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U. S. ~~Federal~~ Reserve Organization  
Committee.  
Exhibits and letters submitted at  
hearings...(Washington, D. C.)

# 8

Appendix A

Statement of Capital, Surplus and Deposits of National and State Banks and Trust Companies the states of Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia, North Carolina and the District of Columbia compiled from reports made to the Comptroller of the Currency and State Banking Commissioners in the year 1913

Name of State	National Banks				State Banks &c.				All Banks and Trust Companies		
	No. of Banks	Capital	Surplus	Deposits	No. of Banks	Capital	Surplus	Deposits	No. of Banks	Capital & Surplus	Deposits
Pennsylvania	838	116,041,000.	136,873,000.	802,024,000.	458	117,471,000.	148,966,000.	672,155,000.	1296	519,351,000.	1,474,179,000.
New Jersey	203	22,426,000.	23,192,000.	202,225,000.	122	20,840,000.	22,182,000.	223,920,000.	325	88,640,000.	426,145,000.
Delaware	25	1,689,000.	1,613,000.	8,676,000.	20	3,043,000.	1,825,000.	13,640,000.	45	8,220,000.	22,156,000.
Maryland	105	16,983,000.	11,868,000.	85,329,000.	115	15,440,000.	13,070,000.	75,868,000.	220	57,361,000.	161,197,000.
Virginia	133	17,684,000.	11,673,000.	92,795,000.	248	13,711,000.	7,376,000.	58,731,000.	381	50,444,000.	151,526,000.
West Virginia	116	10,165,000.	6,429,000.	59,321,000.	183	11,356,000.	6,241,000.	63,959,000.	299	34,191,000.	123,280,000.
North Carolina	72	8,460,000.	2,860,000.	35,620,000.	381	10,826,000.	5,783,000.	61,620,000.	453	27,929,000.	97,240,000.
District of Columbia	12	6,752,000.	5,092,000.	27,521,000.	20	11,234,000.	5,474,000.	42,532,000.	32	28,552,000.	70,053,000.
Totals	1504	200,200,000.	199,600,000.	1,313,351,000.	1547	203,971,000.	210,917,000.	1,212,425,000.	3051	814,688,000.	2,525,776,000.

Appendix B

Statistics of Agriculture, Manufacturing and Mining, in States mentioned above, taken from 13<sup>th</sup> Census Reports.

Name of State	Agriculture			Manufacturing		Mining		Percentage of increase in ten years						
	Population	Capital invested Dollars	Value of Products 1910 Dollars	Capital invested Dollars	Value of Products 1910 Dollars	Capital invested Dollars	Value of Products 1910 Dollars	Population	Value of Farms	Value of Products	Manufacturing capital	Value of Products	Mining capital	Value of Products
Pennsylvania	7,665,000.	1,253,274,000.	166,740,000.	2,750,000,000.	2,626,000,000.	866,207,000.	350,000,000.	216	19.2		37.7	27.		40.
New Jersey	2,537,000.	254,832,000.	40,340,000.	977,172,000.	1,145,529,000.	7,882,000.	7,298,000.	34.7	34.5		42.5	44.		100.
Delaware	202,000.	63,179,000.	9,121,000.	60,906,000.	52,849,000.	959,000.	516,000.	9.5	55.2		25.5	28.		15.
Maryland	1,295,000.	286,174,000.	43,920,147.	251,227,000.	315,669,000.	25,169,000.	5,782,000.	9.	39.8		30.	22.5		-13.
Virginia	2,061,000.	550,172,000.	104,531,000.	216,392,000.	314,000,000.	56,757,000.	8,795,000.	11.2	93.		53.	42.		43.
West Virginia	1,221,000.	314,738,000.	40,375,000.	150,923,000.	231,000,000.	221,659,000.	76,287,000.	27.4	54.4		75.	55.5		52.8
North Carolina	2,206,000.	475,066,000.	142,890,000.	217,186,000.	216,656,000.	5,985,000.	1,358,000.	16.5	130.		80.	60.		51.7
District of Columbia	334,000.	8,476,000.	546,479.	30,553,000.	40,132,000.			18.8	-26.5		32.	25.		-
Totals	17,518,000	3,205,911,000.	544,463,628.	4,654,359,000	4,941,826,000.	1,184,618,000.	450,036,000.	average 20%	50%		average 41%	average 35%		

This chart is made to illustrate the Banking capital and Deposits and the industries in a proposed Federal Reserve District comprising Eastern Penn., Southern N.J., Delaware, Maryland, Virginia, West Virginia, North Carolina and District of Columbia. Therefore: 1/2 of the statistical figures should be omitted from Penn. and 4/3 from N.J. in computing resources of said Federal Reserve District. Submitted by Washington, D.C. Clearing House Association.

# Appendix C

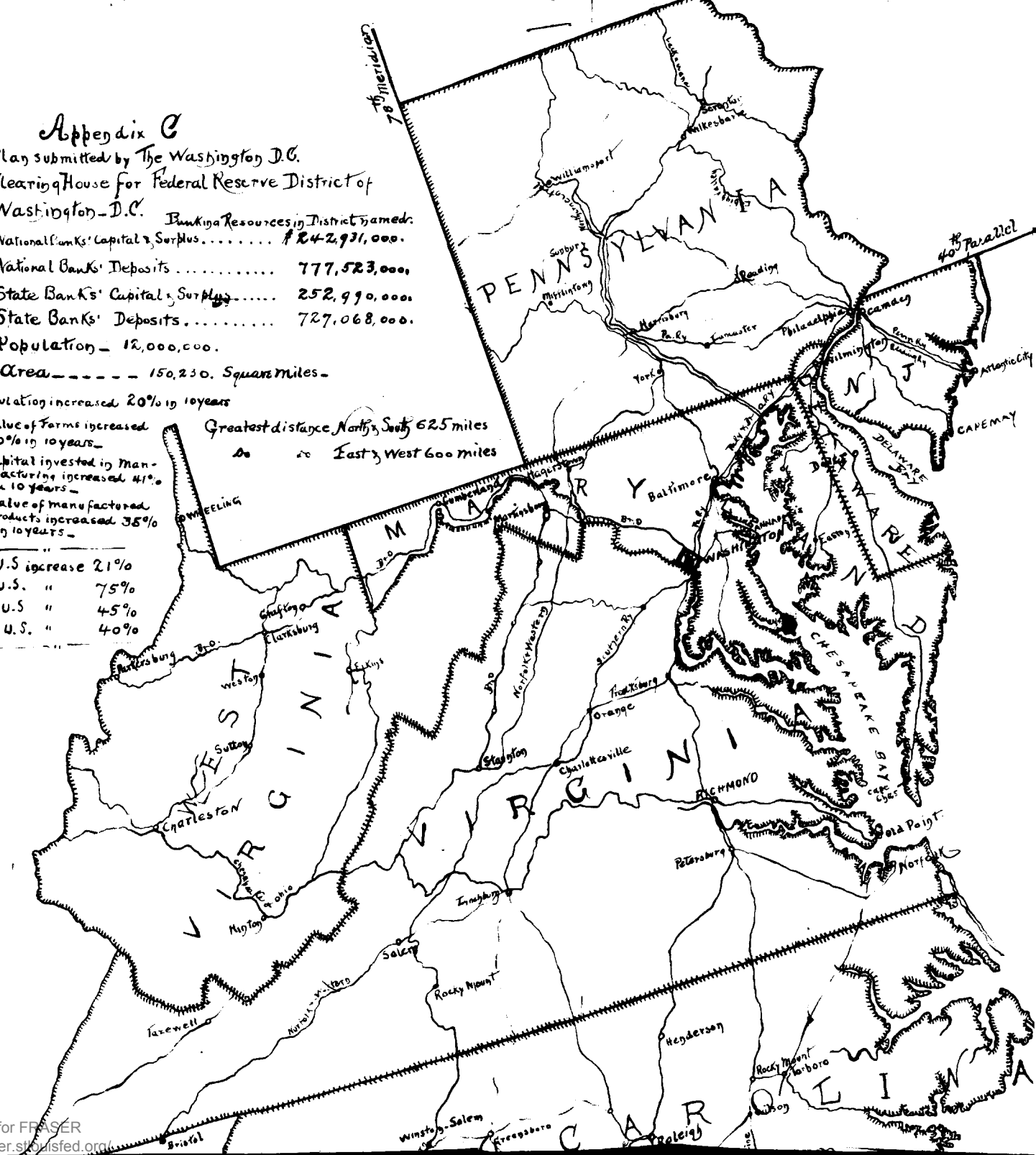
Plan submitted by The Washington, D.C.  
Clearing House for Federal Reserve District of  
Washington - D.C.

Banking Resources in District named:  
National Banks' Capital & Surplus..... \$242,931,000.  
National Banks' Deposits..... 777,523,000.  
State Banks' Capital & Surplus..... 252,990,000.  
State Banks' Deposits..... 727,068,000.  
Population - 12,000,000.  
Area - - - - - 150,230. Square Miles -

1. Population increased 20% in 10 years
2. Value of Farms increased 50% in 10 years -
3. Capital invested in Manufacturing increased 41% in 10 years -
4. Value of manufactured Products increased 35% in 10 years -

1. In U.S. increase 21%
2. In U.S. " 75%
3. In U.S. " 45%
4. In U.S. " 40%

Greatest distance North & South 625 miles  
do do East & West 600 miles



## Comparative clearings, 25 cities, United States &amp; Canada.

Pop.		December.		Twelve months.	
		1913	1912	1913	1912
119,295	Fall River, Mass.	\$8,262,602	\$6,837,985	\$62,877,279	\$62,062,095
96,815	Trenton, N. J.	9,336,800	9,210,364	97,850,349	92,005,347
96,652	New Bedford, Mass.	5,833,823	4,689,032	57,790,187	52,980,734
96,071	Reading, Pa.	8,412,202	8,025,340	96,996,527	90,468,686
87,411	Wilmington, Del.	9,168,114	7,353,300	88,776,585	83,356,050
79,066	Youngstown, Ohio.	6,356,708	7,276,031	82,978,542	73,539,471
69,067	Akron, Ohio.	7,387,000	8,595,000	96,120,000	93,378,000
67,105	Wilkesbarre, Pa.	7,995,905	7,433,847	82,451,564	77,316,975
66,525	Eric, Penna.	4,948,428	4,613,436	55,564,121	50,848,388
64,205	Oklahoma, Okla.	8,329,000	8,135,380	91,900,000	85,091,438
63,991	Ft. Wayne, Ind.	5,589,613	5,211,120	65,002,707	58,930,466
58,833	Charleston, S. C.	10,330,076	9,221,019	101,660,116	102,484,917
53,684	South Bend, Ind.	2,650,816	2,653,911	27,388,000	30,265,571
51,678	Springfield, Ills.	5,153,753	5,438,654	57,883,627	59,897,248
51,521	Mobile, Ala.	6,825,356	7,216,205	74,163,096	72,625,218
50,217	Canton, Ohio.	6,395,752	6,252,034	77,722,808	65,950,577
49,000	London, Ont. Can.	8,041,919	8,438,631	90,720,752	84,526,961
46,921	Springfield, Ohio.	3,564,866	2,914,576	37,320,637	30,814,519
46,601	Halifax, N.S. Can.	10,258,031	8,900,595	105,347,636	100,466,678
45,143	Topeka, Kans.	8,376,405	7,564,272	87,848,177	78,866,573
44,750	York, Penna.	4,161,864	3,950,051	47,776,302	50,329,110
44,143	Sacramento, Cal.	9,713,197	8,862,499	108,268,685	92,747,060
43,973	Lincoln, Neb.	8,938,189	7,424,981	100,004,077	89,301,224
43,028	Davenport, Iowa.	6,373,961	7,181,361	81,411,168	84,161,123
42,641	WHEELING, WEST VA	10,075,156	9,632,540	116,411,258	105,130,551

Compiled by O.C. Beans, Superintendent.

THE BRADSTREET COMPANY.

CMU

*Wash  
M*

*Fla*

February 25th, 1914.

**Sir:**

Your letter of February 20th, addressed to the Comptroller of the Currency, has been referred to this office for attention.

In reply, I beg to advise that I shall take pleasure in calling the same to the attention of the Committee for its consideration.

Respectfully,

Secretary,  
Reserve Bank Organization Committee.

Mr. John T. Dismukes, President,  
First National Bank,  
St. Augustine, Fla.

CHARTERED, MARCH 31st 1885.

JNO. T. DISMUKES, President.  
G. B. LAMAR, Vice Pres't & Cash'r.

REGINALD WHITE, Asst Cashier.  
GEO. L. ESTES, Asst Cashier.

CAPITAL \$130,000.  
1885/1914

# THE FIRST NATIONAL BANK

OF ST. AUGUSTINE

32 CATHEDRAL PLACE  
ST. AUGUSTINE, FLA.,

Feb. 20th, '14.



CABLE ADDRESS  
"FIRSTBANK"

Honorable J. Skelton Williams,  
Comptroller of the Currency,  
Washington, D. C.

*Handwritten initials and signature*

My dear Mr. Williams:-

I attended the meeting, as you are aware, at Atlanta, and a good many things were brought out which I had not considered prior to that time.

Of course, in the forming of a new Currency Bill, I always favored a Central Bank, with as many branches as the Country required, and realized in the event of one Central Bank, that every suggestion of business necessity and patriotic idea would necessitate the location of that one Bank in Washington City.

