

The Monthly BUSINESS REVIEW

Covering business and industrial conditions in the Fourth Federal Reserve District

FEDERAL RESERVE BANK of CLEVELAND

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THERE has been no outstanding feature in the business situation during the past month. There has been a further let-up in the activities of certain industries, while others report a satisfactory volume of business. Unseasonable weather has interfered to some extent with fall trade, especially in the clothing line.

Labor appears to be much less restless, and there

are few disturbances in the Fourth District today in that regard. There is some unemployment, but except in isolated cases it has not reached the proportions of a "problem." Collections hold up well, and commercial failures show no startling change.

Everything considered, the process of readjustment is proceeding successfully, and we are gradually working toward a more stable position.

Not Much Change in Financial Situation; Trade Acceptances Increasing in Popularity

There has been little, if any, change in the financial situation during the past month. The movement of crops is apparently proceeding normally and it is expected that shortly the return flow of funds advanced to the agricultural districts for that purpose will begin. This will provide some additional credit for essential production, and lend its weight toward a stabilization of conditions.

A compilation of resources of all national banks in this District is interesting in view of the popular belief that less credit is available than last year. The statement shows an increase in the volume of loans and discounts of nearly \$162,000,000 over approximately the same time last year. Loans, rediscounts and open-market purchases by the Federal Reserve Banks are about at their peak, and show an increase of \$630,000,000 over last year's figures.

The issue by the Treasury Department of Certificates of Indebtedness at a $5\frac{3}{4}$ per cent rate would seem to indicate a belief on the part of Treasury officials that lower interest rates are in sight.

The previous month's demand for bankers' acceptances has continued throughout this month. The potential supply of bills in this District remained practically constant and many bills from other districts were brought in to fill effective orders. The character of the bills offered on the market has gradually changed from those based on domestic and foreign shipments to readily marketable goods in warehouse. Cancellations and the general decrease in individual orders has placed many industries in a

position for credit awaiting the former normal demand for goods.

Somewhat contrary to last month, the demand from strictly agricultural districts has increased. The demand from mixed and industrial districts has remained approximately the same. Bills maturing the latter part of December were in greatest demand. The indications to this market show that money is plentiful for essentials and for the investment of short time paper. There is little demand for unseasoned and longer time unmortgaged securities.

An unusual development of the past month was the offering of a great many trade acceptances to the brokers of the open market. Since the origination of the open market, trade acceptances were absorbed primarily by the banks and very little of the desirable paper has been offered by the brokers. It was first believed when the open markets were organized that the two forms of acceptances, trade and bank, would find an equal outlet through this source, but the investor's unfamiliarity with acceptances in general concentrated the brokers' efforts on bank acceptances almost entirely. Although there has been much information spread broadcast in reference to the trade acceptance, it has been confined to the use of the trade acceptance in consummating sales, and not as an investment. The trade acceptance with strong names is as desirable for a short time investment as a bankers' acceptance; and it will not be long before trade acceptances will be offered as generally as the bank acceptance.

Iron and Steel Market Shows Signs of Weakness; Cancellations Continue from Auto and Tractor Makers; Premium Prices Disappearing

Slowing down of new business in iron and steel has been more marked all along the line during the past few weeks and for the first time in many months the market now shows some of the mills in earnest quest

of orders. Heretofore, owing to the excessive and continuing demand with the consequent shortage of material, the buyers and not the producers have been making the market, by their aggressiveness in search-

ing out and bidding for material. Starting with the falling off in demand for iron and steel from the automobile industry, a spirit of pronounced conservatism in making new purchases has spread generally among buyers of iron and steel. Efforts now are being concentrated by the consumers on the reduction of inventories, which in some cases had been enlarged excessively both because of the high prices and the efforts made to insure against the shortage of material. Cancellations and suspensions of orders with the mills have been large, especially from the various branches of the automotive industry. This with the accompanying lack of new business has had the effect of causing some steel companies to materially curtail their production. It should be pointed out, however, that most of these cases represent plants which have specialized in qualities of steel for automotive construction. The tractor builders have cancelled or suspended considerable tonnages of steel even where the price at which this material had been purchased was relatively low.

While the automobile industry has supplied the most conspicuous example of reduced demands and of readjustments, new requirements from the building trades, shipyards and other important fields of consumption have been on a lower basis. Furthermore the railroads have not been coming forward with purchases of equipment and other supplies in the degree expected. This has brought about a softer market situation especially in the heavier lines of product, such as plates, structural shapes, large bars, etc. Prices in these lines have eased off considerably as competition among the mills for business has become keener. This especially applies to the independent mills whose prices constantly have been on a considerably higher plane than those of the Steel Corporation. In these lines and in others the premium prices which long have characterized the situation have disappeared and in a number of cases

the producers have dropped their minimum figures where the business has been attractive. With the weakest spots related to the heavier products, the market still shows a condition of large demand and sustained prices in some other lines, namely those of a lighter character. Small bars, wire products and tubular goods continue to present a strong front and deliveries remain a matter of months.

Running with the more backward attitude of buyers has been the continued increase in production of iron and steel, reflecting the continuation of better traffic conditions, more efficient labor, etc.

