

122.5-12 - Tennessee Appeal

Boundaries of FRDistricts

TRANSFER

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172.5-12

FEDERAL RESERVE BOARD FILE  
350.21

*Hamlin*

February 23, 1915.

Honorable Joseph W. Byrns,  
House of Representatives.

Dear Mr. Byrns:

I have your note of February  
22. We have already wired your constitu-  
ents that their petition may be with-  
drawn without prejudice, and that it may  
be renewed at any time, if, on experience,  
they find that they desire to file their  
petition again.

Very sincerely yours,

(Signed) C. S. Hamlin.

Governor.  
FEB 24 1915  
Federal Reserve Board

JOHN J. FITZGERALD, N. Y., CHAIRMAN.	FREDERICK H. GILLETT, MASS.
SWAGAR SHERLEY, KY.	JAMES W. GOOD, IOWA.
CHARLES L. BARTLETT, GA.	FRANK W. MONDELL, WYO.
JOSEPH T. JOHNSON, S. C.	CHARLES R. DAVIS, MINN.
ROBERT N. PAGE, N. C.	WILLIAM M. CALDER, N. Y.
GEORGE W. RAUCH, IND.	WILLIAM S. VARE, PA.
JOSEPH W. BYRNS, TENN.	WILLIAM H. HINEBAUGH, ILL.
THOMAS UPTON SISSON, MISS.	
EUGENE F. KINKEAD, N. J.	
WILLIAM P. BORLAND, MO.	
GEORGE WHITE, OHIO.	
JAMES MCANDREWS, ILL.	
BRYAN F. MAHAN, CONN.	
WOODA N. CARR, PA.	

JAMES C. COURTS, CLERK.	} ASSISTANT CLERKS.
MARCELLUS O. SHEILD,	
WILLIAM A. RYAN,	

RECEIVED

FEB 23 1915

COMMITTEE ON APPROPRIATIONS GOVERNOR'S OFFICE  
 HOUSE OF REPRESENTATIVES,  
 WASHINGTON, D. C.

February 22, 1915.

127.5-12

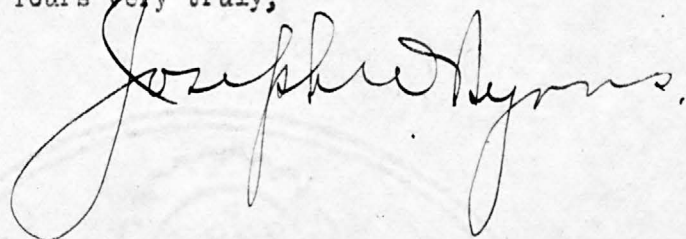
FILE  
 FEB 24 1915  
 Federal Reserve Board

Honorable Chas. S. Hamlin,  
 Governor, Federal Reserve Board.

My dear sir:

I am in receipt of a telegram and letter from the petitioning banks of Robertson and Montgomery Counties in Tennessee, requesting that their petition for a transfer from the Sixth to the Eighth District be withdrawn, with the privilege of said banks to either renew or refile same at any time within the next two years, if the facts or their interest prompt them to take such a course. I enclose the telegram herewith. After a full conference between these Banks and the President of the Federal Reserve Bank at Atlanta, this course was mutually determined upon. In order to give the present arrangement a try out and see whether or not these petitioning banks could be accommodated under the present arrangement. The hearing was to be had on February 25th. I presume the banks will not be estopped from renewing their petition later on, if they come to the conclusion that the facts and conditions justify it.

Yours very truly,



# WESTERN UNION TELEGRAM

Form 2138

GEORGE W. E. ATKINS, VICE-PRESIDENT

NEWCOMB CARLTON, PRESIDENT

BELVIDERE BROOKS, VICE-PRESIDENT

RECEIVED AT HOUSE CORRIDOR,  
PHONE BRANCH 251  
87W RB 60 BLUE 2 EXTRA 1H

CLARKSVILLE TENN FEB 20TH 15

J W BYRNS

M C WASHINGTON DC

PETITIONING BANKS ROBERTSON AND MONTGOMERY COUNTY HAVE ENTERED AGREEMENT  
WITH EXECUTIVE COMMITTEE FEDERAL RESERVE BANK ATLANTA TO WITHDRAW OUR  
PETITION BEFORE FEDERAL RESERVE BOARD WITH PRIVILEGE OF RENEWING OR  
FILING ANOTHER PETITION FOR CHANGE OF LOCATION ANYTIME DURING NEXT TWO  
ACCORDINGLY WITHDRAW PETITION RESERVING THIS RIGHT TO USE IN THE  
RECORD WITH COPY TO US HAVE WRITTEN YOU

CLARKSVILLE NATIONAL BANK  
AND ASSOCIATES  
256P

172-5-12

TELEGRAM

FEDERAL RESERVE BOARD  
WASHINGTON

FEDERAL RESERVE BOARD FILE

72203-12

February 20, 1915.

#6

Turn-

Federal Reserve Agent,  
Atlanta, Ga.

2/19

Your telegram. It will be satisfactory to the Board to have petitioners  
withdraw request for present hearing without prejudice to any rights they  
may have and to dispose of the matter at a later date.

Governor.

OFFICIAL BUSINESS  
GOVERNMENT RATES  
CHARGE FEDERAL RESERVE BOARD

YMS  
/

FEDERAL RESERVE BOARD

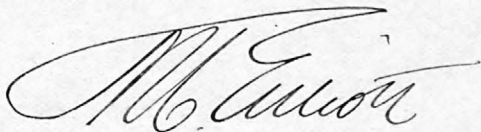
February 20, 1915.

My dear Governor:-

In answer to the attached I would suggest reply substantially to the following effect:

"Your telegram. It will be satisfactory to the Board to have petitioners withdraw request for present hearing without prejudice to any rights they may have and to dispose of the matter at a later date".

Very sincerely,



Hon. Charles S. Hamlin,  
Governor.

*To See  
Please win as above.  
CSH*

RECEIVED

FEB 20 1915

122.5-12

*file*

ATLANTA, GEORGIA.

February 19, 1915.

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

Governor McCord had conference with bankers of Clarksville and  
Springfield Tennessee they have agreed to withdraw their petition  
to be transferred to St. Louis district provided they have right  
to renew petition within two years from now if they so desire this  
is agreeable to us.

M. B. Wellborn,

Chairman.

# POSTAL TELEGRAPH - COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT

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# TELEGRAM

DELIVERY NO.

278

The Postal Telegraph Cable Company (Incorporated) transmits and delivers this message subject to the terms and conditions printed on the back of this blank.

16W-9050

DESIGN PATENT NO. 40523

107-agr 434pm 58 Govt.

O, Atlanta Ga. feby 19-15

122.5-12

H Parker Willis, Sec'y. Federal Reserve Board,

Washn DC

Governor Mc-Cord had conference with bankers of Clarksville and  
sprinfield Tennessee they have agreed to withdraw their p<sup>e</sup>tition  
to be transferred to Stlouis district provided they have right to  
renew petition within two years from now if they so desire this is  
agreeable to us

M B Wellborn Chairman



PGM.

*Hon. J. W. Byrne*

FEDERAL RESERVE BOARD FILE  
3122.5-12

February 17, 1915.

*Tenn*

My dear Congressman:-

With further reference to the subject of your call this morning, when you copy of the reply brief submitted by the Federal Reserve Bank of Atlanta in the matter of the petition of certain member banks of Tennessee to be transferred from the Sixth Federal Reserve District to the Eighth was handed to you, you are informed that copies of this brief have been forwarded by the Atlanta bank to each of the four member banks signing the petition.

If an attorney has been appointed to argue this case orally before the Board, I would greatly appreciate your sending me his name, in order that a copy of the Brief may be forwarded to him also.

Respectfully,

Secretary.

Honorable Joseph W. Byrne,  
House of Representatives,  
Washington, D. C.

EX-OFFICIO MEMBERS

WILLIAM G. MCADOO  
SECRETARY OF THE TREASURY  
CHAIRMAN  
JOHN SKELTON WILLIAMS  
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CHARLES S. HAMLIN, GOVERNOR  
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W. P. G. HARDING  
ADOLPH C. MILLER

H. PARKER WILLIS, SECRETARY

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS REPLY TO  
FEDERAL RESERVE BOARD

GLH/M

February 17, 1915.

122.5-12

My dear Congressman:

I am enclosing herewith a copy of the reply brief submitted by the Federal Reserve Bank of Atlanta in the matter of the petition of certain member banks of Tennessee to be transferred from the Sixth Federal Reserve District to the Eighth.

Copies of this brief have been forwarded by the Atlanta bank to each of the four member banks signing the petition.

If an attorney has been appointed to argue this case orally before the Board, I would greatly appreciate your sending me his name, in order that a copy of the brief may be forwarded to him also.

Respectfully,

Secretary.

Honorable Joseph W. Byrns,  
House of Representatives,  
Washington, D. C.

*Resubmitted  
for Byrns  
called 2/17/15*

Enclo.

#6  
FEDERAL RESERVE BANK  
OF ATLANTA  
ATLANTA, GEORGIA

27  
122.5-12  
FEDERAL RESERVE BOARD FILE  
Feb 15, 1915

M. B. WELLBORN  
FEDERAL RESERVE AGENT

*File*  
*Tenn*

Sir:-

Replying to your letter of Feb 13, our Counsel, Mr. Hollins N. Randolph, has, today, handed me copies of briefs in the case of Tennessee banks petition for transfer to the St. Louis District; and, informs me that the originals were mailed to you on Saturday the 13th inst.

Respectfully,

*M. B. Wellborn*  
Chairman of the Board, and  
Federal Reserve Agent. *MM*

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

RECEIVED  
FEDERAL RESERVE BOARD  
FEB 17 1915

#6

FEDERAL RESERVE BOARD FILE  
122.05-15

GLH/M

Tenn.

February 13, 1915.

Mr. M. B. Wellborn,  
Federal Reserve Agent,  
Atlanta, Georgia.

S i r :

Inasmuch as the hearing of the oral arguments in the matter of the petition of certain Tennessee banks to be transferred from your district to the St. Louis district, is less than two weeks off, I wish you would have your counsel file reply briefs at once.

These briefs were due on January 7, and I would like to urge that you give the matter your immediate attention, in order that copies may be mailed to the petitioning banks.

Respectfully,

Secretary.

*GLH.*

OFFICERS

M. B. WELLBORN,  
CHAIRMAN OF THE BOARD  
EDW. T. BROWN,  
DEPUTY CHAIRMAN.  
JOS. A. MCCORD,  
GOVERNOR.  
GILES L. WILSON,  
DEPUTY GOVERNOR.  
W. H. TOOLE,  
SECRETARY.  
J. B. PIKE,  
CASHIER.  
M. W. BELL,  
ASST. CASHIER.

OFFICE OF  
GENERAL COUNSEL.

# FEDERAL RESERVE BANK OF ATLANTA.

DIRECTORS

EDW. T. BROWN, ATLANTA, GA.  
F. W. FOOTE, HATTIESBURG, MISS.  
W. H. HARTFORD, L. L. WASHVILLE, TENN.  
E. P. HILLYER, MACON, GA.  
W. H. KETTIG, BIRMINGHAM, ALA.  
J. A. MCCRARY, DECATUR, GA.  
P. H. SAUNDERS, NEW ORLEANS, LA.  
W. H. TOOLE, WINDER, GA.  
M. B. WELLBORN, ANNISTON, ALA.