When a number of Regional banks was decided upon, strange to say, I forgot the almost absolute requirement of one of the banks being located at the Capital City of the United States, but realize now, not only is such a location demanded by the entire public, but it is entirely fair and right that a Regional bank should be located in Washington; and the district in which the Bank is located, should, by all means, be District No. 1. It should include enough territory, regarding banking capital, population and deposits, to make it of some significance; and as the meeting expressed a desire to hear from anyone interested in the conditions, I am taking the liberty of making the following suggestions:

If a district were to be composed of five counties in Pennsylvania; namely, Chester, Delaware,

Hon. J. S. W. No. 2.

Montgomery, Burks and Philadelphia; and then take Maryland, District of Columbia, West Virginia, Virginia, North Carolina, South Carolina, Georgia, and Florida, would make a contiguous territory, and while it covers a long and narrow area, it passes through a country largely diversified as to interests, and I think it is accepted that the trend of trade and the trend of travel are practically synonymous terms; and while it is true that from Florida to Washington it is about 790 miles, there is no portion of the United States, south of Washington, that has better mail and express service than we have out of Washington City to the remotest part of the territory suggested; there being six daily trains out into the southern territory, and six trains in, with only eighteen hours from Florida, and the time and distance of course decreases as you go north; and from Washington to the remotest northern part of the district, less than 209 miles; and if Washington is to be one of the Regional cities ( and, as before stated, I think it should be ), I am sure the section of country which I have pointed out would prefer Washington to any other point in that territory, except as applies to individual prejudice, - such as Savannah, Atlanta and Columbia.

I find that the territory mentioned would be about twelve million population, about Two Hundred Million Dollars of banking capital, and about Six Hundred Million of deposits, and would make the Bank's assets ( including capital and reserves from member banks ) about Forty-two Million Dollars.

This district, while slightly larger in population than the State of New York ~~is~~, is only slightly larger as to banking capital, but very considerably smaller as to deposits. In fact, deposits of the district named, are only about one-half of the deposits of the State of New York, which would make District No. 1 ( with Washington as the Regional bank center ) second only in point of capital and deposits, in the United States. If, as I believe the public sentiment of the Country requires, Washington should be made a Regional Reserve city, and every suggestion of National pride would require that the district should be of such importance as to give it the dignity it would deserve, by reason of its location. Of course if Washington is not to be made a Reserve City, my personal preference, points south of that, if in the same territory, would be either Savannah or Atlanta, Georgia.

Hon. J. S. W. No. 3.

Assuming, of course, that Philadelphia is anxious to be named as a Regional Reserve city; that New York will be named, and if Washington is named, it would put three Regional Banks within a distance of 225 miles from outside point to point, and one in the middle. Under these circumstances, it is hardly reasonable for Philadelphia to expect to successfully compete, and her dignity would not suffer by being placed in a district with the Capital of the United States as the centre.

Trusting that these views may have some consideration at your hands, and hoping that the Committee may have a happy issue out of the problem which they are called upon to face, beg to remain with personal regards,

Sincerely yours,

*John T. Dismukes*  
President.

D-h.

ANSWERED

FEB 25 1914

*One*



*Fisher*

New York, N.Y.,  
January 8, 1914.

My Dear Sir:

I have your letter of January 7th containing suggestions relating to the establishment of Federal Reserve Banks and the development of Federal Reserve Districts.

Please accept the thanks of the Organization Committee for your kindness, and its assurance that your ideas will receive due consideration.

Very truly yours,

Mr. Edmund D. Fisher,  
Deputy Comptroller,  
City of New York.

CITY OF NEW YORK  
**DEPARTMENT OF FINANCE**  
WILLIAM A. PRENDERGAST, Comptroller



EDMUND D. FISHER  
DEPUTY COMPTROLLER

January 7. 1914.

Reserve Bank Organization Committee,  
c/o New York Chamber of Commerce,  
65 Liberty Street, New York, N.Y.

Gentlemen:

I desire to make a suggestion in relation to the placement of Federal reserve banks and the development of Federal reserve districts. It is, that a Federal reserve bank be established at Washington in as small a district as possible, in order that it may have a minimum capital. The reasons for this suggestion may be summarized as follows:

First; That with a minimum capital and a small district for the Federal Reserve Bank of Washington there would be opportunity for strengthening the capital and reserves of the seven other Federal reserve banks to be organized; that a large amount of the money available for deposit by the Government be deposited in this bank, which would add to its reserve strength and at the same time be a continuing element in the basic reserves of the country; that the guidance which will come to the business community from the reserve percentage of the consolidated Federal system will be most valuable to that community. This will

R.B.O.C. #2

2/7/14.

be partly destroyed, however, if Government funds are deposited and from time to time withdrawn. For example: If the Government of Great Britain had the ability to materially increase or decrease the reserves of the Bank of England, the value of those reserves as a guide to business conditions would be greatly lessened and the efficiency of the discount rate in a measure destroyed.

Second: That the administrative policy of the Washington unit would naturally trend to a minimum earning power and the strength of the bank, through the principle of rediscount, would be thrown, when needed, to various sections of the country, and when it seemed undesirable to compel rediscounts through the medium of any of the seven other units.

Third: That such a plan would give the Federal Reserve Board a better quality of control; that it would place it more directly in touch with the actual business movements of the country, and that mechanically, the active clearing and depository functions of the district could be handled efficiently through a branch established in the most logical city of the district for that purpose, such as Baltimore.

In general, the management of the Federal Reserve Bank of Washington would have a different conception of its duties than that of any other district. Furthermore, definite attention would be paid to the economic side of the general banking problem, supported by the

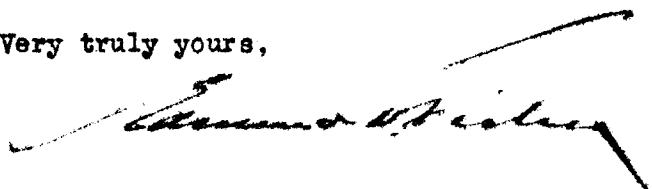
R.B.O.C. #3.

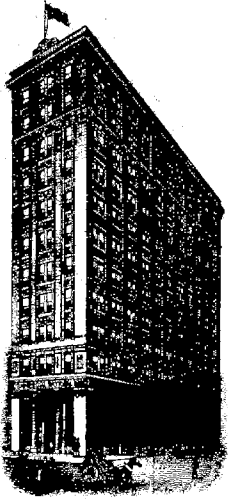
2/7/14.

very careful analysis of business and banking interrelations which would be made through the statistical department developed by the Federal Reserve Board.

This is submitted in the hope that it may be of some service in your considerations.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Edmund H. Wiley". The signature is written in dark ink and is positioned to the right of the typed text "Very truly yours,".



CAPITAL \$ 500,000.  
SURPLUS AND UNDIVIDED PROFITS \$ 400,000.99

**COMMERCIAL NATIONAL BANK,**  
CHARLOTTE, NORTH CAROLINA.

A.G. BRENIZER, PRESIDENT.  
R.A. DUNN, FIRST VICE PRESIDENT.  
W. E. HOLT, SECOND VICE PRESIDENT.  
A.T. SUMMEY, CASHIER.

Jan. 5, 1914

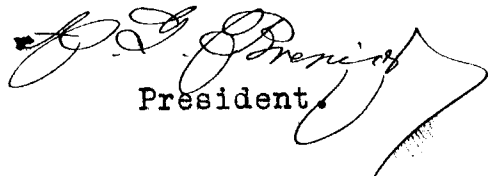
Mr. A.G. Clapham, President,  
Commercial National Bank,  
Washington, D.C.

Dear Sir:-

Yours of the 3d instant received.

The matter of the location of a Federal Reserve Bank to serve the South Atlantic States, so far as we are concerned is in the hands of our Clearing House Association. We are opposed to having it South of us and therefore it lies between Richmond and Washington. Personally the writer prefers Washington.

Yours very truly,

  
President.

NO 4628

# THE FIRST NATIONAL BANK

CAPITAL \$100,000.

UNITED STATES DEPOSITARY.

CHAS. H. ROBINSON, PRES.  
L. S. BLADES, VICE-PRESIDENT.  
W. G. GAITHER, JR., CASHIER.

ELIZABETH CITY, N. C. January 2, 1914.

RECEIVED  
JAN 15 1914  
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Reserve Bank Organization Committee,  
Washington, D. C.

Sirs:

At a meeting held today, the directors of this bank passed the resolution of acceptance as provided for entering the Federal Reserve System, and you will find a copy of that resolution enclosed.

It would be very objectionable, and a serious handicap if we should be made a member of a Reserve Bank to be established in Atlanta, New Orleans, or any other city to the South, and we would therefore respectfully urge that we be made a member of some bank which will probably be established either in Washington, Baltimore, or some other nearby city to the north of us.

We would appreciate an expression regarding this matter.

Respectfully,

*W. G. Gaither, Jr.*  
Cashier.

MS

WILLIAMSON, VICE-PRESIDENT.  
W. F. UTLEY, SECOND VICE-PRESIDENT.

E. C. DUNCAN, PRESIDENT.

WM. B. DRAKE, JR., CASHIER.  
S. J. HINSDALE, ASST. CASHIER.

CAPITAL \$ 100,000.00

# MERCHANTS NATIONAL BANK

RALEIGH, N. C. Jan. 5, 1914.

Mr. A. G. Clapham, Pres.,  
Commercial National Bank,  
Washington, D. C.

My dear Mr. Clapham:-

Your favor of the  
3d inst. duly received. I thank you  
kindly for forwarding to me two copies  
of the new Currency Bill. There will  
be called a meeting of the Executive  
Committee of the N. C. Bankers Association  
some time this week. I am a member of  
the Executive Committee, and will be able  
to advise you within the next few days  
what point the North Carolina banks will  
recommend. I hope that the majority of  
the banks will see fit to recommend  
Washington.

With best wishes, I beg to  
remain

Yours truly,

WBD/T.

Cashier.

WILLIAMSON, VICE-PRESIDENT.  
W. F. UTLEY, SECOND VICE-PRESIDENT.

E. C. DUNCAN, PRESIDENT.

WM. B. DRAKE, JR. CASHIER  
S. J. HINSDALE, ASST. CASHIER.

CAPITAL \$ 100,000.00

# **MERCHANTS NATIONAL BANK**

RALEIGH, N. C. Dec. 29, 1913.

Mr. A. G. Clapham, Pres.,  
Commercial National Bank,  
Washington, D. C.

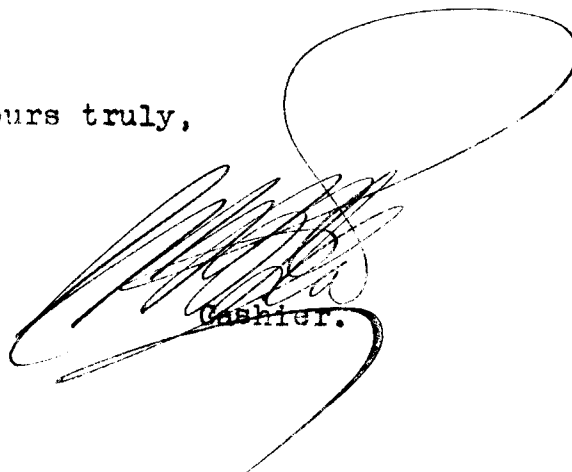
Dear Sir:-

Your favor of the 24th inst.  
duly received. I think, myself, that  
one of the reserve banks should be in  
Washington City. I will be glad to do  
what I can to that end.

Will you be kind enough to  
have a copy of the Currency Bill forward-  
ed to me as early as convenient? I have  
not yet seen a copy since the Bill passed.

Your prompt attention will  
oblige

Yours truly,



Cashier.

WBD/T.



Nº 9124

PRESIDENT  
W.B.COOPER  
VICE PRESIDENTS  
THOS.E.COOPER  
GEO.O.GAYLORD  
CASHIER  
CHAS E.BETHEA  
ASSISTANT CASHIERS  
W.C.DENNY  
E.FRED BANCK

# THE AMERICAN NATIONAL BANK

(ORGANIZED 1908.)

WILMINGTON, N.C.

December 30, 1913.

Mr. A. G. Clapham, President,  
Commercial National Bank,  
Washington, D. C.

Dear Mr. Clapham:

I am in receipt of yours in regard to the currency bill and will take pleasure in writing our Senators and Congressmen requesting them to use their influence with the Secretary of the Treasury in the selection of Washington for a regional reserve bank.

I am really hoping that we will be located in Washington territory as I think it will be the most convenient point for this city and for the entire State of North Carolina.

With best regards, I remain

Yours very truly,



tm

Vice President.

THE PEOPLES NATIONAL BANK

# THE PEOPLES NATIONAL BANK

UNITED STATES DEPOSITARY.

CAPITAL \$ 300,000.00

J. W. FRIES, PRESIDENT.  
W. M. A. BLAIR, VICE-PRES. & CASHIER.  
J. WALTER DALTON, ASST. CASHIER.

CABLE ADDRESS "JAYWEP"  
WESTERN UNION CODE.

**WINSTON-SALEM, N.C.**

Jan. 8, 1914.

*Washington*

Mr. J. Skelton Williams,  
Asst. Sect. of the Treasury,  
Washington.

Dear Sir:-

Please accept thanks for your favor of the 6th inst. The Bankers of Winston-Salem, of course, are very much interested in the location of our Federal Reserve Bank;- the President and Secretary of our Board of Trade are also very much interested. I do not know that we would particularly care for a personal hearing by the Organization Committee, and no doubt that Committee will have heard "a plenty" by the time they get through. About all that we particularly care for is that we should be upon record and that it should come to the notice of the committee that we are decidedly of the opinion that there should be a Federal Reserve bank at the seat of Government, and that N. C. should be in that district, rather than to be attached to Atlanta or any other point South of us.

