

COMMERCIAL WEST

PUBLISHED WEEKLY—TWENTY-FIFTH YEAR

BANKING

INVESTMENTS

INSURANCE

GRAIN AND MILLING

VOL. 49—No. 3

MINNEAPOLIS, SATURDAY, JANUARY 16, 1926

PRICE { Fifteen Cents a Copy
Five Dollars a Year

Haine, Webber & Company

ESTABLISHED 1880

BONDS AND NOTES

U. S. GOVERNMENT
FOREIGN GOVERNMENTS
MUNICIPALITIES
RAILROADS
PUBLIC UTILITIES
INDUSTRIALS

McKnight Building

Minneapolis

Boston New York Chicago
St. Paul Duluth

MEMBERS

New York Stock Exchange
Boston Stock Exchange
Chicago Stock Exchange
Detroit Stock Exchange
New York Cotton Exchange
Chicago Board of Trade
Hartford Stock Exchange

H. M. Byllesby and Co.

Incorporated

Underwriters, Wholesalers and Retailers of Investment Securities—Specialists in Public Utilities.

McKnight Bldg. Pioneer Bldg.
MINNEAPOLIS ST. PAUL

Chicago New York Boston Philadelphia
Detroit Kansas City Providence

Private Wires--- Chicago - New York - Boston

HEALTH IS YOUR BEST ASSET

Without It, You're Not Fit for Daily Work

DRINK ONLY

CHIPPEWA

NATURAL SPRING WATER

The Purest and Softest in the World

And notice the results — Ask your doctor

CHIPPEWA SPRINGS CORP.

177 North Colfax Avenue, Minneapolis
Phone Hyland 2500

Out of town shipment filled the same day order received

CHICAGO BANK STOCKS AND UNLISTED SECURITIES

Bought, Sold and Quoted

BABCOCK, RUSHTON & COMPANY

—Established 1895—

MEMBERS:

New York Stock Exchange
Chicago Stock Exchange
Chicago Board of Trade

137 S. La Salle St., Chicago. Central 8900

A Complete Banking Service

THE FIRST NATIONAL BANK OF CHICAGO



1863 1926

FIRST TRUST AND SAVINGS BANK: CHICAGO

Combined resources exceed \$350,000,000

Calls and Correspondence invited

DISCOUNT HOUSE

of

SALOMON BROS. & HUTZLER

Members New York Stock Exchange

First National-Soo Line Building
MINNEAPOLIS

E. C. KIBBEE - Manager

NEW YORK BOSTON CHICAGO
PHILADELPHIA DETROIT

C. F. CHILDS & Co.

The oldest house in America specializing exclusively in

GOVERNMENT BONDS

PRIVATE WIRES From COAST to COAST

MINNEAPOLIS OFFICE

609 Second Ave., So. Tel. Atlantic 2801

HIGH GRADE INVESTMENT SECURITIES

Handling Estates and acting as Trustee is our specialty

NORTHWESTERN TRUST COMPANY

344 Jackson Street
SAINT PAUL, MINNESOTA

Affiliated with the First National Bank

BONDS

Government

Municipal

Industrial

Public Utility

A.C. ALLYN AND COMPANY

Established 1912

McKnight Building, Minneapolis

Telephone Main 1509

Chicago New York Boston
Philadelphia Milwaukee

ERNST & ERNST

AUDITS—SYSTEMS—TAXES

FIRST NATIONAL-SOO LINE BUILDING

TELEPHONE ATLANTIC 4262

MINNEAPOLIS

New York Philadelphia Dallas Washington, D. C. New Orleans Boston St. Louis Houston Richmond Chicago Cincinnati Detroit Kansas City Atlanta Cleveland Toledo Pittsburgh Minneapolis Fort Worth St. Paul Canton Grand Rapids Indianapolis Buffalo Denver Milwaukee



Send St. Paul Business to Us
 You will like our service and
 We will appreciate your patronage
American National Bank

TABLE OF CONTENTS

	Page	
United States Arbitration Law Now in Effect.....	2	Agricultural Credit Corporations Subject to In- come Tax
Municipal Bond Offerings and Sales	3	Time Payment Excesses Threaten Depression
Prices of Government Bonds	4	Helpful Hints for Careful Investors
Standard Oil Stocks	4	Prices of Bank Stocks and Other Securities
Personals	5	Bank Transactions
Editorial—		New Banks and Changes
The Value of Corn	7	Underwriters Carefully Watch Small Town Risks ..
Bread Cast Upon the Waters	7	Depository Losses Run High in 1925
The Tariff and the Farmer	8	Work of Better Business Bureau to Check Security Frauds
Optimism of the Statisticians	8	Bank Checks to be Standardized
The Bull's Eye	9	New Law Affects North Dakota Investors.....
A Continuance of Prosperity Indicated in the Northwest	10	Late Important Bankruptcy Decisions
Annual Meetings of the Twin City Banks	11	North Dakota Bond Interest High
Truth Makes Prosperity, Says Chicago Banker ..	12	South Dakota's 1925 Immigration from 29 States..
Swift's Sales Top Record Since War Days	14	Montana's 1925 Output of Metals
Bank Advertising That Educates the Public	16	Canada's Progress in Hydro-Electric Develop- ments
An Analysis of the Tax-Exempt Security Situation ..	18	Review of the Live Stock Markets
Utility Bonds as Legal Investments for Savings Banks	20	The Ups and Downs of Wheat Prices
		Chicago Privileged Trading Legalized
		Market Prices and Other Grain Statistics
		Standardization of the Diamond Industry

United States Arbitration Law Now in Effect

The new United States Arbitration Act, signed by President Coolidge, became effective January 1. It is regarded by business men, bankers, lawyers and public accountants as one of the most valuable pieces of commercial legislation enacted by Congress in a quarter of a century.

Public accountants of the country, as represented by the American Institute of Accountants, with headquarters in New York City, have published a letter-bulletin, descriptive of the new law and of its possible uses, for circulation to business men and organizations.

The new Federal law makes valid, enforceable and irrevocable, a written provision, in a contract, to arbitrate any dispute that may later arise thereunder, as well as a written agreement to arbitrate an existing controversy, if the disputes relate to maritime transactions, or "commerce among the several states, or with foreign countries." Disputes involving only \$3,000 or more may be arbitrated under this law, a provision that is criticised at the same time that the law is being acclaimed. It is hoped that this limitation may be reduced or removed by an early amendment. In the mean time, it is pointed out, the principle of the new law may be applied by business men, even though their disputes may involve less than \$3,000.

Prompt and inexpensive settlement of controversies is possible under the new law, with no airing of cases in open court. Arbitrators may be chosen who are familiar with the trade terms and conditions involved. The satisfactory working of modern arbitration laws in the few states which have them is pointed to by supporters of the new Federal measure as an example of what may be accomplished in interstate commerce.

Many trade organizations already have arbitration tribunals for the settlement of controversies between their members. They report savings of millions of dollars in time and money by the use of arbitration.

The principle of commercial arbitration is old, but its modern application is comparatively recent. Modern arbi-

tration laws to be effective must contain provisions preventing the withdrawal of either disputant, once an agreement to arbitrate has been signed; must make the decisions and awards of arbitrators enforceable; and must permit contracts to arbitrate future, as well as existing, disputes.

But four of the states, according to the letter-bulletin issued by the accountants, have arbitration statutes which embody all of these modern provisions, all of which are included in the new Federal act. These states are New York, New Jersey, Oregon and Massachusetts, named in the order in which they enacted their laws. Seven other states had modern arbitration statutes before their legislatures this year, but did not act on them. The state of Washington now has such a measure before its legislature. Illinois has a modern law, which lacks only the provision permitting business men to contract to settle future disputes. Thirty-eight states, in all, have some form of arbitration law on their books.

Public accountants are particularly interested in the arbitration movement because they recognize in it a new business procedure which will bring about large savings in time and money for merchants, manufacturers and shippers, through the prompt freeing of "frozen" assets. Accountants are also called on to act as arbitrators in many cases.

WAR FINANCE CORPORATION LOANS REPAYED

Spokane, Wash.—R. Lewis Rutter, chairman of the agricultural agency of the War Finance Corporation, announced recently the complete repayment to the Government of every loan made by the Spokane branch since its creation in October, 1921.

Loans made by the Spokane branch amounted to \$1,114,000, which with the loans of \$1,500,000 made by the Northwestern Wheat Growers Association, another branch of the war finance corporation activities, aggregates a return to the Government of \$2,600,000 without loss of a dollar.

Western Municipal Bonds

FUTURE BOND ELECTIONS

January 16—Central City, Neb., School District—\$100,000 bonds.

January 18—Blue Earth, Minn.—\$20,000 electric power bonds.

January 18—Riverdale, Ill., (P. O. Chicago)—\$20,000 fire department bonds.

January 19—Clayton, Ill.—\$20,000 community building bonds.

January 19—Red Willow County, Neb. (P. O. McCook)—\$250,000 courthouse and jail bonds.

January 19—Los Angeles County, Cal., El Monte Grammar School District (P. O. Los Angeles)—\$75,000 bonds.

January 20—Ottawa, Ill.—\$15,000 waterworks bonds.

January 22—Clear Lake, Iowa, School District—\$100,000 bonds.

January 26—Red Willow County, Neb. (P. O. McCook)—\$250,000 courthouse bonds.

February 10—Clinton County, Iowa (P. O. Clinton)—\$1,000,000 highway bonds.

FUTURE BOND SALES

January 16—West Allis, Wis.—\$92,000 school bonds; \$40,000 street improvement bonds; 5 per cent.; 10-years; certified check 5 per cent. M. C. Henika, city clerk.

January 18—Englewood, Colo.—\$5,500 grading and sidewalk bonds; denomination \$500; 5, 5½ or 6 per cent. Lenora Fogle, city clerk.

January 18—Beaver Dam, Wis.—\$10,000 city bonds; denomination \$1,000 and \$500; 4½ per cent.; 8½ years; certified check 500. William A. Gergen, city clerk.

January 19—Oswego, Oregon—\$100,00 water system bonds. A. C. Good, city recorder.

January 19—Boise City, Idaho—\$115,000 station approach bonds; Angela Hopper, city clerk.

January 19—Marin County, Cal., Marin Municipal Water District (P. O. San Rafael)—\$350,000 waterworks development bonds; 5 per cent.; 21½ years; certified check 10 per cent.

January 20—Tacoma, Wash.—\$1,000,000 water coupon bonds; denomination \$1,000; not exceeding 6 per cent.; 15½ years; certified check \$50,000. H. Roy, city treasurer.

January 20—Multnomah County, Oregon, Drainage District No. 1 (P. O. Portland)—\$10,000 bonds; 6 per cent.; 4 5-6 years; certified check \$500. D. C. Powell, secretary board of supervisors.

January 21—Minneapolis, Minn.—\$1,444,000 waterworks bonds and \$256,000 permanent improvement bonds; denomination \$1,000; not exceeding 5 per cent.; 1-40 years; certified check 2 per cent. George M. Link, secretary board of estimate and taxation.

January 22—Springfield, Oregon—\$13,481 improvement bonds; denomination \$100; 6 per cent.; certified check 3 per cent. R. W. Smith, town recorder.

January 23—Fallon County, Mont., School District No. 41 (P. O. Baker)—\$2,500 bonds; not exceeding 6½ per cent.; 10 years; certified check \$250. E. M. Northrup, clerk board of trustees.

January 27—Sioux Falls, S. D.—\$600,000 sewage disposal bonds and \$100,000 sewer bonds. City commissioners.

January 29—Port of Portland, Ore. (P. O. Portland)—\$750,000 port improvement, Series G coupon or registered bonds; denomination \$1,000; 4¼ per cent.; 10½ years; certified check 5 per cent. J. P. Doyle, assistant secretary, board of commissioners.

February 3—Williams County, N. D., Sauk Valley Township (P. O. McGregor)—\$5,000 hall bonds; 6 per cent.; 20 years; certified check 5 per cent. County auditor, Williston, N. D.

BOND NOTES

Limon, Colo.—An issue of \$1,500 waterworks bonds has been sold to the Firemen's Pension Fund.

McCluskey, N. D., School District—A recent election authorized \$45,000 bonds by a vote of 119 to 25.

Vernonia, Ore.—Lain & Co., contractors of Kelso, purchased \$5,306.88 6 per cent. 1-10 year improvement bonds at par.

Iowa City, Iowa—An issue of \$55,000 5 per cent. 1-10 year street improvement bonds was sold to residents of the city at par.

Grand Junction, Colo.—Sidlo, Simons, Day & Co. of Denver were the successful bidders for \$8,200 6 per cent. paving bonds at par.

Grand Island, Neb., School District—The Lincoln Trust Company of Lincoln purchased \$144,000 4¼ per cent. refunding bonds.

Earlville, Ill.—An issue of \$75,000 10½ year community high school bonds has been awarded to H. C. Speer & Sons Company of Chicago.

Sleepy Eye, Minn.—An issue of \$10,000 5 per cent. 10 year certificates of indebtedness was purchased by the First National Bank of Sleepy Eye at par.

Skagit County, Wash., School District (P. O. Sedro Woolley)—An issue of \$80,000 building bonds was authorized by a vote of 295 to 32 at a recent election.

Cass County, Minn. (P. O. Walker)—An issue of \$50,000 5¼ per cent. 4-year road bonds was awarded to the Wells-Dickey Company of Minneapolis at par.

Kittitas County, Wash., School District No. 34 (P. O. Ronald)—An issue of \$10,601.30 5 per cent. bonds has been awarded to the Teachers Retirement Fund.

St. Paul, Minn.—The Minneapolis Trust Company of Minneapolis was the successful bidder for 1,000,000 4¼ per cent. 1-30 year sewer bonds at a premium of 3,996.

Clarke County, Wash., Lambert School District (P. O. Vancouver)—An issue of \$5,000 building and equipment bonds carried by a vote of 57 to 29 at an election.

Rochester, Minn.—An issue of 75,000 4¼ per cent. 8½ year sewage disposal plant bonds was sold to the Sinking Fund at a premium of \$2,647.50-103.55, a basis of 4.22 per cent.

Dupo, Ill., School District—An issue of \$125,000 6 per cent. 20-year bonds has been purchased by Ames, Emerich & Co. of Chicago at a premium of \$4,935-103.94, a basis of 5.67 per cent.

Benton County, Iowa (P. O. Vinton)—George M. Bechtel & Co. of Davenport bought \$70,000 4½ per cent. 12½ year refunding bonds at a premium of \$880-101.25, a basis of 4.37 per cent.

Cedar Rapids, Iowa—An issue of \$110,000 4½ per cent. 8-year liberty memorial bonds was awarded to the Cedar Rapids Clearing House at a premium of \$1,425-101.29, a basis of 4.31 per cent.

Deschutes County, Ore., School District No. 1 (P. O. Bend)—A. D. Wakeman & Co. of Portland was the successful bidder for \$100,000 5½ per cent. 1-year school notes at 100.09, a basis of 5.40 per cent.

Los Angeles County, Cal., School Districts (P. O. Los Angeles)—R. H. Moulton & Co. of Los Angeles was the successful bidder for \$4,000,000 5 per cent. 19 1-6 year bonds at 103.67, a basis of 4.69 per cent.

Marshfield, Wis., School District No. 1—Mr. Dunegan of Stevens Point was the successful bidder for \$225,000 4¾ per cent. 8½ year Purdy school addition bonds at a premium of \$9,001.75-104, a basis of 4.17 per cent.

South Milwaukee, Wis.—The \$20,000 4½ per cent. street improvement bonds sold to the Second Ward Securities Company of Milwaukee as reported in our issue of January 9, they were sold at a premium of \$162.50-100.81.

Riverside County, Cal., Highgrove School District (P. O. Riverside)—An issue of \$20,000 5 per cent. 2-21 year bonds has been awarded to Aronson & Co. of Los Angeles at a premium of \$252-101.26, a basis of 4.84 per cent.

San Luis Obispo County, Cal. (P. O. San Luis Obispo)—The Mercantile Securities Company of San Francisco was the successful bidder for \$225,000 5½ per cent. 16-year coast road improvement district bonds at a premium of \$4,037-101.81.

Salt Lake City, Utah—A syndicate composed of R. W. Pressprich & Co. of New York, the Old Colony Trust Company and F. S. Moseley & Co., both of Boston and Edward L. Burton & Co. of Salt Lake City bought \$2,000,000 certificates of indebtedness.

COUNTY — CITY — SCHOOL BONDS

BOUGHT AND SOLD

Correspondence solicited

The Hanchett Bond Company

39 South La Salle Street

CHICAGO

Established 1885

H. C. SPEER & SONS CO.

MUNICIPAL,

COUNTY AND SCHOOL BONDS

First National Bank Building - CHICAGO

UNITED STATES GOVERNMENT BONDS

Price range for week ending January 13, 1926, as reported by C. F. Childs & Co., 609 Second Avenue South, Minneapolis, Minnesota. Quotations on Liberties are in 32nds in accordance with the practice on the New York Stock Exchange. The Treasury Certificates, Treasury Notes, and Federal Land Bank Bonds, for convenience, are also quoted in fractions of 1/32.

Issue	High	Low	Close	Yld.
1st Liberty Loan 3 1/2 s, 1932/47	100-2	99-24	100	3.50
1st Liberty Loan 4 1/4 s, 1932/47	101-28	101-20	101-24	3.50
2nd Liberty Loan 4 1/4 s, 1927/42	100-22	100-17	100-17	3.90
3rd Liberty Loan 4 1/4 s, 128	100-31	100-26	100-29	3.93
4th Liberty Loan 4 1/4 s, 1933/38	102-2	101-29	102-1	3.95
Treasury 4 1/4 s, 1947/52	106-20	106-10	106-19	3.80
Treasury 4 s, 1944/54	103-1	102-28	102-31	3.78

Treasury Certificates and Notes

Issued	Bid	Asked	Yld.
A-4 3/4 s—March 15, 1926	100-3	100-6	3.60
TJ-3 s—June 15, 1926	99-20	99-23	3.64
TJ2-3 3/4 s—June 15, 1926	99-25	99-27	3.60
B-4 1/4 s—September 15, 1926	100-7	100-10	3.77
TD-3 3/4 s—December 15, 1926	99-29	100	3.75
B-4 3/4 s—March 15, 1927	100-28	101	3.88
A-4 1/2 s—December 15, 1927	101-3	101-6	3.85

Federal Land Bank Bonds

Rates	Maturity	Bid	Asked
4 1/2 s	May and November 1, 1922/37	100	100-12
4 1/2 s	May and November 1, 1923/38	100	100-12
4 1/2 s	May and November 1, 1924/39	100	100-12
4 1/2 s	January 1, 1933/43	100-24	101-4
4 1/2 s	January 1, 1933/53	100-28	101-8
4 1/2 s	January and July 1, 1933/53	100-28	101-8
4 1/2 s	January 1, 1935/55	101-4	101-16
4 1/2 s	January 1, 1935/56	102-8	102-16
4 3/4 s	July 1, 1933/53	102-4	102-20
4 3/4 s	January & July 1, 1934/54	102-24	103-8
5 s	May and November 1, 1931/41		

FOREIGN GOVERNMENT BONDS

Reported by Salomon Bros. & Hutzler, Minneapolis, January 13, 1926.

	Bid	Offer	Yield
Argentine Nat., Govt. of, 4 1/2 J-D, June 5, 1926	99.75	100.12	4.50
Argentine Nat., Govt. of, 7 F-A, Feb. 1, 1927	101.75	102	5.95
Argentine Nat., Govt. of, 6 M-S, Sept. 1, 1957	96	96.50	6.25
Austrian, Govt. of, 7 J-D, June 1, 1943	100.25	101	6.90
Belgium, Kingdom of, 8 F-A, Feb. 1, 1941	107	107.50	7.48
Belgium, Kingdom of, 7 1/2 J-D, June 1, 1945	109.50	110	6.65
Belgium, Kingdom of, 6 1/2 M-S, Sept. 1, 1949	93.50	94	7.00
Belgium, Kingdom of, 6 J-J, Jan. 1, 1955	86.75	87	7.03
Canada, Govt. of Dom., 4 M-S, Sept. 1, 1926	99.66	99.75	4.40
Canada, Govt. of Dom., 5 A-O, April 1, 1926	100.06	100.18	4.37
Canada, Govt. of Dom., 5 1/2 F-A, August 1, 1929	102	102.25	4.76
Canada, Govt. of Dom., 5 A-O, April 1, 1931	101.75	102.25	4.55
Canada, Govt. of Dom., 5 M-N, May 1, 1952	103.37	103.66	4.77
Dutch East Indies, 6 J-J, Jan. 1, 1947	104.50	104.88	5.60
Dutch East Indies, 5 1/2 M-S, March 1, 1953	102.12	102.50	5.27
Dutch East Indies, 5 1/2 M-S, Nov. 1, 1953	102.12	102.50	5.27
Dutch East Indies, 6 M-S, March 1, 1962	104.50	104.88	5.68
France, Republic of, 7 1/2 J-D, June 1, 1941	97.75	98.12	7.66
France, Republic of, 8 M-S15, Sept. 15, 1945	101.50	102	7.90
France, Republic of, 7 J-D, Dec. 1, 1949	90	90.25	7.90
French Cities (Bdx. Mss. Lyons) 6 M-N, 11-1-'34	82.75	83.50	8.67
German, 7 A-O15, Oct. 15, 1949	101.50	101.25	6.84
Japanese Govt. Sterling, 6 1/2 F-A, Feb. 1, 1954	93	93.25	7.08
Japanese Govt. Sterling 2nd, 4 J-J, Jan. 1, 1931	85.12	85.50	6.95
Japan, Industrial Bank of, 6 F-A15, Aug. 15, 1927	99.75	100	6.00
Netherlands, Kingdom of, 6 A-O, April 1, 1954	104.25	104.66	5.63
Norway, Kingdom of, 6 F-A-15, Aug. 15, 1943	100.75	101	5.88
Norway, Kingdom of, 6 F-A, August 1, 1944	100.37	100.75	5.92
Norway, Kingdom of, 6 A-O15, Oct. 15, 1952	101	101.50	5.88
Sweden, Govt. of, 6 J-D15, June 15, 1939	105.25	106	5.35
Sweden, Govt. of, 5 1/2 M-N, Nov. 1, 1954	101.66	102	5.30
Switzerland, Govt. of, 5 1/2 F-A, Aug. 1, 1929	102.12	102.50	4.73
Switzerland, Govt. of, 8 J-J, July 1, 1940	116.50	117	6.15
Switzerland, Govt. of, 5 1/2 A-O, April 1, 1946	103.25	103.75	5.02
Un. King. of Gt. Brit. & Ire., 5 1/2 F-A, Aug. 1, 1929	117.75	118	...
Un. King. of Gt. Brit. & Ire., 5 1/2 F-A, Feb. 1, 1937	105.25	105.50	4.85

STANDARD OIL STOCKS

Quotations January 12.	Bid	Asked
Anglo-American, non-voting	19.12	19.50
Atlantic Refining, com.	108	109
Atlantic Refining, pfd.	116	117
Borneo-Sermyser	226	230
Buckeye Pipe Line	55.25	55.75
Chesebrough Mfg. Co.	70	72
Continental Oil	24.50	24.75
Crescent Pipe	15.50	16
Cumberland Pipe	133	136
Eureka Pipe Line	64	65
Galena Signal	28.75	29.75
Galena Pr., old	93	95
Galena Pr., new	90	95
Gulf Oil	92.12	92.36
Humble Oil	92	92.50
National Transit	18.25	19
Illinois Pipe	135	136
Imperial Oil of Canada	36	36.50
Indiana Pipe	57.50	58.50
Inter Petrol	32.66	32.88
New York Transit	49	50
Northern Pipe	71.50	72
Ohio Oil	64	64.50
Penn. Mex.	20	23
Prairie Oil & Gas	55.50	56
Prairie Pipe Line	126	127
Solar Refining	201	204
South West Pennsylvania Pipe Line	52	53.50
Southern Pipe Line	62	64
South Penn. Oil	189	191
South Penn. wi.	47.75	48.50
Standard Oil of California, com.	58.25	58.66
Standard Oil of Indiana	66.12	66.66
Standard Oil of Kansas	33.25	34
Standard Oil of Kentucky (\$25 par)	131	132
Standard Oil of Nebraska	242	247
Standard Oil of New Jersey, com.	44.66	44.88
Standard Oil of New Jersey, pfd.	116.88	117.25
Standard Oil of New York	46.12	46.25
Standard Oil of Ohio, com.	350	353
Standard Oil of Ohio, pfd.	116	119
Swan & Finch	21	23
Swan & Finch, pfd.	20	30

Union Tank	88	94
Union Tank, pfd.	115	116
Vacuum Oil	104.12	104.75
Washington Oil	50	...

HENNEPIN COUNTY BANKS TO BE GUARDED BY RANGERS

Representatives of 17 rural banks in Hennepin County, outside of Minneapolis, attended a meeting at the Curtis Hotel in Minneapolis January 5, and listened to an outline of the county ranger plan by F. P. Fellows, secretary of the Minnesota Bankers Association, and C. D. Brown, manager of the protective department of the association.

A motion to adopt the plan in rural Hennepin County, pay for equipment and offer rewards for the capture or slaying of bandits was passed unanimously.

Sheriff Brown pledged aid of the sheriff's office in organizing and equipping the new units. He will be given full command of all ranger units in the county.

It has been planned that a squad of five men, working under direction of a captain, will be stationed in every town of the county. The entire force will operate under direction of Sheriff Earle Brown, and will be made up of men regularly sworn in as deputy sheriffs.

The Hennepin County Rangers will be armed with .30 caliber army rifles, sawed-off shotguns and heavy caliber pistols; equipped with automobiles, kept at a central place in each town, ready at any time for use in pursuit of bandits. They will also be supplied with field signal telephone sets, which will permit communication with other ranger units if telephone and telegraph wires are cut. They will be assigned definite duties, in case of robberies or holdups in their own town, and special posts and duties in case of robberies anywhere in the county, and supplied with special maps of county roads and highways, with designated places where barricades will be erected to prevent escape of bandits and outlaws.

Under the ranger plan, as adopted by the bankers of the state, rewards of \$5,000 each will be paid for the slaying or capture in the act of any bank bandit. Rewards are paid from a central fund, to which all member banks contribute.

OFFERING OF TRI-STATE TELEPHONE & TELEGRAPH COMPANY PREFERRED STOCK

The Tri-State Telephone & Telegraph Company through Merchants Trust Company of St. Paul and Wells-Dickey Company of Minneapolis offers \$479,580 in 6 per cent. cumulative preferred stock.

The company, incorporated in 1903, is one of the largest independent telephone companies in the world. It serves St. Paul and southern Minnesota, a combined population of over 1,000,000.

Average net earnings after depreciation and interest available for preferred stock dividends for the three years and 11 months ended November 30, 1925, were over 2 1/2 times requirements, and for the year ended November 30, 1925, were over three times requirements. Regular dividends have been paid on this stock since issuance, and on December 1, 1925 the company paid its ninetieth consecutive quarterly dividend.

The valuation of the company's property by the Minnesota Railroad and Warehouse Commission as of December 31, 1920, plus the cost of additions to date, is \$18,483,000.

REDUCED RAIL RATES TO TWIN CITY CONVENTIONS

St. Paul—For the annual convention of the Federation of National Farm Loan Associations of Minnesota and North Dakota, which will be held in St. Paul, on February 23-24, 1926, the Northern Pacific Railway, has authorized a rate of a fare and one-half for the round trip on the certificate plan, selling from all points in Minnesota and North Dakota.

A like rate has been made for the annual meeting of the American Telephone Association, which will be held in Minneapolis, January 26-28, 1926. The Northern Pacific Railway has authorized a rate of a fare and one-half on the certificate plan from all points in Minnesota, subject to a minimum attendance of 250.



**CAPITAL,
SURPLUS
and
UNDIVIDED
PROFITS**
\$115,032,497.13

Head Office
55 Wall Street
New York

The National City Bank of New York

including

Domestic and Foreign Offices

Condensed Statement of Condition as of December 31, 1925

ASSETS

CASH in Vault and in Federal Reserve Bank	\$95,510,899.83	
Due from Banks, Bankers and United States Treasurer	170,757,427.64	\$266,268,327.47
Loans, Discounts and Acceptances of Other Banks		634,949,536.59
United States Government Bonds and Certificates	\$105,142,282.98	
State and Municipal Bonds	31,269,522.64	
Stock in Federal Reserve Bank	3,000,000.00	
Other Bonds and Securities	53,331,578.32	192,743,383.94
Subsidiaries:		
International Banking Corporation	\$12,500,000.00	
Bank of Haiti	1,600,000.00	14,100,000.00
Bank Buildings		17,304,658.14
Items in Transit with Branches		11,362,545.08
Customers' Liability Account of Acceptances		75,750,669.52
Other Assets		2,554,582.04
TOTAL		\$1,215,033,702.78

LIABILITIES

Capital	\$50,000,000.00	
Surplus	50,000,000.00	
Undivided Profits	15,032,497.13	\$115,032,497.13
Deposits		921,573,498.05
Liability as Acceptor, Endorser or Maker on Acceptances and Foreign Bills		162,242,365.45
Circulation		849,695.00
Bonds Borrowed		967,000.00
Reserves for:		
Accrued Interest, Discount and other Unearned Income	\$2,719,814.25	
Taxes and Accrued Expenses, et cetera	3,793,747.24	
Dividend payable January 2, 1926	2,000,000.00	
Contingencies	5,647,239.26	14,160,800.75
Other Liabilities		207,846.40
TOTAL		\$1,215,033,702.78

Above includes The National City Bank of New York (France) S. A.

PERSONALS

Alfred E. Breuning, formerly with Salomon Bros. & Hutzler, is now associated with Rhoades & Co. of New York, as manager of the bond department.

* * *

Joseph M. Leisner, former assistant cashier of the Salt Lake branch of the Federal Reserve Bank of San Francisco, has been appointed assistant manager of the branch in Spokane.

* * *

John Perrin has resigned as Federal reserve agent and chairman of the board of the San Francisco Federal Reserve Bank and I. B. Newton of Los Angeles has been appointed as his successor.

* * *

O. D. Street, formerly general manager of distribution for Western Electric Company, has been elected a vice president and director of Thomas F. Logan, Inc., advertising agents, New York City.

* * *

Walter Parker, long general manager of the New Orleans Association of Commerce and vice president Mississippi Valley Association, is now associated with Fenner & Beane of New York and New Orleans.

* * *

George B. Roberts, formerly statistician of the Federal Reserve Bank, and son of George E. Roberts, vice president of The National City Bank of New York, has been appointed statistician of the National City Bank.

* * *

Fred Mason, Jr., son of Fred Mason, the vice president of The Federal Sugar Refining Company, is associated with Campbell, Starring & Co., members of the New York Stock Exchange, in their investment department.

* * *

Samuel Sloan has been elected a vice president of the Seamen's Bank for Savings, New York City. Mr. Sloan is also vice president of the Farmers Loan & Trust Co. and

a director of the Bank of the Manhattan Company, both in New York.

* * *

C. D. Robinson for the last 10 years connected with the Lincoln Trust Company of Spokane and manager since 1920, has purchased the interest of J. W. Martin, cashier in the Oakesdale National Bank, at Oakesdale, Wash.

* * *

Walter M. Bennet for 41 years continuously with the Bank of America of New York, rising from check clerk to first vice president, has retired. He is a director of the Bank of America, trustee of the Drydock Savings Bank, and a director of the Consolidated Copper mines.

* * *

W. Espey Albig, deputy manager of the American Bankers Association in charge of the Savings Bank Division, has been appointed secretary of the Commerce and Marine Commission of the association to succeed David B. Bunim who has resigned to accept a position with the real estate mortgage house of Halley, Knox and Koenig, New York City.

* * *

Gilbert E. Chapin, comptroller of loans of the Federal Reserve Bank of New York, has resigned to accept a position as vice president of The Bank of America of New York. Prior to his connection with the Federal Reserve Bank Mr. Chapin was credit man with the Westinghouse Electric & Manufacturing Company and the Westinghouse Electric Export Company. He came with the Federal Reserve Bank of New York in April, 1917.

FOR SALE

A Burroughs eleven-column bookkeeping machine Equipped with air cushion stop block carriages. Made surplus equipment due to operation of service charge. Overhauled by our own adding machine mechanic.

Price \$300

THE FIRST NATIONAL BANK
ST. PAUL, MINN.

DIVIDENDS HAVE BEEN PAID WITHOUT INTERRUPTION SINCE 1872

The Northwestern National Bank

Minneapolis, Minnesota

December 31, 1925

RESOURCES

Loans and Discounts	\$49,262,555.54
Stock in Federal Reserve Bank in Minneapolis	180,000.00
Banking House	548,097.69
New Banking House Site	600,000.00
Other Real Estate	138,955.00
Customers' Liability on Letters of Credit and Acceptances	1,618,513.31
Interest Earned but Not Collected	463,740.32
Overdrafts	103,064.57
Redemption Fund	14,500.00
Railroad and Corporation Bonds	5,360,307.86
State and Municipal Bonds	2,503,113.47
United States Government Securities	8,714,585.53
Cash and Due from Banks	18,490,065.77
	<hr/>
	\$87,997,499.06

LIABILITIES

Capital	\$ 4,000,000.00
Surplus	2,000,000.00
Undivided Profits	666,273.61
Reserved for Interest, Taxes and Contingencies	713,777.89
Dividend Checks Outstanding	96,363.00
Circulation	290,000.00
Letters of Credit and Acceptances	1,618,513.31
Borrowed Bonds	60,000.00
Deposits	78,552,571.25
	<hr/>
	\$87,997,499.06

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
JAMES E. NEVILLE.....Assistant Cashier	ROBERT F. MACTAVISH,.....Comptroller

Three promotions in this bank's official staff, and one addition, have been announced by the Board of Directors since the date of the above call statement: Scott H. Plummer to Vice President, J. Cameron Thomson to Vice President, Huntington P. Newcomb to Cashier; William N. Johnson, Traveling Representative, appointed Assistant Cashier

Affiliated With

The Minnesota Loan and Trust Company
Combined Resources \$107,536,246

COMMERCIAL WEST

Established in 1901

A WEEKLY JOURNAL

DEVOTED TO

BANKING, INVESTMENTS, INSURANCE, GRAIN

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

EDWIN MEAD, Editor and Manager

D. M. CARR, Managing Editor

MINNEAPOLIS, MINN.

Publication Office, Suite 409 Globe Building

Telephone Main 0307

Chicago Office:

Suite 1821, Roanoke Building, 11 So. La Salle Street

Telephone Dearborn 7387 and Dearborn 3730.

C. B. MacDowell, Advertising Representative.

SUBSCRIPTION PRICE:

One Year, \$5.00 in U. S. and Mexico. \$6.00 in Canada.

\$7.00 in Europe.

FIFTEEN CENTS A COPY

The Commercial West will not knowingly publish the advertisement of a financially unsound individual or company.

Entered as Second-Class Mail Matter at the Minneapolis Post Office.

SATURDAY, JANUARY 16, 1926

The Value of Corn

It is a poor year that does not supply reformers and politicians of the radical kind with an excuse to place before the farmer some plan of "bettering" his condition. A few years ago Nature's neglect to supply a great part of the Northwest with sufficient moisture and the resulting poor crops, together with the general unsettled condition throughout the world, afforded the reformers ample chance for their "soap-box" oratory. During the two past seasons with good crops and higher prices, the western farmers not alone have been getting from under their burden of debts, but they have been increasing their bank deposits as well.

Notwithstanding all the progress made toward making the farmer's dollar as valuable as it was before the World War, the small army of quasi-economists who are obsessed with the idea that the farmer needs Government assistance in order to be more successful as an agriculturist, have discovered in the large corn crop of the past season a fulcrum for their lever to hoist the Government into more business. The corn crop, and the low market price—caused by the universal law of supply and demand—is the excuse for urging the organization of a Government-backed exporting agency with a capital of two hundred million dollars. Iowa, one of the great corn-growing states, is being held up as a striking example of how niggardly the corn producers are faring this year. To explain the situation we quote from a recent article printed in the daily press:

Last year the corn crop in the United States, on latest estimates, ran 2,900,000,000 bushels and at December 1 prices was worth \$1,956,000,000. The year before a crop of only 2,313,000,000 bushels was valued on December 1 prices at \$2,271,000,000. In other words, 25 per cent. more bushels this season brings in 14 per cent. fewer dollars.

