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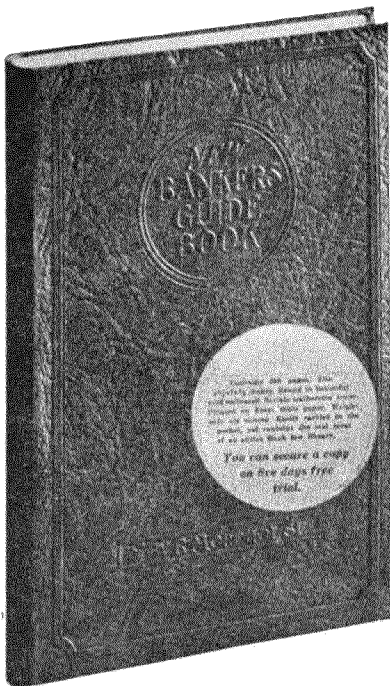
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Western Municipal Bonds

FUTURE BOND ELECTIONS

January 15—West Weiser Irrigation District, Idaho (P. O. Weiser)—\$23,000 Irrigation bonds.

April 5—Clark County, Wisconsin (P. O. Neillsville)—\$2,300,000 road bonds.

FUTURE BOND SALES

January 10—Clearwater County, Idaho (P. O. Orofino)—\$50,000 courthouse bonds; not exceeding 6 per cent. J. Kauffman, county auditor.

January 11—Ramona Irrigation District, California (P. O. Ramona)—\$91,000 irrigation bonds, denomination \$500; 6 per cent.; 31¼ years average; certified check 5 per cent. Elizabeth Seay, secretary board of directors.

January 17—Minneapolis, Minnesota—\$3,000,000 permanent improvement bonds and \$300,000 river terminal bonds; denomination \$1,000; not exceeding 5 per cent.; 1-25 years serially; certified check 2 per cent. George M. Link, Secretary, board of estimate and taxation.

January 18—Kittitas County, Washington (P. O. Ellensburg)—\$225,000 road bonds; denomination \$100 or multiples; not exceeding 6 per cent.; 10½ years average; certified check 5 per cent. Fred T. Hoffman, county auditor.

January 28—Seattle, Washington, \$1,000,000 sewer refunding bonds; denomination \$1,000; not exceeding 6 per cent.; 11 years average; certified check 5 per cent. H. W. Carroll, city comptroller.

February 1—Hysham, Montana—\$16,000 waterworks bonds; denomination \$1,000 and \$500; not exceeding 6 per cent.; certified check \$500. J. L. Crawford, town clerk.

February 1—Lake of the Woods County, Minnesota (P. O. Baudette)—\$115,000 drainage funding bonds; denomination \$1,000; not exceeding 6 per cent. 10 years average; certified check 3 per cent. M. D. Weeks, county auditor.

BOND NOTES

Beverly, Nebraska, School District—The \$15,000 issue of bonds has been disposed of.

Joliet, Illinois—The park board is considering the issuance of park bonds to the amount of \$75,000.

Hastings, Nebraska—Intersection paving bonds to the amount of \$83,000 will soon be offered for sale.

Tekamah, Nebraska—The State has been awarded an issue of \$25,000 4½ per cent. paving bonds at par.

Hoopeston, Illinois, School District—Issuance of \$125,000 high school and gymnasium bonds has been authorized.

Kennard, Nebraska—Electric light and transmission line refunding bonds to the amount of \$10,000 will be issued soon as 5s.

Galesburg, Illinois—An ordinance has been passed providing for the issuance of water bonds to the amount of \$65,000.

Somonauk, Illinois, School District—An election was held recently to vote the issuance of bonds to the amount of \$25,000.

Allamakee County, Iowa (P. O. Waukon)—The Waukon State Bank has purchased an issue of \$60,000 road certificates.

Palo Alto, California—An issue of \$50,000 1-10 year serial water bonds has been sold to E. H. Rollins & Sons of Los Angeles as 5s.

Dayton, Washington—The Spokane & Eastern Trust Company of Spokane was awarded an issue of \$60,000 water system bonds.

Yuma County, Colorado, Rood School District (P. O. Yuma)—A recent election resulted in favor of issuing bonds to the amount of \$3,000.

Yoder, Colorado—Peck, Brown & Co. of Denver were the successful bidders for an issue of \$35,000 6 per cent. waterworks system bonds.

Gold Hill, Oregon—The Lumbermens Trust Company of Portland has purchased an issue of \$10,000 6 per cent. 10 year refunding bonds.

Minnewaukon, North Dakota—An election was held recently to vote an issue of auditorium completion bonds to the amount of \$13,000.

Nez Perce County, Idaho, Hatwai School District (P. O. Lewiston)—By a vote of 31 to 11 bonds to the amount of \$7,500 have been authorized.

Gurley, Nebraska—The United States Bond Company of Denver was awarded an issue of \$8,000 5 per cent. 5-20 year optional refunding bonds at par.

Hunter Township, Illinois (P. O. Paris)—The \$20,000 5½ per cent. road improvement bonds have been sold to the Hanchett Bond Company of Chicago.

Minneapolis, Minnesota—The Minneapolis Trust Company purchased the \$17,500 4½ per cent. three months' certificates of indebtedness with a premium of \$1.00.

Cook County, Illinois, School District No. 102 (P. O. La Grange)—An election will be held in the Spring to vote the issuance of bonds to the amount of \$75,000.

Seattle, Washington, Local Improvement District No. 4093—John E. Price & Co. of Seattle have purchased an issue of \$300,000 6 per cent. 1-20 year serial sewer bonds.

Palatine Township, Illinois, School District (P. O. Palatine)—Blyth, Witter & Co. of Chicago, were awarded at a private sale, an issue of \$125,000 high school bonds.

Mayville, North Dakota—M. E. Sellah of Hatton was awarded an issue of 5 per cent. 6-10 year serial city bonds to the amount of \$5,000 at 103, a basis of 4.55 per cent.

McIntosh County, North Dakota (P. O. Ashley)—The Bank of North Dakota of Bismarck has purchased the \$6,000 6 per cent. 3½ months certificates of indebtedness.

Cheyenne Wells, Colorado—Benwell & Co. of Denver have been awarded an issue of \$10,000 4½ per cent. 5½ year average refunding water bonds at 98.89, basis 4.74 per cent.

Clay County, Iowa, Drainage Districts (P. O. Spencer)—An issue of 5 per cent. bonds to the amount of \$10,800 has been purchased by the White-Phillips Company of Davenport at par.

King County, Washington (P. O. Seattle)—Issuance of Duwamish bridge construction bonds to the amount of \$3,000,000 has been recommended by the county planning commission.

Marshfield, Oregon—Ferris & Hardgrove, Blyth, Witter & Co. and Hugh McGuire & Co. all of Portland, jointly, were the successful bidders for an issue of improvement bonds to the amount of \$76,617 at 103.38.

Montague Water Conservation District, California (P. O. Montague)—The \$1,395,000 6 per cent. 32¼ years average water bonds were sold to Sutherland, Barry & Co. of New Orleans at 90, a basis of 6.77 per cent.

Polk County, Oregon, School District No. 29 (P. O. Independence)—Carl E. Nelson of Salem was the successful bidder for an issue of \$12,000 6 per cent. 1-12 year serial bonds at 103.56, a basis of 5.31 per cent.

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McKenzie County, North Dakota (P. O. Schafer)—Brewer, Brown & Co. and Paine, Webber & Co., both of Minneapolis, jointly, were the successful bidders for an issue of \$80,000 5 per cent. bridge construction bonds at par.

Santa Barbara, California—E. R. Gundelfinger & Co. of San Francisco were the successful bidders for the 5 per cent. 20 year average harbor bonds to the amount of \$200,000 at a premium of \$14,066-107.03, a basis of 4.41 per cent.

Rochester, Minnesota—An issue of 4½ per cent. 5½ years average permanent improvement revolving bonds to the amount of \$28,000 has been awarded the sinking fund for a premium of \$453.60-101.62, a basis of 4.17 per cent.

Cook County, Illinois (P. O. Chicago)—The Harris Trust & Savings Bank of Chicago was the successful bidder for an issue of 4 per cent. 10½ years average hospital bonds to the amount of \$999,000 at 99.41, a basis of 4.07 per cent.

Sonoma County, California, School Districts (P. O. Santa Rosa)—Dean Witter & Co. of San Francisco were the successful bidders for the \$75,000 2-21 year serial Petaluma City School District bonds at a premium of \$3,509-104.67, a basis of 4.46 per cent., and the \$60,000 2-21 year serial Petaluma City High School District bonds at a premium of \$2,559-104.26, a basis of 4.50 per cent. as 5s.

UNITED STATES GOVERNMENT BONDS

Price range for week ending January 5, 1927, as reported by C. F. Childs and Company, 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 1/32nd.

Table with columns: Issue, High, Low, Close, Yld. Rows include Liberty Loan 3 1/2s, 1932/47, Treasury 4 1/2s, 1947/52, etc.

Treasury Certificates and Notes

Table with columns: Issue, Bid, Asked, Yld. Rows include B-4 1/2s-March 15, 1927, T-3 1/2s-June 15, 1927, etc.

Federal Land Bank Bonds

Table with columns: Rates, Maturity, Bid, Asked. Rows include 4 1/2s January 1, 1936/56, 4 1/2s January 1, 1937/57, etc.

FOREIGN GOVERNMENT BONDS

Reported January 5 by Salomon Bros. & Hutzler, Minneapolis:

Table with columns: Security, Bid, Offer, Yld. Rows include Argentine Nation, Govt. of, 7, Feb. 1, 1927, Belgium, Kingdom of, 7 1/2, June 1, 1945, etc.

Canadian Securities

Table with columns: Province, Maturity, Bid, Asked. Rows include Province of Alberta, 5 1/2, July 1, 1927, Province of Alberta, 6, June 1, 1928, etc.

Table with columns: Province, Maturity, Bid, Asked. Rows include Province of Manitoba, 6, Aug. 1, 1928, Province of Nova Scotia, 4 1/2, May 15, 1927, etc.

STANDARD OIL STOCKS

Quotations January 4:

Table with columns: Stock Name, Bid, Asked. Rows include Anglo-Amer., Borne-Scrymser n, Buckeye Pipe, etc.

MINNEAPOLIS THEATRE COMPANY GOLD BONDS

Lane, Piper & Jaffray, Inc., Kalman & Co., The Minnesota Loan & Trust Company and The Minneapolis Trust Company, all located in the Twin Cities, and Brokaw and Company of Chicago, are offering \$1,200,000 Minneapolis Theatre Company first mortgage leasehold 6 per cent. sinking fund gold bonds of the Minneapolis Theatre Company. These bonds are dated December 1, 1926, and are due, serially, December 1, 1941. The bonds are secured by long-term leasehold and building to be erected on land at the northwest corner of Ninth Street and La Salle Avenue, Minneapolis. The theatre to be erected, which will also be a store and office building, has been leased to the Famous Players-Lasky Corporation for a term of years at a rental of \$165,000 yearly. It is estimated that the revenue will be twice the maximum requirements for interest and the retirement of the bonds.

EARNINGS OF STANDARD'S OPERATED PUBLIC UTILITIES

Combined net earnings of all operated properties of Standard Gas and Electric Company for the 12 months ended November 30, 1926, showed an increase of \$5,333,165 or 9.5 per cent., as compared with the previous 12 months. Gross earnings increased \$8,143,329 or 5.9 per cent.

BOND HOUSE OPENS OFFICE IN CHICAGO

Hayden, Van Atter & Co., dealers in investment bonds, Detroit and Grand Rapids, have opened an office in Chicago under the name of Hayden, Van Atter & Schimberg. The office is located in the Illinois Merchants Bank building.

SEATTLE ORPHEUM COMPANY BONDS

Blyth, Witter & Co. are offering \$1,000,000 Seattle Orpheum Company first mortgage 6 per cent. serial gold bonds, secured by the Seattle Orpheum Company and the Orpheum Circuit Company, Inc. The Orpheum Circuit, Inc., operates a line of theatres throughout the United States and Canada, and the marketable value of its assets are in excess of \$23,000,000.

We own and offer these
Municipal Securities

Selected From Our General List No. 81

The following, and many more, are available for investment of January Funds.
 You will be interested in our complete list; ask for it.

	DESCRIPTION	MATURITY	PRICE
\$50,000	Altus, Oklahoma, Waterworks Extra 5's.....	1946-51	4.80
125,000	Amarillo, Texas, 5% Funding Warrants.....	1928-37	100.00
15,000	Antlers, Oklahoma, Waterworks Extra 6's.....	1941-51	5.00
100,000	Atlantic-Gulf R&B District, Florida Road 6's.....	1930-42	100.00
25,000	Batesville, Ark., Paving District No. 5, 5's.....	1930-38	100.00
14,500	Breckenridge, Stephens County, Texas School 5's.....	1957-66	101.00
35,000	Brooks County, Texas, Court House 5's.....	1954	100.00
	Optional 1919		
65,000	Broward County, Florida, Deerfield School District 6's.....	1929-55	100.00
45,000	Carthage, Texas, Water, Street and Funding 6's.....	1942-65	5.25
45,000	Cleburne, Texas, Refunding 5 3/4's.....	1953-60	4.80
73,000	Dade County, Florida, School District No. 3, 6's.....	1930-47	5.60
52,000	Deland, Florida, Improvement 6's.....	1932-34	5.40
39,000	Del Rio, Texas, Funding 6's.....	1955-64	5.10
125,000	Denton, Texas, City Hall and Bridge 5's.....	1932-67	4.75
100,000	Eastland, Texas, Independent School District 5 1/4's.....	1927-66	5.00
27,000	Electra, Texas, Funding 5 1/2's.....	1955-66	5.25
54,000	Gorman, Texas, Refunding 6's.....	1947-51	5.50
39,000	Grapevine, Texas, Funding 5 3/4's.....	1931-66	5.40
170,000	Hidalgo County, Texas, Direct Obligation 6's.....	1946-49	5.00
35,000	Hodgeman County, Kansas, RHS District No. 1, 4 3/4's.....	1927-46	4.40
15,000	Hudspeth County, Texas, Common School District No. 3, 5 1/2's.....	1933-40	5.00
40,000	Indian River County, Florida, Special Tax, School District No. 1, 6's.....	1929-48	5.75
50,000	Kissimmee, Florida, Municipal Improvement 6's.....	1956	5.75
25,000	Leavenworth County, Kansas, Road 5's.....	1930-33	4.10
65,000	Littlefield, Texas, Sewer 6's.....	1947-65	5.25
180,000	McAllen, Texas, Refunding 6's.....	1928-66	5.25
14,520	Nowata, Oklahoma, Board of Education 6's.....	1931	4.80
75,000	Orlando, Florida, Improvement 5's.....	1932-36	100.00
50,000	Plant City Florida, General Improvement 5 1/2's.....	1945	100.00
40,500	Port Lavaca, Texas, Refunding 6's.....	1947-66	5.40
45,000	Roby, Texas, Funding 5 1/2's.....	1931-65	5.25
20,000	Sapulpa, Oklahoma, Waterworks 5's.....	1930	4.60
20,000	Shamrock, Texas, Waterworks 5 3/4's.....	1945-56	5.25
41,000	Slaton, Texas, Paving 5 1/2's.....	1929-50	5.00
60,000	Tahoka, Texas, Waterworks 6's.....	1927-66	5.25
29,000	Tulia, Texas, Street Improvement 5 1/2's.....	1938-57	5.10
44,000	Tulsa, Oklahoma, Board of Education 5's.....	1932-42	4.30
19,000	Tyler, Texas, Refunding 5's.....	1957-59	4.75
14,000	Valencia County, New Mexico (Salomon Luna), HSD 6's.....	1939-45	5.00
15,000	Weslaco, Texas, Refunding 5's.....	1937-66	5.40
26,000	Wichita, Kansas, Improvement 4 1/2's.....	1943-46	4.10 to 4.20
140,000	Wortham, Texas, Refunding 6's.....	1927-66	5.20

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MERGERS IN THE LAUNDRY BUSINESS

New York—The laundry industry, although introduced to Wall Street but a year ago, is making a strong bid to become one of the leading industries, according to bankers.

Although long established, the laundry industry was not introduced to investors until formation of the Consolidated Laundries Corporation as a merger of the more important laundry systems in the metropolitan area.

Since formation of Consolidated Laundries there has been six different mergers in other eastern districts. The efficiencies resulting from consolidations and the increasing business has influenced negotiations and it is expected that at least a dozen more mergers will be consummated during coming months.

The business has shown a steady increase in the last 16 years until in 1926, it is estimated, it totalled \$500,000,000, a gain of 500 per cent. since 1900. Bankers believe the

next five years will mark the complete evolution in the industry of a change from private ownership to large publicly financed corporations.

The Consolidated Laundries Corporation, the first publicly owned merger, does a business of \$10,000,000 annually, embracing different phases of service. It has just completed and put into operation one of the largest and most modernly equipped laundries at a cost of \$1,000,000.

Profits of the well managed companies have increased measurably in the last few years due to the adoption of scientific methods. It has been said by experienced managers, that of a given dollar of receipts a typical well managed laundry spent 25 cents for wages and salaries; 24 cents for collections and deliveries, including wages and commissions to route men; 16 cents for materials; 6 cents for fuel and power; and four cents for rent, taxes, and contract work, the remaining 25 cents representing a gross profit.

M.L.T.C.

THE MINNESOTA LOAN & TRUST COMPANY

MINNEAPOLIS

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December 31, 1926

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RESOURCES

Mortgages on Real Estate.....	\$ 1,759,499.14
Mortgages on Real Estate Guaranty Fund	139,800.00
Loans and Discounts.....	10,181,765.81
Municipal and Other Bonds.....	4,917,482.15
United States Govt. Securities.....	2,155,755.88
Real Estate, 311-313 Nicollet Ave.	150,000.00
Advances Secured by Trust Estates	165,457.35
Accounts Receivable	147,204.48
Overdrafts	269.13
Cash and Due from Banks.....	3,245,870.72
	<hr/>
	\$22,863,104.66

LIABILITIES

Capital	\$ 1,000,000.00
Surplus	1,000,000.00
Undivided Profits	755,955.27
Dividends Payable January 3, 1927	24,000.00
Special Deposits	2,500,000.00
Deposits	17,583,149.39
	<hr/>
	\$22,863,104.66

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Combined Deposits \$102,748,836.29



1883

COMMERCIAL WEST

Established in 1901

A WEEKLY JOURNAL

DEVOTED TO

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SATURDAY, JANUARY 8, 1927

Conservative Optimism

An analysis of the numerous opinions expressed by business experts and men of big affairs relative to what business conditions will be during the year just begun, will disclose that few of them entertain pessimistic views; yet there is evident a conservatism that indicates exercise of caution. It is beyond the power of mortal to predict what the future holds for any of us, or for the business world in general. A kind Providence directs affairs, and let it be hoped that the old world will be dealt with kindly this year. As voiced by Clarence W. Barron as his belief, "Divine Providence is in every second of every man's life, invisible to man that man may act in freedom and be a conscious self; but he is never in the least thought or act otherwise than under the infinite eye of his Creator."

What the present year will be is not up to one man, or any body of men, but is dependent upon the activities of all. There has never been handed down for man's guidance and his happiness anything surpassing the Golden Rule. If men in business will strictly adhere to this, and the nations of the earth do likewise, there need be no fear that the year 1927 will be a failure in any way.

Labor and capital is working hand in hand and in harmony better than ever before known. There is ample money in the United States for all needs. Living standards are higher than known in any past era of America. The outlook for crops is all that can be desired. There is promise of plenty for all who will make worthy effort to secure what they need. Then why worry about what the next 12 months may bring forth? An old friend of the writer, now enjoying life in his 84th year, attributes his health and his years to the fact that he never worried. His belief is that there is in life nothing

so serious that it justifies worrying about; that no condition or circumstance can be bettered through worry. It is fear that helps in bringing about wars and their horrors; that prevents progress; that causes business depressions and invites panics. Do away with fear and the greatest of the world's bugaboos will disappear. 'Tis well to be cautious, but overcautiousness, like overdrinking or overeating, is a danger to mankind. It is well to be temperate, to be conservative and cautious enough to avoid foolishness, and these things together with a close adherence to the Golden Rule if made the order of the year are sure to bring their rewards. The New Year is a youngster now, and should not be burdened down with troubles which are mostly imaginary, but rather should be imbued with a joyous and hopeful spirit.

The St. Lawrence Shipway

People of the Northwest are particularly interested in the recent report of Secretary Herbert Hoover to President Coolidge giving the recommendations of the American Commission of the Great Lakes-St. Lawrence shipway route to the Atlantic. The resolution introduced in the Senate by Senator Shipstead providing that the president enter into negotiations with Canada for the building of the proposed waterway will be hailed as a step in advance. Senator Shipstead cites the Hoover commission report showing that the construction of a shipway from the Great Lakes to the sea is imperative, both for the relief and for the future development of the interior section; that the shipway should be constructed on the St. Lawrence route, providing a suitable agreement can be made for its joint undertaking with the Dominion of Canada; that the development of the power resources of the St. Lawrence should be undertaken by appropriate agencies, and that negotiations should be entered into with Canada.

While the Hoover commission report is most favorable, the chairman of the Canadian National Advisory Committee on the St. Lawrence waterway, Hon. George P. Graham, has given out a statement that some of the appendices of the Canadian committee and which are included in the report made to the President, have not so far been approved by the joint engineering board. The work of the Canadian committee has been thorough, and it may be said highly favorable to the proposal of the United States that the waterway be built. Yet there will be opposition to the plan in Canada as well as in the United States. Advocates of the all-American route—decided by army engineers and other reliable authorities as impracticable—will endeavor to prevent the building of the St. Lawrence shipway. In Canada there will be strenuous objection made by the Eastern Provinces, the opponents of the canal contending that it will carry the head of ocean navigation beyond Montreal to Port Arthur and Duluth. Thus would Montreal cease to be the great port which it is at the present. It may be expected, according to Canadian authorities, that there will be strong objection to the project by Montreal and the Province of Quebec. On the other hand, Ontario, and the Canadian cities of the West

will give the scheme substantial support. Then it is possible that the far western cities of Canada will be against the plan, because it may draw shipping business from Vancouver, which is now western Canada's greatest seaport.

In an editorial on the canal proposal, the Manitoba Free Press says:

With advantages so palpable, it is easy to foresee how formidable will be the line-up of political and economic interests behind the demand that the Canadian Government should fall in with the proposal, if made by the United States Government, for the joint construction of the canal upon terms that will safeguard our control of the utility within our own territory. But there will also be a line-up against it of very powerful interests. It can be seen that the economic consequences of bringing ocean ships almost to the heart of the continent will modify, change and in some cases disrupt long established business relationships.

There can be little doubt as to the advantages of the canal to both the United States and Canadian people. It will bring their commercial interests closer and further cement the friendly relationship existing between them. However there is much to be done before active work can be commenced. It will require a few years before all details for the construction of the canal can be worked out, even should Canada be agreeable to the proposal of the United States.

Cut in Newspaper Postage

For years there has been more or less dissatisfaction with the way the postal affairs of the Government have been conducted. Year after year large deficits have been shown. Cost of operating the postal department have been millions of dollars more than the revenue derived by the service. Changes have been made in rates, increases particularly in second class and third class, with hopes that there would be a lessened deficit as a result. But these changes have caused a decrease in a comparative way, and have in no manner benefitted the people of the country or the postal department.

The zoning plan of fixing rates on newspapers and other publications comprising the second-class mail, has proved a failure. In 1920, the Post Office Department carried more than one billion, 147 million pounds of publications subject to zone rates, but in 1925 carried only one billion, 126 million pounds, or more than 21 million pounds less than in 1920.

The American Newspaper Publishers Association have asked Congress to so amend the postal laws as will give a lower and more equitable rate on publications. In a recent statement issued the association said:

"The present prohibitive rates were enacted as part of the War Revenue Act of October 3, 1917, and with the exception of the surcharge on Pullman service, newspaper mailing rates today represent the only war taxes which have not been either in part or wholly removed by the Government.

Since 1920, newspapers have left the mails to such a great extent that practically every daily newspaper in the United States today is shipping either less or no more copies of its publications than in 1920, while distributions through all other agencies has increased enormously since that time.

Complete evidence as to the distribution of newspapers both through the mails and by other agencies, has been presented to Congress at the hearings held by the joint sub-

committee considering postal rates. This sub-committee concluded its work last Saturday without recommendation on the major issues confronting it because of the inability of its various members to agree upon a report.

The House has passed a bill lowering the postal card rate from one and a half to one cent. This was because of the big loss in revenue because of the decreased use of such cards. About two years ago the rate was increased a half cent. At that time it was estimated that the revenue of the department would be increased ten million dollars yearly by cause of the raise. Actual results show that instead of an increase in income there was a decrease of nearly six million dollars.

Publishers do not want a rate so low that carrying of second-class mail will be at a loss, but such a rate as will fully compensate the Postoffice Department and at the same time be of advantage to the publishers and the public.

State Constabulary

Recently there was a meeting held at Owatonna and the Southern Minnesota Crime Prevention Association was organized. More than a dozen communities and half a dozen counties were represented by more than a hundred delegates. There was a thorough discussion of crime and crime prevention measures. The outcome of the meeting was the organization herein named, and the passage of resolutions calling upon the legislature to enact laws to establish a well trained state constabulary; provide more drastic penalties for law violators; subject gunmen, bandits and burglars to the lash, and make them serve the full sentences meted out to them; merge the state pardon and parole boards, to prevent these agencies from working at cross purposes; create a more stringent regulation of narcotic traffic; restore capital punishment, and license carrying weapons and punish those carrying weapons without a license.

The meeting will not prove in vain if it brings about the establishment of a state constabulary. Bankers have established county rangers for the purpose of preventing crime and running down criminals. Their efforts have resulted in some good, and no doubt have lessened bank robberies, still the results have not been all that they should be. Robberies have occurred and few of the offenders have been apprehended.

The Commercial West has advocated during past years the establishment of a state constabulary. Such bodies have been maintained for many years in New York, Pennsylvania and a few other states, and have proved efficient in checking crime and apprehending criminals. Bills have been introduced in the Minnesota legislature providing for the establishment of a state police body. But each has been defeated by the state sheriffs and the municipal police organizations.

Now that there has been made by the people a move to secure the legislation necessary for the institution and support of a state constabulary, let it be hoped that this year the passage of an adequate measure will be certain. The prevention of loss of property and life, the lessened court costs and the support of prisoners will more than compensate for all expense of maintenance of a state

police force. Every banker in the state should lend his support and influence toward the passage of the needed measure.

The Northwestern Railroads

Announcements recently made of proposed improvements of railroads of the Northwest, as well as the statements of earnings for the first eleven months of the past year, show that business is growing and that the roads are being more economically operated. The Dow, Jones & Company statisticians recently made an analysis of the advancement made by five of the northwestern railroads. These roads are the St. Paul, the Great Northern, the Northern Pacific and the Soo. It is shown that the total operating income of these roads for the year 1926 are likely to surpass any year since 1917, excepting, perhaps, 1923, and their operating ratio better than in any year since 1917.

The Great Northern for the first eleven months of 1926 led the other roads in its increase of operating income compared with 1925 and its operating

ratio is the lowest of the group. For the eleven months of 1926 the gross and net incomes of the roads were as follows:

	Gross rev.	Net Oper. income
St. Paul	\$148,107,540	\$17,532,653
C. & N. W.	142,561,068	22,023,252
Great Northern	109,272,860	29,561,712
Northern Pacific	90,160,953	22,266,666
Soo	43,414,508	6,583,228
Total	\$533,516,929	\$97,967,511

All the roads showed a lower gross than in 1923. Compared with the latter year the net operating income of North Western, Northern Pacific and Great Northern have shown decided improvement.

That the roads will do as well the present year, and likely improve in earnings, is the opinion of railroad experts. With business active and crops good this year there seems little reason to think that the roads will not equal last year's record. That the managers of the roads are hopeful can be deducted from the improvement programs outlined for the year.

THE BULL'S EYE
BY THE SHARP-SHOOTER

Comes a time in a man's life, if he lives long enough, when he looks around for a soft spot to sit down, mayhap, to lie down; when he undertakes no new venture but is content with conserving that which he has accumulated; a time when he "is afraid of that which is high;" when he dislikes being hurried, and chooses to walk slowly, work slowly, chew slowly, because his knees are stiff, his back bent, and his teeth poor and few. When a man has reached this stage, if he has in him the stuff of which good men are made, he wants to be his own boss, make his own hours and speed and have a bed and a roof from which he knows he will not be evicted. Such a person is the old man whom our Lady employs to weed the flower garden.

For the last three years this person has lived in a little log hut with a hard dirt floor a half mile up the road and back in a little fir thicket. He is an adept at keeping house for himself, is instinctively neat and can cook and mend to suit himself. He has had much experience in these things, for since his wife and child died many years ago, he has been a journeyman laborer all over the country working as night watchman, night fireman, woodsawyer, and splitter, lumber piler, dock wallopper, lone caretaker of property in the wilderness. Once, sometime in his life, he owned and operated a hardware and implement store. He tells but little of the connected details of his past, but he once told me "I've seen the time when I could draw my check for \$20,000." But now his back is badly bent, he grunts when he gets up and down and when he lifts heavy loads, he carries a stick when he walks the road, and goes at only half speed.

During the years I have known him I have never once heard him complain. He sees the bright side of things, even pain has something funny in it for him. One day while weeding the rose beds he observed to me with a chuckle: "Every rose has its thorn. I've had 'em, plenty of 'em." His one small vice is an old and evil smelling pipe, which I may commendably say, he never uses while working. I think in his day he punished a considerable amount of whiskey, but now he is bone dry in theory and practice. There is, I suspect, some latent profanity laid by on the shelves of his mental storeroom. But the fiber of his soul is thoroughly honest.

One day after work in the lower orchard he hid two axes and a grub hoe in the grass of the fence row, to save lugging them up and down the hill. Next morning they were not to be found. He was much disturbed in mind. I went to help him look for them, and after a time we

found them. He had believed they were stolen. "I was just gettin' ready," he said, "to go down and ketch that car to town and buy two axes and a grub hoe. I figured it 'd cost me something more 'n six dollars, maby six and a half." "But you wouldn't have to buy an ax for me," I said. "Why not?" he shot back, "Wouldn't I 'a lost it? It was my fault, my fault. I hadn't no business to be such a fool."

This man works his own hours at his own gait, and sets his own price which is 20 cents an hour. At this price he always gives good value for the money. In winter he works but six hours, in summer usually seven and never more than eight. He is rarely out of work, but if he feels subnormal, he will not work. Just now he is "holding up," as he calls it, with a stiff neck. During these retreats he reads the magazines Our Lady gives him. He is a great reader. He has a little money in the bank always. As it is now near Christmas, Our Lady is going to give him a hot water bag as a Christmas gift, a luxury he has never known how to use or enjoy.

A year ago I offered him the use of our man's cabin in the grove, a habitation humble, but vastly better than the little hovel he occupies. But he declined the offer: "Meanin' no disrespect," he said, "I have my reasons for not takin' it. I feel I don't have to tell the reasons if I don't want to." But now some shift has made it impossible for him to occupy the hut longer and after the first of the year he is going to move his furniture into our cabin. When he shall take possession we shall hand him the key and say something like this: "This house is yours to occupy as long as you like. Take this key and lock it against all comers, against us and everybody else you wish. In this house may you spend the best and most enjoyable part of your life."