We do not like to antagonize the local aspirations of Richmond, because this section has done a great deal of business directly with Richmond and our relations with those banks are most cordial. But we do not think that these ties should outweigh the force of our opinions, and of our interest also, in asking that we shall be attached to Washington.

Very truly yours,

*John W. Fries*  
President.

ANSWERED  
*W. M. Blair*  
25  
FORM

*Answered*

# THE PEOPLES NATIONAL BANK

UNITED STATES DEPOSITARY.

CAPITAL \$ 300,000.00

J. W. FRIES, PRESIDENT.  
W. A. BLAIR, VICE-PRES. & CASHIER.  
J. WALTER DALTON, ASST. CASHIER.

CABLE ADDRESS "JAYWEE"  
WESTERN UNION CODE.

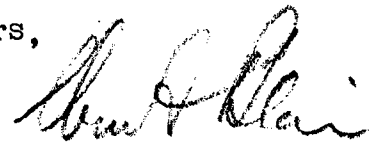
WINSTON-SALEM, N.C. January 5, 1914.

Mr. A. G. Clappan,  
Washington, D. C.

Dear Sir:-

Yours has reached me and we are interested in what you have to say and shall be glad to do what we can. The important thing we want to be connected with a bank to the north of us. What is the feeling there and how does it look. Will there probably be a Federal bank in Richmond and in Washington both. It is important for us not to be put in a district further south and we want to be in the Washington district if possible. Please give me any suggestion that you may have.

Very truly yours,



W. A. Blair  
V. P. & Cashier.

# THE PEOPLES NATIONAL BANK

UNITED STATES DEPOSITARY.

CAPITAL \$ 300,000.00

J. W. FRIES, PRESIDENT  
W. A. BLAIR, VICE-PRES. & CASHIER  
J. WALTER DALTON, ASST. CASHIER.

CABLE ADDRESS "JAYWEP"  
WESTERN UNION CODE.

6

WINSTON-SALEM, N.C. Jan 19, 1914.

The Reserve Bank Organization Committee,  
Treasury Department, Washington, D.C.

Gentlemen:-

In compliance with your request, I beg to return herewith map showing Reserve District in which we here would like to be included.

Probably the Lehigh Valley is naturally tributary to N. Y. and Southern New Jersey to Philadelphia, but I have not the banking statistics applicable to these sections of these states.

May I repeat the argument, which I ventured to advance very briefly when before you in Washington:

As I understand it, the Federal Reserve Act contemplates the organization of a great national system, largely under government control, and with the U. S. Treasury the largest depositor, and handling an immense business with the Federal Reserve Banks. I cannot avoid the conclusion that, under these circumstances, there should be a District Bank at Washington. There will naturally and inevitably be very large Reserve Banks in New York and Chicago, and to carry out the purpose of congress that these should not have overwhelming weight and importance, it will be necessary that the District Bank at the seat of government, should weigh with them in size and influence.

To accomplish this end, it will be necessary to attach Philadelphia Pittsburgh and Baltimore to Washington, and ask them to be content with branches. I do not see that any other branches would be necessary

# THE PEOPLES NATIONAL BANK

UNITED STATES DEPOSITARY.

CAPITAL \$ 300,000.00

J. W. FRIES, PRESIDENT.  
 WM. A. BLAIR, VICE-PRES. & CASHIER.  
 J. WALTER DALTON, ASST. CASHIER.

CABLE ADDRESS "JAYWEF"  
 WESTERN UNION CODE.

## WINSTON-SALEM, N.C.

in the district. The "customary course of business" in the southern part of the proposed district is so well established, and the communication with Washington is so good, that we could easily do our business there. We would not object to a branch in Richmond, provided this did not prevent our dealing direct with headquarters in Washington.

Using the Comptroller's report of Nov. 20th, 1913 I find the capital and surplus of National Banks in New York and New Jersey

\$389,384,426 - 6% subscription	\$23,390,065
---------------------------------	--------------

Pa., Del., Md., Va.,  
 W.Va., N.C., and S.C.,

\$362,696,785 - 6% subscription	21,761,807
---------------------------------	------------

Ohio, Ind., Ill.,  
 Mich., and Wis.

\$304,326,095 - 6% subscription	18,259,565
---------------------------------	------------

Balance of the United States

\$ 727,952,906 - 6% subscription	43,677,174
----------------------------------	------------

Average for the small districts

if there be eight	8,735,434
if there be twelve	4,853,019.

I assume that the proportionate size of the districts will not be very different when the state banks are included.

I would further suggest that the proposed district would be admirably self contained, in that the seasonal rediscount needs of North Carolina and South Carolina, would be abundantly met by the surplus funds of Pennsylvania and Maryland.

Very truly yours, *John W. Fries*, President.

C. A. PARKER, PRESIDENT  
J. P. RIDGE, VICE-PRESIDENT  
GEO. W. RYAN, VICE-PRESIDENT

J. F. BROWNLOW, CASHIER  
H. B. COCHRAN, JR. ASST. CASHIER  
W. M. CHAFFIN, ASST. CASHIER

*W. G. McAdoo  
March 20*

# THE MAURY NATIONAL BANK

CAPITAL \$200,000.00  
SURPLUS \$40,000.00

COLUMBIA, TENN.

February 18, 1914.

*File*

Mr. W. G. McAdoo,  
Washington, D. C.

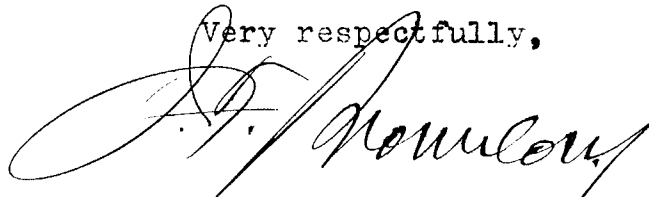
Dear Sir:

I have given some study in the matter of locating federal banks and have come to the conclusion that recommendations by your board should be made at the earliest possible to Congress asking for the immediate passage of an amendment to the Federal Bank Act changing and locating all eight of the banks in Washington, D. C.

I am enclosing a rough sketch of how the country might be connected in a stock-ownership as to give far better results and service over the proposed scattered locations. Also attaching some reasons for the change.

I have submitted the idea to a few friends who are much interested in the subject and they very enthusiastically endorse the plan, and have urged that I call it to your attention which I very cheerfully do. I deem the reasons and chart attached sufficient to give you my idea of the matter as fully as if elaborated here.

Very respectfully,



Cashier.

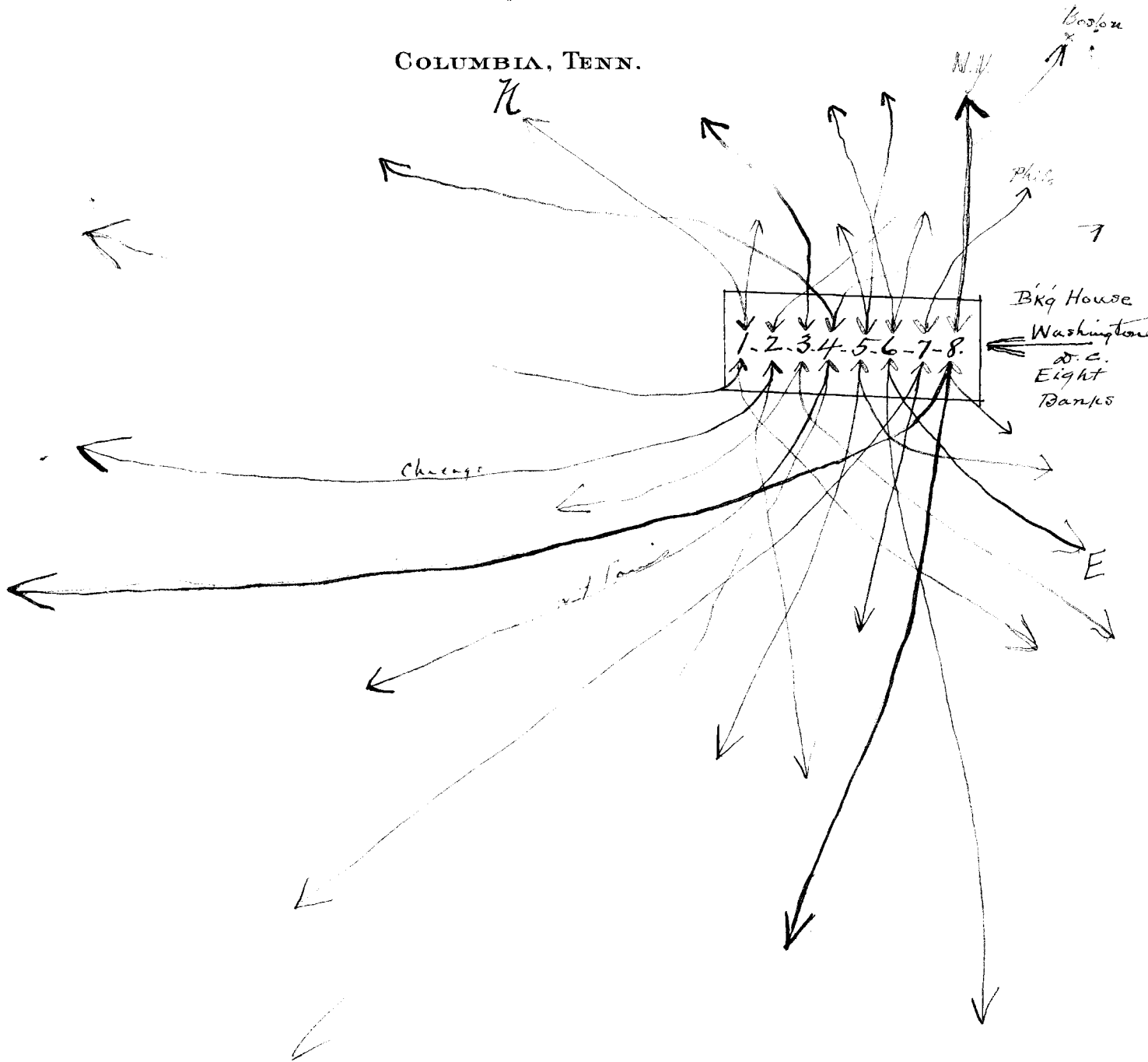
C. A. PARKER, PRESIDENT  
W. P. RIDLEY, VICE-PRESIDENT  
J. N. W. FRY, VICE-PRESIDENT

J. F. BROWNLOW, CASHIER  
H. B. COCHRAN, JR., ASST. CASHIER  
W. M. CHAFFIN, ASST. CASHIER

# THE MAURY NATIONAL BANK

CAPITAL \$200,000.00  
SURPLUS \$40,000.00

COLUMBIA, TENN.



\$

Of course the chart should be  
Expertly worked out - Writing  
Weakness with Strength and Equalizing  
flow of money -

4849

C. A. PARKER, PRESIDENT  
W. P. RIDLEY, Vice-President  
J. O. W. FRY, VICE-PRESIDENT

J. F. BROWNLOW, CASHIER  
H. B. COCHRAN, JR., ASST. CASHIER  
W. M. CHAFFIN, ASST. CASHIER

## THE MAURY NATIONAL BANK

CAPITAL \$200,000.00  
SURPLUS \$40,000.00

COLUMBIA, TENN.

### REASONS WHY FEDERAL BANKS

SHOULD ALL BE LOCATED IN WASHINGTON, D.C.

1. Strengthens Federal Banks---Solidarity.
2. Equalizes flow of money----Supply and Demand.
3. Establishes a great National Clearing House.
4. Establishes quick transfer funds.
5. Establishes personal touch Managers of Eight Banks.
6. Establishes personal touch Board Control ~~and~~ Eight Banks.
7. Establishes quick shifting of gold from one Federal bank to another.
8. Establishes quick analysis and tabulating of country's business.
9. Establishes mass of information.
10. Establishes quick access to Comptroller's Office.
11. Establishes easy deposit Government money.
12. Establishes easy and quick dealing with Government.
13. Establishes easy and quick redemption Federal currency.
14. Establishes easy and quick access note issue.
15. Establishes Easy and quick transfer securities Federal Bank to Federal Bank and Federal Banks to Federal Board.
16. Abolishes the necessity shipments of gold or other money from one Federal Bank to another.
17. Competition of Federal banks none the less.
18. Equilization of strength and weakness all sections of the country.
19. The only way this can be done..
20. Branches unnecessary.
21. Maximum use of country's money.
22. Minimum use of note circulation.
23. Economy--one building accomodating Eight Federal Banks and Federal Board. Labor saving--Clerical force, mail ect.



EDWARD L. DAINGERFIELD,  
PRESIDENT.  
CARROLL PIERCE,  
VICE-PRESIDENT.

RICHARD M. GREEN,  
CASHIER.  
M. L. DINWIDDIE,  
ASSISTANT CASHIER.

**THE CITIZENS NATIONAL BANK**

CAPITAL \$ 100,000.

SURPLUS & PROFITS \$ 135,000.

**ALEXANDRIA, VA.**

January 5th, 1914

Secretary of the Treasury,  
Washington, D.C.

Dear Sir:-

This Bank is very much interested in the selection of Washington as the location for one of the Federal Reserve Banks, for the reason that it will greatly facilitate our business to have one of these institutions located in Washington.

We believe it will be advantageous also for the fact that the Federal Reserve Board will be located there and for the further fact that the Secretary of the Treasury, Secretary of Agriculture and the Comptroller of the Currency, all members of the Federal Reserve Board, are located there.

Trusting that you can consistently locate one of these institutions in Washington, we beg to remain,

Very truly yours,

ANSWERED

JAN 7 1914.