FEDERAL RESERVE BOARD  
122.50

February 13, 1915

HOLLINS N. RANDOLPH  
OF THE FIRM OF  
BROWN, RANDOLPH, PARKER AND SCOTT,  
GENERAL COUNSEL AND ATTORNEY.

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

Sir:-

Herewith I have the honor to transmit to you, pursuant to the rules and regulations of the Federal Reserve Board for such cases made and provided, twenty copies of answer and brief in the matter of petition of certain banks in Tennessee, viz., First National Bank and Clarksville National Bank, of Clarksville, and Springfield National Bank and Peoples National Bank of Springfield, to be transferred from the Sixth to the Eighth Federal Reserve District.

This matter has been set for hearing before the Board on February 25th., and inasmuch as the time is short, I have taken the liberty of sending one copy of the same document to each of said banks.

Very truly yours,

*Hollins N. Randolph*

General Counsel.

R/s  
Encl. 20  
By express.

#6

FEDERAL RESERVE BOARD FILE  
12205-126

*James*

GLH/M.

February 6, 1915.

Mr. M. B. Wellborn,  
Federal Reserve Agent,  
Atlanta, Georgia.

S i r :

You are hereby notified that as stated in office letter of January 25, copy of which is enclosed, the hearing of oral arguments in the matter of the petition of certain Tennessee banks to be transferred from the Atlanta to the St. Louis district, has been postponed from February 17 until February 25, as requested in your letter of January 16.

This hearing will be held in the office of the Federal Reserve Board, Treasury Building, Washington, at eleven o'clock.

Will you please have your counsel forward reply briefs as soon as possible, so that a copy may be forwarded to the petitioning banks?

Respectfully,

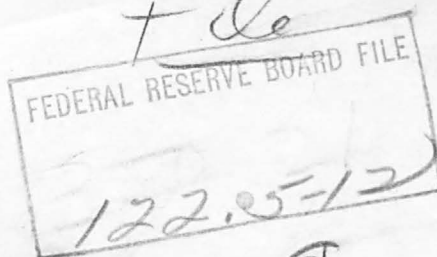
Secretary.

Enclosure-

*GLH*

LDW

#6



COPY

January 25, 1915.

Tenn

Dear Sir:

Reference is made to your letter of January 16th referring to the petition of certain Atlanta banks to be transferred from the Atlanta to the Saint Louis District.

This hearing had been set for February 17th and not for February 15th as indicated in your letter. Your request a postponement to February 25th, the reason being that your counsel is obliged to attend the United States Court of Appeals in New Orleans, on February 15th.

The Board is advised by counsel that the reason given with your request for a postponement is a legal one and the Board therefore takes pleasure in granting it.

Respectfully,

Secretary.

Mr. M. B. Wellborn,  
Agent, Federal Reserve Bank,  
Atlanta, Ga.

*Shields*

FEDERAL RESERVE BOARD FILE  
*122.3-12*

*Team*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

Hon. John K. Shields,  
United States Senate.

*BCW*



BCW/EM

*Clarksville N.B.*

FEDERAL RESERVE BOARD FILE  
*350 2/12*  
*172 5-12*

*Jenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, Clarksville National Bank,  
Clarksville, Tennessee.

*BCW*

*Farmers Bank  
& Trust Co.*

FEDER. RESERVE BOARD FILE  
*122-5-12*

*Tenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, Farmers Bank & Trust Co.,  
Springfield, Tennessee.

*BCW*

BCW/MM

FEDERAL RESERVE BOARD FILE  
350  
122.5-12

*First N. B.*

*Tenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, First National Bank,  
Clarksville, Tennessee.

*BCW*

BCW/MM

*First Trust & Savings  
Bank*

FEDERAL RESERVE BOARD FILE  
722.5-12

*Tenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, First Trust & Savings Bank,  
Clarksville, Tennessee.

*BCW*

*Northern Bank of Tennessee*

FEDERAL RESERVE BOARD FILE  
*722.5-12*

*Tenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, Northern Bank of Tennessee,  
Clarksville, Tennessee.

*BCW*

BCW/MM

FEDERAL RESERVE BOARD FILE  
333-71  
122-5-12

*Peoples N. B.*

*Tenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President,  
Peoples National Bank,  
Springfield, Tennessee.

*BCW*

BCW/MM

*Robertson County  
Bank & Trust Co.*

FEDERAL RESERVE BOARD FILE  
*122.3-12*

*Dem*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, Robertson County Bank & Trust Co.,  
Springfield, Tennessee.

*BCW*

BCW/MM

*Springfield N.B.*

FEDERAL RESERVE BOARD FILE  
*3122.5-12*

*Tenn*

February 4, 1915.

Sir:

You are hereby notified that the hearing in the matter of the petition of the Tennessee banks, set for February 17, has been postponed until February 25, 1915.

This postponement is made necessary because of the fact that the Counsel for the Atlanta bank has been summoned on a case in New Orleans.

The hearing will be held in the office of the Federal Reserve Board, Treasury Department, Washington, D. C., at eleven o'clock.

Respectfully,

Secretary.

President, Springfield National Bank,  
Springfield, Tennessee.

*BCW*



## FEDERAL RESERVE BOARD

Washington

January 29, 1915.

Copy of letter signed by Wm. McC. Martin  
and Rolla Wells.

CHAIRMAN.

*JM*

GOVERNOR.

*O.E.T.*

VICE-GOVERNOR.

*Harbo*

COMPTROLLER.

*RS*

MR. HARDING.

*A*

MR. WARBURG.

*W*

MR. MILLER.

*OM*

SECRETARY.

*X*

COUNSEL.

*X*

FEDERAL RESERVE BANK

OF

ST. LOUIS.

122.5-12

January 26th, 1915.

Hon. C. S. Hamlin, Governor,

Federal Reserve Board,

Washington, D. C.

Dear Governor Hamlin:-

The Board of Directors of the Federal Reserve Bank of St. Louis has been advised that on February 17th, 1915, there will come up for a hearing before the Board the petition of the Counties of Stewart, Montgomery and Robertson, of Tennessee, for transfer from the Atlanta District to the St. Louis District.

The adjacent counties to the north, in Kentucky, are now a part of ~~the~~ District No. 8 and, together with these three counties in the Atlanta District, form what is known as the "Black Tobacco Patch". The demands for money to carry this crop are rather peculiar, and these three counties quite naturally do not like to be separated from the adjacent counties, whose needs are known by the St. Louis District and can be easily supplied by this District. These three petitioning counties doubtless feel that they are rather far from Atlanta, and believe that their interests would be best served by not having the "Black Tobacco Patch" divided.

The Board of Directors of the Federal Reserve Bank of St. Louis has instructed the Chairman of the Board and the Governor of this bank to say to the Federal Reserve Board that it would be pleased to receive these counties into District No. 8, and to explain that it knows the peculiar needs of these three counties, is able to meet them, and that it does not believe it will disturb the equilibrium of either the Atlanta District or the St. Louis District if they are included within the limits of District No. 8.

Respectfully,

Wm. McC. Martin,  
Chairman of the Board.

Rolla Wells,  
Governor.

122.5-12

January 28, 1915.

Dear Mr. Martin:

I have the note of January 26th signed by yourself and Governor Wells, as to the Counties of Tennessee desiring to be transferred from the Atlanta District to the St. Louis District. I shall call this to the attention of the Federal Reserve Board.

Very sincerely yours,

(Signed) C. S. Hamlin,  
Governor.

Wm. McC. Martin, Esq.,  
Federal Reserve Agent,  
St. Louis, Mo.

*Byrns*

FEDERAL RESERVE BOARD FILE  
35321  
172.5-12

GLH/B

January 27, 1915.

*Perm*

Hon. Joseph W. Byrns,  
House of Representatives,  
Washington, D. C.

S i r : -

You are hereby informed that the Federal Reserve Board has postponed date of hearing of oral argument in the matter of the petition of member banks in Stewart, Robertson and Montgomery Counties, Tennessee, to be transferred from the Sixth District to the Eighth District, from February seventeenth until February twenty-fifth.

This postponement was made necessary because of the fact that Mr. Hollins N. Randolph, Counsel for the Federal Reserve Bank of Atlanta, has to be in New Orleans to argue a case at the time originally set for the hearing.

Respectfully,

Secretary.

*GLH*

#8

OFFICERS:  
ROLLA WELLS,  
GOVERNOR.  
W. W. HOXTON,  
DEPUTY GOVERNOR & SEC'Y.  
C. E. FRENCH,  
CASHIER.  
JAMES G. MCCONKEY,  
COUNSEL.

# FEDERAL RESERVE BANK OF ST. LOUIS.

DIRECTORS:  
W. MCC. MARTIN,  
CHAIRMAN OF THE BOARD AND  
FEDERAL RESERVE AGENT.  
W. W. SMITH,  
VICE-CHAIRMAN OF THE BOARD AND  
DEPUTY FEDERAL RESERVE AGENT.  
JOHN W. BOEHNE,  
EVANSVILLE, IND.  
MURRAY CARLETON,  
ST. LOUIS, MO.  
OSCAR FENLEY,  
LOUISVILLE, KY.  
WALKER HILL,  
ST. LOUIS, MO.  
W. P. JENNETT,  
LITTLE ROCK, ARK.  
LE ROY PERCY,  
GREENVILLE, MISS.  
FRANK O. WATTS,  
ST. LOUIS, MO.

RECEIVED

JAN 28 1915

GOVERNOR'S OFFICE

Handwritten scribbles and initials.

January 26th, 1915.

FEDERAL RESERVE BOARD FILE  
122.05-12  
*Teun*

Hon. C. S. Hamlin, Governor,  
Federal Reserve Board,  
Washington, D. C.

Dear Governor Hamlin:

The Board of Directors of the Federal Reserve Bank of St. Louis has been advised that on February 17th, 1915, there will come up for a hearing before the Board the petition of the Counties of Stewart, Montgomery and Robertson, of Tennessee, for transfer from the Atlanta District to the St. Louis District.

The adjacent counties to the north, in Kentucky, are now a part of District No. 8 and, together with these three counties in the Atlanta District, form what is known as the "Black Tobacco Patch." The demands for money to carry this crop are rather peculiar, and these three counties quite naturally do not like to be separated from the adjacent counties, whose needs are known by the St. Louis District and can be easily supplied by this District. These three petitioning counties doubtless feel that they are rather far from Atlanta, and believe that their interests would be best served by not having the "Black Tobacco Patch" divided.

The Board of Directors of the Federal Reserve Bank of St. Louis has instructed the Chairman of the Board and the Governor of this Bank to say to the Federal Reserve Board that it would be pleased to receive these counties into District No. 8, and to explain that it knows the peculiar needs of these three counties, is able to meet them, and that it does not believe it will disturb the equilibrium of either the Atlanta District or the St. Louis District if they are included within the limits of District No. 8.

Respectfully,

*W. McC. Martin*  
Chairman of the Board.

*Rolla Wells*  
Governor.

~~Stewart~~, Montgomery & Robinson Counties, Tenn. Re transfer to St. Louis

Stewart

FEDERAL RESERVE BANK

OF

ST. LOUIS.

