the class of people that need help from the strong banks of Wisconsin. Chicago now is the second largest Federal Reserve Bank, and they do not need us at all, while Minneapolis does.

As far as doing business with Minneapolis is concerned, it is just as convenient for us to do it with Minneapolis as it is with Chicago. Our mail goes out from here at night and is in Minneapolis in the morning, the same as Chicago.]

The officers of this bank would be very sorry to have this district changed; and if at any time we can in any way assist you to retain this portion of the state, if it is your wish to do so, we would be very glad indeed to serve you.

Very truly yours,  
  
 President.

122-59

X

||

B. 5

# The First National Bank

CAPITAL, \$25,000.00

P. E. REEDAL, PRESIDENT  
W. K. PARKINSON, VICE PRESIDENT  
G. B. REEDAL, CASHIER

Phillips, Wisconsin

Feb. 17, 1915.

122.5-9  
X

Theodore Wold, Governor  
Federal Reserve Bank  
Minneapolis, Minn.

Dear Sir;

Your letter of the 16th received and in reply thereto I will say that our first choice of the District was Minneapolis and that in response to letters from Mr. Dunnegan and others we have refused to ask for any change in the Federal Reserve District and so notified them.

We find with us that a large percentage of our business is through the twin cities and in fact have always kept our main balances in Minneapolis. We have no criticism to make in regard to the operation of the law or your dealings with us.

Yours truly

*G B Reedal*  
Cashier

2  
1

In district

T  
FEB 18 1915  
W

Exp B. 3

MINNEAPOLIS, MINN.  
Marshfield (Wis.) Herald  
SATURDAY, FEBRUARY 6, 1915.

## WISCONSIN BANKS WANT DISTRICT CHANGED.

When the National banks of the country were assigned to the new Federal Reserve districts several months ago, says the Stevens Point Journal, many banks of Wisconsin that had previously done business through Chicago were placed in district No. 9, of which Minneapolis is the reserve city. Immediately a strenuous protest was voiced and the actual operation of the law has increased rather than lessened the dissatisfaction.

Recently seventy-six Wisconsin banks were asked for an expression and practically all of these signed a protest against remaining in the Minneapolis district. As a result a committee composed of Louis Schreiber of Oshkosh, John P. Shields of Neenah and J. W. Dunegan of this city, with Col. H. I. Weed of Oshkosh as counsel, has been selected to take up the matter with the Federal Reserve board. They will ask for a hearing, at which time arguments in favor of being placed in Chicago district No. 7 will be presented. It is probable that the hearing will be secured some time during the present month. The objection to being in the Minneapolis district is based on the fact that the regular channels of business lead to Chicago, making it much more satisfactory and convenient to be in that district.

FEDERAL RESERVE BANK OF MINNEAPOLIS

NINTH DISTRICT

OFFICERS

THEODORE WOLD, GOVERNOR      S. S. COOK, CASHIER

DIRECTORS

JOHN H. RICH, CHAIRMAN AND FEDERAL RESERVE AGENT	P. M. KERST, VICE CHAIRMAN AND DEPUTY FEDERAL RESERVE AGENT
J. C. BASSETT, ABERDEEN, S. DAK.	E. W. DECKER, MINNEAPOLIS, MINN.
F. R. BIGELOW, ST. PAUL, MINNESOTA	L. B. HANNA, FARGO, N. DAKOTA
JOHN W. BLACK, HOUGHTON, MICH.	F. P. HIXON, LA CROSSE, WISCONSIN
N. B. HOLTER, HELENA, MONT.	

February 16, 1915.

Gentlemen:

J. W. Dunegan of Stevens Point, Wisconsin, with one or two other gentlemen, is actively engaged in a campaign to have the Wisconsin banks put in the 7th Federal Reserve District, to which of course we take no exception, as they have a perfect right to act in that matter as they see fit, but part of the statement made in the newspapers of his own city is as follows:

"Many banks in Wisconsin who have previously done business in Chicago were placed in District No. 9, of which Minneapolis is the reserve city. Immediately a strenuous protest was voiced, and the actual operation of the law has increased rather than lessened the dissatisfaction.

What I am interested in as the Governor of this bank is in just what manner the operation of the law and our dealings with you have proven unsatisfactory.