The output of pig iron in September as compiled by the Iron Trade Review was at an increased rate over August with the average daily output of 104,166 tons compared with 101,469 tons. This was the largest rate of output of the current year with the exception of March. The total output for September, a 30-day month, was 3,124,944 tons, compared with 3,345,536 tons in August which was a 31-day month. The number of active furnaces on September 30 was 317, a gain of 11 over the corresponding date in the preceding month.

Steel ingot production in September, according to the partial figures presented by the American Iron and Steel Institute, was at the rate of 43,410,100 tons annually compared with the rate of 41,800,000 tons in August. Shipments of Lake Superior iron ore in September were 7,455,979 tons compared with 6,320,415 tons in September, 1919. The Lake movement of iron ore to October 1 amounts to 31,959,201 tons as against 28,389,502 tons for the corresponding period last year. Shipments of iron ore from Lake Erie docks to interior furnaces in September were 5,596,554 tons compared with 3,698,002 tons in September, 1919, and 5,029,207 tons in August, 1920. Shipments to interior furnaces for this season to October 1 amounted to 23,322,770 tons compared with 20,724,413 tons for the corresponding period in 1919.

Grain Movement will Reduce Ore Shipments, which Show Increase for September; Coal Movement to Upper Lake Region Increases

The grain trade will cut a big figure in the freight market the rest of the season and the increase in the movement will cut the supply of ore tonnage, but if the boats get good dispatch at Lake Erie ports shipments in the latter trade will be heavy as long as weather conditions are favorable. Most of the independent vessels will clean up on their ore contracts early in November, but the boats that are operated by shippers will be kept in that trade until the last trip, as ore is in good demand. There has been a big improvement in dispatch in the ore trade the past few weeks and the waiting list at the docks is smaller than it has been since the movement got started in good shape.

Ore shipments for September were 8,923,482 tons, which was an increase of 744,999 tons over September, 1919, when the fleet loaded 8,178,483 tons. The movement for the season up to October 1 was 44,273,356 tons. That is an increase of 6,496,825 tons over

the same time last season when shipments were 37,776,531 tons. Ore is going forward to the interior furnaces at a much faster clip than it did early in the season, as the railroads are taking care of their end of the business in better shape, and some of the shippers are quite confident that the furnaces will have a good supply at the close of navigation. An advance in lake rates has been made on a number of cargoes, but little chartering is being done. Fancy carrying charges are being paid on grain and boats that are free are being placed in that trade.

Coal is coming forward from the mines in better shape than it has since early in September, but the movement will have to be pretty heavy from now on in order to reach last season's total. Shipments of cargo coal for the season up to October 11 were 15,989,353 tons, compared with 19,071,662 tons for the same time last season and 23,004,456 tons in 1918.

Manufacturers Attitude Distinctly Hopeful for the Future

A distinctly optimistic note is sounded in 90 per cent of the letters reaching us from manufacturing concerns throughout the District this month, though there are differences of opinion regarding the probable length of the present readjustment period.

Dealers in most lines are unquestionably cleaning their shelves in expectation of replacing their stocks at lower prices, and a healthy demand for most goods is anticipated as soon as the public is convinced prices are at or near the bottom.

Motor car makers express the opinion that stabilization of prices has been accomplished, at least for the time being, and those who have reduced prices have given assurances to dealers that they will remain as fixed until the end of the Spring season of next year. Those who have not reduced have guaranteed present prices until May, June, or July. Auto manufacturers feel that the public will come into the market as soon as convinced of the stability of prices, and base their optimism on that ground.

The opinion is growing in the trade that there will be a shortage of cars in the Spring by reason of the curtailment that has been made in Fall production and the inclination of the dealers and manufacturers to proceed cautiously until the readjustment period is past.

The motor truck industry shows a marked decline in activity during the month over the corresponding month of last year.

Hardware manufacturers have felt quite keenly the slump in the automobile field, but express the opinion that the changes now going on will ultimately result in good. New business is practically nil.

In the rubber industry production has been sharply curtailed as a result of a seeming over-production and the lack of working capital, and present indications do not point to much change in these conditions in the immediate future.

A price-cutting era has definitely set in among tire dealers throughout the country, but few cuts have

been announced by manufacturers. Some concessions have been made, however, on certain sizes. The problem of many manufacturers is a large stock of raw material on hand purchased at high prices.

Akron tire factories are running at approximately 25 per cent capacity, with no immediate prospects for larger production. There is an abundance of unskilled, semi-skilled and skilled labor, the efficiency of which is quite satisfactory.

In the tool line the volume of new business continues to shrink. Some unemployment has resulted, and indications point to further reductions, barring a stimulation in that trade, as soon as a normal supply of stock material is made up.

There has been no change for either better or worse in the tin can industry since our last report. Collections continue good, and but few cancellations have been received.

Box-board manufacturers report a slump in buying, as a result of the closing of many factories whose products were put up in paper cartons. Many paper-board mills are running "close to shore" so far as orders are concerned. Prices have fallen considerably.

The lumber industry continues to drift, and a buyers' market is being created.

Cancellations and postponements from the automotive industry have halted activity in the molding machine line. Reductions of forces have occurred, and makers are producing goods only for early shipment or for normal stock.

