

# COMMERCIAL WEST

A NORTHWESTERN JOURNAL REPRESENTING

INVESTMENT SECURITIES

BANKING

GRAIN AND MILLING

VOL. XXXI—No. 7

MINNEAPOLIS, SATURDAY, FEBRUARY 17, 1917

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# WESTERN MUNICIPAL BONDS

## FUTURE BOND ELECTIONS

**February 17.**—Hillsboro, Ore., \$14,000 high school building bonds.

**February 19.**—Emmett, Idaho, \$17,000 sewer system bonds.

**February 19.**—Shell Rock, Iowa, \$10,000 school bonds.

**February 20.**—Bemidji, Minn., \$8,000 armory building bonds.

**February 24.**—Seneca Township, Iowa (R. F. D. from Fenton), Independent School District, \$30,000 school building bonds.

**February 26.**—Ruthven, Iowa, \$8,000 school bonds.

**February 27.**—Junction City, Ore., \$17,500 funding bonds.

**February 28.**—Montezuma, Iowa, \$5,000 waterworks improvement bonds.

**March 6.**—Beatrice, Neb., \$40,000 paving bonds.

**March 6.**—Dunlap, Iowa, \$45,000 school building bonds.

**March 6.**—Seattle, Wash., \$100,000 thoroughfare improvement bonds.

**March 6.**—Seattle, Wash., \$600,000 municipal market and cold storage plant bonds.

**March 10.**—Norfolk, Neb., \$30,000 paving bonds.

**March 12.**—Fort Madison, Iowa, \$50,000 school bonds.

**March 12.**—Webster City, Iowa, Independent School District, \$150,000 building bonds.

**March 12.**—Dow City, Iowa, Consolidated Independent School District, \$20,000 bonds.

**March 15.**—Bellingham, Wash., \$65,000 bonds for the construction of a municipal dock.

**March 20.**—McMinnville, Ore., \$90,000 water bonds.

**April 3.**—Buffalo County, Wis. (P. O. Alma), \$200,000 road bonds.

**April 3.**—Washington County, Wis. (P. O. West Bend), \$500,000 road improvement bonds.

**April 3.**—Eau Claire County, Wis. (P. O. Eau Claire), \$750,000 road bonds.

**April 4.**—Polk County, Wis. (P. O. Balsam Lake), \$400,000 road improvement bonds.

## FUTURE BOND SALES

**February 19.**—Pine County, Minn. (P. O. Pine City), \$30,000 ditch bonds; 10-15 years. W. H. Hamlin, County Auditor.

**February 19.**—Sheridan, Wyo., \$38,000 sewer bonds and \$20,000 water bonds; 10-30 years; 5 per cent. T. A. Morris, City Clerk.

**February 19.**—Los Angeles, Cal., \$114,000 high school bonds; denominations \$1,000; 4½ per cent.; certified check 3 per cent. H. J. Lelande, Clerk Board of Education.

**February 19.**—Wheeler County, Ore. (P. O. Fossil), \$80,000 road bonds; denominations \$500 to \$1,000; 30 years; 5 per cent.; certified check 5 per cent. Scott Sasser, County Clerk.

**February 19.**—Mineral County, Mont. (P. O. Superior), \$21,000 natural pier bridge bonds; denominations \$1,000; 10-20 years; 5½ per cent.; certified check 2 per cent. J. D. Dwyer, County Clerk.

**February 19.**—Mineral County, Mont. (P. O. Superior), \$35,000 St. Regis bridge bonds; denominations \$1,000; 10-20 years; 5½ per cent.; certified check 2 per cent. J. D. Dwyer, County Clerk.

**February 19.**—Mineral County, Mont. (P. O. Superior), \$23,000 Alberton highway bonds; denominations \$1,000; 10-20 years; 5½ per cent.; certified check 2 per cent. J. D. Dwyer, County Clerk.

**February 20.**—Charles Mix County, S. D. (P. O. Lake Andes), \$150,000 court house bonds; 10-20 years; 4½ per cent. Frank Masur, County Auditor.

**February 20.**—McMinnville, Ore., \$24,000 improvement bonds; denominations \$500; 1-10 years optional; 6 per cent.; certified check \$7,000. A. C. Chandler, City Recorder.

**February 24.**—Caldwell, Idaho, Pioneer Irrigation District, \$21,400 bonds; 8-19 years; 6 per cent. F. L. Evans, Secretary.

**February 26.**—Phillips County, Mont., School District No. 18 (P. O. Malta), \$450 bonds; denominations \$50. Ever A. Rood, Clerk.

**February 27.**—Dawson County, Mont., School District No. 61 (P. O. Glendive), \$3,000 bonds; 10-20 years optional; not exceeding 6 per cent. A. J. King, Clerk.

**February 27.**—Holding, Minn., \$10,000 bonds; denominations \$1,000; 16 years; not exceeding 5 per cent.; certified check \$250. P. J. Welz, Village Recorder.

**March 1.**—Clarks, Neb., School District No. 11, \$34,000 bonds; 5 per cent. W. J. Fosburg, Secretary Board of Education.

**March 1.**—Oskaloosa, Iowa, \$120,000 high school building bonds; 10 years; interest bid. L. T. Shangle, Secretary Board of Education.

**March 1.**—Big Sandy, Mont., \$16,800 waterworks bonds and \$12,500 sewer bonds; denominations \$1,000; 6 per cent.; certified check \$4,000. Hans H. Dehgeldt, Town Clerk.

**March 5.**—Pliny, Minn. (P. O. McGrath), \$750 bonds; 5-8 years. R. J. Taylor, Town Clerk.

**March 6.**—Townsend, Mont., \$40,000 school bonds and \$30,000 road bonds; 10-20 years optional; not exceeding 6 per cent. W. G. Rogen, County Clerk.

**March 7.**—Carbon County, Mont. (P. O. Red Lodge), \$56,000 refunding bonds; denominations \$1,000; 10-20 years; 4½ per cent.; certified check 5 per cent. H. P. Sandels, County Clerk.

**March 12.**—Parma, Idaho, Independent School District No. 8, \$25,000 bonds; 5 per cent.; certified check \$2,500. J. E. Kerrick, Clerk.

**March 19.**—Brawley, Cal., \$17,000 water improvement bonds; 3 years; 6 per cent. J. A. Harris, City Clerk.

**April 1.**—Merrick County, Neb., School District No. 11 (P. O. Central City), \$34,000 bonds; denominations \$1,000; 5 per cent. W. J. Fosbury, Secretary.

**April 7.**—Kenmore, Idaho, \$40,000 town hall bonds; 4½ or 5 per cent. W. W. Shank, Village Clerk.

## At Once

Frederick, S. D.—\$13,500 refunding bonds; 20 years; 5 per cent. Address City Clerk.

## BOND NOTES

Frederick, S. D.—An issue of \$13,500 refunding bonds is being offered for sale.

Beech, Iowa.—An election authorized an issue of \$25,000 school building bonds.

River Falls, Wis.—The city council has authorized the issuing of \$45,000 bonds.

San Diego, Cal.—An election defeated the proposition to issue \$150,000 school bonds.

Mayfield, Cal.—All bids for the purchase of \$16,204 street improvement bonds were rejected.

Hanford, Cal.—A vote of 337 to 131 carried the proposition to issue \$44,000 fire main bonds.

Waverly, Iowa.—The proposition to issue \$135,000 school bonds was defeated at an election.

College View, Neb.—An election defeated the proposition to issue \$40,000 bonds for school purposes.

Oswego, Mont.—Bonds will be issued for the purpose of building an electric light and power plant.

Gooding, Idaho.—An issue of \$50,000 highway bonds has been sold to John E. Price & Co. of Seattle.

Rupert, Idaho.—Sewer bonds to the amount of \$11,500 have been sold to Keeler Brothers of Denver at par.

Marin County, Cal., Largunitas School District.—An election resulted in favor of issuing \$10,000 bonds.

Morrison County, Minn. (P. O. Little Falls).—An issue of \$70,000 funding bonds was offered for sale February 15.

Clay County, Iowa (P. O. Spencer).—An issue of \$73,000 road and bridge bonds has been sold at a premium of \$675.

Ida Grove, Iowa.—The Minnesota Loan & Trust Company of Minneapolis were the successful bidders for \$34,000 bonds.

Santa Clara County, Cal., Palo Alto Union High School District.—An issue of \$200,000 bonds was voted at an election.

Wayne County, Iowa (P. O. Corydon).—The county commissioners have authorized the issuing of \$40,000 refunding bonds.

Winnebago City, Minn.—An election resulted in a defeat of the proposition to issue \$15,000 bonds for school improvements.

Limon, Colo.—An issue of \$15,000 waterworks extension bonds has been sold to the Bankers Securities Company of Denver.

## COUNTY—CITY—SCHOOL BONDS

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Capital and Surplus, Five Million Dollars

Cloverdale, Cal.—An election resulted in a vote of 294 to 121 in favor of issuing \$29,000 bonds for school building purposes.

Walden, Colo.—The Bankers Securities Company of Denver has been awarded an issue of \$6,000 waterworks extension bonds.

Sargent County, N. D. (P. O. Forman).—The question of issuing \$113,000 drainage bonds is being considered by the drainage board.

Sheridan County, Mont., School District No. 50.—The state land commissioners were the successful bidders for an issue of \$1,000 bonds at par.

Piedmont, Cal.—Cyrus Pierce & Co. of San Francisco were the successful bidders for an issue of \$25,000 fire system improvement bonds.

Albany, Cal.—F. M. Brown & Co. of San Francisco were the successful bidders for \$20,000 street improvement bonds at 106.705, a basis of 4.16 per cent.

Mitchellville, Iowa.—There were not enough votes cast at the recent election on the proposed \$5,000 water bonds to make it valid. Another election will be held.

Merced County, Cal., Los Banos School District.—F. M. Brown & Co. of San Francisco have been awarded an issue

of \$63,000 bonds at a premium of \$5,063.50-108.30, a basis of 4.23 per cent.

Appanoose County, Iowa (P. O. Centerville).—An issue of \$31,000 funding bonds has been awarded to George M. Bechtel & Co. of Davenport at a premium of \$540.

Minneapolis, Minn.—The county delegation in the state house of representatives have recommended the issuing of \$1,100,000 for paving and other improvements.

Portland, Ore.—The Security Savings Bank & Trust Company of Toledo has been awarded an issue of \$115,343.81 local improvement bonds at 110.05, a basis of 4.72 per cent.

Dallas County, Iowa (P. O. Adel).—An issue of \$80,000 funding bridge bonds has been sold to George M. Bechtel & Co. of Davenport at a premium of \$675-101.02, a basis of 4.12 per cent.

Douglas County, Wis. (P. O. Superior).—An election is expected to be held to vote on the question of issuing \$500,000 road improvement bonds and \$350,000 court house building bonds.

Jerauld County, S. D. (P. O. Wessington Springs).—An election will be held about the first of May to vote on the proposition of issuing \$100,000 bonds for the purpose of building a new court house.

### TRUMBULL SAYS REGULATION INVOLVES WAGE QUESTION

Washington—Speaking before the Economic Club here, Frank Trumbull, chairman of the Railroad Executives Advisory Committee, said in part:

“Thirty years have passed since the passage of the interstate commerce act to regulate transportation in the United States. The feeling that the time has come to take ‘a fresh assessment of circumstance’ in connection with this problem of railway regulation is shared by most of those who have given thought on this subject, and was voiced by President Wilson in his address to Congress, December, 1915, in which he recommended that a joint committee be selected to make inquiry into the subject.

“For the information of this committee, the railroads were asked to crystallize their own ideas, and under the direction of the Railway Executive Advisory Committee, of which I am chairman, about 90 per cent. of the important lines of the country have agreed upon a program which they are suggesting for the committee’s consideration. Briefly, it provides for:

“First: Federal supervision of railroad securities.

“Second: Federal incorporation of interstate carriers.

“Third: Federal regulation of rates.

“Fourth: A regional and functional division of the work of the Interstate Commerce Commission.

“Fifth: Restriction of rate suspensions to not more than sixty days.

“Sixth: Giving the Interstate Commerce Commission power to prescribe minimum as well as maximum rates.

“The railroad malady has many symptoms, but it is our belief that the fundamental difficulty underlying all

is over regulation - - - . We face many problems today, all of which, under analysis, hinge, in great or less degree, upon this one fundamental question. For instance, the labor question. The railroads of this country want to pay fair wages, and would like to meet the wishes of their employes in such matters, not merely part, but all of them. It is not unnatural for the railway employes to make such demands, particularly in view of the increasing cost of living and rising wages all around them. But here the heavy hand of regulation has been laid upon the railroads, and the utter lack of elasticity in rates makes it impossible for them to do as other business institutions do.

“For example the largest steel company raised within 10 months the wages of its employes 33 per cent. But that company can immediately pass on to the consumer this increased cost of production. The public has placed a check on any possible increase in railroad rates, which in turn puts a like check upon increased wages. So if the public feels that it is their interest to limit railway rates, the public is also responsible for the situation in which railway employes now find themselves.

“Even in the most prosperous year in their industry—1916—the net return from railroad earnings was less than six per cent. on the property devoted to the public service, and this rate is certain to be lowered in the current year. How relatively small this return to capital from railroad investment is readily seen in comparing it with the earnings in other lines of business during the past 12 month; or by noting the prices quoted for railway stocks as the measure of the public estimate of their relative value; or of their value now as compared with 1915.”

### GOVERNMENT BOND QUOTATIONS

Furnished by Stevens-Chapman Company for the week ended February 14, 1917:

	Wednesday.	Thursday.	Friday.	Saturday.	Monday.	Tuesday.
2s of 1930, reg. . . . .	99 3/4 @ 100	99 @ 100	99 @ 100	99 @ 100	Holiday.	99 @ 100
2s of 1930, coupon . . . . .	99 @ . . . .	99 @ . . . .	99 @ . . . .	99 @ . . . .	Holiday.	99 @ . . . .
3s of 1908, reg. . . . .	100 @ 101 1/2	100 @ 101 1/2	100 @ . . . .	100 @ . . . .	Holiday.	100 @ . . . .
3s of 1908, coupon . . . . .	100 @ . . . .	100 @ . . . .	100 @ . . . .	100 @ . . . .	Holiday.	100 @ . . . .
4s of 1925, reg. . . . .	109 1/2 @ 110 1/4	109 1/2 @ 110 1/4	108 1/2 @ . . . .	108 1/2 @ 110	Holiday.	108 1/2 @ 110
4s of 1925, coupon . . . . .	109 1/2 @ 111	109 1/2 @ 111	109 @ . . . .	109 @ . . . .	Holiday.	109 @ . . . .
Panama 2s . . . . .	99 @ . . . .	98 3/4 @ . . . .	98 3/4 @ . . . .	98 3/4 @ . . . .	Holiday.	98 3/4 @ . . . .

## City Bank Resources Decrease; Country Institutions Gain

Washington—The condition of the national banks of the country December 27 last, the date of the last bank call, shows decreases of \$186,000,000 in resources, \$5,000,000 in loans and discounts, and \$223,227,000 in deposits from November 17, the date of the previous call.

A statement by Comptroller Williams says the decrease in securities was confined wholly to national banks in large cities, country banks having increased their resources \$759,000,000, or 12 per cent., since May 1.

"These figures," the statement adds, "indicate that the tendency noted for some time past toward a wider diffusion of the banking resources of the country continue."

New York city banks reduced their resources \$200,000,000; in Chicago the reduction was \$15,000,000; in Philadelphia, \$22,000,000; in Boston, \$15,000,000; in San Francisco, \$7,000,000, and in St. Louis, \$5,000,000. Louisville banks show a \$5,000,000 increase and in Des Moines and Salt Lake City, next on the list, the increase was about \$4,000,000 each. Numerous cities and towns show lesser increases.

"Among the country banks," reads the statement, "Pennsylvania led with an increase of \$20,000,000, followed by Iowa with \$12,000,000 and Illinois with \$10,000,000. Country banks in Ohio and New Jersey increased about \$8,000,000 each; Kansas, \$7,000,000; Connecticut, West Virginia and Florida, about \$5,000,000; Virginia, Kentucky and California, about \$4,000,000 and Louisiana, Indiana and Wisconsin, \$3,000,000 each.

States in which the banks showed a decline between the last two calls—November 17 and December 17—included New York, \$10,000,000; Texas, \$8,000,000; Georgia, \$7,000,000, and Oklahoma and North Dakota, about \$3,000,000 each. Decentralization of financial strength and its diffusion throughout the entire country are indicated, the comptroller asserts.

"Since May 1, 1916," says the statement, "country banks have increased their resources \$759,000,000 or 12 per cent. In the same period resources of national banks in the central reserve cities declined \$77,000,000 or two per cent., and resources of national banks in other reserve cities increased \$455,000,000 or 11 per cent.

"These figures indicate the tendency toward a wider diffusion of the banking resources of the country continues. Total resources of national banks December 27 last were \$15,333,000,000, an increase since January 13, 1914, of \$4,037,000,000, and an increase of \$1,865,000,000 since December 31, 1915."

Deposits decreased sharply during the 40 days between the last two bank calls, in large measure, it is believed because of Christmas trade demands. The decrease totaled \$223,227,000, but the amount on deposit December 27, \$12,264,662,000, was \$1,884,971,000 more than on December 31, 1915. Other totals, as compared with the call of November 17, were as follows:

Cash on hand and due from Federal reserve banks, \$1,493,443,000, an increase of \$55,928,000; loans and discounts, \$8,340,000,000, a decrease of \$5,000,000; surplus and profits, \$1,106,000,000, an increase of \$16,000,000; acceptances based on imports and exports, \$100,000,000, an increase of \$2,000,000.

Resources of country banks amounted approximately to \$7,000,000,000.

### FEDERAL FARM BANK SUBSCRIPTIONS

Washington—Subscription books for stock in the rural credit banks in various bank centers throughout the United States were closed February 9. Reports received by the Federal Farm Loan Board indicate that returns will show that the stock has not been a very attractive investment to the individual.

Officials of the board, however, are not in the least discouraged, as it was the main desire of the commissioners to have the government subscribe to most of the stock as is provided under the law.

So far the Farm Loan Board has not authorized a bond issue.

The Federal farm loan act provides that a bank shall be

established in each of the 12 land bank districts, each to have a capitalization of \$750,000, and the stock a par value of \$5. All stock remaining unsubscribed 30 days after the subscription books were opened must be subscribed by the United States Government, and thereafter only the government and borrowers may acquire shares of stock. The government will not participate in dividends; all other stockholders will share dividends equally. The original capital stock will be gradually retired after the stock held by farm loan associations amounts to \$750,000.

### WE MUST WORK! WORK! WORK!

There is a habit that is not so prevalent as formerly—the habit of work. Those who made the American nation what it is today worked long and hard. The spirit of hard work now seems to be lacking and we hear constantly that eight hours or less work a day is all that a strong, healthy man should do. Where would the United States now be if our forefathers had been content with eight hours' work a day? Where will the United States be in the race for future commercial supremacy among the nations if this spirit continues? We have ships to build, railroads to develop, an army and navy to be manned, and countless tasks to perform. Every patriotic man should give the best that is in him, not the least, if we are to avoid serious difficulties at home and abroad.—Howard Elliott.

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A WEEKLY JOURNAL

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Published by the Commercial West Co., Minneapolis, Minn.

EDWIN MEAD, Editor and Manager  
EVERETT HAMILTON, Managing Editor

MINNEAPOLIS, MINN.

Publication Office, Suite 409 Globe Building  
TELEPHONE MAIN 307

Chicago Office:

456 The Rookery, Telephone Wabash 2264  
C. B. MacDowell, Advertising Representative

SUBSCRIPTION PRICE:

One Year, \$5.00 in U. S. and Mexico. \$6.00 in Canada  
\$7.00 in Europe  
TEN CENTS A COPY

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Entered as Second-Class Mail Matter at the Post Office,  
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SATURDAY, FEBRUARY 17, 1917

## American Spirit Misjudged

The overtures for the discussion of how to maintain peaceful relations with this country made by Germany, while she wages her murderous submarine warfare, find some response among loyal Americans. But such suggestions are as insulting as her offer to permit one American passenger boat a week to pass through the war zone.

No nation can fence off a part of the high seas in violation of international law, destroy American ships and murder American citizens without provoking war with this country. America is not seeking to avoid war by yielding any unquestioned rights. If Germany thinks so, she is mistaken.

Germany misjudges the American temper and spirit if she imagines we will bargain with her on the basis of escaping war by recognizing the validity of the German death zone. Peace by the surrender of our independence has not entered the heart or mind of any true, liberty loving American. The truckling, groveling Bryan, who should be interned as suggested by a citizen of Duluth, does not represent the spirit of America. Neither does the unpatriotic vote of such senators as La Follette, Works or Gronna. If there is one idea that stands supreme in American history, it is that of human liberty.

Shall we now, in the days of our great prosperity, so belittle the noble past by taking orders from any foreign nation as to when or how we shall navigate the high seas? An American government that would try to purchase peace by agreeing to the exclusion of American shipping from the ocean or the regulation of American shipping by any foreign power would be swept from office by an outraged people.

American terms are known to all the world. They are not state secrets. They are full recognition and respect for American rights or war.

Germany must take her choice. If war comes, it will be of her making.

## Vital Importance of Railroads in War

With the United States facing war, the Interstate Commerce Commission and the Administration should take immediate cognizance of the vital importance of railroad transportation. Every citizen thinks of the army and the navy but a great question and the one not generally appreciated, is "Would America's railroads break down when called upon to aid in defense?"

Assuming that railroad systems like the Pennsylvania, New York Central and the Harriman lines are in splendid shape for peace or war, can the same be said for the majority of mileage in the United States? Those familiar with railroad conditions assert that transportation is very far from a state of highest efficiency. Extensions are needed, new equipment in vast quantities must be obtained and terminal facilities must be greatly enlarged.

The present railroad congestion is ample proof of the statement that railroads are unfit to meet the traffic demands which would be called into being by a state of war. In another column will be found an explanation of railroad congestion by A. H. Smith, president of the New York Central Lines. It deserves careful study and analysis.

Under the present circumstances it is high time for the Administration and Congress to give full and immediate consideration to these propositions: Federal supervision of railroad securities; Federal incorporation of interstate carriers; Federal regulation of all railroad rates; regional and functional division of the work of the Interstate Commerce Commission; restriction of rate suspensions to not more than 60 days; and power to the Interstate Commerce Commission to prescribe minimum as well as maximum rates.

Only in these ways can there come a change in the Federal and state policies that have retarded the growth of railroads. These matters from an economic and business point of view should be carried out as speedily as possible in time of peace. They are vital to the welfare of America in a state of war.

With a small area to cover and short mileage, experts assert that Germany's railroad transportation system broke down just before the battle of the Marne, making possible that Allied victory and saving Paris. Think what inefficient transportation would mean here in America with its comparatively great distances between important points. Let us heed the warnings of railroad managers regarding railroad unpreparedness. Let us see to it that railroads be enabled to obtain financial resources, which would become so vitally important in case of war.

## Barbarous Warfare

Every well informed person knows that there is a world wide shortage of food products. The 1916 wheat crop of the world was about three quarters of a billion bushels less than normal. Other crops were scant and the high cost of living

is a pressing problem, not only in war torn Europe but in prosperous America. Meat prices, even here, have approached prohibitive levels for many Americans and European countries are hard pressed to keep in a fair supply of fats.

In the face of such a condition, is it not a spectacle to make the angels weep, a sight for men and gods, to see a great nation deliberately destroying food products by wholesale, while millions of its own people are on short rations and many actually facing starvation?

If German war boats were capturing vessels laden with grain and other food products and bringing them safely into Germany to feed her famished people, such daring and capable seamanship would challenge the admiration of us all. But to send thousands of tons of food to the bottom of the sea daily, thus intensifying the world scarcity of food is an exhibition of madness never before equalled since the dawn of civilization. Not even the relief boats carrying food to the starving Belgians are allowed to escape from this insane frenzy of destruction.

Like a crazed maniac Germany now strikes at friend and foe and is doing her utmost to starve not only England, but the whole world including the German people. At this point language fails to furnish adequate expression for the utter barbarity of such a warfare. To what awful depths can a nation sink in following unbridled war and a nation that but yesterday stood for the highest in science, art, music, and peaceful industry.

### State Banks Should Join Reserve System Now

An official of a state bank, which is a member of the Federal Reserve Bank of Minneapolis, says: "I was awaked the other night and found myself in a cold sweat from worry over possibilities from the break with Germany. Then I thought of the fact that my bank is a member of the Federal reserve system, that I have never used its facilities and that I have lots of cattle paper eligible for rediscount. I promptly fell asleep and my worry is ended. The thought of the protection of the system was worth many times the interest on money invested in Federal reserve stock."

He might have added that the reserve system is now showing earning power, having earned in 1916 an aggregate of nearly five per cent. on an estimated yearly average paid in capital of \$55,178,000. These earnings were shown at a time when money rates were easy and when full use of the system's facilities was not made by member banks. It is apparent that the system is destined to secure higher earnings.

While state banks are more likely to enter the system when assured of dividends on the capital stock of the reserve bank taken by them, there are many reasons why they should enter the system right now.

One argument is patriotic. Entrance into the Federal reserve system by all eligible state banks would enlarge its power and usefulness, to say nothing of enabling more economical operation. It is the patriotic duty therefore of state banks to cooperate by becoming members.

Another reason for joining the system is based on self interest. Conditions may arise to force members of the Federal reserve system to limit to themselves the benefits and advantages of the system. If the time ever comes, when there is an insufficiency of credit by reason of depression, stringency or panic, the Federal reserve system naturally will afford full and adequate protection to the member banks and nonmember institutions will come second.

State banks, who feel that they can await the arrival of trouble, should realize that there might be considerable delay before they could gain admittance. Financial trouble always comes suddenly and in unexpected fashion, while the application of 50 state banks in any one district would certainly cause a delay of three months and perhaps several months more before all could be admitted.

The necessary formalities incident to admission take considerable time and these would not be waived in the face of alarming conditions. In fact examinations might be made more stringent.

Panics or business depressions are certain to come in the future as they have in the past. Member banks will certainly be aided greatly at such times through the power of the reserve system. The state bank within the system will have a comfortable shelter. In fact it is conceivable that the shelter might be a necessary one.

The time to join the system is now. Sooner or later, the customers are going to ask "Are you able now to share in the power and protection of the Federal reserve system?" If you are a member bank, your answer will inspire your customers with confidence and will enable greater growth than you may otherwise attain.

### The Investigation Mania

Some kind friend of Representative Teigen of the Minnesota legislature should take him in charge and try to break the news to him gently that the grain exchanges have been investigated fore and aft, up and down, on the bias and zigzag until there is not a kernel of grain left that has not been inspected.

Prior to the investigation carried on for months two years ago by the Minnesota legislature, and by Mr. Teigen's own committee, the grain exchanges were thoroughly investigated by a committee from the North Dakota legislature. The reports of both these legislative bodies found little if any cause for complaint, and practically all the charges made against these market places were found to be groundless.

Yet in spite of a clean bill of health from two states, Mr. Teigen bobs up again this winter and has a committee appointed to rehash all of this stale matter. The public will certainly be nauseated with such senseless and useless waste of the state's money and of valuable time of the state legislators.

Something should be done to curb this investigating mania that breaks out every little while in Congress and in state legislatures. At any rate, if there must be some investigating committee at work all the time, let us have some variety. There



are all sorts of institutions besides grain or stock exchanges that could be looked into.

There is the I. W. W. for instance, that sorely needs the white light of publicity upon its dark and submarine methods. But when it is suggested that a public airing be given the I. W. W's, you hear an awful roar of protest from those trouble makers.

Then there is the Nonpartisan League of North Dakota, paraded in many respectable periodicals as the liberator of the farmer from his long slavery to the banking, grain and railroad interests. What the public should know is who started that movement and who has profited out of the proceeds collected from thousands of deluded farmers. Here

#### THE BULL'S-EYE BY THE SHARPSHOOTER

Things that come easy are cheap, no matter what they sell for. They cheapen the man to whom they come. The man who has an easy time through life is of little account. He may prove to be valuable, but not while he is having an easy time. Hard strain only can prove a man valuable. Fair weather friends may hold out through foul weather, but the fraction that does is at best but a fraction. The old song that said: "You'll find it true that friends are few when you are short of money," had some solid foundation in human experience. The Prodigal Son had a whole tableful of friends while his funds held out. But we do not hear of one of the table friends who followed him down to the hog pasture. While he was going down the slide they were looking for a fresh Prodigal Son. The Father, the one who had loved him and suffered for him, when he was a mean, little wilful, unproductive youngster—the Father was the only one who stood by the bankrupt boy and ran down the road to meet him when he started back home. While the funds and the friends were plenty old fog fathers looked as valuable as a last year's birdnest to Mr. Prodigal Son.

\* \* \*

In the upholstered arms of this big, safe, protecting, nourishing nation thousands of people have learned to

#### PROFESSOR H. R. SMITH TO DIRECT CATTLE EDUCATIONAL WORK IN CHICAGO

H. R. Smith, cattle expert for the First National Bank of St. Paul, has resigned his position to direct the cattle educational work for the big Chicago packers.

Backed by a strong organization, professor Smith will educate farmers on cattle raising in order to eradicate disease from cattle destined for the Chicago market.

The late James J. Hill several years ago engaged professor Smith and placed him in the First National Bank to preach live stock raising to farmers. During his service there professor Smith has done much to upbuild cattle raising in the Northwest.

In accepting the position in Chicago, which is the biggest of its kind in the country, professor Smith was also compelled to resign as a member of the Minnesota Live Stock Sanitary Board. Governor Burnquist appointed W. S. Moscrip of Lake Elmo to succeed him.

#### GAUMNITZ JOINS STAFF OF DROVERS CATTLE LOAN AND INVESTMENT COMPANY

Carl Gaumnitz, formerly of the Agricultural Experiment Station at Fargo, North Dakota, has joined the staff of the Drovers Cattle Loan and Investment Company of South St. Paul. With long experience in live stock husbandry, he will specialize in solving live stock problems in various communities. Mr. Gaumnitz says:

"The high prices prevailing for live stock are going to

is something where "justice cries aloud in the streets" for a thorough investigation.

There are plenty of other places to start investigations that would relieve the dull and tedious monotony of rehearsing the details of the marketing of grain, but the two suggested would provide spicy, if not sensational reading for a long while. After these have been shown up for the edification of the uninitiated, it might delight some of the "movie fans" to investigate the personal record of some of these chronic investigators, of which Mr. Teigen is a most conspicuous example. In this way maybe we might some day make the rounds and settle down to peace and quiet once more.

take the nourishment as a tramp takes a free lunch. All these American blessings are to such citizens, cheap as the sun to the negro philosopher who held it of no importance because it shone only in the daytime when it was not needed. Safety, opportunity, freedom of thought and of speech, education, protection to property—all these are to them natural rights like light and air to be taken without thanks and be damned to you! Stress brings out the quality of such citizens. These are the hangerson of American bounty. There are the fair weather friends at the table of the Prodigal Son. If America must now go to war to protect these valuable rights against the invading hoof of military materialism; if America must work for a season in the hog pasture, where will these friends be found? Where the trough is fullest. Where the shade is coolest. Where the haymow is softest. Why should not a man with only a body and no soul take precious good care of that body?

War is said to make more rascals than it kills. The punishment it inflicts falls blindly and brutally, though the scamps that start it usually dodge the blows. This war that is running its big trucks over women and children, seems to have carefully spared the high spots of the military caste of the Prussian powers. War is about as judicious as a wolf in a sheepfold; but among its recompenses is the fact that it brings into the lime light the moral tramp and distinguishes between him and the patriot. It draws a line between the Father and the gang that ate up the Prodigal Son.

cause considerable development in live stock production, because the stockman and farmer will be attracted to this business by the said high prices and induced to increase their herds.

"Because of the high prices, however, great care should be exercised in stocking the herd and efficient methods should be used in handling the stock."

#### SINCLAIR COMPANY ELECTS OFFICERS

The Sinclair Company of Minneapolis which was recently organized to take over the bank stock and commercial paper business of John F. Sinclair & Company, announces the election of the following officers: John F. Sinclair, president; Gregg M. Sinclair, vice president and treasurer, and Daniel Carmichael, secretary.

#### NEW STATE BANK FOR MINNEAPOLIS

Nokomis State Bank of Minneapolis will open for business at Cedar and Lake streets, May 2 with capital stock of \$25,000. The officers of the new bank will be: O. A. Anderson, president; A. A. Helstad and G. E. Hall, vice presidents and L. E. Carr, assistant cashier.

#### NEW BANK AND TRUST COMPANY FOR SOUTH ST. PAUL

The First Trust and Savings Bank of South St. Paul with capital of \$200,000 is being organized and plans for the opening are virtually completed. Minneapolis financial men are behind the project although several South St. Paul business men will be members of the board of directors.