*Carroll Pierce*  
Vice-President.

101-425  
CP/F



*Wm. B. Smoot, Vice Pres.  
John S. Marshall, Vice Pres.*

*Judge C. E. Nicol, President*

*F. C. ... Vice Pres & Cashier  
J. L. ... Asst Cashier*

7093

# Alexandria National Bank

Capital \$100,000.00

United States Depository, State Depository

Alexandria, Va., Jan. 5, 1914.

Hon. William G. McAdoo,  
Secretary of the Treasury,  
Washington, D. C.

My dear Sir:-

Please permit me to recommend that one of the Federal Reserve Banks be located at Washington. I think that it is the best and most central point for Virginia, West Virginia, North and South Carolina, Tennessee and Maryland. In addition to this I believe there should be a model Reserve Bank located at the seat of Government, - a model by which the other Federal Reserve Banks can be measured in their efficiency.

Yours very truly,

*C. E. Nicol*  
President.

ANSWERED  
JAN 7 1914  
P  
FORM

Form 45



*Wm. B. Smoot, Vice-Prest.  
John S. Marshall, Vice-Prest.*

*Judge C. C. Nicol, President.*

*F. C. Smith, Vice-Prest & Cashier  
J. L. Perry, Asst. Cashier.*

7093

# Alexandria National Bank

Capital \$100,000.00

United States Depository, State Depository

Alexandria, Va.,



Dec. 27, 13.

*Wash DC*

The Honorable,

Secretary of the Treasury,

Washington, D. C.

Sir:

It is the wish of the Board of Directors of the Alexandria National Bank that one of the Regional Banks under the new Banking Law be established in the City of Washington,

Yours respectfully,

Vice-Prest.

*B*

Form *3*

B. **THE FIRST NATIONAL BANK**

CAPITAL \$ 100,000. SURPLUS & UNDIVIDED PROFITS \$ 200,000.

G. L. BOOTHE, PRESIDENT  
M. B. HARLOW, VICE-PRES.  
GEO. E. WARFIELD, CASHIER  
J. J. GREEN, ASST. CASHIER

**ALEXANDRIA, VA.**

December 31, 1913.

Hon. W. G. McAdoo,  
Secretary of Treasury,  
Washington, D. C.

Dear Sir:-

This bank, which proposes to become a member bank under the recent Act of Congress to provide for the establishment of Federal Reserve Banks, etc., believes the City of Washington to be a most desirable point to be designated as a Federal Reserve city under the above mentioned Act, and we sincerely hope that it will be your pleasure to see that Washington is designated as one of the Federal Reserve cities.

Respectfully yours,

*G. L. Boothe*  
President.

*20*  
RECEIVED  
9 03 14  
*LS*

Law office of  
Gardner L. Boothe,  
Alexandria Natl. Bank Building,  
Alexandria, Va.

December 31, 1913.

B.

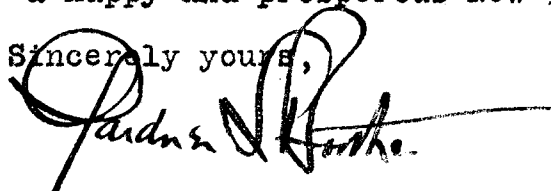
Colonel O. G. Staples,  
Southern Building,  
Washington, D. C.

My dear Colonel Staples:-

In accordance with your recent request,  
I have written to the Secretary of the Treasury on behalf of the  
First National Bank, asking that the City of Washington be  
designated as one of the Federal Reserve cities.

With best wishes for a happy and prosperous New Year, I am,

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Gardner L. Boothe". The signature is written in dark ink and is positioned below the typed name "Gardner L. Boothe".

*Copy*

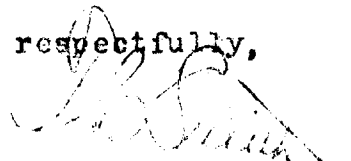
Dec. 27, 13.

**The Honorable,**  
**Secretary of the Treasury,**  
**Washington, D.C.**

**Sir:**

**It is the wish of the Board of  
Directors of the Alexandria National Bank that  
one of the Regional Banks under the new Banking  
Law be established in the City of Washington.**

**Yours respectfully,**

  
**Vice-Prest.**

# THE FIRST NATIONAL BANK

B.

CAPITAL \$ 100,000. SURPLUS & UNDIVIDED PROFITS \$ 200,000.

G. L. BOOTHE, PRESIDENT  
M. B. HARLOW, VICE-PRES.  
GEO. E. WARFIELD, CASHIER  
J. J. GREEN, ASST. CASHIER

ALEXANDRIA, VA.

January 9, 1914.

George W. White, Esq.,  
President National Metropolitan Bank,  
Washington, D. C.

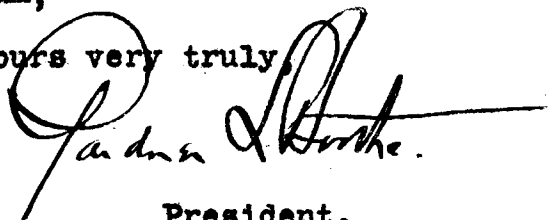
My dear Mr. White:-

In reply to your letter of January 7th, relative to the location of a Federal Reserve Bank at Washington, I would say that I wrote sometime ago to the Secretary of the Treasury advocating, on behalf of our bank, the establishment of such a bank in your City, since which time I have received several letters from Washington Bankers on the subject.

I sincerely hope that Washington may be chosen as the location for one of these banks, and the present indications are, I think, that it will be.

With kind regards, I am,

Yours very truly,



G. L. Boothe.

President.

CHEAP HYDRO-ELECTRIC POWER--LOW COST LABOR--CHEAP COST LIVING TAX EXEMPTIONS

# BRISTOL BOARD OF TRADE

HENRY ROBERTS, PRESIDENT  
E. W. KING, VICE-PRESIDENT  
S. M. VANCE, VICE-PRESIDENT  
A. GRAY GILMER, TREASURER  
N. B. REMINE, SECRETARY

ANSWERED  
JAN 11 1914  
FORM 15 N.L.M.

BRISTOL, VA.-TENN..

January 17, 1914.

Hon. W. C. McAdoo,  
Secretary of the United States Treasury,  
Washington, D. C.

Form 15

Dear Sir:

I enclose herewith a resolution passed by the Board of Trade of Bristol, Virginia, and Tennessee, concerning the Regional Bank.

Having spent a good part of your time in Tennessee, you are doubtless aware of the fact that Bristol, Tennessee and Virginia, are practically one city, and when the Regional Bank is located we want to have both Bristol, Tennessee, and Bristol, Virginia, within the one district and not have the state line here to put the Tennessee side of Bristol into one regional district and the Virginia side of Bristol into another regional district.

Our organization represents also the business interests of the two Bristols. At a meeting of our Board of Directors, which was attended by representatives of the local banks, the view was expressed inasmuch as the trend of our financial connections now is directed toward the eastern cities, it would probably be more convenient for the two Bristols to have connection with the Regional Bank which will in all probability be established at Richmond, Washington or Baltimore.

The enclosed resolution indicates the desire of our people in this regard.

Yours very truly,

*N. B. Remine,*  
Secretary.

TRADE CENTER OF { EASTERN TENNESSEE  
EASTERN KENTUCKY  
SOUTHERN WEST VIRGINIA  
SOUTHWEST VIRGINIA  
NORTHWEST NORTH CAROLINA } 46 JOBBING HOUSES



RESOLVED, By the Board of Trade of Bristol that we favor the location of the Regional Bank at either Richmond, Washington, or Baltimore, and that if said Regional Bank is located in either of said cities that we ask that Bristol, Virginia, and Bristol, Tennessee, both be included within the district of said Regional Bank.

\*\*\*\*\*

The above resolution was adopted by the Bristol Board of Trade of Bristol, Virginia-Tennessee, at a meeting held January 16, 1914.

DIRECTORS

HOLLIS RINEHART, PRESIDENT  
T. E. POWERS, VICE-PRESIDENT  
J. J. BOAZ  
A. V. CONWAY  
A. T. DULANEY  
R. F. MARSHALL  
W. T. MARTIN  
DR. H. T. NELSON, JR.  
J. L. NEWCOMB  
E. F. ROBEY  
DR. C. C. TENNANT  
GEO. E. WALKER  
R. A. WATSON  
A. S. YANCEY

THOS. P. PEYTON, CASHIER

THE  
JEFFERSON NATIONAL BANK  
CHARLOTTESVILLE, VA.

December 26, 1913.

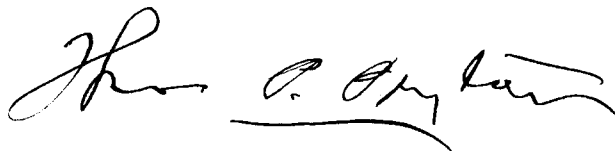
Mr. A. G. Clapham, President,  
The Commercial National Bank,  
Washington, D. C.

Dear Sir :-

In accordance with your request, I have to-day written our Senators and Member of Congress to use their influence to have Washington designated as a Regional Reserve City.

Personally I feel that it will be appropriate and advantageous that Washington should be selected as a Reserve City.

Very truly yours,



Cashier.

CHARLES FORBES, PRESIDENT  
W. W. CHELF, VICE PRESIDENT    NO 5591    G.B.W. NALLE, VICE PRESIDENT  
JOHN J. DAVIES, CASHIER

## CULPEPER NATIONAL BANK

CAPITAL \$ 50,000.00  
UNITED STATES DEPOSITORY

CULPEPER, VA.

December 26th. 1913-

Mr. A. G. Clapham, President,  
Commercial National Bank,  
Washington, D. C.

Dear Mr. Clapham:-

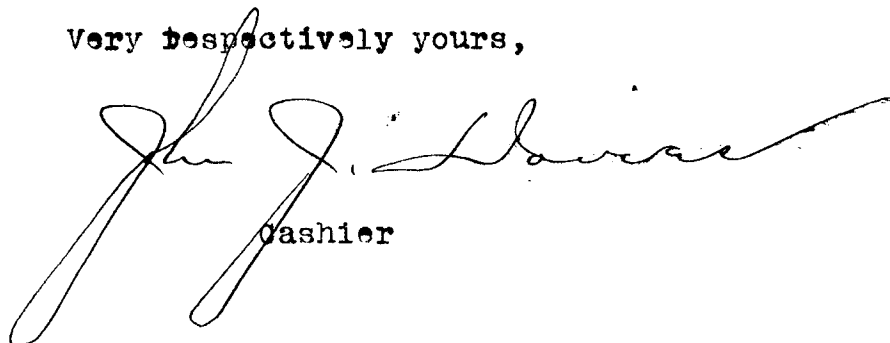
Your letter relative to locating one of the reserve banks in your city is received. As requested I will write our Congressman and Senators urging them to use their influence to have Washington selected as one of the cities for the regional reserve banks.

If there is anything further that I can do please do not hesitate to call on me. If necessary, I shall be very glad indeed to call on our representatives<sup>in</sup> both the House and Senate.

With best wishes, I am,

Very respectfully yours,

JJD/B.

  
Cashier

GEO. G. GRATTAN, PRESIDENT  
J. C. STIEGEL, VICE-PRESIDENT

W. J. DINGLE DINE, CASHIER  
S. D. MYERS, ASST. CASHIER

NO. 5261

**THE ROCKINGHAM NATIONAL BANK**

OF HARRISONBURG, VA.  
CAPITAL & SURPLUS PROFITS \$120,000.00  
RESOURCES \$300,000.00

HARRISONBURG, VIRGINIA.      January 7, 1914.

*M*

Mr. W. C. McAdoo, Chairman,  
Reserve Bank Organization Committee,  
Washington, D. C.

My dear Sir:

Find herewith enclosed copy of Resolution of Acceptance passed by our Board of Directors at a regular meeting held yesterday, January 6. This matter of making application to become a member Bank in the new system has been pretty fully discussed at previous meetings of our Board, therefore our Board has kept familiar with the conditions and I feel were entirely ready to cast an intelligent vote yesterday, which was unanimous.

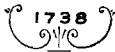
Our Board of Directors at their meeting discussed the matter of location of a Federal Reserve Bank most convenient to us. They directed me to communicate with the Committee and say that the course of business in this section is such that we would like to have Washington, Baltimore or Philadelphia designated as a Federal Reserve Bank City for this section. The trend of business, our mail facilities, etc. are toward these cities from this section.

**ANSWERED**  
JAN 8 1914  
FORM 5 *St. Louis*

Very respectfully,

*W. J. Dingle Dine*  
Cashier.

Form 5  
Enc.



**LOUDOUN NATIONAL BANK**  
**LEESBURG, VA.**

EDWARD NICHOLS, PRESIDENT.  
A. DIBRELL, CASHIER.

C. C. GAVER, VICE-PRESIDENT.  
JOSEPHUS CARR, ASST. CASHIER.

EDWARD NICHOLS AND EDWIN E. GARRETT, COUNSEL.

Jan. 8th, 1914.

Secretary of the Treasury,  
Washington, D. C.

RCR L5

My dear Sir:-

While the Directors and Stock Holders of Loudoun National Bank, which is one of the oldest in the State of Virginia, have not considered and determined the question of what course it will pursue in respect to the recently enacted currency law, as its President, I will say, I think we will be inclined to accept its provisions and join the procession sooner or later.

We are located within forty miles of Washington, and the subject of the location of the Regional Reserve Banks has been brought to the attention of our Board of Directors.

We are very decidedly of the opinion that Washington should be made the headquarters of the banking and currency system as it is the Capital of the country, and there are many reasons why one of the Regional Reserve Banks should be located there.

