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Western Municipal Bonds

FUTURE BOND ELECTIONS

- July 29**—Priest River, Idaho, \$12,000 water supply bonds.
- August 6**—Monmouth, Ore., \$75,000 sewer bonds.
- August 19**—Rochester, Minn., \$350,000 sewerage disposal plant bonds.
- Sept. 10**—San Diego, Cal., \$3,500,000 water system bonds and \$475,000 harbor and pier bonds.

FUTURE BOND SALES

- July 28**—Pelican Rapids, Minn., \$18,000 waterworks bonds; denominations \$1,000; 20 year; certified check 3 per cent. J. R. Quamme, Village Recorder.
- July 28**—Lane County, Ore., School District No. 4 (P. O. Eugene), \$250,000 bonds; denominations \$1,000 and \$500; 11-20 year; not exceeding 5 per cent.; certified check \$10,000. O. H. Jones, Clerk Board of School Directors.
- July 30**—Hayden, Colo., \$30,000 refunding water coupon bonds; denominations \$500; 10-20 year; 5 per cent.; certified check \$1,000. J. I. Birkett, Town Clerk.
- August 4**—Solano County, Cal., Oakdale School District (P. O. Fairfield), \$6,500 bonds; 1-20 year; 6 per cent. G. G. Halliday, Clerk, Board of Supervisors.
- August 5**—Hawarden, Iowa, \$50,000 electric light bonds; 5-20 year optional; 5 per cent. Fred A. Gefke, City Clerk.
- August 6**—Appleton, Wis., \$250,000 junior high school bonds; denominations \$1,000; 17-20 year; 4½ per cent.; certified check \$5,000. E. L. Williams, City Clerk.
- August 11**—Dillon, Mont., \$100,000 water bonds; denominations \$1,000; 10-20 year; not exceeding 6 per cent.; certified check \$2,000. Henry G. Rodgers, City Clerk.
- August 15**—Danforth Extension Drainage District, Billings, Mont., \$94,720 bonds; 6 per cent; 15½ year average. Johnson, Coleman & Johnston, Electric Building, Billings.
- Sept. 1**—Red Cloud, Neb., \$60,000 school bonds; 5-20 year optional; 5 per cent. B. F. Perry, Secretary, Board of Education.
- Sept. 12**—Madison, Wis., \$100,000 contagious hospital coupons bonds; denominations \$1,000; 1-20 year; 4½ per cent.; certified check \$500. H. C. Buser, City Clerk.

BOND NOTES

- Janesville, Wis.—An issue of \$13,000 paving bonds have been disposed of locally.
- Humboldt, Neb.—J. T. Wachob & Co. recently purchased \$17,000 sewer bonds at par.
- Greenwald, Minn.—School bonds in the amount of \$13,800 were authorized at a recent election.
- Papillion, Neb.—Harry A. Koch & Co. of Omaha have been awarded an issue of \$10,500 funding bonds.
- Meadow, S. D., School District No. 7—School bonds amounting to \$4,000 were authorized at a recent election.
- Mayville, Wis., Joint Free High School District—An issue of \$30,000 bonds were authorized by a vote of 246 to 142.
- North English, Iowa—Geo. M. Bechtel & Co. of Davenport have been awarded \$16,000 waterworks bonds at par.
- Concrete, Wash.—Street improvement bonds in the amount of \$19,000 have been awarded the State Bank of Concrete.
- Englewood, Colo.—Henry Wilcox & Son of Denver purchased \$40,000 sewer bonds at 100.35, a basis of 5.45 per cent.
- Virginia, Neb.—The Omaha Trust Co. of Omaha has been awarded \$3,500 light and \$8,000 electric transmission line bonds.
- Cheyenne County, Neb. (P. O. Sidney)—County Poor Farm bonds in the amount of \$20,000 were defeated at a recent election.
- Gage County, Neb., Fairview School District (P. O. Filley)—An issue of \$2,000 school bonds was authorized at a recent election.
- Sperry, Iowa—School funding bonds in the amount of \$16,930 have been purchased by the White-Phillips Co. of Davenport.
- Klickitat County, Wash., White Salmon School District (P. O. Goldendale)—At a recent election \$34,000 bonds were authorized.

Buffalo, Wyo.—Sealed bids will be received by City Clerk O. Mikesell, Jr., until August 6th, for \$26,795 special assessment bonds.

Eugene, Ore.—Municipal auditorium, sewer system and fire apparatus bonds amounting to \$575,000 was authorized at a recent election.

Boulder County, Colo., Erie School District No. 121 (P. O. Boulder)—Bonds in the amount of \$12,500 were defeated at a recent election.

Los Angeles County, Cal., Claremont School District (P. O. Los Angeles)—An issue of \$45,000 bonds was authorized at a recent election.

Mason County, Wash., Matlock School District No. 310 (P. O. Shelton)—The State has been awarded an issue of \$20,000 bonds at par.

Oelwein, Iowa—Geo. M. Bechtel & Co. of Davenport recently purchased \$45,000 sewer disposal bonds at a premium of \$145-100.32.

Park County, Mont., School District No. 51 (P. O. Livingston)—An issue of \$1,600 bonds has been awarded the State Land Commissioners.

Mowcow, Idaho—Cantrill, Richards & Co. of Spokane recently purchased \$40,000 improvement bonds at 101.04, a basis of 5.36 per cent.

Fergus County, Mont. (P. O. Lewistown)—The State Board of Land Commissioners have been awarded \$64,000 high school funding bonds at par.

Gem County, Idaho (P. O. Emmett)—An issue of \$48,000 court house and jail bonds were defeated at a recent election by a vote of 360 to 686.

Montana (P. O. Helena)—An additional issue of 4½ per cent. "Educational Series G" bonds has been authorized by the State Board of Education.

Pierce County, N. D., Banner School District No. 14 (P. O. Rugby)—An issue of \$5,000 building bonds has been awarded G. B. Keenan & Co. of Minneapolis.

Mineral County, Mont., Superior School District (P. O. Superior)—At a recent election an issue of \$20,000 bonds were authorized by a vote of 44 to 35.

Hibbing, Minn.—The Minnesota Loan & Trust Co. of Minneapolis recently purchased \$400,000 memorial building bonds at a premium of \$3,055-100.76, a basis of 4.84 per cent.

Ramsey County, Minn. (P. O. St. Paul)—The Wells Dickey Company of Minneapolis has been awarded \$266,000 hospital bonds at a premium of \$150-100.05, a basis of 4.35 per cent.

Anahelm, Cal.—The Anglo London Paris Co. of San Francisco has been awarded \$100,000 waterworks improvement bonds at a premium of \$3,412-103.41, a basis of 4.70 per cent.

California (P. O. Sacramento)—The First National Bank of New York, Kissel, Kinnicutt & Co., Eldredge & Co., Redmond & Co., Anglo London Paris Co. of San Francisco, Detroit Co. of New York and Bank of Italy, San Francisco, jointly, purchased \$5,800,000 improvement bonds.

St. Paul, Minn.—Bonds aggregating \$2,133,000 for school, waterworks and hospital expenditures have been awarded to Kalman, Gates, White & Co. and the Northwestern Trust Company of St. Paul jointly with New York and Boston banking houses, at a premium of \$25,310, rate 4½ per cent.

HIGHWAY MAINTENANCE IN GREAT BRITAIN

New York—During the fiscal year ending March 31, 1924, the British Government expended, at par of exchange \$68,562,000 on road maintenance. This compares with an expenditure of \$6,788,000 in the fiscal year ended March 31, 1914. According to a report furnished the Bankers Trust Company of New York by its English information service, the expenditures of the national government supplement further large expenditures made by local authorities.

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Advertising and Public Standards in Business

Francis H. Sisson, Vice President of the Guaranty Trust Company of New York. From an Address at the Convention of the Associated Advertising Clubs of the World, London

Emerson once observed that "if a man can write a better book, preach a better sermon, or make a better mousetrap than his neighbor, though he build his house in the woods, the world will make a beaten path to his door." That would unquestionably be true if the author, or the preacher, or the mousetrap maker could live and wait long enough for the world to discover the virtue of his product. But both he and the world would profit the sooner if advertising brought them together. And that is somewhat analogous to the situation which exists today regarding many businesses and the purchasing public throughout the civilized world.

There are thousands of products of unquestioned merit of which the general public knows little or nothing because the manufacturers of such products are content to practice principles of more or less primitive barter, apparently unconscious of the fact that by educating the general public to an appreciation of the worth of their products, they would not only profit themselves but would perform a distinctly valuable economic service.

What Bankers Have Discovered

We in the United States were told for many years that it was undignified for a bank or fiduciary institution to advertise, and this edict, born of superstition, was accepted without question until finally it was intelligently challenged and it was discovered under analysis that there was no sufficient reason for its support. The inevitable conclusion is that whatever is of general use to human beings, whether it be goods or services, can, with truth and dignity, be advertised and sold, and that it is just as proper to merchandise forms of service as to sell commodities. The next step will be that the use of advertising in merchandising ideas is quite as proper as its use in the sale of goods and services.

Bankers in America have discovered that they too may serve the public effectively through instructive pictures and text urging thrift; suggesting the care of valuables, advising as to the protection of estates, the interests of widows and children, teaching sound ideas of economics and finance and warning against speculative investment.

New Relation to the Public

It is certain that the development of a new relation to the public through advertising of this character has led, in the banking business, to higher ideals and to a far broader conception of its opportunities for useful service to the community. Thus today the great American banks in their advertising are doing much to combat economic fallacies and to instruct the public in the field of sound finance, and there can be no doubt of the usefulness and effectiveness of this propaganda for higher economic and financial standards.

It is not too much to say that advertisers have generally come to realize the obligations which are carried by their statements to the public in regard to services or products, and this constitutes a continuing stimulus to the maintenance of quality in both. It is recognized that, usually at considerable cost, a very valuable good-will has been acquired by advertising and that any falling away from the standards claimed in published statements of a product's quality would soon inevitably endanger or destroy this good-will.

Service and Profits

There lie before advertising and advertising men not only the opportunity for service and profit, but the clear call to duty. There rests upon business and industrial leaders of the world the distinct responsibility to state and explain the facts and principles upon which national and international business progress must be built, through the printed and the spoken word, so clearly that he who runs may read, and that the oft-quoted "man in the street" may understand.

The nations of the world and the people thereof must be taught that they cannot be content "to live and let live;"

they must live and help live if they themselves are to enjoy the fullness of life. In our modern world there can be no such thing as isolation. No nation can live unto itself. The body economic consists of many members. Except there be health and cooperation among them all there cannot be complete harmony in that body, nor can it function normally.

Responsibility in Advertising

Upon us whose business and profession it is to speed the winged word on its mission of service lies some of the responsibility to make that word a messenger of peace on earth and good will among men, nay rather before us rises the opportunity to serve our day by bringing to world consciousness the realization of our interlocked interests, of the brighter prospect for world progress which awaits world understanding and cooperation, of impressing indelibly upon the minds and hearts of men the world over the material as well as the spiritual value of a happiness based upon the basic principles of all the great religions of earth, the love of good, the love of man, truths which know no geographical, racial or political lines, the common heritage, the common ideals of all right-minded men.

BANKS PLAN TO REDUCE INTEREST RATE

Washington—Fostered by the Federal Reserve Board there will be a general effort on the part of American banks to reduce rates of interest paid on deposits. The present low level of interest rates paid by borrowers has reduced the net earnings of banks to such an extent that a commensurate reduction in operating expenses is regarded necessary. The position of the Comptroller of the Currency has also been in opposition to high interest rates on deposits.

It will be remembered that some time ago the Federal Reserve Board called a conference of representatives of every district, the purpose of which was to invite attention to the unsoundness of high rates on deposits. Governor Harding of the Federal Reserve Bank of Boston, then governor of the board, addressed the meeting in strong terms conveying a warning against the practice of bidding for deposits by putting up rates. One of the reasons contributing to the failure of the 1,000 defunct banks of the northwestern states was payment of excessive interest on deposits. In that region there were too many banks and keen competition to get deposits resulted in the raising of interest rates to a point where so small a margin of profit was left that a measure of unsoundness developed which left the institutions unable to stand the strain which came with the recession of farm prices.

It is to be expected that during the next few months the level of bank interest paid depositors will sink all over the country.

WASHINGTON POWER COMPANY LOSES EQUITY SUIT

Spokane, Wash.—Decision against the Washington Water, Light & Power Co. in the \$1,000,000 suit in equity brought against it by the Equitable Trust Company of New York, and the Guarantee Bank & Trust Co. of New York, and others, has been announced by Judge J. Stanley Webster in superior court here. Under the decree the several properties of the power company will be sold as separate units under the mortgages held against them.

MEXICAN FREE PORTS

Washington—The four Mexican free ports, Salina Cruz, Puerto Mexico, Guaymas, and Rincon Antonio, authorized in 1920, were officially opened on June 30, 1924. In addition to administering the ports, the free port board has taken over control of the Tehuantepec National Railway and the two steamship lines, the Cia. Naviera Mexicana del Pacifico, S. A., and the Cia. Naviera Mexicana del Golfo, S. A., which are to be operated under the name of Puertos Libres Mexicanos Linea de Navegacion.

UNITED STATES GOVERNMENT BONDS

Price range for week ending July 23rd, as reported by C. F. Childs & Co., 609 Second Avenue South, Minneapolis, Minnesota. Quotations on Liberties are in 32nd in accordance with the practice on the New York Stock Exchange. The Treasury Certificates and Notes, for convenience, are also quoted in 32nds.

Issue	High	Low	Close	Yld.
1st Liberty Loan 3 1/2s, 1932-47	101-15	101-10	101-16	3.30
1st Liberty Loan 4 1/2s, 1932-47	102-12	101-30	102-10	3.92
2nd Liberty Loan 4 1/2s, 1927-42	101-27	101-12	101-22	3.69
3rd Liberty Loan 4 1/2s, 1928...	102-15	102-3	102-12	3.64
4th Liberty Loan 4 1/2s, 1933-38	102-14	102-2	102-11	3.94
Treasury 4 1/2s, 1947-52	105-8	104-19	105-3	3.92

Treasury Certificates and Notes

Issue	Bid	Asked	Yld.
B-5 1/2s, Sept. 15, 1924	100-14	100-18	1.70
TD2-2 3/4s, Dec. 15, 1924	100-6	100-10	1.94
TD-4 1/4s, Dec. 15, 1924	100-27	100-31	2.02
TM-4s, Mar. 15, 1924	101	101-4	2.20
A-4 1/2s, Mar. 15, 1925	101-16	101-20	2.26
C-4 1/2s, June 15, 1925	101-20	101-24	2.56
F-4 1/2s, Dec. 15, 1925	101-24	101-28	3.02
A-4 1/2s, Mar. 15, 1926	102-18	102-22	3.22
B-4 1/2s, Sept. 15, 1926	101-29	102-1	3.21
E-4 1/2s, Mar. 15, 1927	103-10	103-14	3.40
A-4 1/2s, Dec. 15, 1927	103-10	103-14	3.43

Federal Land Bank Bonds

Rate	Maturity	Bid	Asked
4 1/2s	22-37	100	100
4 1/2s	23-38	100	100
4 1/2s	24-39	100	100
4 1/2s	32-42	100	100
4 1/2s	33-43	100	100
4 1/2s	January	33-53	100
4 1/2s	July	33-53	100
4 3/4s	34-54	101	102
4 3/4s	33-53	101	102
5s	31-41	102	103

STANDARD OIL STOCKS

	Bid	Asked		
Anglo	15	17	Solar Ref.	187
Atlantic	86	87	Southern	98
Atlantic pfd.	110	111	South Penn.	135
Borne	215	225	So. West, Pa.	87
Buckeye	60	60	S. O. (Cal.)	58
Chesebrough	50	51	\$25 Par	58
Chesebrough pfd.	112	114	S. O. (Ind.)	58
Continental	43	46	S. O. (Kan.)	40
Crescent	12	13	S. O. (Ky.)	113
Cumberland	145	147	S. O. (Neb.)	228
Eureka	95	97	S. O. (N. J.)	35
Galena com.	104	108	\$25 Par	35
Galena pfd., old	114	120	N. J. pfd.	118
Galena pfd., new	57	59	S. O. (N. Y.)	40
Illinois P.	135	137	S. O. (Ohio)	290
Indiana	90	91	S. O. (Ohio) pfd.	117
Int. P.	19	19	Swan & Finch	46
National Tr.	21	22	pfd.	48
New York Tr.	63	65	Union Tank	116
Northern	83	84	Union Tank	115
Ohio Oil	61	62	pfd.	115
Penn.-Mex. F.	29	30	Vacuum	63
Prairie O. & G.	215	246	Humble	37
Prairie P. L.	103	104	Imperial	102
			Magnolia	127

FOREIGN GOVERNMENT BONDS

Reported by Bond Department, Paine, Webber & Co., July 15.

	Bid	Offer	Yield
Argentine Nation, Govt. of, 7s, Feb. 1, 1927	102	102	5.62
Argentine Nation, Govt. of, 6s, Sept. 1, 1927	92	92	6.52
Austrian, Government of, 7s, June 1, 1943	91	92	7.77
Belgium, Kingdom of, 6s, Jan. 1, 1925	100	101	3.75
Belgium, Kingdom of, 8s, Feb. 1, 1941	104	105	7.66
Belgium, Kingdom of, 7 1/2s, June 1, 1945	105	106	7.15
Canada, Govt. of Dom. of, 5s, April 1, 1926	101	101	4.22
Canada, Govt. of Dom. of, 5 1/2s, Aug. 1, 1929	103	103	4.68
Canada, Govt. of Dom. of, 5s, April 1, 1931	101	101	4.85
Canada, Govt. of Dom. of, 5s, May 1, 1952	102	102	4.73
Chile, Republic of, 8s, Oct. 1, 1926	103	103	6.60
Chile, Republic of, 8s, Feb. 1, 1941	104	105	7.55
Chile, Republic of, 8s, Nov. 1, 1946	105	106	7.25
Denmark, Kingdom of, 6s, Jan. 1, 1942	98	98	6.15
Dutch East Indies, 6s, Jan. 1, 1947	95	95	6.30
Dutch East Indies, 5 1/2s, Mar. 1, 1953	88	89	6.32
Dutch East Indies, 5 1/2s, Nov. 1, 1953	89	90	6.27
Dutch East Indies, 6s, Mar. 1, 1962	95	95	6.32
France, Republic of, 7 1/2s, June 1, 1941	99	99	7.57
France, Republic of, 8s, Sept. 15, 1945	102	102	7.94
French Cities (Bdx. Mss. Lyons), 8s, Nov. 1, 1934	85	85	8.19
Japanese Govt. Sterling 1st, 4 1/2s, Feb. 15, 1925	91	92	7.14
Japanese Govt. Sterling 2nd, 4 1/2s, July 10, 1925	97	97	3.25
Japanese Govt. Sterling, 4s, Jan. 1, 1931	97	97	3.35
Japanese Govt. Sterling, 6 1/2s, Feb. 1, 1954	78	79	7.39
Netherlands, Kingdom, A, 6s, Mar. 1, 1972	95	95	.....
Netherlands, Kingdom, B, 6s, Mar. 1, 1972	94	95	.....
Norway, Kingdom, 6s, Aug. 15, 1943	97	97	6.20
Norway, Kingdom, 6s, Oct. 15, 1952	97	97	6.18
Paris, Lyons & Med. Rd. Co., 6s, Aug. 15, 1958	78	79	7.80
Queensland, State of, 7s, Oct. 1, 1941	108	108	6.20
Queensland, State of, 6s, Feb. 15, 1947	101	102	5.85
Seine, Department of, 7s, Jan. 1, 1942	89	90	7.98
Swedish Government, 6s, June 15, 1939	103	103	5.62
Switzerland, Govt. of, 5s, Aug. 1, 1926	100	100	4.72
Switzerland, Govt. of, 5 1/2s, Aug. 1, 1929	100	101	5.26
Un. Kng. of Gt. Brit. & Ire., 5 1/2s, Aug. 1, 1929	109	110	.....
Un. Kng. of Gt. Brit. & Ire., 5 1/2s, Feb. 1, 1937	103	104	5.04

\$2,133,000 ST. PAUL BOND ISSUE IS SOLD

Kalman, Gates, White & Co., of St. Paul and the Northwestern Trust Company, with associated New York and Boston bankers were the successful bidders July 23 for the City of St. Paul's \$2,133,000 bonds. Of these bonds, \$1,500,000 was issued for school purposes, \$500,000 for waterworks and \$1,333,000 for hospital expenditures. The

successful bidders paid a premium of \$25,340 for the \$2,130,000 bonds carrying an interest rate of 4 1/4 per cent. Numerous bids were received by banking houses and institutions in St. Paul, Minneapolis, New York and Chicago.

This is the highest price paid for City of St. Paul bonds in several years.

HENRY FORD LEASES DOCK PROPERTY AT DULUTH

Duluth, Minn.—Henry Ford will take over the Superior Coal & Dock Company's property at Thirty-seventh Avenue West and Bay Front on Tuesday, August, 5.

Ford has leased the local dock for an annual rental of \$70,000.

No agreement has been made by the receivers, Mr. Mitchell and Frank L. Stein and W. S. Harman, the latter two of Columbus, Ohio, to sell the property to Ford, although the latter is holding open his original offer of \$658,000 made last May. A sale can be made only through foreclosure proceedings, which may be instituted by the trustees and bondholders after the first of the year.

An order permitting the leasing of the dock property to the Ford company was issued by Judge Cant, July 11, a similar filing having been made in the Federal court at Columbus July 9 by the Maynard Coal Company of that city, which owns the Superior Coal & Dock Company.

Either the Henry Ford II or the Benson Ford, the two boats owned by the Ford Motor Company, will bring the first load of coal to the local dock. According to the general plan, the two boats will make regular runs to Duluth, bringing coal to the local dock and returning with ore for lower lake ports. Ford also has two more boats now under construction, which may be used between Duluth and Lake Erie ports.

The Henry Ford II was built by the American Shipbuilding Company of Lorain, Ohio, and is in command of Capt. O. A. Johnson, while the Benson Ford was built by the Great Lakes Engineering Works of Detroit. Capt. William Daniels is master of the vessel.

ANOTHER NORTH DAKOTA BANK REOPENS

The Agricultural Credit Corporation received a wire on Thursday, June 24, that the Milnor National Bank of Milnor, N. D., has reopened, after being closed for several months. A. E. Austin is president and Reginald Thorne cashier.

NEW BRANCH OF BANK OF THE PHILIPPINE ISLANDS

Washington—Assistant Trade Commissioner Charles P. Goodhue, Manila, informs the Commerce Department that the Bank of the Philippine Islands has announced the opening of a branch in Cebu on May 5, 1924. This branch will incorporate all the services of the central office.

CLOSE OF ADVERTISING CONVENTION IN LONDON

London—The international advertising conference ended the sessions of the 1924 convention, July 17, and confirmed Houston, Texas, as the place for the 1925 convention, and the selection of Lou E. Holland as president and Jesse H. Neal as secretary-treasurer for the next year.

BANKERS CONVENTION DATES

Sept. 22-24 Investment Bankers Ass'n..... Cleveland
 Sept. 29, Oct. 2.. American Bankers Ass'n..... Chicago
 Oct. 22-23..... Nebraska Omaha

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SATURDAY, JULY 26, 1924

Will Farmers Plunge into Grain Merchandising?

The offer of a group of leading Chicago grain firms to sell their elevators and grain handling organizations to farmers through the National Farm Federation has resulted in formation of the Grain Sales Corporation, with stock to the amount of \$26,000,000 in this selling agency offered to the farmers. Following closely on the heels of this movement in Chicago, some 36 grain concerns with offices in Minneapolis and Duluth, have offered to sell their properties to the farmers and so give the grain producers fairly complete control of the merchandising of the farmers' grain in Chicago and the Northwest. Details of this offer are published elsewhere in this issue.

No price has yet been named on the vast holdings of the Minneapolis grain firms which include over 1,000 country elevators, 22 Minneapolis terminal elevators, and 12 terminals at Duluth, with an aggregate capacity of over 70,000,000 bushels of grain and distributed over the states of Minnesota, both Dakotas and Montana. By the terms of the offer, the price is to be left to appraisers to be mutually agreed upon by the contracting parties, but based on a replacement value, less depreciation, with no consideration for good-will.

The executive heads of some of the leading Minneapolis grain concerns are quoted to the effect that they regret very much selling these elevators and commission houses, some of which have been in existence for 40 or 50 years or longer, but as a matter of patriotic duty they feel under obligations to make this offer to the farmers, who seem dissatisfied with the present grain marketing system. The offer is made in good faith and because they do not wish to stand in opposition to a national movement among the farmers to control the marketing of their product. They even go so far as to offer to supply the farmers, for a stated period, with the manage-

ment and operation organizations, which have been built up through many years of hard work.

This offer of Minneapolis and Chicago grain firms has put the matter squarely up to the farmers of the country. If they believe that they can better the present system of marketing, which has been on the competitive plan, by substituting one of cooperation or pooling, they will now have a chance to embark in this vast business on a scale large enough to demonstrate the correctness of their position. Leaders in the grain trade are firm believers that the competitive system has proved itself of great value, serves the best interests of the farmer and nets him the highest possible return for the grain he raises, but they are willing to be shown, if some other plan can be put into operation which will work out better. Managers of the elevator companies insist that the grain firms have been maligned by agitators, market conditions have been misrepresented and distorted, and the farmer has been led to believe that the existing methods are inefficient and that farmers can, through cooperation, perfect a better marketing plan.

No doubt, the action of these prominent grain firms in offering their properties to the farmers has been due in part at least to adverse legislation both by Congress and state legislative bodies. Restrictive and hampering laws have been supported by the farm leaders, or what is known as the farm bloc in Congress, and by various organizations of farmers everywhere. The matter is now before the farmers in a tangible form and if their faith in a cooperative or some other plan of marketing is great enough to induce them to invest many millions of dollars in elevator properties and other equipment necessary for handling the grain crops, they can do so on a large scale. Many keen observers are of the opinion that if the business of farming is carried on scientifically, it is quite sufficient to absorb all the attention of a very active man and that farmers would do well to stick pretty closely to the details of their own line of industry, rather than to branch out into marketing enterprises in the hope of making a larger net profit on the price realized from the sale of grain. But this is a free country, groups of business men have engaged in large farming operations under a corporate firm, and farmers are privileged to enter the business of merchandising of their crops if they think that is the wise or desirable thing to do.

Are You Donating Interest to Uncle Sam?

According to recent statements by the United States Treasury Department, the Federal Government is about one-half million dollars ahead every year through failure of owners of United States bonds and notes to present them for payment when interest ceases. The holders of these securities are therefore donating about \$15,000 a day to Uncle Sam, instead of obtaining a fair rate of interest upon their money invested in some \$19,000,000 of Government securities.

We wonder how many of these careless holders of such bonds or notes are those who complain of the high rate of interest which they pay on loans,

or the low rate of interest which they receive upon their investments. The great bulk of these unpaid securities upon which interest has ceased are about \$14,000,000 of Victory Notes, some of which were called for redemption in 1922 and others maturing in May 1923. Over \$3,000,000 in Government Certificates of Indebtedness are also listed, the holders of which are receiving no interest upon their investment. It is inconceivable that managers of banks which buy these certificates would be so careless as to permit Certificates of Indebtedness of the Government to remain on hand after date of maturity, so these securities must be in the hands of private investors.

The report of the Treasury Department at the end of the fiscal year, June 30, 1923, showed that there was over \$98,000,000 of matured debt on which the interest had ceased. By virtue of widespread publicity, this amount had been reduced last October to \$41,000,000 but it remained at \$19,000,000 June 1, 1924. Some seven billion dollars in public debt will mature within the next four years and the holders of these Government securities will have to present them for payment or exchange them for longer time issues. Those who still have the good habit of carrying some of their funds invested in Government issues should make a practice of inspecting their holdings frequently to see that such securities are sent for redemption when called, or at maturity date, and not lose interest by permitting their money to lie idle in non-interest-bearing securities.

Splendid Crop Prospects in the Northwest

The statements put out by some authorities during the past few weeks that farmers in the Northwest will be nearly \$200,000,000 better off this year than a year ago, on account of the splendid crop prospects and also by reason of the substantial increase in the prices of all grains, seemed a little premature at that time. During the past week generous rains have fallen at all reporting stations in Minnesota and North Dakota, with some scattered showers in Montana and South Dakota, and these helpful rains, coming at this time, practically assure a good crop of small grains, unless some unusually freakish weather comes along between now and harvest time.

While corn got a late start and cool weather has retarded its growth until within the past few weeks, it is now making rapid progress and may be in normal position by September first. The present outlook for a good harvest recalls the verses of J. W. Foley, North Dakota's famous poet, entitled "How's Crops?" They run as follows:

Jed Hicks he drives up Main street and he drops
In on Si Gregg; and Si Gregg says: "How's crops?"
And sometimes Jed says: "Si, I never see
A crop like this one promises to be!"
And orders big—all kinds of farm supplies,
Till Si he gets real sunshine in his eyes,
And says to Emmet Pew, the drummer: "Pew,
Make that one ton of sugar I said two;
And tell them hullsale fellers I'll discount
Them bills of their'n and pay the hull amount."

And then Scrimp Short, the banker, he jest hops
Across the street and says to Jed: "How's crops?"

And Jed says to him: "Scrimp, she's goin' to be
A bumper crop, I tell you—now you see!"
And Scrimp he rubs his hands and feels his oats,
And tells his customers he'll take them notes
At nine per cent.; and finds he's got about
Another fifty thousand to let out;
And thinks the notes can be renewed again
For mebbly eight per cent. instead of ten.

And old Doc Blake he sees Jed Hicks and slops
Right through the mud and says to Jed: "How's crops?"
And Jed says: "Doc, I never see the beat
Of this here year for corn and oats and wheat!"
And Doc he smiles, because he's got about
Five thousand on his books a-standin' out;
So he goes to the garage and says: "Green,
You better order me that new machine
We talked about the other day"—and goes
Into his tailor's for a suit of clothes.

Jed Hicks ain't much to look at, but his say
Is purty powerful in a business way;
And when he says the crops is hard to beat
You see folks perk up all along the street.
Si Gregg, he gives big orders for his store,
And Scrimp Short finds he's got a-plenty more
Good money to lend out; and everywhere
You feel that easy-money-comin' air;
It has some meanin' when Scrimp Short he hops
Across the street and says to Jed: "How's crops?"

Promise of a New, Cheap Fertilizer for Minnesota Farmers

It has long been understood that farmers of the Northwest have been taking nutritious elements from the soil without making adequate compensation in the way of refertilization. The cost of fertilizer is considerable. Nitrates, which are essential to crop growth, can be replaced by different means such as the cultivation of alfalfa, clover, cow peas and other legumes, but what is most needed is a cheap fertilizer, and according to a recent announcement of a well-known county engineer, Minnesota is amply supplied with a natural fertilizer which can be utilized at a low cost. This fertilizer is the water weeds which are found in the thousands of lakes throughout the state.

According to Paul N. Coates, Ramsey County engineer, experiments have been made with the lake weeds as a fertilizer and splendid results have been attained. Corn grown on lands fertilized with the weed was healthier, stronger and better than that corn grown on like lands where the fertilizer was not used. The Minnesota University farm has also made experiments along this line with highly satisfactory results and the general conclusion drawn is that lake weeds supply the soil with important elements necessary for plant growth, and particularly do they supply a large amount of nitrogen.

As thousands of tons of these weeds can be gathered annually from the lakes throughout Minnesota it requires no stretch of imagination to realize what benefits may accrue to the farmers through their use. The principal cost of this fertilizer would be the gathering, transportation and expense of placing it on the land. Another thing that is worthy of consideration in its use is the improvement that would result in the condition of the lakes, many of

which now have their natural beauty marred by a rank growth of weeds.

If the claims made for lake weeds as a fertilizer

are proved by further experimentation there is no reason why farmers of the state should complain of a lack of cheap fertilizer.

THE BULL'S EYE BY THE SHARP-SHOOTER

It is berry and cherry time, and it so happens that I live in a district of berries and cherries. This is the beginning of the harvest of these small fruits. The highways are full of campers' autos of all makes and degrees. Whole families are afloat upon the paved roads, living in the only homes they own. The modern home seems to be on wheels. Years ago mother and the children began to tell father: "A home we want, but an auto we must have." So father put a second mortgage on the home and used the interest money for gasoline. Now they live in the auto. The auto that thrust its nose into the tent finally got its shoulders and the rest of itself inside and drove out the occupant. He is now a wanderer on wheels, begging gasoline to get to the next town, or picking up jobs along the way to pay traveling expenses.

When the spending world spontaneously and unanimously climbs into the auto, the earning world has just one thing to do and that is to furnish and feed the auto. The auto has made it possible for some of us to live in the country and do our work in the city. Two miles from my home on the way to the city is a cross roads with two gasoline filling stations. In the next seven mile stretch of this road, beginning at this corner, are 19 filling stations—all in the country or in the thin edge of the city. In the next five miles from the city's rim to the city's center filling stations or houses for the use and behoof of the autos swarm. Some sections in the built-up business heart of the city are almost solidly devoted to the handling

or the upkeep of autos. I park next to a square that has just been cleared off for the building of a one story garage that will cover the entire square. In its neighborhood there are more auto houses than almost all the other business houses combined.