In the shoe manufacturing line there is general hesitancy in buying, but business is said to be good with the retailer and present stocks are expected to be absorbed in normal quantities.

Manufacturers of paints and paint materials report that active manufacturing through the winter months seems to be assured.

There has been quite a let-up in the demand for litharge and red lead, used largely in the manufacture of storage batteries, by reason of the curtailment in automobile production.

Agricultural Yield Generally Satisfactory; Some Dissatisfaction Over Price Situation; Late Potato Crop Suffers from Blight

In a general sense, the agricultural year of 1920 in the Fourth Federal Reserve District has been very favorable, wheat being the only principal crop below the average. There is rather a strong undertone of dissatisfaction among farmers at the present time over the price situation. Their general sentiment seems to be that while the prices they are receiving for their produce have declined, no such reduction is reflected in the prices of the things they have to buy.

The bulk of the corn crop is now safe from frost, and the especially favorable weather during October

has ripened a lot of corn which it was thought might not mature. Harvesting of corn is in full swing, and silo filling well advanced.

The potato crop, while fairly large, is said to be seriously affected with late blight, which will cut the yield to some extent. This is particularly true of the commercial potato districts.

Seeding of winter wheat is later than usual, and there are indications pointing to a reduced acreage.

There are numerous complaints of the difficulty in gathering the fruit crop, especially apples, at prices that will pay the cost of handling.

Transportation Shows Big Improvement; Car Supply Apparently Adequate for Manufacturers; Labor Forces Reduced at Some Points

Reports from practically all the important centers in the District indicate a distinct improvement in transportation conditions during the past 30 days. This is generally attributed to two causes—the falling off in the business of certain industries, and a better supply of men for railroad work. Instances have been reported of exceptional time having been

made by car-load and less-car-lot shipments during the past few weeks.

Further improvement has been had in per-ton mileage, but railroad managers are insisting that the limit has not yet been reached. Complaints regarding car supply have practically ceased.

Some reductions have occurred in railroad forces at various points.

No Improvement in Coal Situation; Lack of Cars Big Problem; Coke Prices Decline

The coal situation has not improved during the past thirty days, and no appreciable improvement is expected until the close of navigation on the Lakes. Operators claim that the priority orders of lake shipments, railroads and public utilities, taken in connection with the seeming inability of the railroads to supply any of the mines their rated capacity of cars have permitted shipments of less than ten per cent of total mine ratings for commercial distribution.

Lack of cars is said to be the cause of present high prices, operators claiming that if the railroads would deliver an 80 per cent car supply coal would be selling at the mine mouth for \$2.50 instead of the prevailing high prices. An insufficient car supply also reduces operation, creating dissatisfaction among the miners.

Coke prices are showing a tendency to ease somewhat, a decline of \$1.00 to \$1.50 per ton being noted in the past week, but production holds up well.

Building Conditions Hesitating in Anticipation of Lower Costs

There is comparatively little to be said at the present writing touching developments in the building situation. The slackening of work has continued to progress, and the outlook for new work has not improved. It was thought that the approach of fall would bring out some important projects, but there appears to be a disposition to wait for lower costs. It is not now anticipated that the future will brighten up until the construction work for next year is brought out.

There is still urgent need for houses, and these

needs must ultimately be supplied.

Some improvement is noticeable in the transportation situation, although the orders restricting the use of open-top cars to coal movements rather than for building supplies are yet in force.

Labor is more plentiful in the building line, and, as in other industries, shows a marked improvement in efficiency.

A tabulated statement of building permits issued at principal Fourth District cities during the month of September may be found elsewhere in this issue.

Special Survey of the Tin Can and Canning Industries

Doubtless the most revolutionary feature of the tin can industry today is the lithography process. While such a printing process has been known for over two hundred years, its application to the tin can industry is indeed new. Little did Alois Senefelder of Munich, Germany, when he accidentally drew a greasy crayon across a slaty limestone, back in the eighteenth century, think that his discovery would be used to adorn the cupboard shelves of our modern housewife. While all good foods may not be done up in prize packages, there is a growing demand on the part of the consuming public of today that the canned fruits and vegetables which they buy be packed in fancy cans. The can manufacturer, quick to take advantage of this demand, is gradually turning to the lithographing process and is discarding the old-style paper wrapper. This method of placing the coloring directly upon the tin gives the can a more sanitary, clean, and appealing appearance.

While the tin plates, from which tin cans, pails, etc., are manufactured are produced by the steel plants in this District, it is necessary to import the raw material.

Tin ore has been found in many parts of the world, but from a commercial standpoint the deposits are limited. The most promising tin ore veins in the United States are along the border between North and South Carolina. While the presence of tin deposits in California, Texas and South Dakota has been known for a long time, there has, however, been little mining done on a commercial scale. Our principal supply of the raw material is obtained from the East Indies, the Malay Peninsula, Australia, Bolivia, and Cornwall, England.

The raw product is gathered from two sources; veins in older rocks, particularly a variety of granite called greisen, and alluvial deposits, the latter having been formed by the erosion of the rocks and the tearing down of the veins. The ores obtained from veins are known as lode tin, while those found in stream deposits are known variously, according to the locality, as black tin, tin sand, and stream tin.