## SPECIAL BUSINESS BRIEFS

Judge Gary says the annual capacity of the Steel Corporation in supplies which would be required by the Government in case of war is more than one-third greater in value than that of all Germany's in the same lines. While the Steel Corporation does not manufacture munitions of war, it manufactures the materials and parts used in their construction. The monthly capacity of the corporation is 1,250 tons of armor plate; steel forgings, 28,000 tons; wire products 45,000 tons; plates and structural materials for ships, 200,000 tons, and spelter 7,000 tons. The benzol output is 900,000 gallons, monthly; toluol 134,000 gallons, and sulphuric acid 12,000 tons. Total monthly capacity of all the corporation's plants in pig iron is 1,450,000 tons; steel ingots 1,770,000 tons, and finished steel 1,285,000 tons.

Manufacturing plants in United States have increased capacity during past two years to such an extent and orders on their books reach such huge proportions that domestic consumption of copper has climbed to unprecedented total of approximately 136,000,000 pounds a month, this being at rate of 1,632,000,000 pounds per annum. Among its many plants, American Brass Company has built up its business to point where it uses approximately 1,000,000 pounds of copper a day, by far the largest amount of the metal used by any individual consumer in the world. This means the melting of 25,000,000 pounds of copper a month or at the rate of 300,000,000 pounds per annum.

In the first half of fiscal year Northern Pacific earned practically 6.5% upon its \$248,000,000 stock outstanding, or only a little short of the year's dividend. After payment of six months' dividend there was a balance of \$7,511,143, compared with \$6,082,149 the year before. Coming within less than 1% of earning full year's dividend in first six months, Northern Pacific should have substantial surplus to transfer to profit and loss account, or to devote to property requirements when end of fiscal year comes, although of course, it is not to be expected that results for remaining six months will come near equalling the first six.

Profits of Corn Products Refining Company for year ended December 31, 1916, after all charges, including interest and depreciation, amounted to \$6,000,000, compared with estimate of \$5,000,000 made by company in latter part of last year. Regular preferred dividend of seven per cent. called for approximately \$2,100,000, leaving balance of \$3,900,000 for common, or 7.8 per cent. on that issue. Last year back dividends to amount of five per cent. on preferred stock were paid off, leaving 14.68 per cent. unpaid. These remaining back dividends will be paid off as conditions warrant.

In spite of tense diplomatic relations between Mexico and United States, commerce during 1916 reached record proportions. The 1916 imports of United States from Mexico amounted to \$105,000,000, compared with \$83,500,000 in 1915. Exports in 1916 were \$53,000,000, compared with \$41,000,000 in 1915. Exports from United States included almost every kind of manufactured article. Sisal imports were 221,000 tons compared with 183,500 tons in 1915.

Exports of firearms in November, 1916, amounted to \$2,476,759 against \$1,197,768 in November, 1915. Total value of explosives was \$77,771,245 in November, 1916, and \$32,197,274 in November, 1915—the movement more than doubled. Total of firearms and explosives was \$80,248,004 in November, 1916, and \$33,395,042 in November, 1915.

Chicago, Milwaukee & St. Paul's construction program now calls for 3,750 cars to be built in company's shops. Tacoma shops will build 1,000 gondolas and Milwaukee shops 1,500 gondolas, 1,000 box and 250 ore cars. Bids are being received on 250 refrigerator and 250 flat cars. Steel

center sills are specified on all except ore cars, which will be of wood.

Last quarter of fiscal year ended December 21 showed gross earnings of Allis Chalmers Manufacturing Company of \$5,741,678, bringing year's gross up to \$19,440,509 largest year's business in history of the company. Net earnings for quarter were \$928,722, second largest quarter in 1916, and brought year's net up to \$3,165,020.

During January, there were 98 vessels of 65,924 tons built in American shipyards for American registry and one vessel of 5,579 tons built for Westfal Larsen, Norway. In December, 87 ships of 37,886 tons were completed and in November, 98,483 tons. Deliveries of ships during 1917, according to shipbuilders' returns, will be 1,250,722 tons.

American Woolen Company has withdrawn all of its lines of goods for next fall delivery, the selling season for which has been under way for several weeks. The action comes rather unexpectedly and at a time when manufacturing clothiers are understood to have contracted for only 80% to 85% of their full requirements.

Unfilled orders of United States Steel Corporation on January 31 last were 11,474,054 tons, decrease of 73,232 tons compared with December 31. January statement is first in several months that has not shown an increase. December statement of 11,547,286 was high record for unfilled orders.

Continental Can is another member of group of industrials whose 1916 earning record has fulfilled expectations. Balance for \$8,000,000 common in fiscal year to December 31 was equal to \$1,790,317, or 22.38 per cent., against \$964,113, or 12.05 per cent., in 1915 and but 4.8 per cent. in 1913.

Municipal bond sales in Canada for January, as compiled by The Monetary Times, amounted to \$1,969,256, compared with \$669,000 for December and \$1,969,256 for corresponding period of last year.

Boston and Maine, which now is in temporary receivership, earned surplus of \$4,787,974 for year ended December 31 after all charges had been paid. This compares with \$1,177,000 for previous year.

The Monetary Times' estimate of Canada's fire loss during January amounted to \$1,918,660, as compared with December loss of \$3,271,496 and \$1,649,217 for corresponding period of last year.

Exports from port of New York for week ended February 3 totaled \$52,778,633 against \$64,210,519 a year ago, \$23,514,547 two years ago and \$24,926,782 three years ago.

Peoples Gas Light & Coke Company of Chicago earned in 1916, 5.39 per cent. on \$38,500,000 capital stock, compared with 8.38 per cent. earned on same capitalization in 1915.

Circulation per capita on February 1, was \$43.50 against \$43.00 on January 1, and \$38.67 a year ago. Total money in circulation on February 1, was \$4,498,060,871.

Union Pacific has declared extra dividend of one-half of one per cent. on common stock in addition to regular quarterly dividend of two per cent.

Braden Copper produced in January 4,798,000 pounds of copper, compared with 4,716,000 in December, 4,419,000 in November and 4,048,000 in October.

Utah Copper Company in year ended December 31, 1916, earned \$24.46 a share on 1,624,490 shares outstanding compared with \$10.69 a share in 1915.

War is costing England \$28,177,035 (£5,790,000) a day, Chancellor of the Exchequer Bonar Law declared in the House of Commons.

## Uniform Bill of Lading Measure Proposed in Minnesota Legislature

The uniform bill of lading measure that senator Oluf Gjestet of Montevideo introduced February 5, and that is in the hands of the senate railroad committee, promises, traffic men and shippers in Minneapolis said, to be one of the most widely discussed and important legislative measures before the Minnesota legislature at this session.

Indorsed by the American Bar Association and Minnesota State Bar Association, the measure as it stands, practically is identical with the law as Congress passed it and as it has been passed by the legislatures of 15 states.

Representative Sherman W. Child, who will support the bill in the house, said that it embodies the principles of the uniform warehouse law that the Minnesota legislature passed in 1913. Its passage, he said, would make impossible recurrence of such cases as the legal fight between the National Bank of Commerce of Minneapolis and the Burlington Road, and the Barnum Grain Company of Duluth against the Great Northern, involving disputed points with reference to the negotiability of a bill of lading, which the new measure makes very definite.

Speaking of the measure, which is of prime interest to millers, Chamber of Commerce men, wholesalers and manufacturers, Mr. Child said:

"The law of bills of lading in Minnesota is in an undesirable condition at the present time. In actual practice bills of lading have come to be regarded as commercial paper, so that the person shipping goods or grain has in the bill of lading security on which to borrow money or discount a draft. But the law of the state is not up-to-date and has not adopted the 'mercantile theory' of bills of lading which insures this security. It does not protect the holder of the bill of lading adequately, nor impose sufficient restrictions on the carrier.

"The law of Minnesota on this important matter is in a state of great uncertainty. There are but few decisions; and these are not very clear. With the exception of the law passed in 1909 covering a few points, there are practically no statutes on the matter. The law of 1909 in some matters only adds to the uncertainty, as it is not clear how far it changes the rules of the former decisions.

"To illustrate the present uncertainty, take the important point of how far a bill of lading is negotiable. An early statute spoke of such a bill as 'negotiable;' but the Minnesota court interprets the act as not meaning 'negotiable' in the sense of bill of exchange, and refers to bills of lading as being no more than symbols of the property. Just how far a bill of lading is negotiable at present is a matter of serious doubt, and this doubt of its negotiability interferes with its availability as a means to borrow money.

"Again, is a distinction to be made between the rights of a transferee of an 'order' bill of lading, and of a bill made to the consignee but not to be his order, which is known as a 'straight' bill of lading? Did the 1909 act change the preexisting law?

"The national conference of Commissioners of Uniform State Laws, seeing the importance to the entire community, and especially to shippers, whether merchants or farmers, of giving to the holder of a bill of lading adequate protection, in 1909 approved a uniform bill of lading act, and recommended it for adoption in all of the states. This act was drawn by professor Samuel Williston, the leading authority on the subject in the country. The passage of the act in Minnesota would make the law definite and modern, and render bills of lading more effective as a means of raising money.

"It would especially benefit the small shipper, who must depend to a greater extent than his larger competitor on raising money on bills of lading.

"Minnesota has passed the uniform warehouse receipt act in 1913. The uniform bill of lading act is in a sense a companion bill, merely changing the phraseology to ap-

ply to bills of lading instead of warehouse receipts. More than 80 per cent. of its provisions are substantially the same as in the warehouse receipt act.

"The value of this act is seen in the fact that since 1909, when it was approved, it has been adopted in 15 states and Alaska, including nearly all the large commercial states.

"But perhaps the most important reason why it should be adopted in Minnesota is that Congress, realizing the value of the act, passed it with minor modifications last August; and it is now the law governing all interstate shipments throughout the country. As a result, if a person in Minnesota makes two shipments, one to a point within the state and one to a point outside the state, the two bills of lading which he receives, though identical in form, are governed by quite different laws. Minnesota should follow the lead of Congress and pass the uniform bill of lading act. A large number of states will probably do so this year."

### STATE BANKER REALIZES THERE ARE TWO SIDES TO CHECK COLLECTION QUESTION

J. G. Branch, cashier of the Farmers State Bank, Lakefield, Minn., has written the following letter to Theodore Wold, governor of the Minneapolis Federal Reserve Bank:

"I appreciate very much receiving a copy of your letter in reference to the check clearing system of the Federal reserve banks, and after a careful perusal of the same, realize that there are two sides to the exchange problem. The matter is very clearly set forth in your letter, and I am glad of the opportunity to learn the reasons why you feel the present plan should be given a thorough trial before consenting to a change.

"It is true that the present system of clearing checks through the Federal reserve banks has eliminated a source of revenue for the country banks, and no doubt many country bankers feel aggrieved over this loss of revenue. I am afraid that many of the country bankers do not appreciate what has been done for them through the direct and indirect influence of the Federal reserve banks. While we are not a member of the Federal reserve bank and cannot do business directly with it, still I am satisfied that we are receiving the indirect benefit of the system through our city correspondents. The reserve requirements have been lowered materially through the operation of the new system, and what is best of all is that the system affords stable money conditions. The fear of sudden panics has been practically eliminated.

"I have thought very seriously of taking under consideration the matter of applying for membership in the Federal Reserve Bank for this district, and at my first opportunity, will make it a point to have a talk with your officials about the procedure to be taken. Enclosed you will find one of our last statements, and by it you will see that we are in no need of any financial assistance. If state banks ought to join the system, it is getting about time that we give it some consideration."

### MINNEAPOLIS CHAPTER OF AMERICAN INSTITUTE OF BANKING TO ELECT OFFICERS

Nominations for officers of the Minneapolis chapter of the American Institute of Banking to be chosen at the spring meeting include the following:

For president: R. E. Towle, Federal Reserve Bank; Clarence R. Chaney, Northwestern National.

For vice president: C. L. Keith, Scandinavian-American; C. E. Searle, Farmers-Mechanics.

For treasurer: Robert S. Stebbins, Union State; J. A. Chilstrom, St. Anthony Falls.

For corresponding secretary: Paul R. Anderson, St. Anthony Falls; Carl H. Haverstock, Minnesota Loan and Trust Company; Ralph A. Thrall, First and Security.

For recording secretary: Edward A. Olson, Scandinavian-American; J. H. Strothman, Farmers-Mechanics.

For executive committee: A. V. Smith, First and Security; L. V. Rose, Northwestern National.

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## INVESTMENT SECURITIES

MEMBERS NEW YORK, CHICAGO AND PHILADELPHIA STOCK EXCHANGES

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## PEOPLES GAS SHARES DROP

Chicago, February 13—Business on the Chicago Stock Exchange continued light in volume last week and prices reflected the tendency of the times and closed generally lower, led by Peoples' Gas, which declined to 86. Peoples' Gas shares were under considerable pressure in consequence of the unfavorable statement and apprehension of a dividend reduction, despite assurances from one of the directors that such action was unlikely as the profits from the benzol plant which will be put into operation in a few weeks will more than make up this deficit. This figure is only 11 points over the low level reached during the 1907 panic, when Chicago purse strings were loosened and the market denuded of the issue at a time when money was scarce and stocks were plentiful. Then Peoples' Gas was looked upon by bargain hunters as a real bargain.

### Quaker Oats Drop

Other Chicago issues were irregular. In Quaker Oats, which is faced by competition from Armour & Co., there was a drop of 25 points. As a matter of fact, "breakfast food" paper is not in demand in La Salle street since the Armour plant began operations in Milwaukee three weeks ago. There were large losses in Prest-O-Lite rights and Public Service, while Carbide, Sears, Cudahy and the tractions rose perpendicularly.

### Bond Market Dull

Comparatively few transactions were recorded in listed bonds as compared with recent weeks. The subsiding of activities in the investment market on account of the developments in the international situation was reflected on the local exchange. In the majority of issues, liquidation predominated in transactions and prices ruled lower. Chicago & City Connecting Railways 5s declined a point to 77, Chicago Railway income 4s a half to 41 and Chicago Railway 5s  $\frac{5}{8}$  to 96 $\frac{1}{2}$ . Metropolitan Elevated 4s lowered  $\frac{3}{4}$  to 69, with Chicago Railway income 4s unchanged; Swift 5s fell off  $\frac{5}{8}$  to 101 $\frac{1}{4}$ , Cudahy 5s  $\frac{1}{2}$  to 99 $\frac{1}{2}$ , Wilson 6s recording a loss of 1 $\frac{3}{4}$  to 110 $\frac{3}{4}$ . Edison 5s receded  $\frac{1}{2}$  point to 102 $\frac{5}{8}$  and Fish debentures lowered a point to 91.

### Public Utilities Stagnant

Small trading took place in the public utility issues. Cities Service common declined to 273 bid, offered at 277, and the preferred to 87 bid, offered at 87 $\frac{3}{4}$ . United Light common was quiet at 46 $\frac{1}{2}$  bid, offered at 48. United light preferred changed hands at 76 $\frac{3}{4}$ . Middle West Utilities preferred sold at 79 $\frac{3}{4}$ ; Northern States Power common, 103 $\frac{1}{4}$ ; Inland Steel and Kellogg Switchboard and Supply Company were practically neglected.

Chicago curb stocks did not have the recent proportionate decline as listed securities. Being more in the hands of investors it was necessary to force sales at a continued concession in prices. American Fork and Hoe common was firm at 126 bid, with light offerings at 131. After absorbing quite a few small lots of Butler Brothers stock around 276, the market advanced as high as 280 and closed at 278 bid, offered at 282. Consumers Company preferred was wanted at 82 $\frac{1}{2}$ , with offerings at 83 $\frac{3}{4}$ . The stock dividend of 20 per cent. declared by the Great Lakes Dredge & Dock Company had been largely anticipated and caused no material change in the market, closing around 117. Northwestern Yeast was steady at 308 bid, offered at 315.

FRASER and existed for United States Gypsum common

at 42, with offerings at 44, while the preferred was firm at 99 bid, offered at 100. Implement securities were inclined to be somewhat easier, although the volume of trading was small. Avery common was offered at 89, with buyers at 86. The preferred closed at 95 bid, offered at 99. Emerson Brantingham preferred declined some seven points to sales at 40. Deere & Co. preferred was quoted 98 to 99. Moline Plow preferred was steady at 98 bid, offered at 99 $\frac{1}{2}$ .

### Mitchell Motors Gain

Profits of the Mitchell Motors Company, which was recently organized by a syndicate of Chicago and New York bankers to take over the motor car business and plants of the Mitchell-Lewis Motor and the Mitchell Wagon Companies were equal to \$9.51 on the stock in the year ending October 31. The statement shows the corporation to be in a strong financial position, the quick assets being \$3,736,169, against total liabilities of \$1,322,901. The net trading profits for the year were \$1,402,116 and the net income was \$1,118,397. The company is paying dividends at the rate of \$6 a share a year on the 125,000 shares of no par value.

### Money Lenders Patriotic

"If we should find ourselves involved in the war, the patriotism of investors in this country would undoubtedly advance the government all the money it possibly could require for a year at a three per cent. rate of interest," C. F. Childs said last week. "Naturally the first sum which the government seeks to obtain will bear the lowest rate of interest. Thereafter, should additional amounts be required of any considerable size, the rates of interest on such loans would be gradually increased, and we only have to refer to financial conditions which have prevailed abroad during the past two years as our barometer in this respect.

"Offhand, we should think that this nation might be in about the same position physically and financially as the government of Japan, although our initial loans would be at a much lower rate of interest. It would not be beyond reason for Congress to authorize a billion-dollar popular loan bearing 3 $\frac{1}{4}$  per cent. interest, with the specification that it could not be legally sold or offered for subscription below 100, and then another billion probably could be raised at 3 $\frac{1}{2}$  per cent. without any difficulty whatever.

### American Prosperity Rich

"If any nation on the face of the earth is fortified with prosperity, justifying a low rate of interest, certainly the United States is entitled to it today, but as the wealth of the country is centered and localized at home, rather than in distant corners of the earth, we probably would experience greater difficulty than that met by Great Britain in borrowing funds from abroad if we were ever called upon to do so. That contingency, however, is not a factor to the present situation, but it would be well to bear it in mind for the future, since when a nation is demoralized economically at home the only securities which would be acceptable as collateral for a foreign loan would be those which represent property in countries not involved in the war. In this one respect the United States is not as strong from a financial standpoint as either Great Britain or France.

"If our government resorts in the near future to a new loan bearing say, 3 $\frac{1}{4}$  per cent., the present outstanding Panama 3s and conversion 3s should decline to a parity

## Bank Investments

We offer at all times a carefully selected list of short term securities maturing in from one to five years, and longer-term bonds with established markets, which we recommend as suitable for the investment of bank funds.

### Lee, Higginson & Co.

The Rookery  
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basis of 94½ and 95½ respectively. Such bonds, however, as are acceptable to secure national bank circulation would probably be very little affected or depressed in prices, as they serve an entirely different function and are not in general held by the investing public."

#### Gas Earnings Reduced

Peoples Gas failed to earn the present six per cent. dividend on its stock in the year ended December 31. Net amounted to \$2,077,258, or 5.39 per cent. on the \$38,500,000 capital stock as compared to \$3,228,965, or 8.39 per cent. in 1915. Responsibility for this loss of three per cent. is placed at the door of the city administration and the city council by Samuel Insull, chairman of the board, and president E. G. Cowdrey in their reports to shareholders. The chairman reviews history of the attempt of the company to obtain permission to manufacture coal instead of water gas. The move was initiated in 1915. The company offered to build a new plant, reduce gas rates, compromise the suit of the city against the company on an equitable basis and give a heat unit gas better suited to present day needs than the present candlepower tested gas.

#### Tool Profits Liberal

Chicago Pneumatic Tool for the year ended December 31 reports net profits of \$953,422, or 14.9 per cent. on the stock. This compares with \$533,247 earned in the previous year. Surplus was increased from \$2,278,000 to \$2,836,000. Cash increased from \$89,942 to \$256,370. Accounts receivable were augmented by \$500,000, and inventories by \$700,000.

C. F. Childs & Co. offer \$300,000 Salt Lake, Garfield & Western Railway Company first mortgage six per cent. gold bonds, dated September 1, 1916, and due serially 1919 to 1941. The net earnings of the company are about four and one-half times interest requirements. The proceeds of the bonds now offered will provide for the extension of the line to Garfield, Utah, and for the electrification of the entire road, including the purchase of new highspeed electric rolling stock.

#### Continental Offers Bonds

The Continental & Commercial Trust & Savings Bank is offering first mortgage bonds of the Pacific Mills, Limited, to the amount of \$3,000,000 for public subscription. The issue is guaranteed as to principal and interest at the rate of six per cent. by the Crown Willamette Paper Company, San Francisco. The plant is located at Ocean Falls, British Columbia, 360 miles north of Vancouver.

Net profits of the Allis-Chalmers Company for 1916 were \$3,165,020, a new record. Gross earnings were \$19,440,509. The quarter ended December 31 was the second largest of the year, with gross earnings of \$5,741,678 and \$928,722 net. After the regular six per cent. preferred dividends there remained a surplus of \$2,275,020 or 8.46 on common, compared with three-tenths of one per cent. in 1915. The company paid off 4½ per cent. back dividends on preferred leaving 10 per cent. accumulated.

#### Phone Revenue Increases

Chicago Telephone for 1916 shows an increase of 12 per cent. in revenue compared with the preceding year, but there was an increase of about 13 per cent. in the expenses. Nevertheless the net income of the company showed an increase of nearly eight per cent., a satisfactory result. The larger expense, the management points out in its annual report, was due chiefly to the higher cost of materials and labor. The construction plans for the current

year are liberal and contemplate expenditures of \$21,000,000, which, however, may be curtailed some by inability to get switchboards, cable wire and other materials even at high prices, which are from 20 to 100 per cent. above normal because of the congestion at all manufacturing plants.

The Peoples Gas Light & Coke Company announced that it has completed plans to build a \$15,000,000 gas and coke plant in Chicago, the largest in the world supplying a municipality.

The trust committee of the Chicago City & Connecting Railways Company was reelected at the annual meeting of certificate holders. The members are E. K. Boisot, L. A. Busby, S. M. Felton, J. B. Forgan, Samuel Insull, John J. Mitchell, Harrison B. Riley, John A. Spoor and B. E. Sunny. The committee has been able to pay the full semiannual preferred dividend accumulated in the last half of 1916, due to an increase of 10 per cent. in the gross of the Chicago Surface Lines for that period. The operating ratio was materially lower in 1916 than in 1915.

Illinois Brick experienced an exceedingly prosperous year, and the earnings for 1916 were equal to 14.35 per cent. on the outstanding stock, compared with 11.29 per cent. in 1915. At the annual meeting directors and officers were reelected.

## Why Bankers Should Know Our Service

**FIRST:** Our organization is equipped to render prompt and efficient action upon every farm loan presented for consideration.

**SECOND:** We have been handling Farm Mortgages for 39 years, and have built up connections capable of absorbing a tremendous volume.

**THIRD:** We are in position to offer attractive terms upon well secured loans in developing agricultural regions.

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OF CHICAGO

Capital, Surplus and Profits \$33,000,000.00

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ALEX. ROBERTSON, Vice President  
HERMAN WALDECK, Vice President  
JOHN C. CRAFT, Vice President  
JAMES R. CHAPMAN, Vice President

WM. T. BRUCKNER, Vice President  
JOHN R. WASHBURN, Vice President  
NATHANIEL R. LOSCH, Cashier  
HARVEY C. VERNON, Assistant Cashier  
GEORGE B. SMITH, Assistant Cashier  
WILBER HATTERY, Assistant Cashier  
H. ERSKINE SMITH, Assistant Cashier

W. W. LAMPERT, Assistant Cashier  
DAN NORMAN, Assistant Cashier  
GEORGE A. JACKSON, Assistant Cashier  
JOHN F. CRADDOCK, Mgr. Credit Dept.  
JOSEPH MCCURRACH, Mgr. Foreign Dept.  
R. G. DANIELSON, Mgr. Transit Dept.

## Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

The capital stock of this bank and the capital stock of the Hibernian Banking Association (\$2,000,000) are owned by the stockholders of the Continental and Commercial National Bank of Chicago

Surplus \$1,500,000

### CHICAGO MONEY RATES STIFFEN

Chicago, February 13—Chicago money took an upturn last week notable for its extent and suddenness. Commercial paper brokers unloaded and took losses ranging from  $\frac{1}{4}$  to one per cent. It is estimated on the average their loss was over \$250 on every \$100,000 sold during the week. The losses mean little, since the last two years have been the most profitable in the recollection of dealers; but the addition means much to bankers. As usual, in any crisis, regardless of the financial position, the country banks froze up. They were not only out of the paper market, but some balances were withdrawn and others indicated they would ask for part of their balances soon. An added encouragement is that the cropper that came the way of commercial paper brokers will keep out a large number of financially substantial, but unknown borrowers who normally should be accommodated at their banks at counter instead of commercial rates.

#### Paper Rate Four Per Cent.

At some of the banks there was an advance in the minimum rate from  $3\frac{1}{2}$  to four per cent. While this is not true of all the institutions, it is of the larger commercial banks. Commercial paper is quoted at four per cent., whereas a few days ago  $3\frac{1}{2}$  per cent. was taken. Offerings, however, are not large. Apparently borrowers are awaiting events. Call loans on new business have been advanced  $\frac{1}{2}$  of one per cent. A few weeks ago a six months' loan was made on collateral at  $3\frac{1}{2}$  per cent. Last week one of the banks made a six months' loan on collateral at  $4\frac{1}{2}$  per cent.

Bank depositors need fear no inconvenience if war is declared. Withdrawal notices, clearing house certificates and calling in of loans will not be necessary as in 1907 and 1914, due to the efficacy of the Federal reserve banking act. To meet contraction and expansion of currency, \$40,000,000 more in Federal reserve currency notes has been ordered printed. This will bring the reserve currency on hand in the Chicago Federal Reserve Bank up to the \$100,000,000 maximum. Less than one-third of this amount was issued in clearing house certificates in 1907. Thus savings accounts can be drawn from on a minute's notice and loans made even in the face of a stringency. The act permits loans on commercial paper, provided 40 per cent. of the loan is deposited in gold. The order for the extra notes was placed, according to banking authorities, chiefly to meet loan extensions.

#### "Latitude Ample"—Reynolds

"We believe the latitude given in the act will provide for any emergency," said George M. Reynolds, a director of the Federal Reserve Bank of Chicago and president of the Continental & Commercial National Bank. "Fortunately there is no uneasiness, but it is well to know money will be as free in the event of war as now. Banks will be run on a demand basis and money can be withdrawn or borrowed freely."

Chicago bankers declare that the recommendation in the report of the Comptroller of the Currency, that bank clerks drawing small salaries be protected by insurance policies to the amount of one year's salary, is generally taken care of locally through the bank pension funds. "It's a thoroughly good idea," said Nelson N. Lampert of the Fort Dearborn National Bank. "It seem to me, however, it is

duplication of the benefit and pension funds in force in the larger banks."

#### Good Clerk an Asset

"A good bank clerk is an asset," commented Orson Smith of the Merchants Loan & Trust Company. "The banks themselves realize it, and already have protected their employes through benefit and pension funds. I think the recommendation is meant to apply to the smaller banks, country and small town banks."

If the government should go to war and find it necessary to borrow \$1,000,000,000, or even twice that much, the money would be subscribed almost overnight, is the opinion of George M. Reynolds, president of the Continental & Commercial National Bank. "I believe the people of this country would show their faith in their government such as the world never has seen before," he said. "No one wants war, but if it comes, the means for prosecuting it fully will not be lacking. In the event of hostilities the railroads and manufacturers will be called upon to give extraordinary services. The government should be big and fair toward 'big business' therefore, as long as 'big business' is square and honest. This should be the time for getting together. All united we could present to the world an impregnable front."

A group of directors of the Continental & Commercial National Bank presented to the bank a large oil portrait of the president of the institution, George M. Reynolds.

#### Old Banker Dead

George Woodland, second oldest banker in Chicago and one of the best known in the state, died at Coronado Beach, San Diego, Cal., after a short illness. He was born November 30, 1847, at Utica, N. Y. In 1862 he moved to Chicago and became a teller of the Prairie State Bank. He later became assistant cashier, cashier, vice president and president of the Prairie State and Prairie National banks. He was also a member of the advisory committee of the Central Trust Company of Illinois.

John J. Mitchell, president of the Illinois Trust and Savings Bank, will depart for California next Saturday. George M. Reynolds, president of the Continental & Commercial National Bank, will leave at the same time for his annual spring vacation at Pasadena.

#### State Bank Capital

In an editorial, the Chicago Tribune says of state bank capital requirements: "The proposal to reduce the capital requirement of state banks should be defeated. The banking act exists primarily to protect the public by requiring sound conditions in our banking institutions and practice. The reduction of the capitalization requirement may seem at first glance democratic, but in fact we believe it would prove injurious to the people, not helpful. It might help some few men to get into the banking business and would multiply small banks, but what depositors and business men want is not many banks but safe ones. If \$200,000 was considered the minimum capital proper 30 years ago for safe operations in cities over 100,000 in population, we see no reason why the carefully considered safeguard should be lowered at this time. Our state and national banks are now of excellent character, probably none better in the country, and it would serve no public benefit to encourage the multiplication of small and less solid banks in large



# The Corn Exchange National Bank

OF CHICAGO

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**\$3,000,000.00**

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Undivided Profits  
**\$2,220,000.00**

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FOREIGN EXCHANGE  
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CABLE TRANSFERS

cities where facilities are ample and should be kept as sound as they can be made."

**Banking House Organized**

A new banking house organized in La Salle street bears the finger prints of future prominence in the financial world of Chicago. W. B. Henderson & Co. is prominent in the unlisted market and Mr. Henderson is a specialist in Butler Bros. shares, which have for years been pre-eminent in the curb market by reason of their earning power. Mr. Henderson maintains that the emission requires special handling in the market and his firm is prepared to offer a broad trading position to its clientele.

**Forgan Suggests Caution**

David R. Forgan, president of the National City Bank of Chicago, says: "An excellent volume of business is still being done. There is a note of conservatism, however. This is natural, as there are so many uncertainties to deal with in reckoning with the future. The whole country is discussing the probable readjustment of business. But caution is having a beneficial influence in a period when generous profits make people think that blue sky will continue indefinitely. The outlook is full of interesting uncertainties. Intrinsic conditions are sound and general business has gained such momentum as to insure further progress, provided no unfavorable developments are encountered. Washington will be the center for news while Congress is in session. Important legislation is pending, and the Supreme Court of the United States has some interesting questions to determine. One of the best features, however, is the recognition by American business men that conditions are so abnormal as to make it highly important for industrial corporations to provide such safeguards as shall protect them against the 'hazards of peace' as well as the 'hazards of war.'"

**Chicago Clearings Gain**

J. P. Morgan & Co. sold in the market the collateral that secured loans of several millions of dollars made by Chicago banks to the British government through the Morgan firm. The loans were made by the Continental & Commercial National, the Illinois Trust and the Central Trust. One of these banks loaned \$1,000,000. It is believed the total amount is about \$4,000,000.

The Standard Trust & Savings Bank, now in La Salle street, leased the banking quarters in the Fort Dearborn building, at the southwest corner of Clark and Monroe streets. The conditions of the lease provide for a change in the name of the building to the Standard Trust & Savings Bank building.

Robert I. Pitte & Son, private bankers, filed a voluntary petition in bankruptcy, scheduling \$180,072 liabilities and \$245,324 assets. Federal judge Landis named the Central Trust Company of Illinois as receiver and indicated the appointment was made with special thought for the 75 or 80 depositors whose deposits total \$164,172.

Currency shipments from Chicago for the month of January total \$9,188,045, compared with receipts of \$14,065,109. For the same month a year ago shipments were \$6,451,162 and receipts \$17,433,077.

The Chicago Utilities Company shows a total operating revenue of \$812,237 in 1916, an increase over the figures of 1915 of about nine per cent. Total operating expenses were \$746,651, an increase of about 9½ per cent., while operating profit was \$65,586.

Other income was \$3,276, a decrease of 35 per cent., and total income was \$68,862. Taxes for the year amounted to \$97,273, an increase of 6½ per cent., leaving a deficit of \$28,411.

## The <sup>B</sup>/<sub>L</sub> COLLECTION BANK OF CHICAGO

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EDWARD A. HOEFT, ASST. CASH.  
H. LINDSAY WHEELER, ASST. CASH.  
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The department of Banks and Bankers, including Collection Service, is in charge of C. B. Hazlewood, Vice-President, and H. Lindsay Wheeler and Albert Seckel, Assistant Cashiers.



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# Central Trust Company of Illinois

125 WEST MONROE STREET, CHICAGO

Capital	- - - - -	\$ 6,000,000
Surplus and Profits	- - - - -	2,500,000
Deposits	- - - - -	50,000,000

Accounts of banks and bankers received upon favorable terms.

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## Checking Money Plethora Through Reserve Banks

New York—That the function of the Federal reserve banks is not only to protect the monetary situation in times of stress or stringency, but also to safeguard the country in times of an over-supply of funds, is illustrated by the policy of the Federal Reserve Board during recent weeks in reducing the earning assets of the Federal reserve banks. The enormous increase of late in the cash supply, through gold imports, has brought this condition about. By liquidation on the part of the Federal reserve banks of some of their investments, the effect is produced of withdrawing from the market some of the surplus cash. The Federal Reserve Board views the expansion which is threatened from the excessive gold imports as "not without danger."