In Iowa itself last year the largest acreage in the state's history was planted to corn, over 11,000,000 acres. The yield was big. On December 1 estimates it totals 478,600,-

000 bushels. The average farm price December 1 is placed at 56 cents, and the total value of the crop as of that date is given as \$268,000,000.

The year before in 1924 a total crop in Iowa of 305,536,000 bushels at a December 1 price of 93 cents was worth \$284,148,000. In other words, a big crop that was 173,000,000 bushels greater than the preceding small crop, is worth \$16,000,000 less money. A crop 56 per cent. bigger in volume brings in almost 6 per cent. fewer dollars.

It is estimated that about 80 per cent. of the corn grown in Iowa is fed to hogs and cattle. A year ago Iowa farmers were feeding 90-cents-a-bushel corn to hogs. Prices of hogs were lower then than they are today. One unquestioned authority, The Iowa Homestead, seems to doubt some of the statements relative to the low value of Iowa crops this year, and states that the 1925-'26 crop will be fully a hundred million dollars greater in value than the crops grown the previous crop year. Corn which is bringing about 60 cents a bushel at the elevators in Iowa if fed to hogs should bring above the dollar mark to the farmer.

It is interesting to note that the International Harvester Company has notified its agents to agree to accept corn in payment for purchase of new machinery and implements at a price equivalent to one dollar a bushel for No. 2 yellow corn at Chicago. The farmer is not bound to pay in corn, but can, if the market price goes above a dollar, sell his corn in the market and pay in cash for his implements. This is a sensible move on the part of the harvester company. It is virtually fixing the farmer's dollar at par. Corn has been out of harmony with wheat in regard to price. No doubt the harvester company statisticians have figured out that before the next corn harvest prices of merchantable corn will go above the dollar mark.

Why have the Government fix the price of corn? What kind of a guarantee does the farmer want in order that he continues to produce sufficient grain? If a price of corn should be arbitrarily fixed at \$1.25, or more, a bushel, and world markets be less, the taxpayers must pay the difference. In reference to this phase of the question The Wall Street Journal remarks:

Observe what the effect would be to the consumer. Corn is low at 80 cents a bushel, but the live stock to which it is fed, hogs and beef cattle, are fetching good prices. The farmer who raises hogs has no complaint. But guarantee him 50 per cent. more for his corn and he would not be at the trouble to raise hogs. The price of all meat products would therefore advance, and a good many people would need to drop bacon from their breakfast menu. Every consumer would pay more without a single compensation. The taxpayer would have to shoulder the loss made by the export corporation in addition to paying more for bacon, ham and lard.

There will be elections during the coming Fall. Some members of Congress hope to be returned. They want the agricultural vote. It is not so much the best welfare of the farmer they have in view while advocating Government aid for the "down-trodden" agriculturist, as they have fear that if they do not give the farmers sop they will not get the vote necessary to elect.

Bread Cast Upon the Waters

During the 1920-21 period of deflation many large concerns found their purchasing power dangerously decreased. Inventories showed goods pur-

chased at high cost threatened serious losses. Among the houses hard hit were the big mail-order enterprises. Sears, Roebuck and Co., largest of them, was so greatly embarrassed that it was a question of pleading insolvency or raising funds so essential in order to weather the storm. Then, Julius Rosenwald, president of the company, stepped to the fore with an offer to buy certain real estate holdings of the company for \$16,000,000,—four millions in cash and in Liberty bonds—and a donation of fifty thousand shares of common stock, then worth on the market about \$55 a share, reserving an option to repurchase the stock at par within four years.

Mr. Rosenwald's offer was accepted, and the ready cash so secured enabled the company to withstand the financial crisis and readjust its affairs. With the improvement in business conditions throughout the agricultural districts, business of the company commenced to increase, and during the past two years the aggregate business of the concern has broken all previous records. The result is shown by the fact that Sears-Roebuck stock advanced from the low price of 1921 to a market value at the present time of 236, the low price for the past year being 147½ in March.

During the past few weeks Mr. Rosenwald exercised his option rights, repurchased the stock at its par value and thereby reaped a profit of approximately seven million dollars above his direct gift of five million dollars to the company. No doubt Mr. Rosenwald has bought the stock to hold as an investment, so thus far the seven millions are merely "paper profit." There is no one who will dispute Mr. Rosenwald's right to this splendid profit. It was his faith in the concern with which he has been so long connected, his splendid business ability and foresight that caused him to stand by the company in a time of stress. Only for the assistance he gave it is likely that the concern would not have been able to make the splendid record which it has made the past four years.

Mr. Rosenwald's experience offers a lesson to big men in industry. While the Sears-Roebuck concern has prospered, numerous other corporations which might have won out had there been Rosenwalds to back them up, have met with failure. Faith in business is an essential as it is in religion. The faint-hearted rarely win. It is faith and good works combined that win reward. Verily, Mr. Rosenwald's "bread cast upon the water," has been returned with handsome increment.

The Tariff and the Farmer

One topic widely discussed in the press of the country is the tariff and its effects upon American industries, and particularly upon agriculture. Since President Coolidge made his address before the Farm Bureau Federation in Chicago, there has been much criticism of and comment upon his views. One Montana farmer in a letter to The New York Times says:

President Coolidge in his Chicago address attempted to show that the high tariff was really a good thing for the farmer but he did not say a word about the effect of the tariff on the cost of farm labor.

Before the war the selling price of 1½ to two bushels of wheat delivered at the local elevator would pay for the

labor of one man for one day working about ten hours per day. Conditions under existing high tariff are different and today if the farmer pays the factory rate wage for help it will cost him the money value of four to five bushels of wheat delivered at his local elevator. A grain farmer who hires help today to any extent is sure to go broke. The average farmer does not want any price-fixing measures passed by Congress. Nor does he want any sops thrown to him in the way of marketing legislation. If the tariff duties are reduced all along the line so that the cost of living can and will be reduced, the farmer is willing to take his chance in selling farm products in an open market without much of any help from Congress.

The farmer now realizes that the tariff protection given by Congress to the manufacturers is really a Government subsidy, and that it is this subsidy that has caused high prices for everything the farmer must purchase, higher cost for transportation and has placed good farm labor beyond his reach.

Referring back to the President's comment upon the tariff as it affects the farmer, he showed that total imports last year were \$3,600,000,000. Of this total 57.6 per cent. were on the free list, equalling \$2,070,000,000, leaving \$1,530,000,000, of which \$780,000,000 were farm products, taxed simply to protect the farmer. Eighty-eight per cent. of our imports come free or pay a duty to protect the farmer, or like diamonds and similar luxuries, have no effect on the farmer.

Reduced to facts, as the President reduced the tariff question, there is but 12 per cent. of our imports upon which agriculture pays any part of the tariff. Industrial and city population, however, pays the tariff on \$780,000,000 worth of farm imports, and also helps on \$500,000,000 worth of imports outside of luxuries. Thus it is seen that the farmer pays part of the duties on 12 per cent. of our imports that do not benefit him, while industry and commerce pay part of the duty on 36 per cent. of the imports that do not benefit them.

Edward D. McDougal, a prominent Chicago grain man, believes that the tariff is highly favorable to the farmers of the United States. In reference to the benefits of the tariff to the agricultural interests of the country he said:

It is indeed high time that farmers generally learned for themselves precisely what the tariff is doing for them. They will see that it is invaluable and indispensable. It is costing them virtually nothing, and is affording them a measure of protection that could not otherwise be obtained. The tariff is a wall. On one side is the American farmer, prosperous, progressive, with a future that is clear and bright. On the other side is depression, competition with cheap foreign labor and perhaps utter peasantry. This wall should never be removed.

Thus there are two sides to the tariff question, tinted somewhat with political colors.

Optimism of the Statisticians

Since the first of the year statisticians have been busy with figures and facts showing reasons why business should be extremely good this year. Graphs and diagrams have been plentifully supplied together with comparative figures from years back. One of the illuminating tables has come from the statistical department of the National City Bank of New York. This interesting compilation shows the progress of the United States for the past quarter century. It shows that from an estimated national wealth of 88 billion dollars in 1900, the United

States now has an aggregate wealth exceeding 320 billion dollars. Total bank resources of 10 and a half billion dollars in 1900, have been increased to more than 57 billion dollars in 1925. The value of farm crops in 1900 was slightly in excess of three billion dollars; in 1925 the value of farm crops was in excess of 11 billion dollars. The value of manufactures produced in 1900 was approximately 11 and a half billion dollars; in 1925 the value of manufactures was in excess of 60 billion dollars. Progress has been remarkable in all industrial lines. Surely there is cause for optimism.

Archer Wall Douglas, recognized as an economist whose views are generally sound and trustworthy, in cooperation with the research staff of La Salle Extension University, has prepared a review of the 1925 business conditions and a forecast based thereupon of what may be expected during the present year. In his introduction he says:

Before the New Year grows old, we may see some reversals of the upward trend in a few lines of business activity, such as in new building, in the booming of residential-land values, or in the production of motor vehicles. We may have weather conditions unfavorable for crops. Nobody, of course, can definitely say what 1926 has in store for us.

Relative to the improvement in human relations he remarks:

Not only are we in strong position with respect to the cold-fact elements of business, but also we have made notable progress in the psychological problem of smooth-

ing out our human relations in business. Men who control capital see more clearly the relation of full employment and fair wages to sales. The worker understands better the relation of honest effort in utilizing tools and equipment, to his wages. Both employe and employer now sense the fact that the interests of the company and of the men are essentially the same, that "we can work better pulling together than pulling apart," as the president of one great railroad put it.

His conclusion is free from pessimism:

There is but little apprehension as to the future and what it will bring. There is a quite general and well-considered optimism that the coming spring will develop far better business conditions than prevailed in the spring of 1925. Much will depend upon the prices of wheat, corn, and cotton, for the live stock industry is evidently headed for a long upward swing.

Industrial life gives evidence of larger output and of generally firmer prices. Building has yet to halt in its stride, even though all the housing wants are gradually being satisfied. Current buying is still mostly for immediate needs, but proportionately heavier purchasing of seasonal goods indicates general confidence in the future.

From East and West, North and South come similar views relative to what may be expected in a business way the present year. It has been many years since all authorities have been so well agreed as to barometrics which indicate a prosperous period for America, and there seems no good reason why such prosperity should not be realized if a course of sane reason be followed in business, in lawmaking, and if Nature is good to those who labor to bring forth abundant crops.

THE BULL'S EYE BY THE SHARP-SHOOTER

New Year's Day the Navy League of the United States sent me by air mail via Chicago and Salt Lake City, a printed bulletin, landing it on my desk at 9 o'clock of the sixth, decorated with 16 cents in postage stamps. It could have reached me a few hours later if it had had a stamp costing one and a half cents and had it been carried by the wheels of the limited express. There was nothing in it that could not have kept perfectly well for 24 hours longer. I am therefore left to conclude that the matter of 14½ cents is not of so great consequence in and about the Federal treasury at Washington as it is in our little frontier settlement.

In the bulletin that flew to me I read that last year the Navy department received an appropriation of about \$320,000,000 and that the coming year they will enjoy all this and \$8,000,000 more. Possibly this has something to do with the psychology of the man or the bureau that is joyfully throwing 14½ cent pieces at the birds. I remember that upon a time some of us small boys pelted a dog with doughnuts immediately after a Sunday school picnic.

I once dreamed that at our house we had a good many large wash tubs standing about all open and full of new silver dollars. These tubs were in every room of the house and in the cellar; and some of them at the barn. When we wanted money to spend for anything we just dipped it up. I am wondering how under circumstances of this sort one could teach his child the savings bank habit. I am also wondering how down at Washington, D. C., one can be careful of his own fractional currency, not to mention that of the Federal Government. In these days when bandits steal a million at one haul, and we think in ten

million and hundred million units, and deal nationally and internationally in billions and hundred billions, those sitting at the receipt of national customs are well balanced indeed if they have not fallen into the habit of playing "head or tail" with silver dollars in their idle moments.

My friend at the next desk has a sister who sings in public at \$1,500 a week and has employment every week of the year that she is willing to work. I observed that she must be far from the ordinary worries of us less fortunate ones. But he said, "Don't you believe it. She and her crowd have to go in a style that melts \$1,500 like a snowball in a blast furnace. They travel deluxe and dress like cream and give each other presents of rich automobiles. Stuff like that is as necessary to her and her crowd as potatoes and meat are to us."

How would we like to have such a devouring appetite fixed upon us? And when it was at its hungriest point, to have our vocal cords crack and we be left a pile of wayside rubbish? No income is large that carries with it a hunger for money to spend or a fixed habit of throwing dollars about. Contentment never comes to those who take no pleasure in denying themselves to put by for the future.

Anyone is content with a little more than he can get. Few people can avoid a deficit just by getting a rich bequest. At our church meeting this week we faced a deficit of \$9,000 in a total budget of \$42,000. We had been spending like a lot of drunken sailors rather than like a board of Presbyterian elders. We had added \$1,000 to the preacher's salary of \$7,000 and \$1,200 for a radio service and a few more new items that added \$4,000 to our annual budget. One of our board suggested that we urge members to remember the church in their wills. If we had an endowment, he said, we would not be facing these deficits every year. And he really thought this was so.

BANK ENLARGES OFFICE QUARTERS

The Northwestern National Bank of Minneapolis has taken over additional space for several of its departments on the fifth floor of the Northwestern Bank building, Marquette avenue and Fourth street. The entire third floor of

the office building already is occupied by the bank organization, in addition to the bank building proper, next door. The new space, comprising half of the fifth story, will be used by the transit, proof, stenographic, bookkeeping, flour drafts and clearings departments.

Annual Meetings of Twin City Banks

Stockholders' and directors' annual meetings of the Northwestern National Bank of Minneapolis, were held January 12.

Robert F. Pack, vice president and general manager of the Northern States Power Company, affiliated with H. M. Byllesby Company; and S. A. Stellwagen, manager of the Twin City branch of the Ford Motor Company, were elected new directors at the stockholders meeting.

At the directors' meeting Scott H. Plummer, cashier, was elected vice president; J. Cameron Thomson, assistant cashier, elected a vice president; Huntington P. Newcomb, assistant cashier, elected cashier and William N. Johnson, traveling representative for the bank, was elected assistant cashier.

Mr. Plummer in March, 1898, took his first position with the Northwestern National Bank. He was appointed assistant cashier in 1912 and cashier in December, 1917.

Mr. Thomson has been with the Northwestern National Bank since 1918. He was vice president of the American Institute of Bankers in 1917 and 1918 and served as president of that institution the following year. In May, 1925, he was made a member of the board of the Minnesota Co-Operative Creameries Association through appointment of the Minnesota department of agriculture.

Mr. Newcomb became affiliated with the Northwestern National Bank in 1900 and was appointed assistant cashier in January, 1911.

Mr. Johnson took a position with the Northwestern National Bank in 1912 and has been employed in the grain draft department, collection department, discount department and country bank department. In the latter division he recently has been a traveling representative.

Best Year Since War

"The Northwestern National Bank has had its best year since the war," E. W. Decker, president, said. "The total volume of the bank's business was \$5,416,260,000. The total deposits of the bank, its affiliated banks and trust company are slightly in excess of \$100,000,000. The bank in 1925 paid the usual 12 per cent. dividends to stockholders. It has paid dividends each year since the bank was established in 1872. Incidentally, \$703,500 is in the employes' pension fund for the bank and trust company.

New Directors for Minnesota Loan & Trust

To fill vacancies caused by the deaths of L. S. Donaldson and A. T. Rand, two new directors on January 11 were elected for The Minnesota Loan & Trust Company, bringing the total number to 27. The directors are Sewell D. Andrews, treasurer of the Minneapolis Drug Company, and Hubert Kelly, president and treasurer of H. Kelly & Co., heating and plumbing engineers. David R. West was elected vice president.

Mr. West was promoted to vice president from the position of assistant secretary. He was employed in the legal department of the company in June, 1915. In January, 1922, he was elected assistant secretary. He is a graduate of the University of Minnesota.

At the annual meeting of the Fourth Northwestern State Bank conducted at the banking offices, 401 Cedar avenue, F. E. Kenaston was elected vice president and chairman of the board of directors; A. A. McRae, president; O. O. Erling, vice president; S. T. Throbeck, cashier and C. M. Jorgensen and Claudia Dahl, assistant cashiers.

First National Bank in Minneapolis Elects New Directors

Stockholders of the First National Bank in Minneapolis, at their annual meeting January 12 added four members to the directorate. The new directors are Stuart W. Wells, Lyman E. Wakefield, Harry P. Harwick and Rufus R. Rand, Jr.

Election of three of the new directors of the bank followed consolidation of the Minneapolis Trust Company, and the Wells-Dickey Trust Company. The Minneapolis Trust Company, into which the Wells-Dickey Trust Company was merged, is owned by the First National Bank. Mr. Wells, Mr. Wakefield and Mr. Harwick were members of the board of the Wells-Dickey Trust Company.

Mr. Harwick is general manager of the Mayo Clinic at Rochester; Mr. Wakefield is vice president of the Minneapolis Trust Company; Mr. Wells is president of the Wells-Dickey Company, and Mr. Rand is vice president of the Minneapolis Gas Light Company.

"The First National Bank has had a prosperous year" F. A. Chamberlain, president, said. "The bank has paid its stockholders 15 per cent. in dividends for 1925, and set aside out of its earnings substantial amounts in various reserve funds. We are facing 1926 with great confidence, not only for continued progress of the Northwest but the whole country."

First National Has a New Vice President

Arthur P. Kemp, who has been president of the \$10,000,000 Agricultural Credit Corporation since it was established in February, 1924, at a meeting of the board of directors, was elected a vice president of the First National Bank.

Mr. Kemp, whose home was at Auburn, Ind., formerly was a member of the executive staff of the First National Bank, Chicago, and later was president of the Auburn Automobile Manufacturing Company. He began his banking experience as a messenger with the Chicago bank. He was associated with that bank for 19 years, when he resigned to become financial vice president of an automobile manufacturing company. When he left the services of the Chicago bank he was an executive loaning officer.

Mr. Kemp will retain his position as president of the Agricultural Credit Corporation.

Alfred E. Wilson, who has been with the First National Bank for 20 years, was elected assistant comptroller. All other officers were reelected by the directors.

As the annual meeting of the Minneapolis Trust Company January 12, Henry E. Atwood was made assistant bond officer. Mr. Atwood will continue his work as salesmanager of the bond department in connection with his duties as assistant bond officer. L. E. Wakefield, vice president of the trust company, was added as a vice president of the Minneapolis Trust-Joint Stock Land Bank. These were the only changes.

All directors and officers of the Minneapolis Trust Company and Minneapolis Trust-Joint Stock Land Bank were reelected.

Metropolitan National Reelects Directors

All directors of the Metropolitan National Bank who served in the last year at the annual meeting of the stockholders January 12 were re-elected. There were no additions to the board.

All officers were reelected at the annual meeting of the directors, and W. B. Bell was elected comptroller.

George B. Norris, president, in a resume of the last year's operations, showed the institution to be "in a highly satisfactory condition, with deposits at the highest figure in its history and business in all departments showing consistent gains and a large increase over a year ago."

Midland Bank Chooses Three Vice Presidents

Three officials were promoted to the vice presidency at the annual meeting of the board of directors of the Midland National Bank & Trust Co. held January 12.

The board of officers, as elected Tuesday includes the following: Charles B. Mills, reelected president; Edgar L. Mattson, vice president and trust officer; W. R. Murray, vice president; Victor E. Hanson, vice president; A. J. Herrington, vice president and credit manager; Trygve Oas, vice president and assistant trust officer; Andreas Ueland, counsel; Elmer V. Bloomquist, secretary and assistant trust officer; Cecil L. Keith, cashier; Harry D. Davis, assistant cashier; J. K. Cornelyson, assistant cashier; L. L. D. Stark, assistant trust officer; F. W. Conrad, assistant cashier; Lawrence O. Olson, assistant cashier; Arnulf Ueland, assistant cashier and assistant credit manager, and Frank Peterson, auditor.

Promotions Made

Of the changes, several were in the nature of promotions. Mr. Hanson was advanced from assistant cashier to

(Continued on page 42)

Indications of Continuance of Prosperity in the Northwest

The Wells-Dickey Company of Minneapolis, in its current market letter, says:

"To some extent the favorable developments of the past year constitute a reliable indication of probable conditions in 1926. There do not appear so far in the outlook any obstacles to progress. Generally sound conditions prevail and an even flow of prosperity may reasonably be expected.

"Among elements which support belief in a continuation of good times in the United States are the gradual recovery of Europe from effects of the war; the favorable attitude of the Washington administration with reference to general business; the improved attitude of the public in regard to the railroads and other large corporations; high wheat prices; full employment at high wages; record consumption of many classes of products; great general accumulation of wealth as a result of the unusually prosperous conditions; reduction in taxes; and a banking system that stabilizes money rates and is capable of handling much greater activity in general business.

Transfers of Farm Lands

"The Northwest appears to be doing well according to a survey conducted by an observer of the New York Times. Inquiries for farm lands in Minnesota and North Dakota have been good and there has been an increase in the number of transfers in Montana and southern South Dakota in the last years. The banking situation is still giving some concern, although liquidation has continued as fast as expedient. In 1924 many of the smaller towns of the Northwest had no banking facilities because of closed banks. Since then a number of new banks have been organized, giving great relief. As a rule deposits have been liberal, showing that there is a certain amount of hidden money throughout the country.

"Generally the prospects for grain crops for the coming season are about the usual average. South Dakota went into the winter with little moisture in the ground, but Minnesota, North Dakota and parts of Montana are in good condition. There has been a campaign for better farming, and it is believed that with proper selection of seed and good ground preparation the yield of all grains can be increased.

"Throughout the Northwest there has been better than the average amount of fall plowing, and with good spring rains the grain crops should have a good start. It is gratifying to note that diversified farming is now making good progress in many sections that heretofore have depended wholly upon wheat or other small grains."

MINNESOTA COOPERATIVE ORGANIZATIONS GAIN IN BUSINESS

St. Paul—Minnesota's cooperative organizations registered a 75 per cent. gain in business in 1925, it is shown by figures compiled by J. S. Jones, secretary of the Minnesota Farm Bureau federation.

The 1925 total for nine groups is \$91,425,000, compared with \$52,814,269 for 1924. The creameries showed one of the largest individual gains, jumping from \$14,000,000 in 1924 to \$38,000,000 in 1925.

The figures follow:

	1925	1924
Central Cooperative Live Stock Commission	\$35,000,000	\$25,000,000
Minnesota Cooperative Creameries	38,000,000	14,000,000
Twin City Milk Producers	8,000,000	6,820,885
Minnesota Cooperative Egg & Poultry	3,000,000	700,000
Minnesota Wheat Growers	5,000,000	3,000,000
Minnesota Cheese Producers	1,000,000	618,384
Minnesota Wool Growers	325,000	175,000
Minnesota Potato Exchange	.....	2,500,000
Federated Fruit & Vegetable Growers	100,000	.....
	\$91,425,000	\$52,814,289

GREAT NORTHERN RAILROAD CONTRACTS FOR FUEL OIL

St. Paul—The Great Northern Railroad has contracted with the International Refining Company of Montana, for 2,000,000 barrels of fuel oil, to be supplied for two years. All passenger locomotives will be operated on oil between Williston, N. D., on the Montana line and Seattle and will

use approximately 3,000 barrels a day of Montana oil, according to Ralph Budd, president of the road.

This means that Great Northern passenger locomotives will be oil burners over two-thirds of the line from St. Paul to the Pacific coast. The Great Northern roads this year will burn 3,000,000 barrels of oil and 1,500,000 tons of eastern coal, Mr. Budd estimates.

Three barrels of oil equal one ton of coal; the average price of oil as contracted for is \$1.25 per barrel. All coal used by the Great Northern has been obtained from its own fields so that the increase in oil consumption will lessen its coal mining activity.

Summary of Business Conditions in the Northwest

The following summary of agricultural and financial conditions has been prepared by the Federal Reserve Bank of Minneapolis:

"The volume of business in this Federal Reserve District during December was slightly larger than a year ago, both in money value and in physical volume. Check payments through representative banks increased 1½ per cent. and carloadings, other than less-than-carload-lot shipments, increased about 3 per cent., the latter figure being based on a three weeks' comparison. The downward trend as compared with a year ago, which began on October 1, appears to have been arrested, at least temporarily.

"In more detail, there were gains in flour shipments, live stock receipts, other than hogs, feeder shipments and retail trades; while losses were recorded in all grain receipts except wheat and barley, and in linseed products shipments as compared with a year ago.

"The prices of agricultural products exhibited mixed trends. Prices of all kinds of live stock quoted by this office advanced, while all the grains except wheat, declined in median price as compared with a year ago. However, as compared with the preceding month, advances were recorded for the median prices of all grains, except corn, and for all live stock, except hogs and prime butcher steers.

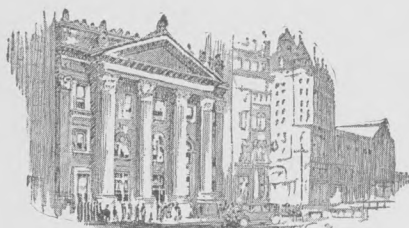
"The movement of animals for feeding purposes in December was about double that of last year for calves, hogs, cattle and sheep shipped from the South St. Paul market. It is interesting to note also in this connection that the receipts at terminals of the feed grains, corn and oats, were 40 and 20 per cent. less, respectively, than a year ago. It is obvious that heavier feeding operations are being planned than a year ago and that there is a disposition to hold back feed grains for this purpose, rather than market them."

OLD CHECK REMINDER OF BUSINESS FRIENDSHIPS

St. Paul—More than 37 years ago the D. S. B. Johnston Land Mortgage Company drew a check on the Merchants National Bank of St. Paul in favor of Ole O. Bente for 23 cents. The check was not presented for payment until a few days when it was honored.

Fortunately for Ole O. Bente's surviving heir the Johnston Land Mortgage Company still maintains its account with the same bank and Bente's estate is 23 cents to the good. The old check, which was in perfect condition, except for a missing corner, serves as a reminder of the relationships of several St. Paul business organizations and individuals connected with them.

Aside from the lengthy connection of the bank and the land company there are other interesting features. D. S. B. Johnston who signed the check passed away in 1914 and H. K. Taylor who also signed as secretary died in 1911. Wm. Burrows, the present secretary of the D. S. B. Johnston Land Mortgage Company, was the man who made out the check and is also a customer of the bank. In the lower left hand corner of the check is the imprint of the H. M. Smyth Printing Company as lithographers, another old St. Paul firm, prominent in its line even in those days.



CAPITAL and SURPLUS
\$9,000,000.00

WE OFFER our facilities to out-of-town banks and bankers desiring a complete Chicago correspondent service in domestic and foreign banking. An opportunity to explain the benefits of both our service and a strong banking connection is desired.

CENTRAL TRUST COMPANY OF ILLINOIS CHICAGO

Truth Makes Prosperity Says Chicago Banker

Chicago, January 12—Melvin A. Traylor, president of the First National Bank, addressing the advertising council of the Chicago Association of Commerce on Thursday, told his auditors that "truth in the news column and in advertising, accepted almost universally as the standard and correct thing, is the foundation of prosperity of America and the world today. Advertising is intelligently and truthfully done, with the good of the producer and consumer as its object, ultimately costs nothing because of the increased volume of business it brings."

After reciting some of the wonderful changes which have appeared in the last generation to create prosperity, he added:

"Industries never dreamed of five years ago, such as the radio," he said, "are now creating hundreds of millions of dollars in wealth. And constantly the discoveries of medical science are being applied to lengthen the lives of creators of wealth; this being perhaps the greatest factor of all in our prosperity. What the next 25 years will produce, no man can forecast.

Evils of Deceit

"Continuance of our prosperity through not only 1926 but through the coming decades rests chiefly upon continuation of the greatest of all causes for our present good times—truth in news columns, truth over the store counters and truth in advertising. The worldwide acceptance of the great discoveries and inventions of the last quarter century has been due to the fact that the newspapers truthfully described them and the manufacturers truthfully advertised them. If deceit had been the general rule, if the motto had been 'sell quick and let the buyer beware,' the public would have turned against the new things.

"All of us know of big concerns which held to the old rule, 'the public be damned,' and can count them one by one as in or nearing final collapse. I recall one particularly large firm which three years ago began advertising its wares falsely; it is today hopelessly bankrupt. Wise advertising costs nothing. You have only to increase the sale of your products to the point that covers the advertising charge to enjoy the enlarged business without cost. The natural saving in overhead is extra profit for dividends or for further expansion."

Mitchell Against Installments

Foreign loan requirements, in the estimation of John J. Mitchell, president of the Illinois Merchants Trust Company, who will leave on an extended European tour next week, will take up the slack in the United States during the current year and maintain money around 5 per cent. "I cannot see how rates of discount are going to be reduced in this country," he said, "because our surplus which cannot be put out here can be taken up in foreign countries. We can loan all of our spare money in England at 5 per cent. and I think that rate will be held up for some time as there is a growing volume of business here. At the same time credits are not unnecessarily expanded and general conditions are very sound although the percentage of profits is not the same as in years preceding. Inventories carried over into 1926 are smaller than a year ago and

they show an advance in value above cost, there is plenty of money and consequently no tightening of credit is expected so far as commercial enterprises are concerned. The only menace I see is the tendency of people to speculate and buy things on credit, making a small down payment and the balance in 10 or 12 months. If we should have a setback and these installment buyers lose their positions there would be a great many disappointed creditors, but as long as the middle class is well employed at good wages this process can continue."

Wilson Reorganization Delayed

Unforeseen obstacles have deferred the sale of physical properties and assets of Wilson & Co., for a further period and the time for filing claims by creditors has been extended to February 1. The formal application for the disposal of the assets of the packing corporation has been ready for some time and may be filed at any time in the New York court, according to Frank O. Wetmore, chairman of the reorganization company, and this procedure would be followed by the usual 30 days' notice. Six months or more will be probably required before court and committee proceedings are ended after the bid for assets has been submitted by the new corporation.

Reynolds Going Abroad

Fifteen days after George M. Reynolds, chairman of the Continental & Commercial National Bank celebrates his sixty-first birthday Friday he will sail from New York on a Mediterranean cruise. In the following two months he will visit Egypt and Italy, later enjoying the south of France and then going to Paris before returning to the United States. He looks forward with the same enthusiasm he felt a quarter of a century ago, he said, because he is in the business his heart is in. "Industry is the foundation for everything, including happiness," he said, "and good health the greatest asset, so I look forward to remaining in this office without a thought of retiring. If my hair was not white people would not believe I had passed 60." And his appearance bears out this contention as there is not a wrinkle in his face and the skin is a healthy pink. Mr. Reynolds came here nearly 28 years ago as cashier of the Continental National Bank from the Guthrie County National Bank in Panora, Iowa. In 1902 he was elected vice president and in 1906 succeeded the late John C. Black as president. In his subsequent operations he acquired the American Trust & Savings Bank, Commercial National and the Hibernian Bank and Fort Dearborn National, and from deposits of \$13,000,000 in 1897 there has been an expansion to \$528,775,000.

Money Steady Here

A decline in the New York call loan rate from 7 to 4 per cent. with loans offered outside the stock exchange at 3¼ per cent. improved the condition of the money market. There was a brisk demand for commercial paper which cleared the portfolios of bankers at 4¼ to 4½ per cent. although offerings were larger. Increasing volume of general business is expected to largely amplify offerings in the next week as the rate is satisfactory to borrowers and bankers have begun to buy eagerly now that Wall Street does not offer any avenue for surplus funds over

5 per cent. At the same time commercial bankers express the belief that money will be held firmly during the year owing to the outlet provided by foreign loans. Collateral loans were made chiefly at 4½ per cent. during the week, although some bankers were holding for 4¾ per cent., and over the counters commercial requirements were taken care of at 4½ to 5 per cent.

Union Trust Progresses

"The Union Trust Company has just closed one of the most satisfactory years in its history," Frederick H. Rawson, chairman of the board, said. Mr. Rawson remarked further that every department of the bank had recorded a new high point of business and earnings during the year. The net earnings for the year 1925 were more than \$850,000. It may be recalled that on April 1, 1925, the bank's capital stock was increased from \$2,000,000 to \$3,000,000, and these earnings represent over 30 per cent. on the average capital for the year and more than 12 per cent. on the average combined surplus, capital and undivided profits.

Important Changes at First National Bank

James B. Forgan was promoted to be vice president of the First National Bank of Chicago, of which his late father was the head for a quarter century. Walter M. Heymann, president of the Liberty Trust and Savings Bank, was elected vice president of the First National Bank, effective immediately, but will retain his connection with the former bank, becoming chairman of the board. Other promotions were A. N. Cordell, H. A. Anderson, H. P. Snyder from assistant vice presidents to vice presidents; Emil A. Stake, who has been in charge of the New York office of the First-Chicago Corporation, was also elected vice president. A. B. Johnston was promoted to assistant vice president. Other officers were reelected and M. J. Hardacre and Albert G. Keck were made assistant cashiers. All of the directors were reelected and three new members, Ira M. Morris, Albert H. Wetten, and Mark W. Cresap were added to the board.

In the First Trust and Savings Bank, William K. Harrison was promoted from assistant cashier to assistant vice president, E. E. Schmus was appointed assistant cashier and H. H. Benjamin and R. L. Grinnell were made assistant secretaries. J. H. C. Templeton was made vice president of the First-Chicago Corporation and will succeed Mr. Stake in the New York office.

The stockholders authorized a \$2,500,000 increase in the stock of the First National Bank, making the total capital \$15,000,000, and of \$1,250,000 in the First Trust and Savings Bank making its capital \$7,500,000. The increase in the First National's capital is the tenth since its organization in 1863 with stock of \$205,000, while the Savings Bank, organized in 1903, with \$1,000,000 capital, has added to its stock at intervals as the volume of business demanded.

Illinois Merchants Profitable

It was reserved for President John J. Mitchell to create a diversion in banking methods by writing off the cost of the Illinois Merchants Building, which cost \$15,815,498, and now stands in the balance sheet at \$1.00. Last year the Illinois Merchants Trust Company had net earnings equal to 41.37 per cent. on capital and 12.39 per cent. on invested capital; in the preceding year it earned 33.24 per cent. on capital stock and 9.44 on invested capital; in 1922 the figures were respectively 37.60 and 10.54 per cent.; in 1921 they were 38.58 and 11.69 and in 1920 they were 49.36 and 15.69 per cent., an average of 40.3 per cent. for the six years.

Continental Has Big Profit

Net earnings of the Continental & Commercial Banks for 1925 were \$7,258,150 after setting aside \$1,665,000 for taxes and setting up an ample reserve for bad and doubtful items. The net was a return equal to 29.03 per cent. on the national bank's capital stock and 11.02 per cent. on the invested capital. In the year net earnings were \$5,746,851, equal to 22.99 per cent. on capital stock and 9.53 per cent. on investment. After dividends last year the bank had \$3,254,650 to add to undivided profits, bringing up the book value to \$272.09 a share.

Union Bank of Chicago reports net earnings for 1925 of
(Continued on page 48)

TAKE INVENTORY

This is an opportune time to take inventory of your securities. Business efficiency requires periodical inventories of stock on hand, but a security once purchased is so often never considered again. Our Statistical Department is fully equipped to serve you in analysis of your securities. Confidential information will be supplied you without cost or obligation.

AMERICAN BOND & MORTGAGE Co.

Established 1904 Incorporated
CAPITAL AND SURPLUS OVER \$7,000,000

527 Second Ave. So., Minneapolis

Phone Geneva
4351



Over Thirty
other cities



*Where Shall We Invest
These Funds?*

After the crops are marketed, correspondents of the Union Trust Company find the facilities of this Bank exceptionally complete to help them keep surplus funds profitably employed in prime commercial paper, call loans and short term investments.

UNION TRUST COMPANY
CHICAGO

1869  1925

Swift Sales Top Record Since War Days

Chicago, January 12—Swift & Co. last year earned the equivalent of \$10.25 on its common stock, the largest return since 1918 with a net profit of \$15,379,152, which compares with \$14,125,987 in 1924, equal to \$9.41 a share. Gross sales in excess of \$875,000,000 have not been approximated since 1920. The fact that the net returns from the year's business were exceeded only during the war time period tells a story concerning reduced operating costs. During the year the company paid out \$450,213,425 for live stock and slaughtered 17,446,281 animals. Profits after interest and depreciation were equal to 7 per cent. on the capital and surplus and to only 1¼ per cent. on each dollar of sales. In his address to stockholders President Swift said:

"The year 1925 in business generally has been one of activity. Employment in most lines has been steady; wages have been good, and prices sufficient to yield a fair margin to the efficient concerns. We are pleased to say that the live stock producers also have shared in the prosperity of the year 1925. Prices for live stock returned to a higher level during 1925 than has prevailed at any time since 1920.