We sincerely and earnestly urge that one of the Regional Banks be located at Washington. We think it due to the dignity and prominence of the Capital of the country that one should be located there, and are of the opinion it would not be proper to have merely one or more branches of another Regional located there. Therefore, so far as Loudoun National has any voice or interest in the matter, it desires to give expression most decidedly in favor of the location of such a bank in Washington, and not a mere branch in respect to it.

ANSWERED  
JAN 10 1914  
DLR  
FORM L5

Very truly,

*Edward Nichols*

Carbon original sent Secretary of Treasury.

Jan. 8th, 1914.

Secretary of the Treasury,  
Washington, D. C.

My dear Sir:-

While the Directors and Stock Holders of Loudoun National Bank, which is one of the oldest in the State of Virginia, have not considered and determined the question of what course it will pursue in respect to the recently enacted currency law, as its President I will say I think we will be inclined to accept its provisions and join the procession sooner or later.

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Very truly,  
*Eduard Nichols*

JOHN VICTOR, PRESIDENT  
WALKER PETTYJOHN, VICE-PRES.

G.E. VAUGHAN, CASHIER  
W.W. DICKERSON, ASST. CASHIER

CAPITAL \$ 300,000.00.  
SURPLUS FUND \$ 400,000.00.  
NO. 2760

## THE PEOPLES NATIONAL BANK

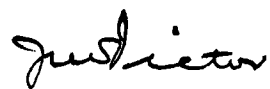
LYNCHBURG, VA. Dec. 27, 1913.

Mr. A. E. Clapham, Pres.,  
Commercial National Bank,  
Washington, D. C.,

Dear Sir:

We have yours of the 24th in regard to the naming of Washington as one of the cities for regional reserve banks. We will take pleasure in writing to our Congressmen and Senators along the lines indicated by you. We have spoken to Mr. Glass in person, and do not believe that there will be any question as to Washington being one of the reserve cities.

Yours very truly

  
President.

WM. T. OLD, PRESIDENT  
G. SERPELL, VICE PRES

ABNER S. POPE CASHIER.

C. JENKINS, ASS'T CASHIER.  
W. P. WHALEY, ASS'T CASHIER.

*Wash DC*

# THE SEABOARD NATIONAL BANK

STATE AND CITY DEPOSITARY

NORFOLK, VA.

December 27th/13.

Hon. W. G. McAddo,  
Secretary of the Treasury,  
Washington, D. C.

Form *LS*

Sir:-

I hear that Washington may be designated as one of the cities for a Regional Reserve Bank, and I wish to state, as a Virginia banker, that this city is well located to assist Virginia banks and I trust you will see your way clear to use your influence in having the bank located in Washington.

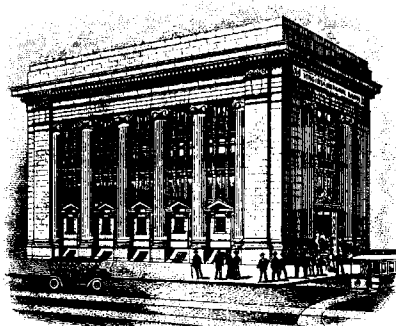
Respectfully,



C A S H I E R.

*B*





No. 9885

# THE VIRGINIA NATIONAL BANK

OF NORFOLK,

CAPITAL \$ 500,000.00

JAMES W. HUNTER, President.  
 JOHN L. ROPER, 1st Vice President.  
 WILLIAM C. WHITTLE, 2nd Vice President.  
 HUGH G. WHITEHEAD, Cashier.  
 WASHINGTON REED, Asst. Cashier.  
 WALTER H. TAYLOR, General Counsel.

## NORFOLK, VA.

Jan. 8, 1914

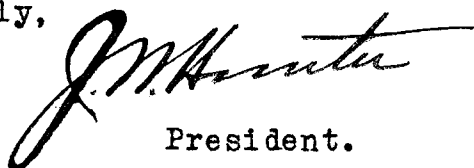
A. G. Clapham, Pres.,  
 Commercial National Bank,  
 Washington, D. C.

Dear Sir:-

As requested, we wrote both of our Senators and our Representative in Congress asking their aid to have Washington selected for one of the regional reserve banks. Have also written the Secretary of the Treasury. We have replies from Senator Swanson, who is aiding Richmond, and our Representative Col. Holland, who gives me assurance he will do all he can for Washington.

We are receiving numerous letters from Richmond and Baltimore asking our aid in their behalf, but we are standing by Washington,

Yours truly,



President.

JWH/ALK

NO. 8152

# THE CITY NATIONAL BANK

OF ROANOKE, VIRGINIA.

JOHN W. WOODS, PRESIDENT.  
D. M. TAYLOR, VICE-PRESIDENT.  
B. P. HUFF, VICE-PRESIDENT.  
N. W. PHELPS, CASHIER.

ROANOKE, VA.

Jany. 7th, 14.

CAPITAL \$200,000.00.  
PROFITS \$60,000.00.

Mr. W. T. Galliher, President,  
Commercial National Bank,  
Washington, D.C.

Dear Sir:

We have yours of the 6th., and while we have written several letters urging the appointment of Richmond, Va., as the Federal Reserve Bank for this District, will say in this connection that Washington is our second choice, as we feel it is our duty to first stick to our own state, and after we have lost there, the writer will be very glad to join hands with you.

With best regards, we are,

Yours very truly,



President.

H. S. TROUT, PREST.  
J. TYLER MEADOWS, VICE PREST. & CASHIER.

D. LICKWIR, VICE PREST.  
J. G. DAVENPORT, ASST. CASHIER.

2737

# THE FIRST NATIONAL BANK

CAPITAL \$ 400,000.00  
SURPLUS \$ 500,000.00

ROANOKE, VIRGINIA

Dec. 26, 1913.



FIRST NATIONAL BANK BUILDING.

Frank P. Harman, Esq.,  
Commercial National Bank,  
Washington, D.C.


Dear Sir:-

I have your favor of the 24th inst. and carefully note same.

I would think, beyond a doubt, that one of the reserve banks would be in Washington, by all means it should be there, however, I will do all possible in the line you suggest.

We have had a good year in the bank this year and our stock is now selling at good round figures, around about \$400.00

With kindest regards and best wishes. I am,  
Yours very truly,

  
\_\_\_\_\_  
President.

No. 1620  
CAPITAL \$ 200,000.00  
SURPLUS \$ 200,000.00

**The National Valley Bank,**  
**STAUNTON, VA.**

EDWARD ECHOLS, PRESIDENT. WM. A. PRATT, VICE PRES.

CHAS. S. HUNTER, CASHIER.

C. K. HOGE, ASST. CASHIER.

W. B. MILLER, ASST. CASHIER.

January 8, 1914.

Mr. Geo. W. White, President,  
National Metropolitan Bank,  
Washington, D. C.

Dear Sir:

Your favor of January 7th, addressed to our President, Mr. Echols, has been received, and in the absence of Mr. Echols from the city for several days, the writer takes the liberty of answering the same.

We had been approached on this same subject some days ago, and had already taken some steps to throw what little influence we had towards Washington, which we were very glad to do, and which we will take pleasure in continuing to exert.

Naturally, we have also had considerable pressure brought to bear from Richmond along the same lines, but will, of course, be consistent and continue to endeavor to have Washington named as headquarters for our district, and such influence as we can bring to bear in the future will be exerted to that end.

Very truly yours,

CSH/MB.



Cashier.

5

Staunton,  
Virginia,

March 7th, 1914.

Hon. William G. McAdoo,  
Secretary of the Treasury,  
Washington, D. C.

RECEIVED

MAR 9 - 1914

MAR 10 1914  
574

Res. Bank Org Committee

My Dear Sir:

Feeling a deep and abiding interest in the success of the new currency system just adopted, I hope I may be pardoned if I express to you an opinion on the location of the National Reserve Bank for the zone in which I live. Of course I am interested in it being at the very best point with reference to the business of my section of the country, my home being about one hundred and fifty miles west of Washington on the Chesapeake & Ohio Railroad and being connected with Washington by that Railway and a branch of the Baltimore & Ohio.

I am not a banker but am interested in a way in banks to the extent of being a stockholder. I am a lawyer by profession but business interests which have broadened beyond the limits of office walls have called me away from the practice so far that I hardly now lay claim to being a member of that profession. I am in other branches of business, including farming, stock-raising, etc., which brings me in very close touch with those who are not only inside but outside of the banking business.

From observation, information and personal judgment, it is my unalterable opinion that one of the reserve banks should be located in the National Capital.

This location is to my mind paramount.

It would seem to me a reflection on the magnitude of our Nation if one were not so located. London, Paris, Berlin and Vienna are capitals as well as the centers of those great Powers financially, to say nothing of St. Petersburg, Rome, Madrid and others. Naturally, the great Powers of Europe would interpellate us on this subject if Washington were denied one of these regional banks, as to our reasons for so doing; they would also naturally, I think, be more skeptical as to the success of our new financial scheme if one of these banks were not so placed as to be directly under the eyes of the Administration and under the shadow of the United States Treasury.

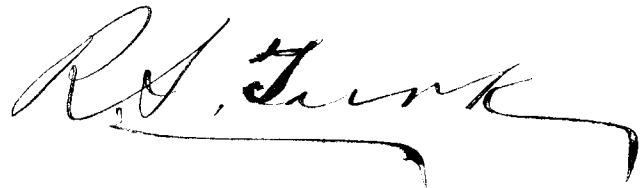
This would put us on explanation if not indeed upon apology from the start, both at home and abroad, and thus might cause our new financial scheme to grow in favor much slower than otherwise, and reduce for years its influence and usefulness.

-2-

I shall not enter into any detailed statistics showing this to be a proper financial center. It probably from that view-point might not make the showing of other neighboring cities. But when we reflect that almost every passenger from the entire South going to Washington and North of it crosses the Potomac at Washington, it does seem that Washington might be considered as a proper point, even if the "National Capital idea" were entirely dissevered or overlooked. I have left Spartansburg, South Carolina after dark on numerous occasions and eaten breakfast next morning in Washington. This certainly shows Washington to be in a position to meet the necessities of the people throughout that quarter.

I hope that the Capital of the Nation will not be minimized in the eyes of our own people as well as those abroad, by being omitted from the list of regional bank centers when such an omission would in my humble judgment be of obvious injury to our splendid financial scheme and to our Nation's Capital as such.

Very respectfully,

A handwritten signature in cursive script, appearing to read "R. A. Taft". The signature is written in dark ink and has a long, sweeping underline that extends to the right.

No. 1620  
CAPITAL \$ 200,000.00  
SURPLUS \$ 200,000.00

**The National Valley Bank,**

**STAUNTON, VA.**

EDWARD ECHOLS, PRESIDENT. WM. A. PRATT, VICE PRES.

CHAS. S. HUNTER, CASHIER.

C. K. HOGE, ASST. CASHIER.

W. B. MILLER, ASST. CASHIER.

January 5, 1914.

Mr. A. G. Clapham, President,  
Commercial National Bank,  
Washington, D. C.

Dear Sir:

Your favor of January 2nd, addressed to our Mr. Echols, has been turned over to this desk for a reply, and we are very glad to say that your desire to have Washington named as one of the reserve bank centers appeals to us strongly, and we had already made known our wishes in this regard before the receipt of your letter.

We will be glad to continue our efforts in this line, and if there is any special point that we might be of help to you, we should be pleased to have you advise us.

Very truly yours,

CSH/LB.



Cashier.

6018

W. P. PANCOAST, PRESIDENT.

J. T. MCGAVACK, VICE PRESIDENT.

C. L. ROBEY, CASHIER.

# THE PURCELLVILLE NATIONAL BANK

GOVERNMENT DEPOSITARY  
CAPITAL \$50 000.00.

**PURCELLVILLE, VIRGINIA.**

January 6th, 1914.

Hon. William G. McAdoo,  
Secy. of the Treasury,  
Washington, D. C.

Dear Sir:-

We have given considerable thought to the recently passed currency bill and it is our opinion that the best interests of this section of the country will be served best by the establishment of a Regional Reserve Bank at Washington.

We believe also there are other reasons why there should be a Bank located in the Capital of the nation and under the close observation of the Federal Reserve Board.

We should be pleased to know if you can consistently support the establishment of a Regional Reserve Bank at Washington.

**ANSWERED**  
JAN 7 1914  
*OMR*  
FORM 25

Yours very truly,

*C. L. Robey*  
Cashier

Form 25

CLR-JLB



6018

W. P. PANCOAST, PRESIDENT.

J. T. MCGAVACK, VICE PRESIDENT.

C. L. ROBEY, CASHIER.

# THE PURCELLVILLE NATIONAL BANK

GOVERNMENT DEPOSITARY  
CAPITAL \$50 000.00.

**PURCELLVILLE, VIRGINIA.**

January 6th, 1914.

Mr. A. G. Clapham,  
Pres. of Commercial Natl. Bank,  
Washington, D. C.

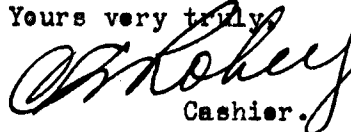
Dear Sir:-

I have your letter of January 3rd, and I believe it is more to our interest to have a Federal Reserve Bank at Washington than at either Baltimore or Richmond. Of course you know these cities are fighting hard for the Reserve Bank.

I am writing our representatives in Congress and also to the Treasury Department that it is our opinion that the interests of this section will be best served by the location of the Federal Reserve Bank at Washington.

If I can be of any further service, please let me know.

Yours very truly,



Cashier.

CLR-JLB

CHAS. J. FAULKNER,  
Attorney at Law,  
KELLOGG BUILDING, 1416 F STREET,  
Washington, D. C.