I know millionaires who have come to old age in less independence and peace of mind that this old man enjoys. In spite of his apparent failure in life, I think the Father of us all has some place ready in the world beyond where he can profitably and pleasurably use one who loves honesty and virtue and lives it in his labor as does old John Daly.

STATIONERY AND PRINTING COMPANIES CONSOLIDATE

On January 1, the Williams Stationery Company of Minneapolis, was consolidated with the Farnham Printing & Stationery Company, and the combined business hereafter will be operated as the Farnham Printing and Stationery Company.

The entire official and sales organization of both companies are retained, and both stores will be operated.

Twin City Bankers' Views on the Outlook for 1927

Optimism Pronounced in Prospects for Good Business in the Northwest

Bankers of the Twin Cities and the Northwest in general are agreed that indications are favorable for a continuance of business activity during the year 1927. Minneapolis bankers in printed statements, excerpts from which are here given, note the increased thrift of the people, the sound basic conditions and yet advise conservatism.

Thrift accounts in the three savings institutions of Minneapolis in 1926 reached the enormous total of \$67,940,559, the highest figure in the city's history and representing a gain of \$1,907,378 as compared with the savings deposits of \$66,033,181 at the close of 1925. The figure of \$67,940,559 is the latest available, compiled from statements issued by the Minneapolis banks in response to the call of June 30, 1926.

The savings total, affording impressive evidence of the prosperity and the thrift of Minneapolis people, is far more than double that reported just before the United States entered the World War. It exceeds by about \$20,000,000 the savings on deposit in the Minneapolis banks six years ago. Bankers stress the significance of the fact that the savings of Minneapolis people have shown a steady gain, without interruption, during the past nine years.

It is to be noted that the thrift total of \$67,940,559 includes only the deposits of the three institutions classified as savings banks in the publication of statements. The total does not include the savings deposits in savings departments of national banks, state banks and trust companies in Minneapolis.

Looks Forward With Optimism

Lyman E. Wakefield, president, First National Bank, in Minneapolis, says: "The year 1926 has been a difficult one in business and farming, but has been one of great progress and improvement, and closes with a complete demonstration on the part of our business men and farmers that all obstacles can be met and overcome.

"And so we look forward to the year 1927 with great optimism. We have our feet under us, and have settled down for a long, hard pull of steady, profitable progress. Everything seems to indicate that the next few years in this section will each one show continued progress in methods, improved general conditions and substantial prosperity for all our people."

Diversified Farming

W. A. Durst, president Minnesota Loan & Trust Company, calls attention to the changing farming conditions in the Northwest, and makes this comment:

"Our statisticians state that while the crops in our district in 1926 were below normal, nevertheless, these crops, combined with receipts from dairy products, live stock and chickens, will aggregate over \$1,000,000,000, so that even if our purchasing power is less than in the previous year, it is very substantial.

"We hear too much complaint of business being dull or quiet, but usually upon investigation it is found that comparisons are being made with years of abnormal prosperity.

"There are sound reasons for believing that the year 1927 is to be reasonably prosperous for our people."

Doubtful Help in Legislation

John W. Barton, vice president, Metropolitan National Bank, of Minneapolis, says:

"The future business outlook, particularly in the Northwest, is good. Continuation of our industrial prosperity at its present high level cannot reasonably be expected to continue indefinitely. Private and governmental statistical reports agree that a slight business recession is in progress. The best thought, however, is that 1927, for the United States as a whole, will be a year of 'moderate to good' prosperity.

"Business men should not hope for or depend upon anything in the way of legislation which will give them any immediate benefit. Tax reduction of a material nature is more or less of a myth. The Government budget now represents about the minimum of Government operating expenses. Federal taxes, indeed, may show an increase. Increased profits through tax savings are not worth serious consideration.

"Development of waterways such as the St. Lawrence project, improved shipping facilities on the Mississippi River, or adjustments of Panama toll rates, eventually may result in benefit to industries, prices and living conditions in the Northwest, but such relief as yet is purely theoretical and distinctly in the future.

"The year 1927 is one for caution, economy and confidence in the effectiveness of the gospel of diligent application."

Cause for Confidence

E. W. Decker, president, Northwestern National Bank of Minneapolis, sees that the Ninth Federal Reserve district territory is "sound fundamentally and is laying a foundation for much better business, which I am sure we are going to enjoy from this time on. The prospects for agriculture next year are much better than for a number of years as we have had sufficient moisture during the fall and early winter to carry us well into the next year, which has not been the case for a long time. I am more enthusiastic over the future of the Northwest today than I have ever been during the 40 years of my experience here in banking. I believe this prosperity is coming and that it is going to be well distributed so that in whatever line of industry one is engaged he will be sure to receive his share.

"We have every reason to look forward with encouragement and confidence."

S. W. Wells, president, Wells-Dickey Company, of Minneapolis, looks for trade generally in 1927 to be more quiet. "But whatever the extent of the recession may be," he adds, "it is very apparent that industry is in good shape to meet such a condition, by reason of a conservative buying policy for immediate needs which has been practised steadfastly throughout periods of greatest activity. Stocks have been turned over rapidly, making practicable a smaller use of capital and reducing the tendency or necessity to speculate in future requirements.

"Money which increases industry of other nations and enlarges the earning capacity and buying power of their people enhances world trade as a whole. It is sincerely to be hoped that America's foreign policy and power which it is conceded we already have in world affairs will be harmonized to the end that the great market which lies before us may be developed. The restoration of buying power to the world should become a real boon to the farming districts of America.

"As to the investment market generally, the trend appears to be again upward, and so far as bonds are concerned, if history repeats itself, this trend should not culminate for another 10 years. It was in 1880 that the low point in bond prices was reached after the Civil War. The upward swing continued until 1900, followed by a corresponding dip to 1920. Since then, there has been a fairly steady advance."

Instalment Saving

Robert W. Webb, president, Minneapolis Trust Company, notes the turn toward instalment saving. He says that the total savings deposits of the country for the year from June 30, 1925, to June 30, 1926, showed a gain of about a billion and a half dollars, while the gain in number of depositors was nearly three millions. The average per capita savings balance for the entire country is \$211.00. Minnesota's average is \$201.00. He adds:

"There is evident among the American public a very healthy tendency to save on the instalment plan, a fact borne out by the distribution last month of over \$400,000 to Christmas club members. Instalment buying has its proponents and opponents and its wisdom can be defended or questioned with good arguments on either side. It is difficult to determine how far it has gone or will go in the future or what its ultimate result will be, but in any event it is interesting to note the volume of instalment saving offsetting it.

"Although general progress of the agricultural Northwest was slowed down by this year's short crops those

Twin City Bank Statements

According to returns made in response to the call of the Comptroller of the Currency for conditions of national banks at the close of business December 31, 1926, and from statements given to the Commercial West by state and savings banks and trust companies for the same date, deposits in Twin City banks aggregated \$470,970,000, an increase of \$15,369,000 over June 30, 1926.

The following tables show statements of deposits and of loans and discounts as of December 30, 1926, June 30, 1926, and December 31, 1925.

TWIN CITY TOTALS

	Dec. 31, 1926	June 30, 1926	Dec. 31, 1925
Deposits	\$470,970,000	\$455,601,000	\$485,094,000
Loans, discounts	213,973,000	204,652,000	221,995,000

MINNEAPOLIS TOTALS

Deposits	\$310,264,000	\$305,633,000	\$319,392,000
Loans, discounts	131,947,000	129,011,000	141,976,000

ST. PAUL TOTALS

Deposits	\$160,706,000	\$149,968,000	\$165,702,000
Loans, discounts	82,026,000	75,641,000	80,091,000

MINNEAPOLIS BANK DEPOSITS

	Dec. 31, 1926	June 30, 1926	Dec. 31, 1925
First National	\$ 82,581,000	\$ 82,599,000	\$ 91,041,000
Northwestern Natl.	78,041,000	73,247,000	78,552,000
Midland Natl.	21,151,000	21,393,000	20,049,000
Metropolitan Natl.	11,129,000	11,601,000	11,333,000
Mercantile State			1,849,000
Marquette Natl.	1,468,000	1,496,000	1,373,000
Trans. Brhd. Natl.	2,113,000	2,089,000	1,987,000
Union State			1,912,000
Mers. & Mfgs. State			1,393,000
Central State	1,518,000	1,578,000	1,631,000
Gateway State	774,000	792,000	947,000
Camden Park State	719,000	731,000	974,000
Liberty State	370,000	407,000	520,000
Millers & Traders State	631,000	826,000	766,000
University State	604,000	604,000	632,000
East Hennepin State	867,000	942,000	849,000
Lake St. State	602,000	659,000	894,000
Nokomis State			376,000
North Com. State	400,000	404,000	519,000
Calhoun State	284,000	327,000	411,000
American State	415,000	393,000	428,000
Twenty-sixth St. State	293,000	316,000	330,000
Fidelity State	275,000	308,000	326,000
Harriet State	198,000	240,000	209,000
Chicago-Lake State	259,000	263,000	358,000
Penn. Ave. State	264,000	310,000	416,000
Security State			446,000
Sixth Ave. State		144,000	156,000
Produce State	879,000	897,000	753,000
Fourth Northwestern State	3,418,000	3,348,000	3,749,000
Minnehaha State	799,000	822,000	894,000
Second Northwestern State	1,181,000	1,166,000	1,235,000
Bloomington-Lake Natl.	1,461,000	1,401,000	1,491,000
Farmers & Mechs. Savings	52,839,000	51,124,000	49,331,000
Henn. County Savings	10,422,000	10,310,000	10,512,000
Minn. Loan & Trust	17,583,000	16,565,000	15,639,000
Minneapolis Trust	14,606,000	16,241,000	13,146,000
Marquette Trust	2,120,000	2,090,000	1,965,000
Total	\$310,264,000	\$305,633,000	\$319,392,000

MINNEAPOLIS BANK LOANS AND DISCOUNTS

	Dec. 31, 1926	June 30, 1926	Dec. 31, 1925
First National	\$ 48,435,000	\$ 45,020,000	\$ 53,784,000
Northwestern Natl.	48,702,000	47,838,000	49,262,000
Midland Natl.	16,530,000	16,442,000	13,525,000
Metropolitan Natl.	7,207,000	7,700,000	7,647,000
Mercantile State			1,389,000
Marquette Natl.	960,000	1,153,000	1,020,000
Trans. Brhd. Natl.	238,000	207,000	280,000
Union State			1,210,000
Mers. & Mfgs. State			1,052,000
Central State	1,550,000	1,614,000	1,615,000
Gateway State	560,000	656,000	638,000
Camden Park State	473,000	495,000	859,000
Liberty State	244,000	285,000	357,000
Millers & Traders State	404,000	477,000	467,000
University State	470,000	499,000	542,000
East Hennepin State	566,000	540,000	540,000
Lake St. State	556,000	643,000	740,000
Nokomis State			276,000
North Commercial State	312,000	329,000	423,000
Calhoun State	236,000	263,000	305,000
American State	388,000	361,000	366,000
Twenty-sixth St. State	242,000	293,000	303,000
Fidelity State	166,000	223,000	226,000
Harriet State	172,000	221,000	122,000
Chicago-Lake State	231,000	243,000	260,000
Penn. Ave. State	139,000	327,000	392,000
Security State			373,000
Sixth Ave. State		138,000	150,000
Produce State	690,000	512,000	764,000
Fourth Northwestern State	780,000	753,000	643,000
Minnehaha State	410,000	504,000	867,000

Second Northwestern State	321,000	335,000	342,000
Bloomington-Lake Natl.	965,000	940,000	1,237,000

Total \$131,947,000 \$129,011,000 \$141,976,000
 *Merged with Lincoln Office of Northwestern National.
 **Merged with Midland National.
 †Merged with Union State.
 ‡Merged with Midland National.

ST. PAUL BANK LOANS AND DISCOUNTS

	Dec. 31, 1926	June 30, 1926	Dec. 31, 1925
First National	\$ 40,410,000	\$ 32,404,000	\$ 30,054,000
Merchants Natl.	19,059,000	19,705,000	22,723,000
American National	4,859,000	5,128,000	5,458,000
Stock Yards Natl.	2,949,000	2,381,000	2,825,000
National Exchange	2,480,000	2,846,000	3,100,000
Drovers State	1,043,000	1,201,000	1,512,000
St. Paul State	1,244,000	1,282,000	1,479,000
Ramsey County State			829,000
Twin Cities Natl.	512,000	648,000	553,000
Daytons Bluff State	1,120,000	1,213,000	1,494,000
Security State	682,000	900,000	1,004,000
Snelling State	1,144,000	1,183,000	961,000
Payne Ave. State	783,000	848,000	990,000
Minn. Trans. State	255,000	468,000	414,000
Commercial State	1,657,000	1,716,000	1,554,000
Western State	272,000	296,000	494,000
Great Northern State Exchange State	277,000	430,000	426,000
City Bank	448,000	425,000	565,000
Liberty State	229,000	260,000	404,000
Citizens State	102,000	101,000	100,000
Mounds Park State	490,000	572,000	223,000
Produce Exchange	292,000	297,000	430,000
St. Anthony Park State	165,000	164,000	156,000
Midway State			192,000
Farm. & Mers. State	416,000	408,000	401,000
Cosmopolitan State	210,000	220,000	241,000
East Side State	258,000	279,000	315,000
Cherokee State	143,000	148,000	152,000
Rice St. State	163,000	183,000	138,000
Phalen Park State	65,000	78,000	89,000
Grand Ave. State	135,000	137,000	132,000
Broadway State			194,000
West St. Paul State	164,000	149,000	164,000
Total	\$ 82,026,000	\$ 75,641,000	\$ 80,019,000

*Absorbed by Snelling State.

ST. PAUL BANK DEPOSITS

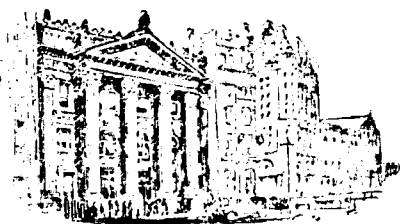
	Dec. 31, 1926	June 30, 1926	Dec. 31, 1925
First National	\$ 64,256,000	\$ 52,931,000	\$ 59,884,000
Merchants Natl.	41,098,000	42,985,000	43,639,000
American National	11,856,000	11,334,000	11,700,000
Stock Yards Natl.	5,064,000	4,197,000	5,180,000
National Exchange	4,019,000	3,808,000	5,233,000
Drovers State	1,664,000	1,744,000	1,985,000
St. Paul State	1,289,000	1,300,000	1,627,000
Ramsey County State			1,432,000
Twin Cities Natl.	995,000	853,000	895,000
Daytons Bluff State	1,252,000	1,311,000	1,624,000
Security State	830,000	877,000	1,030,000
Snelling State	1,641,000	1,771,000	1,525,000
Payne Ave. State	867,000	903,000	1,108,000
Minn. Trans. State	848,000	722,000	846,000
Commercial State	2,678,000	2,596,000	2,750,000
Western State	518,000	518,000	681,000
Great Northern State Exchange State	770,000	731,000	703,000
City Bank	476,000	513,000	603,000
Liberty State	357,000	371,000	444,000
Citizens State	210,000	227,000	266,000
Mounds Park State	508,000	576,000	703,000
Produce Exchange	304,000	307,000	557,000
St. Anthony Park State	301,000	310,000	333,000
Midway State			340,000
Farm. & Mers. State	820,000	793,000	838,000
Cosmopolitan State	271,000	230,000	275,000
East Side State	416,000	431,000	534,000
Cherokee State	355,000	325,000	367,000
Rice St. State	446,000	442,000	308,000
Phalen Park State	108,000	106,000	105,000
Grand Ave. State	394,000	368,000	339,000
Broadway State			264,000
West St. Paul State	178,000	163,000	181,000
State Savings	8,917,000	8,647,000	8,576,000
Merch. Trust Co.	7,200,000	7,023,000	8,102,000
Total	\$160,706,000	\$149,968,000	\$165,702,000

*Absorbed by Snelling State.

FOSHAY COMPANY DISTRIBUTES BONUS TO EMPLOYEES

In December, W. B. Foshay Company, of Minneapolis, with offices in New York, Boston, Chicago, St. Paul, Denver, San Francisco, and Portland, Oregon, distributed to its own and Peoples Light and Power Corporation employees in 14 states over \$24,000 in cash bonuses for the year 1926.

Last April upon the sale of a group of public utilities at a favorable figure, the W. B. Foshay Company distributed as a bonus a full week's salary to each employe. Immediately following that sale the W. B. Foshay Company continued purchasing other public utility properties throughout the United States. Their program for 1927 includes further acquisitions of several groups of important properties. In January they will add to their present holdings utilities in Arizona, Texas, Pennsylvania, Vermont and Kansas.



CAPITAL and SURPLUS
\$9,000,000.00

THIS strong commercial bank has a record of permanence and strength worthy of your consideration when you select a Chicago correspondent.

CENTRAL TRUST COMPANY OF ILLINOIS CHICAGO

Chicago Deposits Reach Record Total

Chicago, January 4—Compared with the last call of June 30 for national and October 11 for state banks Chicago's financial institutions in their reports to the controller of the currency and state auditor this week disclosed a tremendous expansion in deposits, cash resources and savings which more than offset the gain in loans and discounts. Six months have elapsed since the national banks were called upon to reveal their condition to the Government, while the state banks made their return to the Illinois auditor only two months ago. In the interim the nationals have increased their commercial deposits \$31,563,000 and state \$35,436,000, and national savings gained \$282,000 and state \$20,424,000. Cash resources of nationals were amplified \$14,828,000 and state \$49,016,000, while loans and discounts of national banks expanded \$19,826,000 and the state banks showed an increase of \$12,669,000. Ten of the larger national banks within the loop showed gains of \$35,000,000 in deposits and \$20,000,000 in loans during the period of six months intervening between calls, and the leading state institutions in the downtown district revealed a gain of about \$49,000,000 in deposits since October 11 and an increase of only 8,000,000 in deposits during that period.

Chicago City Railways

Although interest was paid to holders of the \$20,500,000 of 5 per cent. collateral trust bonds of the Chicago City & Connecting Railways on Monday, there was a default on the principal, which became due on January 1. This action had been foreseen, however, and had been fully discounted in the stock market, as transactions in the issue on the Chicago Stock Exchange indicated. On a turnover of \$87,000 yesterday, there was an advance of 2 points to 54. The collateral trust was formed in 1910 by J. P. Morgan & Co., who adopted this procedure to dispose of holdings of Chicago City Railway stock, which at that time was selling around \$200 a share. The New York international banking house turned over its stock holdings to the trust in exchange for the trust's securities, which were marketed chiefly in Chicago. In the course of business, the First Trust & Savings Bank of Chicago, which is trustee of the bonds, will foreclose on all of the collateral deposited to secure the bonds, which are expected to have a better value ultimately, when a new franchise plan is worked out. This expectation was also displayed in the upward course of the preferred stocks, which advanced fractionally to 4½. The collateral held in trust is 94 per cent. of the stock of the Chicago City Railway, and the entire capital stock of the Calumet & South Chicago Railway, Southern Street Railway and Hammond, Whiting & East Chicago Railway companies. This default was foreseen by the selection of a bondholders protective committee, of which Melvin A. Traylor, president of the First Trust & Savings Bank, is chairman in the absence of Frank O. Wetmore.

Bankers See Rosy Future

Three of Chicago's leading bankers, representative of the leadership of the Continental & Commercial, Union Trust and Illinois Merchants Trust, take a rosy view of this year's business and banking possibilities. George M. Reynolds, chairman of the Continental & Commercial Banks, foretells a retention of the prosperity that made 1926 notable and unless there are crop failures to retard the

progress of agriculture or some untoward situation without the confines of the United States which would affect American business sympathetically he does not anticipate any slowing down of moment. He adds that the past year was so prosperous as to give Americans a background of courage to face the new year, and that business attained such a momentum in the past 12 months that there is every reason for expecting satisfactory trade during the next few months at least.

Frederick H. Rawson, chairman of the Union Trust Company, says the financial skies are free from any serious storm clouds and European conditions are righting themselves gradually. He pays a compliment to Mr. Coolidge with the statement that "the United States is fortunate in having an able and conservative President who is giving a sound business administration," and concludes his review of 1926 and forecast of 1927 with this statement: "Last year can be recorded in no other light than as one of great achievement. The fundamentals for 1927 are practically all favorable, with commerce and industry on a plane of encouraging prosperity."

Eugene M. Stevens, vice president of the Illinois Merchants Trust Company, calls attention to the fact that the final figures of 1926 will show a record volume of business with apparently somewhat better profit than in the larger volume year of 1925, adding: "Strangely this result will have been accomplished notwithstanding a materially lower range of commodity prices. It is probably not too much to say that 1926 has been freer from business troubles as a whole and with a more normal course of events than any year since before the war. We may expect an equalization of the relative values between industry and agriculture, with the probability of increases in the latter and decreases in the former as evidenced by the present tendency toward lower commodity prices."

Commercial Paper Revives

In calling attention to the fact that there has recently been a notable revival of interest in commercial paper, John McCarthy of Hathaway & Co., presents a comparison of returns from call loans and commercial paper on a yearly basis which shows that the latter investment is the more profitable of the two for bankers. "This," he says, "takes into consideration the charge of 5 per cent. of the interest for placing call loans, while on commercial paper the interest is paid in advance, thereby increasing the rate on the actual money invested. At 4 per cent. the return on call loans would be 3.8 per cent. against 4.16666 per cent. on commercial paper. At 5 per cent. the call loan yield would be 4.75 per cent. compared with 5.2631 for commercial paper, and at 6 per cent. the call loan would yield 5.7 per cent. net against 6.3829 per cent. on commercial paper. There has been a noticeable revival of interest in commercial paper. Carefully selected it is the ideal investment for a good part of the bank's surplus funds. It has stood every test for more than three quarters of a century and in times of panic and general distress has proved a life saver for the holders. The losses have been infinitesimal compared with local loans.

Frozen Credits Disastrous

"Carrying too many eggs in one basket has its disadvantages. Most, if not all, of the bank failures during the

Specialized and Experienced Management

The management of the Company is the same as that under which it was organized. Its officers are specialized experts in the mortgage field, whose experience extends over periods as long as forty years. In its President, Mr. William J. Moore, we have the benefit of the knowledge and experience of one of the country's recognized authorities on mortgage investments.

Send for latest descriptive booklet.

AMERICAN BOND & MORTGAGE Co.

ESTABLISHED 1904
Chicago

CAPITAL AND SURPLUS OVER \$5,500,000
527 Second Ave. So., Minneapolis

INCORPORATED
New York

Phone Geneva 4351



Over Thirty other cities

past year may be traced to this condition in one form or another. It is also a human failing when the financial skies are clear to take long term risks because of the larger profits, but it is a well known fact that the banker who keeps his assets in liquid shape actually makes more money over a period of years for he is ready to take advantage of the exceptional rates that can be had from time to time. The comment recently made by Secretary of the Treasury Mellon in his annual report will be taken to heart by all banking officials who are chiefly concerned to maintain a safe and sound policy in their operations and thus give the best and most lasting service to their communities. He said: "This has brought into the assets of banks an increase in investments and loans on securities without a proportionate increase in short term commercial bills. Since it is the latter which are the most easily liquidated we are gradually noting a decline in the assets which may be rediscounted at Federal Reserve banks and thus in what may be called the liquidity of bank assets. This trend has in no way endangered the strength of our banking system, but it is a movement which may require care lest it go too far."

Money Plentiful Here

Chicago bankers have been willing to extend credits to clients at 4% to 5 per cent. in commercial loans and at 4½ to 4¾ per cent. on collateral in spite of the firmness with which call loan rates have been held around 5½ per cent. in New York after touching 6 per cent. in the week before, and to clients possessing large balances whose borrowings during the year are huge there has been some shading to 4½ per cent. for good names. Commercial paper has been in increasing demand and in fair supply at 4¼ to 4½ per cent., and even among loop banks there has been a change in the attitude toward notes bearing cream names, resulting in a larger volume of business being done although at this period of the year the loan market is normally quiet. Outlying banks have been in the market steadily owing to their increasing supplies of loanable funds, and the return flow of money to the interior has been the cause of country bankers looking for investment in notes rather than in mortgage bonds. There has been more or less window dressing done in the past week by the national banks in anticipation of a bank call from the Comptroller of the Currency, but this has not in any way been responsible for any change in local conditions. The higher rates available in Wall Street diverted considerable money to the loan market there without causing any break in the volume of credits here.

Illinois Merchants Leads

Chicago's largest banks in the loop district did the largest business in their history during 1926, according to their annual statements, and this large turnover in addition to the absence of heavy losses to be written off, was responsible for the amplification of net incomes on capital stock and also on the average invested capital. The Illinois Merchants Trust Company was again the leader in the return on capital stock, on which 47.95 per cent. was earned, comparing with 41.37 per cent. in 1925, when

the same institution was in the van among the loop institutions. The bank also led its associates within the loop with earnings equal to 15.92 per cent. on invested capital. The Foreman Banks advanced to third position with earnings equal to 38.01 per cent. on capital stock, comparing with 32.07 per cent. in the year preceding, and with 13.37 per cent. on the average capital invested, which compares with 12.13 in 1925. The First National and First Trust & Savings banks earned the equivalent of 34.64 per cent. on capital stock and 10.1 per cent. on average capital invested, and the Continental & Commercial banks ended the year with a net income equal to 28.76 per cent. after deductions for reserves set aside for possible future losses, and 10.57 per cent. on the average capital employed in 1926.

First National's Year Good

In his annual report to the stockholders of the First National Bank, M. A. Traylor, president, tells that the various departments of the two banks as well as the two

(Continued on page 42)

SECURITIES

Yielding from 4.05 to 6.50% are described shortly in our January Bulletin now ready.

Ask for List CW.

Wells-Dickey Company

Established 1878

Ground Floor McKnight Building
MINNEAPOLIS

St. Paul Duluth Chicago Great Falls

Chicago Stocks Display Upward Trend

Chicago, January 4—Chicago shares were strong throughout the week on the Chicago Stock Exchange, but there was a smaller volume of business transacted as is usual during the holiday period. Yellow Truck displayed a buoyant tone owing to the progress of negotiations between the city and transportation corporations relative to future service in Chicago, and the shares sold up 3 points to a high on the present movement of 31. Auburn reacted to its top mark of 71 and then fell back 1½, Butler Brothers experienced another serious sinking spell and fell to 22½ in the absence of support and Swift declined half a point. Elsewhere, however, there was an upward trend in quotations, Borg & Beck, Central Southwestern Utilities, Commonwealth Edison, Continental Motors, Cudahy, Great Lakes Dredge, Illinois Brick, Swift International and United States Gypsum establishing substantial gains. An advance in Chicago Title & Trust from a preceding quotation of 570½ to 600 was accompanied by a small amount of business. Union Carbide rose 3 points to a new high record level of 102½.

Byllesby Officials Promoted

At a meeting of the board of directors of H. M. Byllesby & Co., A. S. Cummins, assistant manager of the bond department, and O. G. Corns, sales manager of the western offices, were made vice presidents of the company. Both are widely known in financial circles. Mr. Corns has spent his entire career in the securities business. His first position in 1901 was with George D. Cook and Company, after which he joined Mason, Lewis & Co. Subsequently he was with E. H. Rollins & Sons when they opened their Chicago office. During his 10 years' association with that organization his work took in practically every branch of the investment business. Leaving the Rollins house Mr. Corns took charge of the sales department of Allerton, Green & King and after two and one-half years with that organization he became associated with H. M. Byllesby & Co in 1915. Mr. Cummins has been connected with the Byllesby organization since 1909. His early experiences was in the operation department of the Northern States Power Company, of which he became a divisional manager. Early in 1917, he went to New York to become vice president of the Carribean & Southern Steamship line, then a subsidiary of H. M. Byllesby & Co. Since the war he has been connected with the bond department of H. M. Byllesby and Co., as assistant manager, largely in charge of wholesale and syndication work. He has been in direct charge of the sale of securities under the customer ownership plan at all Byllesby operated utilities.

Bond Market in Lull

There has been a notable lull in business in bonds in the Chicago investment market this week, but this was due almost as much to the paucity of offerings of new issues as to the absence of importing buyers on account of the usual holiday festivities and vacations. Preparations, however, are being made for a broad demand after the turn of the year for which a number of important issues are being shaped up for a market of material breadth. One of the factors which will make for a big reinvestment demand is the large total maturing at the moment and during the coming month. Many issues will be taken care of out of treasury funds, but there will be a tremendous amount of refunding done and these new issues are bound to carry a lower rate of interest than those which have reached maturity. Yields have been steadily declining during the past six months so that the new offerings will be approximately on the basis of return now available in supplies available for investment, and while buyers have been unwilling to accept the lower returns they have been compelled to do so because of the necessity for reinvesting surplus funds in securities as the money market has been in an easy position except for a brief period in Wall Street.

Central Trust Makes Offering

Central Trust Company of Illinois offered \$2,500,500 of Battle Creek Sanitarium first mortgage 6 per cent. serial bonds to cover cost of new wing to the sanitarium now under construction and towards other additions and im-

provements to present building. The sanitarium will spend a further \$350,000 out of available cash for equipping new building. Battle Creek, Sanitarium, founded in 1866, is a benevolent association, all surplus earnings being devoted either to enlargement of its facilities or for educational or charitable purposes. Its surplus earnings for the past six years aggregate \$3,355,349, of which \$945,504 have been devoted to increasing properties and facilities and the remaining \$2,409,845 to education and charity.

Offering was made by the Illinois Merchants Trust Company of a third issue of the Chicago Title and Trust Company, as trustee, first real estate mortgage collateral bonds. This issue, series C, is for \$3,000,000 and will bear interest at 5¼ per cent. As in the previous cases the bonds are secured by their par value in first mortgages and by an additional 10 per cent. of their face value pledged by the Chicago Title and Trust Company from its own mortgage holdings. The bonds are a direct obligation of a trust set up by the Illinois Merchants Trust Company and Chicago Title and Trust. They are priced at 100 and interest.

Wilson Shows Prosperity

Current values of the shares of Wilson & Co., carry with the suggestion that the company has since its reorganization enjoyed prosperity and while President Thomas E. Wilson declines to give advance information of the year's income the quotations carried on the ticker tape of the New York Stock Exchange are accepted as an augury of ample earnings to warrant the payment of the \$3.50 annual dividend on the preferred stock. At the average quotations of the week the holders of the old obligations of the packing company when it was forced into bankruptcy now own securities worth \$762 for each \$1,000 of obligations adjusted by the acceptance of 4.3 shares of new common, 7.5 shares of class A and 6 shares of preferred stock for each \$1,000 of old securities. When the low levels of last March were established these stocks then had a value of slightly less than \$400 for the \$1,000 of pre-receivership value, and this appreciation is believed in the financial district of Chicago to forecast an extremely favorable review of the company's operations between February 27, the end of the receivership, and October 31, the culmination of the summer packing season and fiscal year of all packing corporations.