"The supply of cattle and sheep has been about the same as in 1924, but prices averaged from 8 to 10 per cent. higher. Hog receipts were 20 per cent. less, and prices averaged nearly 50 per cent. higher. It was hard for packers to make money on their cattle operations during the past year, because for many months the price of dressed beef was not high enough as compared with cattle prices. Pork was also selling at a loss for a considerable time, but an increase of prices during the summer and fall brought us out comfortably on the profit side of the ledger."

Dillon's Star Rises

As the country was dazzled in 1925 by Clarence Dillon's coup in purchasing Dodge Brothers in competition with the world's greatest international banking house so 1926 has been illuminated by his acquisition of the \$55,000,000 National Cash Register Company, which last year did a gross business of \$36,478,040 and had a net profit of \$4,345,975. This purchase was followed by a public offering of \$55,000,000 Class A stock of National Cash Register common stock by Dillon, Read & Co., at \$50 a share. Carrying cumulative dividend rate of \$3 a year the issue was largely oversubscribed and on the New York Stock Exchange the shares sold at 54 on the day of the offering. The company was incorporated with 1,100,000 shares of Class A and 400,000 shares of Class B stock of no par value, the Class B shares being entitled to a non-cumulative dividend of \$3 a year after Class A dividends, and both classes participate equally in additional dividends in any year. The balance sheet shows assets of \$41,899,003 with current assets of \$32,459,392 and current liabilities of \$5,695,456, leaving a net working capital of \$26,763,936.

Other deals of major calibre in which Clarence Dillon is named as the chief figure include the prospective merger of the Union Oil Company of California with the General Petroleum Company of California, one of the four largest companies on the Pacific Coast. The combined assets of these two companies aggregate \$231,378,755, Union of California having \$155,213,405 and General Petroleum \$76,165,356.

Chain Stores Coming

That department stores which now line State Street and Michigan Avenue in Chicago and Fifth Avenue in New York will give way eventually if not in the next decade to chain stores is the belief expressed by Benjamin R. Cahn, a member of the firm of Dean, Onativia & Co. He calls attention to expansion in chain stores and mail order houses in the past year confirmation of his theory. "In the last year our two big mail order houses did a business of more than \$440,000,000 against nearly \$385,000,000 in 1924, and they have been opening up chain stores to extend their operations," he said. "Woolworth has increased its number of stores from 1,356 in 1924 to 1,425 in 1925, and S. S. Kresge added 50 new stores and now has a chain

of 304 locations. Kress has 166, McCrory 187 and Metropolitan 72 chain stores and each year the sales of these stores continue to climb. Wieboldt has enlarged the number of his stores in Chicago and the two big local mail order houses have been opening retail stores here and elsewhere in order to keep pace with the times. This leads me to believe that the chain stores will supersede the large department houses and that specialty shops will line the principal retail locations in every metropolitan city."

Rosenwald Reaps Millions

Julius Rosenwald, chairman of the board of Sears, Roebuck & Co., last Friday exercised his option on 50,000 shares of the common stock of the company when the market was at \$235, suggesting a profit to him on the transaction of \$6,750,000. Away back in 1921, when Sears, Roebuck had written off a tremendous war loss, Mr. Rosenwald loaned the stock to the company with the view that the balance sheet would show a small surplus instead of a deficit. At that time the 50,000 shares had a market value of \$3,000,000 and in addition, Mr. Rosenwald purchased some of the company's real estate for \$16,000,000, making a first payment of \$4,000,000 with Liberty bonds. It is now believed that the junior issue of the big mail order house will be split up and five shares of new stock given for one of old and that directors will order the disbursement of an annual dividend of 10 per cent.

Lee-Higginson Moves

Established nearly a century ago and bearing an international reputation of the highest character, Lee, Higginson & Co. have taken possession of an historic spot in Boston after spending more than 77 years on State Street. At the intersection of Federal, Franklin and Congress Streets, 70 Federal Street, the Lee, Higginson Building now stands. It was purchased from the First National Bank of Boston last May, and since that time extensive alterations have been made in order to adapt the building to the requirements of the business of Lee, Higginson & Co. Established on May 1, 1948 at 47 State Street, Boston, John C. Lee and George Higginson opened for business in the purchase and sale of stocks, notes and exchange as Lee & Higginson. Henry Lee, cousin of John C. Lee, was a member of the firm from 1853 to 1897 and George Cabot Lee, son of the founder, was a member from 1853 to 1910. Major Henry L. Higginson, son of the founder, was a member from 1868 to 1919, and there are two grandsons of the founders, George Cabot Lee and Francis L. Higginson, Jr., who have been partners since 1910.

Title & Trust Booms

With an advance of 50 points during the week Chicago Title & Trust featured operations on the Chicago Stock Exchange, reaching a new record top of 585 with a rise of 85 points in less than a month. This buoyancy can be only attributed to the extremely favorable statement issued late last week, showing the company is in splendid condition and the possibility of a splitup advantageous to the holders of the shares. Chicago, North Shore & Milwaukee rose two points owing to the character of its income, and Middle West Utilities sold up 8 points within a point of its 1925 high mark of 125. Great Lakes Dredge sold up 8 points and Gypsum 8, but the latter later fell back 6. There was a continuance of the sluggish movement in Yellow Truck and Yellow Taxi, which slid back to lower levels after a futile effort to stimulate interest in the shares by utilizing propaganda.

Curb Market Active

An active volume of trading featured the Chicago curb market during the past week with price changes generally indicating a firm undertone. A demand at higher prices prevailed for Acme Steel which was freely wanted at 71 with a scarcity of offerings. By-Products Coke common made a further gain advancing to bids at 82½ with but little stock coming into the market. A brisk demand caused Congress Hotel common to advance sharply to sales at 240, at which price it remained in demand with no additional offerings available. After a period of inactivity a strong

demand developed for Interstate Iron & Steel common which was wanted at 73 and few offerings showing below 76. A stronger tendency was noticeable for Northwestern Yeast which advanced briskly to sales at 161, which price was bid at the close for additional stock and the cheapest offerings appearing at 165. The demand for this issue has been stimulated by recent reports of favorable earnings and this advance has made up the 3 per cent. extra dividend that was recently paid. A lively interest was displayed in W. F. Hall Printing common which has been neglected for several weeks. Bids of 27 failed to bring out any offerings below 29, which compares with the last sales at 25. Great Lakes Transit common and preferred enjoyed a better demand and sales ranged between 17 and 18 and 77 and 78, respectively.

Elgin Watch Steady

Elgin National Watch settled down to a market of 89 bid, 92 asked, ex-dividend, with sales taking place between these prices. National Grocer common was in improved demand advancing fractionally to 6½ bid with moderate offerings at 7¼. McCord Manufacturing common was slightly stronger, being wanted at 13¼ with offerings to be had at 13½ and sales taking place at these prices. The preferred was likewise in better demand and strengthened to sales at 90 at which price it remained wanted with odd lots for sale at 92. Although extremely active, there was no material change in Butler Bros. which was quoted 34¾ bid, 34¾ asked. Wahl Company preferred was stronger, advancing to 56½ bid with the cheapest offerings at 58. Stover Manufacturing & Engine common was slightly easier being offered at 10 with the best bids showing at 8. This compares with recent sales at 10½.

Mail Order Sales Up

Largest business in the history of Sears, Roebuck & Co., and Montgomery Ward & Co., was concluded in December with gains of 16.6 per cent. for the former and 13.12 per cent. for the latter for that month. For 12 months to December 31 sales of Sears, Roebuck & Co. totaled \$258,342 compared with \$222,147,742 in 1924, a betterment of 16.3 per cent., while Montgomery Ward & Co., announced a total of \$184,095,989 for 1925 compared with \$162,715,494 in 1924, a gain in sales of 13.14 per cent.

Farnum, Winter & Co. sold 70,000 shares of the Adams Royalty Company common stock at \$27.50 a share. The company acquired royalty assets of the Peerless Oil & Gas Co. and the Harrison syndicate in addition royalty holdings of producing and potential oil properties in the Mid-continent field. Its holdings total 58,796 acres and 1925 earnings were equal to \$5.50 a share on common stock.

An issue of \$2,500,000 Northern Ohio Traction & Light Co. 15-year 6½ per cent. debenture bonds was offered at 97½ and interest by the National City Company to yield more than 6.75 per cent. The company does the electric power and light business in Akron, Ohio, and surrounding territory and operates the city and interurban transportation facilities. Net earnings for the fiscal year ended November 30 last were \$2,950,544 compared with \$2,146,768 in 1924.

Thomson & McKinnon said of the stock market: "At the present time the general speculative situation is such that it deserves more than usual attention and warrants a reduction of commitments at every opportunity."

"We now advise holders of conservative stocks to hold what they have and buy back the stocks they sold in case there is any real frightened liquidation" said Paine, Webber & Co.

THE AGE OF INCREDULITY

A colored preacher who was explaining the story of creation to his congregation told them that the Lord made man out of mud and stood him up against a picket fence to dry.

And then a colored brother in the back pew got up and asked, "Ef Adam wuz de fust man, den who made dat picket fence?"

Whereupon the old preacher declared, "Hit's jest such questions as dat dat ruins religion!"



WITH a clientele embracing every line of business and a board of directors composed of leaders in every branch of commerce and industry, the Illinois Merchants Trust Company has an unusually intimate contact with modern American business.

Our officers consequently have a wide experience and are peculiarly fitted to give effective and intelligent attention to the needs of our correspondent banks.

Inquiries regarding our services and our ability to meet your particular requirements are welcome and incur no obligation.

*Capital and Surplus
Forty-Five Million Dollars*

ILLINOIS MERCHANTS TRUST COMPANY

*A consolidation of the Illinois Trust & Savings Bank,
The Merchants Loan & Trust Company and
The Corn Exchange National Bank*

LA SALLE, JACKSON, CLARK AND QUINCY STREETS
CHICAGO

Bank Advertising That Educates the Public

Encouraging Home Trade, Suggesting Thrift Lessons for Children and Issuing Instructive Bank Statements Are Some of the Advertising Methods Employed by Banks of the Northwest

"Have you ever thought what an interesting story a dollar bill could tell if it had the power of speech?" asks "Farming and Banking" a small-magazine type of publication which is distributed by The First National Bank of Lake Park, Iowa. The first number of this little paper opens with "A Confidential Chat With a Dollar Bill."

"Someone who has conceived the idea of interviewing one of these dollars—figuratively speaking—to find out just what it does in its process of circulation, relates a very interesting story. The dollar which was thus interviewed had been going quietly about the locality, touching every phase of life. It had gone from hand to hand to help to build a barn, a public highway, dig a ditch; to make up a portion of a loan; it had helped to pay the doctor, teacher preacher and dentist; it had helped to buy eggs, butter, vegetables, a pair of shoes, pay the laborer and to purchase various other things, until it had passed through 220 transactions before leaving the community. During that time it had returned three times to the owner where the observation began.

"In reflecting on this situation, we can readily see where in this dollar served the owner at the beginning of the observations, to his great advantage in that; first he made it possible for the dollar to come back to him, and he profited by that precaution on three distinct occasions; second, he received the indirect benefit to his home, property and business, resulting from the balance of the 220 transactions, in the increased prosperity to the community.

"But, suppose that in the first transaction the dollar had been sent out of the community. Perhaps, in such an instance, its owner might have thought that it had served him just as well as if it had been kept at home, and he might have thought that he had made a slight saving thereby, but we do not believe he would feel this way about the final result, for we must bear in mind that when our dollars leave the community, they begin immediately to serve the community into which they are sent. Such a process denies to the owner the probable benefits illustrated in the case under observation. We must realize that if a dollar is used to buy an article at home, we still have the dollar—although the article is consumed—while if the dollar is sent away, the community has neither the dollar nor the article. The same results are experienced by the farmer who hauls off and ships out of the country all his grain and farm produce, consumes nothing that he raises on his farm and puts back nothing into the soil. Such is not a profitable course to pursue, and the same results are obtained whether it be grain and produce or their proceeds in money. Either process constitutes a drain of life-giving and life-sustaining substance, that no community can stand and remain prosperous."

Thrift Publicity

"Farming and Banking" makes the following suggestions about teaching thrift to children:

"When you give your child his school allowance does he have any idea where it came from?"

"When you take your daughter down town and buy her a coat, does she think 'Charge it, please' settles the account?"

"The mother who hands out pennies and nickels without restriction to her children during their babyhood will find them demanding dollars in later years with no appreciation whatever and with no idea of their value.

"Thrift involves more than putting money in the bank from a stated allowance. It is a moral training in self-denial, promptness, reasoning, and a right attitude toward the family finance and home comforts.

"Children taught to save intelligently make better men and women; they are usually more successful, self-reliant and contented.

"Teaching thrift is not only a parental duty but it is a civic obligation which the family owes to the community."

A Get-Together Medium

"Farming and Banking" is intended "to serve as a get-

together medium wherein matters in the interest of successful farming and sound banking will be discussed," according to the little magazine and it explains:

"We have no newly discovered schemes or get-rich-quick ideas to advance, but every successful farmer finds sound banking facilities indispensable in his business and it is to his operations with the bank that we will principally confine the reading matter in this publication."

* * *

THE SELF-EXPLANATORY BANK STATEMENT

The eternal question; how shall a bank statement be worded so as to be thoroughly understood by the layman, has been worked out in a number of ways, among which is the statement issued by the Alton Savings Bank of Alton, Iowa. The statement covered a full page of the local newspaper, and the items were classified as follows:

The Bank Owes to Depositors:

(a) Subject to check (511 accounts).....

(b) On time certificates of deposit

(c) On savings accounts

Total Due Depositors

To Pay These Deposits the Bank Owns the Following Property:

(Various loans were listed)

Overdrafts (Temporary—All Collectible).....

Cash on hand and due from solvent banks (in various cities named)

Bank Lot and Building, including reenforced concrete vault and storage vault

Furniture and Fixtures

Other Real Estate, residence in Alton, Rental income more than carrying charge

Leaving a balance, called "Capital, Surplus and Profits"

(This fund belongs to the stockholders, but must be left as a protection to depositors. The double liability increases this fund to \$.....

About 90 per cent. of the stock is owned by people of Alton and territory.)

Six short paragraphs explain the functions of: The board of directors, the examining committee, the state examiner, and treat of the subjects of losses, profits and borrowed money, in a simple and concise way.

Speaking of the manner in which this "understandable" statement was received J. N. Kuhl, president of the bank, says: "It has been my experience that the average layman does not understand bank statements as published under headings of 'Liabilities and Resources.' However, the above form of statement received many favorable comments and we believe it has created a better understanding between this bank and its customers. It was published after the unfortunate closing of a competitor bank and we feel that the ad worked much good in keeping the public informed, and in preventing uneasiness."

* * *

LET'S GO

The Farmers National Bank of Hutchinson, Minnesota, runs a newspaper ad with a punch. It reads:

FARMERS NATIONAL BANK

This bank has more than doubled its business in the last five years.

All through the depression we never stopped loaning freely to our worthy customers.

We have not borrowed money to accommodate our customers, but have always had ample funds of our own for this purpose.

We have no town property or farm lands in our schedule of assets, other than our banking house.

We offer you that dependability that lasts.

Our service is complete.

We invite you to join our large and growing family of contented customers.

LET'S GO

Business Will Be Better For It

Two Minneapolis Wholesale Grocery Houses Merged

Merger of two pioneer Minneapolis wholesale grocery firms, with an aggregate annual business of \$8,000,000, has been completed.

Administrative offices of the Winston-Harper-Fisher Company and the George R. Newell Company are now functioning at the plant of the George R. Newell Company, 601 Third Street North.

The plant of the Winston-Harper-Fisher Company, at 119 Fourth Street North, is to become a warehouse for the merged company, which has taken on the name of the Winston and Newell Company.

The staff of officers of the merger include officers of the two companies and other office employees today are housed in the consolidated headquarters.

The officers of Winston and Newell Company are:

President, Perry Harrison; first vice president, L. B. Newell; second vice president, Luther H. Farrington; treasurer, Paul R. MacMichael; secretary, August F. Floerkey; assistant treasurer, T. G. Harrison; assistant secretary, W. B. Newell; chairman of the board of directors, F. G. Winston.

L. B. Newell and Perry Harrison are sons, respectively, of George R. Newell and H. G. Harrison who in the late 60's founded the original Newell and Harrison Company.

T. G. Harrison, who is a grandson of H. G. Harrison, is now salesmanager and advertising manager of the consolidated company. He formerly was sales and advertising manager of Winston-Harper-Fisher Company.

Perry Harrison, the new president of the consolidated company, formerly was vice president of Winston-Harper-Fisher Company.

L. B. Newell formerly was president of George R. Newell Company.

Winston-Harper-Fisher Company operated a branch at Miles City, Mont., and this now becomes a branch of the merged company.

Merging of the two companies, officers say, will enable the consolidated company to perform greater service in the Northwest, with reduced overhead.

ANNALIST'S SURVEY OF LAST YEAR'S FINANCE AND TRADE

The Annalist Annual Survey and Business Forecast, a publication of The New York Times Company, New York City, has just been issued. It includes records of the year's transactions in stocks and bonds on the New York Stock Exchange and the New York Curb Market, a review of 1925 market movements and a forecast of probable 1926 price trends. An exclusive feature is a compilation of the year's high, low and closing prices on exchanges outside New York City. An analysis of last year's movements and a forecast of prospects in commodity markets are made.

Among the leading articles are surveys of the Northwest by J. F. Abersole, assistant Federal reserve agent, Minneapolis; and the Plains States and the Southwest, both by W. F. Gephart, vice president and economist, First National Bank, St. Louis.

CLEARINGS OF DULUTH BANKS IN 1925

Duluth, Minn.—Clearings of Duluth's national banks for the year just ended made a close comparison with the previous year, the total being reported by the Clearing House Association at \$498,450,286.57 as against \$504,915,851.68 in 1924. During the first half of the year clearings showed steady increases, but the lighter movement of grain during the fall months resulted in wiping out the early increases.

LOSS ON WILLISTON RECLAMATION PROJECT IS \$989,271

Washington—The writing off of \$14,317,150 as a deficit on 19 reclamation projects was recommended to Congress by the Board of Adjustment and Survey of the Interior Department. The board also recommended that \$12,785,137 be estimated as a probable loss.

Probable losses given included: Lower Yellowstone, Montana, and North Dakota \$989,271.

IRVING BANK- COLUMBIA TRUST COMPANY

NEW YORK

Statement of Condition, December 31, 1925

RESOURCES

Cash in Vault and with Federal Reserve Bank	\$41,638,438.64
Exchanges for Clearing House and due from other Banks	88,106,754.64
Call Loans, Commercial Paper and Loans eligible for Re-discount with Federal Reserve Bank . .	89,842,196.35
United States Obligations . . .	22,272,556.31
Short Term Securities	30,536,624.30
Loans due on demand and within 30 days	50,874,585.29
Loans due 30 to 90 days	51,351,073.38
Loans due 90 to 180 days	44,847,013.28
Loans due after 180 days	3,385,370.54
Customers' Liability for Acceptances (anticipated \$1,209,805.85)	22,107,812.29
New York City Mortgages and Other Investments	8,509,443.17
Bank Buildings	700,172.75
	<u>\$454,172,040.94</u>

LIABILITIES

Deposits	\$356,026,068.97
Official Checks	40,711,302.40
Acceptances (including Acceptances to Create Dollar Exchange)	23,317,618.14
Discount Collected but not Earned	938,478.79
Reserve for Taxes, Interest, etc. .	1,527,515.93
Dividend payable January 2, 1926	612,500.00
Capital Stock	17,500,000.00
Surplus and Undivided Profits . .	13,538,556.71
	<u>\$454,172,040.94</u>

An Analysis of the Tax-exempt Securities Situation

Guaranty Company of New York, in a New Booklet, "Diversified Investments" Places Tax-Exempt Securities Outstanding at Nearly Twelve Billion Dollars

Next to United States Government bonds, the obligations of the various states and their municipal sub-divisions are rightly regarded as our premier investment securities, states the current issue of "Diversified Investments," published December 21, 1925, by the Guaranty Company of New York, in discussing prime investments.

Such bonds, the article proceeds, are backed by taxing power, and the record of municipalities in meeting their obligations promptly indicates that in this class of securities the element of risk is negligible.

In recent years the investment strength of municipal bonds has to some extent been disregarded by investors, and their exemption from Federal income tax has been unduly emphasized. With income tax rates as high as 77 per cent. in 1918, such bonds were, of course, much more attractive to wealthy investors than taxable bonds. But an investigation by the Federal Trade Commission in 1924, based on reports of banks and insurance companies, and the Internal Revenue Bureau's "Statistics of Income," indicated that at the close of 1922, bonds held primarily for tax exemption represented less than 25 per cent. of the outstanding bonds wholly exempt from Federal income taxes.

Holders of Municipal Bonds

The Federal Trade Commission's estimate of such tax exempt securities was \$11,732,174,000, consisting of \$2,294,000,000 Federal obligations, and \$9,438,174,000 of state, municipal, farm loan and other tax-exempt bonds. Higher estimates have frequently been made, but they have included the various issues of Liberty Bonds which are exempt from normal tax but only partially exempt from sur-tax. Although it is impossible to obtain exact information as to who holds wholly tax-exempt bonds, the commission's survey indicates that about 23 per cent. is held by corporations and approximately the same percentage by individuals with taxable incomes exceeding \$10,000 per annum. Exclusive of United States Government bonds, the amount of wholly tax exempt bonds owned by such individual holders at the close of 1922 is given as \$2,169,160,000 in the commission's report.

Price Trends

Considering the value to wealthy investors of exemption from Federal taxation in recent years, it would have been reasonable to expect a strong upward trend in municipal bond prices from 1917-1921 when Federal income tax rates were very high. But the range of price since 1900 of high grade municipal, railroad, public utility and industrial bonds indicates that municipal bond prices actually declined during these years. Since 1921 the trend has been upward although tax rates have been reduced. The fact that prices did not advance with increasing tax rates indicates that tax exemption was not the principal market factor, or if it was, municipal bonds were being bought in the belief that Federal income taxes would be materially reduced within a few years so that it would have been unwise to capitalize the advantages of tax exemption for the life of the bonds. The large volume of Federal Government financing in those years undoubtedly had an effect on the market, but the trend of municipal bond prices rather indicates that they were influenced chiefly by changes in interest rates on long term capital.

Value of Tax Exemption

In 1900 when bond prices were at very high levels, high grade municipal bonds were selling on approximately a 3.15 per cent. basis while high grade railroad bonds were on about a 4.05 per cent. basis, and high grade public utility and industrial bonds were selling at prices to yield 4.55 per cent. and 4.85 per cent. respectively. At that time there was a wider spread in basis between municipals and those other classes than there is now. The smallest spread in average yields between high grade municipal and railroad bonds was about 1/5 of 1 per cent. in basis in 1912, just prior to the enactment of the first Federal income tax law. The spread of approximately 1/2 of 1 per cent. now is less than in many of the years prior to 1912, but, in com-

parison with that year, the present difference in yield would be absorbed by a Federal income tax of about 6 1/2 per cent., whereas the reduction expected at the present session of Congress contemplates a maximum rate of 25 per cent. Municipal bonds are therefore still more attractive to wealthy investors than high grade railroad, or even public utility, and industrial bonds. There are many other sound taxable issues selling at yields that will give most investors a higher return, after taxes, than municipal bonds but not with comparable security.

A substantial increase in the volume of outstanding municipal bonds during the last five years has had a tendency to hold prices at relatively low levels. However, the obligations of the larger municipalities particularly, do not appear to have increased out of proportion to the increased wealth and earning power of the people. Some of the increase has been due to expenditures necessitated by curtailment during the war, extensive highway building programs, and several large issues of state bonds for paying a soldiers' bonus. Present indications are that emissions of municipal bonds in 1926 will be in lesser volume.

Broader Base for Taxation

Since 1900 the population of the United States has increased from about 76,000,000 to more than 110,000,000, the greatest increase having been in the cities. Of cities with a population in excess of 30,000, there are now 248, compared with 135 in 1900. In these cities the population is now about 35 per cent. of that of the country, but in 1900 it was only about 25 per cent. City growth of course, necessitates municipal expenditures, for the protection of the lives, property and health of the inhabitants; educational and recreational facilities must be provided, and care for the indigent, defective and delinquent. Such expenditures denote progress, and better living conditions in the cities have attracted increased population, who have built homes and embarked in business. There is thus a broader basis for taxation to support the increase in debt that has taken place.

Investment Factors

It is, of course, just as necessary to discriminate in the purchase of state and municipal bonds, as in purchasing other securities. The ratio of debt to the wealth of the community is of primary importance, and it is also desirable to compare this ratio with that of other cities similarly situated. The growth in the debt and wealth over a period of years should also be considered, as well as the character of the population, the variety and stability of industries, transportation facilities, and the past history of the municipality in meeting its obligations. In the final analysis all municipal debt must be liquidated out of taxes; the sufficiency of these taxes, and the constitutional or statutory restrictions on the amount that may be levied are thus of importance to the investor. The credit of some municipalities is, of course, rated higher than others, but it is interesting to note that in general delays in payment of principal and interest on municipal bonds have been few and cases of actual default or repudiation negligible. No other class of domestic securities, except United States Government bonds, has such an excellent record in this respect.

The principal market for municipal bonds is "over-the-counter," but it is an active one, and bonds of the larger municipalities especially can be bought and sold quite freely within a narrow price range. Issues of smaller communities with a less active market can frequently be bought at prices that give relatively higher yields to maturity. Short term municipal bonds are desirable investments for the surplus funds of financial institutions, as they are just as liquid as commercial paper, with the added advantage that interest is exempt from Federal taxation. By purchasing five year maturities regularly, higher yields could be obtained, and in due course there would be maturing obligations falling due at regular intervals.

Effect of Tax Reduction

Expected reduction of Federal income tax rates resulted in some selling of municipal bonds by investors in recent

\$479,580
TRI-STATE TELEPHONE
and
TELEGRAPH COMPANY

6% Cumulative Preferred Stock

This Stock is callable at the Company's Option at 110, and accrued dividends on Sixty days' notice.

Regular dividends have been paid on this stock since issuance and on December 1, 1925, the company paid its 90th consecutive quarterly dividend.

Price 96 and Accrued Dividends,

To Yield 6.25%

MERCHANTS TRUST COMPANY

St. Paul, Minnesota

WELLS-DICKEY COMPANY

Minneapolis, Minnesota

months, induced by a belief that tax reduction would make them less valuable. But, the Guaranty Company points out in its booklet, the foregoing analysis indicates that exemption from taxation has been a minor price factor, and that, in comparison with yields from high grade taxable bonds, municipal bond yields are not too low, even if taxes are reduced as contemplated. With their excellent record of prompt payment of interest and principal, the broader basis for taxation that now exists, and a probable reduction in the volume of new issues, high grade municipal bonds at present prices appear attractive. Their intrinsic value merits the consideration of investors, regardless of their exemption from Federal income taxes.

SPOKANE CHAPTER AFTER AMERICAN SAVINGS AND LOAN INSTITUTE

Spokane, Wash.—A Spokane chapter of the American Savings and Loan Institute was organized recently at Spokane with 30 members. The purpose of the institute is to qualify employes of the savings and loan associations for advancement. The management of the five savings and loan associations in Spokane are behind the organization of the chapter and have agreed to pay an instructor to supervise the study courses.

BANK DEPOSITS IN WALLA WALLA BANKS

Spokane, Wash.—Walla Walla banks, at Walla Walla, Washington, with total deposits of \$10,626,247 on Decem-

ber 31, make strongest showing in their history, with exception of November 18, 1919, when they were \$12,165,692. This was at the peak of high prices. Figures announced recently show gain of \$736,783 since September 28, 1925, and reveal a total increase of \$1,738,304 above what it was four years ago.

**Principal and Interest
 GUARANTEED**

The National Surety Company, the world's largest surety company, guarantees this absolutely safe investment.

Denominations \$100-\$500-\$1,000.

Maturities 2 to 10 years.

Price 100 and interest yielding 6%.

Ask for Circular 101.

DRAKE-JONES COMPANY

First Nat.-Soo Line Annex
 MINNEAPOLIS
 Atlantic 6070

Merchants Bank Bldg.
 SAINT PAUL
 Cedar 2418

Bank established in 1864

SKANDINAVISKA KREDITAKTIEBOLAGET

GÖTEBORG STOCKHOLM MALMÖ

Branches in all parts of Sweden

Own funds	Kr.	182.000.000—
Deposits, December 31, 1924.....	ca. "	648.000.000—
Total assets, December 31, 1924.....	" "	1.002.000.000—

Transacts all kinds of banking and exchange business.

Inquiries and correspondence invited.

Telegraphic address "KREDITBOLAGET"

Utility Bonds As Legal Investments of Savings Bank Funds

Lewis E. Pierson, Chairman of the Board, Irving Bank-Columbia Trust Company, New York City

There are substantial reasons back of the present widespread demand that public utility bonds should be added to the list of stable securities in which savings banks and trustees may legally invest the funds entrusted to their care. The state wisely requires that institutions which are responsible for the savings of great numbers of people should confine their investments to securities where the risk of loss is reduced to a minimum and where steady income may be expected with reasonable certainty.

At present the laws of New York permit savings banks and trustees to invest in real estate mortgages, United States Government and municipal bonds and certain railroad bonds. Trustees under a will, unless specifically exempted from legal limitations by will or deed of trust under which they act, may however invest only in the same securities as savings banks.

The vast increase in the deposits of the country's savings banks, together with the tendency of persons of large incomes to invest in Government tax-exempt securities, has created a situation where fiduciaries are finding it more difficult every day to place their funds in legal securities without unduly curtailing the rate of income. The demand for legal securities, in other words, has increased faster than the supply.

It is accordingly proposed that the fiduciaries be legally permitted to invest under suitable restrictions in the bonds of public utility companies. And this seem reasonable, as an examination of the history of utility bonds indicates that they meet every proper requirement of a legal investment.

Some time ago the Federal Reserve Bank of New York published a comparative analysis of industrial companies and of public utility companies. That comparison disclosed the fact that the utility companies were able to maintain and increase their earning power during periods when the industrial companies were adversely affected by changes in the general economic situation.

Earnings of Utilities

Taking the year 1918 as the base and expressing the earnings of that year as 100 per cent., the table given below, based upon figures employed in the Federal Reserve Bank analysis, illustrates the earnings of industrials and public utilities for the following six years:

Year	102 Industrials	27 Public Utilities
1918.....	100 per cent.	100 per cent.
1919.....	90 per cent.	104 per cent.
1920.....	78 per cent.	109 per cent.
1921.....	36 per cent.	112 per cent.
1922.....	72 per cent.	173 per cent.
1923.....	105 per cent.	204 per cent.
1924.....	93 per cent.	234 per cent.

It must be borne in mind that the earnings of public utility companies are fairly regulated in most states by public service commissions which limit the earnings to a fixed per cent. upon the capital actually invested. In order to show any definite increase in earnings, public utilities, therefore, must make a corresponding increase in the amount of invested capital.

With due regard to the fact that earnings of utilities are affected by their increased investments, the significant feature of the above comparison is that during the depression of 1920 and 1921, while the general industries

of the country showed greatly decreased earnings, if not actual deficits, the public utility companies not only maintained their earning power, but actually forged ahead of their previous figures.

Public utility securities derive their safety and stability from the fact that they deal in an essential service which must expand as the country increases in population and raises its general standard of living. Houses require electricity for lighting and gas for heating and homes must be lighted and meals cooked, through all the vicissitudes of the business cycle.

Legal Investments

From the standpoint of savings banks and trustees, therefore, the enlargement of the field of legal investments to include the best grades of public utility bonds, appears highly desirable. As already implied, the history of public utilities management entitles them to the highest confidence, but, in addition to the protection of a record of successful management, savings banks and trustees purchasing public utilities securities now possess two other safeguards:

1. The control of rates by state agencies now insures adequate revenues in the majority of states.
2. All new security issues must be approved by the same state agencies, which is an additional protection against over capitalization and fixed charges which the utilities will not be able to carry.

A further safeguard, though an indirect one, is the wide customer ownership in the distribution of preferred and common stock, which means a much more effective cooperation on the part of the public than formerly in demanding that state commissions give fair and adequate treatment of public utilities.

Lastly, if savings banks and trustees are permitted to invest in the better grade of public utilities as they now are in high grade railroad bonds it will immediately broaden and strengthen the market for the former. Fifteen states already allow trustees to invest in electric power and light securities and the result of this has sufficiently demonstrated the effect upon the market of certain of the local public utility securities in these states to fully substantiate this claim.

Thus it is clearly seen that trustees and savings banks, in the purchase of high grade public utility bonds, will have the three conditions most desired, namely, assurance of stable and adequate income, a conservative capitalization structure and a dependable market.

PATENT OFFICE RECORD FOR 1925

New York—The greatest era of invention this country ever has known, is shown by the number of patents issued in 1925, when more were granted than in any year in history, according to Orson D. Munn, senior member of Munn & Co., patent attorneys.

"In 1925, 46,540 patents were issued," says the company's report of a survey. "This compares with 42,554 patents issued in 1924, and even exceeds the two biggest years in the history of the Patent Office—1916, when 43,970 patents were issued, and 1915, with 43,207 issued."

Agricultural Credit Corporations Are Subject to Income Tax

Washington—The internal revenue bureau, in a ruling by A. W. Gregg, its solicitor, has held that national agricultural credit corporations are subject to income taxation under section 231 of the revenue act of 1924, and is thereby believed to have opened up a new controversy in connection with the many sided rural credits problem.

While official announcement of the solicitor's ruling has not been made since the determination was in the nature of a guiding memorandum to all divisions of the bureau, it has been confirmed that the decision had been made as to question of "exemption of national agricultural credit corporations."

A syllabus of the finding by Mr. Gregg was brief but positive as to the status of the credit corporations, setting forth the bureau view in these words:

"National agricultural credit corporations are not exempt from income taxation under section 231 of the revenue act of 1924."

Private explanation by officials was to the effect that if the corporations were exempt it must be under section 231 (13), a section which exempts Federal land banks and national farm loan associations. Those agencies were specifically exempted under the Federal farm loan act, and section 231 merely repeats the language of the former act.

Different from Federal Banks

But in Mr. Gregg's ruling the statement was made that: "This distinction with respect to Federal intermediate credit banks on the one hand and national agricultural credit corporations on the other would appear to be due to the fact that the stock of the former organizations is owned wholly by the Government and controlled by the Federal farm loan board, whereas the latter organizations are privately owned and controlled. Furthermore, the national agricultural credit corporations differ from national farm loan associations in that stock ownership in the latter is limited to borrowers on farm land mortgages.

"Organization for Profit"

"To summarize, it is apparent that intermediate credit banks are Federal Governmental agencies and the reason for their exemption is obvious; that national farm loan associations operate substantially as mutual building and loan associations, which are exempt under section 231 (4), whereas the national agricultural credit corporations are organized as an ordinary corporation for profit, having a capital stock represented by shares upon which it may distribute profits in the form of dividends. It is accordingly held that national agricultural credit corporations are not exempt from income taxation under section 231 of the revenue act of 1924."

The agricultural credit corporations which would be affected by the ruling include the two recently organized in Iowa at the instance of Secretary of Agriculture Jardine and Chicago bankers to aid in financing farmers in that section in handling this year's corn crop.

BUILDING CONSTRUCTION IN MINNEAPOLIS

Construction in Minneapolis during 1925 exceeded by \$6,000,000 the total building operations of the year previous, James M. Houghton, building inspector, has announced. During the year, 9,933 permits were issued for buildings which cost \$29,384,810.