In the city's heart one cannot park his car at all, or only for a few minutes, and then only at certain hours. But in the streets further out where one may park two hours or all day, autos by thousands lie snug up side by side, nose to the curb, reminding the man from the country of litters of black pigs at dinner, each block nursing its own.

Up and down the down-town streets strolls an old white-whiskered negro bearing a banner with this device: "Money to loan on autos," and up and down these same streets are fine show-windowed blocks devoted solely to the sale of "used cars" cars that in most cases probably represent rosy hopes gone black, or fever for a more shiny and higher power car.

The man with eyes to see and a brain to think beholds in this picture a situation and a cause for it. One can't play all the time and draw daily wages for it. He can't eat cake all the time and have cake forever. The man who has come to look upon play as a necessity has merely added to his needs and subtracted from his ability to supply his needs.

A friend of mine in this city had at one time extended some aid to an old chap who finally got from the welfare bureau a railway ticket to his friends back East. The man came to this friend and asked for fifty cents. "I've got a ticket to go back East," he said, "and it's four hours before the train starts. Couldn't you give me four bits to go to the movies while I'm waiting for the train?"

THRIFT PRACTICED BY PEOPLE OF GREAT BRITAIN

New York—Notwithstanding the business depression in Great Britain and the unusual number of working people unemployed, the savings of the people has steadily increased during the post-war period, as shown by the returns of the postoffice savings banks, the trustee savings banks, and the amounts of government securities held by these agencies for the people, and the investments of the people in treasury savings certificates, these being the successors of the war savings certificates. The deposits in postoffice savings banks which amounted to £187,248,000 at the close of 1913 and totalled £266,348,000 at the close of 1919, at the end of 1923 amounted approximately to £273,000,000. On March 31, 1920, the people of Great Britain held £273,500,000 treasury savings certificates. These holdings have steadily increased, being £285,000,000 on March 31, 1921, £342,000,000 on March 31, 1922, £353,800,000 on March 31, 1923, and £366,000,000 on March 31, 1924. Upward of £200,000,000 government securities are held in trust by the postoffice and trustee savings banks for depositors. These facts show that the working people employed, now composing about 92 per cent. of the total, at the close of 1922 of about 86 per cent. and when conditions were at the worst in August, 1921, about 83 per cent., notwithstanding the hard times have been persistent and regular savers.

EMPLOYMENT IN ENGLAND

New York—According to British trades union figures, 7.8 per cent. of their members were unemployed on April 1 of this year. This is the fifth month showing a decrease in the percentage of unemployment. According to advices received by the Bankers Trust Company of New York, this compares with a maximum of 17 per cent. of unemployment in May, 1922, with a percentage of just over two per cent. for the year 1913.

The purchasing power of the working man's pound has steadily improved since 1920. In that year the working man's pound would buy only 40.21 per cent. of what it would buy in 1913. In 1921 it would buy 44.29 per cent., in 1922,

54.76 per cent. and in 1923, 57.6 per cent. In the first quarter of 1924 there was a slight falling off in this respect the pound in that quarter being worth only 56.59 per cent. to the working man.

SILVER EXPORTS INCREASE

Philadelphia—Of \$9,686,517 silver exported in May, \$4,104,184 went to British India, making total to that country for 11 months of the Government's fiscal year \$39,201,077, compared with \$12,777,900 in corresponding period of 1923. Shipments to China in May were \$1,571,725, bringing total for 11 months to \$33,432,361 against \$21,349,938. Exports to those two countries in 11 months totaled \$72,633,438 out of total exports from the United States of \$90,137,087.

Exports of \$72,633,438 to India and China in first 11 months of this year compare with \$34,127,838 in preceding year, increase of over 100 per cent. Increasing shipments to Far East with substantial purchases by Republic of Poland for new silver coinage and reports that Germany and Russia may also contract for large amounts of silver for coinage have given a better tone to silver market and stimulated interest in companies which produce silver either directly or as a by-product.

REDUCTION IN FEDERAL TAX COLLECTIONS

Washington—Under the new revenue bill just signed by the President it is estimated that the total Federal tax collections during the fiscal year 1926, the first fiscal year in which the full effect of the reductions will be felt, will aggregate from \$1,200,000,000 to \$1,500,000,000 less than they would have been under the rates of the 1918 revenue law, according to an article written by Secretary of the Treasury Mellon for the Trust Companies' Magazine. Mr. Mellon points out that in addition to the tax relief afforded, a reduction of \$2,500,000,000 has been effected in the public debt since March 1, 1921, and concludes with the warning that the existence of a surplus spells opportunity for the elements in the community seeking doles and other forms of Government aid.

What Is Shown in the Annual Report of the Great Northern

First Half of Present Year Indicates Prosperity is Increasing Throughout the Northwest

Notwithstanding a decrease in gross revenues of approximately \$6,850,000, or 14 per cent. during the first six months of 1924, the Great Northern railway shows an increase in net railway operating income of \$1,508,730, or 35 per cent., according to a special statement by President Ralph Budd in the 1923 annual report just made to stockholders.

This is the first time that a Great Northern annual report has contained a statement of the results of operations of the first half of the current year. The special six months' statement outlines the situation in a manner similar to that inaugurated by Great Northern executives in presenting the 1923 earnings situation at the end of the last year.

The six months and comparison of operating revenues and expenses shows net railway operating income \$1,508,730 greater than on June 30, last year and \$2,600,000 available for dividends compared with \$923,122 a year ago.

Proposed Merger Approved

The annual report shows 1923 net operating income 43 per cent. greater than for 1922, despite a lower level of rates and an increase in operating expenses including tax payments more than \$1,000,000 heavier. Net income for 1923 increased \$7,202,275.27 over the previous year, totaling \$18,067,947.46 which is a return of 7.24 per cent. on the outstanding capital stock. Important improvement in the properties is pointed out and public indorsement of the proposed Great Northern-Burlington-Northern Pacific consolidation is emphasized.

"The amount of net earned during the first six months of this year is not large compared to the gross revenues, but it must be borne in mind, in considering Great Northern operating statistics, that the net earnings during the last half of the year always constitute the major part of the net earnings for the entire year," the report states.

"It is not possible at this time to forecast with any degree of accuracy the net results for 1924, because of the uncertainty of gross revenues during the last six months. Business generally is lighter than last year at this time, and the extent to which the business depression extends necessarily will have a decided effect on net as well as on gross income.

"The progressive increase in net railway operating income shown in the tabulation is encouraging, particularly in view of the great increase in taxes, which were more than \$1,000,000 more in 1923 than in 1921. The general level of rates was lower in 1923 and the revenue received for each ton mile of freight and for each passenger mile, therefore, was substantially less in 1923 than in the other two years."

An analysis of freight traffic shows gains in tonnage of the five principal classes of commodities—products of agriculture, of animals, of mines and of forest and manufacturers and miscellaneous—last year over 1922. The 1923 freight totaled 36,385,396 tons, bringing revenues of \$93,672,147 which produced increase of 8,934,809 tons and \$15,606,584 in revenue.

Louis W. Hill on Consolidation

Discussing consolidation, Chairman Louis W. Hill points out that at the series of public hearings held by the Interstate Commerce Commission on the general railroad consolidation plan, "representatives of the public and of shippers' organizations, as well as individual shippers and other citizens, have shown an impressive preference for preserving unimpaired the existing efficiency and established routes of trade which have been developed by the Burlington, Great Northern and Northern Pacific group, and for consolidating those properties in accordance with the statute. There was virtually no adverse testimony directed against the view that it would be in the public interest to preserve the existing relations between these properties or against the proposal that the consolidation plan to be adopted by the commission should provide for putting these properties into the same system."

Great Northern freight traffic last year showed substantial improvement in volume over 1922. Tons of agri-

cultural products handled increased 13 per cent. over 1922, principal gains being in wheat, potatoes and fruit. There was a larger than normal carryover of wheat from the 1922 crop because of the holding of cars in the East. The Wenatchee fruit crop of 1923 totaled 20,000 cars, the largest on record. The potato crop principally from Minnesota and North Dakota, also was large, totaling 25,000 cars.

Group insurance was inaugurated by the Great Northern last year, more than 6,000 employes already having taken advantage of the plan and insurance in force approximating \$6,900,000 for life and accident and an equal amount for death and dismemberment. Provision for employes buying Great Northern capital stock on the partial payment plan was made in November, and more than 8,000 shares have been ordered by 1,027 employes.

POWDERED LIGNITE COAL FOR LOCOMOTIVE USE

St. Paul, Minn.—A new way to use lignite coal and open up a new market for the 900,000,000 tons of lignite available in the Northwest is being tried out by the Great Northern railroad.

An apparatus that pulverizes, dries and blows the fuel into the firebox at the same time is being given extensive tests at the Dale street shops in St. Paul, and, if successful, will be used by the road's boiler shops in North Dakota and eastern Montana. D. K. Kerr, assistant to the vice president in charge of operations, said.

"This method does away with the need of storage of pulverized lignite, which is not favored because of some danger of explosion," Mr. Kerr said. "Lignite is in use in pulverized form, and it is dried by various blower methods. The new thing at the Dale shops is that we are combining drying and pulverizing in one operation."

Other railroad men said that if the method is proved practical it will come into wide use in the Northwest.

Lignite already is used on an extensive scale in the form in which it comes from the mine, but the new method is declared to increase its fuel efficiency.

Mr. Kerr said the method may be applied to the fueling of locomotives. At present locomotives on the Great Northern use soft coal from the head of the lakes for operation east of the Montana oil fields.

One-third of the country's unmined coal tonnage is estimated to be lignite.

COAL RECEIPTS AT HEAD OF LAKES

Duluth, Minn.—A total of 992,137 net tons of hard and soft coal were received at Duluth-Superior during June. This was an increase of 48 per cent. over the May receipts but it was 53 per cent. less than in June 1923.

Of the total receipts 157,777 tons were hard coal and 834,360 tons soft coal. The dullness that has prevailed in the Lake trade in soft coal during the present is reflected in the cumulative receipts, which stood at 1,665,889 net tons on June 30. In comparison with 1923 and 1921 this was a decrease of 52 per cent. and 56 per cent., respectively. In comparison with 1922, when Lake shipments were delayed by the miners' strike, there was a large increase. Anthracite shipments to the end of June totaled 322,409 tons, which was about 28 per cent. less than in 1923 and 1921.

INCREASED CONSTRUCTION IN MINNESOTA

June building contracts in Minnesota amounted to \$3,266,100, according to F. W. Dodge Corporation. This was an increase of 19 per cent. over the previous month, but a decrease of 32 per cent. from June of last year.

Last month's record included: \$4,339,900, or 52 per cent. for residential buildings; \$1,600,400, or 19 per cent. for public works and utilities; \$801,500, or 10 per cent. for educational buildings; \$455,000, or five per cent. for hospitals and institutions.

Total construction started in Minnesota during the first half of this year has amounted to \$37,735,700, a decrease of 38 per cent. from the first half of 1923.

Northwesterner's Solving Their Problems

The problems of the Northwest are many, they arise mainly from deflation of commodity prices in agriculture, mining and the lumber industry, with a consequent depression on shipping. Certain writers have represented the Northwest as "having a pain." As a matter of fact, in six states I had a far-reaching opportunity to see men in all walks of life and discovered they are solving their problems with splendid determination.

There is apparently much misunderstanding in the East concerning conditions in the Northwest. It is true that many farms have been given up, that mortgages have been foreclosed, and many banks have failed or closed their doors in fear of insolvency, but leaders say that many failures in farming have been due to inefficiency, or a misunderstanding of the peculiar problems of the country, and that the failure of many banks is because of such economic conditions. For instance, in one town of 4,000 inhabitants there were five banks and four of them had closed their doors. It was because there were not enough customers to carry so many institutions. The banks were opened for the purpose of lending money, served the purpose and when there was no further demand for them, went out of existence.

No bank in any part of the country can be successful with only 500 to 1,000 accounts. The bottom of the depression has been reached and the upward movement is begun. There has been no big wheat crop since 1916, but a fair crop is expected this year. The beginning of diversified farming has brought greater confidence; farmers expect much of the intermediate credit act made a law by the present administration, great quantities of lumber are being cut and shipped from Washington and Oregon, and during the time we were on the trip wheat increased 13 cents a bushel in price. Besides there is a sterling determination to solve problems in a big way.—J. D. Barnum, in the Post-Standard, Syracuse, N. Y.

NORTHERN STATES POWER CAPITAL STOCK INCREASE

Dover, Del.—A certificate of amendment was filed here July 16 at the state department for an increase in the capital stock of the Northern States Power Company. The company paid the state \$50,100 which represents the state tax on the recent authorization voted by the preferred and common stockholders of an issue of 10,000,000 shares of class B common stock of no par value, of which 500,000 shares are to be issued at the present time. These 500,000 shares will be purchased by the interests which have been responsible for the organization and development of the company and the money will aid in financing new constructions, extensions and general improvements. No dividend can be paid on the new class B common stock until after the usual 7 per cent. dividend is paid in full on the preferred stock.

Besides the 10,000,000 shares of class B common, Northern States Power Company's authorized capital stock consists of 500,000 shares of preferred and 500,000 shares of common, each of \$100 par value.

MINNESOTA DAIRY PRODUCTS TO YIELD OVER \$200,000,000

Minnesota farmers will receive more than \$200,000,000 this year for butterfat and whole milk, according to indications based on prices received thus far and the outlook for the remainder of 1924, dairy specialists predict.

This sum exceeds the combined value of the average small grain crop in Minnesota.

Statistics are now being compiled by the dairy and food commission, which will be available next week, which will show that the value of dairy products in Minnesota smashed all previous records. The value of creamery butter alone will pass \$90,000,000, a gain of nearly \$18,000,000 over 1922.

A WARNING TO MINNESOTA BANKERS

Banks are being solicited to assist financially in a proposed plan of advertising the State of Minnesota. It is

proposed to send out one million letters containing a folder, etc. This is evidently a private enterprise and as there are already several public agencies advertising Minnesota, Secretary G. H. Richards of the Minnesota Bankers Association, offers the suggestion that very careful consideration be given to the matter before any money is advanced, as it may be quite unnecessary to finance this extra effort even if it became apparent that the proposed plan would, in fact, be carried out.

Deposits in Banks of the United States in Excess of \$46,000,000,000

New York—R. N. Sims, secretary-treasurer of the National Association of Supervisors of State Banks, in his annual report issued July 21 to the association at its Twenty-Third Annual Convention, in Buffalo, New York, submitted a statement which shows in detail by states the capital, surplus and undivided profits, loan and discounts, stocks, bonds and securities, and total resources of all state banking institutions of the continental United States together with total of these items of the national banks, and all covering as of March 31, 1924.

The report of Secretary Sims covers the only available accurate and detailed data of the state banking institutions comparable with the report of the Comptroller of the Currency which covers the national banks.

Mr. Sims said: "The figures given are surprisingly gratifying and reflect, as a whole, a healthy condition of the banking institutions of our country. The capital, the deposits, and the total resources of our banks are larger than ever before.

"On March 31, 1924, there was a total of 29,465 banks of which 21,350 were state banks and 8,115 national banks, and in round numbers a total capital, surplus and undivided profits of \$6,726,000,000, total deposits of \$46,001,000,000, and total resources of \$55,704,000,000. Total deposits of all banks were \$1,951,000,000 above the previous high record of April 3, 1923 and total resources \$2,010,000,000 above resources of that date.

"On March 31, 1924, in round numbers the capital, surplus and undivided profits of the state banks were \$3,809,000,000, and of the national banks \$2,916,000,000, showing the capital resources of the state banks to be over 30 per cent. in excess of the national banks. The deposits of the state banks were \$28,402,000,000, and of the national banks \$17,598,000,000, showing the deposits of the state banks 61 per cent. in excess of the national banks. The total resources of the state banks were \$33,641,000,000, and of the national banks \$22,062,000,000, showing the resources of the state banks 52 per cent. in excess of the national banks.

"Between April 3, 1923 and March 31, 1924, deposits of the state banks increased \$1,389,000,000, and deposits of the national banks increased \$562,000,000. During the same period total resources of the state banks increased \$1,560,000,000, and total resources of the national banks increased \$450,000,000.

"Both classes of banks perform equally useful and necessary functions and I do not make comparisons for the purpose of disparagement, but to emphasize the colossal size of the two great banking systems and to direct attention to the importance and need of both in the development and handling of our country's business."

GRADE CROSSING ACCIDENTS ARE THE BULK OF RAIL CASUALTIES

An analysis made by the committee of statistics of the American Railway Association of the train service accidents shows that fatalities at grade crossings have grown from 1,794 in 1922 to 2,246 in 1923, an increase of more than 25 per cent. Injuries from grade crossing accidents in the same period have increased from 5,258 to 6,207, an increase of almost 18 per cent.

A substantial increase has also taken place in fatalities and injuries to persons struck or run over by cars or locomotives, the fatalities from this cause amounting to 2,618 last year and the injuries to 2,313.

These two classes of accidents composed the bulk of all train accidents which resulted in 6,510 persons killed and 51,306 injured.



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Chicago Bankers Expect Low Money to Year's End

Chicago, July 22—With very few exceptions Chicago bankers believe that rates of discount will remain below five per cent for the remainder of the year. Commercial paper is still selling as low as $3\frac{1}{4}$ per cent. for cream names, but the bulk of the transactions are at $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent. and four per cent. is the maximum demanded for the ordinary run of paper. There is a growing supply coming to market owing to the extraordinary levels at which accommodation can be had, and this foretells to bankers the prospect of increasing business in the next month. The activity in the stock market has amplified the requirements of brokers and collateral loans are generally placed at $4\frac{1}{2}$ per cent. but some of the larger clients of banks have been able to obtain loans at $4\frac{1}{2}$ per cent. Over the counters of loan institutions $4\frac{1}{2}$ to five per cent. is required from clients.

Deposits Still Growing

While bank loans have been increased here, recourse has not been had to the Chicago Federal Reserve Bank to rediscount. The statement of the bank this week displays a fractional increase in the reserve position to 84.2 per cent. Holdings of reserve money have increased \$15,800,000, total earning assets dropped back \$1,100,000 and circulation contracted \$7,800,000 while deposits were amplified \$22,600,000. There has been a distinct improvement in the aspects of business here in the last week. Associated banks noted a gain of \$46,000,000 for the week in their clearings, which were more than \$100,000,000 larger than in the corresponding week last year, and some of the bankers who were a week ago unable to foresee any immediate change for the better, are now forecasting optimistic conditions for next fall and winter.

Commodity Decline Helpful

George Woodruff, president of the National Bank of the Republic, regards declines in commodity values as essential to future progression in business. "Things right now," he said, "are a little better than they were a few weeks ago, but sentiment is very much improved and there will be no hesitancy in the forward movement which began two weeks ago. With the exception of farm produce and particularly grain, commodity prices have been falling moderately, but I think this reaction is very necessary as a factor in post-war progression, and it is entirely in line with the history of other periods following great wars. That commerce and industry has been picking up here and there supplies an indication that business can continue to establish progress even when the values of staples are receding. After all great economic disturbances price movements invariably settle back, and we know that this period is unlikely to be an exception, although the downward revision has perhaps been slower than after the Civil War. This trend in prices toward pre-war levels which has been visible so far this year is believed to presage a substantial betterment eventually in general business, and a number of industries supply indisputable evidence that the upward swing in production has begun."

Trade Ready to Rally

Howard W. Fenton, president of the Harris Trust & Savings Bank, believes there is good business in close

proximity to the present period. "There are a lot of people who will not agree with me," he said, "but I believe that the ship of trade is dragging on the bottom. Money is very cheap, with collateral loans generally being made at $4\frac{1}{2}$ per cent. Commercial paper is selling within a range of $3\frac{1}{4}$ to $4\frac{1}{4}$ per cent., and transactions mostly at $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent., but we are not buying at the present moment, preferring to put our surplus money into short-term bonds for the time being. Here and there I can see improvement in the situation. Most people are carrying very small stocks of goods, and manufacturers have not been anticipating sales by piling up inventories. In most cases they prefer to await the real transition in conditions before starting up their machinery full time. For one thing wool is firmer and there is a greater demand for it after a period of inactivity. Much higher prices for grain will stimulate business in agricultural sections of the country, and the fine prospects for wheat and other small grains in the Northwest presages a larger tonnage for the Great Northern, Northern Pacific, St. Paul and other lines. On the other hand the coal roads are not doing much owing to the stagnant condition of the coal market. However, the state of business is much like the frame of mind one is in, and I was once told that the money market resembled a state of mind, and whether the rate of discount was six per cent. or five per cent. the surroundings were just the same. Basic conditions are sound and the period during which things are distributed by politics is gradually growing shorter."

Farmers More Cheerful

"I am looking for a noteworthy change in sentiment with the approach of election day and believe that now that the people have made up their minds which platform they will accept and candidates for the presidency they will vote for in November they will give more attention to the business in hand," remarked David R. Forgan, chairman of the board of the National City Bank of Chicago. "The change for the better in the corn crop, the bright prospects for the crops in the Northwest and fine quality of wheat harvested in the winter wheat country all presage betterment in trade next fall and winter. They have been harvesting a superior crop of oats in the Southwest and as the harvest gradually sweeps northward we find more optimism expressed in communications from our correspondents. Not for a decade has the early condition of the crops been as low as in June, but I understand that in the current month there has been a decided improvement, and upon agriculture the country leans heavily. Our news from Canada has also been more cheerful since the wheat crop began to mend, and, if this warm weather further improves our corn crop, the high prices now available for grain will enrich the farmers to a very marked degree. Adding a few hundred millions of wealth to farmers improves their state of mind, their buying is bound to be reflected in a larger retail and jobbing business and the manufacturer will eventually increase his output of staple goods."

Bank Thief Nabbed

Herman Ellenbogen, vice president of the West Side National Bank, was instrumental in nabbing a confidence

man last week who has been operating extensively in the East. The bank has been advertising for a teller and a man who has been identified as Charles Renee applied for the vacancy under the name of W. J. Engle. It appears the Engle has been working for the Century Trust. He responded to an advertisement Renee inserted in a Chicago paper offering employment to a bank clerk and asking for references. The references Engle presented were utilized by Renee, but a former associate of Engle notified Ellenbogen of the imposture and detectives took Renee in charge. New York bankers have been imposed upon recently by Renee, who operated with success there and victimized a number of institutions to the extent of \$25,000.

Banks Merge September 20

On September 20 the consolidation of the National City Bank of Chicago with the National Bank of the Republic will be effected when the two institutions move into the new Bank of the Republic building, which for years has been known to La Salle Street as the Corn Exchange building. Shortly after September 1 the Corn Exchange National will move over to the Illinois Merchants building and become a part of the Illinois Merchants Trust Company. This shift in location has been contemplated ever since May 1, but finishing the interior of the new Illinois Merchants building at Jackson Boulevard and La Salle Street has been delayed, and it is only recently that the work began to display more rapid progress. It is expected that the old home of the National City will be occupied in turn by the Guardian National Bank, which has been organized by Henry R. Kent, late vice president of the Continental & Commercial National and previously vice president of the Fort Dearborn National Bank.

Traction Plans Broad

With the endorsement of the Chicago council supplied to legalize the extension of the elevated lines 15.15 miles and increasing the number of tracks on the elevated structures by the expenditure of \$23,100,000, Samuel Insull, chairman of the Chicago Rapid Transit Company, promises that the elevated system will carry 200,000,000 more passengers than is now being done. He plans to increase the numbers of cars in trains from five to eight and add largely to the equipment and thereby carry between 36,000 and 45,000 more passengers daily in excess of the 203,935,574 passengers carried last year. The head of the elevated system says it is necessary to build a subway through the loop between Eighteenth Street and North Avenue in order to speed up traffic during the rush hours to the extent of 118 per cent., and points out that Chicago has the money and authority to do this work. About a month ago the elevated lines offered \$5,000,000 of 7.8 per cent. preferred stock to its employes and patrons on the installment plan, and so far this public ownership plan has brought in subscriptions totaling \$2,100,000.

More Loans Made

"We have not had difficulty in keeping well loaned up although July and August are usually the dull months of the year," said Charles S. Castle, president of the Standard Trust & Savings Bank. "When we moved over here from Monroe and Clark streets to this location we added about \$2,000,000 to our deposits and have been able to retain that increase in spite of the fact that some people have been complaining that business fell below expectations, and I do not believe that the fact this is a presidential year is going to slow down industry and merchandising operations. The demand for loans is keeping up well and some borrowers show an inclination to forestall their needs by increasing loans because money is cheaper now than it has been in seven or eight years. Some want loans to run past the election period and perhaps others are not entirely satisfied in their minds how long this abundance of idle funds will continue. The crop-moving period will begin in good earnest very soon and industrial needs are expected to take up any slack that may exist in credit resources which have been increased by this fresh accumulation of wealth and gold imports.

S. B. Chaplin of New York, senior member of the banking house of S. B. Chapin & Co., who is spending the summer at Lake Geneva, anticipates the continuance of a

strong stock market and believes that the rails are due for a good upward movement. He thinks Union Pacific is one of the cheapest stocks on the board, and also likes Atchison, Southern Pacific, New York Central, Great Northern, Northern Pacific, Chicago & Northwestern and St. Paul's bond issue maturing next year. He expresses the belief that St. Paul's troubles are now behind it.

Mexico Invites Chicagoans

Operations of the two Pullman companies are making normal progress and conditions are unchanged. "Mexico has been calling for Pullman service," said James Keeley, "but of course the installation of it lies entirely in the hands of the railroad companies. Mexico is reaching out for American business and reciprocal relations with the United States, and Mayor Raya of Mexico City, whom I regard as one of the liveliest wires in that republic and possessed of the ability to serve with distinction as mayor of any American city, has invited the Pullman Company to send a representative there next September to attend a convention to which other prominent industrial organizations have been asked to send delegates. This meeting will be held primarily for the purpose of displaying to United States business men the natural resources of the country and the industrial opportunity available in Mexico. I was in Mexico City recently and at that time Mayor Raya said that he purposed to show to advantage of the development of trade between the United States and Mexico and investment in Mexican industry."

Financial News Notes

Edward P. Russell of Russell, Brewster & Co., has returned from an outing at Little Traverse Bay, Mich.

James B. Forgan, chairman of the First National Bank, will remain at his summer home at Harbor Point, Mich., until September 1.

John E. DeWolf is visiting in Wisconsin, but will return to Chicago next week.

C. Frederick Childs is spending the summer along the
(Continued on page 42)

Your Liquid Reserve

"Why should I buy higher grade issues at their lower yields," asks the banker who allows income to become his controlling motive, "when I can get a higher average return by purchasing bonds which are not quite so good?"

Here's the logical answer:

A bank's bond account has a more important function than simply to produce income and that is to provide a source of readily available cash in case of emergency. While lower grade naturally yield more than higher grade bonds, this increased income is achieved only through a sacrifice of essential safety or marketability, neither of which a banker can well do without.

Bankers who are building their reserve investments on the right basis are profiting by our suggestions. May we submit suitable offerings?

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Chicago Packers Fight Federal Prying

Chicago, July 22—Chicago packers will fight against the efforts of the Government and Secretary of Agriculture Wallace to pry into their innermost secrets, and in brief filed in the United States District Court Swift & Co., declares that government inquisition is contemplated in the demand made by the Department of Agriculture to examine all of its records. Judge Cliffe entered the packing company's answer to the Government's mandamus requested by Secretary Wallace and modified requirements. Gustavus F. Swift, vice president of Swift & Co., said that the blanket power asked for in order to go through records and private files on all subjects at all times is needless as under the existing act the Government has access to all needful information. Objection is also urged against imparting confidential information to government agents who might be in the employ of competitors, and Mr. Swift adds that private information compiled for executive use only and constituting a valuable trade secret would place the company in great danger if disclosed to other institutions. "Secretary Wallace has aimed to obtain information relating to manufacturing and local operations which have nothing in common with interstate affairs, of which Federal authorities are kept fully informed," Mr. Swift added.

Farm Loan Rates Cut

Farm loan rates of discount have been reduced from 5½ to five per cent. by the Federal Farm Loan Board on direct loans made to cooperative marketing associations, according to information received by Chicago bankers. Last year there were loans totaling \$58,000,000 to 200,000 farmers, and it is anticipated that loans will reach a larger total and be spread over greater territory owing to the low rate of accommodation exacted by the Government. So many small banks in the Northwest which formerly specialized in agricultural accounts have been liquidated in the last six months owing to the losses they had suffered from frozen farm credits and insufficiency of capital that Chicago bankers expect that greater recourse will be had to the farm board and longer terms of maturity will enable framers to spread their sales of surplus grain and other produce over a longer period than has been possible in years preceding.

Dividends Revised Downward

Some La Salle Street securities have suffered severe losses in the past week, a sharp cut in the dividend rate of Stewart-Warner to a five per cent. basis from an annual payment of 10 per cent. causing the most acute liquidation in the shares, and a prospective reduction in Wahl's income account resulting in a savage onslaught on the shares. The Stewart-Warner shares broke 14½ points to a new low of 50½ and Wahl fell to 21, a recession of 14½ points for the period under review. Wahl has been paying four per cent., but financial district gossip contains the allegation that the disbursement will be passed at the next quarterly meeting of the directors. Boone Woolen dropped back to a new low level at 15½, a decline of 13½ points from the year's high mark as a result of expectations that the dividend may be lowered from \$3.00 a year to perhaps \$1.00 or perhaps passed entirely.

Bonds Up; Demand Brisk

Under the leadership of Armour of Delaware 5½s, which rose to a new high of 92 this week, the Chicago bond market displayed a strong undertone and undiminished activity. An offering of \$6,000,000 of this emission through a banking group inclusive of the Continental & Commercial Trust & Savings Bank, Halsey, Stuart & Co., and the Illinois Merchants Trust Company at 92 elicited the most cordial support and resulted in a large oversubscription. A banking syndicate including Dillon, Read & Co., the Illinois Merchants Trust Company and National Bank of the Republic brought out \$15,000,000 Great Consolidated Electric Power Company of Japan first mortgage 7s at 91½, yielding 7.85. The Illinois Merchants Trust offered \$3,000,000 Western United Gas & Electric 5s at 88 and 6s at par and interest, both meeting with great success, Halsey, Stuart & Co., offered \$1,000,000 Houston Lighting & Power 5s at 91½, and Stevenson, Perry, Stacy

& Co., headed a syndicate which brought out an offering of State of California 4s and 4½s to prices to yield 4.05 and 4.10 respectively. An offering of timber bonds did not meet with much enthusiasm, but all public utilities, industrials and rails were in brisk demand at slightly better prices. An issue of \$5,000,000 Sanitary District of Chicago 4s due serially from 1925 to 1944 was bought by a syndicate including the Continental & Commercial Trust & Savings, First Trust & Savings banks and the Illinois Merchants Trust Company at 98.227, and offered at prices to yield 3.50 to 4.15 per cent.

Hertz Issues Toboggan

A number of serious accidents involving Hertz bus and cab companies and failure of the Hertz shares to find a popular resting place with the public since it became apparent to La Salle Street that a semi-official pool had been liquidating in Chicago and New York and that support of the issues was only a temporary makeshift. As the head of the Omnibus Corporation of America, the new title of the consolidated Fifth Avenue Bus Company of New York and the Chicago Motor Coach Company of Chicago, Hertz has been announcing the plans of the new corporation for future operations, but Chicago investors have been hard hit by their commitments in Yellow Manufacturing and Yellow Taxi, and turn a deaf ear to prospects of new ventures. This week the former fell back three points and the latter two points, and the Omnibus issues were sluggish. Since the beginning of the current year, Yellow Manufacturing has declined 51¼ points and Taxi 25¼ points, and the financial district of Chicago has been disillusionized.

Byllesby Plans Explained

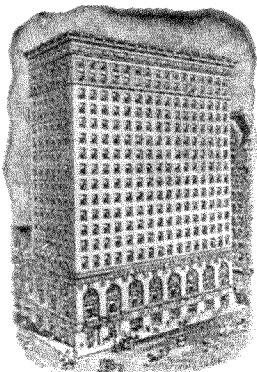
Reports from Dover, Del., that the Northern States Power Company, a subsidiary of Standard Gas & Electric, had filed notice there of an increase in the capitalization of \$1,000,000,000 has been explained by H. M. Byllesby & Co. Stockholders of the company recently authorized the creation of 10,000,000 shares of class B common stock without par value, of which 500,000 shares were purchased by H. M. Byllesby & Co. The company is incorporated in Delaware and the state commission there, for the purposes of taxation placed an arbitrary par value of \$100 a share on the authorized issue, making it \$1,000,000,000.

An offer of \$65 a share for the prior preference stock of the California Railway & Power Co., made by H. M. Byllesby & Co., has given prospect of another important power merger. The company owns certain equity shares of the Market Street Railway Company of San Francisco and the Sierra & San Francisco Power Co., and a letter to stockholders emphasized that the concern might be made profitable by linking it with other Byllesby properties in that vicinity.

In giving expression to an opinion concerning the stock market, Paine, Webber & Co., said, "The market has all of the appearances of a real bull move. Stocks are scarce and bull pools are active all along the line, putting up specialties. The potential buying power is great, and if this swings into the market stocks will go higher than anyone predicts."