January 14, 1914.

A. G. Clapham, Esq.,  
Commercial National Bank,  
Washington, D.C.

My dear Mr. Clapham:-

Enclosed I send you a copy of a letter from Mr. H.H. Emmert, who is President of the Old National Bank of Martinsburg, in response to a letter of mine of the 7th. I have seen the President of the Citizens National Bank, and he informed me that he would, also, urge the selection of Washington for one of the Regional banks.

Very truly, yours,

*Chas. J. Faulkner*

(Copy)

No. 6283

THE OLD NATIONAL BANK OF MARTINSBURG,

Capital \$100,000.00

Martinsburg, W. Va.

January 12th, 1914.

Hon. C. J. Faulkner,  
Kellogg Building,  
Washington, D.C.

My dear Senator:-

Your letter of the 7th was on my desk on my return from New York Saturday, and I am thoroughly in accord with what you say in relation to the establishment of a Federal Reserve Bank in Washington and believe that this is the logical place for it. I expect to take this matter up with our Board on its meeting tomorrow and ask them to pass a resolution addressed to the Organization Committee recommending the location of a Regional Bank in Washington.

If the Board passes this resolution I will send a copy of it to the Organization Committee, together with a personal letter recommending it.

Very truly yours,

(Signed) H.H. Emmert.

HHE-AAD

OFFICE OF THE VICE-PRESIDENT

THE COMMERCIAL NATIONAL BANK  
OF WASHINGTON

Form 123

January 8th, 1914.

*[Handwritten initials]*

*[Handwritten initials]*

Hon. John Skelton Williams, Asst.-Secretary,  
Treasury Department,  
Washington, D. C.

Dear Sir:

Referring to the matter of location of Regional Banks, I want to make the following suggestions, which being at some variance with the outline of the Clearing House, I thought it better to mention to you direct.

First, for one to be placed at Boston which would serve the New England states. This is a section of large resources and of important banks and accumulated capital. Boston has always been the metropolis of the New England states and also a very important city.

Second, Washington, which will embrace New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia and North Carolina.

Third, Atlanta, which will embrace South Carolina, Georgia, Florida and Alabama.

Fourth, Chicago, which will embrace Wisconsin, Minnesota, North and South Dakota, Iowa, Illinois and Indiana.

Fifth, St. Louis, which will embrace Missouri, Arkansas, Tennessee, Kentucky, Nebraska and Oklahoma.

Sixth, New Orleans, which will embrace Mississippi, Louisiana and a part of Texas.

Seventh, Houston, Texas, which will embrace the balance of Texas, New Mexico and Arizona.

Eighth, Denver, which takes Montana, Wyoming, Colorado and Utah.

Ninth, San Francisco, which will embrace Washington, Oregon, California, Nevada and Idaho.

In my suggestion, I am not particular as to any of the Regional banks except number Two, which I think will be of great advantage to the country at large in placing an institution that would be able to equalize rates, and be in touch with one of the most important businesses of the country, namely, Foreign exchange. The territory covered will be within one

ANSWERED  
JAN 8 1914  
*[Handwritten initials]*

-2-

day's trip from Washington, and will, without doubt, be the most important of all the Regional banks. It will be a bank that will be strong in its financial position, broad in its scope and will be in a position of an elder brother to all the Southern territory, as well as being in the most important manufacturing center of the country. The capital of this Regional bank should, of course, be large. Furthermore, it is my impression that states to the North of this, would not object to coming into this bank, provided New York is also a member; whereas, I believe the states of Pennsylvania and the other Northern states would not like to align themselves with a bank in Washington unless New York was in the group. This would also enable the Department in Washington to keep in the very closest touch with the financial center of the United States. It will also be in close proximity to the great banks which will be established at Chicago and St. Louis, and be a conserving force occupying almost the position of a great central bank without objectionable features. It will be able, if necessary, to hold in check the malign influences that might come from Wall Street, and while conserving and holding in check any untoward tendencies, will at the same time add the greatest amount of strength to the whole system.

I hope these suggestions will be helpful and with great respect, I remain,

Very truly yours,



Vice-President.

G

*Work  
1077 Com*

*Handwritten initials in a circle*

TUCKER, KENYON & MACFARLAND

*Evans Building  
Washington, D.C.*

*CURRENCY*

February 27

EXHIBIT NO. 10  
1914.  
Hearing at Wash.

To the Honorable  
Secretary of the Treasury,  
Washington, D. C.

ANSWERED  
MAR 2 1914  
FORM 5 *JM*

Sir:-

As a citizen of the national capital deeply interested in its welfare, and for ten years its official servant as President of the Commissioners of the District of Columbia, I desire to add my hearty endorsement to the petition of the Washington, District of Columbia, Clearing House Association for the location in this city of one of the Federal Reserve Banks, provided for in the federal reserve act.

I shall not take your time by recapitulating in detail the reasons so well presented by the argument of the Clearing House committee before the Federal Reserve Bank Organization Committee, but permit me to say that the chief reasons are those arising out of the unique character of the federal city.

I am informed that the loans of the different banking institutions in the District of Columbia amount, in round numbers, to \$65,000,000.00, and that that fact was not brought to your attention by the Clearing House Committee; that and all the other facts indicating the comparatively large business of the banking institutions and, therefore, their sound character

2.

and admirable administration, in general, are important. But it seems to be admitted that the request for a Federal Reserve Bank here cannot be granted on the basis of the volume of business transacted, for this is not a commercial or manufacturing center and, moreover, other cities in the proposed federal reserve district outlined to you by the Clearing House Committee, have a much larger population as well as greater wealth.

But neither Philadelphia, Baltimore, nor any other city of the United States, has the special reasons for the location of a Reserve Bank which are presented by the peculiar characteristics of the national capital.

First of all the Reserve Bank here would be continuously and immediately under the personal observation of the Federal Reserve board which from its actual workings could derive knowledge that might be applied to improve the entire system. Such a bank might also be a model to other banks of the system because of the very personal supervision that might be given it.

The Federal Reserve Bank in Washington in direct daily contact and dealing with the Treasury Department, would have a special value as a depository of public moneys not only because of its being directly under the supervision of the Secretary of the Treasury but also because it might be used by the member banks, by the other Federal Reserve Banks, and by the Treasury Department itself, to perform valuable services in connection with the transfer of funds to and from Washington.

3.

The absolute sovereignty, exclusive and supreme, of the national government over the national capital obviously gives the proposed Reserve Bank here entire freedom from any possible question of conflicting laws or precedents.

The only other reason that I shall mention is the presence here of the Ambassadors and Ministers of the other nations of the world, all of which will watch the operation of the new system with the closest attention in view of its novel features. Other official and unofficial representatives of foreign countries coming to Washington to study the functions of our government must also be considered. In all these cases it would be advantageous to have here a Federal Reserve Bank in a high state of efficiency as an example of the purpose of the act of Congress.

Senators and Representatives in Congress, and other official representatives of the people, publicists and other public men, together with representative bankers of all the States of the Union, are, of course, in Washington from time to time and would have exceptional opportunity in the operation of a Federal Reserve Bank here, to examine the workings of the system.

The business reasons given by the Clearing House Committee to the Federal Reserve board will, of course, commend themselves to your business judgment and need not be emphasized by me.

Yours very respectfully,

M/MM.





HGM.

March 2nd, 1914.

Sir:

I am directed by the Committee to advise you that your communication making recommendation as to the location of a Federal Reserve Bank, to be established, has been received and filed, and will be considered by the Committee in determining this question.

Respectfully,

Secretary,  
Reserve Bank Organization Committee.

Mr. Henry B. F. MacFarland,  
Evans Building,  
Washington, D. C.

# THE COMMERCIAL NATIONAL BANK

WASHINGTON, D.C.

ASHTON G. CLAPHAM, PRESIDENT  
ELDRIDGE E. JORDAN, VICE PRESIDENT  
ARTHUR LEE, VICE PRESIDENT  
JAMES A. CAHILL, VICE PRESIDENT  
TUCKER K. SANDS, VICE PRESIDENT AND CASHIER  
F. E. GHISELLI, ASSISTANT CASHIER  
M. V. HUNT, ASSISTANT CASHIER

January 14th, 1914.

Mr. H. S. Milstead,  
Southern Building,  
Washington, D. C.

Dear Sir:

I give below a list of the names of the gentlemen who were present at the meeting of the Treasury Department this morning:-

George W. White  
W. T. Galliher  
H. H. McKee  
John Poole  
A. G. Clapham  
O. P. Newman  
W. H. Singleton  
D. J. Callahan  
C. J. Bell  
B. F. Saul  
J. J. Edson  
J. B. Larner  
W. H. Saunders  
M. E. Church  
S. J. Henry  
D. J. Kaufman  
R. P. Andrews.

Very truly yours,

*A. G. Clapham*

PC

Washington, D. C.,

January 12, 1914.

To the Federal Reserve Bank

Organization Committee,

Washington, D. C.

Gentlemen:

The Washington, D. C. Clearing House Association has petitioned you in writing to locate one of the Federal Reserve Banks, provided for in the Federal Reserve Act, in this City.

We, a special Committee from said Clearing House, are here, by your permission, to submit several reasons why the bankers and business men of Washington and the surrounding country believe a Reserve Bank should be located here.

In pursuance of authority vested in you by the Federal Reserve Act, it is your purpose to divide the United States into several districts and designate in each one of said districts a city in which a Federal Reserve Bank shall be organized.

These Reserve Banks are designed to hold part of the reserve funds of their bank members, discount their members' paper and furnish them with currency in an emergency. They are to be essentially Banker's banks, and, while their purely domestic affairs are to be managed by their own directors, many of their broader powers, in addition to their relations to each other and to the whole system, are to be subject to the supervision, direction and control of the Federal Reserve Board which will be located permanently in Washington.

The powers granted the Federal Reserve Board indicate that it will have to be thoroughly acquainted, not only with the operation of the system as a whole, but with many of

the domestic details of each Federal Reserve Bank. Therefore, if one of such banks be located in Washington directly under the vision of the Federal Reserve Board, that supervisory authority can watch from day to day the work that is being carried on, note how the bank serves the purpose for which it is intended and decide from personal contact and observation what rules and regulations are needed to bring all such banks up to a high state of efficiency.

The System that is about to be put in operation is a new and untried one among the great Nations of the World. Its operation will be watched keenly by Foreign powers. Its success, and we assume that it will be successful to a marked degree, will inspire the confidence of other Nations in our banking and monetary system. Therefore, a Federal Reserve Bank, brought to a high state of efficiency under the direct supervision of the Federal Reserve Board here in the Capital City of the Nation, can be watched, studied and its efficiency appreciated by the foreign representatives stationed here, as well as by members of Congress and numerous visitors of prominence from other parts of our country who come to Washington to study and learn by personal observation something about the machinery of Government. Such a bank in Washington would be a continuous object lesson to students of finance.

The District of Columbia is Federal Territory in which the power of the Federal Government is supreme and exclusive. No state laws conflict with the statutes enacted by Congress and no traditions of any right or power save that of the Federal Government intervene to raise a question of doubtful authority. In short, there is only one jurisdiction here, one central source of power. Legal questions, which may arise

in connection with the work and powers of the Federal Reserve Bank located here, can be submitted to the Attorney General and appealed to the Supreme Court of the United States and precedents established thereby for the guidance of the conduct of other Federal Reserve Banks.

The discretionary power granted the Secretary of the Treasury to lodge public funds in Federal Reserve Banks implies that the Federal Government may become, at some future time, a depositor in such banks. It would seem to be very desirable, then, that such relations, in their beginning at least, should be of an intimate personal nature. Therefore a Federal Reserve Bank located in Washington having direct daily contact with the Treasury Department, and performing the functions of a depository of public moneys, in addition to being under the direct personal supervision of the Secretary of the Treasury could act before that department, not only in behalf of its members, but perform many services of value to the Treasury and to other Federal Reserve Banks in connection with the transfer of funds to and from Washington.

The operations of a Federal Reserve Bank in Washington, as outlined, imply that such a bank should be supplied with Capital and Deposits ample in volume to serve the needs, not only, of its own members, but effect the exchanges and transfers mentioned between the Treasury and other Federal Reserve Banks. Therefore, we must consider now the territory which should be included within the District to be served by the Federal Reserve Bank of Washington.

One of the objects of this law is to decentralize reserves in the established reserve centers and distribute them among several reservoirs, each reservoir to be located

as nearly as possible in the center of a district wherein a great number of diversified activities are carried on, to the end that the available funds will flow easily and rapidly to supply the needs of the farmer, the manufacturer, the miner, and the tradesman and stimulate and build up every branch of industry trade and commerce.

The first and most essential point to be considered in connection with the designation of a Federal Reserve City is means of transportation whereby a letter mailed or currency shipped to or from a Federal Reserve Bank or its members will be delivered speedily.

In the transaction of banking business a letter mailed to or from a member of the Federal Reserve Bank at the close of business one day should reach its destination before the close of business the next day.

The second consideration is the physical security which the constituted authority of a place thus designated is able to throw around a bank located therein, as for example: A small city or town may be admirably located for such a purpose, but lack of proper protection would destroy its availability.

Mindful of the object to be attained by the designation of a Federal Reserve City and moved by the two considerations hereinbefore set forth, we submit a plan for a Federal Reserve District composed of all that part of the State of Pennsylvania east of the 78th Meridian of longitude. All of that part of the state of New Jersey south of the 40th parallel of latitude and the states of Delaware, Maryland, Virginia, West Virginia and North Carolina and the District of Columbia. This district to be tributary to the Federal Re-

serve Bank of Washington.