STANDARD OIL ISSUES

CARL H. PFORZHEIMER & CO.
DEALERS IN STANDARD OIL SECURITIES
25 Broad Street New York
Phone: Hanover 5484

The CONTINENTAL and COMMERCIAL BANKS CHICAGO

Statements of Condition December 31, 1925

CONTINENTAL and COMMERCIAL NATIONAL BANK of CHICAGO

Resources

Time Loans . . .	\$164,525,750.60	
Demand Loans .	132,384,491.91	
Acceptances . . .	337,599.38	
Bonds, Securities, etc.	21,739,241.91	\$318,987,083.80
U. S. Bonds and Treasury Notes . .		43,613,280.42
Stock of Federal Reserve Bank . . .		1,200,000.00
Bank Premises (Equity)		7,950,000.00
Customers' Liability on Letters of Credit		4,921,290.10
Customers' Liability on Acceptances		4,808,282.60
Overdrafts		13,178.41
Cash and Due from Banks		125,488,970.67
		<u>\$506,982,086.00</u>

Liabilities

Capital	\$ 25,000,000.00	
Surplus	15,000,000.00	
Undivided Profits	7,210,201.25	
Reserved for Taxes	1,568,242.73	
Circulation	50,000.00	
Bills Payable with Federal Reserve Bank		19,000,000.00
Liability on Letters of Credit		5,768,738.15
Liability on Acceptances		5,023,773.68
Deposits—		
Individual	\$269,693,685.17	
Banks	158,667,445.02	428,361,130.19
		<u>\$506,982,086.00</u>

CONTINENTAL and COMMERCIAL TRUST and SAVINGS BANK

Resources

Demand Loans . .	\$16,145,323.87	
*U.S. Gov't Bonds and Treasury Notes	23,904,496.02	
*Bonds due in 1926 to 1928 inclusive.	12,156,665.14	
*Other Bonds . .	11,721,071.35	
Cash and Due from Banks	33,515,597.20	\$97,443,153.58
Time Loans		21,591,569.34
		<u>\$119,034,722.92</u>

*Adjusted to cost or market price whichever is lower.

Liabilities

Capital	\$ 5,000,000.00	
Surplus	10,000,000.00	
Undivided Profits	1,853,766.13	
Reserved for Taxes, Interest and Dividends	1,766,998.45	\$18,620,764.58
Demand Deposits	30,632,977.55	
Time Deposits . .	60,540,367.62	
Special Deposits . .	9,240,613.17	100,413,958.34
		<u>\$119,034,722.92</u>

Total Resources \$626,016,808
Total Deposits 528,775,088
Invested Capital over . . 62,000,000

MIDLAND NATIONAL BANK & TRUST COMPANY

MINNEAPOLIS

Statement of Condition at Close of Business December 31, 1925

RESOURCES:		LIABILITIES:	
Loans and Discounts.....	\$13,525,881.03	Capital Stock.....	\$ 1,000,000.00
Overdrafts	5,491.22	Surplus	500,000.00
U. S. Bonds to Secure Circulation.....	500,000.00	Undivided Profits and Reservations.....	282,384.94
Other Bonds.....	1,293,164.95	Circulation	450,200.00
Stock in Federal Reserve Bank.....	45,000.00	Letters of Credit and Acceptances.....	6,200.00
Real Estate.....	75,604.59	Deposits	20,049,368.79
Furniture and Fixtures.....	31,449.16		
Customers' Liability on Letters of Credit and Acceptances	6,200.00		
Redemption Fund with U. S. Treasurer.....	22,830.00		
U. S. Bonds and Treasury Certificates.....	2,302,789.01		
Cash on Hand and due from Banks.....	4,479,743.77		
	\$22,288,153.73		\$22,288,153.73

Time Payment Excesses Threaten Depression

J. H. Tregoe, Executive Manager, National Association of Credit Men, in The Annalist

There have been any number of schemes to make the world more prosperous. Free silver, and many other past ideas for making money cheap have dazzled us. Today we have numerous groups of people offering us cheap "credit." This latest plan for increasing consumption and production and for creating a resulting larger income for workmen is called by various names—instalment buying, deferred payment plan of purchasing, and the five, ten, or fifteen payment plan. All these methods of selling are said to be based on credit. They are individual credit transactions for the purchase of consumption goods which in no way can produce anything and thereby pay for the goods.

Many Instalment Schemes Unsound

Many of the instalment merchandising schemes are alluring to the seller and the buyer. But the beautiful theory that runs in the Utopian cycle of more buying, more manufacturing, more work and wages—therefore more buying, more consuming ad infinitum—is based on anticipation. The assumption must be that the machinery will run along well oiled without any cessation in buying. No thought is given to the sound doctrine, which is psychological as well as economic, of diminishing utility; nor do the merchandising groups consider the possibility of a shortage ahead should there occur periods of unemployment or general depression.

When the instalment market, which is made up of individual human beings, is glutted with consumption goods, the law of diminishing utility will operate violently. Incomes will be overmortgaged, or at least heavily mortgaged and Tom, Dick and Harry will begin to consider retrenchment. They will be in the proper state of mind for it, because they will have had too great a feast on the goods they have bought on an instalment basis, and they will have less appetite for additional goods for some time.

Present instalment sales have a carrying charge that reduces the buying power of the public for other commodities by about one-quarter of a billion dollars a year. The happy cycle will then begin to lose its beautiful smoothness. Depression will occur outside the instalment market. If the purchase of radio sets, pleasure automobiles and fancy clothing increases as rapidly as it does at present, the public will buy fewer shoes, less food, less underwear, and less of hundreds of other commodities. The most simple calculation will demonstrate, therefore, that the demand for and hence the production of necessaries will diminish, and that depression will occur in the industries which produce them.

What will be ahead of us when this circumstance shows its unpleasant face in our markets? The answer is simple. Future production will fall off, and the instalment bubble will shrink, if it does not burst.

Individual Credit vs. "Productive" Credit

Some of the foremost commercial banking concerns are already realizing that instalment paper has been so much on the increase that it now carries a greater future risk than formerly. A surprising line-up of investment and brokerage houses against undue instalment selling has occurred recently. However, opinion is divided. The division is accounted for largely by the confusion in the minds of some business men between individual credits and

credit for production goods. When a farmer buys a cream separator on credit, he is purchasing something that pays for itself by its use in a corner of the dairy industry. When an urban resident, however, gives his individual credit to purchase a radio receiving set, he must pay for it out of his salary and not out of profits, for the radio set cannot produce goods or services that are transmutable into money.

The business world is coming to realize that the principal resource for the correction of abuse in instalment selling is the bank. There are approximately 1,400 acceptance companies that handle the paper of instalments selling concerns. If the banker will agree to consider all this paper that is brought to them with a conservative and cautious eye, they can do more than any one else to stabilize the instalment sales situation which confronts us. Such action on the part of the banks will make the manufacturer reflect. He will feel the tightening of credit at the bank, and will survey his customer with a more careful eye.

While I consider it more healthy for the public to make cash purchases, I do not by any means condemn the principle of instalment selling. I believe it is a method which provides advantages to the consumer in the purchase of the more useful commodities, particularly those that improve the condition of home life. But I am firmly convinced that instalment merchandising of commodities that deteriorate rapidly, and which would be difficult to recover should the debtor default, is uneconomic.

Family Budgets and Instalment Plans

The public is sometimes deluded into believing that buying on instalment plans is a form of saving. In fact, a few department stores have worked out for customers a budget saving plan of purchasing. This affords the young married couple an opportunity of having an "expert" arrange a budget, supposed to be based on authentic data, whereby they can be shown just how much they should spend on furniture, housekeeping utensils, clothing, and all the goods which a civilized family is supposed to have.

INDUSTRIAL TRUST COMPANY OF IRELAND ORGANIZED

New York—Announcement of the incorporation in Dublin, Ireland, of the Industrial Trust Company of Ireland, Limited, with Morgan J. O'Brien Jr., son of the former Supreme Court Justice, as a director, has been made. Investors in New York and Boston have subscribed for somewhat over \$250,000 of the stock issue it was announced through W. A. Harriman & Co., Inc., and the American Trust Company.

The company is capitalized at £250,000, in 250,000 shares of £1 each. The Irish Free State Government has subscribed for 50,000 shares, the Bank of Ireland 25,000 shares, a syndicate of six other Irish banks 25,000 shares and the directors and their associates 10,000 shares. The balance includes unissued shares and those subscribed for by American investors, who took more than 50,000 shares. It is understood that Judge O'Brien, who has long been active in behalf of Ireland's interests, took a prominent part in organizing the work of raising capital here.

GENERAL MOTORS ACCEPTANCE CORPORATION

Executive Offices:

250 West 57th Street, New York City

THE obligations of this institution are selected as appropriate and sound mediums for short term investment by a large banking clientele. They may be obtained in convenient denominations and suitable maturities.

DIRECTORS

Alfred H. Swayne
Chairman—Vice President, General Motors Corporation

Curtis C. Cooper
President

Albert L. Deane
Vice President

Pierre S. duPont
Chairman, General Motors Corporation and E. I. duPont de Nemours & Co.

Lammot duPont
Finance Committee, General Motors Corporation

O. H. P. LaFarge
General Motors Corporation

Seward Prosser
Chairman, Bankers Trust Company, New York

John J. Raskob
Chairman, Finance Committee, General Motors Corporation

Alfred P. Sloan, Jr.
President, General Motors Corporation

John J. Schumann, Jr.
Vice President

Donald M. Spaidal
Vice President

STATE AND MUNICIPAL ISSUES IN 1925

The volume of state and municipal financing in 1925 shows a slight decline from that of the record year 1924. According to figures made public during the week by The Daily Bond Buyer of New York, the year's long term borrowings of states and municipalities aggregates \$1,390,621,780, and this total embraces 7,631 separate issues. In 1924, the total was \$1,446,688,993 and was made up of 7,201 bond issues.

In the closing month of 1925 a surprisingly large volume of new financing was arranged, December total reaching \$157,297,789, as compared with only \$70,336,346 in November and \$85,681,644 in October.

In ten years the annual volume of state and municipal borrowing through the issuance of bonds running for one year or longer has increased from about half a billion to well in excess of a billion. This growth, The Daily Bond Buyer explains, is due in part, of course, to the steady normal increase in the population of the country, in part to the nation wide demand for more and better schools, roads, fire and health protection, lighting and power facilities, and improved public service in general. Most important of all the factors contributing to the growth in public indebtedness is the rise in the level of labor and commodity costs, or, stated another way, the fall in the purchasing power of the dollar borrowed by a city to construct a public improvement. If this be taken into consideration, it becomes apparent that the present-day large volume of state and municipal loans is not out of proportion nor does it reflect public extravagance, carelessness nor waste.

ARCHER-DANIELS-MIDLAND COMPANY EARNINGS

Archer-Daniels-Midland Company and subsidiaries report for quarter ended November 30, 1925, net profit of \$395,274 after charges, depreciation and taxes, equivalent after allowing for 7 per cent. preferred dividend requirements to \$1.55 a share earned on outstanding 200,000 shares of no par common stock.

1853



1925

MANY of our customers have used our service---and have found it satisfactory---during their entire business career---some for more than half a century.

You will find the *First* a satisfactory Saint Paul correspondent bank.

The
FIRST NATIONAL BANK
of St. Paul.

AMERICAN EXCHANGE NATIONAL BANK

William G. Hegardt President
Isaac S. Moore Vice President
J. Daniel Mahoney Cashier

of DULUTH
Oldest Bank at Head of the Lakes

Capital, Surplus and Profits
\$3,400,000.00

OLD ACCOUNTS ARE APPRECIATED. NEW ACCOUNTS ARE INVITED.

Helpful Hints for Careful Investors

Kelly Springfield Tire Company

It is reported that for the first time since 1922 the Kelly Springfield Tire Company earned a substantial profit in 1925. The estimate is \$1,500,000 for the stock. Contracts with automobile companies for tires at prices which became ruinous as crude rubber advanced in price had much to do with the heavy losses which the company experienced in 1923 and 1924. Important changes in plant, as well as in methods of distribution have enabled Kelly Springfield to make rapid strides toward recovery.

Capitalization consists of \$9,096,000 common stock (par \$25), \$2,950,000 6 per cent. cumulative preferred, and \$5,264,700 8 per cent. cumulative second preferred stock. There was an original issue of \$10,000,000 8 per cent. sinking fund gold notes which have been reduced to \$7,000,000. Of the \$3,000,000 retired, \$1,000,000 were taken care of out of 1925 profits.

Dividends on both classes of preferred stock were discontinued in 1924, so that to date, including the quarterly dividend due this January there are about \$1,152,102 accumulated dividends due on the two classes of preferred. If earnings turn out to be as large as estimated, it means that in one year the company has made enough to pay up all dividends due on the preferred stock and still leave nearly \$1.00 a share for the common. In view of the large deficits in 1923 and 1924 this is a most encouraging showing.

Five and Ten Cent Stores

While the final reports for 1925 have not yet come to hand, it is clear that practically all of the so-called 5 and 10 cent stores have had a good year.

Woolworth with 1,425 stores will probably show a gross business approximately \$240,000,000 and net profits of about \$10 a share on the 2,600,000 shares of \$25 par stock. On one day, December 24, sales amounted to \$3,331,749. The company has no bank loans, no debts, no taxes or dividends due to be paid. Three million short term funds have been paid off, and good will account eliminated while there are \$15,000,000 cash in the treasury. As the stock is selling on the New York Stock Exchange at over \$200 a share while dividends are but \$3 a share, it is manifest that it is bought and held in expectation of still greater expansion and profits. The dividend might well be doubled, but still the return would be small. The book value of the stock will probably be about \$38 a share.

S. S. Kresge with 304 stores is expected to show gross sales amounting to \$105,000,000 and net profits of about \$30 a share on 368,158 shares of common stock (par \$100). This is less than was earned per share in 1924, but the common stock was increased by 122,879 shares, or 50 per cent. during the year. The number of stores was increased by 50. As the common stock is selling at over \$800 a share, it is proposed to split it up 10 to 1, giving the new stock a par value of \$10. The stock has been paying \$8 cash dividends and large stock dividends, the latest of these being 50 per cent. paid April 1, 1925.

S. H. Kress & Co. with 166 stores expect to report sales approximating \$46,000,000 and net profits about \$29 a share on 120,000 common shares after preferred dividends. On each dollar of sales profits are about 8 cents compared with Woolworth profits at 9.5 cents. The stock sells on the New York Stock Exchange at about \$580 a share, or 20 times its earning power.

McCroary Stores Corporation with 187 stores will show sales amounting to about \$30,000,000 with net for 418,273 no par common shares amounting to \$2,340,000 or better than \$5 a share. The common "B" or non-voting stock

is selling on the New York Exchange at 117 and pays \$1.60 a share.

The Grand and Metropolitan stores do not compare in size with Woolworth and the others, but profits compare favorably. Grand profits will be better than \$6 a share on the 100,000 common shares outstanding, and Metropolitan \$3 a share on 138,900 shares. Metropolitan is selling for about 46 and Grand for about 80 on the New York curb.

The success of the 5 and 10 cent stores is due to several reasons. In the first place they offer low priced articles needed or supposed to be needed by practically every individual or family in the community served. In the second place the enormous buying power of the chain stores makes it possible for them to secure and sell goods at prices which the average small retailer cannot meet. In the third place labor costs are low. The goods are so displayed that they sell themselves. The girl behind the counter isn't a sales woman. As a rule she simply takes the money and wraps up the goods. These methods may be applied to some extent to stores handling a higher class of goods, but never to the extent that prevails in the stores handling only low cost articles.

Railway Securities

A chart showing the progress of railway earnings and market prices of stocks during 1925 reveals at a glance that there was a very rapid increase of operating revenues during the whole year, while the market price of the stocks increased much less rapidly. But the investor in railway securities should never be deceived by composite charts. Such charts indicate nothing in regard to individual roads, and if one thinks that all roads are good investments he may be sadly disillusioned. Some roads are still in the hands of receivers, some fail to earn fixed charges, others have had large earnings which if continued justify still higher prices for the stocks while still others, fundamentally sound and with a splendid past record have suffered from special causes which while probably temporary may have more lasting effects.

Some sections of the country have done better than others and yet in no section has the record been uniform and consequently careful discrimination is necessary. The South, and Florida in particular, has been having boom conditions while the Northwest has lagged behind. Yet unless the people of the Northwest are ready to admit that they are beaten, prosperity will return and the railroads will prosper once more.

As an example of special and possibly temporary conditions affecting railway earnings we have the anthracite coal strike. Roads whose earnings have been dependent to a degree on loadings of hard coal have suffered. Some of them like the Delaware and Hudson Lackawanna, and Lehigh Valley have suffered but perhaps not dangerously while one other at least, the New York Ontario and Western, has been obliged to pass dividends because of low freight traffic, earnings having been cut in two. Indirectly the New Haven has been affected because it owns one half of the Ontario and western stock.

On the other hand the soft coalers have prospered as the public has shifted from the use of hard to soft coal. Baltimore and Ohio earnings have increased by about \$4,000,000, Chesapeake and Ohio by \$7,000,000 and Norfolk and Western by \$11,000,000. Pennsylvania has benefited and has earned approximately 11.5 per cent. on the stock. Not all of the increase is due to soft coal shipments, but there can be no doubt that soft coal has contributed much to the gain.

This brief sketch is merely suggestive of the many considerations which must be taken into account by the

A Year of Promise

With the advent of 1926 and its promise of sound business conditions, Banks, Corporations and individuals seeking a banking connection, or desiring a change in existing relations, are invited to interview or correspond with any official of this strong bank—the largest at the Head of the Lakes.

THE FIRST NATIONAL BANK

DULUTH, MINN. Surplus and Profits \$2,250,000.00

Capital \$2,000,000.00

investor in railroad securities. Locality, climate, capitalization, general management, special conditions, auto buss competition (a big subject by itself) etc., must all be taken into account. The owner of railway securities, or of any securities, cannot afford to sleep on his job.

Orpheum Dividend Increased

The annual dividend rate on common stock of the Orpheum Circuit has been increased from \$1.80 to \$2 a share, the directors have declared three monthly payments of 16 2/3 cents each. The dividends are payable February 1, March 1 and April 1 to stockholders of record on the twentieth day of each preceding month.

Bond Issues Offered

Marshall Field, Gore, Ward & Co., Spencer Trask & Co., Stone & Webster and Estabrook & Co. offered 35,000 shares of Staten Island Edison Corporation first preferred \$6 stock of no par value at 94 1/2 and accrued dividends, to yield about 6.35 per cent. Proceeds will be used for addition and betterments. Earnings for 12 months ended October 31 last were \$555,380 net, or over 2.64 times annual dividend requirements.

A. C. Allyn & Co., Robert Grant and Otis & Co. were included in a syndicate offering \$2,000,000 city of Galveston direct obligation 5 per cent. bonds at 100 and interest. Assessed valuation of the property is \$56,271,000 and the total debt including this issue is \$8,490,000.

J. P. Morgan & Co. and Kuhn, Loeb & Co. brought out \$3,500,000 New York Connecting Railroad 5 per cent. first series B mortgage bonds at 99 1/2 and interest. The issue matures August 1, 1953. The company is the owner of the Hell Gate bridge and it is jointly owned by the New York, New Haven & Hartford and Pennsylvania roads which are respectively represented by these bankers, and the bonds are guaranteed by endorsement as to principal and interest jointly by these two railroad companies.

Bonbright & Co. and other banking houses brought out \$5,250,000 Northern Ontario Light & Power first mortgage 6 per cent. bonds at 100 and accrued interest. Net earnings for 12 months to November 30 were 2.75 times interest charges.

Halsey, Stuart & Co., Chicago, brought out \$350,000 Gary Railways Company 5 1/2 per cent. equipment trust certificates, issued under the Philadelphia plan, priced to yield from 5.50 to 6 per cent. according to maturities, December 1, 1926, to 1931. The company owns and operates the street railway system in Gary and portions of the street railway systems in East Chicago and Harvard, and interurban electric railway in northwestern Indiana. The common stock is owned or controlled by the Midland Utilities Company, of which Samuel Insull is president.

Priester-Quail & Cundy, Inc., of Davenport, Ia., offered Central States Power & Light first collateral lien 20-year 6 per cent. bonds, which mature December 1, 1945. This company owns or controls public utility properties in 150 communities in Iowa, Nebraska, North Dakota and Missouri. For 12 months to October 31 last the balance after all charges was \$217,566.

Shapker, Stuart & Co. offered \$325,000 Allied Building first closed mortgage 6 1/2 per cent. bonds at 100 and interest. The property is owned by the Allied State Securities Company and the building at the southeast corner of Ogden Avenue and Wood Street is under construction.

A syndicate including the Union Trust Company of Pittsburgh, Halsey, Stuart & Co. and the Guaranty Company of New York offered \$13,000,000 Chicago By-Product

Coke Company first mortgage 5 per cent. 50-year series A bonds at a price to yield 5.30 per cent. The bonds are guaranteed by the Peoples Gas Light & Coke Co.

An Anglo-American banking group has concluded a loan of about \$5,000,000 to the Hungarian General Credit Bank for the purpose of increasing the bank's capital.

San Juan, the capital of Porto Rico, has sold \$2,500,000 (Continued on page 42)

INCOME TAX SERVICE

AUDITING — ACCOUNTING SYSTEMS

CHAS. H. PRESTON & CO.

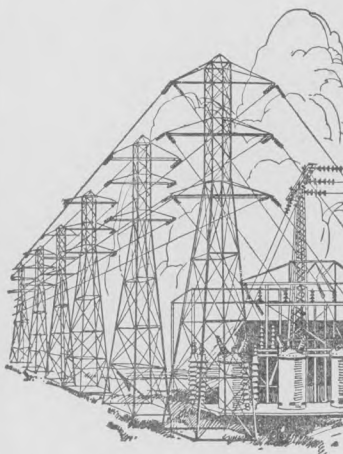
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS AMERICAN INSTITUTE OF ACCOUNTANTS

PLYMOUTH BUILDING

MINNEAPOLIS

PERSONAL ATTENTION TO EVERY CUSTOMER



DO you know that from the power stations of the Northern States Power Company there radiates a vast network of 6,221 miles of electric transmission and distributing lines, carrying electricity to homes, stores, mines, farms and factories?

We offer

An Investment Insured for Its Lifetime

Insured Mortgage Bonds

A National Security Reg. U. S. Patent Office

These bonds are guaranteed by the Mortgage Security Corporation of America, and Principal and Interest payments are insured from date of issue to maturity by the National Surety Company, the

World's Largest Surety Company.

We recommend these bonds as an investment with ABSOLUTE SAFETY

Denominations: \$100—\$500—\$1,000
Maturities: 3 to 10 years

Further information on request

WHITE-PRICE CO.

INVESTMENT SECURITIES

9th Floor Phoenix Building, Minneapolis, Minn.

Stock and Bond Quotations

MINNEAPOLIS BANK STOCKS

	Div. Rate	Bid	Asked
	Pct.		
Camden Park State.....	..	130	...
Central State.....	10	209	...
East Hennepin State Bank.....	..	175	200
First National.....	12*	275	...
Gateway State.....	..	130	...
Mercantile State.....	..	90	100
Merchants & Manufacturers State	..	120	140
Metropolitan National Bank.....	6	125	135
Midland National Bank & Tr. Co.	8	165	180
Millers & Traders State.....	6	170	...
Northwestern National.....	12	230	240
Union State.....	..	170	...

*3 per cent extra dividend.

ST. PAUL BANK STOCKS

	Div. Rate	Bid	Asked
	Pct.		
American National.....	6	150	160
Great Northern State.....	10	125	...
Merchants National.....	10	225	...
Mound Park State Bank.....	20	250	...
National Exchange.....	6	130	...
Payne Avenue State.....	10	...	225
St. Paul State.....	10	250	...

DULUTH BANK STOCKS

	Div. Rate	Bid	Asked
	Pct.		
American Exchange Nat'l Bank..	10	190	...
City National Bank.....	10	210	...
Duluth National Bank.....	..	150	...
First National Bank of Duluth...	13	225	...
Minnesota National Bank.....	..	135	...
Northern National Bank.....	..	200	...
St. Louis County State Bank.....	..	200	...
Western State Bank, West Duluth	..	200	...

MINNEAPOLIS CORPORATIONS

Quotations by The Minnesota Loan & Trust Co., Minneapolis

	Rate	Bid	Asked
Minneapolis Thresh. Machine, pfd.	7	93	...
Munsingwear Corp., pfd.....	7	99 1/2	101
Northern States Power, pfd.....	7	100 1/2	102 1/2
Northwestern Fire & Marine, com.	10	170	...
Pillsbury Flour Mills, com.....	..	40	48
Russell Miller Milling, com.....	..	165	...
Russell Miller Milling, pfd.....	6 1/2	100	...
Washburn Crosby Co., pfd.....	7	110	112

ST. PAUL CORPORATIONS

	Div. Rate	Bid	Asked
	Pct.		
Foote, Schultz & Co., pfd.....	7	85	95
St. Paul Fire & Mar. Ins. (par \$25)	14	95	...
St. Paul Union Stockyards.....	8	100	105
Tri State Tel. & Tel., pfd.....	6	85 1/2	9
West Publishing, com.....	10	400	...
West Publishing, pfd.....	6	100	110

LOCAL BONDS

Quotations by The Minnesota Loan & Trust Co., Minneapolis

	Rate	Bid	Asked
Clarkson Coal & Dock 1926/30....	6	99 1/2	...
Clarkson Coal & Dock 1931/9....	6	99	...
Dakota Central Telephone.....	6	104	106 1/2
Donaldson Realty Co. 1st 1926-28..	6	100	...
Duluth Street Ry., 1st 1930.....	5	96 1/2	98
Duluth Street Ry., Gen. 1930.....	5	91	...
First Nat. Soo Line Bldg, 1st 1930/5	5	98	100
Geo. A. Hormel & Co., 1st 1920/34.	6 1/2	102	103 1/2
Island Warehouse Co., 1st 1943....	6	101 1/2	102 1/2
Marshall-Wells Bldg. Corp. 1930/7	6 1/2	101	104
Minneapolis Gen. Elec., 1st 1934..	5	100 1/2	102 1/4
Minneapolis Gas Light, 1st 1930..	5	98 1/2	99 1/2
Mpls. Gas Light Sec. Notes 1920...	6	101 1/2	102 1/4
Mpls. Str. & St. P. City Joint 1928.	5	97 1/4	98 1/2
Mpls. St. Ry. Secured Notes.....	5 1/2	100 1/2	101 1/4
Minn. Pr. & Lt. Co., 1950.....	6	104	105 1/2
Minn. Tribune Co., 1st 1942.....	6 1/2	104	105
Northern States Pr. 1948.....	6	102 3/4	103 1/2
Northern States Pr., 1941.....	5	97	98
Northwestern Elev. Co., Ltd. 1930/2	6 1/2	100	6.00 B
Northwestern Terminal Co. 1930/5	6	98	100
Ottertail Pr. Co. 1st 1933.....	6	102	103
Ottertail Pr. 1939.....	6 1/2	103	105
Pillsbury Flour Mills 1933.....	7	103	104 1/2
Pillsbury Flour Mills 1943.....	6	101 1/2	102 1/2
Powell River Co., Ltd. 1926/9....	6	100 1/2	102
Red River Lumber Co. 1st 1928....	5	99	...
Red River Lumber Co. Notes 1926/7	6	100 1/2	...
Red River Valley Pr. 1944.....	6 1/2	101 1/2	103 1/2
St. Croix Power Co., 1929.....	5	99 1/4	100 1/4
St. Paul City Ry. Cable Cons. 1937	5	95 3/4	97 1/2
St. Paul Gas Light 1st 1944.....	5	100 1/4	101
St. Paul Gas Light, Gen. 1952....	6	103 1/2	105
St. Paul Gas Light, Gen. 1954....	5 1/2	101 1/2	103
St. Paul Union Stockyards 1946..	5	98	100
Tri-State Tel. & Tel. 1942.....	5 1/2	104 1/4	105
Twin City Telephone Co., 1st 1926	5	99 3/4	100 1/2
Union Public Service, 1st 1936....	6	98	100
Watab Paper Co., 1st 1942.....	6 1/2	101 1/4	103

CHICAGO BANK STOCKS

Quotations January 12, by Babcock, Rushton & Co., 137 So. La Salle Street, Chicago, Ill.

	Bid	Asked	Book Value
Calumet National.....	290	...	169
City National Evanston.....	305	...	296
Continental & Com. National.....	410	416	265
Drovers National.....	214	...	150
**First National.....	525	...	385
Foreman National.....	425	...	262
Irving Park National.....	260	...	179
Jefferson Park National.....	200	...	145
Kenwood National.....	260	270	213
Mutual National.....	285	290	247
National Bank Republic.....	245	252	138
Stock Yards National.....	280	285	192
Washington Park National.....	255	...	140
Austin State.....	225	...	195
Central Mfg. District.....	400	410	238
Chicago Lawn State.....	220	230	181
†Chicago Trust Company.....	225	227	158
Citizens State of Chicago.....	210	...	154
Drexel State.....	235	245	211
Drovers Trust & Savings.....	390	...	316
Franklin Trust & Savings.....	240	...	280
†Greenebaum Sons.....	445	...	194
Guarantee Trust & Savings.....	255	265	203
Halsted Street State.....	235	...	209
Harris Trust & Savings.....	450	...	272
Home Bank & Trust Company.....	270	278	198
Kaspar American State.....	208	...	137
Lake Shore Trust.....	222	...	148
Lake View State.....	200	...	162
Lake View Trust & Savings.....	325	...	255
Lawndale State.....	375	...	219
Liberty Trust & Savings.....	212	218	142
Madison & Kedzie.....	200	210	142
Marquette Park State.....	210	...	166
Mercantile Trust.....	210	...	163
Mid-City Trust & Savings.....	234	240	140
Noel State.....	225	...	125
Northern Trust Company.....	450	460	369
Northwestern Trust & Savings.....	325	...	190
Oak Park Trust & Savings.....	260	...	178
Peoples Stock Yards.....	266	...	147
Peoples Trust & Savings.....	263	...	170
Pioneer Trust & Savings.....	250	...	133
Pullman Trust & Savings.....	250	...	190
Reliance State.....	200	...	146
Roseland State.....	290	...	198
Security Bank of Chicago.....	250	...	259
Schiff Trust & Savings Bank.....	275	300	151
Sheridan Trust & Savings.....	240	250	149
63rd & Halsted State.....	210	...	159
South Chicago Savings.....	295	...	192
South Side Trust.....	225	...	143
South West Trust.....	225	...	211
Standard Trust & Savings.....	215	226	196
State Bank of Chicago.....	615	...	367
State Bank & Trust Evanston.....	325	...	285
Stony Island State Savings.....	200	220	165
Suburban Trust & Savings.....	210	...	171
Union Bank of Chicago.....	242	250	190
†Union Trust Company.....	380	390	230
United State.....	235	...	188
West Englewood Trust.....	300	310	164

West Side Trust & Savings.....	250	255	137
West Town State.....	250	...	159
Wiersema State.....	225	...	232
Woodlawn Trust & Savings.....	255	265	164

† Not including Securities Co.
* Ex Dividend.

CHICAGO INDUSTRIAL STOCKS

Quotations January 12, by Babcock, Rushton & Co., 137 So. La Salle Street, Chicago, Ill.

	Bid	Asked
*Ame Steel Co. (No par reg.).....	72	74
American Public Util., part pfd.....	86	88
American Public Util., prior pfd.....	87	...
*Babcock & Wilcox Company.....	143	146
*Beatrice Creamery (\$50 par).....	68	70
*Beatrice Creamery Co., pfd.....	105	107
*Benjamin Elec. Mfg., 1st pfd.....	97	100
Borden Co., The, com. (\$50 par).....	102	104
*Brunswick-Balke Coll., pfd.....	98	100
*Bucyrus Co., com.....	185	190
*Bucyrus Co., pfd.....	105	107
Butler Brothers, (\$20 par).....	23	34
Chicago Mill & Lumber, com.....	82	85
*Chicago Mill & Lumber, pfd.....	102	104
Chi. Rapid Transit, com.....	9.50	9.75
*Chicago Title & Trust.....	510	...
*Columbia Sugar (\$10 par).....	5	6
*Cont. Gas & Electric Pr., pfd.....	94	96
*Cont. Gas & Elec., com.....	147	150
Cont. Gas & Elec., warrants.....	35	...
Creamery Pkg. v. com. (no par).....	34	35
Creamery Pkg. n. v. com. (no par).....	33	...
Creamery Package Co., pfd.....	100	...
Illinois Traction, com.....	105	...
*Illinois Pr. & Light, pfd.....	97	100
Interstate Iron & Steel, com.....	70	...
Interstate Iron & Steel, pfd.....	102	105
Keystone Steel & Wire Co., com.....	50	52
Keystone Steel & Wire Co., pfd.....	105	110
*Michigan Sugar Co. (\$10 par).....	3	4
Michigan Sugar Pfd. (\$10 par).....	6	7
National Grocer, com. (\$10 par).....	5	6
National Grocer, pfd.....	83	86
National Tea Co., pfd.....	99	101
Northern States Power, pfd.....	98	101
Pick, Albert & Co., pfd.....	99	101
Ryan Car Co., pfd.....	97	100
Sullivan Machinery Co. (No par).....	47	50
Tri-City Ry. & Light, pfd.....	86	89
U. S. Gypsum Company, pfd.....	116	118
Utah-Idaho Sugar Co. (\$10 par).....	2.75	3.50
Wahl, The Co., pfd.....	52	56
Western Grocer Co., com.....	70	72
*Western Grocer Co., pfd.....	97	...

*Ex Dividends. **Not including Security Companies.

BANK TRANSACTIONS

Washington—Debits to individual accounts, as reported to the Federal Reserve Board for banks in leading cities for the week ending January 6, aggregated \$14,546,000,000

or 34.7 per cent. above the total of \$10,798,000,000 reported for the preceding week. New York City reported an increase of \$1,692,000,000 while other large increases were as follows: Chicago, \$232,000,000, Boston \$217,000,000, Cleveland \$140,000,000, Philadelphia \$109,000,000, St. Louis \$91,000,000, Pittsburgh \$66,000,000 and San Francisco \$64,000,000. As compared with the week ending January 7, 1925, debits for the week under review are larger by \$2,265,000,000 or 18.4 per cent. All of the more important centers reported increases for the year, the largest increases being as follows: New York City \$1,217,000,000, Chicago \$126,000,000, Boston \$108,000,000, Cleveland \$97,000,000, Philadelphia \$73,000,000, and San Francisco \$69,000,000. Aggregate debits for 141 centers for which figures have been published weekly since January, 1919, amounted to \$13,655,967,000 as compared with \$10,181,126,000 for the preceding week and \$11,522,179,000 for the week ending January 7, 1925. Debits to individual accounts were reported to the Federal Reserve Board for banks in 258 centers, all of which are included in the summary by Federal Reserve districts.

City	Week Ending		
	Jan. 6, 1926	Dec. 30, 1925	Jan. 7, 1925
New York	\$7,384,800,000	\$5,693,219,000	\$6,617,737,000
Chicago	964,003,000	732,323,000	837,889,000
Boston	584,600,000	367,546,000	476,695,000
Philadelphia	486,206,000	377,439,000	412,896,000
Cleveland	294,665,000	154,768,000	197,886,000
Pittsburgh	263,408,000	197,500,000	248,464,000
San Francisco	256,416,000	192,222,000	187,870,000
St. Louis	241,800,000	151,000,000	215,778,000
Los Angeles	211,700,000	168,472,000	182,744,000
Detroit	201,060,000	172,058,000	174,811,000
Twin Cities	137,173,000	137,219,000	131,488,000
New Orleans	124,143,000	76,874,000	120,279,000
Baltimore	118,199,000	80,926,000	97,531,000
Kansas City	101,220,000	79,988,000	92,346,000
Minneapolis	98,559,000	96,174,000	92,906,000
Milwaukee	77,334,000	53,778,000	68,749,000
Dallas	70,135,000	47,691,000	62,555,000
Washington	60,615,000	43,811,000	53,638,000
Seattle	50,398,000	36,185,000	38,977,000
Omaha	46,079,000	41,517,000	45,881,000
Denver	43,145,000	33,401,000	43,211,000
St. Paul	38,614,000	41,045,000	38,582,000
Portland	38,267,000	31,167,000	35,220,000
Sioux City	21,573,000	16,152,000	22,573,000
Des Moines	21,188,000	14,585,000	23,061,000
Duluth	17,787,000	16,268,000	18,607,000
Spokane	13,335,000	10,307,000	12,482,000
So. St. Paul	10,403,000	6,582,000	8,682,000
Sioux Falls	4,874,000	3,650,000	3,928,000
Fargo	3,234,000	2,632,000	2,835,000
La Crosse	2,699,000	2,138,000	2,988,000
Grand Forks	2,332,000	1,954,000	2,103,000
Helena	2,313,000	1,948,000	3,417,000
Superior	1,929,000	1,385,000	1,752,000
Aberdeen	1,849,000	1,079,000	1,783,000
Winona	1,467,000	935,000	1,458,000
Minot	1,382,000	1,172,000	1,398,000
Billings	1,289,000	1,327,000	1,681,000
Red Wing	768,000	590,000	604,000
Dickinson	588,000	364,000	428,000
Jamestown	580,000	582,000	507,000
Total (258 cities)	\$14,545,502,000	\$10,797,764,000	\$12,280,782,000

BRITISH COLUMBIA MINES BREAKING PREVIOUS RECORDS

Victoria, B. C.—British Columbia's mines are now breaking all records, and the year just closed, it is estimated, will show a production of \$622,273,000 compared with \$48,704,000 in 1924. Metal markets, especially lead and zinc, show considerable strength and many properties prospected but hitherto untouched are on the verge of development. More mining scouts are at present in the province than ever before.