National Tea Booms

"There was increased activity in Chicago unlisted stocks and though the volume of trading was fairly large price fluctuations were not broad," John Burnham & Co. said. "Accumulation has continued in the better grade of securities, creating a tendency toward higher prices. National Tea preferred has continued strong, stock ranging between par and 101. Stock is now in strong demand at \$99 per share, with the cheapest offerings around 101. Oscar Mayer preferred issues remained steady with 93 bid for the first seven per cent. preferred and 94 bid for the second eight per cent. preferred. Little change was noticeable in Albert Pick preferred the market remaining 89½ bid stock offered for sale at 91½. A few small blocks of Benjamin Electric eight per cent. preferred were offered in the market at 101 with bids lacking. In Chicago Mill & Lumber the preferred changed hands around \$95 a share, and



The Corn Exchange National Bank

CAPITAL \$5,000,000

SURPLUS AND PROFITS \$11,700,000

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FOREIGN EXCHANGE
LETTERS OF CREDIT
CABLE TRANSFERS

more stock was wanted at this figure at the close. Public utility stocks retained their strength and in several cases showed advances. American Light & Traction, perhaps, is the most active this stock moving up from 127 the fore part of the week to sales at 140. The market closed off, however, with 135 bid stock offered for sale at 137. Puget Sound Power & Light gained a point rising from early bids of 58 to bids of 59 stock being offered for sale at 61. Commonwealth Power was fractionally lower slipping off from sales around 97½ to a market of 96½ bid stock offered for sale at 97½. The preferred, however, was stronger being up one point the market closing 80 bid stock offered for sale at 82. Strength was also displayed in Tennessee Electric Power, this stock rising from sales of 38 to sales of 41. The preferred remained almost unchanged at 64 bid stock offered at 66. Mississippi River Power common became active and gained a few points from early trades around 29 closing at 31½ bid with offerings at 32½."

Traded in on the Curb

The majority of motor stocks traded in on the curb held rather well with advances being displayed in those issues connected with the Durant Corporation. Star Motors moved up two points the market closing nine bid stock offered for sale at 11. Durant of Michigan two for one free stock was in demand at 9¼ with offerings around 11. Rickenbacker Motor was almost unchanged at six bid stock offered for sale at 6½. Paige-Detroit common held steadily around 13½ bid stock offered for sale around 13¼. McCord Manufacturing common was in demand at 3½ with best offerings at four, the preferred being quoted 25 bid stock offered for sale at 27. Creamery Package issues maintained their firmer tendency. The full-voting common sold between 28½ and 29¼ and was wanted at that level at the close with the cheapest offerings at 30.

The non-voting was wanted at 28 and was available at 29½. The preferred was quoted 98 to 101. Elgin National Watch remained steady at 45 exdividend with no near offerings apparent. Goodman Manufacturing displayed a better tone selling at 50½ after selling at 48½ earlier in the week. At the close it was wanted at 49¼ with offerings at 50½. Fairbanks Morse preferred was unchanged with sales ranging between 99¼ to 100½. Kellogg Company common was slightly active with no change taking place in its market. It was freely wanted at 20 with limited offerings at 20½. Borden common was decidedly stronger with transactions reported between 128 and 129 at the close. This compares with sales made around 123 earlier in the week. The preferred was unchanged at 102 bid and 106 asked. Butler Brothers has been in good demand with but little change in price sales ranging from 31¼ to 33¼ closing at the latter figure.

COMMITTEES OF THE WASHINGTON BANKERS ASSOCIATION

Spokane, Wash.—Appointment of committees to conduct the business of the Washington Bankers Association for the coming year was announced recently by J. K. McCornack, of Spokane, Wash., president. Mr. McCornack was elected at the association's convention at Olympia, June 10. The committees are:

Agricultural: F. J. Wilmer, president of the Whitman County National Bank of Rosalia, chairman; Robert Moody,

vice president of the First National Bank of Everett; H. J. Maury, president of the State Bank of Winlock, Winlock; Harold Davis, cashier of the Colfax National Bank of Colfax, and Charles Heath, vice president of the Yakima Valley Bank of Yakima.

Legislative: J. P. Duke, vice president of the Dexter-Horton National Bank of Seattle, chairman; H. C. Lucas, vice president of the Capital National Bank of Olympia; L. H. Hubbard, president of the State Bank of Sequim, Sequim; P. M. Winans, cashier of the First National Bank of Walla Walla, and A. L. Thiele, cashier of the First National Bank of Grandview.

Educational: J. W. Bradley, vice president of the Old National Bank of Spokane, chairman; Carper Clark, cashier of the National Bank of Commerce of Seattle; H. C. Johnson, cashier of the Farmers and Merchants Bank of Walla Walla; S. A. Duncan, vice president of the Yakima National Bank of Yakima, and Guy P. Pierce, assistant cashier of the National Bank of Tacoma, Tacoma.

LAWRENCE FITCH, MILWAUKEE CAPITALIST, DIES

Milwaukee, Wis.—Lawrence Fitch, banker and capitalist, died at his home here July 16, after an illness of several weeks.

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What Does Your Bank Offer the Window-Shoppers?

"Window shopping" is one of the recently coined phrases that has a special significance for bankers. Many of them are studying the psychology of this popular habit and are using their knowledge to excellent advantage in putting across window display messages for their bank. And then there are others—but that's the point of our story.

Those who believe that window shopping is indulged in only by women with too much time on their hands, should watch the strollers along Fifth Avenue or Main Street on a warm summer evening or a half-holiday. Young and old, rich and poor, men and women alike are addicted to the habit. And every live business man who has anything to sell fosters the habit. That is, every business man excepting the banker who at closing time figuratively speaking pulls down the curtains in his bank and goes home, complacently satisfied in his conviction that windows are useless for any purpose excepting to transmit light. This banker may even tell you that he has tried window displays, they are expensive and he never gets any results. So his bank windows, like the cupboard of the famous lady in the nursery rhyme, are "bare." But let's see what effect this has upon you and me, members of the great window shopping public. Let's join the strollers along the principle business street of the average Middle West town, on a Saturday evening.

Window Shopping on Saturday Night

We'll start at the corner drug store. Here the windows are over-crowded with gaudy placards advertising the latest drinks, the latest drugs, and the latest cosmetics. For a dollar you can put your digestion out of commission in less time than it takes to read the ads, for a quarter you can aid the same refractory digestion with one of a dozen brands of garishly advertised pills and potions, or you can add wonders to your personal appearance by patronizing exclusively a certain line of toilet accessories whose publicity agent has studied the window-shopper with avidity. Although we pass this window every day, yet under the lure of shaded electric lights we pause to look again. Later, when we shop in earnest, we will have that window in mind.

Next door is the emporium, its windows alive with bright colors and showy designs in dress goods, neck-ties, hosiery and millinery. We can select a wardrobe in three minutes without moving a step. It costs us nothing—now, but the seed of desire is sown.

Beyond this is the barber shop, prosaic enough it would seem. But in one corner of the window is a brand new style-card for "bobbing." Photographs of our most famous movie actresses, each adorned with the particular bob that suits her style of cinema beauty, intrigue our interest. Of course we stop to look this over!

And here is the town garage with an eye to the tourist's trade. There is a window filled with tires—fat, sleek and suggestive of forty to fifty miles an hour with no fear of blow-outs; a glistening heap of chains—long outing trips defying every kind of weather—and a nifty arrangement of spark-plugs, dash lights, etc. We never pass this window without mentally dropping in to make a purchase.

What the Bank Offers

Now we have reached the corner, crossed the street and come upon a building that we recognize at a glance. It's the bank. Of course we couldn't mistake it, with its bare windows and its air of being sealed alike against friend or foe. Nothing here to attract our attention. Nothing to make us pause. And yet, somewhere within this austere little building lurks romance, the romance that attends the struggle of every individual or community for success. Here is represented the prosperity that is built upon hard work, the spirit of enterprise and a willingness for self-denial; success perhaps carved out of failure. Here is reflected the cooperation of community interests, the working out of economic laws; in short, the romance of a community's business life, whose heart is the community bank.

But what do we know of this? We are the window-shoppers, whose incentive to work harder, that we may earn more consistently, spend more wisely and save more systematically, finds no impetus in these bare windows. We pass on to the hardware store next door. There is romance in the form of a sporting goods display, the scintillating steel of new tools that make us itch to build a pergola in the back yard, or at least to rig up a set of shelves in the old garage.

What has the banker missed who, when he closes his bank, leaves nothing in his bank windows but an impersonal stare for the window-shopper? We will leave that for you to guess?—L. R. Hoppin.

NORTH DAKOTA BANK GIVES PRACTICAL HELP TO DAIRY FARMERS

The First National Bank of Bowbells, North Dakota, has been particularly active in fostering the "cow-sow-hen" method of farming. A. C. Wiper, its president, recently shipped into the community two carloads of high grade Holstein cattle. These were distributed among Burke county farmers and have enabled them to make a good start in dairying.

Mr. Wiper believes there is good money to be made in farming, not only for the owner-farmer but for the business man who rents his farm for tenant use. However, the owner must give his attention to the farm as he would to any other business in which he may be engaged. He must be a real partner. Mr. Wiper farms and looks after some 32 quarter sections of land around Bowbells. These farms are within a radius of 10 miles. Some of the places are rented, others he hires farmed.

"Some men are good to handle stock," says he, "another man may be especially efficient with large tractors. Their success depends upon themselves, their equipment and ability. Give me a well-manned, well-equipped North Dakota farm" continues Mr. Wiper, "and there is nothing more to my liking anywhere."

WHEN ADVERTISING IS ESSENTIAL

Advertising is not always essential, but it is always mighty helpful, and very often it is absolutely essential. By means of intelligent advertising a strong but obscure bank may rise to first rank in its community, while a non-advertising bank, with a century's honorable history behind it, stands still or slips back. Look over the country and you will find many illustrations of this fact. Banks that were leaders a century or a generation or a decade ago have been passed and left far behind by newer banks committed to an intelligent policy of advertising, and the progressive spirit that begets such a policy.—The Bankers Magazine.

WHAT THE GOODHUE COUNTY BANKERS ASSOCIATION IS DOING

N. C. Lien, secretary of the Goodhue, Minn., County Bankers Association, writes of its recent activities as follows:

"At our regular meeting in February it was decided to contribute one dollar for every ten thousand dollars capital and surplus of each bank in the county to the state fund for the purpose of fighting tuberculosis in cattle in this state. This has been done.

The interest rate has been discussed several times by our organization, but the big majority of its members still stand for the 4 per cent. rate. The Red Wing bankers have taken this matter up in their local clearing house association and three of the four banks here voted to drop to 3 per cent. in time certificates and savings deposits. Three of the banks are now paying 3 per cent. on said deposits, and one is still paying 4 per cent., but we think they will all be in line soon."

PROVERBS OF OLD RUSSIA

The fiddle is judged by its tune.
Necessity teaches the smith to make boots.
You cannot buy wisdom abroad if there is none at home.

\$100 DINE

**WHY NOT
EAST
FOR YOUR
SUMMER HOLIDAYS**

**LOW
ROUND TRIP FARES via
SCENIC
DIVERSE ROUTES**

**RAIL
LAKE &
RIVER**

**MINNEAPOLIS
109 S. 5th**

**ST. PAUL
Robert and 4th**



A Bank that Needs No Aid from Congress

Down in Florida there is an enterprising bank going about its business building up fair-sized earnings. Its statement just made public shows capital \$100,000 surplus and undivided profits (earned) \$400,000. The institution is known as Farmers Bank & Trust Co. of West Palm Beach. It has presented a unique statement entitled "Farming by Farmers Bank & Trust Co."

After reviewing some of its farm activities in the past year, President T. T. Reese adds a personal touch to the statement as follows:

"We are not asking Congress to do a d—n thing for us but let us alone and not take all our time explaining our farm business."

The bank's statement further adds: "We act as trustee, guardian for minors and incompetents, receiver, executor, administrator, etc. We conserve the resources of the living and bury the dead. We go on forever."

"Under receiverships, we have operated a wood-working plant, women's ready-to-wear shops and the city gas plant. All successfully."

"Under a will naming us executor of an estate of \$1,000,000 (December, 1922,) we were handed a farm of nearly 300 acres with instructions to handle according to our best judgment, but to operate it, if we could do so, profitably. Taking hold of the farm with crops already in, we could only trust to management in charge and to luck. Closed the season May 1, 1923, with net profit on 250 acres of \$17,872."

"Now, we went into the farming proposition thoroughly, eliminated leaks, cut down overhead and planned for our next season."

"Results show gross sales from 260 acres of \$114,302, with cost of production and marketing \$63,484, leaving net profit of \$50,817."

The statement concludes with "We say we are some Farmers Bank."—Wall Street Journal.

IDAHO POWER COMPANY BONDS

Chicago—The Idaho Power Company, which supplies electric light and power to southern Idaho and eastern Oregon, including the cities of Boise and Pocatello, has sold

\$3,000,000 of first mortgage 5 per cent. bonds to the Harris Trust and Savings Bank of Chicago and Coffin & Burr, Inc. The company's plants have an installed generating capacity of 59,500 K. W., all of which is derived from water power.

As officially reported for the 12 months ended May 31, 1924, the gross earnings were \$2,723,854; net earnings were \$1,449,816 or over two and one-third times the interest charges of \$610,000 on the \$12,200,000 first mortgage bonds outstanding, including this issue. Upon completion of this financing these first mortgage bonds will constitute the company's sole funded debt.

The bonds are secured, in the opinion of counsel, by a first mortgage on all property, rights and franchises of the company. They are due January 1, 1947, and are being offered at 93½ and interest to yield 5½ per cent.

FARM LOAN BOARD REDUCES RATE TO FIVE PER CENT.

Washington—The Farm Loan Board July 16, reduced from 5½ per cent. to five per cent. the rate on direct loans to cooperative marketing organizations by the Intermediate Credit banks. The board's action in reducing the rate, it was explained, was due to the generally easy money situation which was being reflected in the cost of funds to the Intermediate Credit banks.

Loans to these organizations by the credit banks during the past year aggregated \$58,000,000, but it is not anticipated that the lower rate will stimulate borrowing to any considerable extent.

ILLINOIS AUTOS 1,023,762; FEES OVER \$10,000,000

Springfield, Ill.—More than a million automobiles have been registered in Illinois so far this year, Secretary of State Louis L. Emmerson announced. From the registration the automobile department has collected \$10,887,000 and turned it into the state treasury.

The total registration to date is 1,023,762, divided as follows: Pleasure cars, 892,158; trucks, 127,301; dealers, 4,303.

Under the state law the entire sum derived from automobile registration must be used for the construction of roads.

Bank established in 1864

SKANDINAVISKA KREDITAKTIEBOLAGET

GÖTEBORG STOCKHOLM MALMÖ

Branches in all parts of Sweden

Own Funds.....	Kr.	182,000,000.—
Deposits, December 31, 1923,.....	ca. "	693,000,000.—
Total assets, December 31, 1923,.....	" "	1,032,000,000.—

Transacts all kinds of banking and exchange business.

Inquiries and correspondence invited.

Telegraphic address "KREDITBOLAGET"

Annual Convention of Montana Bankers Association

Bozeman, Mont.—The Montana Bankers Association finished its twenty-first annual convention July 19 after a three-day session, featured with the transaction of important business and the discussion of problems of interest to the state and several events in which the wives of the delegates, as well as the men were interested. Nearly two hundred delegates and visitors were registered.

Resolutions

Resolutions were adopted "recognizing the Federal Reserve System as indispensable to the financial, industrial and commercial interests of the nation," and "condemning irresponsible criticism of the system or its governing board."

Secretary Mellon was commended for the withdrawal from sale of United States Treasury notes in 14 states, and the recommendation was made that the entire plan be cancelled. "It is not a proper prerogative of our government to engage in business competition," said the resolution, "with private business, but the desire to further the treasury savings plan has led to unfair business-getting practices all subversive to the savings bank business, of which the nation is so justly proud, and the practice has been the means of taking millions of dollars out of the ordinary channels of trade and commerce."

The association also went on record as "opposed to any legislation designed to guarantee the deposits of any bank . . . and the declaration of any candidate for such office, or any political party in favor of such legisla-

tion as the pronouncement of a demagogue, designed only to catch the votes of the ignorant and misinformed."

Faith in the livestock and agricultural industries of the state was expressed in another resolution, with condemnation of the writings and utterances of people who do not reside in the state.

The great work of the Montana State College was again referred to, and the association went on record to support any legislation, state or national, that gives promise of permanent benefit to the agricultural industry. Freak legislation was condemned.

The effort of the protective department of the American Bankers Association in running down and bringing to justice, the "most nefarious gang of bandits that ever operated in the state of Montana" was commended, and an endorsement was given to the Agricultural Finance Corporation. The attention of the state auditor is being called to the fact that irresponsible persons are operating in the state, "selling stock and other securities of doubtful value" and "taking advantage of the present unfortunate banking situation." The suggestion was made that "the state auditor should be ever diligent in his efforts to bring such unscrupulous and irresponsible agents to justice."

William B. Gerry was "strongly endorsed" as "agent of the Federal Reserve Bank of Minnesota." "Mr. Gerry," says the resolution, "possesses the confidence and esteem of all the bankers of the entire Ninth Federal Reserve District, and especially of the state of Montana."

Officers Elected

The following officers were elected for the ensuing year: T. O. Hammond, vice president and cashier Montana Trust & Savings Bank, Helena, president; Charles Vanderhook, vice president Commercial National Bank, Bozeman, vice president; A. T. Hibbard, Helena, secretary-treasurer.

The association's counsel, former Governor Stewart and John G. Brown of Helena, and the income tax expert, F. S. Jacobson, certified public accountant, Helena, were reelected.

The following officers were elected to represent the Montana Bankers Association in the American Bankers Association; W. A. Brubaker, cashier State Bank of Terry, state vice president; N. J. Gould, vice president American National Bank, Helena, member of the nominating committee; F. T. Sterling, president Western Montana National Bank, Missoula, alternate member of the nominating committee.

State vice presidents for the following divisions are: F. T. Sterling, Missoula, national bank division; W. S. Davidson, Bozeman, savings bank division; Theodore Torsbensen, Kalispell, state bank division; W. E. Waldron, Billings, trust company division.

The time and place of the next annual convention will be decided at a meeting of the executive committee at its winter session.

Report of the Secretary-Treasurer

A. T. Hibbard, secretary-treasurer of the association, in his annual report says:

In submitting the annual report it is a pleasure to again report that every bank in Montana is a member of our

(Continued on page 49)



T. O. HAMMOND

Vice President and Cashier, Montana Trust & Savings Bank, Helena, New President of The Montana Bankers Association

The Northwestern National Bank

Minneapolis, Minnesota

June 30, 1924

RESOURCES

Loans and Discounts	\$42,342,639.15
Stock in Federal Reserve Bank	180,000.00
Banking House	591,277.69
New Banking House Site	600,000.00
Customers' Liability on Letters of Credit and Acceptances	485,124.60
Interest Earned but Not Collected	312,623.25
Overdrafts	12,369.79
Redemption Fund	14,500.00
Railroad and Corporation Bonds	1,857,465.66
State and Municipal Bonds	1,881,589.00
United States Government Securities	6,875,671.16
Cash and Due from Banks	19,934,731.32
	<hr/>
	\$75,087,991.62

LIABILITIES

Capital	\$ 4,000,000.00
Surplus	2,000,000.00
Undivided Profits	561,461.07
Reserved for Interest, Taxes & Contingencies	635,195.65
Dividend Checks Outstanding	96,072.00
Circulation	290,000.00
Letters of Credit and Acceptances	485,124.60
Borrowed Bonds	60,000.00
Deposits	66,960,138.30
	<hr/>
	\$75,087,991.62

OFFICERS

EDWARD W. DECKER, President

THEODORE WOLD.....Vice President	JAMES A. LATTA.....Vice President
ALEXANDER A. McRAE.....Vice President	ROBERT E. MACGREGOR.....Vice President
FRANCIS A. GROSS.....Vice President	WILLIAM E. BRIGGS.....Vice President
CLARENCE E. HILL.....Vice President	SCOTT H. PLUMMER.....Cashier
HUNTINGTON P. NEWCOMB....Asst. Cashier	J. CAMERON THOMSON.....Assistant Cashier
JAMES ARCHIBALD ROSS..Assistant Cashier	ROGER S. HUME.....Assistant Cashier
WILL M. KOON.....Assistant Cashier	HENRY J. RILEY.....Assistant Cashier
GUY E. MASTERS.....Assistant Cashier	CLARENCE R. CHANEY.....Assistant Cashier
HERBERT LEE POST.....Assistant Cashier	JAMES E. NEVILLE.....Assistant Cashier

ROBERT F. MACTAVISH, Comptroller

Affiliated With

The Minnesota Loan and Trust Company
Combined Resources \$89,093,000

STRENGTH OF DIRECTORATE

One of the important factors in the upbuilding of this bank to its present position in the business and financial affairs of this city has been the men who compose its Board of Directors, comprising business men of wide reputation.

You are Invited to Avail Yourself of Its Complete Facilities

MIDLAND NATIONAL BANK

Resources \$18,000,000.00

MINNEAPOLIS

"Make the 'Midland' Your Financial Headquarters"

STRENGTH OF RESOURCES

The large resources of this bank are a result of the opinion held of it by the bank's many customers, and by others who have come in contact with its conservative methods of doing business.

Essentials for Low Railroad Rates

Ralph Budd, President, Great Northern Railway Company, Before Montana Bankers Association Convention at Bozeman

Railroad service in the United States is provided through private ownership and operation of the railroads, with government regulation. This method was the overwhelming choice of the people after 26 months of government operation during and following the war. There is no reason to believe now that the public has changed its view on this subject. The concern of all fair-minded people in investigating and discussing the railroad problem is to find a means of providing the best possible railroad service at the lowest possible charge to the public. When the adequacy or the quality of service is impaired, there is genuine alarm on the part of shippers, because it is well known that the present day industrial life of this country requires that railroad transportation of the highest standard shall always be available in the amount desired. That it will be provided is assumed in normal times as a matter of course.

When the standard of service is reasonably satisfactory, emphasis is given to the question of railroad rates. The rule for rate making, according to the present law, is that service shall be furnished at cost; included in cost, however, is an item representing a fair return upon the value of the property used for transportation purposes. Based as they are upon the cost of operating the railroads, rates cannot be made or kept low unless costs likewise are low. Every dollar taken in by the railroads for transportation furnished is expended approximately as follows, and only by reducing some or all of these items can cost be lowered:

For labor, 48 cents; fuel, nine cents; other material, 21 cents; taxes, five cents; miscellaneous (including rents and loss and damage), five cents; interest on debt, nine cents; dividends and reserves, three cents.

Labor the Largest Item

Labor is the largest and, therefore, the most important item. How may labor cost be reduced? By lowering wages? Probably not. I do not think there is justification for a general reduction in railroad wages at the present time. I am in favor of well-paid labor. It makes for efficiency. But the cost of labor may be lowered in other ways. The railroad employees and the railroad companies have a common interest in providing the public with the most satisfactory possible railroad service at the lowest possible cost. It is greatly to the interest of railroad employees to get costs down and they can help reduce the largest item, that is, labor cost, by conscientious application, teamwork among themselves, and cooperation with management and shippers. Expressed in labor expenditure per unit of transportation manufactured, labor costs may be reduced if more product it turned out per man. The question of management enters into this problem, and so does the question of credit; for employees must be well directed and must be provided with proper tools to increase efficiency. Willing labor, intelligently directed by

good management and provided with the best modern appliances, is the most effective instrument in reducing the total labor item of the cost of transportation.

Increased Efficiency

Freight transportation is best measured in ton-miles: that is, the number of tons moved one mile. Using this unit, the accomplishment of the railroads through increased efficiency, partly due to the hearty cooperation of the employees and partly to the ingenuity of management and improved facilities provided by the expenditure of capital, is expressed by the fact that in the three pre-war years, 1914-1917, commonly called the "test period," the railroads of the United States produced 209,000 net ton-miles of transportation per employee per year, and 222,000 net ton-miles per employee in 1923. In 1921, at the end of Federal control, they produced 185,000 net ton-miles per employee. Taking the Great Northern as an illustration, the net ton-miles of transportation per employee for these years are as follows:

"Test period," 1914-1917, 232,000 net ton-miles per year; 1921, 207,000 net ton-miles per year; 1923, 269,000 net ton-miles per year.

It would not be entirely fair, nor make the statement complete, to omit mentioning in this connection the result of the cooperation which shippers may give and are giving in increasing the output per employee and thus decreasing the cost per unit of transportation. Some of the most obvious ways in which shippers may and do assist in improving efficiency and lowering cost of railroad transportation are: by prompt loading of cars, by prompt unloading of cars, by less detention of cars for diversion, etc., by heavier loading of cars, by proper loading of freight to avoid loss and damage.

Here lies the great field for endeavor, and one of the most encouraging signs for the future is the apparent and growing recognition of the advantages that may be shared by all through the heartiest cooperation between employees, shippers, and management to make all possible economies in the use of the transportation machinery of the country.

Reducing Fuel and Material Costs

The problem of reducing the cost of fuel and other materials is a very large and complicated one, but that problem requires little mention here except in general terms. The responsibility for care of fuel and other material to prevent loss, damage, or wastage, and to recover and use all possible salvage material, is divided between the management and the men. These things call for intelligence and cooperation, and they too are being successfully done and have had their effect in the higher efficiency shown by the railroads. Miscellaneous items, including rents, and loss and damage likewise must be given the attention of management and other employees. Rents, generally

speaking, are fixed, but loss and damage, through closer supervision and greater care on the part of all who participate in handling of freight and passengers, must receive most careful and constant vigilance.

Taxes Cut Into Dividends

The other items, taxes, interest, and dividends, are hardly in the control of the management or the employees. Taxes are extremely high. In reality they should be credited to the total railroad transportation bill, for if they were not paid by the railroads, they would have to be paid by the public. In the case of government ownership, they are in fact so paid. In 1924 the railroads will pay about \$1,000,000 a day in taxes. Whatever can be done to reduce this total will help to reduce the cost of producing transportation, which is essential to any permanent reduction in railroad rates. With taxes increased more than many other items of living cost and so much more than the increase in railroad rates, it seems very pertinent to suggest that conscientious public servants should devote themselves with great earnestness to the problem of reducing this great burden. It is a burden which the public inevitably must carry. The same careful scrutiny of budgets for public improvements which is given similar items by private corporations would result in the elimination of very large sums. The evil of tax exempt securities was never more clearly stated than by the late president Harding when he said: "Tax exempt securities are drying up the sources of Federal taxation and they are encouraging extravagant expenditures by states and municipalities. There is more than the menace in mounting public debt, there is the dissipation of capital which should be made available to the needs of productive industry."

The items of interest, dividends, and rents, which together constitute the return on investment, depend upon two things: one is the value of the property and the other is the value of the use of money—that is, prevailing interest rates. Consideration is given to both of these under the rule of rate making prescribed by the present law. First, the value upon which a fair return is to be allowed is only that of the property which is devoted to transportation purposes, and, second, the rate of return is to be adjusted from time to time so as to be consistent with going interest rates.

Returns on Railroad Investments

In determining the value of the railroads and in fixing the fair rate of return, the Interstate Commerce Commission does not take into consideration the value or capitalization or state of credit of any one carrier. It considers only aggregate value of the railroads in rate making groups, and generally prevalent interest rates. It is of the utmost importance to keep in mind that the valuation being determined is based not on present day costs of reproducing the railroads, but on the average cost of doing the work over the ten year period ended in 1914. This was a period of low average cost of doing construction work and of low material prices. To reproduce the railroads today would cost nearly twice as much as the figures that are being compiled by the Interstate Commerce Commission. The work has been so far completed that the aggregate value of the railroads is pretty well known, and it can be stated that this value, on the basis just mentioned, is in excess of the par amount of the outstanding stocks and bonds of all the roads. The return earned on railroad valuation has been as follows:

	United States as a whole per cent.	Northwestern Region per cent.
1914-1917 (average)	5.7	6.0
1921	3.3	1.6
1922	4.1	3.3
1923	5.1	4.0

The Great Northern, which operates 8,254 miles of railroads, shows the following actual comparisons between the year 1923 and the average results for what is known as the "test period," that is, the three years ended with June 30, 1917:

	Per Cent.
Average rates of pay per hour increased.....	123
Average cost of fuel and other material increased	88

These things represent the increase in the Great Northern's "cost of living." How much did the Great Northern increase the rates which it charged the public?

	Per Cent.
Average revenue per passenger-mile increased.....	44
Average revenue per ton-mile increased.....	38

Result of Efficiency

How is it possible for the Great Northern to pay such exceedingly heavy increases in wages, fuel, and other ma-

TEMPLE, BRISSMAN & Co.
CERTIFIED PUBLIC ACCOUNTANTS
 Member of American Institute of Accountants

St. Paul—Capital Bank Bldg. Minneapolis—Security Building
 Fargo, N. D.—Edwards Bldg. Washington, D. C.—Metropolitan Bank Bldg.

Capital and Surplus \$17,400,000

INTERNATIONAL
 MPORTS AND EXPORTS FINANCED
 INDIVIDUAL ATTENTION

ACCCEPTANCE
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BANK, INC.
 ONDS AND SECURITIES
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"Old World Experience and New World Enterprise"

PAUL M. WARBURG
 Chairman

F. ABBOT GOODHUE
 President

31 Pine Street, New York

**Bonds For Banks
 and Individuals**

Complete facilities and long experience enable us to furnish an elastic and reliable investment service. We shall be pleased to recommend to banks and individuals bonds of the highest type for investment. In every case it is our effort to fit the investment to the investor, supplying securities of the sort best suited to the buyer's needs.

Our current list of offerings will be mailed on request.

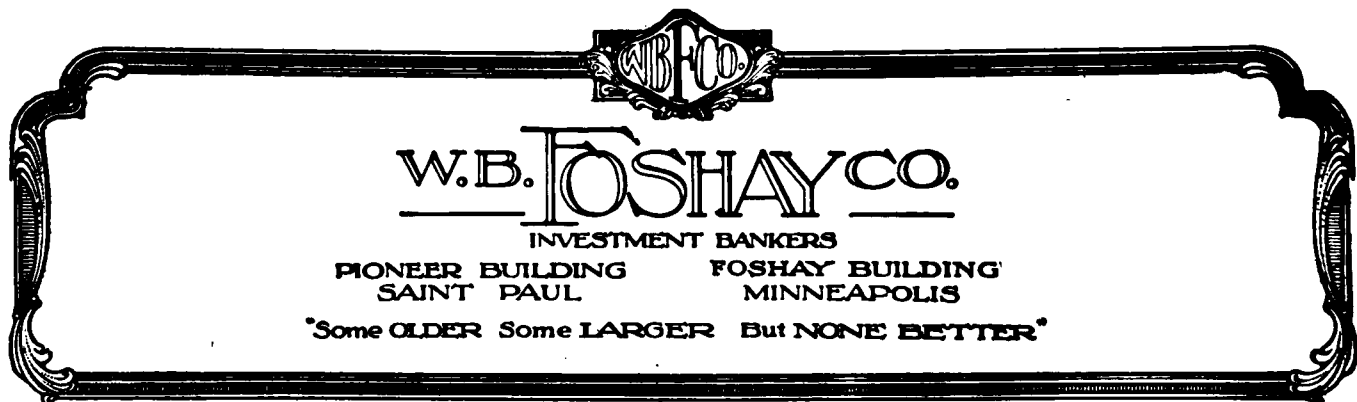
Bond Department

Minneapolis Trust Co.

115 South Fifth Street
 Minneapolis, Minn.

Affiliated with the First National Bank in

Minneapolis
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terials and perform its transportation services at so much smaller increases in rates? The answer is in part that there has been a very important increase in efficiency of operation and, in part, that there has been a very serious shrinkage in the net return which was left to the owners of the Great Northern.

The increase in efficiency is shown by the fact that the ton-miles of traffic service performed per employee was much more in 1923 than during the pre-war period or during the period of government operation. Undoubtedly this increase in efficiency played an important part in enabling the company to sustain such very great increased costs with so much smaller increases in freight and passenger rates.

The other important explanation of the company's ability to pay such heavy increases in cost on so much more moderate increases in rates is that the company received a much smaller return on the money invested in its property.

	Per Cent.
For the "test period" the average rate of return received on investment was.....	6.1
For the year 1923, the average rate of return received on investment was.....	4.6

The return on investment for the railroads generally and for the Great Northern has been inadequate in every year since the world war. Yet it is by a reduction in the return on investment that those who are promising large decreases in freight rates say they will make the saving. They do not claim that any reduction should be made in labor costs—in fact they generally promise to increase that item—and nothing is said about costs of materials or taxes. In vague, general terms they talk about the excessive profit of the railroads, which must be reduced.

Yet, permanently to reduce the return for the use of the property below what is fair will increase and not decrease the cost of railroad transportation because it will force government ownership by making the continuation of private ownership impossible. The railroads must raise very large sums of money each year for improving and enlarging their properties. In 1923, they spent \$1,060,000,000. It is estimated that an average of \$800,000,000 annually will be required for several years. If they do not make the necessary improvements and enlargements in their properties, there will be inadequate transportation, which is intolerable. If they are not permitted to earn a fair return upon their properties, they cannot attract capital except at prohibitive rates of interest, which the low return makes it increasingly difficult to earn. Thus a vicious circle is established, which must end in failure of private operation and enforced government ownership.