122.5-12

January 26th, 1915.

Hon. C. S. Hamlin, Governor,

Federal Reserve Board,

Washington, D. C.

Dear Governor Hamlin:-

The Board of Directors of the Federal Reserve Bank of St. Louis has been advised that on February 17th, 1915, there will come up for a hearing before the Board the petition of the Counties of Stewart, Montgomery and Robertson, of Tennessee, for transfer from the Atlanta District to the St. Louis District.

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Respectfully,

Wm. McC. Martin,  
Chairman of the Board.

Roala Wells,  
Governor.

122.5-12

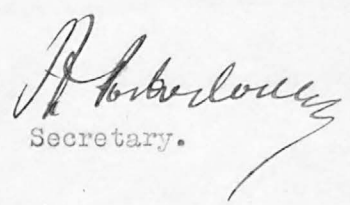
LDW FEDERAL RESERVE BOARD

MEMORANDUM FOR THE BOARD.

On request of Federal Reserve Agent Wellborn,  
Atlanta, the hearing on:-

Stewart, Montgomery, and Robertson  
Counties, Tennessee (Atlanta to St. Louis  
Districts.)

has been postponed by the Board from February  
17th to February 25th.

  
Secretary.

January 25, 1915.

Mr. Warburg

127.5-121

FEDERAL RESERVE BOARD  
OFFICE OF COUNSEL

DATE: January 23, 1915.

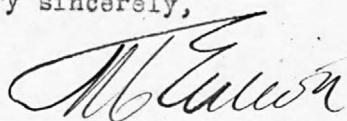
SUBJECT:

My dear Governor:-

It appears from an examination of the files that the petitioners for certain banks in Tennessee have not selected counsel and have not filed briefs.

The reason for request for postponement of this hearing given by Mr. Randolph, attorney for the Federal Reserve Bank of Atlanta, would, I think, constitute a legal ground for continuance in a Court of Record and I suggest, under the circumstances, that this continuance be granted and the parties interested be notified. I would also suggest that they be notified at the same time to select a representative to appear for them if they desire an oral hearing.

Very sincerely,



Hon. Charles S. Hamlin,  
Governor.

*to Secy O.K. W.H.*



122.5-12

January 18, 1913.

Dear Mr. Wellborn:

I have your note of January 16th, requesting the postponement of the hearing on the petition of the Tennessee banks. I will call this at once to the attention of the Federal Reserve Board.

Very sincerely yours,

(Signed) C. S. Hawley  
Governor.

M. D. Wellborn, Esq.,  
Federal Reserve Agent,  
Atlanta, Ga.

OFFICERS

M. B. WELLBORN,  
CHAIRMAN OF THE BOARD.  
EDW. T. BROWN,  
DEPUTY-CHAIRMAN.  
JOS. A. MCCORD,  
GOVERNOR.  
GILES L. WILSON,  
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W. H. TOOLE,  
SECRETARY.  
J. B. PIKE,  
CASHIER.  
M. W. BELL,  
ASST. CASHIER.

# FEDERAL RESERVE BANK OF ATLANTA.

DIRECTORS

EDW. T. BROWN, ATLANTA, GA.  
F. W. FOOTE, HATTIESBURG, MISS.  
W. H. HARTFORD, NASHVILLE, TENN.  
L. P. HILLYER, MACON, GA.  
W. H. KETTIG, BIRMINGHAM, ALA.  
J. A. MCCRARY, DECATUR, GA.  
P. H. SAUNDERS, NEW ORLEANS, LA.  
W. H. TOOLE, WINDER, GA.  
M. B. WELLBORN, ANNISTON, ALA.

Jan 16, 1915

RECEIVED

JAN 18 1915

GOVERNOR'S OFFICE

*172.5-12*

Dear Sir:-

Referring to the petition of the Tennessee banks for a transfer from the Atlanta to the St. Louis District; our Counsel, Mr. Hollins N. Randolph requests that the hearing be postponed from February 15, to February 25. His reason for asking this is that he is obliged to attend the United States Court of Appeals in New Orleans on February 15, as he has an important case to be tried.

If your Board can make this change of dates, it will be appreciated by our Counsel. Kindly advise me of your decision in the matter.

Yours truly,

*M. B. Wellborn*

Federal Reserve Agent

Mr. Chas. S. Hamlin, Governor  
Federal Reserve Board  
Washington, D.C.

*Randolph*

FEDERAL RESERVE BOARD FILE  
722.5-12  
ROBERT S. PARKER  
HUGH M. SCOTT

BROWN & RANDOLPH, PARKER & SCOTT  
LAWYERS

EDWARD T. BROWN  
HOLLINS N. RANDOLPH

CABLE ADDRESS "BROWNRAN"  
210-219 BROWN-RANDOLPH BUILDING

ATLANTA, GA.

Jan. 10th. 1915

FILED  
JAN 9 - 1915  
FEDERAL RESERVE BOARD

Hon H. Parker Willis,  
Washington D.C.

Dear Sir:-

This will serve to acknowledge yours of the 8th. inclos-  
ing letter to me from Mr Welborn and copy of petition of certain  
Tennessee banks which I note were found in the hallway of the  
Southern Building and returned to you. I am grateful to you for the  
return of these documents and for your promptness in forwarding  
the same. I went over to the Law Reporting Company in the Southern  
Building to arrange to secure copies of the testimony and briefs  
before the Organization Committee at Atlanta and St. Louis, as they  
will throw some light upon this petition of said Banks, and must  
have dropped these papers out of my pocket as I was returning from  
their office to the Shoreham, altho' I must confess I cant see how

they got out of my pocket. I missed them before leaving but was  
unable to locate their whereabouts and was compelled to return to  
Atlanta Friday afternoon to handle an important case here on  
Saturday. I was about to write you for other copies of the petition  
when your welcome letter was received for which I again thank you.

I regret I did not see you when in Washington. Mr Brown missed  
you by just a few minutes Friday morning. He and myself called to-  
gether but you had just gone to the Board meeting and we did not  
wish to disturb you as we had nothing urgent to confer about and  
the principal purpose of our visit was for me to make your acquaint-  
ance. This I will do on the occasion of my next trip to Washington  
which is apt to be in the near future.

Very truly Yours,

*H. N. Randolph*  
Attorney.

*Randolph*

GLH/M

FEDERAL RESERVE BOARD FILE  
122.5-12

January 8, 1915.

*Turn*

Mr. Hollins N. Randolph,  
Attorney-at-Law,  
Atlanta, Georgia.

S i r :

The enclosed letter from Mr. Wellborn addressed to you, together with a brief filed by the petitioning banks of Tennessee, was found in the hallway of the Southern Building and forwarded to this office today.

Supposing that these enclosures were lost by you, I am returning them at once.

Yours truly,

Secretary.

Enclosures.

FEDERAL RESERVE BOARD FILE  
32205-12

*Tenn.*

December 30, 1914.

S I R :

You are hereby notified that  
hearings will be held February 17 for  
the banks in certain counties of Tenn-  
essee desiring transfer from the Atlan-  
ta to the St. Louis district.

Respectfully,

Secretary.

Honorable Joseph W. Byrns,  
House of Representatives.

*G.H.H.*

2  
#6

FEDERAL RESERVE BOARD FILE  
122 05-18

OFFICERS

M. B. WELLBORN,  
CHAIRMAN OF THE BOARD.  
EDW. T. BROWN,  
DEPUTY-CHAIRMAN.  
JOS. A. MFCORD,  
GOVERNOR.  
GILES L. WILSON,  
DEPUTY-GOVERNOR.  
W. H. TOOLE,  
SECRETARY.  
J. B. PIKE,  
CASHIER.  
M. W. BELL,  
ASST. CASHIER.

DIRECTORS

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L. P. HILLYER, MACON, GA.  
W. H. KETTIG, BIRMINGHAM, ALA.  
J. A. MFCRARY, DECATUR, GA.  
P. H. SAUNDERS, NEW ORLEANS, LA.  
W. H. TOOLE, WINDER, GA.  
M. B. WELLBORN, ANNISTON, ALA.

# FEDERAL RESERVE BANK

OF ATLANTA.

December 28, 1914

*Tenn*

Sir:-

I have the honor to acknowledge receipt of your letter of December 19th, inclosing a copy of the brief filed by the petitioning banks of Tennessee, requesting a transfer from Federal Reserve District #6 to Federal Reserve District #8. This document has been turned over to the Counsel for the Bank, who is appointed as our representative at the hearing to be held February 17th, 1915.

Respectfully,

*M. B. Wellborn*

Federal Reserve Agent.

Mr. Chas. S. Hamlin, Governor  
Federal Reserve Board  
Washington, D.C.

*Mr. J. Hamlin*

# 6

FEDERAL RESERVE BOARD FILE  
122.5-12

GLH/M

December 19, 1914.

*Turn*

Mr. M. B. Wellborn,  
Federal Reserve Agent,  
Federal Reserve Bank of Atlanta,  
Atlanta, Georgia.

S i r :

On October 27, you were notified by this office that petitions had been filed by certain member banks of Stewart, Montgomery and Robertson Counties, Tennessee, requesting that these counties be transferred from Federal Reserve District No. 6 to Federal Reserve District No. 8.

You were requested at that time to designate some person to represent the Federal Reserve Bank of Atlanta in the matter of this appeal from the decision of the Reserve Bank Organization Committee in placing these counties in the Atlanta district.

Inasmuch as the Federal Reserve Board had fixed February 17 as the date for the hearing of oral arguments in this case, it will be necessary to have such a representative appointed in order that he may prepare a reply brief. I am enclosing herewith a copy of the brief filed by the petitioning banks, with the request that you refer it to your representatives as soon as he is designated. I am also enclosing a copy of Regulation No. 1.

Will you kindly give this matter your attention?

Respectfully,

Governor.

Secretary.

Enclosure.

*GLH*

122.5-121

December 19, 1914.

Dear Mr. Byrns:

I have your note of December 19th, and will at once look into the matter of the briefs. It is hardly necessary to say that if these briefs have been mislaid, the banks in question will not suffer any prejudice thereby. I will advise you as soon as I can look into the matter, and will see that an early hearing is given.

Very sincerely yours,

(Signed) C. S. Hamlin.

Governor.

Hon. Joseph W. Byrns,  
House of Representatives.

FILE  
DEC 21 1914  
Federal Reserve Board



122.5-12

GLH/M

December 19, 1914.

Honorable Joseph W. Byrns,  
House of Representatives,  
Washington, D. C.

My dear Congressman:

I wish to acknowledge receipt of your letter of December 19 stating that you had called at the office of the Federal Reserve Board for the purpose of filing the briefs in support of the petition of certain banks in Tennessee requesting a transfer from the Sixth to the Eighth Federal Reserve District.

Upon investigation I find that the briefs in question were misplaced in the files, and regret having disturbed you about them.

The Federal Reserve Board has fixed February 17 as the date for the hearing of oral arguments in this case. Hearings will be held in the office of the Federal Reserve Board, Treasury Building, at eleven o'clock.

Respectfully,

Governor.

Secretary.



SIXTY-THIRD CONGRESS.