The estimate of 1925 production, compared with 1924, is as follows:

	1925	1924
Gold	\$ 4,577,196	\$5,541,285
Silver	5,470,106	5,292,184
Copper	9,378,820	8,442,870
Lead	18,996,618	12,415,917
Zinc	8,451,207	4,266,741
Coal	11,885,225	9,697,630
Coke	514,290	214,305
Miscellaneous	3,000,000	2,833,672
Total	\$62,273,462	\$48,704,604

EARNINGS OF THE MINNESOTA STATE FAIR LARGE

St. Paul—The Minnesota State Fair yielded a profit of \$38,225.17, above all expenses, despite the greatest expenditures in history for entertainment and premiums, Thomas H. Canfield, secretary and general manager, says in his report to Governor Christianson.

Total receipts for the 1925 fair, he said, were \$429,468.04, \$12,457.28 more than in 1924. The total cost was \$391,242.87. Cash receipts from ticket sales, including outside gates, grandstand and night horse show, were \$286,856.75. Concession revenues, including percentage concessions,

attractions and shows, paid \$60,641.03, and exhibit space rentals totaled \$22,851.20.

Six thousand, three hundred twenty-nine exhibitors participated, and attendance was the best since 1919 and 1920, Mr. Canfield said. Grandstand attendance was 160,034; 13,222 saw the night horse show, and a total of 441,232 persons passed through the gates.

The average yearly profit for the last four years has been \$44,775.42.



MIDDLE WEST UTILITIES COMPANY

Notice of Dividend on Common Stock

The Board of Directors of Middle West Utilities Company has declared a quarterly dividend of One Dollar and Twenty-five Cents (\$1.25) upon each share of the outstanding Common Capital Stock, payable February 15, 1926, to all Common stockholders of record on the Company's books at the close of business at 1:00 o'clock P. M., January 30, 1926.

EUSTACE J. KNIGHT,
Secretary.


This Strong Bond Yields Over 6.40%

The strong safeguards which protect the Refunding 6% Gold Debenture Bonds of Cities Service Company, coupled with their attractive yield of over 6.40%, make this issue one of the most desirable investments in the present bond market.

Cities Service Company's net earnings for the past six years have averaged more than 7 times the annual interest charges on its entire funded debt, including these Debenture Bonds.

These Bonds are further protected by large assets and unusually strong sinking fund provisions.

Send for Circular 126



Henry L. Doherty & Company

611 Metropolitan Bank Building,
Minneapolis, Minn.
Atlantic 2551
Branches in Principal Cities

New Banks and Changes

MINNESOTA

Bank Closes at Eagle Bend

Eagle Bend—The First State Bank was closed January 7. It was capitalized at \$20,000 with deposits of \$140,000.

Goodridge Bank Closes

Goodridge—The Goodridge State Bank, capitalized at \$15,000, closed January 8. It had deposits of approximately \$140,000.

Bank at Farmington Closed

Farmington—The Farmington State Bank was closed January 6. It was capitalized at \$15,000 with approximate deposits of \$255,000.

Ortonville Bank Closed

Ortonville—The Ortonville State Bank was closed January 11. It was capitalized at \$20,000, with deposits of approximately \$175,000.

New Bank for Hinckley

Hinckley—The First National Bank, capitalized at \$25,000, has been authorized. M. F. Skoglund of Brunswick, Minnesota, is interested.

George C. Weyer Cashier at Essig

Essig—George C. Weyer of Blue Earth has been elected cashier of the State Bank of Essig, the vacancy caused by the resignation of R. E. Shasky.

Edward Sherman Resigns as Assistant Cashier

Minneapolis—Edward Sherman has resigned as assistant cashier of the Produce State Bank to accept a position with the American Telephone and Telegraph Company in New York.

W. A. Kramer Assistant Secretary

Minneapolis—W. A. Kramer has been made assistant secretary of the Farmers & Mechanics Savings Bank, succeeding C. E. Searle, who resigned to join the Stout Air Service of Detroit.

Ole Olson Becomes President

Hawley—Ole Olson of Fergus Falls was elected president of the State Bank of Hawley succeeding L. Lamberson. Hans Rushfeldt was reelected vice president; H. P. Gunderson, cashier, and George Wastvedt, assistant cashier.

Minnesota Loan & Trust Changes

Minneapolis—David R. West was promoted from assistant secretary to vice president of the Minnesota Loan & Trust Company. Sewell D. Andrews and Hubert Kelly were made directors to succeed the late L. S. Donaldson and A. I. Rand.

Virginia Bank Changes Title

Virginia—The Farmers & Merchants State Bank changed its name to Merchants State Bank. F. G. Moilan was reelected president; Otto Poirier and W. H. Peterson, vice presidents; John Adelsich, cashier and W. W. Brander and G. E. McFarlane, assistant cashiers.

Officers of Fourth Northwestern State Bank

Minneapolis—F. E. Kenaston was made vice president and chairman of the board of directors of the Fourth Northwestern State Bank; A. A. McRae, president; O. O. Erling, vice president; S. T. Throbeck, cashier and C. M. Jorgensen and Claudia Dahl, assistant cashiers.

I. M. Engebretson Promoted to President

Lowry—I. M. Engebretson has been promoted from cashier to president of the Lowry State Bank, succeeding Andrew Jacobson, who resigned. H. F. Engebretson was advanced from assistant cashier to cashier. E. A. Engebretson is vice president and M. E. McIver, assistant cashier.

Changes in Northwestern National Bank

Minneapolis—Scott H. Plummer was advanced from cashier to vice president of the Northwestern National Bank; J. Cameron Thomson was promoted from assistant cashier to vice president; Huntington P. Newcomb, assistant cashier was made cashier, and William N. Johnson, formerly traveling representative for the bank, became assistant cashier. S. A. Stellwagen and R. F. Pack were added to the directorate.

NORTH DAKOTA

New Assistant Cashier at Wildrose

Wildrose—Laura B. Highum was elected assistant cashier of the First Citizens Bank.

Joseph P. Fettig Made Assistant Cashier

Balta—Joseph P. Fettig was made assistant cashier of the Pierce County State Bank.

Frank Leuz Becomes Assistant Cashier

Antler—Frank Leuz was elected assistant cashier of the Union Bank of Antler succeeding Arthur Ellefson.

Forbes Banks Consolidate

Forbes—The Farmers State Bank and the Forbes State Bank have consolidated to be known as the latter.

Bismarck Bank Closes

Bismarck—The Bismarck Bank, capitalized at \$100,000, was closed January 6. It had deposits of about \$132,300.

A. T. Zimmerman Promoted

Zap—A. T. Zimmerman, formerly assistant cashier of the First State Bank, has become a director and vice president, succeeding P. S. Chaffee.

Edward S. Lee Cashier

Grenora—Edward S. Lee has been made cashier of the Northwestern State Bank, the vacancy caused by the resignation of B. R. Bartz.

New Bank for Alexander

Alexander—J. A. Loken, c/o Robert Norheim, Alexander, has made application to organize the Alexander National Bank, with a capital of \$25,000.

SOUTH DAKOTA

Baltic Bank Reorganized

Baltic—The Dakota State Bank has been reorganized. A. L. Berg is president.

Bank at Flandreau Closed

Flandreau—The Farmers State Bank, capitalized at \$50,000 was closed January 2. It had deposits of about \$450,000.

Canistota Banks Merge

Canistota—The Farmers State Bank reopened for business and was consolidated with the Citizens State Bank on January 8.

J. A. Pritzkau Resigns Presidency

Redfield—J. A. Pritzkau resigned as president of the American National Bank to engage in the brokerage business in California. His successor has not yet been named.

Wakonda Bank Reopened

Wakonda—The Bank of Wakonda has reopened for business. M. J. Chaney is president; F. A. Swezey, vice president; Sam Jacobson, cashier; A. E. Diefendorf and H. A. Borgren, assistant cashiers.

WISCONSIN

P. J. Margitan Cashier at Cylon

Cylon—P. J. Margitan is now cashier of the State Bank of Cylon, having succeeded Frank H. Fritz.

Resignations at Oconto Bank

Oconto—Allan V. Classon resigned as president of the Oconto National Bank and A. J. Whitcomb resigned as director. Their successors have as yet not been named.

Personnel of Oakfield Bank

Oakfield—W. E. Bristol was reelected president of the Bank of Oakfield; C. Henningsen was named vice president; K. A. Morgan, cashier and Sadie A. Morgan, assistant cashier.

IOWA

George McHenry Resigns as Vice President

Denison—George McHenry has resigned as vice president of the First National Bank.

Tabor Banks Consolidated

Tabor—The First National Bank and the State Bank of Tabor have consolidated as the First State Bank.

New Assistant Cashier at Sheldon

Sheldon—Fred H. Cash of Scotland, South Dakota, was elected assistant cashier of the Sheldon National Bank.

Bank at Tama Closes

Tama—The First National Bank has been closed. It was capitalized at \$75,000 with deposits of about \$900,000.

Bank Closed at Gilmore City

Gilmore City—The First National Bank, capitalized at \$25,000 has closed. It had approximate deposits of \$236,000.

Jefferson Bank Closed

Jefferson—The Jefferson Savings Bank, capitalized at \$50,000 was closed. It had deposits of approximately \$689,000.

B. G. Davis Resigns Assistant Cashiership

Hamburg—B. G. Davis resigned as assistant cashier of the First National Bank to become bookkeeper for the Esden Motor Company.

L. W. Howes Becomes Cashier at Keswick

Keswick—L. W. Howes, formerly bookkeeper of the Williamsburg Savings Bank has been elected cashier of the Liberty Savings Bank.

Fred M. Kyner Elected Cashier

Humeston—Fred M. Kyner has been made cashier of the Humeston State Bank, succeeding Charles Kelley who resigned to accept a position with the state banking department.

W. S. Kennedy Becomes Vice President

Hillsboro—W. S. Kennedy has been made vice president of the Farmers & Traders Savings Bank, succeeding the late John Creswell. H. D. Tade was made a director succeeding Mr. Creswell.

Portsmouth Bank Changes Hands

Portsmouth—A syndicate of Shelby County bankers have purchased the Scroggin's interests in the State Bank of Portsmouth. J. J. Herkenrath is president, Eugene Sullivan, formerly cashier of the Panama Savings Bank is vice president and E. A. Schell, formerly cashier of the Harlan National Bank, is cashier.

NEBRASKA

M. H. Eggert Becomes Cashier

Crab Orchard—M. H. Eggert, of Hastings, was elected cashier of the Bank of Crab Orchard, to succeed Martin Dirks.

Buy Banking Interests

Maxwell—F. G. Stillgehauer and Dent Gallatin purchased the E. R. Logan and J. W. Murphy interests in the Maxwell State Bank.

C. F. Brown Cashier at Overton

Overton—C. F. Brown of Wolback, Nebraska, has been made cashier of the Farmers State Bank, the vacancy caused by the resignation of J. C. Haley.

J. F. McLain Resigns as Assistant Cashier

Imperial—J. F. McLain has resigned as assistant cashier of the Farmers & Merchants Bank to become associated with an insurance and real estate company.

WYOMING

New Bank for Torrington

Torrington—M. F. Dalley of Torrington has made application to organize the First National Bank, capitalized at \$25,000.

Lost Springs and Shawnee Banks Merge

Lost Springs—The Citizens State Bank of Lost Springs and the Bank of Shawnee have consolidated to continue as the former at Lost Springs.

Q. K. Deaver Resigns Vice Presidency

Casper—Q. K. Deaver has resigned as vice president of the Casper National Bank. P. C. Nicolaysen, president, will also assume the duties of vice president.

CALIFORNIA

Absorption of Healdsburg Bank

San Francisco—The Liberty Bank of San Francisco absorbed the Healdsburg National Bank, capitalized at \$150,000.

New Bank for Verdugo City

Verdugo City—H. N. Fowler of Verdugo City has made application to organize the First National Bank with a capital of \$25,000.

New Bank for Burlingame

Burlingame—Roger H. Waite, 1106 Burlingame Avenue, has made application to organize the First National Bank with a capital of \$100,000.

Consolidation of Lodi Banks

Lodi—The Lodi National Bank and the Citizens National Bank, capitalized at \$200,000 have been merged as the former, with a capital of \$400,000.

ILLINOIS

Andrew J. Guerattez Becomes Cashier

Duquoin—Andrew J. Guerattez was appointed cashier of the Duquoin State Bank, succeeding Edward Suess who resigned.

Sycamore Consolidation

Sycamore—The Sycamore National Bank and the Citizens National Bank have merged as the First National Bank of Sycamore with a capital of \$175,000.

BANKING NOTES

Bison State Bank Has New Quarters

Bison, S. D.—The Bison State Bank has moved into the building formerly occupied by the Farmers State Bank.

Credit Bank in New Location

St. Paul, Minn.—The Federal Intermediate Credit Bank recently moved into the remodeled Federal Land Bank building.

Remodeling of Sioux City Bank Building

Sioux City, Iowa—The interior of the Toy National Bank is being remodeled and an addition is being made to its present quarters.

UNITED STATES SUGAR CONSUMPTION

New York—Lamborn & Co.'s preliminary estimate of United States sugar consumption for 1925 amounts to 5,836,000 long tons, raw value. This compares with 5,417,000 tons consumed in 1924, indicating an increase of 7 per cent. Per capita consumption in 1925 amounted to 116 pounds, based on a population estimate of 113,000,000 compared with 108 pounds, based on a population of 112,000,000 in 1924.

Vice Presidency

We have opening with million dollar bank for vice president at salary of \$200 per month to start. Investment \$5,000. Bank located in excellent county-seat town, about a hundred miles from Minneapolis; bank is in splendid condition as to assets, earning power and reserve. Inquire file No. 704.

We handle bank propositions exclusively, and invite correspondence from experienced bankers desirous of obtaining new locations, as well as from bankers who have openings available.

THE F. W. HINES COMPANY

819 Palace Bldg., Minneapolis, Minnesota

CONTROL--SOUTHERN MINNESOTA

We offer bare control of attractive bank located in fine little town of about 300 near Albert Lea. Deposits are about \$150,000; large reserve. Deal involves about \$10,000.

Price is approximately book value and an A1 guaranty will be given on the paper.

File C2715

BANKERS SERVICE COMPANY

618 Builders Exchange Minneapolis, Minn.

SOUTHERN CALIFORNIA BANKS

Correspondence invited from Bankers desiring to buy control in California.

SANDERS-McCULLOCH CO., Bank Brokers

Suite 1005 Story Building, Los Angeles

BANKING OPPORTUNITIES

ASSISTANT CASHIER—Western Minnesota; population 2,000; requires first class man; salary \$150; excellent opportunity; well located.

ASSISTANT CASHIER—Minnesota town of 600; Scandinavian; young man of good character.

CONTROL WANTED—Have client who wants to purchase control of a good, sound, substantial bank. Can invest \$10,000.

MIDWEST EMPLOYMENT BUREAU

1014 Lumber Exchange Bldg. MINNEAPOLIS, MINN.

Competent Help Furnished Without Charge to Employer

CONTROL NORTHERN MINNESOTA

Dandy one-bank point—town of 1,000 population—deposits over \$200,000—heavy reserve; also good secondary reserve in high grade bonds and securities. Best of reasons for selling—\$5,000 to \$10,000 cash will handle.

Bank No. 5890

WILL YOU SELL—CONTROL OR MINORITY?

Northwestern Placement Bureau

720 Metropolitan Life Bldg., Minneapolis, Minn.

BANK HELP FURNISHED—NO CHARGE TO EMPLOYER

Underwriters Carefully Watch Small Town Risks

New York, January 6—In the big fire offices here that have a record of the result covering the entire country there has been accumulated data to prove that small town business is not anything like as desirable as it once was. In fact, it is becoming steadily worse. It is certainly a class of business that has to be very closely watched. Only a few short years ago small town risks were generally regarded as the best business that could be written. This decided decrease in the desirability of a particular class of business is one of the interesting phases in the fire insurance business in the last two years.

Good Transportation Cause

Underwriters here say that the widespread construction of good roads and the almost universal use of the automobile is responsible for the present plight of most of the small towns. As an illustration, the farmer living near one of the smallest villages drives his grain into town, sells it at the local elevator because it is the most convenient place and requires the shortest haul, deposits some part of the money received at the local bank because he owes money to the local bank and he must maintain his credit, and after doing these things he does not necessarily make his purchases of commodities in the town. If for instance his wife wants a new coat or dress he can, by spending 5 or 10 cents worth of gasoline, take her to the next town where it is possible for her to secure a much larger and more desirable assortment. He buys, in other words, the things that he absolutely must buy in the small town, but when he wants to make a particular purchase he can drive a few miles to a larger place and be offered a variety or assortment that the small town merchant cannot present.

This same idea is carried right on through to the larger towns. The farmer or even the resident of a fairly good sized town will often drive to the county seat in order to do his principal buying. The county seat resident or farmer drives to the larger town and so on and so on. The whole tendency in buying is toward the center where large and varied stocks are on view.

Has Brought Big Change

Underwriters here say that this has brought a bigger change to the fire insurance business than the activities of the mail order houses. The growth of the mail order houses was gradual and did not at any time make a noticeable change in the fire insurance business. But the general use of the automobile and the change in buying that it has brought have revised very largely the underwriting notion of small town business. There have, for example, been an astonishingly large number of failures on the part of small town merchants during the last five years, more than during any other similar period. Many small town merchants are living from hand to mouth. They are carrying in stock only such goods as they know will have a ready sale. They cannot afford to speculate by buying in large quantities. They are faced not only with the loss of business due to the automobile, but also to the inroads made by chain stores, which are reaching out to even some of the smaller towns now. For the most part however the chain store has established itself only in the larger centers.

Runs Close to Margin

It is too easy for the small town buyer to get to a larger center to do his buying. As a consequence of all this the small town merchant is at all times too close to the danger line. He is running on too thin a margin. He is not making enough money and because of all this is consequently anything but a good fire insurance risk. It is frequently more profitable for him to burn out and quit than it is to try to make money under such adverse circumstances. It is found in a number of the smaller towns that fairly good sized store buildings are not being used to their full capacity. The space is not needed in order to house the comparatively small stock of goods. Many buildings are only half occupied. The small town storekeeper usually owns his own building and when it is only partially used for the carrying on of his business and it is not possible to

subdivide and rent a section of it, the risk presents many undesirable aspects from an underwriting standpoint.

See No Improvement

Underwriters here who are not necessarily pessimistic are simply trying to see the end of this situation and are inclined to believe that conditions in the smaller towns are going to get worse instead of better. They see no possibility for a boom or comeback on the part of these small centers. They feel that the tendency in the future will be more and more away from the small town buyers. They believe that the small town and village merchant of the future will carry even less stock than he is carrying today, will get his goods by truck from a jobbing house near by and will not try to conduct a general store business as that term has been understood in the past. Probably the small town merchant was one of the leading men of the village. He ranked along with the banker. He transacted a large volume of business compared to the other merchants of the town. This, it is predicted here, will never be the case in the future. The heyday of the general store man in the small town has passed and for the insurance companies there has come the time when offerings from the smaller communities must be scrutinized very carefully.

Depository Losses Were High in 1925

New York—Depository bond losses of surety companies in the United States were 25 per cent. greater in 1925 than in 1924, according to an estimate issued by Howard Abrahams, vice president of the National Surety Company. Bank failures in 1925 in the United States are estimated by Mr. Abrahams at about 600 with total liabilities of \$225,000,000.

Most of the bank failures of 1925 were in the West, Middle West and South—in agricultural sections where loans could not be, or were not diversified. "Frozen credit" was the chief cause of bank failure, but dishonesty and incompetence were contributing causes. Another insufficiently stressed cause was the existence of too many banks and unwholesome competition for business.

The failure of the Carnegie Trust Company of Carnegie, Pa., caused the greatest depository bond loss of the year, costing 20 surety companies approximately \$2,000,000, with salvage estimated at only 25 per cent. to 30 per cent. Recent Denver failures were also costly.

Companies were caught for heavier losses in Iowa than they otherwise would have been, owing to a decision of the Iowa Supreme Court, after a series of failures of state banks, that public funds in state banks were not entitled to preference in the distribution of the assets of closed banks. The same court, in a previous decision, had affirmed the right of public funds to preference, and underwriters had counted on this earlier decision and had accepted very much larger lines in Iowa than they would otherwise have accepted.

Iowa and Wisconsin, in which there are more small banks per capita than in other states, have enacted special legislation making it unnecessary for banks in which certain public funds are deposited, to give bonds or security protecting these funds. Wisconsin has also a provision that public funds must be drawn inversely in proportion to amounts loaned by the depositories to farmers. Underwriters believe that this legislation will result in heavy losses and increased taxation to the public.

To decrease bank failures in future, Mr. Abrahams urges legislation obliging all state and national banks to start with a minimum capital of \$25,000 and a surplus of 50 per cent. of the capital. The number of bank charters issued by any state should also be limited by population; in Mr. Abrahams' opinion.

LOWER MORTALITY RATE IS REPORTED

New York—The November death rate in the industrial populations of the United States and Canada, as gauged by the figure for the industrial policyholders of the Metropolitan Life, was only eight per 1,000, according to the current issue of that company's "Statistical Bulletin." With the

single exception of November, 1924, this was the lowest November figure ever recorded by the company.

"The record for the month was also satisfactory with respect to most of the important causes of death," says the Bulletin. "Most of the increases recorded, as compared with October, were either small, or were to be expected on account of the seasonal incidence of certain diseases. Pneumonia and influenza are cases in point, and even with these conditions the November, 1925, rate is low as compared with most other years. The health record for the month was featured, as has been the case with all prior months in 1925, with low rates for all of the principal epidemic diseases of childhood. The excellent record for tuberculosis continues. Every month of the current year has reported a lower death rate than did the corresponding month of 1924. It is now assured, beyond all question, that not only will a new minimal mortality for tuberculosis be recorded in 1925, but that the per cent. reduction over the preceding year will be one of the largest year-to-year declines ever recorded.

"The general death rate for the large cities of the United States in November was 12.4 per 1,000, which exceeds slightly the rate for the previous month and that for November a year ago (12.0)."

INSURANCE COMPANIES' REAL ESTATE INVESTMENTS

The amount invested in real estate mortgages at the end of the first nine months of 1925 by 52 of the largest life insurance companies in the United States, which control more than 90 per cent. of the admitted assets of all the legal reserve life insurance companies, was \$4,217,730,000. This was an increase of almost 100 per cent. over the amount invested at the end of 1921.

The figures quoted are from those published by the Association of Life Insurance Presidents following their annual meeting of December 3, 1925.

Degree to which mortgage bonds have come to be a factor in facilitating real estate development is also shown in the report. Corporate mortgage bond issues, according to a compilation made by the Commercial and Financial Chronicle, amounted during the first nine months of the year to \$623,275,050. In 1921 new corporate mortgage bond issues amounted only to \$37,605,000.

INCREASE OF \$1,000,000,000 IN NATION'S SAVINGS IN NINE MONTHS

Savings Bank Journal of New York estimates \$24,157,909,000 to the credit of 45,561,916 persons at the close of 1925, according to reports of banking institutions to their state banking departments. The amount credited to each individual account will exceed \$529, establishing a new high mark. The total represents a gain of approximately \$1,000,000,000 since June 30, 1925.

Figures by groups follow:

	Approximate deposits	Approximate depositors
New England states	\$3,897,701,000	6,990,989
Middle Atlantic states	9,795,074,000	17,329,961
Southern states	1,822,156,000	4,024,936
East central states	5,716,799,000	11,870,913
West central states	850,892,000	1,478,407
Pacific states	2,075,287,000	2,866,710
Total for nation	\$24,157,909,000	45,561,916

FOREIGN EXCHANGE OUTLOOK FOR 1926

New York—International bankers at the beginning of 1926 are optimistic over the future of foreign rates. They realize many constructive developments of the past year and are confident that many more of a similar nature will be attempted during 1926. The bankers, however, do not look for sensational advances throughout the list, but do expect that some currencies will gain, while others may either rise slightly or else hold around current levels. Argentine pesos and Japanese yen are two currencies which may sell considerably higher as the time approaches when both countries will return to the gold basis.

Sterling is not expected to sell much higher, but there is no reason to look for any decline from the present levels. This will probably be true of Italian lire and

Belgian francs, both of which are being revalued around present levels. The future of the French franc appears confusing to many bankers, but there are a number who believe that, while the immediate future of the exchange is puzzling, before another 12 months will have passed some definite financial program will have been worked out to the satisfaction of a majority of French citizens.

Engineering and Architectural Service
Reports, Plans, Specifications, Supervision.
 BUILDINGS - BRIDGES - DAMS - GRAIN ELEVATORS, ETC.
WALTER H. WHEELER, E. M., MEM. AM. SO. C. E.
 DESIGNING AND CONSULTING ENGINEER
 1112-10 METROPOLITAN LIFE BUILDING, MINNEAPOLIS, MINN.

Organized 1911
STERLING FIRE INSURANCE COMPANY
 INDIANAPOLIS, IND.
 January 1, 1924
 Assets \$2,879,690.19
 Liabilities 248,551.21
 Cash Capital 850,000.00
 Reinsurance Reserve 1,181,043.35
 Surplus to Policyholders 1,450,095.63
**Automobile, Fire, Lightning,
 Tornado, Hail and Rain Insurance**
WESTERN DEPARTMENT
 JOHN H. GRIFFIN, GENERAL AGENT
 NEW YORK LIFE BLDG., MINNEAPOLIS, MINN.

Overhead Expense
Don't Worry About it—Control it
 Two simple accounting functions rightly and constantly performed will control Overhead Expense.
 Preparation of the Expense Budget is the first step. The second is the definite fixing of responsibility for making the daily, weekly and monthly audits of actual expense.
 No Expense Budget will control expense; for the Budget, however elaborate or carefully prepared, is only a guiding estimate. *Actual* expense must be frequently checked with the Budget. To give this checking intelligence and make it effective, detailed and actual expense information is necessary.
 Totals of each expense account are not enough. A knowledge of the details of all items is necessary. Only through such details may the one responsible for his department expense determine, at any time, what is *necessary* and what is *not*.
The worry of Overhead Expense is due wholly to a lack of delegated supervision supported by simple system and definite, right accounting method.
ERNST & ERNST
**AUDITS — SYSTEMS
 TAX SERVICE**
 FIRST NATIONAL-SOO LINE BUILDING, MINNEAPOLIS, MINN.

Work of the Better Business Bureau to Check Security Frauds

E. H. H. Simmons, President New York Stock Exchange

The gains which have been made during the past year in the campaign against security frauds furnish one of the most striking and most important features of the year's economic progress. The New York Stock Exchange, which has been engaged in this campaign for more than a quarter of a century, received the most gratifying co-operation from public officials, national, state and county, from better business bureaus and other similar organizations, from the press and from the public.

Heading Off the Swindler

Great progress was made and the activities of the swindler were curtailed very materially. Naturally this has been a great encouragement to thrift, and as a result the position of the nation in that respect improved immeasurably during the 12 months. This is attested not only by the great increase in savings revealed in the records of the savings banks and similar institutions, but also in the activity in the investment market which has shown plainly the disposition of the American public to purchase sound securities and to become either creditors or partners in some of the nation's greatest commercial and industrial enterprises.

The Stock Exchange was able to play an important part in these activities through its fraud bureau and through the individual efforts of its officers and members. The invitation which it extended to all agencies to co-operate with the fraud bureau in suppressing security swindling received an instant response and much has been accomplished as a result. Information which it received from time to time was turned over to the proper authorities for any action which they deemed wise and proper.

Splendid cooperation has been given the exchange by Attorney General Ottinger and by District Attorney Banton. These officials, upon whom must fall the work of prosecuting securities' swindlers and bucket shop operators, have proceeded with zeal and with excellent results, as is definitely shown in the record of injunctions and convictions which they have obtained.

Unwise Investments

The efforts of the exchange in 1925 on behalf of the investing public were not confined solely to a persistent drive against the deliberate swindle. It gave a great deal of attention also to plans for erecting greater safeguards against the chance of loss through unwise investment in securities which on their face appeared entirely sound but which by reason of insufficient information made available to the public, contained an unnecessary element of risk. It was to eliminate such possible risks that early in the year the exchange adopted its new regulations for listing of foreign government bonds.

Under these new regulations, foreign governments which seek to have their securities admitted to trading on the stock exchange are required to make available to the investing public a great deal of data which never before had been asked. In this way the exchange makes it possible for the would-be purchaser of any foreign government security to learn practically all of the details of the security itself, the country's position, etc., which are essential if he is to form a true and accurate opinion of whether or not the prospective investment is suitable for his particular needs.

Revision of the Constitution

One more step taken by the exchange during the year was the completion of the program for the revision of its constitution. The fundamental rules under which it had operated previously, had been made many years before and, although their soundness and effectiveness had been proven by years of application it was recognized that new conditions and new developments which had arisen during those years as a result of the steady growth of the security business made it desirable that new features be added to the safe and sound regulations of the old constitution. In April, 1925, the special committee which had the revision in charge made its reports after more than three years of hard work. Decisions and rulings of various committees and sub-committees during the

period in which few changes had been made in the old constitution were compiled and made a part of the new document, and the results which were obtained had a close relationship in one way or another to practically every phase of stock exchange operations during the 20 years which had elapsed since the last preceding constitutional revision.

Bank Checks to Be Standardized

New York—Details of the agreement reached among banking and other interests to replace the thousands of sizes and designs of bank checks in common use by a few standard types, have been announced by Frank W. Simmons, deputy manager of the American Bankers Association which has taken a leading part in the movement.

"Bank checks settle 96 per cent. of all our business transactions," Mr. Simmons said. "Expenses amounting to millions annually can be saved through universal adoption of standardized forms to replace thousands of sizes, shapes and styles in common use. Also business will be materially facilitated and a cause of error obviated by elimination of the mystifying myriads of checks with their bewildering diversity not only of essential data, but also of individual decorations, trade marks and other adornments.

"A widely representative group has organized a nationwide movement for this end, under the auspices of the Bureau of Simplified Practice, United States Department of Commerce, and with the cooperation of the clearing house and state secretaries sections and the national and state bank divisions of the American Bankers Association, the National Association of Bank and Commercial Stationers, Railway Accounting Officers Association, National Association of Manufacturers, United States Bureau of Engraving and Printing, National Association of Employing Lithographers, Lithographers Cooperative Association, National Association of Purchasing Agents, Government Printing Office, Federal Reserve Banks, United Typothetae of America, and others.

"An agreement has been reached whereby bank checks and other commercial paper are to be made to conform to the following specifications: Bank drafts, certificates of deposit, cashiers' checks, special or individual checks, customers' drafts and other similar instruments, notes, trade acceptances, voucher checks when folded, collateral notes, and special notes when folded, all to be 3 $\frac{3}{8}$ by 8 $\frac{3}{8}$ inches; pocket checks, 2 $\frac{3}{4}$ by 6 $\frac{1}{4}$ inches; end stubs for pocket checks when not interleaved 2 $\frac{3}{4}$ by 2 $\frac{1}{2}$ inches in width, including binder margin; customers' checks and counter checks, 3 1-16 by 8 $\frac{1}{4}$ inches; deposit slips, 3 $\frac{3}{8}$ by 6 $\frac{7}{8}$ inches or multiples of 6 $\frac{7}{8}$ inches. General production of these simplified sizes will be effective March 1, 1926.

"It was also recommended that all essential printed details on checks shall appear on the right hand side to facilitate efficient handling. Advertising matter, pictures and such extraneous detail should be omitted entirely from the face of checks, but if trade marks, insignia or any other display be required such matter should be restricted to the upper left hand corner and not allowed to encroach on the space used for payee's name, amount or other essential items.

"A standing committee has been appointed by the conference, comprising Alexander Dunbar, president Clearing House Section, American Bankers Association, chairman; W. L. Chandler, National Association of Purchasing Agents; William G. Gildea, Association of Bank and Com-sociation of Manufacturers, and E. R. Woodson of the Railway Accounting Officers Association."

SOUTH DAKOTA PRODUCTS WILL BE SHOWN IN OTHER STATES

Aberdeen, S. D.—Corn, potatoes and grain making up the finest show the South Dakota Crop Improvement Association ever had is to be assembled in an exhibit car by the Minneapolis & St. Louis Railroad and shown in Minnesota, Iowa and Illinois, according to C. C. Lake, agricultural development agent.

SOUTHERN MINNESOTA JOINT STOCK LAND BANK

REDWOOD FALLS, MINNESOTA

Long time farm loans—that make the farmer a better bank customer.

Capital and Reserves
\$3,750,000

Send us your business.

Resources over
\$32,000,000

Our Rubber Consumption

Two million dollars worth of rubber a day is the record which the people of the United States are now making in the importation and consumption of that article, grown chiefly on the other side of the globe. The latest report of our Department of Commerce shows the value of rubber imported into the United States in the month of October, 1925 at 50 million dollars, or an average of two million dollars a day for each business day of the month, says the Trade Record of the National City Bank of New York, and probably a full two millions a day by the factories which pay the cost of transportation from the plantations on the other side of the globe to the factories in central United States.

The price advance in rubber, adds the Trade Record, of which we have been hearing something has, in fact, been "spectacular" in the average movements of rubber in the past few months. The October importations averaged approximately 66 cents per pound against 62 cents in September, 53 cents in August, 46 cents in July and an average of 24 cents per pound in the calendar year 1924.

And these figures of import prices must be understood as representing those paid for the rubber in the principal markets of the countries from which they are imported, and when we realize that the countries now producing the rubber of the world lie on the opposite side of the globe and the factories in which our rubber consumption occurs lie in the central part of the United States, it seems not unreasonable to assume that the cost at the factory of the rubber imported in October approximated 60 million dollars when we realize that the cost of the same material in the markets on the opposite side of the globe was over 50 millions.

Source of Supply

Where does it come from, this 400 odd million dollars worth of rubber which we have imported in the year just ending? Over 200 million dollars worth of it from the "British East Indies" which term presumably includes India, Ceylon, Burma, the Malayan Peninsula, Borneo, Hongkong, Singapore, Australia and New Zealand. Nearly all of the rubber production of this area is of the type now classed as "plantation rubber" in which there has been an enormous increase of production in recent years. Plantation production of rubber has advanced from a little over 8,000 tons in 1910 to 320,000 tons in 1920, according to that accepted authority, the Encyclopedia Britannica, while the production of "wild rubber" fell from 62,300 tons in 1910 to 40,000 tons in 1920. The same authority states that the United States consumed in 1920 260,000 tons of rubber out of a world production of 364,000 tons. Apparently, the plantation production of India rubber at the present time is 40 times as much as in 1910, while the production of "wild" rubber in 1920 was only two-thirds as much as in 1910. The growth in world demand for India rubber has been more striking in the United States, the largest world producer of automobiles, than in any other country. The value of our total imports in the calendar year 1925 will considerably exceed 400 million dollars against 243 million dollars in 1920, 110 million dollars in 1910 and 33 million dollars in 1900.

Rubber manufacturers in the United States in 1921 were valued at over 700 million dollars as against a little over 300 millions in 1924. A considerable part of the large sums which we send abroad for rubber comes back to us in the form of sums paid by people of other countries for manu-

factures of rubber exported from the United States. The total value of our rubber exports in the calendar year 1925 will approximate 50 million dollars against 14 millions in 1913, 11 millions in 1910 and 3 millions in 1900.