Packing Conditions Good

Last March and again in July President Wilson reported to stockholders that condition in the industry had been favorable and the company had experienced business on a satisfactory and profitable basis. The position of the company displayed in the balance sheet, according to banking information, is strong and the new capital setup is as strong as that of any company in the business as the \$22,188,000 of first mortgage 6 per cent. bonds maturing in 1941 is the only large interest-bearing obligation ahead of the senior issue. It is now called to mind that F. O. Wetmore's plan to change into stock nearly \$50,000,000 of interest-bearing obligations on which 6 per cent. was paid placed the corporation in a very comfortable financial position and made the preferred shares attractive to investors.

Curb List Narrow

While trading in local unlisted securities was brisk, there were few important price changes. Beatrice Creamery improved to sales between 59 and 59½. Chicago Title & Trust advanced to sales at 600. Chicago Rapid Transit common was fractionally lower at 8½ bid, offered at 9½. Chicago Railway Equipment common was up a half point at 28¼. The preferred at 22½ to 23½ was unchanged. Congress Hotel was wanted at 176, an advance of 6 points, with no stock offered near this price. Creamery Package full-voting common was actively traded in between 31½ and 32. Deere common at 65 bid was up 3 points and closed 65 bid, offered at 68. Elgin National Watch improved to sales at 80½ on announcement of an extra dividend of 6 per cent. along with the regular dividend of 62½. Federal Electric common was fractionally higher at 12½ and closed 11¼ bid, offered at 12½. Goodman was lower at 52 ex-dividend. McCord Manufacturing common declined to sales at 9%. Moir Hotel units were higher at 97 to 100,

CITIZENS STATE BANK OF CANNON FALLS

CANNON FALLS, MINNESOTA

Condensed statement of report made to the Commissioner of Banks December 31, 1926

RESOURCES	
Cash, due from banks and U. S. Government Securities.....	\$627,471.67
Bonds and Securities other than those of U. S.....	598,474.54
Loans and Discounts.....	455,560.19
Bank Building, Lot, Furniture and Fixtures.....	15,000.00
Other Real Estate.....	500.00
Overdrafts	122.77
Total	\$1,697,129.17

LIABILITIES	
Capital Stock Paid in.....	\$60,000.00
Surplus	25,000.00
Undivided Profits.....	13,155.46
Dividends	6,000.00
Deposits	1,592,973.71
Total	\$1,697,129.17

CLIFF. W. GRESS, President
ARTHUR T. SCRIVER, Vice President

ALBERT SCRIVER, Vice President
ALGOT W. SWANSON, Cashier

"THE MILLION DOLLAR BANK"

up 2 points. National Tea preferred sold at 101½, up a fraction. St. Louis National Stock Yards was actively traded in between 86½ and 88. Universal Gypsum & Lime free common continued weak with stock for sale at 5 and buyers at 4½. The preferred offered at 65, no bid, was unchanged. Fansteel Products declined to sales at 160 and was quoted 158 bid, offered at 162 at the close.

Announcement is made of the admission to membership in Dillon-Read & Co., of the following men who have been connected with the firm for a number of years: Robert O. Hayward, Henry G. Ritter, third, William S. Charnley, Clifton M. Miller and Robert E. Christie, Jr., and the retirement of John W. Horner.

BANK TRANSACTIONS

Washington—Debits to individual accounts, as reported to the Federal Reserve Board by banks in leading cities for the week ending December 29, 1926, aggregated \$11,769,000,000 or 16.9 per cent. below the total of \$14,160,000,000 reported for the preceding week. The current week included but five business days on account of the holiday on December 25. Total debits for the week under review are \$968,000,000 or 9 per cent. above those for the week ending December 30, 1925, which also included but five business days. New York reported an increase of \$637,000,000, Philadelphia \$73,000,000, Chicago \$57,000,000, Boston \$41,000,000, San Francisco \$32,000,000 and Cleveland \$25,000,000. Aggregate debits for 141 centers for which figures have been published weekly since January, 1919, amounted to \$11,101,600,000 compared with \$13,334,544,000 for the preceding week and \$10,181,126,000 for the week ending December 30, 1925.

City	Week ending		
	Dec. 29, 1926	Dec. 22, 1926	Dec. 30, 1925
New York	\$6,329,984,000	\$7,645,303,000	\$5,693,219,000
Chicago	789,129,000	942,076,000	732,323,000
Philadelphia	450,258,000	477,358,000	377,439,000
Boston	408,778,000	506,828,000	367,546,000
San Francisco	224,359,000	246,807,000	192,222,000
Pittsburgh	206,754,000	247,412,000	197,500,000
Cleveland	179,824,000	180,889,000	154,768,000
Los Angeles	173,899,000	226,032,000	168,472,000
Detroit	166,901,000	228,333,000	172,058,000
St. Louis	155,100,000	188,400,000	151,000,000
Twin Cities	126,013,000	153,738,000	137,219,000
Baltimore	92,944,000	111,428,000	80,926,000
Minneapolis	89,013,000	107,409,000	96,174,000
New Orleans	78,539,000	78,419,000	76,874,000
Kansas City	78,244,000	94,771,000	79,988,000
Milwaukee	58,420,000	73,259,000	53,778,000
Washington	48,991,000	59,957,000	43,811,000
Dallas	43,845,000	43,556,000	47,691,000
Seattle	39,618,000	49,037,000	36,185,000
Omaha	37,992,000	43,950,000	40,517,000
St. Paul	37,000,000	46,329,000	41,045,000
Portland	35,107,000	40,819,000	31,167,000
Denver	32,399,000	46,793,000	33,401,000
Des Moines	19,233,000	20,897,000	14,585,000
Soux City	14,967,000	17,853,000	16,152,000
Duluth	12,335,000	17,991,000	16,268,000
Spokane	10,594,000	13,838,000	10,307,000
South St. Paul	8,962,000	10,042,000	6,582,000
Soux Falls	4,324,000	4,357,000	3,650,000
Fargo	2,290,000	3,446,000	2,632,000
La Crosse	2,534,000	2,595,000	2,138,000
Billings	1,835,000	1,806,000	1,327,000
Helena	1,715,000	2,139,000	1,948,000
Superior	1,683,000	1,921,000	1,385,000
Grand Forks	1,546,000	1,958,000	1,954,000
Abideen	1,199,000	1,649,000	1,079,000
Mont	995,000	1,447,000	1,172,000
Winona	925,000	1,241,000	935,000
Red Wing	548,000	613,000	590,000

Jamestown	448,000	527,000	582,000
Dickinson	317,000	357,000	364,000
Total (259 cities).....	\$11,768,764,000	\$14,160,214,000	\$10,800,655,000

NEW OFFICERS OF MINNEAPOLIS BUSINESS MEN'S ASSOCIATION

New officers of the Minneapolis Business Mens Association, recently elected, are L. L. D. Stark, president; George La Belle, first vice president; Edward R. Dyer, second vice president; Arthur Bertelson, secretary-treasurer; Dr. Frank Lee Roberts, chaplain. Members of the board of directors are Lew Wittgraaf, Dr. P. B. Burgan, G. B. Herbert and John R. Nelson.

BUILDING AND LOAN PROFITS IN MINNEAPOLIS

According to W. R. Youngquist, sales manager of the Twin City Building and Loan Association during 1926 more than \$500,000 was paid to about 25,000 members of loan associations in the Twin Cities.

Long Experience

THE recommendations of A. G. Becker & Co. comprise only those securities which have passed the rigid tests developed through our 32 years' experience in underwriting and distributing safe investments to a varied clientele. With a national organization and special facilities for meeting the requirements of all classes of investors, we welcome the opportunity to be of service to you.

Inquiries invited

A. G. Becker & Co.

FIRST NATIONAL-SOO LINE BLDG.
MINNEAPOLIS

137 S. LA SALLE ST. 54 PINE STREET
CHICAGO NEW YORK

MILWAUKEE ST. LOUIS SEATTLE
SAN FRANCISCO PORTLAND SPOKANE

The "Pull Together" Appeal in Bank Advertising

Community pride is one of the oldest and strongest of sentiments. We all like to feel that our home industries and the business firms with which we most often come in contact are prosperous and progressive; personally we will do a great deal to foster this idea and to maintain it in fact.

Appealing to this natural pride is a fairly sure way of getting cooperation and it is surprising that the appeal is so little used. One of the best bank advertisements that has come to our attention for some time is an overdraft notice which is based upon this appeal. It is the work of Suzette Sucker, assistant cashier of the Merchants State Bank of Lewisville, Minn., and reads:

ARE YOU PROUD OF THIS BANK, YOURS AND MINE?

We want you to be—and you can help us put ourselves on the map. Let us cooperate, and make this the strongest and best bank in this part of Minnesota.

LISTEN—At the end of each year we have a call from the state; that is, we must publish our condition in the form of a statement. This year we want our statement to read:

OVERDRAFTS.....\$000.00

That is the goal toward which we are heading now. It really isn't such a hard one, do you think so? Our overdrafts must be completely downed before we can make our goal. **YOU** can help the most by **NOT** having an overdraft for the rest of this month. **THAT** is your part, and it is a very important part, too, please remember that. You will be just as proud of our statement as we will be. Also, you will have the satisfaction of having a hand in it.

LET'S ALL PULL FOR THE MODEL STATEMENT.

"THE BANK TO BE PROUD OF."

MERCHANTS STATE BANK of Lewisville.

Here is an advertisement which makes the depositor feel a personal responsibility for the condition of his bank, and also gives him the credit, personally, for its good financial standing.

* * *

DOES IT PAY?

Speaking of direct-by-mail advertising Theodore Tefft Weldon, in *Bankers Monthly*, says:

"People are not given to crediting advertising with the reactions it leaves in their minds. Take any well known product and ask 10 men about it. They will show a surprising familiarity with it, and several may quite accurately describe its good points, and if you take an opposite view, will defend its merits. Yet none of them will admit that all they know about it is what they have learned through its advertising in one form or another. And they are sincere. They are not conscious that this is the case.

"These same 10 men may buy this product, but it is certainly unreasonable to expect them to say they are doing so because of the advertising. Merchants know this. Manufacturers know it. Yet there are bankers who expect them to come in and say, "I got your circular and I thought I'd come over and establish a connection with this bank."

Letters Do Not Always Bring Replies

"There are many cases of course where the bank's message is of a character that gets a direct reply. Every now and then in a recent survey I ran into a banker who said, in substance, "I sent out 12 mailings and to one of them I got 400 replies, but the others weren't worth a cent." In every such case I studied the message. As a rule they were sound. They built up an acquaintanceship between the bank and the prospect. They portrayed the bank in a splendid light, familiarized the reader with its services, its functions, its character, its personality, its ability to help him. And then along came a message with a hook in it which called for and got a response. So the banker says all the messages were wasted but the one. No doubt every

stroke in golf is wasted but the final putt which sinks the ball into the hole.

"There is another conclusion to be drawn from this last example which is of more importance. This banker assumed that the sum total of his pull from the advertising was contained in the 400 people who replied, and only a few of them started business relations with him. Upon analysis he was convinced that the real business his advertising brought him was not from these people at all, but from a great many more who made no mention of ever having seen his leaflets. He could have afforded to forego many times the business of the 400 rather than to have failed to get the business of the silent ones.

Sales Measure Worth of Advertising

"The merchant has learned this. He does not care in the slightest how many people comment on his advertising, nor how many mention it when they buy. All he cares about is sales. That alone is the measure of the effectiveness of his publicity. The banker must figure his appropriations on this basis also, and compute the profit to him in this way, else he will never get a just picture of the worth of his advertising.

"A plain explanation of the bank's business, and how it fits into a helpful niche in the prospect's scheme of things, will bring business in paying quantities where silence no longer will serve.

"Direct mail forms a necessary part of every well-planned selling campaign. If it is desirable to tell the public at large about your bank and its services through billboards and newspapers, the next step is to clinch and capitalize the effort by going to a list of the best prospects through the mail.

"Whether direct mail accomplishes its maximum results is a matter of the message itself. Fine paper, splendid art work, and intriguing appearance are a great asset. They carry a large share of the burden because they get attention and make the message look worth reading. But the actual selling is in the copy. Let the story be well written. Give it virility and human interest. Make it bold and simple. If it can be brief, so much the better; but if it must be long, let it—only never let the interest flag. Its success then will be in direct proportion to the depth and sincerity of the moral earnestness behind the banker's words.

* * *

PRESENTING THE COST FACTS

In view of the fact that we have advertised extensively the use of the check in paying bills, encouraging small deposits, would it not be a wise plan to carry on a campaign throughout the country, presenting in a dignified, courteous, yet forceful manner the cost of the service the bank renders its customers and the minimum balance necessary to meet actual cost.—A Banker.

* * *

SERVING THE CUSTOMER

The problem with us is not so much how to get prospects and close sales as it is how to serve the customer after we get him in the bank. All the salesmanship in the world and all the publicity campaigns which have been inaugurated are productive only when the bank has on its shelves to sell the merchandise it advertises.—Another Banker.

* * *

AN UNBLEMISHED RECORD

Weary Bill declared he wanted to earn a bite to eat.

"Well," said the farmer's wife—"If I thought you were honest I'd let you go to the chicken house and collect the eggs."

"Lady," he replied with dignity, "I was manager at the Public Baths for 15 years and never took a bath!"—Exchange.

* * *

THE PROOF

"In competition with others, always give them credit for being a little smarter than you are. Then work like the deuce to prove that they aren't."—George B. Churchill.

The First National Bank Winona, Minnesota

Statement at close of business December 31, 1926

RESOURCES

Loans and Discounts.....	\$1,821,840.28
Banking House	113,000.00
Other Real Estate	21,200.00
U. S. Bonds and Securities.....	1,096,441.59
Other Bonds	1,239,740.25
Stock in Federal Reserve Bank.....	15,750.00
Cash Due from Banks, and U. S. Treas. and Call Loans.....	1,122,705.74
	\$5,430,677.86

LIABILITIES

Capital Stock	\$225,000.00
Surplus Fund—all earned.....	300,000.00
Undivided Profits—Net	34,011.16
Reserves	19,667.83
Circulation	222,400.00
Deposits	4,629,598.87
	\$5,430,677.86

OFFICERS

C. M. YOUMANS, President
 FRANK HORTON, Vice President
 C. L. BISHOP, Vice President
 W. A. MAHL, Active Vice President
 THEO. HECK, Cashier
 A. V. GARDNER, Asst. Cashier
 JOHN G. LIBERA, Asst. Cashier

*The oldest, continuous banking
institution in Minnesota*

ESTABLISHED 1854

The First National Bank of Saint Paul, Minnesota

Statement of Condition, December 31, 1926

RESOURCES

Loans and Discounts.....	\$40,410,081.91
Overdrafts	1,759.67
U. S. Bonds, Treasury Notes and Cer- tificates of Indebtedness.....	14,944,707.36
Other Bonds.....	2,473,155.89
Bank Building.....	402,524.06
Stock in Federal Reserve Bank.....	150,000.00
Interest Earned but not Collected.....	19,234.03
Cash and Due from Banks and U. S. Treasurer	14,017,736.74
	\$72,419,199.66

LIABILITIES

Capital Stock	\$3,000,000.00
Surplus	2,000,000.00
Undivided Profits	1,543,929.06
Discount Collected but not Earned.....	145,092.22
Reserved for Taxes.....	1,247,986.37
Other Reserves	225,963.68
Deposits	64,256,228.33
	\$72,419,199.66

OFFICERS

Louis W. Hill, *Chairman Board of Directors*
 Everett H. Bailey, *Chairman of Executive Committee*
 Cyrus P. Brown, *President*

<i>Vice Presidents</i>	<i>Cashier</i>	<i>Assistant Cashiers</i>
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Otto M. Nelson	<i>Asst. Vice Presidents</i>	Miles J. Conway
Robert E. Cushman	Walter H. Honebrink	Arthur W. McNee
Isaac E. Hansen	Edward C. Brown	Harry A. Dezell
Martin R. Brown	<i>Auditor</i>	Guy E. Dailey
Augustus H. Kennedy	Robert C. Lillibridge	George M. Robbins

The Chase National Bank

of the City of New York
57 BROADWAY

Capital	\$ 40,000,000.00
Surplus and Profits	36,764,122.23
Deposits (June 30, 1926)	813,425,869.65

OFFICERS

ALBERT H. WIGGIN
Chairman of the Board

GATES W. McGARRAH
*Chairman of the
Executive Committee*

JOHN McHUGH
President

ROBERT L. CLARKSON
Vice-Chairman of the Board

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Vice-President and Cashier
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WILLIAM E. PURDY	JOSEPH PULVERMACHER
GEORGE H. SAYLOR	LEON H. JOHNSTON
M. HADDEN HOWELL	FRANKLIN H. GATES
	ARTHUR M. AIKEN

Comptroller
THOMAS RITCHIE

FOREIGN AND TRUST DEPARTMENT FACILITIES

Quick Assets

Every bank wants to maintain a reserve of quick assets for the protection of its clients and itself. A diversified list of good bonds makes an ideal investment for such a purpose.

Let our experience of 39 years and our close connection with the bond market guide you in the selection of the right bond for your particular needs. Inquiries by mail given prompt attention.

Minneapolis Trust Company

Capital and Surplus \$2,000,000.00
115 South Fifth Street
MINNEAPOLIS

Affiliated with the First National Bank

General Business Conditions Indicate Continuance of Prosperity

Analysis and Comment of the Statistical Department of the National City Bank of New York

The New Year opens with good prospects for the continuance of prosperity. The past year has been one of the most prosperous in the history of the country, but it closes without signs of either price or credit inflation. The general commodity price level, as computed by Government agencies, is about 6 per cent. lower than a year ago; furthermore, of the nine general groups of the classification only "one—fuel—shows an increase and this is largely attributable to the British coal strike, which has caused unusual exports of coal from this country in recent months. This general, but for the most part moderate, decline of prices, in the face of the largest movement of commodities ever known indicates that the heavy purchases have not been for stocks but for current consumption. All accounts agree that stocks generally are low and that trade is in healthy condition.

The profits of business, as shown by corporation reports, have been better than in the preceding year, notwithstanding the declining trend of prices. This is accounted for by the economies resulting from a larger volume of business and the downward trend of prices is the natural result of increased production and lower costs.

The downward trend of prices has not been at the expense of the wage earning class, but of advantage to it, for the effect is to increase the purchasing power of a given wage. Employment has been practically full during the past year, and with prices tending downward the same wages would buy an increasing quantity of commodities.

Satisfactory Credit Situation

The credit situation is very satisfactory. The total of discounted bills held by the twelve Federal reserve banks on December 1, 1926 was \$645,000,000, against \$643,000,000 on the corresponding date of 1925, showing that with all of the activities and increased production of the past year, the member banks have handled the demands without additional recourse to the reserve banks.

This fact is noteworthy in connection with the apprehension often expressed that the practice of instalment selling is causing a dangerous expansion of credit. There has been increased demand upon Federal reserve credit during the past year. In fact, during much of December the volume of Federal reserve credit outstanding has been slightly less than a year ago, when the ratio of Reserve bank cash to combined note and deposit liabilities remains well above 70 per cent. This situation is an effective guaranty against anything of the nature of a credit crisis in the near future.

Financial conditions are favorable to a continuance of industrial activity. The country is accumulating capital rapidly, and this capital is seeking investment, with the result that not only are new supplies available for new enterprises, but long term interest rates are falling and lowering the charges upon a great body of outstanding obligations. Dow, Jones & Company have computed that bonds called for payment in 1926 in advance of maturity have aggregated \$816,000,000, which compares with \$812,000,000 called in 1925, the previous record year. These figures show that the high rate bonds issued since the war are being rapidly paid off and retired and business ridding itself of the burden of these high rate obligations.

The tendency of bonds during the past year has been strongly upward, which means that the interest yield has been downward. The New York Times list of forty domestic bonds, which reached its highest point in 1925 on December 31 of that year at an average of 85.44, touched 89.75 in December of 1926, the highest average since 1913.

The average prices of the foreign bonds, as given by the Times, was 103.80 at the high point of 1925, and 105.07 at the high point of December, 1926.

Farm mortgage rates have also been declining with other interest rates. Of the twelve Federal Land banks, four (Omaha, Wichita, New Orleans and Houston) announced reductions in interest rates during the year, and seven are now making loans at 5 per cent.

Country Saving as Well as Spending

Despite evidences on all hands of free spending, the American people have been making a better record for saving than they are generally given credit for.

Sales of life insurance during 1926 again broke all previous records, the total for the eleven months through November approximating \$10,117,140,000 or 6.6 per cent. more than in the corresponding period of last year.

Three million more persons owned savings deposits at the close of the fiscal year 1926 than at the beginning, and there was an increase of \$1,562,140,000 in the amount of funds on deposit. At \$211 per capita total deposit savings reached a new high record for all time.

Christmas club savings funds broke the record this year, with total distributions of nearly \$400,000,000, an increase of about 27 per cent. over the distribution a year ago.

Building and loan association assets have been increasing at the rate of a billion dollars a year, and while figures for 1926 are not yet available there is no reason to doubt that new high records have been attained.

The demand for investment securities has been extraordinary. The only limiting factor on the bond business has been the inability of distributors to supply the issues as fast as they are wanted. Above all, the amazing thing is the growing legion of individual investors whose purchases are for cash, as the large investment houses do not as a rule sell on the partial payment plan.

Added to the thousands of investors who have bought securities in the open market are the large numbers who are acquiring stock in the companies for which they work, usually under some company aid plan. By this means a rapidly growing body of employe-shareholders is being enabled to participate to a larger extent in the prosperity of industry. At the close of the year more than 200,000 employes of the American Telephone & Telegraph Company were reported as contributing \$2,500,000 monthly under one of these stock purchase plans. The United States Steel Corporation at the close of 1925 had 47,647 employe-shareholders of \$66,580,100 stock, par value, and there are many other similar examples.

Yet on top of all this the American people still had enough to effect during the year a reduction of approximately one billion dollars in the national debt.

Domestic Conditions and Outlook

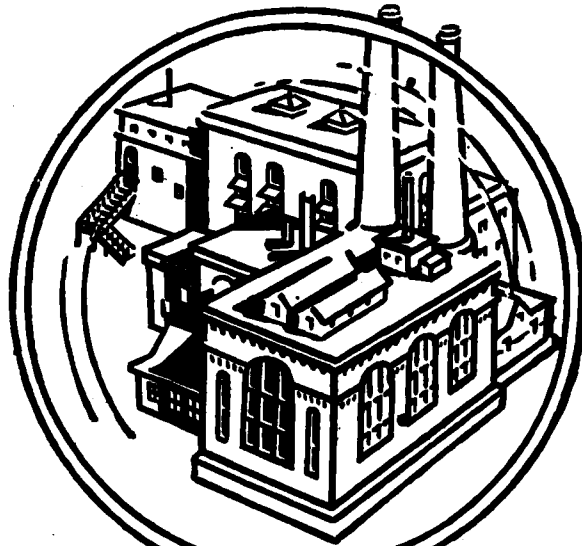
Nearly every major economic group in the country experienced exceptional prosperity in 1926, according to the Guaranty Trust Company survey just completed.

The mining and smelting industry closed a profitable year by comparison with results obtained in 1925. Coal companies made the best showing, with copper companies second. Nine copper companies in 1926 increased their net more than 40 per cent. Combining results of several important producers of coal, copper, lead, gold and silver, the nine-months' net for 1926 showed an increase of 28.15 per cent.

Production of all classes of electrical apparatus made a new high record in 1926. Increased business in practically all lines of electrical equipment is expected by G. E. Tripp, chairman of the Westinghouse Electric & Manufacturing Company.

On December 1, 1926 American shipyards were building or under contract to build 230 steel vessels of 291,027 gross tons, compared with 219 steel vessels of 251,180 gross tons on November 1, 1926. The outlook for shipbuilding, an important consumer of copper, in 1927 is better than for 1926.

The automobile industry does not expect to maintain the expansion of the past two years but does expect a very fair business in 1927. General building operations, which were headed for a substantial increase over 1925, but which underwent a rather sharp falling off in the last two months, now give signs of a renewal of the upward trend, especially in small house construction. Authorities in a



Finding bond values



SOME of the values behind investment bonds are tangible, others are intangible; some values are more certain than others. The soundness of any issue can be determined only by gathering and sifting all the facts.

Bonds good enough to receive the National City recommendation must be good enough to withstand rigid tests developed through our wide experience in many fields.

The National City Company

National City Bank Building, New York

Offices in more than 50 leading cities throughout the world

BONDS SHORT TERM NOTES ACCEPTANCES

position to know estimate that even at the worst, building operations for 1927 will show a decline of not over 6 per cent. If this estimate is at all accurate, there will be plenty of business for the contract materials such as copper which play an important part in building operations.

Altogether, the outlook for 1927 is good. There is little likelihood of any shortage of money or credit, and only in certain agricultural districts is the purchasing power likely to be less.—The Mines Handbook.

MOODY'S VIEWS

Moody's Weekly Review of Financial Conditions in its current issue says in part:

"There seems to be some slight but perceptible diminution of optimism in both stock and bond markets. Indeed, practical experience shows that investment sentiment is subject to seasonal variations, just as are money rates, bond prices, commodity prices, etc.

"Last year bond prices, notwithstanding their general upward trend, showed heaviness in the regular ordinary seasons of heaviness. They were, however, only slightly weak in the weak seasons, but unusually strong in the strong seasons. Perhaps we shall witness a repetition of this action during the coming year."

BONUSES FOR WALL STREET WORKERS

New York—Employees of the investment and commercial banking houses of Wall Street received more than \$50,000-

000 in Christmas bonuses. It was agreed unanimously that this Christmas has meant more to the thousands of workers in the financial district than any other on record. There have been larger distributions by individual houses in previous years, but prosperity never was so general as it has been this year.

MORTGAGE BANK OF CHILE

6% Guaranteed Gold Notes

Due December 31, 1931

These 5-year notes are direct obligations of the Mortgage Bank of Chile which has a 70-year record of successful operations. The notes are guaranteed by endorsement by the Republic of Chile which itself has an excellent financial record.

Price 98¾ to yield 6.30%

DRAKE-JONES COMPANY

INVESTMENT BANKERS

Second Floor, First National-Soo Line Annex

Telephone Atlantic 6070

MINNEAPOLIS, MINN.

IN MOST communities there is one outstanding Banking Institution. In Southern California it is

SECURITY TRUST & SAVINGS BANK

With Assets exceeding \$245,000,000; with more than 300,000 Depositors; with Complete Banking Service at 50 locations, including the principal business centers of Los Angeles and the circle of adjoining cities; and with extensive facilities for giving information and guidance to the new arrival—SECURITY is the ideal bank for the newcomer.

Your customers will be pleased if you give them letters of introduction to the SECURITY Bank.

HEAD OFFICE, FIFTH AND SPRING STREETS, LOS ANGELES

Los Angeles, Beverly Hills, Brentwood Heights, Burbank, Compton, Eagle Rock, Glendale, Hollywood, Huntington Beach, Inglewood, Lankershim, Long Beach, Lynwood, Monrovia, Montebello, Palms-Culver City, Pasadena, San Pedro, Santa Monica, Sawtelle, South Pasadena, Van Nuys, Wilmington.

Expert Sees Agriculture Helped By Branch Banking

Gilbert Elliott, Banking and Bank Stock Specialist, Says State-wide Branch Banking Would Benefit Farmers

America's recent "pain in the middle and Northwest" has been due to a great extent to inadequate banking facilities. Statewide branch banking would have saved many bank failures during the past two years, and would have been of direct benefit to the farmer, according to Gilbert Elliott, head of Gilbert Elliott & Co., a specialist in banking and bank stocks, who has just returned from an extended trip throughout the West. "Agricultural conditions in certain wide sections may be described as lamentable," said Mr. Elliott.

"Industrially the country was never more prosperous, but as 33 per cent. of our population is engaged in agriculture, and an additional third is engaged in service to the farmer, the agricultural depression is affecting two-thirds of the population of the country, and this depression amongst so great a proportion of the people will, if continued, finally have its effect upon all industrial activities. Furthermore, adjustment is likely to be more rapidly downward in our industrial life than upward in agricultural conditions.

"The valorization scheme now in process of completion may be expected to prevent further extension of the depression in the cotton belt, but there will be similar demands for Government aid for other commodities when its success is assured. The plight of the agriculturist is severe; he is paying record-breaking taxes and receiving minimum returns, which represent losses for the year's labors. His banks have failed in large numbers and he is not going to spend much money in 1927.

Not Much Help in Legislation

"It would seem that whether the economic condition of agriculture can be ameliorated by legislation or not, it certainly lies within the power of our lawmakers to give the farmer sound banks in which to maintain his funds until he wants them. Our banking system in the agricultural sections is archaic. Small banks lending farmers' money to farmers is a violation of every principle of the most rudimentary economics.

"The first principle of sound banking is diversification of the branches of trade served. Many businesses are seasonal, as is that of farming, but the season in which the peak of activity occurs in different industries varies widely, some are active borrowers in the spring and have large accumulation of funds in the autumn, while again others are borrowers in the autumn and repay their loans in the spring. The great metropolitan banks have a continual and regular demand for loans for legitimate business purposes throughout the entire 12-month period, while deposits are being made from liquidation in other lines.

"The farmer, after a twelve-month period of operation,

cashs in and in a gathering number of cases has no bank in which to make a deposit.

A Preventative of Failures

"Statewide branch banking would provide protection for the farmer. This has been demonstrated in the past two years. There have been in this period numerous bank failures in the states of North and South Dakota, Minnesota, Nebraska, Kansas, Oklahoma, Colorado, Wyoming and Montana. I believe there were none in this period in the states of California and Rhode Island, where statewide branch banking is in operation. This does not mean that there would have been none in these states under less advanced laws, because there were several instances in which small banks operating in single localities actually reached the point at which failure would normally have been the only outcome, but were saved by being taken over by the aggregations of capital represented by the great branch banks. Depositors were saved loss, and confidence in banks has not only been retained, but extended.

"Branch banking has been in operation for a long time in England and Canada and there have been no losses to depositors in these countries in many years. Five great banks operating thousands of branches serve practically all England. Are we less progressive in the United States?

"The farmer now has the Federal and Joint Stock Land Banks to save him from the mortgage loan shark and he has the Intermediate Credit Banks to assist him in financing his crops. But in many states in the Union he has completely lost confidence in the local bank, and when he receives payment for his crops, has paid his debts and has a surplus over, if any, to see him through another year, there is no near depository for it."

NOW THE AMERICAN TRUST COMPANY OF SAN FRANCISCO

On January 3, the American Bank and the Mercantile Trust Company of San Francisco, were merged under the name of American Trust Company. No interruption of business or changes in personnel is involved. All facilities provided in the past by either the American or the Mercantile are available to the customers of American Trust Company.

All the offices of both banks have become offices of American Trust Company, and deposits may be made at any one of them for credit to an account in any other.

The status of trusts and other obligations of the American Bank and of the Mercantile Trust Company are not affected in any way by the merger, since American Trust Company has taken over and assumes the obligations, of every character, of both banks.