JOHN J. FITZGERALD, N. Y., CHAIRMAN.  
 SWAGAR SHERLEY, KY.      FREDERICK H. GILLETT, MASS.  
 CHARLES L. BARTLETT, GA.      JAMES W. GOOD, IOWA.  
 JOSEPH T. JOHNSON, S. C.      FRANK W. MONDELL, WY.  
 ROBERT N. PAGE, N. C.      CHARLES F. DAVIS, MINN.  
 GEORGE W. RAUCH, IND.      WILLIAM M. CALDER, N. Y.  
 JOSEPH W. BYRNS, TENN.      WILLIAM S. VAUGHAN, PA.  
 THOMAS UPTON SISKON, MISS.      WILLIAM H. HINEBAUGH, ILL.  
 EUGENE F. KINKEAD, N. J.  
 WILLIAM P. BORLAND, MO.  
 GEORGE WHITE, OHIO.  
 JAMES MCANDREWS, ILL.  
 BRYAN F. MAHAN, CONN.  
 WOODA N. GARR, PA.

JAMES C. COURTS, CLERK  
 MARCELLUS C. SHEILD, } ASSISTANT CLERKS.  
 WILLIAM A. RYAN, }

COMMITTEE ON APPROPRIATIONS,  
 HOUSE OF REPRESENTATIVES,  
 WASHINGTON, D. C.

December 19, 1914.

FEDERAL RESERVE BOARD FILE  
 RECEIVED  
 122.5-12  
 DEC 19 1914  
 GOVERNOR'S OFFICE

*Tenn*

Honorable C. S. Hamlin,  
 Governor, Federal Reserve Board.

My dear sir:

I am in receipt of your favor of December 16th relative to the petition of certain national banks in Montgomery and Robertson Counties, Tennessee, requesting a transfer of these counties and the county of Stewart, from the Sixth to the Eighth Federal Reserve District, and advise <sup>me</sup> that twenty copies of the brief in support of this petition should be filed. I called at your office personally and presented these briefs at the time of the filing of the petition. I will be glad if you will have the matter looked up and these briefs located, and also advise me as to what day in January the hearing can be had upon the matter. The banks have by no means abandoned their appeal. On the contrary, they most urgently state that the relief should be granted for the reasons set forth in their petition and brief.

Yours very truly,

*Joseph H. Byrns.*

JFD

*Byrns*

FEDERAL RESERVE BOARD FILE  
122-5-12  
*Perm*

December 16, 1914.

Hon. Joseph W. Byrns,  
House of Representatives,  
Washington, D. C.

Dear Sir:-

On October 6, 1914 the Federal Reserve Board received a letter from you enclosing therein a petition of certain banks located in Montgomery and Robertson Counties, Tennessee, requesting a transfer of those counties and the county of Stewart from the Sixth to the Eighth Federal Reserve District.

Regulation No. 1, governing appeals from the decisions of the Reserve Bank Organization Committee requires that twenty copies of the brief in support of this petition be filed within five days from the receipt of such petition. These briefs have never been received and in consequence it has been impossible for the Board to proceed further in the matter. Could you inform me whether the banks in question are still desirous of prosecuting this appeal or whether not having submitted briefs they intend to drop the matter.

The Federal Reserve Board has fixed certain days in January for the hearing of appeals of this character so that it will be necessary to take some quick action in this case if it is to be ready for a hearing at that time.

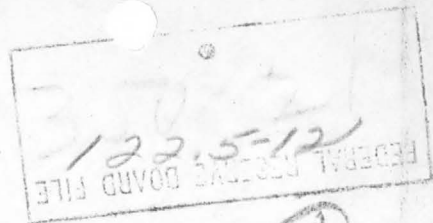
I am enclosing herewith copy of Regulation No. 1.

Respectfully,

Governor

Secretary.

*McE*  
*G.H.*

*Wellborn*

October 31, 1914.

*Peru*

S i r :

With reference to the petition of certain Tennessee Banks to become members of the Federal Reserve Bank of St. Louis instead of Atlanta, you are advised that owing to the pressure of detail matters demanding the Board's attention at this time incident to the opening of the several Federal reserve banks and placing the system in operation, the Board has found it impracticable to fix a date for oral hearings prior to November 16, at which time it is contemplated the Federal reserve banks will be opened.

As soon thereafter as the Board can conveniently do so, it will arrange a date for oral argument and you will be given due notice so that you may be prepared to present your case to the Board.

Respectfully,

Secretary.

Mr. M. B. Wellborn,  
Chairman, Federal Reserve Bank,  
Atlanta, Georgia.

Wellborn  
MWM

FEDERAL RESERVE BOARD FILE  
355-31  
12205-12

Term

October 27, 1914.

S i r :

There is enclosed for your information copy of Regulation No. 1, governing the method of procedure in appealing from the decision of the Reserve Bank Organization Committee.

You will observe that where banks as members of one Federal reserve bank request the Federal Reserve Board to review the decision of the Organization Committee and to transfer the territory in which such banks are located to another district, a petition to this effect should be referred to a representative selected by the Federal Reserve Bank for reply.

Petitions have been filed in this office for transfer of some of your member banks and you are accordingly requested to designate some representative to whom such petitions and briefs filed in support thereof may be referred for reply.

Respectfully,

Secretary.

Mr. M. B. Wellborn,  
Anniston, Alabama.

1 Enclosure.

FEDERAL RESERVE BOARD FILE

12205-12

October 27, 1914.

Term

S I R :

On behalf of the Federal Reserve Board, receipt is acknowledged of the petition of the First National Bank and the Clarksville National Bank of Clarksville, Tennessee, the Springfield National Bank and the Peoples National Bank of Springfield, Tennessee, asking that the counties of Montgomery, Robertson and Stewart be detached from the sixth and attached to the eighth Federal Reserve district.

In reply you are advised that in accordance with the requirements of Regulation No. 1, a copy of which is herewith enclosed, the Chairman of the Board of Directors of the Federal Reserve Bank of Atlanta has been notified of the receipt of the petition and requested to have a representative selected to appear and answer the petition.

You will be duly notified of the date of the hearing.

Respectfully,

Secretary.

Mr. H. T. Stratton, President,  
Peoples National Bank,  
Springfield, Tennessee.

1 Enclosure.

FEDERAL RESERVE BOARD FILE

35721  
122.5-12

October 27, 1914.

*Tenn.*

S I R :

On behalf of the Federal Reserve Board, receipt is acknowledged of the petition of the First National Bank and the Clarksville National Bank of Clarksville, Tennessee, the Springfield National Bank and the Peoples National Bank of Springfield, Tennessee, asking that the counties of Montgomery, Robertson and Stewart be detached from the sixth and attached to the eighth Federal Reserve district.

In reply you are advised that in accordance with the requirements of Regulation No. 1, a copy of which is herewith enclosed, the Chairman of the Board of Directors of the Federal Reserve Bank of Atlanta has been notified of the receipt of the petition and requested to have a representative selected to appear and answer the petition.

You will be duly notified of the date of the hearing.

Respectfully,

Secretary.

Mr. W. E. Ryan, President,  
Springfield National Bank,  
Springfield, Tennessee.

1 Enclosure.

Byrns

FEDERAL RESERVE BOARD FILE

122-5-12

Lenn-

October 26, 1914.

S I R :

On behalf of the Federal Reserve Board, receipt is acknowledged of your letter of October 3rd, enclosing petition of the four National Banks located in Clarksville and Springfield, Tennessee, asking that the counties of Montgomery, Robertson and Stewart be detached from the sixth and attached to the eighth Federal Reserve district.

In reply you are advised that in accordance with the requirements of Regulation 1, a copy of which is herewith enclosed, the Chairman of the Board of directors of the Federal Reserve Bank of Atlanta has been notified of the receipt of the petition and requested to have a representative selected to appear and answer the petition. You will be duly notified of the date of the hearing.

Respectfully,

Secretary.

Honorable Joseph W. Byrns,  
House of Representatives.

1 Enclosure.



122.5-12

FEDERAL RESERVE BOARD

October 21, 1914.

Respectfully referred to the  
Secretary to the Federal Reserve Board.

The attached petition has been examined  
and appears to be in proper form.

*W. E. Eason*

*Mrs. W.  
Please inform  
the letter  
S.A.*

BEFORE THE  
FEDERAL RESERVE BOARD

FEDERAL RESERVE BOARD FILE  
250.21

IN THE MATTER OF  
PETITION OF FIRST NATIONAL BANK OF CLARKSVILLE NATIONAL  
BANK, OF CLARKSVILLE, TENNESSEE, SPRINGFIELD NATIONAL BANK  
AND PEOPLES NATIONAL BANK OF SPRINGFIELD, TENNESSEE, FOR  
CHANGE IN THE GEOGRAPHICAL LIMITS OF FEDERAL RESERVE  
DISTRICTS NOS. 6 AND 8, AS DETERMINED BY THE ORGANIZATION  
COMMITTEE.

ANSWER ON BEHALF OF THE FEDERAL RESERVE BANK OF  
ATLANTA (DISTRICT NO/6.)

TO THE FEDERAL RESERVE BOARD:

Edward T. Brown, Deputy Chairman and Deputy  
Reserve Agent of the Federal Reserve Bank of Atlanta, the  
representative duly appointed by the Board of Directors of  
said Bank to appear and answer the petition of the member  
banks of said Federal Reserve Bank of Atlanta above named to  
review the assignment by the Organization Committee of said  
banks to Federal Reserve District No. 6, and to alter the  
lines of said District so that said banks above named  
shall be included in Federal Reserve District No. 8, herein-  
after called Respondent, makes answer to said petition as fol-  
lows:

-1-

(a). The Federal Reserve Bank of Atlanta, comprising  
District No. 6, contains 372 national banks, and would  
have resources from capital stock on this date of \$4,710,000.  
if the entire capital/<sup>stock</sup> had been paid in full. At the present  
time only one-third of said capital has been paid in.  
Its gross capital, therefore, is the smallest amount of any  
of the Banks in the Reserve system, and but little in excess

FILE

FEB 15 1915

Federal Reserve Board

(2)

of the required minimum of \$4,660,000. fixed by the Federal Reserve Act. Respondent is advised that the capital of the First National Bank of Clarksville, Tennessee, is the sum of \$100,000.00, with a surplus of \$75,000.00; Clarksville National Bank, capital \$100,000.00, and surplus \$30,000.00; Springfield National Bank, capital \$60,000.00, and surplus \$60,000.00; the Peoples National Bank of Springfield, capital \$100,000.00, and surplus \$20,000.00. The aggregate contribution of these four petitioning banks when fully paid to the capital of the said Bank would be approximately the sum of \$90,000.00. If said Banks were removed from the Sixth to the Eighth District, it would reduce the gross capital of the Federal Reserve Bank of Atlanta to approximately the sum of \$4,620,000.00, which sum would be only \$620,000.00 in excess of the minimum amount required. Respondent submits that these figures alone furnish a very strong reason why the prayer of these petitioning banks should not be granted, because if these banks are withdrawn and if for any reason only a very few of the larger banks in the district should discontinue business or withdraw from the system, it might easily be possible for the capital of the bank in the Sixth District to be and become reduced below the minimum fixed by the Act.