Rate Reduction Hazardous

It is important to bear in mind that the item which is the subject of attack, i. e., the return on investment, and through the reduction of which the critics of the railroads promise great reductions in railroad rates, constitutes only 15 per cent. of income. Even if it were reduced by one-third, the reduction would be only five per cent., and the price that would be paid for this five per cent. reduction would be the crippling of the railroads to such an extent that many would become insolvent, and the solvency of nearly all others would be seriously threatened. This would inevitably so injure railroad credit as to render them incapable of continuing the necessary programs of

improvement and enlargement, and government ownership would be forced upon the country. So long as the present plan of having railroad transportation furnished by private ownership and government supervision continues, it is as much in the public interest to do everything possible to assist the railroads in producing transportation cheaply as it would be to the interest of one who is building a house on the so-called "cost plus" plan to assist the contractor in every way to keep down the cost of building the house. Therefore, anything that will improve the railroads' credit and reduce the item of interest charges on borrowed money will tend to improve the railroads' service and ultimately to reduce the charge made for it.

Danger in Excessive Bond Issues

The effect of financing for the past several years through increased issues of bonds without a corresponding increase in capital stock is already serious. A stable financial structure is absolutely necessary in order that a railroad may enjoy the best credit, and the better its credit the lower its cost of doing business. A proper ratio of stock to bonds for the country as a whole probably is not far from 50 to 50. This ratio obtained generally up to 20 years ago. Since then the issues of stock have been progressively less than the issues of bonds, until now the ratio is 40 to 60; that is, there is 50 per cent. more par value of bonds outstanding than of stock. If market values were used instead of par values, the shift in ratio would be even more marked, as prices of stocks are more seriously depressed than prices of bonds. In order to put out issues of stock successfully, it is necessary that the market value shall be approximately par.

It seems fair to say that the limit of safety in ratio of stock to bond issues is rapidly being approached if, indeed, it is not already reached. The effect on railroad credit of an unstable or badly balanced financial structure may be illustrated by taking two extreme cases:

Suppose, in the first case, a railroad is capitalized 80 per cent. with bonds and 20 per cent. with stock, and in the second case 20 per cent. with bonds and 80 per cent. with stock. Suppose both railroads earn for every \$1,000 of capitalization, \$50, which is applicable to interest and dividends. In the first case, if six per cent. is the going interest rate, \$48 will be required to pay interest, leaving only \$2.00 for stock dividend. If every dollar were to be so used. This road, of course, is barely solvent. It not only has nothing to pay its shareholders, but has virtually nothing to put back into the property, and so small a margin after paying bond interest that its solvency is in danger. It is only with difficulty and by paying the highest interest rates that this road can raise additional funds, even by increasing its mortgage.

The other road, with the same income applicable for interest and dividends, because of the different financial structure, requires only \$12 out of the \$50 to pay its interest, leaving \$38 applicable to dividends. On \$500 of stock this would be 4¾ per cent., if every dollar were used for dividends, which, of course, is not prudent business. After a fair amount of the earnings have been set aside for reinvestment in the property, this road would not have a sufficient amount for dividends on stock to make the purchase of additional stock attractive to the investor, since investors can command a higher return on their money and also greater security. However, the road has such a margin

of safety after paying its bond interest that it is entirely solvent, and it might reasonably be expected that such a road could continue for a considerable time to sell more bonds. But following this as a permanent method of financing, even a road in such fortunate position would find itself eventually with an unstable financial structure, because continued issuing of bonds without any corresponding increase in capital stock would eventually create just such a condition as that mentioned in the first case: that is, the ratio of bonds to stock would eventually be reversed.

Traffic Volume and Transportation Costs

The volume of traffic handled also directly affects transportation costs. On all railroads, but particularly on those of the Northwest, there is, during a large part of the year, much unused capacity, which results in a heavy loss, because the capital investment must be carried throughout the year, and the overhead organization cannot be reduced to meet the fluctuating traffic. The plant, therefore, must be maintained at a standard and of a capacity to handle the peak of business, which covers, in the Northwest, only a few weeks in the fall of each year. It would help to reduce the cost of transportation materially if the volume of traffic could be increased, especially during the lean months, and if the total volume of the year could be handled at a more uniform rate. To a large extent, seasonal demands for transportation are uncontrollable by the shipper, but with some commodities it is possible to ship during the spring and summer months, when the traffic is light, rather than to burden the railroads during the heavy fall rush.

A more uniform use of railroad facilities, especially of equipment, would be made possible through consolidation of several roads into a lesser number of larger systems. The enlarged territory served and the consequent varied character and wider seasonal spread of traffic offered also would give a certain stability to earnings that each separate road serving a smaller territory cannot have. This is especially true in the case of roads serving agricultural regions where conditions may be unfavorable in one territory or another, but seldom in all during the same year. Another advantage from consolidation would be the improved car supply, which would be possible because the cars would be on the owning or "home" line so much more of the time than is possible in the case of smaller roads. Keeping cars at home insures a supply when needed and reduces the cost of upkeep, as it is a proven fact that the cost of car repairs increases enormously when the percentage of ownership on the home line decreases.

A promising hope for increasing the volume of traffic on the roads of the Northwest lies in the possibility of increase in the population of that section. While vacant public land has almost disappeared, there remains, in the aggregate, a vast empire of unoccupied territory, which eventually will support a large and contented population. Much of this land is highly desirable when properly handled, and is in the hands of creditors who will dispose of it on terms more favorable, considering the improvements, than those on which it was acquired from the United States Government by the homesteader. This is one of the most promising possibilities for the future of the Northwest. The railroads now serving this great country can, with only comparatively small additions and improvements to their properties, serve the much larger population, which is certain to come, and when it comes not only will the volume of traffic be increased, but the tendency will be to ship at a more uniform rate throughout the year. Just as the cost of doing railroad business will be decreased per unit of traffic when this happy condition is realized, so the cost of handling various other lines of business, including banking, will be decreased per capita. I believe that the time is rapidly approaching when this territory will gradually but surely attract an immigration from other more densely settled parts of the country, which will greatly improve the condition of the people already here, and enable this great state to come into its own on a basis of permanent, stabilized prosperity for the population as a whole.

Taking the principal items of railroad operation in the order mentioned above: cooperation of willing labor with

management, and of both with shippers, will tend to reduce the labor cost by enabling the railroads to produce more transportation per employee; careful purchase, watchful protection, and economical use will lower the cost of material per unit of transportation; economy in government administration and avoiding unnecessary public improvements will tend to lower taxes; improving the credit of the railroads will make for lower interest rates. All of these items will be reduced by an increased volume of business, which will result from a large population in this territory now somewhat sparsely settled. Consolidation of

(Continued on page 49.)

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OLDEST BANK AT THE HEAD OF THE LAKES

Customer Ownership in the United States

Frank LeRoy Blanchard, Advertising Manager, Henry L. Doherty & Co., From an Address Before the Convention of the Associated Advertising Clubs of the World, London, England

In the United States and Canada the growth of the gas, electric light and power, water and street railway industries during the past decade has been one of the wonders of the industrial age in which we live. When we consider that for five of these years the world was disrupted by a devastating war and millions of men were withdrawn from peaceful pursuits to fight the common enemy, we are astonished at the speed with which the business interests of the several countries most seriously affected adjusted themselves to changed conditions and trade advanced to new levels.

According to reports issued by the American Gas Association, there are in America today nearly 1,000 companies engaged in the gas industry. The total sales in 1914 were 198,000,000,000 cubic feet, and in 1923, they were 370,000,000,000 cubic feet, an increase of nearly 100 per cent.

The customers of gas companies in 1921 aggregated 9,291,000 and the population served was 47,700,000. The gross income of the manufactured gas companies in 1921 was \$379,263,044; in 1922, \$406,000,000; and in 1923, \$429,200,000.

Expansion of the Electrical Industry

The expansion of the electric light and power industry has been even more remarkable. In the period 1910 to 1920 the amount of electric energy sold increased 350 per cent. The earnings of the companies in 1923 were about \$1,300,000,000. The Cities Service Company, one of the largest public service organizations in the world, in 1923 sold over 990,000,000 kilowatt hours of electricity, an increase of 500 per cent. in nine years.

The street and interurban electric railways also show substantial although not as large proportionate growth. The inroads made upon their passenger traffic by automobiles and bus competition have in many cases cut down revenues. However, in the larger centers the difficulty of securing parking space for automobiles is compelling business men to leave their machines at home and to patronize the street cars once more.

Capitalization of Public Utilities

It is only when we have examined statements showing the capitalization of public utility companies in America that we get a comprehensive idea of their commercial importance. According to figures submitted by experts, the cash investment in existing companies is as follows:

Electric light and power	\$ 5,800,000,000
Street and interurban railways ..	5,000,000,000
Gas, natural and manufactured ..	4,000,000,000
Telephone and telegraph	2,000,000,000

Total\$16,800,000,000

This vast aggregation of capital has not been obtained solely from the millionaire class, which, in the minds of many Europeans, includes fully half the population of the United States, but from banks, trust companies and other financial institutions; from business and social associations, trade unions and other organizations having surplus funds to invest; from individual men and women of wealth; and, in a large part, from the frugal wage earners of America.

Although money is money, no matter where it comes from, the organizers and managers of public utility enterprises have recently discovered that it makes all the difference in the world whether it is obtained from a few rich men or from a large number of small investors, and especially from those to whom their service is sold. As

the result of their experience they are practically of one opinion, namely, that the most helpful and, therefore, the most desirable shareholders are their own customers.

New Capital Always Needed

The companies are in constant need of new capital for increasing the productive capacity of their plants and for lengthening their service lines. What group of people are in a better position to know the needs and opportunities of public utilities than the men and women customers who are in close contact with their business? The term customer ownership is solely applied to customers of a local public utility who have purchased its stocks or bonds.

Milan R. Bump, chairman of the customer ownership committee of the National Electric Light Association, in his report submitted at the May 1924, convention, said:

"Customer ownership means more for the stability and permanence of investment in utilities; more for the satisfaction of the public served, and for the promotion of a proper understanding between the company and its customer-partners, than any other activity that has ever been attempted."

S. M. Kennedy in his book entitled: "Winning the Public," declares that "the more people a company can persuade to think favorably of its business, the faster it will grow. As a man thinks, so will he talk, and a company with pleased customers will have many persons working overtime for it whose names do not appear on the pay roll."

Let us now consider some of the specific advantages of customer ownership from the viewpoint of both the company and the customer.

Advantages of Customer Ownership

1 It furnishes the company a market for obtaining at a minimum cost a portion of the capital required for improvements and extensions made necessary by increased demands for service.

2 It strengthens the credit position of the company. The more customers owning stock, the better informed the public will become concerning its finances and standing.

3 It stabilizes the market value of shares. It is better to have 10,000 customer-owners than 100 other owners for the reason that while a majority of the 100 stockholders might combine over-night to manipulate the market for their individual advantage, it would be an impossibility for a majority of the 10,000 to do so.

4 It affords customers an opportunity to acquire, for cash or on the installment plan, shares in small amounts in established and prosperous enterprises, and thus encourages thrift, develops a community spirit, and makes for better citizenship by creating a higher regard for the interests of others.

5 It is a source of strength for the company. The more customer-owners there are in a community the more inpregnable becomes its position as a business institution.

6 It creates good will and thus contributes largely to the establishment of highly desirable public relations. If the service they receive is satisfactory and the rate they pay is reasonable, customer-owners are constant boosters of the company and its interests. They are its staunch defenders when its management or service is unjustly criticized. They often make suggestions for the improvement of the service and furnish leads for adding new names to the company's list of customers, or for the sales

Politics and Business

Politics would not disturb business periodically if all office seekers had the courage of their convictions. Honesty should be a factor in politics as well as in business. It is every citizen's duty to vote, and all voters should be in politics.

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of additional securities to persons who are already shareholders.

7 Customer-owners are so many radiating centers of goodwill for the company. They are like the leaven which the woman hid in three measures of meal till the whole was leavened. If there is need for raising the service rate in a city where customer-owners are numerous, the public will not oppose the company's application to the public utility commission, because it knows from facts in its possession that the company is warranted in taking the step.

8 Another advantage of customer ownership is the influence it has in bringing about the defeat of movements designed to popularize the municipal ownership of public utilities. In a city where a fairly good distribution of the company's securities has been effected, it is almost impossible for agitators to create a popular sentiment in favor of municipal ownership. Customers who have a number of shares hidden away in safe places do not favor the proposition. They have no confidence in the ability of municipal authorities to run successfully a business that requires technical knowledge and experience of a high order. They are confident that under the administration of public office holders the expenses of operation would be so greatly increased by the employment of two men to do one man's work, that in the end rates would have to be increased or the city would have to face an annual deficit.

Progress of Customer Ownership

Perhaps you would now like to know a few facts regarding the progress of customer ownership in Canada and the United States. One hundred and eighty-five electric light and power companies, supplying 10,887,019 customers, have 652,910 shareholders under the customer-ownership plan. The number of shares thus owned amounts to 5,047,407. The average cost of selling was \$4.60 per share. The total population in the territory served is 51,414,693.

In 1923, \$750,000,000 were expended for utility constructions and extensions. Of this amount, \$250,000,000, or 33 1/3 per cent., were raised through customer-ownership activities.

The American Gas Association reports that in the last eight months of 1923, 187 gas companies and a few combined gas and electric companies sold 1,251,640 shares to 227,170 investors.

In eight years, H. M. Byllesby & Company of Chicago, one of the leading public utility operating organizations of the United States, sold \$43,000,000 of preferred stock for construction purposes to 81,000 purchasers, 43 per cent. of which was derived from customer-ownership sales.

Increase of Securities Sales

To show how rapidly sales to customer-owners have progressed, I call your attention to the records made during the four years ending in 1923. In 1920, there were approximately \$35,000,000 of public utility securities placed in the hands of customers; in 1921, \$80,000,000; in 1922, \$175,000,000; and in 1923, \$250,000,000.

From September 1, 1923, to July 1 of this year, securities of the Cities Service Company and its subsidiaries, having a par value of \$5,000,000, were sold, thus adding about 12,000 customers to the organization's list of stockholders, now the fourth largest in the world. Estimates indicate that our sales in 1925 will total \$10,000,000 and add 20,000 more customer-owners to our lengthening list.

Helps to Eradicate Socialism

Anyone who has lived in a community in which socialism and some forms of radicalism are prevalent knows that one of the best ways to overcome the hostilities of their advocates is to induce as many of them as possible

to become shareholders in the local gas, electric light and street railway companies.

However much opposed they may once have been to a public utility that has been giving the community adequate service at reasonable cost, when they become financially interested in its affairs, their mental attitude toward what they formerly considered "an oppressive monopoly" changes unconsciously. They realize that the attacks they made upon the company were harmful to its interests and if continued, now that they are shareholders, may, in the end, impair the value of the securities they hold. Their open hostility, therefore, soon ceases.

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Stock and Bond Quotations

MINNEAPOLIS BANK STOCKS

	Div. Rate	Bid	Asked
	Pct.		
Northwestern National	12	244	255
First National	*12	260	270
Midland National Bank	8	160	172
Metropolitan National Bank	6	130	140
Gateway State	8	145	150
Mercantile State	6	90	100
Merchants & Manufacturers State	10	130	140
Central State	7	...	200
Camden Park State	10	180	...
Union State	8	140	...
Millers & Traders State	6	170	...
Marquette Nat. & Marquette Trust	...	250	...

*3 per cent extra dividend.

DULUTH BANK STOCKS

	Bid
First National Bank of Duluth	\$225
American Exchange National Bank	185
Northern National Bank	200
City National Bank	200
Duluth National Bank	150
Minnesota National Bank	130
St. Louis County State Bank	200
Western State Bank, West Duluth	200

MINNEAPOLIS CORPORATIONS

Reported by William W. Eastman Company, Minneapolis.

	Div. Rate	Bid	Asked
	Pct.		
Archer-Daniels-Midland, pfd.	7	82	85
Crown Iron Works, pfd.	7	95	100
Minneapolis Syndicate	6	45	50
Minneapolis Thresh. Machine, pfd.	7	90	95
Munsingwear Corporation, pfd.	7	99	100
Northern States Power, pfd.	7	91	94
North American Telegraph	6	80	90
N. W. Fire & Marine	10	160	180
Real Estate Title Ins.	...	110	...
Russell-Miller Milling, pfd.	6	87	97
Shevlin-Hixon, pfd.	7	100	...
Twin City Telephone, pfd.	6	8	9

ST. PAUL BANK STOCKS

	Div. Rate	Bid	Asked
	Pct.		
Merchants National	10	225	...
American National	6	150	160

St. Paul State	10	250	...
National Exchange	6	130	...
Payne Avenue State	10	...	225
Mounds Park State Bank	20	250	...
Great Northern State	10	200	...

ST. PAUL CORPORATIONS

	Div. Rate	Bid	Asked
	Pct.		
Tri-State Telephone, pfd. (par \$10)	6	8	9
West Publishing, com.	10	400	...
West Publishing, pfd.	6	100	110
St. Paul Fire & Mar. Ins. (par \$25)	14	70	...
Foote, Schultz & Co., pfd.	7	85	95
St. Paul Union Stockyards	6	85	100

LOCAL BONDS

Reported by William W. Eastman Company, Minneapolis.

	Int. Rate	Bid	Asked
	Pct.		
Dakota Central Tele.	6	98	101
Dakota Light & Power Co.	6	8.00 B	7.00 B
Donaldson Realty Co., 1st Mtg.	6	6.50 B	6 B
Duluth & Iron Range, 1st Mtg.	5	100	101
Duluth, Messabe & Nor. Gen.	5	99	100
Duluth Street Ry., 1st Mtg.	5	90	98
Duluth Street Ry., Gen. Mtg.	5	83	85
First Nat'l-Soo Line Bldg., 1st.	5	6 B	5.50 B
Hormel & Co., 1st.	6	99	101
Journal Printing Co., 1st	6	98	100
Marshall-Wells Bldg. Corp.	6	101	104
Minneapolis General Elec., 1st.	5	98	100
Minneapolis Gas Light Co., 1st.	5	85	88
Mpls. Lyndale & Minnetonka Ext.	7	100	101
Mpls. Str. Ry. & St. P. City Joint.	5	93	96
Mpls. & St. Paul Sub. Ry.	5	97	99
Minnesota-Ontario Power Co.	6	6.50 B	6.00
Minnesota Tribune, 1st.	6	97	100
Minnesota Valley Power Co., 1st.	6	91	93
Montana Power Co., 1st & Ref.	5	95	95
Northern States Power Co.	6	98	100
Northern States Power Co., 1st	5	88	88
Northwest Light & Power Co., 1st.	6	93	96
N. W. Elevator Co., Ltd.	6	...	...
Ottertail Power Co., 1st & Ref.	6	95	...
Powell River Co., Ltd.	6	96	99
Red River Lumber Co., 1st.	5	6.50	6.00 B
Rochester Tele. Co.	6	99	100
St. Croix Power Co.	5	98	98
St. Paul City Ry. Cable Cons.	5	92	94
St. Paul Gas Light Co., 1st.	5	94	96
St. Paul Gas Light Co., Gen.	6	99	100
St. Paul Union Stockyards, 1st.	5	93	95
Shevlin-Mathieu Lumber Co., 1st	5	6.50 B	6.00 B
Tri-State Tel. & Tel. Co.	5	100	102
Twin City Tel., 1st Mtg.	5	97	98
Watab Paper Co., 1st.	6	98	100
Pillsbury Wash. F. M.	7	...	98

CHICAGO BANK STOCKS

Quotations July 22 by John Burnham & Co., Inc., 41 South La Salle Street, Chicago, Ill.

	Bid	Asked	Book Value
Calumet National	225	...	149
City National Evanston	300	...	280
Continental & Com. Nat.	304	309	251
Drovers National	198	204	147
First National	448	453	371
Irving Park National	215	...	160
Jefferson Park National	180	200	150
Mutual National	285	290	211
National Bank Republic	199	203	197
National Bank Commerce	157	162	161
National City	174	178	182
Stock Yards National	285	295	...
Washington Park National	260	275	186
Austin State	225	...	174
Central Mfg. District	350	265	222
Central Trust Company	234	238	169
Chicago City	340	350	311
Citizens State of Chicago	240	245	161
Drexel State	230	...	198
Drovers Trust & Savings	325	...	285
Franklin Trust & Savings	210	230	246
Garfield Park St. Savings	194	200	127
Greenebaum Sons	425	...	288
Guarantee Trust & Savings	220	230	182
Halsted Street State	200	...	193
Harris Trust & Savings	350	...	241
Home Bank & Trust Co.	250	265	151
Hyde Park State	215	...	200
Illinois Merchants Tr.	397	402	346
Independence State	175	210	125
Kaspar American State	220	240	141
Lake Shore Trust	260	300	130
Lake View Trust & Savings	275	...	244
Lawndale State (New)	360	...	210
Liberty Trust & Savings	200	225	130
Lincoln Trust & Savings	185	200	171
Madison & Kedzie	191	197	143

Mid-City Trust & Savings	225	235	148
Noel State	200	206	125
North Ave. State	180	...	172
Northern Trust Company	370	377	354
Northwestern Trust	298	305	196
Oak Park Trust & Savings	190	...	170
Peoples Stock Yards	255	270	134
Peoples Trust & Savings	233	240	171
Pioneer Trust & Savings	200	...	150
Pullman Trust & Savings	208	217	177
Reliance State	230	240	139
*Security State Bank	235	...	246
Schiff Tr. & Savings Bank	275	300	117
Sheridan Trust & Savings	300	...	164
South Chicago Savings	250	262	174
South Side Trust	215	220	142
State Bank of Chicago	503	...	339
State Bk. & Tr. Evanston	295	...	284
Stockmen's Trust	175	...	187
Union Bank of Chicago	165	175	171
Union Trust Company	365	374	279
United State	175	200	163
West Englewood-Trust	275	...	148
West Side Trust & Savings	250	255	131
West Town State	245	...	140
Wiersema State	190	...	188
Woodlawn Trust & Savings	260	270	151

*New Stock.

CHICAGO SECURITIES

Quotations July 22 by John Burnham & Co., Inc., 41 South La Salle Street, Chicago, Ill.

	Bid	Asked
American Light & Tract., com.	135	140
American Light & Tract., pfd.	91	93
Babcock & Wilcox Company	116	118
Beatrice Creamery (\$50 par)	59	62
Beatrice Creamery Co., pfd.	89	102
Benjamin Elec. Mfg. 1st pfd.	98	100
Borden Co., The... com.	126	129
Borden Co., The, pfd.	102	104
Brunswick-Balke-Coll., com.	95	98
Brunswick-Balke-Coll., pfd.	94	97
Burrighs Adding Machine, new	47	50
Butler Brothers (\$20 par)	33	33
By-Products Coke Corp., com.	22	26
By-Products Coke Corp., pfd.	100	103
Chi. Ry. Equip., com. (\$25 par)	41	43
Chi. Ry. Equip., pfd. (\$25 par)	25	26
Chicago Title & Trust	340	350
Commonwealth Power Corp., com.	97	99
Commonwealth Power Corp., pfd.	75	77
Creamery Pkg. Vot., com. (no par)	28	30
Creamery Pkg., N. V., com. (no par)	27	29
Creamery Package Co., pfd.	98	101
*Elgin National Watch (\$25 par)	45	46
Fairbanks Morse, pfd.	99	100
Ford Motor Co. of Canada	445	453
Gillette Safety Razor	264	266
Goodman Mfg. Co. (\$50 par)	49	51

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INVESTMENT BONDS COMMERCIAL PAPER

Pioneer Building
SAINT PAUL

First Nat.-Soo Line Bldg. *Am. Exch. Nat. Bk. Bldg.
MINNEAPOLIS DULUTH



Goodyear Tire & Rub., com.	9	10
Gossard Co., H. W., pfd.	94	96
Hercules Powder Co., com.	85	90
Hercules Powder Co., pfd.	100	103
Holland-St. Louis Sugar (\$10 par)	3	4
Hurley Machine Co., com. (no par)	51	52
Illinois Traction, com.	99	103
Keystone Steel & Wire Co., com.	...	46
Keystone Steel & Wire Co., pfd.	81	86
LaSalle Extension, com. (\$10 par)	12	13
LaSalle Extension, pfd. (\$10 par)	12	13
McCord Mfg. Co., com.	3	4
McCord Mfg. Co., pfd.	25	30
Oscar Mayer, com.	...	6
Oscar Mayer, 1st pfd.	93	...
Oscar Mayer, 2d pfd.	94	...
Michigan Sugar Co.	5	6
National Grocer, com. (\$10 par)	6	7
National Grocer, pfd.	81	86
National Tea Co., pfd.	99	101
Northern States Power, com.	103	105
Northern States Power, pfd.	92	96
Northwestern Yeast	123	181
Palmolive Co., com. (no par)	...	75
Palmolive Co., pfd.	99	102
Pick, Albert & Co., pfd.	89	92
Spalding, A. G. & Bros., 1st pfd.	98	101
Standard Cap & Seal (\$10 par)	19	21
Star Motors	9	11
Sullivan Machinery Co. (no par)	56	59
Tri-City Ry. & Light, pfd.	83	87
U. S. Gypsum Company, pfd.	105	107
Utah-Idaho Sugar Co. (\$6 par)	3	4
Wahl, The Co., pfd.	...	84
Western Grocer Co., com.	75	80
Western Grocer Co., pfd.	100	...

BANK TRANSACTIONS

Washington—Debits to individual accounts, as reported by banks in leading cities for the week ending July 16, aggregated \$10,111,000,000, or 22.6 per cent. above the total of \$8,244,000,000 reported for the preceding week. The large increase is due in part to the fact that the previous week included but five business days, and also in part to the fact that the current week includes the usual heavy mid-month payments. New York City reports an increase of \$977,000,000, Chicago, an increase of \$155,000,000, Philadelphia, an increase of \$88,000,000 and Boston, an increase of \$77,000,000. As compared with the corresponding week in 1923, debits for the week under review show an increase of \$858,000,000 or 9.3 per cent. Most of the important centers report larger figures than for a year ago. New York City shows an increase of \$793,000,000, Boston, an increase of \$23,000,000 and Philadelphia and Kansas City, increases of \$15,000,000 each. Decreases of \$14,000,000 for Pittsburgh, and of \$13,000,000 each for Cleveland and Los Angeles are reported. Aggregate debits for 141 centers for which figures have been published weekly since January, 1919, were about \$9,526,000,000 as compared with \$7,724,658,000 for the preceding week and \$8,678,447,000 for the week ending July 18, 1923. Debits to individual accounts were reported to the Federal Reserve Board for banks in 252 centers, of which 240 are included in the summary by Federal reserve districts.

City	Week Ending		
	July 16, 1924	July 9, 1924	July 18, 1923
New York	\$4,989,282,000	\$4,012,572,000	\$4,196,053,000
Chicago	718,607,000	563,589,000	702,326,000
Philadelphia	381,201,000	292,883,000	366,489,000
Boston	377,855,000	200,993,000	355,325,000
San Francisco	205,595,000	156,981,000	193,308,000
Pittsburgh	190,058,000	171,712,000	203,685,000
Los Angeles	170,174,000	134,763,000	183,254,000
Detroit	162,022,000	117,951,000	157,377,000
St. Louis	158,809,000	124,094,000	160,304,000
Cleveland	152,779,000	124,607,000	165,334,000
Twelve Cities	125,364,000	101,628,000	112,822,000
Kansas City	94,610,000	60,842,000	79,249,000
Baltimore	90,501,000	68,553,000	94,700,000
Minneapolis	87,272,000	66,796,000	73,500,000
New Orleans	67,272,000	60,711,000	58,996,000
Milwaukee	61,965,000	52,902,000	68,456,000
Seattle	51,521,000	34,089,000	44,283,000
Washington	46,826,000	43,632,000	47,385,000
Omaha	43,315,000	37,677,000	51,528,000
Portland	38,247,000	31,194,000	37,780,000
St. Paul	37,992,000	34,832,000	39,322,000
Denver	37,523,000	31,476,000	37,261,000
Dallas	34,864,000	30,760,000	30,813,000
Des Moines	25,825,000	24,379,000	18,101,000
Duluth	21,319,000	15,406,000	19,182,000
Sioux City	19,911,000	15,172,000	18,240,000
Spokane	12,469,000	9,813,000	12,204,000
So. St. Paul	5,037,000	5,021,000	...
Sioux Falls	3,222,000	3,376,000	3,178,000
Helena	2,671,000	2,385,000	2,015,000
La Crosse	2,539,000	2,636,000	3,245,000
Fargo	2,490,000	2,377,000	3,063,000
Superior	1,904,000	1,621,000	1,875,000
Billings	1,690,000	1,482,000	2,008,000
Grand Forks	1,395,000	1,290,000	...
Aberdeen	1,294,000	1,598,000	1,306,000
Minot	1,092,000	1,012,000	1,621,000
Winona	1,029,000	1,035,000	1,221,000
Red Wing	596,000	550,000	475,000
Jamestown	463,000	521,000	536,000
Dickinson	377,000	436,000	424,000
Total (240 cities)	\$10,110,888,000	\$9,243,711,000	\$9,253,091,000

EXPECT CRISIS IN GERMANY IF DAWES PLAN FAILS

Baltimore—If the Dawes plan is not put into effect, Germany will go through a financial crisis entailing results more serious than any which have occurred since the Armistice, Fred I. Kent, vice president of the Bankers' Trust Company of New York, declared in addressing the annual convention of the American Institute of Banking at its final session here July 18.

The sentimental effect of its failure upon all civilized countries, he added, would be disastrous. In part he said:

"If the plan were refused, France and Belgium would continue their hold on the Ruhr and all European exchanges would be subjected to further severe shocks.

"Trade and commerce would be dealt a terrific blow, and might for a time be confined to necessities and the progress toward better conditions which has been made since the Armistice might be dissipated almost overnight.

"The reaction on the United States would undoubtedly be more severe than anything which has happened since the war."

Touching the proposed German loan, Mr. Kent said that if this loan is offered in America, "it can be considered as being good for it will never be issued until American international bankers are satisfied with its provisions and have good reason to believe that it is sound."

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Due June 1, 1954

Semi-annual interest, June 1 and December 1, payable without deduction for Normal Federal Income Taxes not in excess of 2%. Denominations \$1000, \$500 and \$100.

Price 97 and interest, yielding 5.70%.

Complete descriptive circular will be furnished on request.

MERCHANTS TRUST AND SAVINGS BANK
FOURTH NEAR ROBERT SAINT PAUL

New Banks and Changes

MINNESOTA

E. L. Hugelen Resigns as Cashier

Dalton—E. L. Hugelen has resigned his position as cashier of the First State Bank.

Barnesville Bank Closed

Barnesville—The Citizens State Bank is reported closed. It was capitalized at \$25,000. F. A. Buscher was cashier.

L. O. Westrum State Bank Cashier

Oakland—Leslie O. Westrum has been elected cashier of the State Bank of Oakland to take the place of A. A. Sorenson, who resigned to accept an appointment as state bank examiner.

Marquette Company Buys Bank Interests

Minneapolis—The Marquette Company of this city has purchased the controlling interest in the First National Bank of Thief River Falls, capitalized at \$50,000 and the Merchants State Bank of St. Hilaire, capitalized at \$10,000.

Farmers State Bank of Winger Increases Capital

Winger—The Farmers State Bank, which took over the Winger State Bank, is increasing its capital stock to \$20,000 and its surplus to \$19,000. There will be no change in the Farmers State Bank officers who are: Tom J. Haugen, president; Edward Holm, vice president; O. B. Gjerdingen, cashier, and H. O. Hatleberg, assistant cashier. H. O. Midthun, formerly assistant cashier of the Winger State Bank, has been made assistant cashier of the Farmers State Bank.

NORTH DAKOTA

State Bank Changes to National

Clifford—Application has been made for a charter to convert the Clifford State Bank to the First National Bank with a capital of \$25,000.

Farmers State Bank Closed

East Fairview (P. O. Fairview, Mont.)—The Farmers State Bank is reported closed. It was capitalized at \$10,000. Adam Hannah was president.

SOUTH DAKOTA

E. B. Hardesty Assistant Cashier Resigned

Harrold—E. B. Hardesty has resigned his position as assistant cashier of the First State Bank.

Valley Springs Banks Consolidate

Valley Springs—The Minnehaha County Bank and the Security State Bank have consolidated and reorganized under the name of the former with a capital of \$50,000. J. B. Severson has been elected president; O. L. Hanson and Andreas Johnson, vice presidents; E. J. Hetlund cashier; A. M. Christensen, L. C. Hetlund and M. L. Pottinger, assistant cashiers.

WISCONSIN

Assistant Cashier E. G. Thompson Resigns

Ladysmith—Emmons G. Thompson has resigned his position as assistant cashier of the Rusk County Bank to accept a position in the Bank of Watertown.

Bank President Resigned

Oshkosh—Edgar P. Sawyer has resigned as president of the Old Commercial National Bank, also the Oshkosh Savings & Trust Company, to go to Palm Beach, Fla.

IOWA

J. J. Jones New Assistant Cashier

Oskaloosa—The directors of the Mahaska County State Bank appointed John J. Jones assistant cashier.

MONTANA

First International Bank Expected to Reopen

Sweet Grass—It has been announced by Douglas Parker, vice president of the First International Bank, that the institution is to be reopened for business about August 4th.