This opinion of the Federal Reserve Board is rather interesting in the light of what it said in its now famous statement of November 28, advising against bank investments in foreign obligations. In this statement the board remarked: "The Board does not share the view frequently expressed of late that further importations of large amounts of gold must of necessity prove a source of danger or disturbance to this country." The board went on to say, however, that it believed danger would only arise "in case the inflowing gold should remain uncontrolled, and be permitted to become the basis of undesirable loan expansions and of inflation."

In view of the fact that the rate for bankers' acceptances recently maintained by the Federal reserve banks has been somewhat higher than the open-market rate, the holdings of acceptances by the Federal reserve banks have been materially reduced during the last few weeks. During the month, December 12 to January 12, according to Board's bulletin, the net gold imports into the United States amounted to about \$112,000,000. Excess reserves have materially increased in consequence.

"It may be assumed," says the Board, "that this plethora of gold is not entirely a natural one and that much of it will be absorbed in consequence of issues of new securities, after which the country will probably witness again the same development that has been characteristic of similar periods in the recent past—a condition in which the deposit and loan structure will again expand so as to absorb large portions of the new gold."

"There is general agreement that this continuous and rapid growth of deposits and loans is not without danger. With the present ease of money, it would appear, therefore, to be a wise policy to permit the earning assets of the Federal reserve banks to be reduced by a substantial percentage, and thereby to absorb, temporarily at least, an equivalent amount of the newly imported gold. Of course such a policy will be carried out in a careful way and no definite figure to which the investments of the Federal reserve banks should be reduced can be set. Changes in conditions may occur at any moment which may render it necessary to reverse such a policy or to apply it even more energetically."

"During the past few weeks Federal reserve banks have operated along these lines with very good results, and acceptances and rediscounts have been reduced by about \$40,000,000 since they reached their highest point, early in December. So long as the present ease continued there

should be little difficulty in continuing the present policy. By permitting the open market to absorb the bankers' acceptances, the additional object is gained of acquainting member banks with dealing in acceptances and their becoming accustomed to investing in them.

"Investment operations of the Federal reserve banks for the four weeks ending January 19 were, in accord with the policy just outlined, on a considerably smaller scale than for the four weeks immediately preceding. This may be seen from a comparison of the figures of total earning assets held by the banks on December 29, 1916, \$222,082,000, and on January 26, 1917, \$181,426,000. The net liquidation in all classes of investments for the four weeks under discussion amounts to \$40,656,000."

Liquidation of bills discounted and bought in the open market was even greater. The total holdings of bills by the Federal reserve banks between December 29, 1916, and January 26, 1917, show a falling off of \$44,285,000, that is, from \$157,693,000 to \$115,408,000.—The Wall Street Journal.

## MECHANICS & METALS NATIONAL BANK OF NEW YORK INCREASES DIVIDEND

New York—Directors of the Mechanics & Metals National Bank have increased the dividend of the bank to a quarterly rate of four per cent. on the \$6,000,000 capital stock, payable February 13. Previously the quarterly dividend had been three per cent. The present action of the directors marks the first change in the dividend rate of Mechanics & Metals National Bank since 1907. For three years, prior to 1907, dividends were at the annual rate of 10 per cent. Prior to 1904, and dating back to 1880, they were eight per cent. yearly.

## SALARIES AND SERVICE

Comptroller of the Currency Williams has figured out that national banks with a capital of five million dollars or more pay their presidents an average annual salary of \$44,000.

This average would be substantially raised if the annual bonus items were added.

Excessive salaries in private business and inadequate salaries in public business constitute a serious American fault. Until the two are brought nearer together; until the compensation for governmental service and that for private service are not only nearer equality but more in line with the service rendered,—not until then will we have real democracy in business and not until then will we be able to get business men into public office.—Financial America.

## THREE LIFE INSURANCE DIRECTORS REELECTED

E. W. Decker and J. A. Latta, president and vice president of the Northwestern National Bank and C. T. Jaffray, president of the First and Security National Bank, were reelected directors of the Northwestern National Life Insurance Company at the annual meeting.

John T. Baxter, president of the company, in his report, said that the insurance in force had increased 20 per cent. during 1916. The new business written and paid for showed an increase of 51 per cent. over the increase during 1915, he said.



## Earning Power Augmented By Adaptation

The legitimate earning power of your funds may frequently be increased by the selection of bonds adapted to specific requirements. We invite consultation regarding the selection of bonds for Savings Banks, Trustees and individuals.

# The National City Company

NATIONAL CITY BANK BUILDING, NEW YORK

### Correspondent Offices

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WASHINGTON, D. C.  
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CHICAGO, ILL.  
137 So. La Salle St.  
BOSTON, MASS.  
55 Congress St.  
ALBANY, N. Y.  
Douw Bldg.

BALTIMORE, MD.  
Munsey Bldg.  
WILKESBARRE, PA.  
Miners Bank Bldg.  
LONDON, ENG.  
3 Lombard St.

DETROIT, MICH.  
Dime Bank Bldg.  
CLEVELAND, O.  
Guardian Bldg.  
PITTSBURGH, PA.  
Farmers Bank Bldg.

SAN FRANCISCO, CAL.  
424 California St.  
KANSAS CITY, MO.  
Republic Bldg.  
ST. LOUIS, MO.  
Bank of Commerce Bldg.

### PHILIPPINE NATIONAL BANK, MANILA, DESIGNATED AS CORRESPONDENT OF FEDERAL RESERVE BANK AT SAN FRANCISCO

Washington—The Philippine National Bank at Manila has been designated as correspondent of the Federal Reserve Bank of San Francisco, in furtherance of the Federal Reserve Board's policy of establishing correspondents throughout the world to extend American trade and make secure the dollar as the standard of international exchange.

The board previously has authorized the appointment of the Bank of England as correspondent of the Federal Reserve Bank of New York, but the actual appointment has not yet been made and negotiations regarding it may occupy a month or more.

The Philippine bank is the first outside continental United States to be appointed correspondent of the reserve system.

Appointment of a correspondent in the Orient was deemed advisable because of the rapid growth of trade between the United States and the Philippines, China and Japan. Trade with the Philippines alone has passed the \$100,000,000 mark and recently has received such a decided impetus that the Philippine bank has established a branch in New York.

With the establishment of the new connection, which was made at the request of the San Francisco bank, officials believe that commercial and financial relations between the United States and the Orient will be greatly strengthened.

It is expected the connection will make possible the marketing in this country of gilt edged Philippine securities, providing insular enterprise with means for vastly increased trade and at the same time offering attractive inducements to American capital.

Indirectly, it is thought, trade with China and Japan will be accelerated.

### NORTHERN NATIONAL BANK OF DULUTH DOUBLES CAPITAL STOCK AND SURPLUS

Duluth—At a special meeting of the shareholders of the Northern National Bank it was unanimously determined to double the capital stock and surplus of the bank, which will bring in \$350,000 additional cash banking capital, making the capital \$500,000 and surplus \$200,000, and otherwise strengthening this banking institution.

Stephen R. Kirby and Richard L. Griggs have been added to the board of directors. Mr. Kirby will be second vice president and Mr. Griggs will take an active position in the bank. Otherwise the officers and directorate of the bank remain unchanged.

The officers of the bank say that it is their purpose to make the bank distinctively a Duluth and northern Minnesota institution.

### DULUTH CLEARING HOUSE ASSOCIATION ELECTS OFFICERS

Duluth—Gratifying reports were presented at the seventh annual meeting of the Duluth Clearing House Association, held at the American Exchange National Bank.

Clearings for the 12 months set a new high record, being reported at \$308,248,460, as compared with \$287,902,594, thus showing an increase of \$20,345,865. In 1915 the clearings were \$255,931,838.

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Officers for the ensuing year were reelected as follows: president, H. S. Macgregor, cashier City National Bank; first vice president, W. G. Hegardt, vice president American Exchange National Bank; second vice president, David Williams, vice president First National Bank; secretary and treasurer, J. W. Lyder, cashier Northern National Bank; manager, J. S. Moore, vice president American Exchange National Bank.

Bank officials expressed themselves optimistically at the meeting regarding the outlook for all lines of business in this city and district during the coming year. It was noted that expansion had been the rule here in commercial and industrial enterprises during the past 12 months. With an average harvest next fall, it is believed that further material progress will be recorded during 1917.

### RESERVE SYSTEM'S GROWTH

Washington—The growth of the Federal reserve banking system is shown with some force in the comparison of the number of bank charters applied for during January this year and last. In January, 1917, the Comptroller of the Currency received 40 applications for charters for new national banks, with capital of \$3,555,000, as compared with 18 applications in January, 1916, with capital of \$1,200,000.

In January, 1917, 13 charters were granted, capital \$1,005,000, as compared with nine charters granted in January, 1916, with \$705,000 capital.

In January, 1917, 24 national banks increased their capital stock by \$1,875,000, against 12 banks increasing their capital in January, 1916, by \$500,000. One bank reduced its capital in January, 1917, \$50,000, while in the same month last year one bank reduced capital \$20,000.

Nine national banks went into voluntary liquidation (exclusive of those consolidating with other national banks) in January, 1917, their capital being \$625,000, as compared with 13 banks liquidating in January, 1916, with a capital of \$1,215,000.

Illinois Brick in the last year made a net profit of \$674,542. Dividends were \$376,000 and depreciation charges and taxes were \$289,723, leaving a surplus of \$8,819, comparing with \$15,032 the year before.

Price of bar silver continues to climb, new high record for many years being made February 13 at 79 cents an ounce. This is advance of 13c above selling price about a year ago.

**WRITE ME A LETTER**, tell me something about your business, competition, newspapers, surrounding territory and advertising you are now carrying on. All you say will be treated in confidence here, and I will send you an advertising plan with cost estimate for your 1917 advertising. I work for but one bank in a town or city.

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# THE NATIONAL CITY BANK OF CHICAGO

Capital, \$2,000,000

UNITED STATE DEPOSITARY

Surplus, \$750,000

A moderate sized bank in which small accounts as well as large are welcomed.  
Correspondence of banks, bankers, corporations, firms and individuals invited.



## Officers

Alfred R. Baker Vice-President  
H. E. Otte Vice President  
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DAVID E. FORGAN, President

M. K. Baker, Assistant Manager  
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Walker G. McLauray Cashier  
W. T. Perkins Assist. Cashier  
W. D. Dickey Assist. Cashier  
Henry Meyer Assist. Cashier

A. W. Morton Ass't. Cashier  
Wm. N. Jarnagin Assist. Cashier  
R. B. Fuessle Assist. Cashier  
Lee A. King Auditor  
George I. Wire Attorney

## STATE BANK MEMBERSHIP IN RESERVE SYSTEM

Washington—The following letter sent by an officer of one of the reserve banks to a state institution which had made inquiry with respect to the advisability of entering the Federal reserve system, is herewith published as furnishing a useful summary of the present situation regarding membership of state banks:

I have received your favor of ———, and I assure you that it will give me great pleasure to give you my views on the subject of the advantages of "a state bank entering the Federal reserve system." In order to do so, however, I will take the liberty of changing the form of your question. I will assume that I am the responsible head of a bank doing business under a state charter, and have been called upon to state my reasons for advising my board of directors to apply for membership in the Federal reserve bank in whose district my bank is located. Stated as briefly as possible, my reasons for advising this action would be as follows:

First. After careful consideration and study of the subject, I am satisfied that the establishment of the Federal reserve system has transformed (or rather is in the process of transforming) what was undoubtedly the worst and most inadequate banking system in existence in any great civilized country into one of the best and most adequate systems which has ever been devised.

I know perfectly well that up to the present time my bank has been in a position to obtain (as far as it has had occasion to use them) all of the benefits of the system without being called upon to contribute to its support, and without being required to assume any of the responsibilities placed by law upon national banks.

### Argument Based on Self Interest

As this is purely a business proposition, I am making no appeal upon the grounds of sentiment. I am raising no ethical question of our right to continue "to reap where we have not sown, and gather where we have not strewn," but I base my argument solely on the grounds of intelligent self interest.

Since the Federal reserve system was established there has been an abundance of money. Every bank doing a reasonably large business has had as much money as it could use to advantage, and many have had more. Under these circumstances there has been little or no occasion for discrimination. There has been little or no reason why members of the Federal reserve system should attempt to limit the benefits of the system to themselves. As a matter of fact, with resources so abundant, the necessities of the nonmember banks have been a much needed source of profit to member banks.

In addition to this, up to the present time, the Federal reserve banks have found no way to extend their fullest possible facilities to their member banks, and at the same time to confine the fruits of the system to the exclusive use of member banks. But, will these conditions continue indefinitely?

I do not think so. No system of banking has ever been devised, and, in my opinion, no system of banking can be devised which will prevent business depressions, periods of stringency, or even panics. These are caused by activities outside of the banking business, over which, in many cases, organizable human agencies have but limited control.

If the time ever comes in which there is not a sufficiency of the good things to go all around, I am confident that the supply furnished by the Federal reserve system will be confined, with much more care, to its member banks than

has been the case up to this time. The most that can be expected of any banking system is to ameliorate the effects of business depressions (when they come) to prevent unnecessary panics, and to afford to the banks identified with the system full and adequate protection to the extent to which the system is capable of affording such protection.

### Postponement of Action

Some may say that it will be time enough to join the system when trouble comes, but that is not my view of the case. We know that trouble is coming at some time in the future. We do not know how suddenly the real army will follow the first scouts. We know that now, while money is plentiful and conditions are favorable, the Federal reserve system is welcoming the state banks, and even urging them to join. We do not know what the attitude of the system will be, or, in fact, what position it may be compelled to take in the face of radically changed conditions. Beyond all question, if a considerable number of banks should apply for admission at the same time many of them would be obliged to wait. The necessary formalities incident to admission take time, and it could not be expected that these formalities would be waived or the vigilance of the officers passing upon applications relaxed in the face of alarming condition.

When the bill proposing the establishment of a central bank was drawn, it was proposed to confine the membership to national banks, and violent protests were made in all parts of the country by and on behalf of the state banks. If the bill embodying the Federal reserve act had contained a similar provision, excluding state banks from membership, the protest would have been, if anything, more vehement. While at present they do not seem disposed to enter, we know that they would fight against the establishment of any system which did not give them the privilege to enter. Down in our hearts we all know that it would be better in every respect if all the banks were united in one cooperative system. And we know that our failure to enter limits the power, usefulness, and even the most economical operation of the system. Therefore, why should we not join that system at a time when we are sure not only of our ability to do so, but also of a prompt and cordial welcome.

### Revolution in Banking

Second. I have said that the establishment of the Federal reserve system is working a beneficent revolution in the banking business of this country. I do not think that the revolution has been entirely accomplished, because the system cannot be ideal and complete until it embraces all, or practically all, of the eligible banking institutions in the country. The collection and clearing system—the most vexatious problem of banking—could be solved without difficulty if the state banks were in the system, and upon a basis which would work out the greatest economy possible to the banks and the country.

I am not willing for my bank to wait until after the majority of the state banks have joined, for the reason that I have not the right to expect another state bank to do what I would be unwilling to do myself, or to be willing to do it any sooner than I am willing to do it. We do not conduct the internal business of our bank on this principle, and we should not expect to derive benefits from this method in any other direction. Manifestly, if every state bank waits for all of the others to set an example nothing will be done till the end of time. In addition to these considerations, I have pride in my bank, and I would far

# Standardized Live Stock Loans

More and more the standardized live stock loan is being considered in the same rank with the most approved commercial paper.

Have you, as the banker most directly interested in the welfare of your local stock growers, given this class of paper a good try-out?

This bank is in the market for cattle and other live stock loans. Write us about our service.

## Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Resources

\$52,700,000

rather see it reasonably near to the head of the procession than straggling in, a late comer, at the tail end.

### Restrictions on State Banks

Third. I have examined carefully the provisions of the Federal reserve act with reference to state banks applying for membership in the system, and I have also carefully considered the regulations of the Federal Reserve Board, made under authority of the act. I realize that in joining the system a state bank will surrender, at least in theory, certain privileges which it enjoys as a nonmember; that it will be required to do certain things which nonmembers are not required to do and that it will be governed by a few restrictions not applicable to nonmembers. I have not the slightest objection to the requirements and restrictions, because they are founded upon principles which every prudent banker should indorse, and which any well managed bank would have no difficulty in observing, if it does not already observe them without compulsion. Moreover, it is the violation of just those principles that has caused most of the trouble in banks in which serious trouble has arisen.

Moreover, if the time ever comes (and I think it will) when the public (which consists largely of our customers, and the customers of other banks) begins to make intelligent discrimination in the selection of institutions with which to do business, I would like for the public to be assured that this bank is observing all of the principles referred to; and being a state bank, and subject only to the restrictions and requirements laid down in the state law, there is only one test by which an actual or prospective customer can tell with absolute certainty that we are observing, and will continue to observe, those principles, and that is, whether or not we have agreed to do so by becoming members of the Federal reserve system. In my opinion, the requirements, at which I understand some state banks have balked, can thus be turned into an armor of defense by those banks that become members of the system.

The fact that the Federal Reserve Board has the power to alter, or amend, the regulations with reference to state banks gives me no concern whatever. So far the regulations for state member banks have been, if anything, more lenient than the regulations applicable to national banks. It has been suggested that the Federal Reserve Board should give to the nonmember banks some assurance that the regulations will remain unchanged. This, in my opinion, is not only impracticable, but would be unwise, if it were practicable. The law and the regulations, as they stand, provide that in certain definite respects the state bank members shall conform to the requirement fixed for national banks. In other respects the Federal Reserve Board has, under existing arrangements, the power to exercise a certain degree of liberality to state bank members. Any law which would curtail the power to regulate, would necessarily limit the power to exercise discretion in other directions, and the nonmember banks have always this safeguard—they have the privilege of withdrawing from the system upon 12 months' notice. The existence of this privilege alone, without any consideration of fairness or prudence on the part of the Federal Reserve Board (which fairness and prudence have been conspicuous in all of its rulings), would effectively prevent the board from

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### Farm Mortgages

secured by producing farms in approved districts, to yield 5½% to 6%.

Descriptions upon request.

**WHITE, GRUBBS & CO.**

State Savings Bank Building,  
ST. PAUL

INVESTMENT BONDS  
FARM MORTGAGES

Established  
1907

## Farm Mortgages

This company is at all times in a position to loan money at going rates on improved farms in the better sections of the Northwest. We invite correspondence from bankers and others who wish to establish a permanent connection for marketing their loans.

### Northwestern Trust Company

SAINT PAUL, MINNESOTA

CAPITAL AND SURPLUS \$1,100,000

#### OFFICERS

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CHAS. W. FOSTER, Manager Farm Loan Department			

imposing any unreasonable, or unfair, restrictions upon state bank members of the system.

#### Question of Eligibility

Fourth. It is understood on all sides that a general standing invitation is extended to all state banks to join the system. Anyone familiar, however, with banking conditions in this district, and in fact, throughout the South (to say nothing of the districts which cover the rest of the country), knows perfectly well that there are many state banks that could not possibly join the system. It will not be necessary for me to enumerate all of my reasons for saying this. I will only mention limitation of capital and character of business. An examination of the published statements of many of the banks, and a casual reading of the regulations referring to state bank membership will make the matter plain to the veriest tyro in the banking business.

It is a fact, however, not so generally known, that there are many state banks apparently qualified to join the system but to which admission would be denied upon the required preliminary examination. I am perfectly satisfied that my bank would be qualified to join the system, and would be admitted promptly and without objection. I would like, however, for the customers and the prospective customers of my bank to be entirely assured of the correctness of my opinion, and there is just one way in which they can receive this assurance beyond the possibility of question.

#### Value of Indorsement

This practical indorsement of the Federal reserve system which I would like to have may seem of comparatively little value under existing conditions, but, as I have already said, I do not think that the Federal reserve system is a panacea for panics or periods of business depression, although it unquestionably possesses the power to aid its member banks to weather such storms, while the state banks have no such resource. When the next season of trouble comes along, I am satisfied that the protecting wing of the Federal reserve system will afford a comfortable, if not an absolutely necessary, shelter. The public in all parts of our broad country has taken much interest in the system. They believe in it to a greater extent than the banks do, chiefly because they are the ones who have always suffered most, and they, therefore, know better how to appreciate relief. They have faith in it in some directions to an extent which I cannot help feeling is, if anything, excessive under present conditions, while state banks, which far outnumber member banks, remain out of the system. When the next storm cloud puts in its appearance, and such an appearance is entirely possible at or soon after the close of the European war, is it not reasonable to assume that the public will begin to ask, "Are the banks with which we are doing business in a position to obtain the benefits to be expected from our new banking system?"—Federal Reserve Bulletin.

Imports into port of New York for week ended January 26 totaled \$28,312,800 against \$30,155,556 a year ago, \$17,368,125 two years ago and \$21,143,666 three years ago.

### Reserve Banks an Aid to Business

An address which Dr. H. Parker Willis, the secretary of the Federal Reserve Board, delivered at the convention of silk manufacturers at Paterson made such a favorable impression on the manufacturers that they asked the board to have the speech printed and circulated among other manufacturers. In this address Dr. Willis told of the possibilities of the Federal reserve banks if American business men and manufacturers cooperated in extending their service and making use of them in their transactions. He told of plans now under way to expand the influence of the banks, and predicted that they might eventually bear the relationship to American business that the Bank of England bore to European business before the war.

"Thus far business men have taken too slight a direct interest and share in the working of the act," Dr. Willis said. "It is in no sense a disparagement of the Federal reserve banks to say that hitherto they have been essentially bankers' banks. Indeed, this appellation is frequently given to them in so many words, and they are described as being in theory, as well as in fact, banks for keeping of bankers' funds. The fact that up to date the Federal reserve banks, except within a few limited fields, have not availed themselves of their open market powers, and have practically not availed themselves at all in so far as relates to the direct purchase of business paper, is due to a variety of circumstances not the least of which is the difficulty of organizing and setting into operation a great system with all functions in full effect.

"Time is needed for such development. It has been necessary to perfect the working relations between Federal reserve banks and their members, before going actively into the paper market. The time, however, must come when the open market function of Federal reserve banks will be called into play. It largely rests with the business man to determine just when and to what extent the Federal reserve banks shall become strong buyers of trade paper. If the manufacturer desires that they should undertake it actively it is within his power to hasten the time when they shall do so.

"I look forward to the day when the Federal reserve banks will bear to the American paper market very much the same relation that was borne before the outbreak of the present war by the Bank of England to the British discount market. If, as a result of changes due to the war, America should succeed in obtaining something of this influence possessed by Great Britain in international financial affairs prior to the coming on of the European struggle, this would mean that the Federal reserve banks might bear to the discount market of the world a relation like that which existed between that market and the Bank of England. It is a great and important place which may thus be taken by the reserve banks, but in order to take it they need the assistance and cooperation of the business man, particularly of the business man who is engaged in international operations upon a large scale, or in the domestic shipment and sale of staple commodities.

"It is the duty of the owner and operator of business enterprises to share in the operation of the reserve bank,

# This Bank's Dealings

with its correspondents

are characterized by

*Liberality*  
*Soundness*  
*Consistency*

We invite you to write us about your requirements



Capital and Surplus

\$10,000,000



and to regard his participation therein as a fulfillment of an essential obligation to the commercial world of which he is a part. Only by this process can the Federal reserve banks be taken out of the narrower field of technical banking and brought into the larger field of commercial operation, and so be made to yield their highest results both to the banks and to the business world at large. I wish to emphasize that the time is near when definite steps in this direction should be taken, and these can be taken only through the effective aid and cooperation of the manufacturer and the dealer.

"Very great advantage has already accrued to the importing community by reason of the steps taken in the direction of a wider use of bankers' acceptances; but what has been done thus far must be considered only a beginning. Bankers have been slow to take advantage of the new method of financing the importer, and the latter has been equally slow in urging them to assist him by availing themselves of the credit facilities within their reach. It is possible, too that this slowness is in no small measure due to the abundance of funds that have been in the hands of our banks during the last two years, to the fact that our interest rates were far lower than those prevailing in other markets of the world, and that, in consequence of these conditions, the legitimate business man has had no trouble in getting any reasonable amount of credit that he desires at rates distinctly lower than he has enjoyed heretofore.

"This is a condition that will not always endure, and when the time of greater pressure arrives, as it will, the importer will find it to his interest to avail himself of every means of cutting down the cost of his banking accommodations. He will, however, save himself much delay and inconvenience at that time if he will, during the period when credit and cash are abundant, take pains to show his banker that he is interested in the adoption of modern methods of doing business and of economizing in the cost of loanable capital."

## EMPLOYEES' PENSION FUND ESTABLISHED BY LIVE STOCK NATIONAL BANK OF OMAHA

Omaha—Acting on the growing sentiment of permitting employes to participate in the profits derived from their efforts, the board of directors of The Live Stock National Bank has donated a substantial lump sum to a monthly cumulative fund that was originally started six years ago with this object in view. Now that the fund has assumed adequate proportions, both the officers and employes of the institution who desire to become beneficiaries thereby will contribute a small percentage of their monthly salaries.

The benefits obtained are in the shape of pensions which are received by employes at the age of 60, and after 20 years of service with the bank. Under certain conditions pensions may be given in case of retirement on account of sickness or to the widows and orphans of deceased employes.

### PERSONAL

A. C. Bedford, President of the Standard Oil Company of New Jersey, has been elected a director of the Guaranty Trust Company of New York.

**STEVENS-CHAPMAN Co.**  
COMMERCIAL PAPER

INVESTMENT BONDS

FARM MORTGAGES

CONNECTIONS WANTED FOR PURCHASE OF

**FARM LOANS**

MCKNIGHT BUILDING

MINNEAPOLIS



—*as to banks*

*you will find that the*

## SCANDINAVIAN AMERICAN NATIONAL BANK MINNEAPOLIS

*is in a position to handle your business  
to your entire satisfaction.*

*Personal visits and correspondence invited.*

## CAUSES OF RAILROAD CONGESTION EXPLAINED

Letter of A. H. Smith, President of the New York Central Lines, to American Druggists Syndicate

The cause of the present congestion is due entirely to an unprecedented, abnormal, and, to some extent, an unnatural industrial situation, created somewhat by the catastrophe abroad. This is reflected in the simple statement that the total foreign trade has increased from \$4,000,000,000 at the beginning of the war, to \$8,000,000,000 at the present time, and domestic trade has increased from about \$30,000,000,000 to \$46,000,000,000, the domestic trade showing an increase of nearly 50 per cent., and the foreign nearly 100 per cent. In addition to this enormous foreign traffic moving to and from tidewater, there has been set up a greater internal industrial situation in manufacture and commerce to provide these supplies. An unprecedented amount of ore, coal, coke, pig iron, billets, automobiles, motor trucks, munitions, food products and hospital supplies of all kinds are being handled, and in many cases handled half a dozen times from one plant to another in the process of manufacturing and finishing. This condition was precipitated almost immediately, and the railroads within a few months were called upon to perform in many instances a service 40 per cent. in excess of the preceding year. The railroads had not the reserve for such a condition, and were unable financially to anticipate it even if they were justified in so doing. In fact some of them, for reasons which I shall refer to later, had barely the means for immediate existence.

Simultaneous with the demand for this unusual increase for rail transportation, there occurred, naturally, a demoralization of ocean shipping, owing to naval warfare and to the withdrawal of ships for other purposes. Freight began to reach tidewater faster than vessels could handle it, congestions resulted, embargoes had to follow, and the entire traffic now has to be handled by embargoes in harmony with the ocean shipping, which naturally results in the accumulation of freight at interior points and congestion in the interior while awaiting this outlet. A funnel cannot discharge more than its orifice will permit, and when overfilled, it overflows.

### Duration of Congestion Cannot Be Predicted

The duration of the congestion is problematical. The situation is so unnatural and is influenced by so many circumstances beyond our control that it seems almost useless to venture a prediction. It takes years to construct yards, terminals and other facilities, and much money, and unfortunately the very conditions which have produced the present prosperity have greatly increased the costs of material, including equipment, and the great shortage of labor retards not only this work, but embarrasses the daily operation of railroads. The great sources of our supply of labor we may say are entirely shut off. Instead of 500,000 emigrants per year, we are now getting only a few thousand, and only a few of these are industrial workers. Notwithstanding this great cost of doing work at the present time, this company and other large companies now have under contract and under construction hundreds of additional engines and thousands of additions cars which, as

they arrive from time to time, will aid somewhat in facilitating the movement of traffic.

### Fair Public Opinion Needed

Your convention and your syndicate can render powerful aid, if not in overcoming the immediate situation, at least in preventing to some extent a recurrence of similar congestions which may arise from other causes due purely to normal and healthy industrial growth, as such congestions have heretofore occurred purely from local conditions. This aid must come through your cooperation and the cooperation of thousands of other institutions such as yours, in the creation of a healthy, honest, fair and intelligent public opinion towards railroads. That is all the railroads need, and that is all they ask.

It is admitted that regulation is the remedy, but the remedy to be effective must be properly compounded. Now in the matter of regulation we are still in an experimental stage. A beginning has been made, and a number of public-spirited men and commissioners have worked at it most industriously. However, they have been forced, by the lack of general information on the subject by the public, to have their efforts restricted to a thousand petty local situations, instead of being able to develop a broad and comprehensive system. For instance, the Federal Government has the constitutional right to regulate interstate commerce, and has an Interstate Commerce Commission. It regulates the interstate rates, makes specifications as to the safety appliances used on cars in interstate traffic, and upon engines, boilers, and the various minor mechanical details of interstate equipment. There are 48 state commissions following in its wake and doing the same thing for intra-state business. Men from both commissions often inspect the same equipment at the same time, filling out their different blanks and making their different suggestions. Sometimes a piece of equipment which can operate in one state cannot operate in another. To obtain the consent to purchase a piece of equipment for most urgent need often requires the approval and concurrence of half a dozen different commissions, notwithstanding the fact that the equipment is used in interstate traffic. All of this is doubtless done with the honest conviction that the wise thing is being done, but it creates a condition under which it is very difficult to run a railroad, if that is really the object to be accomplished by all of this endeavor.

Again, other special commissions are created by legislative acts in each state, giving to cities, and even villages, almost supreme power to regulate the railroads within their corporate limits. Such commissions exist all over the United States. Some of them are created for a broad purpose, and may be beneficial; many of them take no general view of the transportation problem as a whole. For instance, one state recently passed an act empowering the superintendent of public works of a village to reconstruct a railroad through the village principally at the cost of the railroad, at an expenditure of several million dollars,

and with power to do it in a way which would embarrass the operation of a railroad 500 miles in length, and embarrass the business of several million people in other communities.

With these facts in view, is it not a marvel and a monument to American enterprise that the American railroad has been able to build the most powerful equipment, operate the fastest trains, and perform a service at less cost than any other railroad system in the world? Much of it has been done under public cooperation and a full appreciation of the need of transportation. This spirit must return, to enable the railroads to meet the new needs of transportation, which are more pressing now than they have ever been, owing to the fact that they have created within 50 years a complete revolution in our industrial growth, which has made the railroad the artery through which pulsates the business affairs of the nation.

**Railroads Must Be Permitted to Build Up a Surplus and Reserve**

Railroads must be permitted to build up a surplus and a reserve to meet the abnormal fluctuations in business. These fluctuations come suddenly and spontaneously, due to the abundance of crops and other natural conditions, which cannot be anticipated. So long as the railroads are required to exist on a miserly basis at the sparse year and the minimum traffic, it is useless to expect them to be ready for abnormal conditions and for the years of plenty. Hundreds of millions of dollars must be raised to rectify conditions which have arisen in many of our states due to rapid growth, which expenditures will produce no appreciable returns to the railroads. These are matters of eliminations of street crossings, highway crossings, the reconstruction of passenger stations and similar terminals, the purchase of steel cars, the substitution of electric lighting, and the thousand other comforts and conveniences for the public, which add nothing to gross or net revenue. In addition to these things, there should always be a considerable reserve in locomotives, cars, yard facilities, and additional main tracks, in order that the maximum conditions which arise from time to time may be met. It is laborious to make bricks without straw, and it is also impossible to run a railroad successfully without money. Railroads have no means of obtaining this money except as the public consents to pay them for the services rendered.

**Railroad Men Needed on Commissions**

It is considered the height of wisdom and patriotism to select our most learned lawyers and upright citizens to serve as judges in our courts. Would it not be equally wise and beneficial to have upon all our commissions a few expert railroad men, who could give to the railroads and the public the benefit of their technical knowledge and experience? As a matter of fact, such railroad employes are usually prescribed by law, the inference and compliment being, we assume, that they may be inimical to public interests, owing to their financial relations, when, as a matter of fact, 95 per cent. of the experienced railroad officers today are men who have grown up through the ranks from minor positions and have reduced railroading and transportation to as distinct and scientific a profession as almost any in the country.