Respondent further shows to this Honorable Board that the Federal Reserve Bank of Atlanta in the midst of the eastern part of the cotton growing section of the South, and the demands upon the resources of said Bank, in properly financing the cotton crop annually will be considerable, and when to these demands there is added the normal annual demands which will be made upon said Bank by those engaged in other agricultural, industrial and commercial pursuits in the section, it is evident to respondent that all of its resources

will be in constant use and demand. Respondent says that for this reasons any action which would result in a reduction of the capital and consequently in the resources of said bank should receive the closest investigation and scrutiny before being put into effect, and respectfully urges that for the reasons already stated no such reduction should be made or allowed, unless in case of imperative necessity, and it is respectfully submitted that the case presented by petitioning banks in this instance is not of that character.

(b). Respondent calls attention that evidently the Organization Committee considered the Tennessee River a natural geographical boundary, and by reference to the map of Tennessee it will be readily noticed that the western boundary of the Sixth District is fixed along said river, with the exception of the County of Wayne.

←2-

Respondent is advised that it is not necessary to answer specifically many of the allegations generally stated in said petition, Admitting that petitioners are located in the tobacco growing sections of West Tennessee and Kentucky, yet no satisfactory and convincing reasons are advanced by petitioners why the Federal Reserve Bank of Atlanta cannot meet all their reasonable, proper and lawful demands. On the contrary, respondent says that said Bank can and will take care of all such demands and requirements.

(a) Petitioners allege that the town of Clarksville and the town of Springfield are served by the lines of the Louisville and Nashville Railway Company, and it is here shown to this Honorable Board that said Railway Company likewise supplies lines of connection between Atlanta and said two towns. The distance from Atlanta to Clarksville and Springfield is approximately 350 miles, whereas the distance from said two towns to St. Louis is approximately 300 miles, so that the distance from Atlanta to said two towns is practically the same distance from said two towns to St. Louis. If this petition was granted, said two towns would be only be about fifty miles nearer to the reserve city to which they would be then attached, than they are to Atlanta.

Respondent shows that at the present time mail and express matter leaving Atlanta as late as 4:55 P.M. arrives in Springfield the next morning at 8:26 A.M. and at Clarksville at 9:34 A.M. and such matter passing in the reverse direction from Springfield and Clarksville to Atlanta moves practically within the same limits of time. Both mail and express matter passes to and from Atlanta and said two towns practically over night, and in time to be received and handled in the early morning of the day following. Respondent is advised that no greater facilities as to mail and express or transportation would be enjoyed by petitioning banks if they were attached to the Eight District than they now enjoy at Atlanta.

(b) Respondent is advised that while it may be true that tobacco furnishes the principal commercial crop of the section in which petitioning banks are located, and

that a large percentage of said crop is exported to European countries through New York, yet this condition of affairs is not exceptional with the tobacco crop, but is true to a very great extent of many other commodities produced in the Sixth and other Districts. Respondent cannot agree that it would facilitate the business of petitioning banks for these tobacco transactions to move westward through St. Louis merely because the larger part of the tobacco growing section is attached to the Eighth District. Respondent can not agree that the mere coincidence that two of the Directors of the St. Louis Bank are familiar with the details of how the tobacco business is conducted furnishes any good and sufficient reason why petitioning banks should be attached to the Eighth rather than the Sixth District.

(c) Respondent says it is true that the Federal Reserve Bank of Atlanta will probably have demands of large volume upon it during the season when cotton is being harvested and moved in the section which it serves but taking into account the capital and surplus of petitioning banks in this case, the probable aggregate amount of the legitimate demands of petitioning banks upon said bank will not likely cause said bank any embarrassment in meeting the same, whether it be true or not that cotton and tobacco are harvested and marketed at the same time of the year. The cotton crop as a rule is harvested and marketed commencing in August of each year and extending over the fall months and probably into the months of January and February of each year, although as a rule much the larger part of cotton has passed out of the hands of the grower by the first of January each year. Respondent respectfully calls attention to the very

able brief presented on behalf of Louisville, Kentucky, to the Organization Committee by the Honorable Ollie M. James, Honorable Swager Sherley, Honorable Richard W. Knott and Honorable John W. Barr, Jr. and printed in Senate Document 485, on page 187, from which respondent quotes as follows:

"Tobacco is different from other crops in that it does not go to market in the fall along with cotton, corn, etc. The season begins in December and extends thru March, depending largely on weather conditions. As can be at once seen, it, like whiskey, can be moved after the pinch in the cotton section is over. Surplus funds from tobacco sales can find employment in the South during the planting and growing season."

If these gentlemen correctly state the matter, the two crops are marketed at different periods of the year, at least in large part. Respondent further calls attention to the fact that the banks of St. Louis probably have heavier and greater demands upon them to move the cotton crop than is true of Atlanta, he being advised that the St. Louis banks supply in large part the capital necessary to move and handle so much of the cotton crop as is raised in that State, Arkansas, and the parts of the States of Tennessee and Mississippi which are in the cotton belt. If respondent's information is correct, and he affirms that it is correct, the St. Louis Reserve Bank would be confronted with the same difficulty which petitioners allege now confronts the Atlanta Bank in regard to the matter of furnishing funds to move the cotton and tobacco crops at the same time. Therefore, no advantage would be gained to the petitioning banks to be connected with the St. Louis instead of the Atlanta Bank in these respects.

(7)

(d) Respondent shows that petitioners allege that "Unmistakably the trend of the business of the two communities is northward, less than 1% of the business being South of Nashville, Tennessee." If this is true, it is difficult to understand how their situation would be bettered if the banks were attached to St. Louis, which lies almost due west of both Springfield and Clarksville. If the trend of the business of the two communities is unmistakably northward, it would seem more logical for petitioners to be attached to the Cleveland Bank than to the St Louis Bank, but respondent insists that for reasons already stated and those hereinafter stated, it is not necessary for petitioning banks to be removed to either of said reserve bank cities. Respondent is advised that all of said banks do considerable business with the banks of Nashville, Tennessee, which is one of the important cities attached to the Federal Reserve Bank of Atlanta, and shows that one of the Directors of the Federal Reserve Bank of Atlanta, Hon. W.H.Hartford, is a citizen of that city, which is situated very near to Clarksville and Springfield, (less than 75 miles distant). His knowledge of the business conditions of that territory will make it easily possible for the Federal Reserve Bank of Atlanta to become accurately advised of the needs and demands of petitioning banks and all others therein, whether there be anything unusual or extraordinary in the nature and course of business in said section or not.

In addition to the foregoing, respondent is advised that a very much larger per cent of the business of said



two communities is south of Nashville than that stated in the petition, and asserts that investigation would disclose this to be the fact. It is naturally very difficult to obtain exact statistics on such a matter, but respondent is advised that a very considerable amount of business in said two communities is toward the South and not Northward. Also respondent states that petitioning banks on account of their location close to Louisville, one of the important cities in the Eighth District, as well as to Nashville, one of the important cities in the Sixth District, are virtually enabled to utilize the facilities of both of these banks, the Atlanta Bank directly and the St. Louis bank indirectly. Said banks doing business with Nashville, send their checks on Louisville to the banks at Nashville, and in payment of these checks Louisville sends the Nashville banks checks on the Reserve Bank of St. Louis, which checks in turn are sent by the Nashville banks to the Federal Reserve Bank of Atlanta for credit, and recently interchange of business of this character resulted in the establishment of a credit balance in favor of the Federal Reserve Bank of Atlanta against St. Louis in excess of \$50,000.00. No reason is seen by respondent why this arrangement and interchange of financial balances cannot continue, and it results, as stated, in petitioning banks and others in their neighborhood enjoying the credit facilities of both the Atlanta and the St. Louis Reserve Banks, the former directly and the latter indirectly.

Respondent also calls attention to the well known fact that large amounts of tobacco is now being raised in the State of Florida, and the peculiarities of the tobacco industry

in general, if any exist, will necessarily have to receive, and in fact have received, the careful study of the officers and directors of the Atlanta Bank.

(e) Further answering respondent advises that one of the petitioning banks, to wit, the Peoples National Bank of Springfield, has already and since the first of January, 1915, availed itself of the facilities offered by the Federal Reserve Bank of Atlanta and has applied for and obtained a loan from said bank to the extent of \$22,000. Respondent says that the officers and directors of the Bank found no difficulty in accommodating said Bank, as one of its member banks, and easily and readily and quickly responded to its request to participate in the discounting privileges to the extent stated, and said Bank, through its proper officers and directors, is ready to likewise and similarly respond to all of the ordinary, legitimate and reasonable demands of said banks when called upon in the future, whether by said Peoples National Bank, or others of the petitioning banks.

-3-

Further answering, respondent says that the relations of petitioning banks with their correspondents will in no wise be altered by the operation of the Federal Reserve Act, or by their being placed in the Sixth or the Eighth Federal Reserve District. It is true they will be expected to keep the reserves required of them under the Act in the Federal Reserve Bank of Atlanta instead of in the Federal Reserve Bank of St. Louis, but there can be no serious inconvenience in this. If the prayer of the member

banks of Springfield and Clarksville is granted, doubtless other similar petitions in this Reserve District and in other Reserve Districts will be presented to this Honorable Board, and if this or other similar petitions are granted, so far as the Federal Reserve Bank of Atlanta is concerned, it will at once bring prominently into view the capital requirements of said Bank as measured by the terms of the Federal Reserve Act.

No one can doubt but that careful consideration was given by the Organization Committee to such matters as convenience, accessibility and the trend of business in the apportionment of the various Districts, and the selection of Reserve Cities. This was a duty imposed upon the Organization Committee by the Federal Reserve Act, Section 2, which is as follows:

"That the Districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be co-terminus with any State or States."

In determining what regard was paid to this provision of the Act by the Organization Committee, no better way can be devised than to quote from the report of the Committee itself. Said Committee said:

"Among the many factors which governed the committee in determining the respective districts and the selection of the cities which have been chosen, were:

First. The ability of the member banks within the district to provide the minimum capital of \$4,000,000.00 the capital stock and surplus of member banks within the district.

Second. The mercantile, industrial and financial connections existing in each district and the relations between the various portions of the district and the city selected for the location of the Federal Reserve Bank.

Third. The probable ability of the Federal Reserve Bank in each district, after organization and after the provisions of the Federal Reserve Act shall have gone into effect, to meet the legitimate demands of business, whether normal or abnormal, in accordance with the spirit and provisions of the Federal Reserve Act.

Fourth. The fair and equitable division of the available capital for the Federal Reserve Banks among the districts created.

Fifth. The general geographical situation of the district, transportation lines, and the facilities for speedy communication between Federal Reserve Banks and all portions of the district.

Sixth. The population, area, and prevalent business activities of the district, whether agricultural, manufacturing, mining, or commercial, its record of growth and development in the past and its prospects for the future.

"In determining the several districts the committee has endeavored to follow State lines as closely as practicable, and whenever it has been found necessary to deviate the division has been along lines which are believed to be most convenient and advantageous for the district affected."

In explanation of their decision as rendered on April 2, 1914, from which these excerpts are taken, subsequently the said Committee made a further statement, April 10, 1914, to which attention is called and in which they reaffirm the above.