Quite naturally the growth in capital invested in the rubber manufacturing industry, meantime, has been very great. The official figures of the census of 1919 show the capital invested in the rubber manufacturing industry at 960 million dollars as against 268 millions in 1914 and 162 millions in 1909.

There are still great possibilities of rubber production by the "plantation" system, notably in our Philippine Islands, Liberia and other sections of west Africa and in the Latin American countries which lie near to our great rubber consuming market.

THE "STALL" IN INSTALLMENT

A coming problem will be to keep the "stall" out of installment.—Wall Street Journal.

RUBBER STAMPS

THAT PRINT — NO DELAYS

Send for Bank Catalog No. B-25

ST. PAUL STAMP WORKS

Oldest in the Northwest
Established 1870

ST. PAUL, MINN.

California

in comfort via

GREAT NORTHERN

a dependable railway

You reach the Pacific Northwest all too soon on this comfortable Adventure Land route. Then a delightful rail or steamer trip down the coast awaits you. And you ride out on the de-luxe, no-extra-fare

NEW ORIENTAL LIMITED

finest train operating between the Twin Cities and the Pacific Northwest; specially Pullman-built and equipped. Wholesome food.

SEE SPOKANE—Seattle, Tacoma and Portland—on your way to or from California. Ask about free side trip to Vancouver, B.C.



A. J. Dickinson, Passenger Traffic Manager
Great Northern Ry., St. Paul, Minn.

Let me have cost and other information about Chicago-California trip via Great Northern.

Name.....

Address.....

Mail Coupon or phone

Garfield 3851

New Law Effects North Dakota Investors

John P. Good, Minneapolis

It has been the custom of many investors in North Dakota real estate and farm mortgages in default, to let their taxes remain unpaid when the delinquent tax certificates were owned by the county in which the land was located. However, when the tax certificates were held by individual purchasers, care has been taken to see that redemption was made from tax certificates held by such individual investors prior to the expiration of the three-year period of redemption. The reason for the laxity of the payment of taxes where a county held the tax certificates was that there was no mandatory provision requiring the county to take tax deed. This condition has been altered materially however by the 1925 session of the North Dakota Legislature.

Chapter 199 of the North Dakota session laws for the year 1925 provides for the securing of tax title by the county to all land upon which the county holds tax sale certificates for a period of three years or longer provided the same be not redeemed before the expiration of the time of redemption as provided in this section of the statute.

This statute provides among other things that: "All pieces or parcels of real property bid in for the county under the provisions of this Chapter, and not redeemed or assigned within three years, from the date of the certificate of sale or subsequent tax sale certificate shall upon the giving of the required notice of expiration of redemption become the absolute property of the county and the county auditor shall issue a tax deed therefore in the same manner as to individual purchasers."

"The County Auditor shall on or before February 1 of each year give notice of the expiration of the period of redemption as to all tracts of real estate on which the period of redemption has expired. He shall prepare under his hand and official seal a notice."

"Such notice shall be published three times, once each week for three consecutive weeks in the official paper of the county in which such real estate is situated, the date of the last publication to be more than 60 days prior to the expiration of the period of redemption."

"It shall be the duty of the County Auditor to prepare a notice of the expiration of the period of redemption to be served either personally or by mail as hereinafter specified, upon the record title owner of such real estate and the person in possession thereof, and by mail upon mortgagees and other lien holders. * * * Such notice shall be sent by registered mail to each mortgagee, lien holder or other person interested therein as may appear from the records of the office of the Register of Deeds, except the record title owner and the person in possession thereof."

It will be readily noted that those non-resident mortgagees and other lien holders referred to in the above quotation whose addresses do not appear in the records of the office of the Register of Deeds will not receive such notice of expiration of the period of redemption. As to those parties, the above quoted statute provides that notice will be served by publication, and since very few of the non-residents who own mortgages or real estate in North Dakota have their addresses in the records of the office of the Register of Deeds, they will not receive notice by mail. Since few of them subscribe to the official county paper in the county in which their holdings are located, they will not receive notice of any kind. If their taxes are in such shape that this section of the statute will affect them, their land will probably go to tax deed without their knowledge. It will be well therefore for those who are in doubt as to the condition of the taxes on their lands or upon the lands upon which they have mortgages to ascertain from the County Auditor the exact situation in order to avoid the possibility of losing their land or security through tax deed."

Recent Important Bankruptcy Decisions

Composition—Examination in Bankruptcy—Witnesses May Not Be Examined at Meeting to Consider Offer of Composition.

At meeting of creditors for examination of bankrupt and consideration of offer of composition under section 12 of Bankruptcy Act, it is error to permit creditors to produce and examine witnesses for purpose of determining whether bankrupt has committed acts which would bar his discharge or which might be material in guiding creditors in their action upon the offer. Matter of Perelstine (D. C., Pa.) 6 Am. B. R. (N. S.) 500.

* * *

Liens—Sale of Pledged Property by Pledgor Does Not Give Pledgee Lien on Other Property as Against Trustee.

Where retail dealer in automobiles gave trust receipts or bills of sale to bank to secure loans and such instruments were not recorded as required by state law, sale of such property by dealer without consent of bank did not give bank lien upon other property of dealer as against dealer's trustee in bankruptcy. Commerce-Guardian Tr. & Sav'gs Bank vs. Devlin (C. C. A., 6th Cir.), 6 Am. B. R. (N. S.) 535.

* * *

Title to Property—Rights of Action—Right to Recover Excess Income Tax Passes to Trustee.

Bankrupt's right under Revenue Act to refund of income taxes unlawfully paid and collected is property in general nature of chose in action and passes to his trustee by virtue of section 70a (6) of the Bankruptcy Act notwithstanding provisions of Revised Statutes, § 3477, prohibiting assignment of claims against United States. Chandler vs. Nathans (C. C. A., 3d Cir.), 6 Am. B. R. (N. S.) 540.

* * *

Rights, Duties and Liabilities of Bankrupt—Trustee of Chief Stockholder of Corporation May Not Stay Execution Against Corporation.

Trustee in bankruptcy of chief stockholder of corporation may not have stay of execution against corporation and sheriff's sales thereon, in absence of any showing to establish either fraud or collusion between corporation and execution creditors, or other invalidity of judgments on which executions were issued. Matter of Harvell (D. C., Pa.), 6 m. B. R. (N. S.) 556.

* * *

Title to Property—Payments to Creditor After Petition Filed May Be Recovered by Trustee.

A creditor taking transfer or payment after bankruptcy petition filed, and on account of pre-existing debt, does so at peril of having same avoided by trustee, if and when appointed, regardless of whether he knew that petition had been filed or was aware of debtor's insolvency. Grand Rapids Dry Goods Co. vs. Ostendorf, (C. C. A., 6th Cir.), 6 Am. B. R. (N. S.) 558.

* * *

Title to Property—Estate by Entireties Does Not Pass in North Carolina.

In North Carolina an estate by the entireties does not pass to the trustee in bankruptcy of the husband or wife. Cullom vs. Kearns (C. C. A., 4th Cir.), 6 Am. B. R. (N. S.) 614.

* * *

Liens—Trust Receipt Held Chattel Mortgage.

A "trust receipt" given by retail dealer to secure finance corporation for part of purchase price of automobiles purchased by dealer held to be chattel mortgage on stock of merchandise, and therefore void under Texas statute (Rev. Stat., art 3970). Gen'l. Motors Acceptance Corp. vs. Boddeker (Tex. Ct. Civ. App.), 6 Am. B. R. (N. S.) 561.

* * *

Title to Property—Exemptions—Cash Surrender Value of Life Insurance Policies Is Exempt in Tennessee.

Under Tennessee statute (Shannon's Code 1917, § 2265) providing that "when policies of insurance are effected by any person on his life for the benefit of his wife * * *

the creditors of the person thus insured shall have no claim to the proceeds of the policy, and the same shall enure to the persons for whose benefit the insurance was effected," the cash surrender of a policy on life of bankrupt, payable to his wife, with right to change beneficiary, is exempt and does not pass to his trustee in bankruptcy by virtue of section 70a of the Bankruptcy Act. Matter of Stansell (Ref., Tenn.) 6 Am. B. R. (N. S.) 566.

* * *

Liens—Assignment of Accounts for Present Consideration Valid, Although Agreement Not Strictly Carried Out.

Assignment of accounts in good faith as security for present loan, with authority given to assignor to collect accounts and pay proceeds to assignee, is valid, although in some instances collected accounts were replaced by others and assignees did not always insist on full measure of their rights, but never surrendered to assignor unfettered dominion over accounts or proceeds. Chapman vs. Emerson (C. C. A., 4th Cir.), 6 Am. B. R. (N. S.) 606.

* * *

Liens—Conditional Sale Contract Not Recorded Until After Adjudication Is Valid.

Where there are no judgment or lien creditors, conditional sale contract recorded after adjudication of vendee is not void under provision of Uniform Conditional Sales Act, § 5, which provides that such contracts, though unrecorded, are valid as against all persons except "any purchaser from or creditor of the buyer who, without notice of such provision, purchases the goods or acquires by attachment or levy a lien on them, before the contract or a copy thereof shall be filed," as the bankruptcy schedules gave the trustee notice of the contract. Matter of Golden Cruller & Doughnut Co. (D. C., N. J.), 6 Am. B. R. (N. S.) 639.

* * *

Fraudulent Transfers—Sales in Bulk—Sale of All Material Used in Contracting Branch of Business, Though Delivered in Original Packages, Constitutes Bulk Sale.

Sale by hardware dealer of all material used in one branch of its business constitutes sale in bulk, within meaning of New York statute (Pers. Prop. Law, § 44), although articles sold were put up in packages and inventoried in order to fix the price. Mott vs. Reeves (N. Y. Sup. Ct.), 6 Am. B. R. (N. S.) 640.

DECREASE IN FARM LAND VALUES

Chicago—J. F. Reed of Minneapolis, general chairman of the Northwest Regional Advisory Board, at the recent first national conference of shippers' regional advisory boards at Chicago, said that while the year 1924 was by far the most prosperous year for Northwest farmers since the deflation, "the total gross farm income of Minnesota, North Dakota, South Dakota and Montana shows a falling off of \$106,500,000 from last year as shown by the Government crop reports.

"There has been a drastic reduction in farm land values in the last five years," he added. "In Minnesota alone from January 1, 1920 to January 1, 1925, the reduction has been from a valuation of \$2,396,000,000 to \$1,789,000,000 or a net reduction in lands exclusive of buildings of \$598,000,000."

NEW NORTHWESTERN PATENTS

The following patents were issued January 5, 1926 to Minnesota and Dakota inventors, as reported by Williamson, Reif & Williamson, patent attorneys, 925-935 Metropolitan Life Building, Minneapolis, Minnesota:

George Allen, Hillman, Minnesota, combined toboggan and sled; David A. Anderson, Faribault, Minn., testor for connecting rod assemblies; Mattie L. Argo, Minneapolis, Minn., garment hanger support; Matthew A. Brandt, Minneapolis, Minn., playing cards; Clara G. Braitland, Ada, Minn., air motor; Benjamin E. Braucht, Crosby, N. D., demountable rim for vehicles; Edward C. Burns, Winona, Minn., brake system; Clarence W. Carter, Minneapolis, Minn., scalper; Orvel J. Craig, Minneapolis, Minn., advertising device; Adolph F. Djuerg, Minneapolis, Minn., beet topper; Adolph F. Djuerg, Minneapolis, Minn., beet har-


vester; Earl M. Evleth, St. Paul, Minn., torch; Abraham A. Fagen, Minneapolis, Minn., baby holder; Jacob G. Friedman, St. Paul, Minn., combination signal device for vehicles; Anna M. Hannon, Wabek, N. D. and W. Lennon, Overly, N. D., table; William R. Hotchkiss, St. Paul, Minn., safety paper; Benedict J. Loague, St. Paul, Minn., windshield cleaner and heater; Augustus J. Pepin, Grand Forks, N. D., combination auto table and trunk; Henry E. Pforr, Hamberg, N. D., grain cleaner; Louis P. Robitoy, Fargo, N. D. and C. L. Velander, Minneapolis, Minn., typewriting machine; Frederick J. Schech, Minneapolis, Minn., floor waxer and polisher; Albert F. Vurpillat, Fargo, N. D., retaining device for rim lugs.—(Advertisement)

Patent and Trademark Lawyers
WILLIAMSON, REIF & WILLIAMSON
 Phone, Geneva 4551. 925 Met. Life Bldg., Minneapolis.
 Patent and Trademark Litigation. Solicitors of U. S. and Foreign Patents, Trademarks and Copyrights
 James F. Williamson, 40 years' practice, Formerly Examiner U. S. Patent Office.
 Charles C. Reif, 12 years Examiner U. S. Patent Office.
 Geo. F. Williamson, formerly Assistant to J. F. Williamson.

LEGAL DECISIONS
 The complete opinion in any case noted in this department and reported in the National Reporter System, can be obtained from the West Publishing Company on receipt of twenty-five cents.
WEST PUBLISHING CO.
 ST. PAUL, MINN.

BOOTH BLANKS
 STANDARD FOR HALF CENTURY
 WALTER S. BOOTH & SON
 INCORPORATED
 MINNEAPOLIS

305 South 5th Street
 MINNEAPOLIS
 Across from the Court House



Brass Cuspidors
\$1.75

Most offices have need for an extra cuspidor or two.

Here's an opportunity to get a popular pattern at a reasonable price.

Self-righting style, size 7¼ inches high by 7 inches diameter. Weight 2¼ pounds.

Farnham's
 LEADING
 MINNEAPOLIS
 PRINTERS & STATIONERS

417-19 Hennepin Ave. Minneapolis

North Dakota's Bond Interest High

Bismarck, N. D.—Interest on bonds issued by the state of North Dakota costs it a pretty penny, according to figures compiled by John Steen, state treasurer. To be exact the state's total interest bill is \$1,480,222.50 a year.

Total interest paid up to January 1, 1926 on state industrial bonds amounted to \$4,083,741.86. No other bonds are outstanding against the state's credit.

Total tax levies to retire interest and pay the principal of various issues of industrial bonds and the Home Builders' deficit are placed by Steen at \$3,159,315.16. Beginning in 1919, the grand total levy was \$258,843.33. In 1920 no bonds were due and Steen's statement shows no levy was made. In 1921, however, the levy was \$137,742.78; in 1922 it was \$528,326.16; in 1923 it was \$664,365.41; in 1924 it was \$755,874.48 and in 1925 it jumped to the high peak of \$819,158.

Tax levies for real estate bonds since the first one was issued total \$960,455.66; tax levies for Bank of North Dakota bonds total \$847,150.72; levies for mill and elevator construction bonds total \$810,090.81. Mill and elevator operating bonds \$386,820.16 and Home Builders deficit \$154,797.81.

The Bank of North Dakota has paid the state \$200,000 for interest on Bank of North Dakota bonds, leaving a balance of \$450,000 due to the state by the bank as of January 1, 1926.

The North Mill and Elevator have paid no interest on their bonds, and owe the state as of January 1, 1926, the sum of \$731,832.

Direct taxes have been levied to the amount of \$960,000 for the real estate bond payment fund. This amount is used to pay part of the interest and principal of the Bank of North Dakota farm loan bonds.

DEPOSIT PLAN AWAITS RULING IN NORTH DAKOTA

Bismarck, N. D.—No action toward re depositing funds of the Bank of North Dakota in various state banks will be taken by the state industrial commission until the Supreme Court decides a case having an important bearing on the subject which now is before that body, according to Attorney General George Shafer.

The case before the Supreme Court was carried to the high tribunal from Divide County and will determine by judicial decision whether or not individual banks have the right to pledge their assets to secure payment of public money on deposit in such banks to the exclusion of other depositors.

The agreement was informally reached between himself and Gov. A. G. Sorlie, Shafer said, in order that the industrial commission might have adequate information on the legal powers of banks before proceeding with further consideration of the re deposit plan.

The plan is being fostered by Governor Sorlie who believes it would benefit the economic and business structure of the state to make available to small banks part of the money now on deposit in the Bank of North Dakota.

BANK OF NORTH DAKOTA'S DEFICIT

Bismarck, N. D.—The Bank of North Dakota had resources and liabilities of \$42,753,032.63 at the close of business on December 31, according to its statement published following the call of the state banking department.

Of its resources \$8,347,208.82 is in Federal bank and state bonds; \$6,972,738.29 cash and due from banks; \$21,359,000 in real estate loans financed by state bonds; \$682,108.05 in bills receivable and due from open state banks; \$840,002.87 due from the home builders, now defunct, mill and elevator and other state institutions; \$1,979,147.97 in re deposits and loans to closed banks and receivers certificates in proof of claims; \$479,072.50 in farm loan special deposits, items in transit and furniture and fixtures and \$118,507.83 in bank building and other real estate.

The main items on the liability side are \$2,000,000 as capital, \$21,359,000 in outstanding real estate bonds, \$5,278,144.49 in sinking funds due township, school and

county treasurers; \$3,830,430.51 due county treasurer; \$1,395,364.46 due school treasurers; \$4,940,925.06 due the state treasurer and \$1,866,796.51 due state institutions.

NORTH DAKOTA BANK LOSES IN APPEAL CASE

St. Louis, Mo.—The United States Circuit Court of Appeals here has reversed the order of a Minnesota district court in the case of the Farmers State Bank of Christine, N. D., and directs the court to enter a plea in abatement of bankruptcy made by A. M. Hovland, for many years president of the Merchants and Manufacturers State Bank of Minneapolis.

The plea, sustained by the appellate court, contended that an original petition in bankruptcy filed by the Christine bank alleged no acts of bankruptcy and that an amended petition alleged acts of bankruptcy which occurred more than four months prior to its filing.

The Farmers State Bank of Christine filed an involuntary petition in bankruptcy against Hovland on June 23, 1923. The bank charged that at various times prior to that date Hovland had concealed his assets with intent to defraud certain creditors. In an amended petition, filed December 3, 1923, the Christine bank stated that Hovland had conveyed assets to the Merchants and Manufacturers State Bank of Minneapolis for the purpose of preferring the bank over other creditors.

It is further alleged that he continued to secrete the nature and character of his property from all creditors except the Minneapolis bank. A district court found for the Christine bank, but the appellate court holds that both bankruptcy petitions were not sufficient to prove charges.

The Christine bank has been closed since July 11, 1925.

HYPOTHETICAL VALUE OF NORTH DAKOTA'S 1925 CROP

Grand Forks, N. D.—North Dakota attained 15th place in the United States in 1925 for its crops whose hypothetical value has been placed by United States officials at \$278,722,000, according to data received at the office of H. O. Herbrandson, agricultural statistician.

Farm crop valuation in 1925 for 22 crops was 85.4 per cent. of the 1924 valuation for the same number of crops. The hypothetical value of all crops in 1925 was 78.35 per cent. of the 1924 value, the report indicated.

Based on the 1925 farm census which listed 75,969 farms in North Dakota the average value of crops on each farm in the state was \$3,669.91.

The hypothetical value of all crops in North Dakota in 1924 was \$355,727,000 as shown by Government figures and the average for the years 1919 to 1923 inclusive was \$216,389,000. For 22 crops the 1925 valuation was \$256,424,000; for 1924 it was \$327,269,000 and the average for the years 1919 to 1923 inclusive was \$199,078,000.

North Dakota held 20th place in the United States in value of 22 farm crops for the years 1919 to 1923 inclusive and 24th place in value of all crops; eighth place in 1924 in value of 22 crops and ninth place in value of all crops. The 1925 value of all crops placed the state in 13th place in the nation.

CLOSED NOONAN, NORTH DAKOTA, BANK TO PAY DIVIDEND

Bismarck, N. D.—Checks for 30 per cent. of the liabilities of the Farmers State Bank of Noonan are being sent out to creditors by the state bank receiver's office. Disbursements are being made through the office of J. P. Reeve, district manager for the receiver at Burlington. This is the first dividend to be paid to creditors of the Noonan bank and totals about \$11,000.

INSURANCE MEN REPORT GAINS IN NORTH DAKOTA

Fargo, N. D.—An indication of the prosperity of North Dakota was offered at the recent convention of the Great West Life Assurance Company in a statement by M. N. Hatcher, of the state agency, that nearly \$5,000,000 worth of insurance was written in the state in 1925.

ABERDEEN NATIONAL BANK

ABERDEEN, SOUTH DAKOTA

Capital, Surplus and Undivided Profits
\$225,000.00

Total Resources
\$4,500,000.00

W. W. Bassett, Vice President
S. L. Allen, Ass't Vice President

OFFICERS:
J. C. Bassett, President
C. A. Bremer, Cashier
Clyde Bowman, Ass't Cashier

Clarke Bassett, Ass't Cashier
Clayton Walker, Ass't Cashier

South Dakota's 1925 Immigration from 29 States

Pierre, S. D.—The state immigration department in 1925 beckoned to citizens of 29 states to seek new fortunes in this commonwealth.

The legislature appropriated \$10,000 for the department's work but first of all the salary of the commissioner and his office expenses had to be deducted.

Inquiries came to the department from California, Texas and Tennessee, from Arkansas, Virginia, New Jersey, and from a long list of states, and a few came from provinces of Canada.

Out of the 379 inquiries from land seekers, 165 were general inquiries about the state, not indicating any locality 60 mentioned the West River country in general; 78 asked about particular sections of the West River country; 60 mentioned the central part of the state and the rest asked about the eastern part.

SOUTH DAKOTA FARMERS' USE OF WAR EXPLOSIVES

Brookings, S. D.—Thirteen carloads of war salvage explosives have been used by South Dakota farmers since November 1, 1923, and orders for another carload have already been received, according to Ralph L. Patty, agricultural engineer at South Dakota State college.

The explosives are secured from the United States Department of Agriculture by the State College extension service.

Three kinds of war salvage explosives have been used in South Dakota—picric acid, sodatol and pyrotol. Protol is the one that is now being distributed by the Government. As the result of a recent price reduction, this can be purchased at \$8.60 per hundred, with a minimum order of 50 pounds.

In the past two years, the counties having county agents made the greatest use of the explosives, due to the fact that the county agents gathered orders and also gave free blasting caps to the farmers who bought explosives. However, no free blasting caps will be available with future orders for pyrtol, according to Patty.

FARM IMPLEMENT ORDERS INCREASE IN SOUTH DAKOTA

Sioux Falls, S. D.—The volume of orders for spring goods placed with the big farm implement distributing houses in Sioux Falls indicates that business conditions in South Dakota this spring are confidently expected to be much more favorable than a year ago, when dealers ordered sparingly, being in doubt as to the volume of business they would enjoy during the spring season. Comparatively few of them placed orders for full carloads of goods.

At present, however, the big implement houses have orders for a great many carload lots, showing the confidence of the dealers in the spring business. Shipments to dealers will commence early in February and the staffs of local houses now are preparing for the brisk shipping period, during which implements to the aggregate value of many hundreds of thousands of dollars will be sent to dealers in different parts of South Dakota.

APPROPRIATIONS SET NEW RECORD IN SOUTH DAKOTA

Pierre, S. D.—Funds under the bank guaranty law were one of the chief problems carried over by the state government from 1925, it having been discovered that they were inadequate to the needs of failed banks.

Over ten millions were appropriated by the state government during the year, the largest amount going toward the development and operation of educational institutions,

and the sum next largest to penal and charitable work. It was estimated that the largest percentage of the tax dollar was given to the county—above city or state. This was the largest amount ever appropriated by any legislature.

Statements from the various boards showed a large volume of business in the rural credit, insurance and hail insurance departments, as well as similar results in the various commissions. Road work comprised an important progressive move.

The secretary of state, railroad commissioners, state engineer and attorney general, according to the review, spent busy years.

Statistics gathered showed a forward movement. There were 15,570 births, as opposed to 5,359 deaths. The population of the state reached 681,260, of which 414,516 was rural population and 266,744 urban.

Farm statistics are given in the report of the state department of agriculture proved 41,751 farms to be worked by owners, 34,423 by tenants. Field corn commanded the greatest acreage—4,389,774. It was followed by oats, spring wheat and hay. Over two million acres were used for pasturage purposes.

SOUTH DAKOTA'S BRIDGE PROGRAM MAKES GAIN IN 1925

Pierre, S. D.—South Dakota built more than \$2,000,000 worth of bridges during 1925, not including its bridges across the Missouri river.

This record for the year indicates to J. E. Kirkham, state bridge engineer, that the small bridge work going on in the state is a vast enterprise and he believes it is worthy to note in passing that all of the five Missouri river bridges cost less than one year's output of small structures.

Mr. Kirkham's office supervised the construction of \$523,660 in state aid bridges and another half million in culverts built by the counties under his direction. Federal aid bridges cost \$503,000 and Federal aid culverts \$500,000.

If the bridges were laid side by side they would cover 9,433 feet or nearly two miles.

During the year the Chamberlain and Wheeler Missouri river bridges were completed and dedicated and the Pierre bridge work was begun. By this system of bridges connecting the western and eastern halves of the state—a new era was commenced for the commonwealth.

Augmenting the progressive strides of the state in highway work, the bridges aided South Dakota in becoming one of the foremost road states of the Middle West with the result of wide favorable comment and advertising.

SOUTH DAKOTA TO ADVERTISE ALL PARTS OF STATE

Pierre, S. D.—All of South Dakota and not only the Black Hills will receive nation wide publicity this year through the Black Hills folder now being prepared to tell the country of this state's vacation and recreational possibilities.

Mr. Bronson has interested the Standard Oil Company, the Burlington and the Northwestern railroads in the folder and each company has agreed to contribute at least \$1,000 toward its publication and to aid in its distribution.

The oil company will receive 20,000 folders and will place them in every oil station in the Middle West. When the employe in charge of the station notices a car headed west its owner will be given a folder and urged to visit the Black Hills on the way westward.

The Burlington and Northwestern will receive 30,000 and \$1,000 toward its publication and to aid in its distribution. Pullman and dining car on the system and joining lines.

Montana's 1925 Output of Metals

Washington—The value of the gold, silver, copper, lead and zinc produced from mines in Montana in 1925, according to estimates made by C. N. Gerry, of the Bureau of Mines, Department of Commerce, was \$60,802,000, an increase from \$55,074,548 in 1924. The output of copper increased considerably in both quantity and value and there was a slight increase in silver and lead. Gold, however, decreased about 10 per cent., and zinc was much less in spite of unusually favorable market conditions. The Anaconda Copper Mining Company and the Butte & Superior Mining Company, according to published statements, paid dividends amounting to \$9,580,392 in 1925.

The value of the output of gold decreased from \$2,022,825 in 1924 to \$1,806,700 in 1925. In 1924 the Jib Mining Company was responsible for an unusual increase in the gold output of Montana, but in 1925, though it remained an important producer, its production decreased and it was responsible for a large decrease in the state total. The Anaconda Copper Mining Company was the largest producer of gold in the state, and the Jardine, Jib and Drumlummon mines followed. Considerable gold was contained in ore from the Liberty Montana property, south of Jefferson Island, the Holdfast mine, near Anaconda, and various mines at Butte, such as the Butte & Superior, Butte West Side, Goldsmith, Elm Orlu, and Moulton properties. The August mine, near Landusky, Philips County, was idle.

The mine output of silver increased slightly from 13,289,303 ounces in 1924 to 13,507,000 ounces in 1925 and the value from \$8,903,833 to \$9,320,450, as the average price of silver was about 69 cents an ounce. Most of the silver was produced from the property of the Anaconda Copper Mining Company, which operates copper mines and lead zinc mines at Butte. A decrease in the output of silver from the Elm Orlu, Jib, Goldsmith, and Butte West Side mines was balanced by an increase in that from the Poser mine and various properties of the Anaconda Copper Mining Company. The largest producers of silver in 1925 were the Anaconda, Butte & Superior, Silver Dyke, Elm Orlu, Anselmo, Butte Copper & Zinc, Poser, East Butte, Moulton, Block P. and Jib mines.

Large Increase in Copper Production

The output of copper increased from 249,152,062 pounds in 1924 to 269,520,400 pounds in 1925, and the value from \$32,638,920 to \$38,029,300. The Anaconda Copper Mining Company was producing copper from company and custom ore at an average rate of about 22,000,000 pounds a month at the smelting plant at Anaconda. The total represents an increase of about 12 per cent., but is much less than the production during the war period. The smelter of the East Butte Copper Mining Company at Pittsmtont was idle, and ore from the East Butte mine was shipped to Anaconda. The largest copper producers at Butte were the Anaconda, Butte & Superior, Anselmo, East Butte, Elm Orlu, and North Butte properties. The Silver Dyke mine, near Neihart, produced considerable copper from copper-lead ore.

The production of lead increased from 39,476,008 pounds, valued at \$3,158,081 in 1924, to 41,991,470 pounds, valued at \$3,804,400 in 1925. Nearly all the lead came from zinc lead ore mined at Butte by the Butte & Superior, Butte Copper & Zinc, Anaconda, Elm Orlu, Moulton and Poser mines. Much of this material is now milled at Anaconda or Butte, and separated into a zinc product for Great Falls and a lead concentrate for a lead plant. Other large producers of lead were the Black P. mine in Judith Basin County, the Silver Dyke mine, at Neihart, and the Hecla slag dump in Beaverhead County. Development work was continued at the Snowstorm mine in Lincoln County, but the production was small. The lead smelting plant at East Helena was active the entire year, but shipments of bullion were slightly less on account of the decreased ore output of certain mines in Idaho.

The output of zinc recovered from ore mined in Montana decreased from 128,475,218 pounds in 1924 to about 102,500,000 pounds in 1925. The value decreased from \$8,350,889 to \$7,841,250. The electrolytic zinc plant near

Great Falls was active throughout the year and its capacity was being increased, but receipts from Montana were less than in 1924, and much custom material was treated from Idaho, Utah, Nevada and Washington. At Butte the largest producers of zinc were the Butte & Superior, Elm Orlu, Butte Copper & Zinc, Poser, Anaconda, Moulton, and Anselmo mines. The Butte & Superior mine made a good record in zinc production, but there was a decided decrease from the Elm Orlu and Anaconda properties.

ANACONDA MAKES NEW FABRICATING RECORD

Great Falls, Mont.—Anaconda at its own mill at Great Falls and at the plants of its subsidiary, American Brass Company, turned out in 1925 790,000,000 pounds of fabricated copper and brass product. In other words, Anaconda and its subsidiary fabricated into finished or semi-finished form approximately 25 per cent. of the world's production of copper for 1925.

American Brass Company in 1925 fabricated a much larger tonnage of finished and semi-finished products than ever before in its history and in 1925 the Great Falls wire and rod mill turned out a larger tonnage of wire and rods than ever before was turned out by any single plant in the history of the copper industry.

Production of 790,000,000 pounds of finished and semi-finished materials in 1925 compares with production of 627,680,895 pounds in 1924, increase of 162,300,000 pounds, or almost 26 per cent. Output of Great Falls plant is being increased one-third and will be in operation at the increased rate of 15,000,000 pounds of rods a month in the second half of 1926, it is expected.

There is a slight duplication in these figures in that the rods drawn at Great Falls that are shipped to Kenosha plant of American Brass to be drawn into wire appear twice in the figures, but this duplication is small and unimportant.

Orders on the books of American Brass Company and the Great Falls wire and rod mill books are one-third larger than they were at the first of last year. Price of copper is somewhat lower than a year ago at this time, but average price of copper for 1925 was about 1¼ cents a pound higher than in 1924. Outlook is for appreciably higher average price for copper in 1926 than in 1925.

HISTORY SHOWS SUGAR BEET CROP PROFITABLE IN BILLINGS DISTRICT

Billings, Mont.—What a sugar factory may mean to a community is illustrated by the record of the Great Western plant here for its 20 years of existence. Figures kept on the operations of the factory by M. B. Wilson of the plant staff disclose that \$20,000,000 was paid farmers for beets in that time.

The figures show that during the 20 years 2,890,356 tons of beets were harvested in the Billings district. Loaded on cars these beets, grown on 278,909 acres of land, would constitute a train 600 miles in length. The average yield per acre has been 10.19 tons.

The average price per ton for the period in question has been \$7.14. The price per ton paid for the beets has shown a wide variation corresponding with that of the sugar market in the 20 year period. As low as \$5 per ton has been paid for beets. Last year's guaranteed price was \$6.50 per ton as compared with \$8.50 for next year.

Eight million three hundred thousand 100-pound bags of sugar were manufactured during the score of years the factory has been in operation. Labor alone exacted a toll of \$7,500,000 in the manufacturing operations of these 20 years, while \$6,500,000 was paid to railroads for transportation of beets and the finished product. During the 20 years the operating company has paid \$550,000 in taxes.

In the 20 years of operation, the factory has sold 850,000 tons of pulp, a residual product of manufacturing operations. This amount is sufficient to feed and fatten 130,000 cattle or 1,000,000 sheep.

25,000 Copies of the "Guide Book" are now in use by Bankers

In response to requests from the old users of the book, W. R. Morehouse has prepared a new edition, completely revised.

The NEW BANKERS GUIDE BOOK

follows the same convenient and popular question and answer style, but contains a **third** more material.

It contains a complete copy of the Negotiable Instruments Law. Every bank officer and employee should have a copy of this NEW book.

\$3 postpaid

MAIL THIS COUPON NOW

COMERCIAL WEST
Minneapolis, Minn.

Enclosed find \$3 for which mail me postpaid a copy of the "NEW Bankers Guide Book."

NAMEBANKADDRESS

WOOL EXCHANGE SHARES INCOME

Helena, Mont.—Checks covering an annual dividend of 6 per cent. on preferred stock of the National Wool Exchange have been mailed to stockholders. Wool growers and bankers in Montana, South Dakota, Idaho, Nevada, Utah and Wyoming as well as several midwest states, are among the stockholders.

The exchange, which was organized early in 1925 as an agency for the orderly selling of wool to meet milling demands, had a very successful year, which was closed in excellent financial condition.

CROP STANDARDIZATION AIDS MONTANA FARMER

Bainville—Adopting a progressive practice in crop standardization of Marquis wheat last year rewarded 913 Roosevelt County farmers \$376,633 in increased earning power, according to a report released by D. B. Noble, county agent. The report is based on a survey and analysis made by 217 farmers at 14 community meetings recently held in the county. County Agent Noble's report goes on to state.

NORTH DAKOTA SAID TO BE IN TRANSITION STAGE AGRICULTURALLY

Fargo, N. D.—North Dakota agriculture today is in the transition stage from exclusive small grain farming to mixed farming. North Dakota land values are therefore due for an increase, according to the Northern Pacific Railway Company's immigration booklet.

An examination of the United States census records shows that in 1850 Illinois land was valued at an average of \$8 an acre, \$20 in 1860, \$28 in 1870, \$32 in 1880 and \$41 in 1890. About this time, great reductions occurred in the wheat acreage, and mixed farming became the vogue. The result was that the price of land practically doubled during each of the last two decades. In 1900 the average price was \$54 per acre, in 1910 exactly double that amount or \$108, and the last census figures available 1920, showed an average value of \$188 per acre.

Iowa farm prices show a similar trend, although the increases are even more striking. Agricultural development of the state started about 10 years later than in Illinois. In 1860 the census bureau placed the value of Iowa land at \$12 per acre and by 1900 the average value had increased to \$43. The same change then took place as occurred in Illinois, and the increase in land value was amazing. In 1910 the value was set at \$96 per acre, and in 1920 at \$227.

SOUTH DAKOTA MINING IN 1925

Lead, N. D.—In 1925 the Homestake mine, the largest producing gold mine in the United States, and several small mines in South Dakota, produced approximately \$5,950,000 in gold and 100,000 ounces of silver, according to Chas. W. Henderson, Bureau of Mines, Department of Commerce. In 1924 the Homestake mine and several small gold mines produced gold valued at \$6,117,421 and 86,548 ounces of silver. As a result of work done at the Bureau of Mines Experiment Station at Reno, Nevada, a method for successful treatment for the "blue" ores of the Portland-Trojan district, South Dakota, has been determined, and production may be renewed in that district in 1926.

STUDEBAKER AUTO LIVERY

10 E. Grant Street, Minneapolis
Main 1794

Open and Closed Cars Rented
With or Without Drivers

Baggage Transfer



Head Office and
Foreign Department
TORONTO

Western
Superintendents
WINNIPEG
REGINA
CALGARY
VANCOUVER

A Prompt and Efficient Collection Service

With our network of branches in Canada and abroad, including offices in the great financial centres of London and New York, we are able to give prompt attention to any collection business our customers require to be handled.

Our 550 branches are constantly on the alert to maintain the record established, by carrying out creditably and expeditiously all transactions entrusted to them.