The ultimate remedy seems to be that syndicates such as yours, together with the consolidated chambers of commerce, manufacturers' associations, traffic leagues, and other various commercial and agricultural organizations, must take up their own case, by organizing in some way a National Board of Transportation, and undertake a campaign of education which will ultimately show the wisdom of creating a commission as broad as the nation itself, with all the ramifications such as our Federal court, by which the national commission and the state commissions and other commissions will be coordinated so they will move in unison under some central authority to regulate traffic. Before such a tribunal your board of transportation and the railroad interests could always meet and determine what really ought to be done in the way of rates and improvements, and the means of raising the money therefor. These questions are inseparable. What you need and must have to conduct your business is adequate service. That cannot be furnished unless the railroads receive reasonable

compensation for it, and are thereby able to borrow money and provide facilities. People who have money to invest will not invest it unless they are assured of fair treatment and reasonable protection for their investments, and the lack of this assurance is what is tending to retard your development and ours.

**FEDERAL RESERVE BOARD TO SAFEGUARD AGAINST BANK RUNS**

Washington—The Federal Reserve Board has taken steps to safeguard any member bank threatened by a run by foreign born depositors and will aid any bank in the country whose stability is thus threatened.

In the case of member banks, it is said, the board is prepared to discount virtually the banks' entire holdings of paper into currency.

Nonmember banks needing aid to meet such a run, it is understood, may receive it indirectly from the board through member banks.

**W. L. BRACKETT CO.**

FINANCIAL AND REALTY BROKERS

Merchants National Bank Building, ST. PAUL, MINN.

Specialists in ground leases, leasehold and building loans, bonds, stocks and mortgages of realty and building enterprises. Consulting building specialists and efficiency engineers in the planning, financing, erection and operation of modern buildings. Estimates of costs, rentals and profits, general realty and building appraisals made.

**Sample Mpls. First Mortgage Offering**

Amount \$6,000      6 PER CENT      Appraisal \$15,000

Lot 42 x 130. New, well built brick and veneer four family flat building, modern and up-to-date in every detail. This property is well located on a good residential corner lot on Stevens Ave. So.

Ins. \$10,500      Matures Dec. 1, 1921

**ARTHUR P. SMITH CO.**

226-7-8 Plymouth Building, MINNEAPOLIS, MINN.



**Bankers of the Northwest**

The large and steady outlet that we have for first mortgage loans on Minnesota, North and South Dakota, and Montana farms keeps us constantly seeking additional connections with Bankers in this territory.

The mortgage loan facilities this Company offers should appeal to those Bankers who desire to place farm mortgages with an institution that can absorb quantity with quality.

Applications are promptly considered and, if accepted, are closed without delay.

Call or write our Mortgage Loan Department for further details.

**The Minnesota Loan and Trust Company**

405 Marquette Avenue, MINNEAPOLIS, MINNESOTA

# ST. PAUL CATTLE LOAN CO.

UNION STOCK YARDS  
SOUTH ST. PAUL, MINN.

Established 1901

Capital and Surplus \$437,500.00

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Live stock security is now recognized among the safest and most liquid of all securities. To buyers of Commercial Paper we offer live stock loans bearing our endorsement at current market rates.

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## Delano Discusses Regulation Fallacies

New York—Frederic A. Delano, member of the Federal Reserve Board, and a former railroad executive, and Alfred P. Thom, general counsel of the Railway Executives Advisory Committee, were the principal speakers at the annual dinner of the Railway Business Association. Mr. Delano discussed "some of the more obvious misapprehensions" in the public mind regarding railroads, which he said had been accepted as the starting point of regulation. Among these, he listed the fallacy that rates are, or can be, made upon the cost theory, regardless of the value of the particular service; the injustice of imposing upon investors who have taken all the risks of an enterprise a fixed rate of return similar to an interest rate; the error that valuation of railways will have any real bearing on rate making. On the latter point he said, in part:

"Rates have not been enhanced by over capitalization. The tendency with over capitalized roads has been to reach after business and adopt methods which might be termed unfair competition. Their heavy fixed charges compelled them to secure a large volume of business or go to the wall. The company that is conservatively capitalized or under capitalized, hesitates about cutting rates, and about doing things which are more or less experimental or hazardous. There is no necessary relation between cost and value. A man might buy a corner on Fifth avenue for \$1,000,000, yet it might not be worth that price. The value of a piece of property, present or potential, is determined by the use to which it is put, or may be put; and, if, as in the case of railroad property, it is permanently dedicated to a specific use, and can never be separated from that use, it has a value as a part of the whole which, in transportation, is determined by the earning power of that whole. Instead of saying that the value of a right of way and improvements should determine rates, it would be more accurate to say that the rates would determine the value of the railroad property."

Alfred P. Thom, counsel for the Railway Executives Advisory Committee, said the railroads through lack of capital face a stagnation that threatens the industrial future of the country. "All we can offer him (the investor) is the meager charity meted out by the politicians of the country," said Mr. Thom.

Continuing, he said: "The rate at which existing lines are being developed and new mileage is being constructed is not in a proportion approaching that which was an indispensable factor in the commercial and agricultural growth of the past. This is nowhere denied. Commerce is even now being inconvenienced and impeded by lack of transportation facilities, and there is no assurance, under existing methods of governmental regulation, that transportation facilities will hereafter be adequate and sufficient for the reasonable requirements of the commercial public.

"To provide adequate transportation requires the constant input of large amounts of new capital, which can only be obtained through credit. During the period of diminishing railway expansion, and of inadequate facilities on ex-

isting lines, a condition has arisen which makes other public utilities and the industrials a more attractive field for investment than steam railways. Nobody disputes that enterprises other than the roads have been obtaining a larger proportion than formerly of available new capital and a very much larger proportion than the railroads.

"Nobody within sound of my voice or within reach of the printing press needs to be reminded of the remedies which have been laid tentatively before the joint committee of Congress on behalf of the railways. We think the act to regulate commerce should lay upon the Interstate Commerce Commission the duty as well as confer upon it the power so to control the relation of income to outgo as to leave an adequate surplus as a basis of credit. We think the Interstate Commerce Commission should have exclusive supervision over the issue of securities. To that end we think railway charters should be Federal. We think that, in order to insure equality of commercial opportunity to all the people and equality in the distribution of the burden of maintaining as a standard of high efficiency the facilities of a universal commerce, the act should make clear that Congress has empowered the Interstate Commerce Commission to regulate all rates, state as well as interstate, of carriers which do an interstate business."

## ACCEPTANCES FOR ADVERTISING

Washington—The Federal Reserve Board says: A number of letters have been addressed to us, raising the question whether a trade acceptance, which is defined in the Board's regulations as "a draft or bill of exchange drawn by the seller on the purchaser of goods sold and accepted by such purchaser," includes a draft or bill of exchange based on the purchase of advertising space.

The term "goods" as used in the regulations of the Board includes goods, wares, merchandise, or agricultural products, including live stock, and because of the doubts raised as to whether this term is broad enough to include advertising space, the Board has ruled that a draft or bill of exchange drawn by a publisher, or other advertising agency, on the purchaser of advertising space and accepted by such purchaser shall be considered a trade acceptance, provided the advertisement on which the draft or bill is based is for the purpose of promoting or facilitating the production, manufacture, distribution, or sale of goods, wares, merchandise, or agricultural products, including live stock; and provided further that such advertisement is not illegal and is not for the purpose of promoting or facilitating any transaction which is prohibited by the laws of state in which it is to be consummated.

Each Federal reserve bank should take such steps as it deems necessary to satisfy itself that a trade acceptance covering the sale of advertising space is of the character described in this letter.

The largest dividends for any quarter in many years, amounting to more than \$750,000, were paid out by cotton mills at Fall River, Mass., during first three months of fiscal year beginning November 1.



# BOND ISSUES WANTED

We will be glad to consider bond issues upon good dividend-paying electric properties

## Bankers Trust & Savings Bank

Capital \$1,000,000

of MINNEAPOLIS

Surplus \$200,000

### BANK CLEARINGS

Bank clearings in the United States for the week ended February 8 aggregated \$6,845,733,000, against \$5,147,152,000 last week and \$4,221,354,000 in this week last year. Canadian clearings aggregated \$214,652,000, as against \$189,287,000 last week and \$154,775,000 in this week last year. Following are the returns for this week with percentages of change as compared with this week last year, as reported to Bradstreet's:

	—Per Cent—	Inc. Dec.	
		Inc.	Dec.
New York	\$4,458,833,000	73.1	.....
Chicago	477,643,000	44.2	.....
Philadelphia	384,185,000	66.8	.....
Boston	291,699,000	61.6	.....
Kansas City	121,212,000	53.0	.....
St. Louis	120,342,000	37.8	.....
San Francisco	82,457,000	47.6	.....
Pittsburgh	79,780,000	36.8	.....
Cleveland	58,169,000	70.8	.....
Detroit	48,777,000	57.9	.....
New Orleans	44,400,000	83.0	.....
Cincinnati	38,772,000	33.3	.....
Baltimore	38,550,000	.....	4.5
<b>Twin Cities</b>	<b>35,394,000</b>	.....	<b>2.0</b>
Los Angeles	30,705,000	41.1	.....
Omaha	30,590,000	39.1	.....
Louisville	26,283,000	32.0	.....
Milwaukee	24,752,000	15.5	.....
Minneapolis	24,374,000	3.3	.....
Richmond	24,304,000	49.8	.....
Atlanta	21,687,000	25.9	.....
Seattle	16,425,000	64.5	.....
Buffalo	16,334,000	29.8	.....
Salt Lake City	14,995,000	91.9	.....
St. Joseph	13,601,000	56.1	.....
Denver	13,439,000	40.1	.....
Portland, Ore.	13,129,000	56.7	.....
Houston	12,891,000	29.6	.....
Indianapolis	11,107,000	19.1	.....
St. Paul	11,020,000	.....	11.7
Des Moines	7,544,000	33.7	.....
Spokane	5,160,000	40.2	.....
Grand Rapids	4,903,000	39.8	.....
Duluth	4,456,000	22.3	.....
Sioux City	4,185,000	2.7	.....
Davenport	2,548,000	40.0	.....
Topeka	2,491,000	47.1	.....
Tacoma	2,503,000	51.0	.....
Waterloo	2,450,000	20.6	.....
Cedar Rapids	1,939,000	20.7	.....
Helena	1,616,000	37.7	.....
Boise	1,510,000	53.4	.....
Fargo	1,236,000	.....	15.1
Sioux Falls	981,000	.....	6.3
Billings	792,000	.....	80.0
Aberdeen	531,000	.....	25.3
Total, United States	\$6,845,733,000	62.1	.....
Total, outside New York	2,386,899,000	44.8	.....

### Canada

	—Per Cent—	Inc. Dec.	
		Inc.	Dec.
Montreal	\$81,715,000	47.0	.....
Toronto	57,034,000	34.2	.....
Winnipeg	38,723,000	43.9	.....
Vancouver	5,824,000	26.1	.....
Ottawa	4,939,000	30.4	.....
Hamilton	4,189,000	31.3	.....
Calgary	3,861,000	17.1	.....
Quebec	3,968,000	31.2	.....
Halifax	2,595,000	12.3	.....
London	2,314,000	32.2	.....
Regina	2,185,000	48.6	.....
St. John	2,030,000	27.0	.....
Edmonton	1,957,000	.....	3.2
Victoria	1,216,000	28.2	.....
Saskatoon	1,202,000	19.4	.....
Moose Jaw	*895,000	.....	.....
Total, Canada	\$214,652,000	38.7	.....

\*Last week's.

### BANK TRANSACTIONS

The following cities report totals of bank transactions to Bradstreet's for the week ended February 7, with percentages of change shown this week as compared with this week last year:

	—Per Cent—	Inc. Dec.	
		Inc.	Dec.
San Francisco	\$205,227,000	70.0	.....
Kansas City	*190,577,000	.....	.....
Cincinnati	126,197,000	44.3	.....
Richmond	122,088,000	125.9	.....
Detroit	106,533,000	35.1	.....
Minneapolis	97,059,000	29.0	.....
New Orleans	83,932,000	69.6	.....
Omaha	72,525,000	30.6	.....
St. Joseph	70,235,000	56.2	.....
Los Angeles	55,655,000	43.5	.....
Toledo	47,399,000	13.1	.....
Memphis	46,939,000	47.0	.....
Seattle	43,839,000	93.0	.....
Indianapolis	36,119,000	30.8	.....
Des Moines	26,652,000	28.9	.....
Providence	26,325,000	39.1	.....
Hartford	16,841,000	33.3	.....
Spokane	12,797,000	30.3	.....
Scranton	10,016,000	18.7	.....
Trenton	6,825,000	.....	19.0

\*Last week's.

### UNITED STATES CHAMBER OF COMMERCE ELECTS OFFICERS

Washington—R. Goodwyn Rhett of Charleston, S. C., has been reelected president of the Chamber of Commerce of the United States, following the fifth annual meeting of that organization held in Washington.

Other officers of the National Chamber have been reelected as follows: Harry A. Wheeler of Chicago, John H. Fahey of Boston, and A. B. Farquhar of York, Pa., honorary vice presidents; Samuel McRoberts of New York City, vice president; and Joseph H. Defrees of Chicago, vice president and also chairman of the executive committee.

John Jay Edson of Washington, has been reelected treasurer. The newly elected officers are: Hon. Charles Nagel of St. Louis, honorary vice president, and Willis Booth of Los Angeles, vice president.

On December 27 last national banks of United States held \$321,993,000 of foreign government bonds and other foreign securities. Two and a half years earlier, that is on June 30, 1914, national banks held but \$15,627,000 of foreign securities, so that these latent figures indicate gain of \$306,000,000 of foreign securities, or fully 2,000 per cent.

### BUSINESS MEN'S EFFICIENCY BUREAU

James F. Ells

Morton M. Newcomb

901-902 Plymouth Building  
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We make it easy for you to secure good bank men.

(Investments handled)

All correspondence confidential

## Acceptances

Recognizing the importance of Acceptances as a means of increasing and simplifying domestic and foreign trade, we have prepared and issued an interesting and valuable monograph on this subject.

Copies on Application. Correspondence on the subject invited.

## The American Exchange National Bank

128 Broadway

New York City

**WILLIAM W. EASTMAN CO.**  
 SECURITY BUILDING ALWORTH BUILDING  
**BONDS**  
 MINNEAPOLIS DULUTH  
**LOCAL SECURITIES**  
 WHEN WISHING INFORMATION ON SECURITIES CALL US

**STOCK AND BOND QUOTATIONS**

**MINNEAPOLIS STOCK EXCHANGE QUOTATIONS**

**ST. PAUL STOCK EXCHANGE QUOTATIONS**

	Div. Rate Pct.	Bid	Asked
Northwestern National	12	269	273
First and Security National	12	273	...
Scandinavian-American National	6	181	...
St. Anthony Falls	8	...	165
Hennepin County Savings	10	270	...
German-American	12	220	...
Metropolitan National	6	125	...
Mercantile State	6	133	138
Merchants & Manufacturers State	8	175	...
Central State	10	...	150
Union State	8	140	...
South Side State	12	250	...
Camden Park State	8	160	...
Minneapolis State	10	175	...
Millers & Traders State	6	145	...
State Institution for Savings	...	70	...
N. W. Fire & Marine Ins.	10	...	180
Minneapolis Brewing, com.	7	60	...
Minneapolis Brewing, pfd.	6	90	...
Minneapolis Threshing, com.	7	150	180
Minneapolis Threshing, pfd.	7	103	...
Tri-State Tel. & Tel., pfd.	6	90	...
Twin City Telephone, pfd.	7	100	103
Rogers Lumber, pfd.	7	105	...
Crown Iron, pfd.	7	101	...
North American Telegraph	6	90	94
N. W. Knitting, pfd.	7	105	...
Minneapolis Steel & Mach., 1st pfd.	6	93	...
Minneapolis Steel & Mach., 2nd pfd.	8	100	...
Minneapolis Steel & Mach., com.	...	164	...
Pillsbury-Washburn, pfd.	...	100	...
Pillsbury Flour Mills	...	110	...
Northern States Power Co., com.	...	103	104 1/2
Cities Service, pfd.	...	90	92 1/2
Real Estate Title Ins.	...	115	...
Minneapolis Syndicate	...	110	...

**Bonds**

	Pct.	Bid	Asked
City of Minneapolis	4	100	...
N. W. Cons. Milling	5	100	...
Minnesota Transfer	5	100	...
Twin City Rapid Transit (1919)	5	102	103
Twin City Rapid Transit (1928)	5	102	...
Twin City Rapid Transit (1938)	5	102 1/4	102 3/4
Minneapolis General Electric	5	102	103
Minneapolis Gas Light (1930)	5	100	101
St. Paul Gas Light (1918)	6	100 1/4	102
Donaldson Realty	6	100	...
First National-Soo Bldg.	5	100 1/4	...
Shevlin-Clarke	5	99 1/2	...
Minnesota & Ontario	6	100 3/4	...
Powell River	6	...	101
Pillsbury & Washburn (1928)	5	84	87
St. Paul Gas Light (1944)	5	99 1/2	...
Twin City Telephone	5	6 per cent. basis	...
Northern States Power (1941)	5	97 1/2	98
Northern States Power (1926)	6	99 1/2	100

	Div. Rate	Bid	Asked
First National	12	...	325
Merchants National	10	...	250
Capital National	6	150	160
American National	6	135	...
National Bank of Commerce	6	155	...
Scandinavian American	10	232	...
Stock Yards National	8	...	200
St. Paul State	20	450	...
Ramsey County State	...	140	...
Capital Trust & Savings	5	275	...
Peoples Bank	...	125	...
Tri-State Telephone, pfd.	6	90	95
West Publishing, com.	10	400	...
West Publishing, pfd.	6	110	...
St. Paul Fire & Marine Insurance	12	500	550
Twin City Rapid Transit, com.	...	96	98
St. Paul Cattle Loan Co.	...	160	...

**Bonds**

	Pct.	Bid	Asked
Minneapolis Street Ry, Con., 1919	5	101	...
Mpls. St. Ry. & St. P. Ry., Con. 1928	5	101 3/4	...
St. Paul City Ry., 1932	6	111	...
St. P. City Ry., Cable, Cons., 1937	5	102	...
St. P. Gas Light Co., Con., 1918	6	101 1/2	...
St. P. Gas Light Co., Gen., 1944	5	99	100
St. Croix Power Co., 1929	5	94	97
St. P. Un. Stk. Yds. Co., 1946	5	101	...
St. Paul Union Depot, 1930	6	113	...
Pillsbury-Washburn, 2nd col. 1928	5	80	90
Minn. Trans. Ry. Co., 1956	5	102	102 1/2
City of Minneapolis, 1941	4	100	...
County of Ramsey, Minn., 1918	4 1/2	...	100
Minneapolis Gas Light Co., 1930	5	...	100
Minn. & St. P. Sub. Ry., 1924	5	101 1/2	...
Minn. General Electric, 1934	5	102	103

**DULUTH**

	Bid	Asked
First National	300	...
American Exchange National	500	...
City National	140	...
St. Louis County State	105	...
Western State	140	...
Northern National	150	...

**CHICAGO BANK STOCKS**

Quotations for February 13 by John Burnham & Co.,  
 41 South La Salle street, Chicago:

	Bid	Asked	Book Value
American State Bank	188	191	153
Atlas Exchange National	117	125	116
Bowmanville National Bank	165	...	142
Calumet National Bank	205	...	183
Calumet Trust & Savings Bank	180	200	132
Central Mfg. District	155	160	132
Central Trust Company	198	202	142
Chicago City Bank	255	265	212
Chicago Savings Bank	145	148	129
Citizens State of L. V.	127	130	120
City National of Evanston	325	...	314
Continental & Commercial	270	273	200
Corn Exchange National	430	435	342
Depositors State & Savings	157	...	134
Drexel State Bank	180	185	147
Drovers National Bank	224	235	151
Drovers Trust & Savings	320	...	217
Englewood State Bank	163	168	127
First National Bank	474	477	342
First National (Englewood)	340	345	288
Fort Dearborn National	237	243	140
Fort Dearborn Trust	175	181	141
Franklin Trust & Savings	166	170	168
Greenebaum Sons Bank & Trust	...	290	146
Harris Trust & Savings	575	...	271
Home Bank & Trust Co.	170	175	135
Hyde Park State Bank	140	142	138
Illinois Trust & Savings	480	485	335
Irving Park National Bank	147	150	128
Jefferson Park National	168	...	144

Kaspar State Bank	290	...	180
Kenwood Trust & Savings	225	235	198
Lake View Trust & Savings	186	190	141
Lawndale State Bank	255	265	201
Liberty Trust & Savings	161	170	128
Live Stock Exchange National	245	251	164
Madison & Kedzie State	124	127	135
Mechanics & Traders	127	130	138
Mercantile Trust & Savings	150	154	132
Merchants Loan & Trust	464	470	375
Michigan Avenue Trust	122	125	143
Mid-City Trust & Savings	210	215	139
National Bank Republic	170	176	167
National City Bank	152	156	150
National Produce Bank	164	168	131
Northern Trust Company	274	277	250
North West State Bank	164	168	131
Northwestern Trust & Savings	270	281	161
Oak Park Trust & Savings	245	255	160
Peoples Stock Yards State	298	305	153
Peoples Trust & Savings	280	285	163
Pullman Trust & Savings	225	250	211
Schiff & Co. State	275	300	153
Security Bank of Chicago	263	270	234
South Chicago Savings	225	230	165
South Side State Bank	159	163	125
State Bank of Chicago	425	432	337
State Bank of Evanston	320	325	291
State Bank W. Pullman	200	...	121
Stock Yards Savings	350	...	189
Washington Park National	250	...	146
Wendell State Bank	350	...	262
West Side Trust & Savings	300	310	141
Woodlawn Trust & Savings	235	...	192

**PIPER, JAFFRAY & CO.**

Commercial Paper  
 and Collateral Loans

308-10 New York Life Bldg., MINNEAPOLIS, MINN.

**BOND & GOODWIN**

COMMERCIAL PAPER

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New York Life Building MINNEAPOLIS

# Kalman, Matteson & Wood

MUNICIPAL BONDS  
ST. PAUL

FARM LAND BONDS

CORPORATION SECURITIES  
MINNEAPOLIS

## CHICAGO SECURITIES

Quotations for February 13 by John Burnham & Co.,  
41 South La Salle street, Chicago:

	Bid	Asked
American Chicle Co., pfd.	75	78
Amer. Fork & Hoe Co., com.	125	128
Amer. Fork & Hoe Co., pfd.	126	...
American Laundry Co., com.	50	55
American Laundry Co., pfd.	120	125
Amer. Public Utilities, pfd.	69	72
Amer. Type Founders, pfd.	88	92
Atlas Powder Co., com.	160	166
*Atlas Powder Co., pfd.	98	101
Avery Company, com.	88	91
Avery Company, pfd.	95 3/4	97
Babcock & Wilcox Company	114	116
*Beatrice Creamery Co., com.	222 1/2	230
Beatrice Creamery Co., pfd.	107	109
*Bordens Cond. Milk Co., com.	106	108
Bordens Cond. Milk Co., pfd.	101	103
Brunswick-Balke Coll., pfd.	109 1/2	111 1/2
Butler Brothers	278	281
*By-Products Coke Corporation	164	166
Chalmers Motor Co., new.	20	30
Chicago Railway Equipment	105 1/2	108
Chicago Mill & Lumber, pfd.	105	106 1/2
Cities Service Co., com.	273	278
Cities Service Co., pfd.	87	88 1/2
Commonwealth Power Ry. & Lt., com.	58	60
Commonwealth Power Ry. & Lt., pfd.	80	83
*Consumers Company, pfd.	79	80
Creamery Package Co., com.	80	81 1/2
Deere & Company, pfd.	97 1/2	99
Du Pont Powder Co., com.	250	260
Du Pont Powder Co., pfd.	102	104
Elgin National Watch Co.	149	152
Federal Sign System, pfd.	45	55
Firestone Tire & Rubber, com.	134	136
Firestone Tire & Rubber, pfd.	107	108
First State Pawnsers Society	115	118
Fox River Butter Company, com.	190	...
Fox River Butter Company, pfd.	102	105
German American Sugar Co.	26	26 1/2
Goodyear Tire & Rubber, com.	254	257
Goodyear Tire & Rubber, pfd.	106 1/2	108
*Great Lakes Dredge & Dock	94	97
Hercules Powder Co., com.	280	287
*Hercules Powder Co., pfd.	115	118
Holland St. Louis Sugar Co.	11 1/2	12 1/2
Hotel La Salle, pfd.	110	120
Hotel Sherman, com.	55	...
Hotel Sherman, pfd.	100	102
Hupp Motor Company, com.	3 1/4	4 1/4
Inland Steel Company	425	435
Ins. Exch., Bldg. Corp., pfd.	103 1/2	105
Kellogg Switchboard & Supply	260	265
Linde Air Products Co., com.	283	287
McCord Mfg., com.	38	40
McCord Mfg., pfd.	100	101
Middle West Utilities, com.	60	62
Middle West Utilities, pfd.	79 1/2	80 1/2
Moline Plow Co., com.	86	91
Moline Plow Co., 1st pfd.	97 3/4	98 3/4
National Grocer Co., com.	100	103
National Grocer Co., pfd.	96	99
Northern States Power, com.	100	105
Northern States Power, pfd.	97	99
Northern States Warrants	14	15 1/2
Northwestern Yeast Company	310	315
Otis Elevator Company, pfd.	58	61
Otis Elevator Company, pfd.	88	91
Oxweld Acetylene Company	162	168
*Paige Motor Co.	37 1/2	38 1/2
Pick, Albert & Co., com.	135	140
Pick, Albert & Co., pfd.	104	106
Public Service Co., com.	107	108
Public Service Co., pfd.	99	100
Reo Motor Car Company	35 1/4	36 1/4
Safety Car Heating & Lighting	99 1/2	101 1/2
W. W. Shaw Corp., com.	49	51
W. W. Shaw Corp., pfd.	89	91
John M. Smyth Company, pfd.	103	105
Standard Gas & Elec. com.	11	12 3/4
Standard Gas & Elec. pfd.	37	39 1/2
Sullivan Machinery Company	138	145
Tri-City Ry. & Light, pfd.	95	97
United Light & Rys., com.	46	49
United Light & Rys., pfd.	76	77 1/2
U. S. Gypsum Company, com.	40	42
U. S. Gypsum Company, pfd.	98 1/2	100
Utah-Idaho Sugar Co.	26	27

**CHICAGO**  
LaSalle and Monroe

# John Burnham & Co.

**CHICAGO**  
Tel. Long Dist. 173

**Unlisted Securities**  
Public Utilities — Bank Stocks — Bonds

*We have a department for the Exclusive handling of Insurance Stocks*

**CHICAGO**  
La Salle and Monroe

Chicago

*Private wire connections with many west and northwest cities*

New York

**CHICAGO**  
Tel. Long Dist. 173

## N. C. SMITH & CO.

INVESTMENT SECURITIES  
WE SPECIALIZE IN BANK STOCKS  
53 FIRST NATIONAL-500 LINE BLDG., MINNEAPOLIS, MINN.

*We wish to*  
**Purchase Country Bank**

**BANKERS CONSOLIDATED SECURITIES CORPORATION**  
612 Andrus Building, MINNEAPOLIS, MINNESOTA

**BANKERS!** Do you wish to dispose of your interest, no matter how large? I have buyers for it, and can close the deal immediately. All business confidential.

**JACOB BACKER, Bank Broker**  
306 BREMER ARCADE ST. PAUL, MINN.

## Simon M. McCanna & Co.

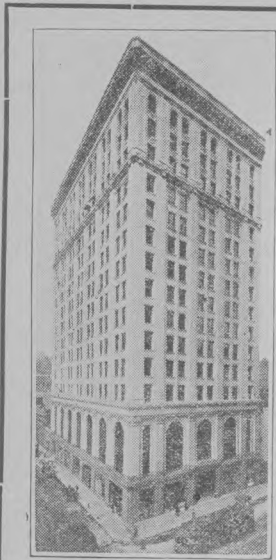
Security Building Minneapolis, Minn.  
We invite correspondence relative to the purchase of  
**6% Northwestern Farm Mortgages**  
Bonds and Commercial Paper County and School Warrants

**THIS BANK**  
will make quick returns on  
**COLLECTIONS**

**Metropolitan National Bank**  
Metropolitan Life Building  
MINNEAPOLIS, MINN.

**We Purchase Banks**

**The Sinclair Company**  
Suite 310-312 McKnight Building  
MINNEAPOLIS



## We Can Please You

The accommodating and personal service which the Merchants National Bank extends is just the kind of attention that will please and satisfy the most discriminating banks and bankers in all parts of the country.

We invite correspondence from financial institutions requiring connections in Saint Paul—the logical clearing point for Minnesota and the great territory of which it is a center.

### Merchants National Bank of Saint Paul, Minn.

Established 1872

**THE BANK OF PERSONAL SERVICE**

## NEW BANKS AND CHANGES

### MINNESOTA

New York Mills.—C. G. Hyry has been elected cashier of the First State Bank to succeed E. T. Olson, who resigned.

Aldrich.—Raymond Benedict, formerly with the First National Bank of Motley has been elected cashier of the First State Bank here, succeeding L. N. J. Bauer.

Jordan.—John H. Moore of Wells has purchased the interests of Theodore Weiland and Julius A. Collier in the Peoples State Bank and will assume the duties of president.

Verndale.—At a meeting of the directors of the Farmers & Merchants State Bank the following officers were elected: Charles E. Swanson, president; E. W. Dickinson and H. J. Peterson, vice presidents and Robert H. Brink, cashier.

### NORTH DAKOTA

Horace.—A. C. Johnson has resigned as cashier of the Horace State Bank.

Hettinger.—Alfred O. Brown has been elected assistant cashier of the Hettinger State Bank succeeding Ira T. Hall.

Watford.—A. E. Henkelman has been elected to succeed E. L. Dahl as assistant cashier of the Farmers State Bank.

Alexander.—Application has been filed for a charter for the First National Bank to succeed the Scandinavian American Bank.

Williston.—O. J. Helland of Scobey, Mont., has been elected cashier of the Williams County State Bank succeeding B. J. Schoregge.

Kongberg.—The Kongberg State Bank has been chartered with a capital of \$15,000. C. W. McGray, Krist Kjelstrup and George E. Swanson are among the incorporators.

Binford.—The Farmers & Merchants Bank of Binford has been incorporated with a capital of \$15,000. L. P. Larson, C. F. Ringlee, J. C. Thingelstad and A. J. Anderson are among the organizers.

Hazen.—The First State Bank of Hazen and the Krem State Bank of Krem have consolidated under the title of the former. It is expected that the bank will convert into a national bank later.

### SOUTH DAKOTA

Spencer.—Harold T. Haynes has been elected assistant cashier of the State Bank.

Custer.—At the annual meeting of the directors of the Custer County Bank, Clifford Kneeland was elected cashier to succeed C. E. Perrin.

Lemmon.—C. C. Siderius and his associates have purchased the controlling interest in the Lemmon State Bank from L. C. Peck. The following will be the officers: C. C. Siderius, president; A. G. Macomber, vice president, and Harry Riis, cashier.

### WISCONSIN

Osseo.—A. H. Brandon of Chicago and F. M. Smith have purchased the controlling interest in the State Bank from A. E. Bradford and T. J. Thompson.

Brule.—W. B. Follis, W. C. Follis, A. J. Webster, Allen T. Colder, John Cohn and H. E. Webster are among the organizers of the Brule State Bank with a capital of \$10,000.

Wautoma.—The annual meeting of the directors of the Wautoma State Bank resulted in the election of the following officers: L. H. Larsen, president; W. H. Berray, vice president, and Clyde Diggles, cashier.

### IOWA

Dunlap.—L. K. Moore has been elected president of the Dunlap State Bank.

Stanton.—Verne J. Martin has disposed of his interest in the Stanton State Bank.

Bagley.—C. A. Porter has been elected assistant cashier of the Farmers Savings Bank.

Silver City.—At a meeting of the directors of the Farmers State Bank, R. P. Gault was elected cashier.

Stockton.—George Broders is cashier of the Stockton Savings Bank which recently opened for business.

Dolliver.—Ernest Dowden has been elected to succeed B. L. Clark as cashier of the Farmers Savings Bank.

Valley Junction.—W. H. Field and his associates have purchased the interest of John Cavanaugh in the Valley Junction Savings Bank.

Ocheyedan.—V. A. Burley has purchased an interest in the Ocheyedan Savings Bank. C. R. Richards, president of the bank will retire from active management.

Milford.—At the annual meeting of the directors of the First National Bank, C. F. Mauss was elected president to succeed P. Rasmussen, who resigned. Mr. Mauss was formerly cashier of this bank.

Coon Rapids.—A national bank is reported to be organizing here with a capital of \$25,000. Jerry Bower, J. H. Bell, W. B. Palmer, Fred French, George Bower, Harry Cornish and Willard Wine are among the organizers.

Milford.—The German Trust & Savings Bank is being organized with a capital of \$25,000. L. F. Meyers and Will Meyers are interested. A building is being remodeled for the bank's use, which is expected to open for business about April 1.

Popejoy.—A bank is being organized here under the title of the Popejoy Savings Bank and is expected to open for business next month. The following officers have been elected: Warren Collins, president; M. H. Hanson, vice president, and E. H. Anderson, cashier.

