

(General Files Division has not enclosure) Reference to 298
(Enclosure?)

FEDERAL RESERVE BANK
OF NEW YORK

August 21, 1918.

TRADE ACCEPTANCES

To the Banks and Bankers in the New York Federal Reserve District:

What are the nature and object of the Trade Acceptance, and has it come to stay?

"The Trade Acceptance is here—it has proven its worth in thousands of cases, it has come to stay, and now that the first and most difficult step in popularizing it has been taken, its general use will grow by leaps and bounds."

These are words taken from an address by the Honorable Paul M. Warburg, Vice Governor of the Federal Reserve Board, delivered before the Trade Acceptance Council at a convention recently held in Chicago at which many members of the National Association of Credit Men were present.

American merchants and manufacturers are giving much time to the careful study of the use of the trade acceptance; thousands of representative houses throughout the country have already adopted it.

Bankers now generally realize the advantages of encouraging the use of trade acceptances, and many are preparing to handle this class of instrument on an increasing scale.

✓ *End.?* We take pleasure in enclosing herewith two copies of Mr. Warburg's address. His remarks are timely and authoritative; we commend them to your careful consideration. Should you desire additional copies for distribution to your customers, we shall be pleased to furnish them to you, free of cost, on application.

Very truly yours,

R. H. TREMAN,

Deputy Governor.