When due regard and consideration is given to the very thorough study and investigation of the subject, the great care which was exercised by the Organization Committee in the performance of its duties in the laying out of the country into twelve districts, there must arise a strong presumption that the very considerations which are advanced by the petitioning banks in this case were duly passed upon and considered by said Committee, and the attaching of petitioning banks to the Sixth District instead of the Eighth District was deliberately done. It will be presumed at least

prima facie that said Committee considered the fact that petitioning banks would enjoy equal if not the same mail, express and transportation facilities if attached to the Atlanta District as they would if attached to the St. Louis District, and their principal business, as they themselves now allege, constituting only a small portion of the tobacco crop, the Bank at Atlanta could furnish them all reasonable and proper rediscounting and accommodations, notwithstanding the fact that said bank would likewise be called upon to furnish similar accommodations for the cotton industry and all other agricultural and commercial industries in the section. Respondent respectfully submits that the decision of the said committee should not be lightly altered or overridden. Respondent insists that there has not been sufficient time as yet to determine what will be the result of the operation of the banks under the Federal Reserve Act~~s~~ in the districts as they are now made, and it is respectfully claimed that sufficient time should be given to the practical operations under the Act in the Districts as now formed to determine whether it is as effective, efficient and satisfactory as it would be if their boundaries were changed.

All of which is respectfully submitted on behalf of the Federal Reserve Bank of Atlanta.

E. J. Brown

Deputy Chairman and Deputy Reserve Agent.

Hollins N. Randolph

Counsel.

122.5-12

October 10, 1914.

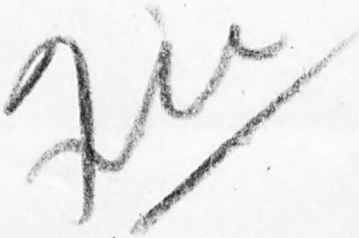
Dear Senator Shields:

I have your note of October 9th,  
and shall file it with the papers in the  
matter of the petition of Montgomery and  
Robertson Counties, for transfer from the  
Atlanta to the St. Louis Federal Reserve  
District.

Very sincerely yours,

(Signed) C. S. Hamlin,  
Governor.

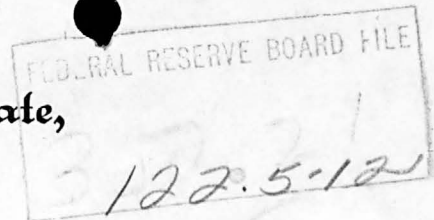
Hon. John K. Shields,  
United States Senate.



JOHN K. SHIELDS, CHAIRMAN.  
JOSEPH E. RANDELL.  
THOMAS J. WALSH.  
THOMAS P. GORE.  
JOHN WALTER SMITH.  
GEORGE T. OLIVER.  
THEODORE E. BURTON.  
ELIHU ROOT.  
LAWRENCE Y. SHERMAN.  
CHAS. M. MCCABE,  
CLERK

United States Senate,

COMMITTEE ON CANADIAN RELATIONS.



October 9, 1914.

Hon. Chas. S. Hamlin, Governor,  
Federal Reserve Board,  
Washington, D. C.

RECEIVED  
OCT 10 1914  
GOVERNOR'S OFFICE

My dear Mr. Hamlin:--

The banks of Clarksville and Springfield, Tennessee, have filed with your Board a petition asking that the counties of Montgomery and Robertson be detached from the District of Atlanta and attached to the St. Louis District, in which the reasons for their request are stated at length. Congressman Jos. W. Byrns of the 6th District of Tennessee in which these counties are situated, has had a conference with you upon the subject, in which you informed him that this matter with similar applications would be taken up by the Board some two or three weeks from now.

From my own information and facts stated by the bankers of these counties, I feel that it is greatly to their interest that their petition be allowed, and I hope when you are prepared to hear this matter you will write me and allow me to be present with Mr. Byrns.

With kind regards, I am

Very truly yours,

*John K. Shields*

122.5-12

IN THE MATTER OF APPEALS FROM THE DECISION OF THE RESERVE BOARD OR ORGANIZATION COMMITTEE IN DESIGNATING FEDERAL RESERVE DISTRICTS.

10/6/14

Petition of First National Bank and The Clarksville National Bank, both of Clarksville, Montgomery County, Tenn.; and The Springfield National Bank and Peoples National Bank, both of Springfield, Robertson County, Tenn., praying that the counties of Stewart, Montgomery and Robertson be transferred from District No. 6 to District No. 8.

Petition filed October 6, 1914.



FEDERAL RESERVE BOARD FILE

350.21

*J. L. ...*

To the Honorable Federal Reserve Board.

The petition of The First National Bank and The Clarksville National Bank, both of Clarksville, Montgomery County, Tennessee; and The Springfield National Bank, and The Peoples National Bank, both of Springfield, Robertson County, Tennessee, do respectfully petition that the Geographical limits of the Sixth Federal Reserve Bank District, be changed by the detachment of the northern boundary of said Reserve Bank District of the counties of Stewart, Montgomery and Robertson, in that these counties be attached to the Eight Federal Reserve Bank District of St. Louis, so as to form a portion of the southern part of said Eight District Reserve Bank or in such manner as your Board may determine.

A map is attached as Exhibit "A" to this petition, showing the line as prayed by your petitioners to be run.

The Federal Reserve Bank Organization committee did not in the selection of the several Reserve Bank Districts follow State lines or boundaries, and the counties enumerated herein can easily be detached. Clarksville, Montgomery County, Tennessee, is a city of about Nine thousand population; its principal commercial crop being Dark Leaf Tobacco; the major portion of which is exported to European countries, involving an exchange operation via New York City, or through letters of credit established in New York City,-- wheat, corn and hay being auxiliary crops.

Its Banking Capital, Five institutions, two of which are National Banks, have a combined capital of Three hundred and Eighty Three Thousand Dollars, and a combined deposit of One Million Five Hundred Thousand Dollars. It is served by the Louisville and Nashville Railway Company, with a direct connection to St. Louis, within a twelve hour run, and in direct connection with Louisville, Kentucky, within a six hour run, either point being accessible for the transaction of business on the following day.

Springfield, Robertson county, Tennessee, has a population of about Twenty five Hundred; its Banking Capital, four institutions, two of which are National Banks, with a combined capital of Two Hun

dred and Fifteen Thousand Dollars, with a combined deposit of about Nine Hundred and Seventy Thousand Dollars; has also as its principal commercial crop Dark Leaf Tobacco, - with wheat, corn and hay as auxiliary crops.

It is served by the Louisville & Nashville Railway Company, with direct connection with either St. Louis or Louisville, Kentucky, either point being accessible for the transaction of business on the following day.

Considered from any standpoint, Geographical convenience, Commercially, Transportation Facilities, Rapid and easy communication between points, the territory served by Clarksville, Tennessee and Springfield, Tennessee, belongs in a District of which Kentucky, and particularly Louisville, Kentucky is a part, and Louisville, Kentucky is a part of the Eight District, or a part of the St. Louis Reserve Bank.

Your petitioners constitute all of the National Banks in the territory sought to be changed, and respectfully submit:

First:- Unmistakably the trend of the business of the two communities is Northward, less than one per cent of the business being south of Nashville, Tennessee.

Second:- Tobacco being our commercial crop, and our principal money producing commodity, - seventyfive per cent of which is Exported to European countries, and the business transactions resulting there -from having heretofore been handled through Louisville, Kentucky, St. Louis, Mo., and New York City, every effort should be made to promote business convenience and normal movements by attaching this territory to the St. Louis Reserve Bank District, its natural, convenient and normal course.

Third:- Petitioners respectfully represent that St. Louis, Mo., and especially Louisville, Kentucky, is familiar with the conditions, the customs and transactions originating in this territory and that they can best serve our needs, being thoroughly familiar with the whole course of business, the times and amounts needed, the methods

in which the transactions arising from this commodity are handled, to say nothing of the very much more convenient handling of the business arising therefrom.

Fourth:- The St. Louis Reserve Bank has on its Board of Directors two men long connected with, and quite familiar with the business requirements of this section, in the persons of Mr. Oscar Fenley of Louisville, Kentucky, and Mr. F. O. Watts of St. Louis, Mo.

Fifth:- Your petitioners would respectfully represent that the business of this section sought to be removed, can not be served conveniently by the Atlanta Reserve Bank, not only on account of Geographical situation, but ease of access, familiarity with the business, and the fact that the Directory of the Atlanta Reserve Bank is composed of men without any experience, not familiar with or knowledge of, regarding the transactions arising from tobacco, its marketing, the export business in connection with it, or the needs and requirements of this section in relation to it.

Sixth:- Your petitioners would further represent, that the Capital of the petitioning banks can be withdrawn from the Atlanta Reserve Bank without weakening it in regard to the capital requirements under the Federal Reserve Law.

Seventh:- Petitioners submit that it is true that seven eighths of the tobacco territory of Kentucky and Tennessee has been attached to the St. Louis Federal Reserve Bank, while only one eighth has been attached to the Atlanta Federal Reserve Bank, this one eighth comprising the tobacco District located in Stewart, Montgomery and Robertson counties; splitting these counties off of and taking them out of the natural, ordinary and customary course of the business, the main business originating within these counties, taking them from that District which comprises nearly all of the sections in which this commodity constitutes the main money commodity, and putting them in a district unnatural, inconvenient and ignorant of the needs of this particular section, and deprived of the benefit of the co-operation naturally resulting, and the efficacy of the arrangements naturally resulting in the districts in which the transactions arising from the

tobacco business, constitute one of the main parts of banking transactions and banking facilities.

A division of the tobacco section of Kentucky and Tennessee in such proportion as between the Eighth and Sixth Reserve Bank District can serve no good purpose and the withdrawal of the one eighth allotted to the Atlanta Bank would place <sup>this</sup> interest where it naturally and normally belongs.

Eight:- Petitioners would respectfully submit, that putting them in the Atlanta Reserve District causes a wholly unnecessary and useless discrimination against them as against State Banks in these counties, as these State Banks can make their own arrangements with the natural course of the trade, and with Bankers whose officials are familiar with the requirements of these districts, and it places them at a very grave inconvenience and disadvantage as compared with the State Banks in the same two towns of Clarksville and Springfield.

And it discriminates also against the interests of this particular section of the tobacco District, Stewart, Robertson and Montgomery counties, putting this District at a disadvantage as to their tobacco, handling facilities as against the State Banks in these same three counties, who can as stated, make their own arrangements and follow the usual channels of trade; naturally they should be handled by men familiar with the conditions, the values, the securities arising from this industry, so that equal facilities may be given the different parts of the tobacco district, and not discriminate against one eighth of that District, and put it at a disadvantage, not only with the balance of the tobacco district, which was and should have been allotted to the St. Louis District, but also places the National Banks in this District at a grave disadvantage as compared with the State Banks.

Ninth:- While it is suggested that the true contention of the Federal Reserve Bank is to hold the legal reserve requirements of its member banks, your petitioners respectfully state that they believe, and it is the belief of the Banking interests, that the system of reserve banks will eventually cover a greater field of use-

fulness to its member banks in that it is destined to be the depository not only of the legal reserve requirements, but will be used as a depository for any excess reserve that may accrue in the ordinary course of business.

And it is believed in a few years that the domestic exchange of the country will be drawn on the several Reserve Banks instead of New York, Chicago and other points.

If this is true, petitioners represent, surely the business of this tobacco section, so vitally linked to Louisville, or a district of which Louisville is a part, should not be divorced from its natural course.