NEBRASKA

Promotions at First National

Scottsbluff—J. G. Elliott has been advanced from assistant cashier to cashier of the First National Bank. A. A. Hulse, formerly teller, succeeds Mr. Elliott as assistant cashier.

WYOMING

Keeline Bank Closed

Keeline—The Bank of Keeline is reported closed because of depletion of available reserves. It was capitalized at \$10,000.

CALIFORNIA

R. W. Westover New Cashier

Callistoga—R. W. Westover of Fruitvale has been elected cashier of the Callistoga National Bank.

G. Cooley Elected Second Vice President

San Bernardino—The directors of the California State Bank elected Grover Cooley second vice president.

Crocker National Bank Promotions

San Francisco—F. G. Willis, cashier and D. J. Murphy, assistant cashier of the Crocker National Bank have been advanced to the vice presidency.

Ira E. Leck Advanced to President

Escondido—Ira E. Leck has been advanced from the position of vice president to president of the Northern San Diego County Bank to succeed A. Z. Taft, Jr., who resigned to devote more time to other business interests.

ILLINOIS

New Bank to be Organized

Plymouth—Application has been made by C. D. Reynolds to organize the First National Bank with a capital of \$25,000.

E. B. Bentley Elected President

Clinton—E. B. Bentley has been elected president of the Peoples Bank to fill the vacancy caused by the death of George G. Argo.

C. H. Gray Appointed Assistant Cashier

Peoria—C. H. Gray, formerly cashier of the Farmers State Bank at Morton, has been elected assistant cashier of the South Side Trust & Savings Bank.

United States Bank Promotions

Chicago—F. A. Putnam has been advanced from cashier to vice president of the United States Bank. Wm. C. Fahsbender, formerly assistant cashier, succeeds Mr. Putnam as cashier.

Control—Minnesota Bank

We offer for sale bare control in splendid bank, good one-bank town, located within 50 miles of Minneapolis. Has capital of \$25,000, deposits of \$255,000, no borrowed money, good reserve. Bank has remarkable record of earnings over a long period. Price, book value; deal involves about \$15,000. Part terms may be had if desired. Inquire File No. 518.

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F. C. McCabe Elected Assistant Cashier

Evanston—Frank C. McCabe, formerly assistant cashier and secretary of the West Side National Bank of Chicago has been elected assistant cashier of the Commercial Trust & Savings Bank.

H. E. Laufer Promoted

Kirkland—H. E. Laufer has been advanced from assistant cashier to president of the State Bank to succeed G. W. Ault, who resigned after holding that position for the past thirty years.

BANKING NOTES

State Bank to Have New Home

Ramona, Cal.—A new banking home 60x110 feet, two stories high, is to be built for the State Bank.

New Home for Oakland Bank

Oakland, Cal.—The Oakland Bank is now comfortably settled and doing business in their new \$1,000,000 home.

Bank Destroyed by Fire

Lake Nebagamon, Wis.—The Bank of Nebagamon was recently destroyed by fire. R. Baxter is president and cashier.

Pullman Trust & Savings Bank to Build

Chicago, Ill.—A two story bank building will be erected for the Pullman Trust & Savings Bank at an approximate cost of \$325,000.

New Bank Building Under Way

Davenport, Iowa—Work is progressing rapidly on the new Union-Davenport Trust & Savings Bank. It is expected the building will be completed early in October.

Will Build New Bank

Newell, S. D.—The directors of the Reclamation State Bank recently decided a new building must be prepared very soon as business has outgrown their present quarters.

Work on New Bank Building Started

Los Angeles, Cal.—Construction of the new bank building for the Hellman Commercial Trust & Savings Bank has started. It is to be 33x150 feet with banking quarters on the first floor.

THOMAS N. DYSART TO HEAD INVESTMENT BANKERS

Gloucester, Mass.—The board of governors of the Investment Bankers Association of America, meeting here July 15, nominated Thomas N. Dysart, of St. Louis, as president of the association and made other nominations which will be referred to the association at its annual convention in October. These nominations always have been equivalent to election.

Those nominated for vice presidents were: Barrett Wendell, Jr., Chicago; Frank W. Remick, Boston; J. A. Fraser, Toronto; Ray Morris, New York, and Eugene E. Thompson, Washington. Included among the nominees for the board of governors were: for one year, Sigmund Stern, Kansas City, Mo.; for three years, George Whitney, of J. P. Morgan & Co., New York, and Pierpont V. Davis, of the National City Company, New York.

The board, which consists of 34 men, adopted the report of the ethics and business practices committee which was presented by its chairman, John A. Prescott, Kansas City. The report recommended that certain statements commonly made in offering Joint Stock Bank bonds be avoided as misleading, these statements being such as were technically true, but liable to misconstruction by uninformed investors as indicating a government obligation or guarantee.

SURPLUS BANK — DAIRY DISTRICT

Capital \$25,000; surplus \$15,000; deposits \$550,000; loans \$300,000; bonds \$125,000; large reserve. Modern town of 2,000 with fine schools and churches; bank has paid \$4,500 annual dividend for past ten years. Control available at reasonable price; satisfactory arrangement on paper; investment about \$65,000. This is an exceptional proposition and will merit your investigation.

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CASHIERSHIP available in strong central Minnesota bank; requires \$5,000 to handle; thrifty German territory; full charge.

Deposits over \$300,000
No Borrowed

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A Stock Insurance Company Writing:

Accident and Health, Workmen's Compensation, Automobile, Teams, Elevator and General Liability, Automobile and Teams Property Damage, Burglary, Theft, Larceny, and Plate Glass Insurance. Fidelity and Surety Bonds.

Surplus to Policyholders over \$900,000.00

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MINNEAPOLIS, MINN.

History and Growth of Mutual Insurance

George M. Williamson, Vice President, Integrity Mutual Casualty Company, Chicago. From an Address Before the Montana Bankers Association, 1924 Annual Convention

In recent years the subject of insurance has received an increasing amount of attention by the various state bankers associations. The American Bankers Association also has given considerable time and study to the subject in an effort to ascertain whether the premium rate charged for the various forms of bank insurance was reasonable. Several state bankers associations, in an effort to secure relief, have organized or endorsed mutual insurance companies for the purpose of specializing in bank insurance. The applications of the mutual principle to the insurance requirements of the banker has found favor in those states which have adopted this course and the companies writing this business have been uniformly successful.

First American Mutual Insurance Company

A few facts in connection with the development of the principle of mutual insurance, therefore, will be of interest. It is a well known historical fact that all insurance was originally conducted upon the mutual plan. The first insurance company of record was organized in London, England, in November, 1696, under the title of "The Hand-in-Hand Contributionship for Insuring Houses from Loss by Damage by Fire." This was a mutual company and continued in business for over 200 years. The first American insurance company was also a mutual company and was organized by Benjamin Franklin after a visit to England where he had the opportunity of investigating the operation of the hand-in-hand contributionship.

Benjamin Franklin drew the first articles of association in March, 1752. He was the first signer of these articles and continued as a director of the company for many years. Robert Morris, the great American banker and financier of the American revolution, was the second signer and also served as a director until the year of his death. This mutual company was organized under the title of the "Philadelphia Contributionship for the Insuring of Houses from Loss by Fire." This famous insurance institution still continues in existence larger and stronger than ever before. It is still operated under the same charter and by-laws which the original incorporators subscribed to and this in a measure has become as historic as the famous Declaration of Independence which was also drafted and signed by many of the same American patriots who were instrumental in organizing the early American mutual insurance companies.

George Washington Insured in a Mutual Company

The second mutual insurance company in the United States was organized in December, 1794, under the title of "Mutual Insurance Society of Virginia." Its articles of incorporation were drawn by John Marshall, the first Chief Justice of the Supreme Court of the United States. George Washington, the first President of the United States, and Thomas Jefferson, the drafter of the Declaration of Independence,

were policyholders and members of the company. The original policy covering the home of George Washington is today on exhibition in the Congressional library at Washington, D. C. Like the Philadelphia Contributionship, this company is also still in successful operation. Its cash assets are in excess of \$6,000,000. During the period of existence of these two old American mutual insurance companies which has now exceeded a century and a half, they have paid millions of dollars in losses to their policyholders and have provided insurance protection of such character and strength that their indemnity has been beyond all question. Owing to the economical and efficient management, the cost of this protection has been reduced to a minimum.

The next important development occurred in New England more than 75 years ago when the manufacturers and mill owners in that section rebelled against the exorbitant rates charged for fire insurance and organized the famous New England Mill Mutual Fire Insurance Companies. These companies during their existence have reduced the cost of insurance to their policyholders from the rate which was then being charged of from 2½ per cent. to three per cent. to a net cost today of about one-tenth of one per cent.

Success of Flour Millers' Mutuals

The flour millers of the United States about 50 years ago also adopted the mutual insurance principle and organized a number of companies which have operated with great success. The cost of insurance upon this class of business has been reduced more than 50 per cent. by these companies which are now numbered among the strongest fire insurance companies in the United States. The lumber and woodworking industry and the hardware trade also were instrumental in organizing their own mutual insurance companies, all of which have been operated with great profit and satisfaction.

The advancement of the mutual insurance principle in the United States in recent years has been very rapid. The growth of mutual casualty insurance companies has been phenomenal.

NEW RECORD MADE IN LIFE INSURANCE

New York—There was 6.5 per cent. more life insurance written during the first six months of 1924 than in the corresponding period last year, according to figures sent to the Department of Commerce by the Association of Life Insurance Presidents, which represents 40 of the leading companies. This marks the first six months of this year as the period of the largest sales for any corresponding time in the history of life insurance, according to the association.

While the figures showed a remarkable growth, those for June were less than in the corresponding month last year. The figures submitted show that the total new life insur-

Northwestern National Life Insurance Company

MINNEAPOLIS, MINNESOTA

A PURELY MUTUAL OLD-LINE, WESTERN COMPANY

DIRECTORS

- F. A. CHAMBERLAIN, President First National Bank
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- J. A. LATTA, Vice Pres. Northwestern National Bank
- E. L. CARPENTER, Pres. Shevlin-Carpenter-Clarke Co.
- B. F. NELSON, Pres. Hennepin Paper Co.
- A. F. PILLSBURY, Treasurer Pillsbury Flour Mills Co.
- T. F. WALLACE, Treasurer Farmers & Mechanics Savings Bank
- JOHN T. BAXTER, Pres. Northwestern National Life Insurance Co.

ance, exclusive of renewals, increases and dividend additions, written by 40 companies controlling 77 per cent. of the business, was \$4,177,759,000, compared with \$3,922,361,891 in the same period of 1923, and \$3,162,363,000 in 1922.

Of the different classes of insurance it was found that ordinary life increased 7.1 per cent. in 1924, compared with 1923; industrial insurance increased 9.5 per cent., and group insurance decreased 20.4 per cent.

WELLS HOLDS AGENT IS OWNER OF EXPIRATIONS

St. Paul, Minn.—Insurance commissioner George W. Wells, of Minnesota, will fight for the rights of local agents in this state along the contention that where a company changes from one agency to another the expirations are the property of the agent who secured the business.

"We will do everything in our power to protect the local agents and their rights," said Mr. Wells in an interview.

"We consider the ownership of the expirations the property of the agent. This is the almost unanimous position of the companies on the subject."

Mr. Wells' statement resulted from a statement issued by W. B. Reed, vice president of the Northwestern National of Milwaukee, to the company's agents in which he holds their company has never committed itself to the principle that the agent is the sole owner of the renewals. Mr. Reed's statement says in part:

"We hold that both (the agent and the company) have equal rights; that in this respect agent and principal are on a parity and that as between them the business belongs to whichever can control them at expiration. We believe it is indisputable that the new agent is entitled to a complete record of the company's business in force within his own jurisdiction."

The point has never been ruled upon by a Minnesota court.

DAMAGES AWARDED FOR SHUTTING OFF POWER DURING FIRE

Janesville, Wis.—Damages of \$47,703 were given the Highway Trailer Company, of Edgerton, Wis., in its suit against the Janesville Electric Company through the decision of Judge George Grimm in the circuit court here. The decision is one of the most unusual ever handed down in the state and was prefaced by the judge's confession that he was not sure of the conclusion he was about to draw and that the angles in the case confused him greatly.

The Highway Trailer Company brought suit against the electric power company because of its negligence in shutting off power during the course of a fire which destroyed the trailer company plant at Edgerton. The electric company did not attempt to deny that it was negligence, but concentrated its effort upon showing that if such were the case it would constitute a breach of contract between the city of Edgerton and the Janesville Electric Company since the latter was under contract to supply the city with electric power. If such a breach existed under Wisconsin law an individual who had sustained losses would be remediless.

The judge held that the breach probably did exist, but that culpability of the electric company extended further, that it owed a duty to society and to every individual to whom it furnished light and power and that since destruction of the plant had been rendered easier through lack of water the electric company was responsible. Insurance

men were greatly interested in the case which had been fought since the fire, July 4, 1921, because of the ramifications of the responsibility of the electric company brought out by the suit.

R. M. BISSELL,
President

WILLIAM WALSH
Secretary

Twin City Fire Insurance Company

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Fire, Tornado, Hail, Automobile, Tractor Insurance

Annual Statement

Federal Insurance Company

Jersey City, New Jersey

January 1st, 1924

Assets	\$8,201,600.05
Liabilities	2,269,499.96
Cash Capital	1,000,000.00
Reinsurance Reserve	2,616,833.57
Surplus to Policyholders.....	3,315,266.52

FIRE, LIGHTNING, TORNADO, HAIL AND RAIN INSURANCE

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WESTERN DEPARTMENT

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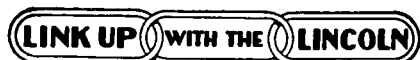
Candidates have been named and political leaders are pledging to "stand by the ticket."

Such is the attitude of The Lincoln National Life Insurance Company towards its agents.

Our field men deserve our best support.

Accordingly we bend all our efforts to give prompt and efficient service in every line of their endeavor.

This helpful spirit of The Lincoln National Life towards its "Standard Bearers" in the field makes it pay to



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"Its Name Indicates Its Character"

Lincoln Life Building Fort Wayne, Indiana
Now More Than \$325,000,000 in Force

Labor Banks as an Aid to Progress

Labor banks are praised as a boon to social progress by Charles E. Mitchell, president of the National City Bank, in an article in the *Labor-Banker*, the official organ of the Brotherhood of Locomotive Engineers. Mr. Mitchell's statement says that "more savings, more banking business, increased demand for labor, greater prosperity and an impetus to social progress, will be the result" of labor's entry into the field of banking.

In welcoming labor banks into the competitive field of banking, Mr. Mitchell says old-time bankers think they are a good thing for the whole banking business.

"First, there has been in the past an air of mystery about the banking business," says Mr. Mitchell. "A great many good and sincere people have not understood the service which banks render in the community, have believed that they enjoyed special privileges of some kind, and were parasites on industry. That idea had tended to cause ill feeling and antagonism toward the business, and no amount of protest or argument on the part of bankers themselves could overcome it. Now it has been demonstrated by the labor banks that banking is not a privileged business, but is open to all, and that it performs useful functions in society. That is one of the reasons why from the very start we have welcomed the labor bank, because it banishes mystery and misunderstanding.

"Second, we have believed and urged that thrift—saving something out of one's income for investment against future needs—is not only a good thing for the individual who practices it, but is good for the community. Every dollar saved and invested means, first, financial independence for the owner; second, a demand for labor in construction work of some kind; third, improvement or enlarged facilities of production, the influence of which is to cheapen the cost of living in some way. In short, the accumulation and investment of capital is the chief means of improving social conditions."

The banking doctrine of thrift, he says, has now been carried to the homes of the nation's laborers, and thus will aid social progress.

"Furthermore, we think the logical tendency from this development of labor banks will be for labor to take a larger part in all kinds of business, and that this will be for the general good. We do not think that the wage-earners should be nothing but employees, but that they should plan to share in ownership. The modern form of corporate organization makes it possible for thousands of persons to participate in the ownership of an industry, either as bondholders or stockholders, and we believe it will be for the good of the country to have the railroads and large industries owned in this manner."

Crissinger in Favor of More Circulation Bonds

Washington—Governor Crissinger of the Federal Reserve Board is of the opinion that, instead of reducing the circulation bonds, and, with them, the national bank notes, the Treasury should issue more bonds bearing the circulation privilege. Governor Crissinger's opinion is of especial value because of his banking experience and the fact that, as Comptroller of the Currency, he came into close contact with the operation of the national banking system.

Governor Crissinger believes that the national bank notes constitute an excellent currency which the country could not well afford to lose. He believes that the government would be wise in funding some of the war bonds with bonds bearing the circulation privilege and also a higher rate of interest.

National banks cannot afford to hold circulation bonds if they are not using them, as they return but two per cent. If a three per cent bond, bearing the circulation privilege were issued in substantial volume, national banks could obtain them at any time they might wish to add to their circulation.

The governor recognizes that it is not improbable that the country again may see a period like that in 1920-21 when the full note issuing capacity of the Federal Re-

serve System was utilized. In such a time the national banks could meet the need for more credit and currency by increasing their national bank circulation. After the emergency these could be retired. They would not be so elastic as Federal reserve notes, but more elastic than no additional currency at all.

Comptroller of the Currency Dawes has not expressed himself on the desirability of issuing more circulation bonds but he is opposed to the retirement of the national bank currency.

It is recognized here that had the Treasury announced its policy of retiring the national bank notes during the session of Congress, loud protest would have been made. The fact that the announcement was made during a recess and at a time when the attention of press and public was riveted on politics resulted in little attention being accorded it. It is believed here that but few national bankers realize that the policy is likely to put the last national bank note out of circulation in a little more than five years.

Increase in Gold Imports Presents Unique Problem

New York—The Federal Reserve Board of Washington and reserve banks in New York and other cities are coming to grips with a new and unique problem, that of determining what to do with America's rapidly increasing gold supply. America is in danger of getting too much gold, bankers said yesterday, and the picture drawn by some European economists of the United States standing in danger of the same fate suffered by Midas can become true figuratively, if not literally.

For the first six months of this year the importation of gold totaled \$243,515,378, or more than double the importation of the first half of 1923. In 1923 it was argued by many economists that the shifting of gold was about to change; that tourist traffic from the United States to Europe would serve to alleviate the inundation now experienced. Bankers said it was with disappointment that they conceded this theory to be incorrect.

The gravest danger, it was said, lies in the possibility of gold inflation. With every addition of one dollar to the country's gold reserve, the country's credit structure has been increased by seven or more times, and this in turn has given an urge to speculation. The Reserve Board has devoted considerable study to this phase of the problem, and conflicting remedies for the situation have been suggested. Efforts to avoid the danger of gold inflation by placing gold notes in circulation were said to have helped and at the present time artificial methods are proposed, such as setting aside some of the surplus gold stocks and earmarking them for eventual return to Europe, and not to be regarded as part of America's gold supply.

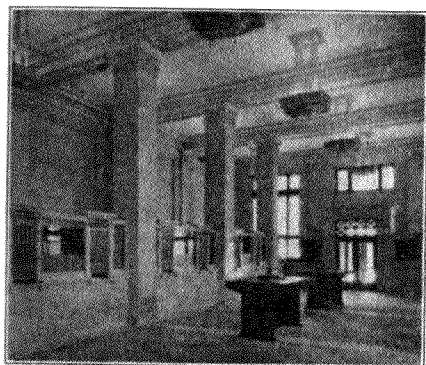
Gold imports in June were \$30,534,624. For the last three six-months periods gold imports have been \$115,675,282, \$198,059,964, and \$243,515,378 respectively. The total of the country's gold stocks on hand stood at \$4,490,716,239 on July 1, the highest record yet reached.

In every month of this year gold imports have exceeded the figures for the same months of last year, the closest approach to the same figure having been in May, when the 1924 figure was \$42,779,678, against \$41,469,755 in May of 1923.

NEW SECURITIES IN LONDON MARKET

New York—There was a very marked expansion in new issues of securities on the London market during the month of May. According to advices received by the Bankers Trust Company of New York. The total amounted at par of exchange to over \$194,640,000, the highest since October last. It compares with only \$32,116,000 in April and is not far short of double the monthly average in 1923, \$115,811,000.

The total of new issues in the first five months of the current year, \$523,582,000, is still below that for the corresponding period of 1923, \$780,506,000. Flotations on behalf of foreign borrowers, however, show an increase over these periods from \$101,699,000 to \$168,850,000.



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DEPARTMENT OF BANK EQUIPMENT

A Boston Bank's View of General Conditions

Boston, Mass.—The First National Bank of Boston in its New England Letter, dated July 15, says:

"Midsummer dullness is this year greatly accentuated by a continuation of the severe business reaction which began nearly a year ago. Business forecasts generally pronounce fundamental conditions sound and predict an increase of activity during the fall. This opinion is based on a plethora of money available at low rates of interest; reasonable stocks of merchandise on hand; sharply curtailed production adjusted to orders in sight; a most conservative program of ordering goods for immediate needs only, evidenced by low records of unfilled orders; and finally, the existence of heavy purchasing ability of consumers. These all are factors contributing to soundness and also are stimulants to better business likely to become effective in the near future. Money, not needed for the moment in business, is seeking outlets for investment, as witness the feverish activity in bonds at rising prices. The cotton textile industry is still in the doldrums, operating at about half capacity with no signs of improvement yet discernible. Woolen manufacturing is dull and curtailment increasing. The same may be said of the shoe factories. The building construction boom has apparently passed its peak and costs seem to be entering a period of slow decline, although projects under way plus work urgently needed are likely to keep fully employed for another year the limited number of available trained workmen. This last item is an important factor in the prediction of a resumption of better trade conditions during the fall and winter.

"The sharp increase in wheat prices brings to the surface another feature in the situation, which, in the opinion of many, has been mainly responsible for the uncertainty and recessions in business, namely, the mal-adjustment or relatively heavy impairment of the agricultural workers' purchasing power. Since 1921, this handicap has been steadily reduced. The figures seem to show that the exchange value of the farmer's products has risen from below 50 per cent. to nearly 80 per cent. of the 1913 normal, and is gaining rapidly."

THE NEW YORK STOCK MARKET

Price movements in the security markets recently have reflected a more cheerful feeling and an undertone of quiet confidence. Investment issues naturally have responded to favorable money market conditions, while the advance in grain prices has been hailed as a development of major importance, with the probability of far-reaching consequences of a constructive character.

Much gratification is likely to be felt also over the decision of the Interstate Commerce Commission against reduction of railroad rates on farm products. This will be generally accepted as sound policy, not only because the rise in grain prices has improved the position of the farmer, but also because it is manifestly unfair that the railroads should be forced to bear the burden of adverse economic conditions of a particular group.

We believe the market is entering upon a constructive

stage. Many unfavorable features have been discounted, and in making this statement we do not believe that exception should be made of the oil situation which must be nearing the end of its depression. We look with special favor on the rails, public utilities, coppers and shares of the electrical manufacturing companies, and feel that the time is at hand for scale down purchases of the oil shares. —W. J. Wollman & Co. Review.

NEW RULING MADE ON THIRD CLASS MAIL

Washington—Provisions of the postal laws and regulations governing the insurance and collect on delivery services applicable to domestic fourth class or parcel post mail have been extended to cover third class domestic mail which is insured or sent collect on delivery.

Third class matter includes miscellaneous printed matter on paper, such as cards, photographs, calendars, etc., also proof sheets, corrected proof sheets and manuscript copy accompanying the same.



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Late Legal Decisions

Burden on defendant, in action to enjoin enforcement of notes, to show it was bona fide purchaser where fraud established.

Fraud in procuring note having been established, burden was on defendant transferee, in suit to restrain it from attempting enforcement, to establish that it was a bona fide purchaser and had taken note in due course and for value without notice of its infirmities.

Fraud in procuring note having been established, burden was on transferee to establish not only that it had no knowledge of fraud when it took the note, but also that it had no knowledge of fraud when it paid for it, as where it gave a certificate of deposit which remained in hands of persons fraudulently procuring notes until after transferee acquired notice.—*Miller et al. v. Jackson City Bank et al.* Supreme Court of Michigan, 198 Northwestern Reporter, 996.

Commissioner has no greater rights in premises owned by bank than those of bank under liquidation. Also, bank obtaining loan on representation that mortgage assigned was outstanding estopped to claim contrary.

Commissioner of banks has no other or greater rights in premises owned by bank than those of bank which he is liquidating; there being no intervening rights of third persons.

That vote authorizing president of bank to assign notes was in conflict with by-laws of bank could not affect right of assignee of note and mortgage, who was ignorant of by-laws; president in making assignment acting within apparent scope of authority.

A bank having obtained loan on express or implied representation that mortgage assigned was outstanding, is estopped to deny validity of mortgage as outstanding security, notwithstanding that lender had constructive notice from records that mortgage was discharged.

One lending money to concern which was in fact borrowing it for use of bank was not affected by bookkeeping entries of borrower and bank, where he had no knowledge of transactions between bank and borrower.—*Commissioner of Banks of Commonwealth v. Weisberg.* Supreme Judicial Court of Massachusetts, Suffolk, 143 Northeastern Reporter 910.

Maker held without defense or offset because of an unrelated transaction.

Where defendant, on settlement of accounts with R., gave note which was endorsed to a bank, and R., having used money of a corporation in which defendant was interested, defendant and another borrowed money from the bank and gave note which they subsequently paid, it is held that the transactions were not related and defendant had neither defense nor offset to the first note.—*First National Bank of Ann Arbor v. Rhead et al.* Supreme Court of Michigan, 198 Northwestern Reporter, 988.

Deposit by county in excess of 50 per cent. of paid-up stock protected in entirety by depositors' guaranty fund.

Where a county treasurer deposits public funds in a state bank in excess of 50 per cent. of the paid-up capital stock of said bank, the entire deposit is within the protection of the depositors' guaranty fund.—*State ex rel. Davis, attorney general v. People's State Bank of Anselmo. McCandlers, county treasurer, v. receiver of People's State Bank of Anselmo et al.* Supreme Court of Nebraska, 198 Northwestern Reporter, 1018.

Deposit evidenced by certificate held within bank guaranty fund.

Where a bank in good faith receives negotiable paper from a customer and, in place of paying the money over the counter at the time the notes are negotiated, issues to him a certificate of deposit payable at a future date, no fraud or collusion being shown, the legal effect is the same as if the money itself had actually been placed upon deposit, and, as respects the bank guaranty fund, the deposit evidenced by the certificate so issued stands upon the

same footing as any other deposit.—*State ex rel. Davis, attorney general, v. American State Bank, Lincoln, et al.* Supreme Court of Nebraska, 199 Northwestern Reporter, 21.

Independent promise held consideration for indorsement.

In action on note wherein defendant indorsers claimed that there was agreement to apply proceeds in payment of other notes, whether person obtaining indorsements represented plaintiff it is held for jury.

In action on note against indorsers, defendants could set up defense of partial failure of consideration in that plaintiff's agent promised and failed to take up all of certain other notes on which defendants were liable, in view of G. L. c. 107, section 51.

Where defendants indorsed note under agreement by payee that certain other notes would be taken up out of proceeds and only part of such notes were taken up, there was not a want of consideration; the original independent promise of defendants presumably supplying it.—*Finance Corporation of New England, Inc. v. Maynard et al. Maynard et al. v. Finance Corporation of New England, Inc.* Supreme Judicial Court of Massachusetts, Suffolk, 143 Northeastern Reporter, 908.

Term "till maturity" in guaranty contract construed.

The term "till maturity," when used in a contract guaranteeing a promissory note, means "at maturity," where that is the import of the context under circumstances showing that any other interpretation would make the guaranty inoperative.—*Lancaster Farmers' State Bank et al. v. Buckner.* Supreme Court of Nebraska, 198 Northwestern Reporter, 1016.

Failure of one of original indorsers to indorse renewal note held no defense in action thereon.

It was no defense to payee's action on corporation's renewal note against directors who had indorsed that another director who had indorsed original note did not endorse renewal note, in absence of evidence of agreement that renewal notes were to be indorsed by such director, or that bank had notice of such agreement.—*First National Bank of Ypsilanti v. Apex Motor Corporation et al.* Supreme Court of Michigan, 198 Northwestern Reporter, 925.

Maker of note held estopped to assert fraud and want of consideration.

Maker of note, by executing to bank authority to purchase same, containing statement "there are no offsets or conditions against this note," is held to have estopped himself from asserting fraud or want of consideration as against bank purchasing note in good faith without notice of any defects.—*Bank of Centerville, v. Larson.* Supreme Court of South Dakota, 199 Northwestern Reporter, 46.

Bank held authorized, on presentation of bill of lading by shipper, to make payment from deposit.

Where purchaser of 10 carloads of grapes deposited \$2,000 in bank, which was authorized to deliver to seller \$200 for each carload shipped, bank was authorized, on presentation of bill of lading by shipper, to make payment, and was under no obligation to ascertain whether grapes were of quality and in condition called for by contract, even though inspector's certificate showed grapes were not merchantable.—*Tocco v. Rinaudo et al.* Supreme Judicial Court of Massachusetts, Suffolk, 143 Northeastern Reporter, 905.

LARGER INCOMES IN GREAT BRITAIN

New York—One hundred and thirty-seven taxpayers in Great Britain and northern Ireland paid taxes for the year 1922-23 on incomes of £100,000 and over, and the total of super-tax payers was 84,589, who paid on a total income £497,741,215, according to figures compiled by the Financial Secretary to the Treasury.

Population of Larger Cities in the United States

Washington—Eleven cities have grown into the 100,000 population class during the past year. Estimates of population of the principal cities of the country as of July 1, this year, show there are 79 having 100,000 or more as compared with 68 last year.

The census bureau in preparing the estimates did not calculate the population of some of the rapidly growing cities, such as Detroit, Los Angeles, Seattle, Denver, Akron, Bridgeport, Houston and Spokane.

The population of the country on July 1 is estimated at 112,078,611.

The relative rank of some of the cities is changed by their newly estimated population. New Orleans has passed Cincinnati, Rochester has outgrown Jersey City, St. Paul has surpassed Providence, Oakland's population has grown so that it now outranks St. Paul and Providence, and Springfield, Mass., has passed Grand Rapids.

New York has passed the 6,000,000 mark, Chicago is approaching 3,000,000 and Philadelphia the 2,000,000 mark, while Cleveland is somewhat short of 1,000,000. Detroit for which no estimate was made, likely has passed the 1,000,000 mark as its population was estimated at almost 996,000 a year ago. The estimates of population of the 79 cities in the 100,000 class follow:

New York, 6,015,504; Chicago, 2,939,605; Philadelphia, 1,951,076; Cleveland, 912,502; St. Louis, 812,698; Baltimore, 684,983; Boston, 776,783; Pittsburgh, 625,915.

San Francisco, 548,284; Buffalo, 545,273; Milwaukee, 492,087; Washington, 486,936; Newark, 445,606; Minneapolis, 417,280.

New Orleans, 409,534; Cincinnati, 407,835; Kansas City, Mo., 359,650.

Indianapolis, 350,425; Rochester, 325,211; Jersey City, 312,157; Portland, Ore., 278,002; Toledo, 276,359; Columbus, 266,709; Louisville, 258,465; Oakland, 246,893; St. Paul, 243,946.

Providence, 243,745; Atlanta, 227,710; Omaha, 208,025; Birmingham, 200,785; Worcester, 195,405; San Antonio, 191,398; Syracuse, 188,060; Dallas, 187,862; Richmond, 183,723.

New Haven, 175,947; Memphis, 172,276; Dayton, 169,236; Norfolk, 164,105; Hartford, 156,167; Youngston, 155,153; Springfield, Mass., 148,402; Grand Rapids, 148,322.

Fort Worth, 148,107; Des Moines, 145,053; Scranton, 141,457; Paterson, 140,637; New Bedford, 136,602; Trenton, 129,705; Salt Lake City, 128,564; Camden, 126,399; Nashville, 123,424; Fall River, 121,034.

Wilmington, Del., 119,888; Albany, 118,527; Kansas City, Kan., 117,762; Lowell, 115,755; Cambridge, 111,944; Reading, 111,812; Tulsa, 111,328; Yonkers, 109,618; Duluth, 108,395.

Utica, 105,315; Oklahoma City, 103,980; Lynn, 103,693; Tacoma, 103,093; Canton, 102,754; Jacksonville, 102,471; El Paso, 100,624; Schenectady, 100,467; Somerville, Mass., 100,440.

CHANGES IN BUREAU OF MINES

Washington—The St. Louis office of the Bureau of Mines was discontinued on July 1, 1924. C. E. Van Barneveld, superintendent of the Mississippi Valley Station, Rolla, Mo., with which the St. Louis office was connected, has resigned. B. M. O'Harra is acting as superintendent of the Rolla station.

An office of the Petroleum Division of the Bureau of Mines is being established at Laramie, Wyo., at the University of Wyoming. D. B. Dow, who has been attached to the Petroleum Experiment Station at Bartlesville, Okla., will be the engineer in charge of the Laramie office.