THE CANADIAN BANK OF COMMERCE

Paid Up Capital \$20,000,000

Reserve Fund \$20,000,000

Total Assets (last annual statement), over \$525,000,000

Canada's Progress in Hydro-electric Developments

Ottawa—New hydro electric installations totaling 600,000 horse power brought Canada's water power development up to 4,169,275 horse power in 1925, according to a summary prepared by the Dominion department of the interior. Canada now ranks second to the United States in the use of hydro electric power and leads the world in per capita consumption of water power.

More than one-sixth of the electrical energy developed by Canada's water powers, or about 700,000 horse power, is exported to the United States each year, the department's figures show. Most of this comes from Ontario and Quebec for utilization by American industrial plants close to the international boundary.

Quebec accounted for the most extensive increases in water power production this year. Work on the Grand Discharge project on the Saguenay river which has an initial installation of 360,000 horse power was practically completed. The Hemming Falls development added 37,800 horse power. Important extensions were made by the Ontario Hydro Electric Commission. One of the most significant developments was the Grand Falls project in New Brunswick bringing in 80,000 horse power at a cost of \$6,000,000. This, it is expected, will lay the foundation for extensive industrial growth in the Maritime provinces.

Important water power projects for 1926 have been announced in northern Ontario and Manitoba. American interests will spend \$4,000,000 in the Michipicton Falls area in Ontario on hydro electric installation for mining. Extensions are also planned by the Northern Canada Power Company which furnishes power for the Hollinger, McIntyre, and Dome mines. In Manitoba work will be undertaken on a transmission line from the Great Falls plant of the Manitoba Power Company to supply electric energy to the new pulp and paper mills being erected at Fort Alexander, near Winnipeg.

MENNONITES RETURN TO CANADA

Winnipeg—A recent Canadian Press despatch dealing with the return of a number of Mennonites to western Canada, reads in part as follows:

"Groups of Mennonites, who in 1922 and 1923 disposed of their large farm holdings in western Canada and went to Mexico, have returned here recently, glad to get back after suffering extreme hardships and privations through crop failures.

"The Mennonites, originally natives of Russia, are a religious sect opposed to war and desirous always of having

their own schools and churches. In the western districts they lived in communities, a thrifty hard-working people though in many cases opposed to Canadian administration, especially the school question, and they met with great criticism during the war for their objections against taking up arms in defence of their adopted country.

"When the trek started to Mexico, some of the finest farming country in Manitoba and Saskatchewan was sold by the Mennonites. Those who have come back are seeking to purchase their old homes again, or are purchasing new land, willing to abide by Canadian laws and to live in peace."

VALUE OF CANADA'S ROOT AND FODDER CROPS

Ottawa—Root and fodder crops will return nearly \$300,000,000 in revenue to farmers of Canada this year, according to a bulletin issued by the Dominion bureau of statistics.

Canada's potato crop is estimated at 44,497,000 hundred weight from 545,891 acres, or an average of 81.5 hundred weight per acre. The value of the potato crop is placed at \$64,486,000, compared with \$47,956,000 in 1924, the average price per hundredweight being \$1.45 as against 85 cents in 1924.

Yield of hay and clover, the Bulletin estimates, was 14,902,000 tons from 10,097,042 acres, an average per acre of 1.57 tons. This is the largest crop on record with the exception of 1919, when the total was 16,348,000 tons. Value of the crop is placed at \$160,166,000, or about \$10 an acre. Turnips, mangolds, carrots, and other root crops produced a crop of 35,622,000 hundredweight, with a value of \$27,950,000 or 78 cents per hundredweight, compared with \$17,884,000, or 44 cents in 1924. Alfalfa gave a yield estimated at 1,448,000 tons, an average of 2.21 tons per acre. Total value was \$18,376,000 or \$12.69 per acre. Crop of fodder corn was 5,413,000 tons valued at \$23,139,000 from 641,119 acres. Average yield per acre was 8.44 tons.

Total area sown to fall wheat up to November 1, for the season of 1926 was 861,873 acres, the Bulletin sets forth, compared with 828,260 acres in 1924.

CANADIAN SUGAR EXPORTS ATTAIN RECORD HEIGHTS

Winnipeg—Stimulated by low prices and a steady expanding export trade, the Canadian sugar industry in 1925 experienced the most active year of its history. Total shipments from Canadian refineries from January 1 to

December 5, 1925, reached a total of 1,107,417,935 pounds, an increase of more than 310,000,000 pounds over the shipments made in the corresponding period of 1924.

Domestic shipments in the period under review topped the 800 million mark, an increase of 90 million pounds over 1924.

The export trade, however, was the side of the industry to reveal phenomenal growth. Exports of sugar rose from just over 83 million pounds in 1924 to 306,679,116 pounds in the 1925 period.

The increased shipments were spread evenly over the different varieties of sugar. Granulated sugar made up 993,706,245 pounds of the 1925 total, compared with 709,464,948 in the preceding year, while yellow and brown sugar accounted for 113,711,000 pounds in 1925, compared with 83,380,916 in 1924.

Urges More Made in Canada Mill Work

Vancouver—In a review of the British Columbia timber industry, A. A. Milledge says: "It is very apparent that British Columbia timber should not only be cut here, but should be manufactured here, and any surplus exported to world markets. It is, therefore, incumbent on the citizens of this province to patronize and support the many industries allied or dependent upon forestry, by giving a preference to the products of those industries before all others, provided the quality and prices are reasonable.

"There would seem to be no question that our existing markets can be retained and additional markets captured by aggressiveness. This has been clearly demonstrated by the success which has attended the Wembley exhibit, new business having resulted to the extent of 25,000,000 feet on European shipments."

Mr. Milledge accompanies his conclusions with statistics which show four-fifths of the mercantile timber saw of Canada is in British Columbia. This coast stand is estimated at not less than 345,762,000,000 feet, of 47,500,000 cords of pulpwood, cordwood posts, etc., and of 377,772,000 cubic feet of hardwood. The wide variety of trees included takes in Engelman and Sitka spruce, Western white pine, Western yellow pine, Douglas fir, Western hemlock, balsam fir, Western red cedar and larch and cottonwood.

The value of production rose from \$30,000,000 in 1913 to \$86,000,000 in 1923, and stood at \$80,000,000 for 1924. The total cut and scale in 1924 was 2,549,700,000 feet B. M. It embraced Douglas fir, 1,036,019,000 feet; red cedar, 610,899,000 feet; spruce, 267,899,000 feet; hemlock, 322,715,000 feet; balsam, 66,069,000 feet; yellow pine, 38,354,000 feet; white pine, 25,243,000 feet; jack pine, 75,895,000 feet; larch, 56,896,000 feet, and cottonwood 4,917,000 feet.

At that rate the timber stand would meet the present volume demand on British Columbia for 136 years, provided trees did not grow old, decay, suffer from diseases and die suddenly, from accidents and in storms. All such calculations fail also to take into the count the prodigiously fast new forest growth which still outruns the best efforts of Federal and Provincial regulators to prune it down to uniform and more dependable productive sizes. Then there are the corrective agencies of forestry conservation to be considered.

But, as matters stand today, British Columbia lumber has not yet made enough headway in foreign markets, in spite of its heavy gains to avoid considerable loss from annual decay of timber either unselected for the indiscriminately used axe, or, and in the aggregate, in excess of market needs.

CANADIAN FINANCING FOR 1925

Toronto — Canadian bond sales in 1925 aggregated \$494,567,470 as compared with \$609,430,407 in the previous year and \$519,426,307 in 1923. The decline was largely due to the smaller amount of Federal Government refunding, approximately \$100,000,000 less than in 1924.

Of the 1925 sales, the Government issues accounted for \$276,553,333, of which \$91,500,000 were sold in Canada, \$160,720,000 in the United States and \$24,333,333 in Great Britain.

Municipal issues aggregated \$51,440,650 of which \$49,440,650 were placed in the home market and the balance in the United States:

Corporation issues were \$124,810,500 distributed as follows: \$92,865,500 in Canada; \$28,300,000 in the United States and the balance in Great Britain. Railroad issues were \$41,762,987, of which \$14,262,987 were placed in Canada and the remainder in the United States.

Of the total sales the domestic market absorbed \$248,069,137, the United States \$218,520,000 and Great Britain \$27,978,333.

YOUR WEALTHY NEIGHBOR

Just over an imaginary line lies the Dominion of Canada, with the richest undeveloped areas of agricultural land on the continent of North America.

**Rich, Virgin Lands,
\$15 to \$20 an Acre**

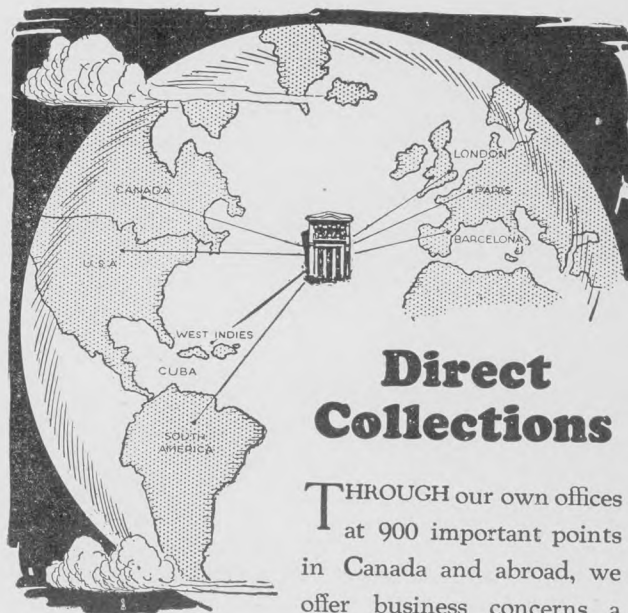
are giving opportunity to thousands. With opportunity comes settlement; with settlement, trade; with trade, wealth.

Keep a friendly eye on Canada.

For information write

**Department of Immigration
and Colonization**

Room 902, Ottawa, Canada



Direct Collections

THROUGH our own offices at 900 important points in Canada and abroad, we offer business concerns a direct channel for converting their accounts into cash quickly and economically.

The Royal Bank of Canada

Correspondence is invited
Supervisor's Department, Winnipeg

Business Want Department

A medium for the sale of banks, stocks, municipal bonds, real estate, farm lands, for the man who wants a bank position or a location for a bank, investment or other business.

Rates for advertisements in this department are 4 cents per word each insertion. Words displayed in capitals, 8 cents per word. Initials, name, address, location and abbreviations count as one word each. Copy paragraphed, twenty-eight cents per line. **CHECK, CASH OR POSTAGE STAMPS MUST ACCOMPANY ALL ORDERS.** All answers to advertisements under key numbers must be accompanied by a two-cent stamp.

BUSINESS OPPORTUNITIES

Banks Sold Confidentially

Minority and controlling interests in sound country banks, especially those located in Scandinavian communities, confidentially sold. O. & W. R. Olson, Fergus Falls, Minnesota. (89-3)

HELP WANTED

Cashier wanted for Minnesota country bank who can invest \$4,000; state age and experience. Address "K34," Commercial West. (89)

SITUATION WANTED

Position Wanted—Experienced lady bookkeeper-stenographer; can speak German well; references. Address "J33," Commercial West. (89-4)

Wanted—Cashiership in Wisconsin, Minnesota or North Dakota bank by young married man, 31 years old; 12 years' experience in all phases of bank work; man of tact, pleasing personality and integrity; familiar with all phases of farm loans, insurance and legal matters pertaining to a bank; available May 1, 1926; at present employed as cashier; have been employed as cashier for past seven years. Address "L35," Commercial West. (89-4)

ANNUAL MEETING OF TWIN CITY BANKS

(Continued from page 10)

vice president; Mr. Herrington from credit manager to vice president and credit manager, and Mr. Oas, the third of the new vice presidents, from cashier and assistant trust officer. Mr. Keith was promoted from assistant cashier to cashier, and the appointments of Mr. Conrad, Mr. Olson, Mr. Arnulf Ueland and Mr. Peterson to their positions were all promotions.

East Hennepin Bank Elects New Officers

F. R. Lobdell was named president of the East Hennepin State Bank, succeeding A. A. Dahlin, who became chairman of the board of directors, at the annual meeting held January 12. The two new directors were elected and several changes in positions of officers made. Mr. Lobdell was vice president and cashier. P. E. Hewitt, assistant cashier, becomes cashier and was elected a director. The other new director is F. W. Kertson, of the General Tire and Supply Company. Mr. Lobdell has been in Minneapolis since 1918, first in the war loan organization. Mr. Hewitt was a bank messenger in Chicago 18 years ago and has been with the bank since 1921. New assistant cashiers are Joseph L. Emerson and Ernest W. Thorsen.

Changes in St. Paul Banks

Several important changes in directorates and official staffs of St. Paul banks were effected at annual meetings of stockholders and directors on January 12.

At the shareholders' meeting of the Merchants National Bank and the Merchants Trust Company, F. R. Bigelow, president of the St. Paul Fire & Marine Insurance Co. and C. T. Jaffray, president of the Soo Line, were elected to the board of both institutions.

Mr. Bigelow formerly was a director of the Merchants Bank but resigned in 1911 to become a Federal Reserve Bank director, resigning from that board last year. Mr. Jaffray, prior to becoming president of the Soo Line, was president of the First National Bank of Minneapolis and is a director of that bank.

L. E. Dunn and W. J. Bergquist were elected assistant secretary and assistant treasurer, respectively of the Merchants Trust Company.

All directors and officers of the First National Bank and the Northwestern Trust Company were re-elected.

Wright Heads National Exchange

J. A. Wright, formerly vice president of the National Exchange Bank and president of the Central Trust Company, was elected president of the bank, succeeding E. L. Thornton, resigned. Mr. Wright was re-elected president of the trust company.

Re-elections to the bank's official staff were F. A. Nienhauser, vice president; A. O. Jensen, cashier, and A. W. Warn, assistant cashier. All officers of the trust company were re-elected. Mr. Thornton, it was announced, has accepted the position of treasurer and financial manager of the Pioneer Grain Corporation, Minneapolis.

Two new directors, Fred Rosen, of the Rosen Tanning Company and F. C. Listoe, of Listoe and Wold, were elected to the directorate of the National Exchange Bank of St. Paul at the annual elections held at the bank offices January 12.

Progress of United States Shown in Statistics, 1900-25

Compilation by the National City Bank of New York

	(000 omitted)	1925	1913	1900
Area (square miles) a...	3,027	3,027	3,027	3,027
Population	114,576	96,512	76,129	76,129
Wealth	b\$320,804,000	c\$186,300,000	\$88,517,000	\$88,517,000
Money in circulation...	\$4,774,313	\$3,363,738	\$2,055,151	\$2,055,151
National debt, gross...	\$20,516,272	\$1,193,048	\$1,263,417	\$1,263,417
Interest bearing debt...	\$20,210,906	\$965,707	\$1,023,479	\$1,023,479
Annual interest	\$881,806	\$22,899	\$40,160	\$40,160
Gold imported	\$134,145	\$69,194	\$44,573	\$44,573
Gold exported	\$248,730	\$77,763	\$48,267	\$48,267
Gold produced	n\$51,912	\$88,301	\$79,171	\$79,171
Gold in circulation....	\$428,102	\$608,401	\$610,806	\$610,806
Gold cert. in circul....	1,003,000	1,003,998	200,733	200,733
Silver imported	\$71,606	\$41,269	\$35,250	\$35,250
Silver exported	\$108,823	\$71,614	\$56,712	\$56,712
Silver produced	n\$43,540	\$40,865	\$35,741	\$35,741
Silver in circulation...	\$316,900	\$226,585	\$142,050	\$142,050
Silver cert. in cir'tion..	\$379,796	\$469,129	\$408,466	\$408,466
Bank capital and surplus, all	i\$6,081,600	i\$3,846,000	\$1,673,100	\$1,673,100
Bank total resources...	j\$57,144,700	j\$26,971,000	\$10,785,800	\$10,785,800
Deposits, all banks....	\$46,765,942	\$17,279,000	\$7,239,000	\$7,239,000
Deposits, nat'l banks...	\$16,354,912	\$5,831,000	\$2,458,000	\$2,458,000
Deposits, sav. banks...	\$9,065,181	\$4,725,000	\$2,390,000	\$2,390,000
Savings depositors....	14,540	10,767	5,898	5,898
Gov't receipts, ordinary.	\$3,780,000	\$724,111	\$567,241	\$567,241
Gov't receipts, customs.	\$547,000	\$318,891	\$233,165	\$233,165
Gov't receipts, internal revenue	\$2,589,175	\$344,417	\$295,328	\$295,328
Gov't expenditures, ordinary	\$3,529,000	\$724,512	\$520,861	\$520,861
Gov't expenditures, pensions	\$217,151	\$175,085	\$140,877	\$140,877
Farms, value	j\$11,404,000	g\$40,991,000	\$20,440,000	\$20,440,000
Farms, value of crops...	\$4,834,512	\$6,133,000	\$3,192,000	\$3,192,000
Farm animals, value...	e195,714	\$5,502,000	\$2,228,000	\$2,228,000
Factories, number	No data	i275,000	207,500	207,500
Factories, capital	No data	i\$22,790,000	\$8,975,000	\$8,975,000
Manufacturers produced	e\$60,461,000	i\$24,246,000	\$11,406,000	\$11,406,000
Mineral products.....	j\$5,318,000	\$2,434,000	\$1,107,000	\$1,107,000
Production of coal, long tons	j520,000	508,893	240,789	240,789
Production of petroleum, gallons....	32,000,000	10,434,740	2,672,062	2,672,062
Production of pig iron, long tons	331,405	30,966	13,789	13,789
Production of wheat, bu.	697,272	763,380	522,230	522,230
Production of corn, bu..	3,013,390	2,446,988	2,105,102	2,105,102
Production of cotton, bales	15,386	14,156	10,123	10,123
Production of beet sugar, pounds	1,769,600	1,385,000	163,458	163,458
Production of cane sugar, pounds	459,760	325,147	322,549	322,549
Imports, value (fiscal year)	\$3,824,000	\$1,813,008	\$849,941	\$849,941
Imports, foodstuffs	\$903,130	.....	\$230,944	\$230,944
Imports, mfg. material.	\$1,430,011	\$635,210	\$276,241	\$276,241
Imports, mfrs. material	\$1,468,505	\$757,581	.....	.....
Exports, domestic value	\$4,778,331	\$2,428,500	\$1,371,000	\$1,371,000
Exports, foodstuffs	\$1,060,500	\$503,000	\$545,602	\$545,602
Exports, mfg. material.	\$1,393,736	\$731,759	\$325,244	\$325,244
Exports, mfrs. material	\$2,316,800	\$1,185,103	\$485,021	\$485,021
Sugar imports, lbs. mfg.	11,189,105	6,590,700	4,018,000	4,018,000
Sugar produced from beets, lbs.	4,139	.....	.....	.....
Automobiles mfg. ....	.....	485	5,000	5,000
Automobiles in use....	n19,000	1,258	13,000	13,000
Automobiles and parts of exported	\$245,287	\$31,243	No data	No data

(a) Exclusive of Islands, Panama, Canal Zone and Alaska. (b) 1922. (c) 1912. (d) 1919. (e) 1923. (f) Individual deposits. (g) 1910. (h) 1920. (i) 1914. (j) 1924. (k) 1921. (l) Exclusive of manufactured foodstuffs. (m) Includes sugar from United States islands. (n) Estimated.

HELPFUL HINTS FOR CAREFUL INVESTORS

(Continued from page 25)

of 4½ per cent. bonds to the Harris Trust and Savings Bank. The city has a population of over 70,000. As officially reported the assessed valuation is \$71,863,014 while the total debt is \$7,147,378. These bonds are due serially 1933 to 1968 and are being offered at prices to yield 4.30 to 4.35 per cent.

Review of the Live Stock Markets

C. A. Marzolf, Market Reporter. Minnesota Department of Agriculture

South St. Paul, Minn., January 12, 1926—Country loadings of cattle considerably in excess of what the trade anticipated both here and at Chicago at the outset of the week enabled packers to enforce a 15 to 25c or more down turn on steers, she stock and other killing classes holding to last week's closing levels. Light receipts were offered today and are in prospect for the remainder of the week as the result of the present heavy snowfall. This fact together with the higher trend at outside points may be expected to have a bullish influence and cause a favorable reaction on steers before the week is out.

Youngsters which averaged around 1,060 pounds topped for the week thus far at \$10.00, best heavy bullocks stopping at \$9.65, these averaging 1,309 pounds. Other desirable shortfed selections have landed at \$9.00 to \$9.50, with bulk of the steer crop centering in the \$7.50 to \$8.75 range. Low grade and interior offerings that are neglected by feeder buyers are selling largely at \$7.00 and down. Specialties in the she stock line have sold upwards to \$8.50 for straight carlots of heavy heifers and \$7.50 for comparable grades of cowstuff. Bulk of the cows and heifers are landing in the \$4.50 to \$7.00 spread with offerings at the inside price pretty much on the low grade order. Canners and cutters are still on a \$3.50 to \$4.00 basis with sausage bulls mostly at \$5.50 to \$6.00. Veal calves gained 25c for the period, most good lights today selling at \$11.00.

Stocker and feeder output has narrowed considerably and values have eased off weak to 25c for the period. Clearance out of first hands has been largely in the \$6.00 to \$7.25 range, fleshy well bred selections selling upwards to \$8.25.

The hog market took a nose dive at this week's opening but prompt recovery was made Tuesday of Monday's losses and bulk of the butcher and bacon hogs cleared today at \$11.75 to \$12.00 or 25 to 35c higher than a week ago. Packing sows sold largely at \$9.25 compared with \$9.00 to \$9.25 a week earlier. Pigs dropped sharply on Monday of this week, \$12.25 taking the bulk all that day, while \$12.50 was paid for today's light supply of pigs.

Fat lambs sold on opening days of this week at \$14.75 to \$15.25, heavies \$12.50 to \$13.00, culls \$10.50 to \$11.00, these prices being around 25c or more lower than a week ago. A firm market prevailed for fat ewes, lights and handy-weights opening at \$8.50 to \$9.00, heavy ewes \$7.00 to \$8.00.

CHICAGO

Chicago, Ill., January 12, 1926—Local receipts of cattle Monday were excessive, approximating one-third of the supply at 11 markets. Packers accordingly had a bearish argument and succeeded in reducing costs on beef and butcher stock unevenly 15 to 25c. Exceptions to the above rule were cannery, cutters and bologna bulls, these ruling firm and 10 to 15c higher on the latter class under the support of sizable outside orders.

General average quality of the day's steer run was comparatively plain, most offerings finding an outlet within the \$8.50 to \$10.00 register, and comprising mainly in-between grade shortfed selections. Best youngsters 1,061 pound Iowa fed offerings topped at \$11.50 while a scattered showing of other well finished selections appeared at \$10.75 to \$11.00, the latter price being paid for two loads of 1,441 pound weights. Stocker and feeder dealers had but a limited selection, most steer offerings being on the beef order. Price levels for thin fleshed offerings were accordingly firm with clearance largely in the \$7.00 to \$8.25 range, meaty offerings selling upwards to \$8.50.

Fat cows predominated at \$5.00 to \$7.00 with strong-weight koshers upwards to \$8.00. Heifers were largely \$6.75 to \$8.00 kinds, with yearlings eligible upwards to \$9.50. Cannery stopped at \$3.90, generally with cutters up to \$4.25 and \$4.50. Sausage bulls centered at \$6.00 to \$6.25, with heavies upwards to \$6.50. Veal calves selling on a steady to 25c lower market went into packer channels at \$11.50 to \$12.50, bulk at \$12.00 and up late.

The week opened with a run of 80,000 hogs at this point but eastern killers dipped in freely, shippers taking a total of 23,000 hogs leaving a moderate holdover of 14,000. While the market showed some losses on Monday these were all regained on Tuesday and current values are little changed compared with a week ago. Bulk of the 225 to 300 pound butchers cleared today at \$11.50 to \$11.80, desirable 160 to 210 pound weights \$11.80 to \$12.25, 140 to 150 pound selections \$12.20 to \$12.40. Packing sows sold mostly at \$9.75 to \$10.10, better grades of killing pigs around \$12.50.

Fat lamb prices are weak to 25c lower than last Tuesday, bulk of the sales today being made at \$15.75 to \$16.00, with a few loads at \$16.10 and \$16.15. Yearling wethers sold upward to \$13.85. Desirable fat ewes sold as high as \$9.25, heavy kinds being salable down to around \$8.00.

SIoux CITY

Sioux City, Iowa, January 12, 1926—With 10,000 hogs here the market showed considerable strength closing 25 to 35c higher. The range was \$11.25 to \$11.85 with the bulk at \$11.60 to \$11.80. The Tuesday run included 3,500 cattle which sold on a strong basis. Fed steers and yearlings are quotable from \$7.50 to \$11.25, fed cows and heifers \$5.50 to \$10.00, others \$4.00 to \$5.50, cannery and cutters \$3.00 to \$4.00, stockers and feeders \$5.00 to \$8.50. There were 3,000 sheep on sale today and the early bidding was mostly 15 to 25c lower.

NORTH DAKOTA CROPS VALUE TABULATED

Grand Forks, N. D.—North Dakota attained fifteenth place in the United States in 1925 for its crops whose hypothetical value has been placed by United States officials at \$278,722,000 according to data received at the office of H. O. Herbrandson, agricultural statistician.

Farm crop valuation in 1925 for 22 crops was 85.4 per cent. of the 1924 valuation for the same number of crops. The hypothetical value of all crops in 1925 was 78.35 per cent. of that of 1924, the report indicates.

Based on the 1925 farm census the report listed 75,969 farms in North Dakota, the average value of crops on each farm in the state was \$3,669.91.

The hypothetical value of all crops in North Dakota in 1924 was \$355,727,000 as shown by Government figures and the average for the years 1919 to 1923, inclusive, was \$216,389,000. For 22 crops, the 1925 valuation was \$256,424,000; for 1924 it was \$32,269,000 and the average for years 1919 to 1923 inclusive was \$190,078,000.

North Dakota held twentieth place in the United States in value of 22 farm crops for the year 1919 to 1923, inclusive and twenty-fourth place in value of all crops, eighth place in 1924 in value of 22 crops and ninth place in value of all crops. The 1925 value of all crops placed the state in thirteenth place in the nation.

CREDIT ASSOCIATION MANAGER COMMENTS ON CROOKED LAWYERS

New York—Many frauds perpetrated in business are the result of aid given by astute but crooked members of the legal profession, says J. H. Tregoe, executive manager of the National Association of Credit Men, in an appeal to members of the bar throughout the country to rid their ranks of such attorneys.

"The members of the Credit Fraternity," says Mr. Tregoe, "have set their hearts on cleaning out the commercial bandit, on surrounding credit transactions with reasonable safety and on limiting commercial failures to legitimate reasons."

La Salle 1357

We Sell and Buy Cattle, Hogs
and Sheep for Everybody

PERCY VITUM & COMPANY, Inc.
LIVE STOCK COMMISSION

Rooms 325-327 Exchange Building, South St. Paul, Minn.
Established 1888

Ups and Downs of Wheat Prices

Office of Commercial West, Minneapolis, January 13—Fluctuations within narrow limits featured the wheat market the first days of this week. Commenting on this, The Northwestern Miller today says:

"The world's wheat situation continues to be confused, and the medley of reports last week brought a nervous market. Argentine and Canadian prospects are gradually developing a more bullish complexion. Offsetting this tendency is the weakness of cash values under sluggish exports and the slack domestic flour trade. Beginning the past week at \$1.827½, the close on January 4, the Chicago active future had declined to \$1.77½ at the close on Saturday, January 9."

The Government Report

The grain market fluctuated sharply during the past week but there was very little change in the general market situation, according to the weekly grain market review of the Department of Agriculture. Uncertainty as to the outcome of the Argentine crop continued to be a disturbing factor. European buyers failed to come into the market as expected.

Argentine news for the week continued generally favorable. Flood damage occurred in southern Europe, with considerable loss to winter sown crops reported from France.

Offerings of spring wheat were heavier, but demand became less active and premiums were slightly reduced. Durum premiums were higher as a result of a better demand and smaller offerings, No. 1 amber being quoted at Minneapolis at the Duluth May price to 19c over. Duluth May durum had advanced 1c by Friday. The market for winter wheats was higher with demand more active. Eastern and central states mills as well as local elevators bought hard winter wheat in the Central Western markets and premiums held firm. The demand for soft winter wheat was better than for some time. Southern and southwestern mills bought freely at practically all the markets. Prices were very firm, one car of No. 2 red winter 7 per cent. dockage selling at \$2 per bushel at St. Louis. The demand on the Pacific Coast was only moderate.

Movement of Wheat in the Northwest

Figures compiled by the Great Northern and Northern Pacific railroads show that a crop of about 105,000,000 bushels of wheat was raised in the territory supplied by these two systems.

The survey shows that of this amount 80,000,000 bushels already have been shipped to the markets, with 19,000,000 bushels remaining in storage in country elevators and approximately 5,900,000 bushels on the farms. The farmers of the Northwest have already disposed of enough wheat the survey shows, to net them almost \$150,000,000 if they receive only \$1.50 a bushel.

Light motor trucks played a prominent part in the quick disposition of the 1925 crop, many farmers hauling their grain direct from the thresher to town by truck and making trips day and night where harvest was heaviest.

Usually the farmers carry over until March 1 about 20 per cent. of their crop, records show but this year it has already been reduced to about 6 per cent.

Wheat Situation Appraised by Murray

In his weekly grain letter, Nat C. Murray, statistician for Clement, Curtis & Co., who has just returned to Chicago from the Argentine, says of the wheat situation:

"A statistical review of the first six months of the current season is summarized in the following, with comparisons, quantities being in hundreds of millions of bushels (i. e., 000,000 omitted).

	1925-6	1924-5	Average 1920-25
U. S. crop east of the rockies.....	569	796	727
U. S. crop west of the rockies	100	67	108
Total	669	863	835
World crop, exporting countries ...	2,110	2,117	2,134
World crop, importing countries ..	1,210	973	996
World crop total	3,320	3,090	3,130
U. S. stocks, July 1	85	106	102
World visible, July 1	169	209	176
U. S. primary receipts to Jan. 1	247	400	293
U. S. prim. receipts Jan. 1 to June 30 ..	...	110	123
U. S. exports, July 1 to Jan. 1	52	181	166

U. S. exports, Jan. 1 to June 30	77	90
World exports, July 1 to Jan. 1	278	322
World exports, Jan. 1 to June 30	355	357

"The above figures of world production exclude Russia which has exported about 11,000,000 bushels this season, included in the export figures above. The figures above would indicate that for the remaining six months world exportable supplies are somewhat larger than at this time last year, and that production in importing countries was also somewhat larger, although the geographical distribution of the supply is such that the increase over last year is where it has small influence on the world markets. The small world exports for the first six months of the season is explained by the small exportable surplus in the United States, which exports its surplus earlier in the season than the other exporting countries.

"In the United States east of the Rocky Mountains the balance between the apparent supply and requirements is closer than it was a year ago and is so close that even a small error of say 10 or 15 million bushels in the calculations on the basis of estimate of production may have an important influence in prices before the end of the season."

Western Canada's Big Wheat Crop

Western Canada in 1925 produced the second largest wheat crop in the country's history, and fortunately, due to world conditions, and especially to the short crop in the United States, a large portion of our crop has already been sold at high prices, which still maintain. Various estimates of the total wheat yield run from 387,000,000 to 425,000,000 bushels, but the correct figures will not be known until next September. On December 31, 1925, the farmers of the three Prairie Provinces had delivered at country points the large total of 308,854,997 bushels, as compared with 165,708,945 for the same period last year, and 323,500,000 bushels in 1923, the year of the bumper crop.

Up to the end of December there had been inspected 261,630,050 bushels, which, based on the average prices that prevailed during the last five months of the year, shows a total value of around \$352,521,728 as against the larger movement in 1923 with a value of only \$244,995,600 and \$215,450,123 in 1924, when higher prices prevailed, but the movement and yield was considerably less.

Quick Movement of Canadian Wheat

All previous records for the marketing of grain during the first week in January have been beaten on both railways, for, from January 1 to midnight on January 7, no less than 4,734,008 bushels of all grains have been marketed at western points which is a figure unapproached before, railway officials stated last night.

For this period 2,155,018 bushels were marketed along Canadian Pacific lines, with 2,579,000 bushels at points on the Canadian National railway.

From August 1 to midnight January 7 there have been loaded into 244,444 cars 344,614,236 bushels of all grains, while from January 1 to January 7, record loading figures were established with the handling of 4,564 cars.

On Canadian Pacific lines 165,763,128 bushels of wheat have been marketed since the beginning of the year and 38,362,757 bushels of coarse grains, making a grand total of 204,125,885 bushels. On the same railway for the same period loadings amounted to 185,614,236 bushels in 126,914 cars, with over 16,000,000 bushels in store. Of this amount officials stated that 83½ per cent. was wheat, which means that approximately 155,000,000 bushels of the estimated 424,000,000 crop for last season have been loaded on Canadian Pacific lines so far since August 1 with 165,763,128 bushels of wheat marketed.

Officials reported the Vancouver situation at midnight January 7 as follows: 22,000,000 bushels shipped with 4,305,352 bushels in store.

The Argentine Situation

Argentine news for the past week continued generally favorable although trade reports were current that a considerable percentage of the wheat in northern Argentina was of poor milling quality. Flood damage occurred in southern Europe with considerable loss to winter sown

Barnes-Ames Company

GRAIN MERCHANTS

Correspondents of

Ames-Barnes Co., New York
 Hallet Carey Swart Limited, Winnipeg
 Barnes-Irwin Co., Inc., Philadelphia
 Barnes-Jackson Co., Inc., Baltimore
 Smyth-Barnes & Co., Ltd., London, Eng.

DULUTH and NEW YORK

crop reported from France. Canadian stocks in commercial channels total around 131,000,000 bushels with about 180,000,000 bushels remaining in all positions for export according to unofficial trade estimates.

The Corn Market

The corn market held steady throughout the past week with demand improved by the colder weather. The higher grades were in good demand at all the markets but corn showing damage or high moisture sold slowly. Considerable high moisture corn is still being received in the markets of the corn belt, although the quality is improving. An important feature in the corn market during the week was the offer of a large implement concern to accept corn in payment on purchases of farm machinery on the basis of \$1 per bushel for No. 2 corn at Chicago.

Flax

The flax market held fairly steady, although the prospect of a record crop in Argentine continued to be a weakening factor. According to trade estimates around 2,500,000 bushels of flax are still available for market in the United States from the 1925 crop. The demand from crushers continues good and readily absorbed the light receipts.

"Puts and Calls" Tax Knocked Out

The 20 per cent. per bushel tax on trading in "puts and calls," otherwise known as "ups and downs" "bids and offers," and "privileges," has been knocked out by a decision of the United States Supreme Court in Washington.

It was good news for the members of the grain exchanges of the United States and bad for Winnipeg, which has had a monopoly of the business since this trading was stopped by the prohibitive tax imposed by Congress in 1921. Trading in privileges was started again late yesterday. Its effect was to help wheat prices.

The tax is contained in section 3 of the grain futures act, which is declared as unconstitutional by the Supreme Court, after having the case under advisement for months.

The decision was no surprise to leading grain men, as the Government's attorney recently, after making the argument favoring the constitutionality of the act before the courts, announced that personally he believed the act unconstitutional.

Puts and Calls Explained

Puts and calls are a puzzle to all except those who have traded in them. They are a species of insurance that gives a trader protection on both sides of the grain or provision markets and can also be applied in real estate or any commodity.

Calls give an intended buyer the option of taking article on an advancing market at a given price for which he pays a certain sum. He may not want it today or next month, but might decide to take advantage of it next month, all depending upon whether prices have advanced. In case of a decline a put gives a holder an opportunity to sell out at a certain price, thereby affording him protection against an advance or a decline.

There is nothing in the rules of the Chicago Board of Trade to prevent trading in "privileges," but the rules must be amended to affix rates of commission and for putting trades through the clearing house.

IOWA'S BIG CORN CROP PROBLEM

Des Moines, Iowa—Plans for presenting to other corn belt states the Iowa farm relief program and the picture of Iowa's hundred million bushel corn surplus out in the

field in huge wire baskets, are under way. Governor Hammil soon will issue the invitation for a conference of the other 10 corn states to be held in Des Moines some time this month.