Awaiting your reply, I am,

Yours very truly,

(Signed) *Theodore Wold,*  
Governor

122.5-9

MAIL TIME FOR THE FOLLOWING WISCONSIN TOWNS.

122.5-9  
2/16/15

EXPRESS RATES.

	Mpls.	Chicago.	
Antigo,	\$.50	\$.50	Over night.
Appleton,	.50	.40	" "
Ashland,	.50	.60	" "
Bayfield,	.50	.60	" "
Berlin,	.50	.40	" "
Black River Falls,	.40	.50	" "
Brillion,	.50	.40	Second morning.
Chilton,	.50	.40	Over night.
Clintonville,	.50	.40	" "
Cranton,	.50	.40	" "
Dale,	.50	.40	Second day.
De Pere,	.50	.40	" "
Fairchild,	.40	.50	Over night.
Fond DuLac,	.50	.40	" "
Grand Rapids,	.50	.40	" "
Green Bay,	.50	.40	" "
Kaukauna,	.50	.40	" "
Manitowoc,	.50	.40	" "
Manawa,	.50	.40	" "
Marshfield,	.40	.50	" "
Medford,	.50	.50	" "
Menasha,	.50	.40	" "
Marinette,	.50	.50	" "
Merrill,	.50	.50	" "
Neenah,	.50	.40	" "
Neilsville,	.40	.50	" "
New London,	.50	.40	" "
Oconto,	.50	.40	" "
Oshkosh,	.50	.40	" "
Park Falls,	.50	.50	" "
Peshtigo,	.50	.40	Second morning.
Phillip,	.50	.50	Over night.
Princeton,	.50	.40	" "
Rhineland,	.50	.50	" "
Rib Lake,	.50	.60	" "
Ripon,	.50	.40	" "
Seymour,	.50	.40	" "
Shawano,	.50	.40	" "
Stevens Point,	.50	.40	" "
Tigerton,	.50	.40	" "
Wapaca,	.50	.40	Second morning.
Wausau,	.50	.40	Over night.
Weyawega,	.50	.40	" "

INSURANCE RATES.

Currency & Coin, \$.08,  
Securities, .06.

FEDERAL RESERVE BOARD

WASHINGTON

122.5-9  
8/28/14

PROCEDURE IN APPEALS FROM DECISION OF THE RESERVE BANK ORGANIZATION COMMITTEE.

1. Petitions for changes in designation of Federal reserve cities.

Petitions for review of the action of the Reserve Bank Organization Committee in designating Federal reserve cities must be signed by duly authorized officers of a majority of the member banks located in the city requesting a review.

Such petitions must set forth briefly the grounds and reasons relied upon for such review.

Within five days after mailing said petition the petitioner shall file twenty copies of a brief setting forth fully the grounds relied upon for a review of the action of said Reserve Bank Organization Committee.

The secretary of the Board shall notify all member banks in the Federal reserve city of the district in question that such petition has been filed, and shall request such banks to designate a representative to act for such city at the hearing thereon. He shall also send to the representative of such banks, when designated, a copy of the brief filed by the petitioner, and said representative shall be given seven days within which to file twenty copies of his brief in reply.

The Federal Reserve Board will thereupon fix a date for the hearing of oral arguments by counsel, which arguments will be limited to one hour on each side.

The Board will not hear testimony, but the parties will be limited to the record before the Organization Committee.

The record need not be printed, but reference may be made in the briefs by page to the report filed by the Organization Committee with the Senate of the United States and ordered printed, and may likewise be made by page and volume to the typewritten testimony of the witnesses appearing before the Organization Committee at the hearings held by the Committee.

2. Petitions for changes in the geographical limits of Federal reserve districts.

Petitions for review of the determination of Federal reserve districts by the Organization Committee must be signed by duly authorized officers of at least two-thirds of the member banks in the territory which the petition asks to have taken out of one district and annexed to another.

Proceedings as to notice, filing of briefs and arguments shall be the same as for petitions for changes in the designation of Federal reserve cities, except that the board of directors of the Federal reserve bank and not the member banks in the Federal reserve city shall select the representative to appear and answer the petition. Class A and B directors elected may act, pending appointment of Class C directors, in the selection of such representative.

At all hearings held hereunder all questions of law or fact, including jurisdiction and powers of the Federal Reserve Board, may be argued.

FEDERAL RESERVE BOARD,

By

August 28, 1914.

Governor.