NEW NORTHWESTERN PATENTS

The following patents were issued July 15, 1924, to Minneapolis inventors, as reported by James F. Williamson, Patent Attorney, 925 Metropolitan Life Bldg., Minneapolis, Minn.:

Herman L. Anderson, Minneapolis, trestle for supporting a scaffold; Cyrus W. Armitage, Canby, Minn., ladder bracket; Anna L. Gage, Minneapolis, headband for use in connection with bathing caps; Vance C. Garrison, Bemidji, Minn., sliding-jaw wrench; William O. Gorrell, Plainview, Minn., tackle box; Charles O. Halling, Milan, Minn., rim breaking, contracting and expanding device; Helen E. Hollingsworth, Minneapolis, doll; Lee W. Lund, Duluth, Minn., starting means for electric motors; Jacob Mattson, Duluth, Minn., grain door; DeWitt Nelson and C. H. Burrows, Minneapolis, resilient wheel and tire structure; Ralph C. Peter, Minneapolis, oil-spout cleaner; Charles V. Peterson, Braham, Minn., conveyor; Chris M. Peterson, Minneapolis, process and apparatus for treating milk; Andean G. Ronning and A. Ronning, Minneapolis, ditching machine; George J. Saffert, New Ulm, Minn., molding method and apparatus; Alfred B. Seppmann, Lake Crystal, piston-bushing extractor and replacer; Alfred B. Seppmann, Lake Crystal, tool for inserting and removing valve pins; Joel L. Wallin, St. Paul, Minn., shoe-rest cabinet; Claud Port, DeSmet, S. Dak., two-point connector light plug.—(Advertisement.)

tion with bathing caps; Vance C. Garrison, Bemidji, Minn., sliding-jaw wrench; William O. Gorrell, Plainview, Minn., tackle box; Charles O. Halling, Milan, Minn., rim breaking, contracting and expanding device; Helen E. Hollingsworth, Minneapolis, doll; Lee W. Lund, Duluth, Minn., starting means for electric motors; Jacob Mattson, Duluth, Minn., grain door; DeWitt Nelson and C. H. Burrows, Minneapolis, resilient wheel and tire structure; Ralph C. Peter, Minneapolis, oil-spout cleaner; Charles V. Peterson, Braham, Minn., conveyor; Chris M. Peterson, Minneapolis, process and apparatus for treating milk; Andean G. Ronning and A. Ronning, Minneapolis, ditching machine; George J. Saffert, New Ulm, Minn., molding method and apparatus; Alfred B. Seppmann, Lake Crystal, piston-bushing extractor and replacer; Alfred B. Seppmann, Lake Crystal, tool for inserting and removing valve pins; Joel L. Wallin, St. Paul, Minn., shoe-rest cabinet; Claud Port, DeSmet, S. Dak., two-point connector light plug.—(Advertisement.)

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LEGAL DECISIONS
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North Dakota Live Stock in Fine Condition

Bismarck, N. D.—North Dakota farm conditions appear to be exceptional this year in almost every particular, according to reports of an official, and semiofficial nature, and from private sources.

Not only are all small grains in the best condition in years, except in a few widely scattered and entirely localized districts, but, according to a report from J. G. Diamond, agricultural statistician for the Federal division of crop and live stock estimates, pastures, ranges, cattle and sheep all show a condition on July 1 above that of a month ago.

With a plentiful supply of green feed in practically all districts of the state, cattle and sheep have gained rapidly during the past month and are now fully up to average for the season, says the report. The July 1 condition of cattle was 91 per cent. of a normal compared with 83 a month ago and 92 a year ago, while sheep averaged 93 on July 1 compared with 89 on June 1 and 93 a year ago.

Pastures and ranges improved markedly during the month, pastures on July 1 showing 87 per cent. of a normal compared with 73 on June 1 and 82 a year ago, while ranges averaged 90 on July 1 compared with 77 a month ago and 86 a year ago.

Farm prices for cattle and sheep averaged slightly lower on July 1 compared with June 1, and a year ago, old sheep and breeding stock showing the greatest decline.

HAIL TAXES EXCEED LOSSES IN NORTH DAKOTA

Bismarck, N. D.—Thirty-eight counties in the state have paid more hail insurance taxes than they have received payments for hail losses, in the last five years, while 15 counties have received greater loss payments than they have remitted in taxes, according to the audit of the state hail insurance department made by O. B. Lund, accountant.

The total excess of tax payments over loss payments is \$4,007,255.16, the department having a large surplus.

WAR FINANCE CORPORATION'S LIBERAL POLICY

Bismarck, N. D.—The War Finance Corporation, which holds notes of several suspended banks, will continue to adopt a liberal policy in aiding the banks to reopen and in conserving assets, according to George Shafer, attorney general, who recently returned from the Twin Cities, where he, C. B. McMillan of the Guaranty Fund Commission and Gilbert Semington, state examiner, conferred with the officials of the corporation for the Northwest.

BARNES COUNTY FIRE MAY COST NORTH DAKOTA LARGE SUM

Bismarck, N. D.—The state fire insurance fund will suffer a loss of approximately \$100,000, if the adjustment shows the loss total, in the Valley City courthouse fire, according to Harold Hopton, manager.

There was \$80,000 insurance placed on the building and \$40,000 on the contents. Of this amount \$30,000 was carried as re-insurance in old line companies, placed through Valley City agents, according to Mr. Hopton. The net loss to the state, if complete, would be about \$100,000, he said. Under the law the state fund cannot assume a single risk in excess of \$100,000.

OVER TWO MILLION DOLLARS COLLECTED ON NORTH DAKOTA SEED LOANS

Grand Forks, N. D.—Out of a total of 32 accounts the Federal Seed Loan Commission with headquarters in Grand Forks has collected a total of \$2,425,879.11 on the principal and interest on outstanding 1921-1922 loans, leaving a total of \$1,153,069.74 on the principal unpaid June 30.

The territory under the jurisdiction of the local office comprises the states of North Dakota, South Dakota, Montana and Washington, and 66.5 per cent. of the principal on outstanding accounts has been collected, according to L. E. White, administrative officer in charge.

The amount of loans made in 1921 was \$1,957,407.20 and of this \$1,237,855.17 or 63.2 per cent. of the principal had

been collected up to June 30. The 1922 loans amounted to \$1,480,106.69 and \$1,046,588 or 71 per cent. has been collected.

In North Dakota \$1,468,667.25 was loaned during the two years and June 30 \$1,072,258.73 or 73 per cent. of the principal had been collected. Most of the loans are made in North Dakota and Montana, according to Mr. White.

Approximately 8,000 of the 32,000 accounts still remain unpaid, but the renewal campaign was more successful this year than before, Mr. White says, only 700 debtors still on farms failing to renew. Exclusive of those who failed to renew it is expected that the 8,000 accounts will be cleaned up this fall.

BANK SUIT IN SOUTH DAKOTA ENDED BY INVALID PAPERS

Sioux Falls, S. D.—Dismissal was made by Judge James D. Elliott in United States District Court, of the case of John Hirning against Asa Loucks. The plaintiff, as public examiner and state superintendent of banks, in charge of the State Banking and Trust Company, of Watertown, was suing Loucks for his assessment in connection with the closed bank. Judge Elliott held that, since the defendant was a resident of Montana, and since the papers had been served on him while he was in this state as court witness, the action was not valid. Loucks was testifying at a case in Moody county when the papers were served upon him.

SOUTH DAKOTA SILVER-LEAD MINE TO BE REOPENED

Deadwood, S. D.—Eastern parties, it is announced, have taken over the old Spokane mine, in the Hill City district. It is stated that the mine will again be placed on a producing basis. In the early days of the Hill City district it was one of the well-known producing mines of that section. It is a silver-lead proposition, its ore carrying about 60 per cent. lead. While the silver content is not so high, the lead, for which there is a good demand, makes it a valuable proposition. The present shaft will be sunk to the 300-foot level, drifts and cross-cuts driven, stopes excavated and the mine worked for its lead and silver. There is a good mill on the property and this will be employed in treatment of the ores.

FARMERS OF NORTHWEST TO RECEIVE SHEEP THROUGH AGRICULTURAL CREDIT CORPORATION

Minneapolis—With more than 1,000 high grade dairy cattle distributed among farmers of the Northwest by the agricultural credit corporation and 200 local committees organized to carry on and perpetuate the work of developing the dairy industry, the corporations executive staff has begun work on the second step in its promotion of farm diversification—the distribution of sheep to farmers.

The corporation has shipped five carloads of choice dairy cattle to North Dakota communities this month, scattering them over the state and bringing the total of animals placed in two months to well over 1,000.

BANKER ELECTED TREASURER OF SIOUX FALLS CHAMBER OF COMMERCE

Sioux Falls, S. D.—H. D. Wagner, secretary-treasurer of the E. C. Olson Company, was elected president of the Sioux Falls Chamber of Commerce recently. R. F. Flint, manager of Bridgeman-Russell Company, was elected vice president, and H. V. Harlan, vice president of the Minnehaha National Bank, was selected treasurer. Charles McCaffree continues as secretary.

SOUTH DAKOTA UTILITY COMPANY BONDS

New York—Guaranty Trust Company of New York has been appointed trustee, paying agent, and registrar under Consolidated Power and Light Company of South Dakota indenture dated July 1, 1924, securing an issue of \$350,000 par value 6 per cent. gold notes due July 1, 1925.

Development of South Dakota's Highway System

Pierre, S. D.—Statewide interest in South Dakota's developing a network of trunk highways has in recent years overshadowed a systematic forward movement of county highways which, nevertheless, in the last fiscal year absorbed a grand total of \$4,222,839 in road and bridge improvement, according to G. H. Henry, secretary of the state highway commission.

While no definite report has been obtained on the total extent of the state's system of county roads, these have been creeping ahead toward definite goals provided in the same legislative act that created the state trunk system in 1919, Mr. Henry said.

Construction of county roads is provided through a county tax levy, he pointed out. Their maintenance is cared for by distribution back to counties, in proportion as it is paid in, of 27 per cent. of the motor vehicle license fees. While most of the work thus far has been concerned with grading projects, some of the older and more prosperous counties are well advanced on programs of gravel surfacing, according to the secretary.

All bridges and culverts on county systems are built in accordance with uniform plans provided by the state bridge engineer, and specifications for road building are furnished by the highway department. The superior grade and drainage methods which have been worked out for the trunk system is having marked influence toward raising the standard of county work, in the opinion of Mr. Henry, and has led this year to a deluge of visits by county road builders to gain the advice and aid of the state highway department on betterment of local projects.

PREPARATIONS COMPLETE FOR RAILROAD CROP MOVEMENT IN SOUTH DAKOTA

Pierre, S. D.—On a basis of accurate distribution that has been possible only in the last two years, railroad freight carriers operating in South Dakota are setting aside cars at every siding and unused spur in anticipation of the huge annual outgoing movement of grain, according to J. W. Raish, member of the state board of railroad commissioners and also of the grain committee of the Northwest Regional Advisory Board.

The supply of railroad freight cars will be ample this year and should be promptly handled when the movement starts late in August, Mr. Raish said. By that time, long strings of "empties" will be lined up in readiness for the trip to grain terminals. The average advance reserve in South Dakota has been around 2,000 cars in recent years, he estimated.

While the roads always have been forced to take advance steps to care for the abnormal fall shipments, preparations have been systematically undertaken only since a plan of cooperative reports through the Advisory Board was inaugurated in January, 1923, he said. Definite information has since been in process of compilation from shipping agencies all through the Northwest, and adequate forecasts made for the guidance of the carriers.

Accordingly, at the last meeting of the board it was forecast that out of a total of 305,669 cars required to move the North and South Dakota, Minnesota and 1924 grain crop from the state of Montana, 85,541 would be employed in South Dakota. It will take 89,470 cars to carry the corn and flax production of the four states and of this number South Dakota will require 38,427.

During June, July and August, it was estimated that it would take 1,150 cars to move shipments of flour, feed and hay out of the state.

In addition to the reports on which these totals were compiled by the board, the organization also received similar data and estimates through various committees including those on lumber, live stock, potatoes, coal and dairy products.

SOUTH DAKOTA HAS INCREASINGLY HIGH AVERAGE OF MILCH COWS

South Dakota is gradually insuring itself against hard times that unavoidably happen, and is doing this by an increasingly high average of milch cows. The average num-

ber of cows per hundred inhabitants in the United States is 24, we are told. Wisconsin leads all the states with an average of 84; Minnesota is second with an average of 70, and our own state comes third with an average of 68 milch cows per 100 inhabitants. U. G. Reininger is right when he says that the cow is one of the most important links in the mixed farming chain, and that the splendid pasture and farm lands in this state make possible the maintenance of many times the number we now have.—Editorial, Daily Argus Leader, Sioux Falls, S. D.

TWO SOUTH DAKOTA BANKS ARE SUED IN FEDERAL ACTION

Omaha, Neb.—Suit was filed in Federal Court here recently by the Federal Land Bank of Omaha against the United States National Bank and the Omaha National Bank of this city, as an outgrowth of alleged embezzlements of N. C. Klein, former secretary-treasurer of the Sisseton National Farm Loan Association of Sisseton, S. D.

Klein, under indictment charged with violation of the Farm Loan Act, and who is out on bond pending trial, is alleged to have embezzled more than \$50,000 loaned to members of the Sisseton association by the Federal Land Bank.

In the suits instituted, the Land Bank seeks to recover approximately \$5,000 from the United States National Bank which had been loaned to Michael Reiser of Sisseton, secured by a farm mortgage. A check for this amount, made payable to Reiser, was sent to Klein as secretary of the association, through which the loan was negotiated.

Klein, it is charged in the indictments returned against him by the Federal grand jury, forged Reiser's name to the check and cashed it, later representing to Reiser that he had not received the money.

In a similar manner, Klein is alleged to have embezzled nearly \$48,000 sent by check to him for nine other farmers members of the Sisseton association.

SOUTH DAKOTA STATE CEMENT PLANT SOON TO BEGIN SELLING

Sioux Falls, S. D.—Formal announcement has been made by the state cement plant of the appointment of E. H. Backemeyer, veteran concrete products expert, as sales manager of the South Dakota cement plant under construction at Rapid City and scheduled to commence operations in less than three months.

The state cement plant expects to begin grinding and burning—that is, preparing the cement for the market—in October, and the first of the state-manufactured product will be ready for the market in November. This, Mr. Backemeyer declares, puts the plant in splendid shape for the exploitation of 1925 business.

SIGNBOARDS PROTESTED IN SOUTH DAKOTA

Lead, S. D.—The scenery in the Black Hills is too rare to be marred or hidden by signboards along the highways, the Lawrence county commissioners decided. They have issued warning that such signs will be summarily destroyed without notice to the owners.

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Montana's Turn Toward Greater Prosperity

A few years ago when other agricultural states were having bumper crops of corn and wheat and other grain, and receiving record prices for them, Montana was in the throes of drouth, cutworms, grasshoppers and general crop failure. Our farmers had very little to sell at any price.

This year it looks as though the shoe is going to be on the other foot. Montana's crop prospects are excellent, the best in years, it is reported from almost every section of the state. And the indications are for better prices than have been received for several years. No need to explain, for instance, what \$1.50 wheat will mean for Montana farmers, and the failure of the Canadian wheat crop has led grain experts in the central market points to predict that wheat will sell that high this fall.

Even though it may not reach that fixture, it is the general consensus that it will be a better price than for several years past, due to a general world shortage of wheat and other grains, as well. It is estimated by grain experts that the agricultural wealth of the country has been increased a billion dollars by the recent advances in the price of grain. Due to the fact that she has an excellent crop this year, Montana will probably get a proportionately larger part of that billion dollars than other agricultural states which are not so fortunate.

But there is this to remember. The states which are now experiencing discouraging failures in crops are for the most part those in which diversified farming has been intensively pursued. That will render their economic distress less poignant for it is the history of such sections that they can go through years of crop failure with less grief than those sections which are dependent entirely upon grain crops. There is in this a lesson for the Montana farmer. Had he been generally devoted to the diversification plan he would have had an easier time during the lean years. In time of peace "prepare for war." Now that Montana agriculture is coming back into her own let us not lose sight of the benefits that would have been ours had our farmers been engaged in diversified farming during the years of drouth. Now when we are becoming more prosperous is the time to develop insurance against future hard times by getting the corn, hogs, and milch cow habit.—The Billings Gazette.

METALS PRODUCTION IN MONTANA

Washington—The production of copper, lead, and zinc in Montana was proceeding at a somewhat better rate early in 1924 than in 1923, according to a statement issued by the Department of the Interior, based on statistics compiled by C. N. Gerry, of the Geological Survey. The output of gold, however, was decidedly less and many of the silver mines had ceased operations. The price of lead was high and averaged about 8.5 cents a pound from January to May, but the prices of silver, copper, and zinc decreased and were much less than those of 1923. Copper at 12.5 cents a pound is not considered encouraging for deep mining at Butte, and the Anaconda Copper Mining Company

decreased its output in May by closing the Tramway mine and by curtailing operations at the Colorado mine which was recently acquired from the Davis Daly Company.

The gold produced in Montana in 1923 was valued at \$1,758,748, an increase from \$1,656,757 in 1922, in spite of the fact that no dredges were at work in Madison County. A large part of the gold came from the property of the Anaconda Copper Mining Company, at Butte; the Ruby Gulch mine, near Zortman; the Shannon mine, at Marysville; the Jardine mine, near Gardner; and the Swissmont mine, at Elkhorn.

The output of silver from Montana in 1923 was 13,380,862 ounces, an increase from 12,468,151 ounces in 1922. In the early part of 1924 the Anaconda, Butte & Superior, and Elm Orlu Companies made a good record from copper and zinc ore containing silver, but several other companies were discouraged and ceased operations when silver dropped to about 65 cents an ounce.

The output of copper in Montana in 1923 was 224,125,264 pounds, valued at \$32,946,414, as compared with 165,754,442 pounds, valued at \$22,376,850, in 1922. Though the price of copper was only 12.77 cents a pound in May, 1924, and the North Butte mine was idle, copper was being produced at the rate of about 21,000,000 pounds a month early in 1924, as compared with nearly 19,000,000 pounds a month in 1923.

Montana produced 35,945,623 pounds of lead in 1923, an increase from 29,767,479 pounds in 1922. Most of the lead was recovered from lead-zinc ore and zinc ore mined at Butte, and there was a decided increase in both classes of ore during the first half of 1924.

The output of recoverable zinc in Montana in 1923 was 141,460,392 pounds, an increase from 119,069,818 pounds in 1922. Early in 1924 the companies owning zinc mines at Butte were making every effort to exceed the record made in 1923, but if the price of zinc continues to decrease the rate may not be maintained. The price of the metal decreased from 6.75 cents a pound in February to 5.79 cents in May.

The Anaconda Copper Mining Company paid a dividend of \$2,250,000 in January, but passed the dividend in April.

7,000 MONTANA INDIANS GIVEN RIGHT TO VOTE

Great Falls, Mont.—Seven thousand Indian voters who have never cast a ballot will be added to Montana's voting strength, according to a local interpretation of an act approved on June 4, 1924, authorizing the Secretary of the Interior to issue certificates of citizenship to Indians. Of this number 5,500 are said to be in the second congressional district and the remaining number in the first.

DECLARES MONTANA IS COMING BACK

Billings, Mont.—"Montana is coming back this year," is the enthusiastic statement made by S. L. Nissen of Billings, who has just completed a 5,000-mile tour of all Montana

and parts of Idaho. "Crops were never in finer condition," said Mr. Nissen. In his opinion the harvest this year will go a long way in putting the state back where it was before the general financial depression.

NORTHERN MONTANA TO HAVE HUGE IRRIGATION DITCH

Harlem, Mont.—After a trip of inspection by the commissioners, the new high line canal on the north side of the Milk River Valley extending from Lohman to Harlem, which has been under construction for a year, has been formally accepted. The canal is 40 miles in length and covers 23,000 acres, a good portion of which is virgin soil. The contract price, not including the laterals, is \$248,218, and is the largest piece of work of its kind that has been constructed in northern Montana for some years.

Why Be a Pessimist?

Being a pessimist never did pay. Furthermore, the giving out of pessimistic thoughts causes other people to become frightened, and eventually they also become pessimistic.

The following article, prepared by the editorial staff of Seth Seiders, Inc., recently came to the desk of the writer and we believe that all Net Yields readers will enjoy reading it:

We have with us always the "Doubting Thomas," who is continually asking: "Are our economic conditions sound or are we on the brink of disaster?" He is a menace to the true spirit of prosperity.

Mr. Otto H. Kahn, one of the most prominent bankers in the United States, declares "The very first essential for business is confidence. Let there be apprehension of the advent of eventualities which would jeopardize that confidence, and business runs for safety, lives from hand to mouth, ceases to venture in the present and declines to plan for the future. Stagnation and depression ensue throughout the land."

At the present time, there is no room for the slightest doubt to creep in, as to the economic prosperity of the country. Seymour Cromwell, the president of the New York Stock Exchange, says: "The year 1923-24 has witnessed the practical disappearance in this country of those abnormal economic and financial convulsions which are inevitable after world-wide warfare on the modern scale."

"The United States has almost finished the task of beating its swords into plowshares. American business has recovered its sense of direction and proportion and has resumed its historical habit of standing on its own feet without governmental support or interference. A closer and more constant balance between the forces of supply and demand is slowly but surely being re-established throughout our market places, our farms and our factories.

"In the economic as well as the social life of the nation, stability is replacing disruption and misalignment. Though the effects of war on America's productive and distributive establishments will not be effaced for a generation, the constructive forces of society are beginning to shape the destinies of the nation."—Net Yields, published by W. B. Foshay Company, Minneapolis.

MERGER OF COLORADO POWER COMPANY WITH PUBLIC SERVICE COMPANY

Denver, Colo.—The merger of the Colorado Power Company and the Public Service Company of Colorado, one of the most important public utility subsidiaries of Cities Service Company, will be voted upon at a stockholders' meeting which has been called for September 3, 1924.

Under the terms of the proposed merger, holders of preferred stock of the Colorado Power Company will receive in exchange for each \$100 share \$100 par value, of seven per cent. cumulative first preferred stock of Public Service Company of Colorado, while holders of Colorado Power Company common stock will receive in exchange for each of their shares \$37 par value of seven per cent. cumulative

first preferred stock of Public Service Company of Colorado. Under an underwriting agreement, all of the seven per cent cumulative first preferred stock of Public Service Company of Colorado, received by common stockholders of Colorado Power Company may be sold by the holder to bankers at \$95 a share by those who desire cash, the cash return being \$35.15 per share for each share of Colorado Power company common stock.

Under the plan, holders of seven per cent. cumulative first preferred and common stock of Public Service Company of Colorado, may exchange their securities par for par, for securities of the new corporation. The new company will continue to be known as the Public Service Company of Colorado.

The letter recommending the merger and giving the terms of exchange is signed by Clare N. Stannard, vice president of the Public Service Company of Colorado, and the Colorado Power Company.

GOLD STRIKE REPORTED IN BLACK HILLS

Deadwood, S. D.—One of the richest strikes in gold and silver made in the Black Hills for some time is reported from the mine of the Deadwood Heidelberg Company, where assaying work has been going on for some time, with quite a number of men employed.

While working in one of the long tunnels on the property the workmen broke into an ore body which looked so good that a number of samples were taken and sent to the United States assay office in Deadwood for a test. The first sample tested gave an assay return of \$1.50 per ton in silver and \$48.38 in gold. The second assay was almost as good as the first, giving returns of \$41.20 in gold and \$1 in silver.

AUTOMOBILE OUTPUT DURING JUNE

New York—Production of motor vehicles in the first half of 1924 totaled 2,002,084 cars and trucks, about 1½ per cent. less than the corresponding period of 1923, the National Automobile Chamber of Commerce reports. The output in June was 249,868 vehicles, against 312,313 in May and a drop of 20 per cent. compared with June last year.

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Canada's Gold Output Fast Increasing

Canada by 1929 will displace the United States as second among the gold-producing countries of the world, according to a prediction by Louis D. Huntoon, New York, mining engineer and a former professor of mining and metallurgy in Yale university. Canada is now third, with Africa ranking first.

Mr. Huntoon, after a prolonged study of the Dominion's gold district, reported his conclusions in the official journal of the American Institute of Mining and Metallurgical Engineers.

According to him, Canada's output is increasing rapidly, while that of the United States has been declining rapidly since 1915. For the last eleven years the United States produced 18.7 per cent. of the world's output, the last year's total, now estimated at \$51,000,000, being about 50 per cent. of that for 1915.

"During these eleven years," says Professor Huntoon, "the Dominion of Canada has produced 4.5 per cent. of the total production of the world; in 1922 the production increased to 8.1 per cent. This rapid increase in the gold production of Canada and rapid development of new gold deposits which as yet have not been equipped with mills of sufficient capacity to handle the ore developed will have an important bearing on the world's production.

"In view of the producing mines, areas being developed, areas being explored, and the favorable areas to be explored, it is my opinion that within the next five years the production of the Dominion will exceed the present production of the United States.

"These new mines promise permanency. They are lode or vein deposits; they have been developed to a depth of 2,500 feet, and there is every indication that they will continue to a great depth. The permanency of the deposits with depth is based not only on the present depth and values but also on petrographic analysis of ores from many of the producing mines and non-producing areas."

Pointing to the steady increase in the world's gold production since 1915, Mr. Huntoon takes the position that Maynard Keynes, the English economist, is in error in holding that a quarter of a century has passed since the discovery of an important gold deposit. Within the last ten years, he points out, two very important gold producing areas have been developed in Ontario.

In a forecast for 1924, Mr. Huntoon estimates that the production of the United States will remain stationary at \$51,000,000, while that of Canada will rise \$30,000,000. Canada's production last year was \$25,294,076. In 1922 it was \$26,116,050, compared with \$48,849,096 for the United States; in 1921 it was \$19,148,916, compared with United States production of \$50,067,307.

"The annual production of Ontario," according to Mr. Huntoon, "surpassed that of any individual state in the United States. The recently developed gold fields of Ontario can be reached by pullman car within less than 24 hours' ride from Toronto or Montreal."

ROYAL BANK ISSUES BOOKLET ON CANADA

"Canada of the Future," is the title of a brochure just published by the Royal Bank of Canada and which deals in a concise and comprehensive way with Canada of today and which gives some idea of its great potentialities.

Graham F. Towers, superintendent of the foreign trade department of the Royal Bank, is the author and compiler. He says the facts contained give only a general indication of the situation and the willingness of the bank to place itself at the disposal of those who seek information about Canada is stressed. He has managed, however, to tell something of the story of Canadian wheat production, foreign trade, manufacturing, new industries, foreign industries, water powers, government of Canada, Dominion finances, taxation, banking currency and exchange, railways of Canada, ports and shipping, labor, incorporation of companies, provinces of the Dominion, the tariff of Canada and British Empire preferential tariffs. The brochure will be of much value to those seeking convenient

information about the affairs of the country and who wish to obtain some idea of its present business and its prospects for the future.

British Columbia Enjoying New Run of Prosperity

With more than \$18,000,000 of construction work actually under way in Vancouver and vicinity, and plans out for additional expenditures of more than \$4,000,000 within the area known as Greater Vancouver; with the lumbering industry working capacity crews in logging operations on the coast and the outlook for mining better than for many years, British Columbia is entering upon a new era of prosperity. Property agents report that there has not been such activity in real estate in Vancouver since the boom days of 12 years ago. Many inquiries are coming from Los Angeles and other California cities, where the movement in real estate and building is declining.

The phenomenal development of Vancouver as a grain-shipping point, the low values for property, and the fact that British Columbia has as a basis of development the four great natural industries, lumbering, mining, agriculture and fishing, justify great confidence in this city.

The new dry dock at North Vancouver, constructed at a cost of \$3,000,000, is practically completed. The first section has just been tested out and found satisfactory. This new dry dock will be of great value to the shipping interests of the Pacific coast, where great expansion of ocean-borne traffic is in progress.

Ireland has begun to purchase the British Columbia timber direct from this province. Approximately 1,250,000 feet of timber for the Belfast dock has just been ordered there. In addition to the Ulster order there are orders from Cardiff, the British Admiralty, British railroads, and considerable parcels of clear British Columbia fir for private orders. The British railroads have ordered 2,000,000 feet of crossing switch ties. Markets in India and Egypt also are open to British Columbia products. British Columbia creosoted ties were introduced to India several years ago and they proved so satisfactory in resisting weather and the destructive ants of the country that an order has gone forward every season.

INCREASED VALUE OF SASKATCHEWAN WHEAT CROP

Regina, Sask.—More than \$70,000,000 has been added to the value of the Saskatchewan wheat crop, yet to be harvested by the 42 cent a bushel jump in price recorded in the past six weeks, provided, of course, the price holds till the marketing period. That figure is arrived at by taking the wheat acreage at 12,000,000 and cutting one bushel an acre from the average crop for the past 10 years. In other words, estimating the growing crop at 14 bushels to the acre.

In bushels that brings the estimate of the 1924 crop to 168,000,000 bushels as compared with 252,000,000 bushels in 1923. Not counting the tremendous additional money paid to farmers in the past two weeks (figures are not available as the amount held, but is known to have been considerable), \$70,560,000 extra money will pour into the pockets of Saskatchewan farmers as a result of the higher price, if it holds.

By reason of price fluctuations, the aggregate value of the wheat produced in Saskatchewan in 1922 was \$212,642,000 and in 1923, with a bigger crop, it was \$164,204,000.

CANADA LARGE EXPORTER OF FLOUR

Winnipeg, Man.—In the month of May, of this year, Canadian exports of flour exceeded those of the United States. For half a century, the United States has held a dominating position in the international flour trade. This position was gradually strengthened up to the year 1903, in which year it contributed 72 per cent. of the world's flour exports. Since 1904, with the exception of the war years, the United States percentage of total flour exports

has been tending to decrease, but it has remained continuously at the head of the list of exporters.

In May last, Canada's exports were 1,057,487 barrels, while those of the United States were 976,504 barrels.

SALE OF BRITISH COLUMBIA BONDS

Spokane, Wash.—Spokane bond houses have been offered blocks of the recent \$3,000,000 issue of British Columbia five per cent. 25 year bonds, sold recently in Victoria to the Dominion Securities Company. Dillon, Read & Company, Chicago, are handling the sale in the United States and have allotted a portion to Spokane. The Union Trust Company of this city, one of the original bidders on the entire issue, has listed the new securities. They will be offered the investing public at around 99¼ to yield slightly under five per cent.

BUILDING ACTIVITY IN CANADA

Ottawa—The value of the building authorized in 56 cities during June showed a slight decline as compared with May, 1924, and also with June 1923. Building permits to the value of \$13,373,987 were issued during the month; this was a decrease of 5.9 per cent. as compared with the May aggregate of \$14,215,670, and of 6.4 per cent. as compared with the total of \$14,286,252 for June, 1923.

Detailed statements were furnished by 48 cities which had issued some 1,200 permits estimated to cost approximately \$6,000,000. They also authorized over 3,000 other buildings at a proposed cost of about \$6,600,000.

CANADA'S FAVORABLE TRADE BALANCE

Ottawa—Canada had a favorable trade balance of nearly \$200,000,000 for the 12 months ended May 31, 1924. During that period Canadian products exported were worth \$1,069,715,880. Imports totaled \$873,367,752. Duty totaled \$132,956,403. Exports increased by \$110,000,000 over 1923 and imports increased by \$32,000,000. The chief increase in exports was in agricultural products and wood and paper.

TREES FOR CANADIAN FARMERS

Indian Head, Sask.—The Tree-Planting Division of the Canadian Government Forestry Branch, from the nurseries at Indian Head, has completed the annual distribution of seedlings and cuttings of trees for shelter-belt and wind-break plantations in the three prairie provinces. Nearly 5,200,000 trees were distributed free to more than 4,500 farmers. This work has now been going on for 22 years, and millions of trees have been distributed and planted by farmers on the prairies of western Canada.

BULK OF WOOL CLIP SOLD

Washington—Wool marketing in the western range states during the latter half of June developed little change of interest, according to reports received by the United States Department of Agriculture from its field representatives.

About 75 to 80 per cent. of the clip is estimated to have been sold up to July 1. In Utah and Nevada practically all of this season's clip has been disposed of. Considerable activity was noticeable in the Casper section of Wyoming, with other scattering sales at prices ranging from 32-36 cents per pound. Estimates of the quantity sold in that state range from 65 to 75 per cent. of the entire clip, with some being moved on consignment. The situation was unchanged in Washington, with no sales reported during the last two weeks of June. Utah and Nevada wools were practically cleaned up, but a fair amount was still unsold in Montana, Idaho and Oregon. Approximately 1,000,000 pounds were sold early in June at the Condon and Shaniko pools in Oregon, but prices, which ranged from 32-38 cents per pound, were not very satisfactory to growers.

APPLE CROP WILL EQUAL LAST YEAR'S PRODUCTION

Washington—Much more than the usual quantity of apples, peaches, pears and grapes will be produced this season in the eastern and southern states, according to the

July forecasts of the United States Department of Agriculture.

Total production of apples in the United States this year is expected to be 196,000,000 bushels or almost exactly the same as it was last season. The crop is distinctly better than last year in most of the north Atlantic, south Atlantic, and south central states, but everywhere else is materially smaller than that of last year. During the past ten years the crop has five times been larger and five times smaller than the forecast for this season.

New York expects about one-third more apples than were harvested a year ago; New Jersey one-fourth more; Delaware one-tenth more, and Virginia possibly up to 70 per cent. more. The south central states from Kentucky and Alabama west to Oklahoma and Texas expect nearly three-fourths more than they had last year and the best apple crop since 1915. Colorado also expects a slight increase. The increases in these states are almost exactly offset by slight decreases in Pennsylvania and Maryland, decreases of about 20 to 25 per cent. in the central and western states.