NEW ISSUE

\$1,200,000

Minneapolis Theatre Company

First Mortgage Leasehold 6% Sinking Fund Gold Bonds
(Closed Issue)

Dated December 1, 1926

Due December 1, 1941

Total authorized issue \$1,200,000. Coupon bonds in denominations of \$1,000 and \$500, registerable as to principal only. Principal and semi-annual interest, June 1 and December 1, payable in United States gold coin at The Minnesota Loan and Trust Company, Minneapolis, or, at the option of the holder, at the Bankers Trust Company, New York City. Interest payable without deduction for normal Federal Income Tax up to 2%. Redeemable as a whole or in part on any interest date prior to maturity upon thirty days' notice, at 100% and accrued interest, plus a premium of 5% if redeemed on or before December 1, 1931, and a premium of 1/2% for each year or fraction thereof between the date of redemption and the date of maturity if redeemed thereafter.

Exempt from Moneys and Credits Tax in Minnesota.

The Minnesota Loan and Trust Company, Minneapolis, Trustee.

Mr. Sumner T. McKnight, President of the Minneapolis Theatre Company, has summarized his letter to us as follows:

PROPERTY—The Minneapolis Theatre Company holds under favorable long term lease the land at the northeast corner of Ninth Street and La Salle Avenue, Minneapolis, with a frontage of 167 feet on La Salle Avenue and 225 feet on Ninth Street, upon which land it is forthwith to construct a theatre building, which it has leased to the Famous Players-Lasky Corporation, and a commercial building containing store and office space. The theatre will have a seating capacity of about 4,000 and will be among the largest and finest theatres in the United States.

The location of the property is excellent for the purposes of the building to be constructed. The site is one block from Nicollet Avenue and Ninth Street, immediately adjacent to the principal retail district of the City of Minneapolis. It is easily accessible to the principal residential sections and is well located with reference to hotels and theatres.

LEASE TO FAMOUS PLAYERS-LASKY CORPORATION—The theatre building has been leased to the Famous Players-Lasky Corporation for a period of 25 years at an annual rental of \$165,000. This rental, in addition to being sufficient annually to provide for ground rents and estimated corporate expenses, will in each year be largely in excess of the annual requirement for interest and sinking fund payments of these bonds.

The lessee is required to pay all taxes and assessments against the theatre property, maintain the property, except structural portions thereof, and protect the lessor against any claim for damages arising from theatre operation. The lessee can make no assignment of the lease which will relieve it of its obligations thereunder.

THEATRE LESSEE—The Famous Players-Lasky Corporation, producer and distributor of "Paramount Pictures," is one of the largest companies engaged in the business of producing, distributing and exhibiting motion picture films. During the four years ended December 26, 1925, consolidated net income of the corporation and its subsidiaries, after depreciation, interest and taxes, was at an average annual rate of more than \$4,874,000 per annum, and during the fiscal year ended on that date was in excess of \$5,718,000. The preferred and common stocks of the corporation, based upon quotations upon the New York Stock Exchange, had a market value on December 29, 1926, in excess of \$74,000,000.

SECURITY—These bonds are to be secured by a first closed mortgage on the leasehold property of the company, consisting of the ground leases, the buildings to be constructed and the furnishings and equipment to be installed by the company, and by a first closed mortgage on a large amount of furnishings and equipment to be installed by the theatre lessee. The lease of the theatre to the Famous Players-Lasky Corporation is also to be assigned to the Trustee as security for these bonds.

VALUATION—The interest of the Minneapolis Theatre Company in the leasehold property, including value of the leases, the theatre building and the commercial building to be erected and the furnishings and equipment thereof to be owned by the Company, when constructed and completed in accordance with the plans and costs submitted to the Valuation Committee of the Minneapolis Real Estate Board, and with the twenty-five year lease to the Famous Players-Lasky Corporation of the theatre building at a rental of \$165,000 per year, has been appraised by the Valuation Committee of the Board as having a value of \$1,750,000.

EARNINGS—Based upon the rentals to be received under the lease of the theatre to the Famous Players-Lasky Corporation, and including estimated rentals from the commercial building, it is expected that upon completion of construction the annual earnings of the Minneapolis Theatre Company will be as follows:

Net rentals.....	\$190,000
Ground rentals and estimated expenses.....	40,000
Net Income.....	\$150,000

The maximum annual requirement for interest of these bonds is \$72,000 and the maximum amount required in any year for interest and sinking fund of this issue is \$112,050.

SINKING FUND—The mortgage will contain provision for a sinking fund which shall retire, either by purchase by the company or by redemption by lot, bonds of this issue in the following amounts on or before the dates specified.

\$35,000.....	December 1, 1929	\$45,000.....	December 1, 1933	\$55,000.....	December 1, 1937
\$35,000.....	December 1, 1930	\$50,000.....	December 1, 1934	\$60,000.....	December 1, 1938
\$40,000.....	December 1, 1931	\$50,000.....	December 1, 1935	\$65,000.....	December 1, 1939
\$40,000.....	December 1, 1932	\$55,000.....	December 1, 1936	\$70,000.....	December 1, 1940

The sinking fund will thus retire before maturity 50% of the total authorized amount of these bonds.

MANAGEMENT—The Board of Directors of the Minneapolis Theatre Company consists of Messrs. A. D. Walker, A. E. Zonne, A. F. Pillsbury, Allan G. Siems, C. O. Kalman, C. P. Jaffray, Norman Nelson, J. H. Palmer and Sumner T. McKnight.

Price 98½ and interest to yield about 6.15%

LANE, PIPER & JAFFRAY, Inc. KALMAN & COMPANY
THE MINNESOTA LOAN & TRUST CO. MINNEAPOLIS TRUST CO.
BROKAW & COMPANY

We offer these bonds, if, as and when issued and received by us, subject to the approval of all legal proceedings in connection therewith by Messrs. Lancaster, Simpson, Junell and Dorsey. It is expected that delivery of definitive bonds will be made on or about January 24, 1927. The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be accurate and reliable.



Plan Outlined to Make Banking Safe

Frank W. Simmonds, Secretary of the Clearing House Section, American Bankers Association

The three major objectives of all bank organization work should be: To make banking safer for all concerned, to help expedite all phases of business and, through increased efficiency of operation and management, to lessen all forms of bank losses so that greater rewards may accrue. Happily, in all this work, there is a strong and growing spirit of good fellowship and constructive cooperation between bankers and banking organizations everywhere which is making for better understanding and better banking. To this task is dedicated the best efforts of the Clearing House Section of the American Bankers Association.

The officers of the section met recently at the New York headquarters to outline activities for the year. President John R. Downing called attention to the fact that the section is logically becoming the laboratory of better banking and is rendering invaluable assistance in the solution of problems of better practices. He expressed the opinion, approved by the officers present, that the wise course to pursue is to center the section's efforts along lines of outstanding importance, namely:

- 1.—Conduct a vigorous campaign for the extension of clearing house service through the organization of new clearing house associations;
- 2.—Advocate the adoption of more nearly uniform clearing house rules and regulations;
- 3.—Promote the installation of city and county credit bureau work as a means of heading off "duplicate borrowers;"
- 4.—Encourage clearing houses to avail themselves of the protection, safety and helpfulness of the clearing house examiner system;
- 5.—Continue the campaign of urging banks to make an analysis of accounts to determine costs, sources of losses, etc., and the installation of equitable charges for services;
- 6.—Continue the effective work that has been done toward securing the universal adoption of standardized checks, drafts, etc.;
- 7.—Promote the general use of the recently adopted standard forms of uniform terms and conditions of negotiable warehouse contracts, standard contractor's financial statement, revised forms of financial statements and uniform "No-Protest" stamp;
- 8.—Issue a report of the result of the section's questionnaire on payroll problems;
- 9.—Make a study of escrow and custody charges;
- 10.—Make regional surveys of distribution of banks' expenses in proportion to gross earnings.

Many Seekers After Advice

So many requests are received from clearing house officers for advice as to what has proved best in clearing house regulations that a year ago a committee was appointed to make a nationwide study of this subject. This committee, under the leadership of A. G. Biggerstaff, clearing house manager examiner, Kansas City, Mo., has prepared a comprehensive report that will be published in the near future.

The pestiferous "duplicate borrower" has thrived along with the development of good roads and rapid automobile

transportation. The credit bureau has proved to be the effective antidote for this "pest." Clearing houses and county organizations are rapidly availing themselves of this safeguard. The method of organization is simplicity itself and the cost of operation a mere pittance. During the past year credit bureaus were more than doubled in number. Every clearing house and every county bankers association should at once take steps to install a credit bureau. The committee having charge of this subject will soon issue a new booklet on credit bureaus, their organization, operation, etc., which will prove helpful in extending this banking safeguard.

New Associations Formed

During the past year 22 new clearing house associations were organized. The total number of clearing houses to date is 389. The associations in operation in hundreds of cities, towns and counties constitute a chief line of defense against bad banking practices. They are a major factor in bringing about reforms in banking laws, improvement in methods and promotion of sound practices.

No activity of the section has enlisted so lively an interest throughout the country as the booklet on Analysis of Accounts. Over 32,000 copies were distributed. Banking economies demand that profit and loss elements be definitely determined and allocated in order that remedial steps may be taken to stop leaks and losses. That the clearing house section booklet has succeeded in working out a simple, workable plan especially adapted to county banks is attested by its widespread use and the universal expressions of appreciation accorded it by bankers.

Lively interest in making checking accounts pay their way has developed among banks throughout the country. Operating costs of banks have been steadily increasing with the margin of profits as steadily decreasing. Bankers are realizing as never before that unprofitable checking accounts must be reduced to a minimum or eliminated. The prime objective, of course, is to build up accounts to a point where they are profitable and experience shows that the installation of equitable service charges on unprofitable checking accounts is a successful step in this direction. Numerous inquiries for information regarding service charges prompted a survey. It showed that such charges are in effect in more than 300 places. The significant development along this line is the spread of the practice to country banks. The important element is a systematic education of the depositors as to the fairness of the charge.

The officers of the section, after careful investigation and consultation with the Federal Reserve Board officers, have agreed to change the "no protest" minimum of \$20 heretofore recommended to \$10. The investigation revealed that about 85 per cent. of commercial banks were using the \$10 limit.

BRITISH "DRUMMER" USES PLANE

London—Great Britain's first flying traveling salesman started his rounds from Brooklands in an airplane. He will visit customers in the principal towns of England and Ireland. The pioneer air "drummer" is J. P. Phillips, of London. He is piloting the plane himself.

STATEMENT DECEMBER 31, 1926

RESOURCES	
Loans and Discounts.....	\$2,096,411.01
Stock in Federal Reserve Bank.....	16,500.00
Security Bank Building.....	247,910.08
Other Real Estate.....	14,064.09
Overdrafts.....	427.45
Bonds and Cash Securities.....	842,010.01
U. S. Bonds.....	672,660.25
Cash on Hand, Due from Banks and U. S. Treasurer.....	1,382,315.34
	\$5,272,298.23

LIABILITIES	
Capital Stock.....	\$250,000.00
Surplus and Undivided Profits.....	313,467.88
Dividend Unpaid.....	7,500.00
Circulation.....	249,997.50
Deposits.....	4,451,332.85
	\$5,272,298.23

SECURITY NATIONAL BANK
SIoux CITY

A. B. Darling, President
V. C. Bonesteel, Vice President

L. R. Manley, Cashier
R. E. Brown, Assistant Cashier

**HENNEPIN COUNTY
SAVINGS BANK**
MINNEAPOLIS, MINN.

Statement at the close of business December 31, 1926

RESOURCES	
United States and Municipal Bonds.....	\$5,062,024.65
Mortgage Loans.....	3,402,180.00
Loans and Discounts.....	1,720,480.14
Overdrafts.....	1,792.57
Cash on Hand and Due from Banks.....	1,066,217.59
Furniture and Fixtures.....	41,042.25
Suspense and Tax Account.....	8,668.11
Customers' Liability for Letters of Credit.....	18,020.00
	\$11,315,425.31

LIABILITIES	
Capital Stock.....	\$500,000.00
Surplus.....	300,000.00
Undivided Profits.....	54,952.81
Deposits.....	10,422,163.22
Contingent Fund.....	589.28
Reserve for Taxes.....	19,700.00
Letters of Credit.....	18,020.00
	\$11,315,425.31

OFFICERS

W. H. LEE	President
W. F. McLANE	Vice President
DAVID P. JONES	Vice President
ROGER I. LEE	Cashier
H. H. BARBER	Secretary
VINCENT McLANE	Assistant Cashier

TRUSTEES

F. A. CHAMBERLAIN	F. M. PRINCE
DAVID P. JONES	RUSSELL H. BENNETT
HORACE M. HILL	W. H. LEE
W. F. McLANE	EARL PARTRIDGE

**The oldest savings bank
in Minnesota**

1870 1927

The Hennepin County Savings Bank, First National Bank and Minneapolis Trust Company are affiliated

The First National Bank
GRAND FORKS, NORTH DAKOTA

Statement of Condition December 31, 1926

RESOURCES	
Loans and Discounts.....	\$1,319,598.31
Commercial Paper and Call Loans.....	935,000.00
Overdrafts.....	129.56
U. S. Bonds to Secure Circulation.....	200,000.00
Liberty Loan Bonds.....	142,550.00
Municipal, Listed and Other Bonds.....	846,184.13
Banking House, Furniture and Fixtures..	142,000.82
Other Real Estate.....	54,646.03
Cash and in Banks.....	1,132,947.14
Total.....	\$4,773,055.99

LIABILITIES	
Capital.....	\$200,000.00
Surplus and Profits.....	63,751.82
Circulation.....	200,000.00
Deposits.....	4,309,304.17
Total.....	\$4,773,055.99

OFFICERS

A. I. HUNTER	Chairman
J. R. CARLEY	President
W. H. SHULZE	Vice President
OTTO BREMER	Vice President
W. M. EDMUNDS	Cashier
I. A. BERG	Assistant Cashier
H. A. HUNTER	Assistant Cashier
L. A. RULIEN	Assistant Cashier
CARTHER JACKSON	Asst. Trust Officer

MEMBER FEDERAL RESERVE BANK

FARMERS AND MECHANICS SAVINGS BANK

115 South 4th Street, Minneapolis

JANUARY 1, 1927

ASSETS	
United States Bonds.....	\$6,684,715.52
Municipal Bonds.....	23,774,480.81
Railway Bonds.....	4,138,000.00
First Mortgages.....	18,195,337.37
Banking House and Lot.....	150,000.00
Other Real Estate.....	89,862.95
Collateral Loans.....	138,570.00
Bank Acceptances.....	403,724.92
Cash on Hand.....	1,194,947.30
	\$54,769,638.87

LIABILITIES	
Deposits.....	\$52,839,638.87
Surplus of Assets over Liabilities.....	1,930,000.00
	\$54,769,638.87

TRUSTEES

E. L. CARPENTER
JOSEPH CHAPMAN
JOHN CROSBY
KARL DE LAITRE

CAVOUR S. LANGDON
WM. G. NORTHUP
A. F. PILLSBURY

FRED B. SNYDER
F. C. VAN DUSEN
THOS. F. WALLACE
C. C. WEBBER

AMERICAN EXCHANGE NATIONAL BANK

Isaac S. Moore President
 J. Daniel Mahoney Vice President
 E. L. Palmer V. P. & Trust Officer
 W. Gordon Hegardt Cashier and Asst. Trust Officer

of DULUTH

Oldest Bank at Head of the Lakes

OLD ACCOUNTS ARE APPRECIATED.

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

NEW ACCOUNTS ARE INVITED.

The Business Outlook for the Present Year

Frederick H. Rawson, Chairman of the Board, Union Trust Company, Chicago

The year 1926, by and large, has been a good one. The financial sky is free of any serious storm clouds. The United States is fortunate in having an able and conservative president who is giving us a sound business administration. European conditions are gradually righting themselves and the business situation in this country was never better than at present. Business conditions during the past 12 months, and an outlook of what is in store for us in 1927 might thus be summarized very briefly.

Although I should not be inclined to make definite predictions for more than six months ahead in any year, a continuance in 1927 of about the same business activity as that experienced in 1926 may be expected. Commerce in 1926 exceeded expectations and in general more than sustained the progress it enjoyed in 1925. In some quarters there is a feeling that there may be somewhat of a letup, but there are very few reliable signs to justify such a conclusion. It is possible that there may be a slackening in some lines, but a decrease in one line probably will be offset by an increase in another, and whatever general letup there may be will be absorbed by the natural growth of the country, which is constant and is not sufficiently taken into consideration.

Increase in Carloadings

Carloadings up to the middle of December, 1926, were greater than they were for the same period of 1925. Labor is maintaining its efficiency and is well employed at top-notch wages, which means a continuance of the purchasing power of the nation. It has shared not only in the results of its own efforts, but also in the multiplied capacity which America's great resources invested in organization have made available. There is not so much waste as we have had in years past in prosperous times, and there are no signs of inflation in sight.

Agricultural conditions, while not wholly satisfactory, are steadily improving. Unseasonable weather and flood conditions during the growing period unfavorably influenced some of the major crops in 1926, particularly the corn crop, which decreased in quantity and to a serious degree in quality. On the other hand, the cotton crop for the second consecutive year brought in a surplus of more than 3,000,000 bales, and the market price is lowered approximately to cost. It is of interest to note, however, that the cotton crop, cotton seed, and the allied products do not constitute as great a proportion of the income of the South as is generally supposed, the percentage being about 25 per cent to 30 per cent. Although some sections of the country have suffered from crop failure, and others from overproduction, the situation, taken as a whole and in comparison with 1920-21, is encouraging. There are in all sections of the country a number of farmers who have solved many of the different problems of this industry and who have been doing well continually.

Solving the Farmers' Problems

To no other industry is so much intensive thought being given by the Government as well as by individuals as there is in the effort to find a proper solution to farm problems. Although there is much diversity of opinion as to what should be done, there is an almost unanimous good will and interest in finding the proper solution. The elimination of waste through rational cooperative marketing will bring some relief, but one of the chief difficulties perhaps lies in too high land values, and the fact that the agricultural industry has not always kept up to date in the methods of growing and harvesting crops. Excessive land costs should be charged off and the losses taken by the

farmer, just as the manufacturer has had to charge off his high costs of factory and inventory. During the war period farm lands were constantly purchased at ever-increasing values and in many cases the old farm was mortgaged to help pay for adjoining land, with the result that both the old and the new land were very heavily encumbered. At the present time, therefore, the mortgage covers the entire farm, the interest charge of which, based on excessively high-priced land, can be supported only by crops which sell at high prices—an anomaly under the conditions of excess production which prevail in some lines at present.

Government Price Fixing Not Desirable

President Coolidge's views regarding the undesirability of any legislation which savors of price fixing are, in my opinion, wise and economically sound. There is no proven way so far devised of obviating the law of supply and demand, and the unfettered operation of this inexorable economic law will automatically remedy the trouble in due time. For a number of years manufacturers have been alert in holding down their costs of production, sparing no expense to keep abreast of the times. They have called in experts and industrial engineers who have pointed out obsolete and old-fashioned methods and have often shown the way to lowered costs of production without reducing wages; in many cases they have even been able to increase wages because of the increased production which resulted. In our manufacturing plants today, due to improved machines and methods, one man does the work of 20 to 30 men, and benefits thereby in two ways: First, by an increased wage due to his efficiency, and second, by a reduction in the cost of the articles he produces, which places them within the reach of himself and thousands of other workers. On the other hand, the farmer in a sense still continues to plough with four horses; the use of modern machines, such as the tractor, the Combine, and others on the market, as well as the application of industrial methods wherever possible, will reduce the costs of production. It would seem worthwhile to study the agricultural industry with a view to ascertaining possible methods and means of increasing the costs of production.

Building activities still loom large, and although there may be some curtailment next year, it is probable that there will be a very considerable volume of building in 1927. Periods of severe depression in this country have never been coexistent with active building operations.

European Situation

The situation in Europe has been marked by definite progress in most countries. The people in the leading industrial nations are getting back to work—again producing and again coming into the market as consumers. The international debt arrangements which have been entered into with almost all the large countries of Europe, with the exception of France and Russia, have had a very stimulating effect. Most of the countries in Europe have also seen the wisdom of balancing their budgets and of getting back to the gold standard.

Congress has for its consideration a renewal of the charter of the Federal Reserve banks. The people of this nation have had sufficient experience with this admirable piece of banking machinery to recognize in no small degree its great value. I should not like to contemplate what would have happened to this nation during the war in financing our Liberty bond issues and our commerce if we had not had this great financial reservoir on which to draw. By means of it, banks were able to pool their re-

The New Year

The country enters upon the New Year with a feeling of optimism. Business in the United States as a whole is good, and in the Northwest the agricultural situation shows signs of improvement. Do not lose faith in the United States nor in the solidity of the Northwest.

THE FIRST NATIONAL BANK

Capital \$2,000,000.00

DULUTH, MINN.

Surplus and Profits \$2,250,000.00

serves in case of any crisis, and were provided with a place for rediscounting their paper.

Federal Reserve a Stabilizer

The Federal Reserve banks have been blamed for the deflation of 1920-21, but the farther we get away from this period, and for that reason the more sanely we can review it, the better do we appreciate that bad as it was, it would have been far worse without the Federal Reserve banks. No one claims that the Federal Reserve Act is perfect, but it contains an infinitely greater number of good features than bad ones, and the few objectionable ones can be easily amended. It is an essential part in the maintenance of nation-wide prosperity that the Federal Reserve banks be perpetuated and kept out of politics.

The national Government has continued its confidence-inspiring policy of economy, close budgeting, non-interference with legitimate business and stimulation of trade through tax reduction. The immense benefit of what might be called "legislative stability" is thus contributing its part in the maintenance of good business conditions. The country is fortunate indeed in having such an able financial advisor as Mr. Mellon, Secretary of the Treasury, and a man with the courage of President Coolidge to support him. The public debt has been reduced over five and one-half billions of dollars in the seven fiscal years 1920-26 inclusive.

Railroad Service Impaired

The railroads have been giving an admirable demonstration of service, which is due largely to able and efficient management and partly to the restored confidence of the public in the carriers. "Since 1920," a recent report of the Interstate Commerce Commission says, "there has been a satisfactory climb in railway net earnings each year." The Esch-Cummings Law, under which the railroads operate, provides that they shall receive a fair return, and charges the Interstate Commerce Commission with the responsibility of determining from time to time what percentage of the aggregate railroad property value shall constitute a fair return. This return at the present time has been fixed at 5½ per cent. The railroads may retain up to 6 per cent., but earnings in excess of 6 per cent. are to be divided equally between the Government and the carriers. Since this law has been in effect, the railroads have never earned the amounts prescribed. It is apparent that there is no vestige of a guaranty, which is the mistaken idea of many people.

The Class 1 railroads' net earnings from practically nothing in 1920, were 3.33 per cent. in 1921, and 5.63 per cent. in 1925.

The increase in their net earnings in latter years has done much to restore the confidence of investors not only in railroad bonds, but in railroad stocks. Due to the unpopularity of railroad stocks, the only source of new money in recent years has been through the flotation of bonds. This has brought the ratio of bonds to stocks of many roads almost to the saturation point. Consequently, if we wish the present standard of service to continue, many millions of dollars of new money will have to be obtained for more locomotives, more cars, double tracking, heavier rails, new freight yards and terminals by the sale of capital stock. Railroad earnings should be sufficient to insure the stability and popularity of stock issues, for otherwise there will be no means of supplying the millions necessary to keep up with the requirements of commerce. The efficiency of the railroads during the past two years in the speedy delivery of freight has brought about a new era of merchandising whereby merchants are not compelled

to buy large stocks far in advance, thus running the chance of having to write off depreciated inventories; it has likewise reduced by many hundreds of millions the amount of working capital required by jobbers and retailers.

Railroad stockholders should be led to understand they may expect dividends equal to those they are accustomed to receive from public utility corporations, and our larger industrial concerns. There can be no real prosperity if the railroads are not prosperous. They are among our largest buyers of materials of all kinds, and unless they

(Continued on page 42)

ESTABLISHED 1905

BONDED

THE CARLING SERVICE DETECTIVES

ST. PAUL, MINN.
316 EXCHANGE BANK BLDG.

CHICAGO, ILL.
327 SO. LA SALLE ST.

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

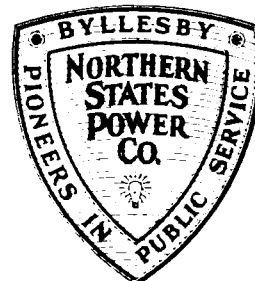
1112-10 METROPOLITAN LIFE BUILDING. MINNEAPOLIS, MINN.

CHARLES H. PRESTON & CO.

CERTIFIED PUBLIC ACCOUNTANTS

AUDITS AND INVESTIGATIONS
ACCOUNTING AND COST SYSTEMS
INCOME TAX SERVICE

PLYMOUTH BUILDING
MINNEAPOLIS



Every sixth customer
a shareholder

Stock and Bond Quotations

MINNEAPOLIS BANK STOCKS

Quotations by C. D. Mahoney & Co., Minneapolis.

	Div. Rate	Pct.	Bid	Asked
Camden Park State.....	6	125	...	...
Central State.....	10	209	...	...
East Hennepin State Bank.....	...	160	...	...
First National.....	12*	287	292	...
Gateway State.....	...	...	...	...
Marquette Nat'l Bank & Trust.....	3	...	200	...
Metropolitan National Bank.....	6	135	145	...
Midland National Bank & Tr. Co.....	10	175	180	...
Millers & Traders State.....	6	170	...	...
Northwestern National.....	12	235	245	...

*3 per cent extra dividend.

ST. PAUL BANK STOCKS

	Div. Rate	Pct.	Bid	Asked
American National.....	6	200	...	...
Great Northern State.....	10	125	...	...
Merchants National.....	12	260	...	...
Mound Park State Bank.....	20	250	...	...
Payne Avenue State.....	10	...	225	...
St. Paul State.....	10	250	...	...

DULUTH BANK STOCKS

	Div. Rate	Pct.	Bid	Asked
American Exchange Nat'l Bank..	10	190	...	...
City National Bank.....	10	210	...	...
Duluth National Bank.....	...	150	...	...
First National Bank of Duluth...	12	250	...	...
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	98	...
Munsingwear Corp., pfd.....	7	104	...
Pillsbury Flour Mills, com.....	...	54	57
Russell Miller Milling, com.....	...	195	...
Russell Miller Milling, pfd.....	6½	103	105
Washburn Crosby Co., pfd.....	7	108½	109½

ST. PAUL CORPORATIONS

	Rate	Bid	Asked
Foote, Schultz & Co., pfd.....	7	80	85
St. Paul Fire & Mar. Ins. (par \$25)	14	100	...
St. Paul Union Stockyards.....	8	120	...
Tri State Tel. & Tel., pfd.....	6	9.75	10.00
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 1927/30....	6	99½	101
Clarkson Coal Dock 1931/9.....	6	99	100
Dakota Central Telephone.....	6	105	106½
Duluth Street Ry., 1st 1930.....	5	96	98
Duluth Street Ry., Gen. 1930.....	5	91	...
1st Nat. Soo Line Bldg., 1st 1930/5	5	98	100
Island Warehouse Co., 1st 1943....	6	101¼	102¼
Marshall-Wells Bldg. Corp., 1930/7	6½	101	105
Minneapolis Gen. Elec., 1st 1934..	5	101	102½
Minneapolis Gas Light, 1st 1930..	5	98½	100
Mpls. Gas Light Sec. Notes 1930..	6	101½	102½
Mpls. Str. & St. P. City Joint 1928	5	97	99
Mpls. St. Ry. Secured Notes.....	5½	99½	100½
Minn. Fr. & Light Co., 1950.....	6	105	106
Minn. Tribune Co., 1st 1942.....	6½	104	105
Northern States Pr., 1948.....	6	103½	105
Northern States Pr., 1941.....	5	100½	100½
Northwestern Elev. Co., Ltd. 1930/2	6½	100	6.00 B
Northwestern Terminal Co. 1930/5	6	98	100
Ottotail Power Co. Gen. Ref. 5½s	...	100½	...
due Jan. 1, 1945.....	6	102¼	103
Pillsbury Flour Mills, 1943.....	6	100½	102
Powell River Co., Ltd. 1927/9.....	5	99	100
Red River Lumber Co., 1st 1928..	...	98½	100
Red River Lumber Co., 5% notes	...	99½	100½
due Nov. 1, 1927/9.....	5	95½	98
St. Croix Power Co., 1929.....	5	101	102
St. Paul City Ry. Cable Cons. 1937	5	106	107
St. Paul Gas Light 1st 1944.....	5	102½	103½
St. Paul Gas Light, Gen. 1952....	5½	99	101
St. Paul Gas Light, Gen. 1954....	5½	105	106½
St. Paul Union Stockyards, 1946..	6	99	101
Tri-State Tel. & Tel., 1942.....	5½	105	106½
Union Public Service, 1st 1936....	6	99	101
Watab Paper Co., 1st 1942.....	6½	102	103

CHICAGO BANK STOCKS

Reported January 4, by Babcock, Rushton & Co., 137 South La Salle Street, Chicago.

	Bid	Ask	Book Val.
Calumet National.....	300	...	196
City National Evanston.....	360	...	314
Continental & Commercial.....	452	456	280
Drovers National.....	225	...	154
First National.....	608	612	352
First National Englewood.....	425	...	425
Foreman National.....	515	...	280
International National Hegewisch	425	...	567
Irving Park.....	290	...	199
Jefferson Park.....	250	...	159
Kenwood National.....	280	...	217
Mutual National.....	285	295	245
National Bank Commerce.....	180	184	167
National Bank Republic.....	296	300	167
National Bank Woodlawn.....	210	220	151
Rogers Park.....	225	...	187
Stock Yards.....	280	285	196
Washington Park.....	257	...	142
Austin State.....	275	...	204
Boul Bridge Bank.....	210	...	154
Builders & Merchants.....	215	...	159
Calumet T & S.....	200	210	122
Central Mfg. Dist.....	400	410	268
Central Trust.....	300	305	177
Chicago City.....	325	340	215
Chicago Trust.....	294	298	174
Citizens State Bank.....	345	355	201
Cosmopolitan State.....	215	225	163
Drexel State.....	245	...	220
Drovers Trust & Savings.....	415	...	349
Franklin Trust & Savings.....	275	285	302
Greenbaum Sons Bank & Trust.....	630	655	294
Guarantee Trust & Savings.....	275	285	224
Halsted Street State.....	250	...	225
Harris Trust & Savings.....	450	...	221
Home Bank & Trust.....	280	290	202
Humboldt State.....	220	...	150
Hyde Park State.....	280	...	202
Illinois Merchants Trust.....	600	605	301
Independence State.....	200	205	145
Kaspar American State.....	201	205	140
Kimbell Trust & Savings.....	200	225	177
Lake Shore Trust & Savings.....	255	...	154
Lake View State.....	230	...	170
Lake View Trust & Savings.....	385	395	267
Lawndale State.....	410	...	232
Liberty Trust & Savings.....	220	230	155
Lincoln Trust & Savings.....	235	...	220
Madison-Kedzie.....	235	240	151
Marquette Park.....	305	325	184
Mercantile Trust.....	225	235	166
Mid-City Trust & Savings.....	240	250	144
Noel State.....	210	...	140
Northern Trust.....	473	477	382
North-Western Trust.....	385	395	203
Oak Park Trust.....	265	...	191
Peoples Stock Yards.....	265	270	154
Peoples Trust & Savings.....	335	345	175
Pinkert State.....	220	...	152
Pioneer Trust & Savings.....	260	270	155
Prudential State.....	215	...	209
Pullman Trust & Savings.....	250	260	208
Reliance State.....	250	260	168
Roseland State.....	300	...	208
Schiff Trust & Savings.....	275	300	131
Security.....	360	...	263
Sheridan Trust & Savings.....	300	310	153
63rd & Halsted.....	230	240	182

So. Chicago Savings.....	290	300	155
So. Side Trust & Savings.....	232	240	142
Standard Trust.....	235	240	205
State Bank of Chicago.....	780	785	391
State Bank & Trust Evanston.....	375	...	287
Stockmen's Trust & Savings.....	190	200	205
Stony Island NEW.....	215	225	162
Suburban Trust & Savings.....	220	230	189
Union Bank of Chicago.....	252	260	208
Union Trust.....	448	452	238
United State.....	240	...	209
W. Englewood Trust & Savings.....	350	360	175
W. Side Trust & Savings.....	255	260	144
West Town.....	275	...	172
Wiersema State.....	260	265	238
Woodlawn Trust & Savings.....	255	265	170

CHICAGO INDUSTRIAL STOCKS

Reported January 4, by Babcock, Rushton & Co., 137 South La Salle Street, Chicago.