Briefly, reserves, either legal or excess reserves would accumulate more readily following a natural course of business to the Reserve Bank center than if diverted to follow unnatural courses.

Finally your petitioners would respectfully represent, that the tobacco interests represented by the Clarksville and Springfield District would cover something like fifty million pounds of tobacco, at an approximate price of about eight cents per pound, requiring banking transactions as to these alone in the purchase of the crop of some four millions of dollars; that the demand for this comes at a time when it is in conflict with the cotton demand, and your petitioners, whose main business is derived from the tobacco industry, directly or indirectly, are put in a district of business of which they constitute only a small part as opposed to the enormous transactions involved in the cotton business, and which would constitute a large part of, or one of the main parts of the banking business of the Atlanta District, and that they can not, and will not have, as they believe, the same facilities, the same protection, and the same care taken of their interests, and the interests of these counties in the Atlanta District as they would have in a St. Louis Reserve District, of which they are naturally and normally a part by reason, not only of geographical conditions, railroad connections, but the normal and natural course of the movement of the trade, and

the long habit and course of the same.

In support of the contention that this section is best served by a District of which Louisville, Kentucky is a part, petitioners beg leave to refer to the fact that the Secretary of the Treasury, has recently allowed the National Banks located in and doing business at Clarksville, to become members of the National Currency Association of Louisville, Kentucky, and this was allowed notwithstanding that a Currency Association had been formed and put in operation at Atlanta, Georgia, a recognition in our opinion of the fact that the Northern portion of Tennessee could not be served conveniently by an Association located at Atlanta, Georgia.

And that just such a contingency as has arisen, and just such a condition as confronts your petitioners was contemplated in the Federal Reserve Act, where there was an express provision, "that the Districts shall be apportioned with due regard to the convenience and customary course of business, and shall not necessarily be coterminus with any State or States".

Respectfully submitted,

The First National Bank of Clarksville, Tennessee,

By *Richard A. Brown*

The Clarksville National Bank of Clarksville, Tennessee,

By *Charles H. Brown*

The Springfield National Bank, of Springfield, Tennessee,

By *J. W. Brown*

The Peoples National Bank of Springfield, Tennessee,

By *H. J. Brown*

We, the undersigned State Banks in the District above mentioned do heartily endorse and join in this petition, in so far as we can, as we believe it to be to the best interest of the Banking interests in these counties, and to the best interests of the counties themselves, that these three counties be placed in the St. Louis District instead of the Atlanta District.

Respectfully submitted,

Northern Bank of Tennessee,  
CLARKSVILLE, TENN.

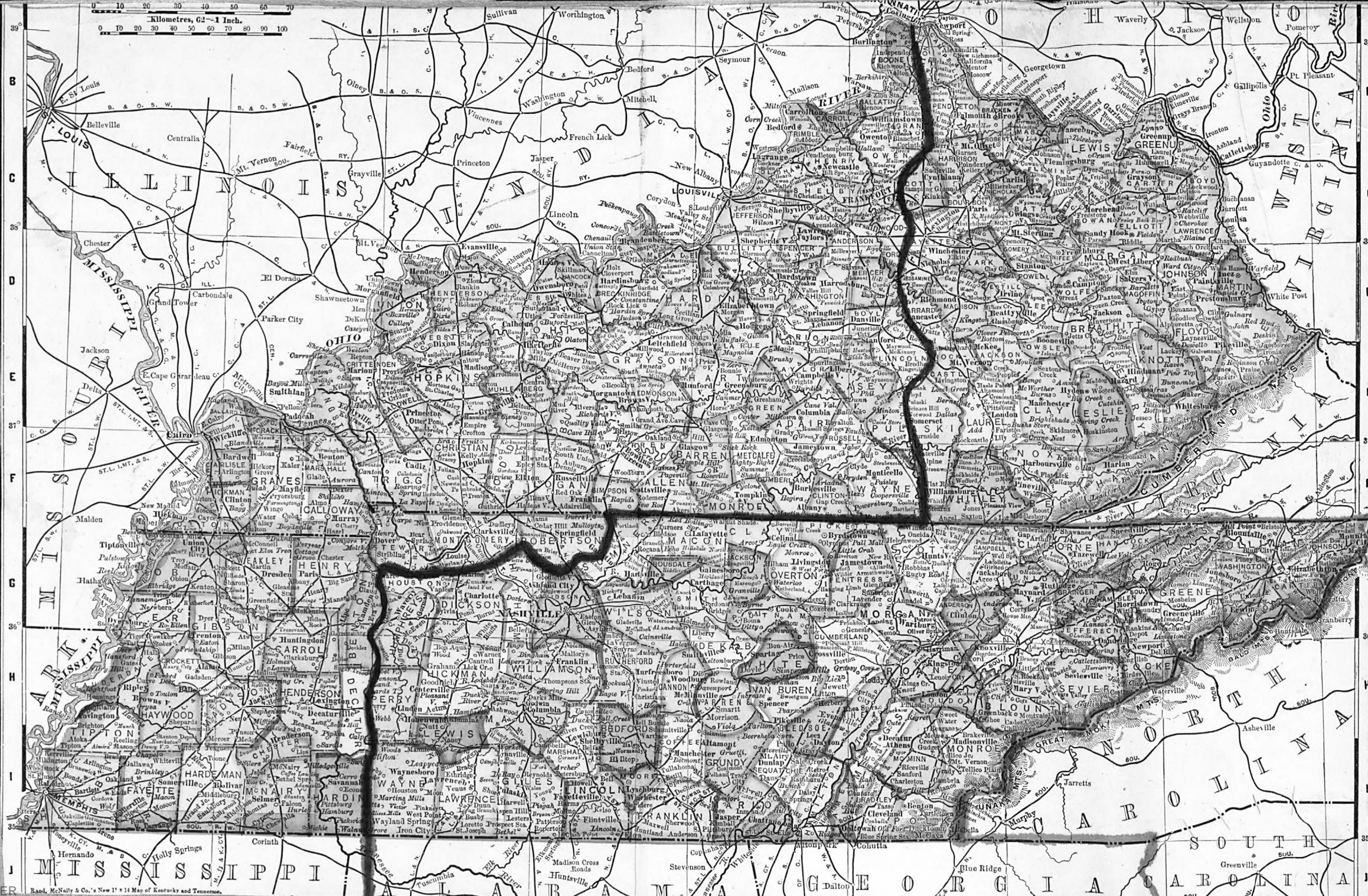
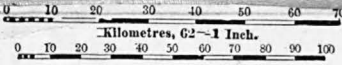
By Sterling Ford Cashier  
FIRST TRUST & SAVINGS BANK  
CLARKSVILLE, TENN.

W. M. Hutchcraft Cashier

ROBERTSON COUNTY BANK & TRUST CO.  
Springfield, Tenn.

By J. W. Brown Cashier

THE FARMERS BANK & TRUST CO.  
Springfield, Tenn.  
per D. H. Hannan asst. Cashier





To the Honorable Federal Reserve Board.

The petition of The First National Bank and The Clarksville National Bank, both of Clarksville, Montgomery County, Tennessee; and The Springfield National Bank, and The Peoples National Bank, both of Springfield, Robertson County, Tennessee, do respectfully petition that the Geographical limits of the Sixth Federal Reserve Bank District, be changed by the detachment of the northern boundary of said Reserve Bank District of the Counties of Stewart, Montgomery and Robertson, in that these counties be attached to the Eighth Federal Reserve Bank District of St. Louis, so as to form a portion of the southern part of said Eighth District Reserve Bank or in such manner as your Board may determine.

A map is attached as Exhibit "A" to this petition, showing the line as prayed by your petitioners to be run.

The Federal Reserve Bank Organization Committee did not in the selection of the several Reserve Bank Districts follow state lines or boundaries, and the Counties enumerated herein can easily be detached. Clarksville, Montgomery County, Tennessee, is a City of about Nine thousand population; its principal commercial crop being Dark Leaf Tobacco; the major portion of which is exported to European Countries, involving an exchange operation via New York City, or through letters of credit established in New York City,-- wheat, corn and hay being auxiliary crops.

Its Banking Capital, Five institutions, two of which are National Banks, have a combined Capital of Three hundred and Eighty Three Thousand Dollars, and a combined deposit of One Million Five Hundred Thousand Dollars. It is served by the Louisville and Nashville Railway Company, with a direct connection to St. Louis, within a twelve, hour run, and in direct connection with Louisville, Kentucky, within a six hour run either point being accessible for the transaction of business on the following day.

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It is served by the Louisville & Nashville Railway Company, with direct connection with either St. Louis, or Louisville, Kentucky, either point being accessible for the transaction of business on the following day.

Considered from any standpoint, Geographical convenience, Commercially, Transportation Facilities, Rapid and easy communication between points, the territory served by Clarksville, Tennessee, and Springfield, Tennessee, belongs in a District of which Kentucky, and particularly Louisville, Kentucky is a part, and Louisville, Kentucky is a part of the Eighth District, or a part of the St. Louis Reserve Bank.

Your petitioners constitute all of the National Banks in the territory sought to be changed, and respectfully submit;

FIRST:-- Unmistakably the trend of the business of the two communities is Northward, less than one per cent of the business being South of Nashville, Tennessee.

SECOND:-- Tobacco being our Commercial Crop, and principal money producing commodity,-- seventy five per cent of which is Exported to European Countries, and the business transactions resulting therefrom having heretofore been handled through Louisville, Kentucky, St. Louis, Mo, and New York City, every effort should be made to promote business convenience and normal movements by attaching this territory to the St. Louis Reserve Bank District, its natural, convenient and normal course.

Third:- Petitioners respectfully represent that St. Louis, Mo. and especially Louisville, Kentucky, is familiar with the conditions the customs and transactions originating in this territory and that they can best serve our needs, being thoroughly familiar with the whole course of business, the times and amount needed, the methods in which the transactions arising from this community are handled, to say nothing of the very much more convenient handling of the business arising therefrom.

Fourth,- The St. Louis Reserve Bank has on its Board of Directors two men long connected with and quite familiar with the business requirements of this section, in the person of Mr. Oscar Fenley of Louisville, Kentucky, and Mr. F.O. Watts of St. Louis.

Fifth:- Your petitioners would respectfully represent that the business of this section sought to be removed, can not be served conveniently by Atlanta Reserve Bank, not only on account of Geographical situation, but ease of access, familiarly with the business and the fact that the Directory of the Atlanta Reserve Bank is composed of men without any experience, not familiar with or knowledge of, regarding the transactions arising from tobacco, its marketing, the export business in connection with it, or the needs and requirements of this section in relation to it.

Sixth:- Your petitioners would further represent, that the petitioning banks can be withdrawn from the Atlanta Reserve Bank without weakening it in regard to the Capital requirements under the Federal Reserve Law.

Seventh;- Petitioners submit that it is true that seven eighths of the tobacco territory of Kentucky and Tennessee has been attached to the St. Louis, Federal Reserve Bank, while only one eighth has been attached to the Atlanta Federal Reserve Bank, this one eighth comprising the tobacco District located in Stewart, Montgomery and Robertson Counties splitting these counties off of and taking them out of the natural, ordinary and customary course of the business, the main business originating within these counties, taking them from that District which comprises nearly all of the sections in which this commodity constitutes the main money commodity, and putting them in a district unnatural, inconvenient and ignorant of the needs of this particular section, and deprived of the benefit of the cooperation naturally resulting and the efficacy of the arrangements naturally resulting in the districts in which the transactions arising from the tobacco business, constitute one of the main parts of banking transactions and banking facilities.