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Minneapolis corporation doing several lines of business, desires an experienced real estate loan man to take full charge of its Mortgage Loan Department; must be able to show satisfactory experience, and make an immediate investment of \$10,000. Address "B11" Commercial West. (83-4)

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Married man wants position as assistant cashier of good sized bank in city of 5,000 or 10,000, or cashiership of smaller bank town; 10 years' experience; strong collector; capable; excellent references. Address "A10" Commercial West. (83-3)

Why Raw Wool Prices Are Low

Washington—American wool growers are receiving 20 cents a pound less for their wool now than a year ago, despite low world stocks, decreased imports during the past 10 months, and a decrease in the number of sheep in the principal wool-producing countries of the world.

Curtailed buying of woolen goods and clothing because of high prices, backward seasons, high rents, changes in style of women's wear, two-pants suits, and increased use of silk and cotton goods has been advanced by the trade as the reason why the prices of raw wool are under those of a year ago, despite the American import tariff on wool, according to the United States Department of Agriculture.

The price of raw wool in Boston is approximately 18 cents a pound lower than the London price plus import duty, resulting in decreased imports and the re-exporting of large quantities of foreign wools imported into the United States and held in bond. Total imports of wool into the United States during the 10 months ended April 30, 1924 were 200,000,000 pounds as compared with 438,000,000 pounds imported during the corresponding 10 months of the previous year.

Clothing Prices High

All branches of the textile and clothing trade regard clothing prices as too high, but each feels that economies can best be effected by the others. Retailers feel that any reductions must take place in the manufacturers' selling price. The clothing manufacturer contends that the present wage scale makes it impossible to effect economies in production costs. Some of the clothing manufacturers and wholesale dealers feel that more efficient organization in the retail trade would bring about lower clothing prices.

The value of the raw wool that enters into a suit of clothes is a comparatively small factor in the price of clothing, the department points out. The average all-wool suit takes about five pounds of wool, so that the difference between a low-priced and a high-priced suit is not so much the quantity of wool used as it is the manufacture of the cloth, quality of linings and findings, and the labor used in making the cloth and the suit.

In Competition With Artificial Silk

Last year a considerable quantity of wool was used in women's sweaters and knit-wear. This year there has been a change in style from wool to silk. Artificial silk, of which more than 35,000,000 pounds was produced in the United States last year as compared with about 1,500,000 pounds in 1913, is given as another factor responsible for decreased consumption of wool. Estimated consumption of raw silk last year was approximately 49,000,000 pounds as compared with 28,000,000 in 1913.

The fact that 70 per cent. of all automobiles are said to be sold on time payments is regarded by many interests in the trade as evidence that their owners must economize in other directions in order to meet monthly payments, the department says. Yet, it is pointed out, the average automobile owner appears to be as well dressed as those who do not own cars.

High rents or the forced purchase of houses at high prices on the installment plan are other factors cited that may affect clothing purchases. Purchases of phonographs,

radio sets, and numerous personal and household articles including vacuum cleaners, washing machines and the like all mean for the man of fixed income either reduced savings or a readjustment in expenditures for other articles, the department says.

CHICAGO BANKERS EXPECT LOW MONEY TO YEAR'S END

(Continued from page 13)

Atlantic coast. He will return to Chicago in about two weeks.

W. B. Storey, president of the Atchison, Topeka & Santa Fe, is still abroad, but is expected to reach Chicago about August 1.

John A. Lynch, chairman of the National Bank of the Republic, will remain in Switzerland until after August 1.

Directors of the Depositors' State Bank have voted to transfer \$50,000 from undivided profits to surplus, which now totals \$200,000.

The Lake Shore Trust & Savings Bank has increased the capital to \$500,000 and surplus to \$160,000.

The consolidation of the Kasper State Bank and the American State has been effected under the title of the Kasper American State Bank with capital and surplus of \$2,000,000 and resources of \$7,000,000.

Edward C. Hackett has been elected vice president of the Chicago Title & Trust Co.

GRAIN PRODUCTION IN DANUBE BASIN

Washington—The grain producing areas of the Danube Basin are steadily recovering their position as an important source of cereal supply, reports the United States Department of Agriculture. Production in the basin is as yet far short of the pre-war figures, but in general gains have been made in wheat, barley and corn.

The basin as a whole in pre-war years, including Austria, Hungary, Czechoslovakia, Yugoslavia, Bulgaria and Rumania, showed substantial exportable surpluses of wheat, rye, barley, oats and corn. These regions were forced to readjust their economic life in the prevailing political situation following the war with resultant deficits in grain production.

The exportable wheat surplus by 1921 had dropped 96,000,000 bushels below the average pre-war exportation, so that instead of producing a surplus for export, 24,245,000 bushels were actually imported into the basin. Production since then has steadily recovered and not only has the deficit been wiped out, but 38,000,000 bushels were available for export in 1923.

Further substantial gains may be expected in exportable surpluses, the department says, although exports may not again reach the high pre-war level, due to land reform and a predominance of peasant agriculture that has replaced large estate wheat production.

Grain production in the Danube Basin has great significance for American farmers inasmuch as increasing quantities of Danubian wheat are likely to appear on the markets in competition with American wheat exports, the department points out. The Danube territory has been torn by political and economic readjustments the effects of which the department has endeavored to measure in a special study of the situation.

Review of the Live Stock Markets

By Minnesota Department of Agriculture, Carl A. Marzolf, Market Reporter

South St. Paul—Further expansion has developed in the receipts of cattle at this market during the first two days of this week as compared to last, receipts being estimated at 9,277 compared with actual arrivals of 8,275 last week. Further declines were the rule in the market during the period for all but fed steer and yearling material which is becoming seasonably scarce.

Tuesday's arrivals carried the week's and month's top offerings to date, 21 head of 1,120 pound steers earning \$9.75, while another load of heavy steers earned \$9.50. Yearlings late last week topped at \$9.25, while on Monday a seven load string cashed at \$8.60 with one load at \$9.00. Other fairly long fed offerings sold from this price on down to \$8.50 rank and file turning on down to \$7.00. Grassy killing steers suitable for packer purposes are mainly of native origin to date and are selling at \$7.00 and down, one load of weighty common steers Monday netting \$6.50.

She stock price lists were credited with another 25 cent to 50 cent loss since last Tuesday, cow stuff selling largely at \$3.50 to \$4.50 for grassers and upwards to \$6.00 for grass heifers. Dry lot butcher she stock shows little or no change selling mostly at \$5.00 to \$7.00 for cows and upwards to \$8.50 or better for heifers. Cannerns and cutters regained last week's slight losses at the opening Monday, bulk turning at \$2.25 to \$3.00. Sausage bulls lost another 25 cents bulk cashing at \$5.75 to \$4.25. Veal calves dropped another 50 cents to 75 cents, a spread of \$7.75 to \$8.00 taking the bulk of packer droves today.

Stockers and feeders are still in narrow demand to country sources even at the week's uneven 25 cent to 50 cent decline. Plain quality still predominates in much of the current supply, very few load lots selling above the \$6.00 line, with the bulk of offerings turning at \$4.00 to \$5.75 and common light weight offerings as low as \$3.00.

Light hog receipts and a moderately broad shipping demand had a very bullish influence on the local market. Advances of 60 cents to 70 cents were noted for the two days of this week with a rise of around \$1.25 from last Tuesday. The top price of \$8.40, paid today, is the highest price paid here since September, 1923. Bulk of the better grades of butcher and bacon hogs cashed between \$8.25 and \$8.35 with packing sows mostly realizing \$7.50 to \$7.75. Large numbers of hogs sold without sorting at \$7.75 to \$8.00, the price varying according to the proportion of packing sows included. Pigs sold largely to feeder buyers at \$6.35.

After displaying considerable unevenness, the fat lamb market today is 50 cents lower than last Tuesday. Bulk of the fat natives sold today at \$12.00 to \$13.00, untrimmed sorts going at the lower figure, culls being sorted off at \$8.00 to \$8.50. Sheep are strong to 25 cents higher, best fat ewes scoring upward to \$6.00.

CHICAGO

Chicago, Ill., July 22, 1924—Heavy cattle receipts after the opening days last week together with a dull dressed beef market, saw all classes of killing animals close on an unevenly 25 cent to 75 cent lower market. At the opening this week some of this loss was regained, advances centering on all classes of dry fed stock. Compared with a week ago fed steers are still around 25 cents lower with yearlings 25 cents to 50 cents off and fat she stock from 50 cents to 75 cents off notably on the grassy kinds.

Top beeves are up to the \$11.25 figure, this price being paid on Tuesday of this week. Numerous other loads of heavy and handyweight long fed steers sold at \$10.50 to \$11.00, with the bulk of steers and yearlings cashing from \$8.50 to \$10.40, yearlings being most numerous at \$9.75 and down. Twenty-seven loads of Montana grassers, the first of the season, arrived Monday. The top end of these cattle sold at \$7.25 and \$7.40, the latter price taking dehorned animals.

Best heavy kosher cows brought \$8.00, however the bulk of the run consisting of stale grassy cows were to be seen at \$4.25 to \$5.50, and grass heifers from \$5.00 to \$6.00. Grain fed heifers turned at \$6.50 to \$7.50 with \$9.25 avail-

able for choice offerings on the yearling order. Strong-weight cannerns made \$3.00 with cutters generally stopping at \$3.75 and under. Bulls on the sausage order sold at \$5.00 and down, \$4.60 to \$4.85 taking the bulk on sale. Veal calves are just an even \$1.00 lower than a week ago, bulk today selling at \$9.00 to \$10.00 with a considerable number of heavy grass calves at \$5.00 to \$7.00.

Stocker and feeder selections are still scarce, being quoted nominally steady with a spread of \$5.50 to \$6.50 taking much of the desirable crop available.

The upward trend to hog values has continued without interruption for the past week, an advance of fully \$1.15 being scored since last Tuesday. Top price today rested at \$8.90, bulk of good and choice 160 to 325 pound averages turning at \$8.70 to \$8.80. Desirable 140 to 160 pound weights found an outlet at \$8.10 to \$8.50 with packing sows being weighed at \$7.85 to \$8.15 for the bulk. Slaughter pigs have displayed sizable advances, better strongweights selling today at \$7.50 to \$7.75.

Reductions of \$1.00 to \$1.25 have been effected on the fat lamb market, bulk of the natives cashing today at \$13.25 to \$13.50 with culls sorted off around \$9.50. Good to choice range lambs realized \$13.00 to \$13.25, best grades scoring \$14.00. Odd lots of fat ewes sold steady at \$4.50 to \$6.00. Feeding lambs show little net change for the week, choice grades selling to date at \$12.25.

SIoux CITY

A 25 cent to 50 cent slump on fat steers last week was largely regained early this week. With a strong to 25 cent higher market today, bulk of the fed steers and yearlings turned at \$7.00 to \$9.00 with some upward to \$10.50. Fed cows and heifers realized \$5.00 to \$9.00, grassy sorts \$3.50 to \$5.50, cannerns and cutters \$2.25 to \$3.50. Feeder and stocker cattle are practically unchanged from a week ago, steers and yearlings turning within a \$4.50 to \$7.50 spread. Cows and heifers went through feeder channels at \$3.00 to \$5.00.

Hogs have added about \$1.00 to quotations during the week just past, the greater part of this advance being acquired early this week. With a 35 cent to 50 cent rise today, bulk of the butcher and bacon hogs cashed at \$8.00 to \$8.40, with a top of \$8.50. Packing sows were salable around \$7.50.

Fat lambs suffered losses of 25 cents to 50 cents on Monday, natives selling around \$14.00, culls at \$7.00 to \$8.00. Best fat ewes are quotable up to \$6.00.

MOTOR CAR OWNERSHIP IN THE WHEAT COUNTRY

State records show that the number of motor cars upon farms and in towns of less than 1,000 in South Dakota is exceeded by only four states in the Union—Massachusetts, Rhode Island, Iowa and Nebraska.

The number of motor cars on farms and in the smaller towns of North Dakota is exceeded by only five other states.

South Dakota's cities and town are unimportant industrially and have practically nothing behind them but agriculture. Yet in communities of more than 1,000 people, the number of motor cars per thousand is the highest of any state in the Union.

The agricultural states of Minnesota, North and South Dakota, are among 10 states of the Union leading in the number of motor cars per thousand of rural population.

CHINA'S FOREIGN TRADE IN 1923

Washington—The foreign trade of China in 1923 showed a very marked improvement over that of the previous year. Exports registered a gain of over 20 per cent, and imports an increase of less than 1 per cent. Receipts from Hong-kong, India, and Germany were greater in 1923 but there was a falling off in imports from the United States, Japan, and Great Britain. Exports to all leading countries except France and Russia, recorded substantial gains.

Large Crops of Small Grains Indicated in the Northwest

Experts Agreed that the Outlook for Large Yields the Best in Many Years

Office of Commercial West, July 23—Not for many years has the prospect for bumper crops throughout the Northwest been so bright as it is at present. Opinions of grain experts in all sections of Minnesota, North Dakota, South Dakota and Montana are as a unit in this prediction.

General rains during the past week throughout eastern North Dakota and western Minnesota are estimated by crop experts to have added several million dollars to prospective crop values in those sections.

According to E. G. Quamme, head of the Federal Land Bank at St. Paul, who has first hand information from a large corps of correspondents, the Northwest is producing the greatest crops in 10 years.

"In North Dakota," said Mr. Quamme in a recent interview, "have two crops in one, while Minnesota, Wisconsin, Michigan, South Dakota and Montana will have the best crops since 1914 and the biggest yields since 1919. All small grains will show the best production in years. Farmers will be able to liquidate their debts, banks will get back on an even keel, the Northwest will enter a new era of business prosperity and land values will return. We are at the threshold of a marketing situation that occurs only two or three times in a lifetime—bumper crops and good prices.

No Danger of Spread of Rust

President Ralph Budd of the Great Northern railway, on his return from Montana and North Dakota, this week, declared prospects in those two states are excellent. The peak of the harvest is approaching, he said, without untoward developments of any kind. Feed is abundant, and an excellent corn crop promised.

Loss from black stem rust throughout the Northwest will be less this year than for two decades past, Carlton Hanton, secretary of the conference for the prevention of grain rust has announced, basing his statement on reports from Federal and state plant specialists throughout the entire section.

"North Dakota's spring wheat is passing successfully the crucial stage of its annual race with stem rust," Mr. Hanton said. "The wheat is in the dough, and nowhere is there sufficient infection to occasion the slightest alarm. Reliable authorities agree that small grains will mature without rust, causing an appreciable increase in the present indicated yield.

"In the few localities where any considerable amount of stem rust has been noted this year, the infection has almost invariably been traced directly to neighboring common barberry bushes. Because of favorable weather the spread from the barberries has been neither rapid nor extensive, and all serious outbreaks have therefore been confined to comparatively limited areas."

In Montana Big Crops Promised

"In all my years of residence in Montana, I have never seen Montana looking better than she is right now," declared Charles D. Greenfield, agricultural development agent of the Great Northern Railway Company.

"In virtually every section of the state crop conditions are excellent. The only crop that is not up to the standard is late-planted spring wheat. Nearly everywhere there will be good crops, and in many sections they will be bumper. A trip through Montana at this time is sufficient to convince one that Montana has come back with a whoop."

Reports from Billings say that south of the Yellowstone River every report indicates a crop that is 100 per cent. good. The crop is made, nothing but hail can damage the winter wheat. Hundreds of farmers will have fields that will go 35 bushels to the acre, even on nonirrigated land. Reports that have come in from Hardin, Lodge Grass, Bridger, Joliet, Edgar and as far west as Columbus and Reed Point indicate that the south country will have a record-breaking yield.

Wheat crops are looking pretty good in the country immediately north of Billings from Acton to Shephard, ac-

ording to Lou W. Shapple, president of the Montana Mortgage Company of Billings, and the Shephard State Bank. Heavy rains recently near Acton have proved of material benefit although a small strip has suffered from hail. Some of the late crop is burning slightly but the recent rains will help matters greatly.

Spotted Crop Conditions in Canada

Decidedly spotted crop conditions prevail in the Canadian Northwest. George M. LeCount in a wire to Stein, Alstrin & Co., Chicago, from Calgary said: "From Edmonton south for 50 miles crops are in fair condition, with ample moisture. Then there is a dry belt extending south nearly 100 miles where seed is about all that can be expected. From about 40 miles north of Calgary crops improve and are generally good all the way here. Crop reports should be better, due to the rains, but no amount of moisture can greatly change the crop situation in the drouth stricken areas."

South Dakota Crop Conditions

Spring wheat improved during June to such an extent as to warrant more than 5,000,000 bushels increase in production this season to 26,598,000 bushels for the state. Fifty-three per cent. of the state's spring wheat crop is durum.

The oat crop now indicates a production of 78,877,000 bushels nearly 9,000,000 bushels more than the June 1 estimate. Barley promises 19,462,000 bushels, approximately 2,000,000 bushels more than the estimate of a month ago. Flax shows a 50 per cent. acreage increase over last year to 425,000 acres, July 1, shows an improvement during the last month of approximately 500,000.

In Kansas

The big yields of wheat as shown by threshers' returns in Kansas is the real sensation of the state according to reports from Topeka. Never before have the correspondents of the State Board of Agriculture been so far off in their estimates of the probable total yield. It seems now that the state's total yield will reach 150,000,000 bushels, and it may exceed that figure.

Reports from the threshers in all other sections show a big increase in bushels an acre over the late estimates of Secretary Mohler.

Corn is making a fine growth in all sections. Heavy rains throughout the state have given this important crop a big boost.

In these two staple crops—wheat and corn—Kansas will this year make one of her greatest records. Farmers are jubilant and look ahead to a speedy return to agricultural prosperity.

Wheat and Corn in Nebraska

Lincoln—Yields of winter wheat in Nebraska have induced a raising of the estimate of the total crop to over 45,000,000, or about 80 per cent. condition. Hessian fly damage was small, and practically no rust. Improvement in the eastern part of the state in the last week of ripening added about 2,000,000 bushels to the previous estimate. Six per cent. of the old crop is still on the farms of the state. Spring wheat will yield close to 3,000,000 bushels.

Figures compiled by the state bureau of crop estimates show a corn acreage this year of 8,244,000 acres, the same as last year and about 14 per cent. above normal. The present condition of 74 per cent. indicates a crop of 190,000,000 bushels as compared with 272,000,000 in 1923. The crop is more than two weeks behind its usual stage of growth, and no hot weather has come as yet to force development. Stands vary but average thin.

Nebraska will have a larger corn crop proportionately than any of the corn belt states, says A. E. Anderson, in charge of crop estimates in the state. He says that the crop in Nebraska is farther advanced than in Ohio, Indiana, Illinois or Iowa. The July condition, the country over, is the lowest on record, due to bad weather conditions.

Rye Condition

There is a carryover of 20,000,000 to 25,000,000 bushels of

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DULUTH and NEW YORK

rye from the two last crops, and another crop of about 65,000,000 bushels coming.

Flax

The Archer-Daniels-Midland Company under date of July 19 says:

"As a rule the grain situation in the U. S. Northwest is very satisfactory. It would be greatly improved by rains. The Manitoba Free Press crop report of July 15 says of Saskatchewan, the province where most of the flax is produced: 'Crops are undoubtedly suffering seriously from the drouth in large important areas, and a largely decreased yield is in prospect. Many correspondents state the situation is discouraging.' It hardly seems possible for Canada to produce so much flax as last year. Speculators still control the Argentine situation and have advanced that market 30 to 35 cents per bushel the past 30 days."

others it varies from a thin stand to an exceptionally heavy one, all depending upon the growing conditions after seeding. With the great increase in acreage, however, the Northwest will probably raise one of the largest flax crops in its history, barring early frosts.

Rye harvest is now in progress. The crop is thin in places, but mostly well filled and of good quality.

There is a greatly improved feeling of optimism throughout the farming communities of the Northwest. This is due to the very good crop prospects at the present time and we believe that some fine yields of wheat, barley and oats will be shown.

LARGER DEMAND FOR RADIO SETS

New York—Sales of radio sets by the Radio Corporation of America in the first six months of this year were 75 per cent. greater than in the first half of last year. Sales in June were more than double those in June, 1923.

Van Dusen-Harrington Northwestern Crop Report

Minneapolis, July 23—The grain crops of the Northwest have shown rapid growth during the past week, the weather has been favorable, with cool nights and seasonable temperatures during the day.

There are several large districts in northern South Dakota and southern North Dakota that were greatly in need of moisture, as the grain was showing the effect of dry weather. Fortunately, there have been fine rains which will greatly improve the crops.

We are now at the period of crop development where any damage becomes apparent. Although there has been considerable moisture throughout the growing season, the grain, poorly farmed, or on light soil, now shows the effect of dry weather. There are small local areas where the crops have been hurt to some extent.

In eastern Montana conditions are very good. In the western two-thirds of the state some of the crops have been damaged by the dry weather. This is especially true of the late sown wheat, while the winter wheat is much better.

The infection by black rust this season is very light and its slow development would indicate only slight damage. There have also been some severe hail storms in the central part of North Dakota, that have hurt some of the crops.

Oats and barley are the best in several years. The fields generally, have a heavy stand. Barley is filling exceptionally well in Minnesota, North and South Dakota. In Montana the barley shows damage. Some early barley has been cut and within a week harvesting of this crop will be quite general in the southern districts.

Corn has shown a steady improvement during the past two weeks, but is still from ten days to two weeks late. The recent rains, with warmer weather, have made the growing conditions almost ideal.

The flax crop varies considerably in the different localities. In some places the crop is uniformly good, while in

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Higher Prices Stimulate Trading in Chicago

Chicago, July 22—Higher prices for all grains were influential in stimulating trading on the Board of Trade, and the volume of business reached new high marks in conjunction with the establishment of the best values of the year. At the same time the rise, which has been almost perpendicular and provided some of the longs of major importance to take their profits, has established a situation from a speculative standpoint that is rather more bearish than bullish. While some big traders are talking \$1.50 for wheat and \$1.00 for corn, there are others who are more conservative in their ideas and in expressing their opinions believe that the present level of quotations has completely discounted the damage sustained up to the present time. There have been more optimistic advices received concerning the condition of the corn crop in surplus states with the possible exception of Iowa, and the situation in the spring wheat territory has assumed a bearish aspect for the time being. Winter wheat yields and the grades marketed so far have exceeded expectations to a large extent, and a note of caution has crept into commission house advices.

Public Trades Actively

Public participation in speculative operations became very general in the last week. Business in the leading speculative futures reached new high totals, and the volume of transactions for the week in wheat, corn, oats and rye totaled 554,000,000 bushels compared with 364,000,000 bushels in the preceding weekly period, with wheat as the dominant leader with a total of 331,000,000 bushels against 245,000,000 bushels the week before. Corn transactions of 148,000,000 compared with 93,000,000 bushels the preceding week and in oats there was much more activity as business reached a total of 45,000,000 bushels against 17,000,000 bushels the previous week. That rye has also enlisted support speculatively is witnessed in the fact that total business last week approximated 29,000,000 bushels, while in the preceding week transactions were only 10,000,000 bushels. The crest reached during the week supplied the suggestion that perhaps the high mark of the year had been reached and passed, particularly as the veterans in La Salle Street had cashed in on their tremendous profits and have settled back on the side lines to watch the market spend its fury. But it was not the futures alone that made new history for the year as cash grain established the highest records achieved in four years, dark Dakota northern of the highest grade crossing \$1.56 and No. 2 yellow corn passing \$1.16½ and No. 2 white oats 61 cents. Comparatively light offerings of old grain did not take care of shipping and industrial requirements for the time being so that premiums for spot were maintained until after the speculative load was lightened and the greater portion of future deliveries went into weaker hands.

Week's Receipts Moderate

The marked rise in quotations did not elicit responsively large offerings from first hands except in the case of wheat. Primary receipts of wheat were 1,700,000 bushels more than the week before and 1,800,000 bushels in excess of last year's movement, but the comparison with 1923 contains the suggestion that farmers are holding their grain so that it can be handled by the new cooperative Grain Marketing Company, so recently capitalized for \$26,000,000 and that a more orderly movement to leading points of accumulation will follow. Corn receipts at primary markets were 74,000 bushels short of the week before and

more than 600,000 bushels short of a year ago, and arrivals of oats were about 420,000 bushels smaller than the preceding week and the same time in 1923. The perfection of a working organization by the American Farm Bureau through the prospective purchase of Chicago and Kansas City warehouse facilities and possession of country elevator systems presages, in the belief of many veteran members of the Board of Trade, the extinction of the cash grain houses. The Grain Marketing Company, the title acquired by the new \$26,000,000 cooperative organization, expects to handle the grain direct from farmers to consumers, and if it is successful in accomplishing this purpose the grain receivers will find business gradually falling off while their relatively high overhead costs will eat into their capital and accumulated surplusses. However, it will be interesting to watch the struggle which will ensue for business as the cash grain receivers in the past 60 years have established reputations for probity and results the new farm organizations will find it difficult to even approximate.

Crop News Improves

There was decided improvement in the character of crop news from the Canadian Northwest, American spring wheat territory and returns from harvest fields in winter wheat country. Rains in Canada have been unbeneficial, according to general advices, but some crop experts said the additional moisture came too late. At the same time the change in Canadian weather modified bullish sentiment, new buying was checked and profit-taking was very generally indulged in by leading longs. The advent of warmer weather in the Northwest on both sides of border is expected to resuscitate many fields which had been thought almost worthless, and it is traditional that the grain trade has usually been more scared than hurt by adverse crop news during a period when prices have been revised upward with such startling insistence as has been the case this month. In the Dakotas and Minnesota crop conditions have been excellent although perhaps some sections might have been aided by more moisture. Winter wheat returns have so far exceeded expectations in quantity and quality, while visible stocks have not been reduced in the last week to the extent that they were in the corresponding period last year, but exports have been diligently maintained, and crop news from some foreign countries has been extremely bullish. On the other hand it is noticeable that foreign transactions have fallen off, which was to be expected during a period when prices have been rushed upward and new high levels established.

Corn Bulls Take Profits

Large profits have been taken in long corn after prices had risen 40 cents for the July and 30 cents for the more deferred futures from the season's low, and it is only the serious condition of the crop that has maintained quotations and carried on choice yellow across \$1.16. Shippers have had to pay fancy prices to fill orders since mid-month as the movement has not come up to expectations. The crop is from two to four weeks late this summer and the unseasonably cold weather did not stimulate growth until this week, when higher temperatures in most of the surplus states elicited more favorable statements from traveling crop experts. At the same time it is admitted that between the time when frost makes its appearance in normal years there is a brief period only for the plant to make up for lost time and some of the La Salle Street statisticians doubt if the figures on August 1 will show much change in the situation for the month. This sentiment has been reflected in the higher prices for December and May deliveries and the fact that new history for the crop year has been recently established. Late returns from Illinois, Indiana, Nebraska, Missouri and Oklahoma have indicated improvement in the crop, but in Iowa the outlook is still gloomy. This situation finds reflection in the new movement from first hands. In spite of the high quotations available for farm surplus stocks, there has been little more coming forward than when prices were much lower, and the presumption prevails that farm-

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ers will not sell their old holdings until their fields contain more reassurance than they do now.

Oats at Top Mark

Country offerings of oats have been smaller than anticipated and the fact that they were more than 400,000 bushels short of a year ago carried a lot of weight in the cash grain crowd. The active demand from millers and shippers for high grade grain of the old crop was maintained in spite of the more favorable crop outlook and the fact that the harvest in the Southwest produced a yield of grain in excess of anticipations. The high quality of the 1924 crop that has been harvested so far has been in pleasing contrast with the gloomy returns from traveling crop experts in the corn belt, and visible stocks are still so much larger than last year that some big traders have disposed of their accumulations and cashed in on their profits. Stocks here are down to a minimum, however, and the movement of new grain toward primary markets has been very small, but some of the cash houses noted some increase in country offerings to arrive, and this in a measure offset the influence of unfavorable crop news from Canada. At the same time July has established a new high level for the crop year and cash premiums were sustained without difficulty.

Federation Capital Big

Twenty-six million dollars will finance the initial operations of the cooperative Grain Marketing Company, which tions of the Cooperative Grain Marketing Company, which has been incorporated at Springfield in accordance with the Illinois Cooperative Marketing Act. Headquarters will be at 208 La Salle Street in the offices now occupied by the Armour Grain Company, and the new organization fostered with by the American Farm Bureau Federation will fostered by the American Farm Bureau Federation will begin business with a paid up capital of \$4,000,000. There has been authorized for issue 1,000,000 shares of common stock at \$1 a share, 1,000,000 shares of class A preferred at \$25 and 5,000 shares of class B, the last named to be sold for immediate financing purposes. The senior issue will carry a dividend of eight per cent. and the net earnings will be utilized in retiring the class B stock. Patronage dividends will be paid to members of the association, who will be required to purchase on share of common stock with a par value of \$1.00 and one share of class A preferred with a par value of \$25. Chicago warehouses and country elevators belonging to the Armour Grain Company, Rosenbaum Grain Corporation, Rosenbaum Brothers, J. C. Shaffer & Co., of Chicago and the properties of the Davis, Noland, Merrill Grain Company of Kansas City are to be acquired.

Grain Trade Gossip

July oats rose to 56 $\frac{3}{4}$ cents, the high level on the crop, an advance of 15 $\frac{1}{4}$ cents from the low level.

La Salle Street generally credited the statement that Stewart of Winnipeg had liquidated his large holdings of wheat at the same time that Patten had taken his profits in oats and Cutten had cashed in on his big corn profits.

Board of Trade memberships have advanced to \$5,225 net to the buyer, which compares with one transaction at \$3,000 only recently.

Transactions of nearly 112,000,000 bushels of grain futures on one day last week, Thursday, established a record for business on the Board of Trade. Business in wheat totalled nearly 69,000,000 bushels and oats exceeded 31,000,000 bushels. Commission houses have been doing a land-office business so far this year and smiles in board rooms have succeeded growls and the recitation of gloomy forebodings.

While New England is complaining of the high prices for grain and flour, the West is singing the praises of the Chicago bull party.

The Grain Marketing Company of the American Farm Bureau Federation will have a big overhead to take care of in addition to paying \$2,080,000 annually to holders of the eight per cent. class A preferred stock.

In the last week trading in grain was on so large a scale that it was difficult for the tickers to keep pace with fluctuations and at times they were several minutes behind the market. July and September corn frequently fluctuated half a cent between transaction.

Cutten is predicting \$1.50 for wheat before the present bull market runs its course.

Contract grades of grain here are very small. Wheat totals only about 3,000,000 bushels, corn 1,250,000 bushels and oats 5,950,000 bushels.

The recent trading in privileges in Winnipeg supplies a recollection of the days when trading in puts and calls ran wild here. An effort is being made to re-establish business in puts and calls in Chicago, but Board of Trade officials do not favor the movement.

E. W. Wagner has formed a connection with the firm of F. S. Lewis & Co. For two years he has been identified with the Armour Grain Company.

Nat Murray, statistician for Clement, Curtis & Co., said reports from North Dakota wheat fields were encouraging and believes that if this improvement is maintained the crop will range from 85,000,000 to 90,000,000 bushels which compares with his estimate of 74,000,000 bushels on July 1 and a yield of 57,000,000 bushels harvested last year.

The ruling made by the Department of Agriculture relative to sulphured oats will receive consideration from the directors of the Board of Trade this week.

A. O. Mason, who became a member of the Board of Trade in 1880, has offered his exchange ticket for sale and will retire from active business and leave for Europe next month. He has been in charge of the wheat department here for the Washburn Crosby Company since the firm of Nye, Jenks & Co. was reorganized.

Smaller Wheat Crops Reported

Washington—Forecasts of wheat production received up to July 17 by the United States Department of Agriculture from 11 countries that last year produced 64 per cent. of the world crop total 1,913,000,000 bushels compared with 2,199,000,000 bushels last year. This is a reduction of 13.0 per cent.

The indicated yield in Canada based on the condition report as of July 1 is 318,640,000 bushels compared with 474,199,000 bushels last year, a cut of 32.8 per cent. This indicated yield is subject to change due to any subsequent revision of area sown and to weather conditions up to the time of harvest. The indicated yield in the prairie provinces is 300,530,000 bushels against 452,260,000 bushels last year.

The first forecast of wheat production in Egypt is 37,001,000 bushels compared with 40,654,000 bushels harvested last year. The forecast for Morocco is considerably above last year but Tunis shows a reduction of about 56 per cent. The crop in Algeria is reported to have suffered from drought, and if the injury is as great as in Tunis and Egypt the total production in north Africa will be at least 12 per cent. below last year, the department says.

Conditions in the Balkan countries now seem somewhat less favorable than earlier in the season. Further reductions in Hungarian forecasts are reported by the International Institute of Agriculture at Rome. Wheat and rye forecasts for Hungary are considerably below last year but somewhat above the average for 1920-22. Oats and barley forecasts are below last year and also below the 1920-22 average. Wheat is forecast at 59,892,000 bushels compared with 67,705,000 bushels last year; rye 27,164,000 bushels against 31,274,000 bushels; barley 18,831,000 bushels against 24,649,000, and oats 19,290,000 against 25,547,000.