	Bid	Asked	Div. Rate
Acme Steel Co. (com, no par).....	2½	70	71
American Furniture Mart (com.).....	6	98	4½
American Fork & Hoe (com).....	7	106	107
American Fork & Hoe (pfd).....	10	134	137
American Stove Co.....	7	103	106
Barnhart Bros. & Spindler (1st pfd)...	7	98	101
Barnhart Bros. & Spindler (2d pfd)...	5	59	60
Beatrice Creamery (pfd).....	7	100	102
Benjamin Electric (pfd) (1st).....	8	104	...
Brennan Packing (Class A).....	4	50½	51½
Brunswick-Balke-Collender Co. (pfd)..	7	100½	102
Bunte Bros. (pfd).....	7	98	...
By-Products Coke (pfd).....	9	111	113
Celotex Co. (pfd).....	7	89	91
Celotex Co. (com).....	6	83½	85
Central Cold Storage (com).....	1½	20½	21½
Chicago Cold Storage (pfd).....	7	87	89
Chicago Cold Storage (com).....	7	51	55
Chicago Daily News (pfd).....	7	92	94
Chicago Mill & Lumber (com).....	4	76	78
Chicago Mill & Lumber (pfd).....	7	102½	104
Chicago Railway Equipment (\$25 par)...	3	27½	28½
Chicago Railway Equipmt. (pfd., \$25 par)	1¾	22½	23½
Creamery Package.....	2	31½	32½
Creamery Package (pfd).....	6	100	103
Congress Hotel (com).....	6	175	185
Dolese and Shepard (capital).....	6	92	94
Drake Hotel (com).....	6	65	70
Drake Hotel Co. (pfd).....	6	65	70
Elgin National Watch (\$25 par).....	10	77½	78½
Fansted Products (com).....	6	162	165
Federal Electric (com).....	...	11¼	12
Federal Electric (pfd).....	...	41	43
First State Pawners' Society.....	7	123	126
W. C. Foster (com).....	...	30	35
W. C. Foster (pfd).....	7	70	75
Fulton Market Cold Storage (units)...	...	510	520
Godschaux Sugar (pfd).....	...	...	20
Goodman Manufacturing Co. (\$50 par)..	6	52	53
H. W. Gossard (pfd).....	7	102	...
Great Lakes Transit (pfd).....	7	85	87
Great Lakes Transit (com).....	3	26	28
W. F. Hall Printing (com).....	1	27½	28½
Holland-St. Louis Sugar (com, \$10 par)	...	2½	3
Hotel Sherman (com).....	12	200	...
Hotel Sherman (pfd).....	7	96	97
Hydrox Corp. (pfd).....	7	92	94
Interstate Iron and Steel (pfd).....	7	100½	101½
Interstate Iron and Steel (com).....	95

A Complete Investment Service

Commercial Paper and Bonds

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LANE, ROLOSON & CO., INC.

209 SOUTH LA SALLE ST., CHICAGO

Kellogg Company (pfd)	7	111	113
Kellogg Company (com)	4	121	123
Keystone Steel & Wire (pfd)	7	90	92
Keystone Steel & Wire (com)	7	47	48
LaSalle Extension Univ. (pfd)	7	84	86
McCord Mfg. Co. (com, no par)	7	10	10 1/2
McCord Mfg. Co. ("A" pfd)	7	68	70
Michigan Sugar Co. (com \$10 par)	6	3	3 1/2
Michigan Sugar Co. (pfd, \$10 par)	6	5	6
Meir Hotel Co. (units)	7	94	98
National Gypsum Co. (com)	7	28	...
National Gypsum Co. (units)	7	100	105
National Tra Co. (pfd)	6 1/2	100	101
National Grocer (com)	8	3 1/2	4 1/2
National Grocer (pfd)	6	...	80
Northwestern Yeast Co.	12	167	170
O'cedar Corp. (Class "A")	6	3	3 1/2
O'cedar Corp. (Class "B")	2	1 1/2	2 1/2
Palmolive Co. (com)	2	176	180
Palmolive Co. (pfd)	7	107	108 1/2
Albert Pick & Co. (pfd)	7	95 1/2	97
Pyle National Co.	4	40 1/2	42
Pyle National Co. (pfd, 8%)	8	107	...
Sifton Mfg. Co. (pfd)	7	105	...
John M. Smith & Co. (pfd)	7	103	...
St. Joseph Stock Yards (com)	6	72	74
St. Louis Stock Yards (com)	8	85	87
Standard Cap and Seal (com)	5	39	40 1/2
Stover Mfg. & Engine (pfd)	7	92	94
Stover Mfg. & Engine (com)	...	5	7
Sullivan Machinery (no par)	4	50 1/2	51 1/2
Union Stock Yards of Omaha	8	125	129
Universal Gypsum Co. (free com.)	...	...	7
Universal Gypsum Co. (pfd)	7	...	68
Utah-Idaho Sugar Co. (\$6 par)	...	1 1/2	2
Velle Motor Co. (pfd)	...	20	25
Vesta Battery (pfd)	7	90	95
Wahl Co. (pfd)	...	...	52
Whitestone Co. (units)	7	81	84

PUBLIC UTILITY STOCKS

	Bid	Asked	Div. Rate
American Public Utilities (com)	...	65	70
American Public Utilities (part pfd)	6	72	74
American Public Utilities (prior pfd)	7	87	89
Central States Electric (com)	1	105	110
Central Illinois Light (pfd)	6	95 1/2	97 1/2
Chicago Rapid Transit (com)	...	8 1/2	9 1/2
Chicago Rapid Transit (prior lien pfd)	7 1/2	100	102
Cities Service (pfd)	6	92	93
Commonwealth Pr. Corp. (com)	2	41	42
Commonwealth Pr. Corp. (pfd)	6	92	93
Consumers Power Company (pfd)	6	100	102
Consumers Power Company (pfd)	6 1/2	104	...
Consumers Power Company (pfd)	7	104 1/2	...
Continental Gas & Electric (pfd) (prior)	7	99	100
Continental Gas & Electric (com)	4 1/2	203	208
Illinois Power & Light (pfd)	7	98 1/2	99
Interstate Public Service P. L.	7	98	99
Iowa Railway & Light Corp. (pfd)	7	98 1/2	100 1/2
Iowa Railway & Light Corp	8	85	...
Iowa Electric (com)	7	250	...
Iowa Electric (pfd)	7	96	100
Iowa Southern Util. (pfd)	7	95	100
Kentucky Utilities (pfd)	6	95	97
Northern Indiana Public Service (pfd)	7	102	104
Southern Indiana Gas & Electric (pfd)	6	87	90
Southern Indiana Gas & Electric (pfd)	7	97	...
Tri-City Railway & Light (pfd)	6	91 1/2	93 1/2
Wisconsin-Minnesota Lt. & Power (pfd)	7	94	...

THE MARKET FOR SECURITIES

Looking over classes of securities in the stock market, it would appear as if the railroads were surrounded with the most favorable circumstances. The average net operating income for 1926, as a whole, exhibits the highest record in the history of railroads and reflects perhaps more substantially than any other industry the past two years of prosperity. There has not appeared any disposition of the principal large holders to distribute these stocks, and rails should for a time be the main backbone of the stock market, possibly accompanied by the oils. Large profits have been realized by the oil companies during 1926, but the effect of these has received little recognition in the price levels, due possibly to the emphasis placed on

record production statistics, while growing consumption statistics and the gradual reduction which has been taking place in reserve stocks of oil, has been little stressed. —The Bache Review.

HEAVY DEMAND FOR FARM MACHINERY IN THE NORTHWEST

Northwest farmers are buying farm machinery on such a large scale that the year 1927 should see a new peak in machinery sales in the Twin Cities district, in the opinion of W. C. MacFarlane, president and general manager of the Minneapolis Steel and Machinery Company.

In a statement to the press he predicted that demand for agricultural equipment, particularly power farming machinery, will be greater next year than at any time since the war.

He based his statement on developments in 1926 with orders for the new year continuing. His company had sales \$1,000,000 greater than in 1925, and added 100 employees.

Mr. MacFarlane said: "The coming year promises to bring a long deferred 'peak' rise in sales of farm machinery in the Northwest and particularly power farming machinery. The year now closing seems to have broken the back of a long and severe depression of sales which began in 1920 and did not show any positive signs of recovery until early in 1926. Sales throughout the present year have been excellent."

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NORTHERN FINANCE CORPORATION
 Automobile Finance
 Desirable short-term self-liquidating investments
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Established 1872

SAINT PAUL

In 1927 as in 1872

Saint Paul correspondent for banks
of the State and the Northwest.

New Banks and Changes

MINNESOTA

Bank at Iona Fails

Iona—The Farmers State Bank was closed January 3. It was capitalized at \$20,000 and had deposits aggregating about \$140,000.

Ortonville Bank Closes

Ortonville—The Citizens National Bank with deposits of approximately \$360,000 closed voluntarily. It was capitalized at \$25,000.

St. Paul Bank Is Closed

St. Paul—The Great Northern State Bank was closed December 29. It was capitalized at \$45,000 and had deposits of approximately \$530,000.

Odessa Bank Fails

Odessa—The Farmers & Merchants State Bank was closed January 4. It was capitalized at \$25,000 and had deposits of approximately \$135,000.

Luverne Bank Head Resigns

Luverne—A. D. LaDue has resigned as president and manager of the First & Farmers National Bank and will devote his time to his private business.

Wannaska Bank Absorbed

Wannaska—The Farmers State Bank, capitalized at \$10,000, with deposits of approximately \$35,000, has been absorbed by the Citizens State Bank of Roseau.

Bank at Round Prairie to Liquidate

Round Prairie—At a meeting of the stockholders of the Farmers State Bank it was voted to liquidate the bank, and the bank was closed December 30. It was capitalized at \$10,000 and had deposits aggregating about \$60,000.

NORTH DAKOTA

Selfridge Bank Closes

Selfridge—The Selfridge State Bank closed recently. It was capitalized at \$15,000 and had deposits of approximately \$180,000.

Grand Forks Banker Retires

Grand Forks—W. E. Fuller has resigned as vice president of the Northern State Bank, and will retire from the banking business.

SOUTH DAKOTA

Aurora Bank is Reopened

Aurora—The Bank of Aurora, which was closed recently, has been reopened.

Bank at Centerville Reopens

Centerville—The Bank of Centerville, which was closed in 1925, was reopened January 4th.

Wolsey Bank Reopens

Wolsey—The First State Bank of Wolsey, which was closed recently, has been reopened.

Wakonda Bank Fails

Wakonda—The Wakonda State Bank was closed January 3. It was capitalized at \$20,000 and had deposits aggregating about \$260,000.

Columbia Banks Consolidate

Columbia—The Farmers & Merchants State Bank and the Columbia State Bank have consolidated and are continuing business as the Columbia State Bank. The officers

of the new bank are: J. C. Daly, president; F. W. Watkins, and J. F. Holdhusen, vice presidents, and W. A. Krage, cashier.

WISCONSIN

New Denmark Bank Opened

Denmark—The newly organized Badger State Bank was opened for business January 3.

Thomas Herreid Succeeds Dwight T. Parker

Milwaukee—Thomas Herreid has been appointed chief bank examiner to succeed Dwight T. Parker who resigned.

Bank at Chetek Fails

Chetek—The Farmers & Merchants State Bank has been closed. It was capitalized at \$35,000 and had deposits aggregating about \$585,000.

Lawrence Karlman Resigns

Hawkins—Lawrence Karlman has resigned as cashier of the Hawkins State Bank to take a position with the Standard Oil Company at Green Bay.

Burr E. Lee Moves to New York

Milwaukee—Burr E. Lee has resigned as advertising manager of the Second Ward Savings Bank and of the Second Ward Securities Company to become associated with A. R. Martine, Inc., in New York City.

IOWA

Swea City Bank Reopened

Swea City—The State Bank which was recently closed for reorganization has been reopened.

E. T. Edgerly Resigns

Ottumwa—Dr. E. T. Edgerly has resigned as a director of the Iowa National Bank and will devote his time to his profession.

Adair Bank Fails

Adair—The First National Bank with deposits of approximately \$220,000 has been closed. It was capitalized at \$35,000.

Knoxville Bank Closed

Knoxville—The Marion County National Bank capitalized at \$60,000 has been closed. It had deposits aggregating about \$600,000.

Lovilla Bank Is Closed

Lovilla—The Lovilla Exchange Bank closed recently. It was capitalized at \$15,000 and had deposits aggregating about \$150,000.

Story City Bank Fails

Story City—The First National Bank closed recently. It was capitalized at \$75,000 and had deposits of approximately \$670,000.

W. R. Clampitt Succeeds W. A. Hanna

Danville—W. R. Clampitt, vice president of the State Savings Bank has been promoted to president to succeed the late W. A. Hanna.

Officers Elected at Spirit Lake

Spirit Lake—Marcus Snyder has been elected president of the New First National Bank, C. E. Narey, F. S. Barlow and F. H. Ehlbeck, vice presidents, and L. A. Price, cashier.

S. G. Stein Succeeds His Father

Muscatine—S. G. Stein, Jr., has been elected president of the First National Bank and first vice president of the First Trust & Savings Bank to succeed his father, the late Dr. S. G. Stein.

Service — complete

OUR FIRM is giving the banker a *specialized service* on high grade marketable bonds. We would be pleased to have you avail yourself of this service and cordially invite you to visit our new offices on the main floor of the Security Building.



NORTHLAND SECURITIES CORPORATION

Main Floor, Security Building

Minneapolis, Minn.

New Corydon Bank Elects

Corydon—Louis C. Niebling has been elected president of the newly organized Corydon State Bank, which will be opened about the middle of January with a capital of \$40,000. R. L. Wolf has been elected vice president, and A. J. Carpenter, cashier.

Manchester Bank Elects Officers

Manchester—Judge E. B. Stiles was recently elected vice president of the Delaware County State Bank to succeed the late Senator R. W. Terrill. George A. Newman was appointed a member of the board of directors and all other officers were reelected.

Alta To Have New Bank

Alta—The First Trust & Savings Bank has been organized by James F. Toy, who is president of the First National Bank of Fonda and the Iowa Trust & Savings Bank of Varina. A. C. Hauck, formerly cashier of the Iowa Trust & Savings Bank at Varina has been elected cashier.

Shenandoah Bank Makes Changes

Shenandoah—A. W. Murphy and John F. Lake, president and vice president, respectively, have resigned as officers of the Shenandoah National Bank which is now being reorganized. E. S. Welch has been elected president, Ralph S. Lake and Harry Rosse, vice presidents, and Fred M. Schneider was promoted to cashier to succeed Ralph Lake.

MONTANA

K. O. Carlson Moves to Billings

Plentywood—K. O. Carlson has resigned as cashier of the Farmers & Merchants State Bank and expects to go into the oil business in Billings.

NEBRASKA

Sweetwater Bank Is Closed

Sweetwater—The Sweetwater State Bank capitalized at \$10,000 with deposits of approximately \$25,000 has been closed. It will be placed in the hands of the state guaranty fund commission.

Controlling Interest at Gladstone Sold

Gladstone—The controlling interest in the State Bank of Gladstone has been sold to John Selk, Jr., formerly cashier of the Farmers State Bank of Plymouth, who will become cashier of the Gladstone Bank.

COLORADO

Henry Swan With Federal Reserve

Denver—Henry Swan, vice president of the United States National Bank, has been elected a director of the Denver branch of the Federal Reserve Bank. He succeeds A. C. Foster who resigned.

CALIFORNIA

New Beverly Hills Bank Applies for Charter

Beverly Hills—Application to organize the Metropolitan National Trust & Savings Bank to be capitalized at \$100,000 has been made by Fred Niblo of Culver City.

Hollywood Banks Consolidate

Hollywood—The West Hollywood National Bank and the Pacific-Southwest Trust & Savings Bank have consolidated and are continuing business as the Santa Monica and Fairfax branch of the Pacific-Southwest Bank.

Changes in California Bank

Los Angeles—At a special meeting of the board of directors of California Bank held recently, A. N. Kemp, the executive vice president, was elected chairman of the executive committee. Lewis E. Bliss, vice president formerly in charge of the Eighth & Broadway office was transferred to the Executive Department at the head office. T. E. Ivey, Jr., cashier, was given a vice presidency, but retains his position of cashier. Other promotions are: To become junior vice presidents: A. T. Brett, formerly assistant cashier; F. M. Magee, manager credit department, and George A. Kern, manager of American Branch. New divisions were made of certain of the bank's branches, with

junior vice presidents in charge as follows: W. J. Murray, formerly manager of the Van Nuys Branch, will supervise San Fernando District, consisting of offices in Van Nuys, Lankershim and Owensmouth. To fill vacancies created by the above promotion, W. E. Chisholm has been appointed manager of the Van Nuys branch, and Norb Hargrove and George M. Kepper will assume the titles of assistant managers. D. W. Drew has been appointed junior vice president in charge of San Gabriel district consisting of San Gabriel and East San Gabriel branches, Alhambra and northeast branches. C. H. Burlingame has been appointed junior vice president in charge of Hollywood district consisting of Hollywood, West Hollywood and Western Avenue branches. G. Maulhardt, junior vice president, will supervise Market district consisting of Market and Produce and City Market branches. Geo. M. Chelew and Stockton Veasey have been appointed assistant cashiers at head office, and the following promotions have been made in other offices of the California bank: L. J. Hunter, appointed manager of Lomita Branch, B. A. Beckman, assistant manager, Lomita branch; K. F. Schlundt, assistant manager, South Broadway & Vernon branch; F. S. Hanson, assistant manager, Fifty-Fourth Street branch; J. S. Cain, assistant manager in charge of escrows at Southside branch; R. V. Stocks, assistant manager, Eighth & Mariposa branch; H. M. Reese, assistant manager, Florence & Compton office.

NASH MOTORS COMPANY DISTRIBUTES \$650,000 TO EMPLOYEES

A Christmas distribution of more than \$650,000 in cash was made by the Nash Motors Company among employees in its Milwaukee, Racine and Kenosha plants. Every employe participated, and each was personally handed his envelope containing a remembrance by C. W. Nash, president of the company. The distribution marked the closing of the biggest year in the history of Nash Motors.

"Nothing that occurs during the year gives me anything like the pleasure I experience in personally greeting each of our men at the Christmas season, and presenting each a little token of our appreciation for the splendid cooperation that has been accorded us," said Mr. Nash, after he personally had distributed a good-sized fortune that his employes might enjoy a happy Christmas. "The Nash Motors Company is reaching the close of the most successful year in its history, and this success, I am proud to say, was brought about in large measure through the untiring efforts and loyalty of our workmen."

Controls --- Minorities --- Positions

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

CASHIER—For substantial Wisconsin Bank—western section—modern point. Fifty shares to control—room for two good men. Cashier's salary \$250.00.

CASHIER—Southern Minnesota—town 500—15 to 20 shares—prefer Scandinavian—salary \$150-\$175.

CASHIER—North Dakota—town 300—Scandinavian best—salary \$1,800.

Northwestern Placement Bureau

720 Metropolitan Life Bldg., Minneapolis, Minn.

BANK HELP FURNISHED—NO CHARGE TO EMPLOYER

Automobile Accident Death Toll Gains

If automobile accidents continue to increase at the same ratio during the next 10 years as they have in the last decade, 50,000 persons will be killed in that manner in 1936, while the total deaths during the decade will be more than 300,000.

This statement was made by Charles E. Hill, general safety agent of the New York Central Lines, in an address at the recent general session of the National Safety Council in New York. He said that the cost of highway traffic accidents in the United States was at least \$600,000,000 a year, and that this cost would soar to \$1,500,000,000 in ten years.

Quoting from records, Mr. Hill said that last year 89,880 persons were killed in accidents of all kinds, and that 2,500,000 were injured, or 246 deaths and 7,000 injuries for each day in the year. The direct economic loss from accidents he estimated at \$4,000,000,000 a year at the least, and declared that if these accidents could be wiped out over night our economic adjustment alone would be sufficient to dispose of our public debts in less than five years.

Twenty-one thousand boys and girls under 15 years of age went to their deaths as a result of accidents last year, Mr. Hill said. He called America the most reckless nation in the world, and said that the fatal accident rate was nearly two and a half times as high as in England and Wales, and three times higher when automobile accidents alone were considered.

Mr. Hill emphasized the point that until about twelve years ago the center of gravity of accidental deaths and injuries was in industries and that since that time it had gradually found its way to the field of public accidents.

The only way to reduce this appalling loss, Mr. Hill said, was by community effort along orderly lines following a definite program. He advocated a complete mobilization of community forces, with the full cooperation of all agencies. To carry out a comprehensive plan, he said, consideration must be given to three fundamentals: Engineering, including scientific study of accidents and their causes, establishing safe conditions and determining what constitutes safe practices; education, including information showing causes of accidents and arousing understanding of the need for personal carefulness, and enforcement, through means for compelling the heedless minority to observe safe practices.

STANDARDS OF WORTH

The honest-to-goodness agent must take the time and trouble to convince the insuring public that they should apply the same standards of worth to insurance as to the other things they purchase.

Why not?

You can't buy a hundred dollar cow for sixty dollars. When tried, it always happens that there is something the matter with the cow.

Whole leather shoes cost more and are worth more than split leather shoes, but you and I can't tell the difference just by looking at the shoes—before they are worn.

Then there are eggs and eggs—the fresh, the stale, and the oh my!

The difference in price between sound and shaky insurance is usually the difference in cost between those factors which make the one sound and the other shaky.

Good insurance isn't cheap; cheap insurance isn't good. Good agents sell up to a standard. Cheap agents sell down to a price.

Real agents sell insurance. Mere commission snatchers sell premium rates; they sell to those who buy on the theory not how good but how cheap.

Real agents quote service and security. Mere commission snatchers have nothing but price to quote.—Edson S. Lott.

NEBRASKA COMPENSATION INSURANCE LAW

Lincoln—Announcement is made by Chairman Leonard of the Nebraska Federation of Labor legislative committee that the committee will ask the legislature, at its coming session, to place the state into the workmen's compensation

insurance business and bar all casualty companies from the state. The Ohio monopoly law would be copied almost in its entirety.

Mr. Leonard says the Federation will oppose any change in the administration of the law, now in the hands of the state secretary of labor, who is almost invariably a labor union member. A number of compensation companies are preparing to urge the substitution of a commission of three members.

SAFETY FIRST HABITS

Bedford, Ind.—Safety first habits are being cultivated by a swift drive on negligence in industry, says the Indiana Limestone Company.

"Preserving the life and limb of employes through the education of the individual," it is declared, "is effecting gratifying results. There is, however, vast room for improvement. It is estimated that of America's 41,000,000 workers, carelessness takes an annual toll of some 25,000 lives in addition to the startling total of 2,500,000 injuries received. This figure, reduced to loss in wages, approaches a billion dollars.

"In the Bedford-Bloomington quarry district new safety records are being chalked up. Investigation proved that 80 per cent. of all personal injuries in the mills and quarries were preventable and due to lack of self protection. By the combined efforts of the five thousand men employed, total injuries have been cut to a minimum.

"Safety committees have been organized in all the mills and quarries of the company for the direct benefit of the individual and his family. Fifty employes of the various departments are given weekly first aid instructions by expert medical counsel. Many casualties have been avoided by the intelligent rendering of first aid.

"Large industries throughout the country are benefiting by the example set in the largest quarry center in the world. Greater confidence between employe and employer, a larger prosperity for the dependents of the worker, and increased safety to the individual are only a few of the results of the safety first educational campaign."

GROUP INSURANCE MAKES LARGE GAIN

Another year of development similar to 1926 will carry the volume of group insurance on the lives of working people to more than twice the volume of industrial insurance carried by the 32 companies writing that type of business in 1911, the year group insurance was inaugurated by the Equitable Life of New York under the supervision of William A. Day. It is estimated the volume of group insurance in force totals \$5,700,000,000, an increase of approximately \$1,400,000,000 over the volume in force at the end of 1925.

VALUES AMERICAN LIFE AT \$2,000,000,000

St. Louis—Discussing "the money value of life and life extension" before the American Statistical Association here Dr. Alfred J. Ootka of the Metropolitan Insurance Company estimated that the aggregate value, to their dependents, actual or potential, of all the males in the United States was \$1,144,000,000,000. He estimated the value of women at three-quarters that of men, bringing the total

R. M. BISSELL,
President

WILLIAM WALSH
Secretary

Twin City Fire Insurance Company

MINNEAPOLIS, MINN.

All agents today are selling SERVICE.

The Company furnishing the best service
is the most valuable to you.

Fire, Tornado, Hail, Automobile, Tractor Insurance

value of the country's population to approximately \$2,000,000,000,000.

Leifur Magnusson, director of the Washington branch of the International Labor Conference, told the American Association for Labor Legislation, meeting jointly with the American Economic Association, that the conference had succeeded in effecting two international treaties, one prohibiting white phosphorous matches, and one prohibiting employment of women in night factory work.

Advertising Signs on Trunk Roads Within City Limits

The state commissioner of highways has regulatory powers over state trunk highways within as well as outside the city limits, and may forbid the erection of advertising signs on such highways, according to a recent decision of the Minnesota Supreme Court. The decision was handed down in the case of the Automatic Signal Advertising Company v. Babcock, commissioner of highways. The plaintiff company had unsuccessfully sued to enjoin the defendant, a state official, from interfering with the placing of electric warning signs along the streets, the signs in question being also used for advertising purposes.

The decision will be of interest to member boards of the National Association of Real Estate Boards and other civic organizations who are engaged in working out plans for the control of outdoor advertising signs, so as to conserve legitimate uses and at the same time prevent disfiguration of residence districts of cities and scenic spots along country highways.

The court decided that the fact that the municipality had assented to the erection of these signs did not give the plaintiff the right to erect them over the protest of the state commissioner of highways.

Control of billboards by a municipality through the device of taxation has already been held constitutional by the United States Supreme Court in the case of the St. Louis Poster Advertising Company v. the City of St. Louis (249 U. S. 269).

The opinion of the Court read by Justice Holmes, with the assent of the entire court, was that:

"If the city desires to discourage billboards by a high tax, we know of nothing to hinder, even apart from the right to prohibit them altogether, as asserted in the Thomas Cusack Company case."

14,500,000 POUNDS OF SUGAR FROM CHASKA MILL

Chaska, Minn.—Final figures are expected to show a total of 14,500,000 pounds of sugar produced at the plant of the Chaska Beet Sugar Company in the slicing season which opened October 9 and is scheduled to close this month. The acreage of beets in the Chaska territory was 6,500 compared with 9,000 last year. The average yield was nine tons to the acre.

Annual Statement

Federal Insurance Company Jersey City, New Jersey

January 1st, 1926

Assets	\$9,569,274.05
Liabilities	2,317,547.00
Reinsurance Reserve	2,364,185.10
Cash Capital	1,000,000.00
Surplus to Policyholders.....	4,887,541.95

FIRE, LIGHTNING, TORNADO, HAIL AND RAIN INSURANCE

A good Company to represent. Write

WESTERN DEPARTMENT

JOHN H. GRIFFIN, GENERAL AGENT,
New York Life Building,
MINNEAPOLIS, MINN.

Outstanding Leadership

in the surety and casualty fields is generally conceded to this progressive house.

The confidence reposed in Wm. B. Joyce & Co. by the bankers and business men of the Northwest during a third of a century, is shown by substantial increases in volume of business.

As general representatives of the National Surety Co., the largest and strongest surety company in the world, and the New York Indemnity Co., we are able to give you exceptional service—the kind which increases your profits.

Write

W^m B. Joyce & Co.

St. Paul

Minneapolis

Your Friend Always

When you need some one to sign your Bond; some one to protect you against financial loss resulting from accidents caused by your automobile; some one to guarantee you an income in case of disability resulting from illness or accident; some one to protect you against loss from holdups or robberies—why, we're your friend always.

FEDERAL SURETY COMPANY

HOME OFFICE—DAVENPORT, IOWA

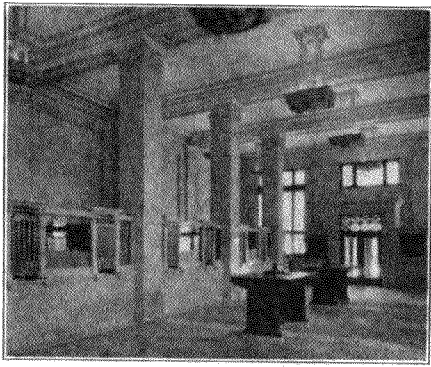
Surety Bonds Casualty Insurance

MINNEAPOLIS SERVICE STATION

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Minneapolis,

Minnesota



Bankers: You can have marble equipment at practically the cost of wood.

There can be no comparison when the question of appearance and durability are considered.

We install the work complete.

NORTHWESTERN MARBLE & TILE CO., Minneapolis

DEPARTMENT OF BANK EQUIPMENT

Successful Farmers the Backbone of Agriculture

Ralph Budd, President Great Northern Railway. An Address at The Farmer's Master Farmer Banquet, St. Paul

I suppose almost everyone who is familiar with the Northwest will agree that its paramount need is more people. The rural population per square mile in Minnesota is 16, in North and South Dakota seven, and in Montana three, while in the Mississippi Valley states as a whole it is 29. If people in the more densely settled regions who are seeking new homes could know of the advantages and attractions of the Northwest, I believe many of them would come here to live.

The streams and lakes of Minnesota, as well as her woods, are famous among sportsmen; her scenic and almost perfect highways are becoming familiar to tourists, more than a million of whom came to the state last summer for recreation and rest. We must tell the world how good a place the Northwest is to stay in as well as to travel through.

Minnesota dairy products are worth \$200,000,000 annually exceeding those of any other state. Her corn crop is worth \$160,000,000, while the value of her wheat production, which formerly was almost her sole crop, has declined from \$160,000,000 to \$35,000,000. Poultry, eggs, swine, cattle, sheep, sugar beets, potatoes, corn, small grains, and everything else that grows in temperate America thrive here. Agriculture in Minnesota has changed completely since the days of one crop farming, and is changing along similar lines in North and South Dakota and Montana. But this should not be surprising, for the country still is comparatively new, and, besides, every other line of business has improved its methods to keep abreast of changing conditions, especially since the World war.