Tin plates are sheets of steel coated with tin in order to prevent corrosion. These plates are rolled from steel bars into different thicknesses and are usually cut into two sizes, fourteen by twenty inches,

and twenty by twenty-eight inches before shipment. Steel sheets to be tinned are first pickled to remove the scale, then they are washed in tanks to remove any acid which may have collected during the pickling process. After reheating they are cold rolled in order that the finished tin plate will attain a high polish. The cold rolled sheets are again reheated, pickled and washed, after which they are passed through a bath of liquid tin by means of four or six pair of rolls which are immersed in it, the last set squeezing off the surplus metal. After another process of cleaning and polishing they are ready to be packed in wooden crates, and shipped to the manufacturer.

Many of our large can factories are modern and up-to-date in every respect. The wide-awake owners, who are looking ahead, realize that in order to secure the best results their employees must be happy and contented in their work.

The factories are equipped with wonderful labor-saving machines which seem almost human in their ability to turn out work with speed and accuracy. When the tin plate is shipped to the factory in convenient-sized crates, it is unpacked and carried to the top floor on elevators. When one sees this raw material taken from the crates, it is hard to realize that in a surprisingly short length of time, these plain and uninteresting tin plates will be changed to beautifully decorated tin cans and pails.

The tin is first decorated and much of this decoration is done by means of lithography. The study of this commercial art and how it is used to decorate tin ware is very interesting. Although the tin must pass through many complicated processes before the decoration is finally completed, the machinery has been perfected to such an extent, that in a very short time the coloring is finished. When this art first came into general use lithographic stones only were used for making prints. The smooth-grained limestone from which these stones are cut is found in quarries near Solenhofen, Germany. Since the war it has been difficult to secure these stones and it was therefore necessary to find some substitute. It was found that prints could be made from metal plates of zinc or aluminum. These plates have proven very satisfactory. They are much less costly than the stone, can be handled with greater ease, and require less storage room.

In preparing the stone or metal plates for printing the drawing can be made on them direct. The main objection to this method is that all the drawing must be in the reverse, and this presents many obstacles. The most satisfactory way is by the use of transfer paper. Almost any paper which is coated with a starchy composition will be suitable for transfer printing. The form is made on the paper and is then transferred to the lithographic stone or metal plates. When the tin plate is passing through the press, the ink for the coloring is supplied by rolls. The illustrations and printed matter, which are used for the decoration of tinware, require many different colors. Each time a color is printed the tin must be passed through the press. After the printing of each color, the tins must be taken to ovens where

hot air is kept in circulation to dry the ink. The plates are set up on end and kept separated by little grooves at the top and bottom of the ovens which are adjustable to fit different sized plates. Special care must be taken in this drying process, for if the colors are exposed to excessive heat they will become dull. As many as eight colors are placed on the tin and since each one of these colors must go through a separate drying process, it is only reasonable to expect that the first colors printed on the tin will be affected by the heat. This difficulty has been practically overcome by adding a portion of suitable drier to the ink.

This work requires skilled labor. The factories employ their own artists and these men become expert in their art. They are employed to furnish ideas and to draw pictures and designs which are used for advertising and decorative purposes.

Occasionally the coloring on a plate is marred or a little out of line. This plate is then run through a bath of acids which removes all the inks. It is then ready for reprinting. When the lithographing process is completed, the plate is varnished to brighten up the colors.

After the final drying, the tin plates are transferred to machines where they are cut into different sizes, depending on the ware into which they are to be converted. After this cutting process, the pieces of tin are carried to large machines on conveyors. Each machine has a particular work to perform. They are operated by skilled workmen. Through long practice, their movements have become so swift and mechanical, that they seem to be almost a part of the machine. In a surprisingly short time after the tin leaves the lithographing room, it leaves the last machine, a beautifully decorated tin can, a pail complete with bail and lid, or perhaps a lunch box—a lunch box made of tin, but an almost perfect imitation of leather. Each can and pail is inspected and then packed ready for shipment.

During the last few years the can industry has made remarkable strides. This increase, according to one of our large can manufacturers, is due to two things. The first of these reasons is the advent of the sanitary can. Not so many years ago, upon opening a tin can, we would find a small piece of tin just under the lid. This tin was used to prevent the solder from running into the vegetables or fruit when the cans were sealed. Not infrequently we would find small pieces of solder in the can, which did not tend to increase our admiration for the canned goods. The sanitary can does away entirely with soldering and acids, provides a sure method of preserving the products, and practically eliminates the danger from ptomaine poisoning. Instead of using solder to seal the edges of the tin together, a little rubber or paper gasket is placed between the edges of the tin, and by means of machinery the edges are rolled and pressed together, forming an absolutely air-tight union. Open top cans are closed by a machine known as a double seamer. The edge of the top and the flange on the side are hooked together and turned under with such force that it makes a perfect closure. Since the public found they could

get canned goods with an excellent flavor and sealed in clean sanitary cans, there has been an increasing demand.