The revised estimate of the Argentine corn crop for 1923-24 is 276,756,035 bushels compared with 176,102,739 bushels last year. This is the largest corn crop since 1914-15 when 325,178,000 bushels were produced. Allowing 83,000,000 bushels for home consumption and seed, there will be an exportable surplus of about 190,000,000 bushels this year. Previous estimates for the crop were around 270,000,000 bushels.

The flaxseed crop in Canada, estimated from acreage and condition report will be 6,135,000 bushels compared with 7,140,000 bushels last year. The indicated yield of oats is 423,623,000 bushels compared with 563,998,000 bushels last year, and barley 66,217,000 bushels compared with 76,998,000 bushels.

Elevator Companies Offer to Sell Plants to Farm Bureau

Following the proposal to sell four of the largest grain companies in Chicago to the Grain Sales Corporation, 36 leading Minneapolis grain firms have offered to sell 1,062 country elevators, 22 Minneapolis terminals, and 12 Duluth terminals to the American Farm Bureau Federation, and the proposal has been formally submitted to the directors of the new \$26,000,000 Grain Sales Corporation in Chicago.

The offer involves many millions of dollars in elevator and terminal properties in Minneapolis and Duluth and the four northwest states. Announcement of the actual sum will depend upon further negotiations, leaders said.

Of the 1,895 line elevator company elevators in the four states, 1,062 are offered by the companies in the plan. There are 5,270 country elevators in Minnesota, North and South Dakota and Montana. Of these 36 per cent. are operated by line companies, directed from Minneapolis and Duluth; 32 per cent. by local dealers, 25 per cent. by farmer companies and other cooperatives, and seven per cent. by country mills.

Acceptance of the plan would give the cooperative movement between 50 and 60 per cent. control of the country elevators in the Northwest, figuring in those elevators already run by cooperatives, and more than half of the terminal elevator facilities of Minneapolis and Duluth.

Appraisers to Fix Price and Terms

Terms of the offer made to Mr. Bradfute are:

The 1,062 country elevators, 22 Minneapolis terminals and 12 Duluth terminals would be sold to the farm bureau on the basis of replacement value, less depreciation.

No consideration would be made of going concern value or good will bonuses.

The price of the individual elevator would be determined by appraisers mutually agreed upon.

If the Farm Bureau Federation desired, additional elevators could probably be included in the deal.

As an aid to working out the plan, the managements and operating organizations would be tendered the farm bureau for a stated period.

The committee of grain men who made the offer, following careful study and prolonged conferences, includes the biggest figures in the grain business in Minneapolis and the Northwest. It is headed by J. H. MacMillan, president of the Cargill Elevator Company, as chairman. Members of the executive committee are James Ford Bell, president of the St. Anthony and Dakota Elevator Company; Frederick B. Wells, vice president of F. H. Peavey and Company; B. H. Woodworth, president of the Woodworth Elevator Company; and C. M. Harrington, president of the Van Dusen-Harrington Company.

Companies Involved in the Offer

The 36 grain and elevator companies offering to sell their entire holdings to the American Farm Bureau Federation include the biggest and oldest concerns in Minneapolis—concerns which have been leaders in the Northwest grain trade for decades.

The complete list is:

Cargill Elevator Company, Cargill Elevator Company of N. D., Cargill Grain Company, Montana Central Elevator Company, Empire Elevator Company, Northland Elevator Company, Osborne-McMillan Elevator Company, Monarch Elevator Company, Peavey-Duluth Terminal Company, Globe Elevator Company, G. W. Van Dusen & Co., Atlas Elevator Company, Crescent Elevator Company, Pioneer Steel Elevator Company, National Elevator Company, Atlantic Elevator Company, George C. Bagley Elevator Company, Kellogg Commission Company, Dodge Elevator Company, St. Anthony & Dakota Elevator Company, Woodworth Elevator Company, Concrete Elevator Company, Minnesota Elevator Company, Capitol Elevator Company, Imperial Elevator Company, Great Western Grain Company, Acme Grain Company, Union Terminal Elevator Company, Victoria Elevator Company, Gregory-Jennison & Co., Marquette Elevator Company, Exchange Elevator Company, Commander Elevator Company, Sheffield Elevator Company, Powers Elevator Company.

The 1,062 country elevators, owned by Minneapolis grain firms and offered for sale to the American Farm Bureau Federation, are scattered over four northwest states as follows:

Minnesota		
	No.	Capacity
Great Northern	122	3,363,000
Northern Pacific	32	914,000
Soo Line	23	481,000
Milwaukee	25	620,000
Northwestern	20	475,000
St. Louis	16	375,000
Great Western	8	147,000
Electric Short Line	3	55,000
	249	6,430,000
Montana		
	No.	Capacity
Great Northern	63	1,504,000
Northern Pacific	21	675,000
Soo Line	3	90,000
Milwaukee	5	116,000
	92	2,385,000
North Dakota		
	No.	Capacity
Great Northern	297	8,992,000
Northern Pacific	132	3,855,000
Soo Line	155	3,610,000
Milwaukee	21	506,000
Midland Cont.	4	122,000
	609	17,085,000
South Dakota		
	No.	Capacity
Great Northern	15	449,000
Soo Line	8	191,000
Milwaukee	41	909,000
Northwestern	39	1,164,000
St. Louis	9	220,000
	112	2,933,000
Totals		
	No.	Capacity
Great Northern	497	14,308,000
Northern Pacific	185	5,444,000
Soo Line	189	4,372,000
Milwaukee	92	2,151,000
Northwestern	59	1,639,000
St. Louis	25	595,000
Great Western	8	147,000
Electric Short Line	3	55,000
Midland Cont.	4	122,000
	1,062	28,833,000
Terminals		
	No.	Capacity
Minneapolis	22	25,110,000
Duluth	12	16,050,000

Northwest North Dakota Crop Condition

Minot, N. D., July 19—Rain averaging about .75 of an inch fell over the entire northwestern part of North Dakota late yesterday and last night. It was a slow drizzle and while wheat was not suffering to any great extent except in a few spots on the extreme east of Minot's territory, it will be of tremendous value to numerous other crops.

The high spots of the situation are that the rye crop is assured, wheat is practically assured, corn is coming fast and should be a normal crop, oats and barley are practically certain and the potato crop, although the potato acreage is about 75 per cent. or last year and 50 per cent. of 1922, is in ideal condition. Flax is light in spots due to the backward spring giving the wild oats and pigeon grass too much of a handicap. The wheat crop is declared to be due to top the remarkable yield of 1915, according to men who are in a position to know. There is no report of rust to date and county agents declare that unless something very unusual happens, the wheat crop will come through according to present indications. The total rainfall in July so far has not exceeded one inch, hence this section is due for another inch or two within the next 10 days.

There was a stretch of country from Harvey running north to Rugby and Barton where the crop was badly in need of rain and the dry spell may have done some permanent damage there. The exact amount cannot be determined for a rain such as fell last night can work wonders. But the rest of northwest North Dakota was not suffering and this rain makes it just that much better.

Farmers of Northwest North Dakota are in a position to finance their harvest and threshing, reports from several sections indicate.

REPORT OF THE SECRETARY-TREASURER

(Continued from page 18)

association. This 100 per cent. membership was reached in 1921 and has been maintained each year since then. We doubt if such a membership record has been equaled by and other state organization.

With the exception of Group No. 1, each of the groups held meetings this year. Notwithstanding general conditions, which naturally reduced membership, the meetings were well attended and highly successful. Members generally participated in the discussions and many lively debates resulted.

Country Clearing Houses

Particular interest has been indicated in The Country Clearing House and Examiner System as perhaps being the best plan yet advanced for the fundamental strengthening of our banking structure. In order to bring the most complete and most accurate information on this subject to our members we have secured C. W. Allendoerfer, vice president of the First National Bank of Kansas City, as a speaker at our convention in Bozeman. Mr. Allendoerfer is president of the clearing house section of the A. B. A. and knows more about clearing house organization and operation than any man in the country. His experience covers both country and city banks. We want to take this occasion to urge everyone to give particular attention to the discussion of the country clearing house plan. Leaders in the A. B. A. are making the establishment of country clearing houses one of the important goals of association work. Many of the best banking minds in the nation are convinced of the value of such organizations in strengthening our financial structure. Every banker in Montana desires, of course, to give his customers maximum protection and best possible service. Give your very best thought to the plan of country clearing house organization and be prepared to enter into the discussion at the convention in Bozeman in order that the meeting may take some definite action.

Bank Surety Bonds

At the convention in Miles City in 1916, a committee was appointed to investigate the matter of writing depository, fidelity, and burglary bonds through the association. Apparently nothing came of it. During the association year 1921-1922 President P. B. Bartley gave a great deal of time and study to the problem of surety bonds for our members. He strongly recommended the handling of bonds through the association office. Various members have urged the plan since then but no definite action has been taken. We have an opportunity for an agency under which we could write all kinds of depository and fidelity bonds, and holdup and registered mail insurance, for member banks in Montana, with a resulting income to the association which would permit it to engage in many desirable activities which are not possible now on account of lack of funds. Such business would, of course, mean a full-time secretary and a permanent office. Do you think this a good plan? Do you want your association to write surety bonds for members? Would you give the association your business? These are important questions! Be prepared to enter into the discussions at the convention so a decision may be reached.

Work of Committees

Under the able guidance of H. S. Buell the agricultural committee has done most excellent work in considering the problems, in working out an agricultural program, and in cooperating with other agencies. It is recommended that Mr. Buell be continued as chairman of the agricultural committee for another year in order that he may have time to develop and carry out his plans.

The great program of public education was started in the A. B. A. by R. O. Kaufman while a member of the executive council from Montana. Former President Puellcher of the A. B. A. stated that the educational work of the A. B. A. was its greatest accomplishment. We have, therefore, been particularly fortunate in having Mr. Kaufman at the head of this work in Montana. Substantial results have been accomplished during the past year, although the general economic conditions have made it necessary to restrict the program somewhat.

There not being a session of the state legislature during the past year, there has been no active legislative committee. It is probable that many important legislative matters will come up during the next year. The association should have a particularly strong and active legislative committee.

Accounting and Legal Departments

Establishment of the department of association accountant three years ago has been justified many times over by the saving of taxes and refund to members, which has been accomplished by F. S. Jacobsen, who has handled the work with entire satisfaction. The department is equipped to serve members in all income tax work at very nominal cost. An increasing number of banks are using the service. It is recommended that all members have their income tax business handled through this department of association activities.

Notwithstanding the fact that we have substantially less members than for the past four years, work in the legal department has increased steadily. Probably it is on account of the more troublous times and the greater need for legal advice. At any rate, there have been large numbers of requests for legal opinions, which have been taken care of carefully, promptly, and to the satisfaction of our members.

Protective Work

What is probably one of the association's most valuable accomplishments resulted during the past year from protective campaign started soon after the Great Falls convention, in cooperation with the American Bankers Association. The gang which had terrorized this state, adjoining states, and Canada, and which had been making headquarters at Havre for several years, was definitely broken up. A number of the burglars were convicted in Montana courts and sentenced to the state penitentiary, others were turned over to Canadian authorities, and others sent to other states for trial. The work was carried on for several months and required much time and substantial expense. Rewards of \$2,500.00, for which we are obligated, have not yet been paid but must be taken care of very soon. We have filed a claim for \$2,500.00 expenses with the Canadian Bankers Association, which will be acted upon this month. During our campaign we apprehended burglars who had operated against both Canadian and Montana banks. We turned these men over to Canadian officers and, as a result, nearly \$1,000,000 worth of stolen securities were recovered and restored to Canadian banks.

Conclusion

There are a thousand and one things during the year which are handled in the association work. The scope of the work is limited only by the time and funds available. A full-time secretary could perform a valuable service. A permanent office could be financed by handling surety bonds, as many other associations are doing, and by the publication of a monthly magazine, which could make a substantial earning.

ESSENTIALS FOR LOW RAILROAD RATES

(Continued from page 23)

railroads, especially in some parts of the United States, will make for efficiency and economy through diversification of industry and consequent uniformity of movement throughout the year, and stability of earnings on account of the more widely spread geographical territory served.

It is equally true that to reduce the return to the investors in railroad securities below what is fair will not result permanently in lower freight and passenger rates, but higher. In short, so long as the patrons of the railroads have to pay such rates for service as will support the carriers, the only effective way to obtain low rates is by assisting the roads to manufacture their product—transportation—as cheaply as possible.

Potato Bags
NORTHERN BAG CO. *Prompt Service*
 Minneapolis, Minn. *High Quality*
 Established 1885

STOCKS OF GRAIN AT MINNEAPOLIS

	July 19	July 12	Year Ago
No. 1 dark northern	2,929,147	2,220,029	3,051,870
No. 1 northern	851,985	907,053	1,067,124
No. 2 dark northern	729,824	762,345	1,000,380
No. 2 northern	1,006,329	1,041,750	1,481,722
No. 3 dark northern	756,580	797,694	132,570
No. 3 northern	35,382	35,382	29,342
Winter	1,459	6,315	6,613
Durum	36,641	75,111	407,906
Transfer	109	5,234	149,468
Other grades	1,161,948	1,302,000	2,526,679
Public houses	6,611,404	7,152,933	
Private houses	323,014	375,909	903,552
Total	6,934,418	7,528,842	10,760,120
Decrease	595,424	332,375	567,404
Corn	54,512	58,604	19,176
Oats	284,270	334,291	1,513,010
Barley	52,281	83,864	401,744
Rye	5,097,456	5,342,140	4,437,486
Flax	15,980	20,830	8,847

WHEAT STOCKS AT DULUTH

Duluth-Superior wheat stocks, July 19, and receipts by weeks ended Saturday, in bushels (000's omitted):

	Wheat stocks			Receipts by grade		
	1924 bus.	1923 bus.	1922 bus.	1924 cars	1923 cars	1922 cars
1, 2 dk n. 1, 2 nor	177	..	75	45	69	112
3 dk n. 3 nor	19	..	..	18	7	12
All other spring	361	339	96	23	13	9
1, 2 am d. 1, 2 dur	550	1,178	145	63	120	62
3 am d. 3 dur	92	..	..	24	..	..
All other durum	582	1,142	416	85	209	117
Winter	1	1	2	7	..	6
Mixed	..	..	..	97	156	149
Totals	1,782	2,660	784	362	574	467

MINNEAPOLIS-DULUTH CROP-YEAR WHEAT RECEIPTS

Receipts of wheat in Minneapolis and Duluth from September 1, 1923, to July 19, 1924, compared with the corresponding period of previous years, in bushels (000's omitted):

	1923-24	1922-23	1921-22	1920-21
Minneapolis	94,067	120,672	93,561	67,752
Duluth	33,605	60,945	46,650	42,492
Totals	127,672	181,617	140,211	110,244

STOCKS OF GRAIN AT CHICAGO

	Public	Private	Total	Last year
Wheat	3,021	6,199	9,220,000	1,223,000
Corn	510	426	936,000	822,000
Oats	10	405	415,000	1,399,000
Rye	2,992	254	3,246,000	1,202,000
Barley	..	46	46,000	96,000

UNITED STATES VISIBLE GRAIN SUPPLY

	This week	Last week	Last year
Wheat	34,175,000	34,338,000	24,800,000
Corn	3,771,000	5,629,000	1,847,000
Oats	3,951,000	3,780,000	5,930,000
Rye	15,415,000	16,476,000	13,330,000
Barley	310,000	422,000	975,000

CANADIAN VISIBLE GRAIN SUPPLY

	This week	Last week	Last year
Wheat	22,443,000	24,175,000	11,975,000
Oats	11,352,000	11,950,000	3,955,000
Barley	1,103,000	1,205,000	3,728,000

NORTH AMERICAN GRAIN EXPORTS

	Last week	Prev. week	Last year
Corn, bushels	49,000	122,000	191,000
Flour, barrels	252,000	242,000	255,000
Wheat, bushels	3,233,000	5,154,000	6,707,000
Oats, bushels	808,000	703,000	797,000
Rye, bushels	213,000	154,000	947,000
Barley, bushels	314,000	431,000	681,000

WORLD GRAIN SHIPMENTS

	Last week	Prev. week	Last year
Wheat	10,344,000	11,564,000	12,647,000
Corn	7,794,000	5,767,000	4,626,000
Oats	1,624,000	1,635,000	1,201,000

THE WEEK'S FLOUR OUTPUT

(From The Northwestern Miller.)
The following table shows the flour output at milling centers for the past two weeks, with comparisons, in barrels:

	July 19	July 12	1923	1922
Minneapolis	220,622	215,765	281,975	305,530
St. Paul	8,804	4,830	11,180	11,760
Duluth-Superior	16,265	13,260	16,010	14,220
Milwaukee	3,000	..	5,000	7,500
Totals	248,691	233,855	314,165	339,010
Outside mills*	157,709	166,470	189,388	189,785

	406,400	400,325	503,553	528,795
Aggregate spring	406,400	400,325	503,553	528,795
St. Louis	23,500	23,800	29,800	21,000
St. Louis†	41,500	30,500	29,200	45,000
Ruffalo	155,199	151,635	117,925	150,550
Rochester	4,800	3,650	5,500	5,900
Chicago	38,000	38,000	17,000	32,000
Kansas City	107,900	103,103	111,475	69,700
Kansas City‡	332,319	253,532	264,415	261,430
Omaha	21,187	20,221	17,970	18,150
St. Joseph	45,302	12,515	21,605	24,425
Salina	18,797	15,340	10,230	29,725
Wichita	38,016	52,886	41,645	29,135
Toledo	25,800	25,200	27,400	18,150
Toledo§	50,044	71,975	57,505	48,045
Indianapolis	..	5,490	6,225	..
Nashville**	53,789	76,164	85,720	84,675
Portland, Ore.	36,862	18,318	22,895	18,475

	28,490	23,720	23,500	28,140
Seattle	28,490	23,720	23,500	28,140
Tacoma	22,236	17,387	10,370	22,940
*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 southwestern mills outside of Kansas City, but inclusive of mills at Wichita, Salina, Omaha and St. Joseph.				
§Flour made by central states mills, including those of Toledo.				
**Flour made by southeastern mills, including Nashville.				

FLAXSEED RECEIPTS AND SHIPMENTS

Receipts and shipments of flaxseed at Minneapolis and Duluth, September 1, 1923, to July 19, 1924, compared with the corresponding period of the previous year, in bushels (000's omitted):

	Receipts		Shipments	
	1923-24	1922-23	1923-24	1922-23
Minneapolis	8,386	6,108	1,865	1,154
Duluth	6,847	3,976	5,993	3,654
Totals	15,233	10,684	7,858	4,757

MINNEAPOLIS GRAIN FUTURES

	July 17	July 18	July 19	July 21	July 22	July 23
Wheat	1.35	1.30	1.31	1.30	1.26	1.33
July	1.35	1.29	1.31	1.30	1.27	1.33
September	1.35	1.31	1.33	1.31	1.29	1.35
December	1.35	1.31	1.33	1.31	1.29	1.35
July	1.35	1.30	1.31	1.30	1.26	1.33
July 17	1.35	1.29	1.31	1.30	1.27	1.33
July 18	1.35	1.29	1.31	1.30	1.27	1.33
July 19	1.35	1.29	1.31	1.30	1.27	1.33
July 21	1.35	1.29	1.31	1.30	1.27	1.33
July 22	1.35	1.29	1.31	1.30	1.27	1.33
July 23	1.35	1.29	1.31	1.30	1.27	1.33
Oats	.50	.49	.50	.49	.48	.50
Rye	.81	.78	.78	.77	.75	.78
Barley	.80	.80	.80	.80	.79	.79
Flax	2.55	2.49	2.45	2.45	2.45	2.48
September	2.43	2.34	2.28	2.28	2.27	2.32
September 17	2.43	2.34	2.28	2.28	2.27	2.32
September 18	2.43	2.34	2.28	2.28	2.27	2.32
September 19	2.43	2.34	2.28	2.28	2.27	2.32
September 21	2.43	2.34	2.28	2.28	2.27	2.32
September 22	2.43	2.34	2.28	2.28	2.27	2.32
September 23	2.43	2.34	2.28	2.28	2.27	2.32
Oats	.46	.45	.46	.44	.43	.45

CHICAGO GRAIN FUTURES

	July 17	July 18	July 19	July 21	July 22	July 23
Wheat	1.22	1.09	1.09	1.08	1.05	1.08
Corn	1.22	1.09	1.09	1.08	1.05	1.08
Oats	.56	.55	.53	.52	.51	.54
Rye	.87	.85	.85	.83	.80	.84
September	1.06	1.04	1.05	1.03	1.01	1.05
September 17	1.06	1.04	1.05	1.03	1.01	1.05
September 18	1.06	1.04	1.05	1.03	1.01	1.05
September 19	1.06	1.04	1.05	1.03	1.01	1.05
September 21	1.06	1.04	1.05	1.03	1.01	1.05
September 22	1.06	1.04	1.05	1.03	1.01	1.05
September 23	1.06	1.04	1.05	1.03	1.01	1.05
Oats	.48	.47	.48	.46	.45	.47
Rye	.87	.85	.86	.84	.82	.86
December	1.29	1.25	1.26	1.25	1.23	1.29
December 17	1.29	1.25	1.26	1.25	1.23	1.29
December 18	1.29	1.25	1.26	1.25	1.23	1.29
December 19	1.29	1.25	1.26	1.25	1.23	1.29
December 21	1.29	1.25	1.26	1.25	1.23	1.29
December 22	1.29	1.25	1.26	1.25	1.23	1.29
December 23	1.29	1.25	1.26	1.25	1.23	1.29
Oats	.94	.92	.94	1.03	.89	.92
Rye	.50	.49	.49	.48	.47	.49

DULUTH GRAIN FUTURES

	July 17	July 18	July 19	July 21	July 22	July 23
Durum	1.37	1.33	1.33	1.30	1.29	1.35
Flax	2.57	2.50	2.45	2.45	2.49	2.50
September	1.29	1.25	1.26	1.25	1.23	1.29
September 17	1.29	1.25	1.26	1.25	1.23	1.29
September 18	1.29	1.25	1.26	1.25	1.23	1.29
September 19	1.29	1.25	1.26	1.25	1.23	1.29
September 21	1.29	1.25	1.26	1.25	1.23	1.29
September 22	1.29	1.25	1.26	1.25	1.23	1.29
September 23	1.29	1.25	1.26	1.25	1.23	1.29
Flax	2.45	2.38	2.32	2.32	2.32	2.38

WINNIPEG GRAIN FUTURES

	July 17	July 18	July 19	July 21	July 22	July 23
Wheat	1.40	1.36	1.38	1.39	1.37	1.42

Motor Car Registration by States

Akron, Ohio—With four minor state's reports lacking in the tabulation the chamber of commerce of Akron announces that automobile and truck registration increased only 317,663 in the first six months of the present year. The increase totals approximately two per cent. of the total registration as of January 1, 1924.

Losses in registration of motor vehicles are reported in California, Arkansas, Colorado, Iowa, Indiana, Kansas, Nebraska, North and South Dakota, Oklahoma, Tennessee, Texas, West Virginia and Wyoming.

Registrations as reported by the chamber total 15,409,840 as compared with 15,092,177 at the beginning of the present year.

Truck and bus registration total 1,801,723 as compared with 1,627,567 reported at the beginning of the year.

The four states not included in the tabulation are Arkansas, with a registration of 113,300 at the beginning of the year; Montana, with 73,828 at the beginning of the year; North Carolina with 246,812 and Oregon with 165,962.

	Cars, trucks & buses July 1'24	Cars, trucks & buses Jan. 1'24	Per cent. gain	Registration Jan. 1'12	Trucks and buses July 1'24
Alabama	154,234	126,642	21%	3,385	21,018
Arizona	49,161	49,175	*...	1,264	6,625
Arkansas	113,300	113,300	*...	2,250	11,300
California	1,080,800	1,100,283	*...	88,869	65,776
Colorado	180,425	188,956	*...	8,950	12,748
Connecticut	186,072	181,748	2%	24,101	29,451
Delaware	31,300	29,977	4.6%	1,732	5,300
Dist. Columbia	75,401	74,811	1.1%	1,732	8,589
Florida	181,490	151,990	19%	1,749	29,040
Georgia	177,025	173,889	1.7%	19,120	22,745
Idaho	62,977	62,279	1.1%	2,500	6,763
Illinois	986,480	969,331	1.7%	68,073	124,028
Indiana	581,889	583,242	*...	54,334	73,058
Iowa	569,268	571,061	*...	47,188	37,606
Kansas	360,796	375,594	*...	22,000	33,792
Kentucky	204,079	198,377	2.8%	5,147	20,429
Louisiana	145,000	136,622	6%	7,000	25,000
Maine	115,713	108,609	6.5%	7,743	19,691
Maryland	175,718	169,351	3.7%	10,487	10,082
Massachusetts	557,223	481,150	16%	50,132	79,738
Michigan	765,044	730,658	4.6%	29,579	72,954
Minnesota	462,777	448,187	3%	29,000	33,469
Mississippi	114,070	104,286	9%	2,895	11,407
Missouri	477,056	476,598	1.1%	24,379	46,435
Montana	73,828	73,828	*...	2,000	8,379
Nebraska	273,238	286,053	*...	23,861	26,822
Nevada	15,995	15,699	2%	900	.....
New Hampshire	64,373	59,604	7%	5,764	.....
New Jersey	435,894	430,958	1%	43,056	97,761
New Mexico	35,253	32,032	10%	911	1,437
New York	1,193,322	1,204,213	*...	107,262	231,964
No. Carolina	246,812	246,812	*...	6,178	21,324
North Dakota	103,649	109,266	*...	8,997	.....
Ohio	1,160,000	1,069,100	8.4%	63,066	160,700
Oklahoma	285,400	307,000	*...	6,524	10,400
Oregon	165,962	165,962	*...	10,165	12,987
Pennsylvania	1,094,647	1,043,770	4.8%	59,357	163,182
Rhode Island	78,469	76,312	2.8%	8,565	14,324
South Carolina	139,245	127,467	9%	10,000	13,281
South Dakota	127,400	131,700	*...	14,481	9,588
Tennessee	160,476	173,265	*...	12,490	17,723
Texas	661,949	688,233	*...	35,187	50,902
Utah	67,133	59,525	12.7%	2,576	8,349
Vermont	52,614	52,776	*...	4,283	3,561
Virginia	233,459	218,896	6.7%	5,760	32,722
Washington	266,599	258,264	3.2%	13,990	39,584
West Virginia	154,772	157,924	*...	5,349	21,200
Wisconsin	474,063	457,271	3.6%	24,578	44,279
Wyoming	37,950	39,821	*...	1,300	4,200
Total	15,409,840	15,092,177	1.010,399	1,801,723	

*Loss. †1923 figures. ‡Less than 1%. §Estimated.

The Work Public Utilities Are Doing

Gas and electric companies serving the public in the United States today make up one of the largest of the nations industries. Immense strides have been taken by the public utilities in years past, due to the increasing demand for their services.

Electricity is now used in 7,000,000 or about one-third of all American homes. It is employed for telephones, heaters, toasters, lighting, and many other appliances. Several million of the present-day users of gas and electricity are part owners in the companies that supply them, as the result of customer ownership effort.

In the nation the electric utilities represent a total investment of \$5,800,000,000, including \$702,143,000 that was spent last year on improvements.

The street railways represent an investment of \$5,600,000,000, gas companies \$4,000,000,000 and telephone companies \$2,750,000,000, a total of \$18,150,000,000 invested in public service.

During 1923, some 341,000,000 incandescent lamps were

made, or about 1,000,000 per day. There are now 80,000 street cars in service. An average of 117 rides for every man, woman and child was the service record of the street cars last year.

Things the Public Should Know

That public utility corporations are the worst abused concerns in existence.

That abusing them is the stock in trade of most politicians and is a short route to applause from a large portion of the public.

That few politicians forget to include abuse for public service corporations among their bag of tricks.

That no matter how honestly or efficiently they are conducted they are always abused.

That few people seem to remember what the genius and initiative of these organizations has contributed to modern civilization.

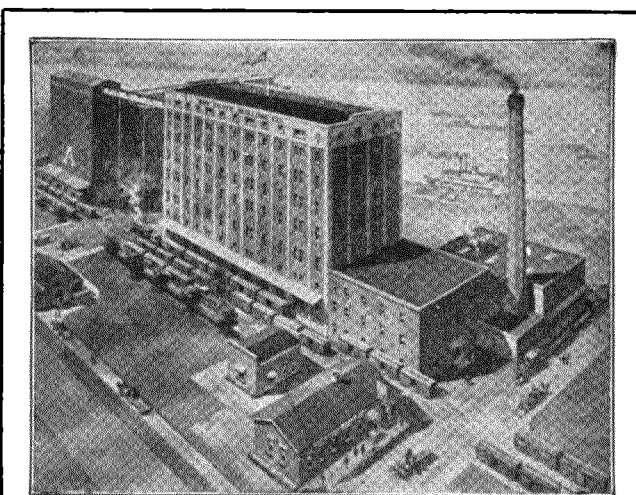
That they have placed comforts, convenience and luxuries within the reach of all; things that were never dreamed of by our forefathers.

That if it was made less difficult for people who invest their money in industries that make big payrolls, and less difficult for them to run them after they are established, there would be more progress and prosperity in many sections.

That a city can't get many new industries, or increase the business of the ones they now have, unless they stop trying to hamper their operations and offer them some encouragement.—Henry L. Doherty & Company's Investment Bulletin.



Potato bags
Needles
Sewing twines



This cut shows the plant of the
BAY STATE MILLING CO.
WINONA, MINN.

replacing their plant destroyed by fire in August 1911.

This plant, with capacity of 4,000 barrels daily was designed and rebuilt of reinforced concrete, *absolutely fireproof*, in just *ninety days* from the date of the above calamity, by

The Barnett & Record Co.

MINNEAPOLIS, MINNESOTA
DULUTH, MINNESOTA
FORT WILLIAM, ONTARIO

That is our specialty

Write us for designs and estimates

69-70-71-72-73

That's Speed—That's Pep

THIS is a confidential announcement to the motorcycle policemen of the United States.

If you see a streak of flying green with a blur of balloon tires bursting over the distant horizon and passing you like a teal duck somewhere west of Kankakee, you don't need to get the number.

It's The Great Jordan Line Eight.

You can do something to prevent its happening twice. We are sorry but we can't do anything to prevent its happening once.

Someone is surely going to drive the Great Jordan Line Eight awfully fast.

Of course it's wrong—we know it's crazy.

Nobody really approves. But we're all human.

The most desirable Jordan owner will be happy just loafing smoothly along from twenty-five to forty.

Those in whom the spirit of youth still revels will be tempted to try it at fifty-five. They won't realize that they are going forty.

But some day out of the blue will burst some young man who wants to see how fast The Great Line Eight can go.

If he can find the place to do it—which we hope he will not—he will hover around sixty-five—get up his nerve—step on her some more and reach seventy.

Then if he values his life he will slow down. If speed is still attractive who knows what might happen.

Ask Bill Jones— He Knows

Aside from the favored few, Bill Jones, the motorcycle cop in Pumpkin Center, can tell you most about The Great Line Eight.

After Bill witnessed the test over the measured mile—5280 feet in fifty seconds—of course he wanted to drive.

Bill had been all the way through the primary grades in motor car thrills.

He knew what it was to feel a Ford starting for the Four-Corner grocery.

Someone let him drive a high priced automobile which weighed a couple of tons.

Bill thought he had been somewhere.

When he stepped into The Great Line Eight he turned his cap peak backward, and discovered that

the longest distance in the world was between the full throw-out position of the accelerator and the floor board.

He kept stepping on it and stepping on it—a new thrill every minute—until finally Bill was doing seventy.

Then he grasped the wheel more firmly and stepped on her some more.

It seemed to Bill that his foot would never reach the floor.

When he was doing seventy-three Sam Simpson's big red bantam rooster started across the road—just to get on the other side.

Folks around the town pump will tell you that you ain't been nowhere and you ain't seen nothing until you have driven The Great Jordan Line Eight.

It Can Be Done— But Don't Do it—

Don't drive The Great Line Eight as fast as it will go. It's against the law. Besides it's dangerous.

It's not the speed that sensible people want, but it's the feeling of great reserve that everybody loves. It's a beautiful car.

The newest, latest, up-to-the-minute automobile—the accepted style leader for 1925.

Everything is new—bodies—lines—radiator—motor—frame—axles—transmission—wheels—balloon tires—starting and lighting—balloon steering—comfort—springs—cushions—snubbers—upholstery—universals—brakes—top—fenders—instrument arrangement—appointments—colors—thrills—sensations—prices—everything.

But you can't describe such a car—you have to see it—you have to feel it—you will learn to love it.

Ask the Jordan dealer to notify you on the day The Great Line Eight arrives.

Thousands of orders have already been received from dealers. Some will be disappointed in the face of such a demand.

Thousands of Jordan owners will be favored with first deliveries—they are our friends.

The Complete Jordan Line With Prices Follows:

<i>Silhouette Six</i>		<i>Great Line Eight</i>	
Touring	\$1775	Touring	\$2575
Blue Boy	2095	Playboy	2575
Victoria	2385	Victoria	2775
Brougham	2385	Brougham	2875
Sedan	2585	Sedan	2975

Above Prices f. o. b. Cleveland—Add War Tax

Northwestern Automobile Co.

1500 Harmon Place, Minneapolis

Jordan Distributors for the Northwest

The Great JORDAN Line Eight

(Trade-Mark)