A division of the tobacco section of Kentucky and Tennessee in such proportion as between the Eight and Sixth Reserve Bank District can serve no good purpose the withdrawal of the one eighth allotted to the ATLANTA Bank would place this interest where it naturally and normally belongs.

Eight:- Petitioners would respectfully submit, that putting them in the Atlanta Reserve District causes a wholly unnecessary and useless discrimination against them as against State Banks in these Counties as these State Banks can make their own arrangements with the natural course of the trade, and with Bankers whose officials are familiar with the requirements of these districts, and it places them at a very grave inconvenience and disadvantage as compared with the State Banks in the same two towns of Clarksville and Springfield.

And it discriminates also against the interest of this particular section of the tobacco District, Stewart, Robertson and Montgomery Counties, putting this District at a disadvantage as to their tobacco handling facilities as against the State Banks in these same three counties who can as stated make their own arrangement and follow the usual channels of trade: naturally they should be handled by men familiar with the

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Ninth:- While it is suggested that the true contention of the Federal Reserve Bank is to hold the legal reserve requirements of its member banks, your petitioners respectfully state that they believe, and it is the belief of the Banking interests, that the system of reserve banks will eventually cover a greater field of usefulness to its member banks in that it is destined to be the depository not only of the legal reserve requirements, but will be used as a depository for any excess reserve that may accrue in course of business.

And it is believed in a few years that the domestic exchange of the country will be drawn on the several Reserve Banks instead of New York, Chicago and other points.

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Finally your petitioners would respectfully represent, that the tobacco interest represented by the Clarksville and Springfield District would cover something like fifty million pounds of tobacco, at an approximate price of about eight cents per pound, requiring banking transactions as to these alone in the purchase of the crop of some four million of dollars; that the demand for this comes at a time when it is in conflict with the cotton demand, and your petitioners, whose main business is derived from the tobacco industry, directly or indirectly, are put in a district of business of which they constitute only a small part as opposed to the enormous transactions involving in the cotton business, and which would constitute a large part of, or one of the main parts of the banking business of the Atlanta District, and that they can not, and will not have, as they believe, the same facilities, the same protection and the same care taken of their interest, and the interest of these counties in the Atlanta District as they would have in a St. Louis Reserve District, of which they are naturally and normally a part by reason, not only of geographical conditions, railroad connections, but the normal and natural course of the movement of the trade, and the long habit and course of the same.

In support of the contention that this section is best served by a District of which Louisville, Kentucky, is a part, petitioners beg leave to refer to the fact that the Secretary of the Treasury, has recently allowed the National Banks located in and doing business at Clarksville, to become members of the National Currency Association of Louisville, Kentucky, and this was allowed notwithstanding that a currency association had been formed and put in operation at Atlanta, Georgia, a recognition in our opinion of the fact that the Northern portion of Tennessee could not be served conveniently by an association located in Atlanta, Georgia.

And that just such a contingency as has arisen, and just such a condition as confronts your petitioners was contemplated in the Federal Reserve Act, where there was an express provision, "that the Districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminus with any State or States".

Respectfully submitted,

First National Bank.  
Clarksville, Tennessee.

(Signed) WESLEY DRANE.  
Pres,

Clarksville National Bank.  
Clarksville, Tennessee.

(Signed) ARCHER HOWELL.  
Pres.

Springfield National Bank.  
Springfield Tennessee,

(Signed) W. E. RYAN.  
Pres.

Peoples National Bank.  
Springfield Tennessee,

(Signed) H. T. STRATTON.  
Pres.

JOHN J. FITZGERALD, N. Y., CHAIRMAN.  
 SWAGAR SHERLEY, KY.      FREDERICK H. GILLETT, MASS.  
 CHARLES L. BARTLETT, GA.      JAMES W. GOOD, IOWA.  
 JOSEPH T. JOHNSON, S. C.      FRANK V. MONDELL, WYO.  
 ROBERT N. PAGE, N. C.      CHARLES R. DAVIS, MINN.  
 GEORGE W. RAUCH, IND.      WILLIAM M. CALDER, N. Y.  
 JOSEPH W. BYRNS, TENN.      WILLIAM S. VARE, PA.  
 THOMAS UPTON SISSON, MISS.      WILLIAM H. HINEBAUGH, ILL.  
 EUGENE F. KINKEAD, N. J.  
 WILLIAM P. BORLAND, MO.  
 GEORGE WHITE, OHIO.  
 JAMES MCANDREWS, ILL.  
 BRYAN F. MARAN, CONN.  
 WOODA N. CARR, PA.

JAMES O. COURTS, CLERK.  
 MARCELLUS C. SHELDON, ASSISTANT CLERKS.  
 WILLIAM A. RYAN,

COMMITTEE ON APPROPRIATIONS,  
 HOUSE OF REPRESENTATIVES,  
 WASHINGTON, D. C.

October 3, 1914.

4  
 FEDERAL RESERVE BOARD FILE  
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 122 5-12  
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The Federal Reserve Board,  
 Washington, D.C.

My dear sirs:

I hand you herewith the petition of the four National Banks located in Clarksville and Springfield, Tennessee, asking that the counties of Montgomery and Robertson, in which these towns are located, and the county of Stewart be detached from the Sixth and attached to the Eighth or St. Louis Federal Reserve District. This petition which is signed by all of the National Banks in the said territory and is endorsed by four of the largest State Banks fully and clearly sets forth the reasons why this change is asked.

In this connection, I desire to emphasize the suggestion that tobacco is the principal money crop or commodity of these three counties, its annual valuation being more than \$4,000,000. Fully three fourths of this is exported and the business transactions in connection therewith have heretofore been handled entirely and exclusively through Louisville, St. Louis and New York. The trend of business is unquestionably entirely northward, and the present arrangement will undoubtedly result in disturbing business convenience, and seriously interfere with the natural convenient and normal course of trade or of these communities. The petition shows that hitherto less than one per cent of the business of these communities has been done south of Nashville

OCT 22 1914  
 RESERVE BANK OF THE UNITED STATES  
 RECEIVED  
 FEDERAL RESERVE BOARD  
 COMMITTEE

BERALD, N. Y., CHAIRMAN.	FREDERICK H. GILLET, MASS.
ERLEY, KY.	JAMES W. GOOD, IOWA.
L. BARTLETT, GA.	FRANK V. MONDELL, WYO.
T. JOHNSON, S. C.	CHARLES R. DAVIS, MINN.
RT N. PAGE, N. C.	WILLIAM M. CALDER, N. Y.
RGE W. RAUCH, IND.	WILLIAM S. VARE, PA.
SEPH W. BYRNS, TENN.	WILLIAM H. HINEBAUGH, ILL.
THOMAS UPTON SISSON, MISS.	
EUGENE F. KINKEAD, N. J.	
WILLIAM P. BORLAND, MO.	
GEORGE WHITE, OHIO.	
JAMES MCANDREWS, ILL.	
BRYAN F. MAHAN, CONN.	
WOODA N. CARR, PA.	

COMMITTEE ON APPROPRIATIONS,  
HOUSE OF REPRESENTATIVES,  
WASHINGTON, D. C.

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JAMES C. COURTS, CLERK,  
MARCELLUS C. SHEILD, } ASSISTANT CLERKS.  
WILLIAM A. RYAN, }

Tennessee.

May I call your particular attention to the statement in the petition that these three counties produce nearly all of the tobacco grown in Tennessee, which stands fourth in the list of the tobacco producing states, and that they constitute about one eighth of the tobacco territory of Tennessee and Kentucky. The remaining seven eighths is attached to the St. Louis district. To separate these counties from the other sections in Tennessee and Kentucky, in which tobacco is the chief money crop or commodity, involves the gravest sort of consequences to their business and banking interests, in that they will be deprived of that cooperation which naturally results from like interests. Besides, it will be an effort to change the natural convenient and therefore, ordinary and customary course of business which cannot be done with either convenience safety or profit to the people interested. I respectfully submit that these counties should, by all means, be assigned to the district embracing all of the other tobacco producing counties in Tennessee and Kentucky. Especially is this true since cotton is the chief money crop or commodity of the Atlanta District. All of its territory is primarily interested in cotton, except this one small portion. Its officials cannot be familiar with the conditions and values of securities, arising from the tobacco industry, and this particular territory will be placed at a serious disadvantage with the balance of the tobacco district, unless this petition is granted. It will not receive that sympathetic consider-

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ation and attention born of an intimate knowledge of the actual needs of the tobacco industry and its value.

The demand for banking transactions and facilities for tobacco and cotton comes at practically the same time of the year. What can these tobacco producing counties expect under the present arrangement, in view of the fact that cotton is the overwhelming money crop or commodity of the Atlanta District? The officials may be willing to afford relief or consideration, but they will be deterred from doing so to that extent which reasonably ought to be expected by the constant and pressing demand in behalf of cotton, coming as it will at the same time, as well as by their unfamiliarity with the true conditions and value of tobacco securities.

Permit me to say further that the present arrangement will offer no inducements to the State Banks of these communities to become member banks in the Federal Reserve organization, something which I am sure, is very much desired by the Board and the administration. This is clearly shown by the indorsement of the request by the only State Banks in the territory involved which are probably eligible to become member banks. None of these banks will think of becoming member banks if they are thereby to become a part of the Atlanta Reserve District. To do so would be for them to abandon the natural and convenient channels of trade, made so by long established custom and community of interests, and to rely for extra banking facilities upon a reserve bank which is not

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only unfamiliar with the needs of the tobacco industry, but is infinitely more interested in transactions involving cotton, in which the patrons of the banks in question have no interest whatever. These state banks will undoubtedly prefer the normal, long established and convenient channels of trade, rather than throw themselves into a system which is sure to prove a disappointment when assistance is most needed. Thus, the present arrangement in effect invites <sup>the</sup> state banks to stay out and at the sametime penalizes, or to say the least, places at a serious disadvantage the national banks of the territory which, under the terms of the law and their present assignment, must look southward and to Atlanta for relief or assistance, rather than to those with whom they have heretofore been in the habit of doing business and whose interests are similar.

The petition clearly and forcibly amplifies these and many other reasons showing the necessity of the change, including the potent fact that St. Louis can be much more easily and quickly reached than Atlanta from any part of the counties referred to.

I earnestly ask your careful consideration of this petition and hope that it will receive favorable action. The change cannot possibly disturb the equilibrium of the Federal Reserve Districts as now established, for it involves only a slight change in the present boundaries of the respective districts, and the amount of bank capital involved is comparatively small.

Respectfully yours,

*Joseph W. Byrns*



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FEDERAL RESERVE BOARD

October 3, 1914.

Dear Mr. Willis:

Will you kindly prepare a letter for me, acknowledging the within petition of national banks of Tennessee, and also a letter to Congressman Byrns? Will you kindly, also, see if the petition is in accordance with our regulations, and, if not, advise me?

Very sincerely yours,

*Edw. Hamilton*

H. Parker Willis, Esq., Secretary,  
Federal Reserve Board.

*Ptition*

ANSWERED  
OCT 28 1914  
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