Farmers and Railroads Have Like Complaints

The close of the war found the farmers and the railroads of the Northwest in much the same situation; both had to pay very high prices for the things they bought considering the prices they received for what they sold (in the case of the railroads, transportation). In order to make ends meet they were faced with the necessity of getting more for their product or of producing it for less.

As they could not raise their selling prices, they were obliged to lower their costs, and this they have done chiefly by increasing efficiency and eliminating waste. Railroads borrowed vast sums of money to buy better and larger locomotives and cars, to build more and longer sidings and improve terminals, including shops and shop tools, to reduce grades and curves and provide safety signals. These things, together with the cooperation of willing workers with management and of both with shippers, have enabled the railroads to haul longer trains of larger cars and to move them in less time; also to maintain the property for less cost. The result has been that in most cases bankruptcy was avoided and conditions steadily though slowly have improved; also that freight rates have advanced less than other items of living and less in the Northwest than in other parts of the United States. Freight

rates in the Northwest are only 40 per cent. above the pre-war level, while in the United States as a whole they are 50 per cent. more, and "all commodity" prices are 60 per cent. more than before the war.

Farmers Making Progress

The successful farmer has improved his efficiency by using better seed and better sires, by raising the kinds of crops and those varieties best adapted to the soil and climate and those kinds of live stock and the particular breeds best suited to the environments. Moreover he has used good judgment in featuring those things which will meet a shortage rather than add to a surplus in the markets. The details of how farm efficiency has been worked out are many and complex; only successful farmers and agricultural experts are qualified to tell of these details. We are fortunate in having 16 top notch farmers here tonight and some eminent agricultural educators here to do that very thing.

Farming and transportation are inter-dependent, especially in the Northwest, where agriculture is such a dominant industry. It is, therefore, vital to agriculture that freight rates be kept as low as possible; and since transportation first must be manufactured cheaply in order to be furnished cheaply, it is distinctly in the public interest to help the railways in every way to keep down costs.

Northwest Needs Good Farmers

Its successful farmers are the greatest asset of the Northwest; and the idea of honoring them by awarding gold medals to this group of 16, elected from 118 who have been proposed by their neighbors, appeals to me in many ways. It is giving honor where honor is due. It will bring the example of success prominently before other farmers and they may benefit from such example. The methods used will be explained by those who have succeeded and others may follow where they have blazed the way. It will emphasize the necessity for business methods in this, the greatest business of all. It will give confidence in Northwest agriculture when competently carried on.

There has been some pessimism about the Northwest and altogether too much talk of it. The poet has sung of the man who "tackled the job that couldn't be done and did it." I am reminded of a serious treatise written 90 years ago proving utterly false a report then just published that a railway locomotive had pulled a train up a grade. The conclusion was that this or any other locomotive could not thus openly defy the laws of gravitation by pulling itself uphill, much less haul a train behind it. Master Farmers are engaged in a demonstration somewhat similar to that of the locomotive. They have solved the problem individually which, as a general problem, is giving more concern than any other before us today.

These men represent the highest type of rural citizenship, but the trend in agriculture shows plainly that there are many others who see the need for better farming and, while they have not gone so far, are traveling in the same

direction. If every farmer in the Northwest could qualify to join their ranks, the agricultural problem in the Northwest would disappear; and with it, practically all of our economic ills.

International Trade Maintained at High Level

International trade during the first half of 1926 maintained the high level reached during the corresponding period of last year, when for the first time since the war the volume of world exports and imports approximated the figures for 1913, according to a survey made public by the Department of Commerce. The figures for the current year are based on the foreign trade statistics of 32 countries, whose aggregate foreign trade represents four-fifths of the trade of the world. The total value of the export and import trade of these countries during the six months' period of this year was \$24,542,000,000.

Many variations, the survey reveals, occurred in the movement of trade of the several countries during the first half of 1926, as compared with the corresponding period of last year. However, in comparing the figures for the two periods, due considerations must be given to the greatly lowered prices of certain important commodities which prevailed during 1926.

Thirteen of the 32 countries listed, including four American, two Asiatic and seven European, with a total trade of \$9,300,000,000 in the first half of 1926, show an increase of 8 per cent. over the first six months of 1925. The remaining 19 countries, with a trade of \$15,242,000,000 in 1926, show a decline of 10.7 per cent.

Among the striking changes shown by the statistics may be mentioned the excess of imports over exports in United States trade, which amounted to \$96,000,000; the decline in the trade of all the great industrial nations of Europe; the excess of exports in German trade, amounting to \$128,000,000, as compared with an excess of imports of \$537,000,000 in 1925; the decline of more than 11 per cent. in the value of foreign trade of the United Kingdom, which was reflected in the decline in the trade of British India, Australia and New Zealand; the decline of 66.5 per cent. in Polish imports, and the increase of 81.7 per cent. in the foreign trade of Russia.

The increase of \$239,000,000 in United States imports during the first half of this year, as compared with the first half of 1925, was chiefly due to the higher prices of rubber, coffee and jute, and to a larger importation of silk, precious stones, paper, aluminum, copper and tin. The reduction of \$157,000,000 in exports was caused by the decided drop in the price of cotton and the decline in the exportation of grains and nonferrous metals. It is to be noted, however, that while the first four months of this year showed an excess of imports to the amount of \$133,777,000, the next four months showed an excess of exports amounting to \$116,102,000.

British trade declined \$327,000,000 in imports and \$292,000,000 in exports, the decline in the total trade amounting to a little over 11 per cent. Cotton, silk, wool, grain and flour and meats showed the largest declines in imports, while rubber showed the largest increase. The decline in exports was caused chiefly by the reduction in the exportation of cotton manufactures, coal, woolen manufactures, wool and iron.

In the German trade, reduced purchases of foodstuffs, raw materials, silk, cotton textiles and metals resulted in a decline of \$511,000,000 in imports, while the exports increased \$155,000,000. Iron and steel, machinery chemicals and coal showed the largest increases in exports.

French imports during the first half of 1926 exceeded exports by \$92,000,000, notwithstanding the temporary premium which the declining value of the franc was supposed to yield to the exporters. The principal declines were in clothing, millinery and silk fabrics. During the first six months of 1925 France had an excess of exports amounting to \$132,000,000.

As Business "Speeds Up"

Here are important facts:

1. Today, in this country with its 17,000,000 telephones, there are 70,000,000 telephone conversations daily. A large part of these deal with business matters.
2. It takes only about thirty seconds, on an average, to establish business contacts by telephone.

This tremendous number of calls, with the rapidity of their completion, is not only an indication of the way modern business has "speeded up," but is also a reflection of the part played by the telephone in the speeding up process.

Gathering speed, American business has required speed from the agencies which serve it, and help to make it great. The telephone has kept—if indeed it has not set—the pace.

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Resulting trust raised irrespective of agreement when money of one man is invested in land and conveyance taken in name of other regardless of who makes purchase or pays money.

Ignatz Gretz died intestate leaving surviving his widow, Lena Gretz, and three children, Florian, Frank and Eleanor. At the time of his decease, Gretz and his wife held title in joint tenancy to the three parcels of land which are in controversy in this case. Immediately after his decease appellants made a demand upon the widow for a share of his estate and subsequently filed bills to secure same.

It is contended by the appellants that during the period in which these parcels of land were purchased they were working for their father and when they became of age their father promised to keep all their salaries above the amount agreed upon for board and clothing for them and invest such money in interest-bearing investments; that they invested with their father large amounts of money, believing and relying upon the representations made to them by him that moneys turned over to him would be saved and invested for them in interest bearing investments. That one of the children had given her father \$1,600.00 and another had thus contributed \$1,850.00 and another \$4,400.00. By reason of their contributions of their earnings a resulting trust was created in their favor.

The Supreme Court of Illinois, affirming the decision of the lower court, held as follows:

"A resulting trust does not arise from or depend upon any agreement between the parties. As its name applies, it is independent of any contract, and is raised by the law upon a particular state of facts. It results from the fact that one man's money has been invested in land and the conveyance taken in the name of another. It is immaterial whether the purchase was made and the money of the cestui que trust paid by the trustee or the cestui que trust. If the facts exist, by mere operation of law a trust is raised in favor of the party whose money was used to purchase the land, either to the whole or to his equivalent portion thereof. A resulting trust is created, if at all, at the instant of the taking of the title. While a resulting trust may be established by parol testimony, the proof must be clear and convincing, and so strong, unequivocal, and convincing, as to lead but to one conclusion. If the explanation of the evidence may be made upon theories other than the existence of the trust, such evidence is not sufficient to support a decree declaring and enforcing such trust.

"A resulting trust does not arise by reason of payments made which are not coincident with the purchase and the deed. It must arise, if at all, from the circumstances and status of the parties as they existed at the time the title was acquired, and the money was appropriated and used in the purchase thereof. Money furnished for the purpose of making payments on lands theretofore acquired under a contract cannot create a resulting trust in favor of the person so loaning the money; neither can a resulting trust arise in real estate by reason of the fact that money is loaned or used for the erection of buildings on the property. Where several persons contribute to the purchase of real estate, it is essential, in order to create a resulting trust, that it shall appear that the sums severally contributed were for some distinct interest or definite part of the estate.

"There is no evidence in this record showing or tending to show that any definite part of the purchase money of any one of these three parcels of land was furnished by appellants, or by any one or more of them. When the evidence in the case is tested by the rules herein laid down, it is evident that appellants have failed to make the proof required by law to entitle them to a decree declaring that

appellee held the title to any one of these three parcels of land in trust for appellants, or any of them, and the court, therefore, properly held that such trust did not exist."

Brooks et al v. Gretz, 153 North Eastern Reporter 643.

* * *

Specific performance will not be decreed where contract for conveyance of land contains agreement to misrepresent selling price to obtain loan.

Bill in equity was brought to control specific performance of a contract by which Edwards agreed to convey to Booth real estate and which contract Edwards refused to carry out.

The purchase price of real estate in question, which was encumbered by two mortgages, tax and other liens, was \$4,730.00 and it was agreed that as a part thereof appellant should remove these incumbrances. Both parties knew that Booth did not have the money to do this and that in order to re-finance the proposition it was necessary to procure a new loan from some third person, and it was provided in the contract that Booth should place a new first mortgage on the property and pay all expenses connected with the same. There was also this provision:

"It is also agreed by the first and second parties hereto, that in order to make it easy to get the loan on said property, that each of the parties hereto agree to represent the property as having sold for \$7,000.00; and that another set of contracts shall be drawn up, if necessary, to represent the same, in which second parties are to be represented as paying part in cash, part by second mortgage as above and part by first mortgage as above stated, et cetera."

The lower court dismissed the bill and it was affirmed by the Supreme Court of Illinois which said:

"The above provision of the contract was an integral part thereof and constituted a conspiracy on the part of both appellants and appellees to obtain money by false pretenses, and being in violation of the statute law of this state was therefore contrary to the public policy of the state of Illinois, which is to be found embodied in its Constitution, its statutes and, when these are silent on the subject, in the decisions of its courts. A decree for specific performance of a contract is not a matter of absolute right but rests in the sound discretion of the court, and while this discretion is not arbitrary or capricious but judicial, and a court will ordinarily grant specific performance where the contract is valid at law, fairly entered into and not contrary to public policy, yet if the evidence shows circumstances which are repugnant to the good conscience of the chancellor the relief will be withheld. It is only on the principle that it is unjust and inequitable to permit a contract to remain unexecuted that a court of chancery assumes jurisdiction to enforce it. It is a fundamental principle of jurisprudence that whoever appeals to a court of equity for relief must do so with clean hands and with a clear conscience; and it is likewise a principle of equity that where a contract is illegal, immoral or against public policy or has been entered into through fraud or to accomplish any fraudulent purpose, a court of equity will not at the suit of one of the parties, while the agreement is still executory, either compel its execution or decree its cancellation but will leave such parties in the exact position in which they have placed themselves refusing all affirmative aid to any of the participants.

"The clause in question being an integral part of the contract the entire contract was tainted with fraud, was against public policy, and both parties having knowingly and understandingly subscribed to it were particeps criminis. Appellants did not come into a court of equity with clean hands, and the contract was one of that character for the enforcement of which courts of equity have invariably refused to lend their aid. The superior court of Cook County therefore properly dismissed appellants' bill for want of equity.

Booth et al. v. Edwards et al, 153 North Eastern Reporter, 677.

Where improvements are mistakenly made by one in possession of land, measure of damages therefore is difference between value before improvements are made and value afterward, and not the costs of improvements.

In this case it was conceded that plaintiff was an innocent party in possession of a certain forty acre tract of land under a mistaken claim of ownership and upon it there being established the lack of right to possession and title. A chancery court of lower instance granted to the plaintiff an equitable lien for the value of the improvements made in good faith during the occupancy of the plaintiffs, upon the following principle of law:

"Such an equitable lien has not always been confined to cases in which a contract to reimburse could be implied at law. The right to a contribution or reimbursement from the owner, and the equitable lien on the property benefited as a security therefor, have been extended to other cases where a party innocently and in good faith, though under a mistake as to the true condition of the title, makes improvements or repairs or other expenditures which permanently increase the value of the property so that the real owner, when he seeks the aid of equity to establish his right to the property itself, or to enforce some equitable claim upon it, having been substantially benefited, is required, upon principles of justice and equity to repay the amount expended."

The lower court, however, granted the lien to the extent of actual costs of improvements made upon the property and the Supreme Court of Michigan upheld the principal but reduced the amount of the lien to the actual value of the property which resulted by virtue of the improvements, saying that the measure of improvements in this case to the extent of the lien was not dependent upon the money spent in improvements but only the actual benefit which the real owner of the property derived by virtue of the improvements having been made and that, therefore the true basis of determination of value was the difference between the value of the land after the improvement were made and the value of the land before the improvements were made.

Acker et al v. Weadel et al 210 Northwestern Reporter 212.

* * *

Acceptance of sum offered by debtor in discharge of whole debt is an "accord and satisfaction."

This is an action to recover a balance due for services in the construction of a ditch under an oral contract. During the course of the work the plaintiff was paid the sum of \$200.00 under the following circumstances:

A statement was furnished the plaintiff together with a check. The contention of the defendant was that the check was given to the plaintiff at the time the statement was rendered and was in full settlement of the amount due. Whereas the plaintiff testified that he understood it was to be only in part payment. The Supreme Court of Iowa followed the earlier Iowa decision defining accord and satisfaction as follows:

"But, as an accord and satisfaction is an executed agreement whereby one of the parties undertakes to give, and the other to accept, in satisfaction of a claim arising either from contract or tort, something other or different from what he is or considers himself entitled to, no invariable rule can be laid down with any degree of certainty as to what constitutes such an agreement. Each case must be determined largely on its peculiar facts. To constitute a valid accord and satisfaction not only must it be shown that the debtor gave the amount in satisfaction, but that it was accepted by the creditor as such."

The Court then went on to say that it is undoubtedly true that, where a debtor tenders a sum on the condition that it be accepted in discharge of the whole debt, the creditor is bound to either reject the amount offered or accept it on such condition, and if, under such circumstances, he accepts the sum tendered, there is an accord and satisfaction.

In this case the evidence was not clear and conclusive that the check was tendered in full payment and was, therefore, submitted to the jury.


Zabawa v. Osmon, et al, 210 Northwestern Reporter 602.

NEW NORTHWESTERN PATENTS

The following patents were issued December 28, 1926, to Minnesota and Dakota inventors, as reported by Williamson, Reif & Williamson, Patent Attorneys, 935-936 Metropolitan Life Building, Minneapolis, Minnesota: Joseph Bellis, St. Paul, Minn., filing system; Joseph Bellis, St. Paul, Minn., filing cabinet support stand; William M. Jenkins, Minneapolis, Minn., pump jack; Stanley Johnson, Kennedy, Minn., quack grass digger; Frank A. Kamberling, Jenkins, Minn., chart or record sheet; Edward L. Kastler, Assignor to Fairmont Railway Motors, Inc., Fairmont, Minn., car frame; Knud T. Loken, Assignor to E. A. Fladland, Grand Forks, N. D., combination lock; Daniel E. Magee, Webster, S. D., hitch; Algot Nordgren, Assignor to Marquette Mfg. Co., St. Paul, Minn., bumper fastening; Walter O. Reid, Minneapolis, Minn., side-tone eliminator for telephones; Glenn W. Robertson, Minneapolis, Minn., boudoir slipper; Dighton Robinson, Minneapolis, Minn., gravity dumping truck body; Alfred K. Simmons, Fairbault, Minn., dental post; Gustaf Strand, St. Paul, Minn., kicking sled; William O. Wells, Minneapolis, Minn., glove and the like.—(Advertisement.)

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North Dakota Banks Reported in Good Condition

Bismarck—Banks throughout North Dakota "generally are in much sounder condition than they have been for the last several years," in the opinion of Gilbert Semingson, state bank examiner.

Reviewing the banking situation as it now exists and prospects for the future, Mr. Semingson says: "Too many people have the idea that bank failures in North Dakota have been caused by irregular, improper and illegal action on the part of bankers. To start with we had too many banks.

"While it is true that some failures can be charged to irregular and improper banking methods and even to actual fraud, these constitute a negligible portion of banking losses. The majority of closings are not thus tainted.

"No fraud or irregularity can be charged in the years gone by when bankers performed the admitted functions of a bank, which were to assemble the idle funds of a community and make them available for the needs of the community, and made loans that at the time were considered good, safe loans, either with or without security as the situation seemed to warrant. No one inside or outside of banking circles was disposed to criticize these loans. They were supposed to be good.

"As time advanced and these loans, instead of being paid, had to be renewed, there was still no thought but what the loans were absolutely good. Then the time arrived when losses had to be taken and in hundreds of cases throughout the state the bankers themselves took over these losses. They put up their individual holdings in order to protect the banks' assets and in many cases impoverished themselves in the operation rather than to have the losses charged to their bank or to see their bank fail. They kept putting up and putting up as long as there appeared to be any hope of continuing the institution. I know of instances where bankers borrowed money to the limit on their life insurance policies to put it into the bank to protect against losses.

"I am not undertaking to excuse the comparatively few cases in which fraud or irregularity was discovered, but I think a measure of praise and sympathy is due that other vast number of bankers who made such tremendous personal sacrifices in order that their depositors might suffer the least possible loss.

"Losses have been taken by banks but they have not been taken by banks alone. Farmers also have taken tremendous losses and no one charges them to fraud or irregularity. If they had been able to repay their borrowed money there would have been comparatively few bank closings, and the closings would have been limited to such banks as were affected by fraud or irregularity and such are extremely few in number. While it is true that all banks are not yet out of the woods it is apparent that banks generally are in much sounder condition than they have been for the last several years.

"The bills payable by banks or borrowings from correspondent banks and others is only about one-sixth of what it formerly was. Slow and doubtful loans have been largely removed. Deposits from outside the state have been largely paid off and deposits now in banks are much more stable in character, and the deposits are maintained more largely by persons who are interested in the development of their respective communities. A large part of the reserves consist of state and Government bonds, quickly convertible into cash in case of need and reserves have been built up. Reserves are now over 50 per cent. higher than the law requires."

NORTH DAKOTA INDIANS RECEIVE \$78,787 OF ALLOWANCE MONEY

Fort Yates—The sum of \$78,787.50 was paid during October, November and December, 1926, to Indians of the Standing Rock Indian reservations from funds accumulated from monthly allowances, lease rentals, trespass fees, sale of cattle and land sales, according to E. D. Mossman, superintendent of the Indian agency here.

Mr. Mossman states that from \$20,000 to \$25,000 will be paid to Indians of the reservation monthly hereafter. The

money from the recent large land sale also will be available for distribution within two months.

LARGE LIGNITE PROPERTY IN NORTH DAKOTA SOLD TO MINNEAPOLITANS

Fargo—Sale of the Truax lignite strip mines at Columbus, N. D., was effected in Minneapolis recently, according to information becoming available in Fargo.

Approximately a half million dollars is the price paid for the properties, the largest strip mining properties in North Dakota, and among the largest in the world.

Glenn Teler, Minneapolis, is the central figure in the purchase, negotiated through Lane, Piper & Jaffray, Inc., of Minneapolis.

A. H. Truax and E. M. Truax have been owners of the Columbus properties.

NORTH DAKOTA'S STATE MILL CONTINUES TO LOSE

Bismarck—Loss at the state mill and elevator during November totaled \$44,127.62 and brought the loss for the first 11 months of 1926 to \$363,516.81, according to the November report prepared by K. C. Nelson, mill auditor, and received at the state industrial commission office here.

Mr. Nelson's figures show that the mill is well on the way toward its second million dollars of losses, the total deficit at the end of November being \$1,188,427.94.

Production at the mill dropped from its high peak of 98,089 barrels, reached in October, to 71,178 barrels for November.

HIGHER PRICES FOR FOOD PRODUCTS IN CANADA

Ottawa—Higher prices for farm products are indicated by the reduced crop production in both Canada and the United States during 1926. While the reduction in Canada was comparatively small, amounting to only \$87,000,000 as compared with a reduction of \$1,148,000,000 in the United States, the two combined give evidence that unless there is rapid farm development in the near future urban dwellers must expect to pay higher prices for food and other farm products.

The value placed on Canadian field crops for 1926 is \$1,065,822,000, which, although \$87,000,000 less than in 1925 is \$70,000,000 more than in 1924. Wheat is the chief Canadian crop, and is this year valued at \$442,673,000, which is about \$17,000,000 less than in 1925. A drop of two cents a bushel in price accounts for most of this reduction, as the crop, in bushels, was almost as great as in 1925, when high average yields prevailed throughout the Dominion.

The three Prairie Provinces—Manitoba, Saskatchewan, and Alberta—produce about 90 per cent. of Canada's wheat crop, and have in recent years become the greatest wheat-exporting area in the world. It is estimated that of the 1926 crop they will have 300,000,000 bushels available for export, much of which will be handled through the cooperative wheat pools of western Canada.

AUTO EXPORTS INCREASED

Washington—Combined exports of passenger cars and trucks from the United States during the first 11 months of 1926 increased in value by almost \$5,000,000, according to the Department of Commerce. During this period the number of units exported amounted to 279,599 valued at \$204,206,580, as compared with 269,414 units valued at \$199,768,779 in 1925.

There were 216,673 passenger cars, valued at \$140,330,048 exported from the United States (exclusive of Canada) during the first 11 months of the current year, as compared with 219,461, valued at \$167,463,354 during the same period of 1925. Exports of trucks during the same period in 1926 numbered 62,926, valued at \$43,636,541, as compared with 49,736 valued at \$32,315,395 during the same period of last year. Passenger car production for the first 11 months of 1926 amounted to 3,627,589 units, and trucks production totaled 465,265 units.

South Dakota Rural Credits to Redeem \$500,000 in Bonds

Pierre—The Rural Credit Board recently issued a call to redeem \$500,000 of Series E Rural Credit bonds on March 1, 1927, according to C. W. Croes, Rural Credit commissioner.

The series was issued March 1, 1918, to bear 4% per cent. interest and would mature March 1, 1938. The bonds will be taken up by funds accumulated from payments on loans, Mr. Croes said.

The Rural Credits Board paid out \$1,697,676.57 on lands covered by Rural Credits loans up to July 1, 1926, according to the report of John B. Hanten, interim commissioner.

Refunds and reimbursements returned \$231,644.31 of this sum, leaving a remainder of \$1,466,032.

SOUTH DAKOTA AMONG LEADERS IN POULTRY RAISING

Yankton—"The poultry industry in South Dakota has been coming to the front so rapidly within the past 10 or 12 years, that today we are delighted to look upon our state as one of the best poultry states in the Union," so says R. D. Dexheimer, head of the poultry department of the Gurney Seed and Nursery Company of this city, the third largest baby chick plant in the world. "The poultry industry as a business in South Dakota, has slowly been coming to the front for the past 30 or 40 years," Mr. Dexheimer stated, "until South Dakota is one of the leaders in number of birds kept on farms, the quality of the flocks with their laying records the finest specimens of show birds produced anywhere.

"Not in point of numbers can we boast our leadership, but in the quality of stock, the condition in which they mature, and the egg records that are being made," he said.

The poultry industry in South Dakota has not only passed all other industries within the state in the number of dollars and cents produced on the least capital invested, but will be far ahead of any other industry in the state in the years to come.

"We are just in the infancy in the poultry field of this state. The business may be increased many hundred per cent. and not be overdone. The quality may yet be improved upon and large concerns will, no doubt, spring up within our borders. A half million baby chicks were shipped out of South Dakota last year to all parts of the nation—this will be doubled this coming year—and with few exceptions splendid reports have been coming back. The poultry industry in South Dakota needs a little more help from the state and a little more liberal support from the county and a few more poultry breeders becoming interested in the show room. South Dakota will be looked upon as one of the foremost states in all lines of poultry activity if these things come about."

SOUTH DAKOTA BUSINESS MEN HAVE PLAN FOR LIQUIDATION OF CLOSED BANKS

Hot Springs—A plan for the liquidation of the closed banks of South Dakota has just been brought forward by a group of business men who are residents of that part of the state west of the Missouri River.

Stated briefly the plan is to let the certificates of deposit in any closed state bank have full purchasing power on any of the assets of that particular bank.

The principal details of the working out of the method are as follows:

1. All sales would be advertised and advance notice sent to holders of deposit certificates.

Under the present law, all property sold by a closed bank must be paid for in cash. When dividends are paid, they must be in cash. The new plan would give a definite value to every certificate and if a certain depositor does not wish to buy any of the banks' assets he may be able to dispose of his certificates to some one who desires to buy or who can afford to hold the certificates for a rise in value of the assets.

2. Authorization of depositors in a closed bank to form a liquidating corporation, if they so desire, and to take

over the business of liquidation, elect a board of directors, employ their own receiver and pass on all sales and collections; in short, to determine the policy of liquidation.

This would make for much greater satisfaction among stockholders than is felt under the present plan. They and they alone would be responsible for the business-like administration of the bank's affairs. Any of them disposing of their certificates of deposit would retire automatically from membership in the corporation.

3. Continuation of the guarantee fund assessments on going state banks until January 1, 1930, and use of the fund so received, together with any cash balance remaining from other transactions, to pay a cash dividend to the remaining holders of deposit certificates, pro-rating the guaranty fund distribution on the basis of a bank's deposit liabilities as of July 1, 1927, or the amount of its approved depositors' claims if it closes after that date.

This protects the "last man" of the depositors, who may not wish to accept any offers made him for his paper. He will be entitled to his proportionate share of the money from the guaranty fund and of such other cash as may remain after the non-liquid assets have been sold.

At any time during the process of liquidation dividends may be declared and whenever liquidation has proceeded far enough to warrant it, the final winding up of the bank's affairs may be turned over to the central banking department, upon vote of the corporation, to end the expenses of a local office.

SIoux FALLS BANK CLEARINGS SHOW GAIN

Sioux Falls—Bank clearings in Sioux Falls for the year of 1926 showed a gain of \$18,204,105.59 over the year of 1925. This result was made despite the fact that during the past year conditions were not said to be the best. The increase amounted to almost 23 per cent.

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Montana Shows Steady Growth of Industries

Washington—With the exception of seasonal activities Montana's industries of various kinds are operating steadily, it is indicated by the current summary of conditions by the United States Employment Service. Concerning the state the bulletin says:

"Some industrial lines showed an improvement during the past 30 days, particularly copper mining and winter logging. Seasonal agricultural work in all parts of the state has been completed, but many general farm workers will be employed throughout winter months in cattle feeding and routine farm activities. Many of the released seasonal agricultural workers are finding employment in metal mining and winter logging.

"Most industries, including several large smelter plans, are operating on capacity schedules. The beet-sugar factories at Billings, Sidney, and Chinook are operating 24 hours daily, with indication that these factories will finish their seasonal runs early in January, 1927.

"The large sawmills in the western part of the state are operating steadily. Producing metal mines continue to show increased activity. New metal-mine construction and development work will be somewhat curtailed during the next two or three months. While there is an increasing supply of metal-mine labor, a small shortage of experienced miners exists, chiefly noted in the Butte district.

"Oil field operations are expected to slacken to usual winter proportions during the next few weeks. Winter logging operations are increasing in the southwestern sections of the state. Building and general construction will provide employment to many workers as long as weather conditions permit these activities to proceed.

"Highway construction continues on five forest highway and development projects, and the work is expected to start soon on several new road jobs. Highway labor supply ample. It is expected that railroad maintenance of way and shop employment will decrease considerably during December."

The situation in Great Falls is summarized as follows: "Outdoor curtailments and many seasonal agricultural workers have been released until spring work begins. Work is expected to start soon on several new road jobs. Highway and industrial plants operating steadily. Building continues as active as weather conditions permit. Many of the released seasonal workers are finding employment in metal mining, oil, and lumbering activities. Employment in all railroad departments, which has been maintained at peak levels during the past two months, indicated to slacken somewhat during December."

DECISION IN MONTANA'S NATIONAL BANK TAX CASE

Helena—Taxation of shares of stock in state banks of Montana must be imposed upon the same basis as that employed in the taxing of shares of stock in national banks, according to an opinion of the Supreme Court handed down recently in the case of the Montana National Bank of Billings, against Yellowstone County and Henry S. Nutt, as treasurer of that county.

Under this opinion it will no longer be possible, in fixing the value of shares of stock in state banks, to deduct from the value of the moneyed capital of such banks the amount of such money invested in tax exempt securities of the Federal Government.

The opinion of the Supreme Court, while affirming the judgment of the district court of Yellowstone County from which plaintiff had appealed, really admits of a victory for the appellant bank in that it holds there can be no discrimination in favor of state banks in the taxing of the moneyed capital, as against the system for the taxing of the moneyed capital of national banks.

As to this the Court, in summing up the results of its deliberations, says:

"It is clear, then, from an examination of the legislative enactments of this state, and from the decisions of this court construing the same, that the policy of this

state has not been to evince an unfriendly discrimination against investments in national bank shares, but on the contrary the state by its laws has provided for the taxation of moneyed capital invested in state banks at the same rate as money invested in the shares of national banks. By direction of section 2000, revised codes of 1921, as a basis for the imposition of taxes a percentage of the true and full value of property in Class 6, section 1999, supra, is '40 per cent. of its true and full value.' The same percentage is applicable to shares of stock in state banking corporations representing moneyed capital employed in the banking business."

The gist of the opinion is that while the state banks have escaped taxation to which the national banks have been subjected, the trouble was not in the law but with the taxation authorities, due to their misinterpretation of the law.

MONTANA'S ACCIDENT FUND HAS \$322,950

Helena—On June 30, 1926, there was available a fund of \$322,950.63 in the treasury of the state industrial accident department, to meet any industrial calamity which might occur, Chairman J. G. Locke reports to the governor.

The figure is reached by deducting from the \$572,792.63 which is the amount of cash and invested funds of the department, an amount representing liquidation of all compensation cases now outstanding.

An estimate of the outstanding cases, based upon awards made in similar cases, indicates, says Mr. Locke, that the minimum necessary to make settlements of all is \$249,842.

In addition, says Mr. Locke, at the time of the report, which is dated September 15, the department had additional assets of \$45,000 certain of collection, represented by premium payments and due premiums.