Lamotte.—Articles of incorporation have been filed for the German American Savings Bank with a capital of \$20,000. Thomas Dougherty, W. L. Felderman, Antone Guerdet and W. M. Hayes are among the incorporators. The following are the officers: M. Mahoney, president; W. H. Hayes, vice president, and T. J. Lambe, cashier.

### MONTANA

Geyser.—A charter has been issued to the First National Bank.

Shelby.—The First National Bank has been chartered with a capital of \$25,000.

Broadus.—The First National Bank has applied for a charter with a capital of \$25,000.

Alzada.—Application has been filed for a charter for the First National Bank with a capital of \$25,000.

Opelm.—Frank Derrig of Glentana has assumed the management of the new Farmers State Bank here.

Hardin.—Application has been filed for a charter for the Stockmen's National Bank with a capital of \$40,000.

Denton.—A new bank is reported to be organizing by the Alexander Gilchrist Company with a capital of \$50,000.

Scobey.—O. J. Helland has resigned as cashier of the First National Bank to accept the cashiership of the Williams County State Bank of Williston, N. D.

Livingston.—The controlling interest in the First State Bank has been purchased by L. R. Nye and his associates. J. W. Van Doren has been elected to succeed J. F. O'Connor as president, George E. Simon was elected vice president and L. R. Nye, cashier.

Sweet Grass.—An item appeared last week in this department stating that a new bank has been organized under the title of the First International Bank. This was erroneous as this bank was organized three years ago, although the title of the new bank is not as yet known.

### NEBRASKA

Columbus.—William Bucher is interested in the organization of the Farmers State Bank with a capital of \$50,000.

Arcadia.—Frank N. Austin and W. F. Sander have purchased the controlling interest in the Commercial State Bank.

Willard.—The Farmers State Bank has been organized with a capital of \$50,000. Robert Frahm, Elliott Frahm and others are interested.

Superior.—C. W. Harvey and George S. Aldrich have purchased an interest in the Superior State Bank. Mr. Harvey is president and Mr. Aldrich, cashier.

Omaha.—B. H. Melle has been promoted from assistant cashier to cashier of the Merchants National Bank, succeeding Fred P. Hamilton who was advanced to vice president.

Paxton.—F. C. Pielsticker, M. E. Scott and J. G. Beeler of North Platte have purchased the stock of the Commercial State Bank. The following are the newly elected officers: F. C. Pielsticker, president; M. E. Scott, vice president, and J. T. Shields, cashier.

### OREGON

Harrisburg.—George J. Wilhelm, cashier of the First National Bank has purchased the controlling interest in the Farmers & Merchants Bank.

# THE NATIONAL BANK OF THE REPUBLIC of CHICAGO

continues to offer to banks and bankers the advantages of its facilities, developed and perfected by nearly twenty-five years of close personal relations with a constantly growing list of correspondents throughout the world.

**JOHN A. LYNCH,** President  
**WM. T. FENTON,** 1st Vice Pres.  
**ROBERT M. McKINNEY,** 2d Vice Pres.

**JAMES M. HURST,** 3d Vice Pres.  
**O. H. SWAN,** Cashier  
**WM. B. LAVINIA,** Ass't Cashier

**THOS. D. ALLIN,** Ass't Cashier  
**LOUIS J. MEAHL,** Ass't Cashier  
**WM. C. FREEMAN,** Ass't Cashier

Scappoose.—Application has been filed for a charter for the First National Bank with a capital of \$25,000 to succeed S. M. Mann & Company, Bankers.

Crane.—Articles of incorporation have been filed for the Crane State Bank with a capital of \$15,000. Charles B. Swift, W. P. Dickey and A. E. Rumble are the incorporators.

Portland.—A. D. Stevens, until recently president of the Merchants National Bank of Crookston has purchased an interest in the Scandinavian American Bank and has been elected vice president to succeed Will T. Wright.

### WASHINGTON

Wapato.—E. A. Smith of Cle Elum has been elected assistant cashier of the First National Bank.

Seattle.—James Vallentine has been elected assistant cashier of the Scandinavian American Bank.

Deer Park.—The following are the officers of the First State Bank: O. F. Kelly, president; O. G. Follevaag, vice president, and Evan Berg, cashier.

Chewelah.—B. L. Bilsborough of Cedar Rapids, Iowa, has purchased the controlling interest in the Bank of Chewelah and has succeeded Charles Adams as cashier.

Seattle.—At a meeting of the directors of the Seattle National Bank, W. S. Peachy was promoted from cashier to vice president and H. C. McDonald was elected to succeed Mr. Peachy as cashier.

### CALIFORNIA

Keyes.—The Commercial Bank of Turlock is organizing a branch here.

Stockton.—R. E. Wilhoit has resigned as president of the Stockton Savings & Loan Society Bank.

San Francisco.—C. W. Branta has been elected assistant cashier of the Wells Fargo Nevada National Bank.

Petaluma.—J. H. Gwinn has been promoted from cashier to president of the Petaluma National Bank, succeeding Henry Schluckebier, who resigned.

Long Beach.—Edward H. Wallace has been elected vice president and cashier of the Marine Commercial & Savings Bank, Max R. Wallace, formerly cashier of the First National Bank of Newport Beach was elected assistant cashier.

### IDAHO

Middleton.—At the annual meeting of the directors of the State Bank, W. T. Plowhead was elected president to succeed the late S. F. Chaney.

Cottonwood.—The following are the officers of the recently incorporated Cottonwood State Bank: E. M. Ehrhardt, president; W. L. Brown, vice president, and F. N. Shepherd, cashier.

### INDIANA

Union Mills.—The Union State Bank is being organized with a capital of \$15,000. Othie Way is interested.

Whiting.—The Central State Bank has been chartered with a capital of \$50,000. George H. Hoskins and Michael Kazaack are among the incorporators.

Lacrosse.—The Citizens State Bank has opened for business with the following officers: George C. Cook, president and C. W. Isenbarger, cashier.

Indianapolis.—James M. McIntosh has been advanced from vice president to president of the National City Bank. L. P. Newby and John R. Welch were elected vice presidents and W. K. Sproule, cashier.

### ILLINOIS

Cambridge.—S. E. White has been elected cashier of the Farmers National Bank.

Beardstown.—M. H. Harris has been elected vice president of the Beardstown State Bank.

Taylorville.—G. T. Meacum has been elected first vice president of the Farmers National Bank.

Annawan.—The following are the officers of the Farmers State Bank: C. W. Parson, president; J. C. Stevenson, vice president, and Joseph H. Peltier, cashier.

### BANKING NOTES

Heppner, Ore.—The First National Bank will remodel its building.

Carrington, N. D.—The Commercial State Bank will enlarge its building.

Moro, Ore.—The Bank of Moro has completed the installation of new fixtures.

Spokane, Wash.—The Union Trust & Savings Bank has moved to a new location.

Brainerd, Minn.—The new building of the First National Bank is nearing completion.

Milford, Iowa.—The Milford National Bank will increase its capital from \$25,000 to \$35,000.

Cushing, Iowa.—The Farmers Savings Bank will increase its capital from \$15,000 to \$25,000.

Chehalis, Wash.—The bank building of Coffman, Dobson & Co., will be remodeled at a cost of \$1,000.

Strasburg, Colo.—The Farmers & Drovers Bank has been closed by the state banking commissioners.

Thief River Falls, Minn.—The First National Bank will erect a new building at a cost of about \$40,000.

River Falls, Wis.—The Farmers & Merchants State Bank has increased its capital stock from \$25,000 to \$50,000.

Sheridan, Ind.—The application of the First National Bank to increase its capital from \$60,000 to \$75,000 has been approved.

Bellingham, Minn.—The building of the Bellingham State Bank will be remodeled and new fixtures will be installed, the bank will also increase its capital from \$20,000 to \$30,000.

## BANK POSITIONS

German Catholic cashier for central North Dakota; salary \$100; 20 to 40 shares available.

Scandinavian Cashier for northern Iowa; investment of \$3,000 in stock required. Salary \$100.

Bookkeeper-general office man for real estate and farm loan company. \$100 to \$125.

## BUSINESS SERVICE COMPANY

(Banking Department)

632 - 634 McKnight Building MINNEAPOLIS

## We are prepared to purchase County, School and Township Warrants and Orders

SEND US YOUR OFFERINGS

## C. B. ENKEMA & CO.

Capital and Surplus \$150,000

Security Building MINNEAPOLIS, MINN.

## Banks For Sale

We have a number of choice banks for sale in western Minnesota, North Dakota, South Dakota, Nebraska, Iowa, Illinois and other north central states. Our listings include anything from a small country bank with \$10,000 capital to a large city bank with several hundred thousand capital. Full information and particulars will be furnished to responsible parties.



## THE CHARLES E. WALTERS COMPANY

(The originators of the confidential system of selling banks)

1422-1430 First National Bank Bldg., OMAHA, NEBRASKA  
PORTLAND, OREGON - KANSAS CITY, MISSOURI

*We are in the market*  
at all times for first class mortgages.

We also buy short time Commercial loans from Banks.

## F. S. Graham Company

716 First National-Soo Building  
MINNEAPOLIS MINNESOTA

## WE ARE IN THE MARKET

for applications on improved farms  
subject to our personal examination.

*Prompt action.*

## Grandin Investment Company

Capital and Surplus \$220,000

Plymouth Building MINNEAPOLIS, MINN.

# The American Bank Protection Company

Capital \$150,000.00

Factory—1201 South 3rd Street,

MINNEAPOLIS, MINN.

Builders of Aseptic Steel Hospital Equipment

Steel Vault Filing Fixtures and Devices

also

**ELECTRICAL BURGLAR ALARM SYSTEMS for Banks and Treasury Vaults**

Seventeen years' experience—References: The Banks of Minneapolis

## PUBLICITY AS AFFECTING THE BANKER

George B. Caldwell in the Advertising News

Being merchants in stocks and bonds, the problems of production and distribution, elimination of waste, the getting of the products of the world and putting them where they are accessible to all, are the problems above mere office routine and demand our best thought as well as all other business in which publicity plays an important part.

Looked at from the inside of a bond house, our responsibility is twofold: First, care as to the quality of securities offered to the public by our corporations, municipalities, etc., and, second, the publicity or salesmanship that you use in their distribution.

This is an age of publicity. There is a world of sense in the saying, "Sell your hammer and buy a horn," if for no other reason than because publicity establishes stable business conditions and begets confidence, and this makes a market.

Publicity is of many sorts. There are those who think that the display of words and pictures in newspapers is good publicity. It is only good for a certain time and for a certain purpose. Many small cities fight fire by ringing a bell, but alarms don't prevent fire. It is advertising, however, and while advertising may be publicity, all publicity is not in the general acceptance of the term, advertising.

Advertising is systematized selling. Publicity has for its aim the accomplishments of a definite purpose, by moulding the minds of groups of people to one common way of thinking. Editorials are not advertising, but the highest type of publicity.

### Bond Business Judged by Publicity

It is publicity by which the bond business is known and judged. The world will read a frank advertisement and the few interested in it will act upon it, while the rest will speedily forget it. If, as an able statistician claims, there are 20,689,000 families in the United States and but 6.8 per cent. have incomes exceeding \$3,000 per year, it naturally follows it is from this small percentage of heads of families that investment bankers must secure their business from their advertising.

The advertising problem then is to spend the appropriation so that it will reach as nearly as possible that class to which our goods will appeal.

In publicity, however, we become much broader. We seek to educate people to become thrifty, to buy interest bearing bonds, and we increase our publicity and likewise our responsibility by seeking to have them buy from us. I am told there are today 22,500 publications in the United States of all kinds, 58,000 street cars, and millions of square feet of billboards and dead walls, and a large consumption of electric energy for signs, and \$100,000,000 given away as premiums, which in total is a tax laid upon business of over \$700,000,000. These are all employed by different lines of business in their publicity, advertising and salesmanship. James W. Fisk has said salesmanship may be divided about as follows:

- Attracting attention, 20 per cent. publicity.
- Arousing interest, 20 per cent. publicity.
- Creating a desire, 15 per cent. publicity.
- Closing the sale, 20 per cent. salesmanship.
- Securing good will, 15 per cent. salesmanship.
- Introducing other goods, 10 per cent. publicity.

Thirty-five per cent. is salesmanship, 65 per cent. is publicity and advertising. Of this latter sum 55 per cent. is straight publicity and 10 per cent. straight advertising; for publicity consists in rendering a public service in which there is no thought of advertising and comes within the first three headings amounting to 55 per cent. of this large expenditure, or \$385,000,000.

### Publicity Is Truth Well Told

Publicity, as I conceive it, is "Truth well told." Publicity, therefore, to be effective, must be that sort which breathes the truth. More and more is this fact coming to be recognized by advertising men.

The Associated Advertising Clubs of the World have adopted the one word "Truth" as their motto, determined to put away the temptation of exploiting goods in advertising which will not answer the description of the advertisement. Any article which will not stand up under the searchlight of truth has no place in publicity copy.

We sometimes fool ourselves with that old remark attributed to Barnum, "The public likes to be humbugged," but when we say it we know it is not so.

People do not like to be humbugged, but to our humiliation we must admit that they have been humbugged so many times that they try to salve the wounds caused by their credulity by the use of some flippant phrase.

And the process of fooling the people cannot go on indefinitely, in any given field, for once the people have discovered that they have been fooled they are not going to accept the same statements again. They proceed to create a public sentiment that is crystallized in some action for their protection, be it good or bad. Somebody once stated this very succinctly when he said: "If a man fools me once, that is his fault, and I am not to blame; but if he fools me the second time, that is my fault, for I had been forewarned."

### Bond Sellers Have a Story to Tell

The man who sells bonds has a story to tell. He comes before the public not as a suppliant for favors, but one who is giving the world an opportunity to invest its idle capital and thus increase that capital. To the smaller investor he will appeal through the baby bonds which are now becoming so popular. To the larger investor, the long time bonds, bearing a low rate of interest, or perhaps, the short time notes, with a higher rate, are offered. The investment banker seeks no favors beyond those which the operation of legitimate business gives him. Yet every bond issue and every note has its own story, and of necessity he must tell the public what that story is, to show the soundness of the security behind each issue and help the public to a proper discrimination. He is offering to the world the chance to increase the income account. How else save through the medium of publicity can he make the world know of the opportunity which it has of adding to its wealth?

Publicity is the life of business. Whether in the trade or in the professions, the constant, persistent, consistent, truthful advertiser is the one who makes the greatest success.

As I have said, there are many kinds of publicity, and the sort that would apply to one business will not make the

proper appeal in another. There are ethics in publicity as there are ethics in the profession. The barker who loudly proclaims the wonderful things to be seen inside the tent of the side show, with his profusion of words, and, usually, his execrable grammar, would be a poor man to use in front of the office of an investment banker, for, contrary to the opinion of some people, the business of investment banking is not the conducting of a circus.

President Wilson declares that there are times when a man should be too proud to fight. There are never times when a business man should be too proud to advertise, but there are times when he should be too proud to advertise in a certain way. And the kind of publicity which would produce a rush and riot of women at a department store bargain counter is not the kind of publicity that would sell bonds.

**Dignity in Copy Suited to the Bond Business**

Dignity in copy, rather than the flare of type, is suited to the advertising of a bond business. There is a suggestion of stability in clean cut copy devoid of lithographic features, that lends itself well to the uses of the investment banker. There is an allurements in figures used in bank and financial advertising which would be stiff and out of place in the advertising of other lines of business.

There is no business which offers itself so well to truthful publicity as the honestly conducted investment banking business. Their dealings are divided—first, they are with the corporation or municipality; and, secondly, with the public. If they are to enjoy the confidence of the public, the public must be made acquainted with these things. The surplus account is in their hands and is always awaiting a field for investment. They are daring and yet they are timid. They will sometimes rush in where even angels should fear to tread, but will retreat precipitately at the least suspicion that all is not well.

Therefore, there is no business whose publicity should be so clear and unmistakable as the bond business. Confidence is the great asset in banking and investment dealings. It is worth more than actual capital. It is, in fact, the real capital on which the great superstructure of business in this country is builded. Once you destroy confidence and you destroy credit, and when the latter is destroyed, trade is instantly paralyzed.

**NEW COMPANY FORMED TO SELL LITTLE BONDS THROUGH RETAIL STORES**

New York—The Secretary of State's office at Albany has authorized the incorporation by a group of nationally known men of a company for the sale of small denomination certificates, based on municipal, county, state and national bonds, through retail merchandising channels. This company, the National Thrift Bond Corporation, is expected to begin business early in March.

Among the trustees of the corporation, whose plan it is to put absolutely safe securities within the reach of the smallest buyers, are the following:

Clarence H. Kelsey, president of the Title Guarantee and Trust Company; Adolph Lewisohn, head of the Lewisohn copper interests; Henry Rogers Winthrop of Harris, Winthrop & Co., a director of the Equitable Trust Company; William Fellowes Morgan, president of the Merchants Association of New York; R. Bayard Cutting of the noted family of capitalists and philanthropists of New York, and Andrew Squire, the well-known lawyer, banker, and railroad man of Cleveland.

The directors include Lindley M. Garrison, former Secretary of War, and now a member of the law firm of Hornblower, Miller, Potter & Earle; Henry Bruere, formerly director of the Bureau of Municipal Research and Chamberlain of New York City, and now vice president of the American Metal Company; Henry E. Cooper, vice president of the Equitable Trust Company; E. C. Delafield, president of the Franklin Trust Company; E. Y. Gallaher, vice president of the Western Union; James Imbrie of Wm. Moris Imbrie & Co., bankers; Charles P. Howland, of the law firm of Murray, Prentice & Howland and a director of the Mortgage Bond Company; Darwin R. James, Jr., president of the American Chicle Company; Ingalls Kimball, president; John Harsen Rhoades, head of the investment

banking firm of Rhoades & Co., and Jesse Isidor Straus, head of R. H. Macy & Co., one of the best-known department stores in New York.

The company will undertake an energetic, country-wide campaign to familiarize small investors with "Thrift Bonds," and to secure the widest possible market among those savers who are not served, or imperfectly served, by existing thrift and saving agencies.

The National Thrift Bond Corporation, under the supervision of New York State Banking Department, intends to buy city, county, state and Government bonds—those which are secured by the power of an organized government to levy taxes—and deposit them as security for the certificates it sells. Under the trust agreement, every "Thrift Bond"—the popular name given to the certificates—will be backed by such tax-secured bonds; and, as further security, a safety reserve fund will be established.

In denominations as low as \$10, these "Thrift Bonds" will be put on sale in department stores, cigar shops, drug stores, and other retail distributors, in the banks and express offices.

**NEW BOOKLET ON INCOME TAX**

An interesting booklet on the Federal Income Tax containing features of the law and regulations affecting non-resident aliens is being distributed by the Bankers Trust Company of New York.

Chicago Pneumatic Tool earned in calendar year 1916 a balance equal to 21.71 per cent. on \$6,485,800 capital stock before deduction of depreciation and development allowance, as compared with 12.57 per cent. earned on same capitalization in 1915.

**JULIUS J. ANDERSON**  
**CERTIFIED PUBLIC ACCOUNTANT**  
 SUITE 527 SECURITY BUILDING, MINNEAPOLIS

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**Capital** \$1,000,000.00  
**Surplus** 1,000,000.00  
**Undivided Profits** 900,000.00

**FARM LOAN DEPARTMENT**

## LEGAL QUESTION BOX

Conducted by George H. Richards, Secretary Minnesota Bankers Association\*

Question—Enclosed find blank form of note which I wish you would submit to the association attorney and ascertain whether this is a legal form to use in this state (Minnesota). I have particular reference to the matter of interest. The statutes being, to the effect that a greater rate of interest shall not be charged after maturity than before maturity. In using these forms we discount the note to our customer at various rates, in most cases at six and seven per cent. The provision referred to is as follows: "With interest from maturity until paid at the rate of ten (10) per cent. per annum. Interest payable annually."

Answer—I have examined the form of note which was enclosed with your letter which on its face bears interest at the rate of 10% per annum, interest payable annually. As a matter of fact, this note is discounted so that it bears interest at a rate of less than 10% prior to maturity. Even so, I am of the opinion that the contract would not be construed as providing for a greater rate of interest after, than before, maturity. The question is not, however, free from doubt. The statute is as follows:

Sec. 5805, General Statutes, Minnesota, 1913. "Contracts shall bear the same rate of interest after they become due as before, and any provision in any contract, note or instrument, providing for an increase of the rate of interest after maturity, or any increase therein after making and delivery, shall work a forfeiture of the entire interest."

The note in this instance, which is the contract, provides for the same rate of interest after as before maturity, and, therefore, in my opinion does not come within the terms of the statute.

Question—We are enclosing note on the order of a mortgage note, and quite often at sales we have parties ask us to carry their note for a certain piece of machinery or a horse, and while we do not like to take an open note in settlement, the party would be rather hard to get a chattel mortgage from, or perhaps would make hard feelings if asked for security. In a case such as this would a note such as the form enclosed be binding on the party and also hold the article purchased as security? Would it be necessary to file this note or a copy thereof with the Register of Deeds?

A copy of the note is shown:

\$....., Minn., 19.. No....  
 .....after date, I promise to pay to  
 ..... or order,  
 ..... DOLLARS  
 at the Farmers State Bank of Minnesota, for value received, with interest payable annually at the rate of Eight per cent. per annum until paid.

The express condition of the sale and purchase of  
 .....  
 ..... for which this note is given that the title does not pass from the said.....  
 ..... until this note and interest is paid in full; that the said..... has full power to declare this note due, and take possession of the said ..... at any time... he may deem..... insecure, even before the maturity of this note, and I agree to pay ten dollars attorney's fees if suit is brought on this note. Presentment for payment and protest waived.  
 .....

\*Opinions by attorney for association.

Answer—If the bank is attempting to obtain a lien on certain specific property as security for the payment of the note in lieu of a chattel mortgage, it cannot successfully do so. If, however, it is selling certain property which it owns and retains title to the property until the note is paid, it may do so.

A conditional sale note is not intended to be in lieu of a chattel mortgage.

Question—In re liability of bank for making commercial reports.

Answer—Where inquiry is made of a bank as to the mercantile standing of a party, where the parties have a common business interest and the person inquiring has a particular interest in the subject of the inquiry, the bank may safely communicate such truthful information as it has relative to the party of whom inquiry is made.

A bank is not a reporting agency and it does not have the privileges and protections that are enjoyed by a purely reporting agency.

In the case of Frostlee vs. Lund's State Bank, 155 N. W. Reporter 619, the Supreme Court of Minnesota held that a report made by a bank as to the credit standing of an individual was qualifiedly privileged. If our Supreme Court adheres to the rule which it states in that case, a bank can make a report even though the same is false, if it believes the same to be true, and the report is made without malice, but if it makes a statement which is in fact false, and knowledge of the falsity is brought home to the bank, it is liable for an action for libel or slander, depending upon whether the statement was in writing or oral.

In the case above referred to inquiry was made of the bank for information as to the promptness and integrity of the party. According to the opinion of the Supreme Court the bank did not confine itself to answers to these inquiries, but made statements and expressed opinions as to the standing of the party which were not called for by the inquiry. The jury found the statements to be untrue and the Supreme Court sustained the finding.

Whether or not a bank becomes liable for loss occasioned to one who relies upon the bank's report, depends upon the manner in which the report is made. A bank in answering a credit inquiry, should qualify its statements and not make them as definite and positive statements of fact of the bank's own knowledge.

Question—We would like the opinion of your counsel as to whether it is legal to use a note form which provides for payment of interest at say six per cent. before maturity and to bear 10 per cent. after maturity.

Answer—Sec. 5805, General Statutes of Minnesota for 1913, contains the following provision:

"Contracts shall bear the same rate of interest after they become due as before, and any provision in any contract, note or instrument providing for an increase of the rate of interest after maturity, or any increase therein after making and delivery, shall work a forfeiture of the entire interest; but this provision shall not apply to notes or contracts which bear no interest before maturity."

Our Supreme Court has construed this provision of the statute in several cases. A stipulation increasing the interest does not render the entire contract void, but simply works a forfeiture of all interest.

Question—Is a bank bound to certify a check when





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P. A. F. Smith,	Ass't Cashier
Ira B. Baer,	Ass't Cashier
S. B. Frederick,	Ass't Cashier

requested to do so by payee or other subsequent holder, or can the bank refuse to certify in all cases except upon request of maker?

Answer—In my opinion a bank is not required to certify a check upon the request of anybody, maker or otherwise. Its only duty is to pay the check upon presentation. It has, however, become the custom of banks to certify checks upon request, but there is no reason why a bank should discriminate between holders of the check if satisfied that the person presenting it has a good title to it.

Under Sec. 6000 of the General Statutes of Minnesota for 1913, where the holder of a check procures it to be accepted or certified, the drawer and endorsers are discharged from liability thereon. In other words, the bank makes itself the only debtor to the holder of the check.

Question—Will you please have your attorney advise us as to how far a father is obligated by the debts of his boys, who are not of age. We have a case where we made a loan to a couple of young men who, it seems, are under age. They have made a financial failure and we would like to be informed as to whether we can collect the amount—which is not large—from the father. He has never advertised his desire to avoid any obligations in this matter.

Answer—In general it is the duty of parents to supply a minor child with the necessaries of life. They may be held liable to pay for necessaries furnished by a third person to a minor child, without their contract or consent, where there is an omission of duty on their part to furnish necessaries, or where the need exists and the parents refuse or neglect to act.

Lufkin vs. Harvey, 154 N. W. Rep. (Minn.) 1097.

A minor child may, however, be emancipated, in which event it is entitled to its earnings, and the parents are not liable for its necessaries. What constitutes emancipation is a question of fact, depending upon the circumstances of each particular case.

The implied liability of the parent does not, however, extend to business contracts, and it is not necessary for a parent to advertise or make public the fact that he will not be responsible for business obligations of his minor child.

It is our opinion, from the meager statement which is made by the bank, that it cannot collect the debts of the boys from the father on any implied agreement to pay arising out of the filial relation.

Question—A widow receives life insurance money, puts it in the bank on savings account, which draws interest and adds savings to it, and has disputed bills against her and deceased husband. Can this savings account—or any part of it—be garnisheed?

Answer—The account is certainly subject to garnishment for the additional savings and probably for the accumulated interest.

Paragraph 14 of Sec. 7951 of the 1913 General Statutes of Minnesota is as follows:

"All moneys received by, or payable to, a surviving wife or child, from insurance upon the life of a deceased husband or father, not exceeding \$10,000" is exempt from execution or attachment. This provision, in our opinion, would not exempt the interest accruing on such money, and certainly would not exempt any savings added to it.

There is also a question whether or not the widow, by commingling other funds with her exempt property did not waive the exemption.

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## AMERICAN EXCHANGE NATIONAL BANK OF NEW YORK PROMOTIONS

New York—At a meeting of the directors of the American Exchange National Bank Alexander G. Armstrong, Roy Murchie and Louis S. Tiemann were elected assistant cashiers.

In the promotion of Mr. Armstrong and Mr. Murchie, the American Exchange National Bank carried out its usual policy of rewarding its employes for faithful service. Mr. Armstrong has been connected with the bank for 30 years, working through the different departments, and is now paying teller; Mr. Murchie has been with the bank for 15 years, latterly as head of the securities department, which position he now occupies.

Mr. Tiemann became associated with the bank about one year ago and has devoted his attention to the development of foreign business, having formerly been a member of the firm of Carlton & Moffatt, commission merchants of New York, for whom he traveled extensively in foreign countries.

British imports in January amounted to £90,577,000, against £74,948,241 in January, 1916, and £67,246,391 in January, 1915. Exports were £46,860,000 against £36,757,167 in January, 1916, and £28,247,592 in January, 1915.

## LEGAL DECISIONS

The complete opinion in any case noted in this department and reported in the National Reporter System, can be obtained from the West Publishing Company on receipt of twenty-five cents.

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## AUTOMOBILE SALES AT MINOT

Minot—During 1916 more than \$5,000,000 worth of automobiles were sold through the agencies of Minot, more firmly than ever establishing it as an automobile center. The 1917 outlook is for an even larger business than 1916.

Minot's bank clearings for 1916 were \$18,500,000, compared with \$12,000,000 for 1915.

#### BANKERS AGAINST GUARANTEE OF DEPOSITS BILL

Bismarck—Bankers of the state flocked to the hearing of the senate state affairs committee February 10, on the guarantee of bank deposits bill. Grand Forks was well represented. Those who addressed the committee were Samuel Torgeson, of the Scandinavian American Bank; W. V. O'Connor of the Farmers and Mechanics Bank, and W. E. Fuller of the Northern State Bank of Grand Forks, vice president Greene of the State Bankers Association, C. H. Porter of the State Bank of Lamoure, J. J. Nierling, Citizens National Bank of Jamestown; Lewis F. Crawford, Interstate Bank of Sentinel Butte; J. H. Wishek of the First State Bank of Wishek, secretary Macfadden of the State Bankers Association and Tom Poole, expert accountant of Bismarck.

Sentiment was not so much against the form of the guarantee of bank deposits as opposition to the form of the proposed bill.

After two hours' discussion it was decided to refer the matter to a sub-committee, composed of senators Allen, Kretschmar, Paulson, Hamerly and Heckle.

#### SEED CORN PRICES SLIGHTLY CHEAPER

Grand Forks—Because of the variance in the price of different varieties of small grain the cost of seeding this spring will be approximately the same as last year, according to East Grand Forks grain dealers and real estate men despite the general impression that all commodities are high.

Some of the grains will cost more and others less. The principal crops, such as wheat, oats, corn and barley,

will probably be slightly higher collectively, although seed corn is cheaper this season than last year.

The extreme scarcity of seed corn last year was responsible for an exorbitant price. This year there is no shortage of corn, dealers declare, and the price is lower. The quality of the seed corn this year is much higher also because of the care taken the past two years in the selection and testing of their seed.

Oats and barley are higher this year and the price of seed wheat will depend largely upon whether the heavy exports of this commodity continue as heavily as it has up to this time. Garden seeds are about normal in price, with the exception of various varieties of beans, all of which are high. No reason is given for this condition.

As the quality of corn was bettered by a failure two years ago, likewise the freezing out of clover during that year improved the quality of the clover that was harvested last year. There is no clover in the timothy seed, dealers state. Clover in timothy seed is objectionable, it is said, because it cannot be entirely separated by any modern separator, even when put through the machine several times.

Usually timothy seed contains about 20 per cent. foreign seeds and clover.

#### FARMERS ENDORSE NONPARTISAN LEAGUE NOTES?

Grand Forks Herald publishes the following: "Persistent reports have been afloat of late to the effect that there are more than one hundred and forty thousand dollars of promissory notes in circulation signed by president Townley or by the Nonpartisan League and endorsed by good, substantial, responsible farmers over the state.

"The Herald was advised that there must be some of that paper in the neighborhood of Conway, North Dakota, because that thriving little city is the home of the B. H. Stary Automobile Agency, which is reported to have sold between 60 and 100 Fords and Overlands to

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FARM MORTGAGES**  
**Eberhardt & Frascch Company**  
NEW LEIPZIG Capital \$50,000.00 NORTH DAKOTA  
We pay cash commission to brokers

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### Farm Mortgage Loans

We invite inquiries from local bankers in  
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### Country Bankers—attention!

Write us at once for permanent connections  
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and loan companies in the Northwest.

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INVESTMENT BANKERS  
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very well without strong, dependable correspondents. It is equally imperative that Northwestern bankers establish permanent connections for their farm mortgages with a strong, dependable institution that will care for your needs under varying conditions.

Send us your applications

# Stock Yards Mortgage and Trust Company

South St. Paul, Minnesota

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the league during the past two years. That sounded reasonable, so a reporter was dispatched to investigate.

"The reporter accosted several people who were all glad to vouch for the fact of the big sales of automobiles to the league by the hustling Conway man. 'You bet, Stary sold more than 100 altogether this year and last,' said many. Stary was out of the city himself, but the young man in charge of the garage smiled his assent.

"How were the autos bought?' queried the reporter. 'Cash? Or part cash and notes for the balance?' The man at the garage didn't know. The bankers didn't know a thing about the deals. But other people about town 'felt sure,' 'almost knew,' and 'did know' that a good many of the farmers had signed notes with the league for the purchase of automobiles that league solicitors and organizers drove out of town.

"All right, now if you know these men, are you willing to give their names?"

"Well, there is William Maxwell, he signed. And there is Dan Sutherland, he signed.' And they named others, too.

"One of the 'others' denied having signed any notes and his denial was substantiated by parties who seemed to know the facts. A second could not be seen, but his son denied that the father had ever signed any notes. Said what his father did was in the way of a donation, pure and simple.

"Dan Sutherland was away and could not be seen at all, but the reporter feels sure of his ground and so is using the name.

"William Maxwell was in and was interviewed. The reporter asked him if he had signed any such notes and if he were taking any steps to see that the league paid promptly in order to protect himself? The response was that it was none of the business of the \_\_\_\_\_ Herald, and an extended tirade which cannot be sent through the mails. There was no denial, however, that he had signed some notes. Mr. Maxwell finally admitted that Townley, although a many times failure for himself, is a grand success 'with the farmer.'