This territory has a population of, approximately, 12,000,000 persons. Nearly every form of industry trade and commerce is carried on within its borders. It has three large seaports, the total commerce of two of which viz. Philadelphia and Baltimore, amounted to nearly \$320,000,000 in 1913. It is traversed in every direction by not less than eight large trunk line railroads and many smaller lines which bring every city, town and village within easy reach of Washington.

The capitalization of the National banks located therein is approximately \$120,000,000. Their surplus \$123,000,000 and total individual deposits \$777,000,000.

A Federal Reserve Bank in Washington, based on the tributary capital and deposits mentioned, would have \$14,000,000 subscribed capital, \$7,000,000 paid in capital and \$40,000,000 deposits.

State banks and trust companies in the territory mentioned have \$250,000,000 capital and surplus and \$720,000,000 deposits and as some, if not many of such banks, will enter the system, the capital and deposits of the Federal Reserve Bank of Washington will be increased to the extent that such banks accept the provisions of the law.

Figures compiled from the published reports of the thirteenth census show that the territory mentioned is rich in agricultural, Mining and Manufacturing interests. (To arrive at the result one half of the published returns from Pennsylvania and two thirds of the published returns from New Jersey have been omitted to cover that part of these States which are not included in the contemplated Reserve District).

The total value of farm property in 1910 was

\$2,400,000,000 and the relation between available acreage and improved farm lands indicates that if capital could be secured for that purpose the total value of farm property would be greatly increased.

The total value of all crops in 1910 was \$432,000,000. \$743,000,000 is invested in mining enterprises of various kinds, and the production of such enterprises in 1910 was valued at \$218,000,000.

\$2,500,000,000 is invested in manufacturing enterprises of all kinds, and in 1910 their output was valued at \$2,700,000,000.

The combined capital invested in these human activities is \$5,843,000,000 and in 1910 they produced \$3,350,000,000 of real wealth, not paper or imaginary profits, but actual values represented by every conceivable thing serviceable for human need and comfort.

In addition to the actual wealth grown in fields, dug from the earth and fashioned into shape in mill and factory, we must contemplate the vast fabric of business that is needed to transport these things from place to place and put them into the hands for which they are intended. Transportation, trade and commerce represent other millions of money invested.

Washington, the Nation's Capitol, is in the midst of this rich, prosperous, territory. Four large trunk line railroads with their tributaries connect it with every part of the south and southwest. Two large trunk line railroads and their branches connect it with every part of the north and west.

Communication between this city and every village and town and city in the proposed district is rapid and regular. Letters mailed to Washington from points farthest away reach



their destination in eighteen hours. Mails to and from points in the north and south pass through Washington, and letters from some points in the south and south east section intended for points a few miles west pass through Washington ere they reach their destination.

Its central location, its prestige as the seat of Government and the location of the Federal Reserve Board here make Washington the logical location for one of the Federal Reserve Banks.

The extent of territory naturally tributary to the City by reason of easy and rapid means of communication in every direction and the volume and diversity of business activities in that territory will enable the Federal Reserve Board to bring a Reserve Bank located here up to such a high state of development that it will serve as a model for other such banks elsewhere, and

Finally, the sense of security afforded by the protection which the Federal Government throws around this City must not be overlooked in the matter of locating at least one of such banks.

A detailed statement of the capital, surplus and deposits of National and State banks in the proposed District is set forth in Appendix A, and Statistical information in regard to manufacturing, mining and agriculture is contained in Appendix B. Appendix C. shows a map of the proposed District with principal cities, their population and lines of railroad communication with Washington.

Abraham Chairman  
John Dool  
Henry H. McKe  
W. D. Garrison  
G. A. White

Reasons submitted on behalf of the Board of Trade, The Chamber of Commerce and The Retail Merchants Association for the designation, under the "Federal Reserve Act," of Washington as a "Federal Reserve City" with a "Federal Reserve Bank."

First, This is a unitary jurisdiction with one source of legislation, where there could be no conflict of authority.

Second. Here there is a right of appeal or of writ of error to the Supreme Court of the United States, not only in cases which in the States may be <sup>so</sup> taken up, but in other cases, notably those which relate to the "validity of any authority" or "scope of any power" of any official or the "construction of any law of the United States."

Third. While the "Federal Reserve Act" does not specifically provide, yet its terms would require that the office of the "Federal Reserve Board" should be here; and the "Federal Advisory Council" must meet here "at least four times each year."

Fourth. Sequential to the first three reasons, there would be here, under the personal observation of the Federal Reserve Board and the Federal Advisory Council, a Federal Reserve Bank, in the administration of the affairs of which there would be only Congressional legislation interpreted by the Supreme Court of the United States to be considered, so that any question could be speedily determined free from conflict of jurisdiction, or in other words, a model bank would be established.

Fifth. For the above four reasons there would be best subserved one of the specified objects of the Act, as enumerated in the Title "to establish a more efficient supervision of banking in the United States."

William H. Singleton, Chairman,

Board of Trade,  
Wm. H. Singleton,  
John B. Larnier,  
Wm. H. Saunders.

Chamber of Commerce.  
John Joy Edson,  
J. J. Callahan,  
D. J. Kaufman.

Retail Merchants  
Ross T. Andrews

H. A. Leese.

OMC

*Wash*

February 17th, 1914.

My dear Mr. Scudder:

In response to your letter of February 16th, I beg to assure you that I have not forgotten our talk of the other day and shall have pleasure in bringing to the attention of the Committee your views as to why Washington, D. C. would be a proper location for one of the Federal Reserve Banks to be established.

Respectfully,

Secretary,  
Reserve Bank Organization Committee.

Mr. S. D. Scudder,  
1314 Park Road,  
Washington, D. C.

1314 Park Road,

Washington, D.C., February 16, 1914.

Judge M. C. Elliott, Secretary,

Organization Committee, Federal Reserve Bank,

Washington.

My dear Judge Elliott:

Referring to the Washington hearing before your Committee last month, some of the bankers thought I ought to have stated my reasons why a regional bank should be placed here. But as I was present through the courtesy of Secretary McAdoo, and therefore only a visitor, I thought best to keep still. Besides, my entire argument for a regional bank at the Capital of the Nation ~~was~~<sup>is</sup> not so much for Washington's sake, as it is for the success of the whole new system. It seems to me essential mainly in order to carry out the very intent and spirit of the Federal Bank Act. And in view of the fact that the Committee is seeking information from all sources now, and has recently invited these opinions from every direction, I have decided to file the enclosed paper which outlines these ideas.

I hope you will not forget our talk of the other day. There will be heavy work between now and final organization; and I am anxious for an opportunity to help.

Very truly Yours,

*S. D. Lueder*

ANSWERED  
FEB 1 1914  
*WME*

## FOR THE FEDERAL RESERVE BOARD ORGANIZATION COMMITTEE

From S. D. SCUDDER

"Taking conditions as they now exist," it would seem, judging from the predominant opinions and desires of those who at present handle a majority of the clearances of this country's business transactions, that eight and only eight regional reserve banks should be established, as follows, according to their ideas, viz: New York, Boston, Philadelphia, St. Louis, Chicago, New Orleans, Denver and San Francisco. In the opinion of these heretofore very prominent people, who have practised and still firmly believe in centralization, several of the above mentioned points, if not all but one, "could be just as well served by branches". Recognizing, however, that the new law imperatively requires not less than eight separate institutions, they feel compelled to name the other seven, but at the same time say very emphatically "no more please".

But in my humble opinion, if we propose simply "to take conditions as we find them" we are not by any means going to correct the evils which have been brought about in this country through the recent misuse of powers and privileges granted under our old and now worn-out fiscal laws. And was not that really the whole intent and purpose of those who supported the new Currency Bill? The wrongful effects of a centralized banking system, including the throwing of balances and clearances artificially to certain favored Cities,

-2-

cannot be eradicated nor even partially corrected without doing some violence to the present established customs and also to the present channels of trade. Having been forced there, these conditions will need to be gently but at the same time heroically forced back into their real and natural passageways. How to accomplish this correction and this equalization without at the same time ~~destroying~~ or seriously injuring established business, is as delicate a question as the query of an up-to-date physician over his cancer patient. Taking the history of our Republic as a whole, it can be confidently stated that the malady that we have contracted in our financial life is only incipient, i.e. of comparatively recent date. The disease is clearly traceable to that other economical error in the life of our Nation viz: high protection. The two errors go hand in hand; and the policy of eradication decided upon for the latter must also guide us in our treatment of the former, to wit: the "radium" instead of the "knife". How can we then, asside from publicity, gradually reduce the bad effect of this artificially created centralized financial power; so that its wrongful use, its exaggerated speculative use, can be made less and less possible at the great Cities of America, to the end that the legitimate trade and business of the entire country may finally get its just inning? Obviously by confining the huge "control" heretofore exercised by these speculative centers of the Nation to the smallest possible areas; in other words by a definite plan of distribution which will partially correct that evil

-3-

and at least reduce the tendency towards illegal and harmful speculation and consequent dangerous inflation. To this end, let it then be settled at once that the maximum number of regional banks allowed by the new law (12) shall be fixed and established from the very beginning. On that principle three would take care of the Atlantic Coast States; two would cover the section further South; three would embrace the Eastern Middle section of the United States; two the Western Middle section of the United States; the remaining two covering the needs of the far West. In this distribution, it should be planned to make each regional bank in each of these five distinct sections of the country of equal strength, as far as possible, one with the other, viz: First section, Boston, New York and Washington. Second section, New Orleans, and Houston (or Dallas). Third section, Cleveland (or Cincinnati), Chicago and St. Louis. Fourth section, St. Paul (or Minneapolis) and Omaha (or Denver). Fifth section, San Francisco and Seattle (or Portland). In my judgment it seems absolutely necessary for more reasons than can even be stated here that Washington, D.C. should possess a regional bank as large and strong as that of Boston or even New York. This can be done by <sup>the</sup> designation <sup>of</sup> Philadelphia and Baltimore as branches to Washington, and that, too, without detriment to either of those two cities. It is not disputable that a "branch" can be given all the local advantages of a regional bank; and that if it were not for other and more

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weighty reasons, a "branch" would be just as sufficient for Washington as it would be for Baltimore and for Philadelphia. But, in order to carry out the main feature and in fact the whole spirit of this new Act, which is decentralization, Washington, D.C., should be used as a balance wheel in the machinery which is to be set up by the Federal Reserve Board. Not only is Washington the Capital of that Nation which has resolved to hereafter supervise its own fiscal affairs, and the headquarters of its Board of Managers, but the location of Washington is such as to divide properly and exactly that important territory lying between New York at its North and New Orleans in the South, thus enabling the formation of a district which can be and should be made financially as strong as that of either Boston or New York. It must also be remembered in this connection that the day has gone, and forever, when as a People we will be occupied only with local affairs. We are through being a Nation of local bankers. Broader questions of finance will hereafter compel our attention: World questions of gold supply and of gold demand, and of the larger subject of world-credit. All these will need to be determined for the whole system by the individual members of the Federal Reserve Board located in Washington. What great advantage therefore, to these individuals, if they are in direct personal touch with the entire system and its workings through one of the regional banks located at Washington, and itself directly having transactions all over the world. In this connection it cannot be denied that the question



-5-

of personal equation is a most important one and must be considered. Our whole system of Government is founded on it. Whereas in Europe the individual is absorbed by the State, here the State reflects the individual. And everything in the United States, from managing the Nation to conducting its shoeblacking parlors, partakes of the nature of the individuals at the head. And just as the Supreme Court decision in this country, imbued with the character and tendencies of its judges, are certainly reflected into law all over the land; so will the action of these seven men composing the Federal Bank Board become a guide to the finances and business transactions of the United States. Every facility, therefore, including personal contact with one of the twelve regional banks which they are to superintend and whose general policies they are to direct, must be afforded them, all other conditions being favorable to such end.

Respectfully submitted,

A handwritten signature in cursive script, reading "L. D. Scudder". The signature is written in dark ink and is positioned to the right of the typed name "L. D. Scudder".

ORGANIZED APRIL 15, 1887

# The Washington, D. C., Clearing House Association

(NATIONAL METROPOLITAN BANK BUILDING)

WILLIAM J. FLATHER  
CHAIRMAN

J. GALES MOORE  
SECRETARY AND MANAGER

FORM 25

WASHINGTON, D. C., December 27, 1913. 191

To the Reserve Bank  
Organization Committee,  
Washington, D. C.

Gentlemen:-

At a special meeting of the Washington, D.C. Clearing House Association held Friday, December 26, 1913, the Secretary of said Association was instructed, by a resolution adopted unanimously, to ask that Washington, D.C. be selected as a Federal Reserve City; and a committee was appointed to formulate and lay before you a statement of the reasons which prompt said Association to present the name of this city for your consideration in that connection.

It was further resolved to recommend to the directors of each member of this Association that their respective banks signify their intention without delay, to accept the provisions of the Act as provided in Section 2.

Respectfully,

*J. Gales Moore,*  
Secretary.

ANSWERED  
JAN 3 1914  
FORM

Banks in West Virginia who favor the City of Washington, D. C., as their first Choice for the location of a Regional Bank; together with their second and third preferences; and their views as to whether or not the State should be divided in the location of Regional Banks.