Surplus funds of the department to the extent of \$529,305.26 were invested at the end of the 1926 fiscal year with interest rates ranging from 4 to 7 per cent. In 11 years, the department, says Mr. Locke, has written off \$2,010.63 in worthless investments. There is a probability, however, he says that an additional \$9,975 must be charged off.

MONTANA'S RAILWAY MILEAGE

Bozeman—Montana now has 5,114 miles of railway, of which the Great Northern has 1,794 miles, or 35 per cent., exceeding that of any other road. It is a significant and encouraging fact that for the first time since the war, the railways of the Northwest feel encouraged to resume the construction program then interrupted.

Aside from the Newlon-Richey extension mentioned above, there has been little construction in Montana during the last 10 years, until the 50 miles from Scobey to Opheim were built in 1926.

It is of especial importance to the Northwest, and particularly to Montana, where there will be more railroads built in the future, that interest is being revived in these uncompleted projects, and that construction work on some of them will be resumed.

MONTANA'S AUTO LICENSE RECORD SHOWS INCREASED NUMBER OF CARS

Deer Lodge—Motor vehicles have increased more than 9,000 in numbers during 1926 as compared with 1925, records of Austin B. Middleton, motor vehicle registrar for Montana, disclose. The number of licenses issued by the bureau last year totalled 96,051, while up to date in 1926 105,383 licenses have been issued—net gain of 9,332 or more than 10 per cent.

According to Assistant Registrar Small, from the time the bureau was located in Deer Lodge until the close of the fiscal year June 30, 1926, a period of seven months, collections amounted to \$1,029,382.50 of which there was returned to the counties for road purposes \$989,595.19.

The registrar's books show that there are now in Mon-

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tana 88,889 registered passenger automobiles on which the fees for license aggregated \$751,875. There are 15,110 trucks on which the license amounted to \$143,730. Motorcycles number 192, a decrease of 60 from last year. The number of chauffeur licenses also is less, 384 as against 415 last year. The number of motor vehicle dealers, however, has increased from 415 to 447.

Despite the greater volume of business, the administrative expense for 1926 was only 2.8 of collections. This figure included the cost of furniture and fixtures installed when the department was moved to Deer Lodge, bonds, salaries, freight, plates, printing, postage and other incidentals.

MONTANA PENALIZES DELINQUENT GASOLINE TAX PAYERS

Helena—Refiners and distributors of gasoline in Montana who failed to pay the two cent per gallon sales tax for the quarter ending September 30, 1926, or for previous quarters under the 1925 law, are being notified by the state board of equalization that they must not only pay the amount of the delinquent tax but also a penalty of 10 per cent. and interest from the time the tax fell due until its settlement.

SOUTH DAKOTA DECREASES DEPARTMENT EXPENDITURES

Pierre—South Dakota state departments and institutions for July, August, September and October decreased their expenditures \$448,665.49 less than the amounts they expended during the same period of 1925, according to Governor Carl Gunderson.

A comparative statement for the four month period has just been completed by Harry Steiner, chief of accounts.

"I have been asked," Governor Gunderson said, "how the state departments and institutions show marked decreases in the amount of their expenditures and yet overdraft hovers around the \$3,000,000 mark.

"It is only necessary to call attention to the appropriations made by the 1925 legislature in excess of these recom-

mended by the budget board. For the construction of buildings and purchase of lands, the legislature appropriated \$1,173,555.19 more than the budget board recommended. Then for repairs, deficiencies, expense and other items the legislature appropriated \$813,373.26, and these items do not take into consideration the diversion of the cigarette tax funds from the general fund to a special building fund.

DEATH OF COL. HENRY A. DUPONT

Wilmington, Del.—Col. Henry A. Dupont, former United States Senator from Delaware, died suddenly December 31 at his home near Wilmington, the result of a heart attack. He was 88 years old and was a cousin of the present Senator, T. Coleman Dupont.

Colonel Dupont served with distinction in the Civil war.

Former United States Senator Henry A. Dupont of Delaware, who represented that state in the Senate from 1905 to 1917, was born in Newcastle County, Delaware, on July 30, 1838. He was a grandson of Eleuthere Irenee du Pont de Nemours, a gunpowder manufacturer and a great grandson of Pierre Samuel du Pont de Nemours, a famous French economist and statesman, who died in the United States in 1817.

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Canadian Prosperity Has a Sound Basis

The great crops of 1925 and 1926, the flow of wealth from the mines of British Columbia, Alberta, Ontario, Quebec and Nova Scotia, the record newsprint production, the improved position of the railroads and the steady expansion of Canadian manufacturing have combined to produce a sound prosperity throughout Canada, the Royal Bank points out in its monthly economic review. The industrial and financial structure is now on "so substantial a basis that enthusiasm concerning the future seems eminently justified."

The mining and metallurgical industries of Canada have become of outstanding importance only in recent years; but development has been rapid and Canada today occupies an important place among the mineral-producing countries of the world. The value of the annual mineral production in 1886 was \$10,250,000; in 1900, \$47,957,000, and in 1925, \$224,846,000. In the latter year, Canada ranked first in asbestos, nickel and cobalt, third in gold and silver and tenth in coal, among the mineral producing countries of the world.

The immediate developments of the last two years have been the location and development of producing oil wells in Alberta, the discovery of great deposits of gold in the Red Lake area and of gold, zinc and copper in the Rouyn area, and the building of a smelter in the latter camp. Consolidated Smelters have developed processes for the extraction of tin and antimony, and production will be on a commercial basis at Trail within the year. The Imperial Mining Metallurgical Congress will meet in Canada this summer, and it is expected that about 1,000 engineers from all parts of the Empire will tour the mines of Canada.

The financial structure of the country as measured in terms of purchasing power in the hands of the consumer is in a particularly strong position. This general condition is reflected in the large increase in savings in the form of bank deposits and in investment in life insurance and securities. In the case of industry, the number of men employed exceeds the number in the record year of 1920, and the wage scale is proportionately much higher in relation to the cost of living than it was in 1913.

Much the same relationship is shown between the price of agricultural products and the general commodity index. The Canadian farmer receives about 60% more for his products than in 1913, while he pays only about 50% more for the articles he purchases. Such price relationships give promise of continued activity in wholesale and retail trade in the near future.

The bank makes an extensive analysis of the effect of instalment buying upon business in the United States, which system Canadian business men have been watching with considerable interest of late.

The bank concludes that "increased consumption is itself a process tending toward cumulative buying power, and this factor, together with the diversity of risk in consumers' credit, seems to stamp this new development, properly controlled, as a distinct step forward."

BANK'S REPORT SHOWS SATISFACTORY FINANCIAL POSITION

General growth and better earnings are the features of the annual report of the Canadian Bank of Commerce to

its shareholders. An analysis of the statement issued by the bank shows that larger commercial loans have been required throughout Canada during the year, this serving to confirm the reports from other sources that business has been in greater volume than in 1925. The current loans and discounts of the bank increased from about \$232,000,000 to over \$241,000,000, while holdings of securities decreased from \$97,266,062 to \$78,228,651, the bank in this way preparing to meet the requirements of the business community.

In the fall of 1925 the demand deposits in the banks were at an exceptionally high level, for with the larger returns from heavy shipments of wheat and from increased production in other lines of business, customers' balances were enlarged. That these additional funds have since been required for business purposes is shown by the decline in the deposits not bearing interest.

The bank's large liquid resources, amounting to \$238,802,853, and consisting of cash, notes and cheques of other banks, investments in high grade stocks and bonds and other assets readily available, are about 46 per cent. of the total assets and provide a reserve of over 50% of the total liabilities to the public.

After provision was made for all bad and doubtful debts the net profits for the year were \$3,636,983, the highest earnings since 1918.

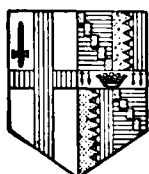
PULP AND POWER PLANT DEVELOPMENT IN WESTERN CANADA

Winnipeg—Pulp and power site developments are expanding rapidly in Manitoba. The wheels are now turning in the McArthur-Spanish River paper mill at Fort Alexander and the company is making persistent efforts to have its area extended as against the time when other units will be in operation. At the same time the Backus-Brooks interest has announced intention to begin the construction of a 250-ton per day mill as soon as assured of timber limits. This mill, it is said, will be constructed in the suburbs of Winnipeg. The Seaman interests of Chicago are also asking for limits somewhere in northeast Manitoba that will justify them in erecting a mill of 300-ton daily capacity. Automatically a timber limit concession carries with it the right to develop all water power sites in the territory embraced by the grant.

The Manitoba provincial government is insisting that it be consulted by the federal government before any further alienation of natural resources in Manitoba occur but the negotiations to this end have not made much progress.

In the mining fields of northern Manitoba there is such a general demand for large blocks of hydro-power that development in that direction will be assured of profitable employment of all power developed as soon as it is delivered.

The civic hydro plant on the Winnipeg River has now reached capacity and the city has been compelled to contract for some 30,000 annual horsepower current from the Manitoba Power Company. This company now has three units in operation developing 84,000 horse power and the fourth unit of the Great Falls plant of the company will be ready for business early next summer. In order to cope with the prospective demand for power, the Manitoba Power Company will expend several million dollars in 1927



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to supply adequate service, but if the four proposed paper mills now bidding for limits in this field secure their requirements the present hydro capacity of the territory will have to be doubled to meet all requirements within three years.

A Canadian View of Customer Ownership

Printer's Ink, an American paper published chiefly for people engaged in advertising work, is somewhat perturbed by a possible danger that it sees in customer ownership campaigns. Such campaigns have been put on chiefly by public utility corporations, that have induced their customers to purchase their securities. They have thus accomplished two purposes at one. They have raised capital at moderate cost, and ever increasing amounts of capital are essential to the public utilities serving growing communities, and they have won the definite interest and good will of thousands of their customers.

Printers' Ink admits that the customer ownership idea has worked out admirably, but it wonders if the plan would be looked upon as successful if the stocks so sold should decline rather than rise in market value. It does not think that the average public utility customer who buys \$100 or so of stock recognizes the possibility of loss in his investment. It is afraid that considerable ill-will is bound to be developed when a share of stock, for which one of these new investors has paid \$100, sells a short time later at \$96.

In examining into the merit of the apprehensions of Printers' Ink it should not be forgotten that in Canada, and largely in the United States too, practically all of the securities sold in customer ownership campaigns have consisted of the preferred shares of the corporations represented. The preferred shares of a well managed public utility, with the right kind of franchise assured to it by the good will that customer ownership combined with good service will win for a company, represents a very high type of investment. Such investments are likely to appreciate in value over a term of years, not only as earnings applicable to the junior securities that are the bulwark of the preferred shares increase but as the general price trend of sound investments continues its upward movement.

The danger of customer ownership is not any inherent danger in the idea itself. The danger is a quality to be measured individually in the case of each such campaign. Any soundly established public utility corporation that is doing right by the community it serves; that issues only such preferred shares as have a wide margin of safety in both earnings and assets, or an ordinary stock with peculiar contractual advantages such as exist in the case of Mon-

treil Tramways, Consumers Gas and Bell Telephone, need not hesitate to sell its stock in local campaigns appealing to small investors. The rule should be: be sure your issue is right, then go ahead.—Financial Post of Canada.

CANADA'S ALCOHOL CONSUMPTION

Ottawa—Canadians are consuming less alcoholic drink than before the war. During the last fiscal year ended March, 1926, the average consumption per person in Canada was: Spirituous liquor, .270 gallon; beer, 5,617 gallons; wines, .074 gallon; tobacco, 3,468 pounds. In the fiscal year ended in 1914 the figures were: Spirits, 1,016 gallons; beer, 7.2 gallons; wines, .124 gallon; tobacco, 3,711 pounds.

CUT AIR MAIL RATES

New York—Postmaster Kiely has announced that, effective February 1, there will be a flat rate of postage of 10c for each half-ounce or fraction thereof on air mail, regardless of distance or character of air mail route or routes over which the mail is carried.



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SITUATION WANTED

Position wanted by young married man, 32 years old, with eight years' banking experience. Address "J-63" Commercial West.

Experienced cashier with \$20,000 cash is looking for location with or without investment. What have you to offer? Address "K64" Commercial West.

SITUATION WANTED

Cashiership of country bank with investment. Scandinavian community preferred, Minnesota or Wisconsin. Address "H-62" Commercial West.

"Young man 20 years banking and lumber experience, familiar with general agricultural value and securities, conservative business judgment, wishes to make change after January first if arrangements suit."
Address D58 Commercial West.

CHICAGO DEPOSITS REACH RECORD TOTAL

(Continued from page 13)

joint stock land banks have had a very satisfactory year, and that while deposits of the First Trust & Savings declined somewhat owing to a recession in savings and time deposits, which are lower than they were last year, those of the First National during 1926 were somewhat above those of 1925, adding: "Money rates have been fair and losses have been small throughout the year. The result is that the earnings of the First National and its affiliated institutions have been somewhat larger than in 1925. In all instances the profits shown are net after setting aside the necessary amounts to take care of all losses realized or anticipated. Liberal provision has also been made for the payment of all taxes, both Federal and local. "The work on the addition to the First Trust & Savings has been completed and alterations made so that additional space and conveniences for the facilitation of the business of the institutions have been provided. The safe deposit vaults have been removed from the street floor to the basement and the new arrangements and accommodations have been found most satisfactory."

State Bank Profits Big

With net earnings of \$1,124,799 in 1926 against \$1,115,951 in 1925 after charging off all doubtful loans and setting up a substantial surplus for contingencies the State Bank of Chicago earned the equivalent of 44.99 per cent. in 1926, against 44.64 per cent. in 1925 and 46.57 in 1924 on its capital stock and 11.47 per cent. on the total average invested capital last year against 12.14 per cent. in 1925. Deposits increased \$2,663,362 to a total of \$57,749,917 last year, undivided profits totaled \$2,575,684 on December 31 and capital and surplus was \$7,500,000 at the close of the year.

The Union Trust Company for 1926 reports net earnings were \$1,227,051, equal to \$40.90 a share on the capital stock and 16.93 per cent. on the average invested capital. This compares with net of \$921,737, or \$33.52 a share and 13.75 per cent. earned on the average invested capital in 1925.

The Northern Trust Company for 1926 reports net earnings were \$610,375, equal to \$30.50 a share on the capital stock and 8 per cent. on the average invested capital, as compared with \$564,245 net, or \$28.21 a share on the capital stock and 7.72 per cent. on the average invested capital.

Chicago Title & Trust Company, reports for the year ended December 31, 1926, net earnings of \$5,015,589, equal to \$41.79 a share earned on the 120,000 shares of capital stock. This compares with net earnings \$4,737,745, equal to \$39.48 a share in the previous year. After payment of dividends and the transferring of funds to surplus account and special reserves there were undivided profits of \$496,730, compared with \$401,140 in the previous year.

THE BUSINESS OUTLOOK FOR THE PRESENT YEAR

(Continued from page 25)

are in a comfortable earning position they will of necessity have to curtail their purchases, the effect of which will be immediately felt throughout the country.

Summing up the situation, 1926 can be recorded in no other light than as one of great achievement. The fundamentals for 1927 are practically all favorable, with commerce and industry on a plane of encouraging prosperity. Let us not hope for so-called boom times, but for a con-

tinuation of rational activity with longer and longer periods of stabilization, and equilibrium in production and consumption.

PERSONALS

Maynard E. Simond is now associated with G. L. Ohrstrom & Co., of New York, as a vice president.

Louis B. Tim has become a special partner in the discount house of Salomon Bros. & Hutzler, New York.

Rex May, formerly associated with Dillon, Read & Company, has become associated with Harold E. Wood and Company, Pioneer building, St. Paul.

W. F. Kunze, vice president and trust officer of The Marquette Trust Company of Minneapolis, has been elected president of the Hennepin County Child Welfare Board.

T. H. Lantry was recently chosen general manager of the Northern Pacific Railway. He was formerly general superintendent of the Montana district. He succeeds C. S. Nichols, retired.

L. W. Corboy, advertising manager of the Central Trust Company of Illinois for the past four years, become associated with the M. J. Corboy Company, plumbing contractors, Chicago.

John A. Coe has been elected a director of Anaconda Copper Mining Company to fill vacancy caused by the death of Charles F. Brooker. Mr. Coe is president of American Brass Company.

Albert T. Ward, formerly with Dillon, Read & Co., New York and Chicago, has become associated with Brokaw and Company, as representative in the Northwest, and has headquarters at 1043 Baker building, Minneapolis.

Newton P. Frye has been elected vice president of Federal Securities Corporation, investment bankers, Chicago. He has been with Federal for four years and has been engaged in the investment business since 1918.

R. R. Reeder, Jr., has been made manager of the credit department of The State Bank of Chicago. Four years ago Mr. Reeder left the Chase National Bank of New York, and became connected with two Chicago banks in the capacity of assistant cashier and credit department manager.

Dillon, Read & Co. announce the admission to membership on January 1, 1927, of Robert Otis Hayward, Henry Gilbert Riter, 3rd., William Slater Charnley, Clifton McPherson Miller and Robert Erskine Christie, Jr., and the retirement of John West Horner.

Lewis L. Clarke, chairman of the executive committee of American Exchange Irving Trust Company, of New York, was the recipient December 28 of a handsome loving cup from officers and directors of the former American Exchange-Pacific National Bank, of which he was president until its union with Irving Bank and Trust Company, December 11. Mr. Clarke has been a banker for nearly 38 years. Entering the service of the American Exchange National Bank, March 17, 1889, he rose by successive steps until his election as president of that institution in January, 1910.

Review of the Live Stock Markets

E. J. Lym, Market Reporter, Minnesota Department of Agriculture

South St. Paul, Minnesota, January 4, 1927—There has been very little in the way of price changes here on most classes of killing cattle during the Tuesday to Tuesday period. Fed offerings have been in relatively small numbers for the most part and days have gone by when there have been practically none on sale of desirable quality. Bulk of the run of steers and yearlings have consisted of ordinary material mostly and these have been subjected to considerable bearishness generally although no price discounts have gone into effect. The feature of the markets here has been the continued rise in values on vealers. This has been attributable to the fact that shippers have purchased freely thus forcing packers to follow somewhat in line to maintain killing stocks. Lately packers have gotten the upper hand and price reductions have been made both days of this week.

Most classes of cows as well as cutters and bulls under a broad demand, have reacted to around steady to 25 cents higher levels although recently efforts to force a reduction have made for slow draggy markets.

Best steers to cross the scales here during the period under review reached \$9.25, with many other loads from \$8.50 to \$9.00. The bulk of the ordinary material in the steer and yearling line cashed at \$7.00 to \$8.00 mostly with quite numerous thin and common grades selling downward to \$6.50 or below. Well finished fat cows in load lots reached \$6.60 with comparable grades of heifers at \$8.35, some small bunches making \$8.50, while the bulk of the fat cows cashed at \$5.00 to \$5.75, recently with most heifers \$5.50 to \$7.00. Cutters remain fairly good sellers at \$3.75 to \$4.25 largely, strongweights \$4.50 or better. Bulls lost part of the gain made last week today although they are still around 25 cents higher with bulk selling at \$6.00 to \$6.50, good heavies \$6.75, lightweights \$5.75 largely.

Vealers are closing mostly \$1.50 to \$1.75 higher than the same time last week, placing good light kinds on a \$12.00 basis mostly, with culls and seconds \$6.50 to \$7.50 largely.

Very little trade has been accomplished on stockers and feeders the past week and prices remain about the same, \$5.50 to \$6.50 taking most offerings with sales being few at the low end of the price spread, cows and heifers \$3.75 to \$5.75.

With the holiday season over, it is expected that the marketward movement of hogs will assume more nearly normal proportions again following the light receipts of the past 10 days. This should tend to stabilize the market to some extent. Very little net change has developed in the trade since a week ago, butchers and bacon hogs cashing to packers today mostly at \$11.40, with sorted lightweights suitable for shipping purposes upward to \$11.50. Packing sows sold from \$10.25 to \$10.50, rough sows going at the former figure. Feeding pigs are holding to a fairly even price level, bulk of these selling out of first hands at present at \$11.75.

A good share of last week's bulge in fat lamb prices was eliminated at this week's opening when prices dropped back 25 to 50 cents compared with last week's close. Bulk of the fat lambs are now selling from \$12.00 to \$12.25 with several loads of strictly choice lambs weighing 80 to 83 pounds on Monday at \$12.35. Lambs averaging over 100 pounds are selling mostly at \$9.00, culls \$8.00 to \$9.00, some little light inferior lambs around \$5.00. Some feeders are cashing their lambs in half fat condition and a considerable number of such kinds commonly known as "come-back" feeders are going on country account around \$11.00 to \$11.35, lower quality kinds \$10.00 to \$11.00. Fed ewes weighing up to around 130 pounds are selling from \$6.00 to \$6.25, heavier weight ewes from \$4.50 to \$5.50, culls and low grade kinds from \$1.50 to \$4.50.

CHICAGO

Chicago, Illinois, January 4, 1927—Supplies of cattle have carried fairly large numbers of shortfed material that had little in the way of desirable killing quality, although from a feeder standpoint such classes were absorbed readily and clearance was fairly broad and reliable at all times. Fed

steers and yearlings, the former when carrying fairly good weight and finish, found an outlet both to shippers and packers and resulted, owing to the rather light supply, in a strong to at times higher market. The scarcity in the yearling line was mainly responsible for the rise in values on better grade heifers, these appearing around 25 cents, spots 50 cents higher. Receipts on most days consisted of an over supply of low grade and common cows, which sold slowly and in some spots 10 to 25 cents lower, the reduction centering mainly on the inferior grades. Bulls sloughed off somewhat on opening days this week from their relatively high level in vogue last week.

Best heavy beefs reached \$11.25 on Tuesday, while mediumweights sold during the week around \$11.00 to \$11.10. Steers on the yearling order reached \$11.50, while the bulk of the ordinary supply sold within a price of \$9.00 to \$10.00. Kinds below the inside price were quickly snapped up by feeder dealers, who at all times displayed a willingness to take on any fresh supplies suitable for country finishing. Fat cows in load lots cashed upwards to around \$7.25, with kinds of value to sell at \$5.50 downwards, subjected to considerable price hammering. A few selected heavy bulls sold upward to \$7.00, while the bulk of the medium grades sold at \$6.50 to \$6.75, with low grade kinds around \$5.75. Vealers, of late, have been under the hammer and values appear from 50 cents to \$1.00 lower than the same time last week.

Practically no price changes have gone into effect on feeders and stockers, although demand from the country for the most part remains rather broad for kinds that will sell from \$8.00 to \$8.50 mostly.

The hog market seems to be having some difficulty in hitting anywhere near a stable trend and uneven markets have been the rule during the past week or more, although very few net changes have been recorded. On the Tuesday market bulk of the better grade 140 to 200 pound weights closed at \$11.75 to \$11.85, with 210 to 290 pound butchers from \$11.60 to \$11.75, most packing sows \$10.35 to \$10.75. Bulk of the desirable slaughter pigs cashed at \$11.60 to \$11.75.

The fat lamb market is carrying a weak undertone and the advance registered early last week have all been lost, bulk of the woolled lambs now selling from \$12.00 to \$12.75, choice fed westerns to shippers at \$13.00. Choice 93 pound lambs are going at \$12.25, most heavierweights from \$11.00 to \$11.75. Cull lambs are selling from \$9.00 to \$10.00, bulk of the comeback feeding lambs from \$11.00 to \$12.00. A spread of \$5.00 to \$6.50 prevails for the bulk of the fat ewes, the price depending upon the weight and finish.

SIoux CITY

Sioux City, Iowa, January 4, 1927—Some strength is being shown in the market for fed steers and yearlings, such kinds being taken today at 10 to 15 cents higher prices with fed kinds quotable from \$7.00 to \$11.50, fed heifers from \$6.00 to \$10.00, fed cows from \$5.00 to \$7.25, other cows from \$4.25 to \$5.00, cutters \$3.50 to \$4.25. Stockers and feeders are considered salable from \$5.00 to \$8.00, stock cows and heifers from \$4.00 to \$6.50. Hog prices are ranging from \$10.25 to \$11.40, with the bulk of the sales from \$11.30 to \$11.40. Best lambs are selling around \$12.25 with best fed ewes at \$6.25.

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Position of Grain at the Beginning of the New Year

Office of the Commercial West, Minneapolis, January 5—The New Year finds wheat in a peculiar position. While statistics show that there is not an extraordinary surplus, there is sufficient for the world's requirements until the harvesting of the coming crop. Prices have sagged this week, because of heavy shipments from Argentina, which have caused a lowering of prices in Liverpool. Another cause is the Government report showing that the winter wheat acreage has been increased in the United States, and that there are prospects of increased acreage in the European countries.

Government Report

Winter wheat acreage in the United States for the harvest of 1927 as given by the Department of Agriculture in its report issued yesterday is 41,807,000, an increase of five per cent. over the revised figure of 39,799,000 acres sown in the fall of 1925 for the harvest of 1926. It also compares with 36,913,000 acres harvested this year. In 1924 there were 39,848,000 acres sown for the 1925 crop and 35,656,000 acres were harvested.

Some acreage is always lost between seed time and harvest, Government returns showing an average abandonment of 12.8 per cent., while the range of loss is 1.9 to 28.9 per cent. in the different years of that period.

No Estimate on Yield

No estimate is made as to the prospective yield, as there is no certainty as to the loss of area. Condition of winter wheat on December 1 was 81.8, compared with 82.6 last year and 81 in 1924, while the 10 year average is 84.4.

Kansas has an acreage of 11,962,000, with a condition of 80; Nebraska, 3,569,000, with a condition of 90; Oklahoma, 4,558,000 acres and a condition of 82. The principal increase is in the Southwest. In the Middle West, in the states ranging from Pennsylvania to Missouri, conditions range from 66 in Ohio to 88 in Michigan. Illinois has 2,227,000 acres and a condition of 71.

Increase in Rye Acreage

Rye acreage for the harvest next year is 3,579,000, an increase of 1.9 per cent. over the revised area of last year, which was 3,513,000. The condition was 86.3, compared with 83.8 last year, 87.3 in 1924, and the 10 year average of 88 per cent.

Wheat Supplies and Exports

The latest issue of Crops and Markets, which is also the last issue of this publication as a weekly, says that now with estimates of new crop production available from Argentina and Australia, it becomes possible to make reasonable estimates of the season's exports from these countries. The Argentine crop is officially estimated at 215,000,000 bushels or 24,000,000 greater than the estimate of the crop of last season. Domestic consumption, including seed requirements, is usually from 70,000,000 to 80,000,000 bushels, so without considering carry over there is apparently from 135,000,000 to 145,000,000 bushels available for export from the new crop in the calendar year 1927. The official figures of exportable surplus on October 1 from the old crop was 41,000,000 bushels, but this was a derived figure based upon estimated production deducting consumption and exports. Since only 3,000,000 bushels were exported in October and November, there is some skepticism as to the actual existence of so large a carry over.

Exports from Argentina since July 1 have been unusually light, only 12,000,000 bushels to December 1, compared with 27,000,000 bushels in the same months of 1925. In order to arrive at an estimate of Argentine exports for the year ending June 30, 1927, it is necessary to estimate the amount of new crop wheat which will move in the first six months of 1927 and then add the actual exports of old wheat for the last half of 1926. One commercial estimate of exportable surplus from the new crop and carry over is 157,000,000 bushels. In recent years about 70 per cent. of the exports of the year have gone out in the months from January to June. If this estimate is accepted we should expect exports of 110,000,000 bushels in the first six months of 1927. Adding 12,000,000 bushels actually exported from July to November, 1926, and 2,000,000 bushels for December, we

would have a total for the year ending June 30, 1927, of 124,000,000 bushels. But, since it is possible that exports may go out more rapidly than usual this season the maximum estimate is placed at 140,000,000 bushels.

World Wheat and Rye Production

Estimates of wheat production as reported to date for 36 countries, including a rough preliminary report of 156,000,000 bushels from Australia, amount to 3,322,000,000 bushels, compared with 3,253,000,000 bushels in the same countries last year, an increase of about two per cent. The first official Argentine estimate was 215,000,000 bushels, against a calculated estimate of 216,000,000 bushels published in Foreign Crops and Markets as of November 1 and a later calculated estimate of 222,000,000 bushels, published as of December 1. The crop last year was estimated to be 191,000,000 bushels. No estimate of Russian production is yet available.

It is of interest to note, however, that the total amount of grain procured by the Government in Russia to December 1 was somewhat larger than the amount procured last year at the same date, and it is expected that total procuring for the season will be above last year. The most important countries remaining to be heard from are Chile and Uruguay. Production in China is important, of course, but no reliable estimate of the crop in that country is to be expected. The European wheat crop excluding Russia is nearly 11 per cent. below last year, the rye crop 15 per cent. less, and the potato crop 20 per cent. less.

Rye production in 26 countries of the Northern Hemisphere reporting to date amounts to 848,000,000 bushels, a decrease of 15 per cent. from last year's figure of 993,000,000 bushels for the same countries. Last year these countries produced 97 per cent. of the total world crop excluding Russia and China. European production amounts to 848,049,000 bushels compared with 992,851,000 bushels last year. Fall crops in Europe were sown under generally favorable conditions.

Flax

The Archer-Daniels-Midland Company, under date of December 31, says: "During the past week there have been declines in all grains, including flax. There seems to be a fairly good class of buying on a scale down by crushers and some recovery was made from the low prices registered Wednesday.

"Although at inventory time and during the holidays the linseed oil business is usually dull, the low prices which follow the decline in flax seem to arouse the interest of the oil buyer certainly to an extent of inquiring for prices on future shipments, and the general impression is that at present levels the purchaser of linseed oil cannot go far wrong.

"Nearby flax is offered for sale at a lower price than the futures and the crusher is confronted with the problem of summer cake markets that are usually lower than in the winter and fall.

"Prices of flax in the Northwest are 30 to 40 cents a bushel cheaper than last year at this time."

MOTOR BUS SURPASSES RAILROADS IN MILEAGE

Washington—The motor bus, which has sprung up in the last few years as a factor in transportation, has surpassed the railroads of the country in mileage.

The Interstate Commerce Commission, in a preliminary report on its investigation into the situation with a view to making recommendations to Congress, listed 22,368 buses in operation as common carriers in line and terminal service, with the line routes over which are carried passengers and goods totaling 352,800 miles. This is considerably greater than the mileage credited to all the railroads of the country.

No mention was made in the report as to the possible need of regulatory legislation, the commission evidently deferring its recommendations until all answers to its bus and truck questionnaire are in. The report today was based only on replies from 164 of the 176 Class 1 line haul railroads, whose answers dealt with bus operation by the roads

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and their subsidiaries, and by motor transport companies and individuals in close proximity to their lines.

While the railroads themselves have gone into the field of motor bus service, the commission found that only 502 buses were being operated by the roads and their subsidiaries in line service, with a mileage of 6,838, while three buses were being operated by as many roads in terminal service.

A total of 20,352 buses with a mileage of 345,962 were found to be operated by motor transport companies and individuals in line service, while 1,511 were being used by them in terminal business.

In addition, the commission found 45,417 motor trucks being operated in line and terminal service for the exclusive transportation of goods. Their mileage was given as 611,921.

Railroads also were an insignificant factor in truck operation, the commission listing only 79 roads and subsidiaries as operators of 81 trucks in both terminal and line service. Motor transport companies and individuals operated 43,432 in line and 1,904 in terminal service.