"The reporter was advised that Mr. Brinton of the league, has spent a good deal of time in the neighborhood of Conway lately and that apparently he was there for the purpose of extending or renewing or settling some of these notes.

"It is conceded that the notes are perfectly good, and it is also contended by some of the holders of the notes in other parts of that state the farmers will never be called on to pay the same for the reason that most of the larger notes are amply secured by collateral in the shape of post dated checks and small notes for dues which will be used as payment and thus relieve the farmer from the necessity of settling.

"If the bankers of the state were at liberty to tell

what they know of the finances of the league,' said one man, 'it would open the eyes of the members themselves.'"

### FARMERS BEHIND RAIL PROJECT

Mott—A construction company incorporated at \$100,000 has been organized to establish and operate a railroad from Dickinson to Lefor and thence through Mott to New Leipzig. The officers are Adam Lefor, president; W. L. Richards, vice president; N. A. Lefor, treasurer, and L. A. Simpson, secretary. When the road is completed the company will become known as the Dickinson, Lefor Farmers Construction Company.

We Make 5- or 10-Year Loans  
on Improved Farms

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BOSTON BLOCK MINNEAPOLIS

5½% Northwestern 6%  
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These mortgages are conservatively made and personally inspected by our own officers. We loan our own funds. Interest and principal remitted on day it is due.

Write for descriptive list of current offerings.

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### We Specialize in

Loans to Country Banks, Corporations, Firms and Individuals upon approved collateral;

Loans upon improved farms in Minnesota, North Dakota and South Dakota where the borrower is the occupant;

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FARM MORTGAGE  
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## 6% MONTANA FARM MORTGAGES

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**Capital \$500,000.00**      **REFERENCES** { **First National Bank, Great Falls**  
**American Bank & Trust Co., Great Falls**  
**Stanton Trust & Savings Bank, Great Falls**      **GREAT FALLS, MONTANA**

## NEW COURSE IN BANKING OFFERED

Great Falls—Edgar A. Newlon, secretary of the Montana Bankers Association has issued the following circular:

"The officers of the Montana Bankers Association have made arrangements whereby the bank employes will have the opportunity of taking advantage of the correspondence course in banking as conducted by the American Institute of Banking.

"However, instead of taking the course directly from the American Institute of Banking, the work will be conducted by the State University at Missoula and will be under the direction of Dr. Harry Edwin Smith, who has had previous experience in this work.

"The work covers two courses,—one in money and banking, the other commercial law. While a student may take either course, yet it is deemed advisable that they be taken in the order named.

"Each course will cost the student \$10.00. The plan as outlined is as follows: Any bank man desiring to take the course will write to secretary of the Montana Bankers Association designating the course he desires to take and enclosing his check for ten dollars. The secretary will order the necessary books to be sent direct from the New York office of the A. I. B. These books will cost \$4.00. The sum of \$5.00 will be sent to the University to pay for cost of instruction and \$1.00 will be retained by the association to pay for bulletins, postage, etc.

"The text book is divided into four sections, and at the end of each section there is a list of review questions. Any time that the students desire, they are to feel at liberty to write to Dr. Smith such questions as come to their minds on the subject matter in connection with the text. Then when they have completed a section they are to write out answers to the review questions and send them to him for correction. The answers when they have been corrected will be returned to the student with such suggestions as seem advisable. When the course is completed, examination papers will be sent to some banker in the town where the student is located, and the answers are to be written out in his presence. The banker will send the examination papers and answers to Dr. Smith, who will go over them, and they will then be sent in with his recommendation to the officers of the American Institute of Banking at New York, and if the student has successfully passed the examination, the certificate of the Institute will be issued to him.

"It is to be hoped that a large number of bank clerks will take advantage of this opportunity and start at once, as it is desirable to get as much work done as possible before the summer season."

### GREAT NORTHERN WILL SPEND \$7,000,000 IN MONTANA DURING YEAR

Billings—Improvements, additions and changes in operation methods to be made by the Great Northern Railway in Montana during 1917 will cost the company approximately \$7,000,000 according to statement made by J. B. Cook, general agent of the Great Northern. Mr. Cook said that the company has approved of a budget of expenditures totalling this amount.

As Billings is not on the main line of the system, only a comparatively small sum will be spent in and near this city, Mr. Cook announced. Improvements in the local yards, including an addition to the roundhouse will cost approximately \$20,000. Sidetracks and improvements at Mossmain will cost another \$20,000. Outside of this, the money will be spent on the main line.

Great Falls will get a large share of it for a big new yard system known as a "hump" yards. A total of 57 miles of double track will be laid over the Rocky Mountains during the year. In addition to this, the Great Northern is planning on electrifying its system over the mountains, also. All told, Mr. Cook says, the company will spend in the neighborhood of \$7,000,000.

### HALF MILLION PAID TO TOILERS OF MONTANA IN 19 MONTHS

Helena—The annual report of the Montana state industrial board, in charge of the operation of the workmen's compensation act, reports great progress under the law in the year 1916. At the close of business on January 31, the law had been in effect 19 months; 1,698 employers had elected to come under the act, bringing 56,434 employees with them. During the 19 months there was paid out in compensation, medical and hospital fees, etc., \$503,368.81. This went to 2,604 employees, in payment for compensation for loss of earning power and to beneficiaries on account of death.

### SUGAR BEET GROWING BOOMS

Stevensville—Sugar beet growers from Colorado have begun arriving in numbers, leasing and buying ranches in the Bitter Root Valley, preliminary to planting a large acreage of sugar beets.

### GLASGOW BANKS FORM CLEARING HOUSE

Glasgow—The Glasgow Clearing House Association, composed of all the banks in Glasgow, First National, Glasgow National, Milk River Valley Bank, and the Farmers-Stockgrowers Bank, has begun business. Through this plan the interchange of money, etc., between the banks will be greatly facilitated.

Every day there is exchange of money between the banks in the transacting of their business which requires

## Great Falls, Montana

The commercial, financial, jobbing, industrial and railroad distributing center of Montana and the Northwest.

*An active, rapidly growing city of 35,000.*

AGRICULTURE, LIVE STOCK, WOOL, COAL, MINERALS, Etc.  
 ENORMOUS DEVELOPED WATER POWER  
 LARGE COPPER AND ZINC SMELTERS

Extraordinary opportunities for  
**MANUFACTURERS and INVESTORS**

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## COMMERCIAL CLUB

Great Falls

Montana

## Commercial National Bank

Great Falls, Montana

CAPITAL - - \$200,000.00

A bank thoroughly familiar with Montana conditions. We guarantee prompt and satisfactory attention to collections or other Bank matters entrusted to us.

*We Invite Correspondence*

L. H. HAMILTON, President  
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# Farm Mortgages for Sale

Made on improved farms in good agricultural districts in Montana and Wyoming. We are on the ground and make our own inspections and appraisals. We have invested our own money in all mortgages offered.

Send for our list

## Bankers Loan & Mortgage Company

BILLINGS, MONTANA  
 Incorporated under the laws of Montana  
**Capital \$500,000.00**

OFFICERS

T. A. SNIDOW, President  
 FRANK O'MEARA, Vice President  
 CLYDE McLEMORE, Ass't Treasurer  
 LEE N. GOODWIN, Secretary  
 HERMAN J. WITT, Treasurer

considerable work and time. Under the new order the members of the association will meet at the appointed place at 11 a. m. for the purpose of exchange and the balancing of the previous day's business.

Headquarters will be located in the offices of the First National Bank and each month rotated, in order, among the member banks.

**BUTTE MINES PAYROLL**

Butte—Payrolls of Butte mines for January were largest in the history of the district, amounting to \$2,650,000. Total for Butte, Anaconda and Grand Falls, including all mines, is estimated at \$5,000,000.

**GROWERS OF CORN SHOULD TEST SEED**

Bozeman—All growers of corn are urged to have their seed corn tested early at the state grain laboratory at the state college in Bozeman. This service is performed gratis at any time but to make the work effective the testing must soon be done for this year. Three hundred samples were received by the grain laboratory in the first half of January but there are doubtless hundreds more who ought to have such work done.

The reason for testing seed corn is apparent in the record of last year when 1,547 samples of seed corn were received and tested by the laboratory and the average germination percentage was only 79.89 per cent. This is much below the standard test for seed corn, which is 90 to 95 per cent. The difference between the actual and the standard rate indicates that the grain growers in the state need to keep a very close watch of the quality of seed they are using.

**ALFALFA SHOWING REMARKABLE**

The experiments at the Huntley substation during the past two years show a profit of \$124 an acre from alfalfa pastured off by growing hogs, and a rate of \$48.20 per acre from alfalfa pastured off by cows. Prof. Alfred Atkinson of the Montana experiment station advocates a general reproduction of irrigated permanent pastures on the farms in Montana. His statement of the results of the Huntley experiments were made in an address during the farmers' week program at the state college.

Discussing the experiment with the hogs, Prof. Atkinson says that on land adjoining that upon which from five and three-fourths to seven tons of alfalfa were being cut, the hogs brought in a profit of \$124 on the average for the two years. Two sets of hogs were run on a pasture during the summer, the first from the last of April to the middle of July, and the second from the middle of July to the last of September. During this time corn was fed to the hogs and in calculating the profits the market price of all the corn and labor was deducted and all the profits credited to the alfalfa.

In the experiment with irrigated alfalfa for cow pasture it was found possible to care for two and three-fourths cows per acre for a period of 140 days on the average for several years past.

Besides the large profits from the use of irrigated alfalfa fields in pasture Professor Atkinson called attention to the advantage in the saving of labor and in the

destruction of weeds. The extermination of weeds is very difficult under a system of grain growing. Allowing the stock to gather its own food and finishing the fields is rather more economical than harvesting and curing the food and feeding it during the winter period.

Foreign trade at port of New York for fiscal year ended January 30 last amounted to \$3,805,882,189, New York chamber of commerce announced. The year previous figures were \$2,255,672,244, and in 1915 \$2,079,375,997.

**6% JUDITH BASIN, MONT. 6%**  
**FARM LOANS**

**American Loan & Investment Co.**  
 Paid-up Capital \$100,000 STILLWATER, MINN.

REFERENCES—First National Bank, Stillwater, Minn., Lumberman's National Bank, Stillwater, Minn. Bank of Fergus County, Lewistown, Montana.

Interest Paid on Time Deposits

## DALY BANK & TRUST CO.

of BUTTE, Butte, Montana

(ESTABLISHED 1882) Capital and Surplus \$400,000.00

Charles J. Kelly, President C. C. Swinborne, R. A. Kunkel, Ass't Cashier  
 John D. Ryan, Vice Pres't Cashier R. W. Place, Ass't Cashier

Transacts a general banking business; issues letters of credit and drafts payable in the United States and Foreign Countries.  
 We aim to extend to our customers every accommodation consistent with conservative banking.

We respectfully solicit your business

**5%** Interest paid on  
**TIME DEPOSITS**

Investors and others not wishing to tie up their idle or surplus funds in long-time securities will find our 5% certificates of deposit for six or twelve months an ideal investment.

## AMERICAN BANK & TRUST CO.

Capital \$150,000

BILLINGS

MONTANA

Thos. H. Snidow, President  
 Wm. M. Spear, Vice President

O. W. Allen, Cashier  
 Jos. L. McClellan, Ass't Cashier

## Drake-Ballard Company

ESTABLISHED 1880

### Farm Loans

Prompt and efficient service

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PALACE BUILDING - MINNEAPOLIS

# The Canadian Bank of Commerce

**Paid-up Capital**  
**\$15,000,000**

**HEAD OFFICE, TORONTO**  
*Established 1867*

**Reserve**  
**\$13,500,000**

SIR EDMUND WALKER, C. V. O., L. L. D., D. C. L., President      JOHN AIRD, General Manager      H. V. F. JONES, Ass't Gen'l Manager  
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**BRANCHES THROUGHOUT CANADA, IN THE UNITED STATES, MEXICO AND ENGLAND**

**Send Your Collections on Points in Canada to The Canadian Bank of Commerce. It is especially well equipped to render efficient service to American correspondents.**

*Every facility afforded banks, corporations and individuals for the conduct of their banking accounts on reasonable terms.*

**A General Banking Business Transacted at Every Branch**

## WINNIPEG GRAIN TRADE MAINLY FOR EXPORT

Winnipeg—Only a small percentage of the enormous volume of business transacted through the Winnipeg Grain Exchange is of a speculative nature, according to a statement of F. O. Fowler, manager of the grain exchange clearing house, to commissioner P. A. MacDonald, conducting the high cost of living inquiry.

He estimated that less than 16 per cent. of the transactions on the Winnipeg grain market are made by speculators. The high cost of living was not mentioned but Mr. Fowler gave an interesting insight into the grain business. The British government is virtually the only buyer in the market at the present time, Mr. Fowler asserted. Since the war the regular export business has almost been wiped out. He estimated that 70 per cent. of the trading done on the Winnipeg Exchange is by agents for the British wheat commission.

Speculation according to Mr. Fowler's view, has only a temporary effect on the market.

"It merely anticipates conditions that will prevail a few months in the future," he said. "That is, if the speculator guesses right. If he does not there will be no more than a temporary advance and prices will fall back if it becomes apparent it is not based on an actual condition that would advance prices at a future date.

"Corners" in grain are impossible on the Winnipeg Grain Exchange, Mr. Fowler said. He maintained that speculators can never get control of this market, because of the rules of the exchange.

"Every contract for grain that is made is fulfilled," he said. "A person who isn't a member of the exchange can not trade on the floor. And every member must furnish security to handle all contracts he makes. I have handled as much as \$2,000,000 in securities to guarantee that one individual would fulfill contracts he made on the floor of the exchange," Mr. Fowler declared.

Mr. Fowler gave commission figures to show the volume of business transacted through the clearing house. This business was from three to five times greater than the actual crops, because most contracts pass through several hands before they are finally consummated. All grain dealers hedge their purchases by selling grain for future delivery at the same time they actually purchase grain from the farmers.

According to Mr. Fowler's statement, the following shows the business done through the clearing house during the last three years as compared with the crop of Canada:

Year	Business Bushels	Crop Bushels
1914 .....	1,288,000,000	454,000,000
1915 .....	1,241,000,000	329,000,000
1916 .....	2,985,000,000	305,000,000

Trading in options enables an enormous volume of business to be conducted at the smaller margin of cost, according to Mr. Fowler. He said that is the advantage of the clearing house as it facilitates the carrying out of contracts and guarantees all transactions of its members. He said a charge of 4-10 of a cent per 1,000 bushels is

made for clearings, this having been reduced recently from one-half cent per 1,000.

### ALBERTA PROVINCE RICH IN OPPORTUNITIES

Calgary—Alberta is the banner prairie province in Canada in diversified farming, yield per acre and mineral resources. Saskatchewan is the great single crop and total wheat crop producer, while Manitoba leads industrially and commercially. There is a greater variety of opportunity at present for young Americans with a little capital and probably a better average opportunity in Alberta than in either of the other prairie provinces.

William Pearce, statistician of the Canadian Pacific, discussing Alberta's agriculture says:

"Between September 1, 1915, and August 31, 1916, there were loaded on cars in the three prairie provinces 12,600,000 tons of grain, of which 89% was wheat, the balance largely oats, with smaller amounts of barley, flaxseed, etc. The Canadian Pacific took more than 60%, the Canadian Northern 28%, the Grand Trunk Pacific 11%, and the Great Northern less than 1%. Alberta furnished 25% of the wheat; Saskatchewan, 50%, and Manitoba, 25%. Of that wheat loaded on cars 98% went to lake ports, nearly all to Fort William and Port Arthur, all for transshipment and export.

"American millers needed none the last crop year, but need considerable now to bring their flour up to standard. The United States spring wheat belt also needs a lot of good seed wheat and oats. Canada probably will have plenty to spare.

"Alberta wheat shows very much the highest average grade in Canada. As near as I can estimate, the 1916 wheat crop of Alberta runs about 70% of the 1915 crop, with fully as good average grade, and two-thirds of Alberta the last year had as high a yield per acre as in 1915. The deficiency in the 1916 crop, compared with previous crop, was due to shortage of labor, which was partially due to the big 1915 production. The farmers could not keep up with their post-harvest operations."

Irrigated land alfalfa is a big field crop in Alberta. The Canadian Pacific has a \$15,000,000 to \$20,000,000 irrigation project near Calgary in three sections, known as Central, Western and Eastern, and another smaller and older at Lethbridge, acquired from an irrigation company. The big project, the biggest of the kind in North America, covers 3,000,000 acres. A description will be published later. Mr. Pearce lays emphasis on alfalfa raising by irrigation. He says:

"Alfalfa needs irrigation. One district I worked on produced in three years an average of five tons per acre of a higher grade of hay than Arizona's. Arizona hay grows rapidly but coarsely. Results obtained at the experiment station at Lethbridge show feeding value of \$18 per ton gross, or \$12 net, in the stack, or \$45 net per acre after paying the cost of cutting and stacking. You get not only the value of alfalfa but also a profit from the live stock and fertilizer for the land, also concentration of settlement.

# BANK OF MONTREAL

Established 1817

Incorporated by Act of Parliament

## BOARD OF DIRECTORS

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A. Baumgarten, Esq.

SIR FREDERICK WILLIAMS-TAYLOR, LL.D.,  
General Manager

Capital Paid up - - \$16,000,000  
Rest - - - - - 16,000,000  
Undivided Profits - 1,414,423  
Total Assets (Oct. 1916) 365,215,541



WINNIPEG BRANCH

## THOSE DOING BUSINESS IN CANADA

will appreciate the exceptional facilities of the BANK OF MONTREAL for the satisfactory transaction of all Banking business in the dominion.

With branches in all important cities and towns throughout Canada, Collections are made at favorable rates.

*Sterling Exchange and Cable Transfers Bought and Sold.*

**BANKERS IN MINNEAPOLIS** **BANKERS IN ST. PAUL** **CHICAGO BRANCH**  
Northwestern National Bank First National Bank of St. Paul 108 S. LaSalle St.

"Alberta is the only province which can utilize irrigation to a great extent. Most people think irrigation is good only for high-priced crops, fruits and vegetables, but it is also good for forage crops. The United States census report of 1910 demonstrated that of all crops grown from irrigation alfalfa was far and away the most valuable."

### ALBERTA'S DAIRY PRODUCT IS FAST INCREASING

Edmonton—Alberta's dairy output is attracting outside attention, having increased \$5,000,000 in value the past six years. Compared with 1910, the butter output increased three-fold, to 2,500,000 pounds last year, and the cheese output quadrupled. Alberta is exporting butter to Australia. Returns to producers have never been so high. Last year's wholesale price ranged from 30 to 50 cents.

Edmonton has the largest creamery concern in Canada, which started up eight years ago, and another big one, besides several branch plants of the former throughout this district.

F. T. Fisher, secretary of the Edmonton Board of Trade, who traveled 600 miles by trail on horseback from beyond Fort Ou' Appelle, Sask., to Edmonton, in 1885, the year of the second Louis Reil rebellion, and had to do some Indian fighting on his own account, has made a study of the dairy situation, which he summarizes for The Wall Street Journal as follows:

"In normal times these creamery people pay farmers more for cream and milk on the farm than Illinois farmers get. The lowest price ever paid here was \$1.70 per 100 pounds. The difference is not quite so high for cream.

"Apart from cheaper land, the farmer here can feed one-half as cheaply. Farmers are going into livestock and mixed farming, for which this territory is just suited. We have very little single crop farming now. Our city and country mercantile business is sounder for that reason. The farmers are paid every fortnight for their milk and cream, and they always have a bunch of hogs which they can sell and some steers, which it cost them nothing to raise, as the steers live out in the winter, protected by timber and feeding on straw that otherwise would be burned.

"Our season of pasturage is longer than that of the choice districts of Ontario or Illinois or Wisconsin, where pasturage does not begin any earlier and often gets a hot, dry spell the middle of August. We never get them. Our precipitation is light and all in summer. There is no period of drought; none was ever heard of here. When eastern pastures are scorched, our timothy meadows are green, luscious and dense.

"Our creameries pay more because they have the west coast cities in Canada and the far East, also the Pacific cities in the United States and Alaska if they need those markets. They employ the best men they can get and sustain their reputation for high-grade products.

"Intrinsically, the most valuable land in North America is central Alberta. We are within one degree of the latitude of Berlin, Germany, and we have a reasonable climate without any direct Chinook winds."

### SEED EXCHANGE BUREAU ORGANIZED

The field husbandry department of the Manitoba Agricultural College has organized in Winnipeg a seed exchange bureau with the idea of accepting samples of seed representative of lots that farmers have for sale. After testing and examining them for germination and purity the bureau will file them for reference and supply to any subsequent inquirer information as to the names and addresses of the owners. The response has been so enthusiastic that a good list of seed growers is already on file, according to a report from the department of natural resources of the Canadian Pacific.

### EQUIPMENT FOR CANADIAN NORTHERN

Announcement is made by vice president Hanna of the Canadian Northern, that delivery has been made to the Duluth, Winnipeg & Pacific, one of the subsidiary railways of the Canadian Northern Railway System, of 750 box cars of 40-ton capacity each, from Haskell & Barker Car Company, Michigan City. In addition, the company has received one rotary snow plough from the American Locomotive Company, two electric locomotives from the General Electric Company and one from the Canadian General Electric Company for Mount Royal tunnel service.

## Telephone Construction

### MINNESOTA

Starbuck.—Simon Swenson has been elected president of the White Bear Lake Telephone Company.

Oronoco.—Miss Amelia Stolp has purchased the Oronoco telephone line from her brother, E. F. Stolp of Rochester.

Minneapolis.—Articles of incorporation have been filed for the Interurban Telephone & Telegraph Company, with a capital of \$50,000. Incorporators are E. F. Luthey, Henry L. Carpenter, and J. Whiteman.

### WISCONSIN

Beaver Dam.—The Wisconsin Telephone Company has planned extensive improvement for their plant in this city, which will cost approximately \$25,000.

Suring.—At the annual meeting of the Suring Telephone Company the following officers were elected: President, J. C. Stengel; vice president, R. F. Suelhke, and secretary and manager, Wm. Zingler.

Bolt (R. D. from Stangelville).—At the annual meeting of the County Line Telephone Company the following officers were elected: President, Anton Olson; vice president, Nic Sehr; treasurer, Chas. Olson, and secretary, M. M. Knutson

### NORTH DAKOTA

Binford.—The Rural Telephone Company has been chartered with a capital of \$50,000. A line will be built to Jessle at a cost of about \$15,000.

### SOUTH DAKOTA

Freeman.—Joseph J. Valtner, B. C. Graber, Emil Graber and Emil J. Waltner are among the purchasers of the Freeman telephone exchange.

### IOWA

New Albin.—The Crooked Creek Telephone Company will extend its lines.

Shellsburg.—The Farmers Mutual Telephone Company held their annual meeting and elected the following officers: President, D. D. Hagan; vice president, Jas. Maxson, and secretary, Dr. Boles.

## Business Want Department

**A medium for the sale of Stocks and Bonds, Real Estate, Farm Lands, Stocks of Merchandise; for the man who wants a Bank Position, or a Location for a Bank, Investment or other Business.**

Rates for advertisements in this department are 2 cents per word each insertion. Words displayed in capitals, four cents per word. Initials, name, address, location and abbreviations count as one word each. Copy paraphrased, fourteen cents per line. **CASH OR TWO-CENT STAMPS MUST ACCOMPANY ALL ORDERS.** All answers to advertisements under key numbers must be accompanied by two-cent stamp. Address Commercial West Company, Minneapolis, Minn.

### BUSINESS CHANCES

**FOR SALE.**—Burroughs duplex adding and listing machine; excellent condition, \$275.

FIRST STATE BANK,  
(99tf) Crosby, N. D.

### HELP WANTED

Want man 20 to 23 years of age for assistant to teller, and other bank work; man desirous of advancement wanted. Address "P90" Commercial West. (4-7)

Three good bank positions open—two cashiers, one assistant cashier; must be Germans and preferably Catholics; must be first class men of experience, possessing good character, habits and judgment. Write at once, Associate Banks, Mandan, N. Dak. (4-8)

### HELP WANTED

**WANTED.**—TWO ASSISTANT CASHIERS, FOR NORTH DAKOTA BANKS, ONE WHO CAN SPEAK NORWEGIAN, AND ANOTHER WHO CAN SPEAK GERMAN; OPPORTUNITY FOR PROMOTION EXCELLENT. ADDRESS "M88" COMMERCIAL WEST. (4-7)

### SITUATION WANTED

Young man of twenty, just finishing high school, wishes position in Iowa or Minnesota country bank; salary secondary object. Write Lock Box No. 561, Tama, Iowa. (4-7)

Wanted.—Position in country bank by capable young man, with three years' experience in Canadian banks; AI references. Write C. E. Kimberly, St. Vincent, Minn. (4-9)

Position wanted as bookkeeper in small country bank; experience main object; can speak Scandinavian and can operate typewriter; A No. 1 references. Address "H84" Commercial West. (4-7)

Wanted.—Bank position, young man, four years' experience; stenographer; references to satisfy; was assistant cashier when Guards were called to border. Address "J85" Commercial West. (4-8)

**STENOGRAPHER - BOOKKEEPER** wants position in bank in Minnesota, Dakotas or Montana; can furnish the best of references; can report for work at once. Address "N89" Commercial West. (4-7)

Wanted.—Position as teller or assistant cashier in a country bank; have had two years' experience; am at present employed in a state bank; can furnish best of reference. Address "L87" Commercial West. (4-8)

### SITUATION WANTED

Position of assistant cashier or bookkeeper in country bank in Northwest; young man, age 27; German; three years' experience in national bank; stenographic training; can invest \$2,000. Address "K86" Commercial West. (4-7)

## Nicholson Brothers

See our exclusive lines of fall and winter styles before placing your order.

**TAILORS  
FOR PARTICULAR PEOPLE**

709 Nicollet Ave., MINNEAPOLIS,  
Second Floor MINN.

Ship your Hides, Furs, Pelts, Wool,  
Ginseng, and Seneca Root  
to the Old Reliable



## FARM LAND TRANSFERS

### MINNESOTA

Pipestone County.—Geo. W. Harris to Curt W. Meyer, ne ¼ 9-107-44, \$20,000.

Polk County.—Gust J. Langerak to John M. Kelly, sw ¼ 6-148-41, \$6,400.

Kandiyohi County.—Hans J. Dale to Fred E. Busse, nw ¼ Sec. 19, \$16,000.

Lyon County.—Della Wood to Emmett J. Culligan, nw ¼ 20-112-40, \$20,800.

Faribault County.—William Klatt to Henry Gesche, sw ¼ se ¼ 1-101-27, \$3,800.

Swift County.—Joseph R. Scavelli to Theo. H. Haase, n ½ se ¼ 22-120-43, \$6,000.

Stearns County.—Henry Loecken to Peter Loecken, e ½ e ½ se ¼ 31-124-32, \$2,800.

Mower County.—E. S. Babcock to Andrew C. Matson, e ½ sw ¼ 36-104-18, \$12,000.

Roseau County.—Torgus Lindevalle to Mike Sersen, 1-3 int. in ne ¼ 15-160-43, \$1,600.

Stevens County.—G. E. Petters Investment Company, ne ¼ Sec. 14, Darnen, \$13,600.

St. Louis County.—Nels J. Nelson to County of St. Louis, nw ¼ ne ¼ 29-49-15, \$2,130.

Renville County.—Anton Geray to Mathias Walser, se ¼, e ½ ne ¼ 31-113-32, \$27,600.

LeSueur County.—John Kucina to Jos. Hoza, s ½ n ½ se ¼ n 1-3 s ½ se ¼ 2-3-112-23, \$10,780.

Rice County.—Albert Frejlach to Joseph F. Pasek, s ½ se ¼ Sec. 8, except to railroad, and nw ¼ ne ¼ Sec. 17, Webster, \$17,400.

### WISCONSIN

Burnett County.—F. A. Brown to Carl Sivertson, e ½ nw ¼ 20-39-14, \$1,000.

Barron County.—J. G. Fornell to Carl H. Fornell, sw ¼ ne ¼ 8-34-13, \$2,500.

Oneida County.—Mabel M. Thayer to Sherman Walker, s ½ sw ¼ 2-37-7, \$1,200.

**WE ARE IN THE MARKET**

To Purchase

**FIVE COUNTRY BANKS**

Send full particulars with price and latest statement

The

**Vedeler Company**

739 Plymouth Building, MINNEAPOLIS, MINN.

### NORTH DAKOTA

Mercer County.—Emil Krauth to Martin Lapp, ne ¼ 29-142-89, \$2,400.

Cass County.—Cornelia G. Chapman to M. J. McLean, se ¼ 15-140-53, \$6,400.

Stutsman County.—Theodore H. Ristine to Albert G. Meyer, s ½ 9-144-68, \$6,720.

Traill County.—Fannie E. Hislop to Clark C. Dalrymple, n ½ 2-144-50, \$9,644.

McHenry County.—State Bank, Bantry, to D. N. Tallman, nw ¼ 27-158-79, \$4,500.

Bottineau County.—Michal J. Teevans to Martin L. Helger-son, se ¼ 20-162-78, \$4,500.

### SOUTH DAKOTA

Lyman County.—A. J. Hollenbeck to S. A. Cannington, s ½ se ¼ 20-106-74, \$2,000.

Minnehaha County.—Francis M. Hoyt to Henry Klicker, ne ¼ se ¼ 20-101-51, \$2,260.

Faulk County.—J. E. Buland to M. W. Baldwin, se ¼ Sec. 19, and ne ¼ 30-119-71, \$8,400.

Charles Mix County.—Lewis Buck to Sam L. Lang, nw ¼ Sec. 17, and e ½ ne ¼ 18- 9-68, \$16,500.

### IOWA

Plymouth County.—Fred Behnke to Frank Dean, s ½ sw ¼ 13-90-46, \$12,800.

Adams County.—Austin Houck to Leo Curry, w ½ se ¼ 28-73-34, \$9,000.

Harrison County.—R. W. Hills to Llewellen Potter, sw ¼ ne ¼ 6-79-41, \$5,500.

Clay County.—Theodore M. Johnson to Gus Anderson, s ½ sw ¼ 26-95-37, \$18,000.

O'Brien County.—Albert H. Harges to Gustav H. Mehrens, s ½ ne ¼ 12-96-41, \$8,000.

Winnebago County.—Jeremiah Coleman to Michael Ke-ville, nw ¼ 33-99-26, \$24,000.

Calhoun County.—Frederick B. Ramige to William F. Ra-mige, ne ¼ sw ¼ 24-87-33, \$7,000.

Woodbury County.—Joseph Wider to Peter Rivard, s ½ ne ¼ sw ¼ and se ¼ sw ¼ 34-88-47, \$10,000.

Mahaska County.—Alice M. Swearingen to Frank M. Bar-rett, part w ½ sw ¼ sw ¼ 20-75-15, \$1,875.

Page County.—J. Dee Loudon to W. B. Loudon, w ½ se ¼ (except railroad) 23-67-37, Colfax, \$8,000.

Audubon County.—Fred Dettman to G. C. Bamsey, w ½ sw ¼ Sec. 29, and n ½ se ¼ 30-81-34, \$28,000.

Pocahontas County.—John Byrne to Nellie Simpson and Mary Kirkendall, e ½ sw ¼ 21-91-33, \$10,000.

Wright County.—Walter Frakes to Andrew Frakes, und. 1-3 int. sw ¼ and s ½ s ½ nw ¼ 23-93-26, \$16,000.



## SPOKANE CLEARING HOUSE ELECTS OFFICERS

Spokane—At the annual banquet of the Spokane Clearing House, February 6, the following officers were elected for the coming year:

President, W. D. Vincent, Old National Bank; vice president, William Dick, Bank of Montreal; secretary, C. A. McLean, Clearing House; manager, Joseph Baily, Fidelity National Bank.

The president, W. D. Vincent, is also president of the clearing house section of the American Bankers Association.

At the banquet held at the Davenport hotel the guests were presented with paper caps as they deposited their wraps, and then, with fife and drum heading the procession, paraded around the mezzanine floor and across the lobby. D. M. Drumbheller, the veteran Spokane banker and R. L. Rutter, president of the Spokane & Eastern Trust Company led.

Among the speakers were: A. B. Murray of Oroville, Wash., president of Group No. 1 of the Washington State Bankers Association; Harry Turner of the Baker-Boyer National Bank of Walla Walla, president of Group No. 2; H. Melgaard, president of the Clearwater group of Idaho bankers; Conner Malott, vice president of the Spokane & Eastern Trust Company; Dr. J. B. Anderson, city health officer of Spokane; E. T. Coman, president of the Exchange National Bank of Spokane; J. L. Paine, president of the Spokane Chamber of Commerce; M. B. Connelly, president of the Washington Trust Company and retiring president of the Clearing House.

### CITY OF SPOKANE HAS LARGE BANK BALANCE

The bank balance of the city of Spokane, on February 1 was 40 per cent. greater than on the same date a year ago. Local improvement payments during January, 1917, showed an increase of 86 per cent. over the January, 1916, figures. The city's cash balance amounts to \$624,061, according to the auditor's monthly report. Last year's total was \$446,786.