Another reason why more canned goods are eaten today than ever before, is the tendency on the part of the housewife to "get it at the grocers." The old-fashioned method of preserving fruits and vegetables in glass jars is passing away. It has always been more or less a bug-bear, and canning time, coming at a rush season of the year, was looked forward to with dread. The busy woman of today has more important things to do than bending over a kettle of steaming fruit and blistering her fingers trying to seal the jars. The automobile enables the rural population to keep in close touch with the stores, and it is only the matter of a few minutes to run into town and get a fresh supply of canned goods. Seasonable fruits and vegetables, which a few years ago could only be obtained during the summer months, are now enjoyed throughout the entire year. Canned goods are in line with the labor-saving devices of today, which make the many duties of the busy housewife less burdensome.

The public has been slow to realize that canned goods are clean and wholesome. Many people are prejudiced against their use and have a mistaken idea that they are dangerous. To overcome this prejudice, the canners throughout the country have joined forces in a national organization for the purpose of educating the public. While the announcement of this movement will not be given to the public until after January 1, yet through special permission from the men who are backing this movement we are permitted to give to our readers this advance information regarding a few of the details. This service is to be based mainly upon the inspection of canned goods at the factory. A national director with headquarters at Washington, D. C., will have general supervision over the service. The country has been divided into 19 districts and a director of inspection will have direct charge of local inspection work in each district. In order to identify canned goods which have passed this inspection, a seal will be placed on the can of food as a guarantee of purity and cleanliness.

Few of us realize what an important center of the canning industry the Fourth Federal Reserve District really is. Within a small radius are canning factories which combined form one of the largest canning organizations in the country. Many of these canneries depend almost entirely on the neighboring farmers for their supply of raw material. The ever-increasing use of the auto truck among the farmers is having a marked effect on the canning industry. Before the auto truck came into general use, the canner was forced to depend on the farmers within a radius of five miles for his fruits and vegetables. The delivery was slow and tiresome, and the goods were oftentimes stale when they reached the factory. The auto has changed all this. Now, the farmers twenty-five miles from the factory make a quick and pleasant trip, and the fruits and vegetables are delivered just as fresh as when they were picked; also,

the canner has a chance to secure a larger variety and better grade of goods.

In the vegetable line, the chief staples are, in order of importance, corn, peas, and tomatoes. Other vegetables which are canned in this District are lima beans, kidney beans, spinach, beets, pumpkins, and succotash, which is a combination of corn and beans, boiled together. In the production of the chief staples for 1920, we find that of corn and peas about normal as compared with 1919. Tomatoes show a marked falling off. Very little fruit is canned in this District.

As in other lines modern machinery has replaced the slow and costly methods of hand labor. When a load of corn is brought to the factories it is automatically dumped and then transferred by means of elevators to a husking machine. After the husks and silk are removed the corn is scraped from the cob and is then thoroughly washed. It is then heated in tanks containing a solution of water, salt and sugar, after which it is ready to be filled into cans. A machine has been invented which automatically expels the air while the can is being sealed. By use of this machine the products can be placed in the cans while cold, thus saving the time and expense of the longer process of heating the cans before they are sealed. When corn and other products are filled into the can while hot, it is unnecessary to exhaust the air. The corn is transferred from the heating vats to a filling machine through chutes and these machines automatically drop a fixed amount of corn and brine into each can as it passes under the filler on a conveyor. The cans are then closed by machines which have such delicate mechanism and are so valuable that manufacturers refuse to sell them, but they are rented for use in the canning factories. The closed cans may be run through a hot bath for inspection for leaks, the presence of a leak being noted by the rise of bubbles. The percentage of leaks is so small that the majority of factories do not resort to this precaution. After the cans are closed they are transferred to the cooking department. There they are placed in iron retorts and cooked by means of steam, which is turned in at the bottom of the retort. Some products require longer time for cooking than others. The control of the time and temperature is so very important that this is no longer entrusted to the memory of the cook. Temperature controllers and timing devices are installed as a part of the equipment in order to guard against mistakes.

From the cooking retorts the cans are taken to cooling vats, where they are passed slowly through cold water until they are sufficiently cold for handling. The cans are then labeled and crated ready for shipment.

Each product must pass through a certain process particularly suited to its requirements before it is ready to be sealed in the cans. The process of grading, through which all the products must pass, is particularly interesting. The foreman looks over the loads of peas, corn, etc., and sends them to be unloaded according to their condition. This grading is continued throughout the factory. Grading for quality must be done by the eye for the most part, and for size by machinery.

It would seem that this grading is almost carried to excess, but the people eat with their eyes, fully as much as with their sense of taste. They demand small peas of uniform size at a higher cost, although the larger peas are more nutritious and economical. The canner must give them what they want. There are, however, three main divisions into which practically all goods can be divided. They are: fancy, choice, and standard. The latter includes the great majority of canned foods.

Up to the present time very little profit is realized from the by-products of the canning industry. The husks from the corn are put into silos and used for winter food. There is a movement on foot among

the owners of large canning factories to prevent this waste.

The decided drop in the price of sugar is affecting the canning industry. The wholesale grocers have been forced to cancel some of their orders for canned goods, giving the small canner in particular a heavy load to carry at this time of the year.