Name	Second Choice	Third Choice	Should State be Divided?
Union Bank & Trust Co., Bluefield, W. Va.	Baltimore	Richmond	
The Bank of Bramwell, Bramwell, W. Va.	Richmond	Baltimore	
Davis Trust Company, Elkins, W. Va.	Baltimore	Pittsburgh	No.
The Old National Bank, Martinsburg, W. Va.	Baltimore	Richmond	
Peoples Trust Co., Martinsburg, W. Va.	Baltimore	Richmond	
Farmers & Merchants Bank, Morgantown, W. Va.	Baltimore	Phila., or N. Y.	
First National Bank, Princeton, W. Va.	Baltimore	Richmond	
Peoples National Bank, Rowlesburg, W. Va.	Baltimore	Pittsburgh	Yes.
Security Trust Co., Wheeling, W. Va.	New York	Cincinnati	No.

Banks in West Virginia who favor the City of Washington,  
D. C., as their second choice for the location of a Regional Bank.

(The following Banks favor the City of Pittsburgh as their first choice, but designate Washington as their second choice).

First National Bank, Cameron, West Virginia.  
First National Bank, Chester, West Virginia.  
Empire National Bank, Clarksburg, West Virginia.  
The Bank of Farmington, Farmington, West Virginia.  
Taylor County Bank, Grafton, West Virginia.  
The Bank of Monongahela Valley, Morgantown, West Virginia.  
Mercantile Banking & Trust Company, Moundsville, W. Va.  
Bank of Pine Grove, Pine Grove, West Virginia.  
Pleasants County Bank, St. Marys, West Virginia.  
First National Bank, Sutton, West Virginia.  
Farmers Bank & Trust Company, Sutton, West Virginia.  
National Exchange Bank, Wheeling, West Virginia.  
National Bank of West Virginia, Wheeling, West Virginia.

(The following banks favor the City of Cincinnati as their first choice, but designate Washington as second choice).

Kanawha National Bank, Charleston, West Virginia.  
Bank of Fayette, Fayetteville, West Virginia.  
Merchants National Bank, Point Pleasant, West Virginia.  
First National Bank, St. Albans, West Virginia.

(The following banks favor the City of Baltimore as their first choice, but designate Washington as their second choice).

Bank of Charles Town, Charles Town, West Virginia.  
Clay County Bank, Clay, West Virginia.  
Bank of Gassaway, Gassaway, West Virginia.  
First National Bank, Hendricks, West Virginia.  
First National Bank, Keyser, West Virginia.  
Citizens National Bank, Martinsburg, West Virginia.  
First National Bank, Newburg, West Virginia.  
Grant County Bank, Petersburg, West Virginia.  
First National Bank, Piedmont, West Virginia.  
Richwood Banking & Trust Company, Richwood, West Virginia.  
Bank of Romney, Romney, West Virginia.  
Farmers Bank, Shepherdstown, West Virginia.  
Jefferson Security Bank, Shepherdstown, West Virginia.  
Terra Alta Bank, Terra Alta, West Virginia.

(The following banks favor the City of Richmond as their first choice for the location of a Regional Bank, but designate Washington as their second choice).

Bank of Athens, Athens, West Virginia.  
National Bank of Summers, Hinton, West Virginia.  
Bank of Lewisburg, Lewisburg, West Virginia.  
Bank of Renick, Renick, West Virginia.

(The following banks favor the City of New York as their first choice for the location of a Regional Bank, but designate Washington as their second choice).

Peoples National Bank, Sistersville, West Virginia.

Banks in West Virginia who favor the City of Washington,

D. C., as their third choice for the location of a Regional Bank.

(The following banks favor Pittsburgh as their first choice, but designate Washington as their third choice).

First National Bank, Belington, West Virginia.  
Burnsville Exchange Bank, Burnsville, West Virginia.  
The Bank of Cameron, Cameron, West Virginia.  
First National Bank, Fairmont, West Virginia.  
Kanawha Union Bank, Glenville, West Virginia.  
Grafton Banking & Trust Company, Grafton, West Virginia.  
First National Bank, Harrisville, West Virginia.  
Bank of Kingwood, Kingwood, West Virginia.  
Bank of Littleton, Littleton, West Virginia.  
Bank of Mannington, Mannington, West Virginia.  
Exchange Bank of Mannington, Mannington, West Virginia.  
First National Bank, Monongah, West Virginia.  
Bank of Morgantown, Morgantown, West Virginia.  
Second National Bank, Morgantown, West Virginia.  
Farmers & Mechanics National Bank, Parkersburg, West Virginia.  
Citizens National Bank, Pennsboro, West Virginia.  
Citizens National Bank, Philippi, West Virginia.  
Farmers & Merchants Bank, Reedsville, West Virginia.  
First National Bank, Salem, West Virginia.  
First National Bank, Sistersville, West Virginia.  
Home National Bank, Sutton, West Virginia.  
National Exchange Bank, Weston, West Virginia.  
The Garman Bank of Wheeling, Wheeling, West Virginia.  
Bank of the Ohio Valley, Wheeling, West Virginia.  
Peoples Bank, Wheeling, West Virginia.

(The following banks favor the City of Cincinnati as their first choice for the location of a Regional Bank, but designate Washington as their third choice).

Kanawha Valley Bank, Charleston, West Virginia.  
Citizens National Bank, Charleston, West Virginia.  
Bank of Glen Jean, Glen Jean, West Virginia.  
Bank of Gauley, Gauley Bridge, West Virginia.  
Merchants National Bank, Montgomery, West Virginia.  
Point Pleasant National Bank, Point Pleasant, West Virginia.  
Point Pleasant Trust Company, Point Pleasant, West Virginia.  
The Valley Bank, Ripley, West Virginia.  
Citizens State Bank, Ripley, West Virginia.  
McDowell County National Bank, Welch, West Virginia.  
Bank of Winfield, Winfield, West Virginia.

(The following Banks favor the City of Baltimore as their first choice, but designate Washington as their third choice).

National Bank of Davis, Davis, West Virginia.  
Peoples National Bank, Elkins, West Virginia.  
Farmers Bank of Pendleton, Franklin, West Virginia.  
Farmers & Merchants Bank, Keyser, West Virginia.  
Bank of Martinsburg, Martinsburg, West Virginia.  
First National Bank, Pennsboro, West Virginia.  
Davis National Bank, Piedmont, West Virginia.  
Miners & Merchants Bank, Thomas, West Virginia.  
First National Bank, Webster Springs, W. Va.  
Winona National Bank, Winona, West Virginia.

(The following Banks favor the City of Richmond as their first choice, but designate Washington as their third choice).

First National Bank, Alderson, West Virginia.  
First National Bank, Bluefield, West Virginia.  
Bank of Marlinton, Marlinton, West Virginia.  
First National Bank, Ronceverte, West Virginia.  
Ronceverte National Bank, Ronceverte, West Virginia.  
New River Banking & Trust Company, Thurmond, West Virginia.

HOWARD SUTHERLAND  
AT LARGE  
WEST VIRGINIA

House of Representatives U. S.  
Washington, D. C.

Bluefield City ~~or Town~~ Mercer County, W. Va.

January , 1914.

To Howard Sutherland, M. C.,

Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are

- 1st Choice- Washington
- 2nd " Baltimore
- 3rd " Richmond

Answering your inquiry as to the division of the State, we think

On account of our location  
believe we should be region of above cities

Very truly yours,

**Union Bank & Trust Company,**

..... **Bluefield, West Va. Bank,**

By Bane D. Wilton  
Cashier

HOWARD SUTHERLAND  
AT LARGE  
WEST VIRGINIA

House of Representatives U. S.  
Washington, D. C.

~~Bramwell~~ City or Town ~~Mercer~~ County, W. Va.

January , 1914.

To Howard Sutherland, M. C.,  
Washington, D. C.


Dear Sir:

Our preferences, in order, for location of Regional Bank are

- 1st Choice-- ~~Washington~~ -----
- 2nd " Richmond -----
- 3rd " Baltimore -----

Answering your inquiry as to the division of the State, we think ~~Washington or Baltimore could serve whole state. If Richmond, then probably a division, the Chesapeake & Ohio, Norfolk & Western with their contiguous territories going to Richmond.~~

Very truly yours,

The Bank of Bramwell.....Bank,  
By  .....  
Cashier.



HOWARD SUTHERLAND  
AT LARGE  
WEST VIRGINIA

House of Representatives U. S.  
Washington, D. C.

Ellis City or Town Randolph County, W. Va.

January , 1914.

To Howard Sutherland, M. C.,  
Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

- 1st Choice Washington
- 2nd " Baltimore
- 3rd " Pittsburg

Answering your inquiry as to the division of the State, we think there should not be divided in any

ways as shown that be placed with  
Cincinnati as we have no business dealings  
with them

Very truly yours,

Howard Sutherland  
.....Bank,  
By.....H. Sutherland

HOWARD SUTHERLAND  
AT LARGE  
WEST VIRGINIA

House of Representatives U. S.

Washington, D. C.

THE OLD NATIONAL BANK,  
MARTINSBURG, W. VA.

-----City or Town-----County, W. Va.

January , 1914.

To Howard Sutherland, M. C.,

Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

- 1st Choice - Washington
- 2nd " Wartburg
- 3rd " Richmond

Answering your inquiry as to the division of the State, we think

*the State is divided & of Pittsburgh & ... all west of ... the mountains ...*

*Pittsburg is most healthy from Pittsburgh. The service <sup>us</sup> well in spite of distance to us.*

Very truly yours,

THE OLD NATIONAL BANK,  
MARTINSBURG, W. VA. ... Bank,

By *[Signature]*

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Form 2138

# THE WESTERN UNION TELEGRAPH COMPANY

INCORPORATED

25,000 OFFICES IN AMERICA. CABLE SERVICE TO ALL THE WORLD

This Company TRANSMITS and DELIVERS messages only on conditions limiting its liability, which have been assented to by the sender of the following message. Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages, beyond the amount of tolls paid thereon, nor in any case beyond the sum of Fifty Dollars, at which, unless otherwise stated below, this message has been valued by the sender thereof, nor in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission. This is an UNREPEATED MESSAGE, and is delivered by request of the sender, under the conditions named above.

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT

HOUSE CORRIDOR,  
TELEPHONE BRANCH 251

20W RB 18

MARTINSBURG WVA JAN 17 14

HON HOWARD SUTHERLAND

M OF C WASHINGTON DC

WASHINGTON BALTIMORE RICHMOND STATE SHOULD BE DIVIDED WEST OF MOUNTAINS  
GO TO PITTSBURG AND PITTSBURG SHOULD BE SELECTED

OLD NATIONAL BANK

1022A

✓

Norfolk City or Town Berkeley County, W. Va.  
Feb 17  
January, 1914.

To Howard Sutherland, M. C.,  
Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

- 1st Choice Washington
- 2nd " Baltimore
- 3rd " Richmond

Answering your inquiry as to the division of the State, we think-----

.....  
.....

Very truly yours,

Peoples Trust Co..... Bank,

By Geo. M. Brown.....

Pres



~~Morgantown~~, City or Town Monongalia County, W. Va.

January , 1914.

To Howard Sutherland, M. C.,

Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

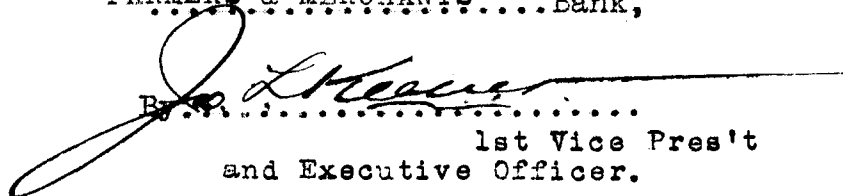
- 1st Choice Washington
- 2nd " Baltimore
- 3rd " Philadelphia or N.Y. City

Answering your inquiry as to the division of the State, we think Washington or Baltimore are handy for all sections of the state.

We are opposed to Pittsburgh for the reason that banking conditions there have not been good for a number of years, there being no unity of factors of safety. On the other hand, bankers there are more apt to pull each other down than to lend a helping hand.

Very truly yours,

FARMERS & MERCHANTS.....Bank,

  
 By J. L. Weaver  
 1st Vice Pres't  
 and Executive Officer.

HOWARD SUTHERLAND  
AT LARGE  
WEST VIRGINIA

House of Representatives U. S.  
Washington, D. C.

Princeton City or Town Mexer County, W. Va.

January , 1914.

To Howard Sutherland, M. C.,  
Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

1st Choice Washington

2nd " Balto

3rd " Richmond

Answering your inquiry as to the division of the State, we

think

less than it will to put  
the par. handle in Pittsburgh district  
.....

Very truly yours,

Fryd National Bank  
.....Bank,  
By T. M. Fry

HOWARD SUTHERLAND  
AT LARGE  
WEST VIRGINIA

House of Representatives U. S.  
Washington, D. C.

Rowlesburg City or Town Preston County, W. Va.

January 17, 1914.

To Howard Sutherland, M. C.,  
Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

- 1st Choice Washington
- 2nd " Balto. Md.
- 3rd " Pittsburg Pa

Answering your inquiry as to the division of the State, we think that it should be divided

by a line running Nth east and Sth.  
West and call it northern and southern divisions.  
We prefer however to be in the southern  
Division as our mail and express service  
is much better with Washington or Balto.

Very truly yours,

PEOPLES NATIONAL BANK,  
ROWLESBURG, W. VA.

O. C. HILEMAN, Cashier, Bank,

By O. C. Hileman

V

Marling City or Town Ohio County, W. Va.  
January , 1914.

To Howard Sutherland, M. C.,  
Washington, D. C.

Dear Sir:

Our preferences, in order, for location of Regional Bank are:

- 1st Choice Washington D.C.
- 2nd " New York, N.Y.
- 3rd " Cincinnati O.

Answering your inquiry as to the division of the State, we think West Virginia should not be divided.

Very truly yours,

Security Trust Co. Bank,  
By J. F. Fox Cashier.