### INSURANCE BUSINESS CONSOLIDATED

The purchase by the Day & Hansen Security Company of Spokane, Wash., of a block of the capital stock in Elmendorf & Pope, Inc., of the same city and the consolidation of the insurance business of the two companies has been announced. The insurance business will all be handled by Elmendorf & Pope, under the direction of F. E. Pope. The consolidation will affect only the insurance departments of the two firms. The Day & Hansen Company will utilize the space afforded it by the removal of its insurance department for the enlargement of their other lines of business. The consolidation will include the general agency for the Aetna Accident & Liability Company of Hartford, Conn., for eastern Washington; the agency for the Hartford Fire Insurance Company and other agencies held by the Day & Hansen Company.

### BIG INCREASE IN LIFE INSURANCE

"Applications for \$1,082,271 insurance were received at our home office in January, an increase of \$719,221, or 187 per cent., over the same month a year ago," said R. Lewis Rutter, president of the Western Union Life of Spokane, Wash. "We issued policies for \$803,538 last month, an increase of \$478,378, or 147 per cent., over January, 1916. The renewal premiums amounted to \$58,152, as compared with \$48,180 for the same month last year, an increase of 21 per cent. The month's business is the largest of any January in our company's history. It was written in Washington, Idaho, Montana, Oregon, Utah, Wyoming, California, South Dakota and Arizona."

### EARNINGS OF FARM MORTGAGE COMPANY

The fiscal year of the Day & Hansen Security Company of Spokane, ended January 31, is reported by the officers to have been the most satisfactory and profitable for the company since its organization. The assets have increased from \$3,087,748 to \$3,624,032, a net gain of \$536,384. The annual dividend of seven per cent., which has been maintained by the company since organization, was declared for the \$1,500,000 capital stock, amounting to \$105,

000. The balance of the net earnings, \$46,301, has been added to the undivided profits, increasing the surplus and profits amount to \$307,352. The farm mortgage department, a most important one, shows an increase of more than 50 per cent. over the previous year.

### BUILDING PERMITS INCREASE

Building permits issued at Spokane, for January, 1917, totaled 51 permits, calling for \$46,055 worth of construction. This is nearly 20 per cent. ahead of the January, 1916, total of 35 permits for \$38,555 worth of construction.

### FEW FARM BANK SUBSCRIPTIONS

Spokane—When subscriptions to the Spokane district farm loan bank closed February 9, applications for only 588 shares of a par value of \$5 a share, making a total of \$2,940, had been received by postmaster Dana Child, temporary agent of the bank. The government will take up the remainder of the stock of the bank, which will have a capital of \$750,000.

### NATIONAL FOREST ENLARGED

Washington—Acting under the authority of a special act of Congress approved September 8, 1916, the President has on recommendation of the Secretary of Agriculture, signed a proclamation adding approximately 50,000 acres to the Whitman National Forest, Oregon. The lands involved are situated on the divide between the John Day, Powder, and Burnt rivers, in East-central Oregon.

Over 4,000 acres consist of timber lands which were included in patented entries. As the result of suits brought by the United States, the patents for these entries were canceled by the courts because they were acquired through fraud or mistake, and the lands were returned to Government ownership. The canceled claims carry a total estimated stand of nearly 46,000,000 feet of B. M. timber.

Much of the other land included in the addition is privately owned. It consists largely of cut-over timberland, on which the timber growth is rapidly reproducing. One portion of the act of Congress authorizing the addition provides especially for the exchange of government timber for privately owned lands in the Whitman national forest which may be chiefly valuable for the production of timber or the protection of streamflow. Several applications for exchanges of this character have already been submitted.

All records, both as to volume of business and net earnings, were broken by E. I. Dupont de Nemours & Co. last year, according to annual report of company. Gross receipts for year ending December 31, 1916, aggregated \$318,845,684, increase of 1,130 per cent. as compared with average sales for 1913 and 1914, which amounted to \$25,927,476.

Kennecott Copper Corporation produced in January 7,080,000 pounds of copper compared with 6,806,000 pounds in December, 7,080,000 in November and 7,300,000 in October.

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**ROSENBAUM REVIEW**      The "Rosenbaum Review" is a weekly publication, edited by Mr. J. Ralph Pickell, and published by this Company. Its Table of Contents is as follows:  
 Business and Trade Conditions      Washington Correspondence      Letters From Our Patrons  
 Review of the Markets      Current Weekly Price Statistics      Current Commercial News Forum  
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# GRAIN AND MILLING

Commercial West Office, February 14—Any upward movement in wheat values depends upon amelioration of the car situation. Wheat prices today are practically where they were a week ago, although there had been some advances during the week followed by a decline yesterday. The market is in the throes of the critical car situation, which restricts trading and makes prices more or less nominal. There should be some improvement in the car situation by the end of this month provided storms do not further tie up railroad transportation.

As pointed out last week, the hazards of speculation are multiplied and all participating in the exchange of grain should take due note of the dangerous situation.

## Submarine Warfare Disappoints Germany

There are indications that the progress of the submarine warfare since February 1 is somewhat disappointing to Germany. The tonnage sunk during the first 10 days was about what the Germans expected could be sunk, but since February 10 the tonnage destroyed has been decreasing. No one knows exactly what methods Great Britain has adopted to check the submarine menace, but the decrease in the amount of tonnage sunk and the rate of sinking indicates that the methods Great Britain has adopted are moderately successful.

There is no doubt that the most important thing Great Britain can get in America is material for food, and ships will have to be provided to carry our wheat and flour, as well as that from Canada. The more tonnage is sunk the more dependent Europe is on Canada and the United States for its food supply.

## The Car Situation Very Bad

The congestion of railroad transportation is very bad. Embargoes in effect by practically all railroads permit the transportation of live stock, coal and perishables, but nothing else. The movement of wheat and flour eastward is at a standstill. There is fear that Minneapolis commercially will be tied up completely. Elevator "L" of the Cereal Grading Company was closed today and many other elevators are on the verge of closing.

## Wheat Prices Compared

With the restriction that wheat prices are more or less nominal, it may be noted that May wheat closed February 14 at \$1.74½ against \$1.73½ on February 7, \$1.76¾ on February 6, \$1.76¼ on January 31, \$1.86½ on 24, \$1.90¾ on January 17, \$1.88 on January 13, \$1.92¼ on January 6, \$1.78¼ on December 27, \$1.69¾ on December 20, \$1.75¾ on December 13, \$1.88 on December 6, \$1.81 on November 29 and \$1.95 on November 1. July wheat closed February 14 at \$1.70½ against \$1.70¼ on February 7, \$1.73 on February 6, \$1.72¼ on January 31, \$1.88¾ on January 24, \$1.81¾ on January 17, \$1.78 on January 13, \$1.88¾ on January 6, \$1.72¼ on December 27, \$1.64½ on December 20, \$1.71¼ on December 13, \$1.83 on December 9, \$1.71¼ on November 29, \$1.85¾ on November 22, \$1.88¾ on November 25 and \$1.80½ on October 24. September wheat closed February 14 at \$1.42¾ against \$1.41¾ on February 7, \$1.44¼ on February 6, \$1.45½ on February 5 and \$1.41¼ on February 3.

## Winter Wheat Conditions

Dry and windy weather in a large portion of the winter wheat belt failed to improve winter wheat conditions. It is still too early to base any estimate regarding the damage to winter wheat, but all reports taken together are moderately bullish, although forecasts now are for rain or snow generally in the winter wheat belt during the latter part of the current week. Price Current says: "Apprehension of damage to the growing wheat crop is increasing, especially west of the Missouri River and in Missouri. The chief complaints have been of dry and windy weather. However, it is impossible at this time to say with accuracy how much, if any damage has been

done or that conditions will not be better in spring, with the coming of normal weather and warm rains."

## Surplus Crops In Argentina

A special cable from Buenos Aires to the Northwestern Miller says:

"The quantity available for export on the new crop is now estimated as follows: wheat, 600,000 metric tons (22,000,000 bushels of 60 pounds); corn, 700,000 tons (22,000,000 bushels of 70 pounds); linseed, 100,000 tons (3,900,000 bushels of 56 pounds); oats, 200,000 tons (13,800,000 bushels of 32 pounds)."

## Flour Famine Feared

George A. Zabriskie, eastern representative of the Pillsbury Flour Mills Company, located in New York says that the flour situation in eastern cities is so acute that actual exhaustion of stocks of flour is a matter of only a short time, unless the car situation is immediately improved. There is a great amount of flour tied up in transit, buried somewhere on its way to the East with the date of delivery indefinite. While the railroad transportation system is in this badly congested condition, stocks in eastern warehouses are being reduced.

## Flour Output Low

Flour mills are doing their best to cope with the present situation which is a most difficult one. There is some improvement in output thus far this week, although the total for the seven days ending February 17 will probably not be more than 50,000 barrels greater than 221,640 barrels produced in the week ended February 10. Production for the week in each of the past three years was approximately 350,000 barrels. It is estimated that milling and elevator companies are not getting one car for every 40 needed. Until cars can be obtained the flour situation cannot improve.

## Interior Stocks of Wheat

Wheat stocks in interior elevators of the Northwest are exceedingly light. Total holdings are now estimated at less than 12,000,000 bushels throughout the Northwest, against double that figure this time last year. Clement Curtis & Co. state that less than half as much wheat is held by farmers, mills and country elevators, as that reported by the Government on March 1, 1916, when 242,000,000 bushels were in the hands of farmers. While there was a small increase in wheat receipts at Minneapolis, due to the opening up of branch railroad lines, demoralized by the storm for two weeks or more, farmers' deliveries have been practically nil.

## Trend of Wheat Prices Higher

Expert traders believe that the trend of wheat prices will be higher just as soon as any improvement in the car situation appears. They predict speedy declines in the visible supply, both in the United States and Canada, as soon as freer transportation is available.

## Flaxseed Acts In Sympathy With Other Grain

Flaxseed has been acting in sympathy with other grain, although the market has been steadier than that in wheat. Trading has been confined to covering actual needs, buying by crushers being especially noticeable. There are many predictions that the present scale of prices will appear rather cheap in comparison with those two months from now. This, of course, is based on the theory that the demand for linseed oil during the coming season will be a normal one. If it proves normal, shortage in flaxseed supplies may become acute by early summer.

Operators at Duluth are looking forward to heavy receipts of flax from the Canadian Northwest in the near future. Canadian growers are placing more dependence upon the Duluth market and bonded seed has been brought in.

While America will be able to get some Canadian flaxseed, it will be able to get none from the Argentine. That country is shipping all its flax to Europe. Under

date of February 10, the Archer Daniels Linseed Company said:

"War, or rumors of war, do not make any larger supplies of seed, but we are very apt to have some violent fluctuations, as sentiment is often stronger than facts. Our flax market at the moment of writing is 2½c per bushel higher than a week ago. The shipments from Argentina continue very light. For the week ending February 2, only 32,000 bushels were shipped to Europe, and for the period from January 1 to February 2 this year the total Argentine exports are 586,000 bushels, none of which was shipped to North America. Corresponding period last year, 3,569,000 bushels, including 738,000 bushels to the United States. Visible supplies in Argentina are only 555,000 bushels, and the prices at which the seed is selling in Buenos Aires are on a very much higher basis than our Duluth or Minneapolis markets. It is reported that the Argentine Government will probably impose an export duty of five per cent. in April 1. This will add that much more to the cost of South American seed.

"Our receipts of seed in the Northwest are larger than up to this time last year, but we had perfect conditions last fall for cutting and threshing flaxseed, and the price has been high so there is no incentive to hold flax. Our reports are that stocks in the country are very light. We look for very little increase in stock of seed at the head of the lakes from now on, as the shipment by cars will take all the receipts as soon as the car situation improves. Most of the seed is coming to Minneapolis and they are paying 3½c a bushel over the May price for cash seed. Every car is fought for as if it were the last one to be had.

"The demand for oil is good for this season of the year. The cake situation is serious because of the submarine warfare. The Dutch and Norwegian ports are all closed now. No one can tell how long this may last, but at best shipping will be intermittent. One ship was sunk this week containing 2,500 tons of oil cake, so, regardless of seed values, the cake prices and lack of foreign shipments may make oil very much higher."

### Hemp Growth Advocated

Crookston, Minn.—J. G. Haney of Grand Forks, discussing hemp production before the sixth annual farm crop show here, said in part:

"This crop is not entirely new, even to this section of the country as it has been tried in many places, and so far as production is concerned, it has proven satisfactory in every respect. The only drawback to this crop has been the lack of machinery for harvesting and extracting the fiber.

"Hemp is produced entirely for the fiber which it furnishes, and this fiber is used largely for the manufacture of carpet, cords and twine, and in some cases doubtless is used in the manufacture of linen.

"The principal hemp producing section of the United States is confined to Kentucky, although there are small quantities grown in other sections. The methods used in Kentucky are very crude, practically all the work being done by hand. Notwithstanding this handicap the crop has been a favorite, and as the price has greatly increased in the past few years, it is perhaps the most profitable crop now grown by the Kentucky farmer.

"At the present time the production of hemp in the

United States amounts to something over 5,000 tons per annum, while there is more than twice as much of this kind of fiber imported. The price of this fiber at the present time is between 12 and 15 cents, depending on the grade. The yield amounts to from 1,000 to 2,000 pounds per acre, and the machinery that is now being developed will make it possible to produce hemp fiber profitably at five cents per pound.

"It has been definitely determined that American hemp fiber is suitable for the production of binder twine. At the present time the fiber from which binder twine is made comes exclusively from Yucatan. This fiber has risen in price very rapidly in the past few years, and it is estimated that each one cent advance per pound in the price of fiber means an additional cost of \$3,000,000 to the American farmers for binder twine. The advance in the past three years, according to the United States senate committee report, will cost the American farmers \$18,000,000 for binder twine this year.

"All the money for this fiber which is used as binder twine in the United States, must leave the United States—more than \$80,000,000. Hence it will be readily seen that if the fiber were produced here, there would be that much more money remaining in the country.

"At the Agricultural College of North Dakota several years ago, professor Bolley grew excellent samples of hemp. This fiber was broken out by the ordinary hand methods employed in Kentucky, and when compared with their fiber was pronounced very satisfactory. It has also been grown at the Northwest experiment farm at Crookston, Minnesota and 30 acres on the International Harvester Company farms at Grand Forks, and the same amount at Aberdeen, S. D., last year made most satisfactory yield. There apparently is no question as to production.

"A feature which commends it especially to this region, is the fact that it is one of the best known weed fighters. Hemp planted on well prepared land, if favorable growing conditions prevail, will outgrow quack grass and other weeds to the extent of completely smothering them out. It has been stated by Prof. Bolley that the benefit derived from this crop for such purposes alone, would warrant its being grown, even if no fiber were taken from it.

"As the preparation of land, seeding, harvesting, shocking, etc., are very similar to small grain, it is not necessary to indicate this cost. The breaking of the hemp with machine brakes—extracting the fiber—is placed at 1½ cents per pound, and is a very similar operation, and would correspond to the threshing bill. The total cost of this crop, including seed, should not be over \$10 per acre, bound and in the stack. Adding \$12 to this for breaking would make a cost of \$22 per acre. Bailing the fiber is as easy as bailing hay, so that it will be seen that \$25 should easily cover all expenses. A yield of 1,000 pounds of fiber, at 10 cents a pound, would leave \$75 net income per acre. Considering the possibilities of hemp for cleaning the land, etc., gives this crop a most inviting aspect.

"Results at Waupun, Wis., for the past few years, show a range of cost of production from \$25 to \$50 per acre, with a gross income of \$100 to \$150 per acre.

"The satisfactory showing made by the hemp on our farms last season warrants further trials on an increased scale. Five thousand bushels of seed will be brought to this section this spring, and an effort made to distribute this over a large area, so as to make the trials as comprehensive as possible.

"There is very little literature available on the subject of hemp culture, but 'Hemp, 1913 Year Book, Separate No. 628,' by Lyster H. Dewey of the fiber investigation bureau of the Department of Agriculture, Washington, D. C., is a very exhaustive treatise on the subject."

The Grand Trunk road placed an embargo on export shipments of grains, provisions and live stock to the East. New York Central lines placed an embargo on shipments of freight east and west bound from Chicago. All eastern railroads now have embargoes out on shipments from Chicago. They are making an effort to clean up previous accumulations.

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**MINNEAPOLIS WHEAT STOCKS**

Wheat in Minneapolis public elevators was reported as follows by the Chamber of Commerce on dates given, in bushels (000's omitted):

	Feb. 10	Feb. 3	Feb. 12, 1916	Feb. 13, 1915
No. 1 hard	521	530	626	149
No. 1 northern	1,860	1,891	4,552	4,319
No. 2 northern	2,283	2,292	2,895	4,527
Other grades	7,703	7,674	5,174	6,370
<b>Totals</b>	<b>12,366</b>	<b>12,386</b>	<b>13,247</b>	<b>15,365</b>
In 1914	19,528	19,887		
In 1913	20,606	20,436		
In 1912	20,157	15,664		

**At Duluth**

Duluth-Superior wheat stocks, February 10 (000's omitted), in bushels, and receipts by weeks ended Saturday:

	Wheat Stocks			Receipts by Grade		
	1917 bus.	1916 bus.	1915 bus.	1917 cars	1916 cars	1915 cars
No. 1 hard	36	170	108			
No. 1 northern	749	2,609	2,594		24	25
No. 2 northern	654	1,454	2,852	1	18	134
No. 3	479	157	1,089	6	29	92
No. 4		88	38	7	14	50
Mixed grain				5		
No-grade		10			4	1
Sample grain				1		2
Special bin	2,419	2,574	2,235			
<b>Totals</b>	<b>4,337</b>	<b>7,062</b>	<b>8,916</b>	<b>20</b>	<b>89</b>	<b>304</b>
Macaroni	782	4,678	322	17	118	40
Southwestern	837	810	775	10	11	5
Western	4	4	8			
Mixed				22	64	12
<b>Totals</b>	<b>5,960</b>	<b>12,554</b>	<b>10,021</b>	<b>69</b>	<b>282</b>	<b>361</b>
Bonded	1,756	858	185	402	286	100
<b>Totals</b>	<b>7,716</b>	<b>13,412</b>	<b>10,206</b>	<b>471</b>	<b>568</b>	<b>461</b>
Afloat		758				
<b>Totals</b>	<b>7,716</b>	<b>14,170</b>	<b>10,206</b>	<b>471</b>	<b>568</b>	<b>461</b>

**At Canadian Ports**

The following table shows stocks of grain in store at above points for week ending February 9, in bushels (000's omitted):

	Wheat	Oats	Barley	Flax
Elevator—				
C. P. R.	4,388	2,076	228	
Empire	830	336	40	251
Consolidated	1,073	328	30	149
Ogilvie	1,214	149	37	
Western	918	381	35	462
G. G. G. Co.	1,321	845	93	
Fort William	826	567	28	63
Eastern	1,076	698	30	
G. T. P.	3,226	2,163	128	84
Canadian Northern	4,699	2,596	421	163
Horn & Co.	234	154	42	138
Government	2,029	799	104	150
Thunder Bay	655	483	63	65
Davidson & Smith	315	220	5	
<b>Totals</b>	<b>22,802</b>	<b>11,796</b>	<b>1,285</b>	<b>1,525</b>
Year ago	22,219	8,408	1,432	825
Receipts	620	142	17	21
Shipments	303	109	3	11
Storage afloat	89	101		

**STOCKS BY GRADE (000's omitted)**

	Bushels.
Wheat—	
No. 1 hard	15
No. 1 northern	1,968
No. 2 northern	3,760
No. 3 northern	3,840
No. 4	3,104
Others	10,115
<b>Total</b>	<b>22,802</b>
Oats—	
No. 1 C. W.	18
No. 2 C. W.	3,092
No. 3 C. W.	1,096
Extra No. 1 feed	2,023
Others	5,567
<b>Total</b>	<b>11,796</b>

**At Chicago**

Wheat stocks in all positions in Chicago decreased 131,000 bushels last week, corn increased 360,000 bushels, oats decreased 261,000 bushels, rye 21,000 bushels and barley 36,000 bushels. Wheat in public elevators decreased 49,000 bushels, corn increased 76,000 bushels and oats 24,000 bushels. Wheat in private elevators decreased 82,000 bushels and oats 334,000 bushels. Corn increased 284,000 bushels. Corn stocks afloat were unchanged and oats increased 49,000 bushels. Details follow:

	Public.	Private.	Total.	Last yr.
Wheat	2,400,000	1,459,000	3,859,000	4,674,000
Corn	859,000	3,090,000	*4,218,000	5,320,000
Oats	9,596,000	9,200,000	*21,084,000	6,396,000
Rye	65,000	177,000	242,000	113,000
Barley		506,000	506,000	321,000

\*Includes 269,000 bushels corn and 2,228,000 bushels oats afloat.

**MINNEAPOLIS-DULUTH-WINNIPEG RECEIPTS**

Wheat receipts in carloads at Minneapolis, Duluth and Winnipeg for six days were:

	Minneapolis.		Duluth.		Winnipeg.	
	1917	1916	1917	1916	1917	1916
February 7	124	172	1	34	137	136
February 8	180	249	15	48	264	166
February 9	182	311	16	49	234	306
February 10	180	Hol.	14	Hol.	283	
February 12	Hol.	767	Hol.	68		576
February 13	634	226	9	129	677	384
<b>Totals</b>	<b>1,800</b>	<b>1,725</b>	<b>55</b>	<b>328</b>	<b>1,595</b>	<b>1,568</b>

**CROP YEAR RECEIPTS**

Receipts of wheat in Minneapolis and Duluth from September 1, 1916, to February 10, 1917, were as follows, with comparisons, in bushels (000's omitted):

	1916-17	1915-16	1914-15	1913-14
Minneapolis	65,161	107,617	77,441	66,149
Duluth	18,689	86,502	50,017	53,104
<b>Totals</b>	<b>83,850</b>	<b>194,119</b>	<b>127,458</b>	<b>119,253</b>
Duluth, bonded	3,476	4,482	1,373	3,092
<b>Totals</b>	<b>87,326</b>	<b>198,601</b>	<b>128,831</b>	<b>122,345</b>

**WORLD'S GRAIN SHIPMENTS**

World's shipments of wheat were much smaller than recently. Details follow:

	This Wk.	Last Wk.	Last yr.
Wheat—			
America	5,488,000	7,102,000	10,605,000
India	344,000	656,000	
Argentina	2,071,000	1,721,000	836,000
Australia	720,000	1,600,000	936,000
Others	64,000	136,000	150,000
<b>Total bushels</b>	<b>8,687,000</b>	<b>11,215,000</b>	<b>12,557,000</b>
Corn—			
America	1,558,000	1,325,000	962,000
Argentina	1,146,000	1,772,000	1,868,000
Others	96,000	56,000	272,000
<b>Total bushels</b>	<b>2,799,000</b>	<b>3,153,000</b>	<b>3,102,000</b>
Oats—			
America	955,000	1,570,000	1,926,000
Argentina	280,000	50,000	824,000
<b>Total bushels</b>	<b>1,235,000</b>	<b>1,620,000</b>	<b>2,750,000</b>

**UNITED STATES VISIBLE GRAIN SUPPLY**

Visible supply of grain in the United States in bushels (000's omitted):

	Wheat	Corn	Oats	Rye	Barley
February 10, 1917	47,888	11,895	41,633		
February 3, 1917	48,721	10,671	42,675	2,230	4,443
February 12, 1916	66,499	17,419	19,769	3,197	3,214
February 13, 1915	53,572	40,110	32,966	1,519	3,888
February 14, 1914	59,198	17,595	22,540	1,964	4,837

Changes for the week: Decreases—Wheat, 833,000 bushels; oats, 1,042,000. Increase—Corn, 1,224,000 bushels.

**Canadian Visible**

Canadian visible supply of wheat increased 1,556,000 bushels last week and oats decreased 111,000 bushels. Last year wheat decreased 1,324,000 bushels and oats increased 640,000 bushels. Details follow:

	This Wk.	Last Wk.	Yr. ago.
Wheat	44,528,000	42,962,000	37,689,000
Oats	23,092,000	23,203,000	16,375,000
Barley	2,166,000	2,144,000	1,946,000

**WEEK'S FLOUR OUTPUT**

(From Northwestern Miller)

The attached table gives the flour output at milling centers for the last two weeks, with comparisons, in barrels:

	Feb. 10	Feb. 3	Feb. 12, 1916	Feb. 13, 1915
Minneapolis	221,640	223,995	355,395	353,045
Duluth-Superior	11,425	7,555	22,200	18,600
Milwaukee	000	11,000	9,000	9,505
<b>Totals</b>	<b>233,065</b>	<b>242,550</b>	<b>386,595</b>	<b>381,150</b>
Outside mills*	56,745		154,730	
<b>Aggregate spring</b>	<b>289,810</b>		<b>541,325</b>	
St. Louis	32,700	26,300	28,600	35,400
St. Louis†	48,400	48,400	40,800	50,300
Buffalo	96,900	103,250	112,200	134,100
Rochester	9,400	10,400	10,300	14,650
Chicago	23,250	21,500	25,000	23,500
Kansas City	62,300	58,900	67,200	56,000
Kansas City‡	180,125	176,950	212,115	204,970
Toledo	25,800	20,400	28,700	28,400
Toledo§	59,895	54,850	85,130	78,550
Nashville**	81,505	85,515	97,045	101,090
Seattle	24,555	24,370	26,550	28,175
Tacoma	8,000	27,640	29,230	18,650

**Percentages of Activity**

The following table shows the percentages of activity of mills at various points. The figures represent the relation of actual weekly output of flour, as reported to The Northwestern Miller, to possible output on full-time schedule, operating six days per week:

	Feb. 10	Feb. 3	Feb. 12, 1916	Feb. 13, 1915
Minneapolis	43	43	72	79
Duluth-Superior	31	21	62	52
Outside mills*	24	38	67	65
<b>Average spring</b>	<b>37</b>	<b>41</b>	<b>69</b>	<b>72</b>
Milwaukee	00	92	37	37
St. Louis	65	52	70	87
St. Louis†	63	63	68	83
Buffalo	58	63	67	98
Rochester	47	51	50	70
Chicago	89	78	94	90
Kansas City	87	82	94	80
Kansas City‡	62	60	77	80
Toledo	54	43	60	89
Toledo§	51	48	63	68
Nashville**	56	59	73	79
Seattle	60	59	65	59
Tacoma	14	48	51	32
<b>Average</b>	<b>50</b>	<b>56</b>	<b>71</b>	<b>74</b>
Minnesota-Dakotas	37	41	69	72
Other states	54	61	70	73

Flour output for week ending February 10 at all above points shows a decrease of 6 per cent. compared with week ending February 3.

\*Minnesota, Dakota and Iowa mills, outside of Minneapolis and Duluth.

†Flour made by mills outside of St. Louis but controlled in that city.

‡Flour made by group of Missouri River, Kansas and Oklahoma mills outside of Kansas City.

§Flour made by central states mills, including those of Toledo.

\*\*Flour made by southeastern mills, including Nashville.

**MINNEAPOLIS FLOUR SHIPMENTS BY BARRELS**

	This Wk.	Last Wk.	Yr. ago.
Monday	24,940	22,038	56,508
Tuesday	24,786	26,822	54,449
Wednesday	35,917	30,800	44,883
Thursday	26,061	40,378	73,412
Friday	33,584	41,129	60,018
Saturday	42,882	40,565	54,782
<b>Totals</b>	<b>188,170</b>	<b>201,742</b>	<b>344,052</b>

## THE CHICAGO GRAIN MARKETS

Chicago, February 13—Unsettled political conditions offset the influence of freezing weather in the unprotected winter wheat zone. There were wide swings both ways in the wheat market, which was extremely nervous. Trading was on a small scale throughout the week. Professionals kept close to shore and operated on a very small scale. The public, meanwhile, kept out of the market, which degenerated into a penny ante affair in view of the possibility of the United States being drawn into the European war.

### Sentiment Is Bullish

Sentiment of the wheat trade at the end of the week was more bullish, but it was freely admitted that any sensational developments in the political situation might cause a sharp reversal in positions and make a good break. The disposition on the part of most traders is to go slow in making new commitments on either side of the market. Traders say that the extent of the breaks and bulges on political news depends largely upon the technical position of the pit. There were, however, many bears here and at the seaboard, the latter being exporters. They regard the export situation as against higher prices and favored the selling side for some time. Many local bears take the same view, but a few of the commission houses and local professionals are bullish. They regard the market as showing a better tone.

Until there is something more tangible upon which to base opinions regarding the immediate course of values of wheat and the coarse grains operators are mainly disposed to be chary in expressing positive opinions. Prices are expected to follow the news.

### Speculation Is Reduced

Tension is so great in the speculative trade that only a few bold and aggressive operators are trading to any extent. They are willing to take the extra risks and are disposed to press their advantage heavily at times. A few of the big La Salle street and New York speculators are operating in and out on a large scale and are disposed to be bearish.

One trader who was bullish when May was under \$1.60 said the recent break from \$1.75 to \$1.55 was largely on short selling and sentiment. The short interest in covering forced prices back to where the break started, and the market must now depend upon new export and speculative buying for a further bulge. Should they fail, he looks for lower prices. A number of the commission houses advised taking profits on any further advance, or until export buying revives.

Foreign crop reports were generally unfavorable. Wet and cold weather generally prevails in Europe. Acreage is smaller than last year. Parts of India need rains, while dry weather is wanted in Australia. Indian reports favorable. Local receipts for the week were 770,000 bushels and shipments 578,000 bushels, both being materially short of last year. The primary movement was also smaller than last year.

### Corn Trade Divided

Corn was  $3\frac{3}{4}$  @  $4\frac{1}{2}$ c higher as a result of decreasing receipts. Corn has many friends, although a number of the local professionals are bearish. Bulls believe the action of the market is significant. Not only do country offerings remain light, but the advance to within  $1\frac{7}{8}$ c of the top price of the season on May failed to bring the slightest pressure. They say the period is close at hand where under normal conditions the movement decreases, and it looks as though we would go into the spring with very light supplies. While there may be an increased movement from the country with any betterment in the car supply, there also are prospects of an enlarged eastern movement, which will take the bulk of arrivals. Those close to the railway and steamship interests believe this week will see a material change in the methods of handling grain and other freight at the seaboard. Pit traders are mostly bearish, owing to the light outside trade.

Transportation situation shows no improvement. The Milwaukee road has placed embargo on all freight to Chicago and Milwaukee, with usual exceptions as to live

stock and perishables. Corn bought early in December to go to Argo, 13 miles from Chicago, for immediate delivery has not arrived, although the cars have been standing in the railroad yards. J. A. Patten was a large seller of long corn on the bulge. He believes that advances should be taken advantage of during the existing unsettled conditions to get profits. Sensational news is likely to come unexpectedly at any time and cause a big break in prices, and he wants to be in a position to take advantage of such declines to make purchases.

### Oats Have Friends

More bulls were found in oats on reports of large export buying. Cash prices in all outside markets advanced sharply. Considerable buying was done by locals, who regard oats too low compared with corn. Pit traders are mostly bearish, but covered on the bulge of  $2\frac{1}{2}$  @  $3$ c. Buying was of a much more general character last week, and there was a decided show of strength regardless of corn. Prices scored the best advance in some time, with no great pressure to sell at any time. Present prices are regarded by many traders as too low compared to other grains, while the big stocks have been largely discounted, especially as the bulk of the supply is understood to have been sold, shipment having been delayed on account of the traffic conditions. Oats for May are still about 7c lower than they were at the high point last fall, while corn is nearly 3c higher for May. Practically all the big stock here—21,000,000 bushels—is said to be owned largely by the British government. Shipments to the seaboard are to be heavy in the near future, as the recent conference here between the British admiralty representative and the steamship people and railroad officials was for that purpose. Heavy damage to winter oats in the South is reported as a result of recent severely cold weather. Freezing temperatures prevailed as far south as southern Florida. For the week local receipts were 1,760,000 bushels, or 1,519,000 bushels less than last year.

### Board Postpones Building

The building committee of the Board of Trade has decided that the proposed new home for the board, plans for which are nearing completion, shall be 16 stories high. The exchange hall and rooms used by the board will be on the third floor. This will give the first two floors and the upper floors for use as offices. Plans are to be submitted for inspection early in the summer. But it is not proposed to let contracts until prices for materials are lowered and business conditions resume their normal, as it will cost \$700,000 more to build at present than before the war in Europe started.

Two representatives of the allies were on the floor last week, Lord Furness and Connaught Guthrie, the latter a representative of the British admiralty. They came here for the purpose of holding a conference in regard to transportation problems. Mr. Guthrie said the difficulties in the way of shipments of grain from the West to the seaboard were standing in the way of more liberal exports.

The Board of Trade will not be closed on primary day, February 27, unless the banks decide to close. It is the general opinion that with two other legal holidays in February it would be unwise with the markets laboring under present unusual conditions to close any day unless absolutely necessary.