The use of trade acceptances, which is becoming more general as the advantages of the use of this credit instrument are becoming better known, has proven of considerable assistance to the canning trade by placing in its hands a class of credit paper that is highly acceptable to banks, and at the same time eligible for rediscount by members at the Federal Reserve banks.

Department Store Sales

	Cleve.	Cin.	Pgh.	Other Cities	District
Percentage increase of net sales during September, 1920, over net sales during same month last year.....	19.6	28.6	26.7	23.9	24.9
Percentage increase of net sales from July 1, 1920, to September 31, 1920, over net sales during the same period last year.....	25.5	34.2	24.2	21.0	25.2
Percentage increase of stocks at close of September, 1920, over stocks at close of same month last year.....	35.9	55.9	33.3	17.5	34.4
Percentage increase of stocks at close of September, 1920, over stocks at close of August, 1920.....	10.8	8.7	6.4	7.7	7.8
Ratio of average stocks at close of each month this season (commencing with July 1, 1920) to average monthly net sales during the same month.....	519.6	526.6	444.2	426.5	468.5
Percentage of outstanding orders (cost) at close of September, 1920, to total purchases (cost) during the calendar year.....	17.6	18.9	10.5	11.4	12.6

Wholesale Trade

	Increase (or decrease) in Sales during May, 1920, over same month last year.	Increase (or decrease) in Sales during June, 1920, over same month last year.	Increase (or decrease) in Sales during July, 1920, over same month last year.	Increase (or decrease) in Sales during Aug., 1920, over same month last year.	Increase (or decrease) in Sales during Sept., 1920, over same month last year.
	Percent	Percent	Percent	Percent	Percent
Dry Goods.....	—24.0	11.5	16.0	10.0	....
Groceries.....	32.2	47.8	20.6	1.0	23.8
Hardware.....	31.2	37.2	24.7	21.5	12.4
Drugs.....	30.2	53.4	29.6	11.1	31.1

Building Operations for Month of September

	Permits Issued				Valuations				Inc. or Dec. of Total Valuation	Percent of Inc. or Dec
	New Construction 1920	1919	Alterations 1920	1919	New Construction 1920	1919	Alterations 1920	1919		
Akron	221	636	85	96	1,680,581	2,737,825	136,775	235,640	1,156,109	38.8
Cincinnati	215	273	535	424	368,215	614,650	653,050	544,825	138,210	11.9
Cleveland	216	355	909	862	2,873,500	5,569,200	491,475	716,425	2,920,650	46.4
Columbus	148	233	76	99	758,605	461,625	64,755	164,355	197,380	31.5
Dayton	100	147	55	61	388,219	482,161	28,421	29,381	94,902	18.5
Erie	57	98	51	53	117,404	176,480	29,810	592,950	622,216	80.8
Lexington	6	20	53	59	20,700	119,000	9,000	20,165	109,465	78.6
Pittsburgh	242	366	65	65	734,286	1,038,677	129,445	131,314	306,260	26.1
Springfield	19	72	15	23	38,135	191,550	11,180	28,065	170,300	77.5
Toledo	173	219	113	132	619,685	849,110	143,917	137,523	223,031	22.6
Wheeling	30	30	22	23	25,360	113,480	4,985	5,765	88,900	74.5
Youngstown	101	194	21	37	196,900	658,985	29,900	44,245	476,430	67.7
Total	1,528	2,643	2,000	1,934	7,821,590	13,012,743	1,732,713	2,650,653	6,109,093	39.0

Lake Coal

Statement of Bituminous Coal Loaded into Vessels (as dumped by docks). In net tons for the Month of September, 1920, as compared with the same period for the Seasons of 1919-1918.

Ports	Railroads	1920			1919		
		Cargo	Fuel	Total	Cargo	Fuel	Total
Toledo	Hocking Valley	722,410	16,748	739,158	491,968	13,481	505,449
	Toledo & Ohio						
	Central	301,048	8,784	309,832	145,519	4,826	150,345
	Baltimore & Ohio	288,450	7,916	296,366	263,608	7,027	270,635
Sandusky	Pennsylvania	342,338	5,703	348,041	166,448	3,680	170,128
Huron	Wheeling & Lake						
	Erie	252,658	11,490	264,148	119,867	6,739	126,606
Lorain	Baltimore & Ohio	439,703	20,869	460,572	278,227	18,011	296,238
Cleveland	Pennsylvania	306,990	34,876	341,866	174,805	34,340	209,145
	Erie	103,388	3,499	106,887	54,065	1,309	55,374
Fairport	Baltimore & Ohio						
Ashtabula	New York Central	289,553	48,061	337,614	138,728	25,075	163,803
	Pennsylvania	389,708	15,223	404,931	264,288	19,943	284,231
Conneaut	Bessemer & Lake						
	Erie	319,385	6,373	325,758	169,748	1,369	171,117
Erie	Pennsylvania—W	39,021	4,918	43,939	86,190	6,917	93,107
	Pennsylvania—E	147,215	12,206	159,421	7,206	2,443	9,649
Total		3,941,867	196,666	4,138,533	2,360,667	145,160	2,505,827
For Season to end of September							
Toledo	Hocking Valley	2,533,666	51,508	2,585,174	3,476,476	97,686	3,574,162
	Toledo & Ohio						
	Central	1,155,803	44,646	1,200,449	1,030,810	31,539	1,062,349
	Baltimore & Ohio	933,093	28,423	961,516	1,886,659	44,918	1,931,577
Sandusky	Pennsylvania	1,066,276	15,015	1,081,291	1,102,597	30,193	1,132,790
Huron	Wheeling & Lake						
	Erie	1,376,311	73,418	1,449,729	1,183,769	41,148	1,224,917
Lorain	Baltimore & Ohio	2,163,365	152,418	2,315,783	2,240,013	121,721	2,361,734
Cleveland	Pennsylvania	752,653	115,458	868,111	1,773,256	198,259	1,971,515
	Erie	243,997	14,116	258,113	189,235	5,598	194,833
Fairport	Baltimore & Ohio				16,692	12,954	29,646
Ashtabula	New York Central	988,367	196,637	1,185,004	1,384,993	118,556	1,503,549
	Pennsylvania	1,210,112	70,349	1,280,461	1,525,198	77,201	1,602,399
Conneaut	Bessemer & Lake						
	Erie	1,797,497	30,624	1,828,121	1,105,605	7,108	1,112,713
Erie	Pennsylvania—W	149,137	12,926	162,063	613,242	34,255	647,497
	Pennsylvania—E	234,116	59,245	293,361	152,678	11,771	164,449
Total		14,604,393	864,783	15,469,176	17,681,223	832,907	18,514,130