Only 10 per cent. of the Iowa crop has been marketed, according to Secretary M. G. Thornburg of the Iowa department of agriculture. The corn fields of Iowa today are dotted with huge baskets of corn. A few farmers here and there are taking advantage of the Iowa warehouse law to seal up corn-cribs and borrow money on the corn, but the majority have built baskets of fence wire, some of them ten feet high and 50 feet in diameter, bulging with husked corn.

Nearly every cornfield has one or more of these big baskets, blanketed with snow.

The bumper Iowa corn crop of 478,590,000 bushels was more than 100,000,000 bushels above the average, and this excess lies out in the fields, while the corn cribs are filled to the limit.

The report of Mr. Thornburg, at the recent marketing conference, stated that the farmers had sealed 700,000 bushels as collateral for loans, and it was estimated that 2,000,000 bushels would be sealed before the end of the winter. The 2,000,000 bushels, though, is but a small fraction of the 478,590,000 bushel crop, 90 per cent. of which, Mr. Thornburg estimates, is still on the farms.

LUMBER OUTPUT AT HIGHEST SINCE 1916

Washington—Lumber production set one of America's 1925 records, according to announcement of the National Lumber Manufacturers' Association, placing the country's output for the year "slightly larger" than for any year since 1916. On the basis of weekly soft wood reports made to it by some 350 of the larger mills, the association said 12,428,809,277 feet were produced, against 11,828,948,847 in 1924.

Ship Your Grain
 to
CARGILL COMMISSION CO.
 Minneapolis Duluth

The Peavey Company
Handlers of Grain
 Minneapolis

X B A N K E R S X

Throughout the Northwest recommend this firm as one of the most reliable and up-to-date concerns in the grain business. We handle on consignment the grain shipments of farmers, as well as many farmer and independent Elevator Companies. Let us know your wants—we will show you every attention.

The Van Dusen Harrington Co.
 Business founded 1852
 Minneapolis Duluth X

Chicago Privilege Trading Legalized

Chicago, January 12—By a decision of the United States Supreme Court trading in puts and calls is legalized and in La Salle Street there is much jubilation. Information contained in Associated Press dispatches from Washington yesterday announced that section 3 of the Federal future trading act of 1921 had been declared void and unconstitutional by the court. This decision is the result of a suit brought against the act by H. P. Trusler of Emporia, Kansas, a member of the Board of Trade, who challenged the constitutionality of that part of the act imposing a tax of 20 cents on each bushel involved in transactions in privileges. Directors tonight supplied instructions to members that they can again trade in puts and calls and thereby protect their trades on either the long or short side of the grain markets.

Titans in Grain Battle

On the Chicago Board of Trade a titanic battle is being waged between the wheat longs and bears. Arthur Cutten who only a few months ago declared he could see nothing bullish in wheat, is now buying May wheat with an abandon which is characteristic of his operations when he once outlines his method of playing the market. Arrayed against him is Livermore of New York at the head of a powerful pool which has in the last four days poured between 20 and 25 million bushels of wheat in an effort to duplicate the crash which came last February. There is no doubt but that Cutten has the tacit consent of the Washington administration to support the market although only a few weeks ago he was called before the business conduct committee of the Board of Trade and admonished not to further add to his line of May wheat. At the same time two other members of the board were told to get rid of their December wheat. One held 2,000,000 bushels and the other was long a million, and their selling let the shorts down easy and permitted them to cover their trades. At the present time there is a mixture of politics visible around the exchange which does not augur favorably for the future, and it is this impending interference which has been keeping some traders of major importance from going into the market from a constructive standpoint.

Price Moves Irregular

Wheat experienced a week of irregularity, realizing by big holders after distant futures had recorded a new high level for the crop year supplying more weight than the trade could carry, but on the recessions buying attributed to Cutten and Livermore checked the selling and the market was in a feverish condition. Higher levels, due to a rise of 5@7c with the May leading, brought larger receipts to terminal markets, the total showing a gain of 602,000 bushels for the week and 980,000 bushels over a year ago. Cash quotations were firmly maintained at former premiums over the futures as milling inquiry improved and exports were larger, the outward movement for the week showing a gain of 3,000,000 bushels over a year ago. Argentine shipments were 270,000 bushels smaller and nearly 1,900,000 bushels less than a year ago, advices concerning the harvest in the southern section were not favorable and the return from threshers in the north show no improvement.

Wheat Closely Adjusted

World's crop and requirement statistics continue to show a close adjustment, Broomhall estimating surplus at 784,000,000 bushels on July 1, while needs total 608,000,000 bushels, leaving 176,000,000 bushels to take care of crop

losses and disappearances. Should the southern part of the Argentine return a smaller yield than has been estimated there would be a further contraction in the surplus and in the meantime weather in the United Kingdom and on the continent has precluded the possibility of completing field work. In France, Germany and northern Italy there is an ample snow covering for the areas seeded, but the acreage promises to be below that of last year in Europe as it is in the United States. Reports from American winter wheat fields have been conflicting and more damage has developed than previous reports had indicated. In this country there has been an increase of 172,000 bushels in visible stocks compared with a decrease of 3,632,000 bushels a year ago, but the total in sight is still 20,000,000 bushels short of a year ago.

Murray Gives Grain Stocks

Nat C. Murray, the Clement Curtis crop expert, estimates wheat stocks on farms east of the Rockies at 24 per cent. less than a year ago, and west of the Rockies at 128 per cent. more. Total for all the United States 18 per cent. less. Wheat in country mills and elevators, east of the Rockies, 16 per cent. less and west 156 per cent. more. Total for the United States 8 per cent. more than a year ago. Total bushels on farms, in country mills and elevators and in the visible on January 1 estimated at 325,000,000 bushels against 400,000,000 bushels a year ago. Total corn remaining on farms January 1 estimated 69.8 per cent. of the crop, against 60 per cent. a year ago, indicating 2,023,000,000 bushels, against 1,377,000,000 bushels a year ago.

Corn developed greater strength with May as the leader and prices rose 4@9c, before profit-taking sales brought about a setback of 2c. Although the weather was not entirely favorable for shipping, farm deliveries increased and arrivals at primaries were enlarged 1,186,000 bushels, but were 186,000 bushels under a year ago. An increase in the visible supply of 203,000 bushels compared with a gain of 2,325,000 bushels at this time in 1925 and the total is now only 775,000 bushels less than at this time last year. More export business was reported and industries bought with freedom as the quality of offerings improved. Contracts stocks here total 3,818,000 bushels against 1,861,000 bushels a year ago, while Argentine shipments were 400,000 bushels more than last week and 120,000 bushels in excess of a year ago.

Oats Hold Steadily

Oats were narrowly confined, but firmly sustained under a brisk shipping inquiry which maintained spot premiums over futures. Although receipts at all markets were 818,000 bushels larger the visible supply increased only 483,000 bushels, but the low prices now available caused the total to drop 1,703,000 bushels under a year ago, when the discount under wheat was much smaller. Argentine shipments were more than 1,050,000 bushels in excess of the week before and 1,200,000 bushels over a year ago. Speculative operations, however, were on a small scale as the big traders have been confining their operations to wheat.

Rye fell back 6c after rising 3c as foreign business failed to materialize, the week's takings being confined to 100,000 to go to Norway. Receipts were fair and the visible gained 340,000 bushels, but the total showed a decline of 9,200,000 bushels compared with last year.

Provisions were buoyant and active, recent low prices stimulating consumption and attracting foreign bids. The East bought with greater freedom, shipments were fair and exports larger. Hog receipts were much smaller than a year ago, and western stocks of lard decreased 3,000,000 bushels for the month and were 18,600,000 pounds smaller than a year ago. Accumulations of all meats showed an increase of 24,280,000 bushels compared with December 1 last year, but were 64,000,000 pounds smaller than a year ago.

Harvester Offer Thrills

The announcement made last Thursday by E. S. Simpson of the executive department of the International Harvester Company, stating that "dollar corn is now a reality for purchasers of International Harvester farm implements,"

The ALBERT
DICKINSON
 COMPANY
SEEDS
 FIELD SEEDS SEED GRAINS
 POULTRY AND LIVESTOCK FEEDS
 Minneapolis Chicago

supplied one of the greatest surprises the grain trade has ever experienced and it turned prices upward. The statement added: "In the belief that corn will go to or above \$1 a bushel within the next six months, and in the hope that its action will help to restore confidence throughout the corn belt, the Harvester Company has authorized its dealers to accept any merchantable corn in payment for implements on the basis of No. 2 corn at \$1 a bushel, Chicago. If corn goes above \$2 before the farmer is called upon to deliver it next May, June or July, he can sell it elsewhere and settle for his implement purchases in the regular way."

President Alexander Legge sent the following letter to Harvester branch house managers throughout the country: "You are authorized to notify your dealers that we will accept any merchantable corn in payment for purchases of International Harvester Company farm implements on the basis of No. 2 corn at \$1 per bushel, Chicago. The corn is to be delivered either at the local elevator or f. o. b. cars at dealer's station. Delivery is to be made in May, June or July, 1926. We are to give the purchaser 30 days' notice of delivery date so that he may deliver the corn without unnecessary interference with other work. This offer is to hold good until further notice and is to apply only to bona fide purchases made on or after this date by farmers to cover their reasonable requirements and is not open to speculators.

Higher Corn Expected

"We are making this offer in the belief that the price of No. 2 corn should reach \$1 per bushel, Chicago within the 90 day period fixed for delivery, and in the hope that this action on our part will help to restore confidence in the situation. Should it go higher before delivery is called for the farmer who has agreed to deliver corn in payment for International Harvester Company farm implements shall have the option of disposing of the corn elsewhere and settling for his purchases on regular terms. There is considerable variation in the relative cost of different articles of farm equipment today as compared with pre-war costs, but if the farmer in the corn belt purchases the same class of implements now that he actually bought in 1925, his corn will buy more farm equipment on the basis of this offer than the same number of bushels would have bought in the five-year period preceding the war. We call to the attention of corn growers the fact that the question of seed for the 1926 crop may prove even more serious than the present price question. Exhaustive tests indicate that corn of the 1925 crop does not germinate well. Unless the grower does a thorough job in selecting and testing his seed he may be confronted a year from now with a high price for corn and have little to sell."

Bunnell New President

Incoming officials of the Board of Trade were installed yesterday, John A. Bunnell succeeding to the presidency held for two years by Frank L. Carey, and Edwin A. Doern to the vice presidency. J. C. Wood, Horace L. Wing, Charles V. Essroger, Leslie N. Perrin and Earle M. Combs were elected directors.

Charles L. Johnstone, Jr., of Chicago and E. W. Dickers of Minneapolis have been elected members of the Board of Trade.

The Board of Trade clearing house is now in operation. It was given its first test with oats, and on the first day there were 3,440,000 bushels traded in. As a result the clearing house force was busy until an early hour of the morning before the new system functioned properly. Howard S. Robb is the manager.

Emil Maurice Larson, president of Henry Rang & Co., died suddenly last week when he was presumed to be recovering from a siege of pneumonia. He was one of the most popular members of the exchange and the funeral in Milwaukee was attended by a large number of Chicago members.

Annual dues of the Board of Trade have been reduced \$50 a year to \$200. The board has in the past year retired bonds to a total of \$140,000 and there is now outstanding \$250,000.

James Rowan has posted his Board of Trade membership for transfer. He has been a member since 1884.

MINNESOTA'S STATE DEPARTMENTS' COST DECREASED IN 1924

Washington—The total cost of operation and maintenance of the general departments of the state of Minnesota and the interest charges was \$32,227,000 in 1924, according to a bulletin just issued by the Federal Census Bureau. This was a decrease in the per capita over 1923 from \$13.78 to \$12.81. The total revenue receipts were \$55,131,000 which does not include proceeds of sales of bonds.

The per capita revenue receipts were \$21.92 in 1924, compared to \$16,825 in 1923. The amount derived from the general property tax levied was \$16,033,000, a per capita of \$6.37 in 1924, compared with \$3.37 in 1923. The assessed valuation of property in the state in 1924 was \$2,394,298,000.

Rosenbaum Grain Corporation
 GRAIN MERCHANTS
 EXPORTERS -- IMPORTERS
 Chicago, Illinois
Cash and Futures *Private Wires*

THE TENNEY COMPANY
 GRAIN COMMISSION
 To individual farmer shippers, as well as to farmers' elevators and independents, we offer Special Service.
 D. D. Tenney **Capital and Surplus,** F. C. Tenney
 MINNEAPOLIS **\$300,000** DULUTH

ESTABLISHED 1886
St. Anthony & Dakota Elevator Co.
 DEALERS IN GRAIN, LUMBER, FUEL
 MINNEAPOLIS :: DULUTH
 CONSIGNMENTS SOLICITED SATISFACTION GUARANTEED

Since 1885
 Bankers have recommended
McCARTHY BROS. CO.
 MINNEAPOLIS DULUTH
 May we serve you and your customers?
 Write for sample sacks.

ARMOUR GRAIN COMPANY
 CHICAGO, ILL.
 GRAIN DEALERS
 FUTURES ORDERS SOLICITED
 Winnipeg, Liverpool and United States Markets
 CONSIGNMENTS SOLICITED
 Chicago St. Louis Milwaukee Minneapolis Buffalo

Clement, Curtis & Co.
 Brokers
 Illinois Merchants Bank Building
 Chicago
 Grain — Stocks — Cotton

Brown Grain Co.
 GRAIN COMMISSION MERCHANTS
 A Carload or a Train Load,
 each receives same careful
 Sales Service. Ship to us.
 1151 Chamber of Commerce, Minneapolis, Minn.

TRUTH MAKES PROSPERITY SAYS CHICAGO BANKER

(Continued from page 13)

\$201,381, equal to 40 per cent. on capital stock, compared with a net of \$136,930 or 27 per cent., earned in the year preceding. Surplus was increased \$200,000 to \$500,000.

Mid-City Trust & Savings Bank had net earnings of \$152,390 last year, equal to 20.3 per cent. on the capital stock compared with \$176,123 or 23.05 per cent. in 1924. Surplus was increased \$50,000 to \$200,000.

Harris Trust & Savings Bank last year had net earnings of \$1,194,190, equal to 14.70 per cent. on the average capital employed compared with 14 per cent. in 1924. After the payment of \$480,000 in dividends there remained \$714,190 for undivided profits. All departments of the bank displayed an increase in business.

Federal Reserve Picks Up

Chicago Federal Reserve Bank in 1925 had net earnings of \$1,121,275, an increase of \$212,150 over 1924, and after dividends there remained a surplus of \$187,256. Last year's net was equal to 7.2 per cent. on average paid in capital and 2.4 per cent. on capital and surplus, comparing respectively with 6 and 1.9 per cent. in 1924.

The State Bank of Chicago reports net earnings for 1925 of \$1,115,000 after making proper provision for reserves and paying five per cent. of its net earnings into its employes' savings and profit sharing fund. These earnings are at the rate of 44.64 per cent. on the bank's capital of \$2,500,000 and at the rate of 12.14 per cent. on its average employed capital. During 1925 the bank paid regular quarterly dividends of four per cent. and an extra dividend of five per cent., making a total of 21 per cent. on its capital stock.

Gray a Bank Official

Central Manufacturing District Banks has reelected officers and directors and Carl R. Gray, Jr., son of President Gray of the Union Pacific Railroad, was elected vice president in charge of the industrial real estate department.

Fidelity Trust & Savings Bank officers and directors were reelected and \$30,000 was transferred from undivided profits to surplus, which now totals 70,000.

William T. Bacon, formerly vice president of the Northern Trust Company, and Jay N. Whipple, formerly with the Chicago Trust Company, have organized the investment banking house of Bacon-Whipple Company with offices at 105 South La Salle Street.

New Bank Organized

The Rush & Ontario Trust Company will start business with a capital of \$200,000 at the northwest corner of Ruch and Ontario Streets. The bank has been organized by Milton S. Poltke of Plotke & Grosby, who is a member of the directorate of the Sheridan Trust & Savings Bank. The building will cost \$2,750,000 and will be completed by January 1 next.

Stockholders of the Liberty Trust & Savings Bank have elected Arthur G. Leonard a member of the board of directors.

Ohio C. Barber, former president of the Diamond Match Company, who died in 1920, left an estate of \$5,654,035, of which more than \$5,000,000 will go toward the establishment of the Ohio C. Barber Agricultural & Industrial School to be conducted in connection with the Western Reserve University. The estate included \$2,210,370 in securities and \$2,316,348 in real estate.

Net earnings of the Northern Trust Company for 1925 were \$564,245, equal to 28.21 per cent. compared with \$542,882, or 27.14 per cent. on the bank's capital stock.

National Bank of Commerce earned \$80,000 net on capital stock, equal to 13.50 per cent. last year, which compares with a net of \$80,383 in the preceding year.

John J. Mitchell, Jr., has been elected an officer of his father's bank, the Illinois Merchants Trust Company, where he has been employed since shortly after the close of the World war. Mr. Mitchell, Jr. and T. Philip Swift were elected assistant cashiers at the annual meeting of the directors of the institution. Frank E. Taylor, for many years secretary, was elected a vice president and Howell

W. Kitchell was made secretary. H. M. Hanson, Paul C. Butcher, Norman B. Freer and M. W. Lowell became assistant secretaries and Harold H. Shockey and Robert S. Hotz, assistants to vice president. All other officers of the bank were re-elected.

At the annual meeting of the stockholders of the Stock Yards Trust & Savings Bank, Joseph G. Porter, formerly of the legal department of the Illinois Merchants Trust Company, was made trust officer. The president reported that the bank had net earnings of \$210,752 in 1925, exceeding those of any previous year.

Europe Is a Convalescent

Dr. Walter Lichtenstein, executive secretary of the First National Bank, returning to Chicago after an absence of nearly three months abroad, says Europe is a convalescent and requires the exercise of a great deal of patience and a careful diet in order to bring about a return to a healthy condition. He visited Great Britain, Germany, France and Italy.

On January 28 the Illinois Bankers Association will give its annual mid winter dinner at the Hotel Sherman at which Francis H. Sisson, vice president of the Guaranty Trust Company of New York and Judge Marcus A. Kavanaugh of Chicago, will be the principal speakers. Judge Kavanaugh's theme will be "The Crime Situation."

Directors of the First Englewood State Bank voted to increase surplus to \$100,000 by transfer of \$50,000 from undivided profits. An extra dividend of 2 per cent. was ordered.

C. D. Van Vechten of Cedar Rapids, Iowa, father of Ralph Van Vechten, vice president of the Continental & Commercial National Bank, and Carl Van Vechten, the author, died on January 5 from pneumonia.

David M. Yates has been elected second vice president of Marshall Field & Co. He came from Canada in 1887 and has been general manager of the retail store of the company since 1915.

Steady expansion in the business of the Central Manufacturing District Bank made increased facilities imperative and at a cost of \$200,000 an addition to the banking structure is now being constructed on land east of the present structure purchased by the bank. Present quarters are also being remodeled and when these improvements are completed banking facilities will be doubled.

The Second Ward Savings Bank of Milwaukee, of which Joseph E. Uihlein is president, has deposits of \$34,765,180. The institution began business 70 years ago.

Banking House Organized

Esch & Co. have succeeded to the business of Bard, Esch & Co. which has been dissolved, and offices at 137 South La Salle Street have been retained by the new company. B. L. Bird, James J. Schmaltz and C. J. Litzky have acquired an interest in the company and have been elected vice presidents.

Ralph A. Bard & Co. 105 South La Salle Street, announce that Roy E. Bard has acquired an interest in the company and has been elected vice president.

Barnard C. Luce of Detroit has been admitted to partnership by Paine, Webber & Co., and been appointed resident manager of the Detroit branch. He has been with the firm for 20 years.

Cecil Dixon has been elected vice president of Folds, Buck & Co. He was formerly a partner in Hathaway & Co.

Thomas T. Coxon has been appointed manager of the Chicago office of the Bankers Trust Company of New York to succeed Paul D. Meyers, who resigned to become associated as a partner in W. S. Kies & Co., a New York private banking firm. Mr. Coxon has been manager of the Minneapolis office of the bank.

William F. Nitz and Albert Seckel have been elected vice presidents of Hill, Joiner & Co.

John L. Ferguson, for 50 years in the passenger department of the Chicago & Northwestern Railroad in Chicago and Milwaukee, has retired as assistant to the passenger traffic manager.

Benjamin Joy is now associated with Dillon, Read & Co., having resigned the vice presidency of the Bankers Trust

Company of New York, and has been elected chairman of the United States Foreign Securities Corporation.

Frank Ford Adair is now associated with L. G. Weaver & Co. He was formerly with the Northern Trust Company.

Leon M. Woolf of Lowitz & Co. has opened a branch office for the firm at 3165 Lincoln Avenue.

The Richard Securities Company has been organized by Otto C. Bruhlman, Alfred G. Johnson and Harry N. Weinberg with a capital of 1,000 shares of no par value. An office has been opened at 231 South La Salle Street.

Capitalized for \$337,500 the Mortgage Securities Corporation has been organized by George H. Grear, Hayes McKinney and W. Edward Dever, with offices at 105 South La Salle Street.

The Aca Corporation has been organized by Edward W. Thomas, John C. Meiners and Kenneth W. Thompson for the purpose of owning or subscribing for shares of stocks or bonds. Offices are at 67 West Monroe Street.

Seymour Weller of Dillon, Read & Co. will be the speaker at the luncheon of the Investment Analysts Club at the Morrison Hotel Tuesday.

Banking News Notes

Demand for a closer contact between the various departments of the Byllesby Engineering & Management Corporation has been met by the publication of an executives' magazine issued this month under the title of "Byllesby Management." The primary purpose of the magazine will be to collect and publish information relating to the operation and management of public utilities. The publication is under the direction of Vice President Halford Erickson.

The Triangle State Bank has applied for a charter and will have a capital of \$50,000. Applicants for the charter are Peter N. Seiler, John W. Watson, Stanley G. Boberg, Arvid Peterson and William W. Horcher. It is expected that the bank will be opened for business on April 1 at South Chicago Avenue and Seventy-first Street at Cottage Grove Avenue. Arvid Peterson will be president of the new institution. For two years he was president of the Cottage Grove State Bank and for many years was a state bank examiner.

The corporate name of Borregard, Prochnow & Co. has been changed to R. E. Prochnow & Co. Offices at 231 South La Salle Street have been retained.

With the retirement of F. M. Zeiler from F. M. Zeiler & Co., John W. Douglass, Frank R. Wilkinson and Thaddeus R. Benson have succeeded to the business, which will be carried under the old firm name.

Henry S. Allen has been admitted to partnership in Spencer, Trask & Co., from which Albert M. Fox has retired.

Hambleton & Co. of New York, an investment security banking house established in 1865, has opened an office at 105 South under the management of F. E. Adams, who has been with the New York office for several years. Associated with him is Henry Bohling, recently of Omaha who has been representing the company on the road. The company also has branches in Philadelphia, Baltimore, San Francisco, Boston and Washington. The company is preparing to put out an issue of \$1,000,000 6 per cent. bonds of the Southwestern Light & Power Co.

"Packers have had a good year," said Louis F. Swift, president of Swift & Co., "although there was an unexpected recession in business early last spring. Swift & Co. had a good business although the supply of hogs was 20 per cent. smaller than in 1924 and prices were 50 per cent. higher.

The First Englewood State Bank has transferred \$50,000 to surplus from undivided profits, making surplus \$100,000 capital \$200,000 and undivided profits \$19,000. An extra dividend of 2 per cent. was also ordered.

Josiah Macy, vice president of Hambleton & Co., has returned to New York after an extended visit here.

In its current digest of the business situation the Central Trust Company of Illinois says it is not often that such a summing up of fundamental business operations indicates so clearly and unmistakably real improvement and progress."

The National Bank of the Republic has organized a retirement and pension fund for the benefit of employes, whose accounts will be maintained separately and into which the bank will pay 25 per cent. of the total contributed by each employe in addition to a special Christmas contribution at Christmas of 2½ per cent. of the dividends disbursed to stockholders. Income from bequests and gift will also be prorated over all accounts of employes.

Woodward-Newhouse Co.
GRAIN COMMISSION
 MINNEAPOLIS - DULUTH
 O. T. NEWHOUSE, Pres. CHAS. E. KLINE, Secy.
 C. L. NEWHOUSE, Vice Pres. W. L. WALTER, Treas.

ANDREWS GRAIN CO.
 COMMISSION
 Minneapolis Duluth

A Good Firm to Ship to
Atwood-Larson Company
 Established 1889
 Grain Commission Merchants
 519 Board of Trade DULUTH, MINN. 1005-6 Chamber of Commerce MINNEAPOLIS, MINN.

McCabe Bros. Company
 Established 1889
 Grain Commission Merchants
 DULUTH MINNEAPOLIS
Send samples and we will give you values.

SERVICE RELIABILITY
LOUIS N. RITTEN
 GRAIN COMMISSION
 DULUTH MINNEAPOLIS MILWAUKEE

THOMSON & MCKINNON
 NEW YORK CHICAGO INDIANAPOLIS
 Brokers
 GRAIN, PROVISIONS, COTTON, STOCKS, BONDS
 MEMBERS:
 New York Stock Exchange
 New York Cotton Exchange
 Chicago Board of Trade
 Chicago Stock Exchange
 And All Leading Exchanges
 ST. PAUL OFFICE
 131 ENDICOTT BLDG. PHONE: CEDAR 3710

B. B. SHEFFIELD President W. H. SUDDUTH Vice President
Commander Mill Co.
Commander Elevator Co.
 Flour Exchange Minneapolis
 Daily Capacity with Associated Mills
 10,000 barrels
 Elevator Capacity—5,000,000 bushels

GRAIN STOCKS AT MINNEAPOLIS

Wheat in Minneapolis public elevators as reported by the Chamber of Commerce on January 9, with comparisons, in bushels (000's omitted):

Table with 4 columns: Grain type, 1926, 1925, 1924, 1923. Rows include No. 1 dark, No. 1 northern, No. 2 northern, and Others.

Totals 9,532 12,232 17,202 10,199. Stocks of coarse grain in public elevators in Minneapolis, in bushels (000's omitted):

Table with 4 columns: Grain type, Jan. 9, Jan. 2, Jan. 10, Jan. 12, Jan. 13. Rows include Corn, Oats, Barley, Rye, and Flaxseed.

STOCKS OF GRAIN AT DULUTH AND SUPERIOR

Grain stocks in Duluth and Superior elevators as on January 9, 1926, showing changes in the week: Wheat, Nos. 1 and 2 dark northern and Nos. 1 and 2 northern, 748,750 bu.; No. 3 dark northern and No. 3 northern, 102,995 bu.; other spring, 818,740 bu.; Nos. 1 and 2 amber durum and Nos. 1 and 2 durum, 1,299,752 bu.; No. 3 amber durum and No. 3 durum, 267,108 bu.; other durum, 4,365,785 bu.; Nos. 1 and 2 dark hard winter and Nos. 1 and 2 hard winter, 10,393 bu.; other winter, 2,451 bu.; bonded, 305,860 bu.; mixed afloat, 149,972 bu.; total wheat, 3,071,806 bu.; increase, 476,524 bu. Coarse grains—Oats, 9,677,713 bu., increase, 987,353 bu.; rye, 4,656,215 bu., afloat, 62,726 bu., increase, 103,722 bu.; barley, 799,226 bu., increase, 48,436 bu.; flax, 1,246,301 bu., decrease, 52,803 bu.

MINNEAPOLIS-DULUTH WHEAT RECEIPTS

Receipts of wheat in Minneapolis and Duluth from September 1, 1925 to January 9, 1926, compared with the corresponding period of previous years, in bushels (000's omitted):

Table with 5 columns: Location, 1925-26, 1924-25, 1923-24, 1922-23. Rows include Minneapolis, Duluth, and Totals.

GRAIN STOCKS AT CHICAGO

Table with 4 columns: Grain type, Public, Private, *Total, Last yr. Rows include Wheat, Corn, Oats, Rye, and Barley.

*Includes 864,000 bu. oats and 93,000 bu. barley afloat.

UNITED STATES VISIBLE GRAIN SUPPLY

Table with 4 columns: Grain type, This week, Last week, Last year. Rows include Wheat, Corn, Oats, Rye, and Barley.

NORTH AMERICAN GRAIN EXPORTS

Table with 3 columns: Wheat and flour bu., Corn, and values. Rows include This week, Last week, Last year, Since July 1, and Year ago.

WORLD GRAIN SHIPMENTS

Table with 4 columns: Grain type, Last week, Prev. week, Last year. Rows include Wheat, Corn, and Oats.

THE WEEK'S FLOUR OUTPUT

The following table shows the flour output at principal milling centers, together with figures covering a group of representative interior mills in each district, in barrels, as reported to The Northwestern Miller:

Large table with 4 columns: Region/City, Jan. 9, Jan. 2, Jan. 10, Jan. 12. Rows include Northwest (Minneapolis, St. Paul, Duluth-Superior, Outside mills), Southwest (Kansas City, Wichita, Salina, St. Joseph, Omaha, Outside mills), Central and Southern (St. Louis, Outside, Toledo, Indianapolis, Southeast), Pacific Coast (Portland, Seattle, Tacoma), and Totals.

Table with 4 columns: Location, 1925-26, 1924-25, 1923-24, 1922-23. Rows include Buffalo, Chicago, and Milwaukee.

*Minnesota, Dakota, Iowa and Montana mills outside of Minneapolis, St. Paul and Duluth-Superior. †Southwestern mills outside of centers named. ‡Mills outside of St. Louis, but controlled in that city. ¶Central states mills outside of Toledo.

FLAXSEED RECEIPTS AND SHIPMENTS

Receipts and shipments of flaxseed at Minneapolis and Duluth, September 1, 1925 to January 9, 1926, compared with the corresponding period of the previous year, in bushels (000's omitted):

Table with 5 columns: Location, Receipts 1925-26, Receipts 1924-25, Shipments 1925-26, Shipments 1924-25. Rows include Minneapolis, Duluth, and Totals.

MINNEAPOLIS GRAIN FUTURES

Table with 6 columns: Grain type, Jan. 7, Jan. 8, Jan. 9, Jan. 11, Jan. 12, Jan. 13. Rows include Wheat, Rye, Oats, and Barley for May (Old and New).

DULUTH GRAIN FUTURES

Table with 6 columns: Grain type, Jan. 7, Jan. 8, Jan. 9, Jan. 11, Jan. 12, Jan. 13. Rows include Durum and Flax for May and July.

CHICAGO GRAIN FUTURES

Table with 6 columns: Grain type, Jan. 7, Jan. 8, Jan. 9, Jan. 11, Jan. 12, Jan. 13. Rows include Corn, Oats, and Rye for May, July, and September.

WINNIPEG GRAIN FUTURES

Table with 6 columns: Grain type, Jan. 7, Jan. 8, Jan. 9, Jan. 11, Jan. 12, Jan. 13. Rows include Wheat and Flax for May, July, and October.

WHEAT RECEIPTS—CARS

Table with 5 columns: Location, Year, 1926 ago, 1926 ago, 1926 ago. Rows include Minneapolis, Duluth, Chicago, and Winnipeg for Jan. 7-13.

MINNEAPOLIS RECEIPTS—COARSE GRAINS

Table with 5 columns: Date, Corn, Oats, Rye, Barley, Flax. Rows include Jan. 7-13.

Stabilization of the Diamond Industry

United States Consul General D. C. Poole, Cape Town, South Africa

The leading South African diamond producers have renewed the interproducers' agreement which has governed their quotas of sales to the London Diamond Syndicate for a number of years. The quotas in the new agreement are unchanged from those previously ruling, giving 51 per cent. of the sales to the De Beers Consolidated Mines (Ltd.), 18 per cent. to the Premier Diamond Mining Co. (Ltd.), 10 per cent. to the Jagersfontein, and 21 per cent. to the Consolidated Diamond Mines of South West Africa. This agreement, accompanied by the new contract with the London Diamond Syndicate, has now been submitted to the South African government for approval, which, it is generally considered, is assured, as the government constantly has been in touch with developments. When the formal action has been taken it is probable that a public announcement will be made.

Importance to Producers and Consumers

This reorganization of the selling arrangements of the principal producers appears to have put an end for at least five years to the disagreements which have threatened since 1923 to disrupt the organization of the industry. It appears also to have removed for a similar period the possibility of the South African government's taking over the direct control of the output and sales of diamonds under the so-called Diamond Control Act, which became law during the summer session of the Union Parliament. The arrangement, which has now been completed, is the culmination of long-continued efforts and is of great importance to both producers and consumers of diamonds in all parts of the world.

Protection of South African Interests

The diamond control bill was intended to protect South African interests from the suspected manipulations of the diamond market by London investors. Official interference in the production and marketing of diamonds was not made mandatory, but the government was given the power to interfere whenever this seemed desirable in the public interest. The bill was amended during its passage through Parliament so as to encourage private agreements among producers to which the government could give its approval and thereby the force of law. If, as stated in the well-informed although unofficial circles, the government has been kept informed as the new arrangements were worked out, it is most probable that the law will remain inoperative for an indefinite time. It appears, however, to have served its purpose in confronting the various interests with an imperative need to come together if direct government control were to be avoided.

New Syndicate the Strongest in Diamond Industry

The new syndicate is the strongest which the diamond industry has known, both in the extent of productive areas whose output it will control and the financial resources of its members. It will have the disposal of the output of all the important mines in the Union of South Africa proper and of the Consolidated Diamond Mines of South West Africa (Ltd.) in the mandated territory. It will also control the output of the alluvial diggings of Angola and the Belgium Congo.

The sources of supply not under its control will include the alluvial diggings of South Africa, certain small mines in southwest Africa, and the production of British Guiana, Brazil, and other regions. Estimates indicate that the world's annual consumption of diamonds now approaches £13,000,000, of which the syndicate may control as much as £10,000,000.

Price Scale More Favorable for Producers

The contract which has been made between the syndicate and the producers is similar in principle to the arrangements heretofore existing, but embodies a scale of prices more favorable to the producer. The diamonds will be sold to the syndicate at a figure based upon the market price of diamonds during the preceding six months, a readjustment taking place at the end of each such period. The syndicate will bear any losses and take the whole of

any profit realized up to a certain figure. When the profit exceeds this it will be divided between the syndicate and the producers in a fixed proportion.

This contract will run for five years from January 1, 1926, and it is hoped that it can be indefinitely extended. The obvious effect will be to stabilize the world price of diamonds and possibly to increase it.

NATURAL GAS FOR COLORADO

Casper, Wyo.—Natural gas from Wellington dome, northern Colorado, has been turned into the 14-mile pipe line from the field to Fort Collins. This will be the first time natural gas has been used for domestic purposes in Colorado. The line was laid by the Colorado Public Service Company, and the gas will be marketed by the Poudre Valley Gas Company, both subsidiaries of Cities Service Company.

TRAFFIC IN PANAMA CANAL

Panama—Traffic through the Panama Canal for December was greater than any month since January, 1924. This is shown by statistics just issued by the canal authorities, giving the total receipts for the month as \$2,111,896 from 462 vessels passing through the waterway.

This brings the total tolls collected for the last calendar year to \$21,380,759. During the 12 months 4,774 ships, carrying cargoes approximating 24,000,000 tons, used the canal.



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 speciality

Write us for designs and estimates

FIRST NATIONAL BANK

MINNEAPOLIS, MINN.

Statement of Condition at the close of business
Thursday, December 31, 1925

RESOURCES

Loans and Discounts	\$ 53,784,586.49
Overdrafts	14,927.81
U. S. Government Securities	16,740,524.06
Other Bonds and Securities	5,947,803.55
Bank Buildings and Other Real Estate	1,198,510.74
Customers Liability Accounts	
Letters of Credit and Acceptances	3,417,834.74
Bankers Acceptances Purchased	1,430,635.04
Interest Earned but Not Collected	339,819.39
Cash on hand and due from Banks	25,278,695.35
	<hr/>
	\$108,153,337.17

LIABILITIES

Capital Stock	\$ 5,500,000.00
Surplus	5,000,000.00
Undivided Profits	450,423.69
Dividend Payable, Jan. 2, 1926	330,000.00
Reserve for Interest, Expenses and Taxes	549,023.30
Interest Collected but Not Earned	214,568.97
Circulation	1,650,200.00
Letters of Credit and Acceptances	3,417,834.74
DEPOSITS	91,041,286.47
	<hr/>
	\$108,153,337.17

Combined Deposits of First National Bank, Minneapolis Trust
Company and Hennepin County Savings Bank, \$114,700,262.05