### More Commissions Wanted

A move for higher commission rates and for placing all traders for future delivery on a brokerage basis is generally approved. Commission rates on grains are lower than on any other speculative commodity. The brokerage basis for traders is regarded as the best, as it makes traders more careful, the extent of their business depending upon how they handle orders. The committee having the work in charge will push its work rapidly. It is composed of R. W. McHinnon, E. W. Wagner, S. B. Arnot, R. G. Chandler, L. F. Gates, J. P. Moloy and H. B. Jackson. A rate of \$10 per 5,000 bushels on grain futures is talked of. The brokerage basis is in force on the New York stock and cotton exchanges. In 1906 that plan was tried here for a time and repealed, as business was dull.

## REVIEW OF THE LIVE STOCK MARKETS

South St. Paul, February 14—Experts whose business it is to follow the livestock markets, are remarkably unanimous in the opinion that live stock prices are going to remain at high levels for an indefinite period. Breaks there will be from time to time, no doubt, but values on the whole will remain at heights but little if any lower than have prevailed the past few weeks. It is not expected that the abnormal values caused lately by severe weather conditions will hold; in fact, whatever gains were made at those periods have about been cancelled now. With normal conditions again prevailing through the Northwest, cattle prices are receding slowly; hogs have been gaining consistently until the past few days and sheep and lamb prices have been the strongest of all.

Thus far the international situation has caused but a ripple in the live stock markets. The break with Germany came at a time when receipts were all but shut off and there was little opportunity to test the effect of the severance of relations on the market. While the situation has grown no worse since that time, it has not improved any. Stock of all kinds, however, is coming in good volume now and if affairs at Washington and Berlin are to have any influence on the trade it ought to develop soon. Like every other industry in the country, the present prosperity of the live stock business is due largely to the war and is more or less sensitive to influences of the war. A broadening of the war to include the United States would only aid the live stock industry in the opinion of many close observers. Such an event would increase the demand for meat rather than decrease it.

### Cattle Trade Again Normal

In the cattle division trade is slowly settling down to a normal basis, if conditions that existed before the recent storm may be called normal. From a price standpoint the market has been on an abnormal basis all winter. Receipts lately have not been generous enough to favor packers much and only a few days of restricted supplies have been necessary to show the broad demand for cattle. With February half gone, receipts here this month are 1,500 head less than they were in the corresponding period last year. For the year to date receipts here show a gain of about 20,000 head compared to first six weeks last year.

It has been largely a beef market here the past week. Stocker and feeder trade has broadened out a little but for the most part sellers have had to depend on packers and butcher buyers for an outlet for cattle. This has been fully ample to take care of the supplies. Several outside packers have been buying cattle here and have helped to make a strong clearance on most grades. The past few days have witnessed a slight slowing up and prices have eased off all along the line. They are still high enough to suit shippers and farmers.

### Stocker and Feeder Trade Light

Stocker and feeder trade has not been very heavy lately. Conditions have been against it. So much snow and cold weather has been a deterrent to country buying and local dealers have been slow to take hold of fresh supplies here. For a time previous to the last spell of severe weather country business was quite good and if farmers ever have assurance that the worst of winter is over and can look for moderate weather and less snow, they will again become good patrons of the market. With the outlook for beef prices the next few months, farmers are not going to miss a chance to get in on prospective profits. It will be nearly two months yet before they can do much pasturing in this territory but there is no telling what the cost of finishing cattle will be at that time. Consequently many farmers are eager to stock up when they can do so at prices that look right even though they have to board the cattle for a few weeks.

### Dairy Cow Business Good

Inquiry for milkers and springers is fairly broad and trade has been good the past week. Local jobbers let their stocks get rather low and were out to replenish them. Also, there have been a few outside buyers in the market.

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ps://fraser.stlouisfed.org

A spread of \$50 to \$85 has covered about all the transactions with bulk of sales right at \$60@75.

### Hog Market Spectacular

The hog market has been the most spectacular of any division. In the six weeks since the current year opened, porker prices have advanced an even \$2 a hundredweight. Only half a dozen times in that period have prices declined. Receipts of hogs are steadily falling behind last year. So far this month they are 90,000 less than in the corresponding period in 1916, and for the six weeks so far this year they are around 235,000 less than a year ago. A total marketing to date this year has been about 315,000 head compared to 550,000 head at the middle of February last year.

Last summer when hog prices were holding persistently around the \$9 mark, some close observers were optimistic enough to predict that \$10 would be paid on this market before the season was over. That record was made early in August. When the expanding fall runs failed to break prices materially and they hovered up around \$9.50 to \$10, the trade forecast that the record top of \$10.95, established in 1910, would be surpassed. That feat was achieved in October. Then a daring forecaster from Wisconsin made the prediction that the \$12 hog would appear on this market before spring. His forecast came true last week when two loads of choice swine brought that price. Hog prices today are just about \$5 a hundredweight more than they were a year ago.

In the sheep house packers have had to get along on a scattering of sheep and lambs daily. When this was not sufficient they drew on feedlots for killing material. Values have not depreciated a particle and in some cases are stronger than a week ago. Choice lambs are bringing \$14 regularly and seconds from \$12 to \$13. Best fat ewes are selling up to \$10.25 and a few have earned \$10.50. Yearling wethers are quotable at \$12.60 and aged wethers up to \$11 though little has shown up the past week to test those figures. Bucks have frequently brought \$8 lately against \$7.50, the former top. Breeding ewes are in good demand up to \$10.

### CHICAGO

Chicago, February 14—Cattle prices weakened a trifle at the opening of the week following a week of abnormal values on practically all grades of stock. The trade, however, has little fear of a violent reaction in values for choice, well fed beefs of heavy weight since supply surveys of late have plainly shown these to be a scarce article and likely to continue so for months ahead. There is danger, however, of the market getting too many medium and short fed steers in a short space of time as a result of the tie-ups in many sections where cars could not be sent. Consumer demand is in good shape despite high beef costs but difficulty has been experienced by packers in getting beef to interior points. As a result there is said to be a fair amount of stuff in coolers.

The country is keen to cash cattle and no stronger inducement is needed than the great margins over first cost which are now available in the market, these ranging from \$3 to \$4 in many cases the past week. Abnormally short receipts lately carried cows and heifers to the highest levels on record but there is strong probability that these prices will be lowered quite as sharply as they advanced once normal conditions are restored in full. Buyers declare "book" costs of female stock have been prohibitive the past week. Receipts of hogs lately have been the lightest since October. The average weight of porkers, however, has shown some improvements and last week was the best since last fall. Top hogs have made \$12.55 and were at \$12.50 today. Sellers have regained control of the sheep trade after a week of fluctuations. Extremely heavy aged stock and light yearlings found the best call at all times the past week. Midweek quotations:

Hogs, bulk, \$12.25@12.45; light, \$11.70@12.35; mixed, \$12.10@12.50; heavy, \$12@12.50; rough, \$12@12.15; pigs, \$9.75@11. Cattle, native beef cattle, \$7.75@12.75; western, \$7.85@10.85; stockers and feeders, \$6.10@9.10; cows and

heifers, \$5.10@10.40; calves, \$10@14.50. Sheep, wethers, \$10.75@12; lambs, \$12.25@14.75.

#### SIoux CITY

Sioux City, February 14—Receipts of cattle and hogs the first of the week were none too liberal but indications are for good sized hog runs this week.

Though hog prices fell back a little today, it does not appear to be a question of price these days so much as it is a matter of filling orders. The past week saw top prices at \$12.25. The cattle trade has experienced a decidedly uneven trend the past week. There does not appear to be anything in the way of a generally good and healthy market for beef cattle at or around the present level of prices.

Several bunches of choice kinds of fat steers have sold at \$11 and there has been a good representation of the good styles of beeves selling at \$10@10.75. On butcher cows and heifers not much change has been noted. Good to choice cows and heifers have cleared at \$7 to \$9 with tops on a few head at \$10. Cutters and canners have ranged from \$5.75 down to \$4.75. Stocker and feeder trade has been fair. In the sheephouse good conditions are prevailing and sellers find a good demand for their stock with prices strong. Midweek sales and quotations:

Hogs—Bulk, \$11.70@11.95; range, \$11.50@12.20; light \$11.50@11.75; mixed, \$11.80@12; heavy, \$12@12.20.

Cattle—Beeves, 20, 850 lbs., \$8; 17, 1,230, \$10; 13, 1,486, \$11.25; cows and heifers, 13, 999 lbs., \$6.50; 12, 1,390, \$8.50; 15, 980, \$9.75; stockers and feeders, 35, 725 lbs., \$6.50; 25, 900, \$7.50; 21, 175, \$8.90; yearlings and calves, 14, 660 lbs., \$6.50; 13, 541, \$8.50; 14, 389, \$9.75; feeding cows and heifers 15, 985 lbs., \$5.75; 19, 816, \$7; 25, 690, 08.

#### DRAFT OF STATE LAW TO PERMIT ORGANIZATION OF AGRICULTURAL COOPERATIVE ASSOCIATIONS

Washington—A draft of a bill for use by states desiring to provide for the organization of nonstock agricultural and horticultural cooperative associations has been drawn in the United States Department of Agriculture and, together with a letter explaining the circumstances under which the bill was prepared and the object to be accomplished, is published in service and regulatory announcements No. 20 of the office of markets and rural organization. In shaping the bill an effort has been made to conform to the Clayton amendment to the United States antitrust laws, which exempts from the operation of these laws "labor, agricultural and horticultural organizations instituted for the purpose of mutual help and not having capital stock or conducted for profit."

The bill is drawn on the principle that every association created under it shall act exclusively as an agent for the member, and that if it act for a nonmember it shall do so also as an agent, the service to be performed at cost. It is sought by this application of the principle of agency to safeguard the nonprofit feature of such an organization. It is absolutely essential, the paper points out, that this feature be adhered to both in the organization and in the conduct of the association.

The bill would permit the association, as agent for its members, to perform services connected with the production, preservation, drying, canning, storing, handling, utilization, marketing, or sale of agricultural and horticultural products produced by them. It would also permit the association to perform for its members, in a similar way, services connected with the purchase or hiring of supplies, including live stock, machinery, and equipment, and the hiring of labor. The membership of such organizations would be limited to persons engaged in agriculture or horticulture. Membership would be nontransferable, and each member would be entitled to one vote only, to be delivered in person or by mailed ballots. Voting by proxy would not be permitted.

The draft of the proposed bill was prepared in the Department in compliance with requests from many officials and individuals. It is pointed out that the Department of Agriculture has no power to give an authoritative ruling as to the antitrust laws of the United States. It is sug-

gested, therefore, that those who desire to make use of the bill drafted by the Department, or to organize thereunder, should act with reference to the matter on the advice of competent counsel of their own choice.

#### INFLUENCING THE JURY

A full page advertisement in some of the city papers, informing the public that powerful interests were seeking to injure the Comision Reguladora del Mercado de Henequen, naturally attracted some attention. Who, and what is this commission, and what the powerful interests seeking its hurt? A little investigation will show that the "powerful interest" must be the United States Government. The attempt to harm it is by means of a suit under the anti-trust laws. All that this poor defendant has done, according to the Government's petition, is to foist on the American people one of the cruelest of monopolies.

The life of the people is in the harvests. The cereal crops cannot be harvested without binder twine, of which 300,000,000 pounds is used annually. Of this, 80 per cent. is made from sisal. Increase the price of this sisal one cent a pound and you add from \$2,000,000 to \$3,000,000 to the cost of harvesting. After reciting this fact, the Government states that the defendants in the suit were in a conspiracy to control the output of sisal from Yucatan, the only source of supply. It further shows that the demand for hemp is so great that but little can be diverted to the use of binder twine. Therefore, the field is clear for the sisal holdup.

The Government's brief states the following price changes of sisal delivered at New York, per pound:

For five years prior to formation of the conspiracy .....	5½ cts.
May 22, 1916 .....	7½ "
July 11, 1916 .....	10¾ "
December 23, 1916 .....	14½ "
January 25, 1917 .....	16½ "

At present prices of binder twine \$25,000,000 has been added to the cost of harvesting our cereal crops, and the people are crying at the price of bread! Yet, there was no dearth of sisal, for the amount imported in the year ending June 30, 1916 was in excess of the importation of any previous year.

Our laws guarantee every man a fair trial. No matter how poor or mean, he is given his day in court where, after a case has been made out against him, he may present his defense. To accuse is not always to convict. These defendants may be able to disprove every allegation made against them. But, it would leave a better taste in the mouth of the public if they had done as other defendants are expected to do—rested their case with the court.

Efforts to create an atmosphere of sympathy by full page advertisements, while not unlawful, bear too much resemblance to attempts to bolster up a weak defense by creating a friendly atmosphere among the jury, by means which the law condemns.—The Wall Street Journal.

#### FARM LOAN SOCIETIES FOR PROFIT WARNED

Washington—The Federal Farm Loan Board has issued a warning to farmers against persons reported to be organizing farm loan associations for the sake of private profits. "Any association which gives evidence of having been organized for purposes of private profit will be given very careful scrutiny before a charter is granted," said the board's statement.

#### 15,000 LABORERS NEEDED IN WESTERN CANADA

Ottawa—Eighty per cent. of the cards sent out by the government in its effort to obtain a census by mail of Canada's resources in men have been returned. A shortage of labor in western Canada amounting approximately to 15,000 men is reported by the national service board. This deficiency, it is said, probably can be made up from Eastern Canadian cities and the province of Quebec, where there is said to be a surplus of labor, and from the United States.



**UNITED STATES SUGAR EXPORTS IN 1916 \$100,000,000**

Nearly a half billion dollars' worth of sugar passed through the ports of continental United States in 1916. About \$230,000,000 worth of this was raw sugar from foreign countries, chiefly Cuba; \$125,000,000 worth of raw sugar from our own islands, and \$100,000,000 worth of refined sugar sent out of the United States, chiefly to Europe.

A compilation by the foreign trade department of the National City Bank of New York shows that the value of sugar exported from the United States in the calendar year 1916 was in round terms \$100,000,000 against \$43,000,000 worth in 1915, \$18,000,000 in 1914, and less than \$2,000,000 in 1913, the year immediately preceding the war. Indeed the United States had never been an exporter of sugar in any considerable quantity until the exigencies of the war rendered inaccessible the sugar producing area from which western Europe had been accustomed to draw its supplies. Germany, Austria-Hungary and Russia as the world's great producers of beet sugar had met all the sugar requirements of the remainder of Europe, but when their supplies became no longer available by reason of war conditions, and those of France and Belgium were greatly reduced the remainder of Europe necessarily turned to the cane sugar section of the world for its supply. Cuba, Java, the Hawaiian Islands, Porto Rico and the Philippines are the world's largest producers of cane sugar for exportation (India is a large producer, but has none for exportation), and as Java distributes most of its output to adjacent Asiatic countries, and Cuba, Porto Rico and Hawaii send practically all of their sugar direct to the United States, our own market became the chief source from which Europe could draw sugar, especially in the refined form, since the cane producing islands of the world export most of their product in the raw state. As a consequence the quantity of sugar exported from the United States jumped from 52,000,000 pounds in 1913 to 390,000,000 pounds in 1914, 963,000,000 pounds in 1915, and approximately 1,750,000,000 pounds in 1916 while the advance in prices meantime put the total value of refined sugar exported in 1916 up to about \$100,000,000.

The quantity of sugar entering continental United States in 1916 was, from Cuba about 5,000,000,000 pounds, from Hawaii 1,250,000,000 pounds, from Porto Rico nearly 1,000,000,000 pounds, from the Philippine Islands about 250,000,000 pounds, while our own fields produced about 1,750,000,000 pounds of beet sugar and over 500,000,000 pounds of cane sugar. Thus the total quantity of sugar handled in the United States, including the product of our own fields, that of our own islands and that brought from foreign countries, was about 9,750,000,000 pounds, of which about 1,750,000,000 pounds was exported, leaving the amount retained for consumption about 8,000,000,000 pounds, against an average of about 8,500,000,000 pounds in the years immediately preceding the war, this slight reduction in domestic consumption being presumably due to the great advance in prices which, as is well known, are materially higher than that which was considered normal prior the war.

This would bring the consumption in the United States for 1916 down to an average of about 80 pounds per capita as against 86 pounds per capita in 1915 and 89 pounds in 1914, the high record year in per capita consumption. The average per capita consumption of sugar in the United States has steadily grown from 33 pounds per capita in 1870 to 39 pounds in 1880, 51 pounds in 1890, 59 pounds in 1900, 80 pounds in 1910, 89 pounds in 1914, dropping with the advance in prices to 86 pounds per capita in 1915 and about 80 pounds in 1916.

**TENTATIVE GRADES FOR WHEAT FORMULATED**

Washington—Under authority from Congress contained in the United States grain standards act, which authorizes the Secretary of Agriculture to promulgate official grades for grain, the United States Department of Agriculture, through the bureau of plant industry and the office of markets and rural organization, has completed the necessary investigations to justify the offering of a tentative basis for proposed official grain standards of the United States for wheat. To afford interested persons an opportunity

to present their views in regard to the grades to be promulgated, a series of field hearings are being held in 11 cities in the United States during the month of February, to be followed by a final hearing in Washington, D. C., March 7, 1917. Field hearings have been held at New Orleans, Fort Worth, Denver, San Francisco, Portland, Ore., and Seattle.

Today the field hearing is at Spokane.

On February 20 there will be a hearing at Fargo, N. D.; on February 21 and 22, beginning at 9:30 o'clock a. m., at the West Hotel, Minneapolis; on February 23 and 24, at Chicago, and on February 26 and 27, at Kansas City.

The final hearing will be held in Room 43 of the United States National Museum, Washington, D. C., commencing at 10:30 o'clock in the forenoon of March 7, 1917, at which consideration will be given to any points which may then be brought up. Producers of grain, dealers, millers, manufacturers, bankers, warehousemen, inspectors, and other persons interested are invited to attend any of these hearings.

The tentative basis for the proposed official grain standards for wheat provides classes, subclasses and grades as follows:

Class.	Grades.
I. Hard red spring.	Nos. 1 to 5 inclusive and sample
(a) Dark hard red spring.....	“
(b) Hard red spring.....	“
II. Durum.	“
(a) Amber .....	“
(b) Red .....	“
(c) Mixed .....	“
III. Hard red winter.	“
(a) Dark hard red winter.....	“
(b) Yellow hard red winter.....	“
(c) Hard red winter.....	“
IV. Soft red winter.....	“
V. Common white.	“
(a) Hard white .....	“
(b) Soft white .....	“
VI. White club .....	“
VII. Mixed .....	“

**DAKOTAN ADVOCATES NEW ZEALAND'S PLAN**

Washington—"We are going to bring New Zealand to North Dakota," declared Roy McKaig, master of the North Dakota Farmers State Grange, in an address before the Popular Government league in session here.

"We will have state terminal elevators, state packing plants and state flour mills. The farmers captured the republican party machinery in the recent election, elected their own men to the administrative and judicial offices and proceeded to nail down plank after plank of government ownership into the republican party platform.

"North Dakota has tried for years to get its business and political leaders to cooperate with the farmers. The state has been the plaything of the politicians and the prey of big business. The railroads, the insurance companies, the elevator combines, strong corporations and land speculators have slipped over some very raw deals that can never be explained. Now the state in self defense will provide for its own people."

Mr. McKaig said the real battle in North Dakota is upon the one question of who shall control the market. He declared that the price of wheat in Chicago is determined by a gamble, the dealing in futures and the price fixed by that gamble becomes the actual price for the nation. He said also that the North Dakota farmers were the victims of unfair grading and told members of the league that in one year at a Duluth terminal elevator 2,000,000 bushels each of No. 3, rejected and no grade wheat had "by some magic process been transformed into 6,000,000 bushels of No. 1 wheat.

"The great profit on that one transaction alone would have built a great terminal elevator for the farmers of North Dakota," the speaker declared.

Mr. McKaig said that the movement for the organization of farmers' nonpartisan leagues in Minnesota, South Dakota and Montana is well under way, and he predicted that eventually the leagues of those states would have political control in them.

**CROP COMMENT**

Chicago—Uncertainty as to the outcome of our relations with Germany and also over the possible results of the submarine campaign have for the present more to do with the fluctuation of wheat than have the legitimate factors of supply and demand. To pretend to foretell what the actual outcome of the submarine activity will be, would be laying claim to more knowledge than the Kaiser has and the outcome of our relations with Germany depends upon developments of which no one can have knowledge, therefore, the element of uncertainty in the wheat market from day to day is extreme. It will be a relief to all when this uncertainty is ended and we know the best or the worst—either one is better than this condition of uncertainty. Usually anticipation is worse than realization.

Some time ago the complaint was that the railroad congestion was due to the inability to get vessels, but it is understood now that the Allies are loading stuff at the seaboard as fast as it arrives and it is being rapidly cleared, therefore the railroad congestion must be charged to the railroads, not to the vessel lines. We think it is principally a lack of motive power, intensified, of course, by the severe weather. The Santa Fe Railroad has 1,500 loaded cars in its Chicago yards and 1,000 cars at Kansas City which it is unable to move. Other railroads report similar conditions and but little relief in sight, unless the weather moderates materially. Fortunately the probabilities are that the weather will be more favorable.

The New York customs officials have placed an absolute ban on all news of ships clearances. The fact that representatives of the British admiralty were in Chicago last week to confer with railroad officials and shippers in an effort to get freight to the seaboard with more promptness shows that it is not vessels that are lacking, but that railroads have fallen down. Just now the allies are needing food more than powder and shell and we have full faith they will provide ways and means of moving grain across the ocean.

The exports of wheat and flour last week were equal to 5,854,000 bushels of wheat. England would starve if the seas could be closed, it therefore becomes a life and death necessity for England to provide ocean transportation. We have often expressed our belief that the allies would gladly take every bushel of wheat we can spare and we have full faith that this will continue to be true. The visible supply is now 47,888,500 bushels, against 66,499,000 bushels a year ago. The receipts at the primary markets last week total 4,349,000 bushels against 5,903,000 bushels a year ago. Winnipeg received last week 1,419 cars of wheat, against 1,402 a year ago.—W. G. Press & Co.

**CLOSING WHEAT FUTURE PRICES**

May Wheat						
	Feb. 8	Feb. 9	Feb. 10	Feb. 12	Feb. 13	Feb. 14
Minneapolis	1.73 3/4	1.73 3/4	1.77 5/8	Hol.	1.76 3/8	1.74 1/2
Year ago	1.26 1/2	1.26 1/2	Hol.	1.27 1/2	1.29	
Chicago	1.69	1.69 1/2	1.74 7/8	1.74	1.71 7/8	
Year ago	1.27 3/4	1.28	Hol.	1.28 1/4	1.30 3/4	
Duluth	1.73	1.73 5/8	1.78	1.76 1/2	1.74 7/8	
St. Louis	1.69 3/4	1.70 1/4	1.75	1.74 1/4	1.72 3/4	
Kansas City	1.67 3/4	1.68 3/4	1.75	1.72 3/4	1.70 3/4	
Winnipeg	1.69 3/4	1.69 3/4	1.74 1/4	1.72 3/4	1.71 3/4	

**July Wheat**

	Feb. 8	Feb. 9	Feb. 10	Feb. 12	Feb. 13	Feb. 14
Minneapolis	1.69 3/4	1.70 1/4	1.73 7/8	Hol.	1.72 5/8	1.70 1/2
Year ago	1.24 3/4	1.25	Hol.	1.25 1/4	1.27 1/4	
Chicago	1.46 1/2	1.47 1/2	1.50	1.48 5/8	1.47 3/8	
Year ago	1.20 1/2	1.21 1/4	Hol.	1.22	1.23 1/2	
Duluth	1.70 3/4	1.76 3/8	1.74 3/4	1.72 3/4	1.71	
St. Louis	1.43 3/4	1.44 3/4	1.47 3/4	1.46	1.45	
Kansas City	1.42 1/2	1.43 1/2	1.46 1/2	1.45 1/2	1.44	
Winnipeg	1.67 3/8	1.67 3/8	1.71 3/4	1.70 3/4	1.69 3/8	

**Minneapolis Cash Wheat Official Close**

	Feb. 8	Feb. 9	Feb. 10	Feb. 12	Feb. 13	Feb. 14
No. 1 hard	1.82 3/4	1.82 3/4	1.82 3/4	Hol.	1.85 3/4	1.84 1/2
No. 1 northern	1.76 3/4	1.76 3/4	1.80 3/4	1.79 3/4	1.77 1/2	
No. 2 northern	1.75 3/4	1.75 3/4	1.78 3/4	1.78 3/4	1.76 1/2	

**Duluth Cash Wheat**

	Feb. 8	Feb. 9	Feb. 10	Feb. 12	Feb. 13	Feb. 14
No. 1 hard	1.76	1.76 5/8	1.78 3/4	Hol.	1.79 1/4	
No. 1 northern	1.75	1.75 3/8	1.78 3/4	1.78 3/4	1.78 3/4	
No. 2 northern	1.72	1.72 3/8	1.75 3/4	1.75 3/4	1.75 3/4	

**DURUM WHEAT Minneapolis Closing Prices**

	No. 1.	No. 2.
February 8	183 1/2	183 1/2
February 9	186 1/2	184 1/2
February 10	190 3/8	187 3/8
February 12	Hol.	Hol.
February 13	185	185
February 14	183 3/4	183 3/4

**Duluth Closing Durum Prices**

	On Track		
	No. 1.	No. 2.	May.
February 8	181 1/2	177 1/2	181 1/2
February 9	182 1/2	178 1/2	182 1/2
February 10			186 5/8
February 12	Hol.	Hol.	Hol.
February 13	179 1/2	178 1/2	185
February 14			188 3/4

**WHEAT RECEIPTS—CARS**

	Minneapolis.		Duluth.		Chicago.		Winnipeg.	
	Year	ago.	Year	ago.	Year	ago.	Year	ago.
February 8	180	249	15	48	45	64	264	313
February 9	182	311	16	49	84	98	234	136
February 10	180	Hol.	14	68	31	Hol.	283	166
February 12	Hol.	Hol.	Hol.	Hol.	Hol.	Hol.	Hol.	Hol.
February 13	634	993	9	Hol.	4	344	677	523
February 14	250	269	24	174	56	150	145	...

**MINNEAPOLIS DAILY RECEIPTS OF COARSE GRAIN**

	Oats.	Barley.	Rye.	Corn.	Flax.
	Cars.	Cars.	Cars.	Cars.	Cars.
February 8	16	29	6	10	27
February 9	9	37	4	11	14
February 10	13	16	3	21	8
February 12	Hol.	Hol.	Hol.	Hol.	Hol.
February 13	54	97	23	59	51
February 14	29	35	5	33	26

**DULUTH DAILY RECEIPTS OF COARSE GRAIN**

	Oats.	Barley.	Rye.	Flax.	Year
	Cars.	Cars.	Cars.	Cars.	ago.
February 8	6	1	1	1	10
February 9	3	8	1	5	6
February 10					
February 12	Hol.	Hol.	Hol.	Hol.	Hol.
February 13	11	3	2	4	...
February 14					...

**CLOSING FLAX PRICES**

	Feb. 8	Feb. 9	Feb. 10	Feb. 12	Feb. 13	Feb. 14
Minneapolis cash	2.83 1/4	2.83 3/4	2.85 1/4	Hol.	2.83 3/4	1.83
Duluth cash	2.80 1/4	2.79 3/4	2.84 1/4	2.80 3/4	2.83 3/4	2.81
May	2.83 1/4	2.82 3/4	2.84 1/4	2.83 3/4	2.83 3/4	2.81
July	2.83 1/2	2.83	2.85	2.84 3/4	2.84 3/4	2.81 3/4

**CLOSING OATS PRICES**

**Daily Closing Prices of No. 3 White Oats in Minneapolis**

February 8	51 3/4 @ 52 3/4
February 9	52 1/4 @ 53 1/4
February 10	54 @ 55
February 12	Hol. @ Hol.
February 13	53 1/2 @ 54 1/2
February 14	53 1/2 @ 54 1/2

**CLOSING RYE PRICES**

**No. 2 Rye in Minneapolis**

February 8	134 @ 135
February 9	135 @ 136
February 10	138 @ 139
February 12	Hol.
February 13	139 @ 140
February 14	139 @ 140

**CHICAGO CASH WHEAT**

February 9.—Wheat, No. 2 red and No. 3 red, nominal; No. 2 hard, \$1.77; No. 3 hard, \$1.74.  
 February 10.—Wheat, No. 2 red, No. 3 red, No. 2 hard, No. 3 hard, all nominal.  
 February 13.—Wheat, No. 2 red, \$1.77 @ 1.77 3/4; No. 3 red, \$1.74 1/2 @ 1.75 1/4; No. 2 hard, nominal; No. 3 hard, \$1.79.

**CHICAGO COARSE GRAIN**

February 9.—Corn, No. 2 yellow, nominal; No. 4 yellow, \$1.01; No. 4 white, 99 3/4c @ \$1.00 3/4.  
 Oats, No. 3 white, 55 3/4 @ 56 1/2c; standard, 56 @ 57c.  
 February 10.—Corn, No. 2 yellow, \$1.03; No. 4 yellow, 99 1/2c @ \$1.00 3/4; No. 4 white, \$1.01 1/2.  
 Oats, No. 3 white, 57 @ 57 1/2c; standard, 57 1/4 @ 58c.  
 February 13.—Corn, No. 2 yellow, \$1.01 1/2 @ 1.02 3/4; No. 4 yellow, 98 1/2c @ \$1.01 1/4; No. 4 white, 99 3/4c @ \$1.01 1/4.  
 Oats, No. 3 white, 56 1/4 @ 58 1/2c; standard, 57 1/4 @ 58 1/4c.

**WINNIPEG CASH WHEAT**

February 8.—Wheat, No. 1 northern, \$1.65; No. 2 northern, \$1.62; No. 3 northern, \$1.57; No. 4, \$1.40 3/4; No. 5, \$1.27 3/4; No. 6, \$1.01 3/4; feed, 91c. Oats, No. 2 C. W., 53 3/4c; No. 3 C. W., 52 3/4c; extra No. 1 feed, 52 3/4c; No. 1 feed, 50 3/4c; No. 2 feed, 48 3/4c. Barley, No. 3 C. W., 93c; No. 4 C. W., 88c; rejected, 75c; feed, 75c. Flax, No. 1 N. W. C., \$2.54 1/2; No. 2 C. W., \$1.51 1/2.  
 February 9.—Wheat, No. 1 northern, \$1.65; No. 2 northern, \$1.62; No. 3 northern, \$1.57 1/4; No. 4, \$1.47 3/4; No. 5, \$1.27 3/4; No. 6, \$1.01 3/4; feed, 91c. Oats, No. 2 C. W., 54 3/4c; No. 3 C. W., 62 3/4c; extra No. 1 feed, 52 3/4c; No. 1, 51 7/8c; No. 2, 50 7/8c. Barley, No. 3 C. W., 93c; No. 4 C. W., 88c; feed, 78c. Flax, No. 1 N. W. C., \$2.53 1/4; No. 2 C. W., \$2.50 1/4.  
 February 10.—Wheat, No. 1 northern, \$1.69 3/4; No. 2 northern, \$1.66 3/4; No. 3 northern, \$1.61 3/4; No. 4, \$1.52 1/4; No. 5, \$1.32 1/4; No. 6, \$1.06 1/4; feed, 94c. Oats, No. 2 C. W., 55 1/4c; No. 3 C. W., 54 1/4c; extra No. 1 feed, 54 1/4c; No. 1 feed, 53 1/4c; No. 2 feed, 52 1/4c. Barley, No. 3 C. W., 95c; No. 4, 90c; rejected, 78c; feed, 78c. Flax, No. 1 N. W. C., \$2.54 1/2; No. 2 C. W., \$2.51 1/2.  
 February 13.—Wheat, No. 1 northern, \$1.68 3/4; No. 2 northern, \$1.65 3/4; No. 3 northern, \$1.60 3/4; No. 4, \$1.51 1/4; No. 5, \$1.31 3/4; No. 6, \$1.04 3/4; feed, 93c. Oats, No. 2 C. W., 55c; No. 1, 53 1/4c; No. 2, 52 1/2c. Barley, No. 3 C. W., 95c; No. 4, 90c; rejected, 78c; feed, 78c. Flax, No. 1 N. W. C., \$2.54 1/2; No. 2 C. W., \$2.51 1/4.

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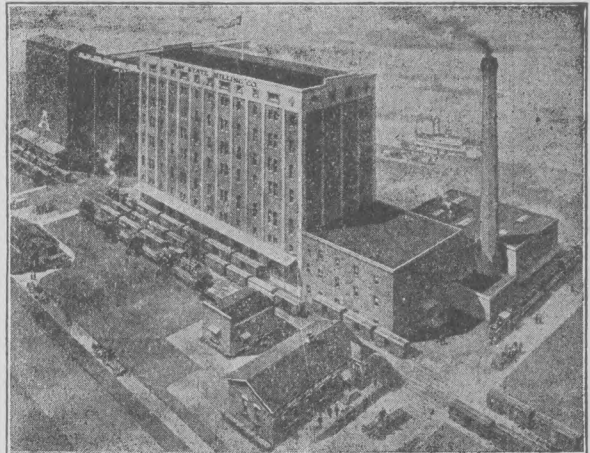
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