Clearings

	September 16 to October 15		Increase or Decrease	Percent of Inc. or Dec.
	1920	1919		
Akron	43,779,000	48,426,000	4,647,000—	9.6—
Cincinnati	307,473,466	275,565,908	31,907,558	11.6
Cleveland	617,522,483	539,531,160	77,991,323	14.4
Columbus	64,896,800	62,508,600	2,388,200	3.8
Dayton	19,217,748	18,891,230	326,518	1.7
Erie	12,751,377	10,360,710	2,390,667	23.1
Greensburg	7,582,686	5,380,738	2,201,948	41.7
Lexington	6,322,341	2,544,413	3,777,928	148.6
Pittsburgh	788,672,454	651,868,117	136,804,337	21.0
Springfield	7,118,579	6,609,129	509,450	7.7
Toledo	65,757,348	61,375,000	4,382,348	7.1
Wheeling	24,641,952	24,842,674	200,722—	0.8—
Youngstown	21,270,897	22,571,112	1,300,215—	5.8—
Total	1,987,007,131	1,730,474,791	256,532,340	14.8

Total Debits by Banks to Individual Accounts

	Week Ending Oct. 13, 1920	Week Ending Oct. 15, 1919	Increase or Decrease	Percent of Inc. or Dec.
Akron.....	19,008,000	18,639,000	369,000	1.9
Cincinnati.....	59,136,000	57,562,000	1,574,000	2.7
Cleveland.....	167,912,000	167,589,000	323,000	.1
Columbus.....	27,309,000	30,184,000	2,875,000—	9.5—
Dayton.....	11,743,000	11,874,000	131,000—	1.1—
Erie.....	7,612,000	6,320,000	1,292,000	20.4
Greensburg.....	6,400,000	6,664,000	264,000—	3.9—
Lexington.....	4,448,000	3,865,000	583,000	15.
Oil City.....	2,534,000	2,610,000	76,000—	2.9—
Pittsburgh.....	179,874,000	171,756,000	8,118,000	4.7
Springfield.....	3,668,000	3,593,000	75,000	2.
Toledo.....	26,661,000	31,365,000	4,704,000—	11.9—
Wheeling.....	8,524,000	9,213,000	689,000—	7.4—
Youngstown.....	17,436,000	14,812,000	2,624,000	17.7
Total.....	542,265,000	536,046,000	6,219,000	1.1

Comparative Statement of 92 Selected Member Banks in Fourth District

In Thousands of Dollars

	Oct. 15, 1920	Sept. 17, 1920	Inc.	Dec.
U. S. Bonds to secure circulation.....	42,273	42,235	38	.....
Other U. S. Bonds including Liberty Bonds.....	60,682	61,002	.....	320
U. S. Victory Notes.....	18,548	19,501	.....	953
U. S. Certificates of Indebtedness.....	25,552	20,686	4,866	.....
Total U. S. securities owned.....	147,055	143,424	3,631	.....
Loans secured by U. S. Government war obligations.....	59,577	63,949	.....	4,372
Loans secured by stocks and bonds, other than U. S. securities.....	328,219	323,471	4,748	.....
All other loans and investments.....	941,388	928,998	12,390	.....
Reserve balance with Federal Reserve bank.....	101,177	103,265	.....	2,088
Cash in vault.....	37,218	34,529	2,689	.....
Net demand deposits on which reserve is computed.....	955,757	934,687	21,070	.....
Time deposits on which reserve is computed.....	378,786	377,450	1,336	.....
Government deposits.....	19,035	25,553	.....	6,518
Member banks collateral notes secured by U. S. war obligations.....	23,410	18,795	4,615	.....
All other.....	36	36	.....	.....
Bills discounted for member banks secured by				
U. S. war obligations.....	11,878	14,080	.....	2,202
All other.....	39,032	37,937	1,095	.....
Total resources at date of this report.....	1,991,981	1,949,709	42,272	.....

**Movement of Livestock at Principal Centers in Fourth District
For Month of September, 1920**

	Cattle		Hogs		Sheep		Calves		Cars Unloaded	
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
Cincinnati.....	31,021	36,201	80,523	106,208	36,088	36,000	12,735	11,247	2,067	2,389
Pittsburgh.....	48,515	49,224	177,479	129,098	89,059	89,439	32,747	23,991	4,435	3,843
Cleveland.....	11,188	13,367	64,757	52,609	16,447	27,721	9,868	9,285	1,430	1,382
Toledo.....	1,432	1,172	9,188	9,215	4,418	2,054	822	522	166	140
Fostoria.....	803	1,152	6,492	4,747	2,108	1,875	398	320	40	27
Dayton.....	1,662	1,843	4,109	3,593	839	372	674	578	.....	.....
Wheeling.....	968	828	1,463	1,102	1,054	936	1,411	11,327	7	10
Springfield.....	300	.....	4,000	.....	600	.....	200	.....	12	.....
	Purchases for Local Slaughter									
Cincinnati.....	20,854	19,893	43,380	50,039	10,590	12,571	7,184	6,343		
Pittsburgh.....	9,629	12,636	61,919	53,970	33,706	31,930	5,782	6,611		
Cleveland.....	9,579	11,529	45,926	40,121	7,280	18,968	9,089	9,149		
Toledo.....	497	.....	712	.....	4,188	.....	372	.....	
Fostoria.....	10	66	350	1,375	10	5	202	150		
Dayton.....	.....	.....	.....	.....	.....	.....	.....	.....
Wheeling.....	.....	.....	.....	.....	.....	.....	.....	.....
Springfield.....	.....	.....	.....	.....	.....	.....	.....	.....

PICKUPS ON BUSINESS TOPICS

THE developed water-power of the United States amounts to 9,823,540 horsepower and the undeveloped to 49,536,460 horsepower. New York leads with 981,520 developed horsepower, California being second with 942,000 horsepower. It is estimated the use of the entire water resources of the country would save 275,000,000 tons of fuel and avoid movement of 7,000,000 freight cars.

Letters and circulars carrying one cent postage will be returned to the sender hereafter if the printed line, "Return Postage Guaranteed," is on the circular, according to a new Postoffice ruling.

Business houses by carrying this line can keep their mailing lists up to date; otherwise the piece of mail would be thrown away.

The success of the Food Draft plan for the relief of destitute Europe may be judged by the fact that in the first six months of its operation 160,000 of the drafts were sold, aggregating \$4,500,000. This plan will be continued through the Winter and Spring.

Sites for the erection of oil tanks at Melbourne, Sydney and Fremantle, have been purchased, and as soon as the work is completed, the principal steamship lines trading with Australia will use oil fuel instead of coal.

A recent postal ruling makes it possible to ship packages sealed, by parcel post, prepaid at the fourth-class rate. This is a great advantage in the present uncertain condition of freight and express shipments.

Articles of incorporation for a new Chinese banking institution, conducting general banking business on strictly American methods, have been filed in Manila.

Consul General R. P. Skinner, at London, cabled the Department of Commerce that the British embargo on the exportation of tea has been removed.

The drop in the price of sugar has caused a shrinkage of \$250,000,000 in sugar values, according to Edward F. Atwood, head of a Boston sugar firm.

The farmers of Saskatchewan, Canada, are said to have invested about \$6,000,000 in new tractors during the current year.

THE railroads of the world, says the National City Bank of New York, are now turning to the United States for material with which to renew and enlarge their working plants. Our exports of railway material in the fiscal year 1920 aggregated over \$150,000,000, against \$80,000,000 in 1918 and \$25,000,000 in 1917.

American exporters must not forget that, by the Merchandise Marks Act of 1887, all trade-marked goods imported into Great Britain must bear the words "Made in U. S. A." or equivalent indication of the country of origin.

"A Canadian Plant—Why?—is the title of a booklet just issued by the New York Agency of the Union Bank of Canada. The booklet is a concise survey of the opportunities Canada offers the American manufacturer.

American firms in China have practically no legal redress against fraudulent imitations by Japanese manufacturers. The only remedy is liberal advertising of genuine American "chops" or trade-marks.

Imports of cattle hides showed a heavy decline during August, aggregating 3,537,292 pounds, compared with 9,358,839 pounds in the corresponding month of 1919.

Articles of incorporation for a new Chinese banking institution, conducting general banking business on strictly American methods, have been filed in Manila.

The third meeting of the general conference of the International Labor Organization of the League of Nations will convene at Geneva on April 4, 1921.

The total number of telephones in all South and Central America is about 325,000. The United States uses 12,000,000 individual telephones.

Capital from the United States is being invested in Canada at the rate of \$200,000,000 annually, according to government officials.

The output of silver in the United States during 1919 was reported by the Government as 56,682,445 ounces, valued at \$65,533,652.

Prices of certain French automobiles have been reduced 25 per cent to compete with American cars and prices.