Increase of Grain Storage Capacity in Duluth in 1926

Duluth—Duluth and Superior grain storage capacity was increased 1,800,000 bushels during the year 1926, with additions to three elevators on the Superior side of the harbor.

This is the first addition to the elevator storage system at the Head of the Lakes to be made since the construction of the mammoth Occident Terminal Company's elevator in 1923.

The three companies building additions to their elevators during 1926 are the Itasca Elevator Company, 475,000 bushels capacity; Spencer Kellogg & Sons, linseed crushers, 600,000 bushels; and the Cargill Grain Company, 725,000 bushels.

These additions are all modern, concrete storage tanks and were completed by September 1, in time to receive the incoming fall grain from the Northwest. This brings the total capacity of grain elevators in the Duluth-Superior harbor to 40,625,000 bushels.

Companies operating grain elevators at Duluth and Superior, all of whom have offices in the Duluth Board of Trade building, are the Consolidated Elevator Company, eight elevators at Duluth, total capacity, 11,250,000 bushels; Occident Terminal Company, one elevator at Duluth, capacity, 2,500,000 bushels; Globe Elevator Company, four elevators, three at Superior and one at Duluth, total capacity, 8,500,000 bushels; Great Northern Elevator Company, two elevators at Superior, total capacity, 7,000,000 bushels; Itasca Elevator Company, two elevators at Superior, total capacity 1,725,000 bushels; Cargill Grain Company, five elevators at Superior, total capacity 5,025,000 bushels; Duluth-Superior Milling Company, private storage house at Superior, capacity 600,000 bushels; Duluth Universal Milling Company, private storage house at Duluth, capacity 25,000 bushels; Capitol Elevator Company, four elevators at Duluth, total capacity 3,250,000 bushels; and Spencer Kellogg & Sons, two elevators at Superior, total capacity, 750,000 bushels.

WASHINGTON WATER POWER STOCK AT HIGH LEVEL

Spokane—Washington Water Power Company, Spokane, Wash., common stock went to higher levels than at any

time during the past 10 years recently, when it was quoted on the New York market at \$138 bid and \$140 asked. There is heavy demand for the issue from two large eastern brokerage houses, it was reported.

Future Growth of the American Toy Industry

The record of the toy industry in the United States has been a remarkable one. During the last 20 years it has grown from a position of relatively minor importance to first place in the world's toy industry. Last year toy production in this country reached a value of not far from \$80,000,000, a figure approximately two and half times larger than that of our nearest rival, Germany.

Notwithstanding this record of achievement in the domestic field American toy manufacturers have made little effort to develop foreign markets. The demand in this country can not continue to keep pace with production so if the toy industry is to further expand it must do so by means of foreign outlets.

The quality of American toys far surpasses that of any other country. In quality markets, such as Great Britain and the British Dominions, Cuba, Argentina, etc., the American product can unquestionably get a foothold. Germany which is the preeminent toy exporter depends to a large extent for her success on goods which are sold on a price and not a quality basis.

The Department of Commerce has just made public a trade bulletin on the world's trade in toys which American manufacturers and exporters would find to their advantage to examine. The bulletin presents briefly the conditions at present prevailing in the various toy-manufacturing nations. The best potential foreign markets for American toys are analyzed and the latest available statistics for production, export, and import given.

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Chicago December Wheat in Severe Slump

Chicago, January 4—After a brief display of strength December wheat went out at a decline of $8\frac{1}{2}c$ for the week at the lowest level reached during the life of the delivery when belated liquidation found support lacking. The day preceding the resumption of export buying caused wheat to recover moderately after the earlier recessions of the period had carried the July to the lowest of the crop year. The volume of business in all grain futures and provisions, however, was characteristic of holiday inactivity and changes were unimportant. The recession in grain and potato yields in Germany was a surprise to the trade when it was announced that the German wheat crop had declined to 96,000,000 bushels compared with 118,400,000 bushels last year. The wheat market lacks leadership and the opinion sometime ago expressed by some of the biggest traders on the exchange that still lower prices will be realized before the beginning of the new crop year seems in a fair way to become a matter of history. The larger movement from Russia, Australia and Argentina in conjunction with the ample surpluses in this country and Canada give foreign importers the whip hand although it is said that the millers and big baking corporations still control the milling supply in this country.

Cotton prices were higher on the Chicago Board of Trade as a result of receding offerings. Buying by spinners and by speculators for an advance took the surplus from the market and the concluding quotations approximated the highest of the week. Mill operations have apparently struck rock bottom in recent months as reports from various centers in the East and South told of a steadily increasing production and consequent absorption of stocks on hand.

Bunnell Again Heads Board

At the annual election of officers of the Chicago Board of Trade yesterday, John A. Bunnell was reelected president, Edward A. Doern was elected first vice president and David H. Lipsey second vice president. The successful candidates for the board of directors were E. D. Norton, Harry H. Lobdell and James A. Begg, who have been serving as directors, and Peter B. Carey and Fred T. Bascom. The nominating committee included Albert E. Cross, George E. Booth, Barnett Farroll, Francis L. Schreiner and Edward H. Bagley. The committee of appeals is composed of Fred F. Breckenridge, William M. Hirshey, Kenneth S. Templeton, Alex Moore and John H. Scoville. K. V. R. Nicol, Alfred A. Meyer, Frank J. Bittel, Brackett B. Denniston and Edwin J. Kuh, Jr., make up the committee of arbitration.

Wheat in Violent Setback

There was a radical change in sentiment on the Chicago Board of Trade this week and prices turned down sharply in all grain futures under the leadership of wheat, which fell back 3 to 8c. Belated liquidation in December carried that delivery to a discount of $5\frac{1}{2}c$ under the May, but on the decline some new investment buying became visible and shorts took advantage of the opportunity to cover. The favorable character of crop news from the winter wheat country, continent of Europe and the Argentine was effective in creating bearish opinions, which was intensified by the sluggish condition of the flour market and increase in the American visible. Millers reported the smallest demand of the crop year for their products and the week's sales were barely 25 per cent. of capacity although few mills have booked as much as 50 per cent. of

a full time run owing to the limited character of the demand from domestic bakers and jobbers and receding inquiry from abroad. Reports from 39 states showed that 26 have expanded their winter wheat areas, while in 13 the acreage had been reduced, chiefly because of the wet weather encountered last fall.

Visible Stocks Shrink

Primary market receipts were 183,000 bushels smaller and fell 911,000 bushels below last year for the corresponding week, and the North American visible supply decreased 2,933,000 bushels, but the amount afloat was 3,200,000 bushels larger and the total on land and water indicated a net gain of 267,000 bushels. Chicago stocks were about 250,000 bushels smaller than last year at this time, but world's shipments were liberal again, approximating 15,250,000 bushels, and the amount afloat for Europe increased 3,400,000 bushels to a total about 9,700,000 bushels more than a year ago. There has been an increase of 36,000,000 bushels in the world's supplies during the month compared with a gain of 39,000,000 bushels in the month preceding and 22,560,000 bushels a year ago, and the total of 300,304,000 bushels in all positions compares with 264,243,000 bushels in the month preceding and 257,357,000 bushels at this time in 1925. So far Russia and the Danube have been liberal contributors to importing countries, and their lowered prices have been influential in reducing the limits of Argentina exporters although recent rains in Australia have delayed threshing operations.

Corn Has Recession

Corn declined $2@4c$, the retiring month showing the most acute weakness under an increase of 1,848,000 bushels in the American visible, according to Bradstreet's compilation. Primary receipts for the week showed an increase of 293,000 bushels, but were 510,000 bushels smaller than a year ago. There has been a gain of more than 900,000 bushels in Chicago supplies, which now total nearly 18,000,000 bushels, which is approximately the increase in domestic supplies over a year ago. On the other hand consideration is being given to the fact that in 12 surplus states there is an apparent shortage in this year's yield of 449,000,000 bushels as their total yield was 1,786,000,000 bushels out of 2,645,000,000 bushels for the entire country, which leaves 859,000,000 bushels raised outside of the main belt.

Oats were $1@1\frac{1}{2}c$ lower under free selling by cereal millers, who have been reducing their holdings in view of the slackening in the demand for their products. This recession from the high level for the crop year recently reached was not unexpected as the market has been a small and narrow affair, and commission houses responsible for the advance have been liquidating steadily in the past week. At the higher levels there has been more willingness indicated on the part of farmers to dispose of their surplus stocks, the week's receipts at primary markets showing a betterment of 561,000 bushels, but they were 159,000 bushels smaller than a year ago. At the same time the visible supply gained 490,000 bushels.

Rye Spreads Popular

Rye reacted $1@2c$ only as the buying here against sales of July wheat at Winnipeg at a difference of 40c supplied considerable support in an ordinarily thin market. There was also a moderate export inquiry sufficient to keep markets clear of reduced offerings. Winter crops have been making excellent headway under fairly satisfactory weather conditions.

Provisions were firmer although December lard fell back 40c under liquidating sales, but other months were 10c higher and there were betterments of 15c in ribs and 45c in bellies. Foreign buying has been more pronounced in spite of decline in hogs as receipts showed a considerable recession compared with a year ago.

All December trades were settled on the Chicago Board of Trade on Friday with deliveries of cash wheat 910,000 bushels, of which 812,000 bushels were in the afternoon; corn, 564,000 bushels, oats 132,000 bushels and rye 147,000 bushels. Deliveries of cash wheat in Chicago for the year were 20,842,000 bushels, corn 29,471,000 bushels; oats 23,-

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472,000 bushels; rye 9,597,000 bushels; lard 52,650,000 pounds; short ribs sides 1,600,000 pounds; bellies 4,600,000 pounds; cotton 83,750 bales.

December Discounts Heavy

With December wheat going out at 5½ cents under May and corn at 12 cents discount under May, it was taken by traders as indicating a weak position for both grains and a forerunner of lower prices. Those who are trading on the calendar plan are disposed to sell grain on all bulges.

"The considerable increase in the probable southern hemisphere wheat surplus, together with the probability Argentine wheat will be pressed for sale and is now quoted c. i. f. Europe, some 12 cents cheaper than United States hard winter, prompts us to believe the future holds promise of lower prices," say Thomson & McKinnon. "The carrying charge of 12 cents on corn to the month of May is excessive and likely to prove burdensome to speculative buyers."

Chicago Board of Trade memberships sold at \$6,600 and \$6,800 net to the buyer, the close being at \$6,700.

Speculative trading in grains in 1926 was greatly reduced as compared with that of 1925, especially in the closing months. Aggregate sales of all grains for future deliveries on the Chicago Board of Trade were 18,568,118,000 bushels, including 13,319,407,000 bushels of wheat and 3,803,878,000 bushels corn. Trading in wheat in December, with the last day estimated, was only 816,978,000 bushels, and in corn, 358,464,000 bushels, sales of wheat being the smallest of the year, while there were nine months of the year when interest in corn was smaller than that in the past month. A preliminary report of the sales in 1925, aggregated 26,569,000,000 bushels of which 17,791,000,000 bushels were wheat and 5,884,000,000 bushels were corn, showing that interest in corn the last year was cut down over a third.

Joseph P. Griffin of J. S. Bache & Co. said: "The visible supply of corn is in excess of 32,000,000, the bulk of which was accumulated from the old crop. For the next 10 weeks the market will have to absorb the usual heavy winter run, and it is not improbable that the visible will amount to above 50,000,000. December corn is selling about 10 and one-half cents under May, which is very conclusive evidence of inadequate commercial demand. At Illinois points, dealers are paying farmers 55 cents for No. 4 corn. The tremendous discount of the December and the cash article creates a carrying charge situation that places the corn bull in an almost impossible position. Everybody would like to see the price of corn advance as the corn farmer is in a very unhappy position, but we must face facts and much lower prices for corn seem inevitable."

CREAM OF WHEAT SALES COMPANY FORMED

Organization of the Cream of Wheat Sales Company to handle distribution of cereal food products, including those of the Cream of Wheat Company, has been announced by Daniel F. Bull, president of the new firm and general manager of the Cream of Wheat Company.

Other officers of the Cream of Wheat Sales Company are George V. Thompson, treasurer and general manager; George B. Clifford, Jr., vice president and secretary, and Thomas S. Amidon and F. W. Clifford, directors.

"The sales company expects to speed deliveries of Cream of Wheat by from one to five days," Mr. Bull said. "It will have branches carrying stocks in 65 cities in the United States and Canada. The entire sales organization of the Cream of Wheat Company has been taken over, with a large part of its personnel.

"Formerly, when the Cream of Wheat Company received an order from one of its branches, it was necessary

to refer the order to Minneapolis for confirmation. The sales company will eliminate this loss of time."

The Cream of Wheat Sales Company is a Delaware corporation with capital stock of \$50,000, all held by stockholders of the Cream of Wheat Company.

"In 1926 business of the Cream of Wheat Company exceeded all previous records," Mr. Bull said, "and we expect that 1927 will continue to be good. Our distribution in the Northwest has kept pace with the rest of the country. This is a basic industry, with a continuous demand. People eat, whether the stock market goes up or down."

The Cream of Wheat Company distributes its product to every country in the world. It was organized in Grand Forks, N. D., in 1896, and moved to Minneapolis in 1897.

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A Carload or a Train Load,
each receives same careful
Sales Service. Ship to us.

1151 Chamber of Commerce, Minneapolis, Minn.

TWIN CITIES BANKERS' VIEWS ON THE OUTLOOK FOR 1927

(Continued from Page 10)

farms are prospering where the lesson of diversification has been taken to heart and put into operation. More rapid advances in this line will be made as diversification is more generally adopted and, of course, as the weather favors the production of good crops. Late fall rains and heavy snows throughout most of the grain raising states give promise of plenty of much-needed moisture in the soil and augur well to that extent for a good crop year in 1927."

Scientific Farming and Dairying

Charles B. Mills, president, Midland National Bank and Trust Company of Minneapolis says that "the most encouraging reports come from districts where diversified farming has become a permanent institution. These districts not being limited to one large payday each year are able to keep abreast with changing conditions by means of the regular income that comes from the dairy cow. Creameries when well managed, seem to be profitable enterprises, and the farmers who are able to sell their products to creameries contribute much toward maintaining a fair volume of business in the country towns."

The Northwest Expanding

C. T. Jaffray, pioneer banker, and now president Soo Line, has given out this statement:

"The Northwest's steadily expanding program of diversified farming constitutes the outstanding development of agriculture and industry in Minnesota and her neighbor states. This program is being carried on with very good effect and its results are even better than we dared to hope when the campaign for diversification was started a few years ago.

"The success of the movement is indicated by the fact that, in the face of a poor grain crop, business is being maintained in fair volume throughout the Northwest. This proves beyond any possibility of doubt that our district is producing other things than grain and producing them successfully.

"I feel that each year brings us nearer to the time when the country's general business will not be affected seriously by a shortage of a small grain crop. Diversification is destined to be the foundation of sound and permanent agricultural prosperity and its good effects already are evident on all sides. Industry, commerce and transportation, closely dependent on agriculture in the Northwest, are sharing in the benefits."

Plenty Money for Investments

George B. Lane, president, Lane, Piper & Jaffray, Inc., Minneapolis, says:

"While the past year seems to have been brought to a close in accompaniment to rather pessimistic opinions in regard to business conditions in this territory, an inspection of achievements and records for the 12 months reveals a condition which cannot be considered wholly shadowed by a cloud of depression.

"Agricultural conditions have not been the best, yet everything taken into consideration, business may be said to have progressed at a satisfactory rate, and the gradual elimination of dependency upon a single crop has undoubtedly aided in keeping trade up to its present point.

"The sale of commercial paper and bonds to banks throughout this territory, maintained at a fairly even rate, and the consumptive power of investors, both individuals and institutions, has demonstrated the fact that there is a large amount of funds available for investment in this section."

Better Times in View

W. F. McLane, vice president Hennepin County Savings Bank of Minneapolis, says:

"For 1927 and the Northwest there is a most hopeful feeling of better things coming. Not for many years have we gone into the winter season so optimistic over crop conditions for the coming year. Frequent rains have soaked the ground and filled the lakes and low places for the benefit of the soil and the next year's crops; also snow and cold in December, like it used to be in former years of bounti-

ful harvests. Perhaps the new cycle is here and the Northwest once more is to stand out as in the past—a section of prosperity and good business.

"Savings deposits can be used as the barometer. There are in the United States almost \$25,000,000,000 in savings deposits. The increase the past year was about \$1,500,000,000. This seems like a very large increase, but in reality \$1,000,000,000 was interest, and the increase was only about \$500,000,000. This is small, indeed, when statisticians say there is between 10 and 12 billions available. Where is the money going? Some, it is true, into investments; but too much, I fear, on monthly payments for purchases made on long-time contracts—purchases which were formerly saved for, but now bought by pledging the earnings of future months."

By Charles E. Lewis, president of Charles E. Lewis & Co., of Minneapolis, says that he can see nothing that is particularly disturbing for the year 1927. "It seems to me," he says, the country is on a sound and firm basis and that it has an able and competent administration. The steady reduction in our national debt is bound to be beneficial to the people at large. Labor seems well employed at high wages and as long as this condition continues we can have no serious business depression in this country."

Cleaver Thayer, vice president, Thayer, Beebe & Co., investment bankers of Minneapolis, notes that "the two predominating features in the 1926 investment market promise to govern the 1927 situation with increased vigor and momentum. These two features are the tremendous quantities of money seeking investment in the hands of the general public, and the remarkable growth in economic and investment knowledge on the part of this same general public."

Duluth Banker Optimistic

While there is nothing to indicate any great change in conditions for 1927, business volume should be satisfactory, according to R. L. Griggs, vice president of the Northern National Bank.

"With some exceptions, however, figures indicate a good average employment here at good wages. Considering the readjustments which necessarily had to take place following the war, Duluth itself has had little cause for complaint. There has been some outspoken criticism because of lack of growth in Duluth the last year.

"Banks of Duluth show an increase for the year in savings accounts, which is a healthy condition. Duluth banks for years throughout the Northwest have held an unusual position for strength and soundness, and 1926 has seen this prestige fully maintained.

"Duluth is all right, its business is all right, its future is all right. Its citizens who maintain their faith in it will have every reason to be glad they did."

FINANCING OF MASONIC BUILDINGS IN PACIFIC NORTHWEST

Spokane—Ferris & Hardgrove, investment bankers, Spokane, Wash., recently announced that they have underwritten the \$150,000 first mortgage 5 per cent. bonds of the Tacoma Masonic Temple, which furnishes funds to complete the construction of the six story Masonic building now being completed in Tacoma by the 16 Masonic bodies and shrine of that city.

Ferris & Hardgrove recently underwrote a \$300,000 loan to the grand lodge of Free and Accepted Masons of Washington in connection with the \$800,000 Masonic home being built on Puget Sound. They also participated in the first loan, since refunded, on the new Masonic Temple erected in Spokane.

"Masonic financing," said J. E. Ferris of Ferris & Hardgrove, "is unique in that in addition to the security of valuable properties and buildings which have constant income and use, they have the pledge of dues of the members forming a constant fund for the protection of principal and interest.

"These bonds we will sell to yield the investor 5 per cent., which testifies not only to the strength and character of the security, but to the high moral standing of Masonry and its credit in the financial world."

B. B. SHEFFIELD
President

W. H. SUDDUTH
Vice President

COMMANDER MILLING COMPANY
COMMANDER ELEVATOR COMPANY

Flour Exchange

MINNEAPOLIS

THE LARABEE FLOUR MILLS COMPANY

KANSAS CITY

Daily Capacity with Associated Mills—27,000 barrels

Elevator Capacity—10,000,000 bushels

Cheaper Money

Most business observers are agreeing that credit will be plentiful and fairly cheap through 1927. Some of the seasons given are these:

(1) Lack of opportunity for foreign investments. The French and German situations are not conducive to large loans; disturbances in China preclude the opening of investments there; the British are getting back to their old position as heavy lenders in Latin America.

(2) On the domestic side, there seems no possibility of any great industrial expansion requiring capital, due to the fact that production has been high, stocks on hand increasing, with general price levels slowly falling, requiring ultimate liquidation before any large industrial building program is undertaken.

(3) Greater efficiency and quickness of transportation by railroads as developed in recent years reduces the amount of credit required for distribution, and makes it available for investment.

This condition will naturally increase market prices of bonds bearing good interest rates which seemed conservative two or three years ago. The Treasury, it is noted, has adopted a policy of lower rates on its refunding operations, and was highly successful with its last issue of nine months notes at 3 1/4 per cent. Some money market authorities believe it could have floated the issue at even 3 per cent.

Ordinarily cheap money might be expected to stimulate speculation. Now, however, people are more discriminating concerning the class of securities into which they put their money. They prefer to leave their funds at low rates of interest than to purchase securities in enterprises of doubtful merit or uncertain future. The outlook seems to be for gradual market decline of stocks in general, with the exception, perhaps, of certain high grade investment stocks.

Many manufacturers seem to feel that their production in 1927 will be curtailed. They base their conclusions not on any general index figures but on the specific conditions in their lines. If this proves general, profits will be narrowed, and this condition will inevitably stimulate the movement toward consolidation of corporations which has been under way for several years. Cheap money will encourage this movement. Most of the consolidations effected in the past two or three years are in much better position to withstand a period of lower production and smaller profits which may be approaching, because of the economies in production systems, machine methods, mass output, etc. They are even able to maintain wages despite narrower profits.—Ernst and Ernst Business Bulletin.

MINNESOTA'S LOW GRADE IRON ORES TO BE UTILIZED

A \$1,000,000,000 industry is in sight for Minnesota as the result of successful experiments in reducing low grade iron ore into metallic iron made at the University of Minnesota in conjunction with the Bureau of Mines.

Manufacture of pig iron on an extensive scale will result, E. W. Davis, director of the mines experiment station of the University of Minnesota, said.

"There is no reason why it should not be a complete success," he added, "making it possible to turn iron ore into pig iron at low cost here in the state, utilizing a great field of low grade ore, and shipping the product

East instead of loading the raw ore for treating in the East."

There are interests ready to establish immense plants for the new industry as soon as the experimental work is completed, Mr. Davis understands.

Important in the situation, according to Mr. Davis, is anticipated development of lignite fields of North Dakota, source of fuel supply used in the method just developed. If lignite operators will furnish enough charred lignite, the question of cheap fuel will be virtually solved.

Minnesota is reported to have enough low grade iron ore to last 1,000 years, but so far it has not been worth digging. By the process perfected at the University, using special furnaces built for the purpose, this ore can be turned into iron here, eliminating the shipping of all the waste which the ore contains.

FOLLOWING EVERYBODY'S ADVICE

Two battered old wrecks were sitting on a bench in the Common, when one remarked: "I'm a man who never took advice from anybody." "Shake brother," said the other, "I'm a man who followed everybody's advice."—Merchants' Record.

A GOOD FIRM TO SHIP TO
They can handle your Wheat, Oats, Rye,
Corn, Barley and Flax.

ATWOOD-LARSON CO., Inc.
1005 Chamber of Commerce MINNEAPOLIS
519 Board of Trade DULUTH

McCabe Bros. Company
Established 1889

Grain Commission Merchants
DULUTH MINNEAPOLIS
Send samples and we will give you values.

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 \$200,000 DULUTH

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St. Anthony & Dakota Elevator Co.
DEALERS IN GRAIN, LUMBER, FUEL
MINNEAPOLIS :: DULUTH
CONSIGNMENTS SOLICITED SATISFACTION GUARANTEED

ANDREWS GRAIN CO.
COMMISSION

Minneapolis

Duluth

GRAIN STOCKS AT MINNEAPOLIS

Table showing grain stocks at Minneapolis for Dec. 31 and Dec. 24, with year-ago comparisons. Categories include No. 1 hard Spr., No. 1 dark N., No. 1 northern, No. 2 dark N., No. 2 northern, No. 3 dark N., No. 3 northern, Winter, Durum, Transfer, Other grades, Public houses, Private houses, and various other grades like CORN, OATS, RYE, and FLAX.

DULUTH-SUPERIOR GRAIN STOCKS

Table detailing Duluth grain stocks for January 3, including Wheat (Spring, Western and winter), Coarse grains (Corn, oats, rye, flax), and Total of all grains.

MINNEAPOLIS-DULUTH WHEAT RECEIPTS

Table showing receipts of wheat in Minneapolis and Duluth from September 1, 1926, to January 1, 1927, compared with the corresponding period of previous years.

CHICAGO GRAIN STOCKS

Table showing Chicago grain stocks for Wheat, Corn, Oats, Rye, and Barley, including Public, Private, and Total stocks, and Last year figures.

UNITED STATES VISIBLE GRAIN SUPPLY

Table showing the United States visible grain supply for Wheat, Corn, Oats, Rye, and Barley, comparing This week, Last week, and Last year.

FT. WILLIAM AND PORT ARTHUR GRAIN STOCKS

Table showing grain stocks at Ft. William and Port Arthur for Wheat, Oats, Barley, Flax, and Rye, comparing This week, Last week, and Last year.

WORLD GRAIN SHIPMENTS

Table showing world grain shipments for Wheat, Corn, and Oats, comparing Past week, Prev. week, and Last year.

THE WEEK'S FLOUR OUTPUT

Table showing the week's flour output at principal milling centers by weeks ending on the indicated dates, including Northwestern, Minneapolis, St. Paul, Duluth-Superior, and Outside mills.

Table showing grain stocks at Omaha and Outside mills for Dec. 31 and Dec. 24, with year-ago comparisons. Includes St. Louis, Toledo, Indianapolis, and Southeast.

FLAXSEED RECEIPTS AND SHIPMENTS

Table showing flaxseed receipts and shipments at Minneapolis and Duluth from September 1, 1926, to January 1, 1927.

MINNEAPOLIS GRAIN FUTURES

Table showing Minneapolis grain futures prices for December, January, and May, covering Wheat, Rye, Oats, Barley, and Flax.

DULUTH GRAIN FUTURES

Table showing Duluth grain futures prices for December, January, and May, covering Durum, Flax, and Rye.

CHICAGO GRAIN FUTURES

Table showing Chicago grain futures prices for December, January, and May, covering Corn, Oats, Rye, and Flax.

MINNEAPOLIS RECEIPTS—COARSE GRAINS

Table showing Minneapolis receipts for coarse grains (Corn, Oats, Rye, Barley, Flax) for Dec. 30, Dec. 31, and Jan. 1-5.

Value of Farm Lands Becoming More Stable

Farm Land Values 25 Per Cent. Above the Pre-War Average

Washington—The value of farm lands is becoming more stable, the Department of Agriculture announced, as a result of a survey based upon 20,000 reports, from farmers, bankers, dealers and others in close touch with agricultural conditions.

As of March 1, 1926, the department estimated that the average value of farm lands throughout the United States was \$76.47 per acre. On the same date in 1925 the average was \$77.83 per acre and in 1924 it was \$78.82 per acre. This decline of about 3 per cent. in the last two years contrasts with a decline of about 30 per cent. since the peak of prices which was reached in the year 1920.

Department says that although there is as yet no assurance that the bottom has been reached, the average value per acre of farm land in the United States has shown a steadily lessening rate of decline.

Farm land values now are about 25 per cent. above the 1912-14 average which may be regarded as pre-war.

"Two factors which the bureau believes may help to check further declines in farm values are announced reductions in farm mortgage interest rates, possible further easing of the credit situation consequent upon improvement in company banking conditions and the large supply of funds seeking employment in the investment markets, and the probability that in a number of areas the foreclosures and other forced liquidations have exerted most of their influence on values," the Department says.

Decline Greatest in Middle West

Prices, the report says, have declined much more in some regions than in others. Indeed, some localities show increases. In general, the most severe declines in farm valuations since 1920 have been recorded in the grain and live stock raising states of the Middle West. There have been severe declines in several of the Mountain states and in certain cotton states.

In a region comprising primarily the North Atlantic states and extending westward into Michigan and Wisconsin and southward into Delaware, Maryland and the Virginias, farm land values declined comparatively little. The same is true to the cutover country of northern Minnesota, northern Wisconsin and the upper peninsula of Michigan. In the Texas Panhandle sharp increases in farm values have accompanied the conversion of cattle ranches into cotton farms.

"Sustained or increased values in Kansas have been associated with increased acreage of wheat in turn partly the outcome of a shift from grazing which was aided by the development of improved power machinery. Increases noted in western North Carolina were in no small degree attributable to residential and recreational development, a situation true also of sections of Florida and California.

"Figures for some of the key states reflect the shifts that have taken place in different regions. In Massachusetts the average value of farm real estate per acre increased from \$100 to \$109 between 1920 and 1926. In Iowa, on the other hand, there was a decrease in the same period of from \$255 to \$155. In Georgia there was a decline in the same period from \$57 to \$30 per acre; in South Carolina from \$75 to \$45; in Montana from \$42 to \$25 and in California from \$240 to \$180. In some of the Mountain states the apparent decline in average per acre value was accentuated by addition to the farming area of much low grade land. Exceptionally severe declines in some of the cotton states are attributed mainly to boll weevil damage.

Farm Land Value and Farm Earnings

"The influence of farm earnings on farm real estate values is well illustrated by the relationship that has existed in the last half decade between farm earnings and farm land values in different regions. Average farm real estate values in the principal cotton states, for example, although showing a greater percentage decline than values in the dairy, poultry and truck states of the Northwest, fell less than average farm real estate values in the grain and live stock raising states of the Middle West. The con-

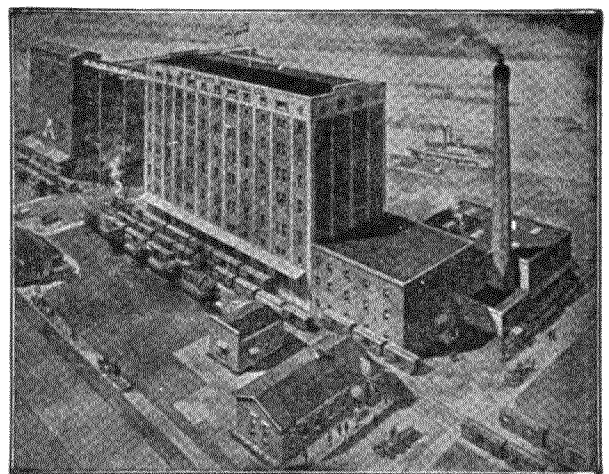
nection is obvious. Cotton prices and cotton incomes, after the decline of 1920 and 1921, recovered to levels lower than those of the dairy, poultry, fruit and vegetable industries, but higher than those of the grain and meat animal group. The grain and live stock raising states of the Middle West suffered the heaviest decline in farm valuations. The same principle was illustrated during the war-time boom. Cotton prices then increased greatly, prices of meat animals and grains increased in a lesser degree and prices of dairy and poultry products least of all. Farm real estate values for the cotton belt, the mid-western grain and live stock states, and the Northeast dairy states increased in the same way."

THE FLOUR MARKET

The past week in the flour market was largely uneventful, through southwestern mills reported a fair total of small sales on the substantial price break that brought a midweek flurry of buying to pad out immediate requirements and for shipment immediately after January 1. Millers of all sections are confident that, with inventory period out of the way, there will be a marked improvement in business.

A few small lots of clear and straight to the West Indies and European trade make up the current export business. European bookings are principally for Holland and Germany. Foreign demand is still under the influence of holiday inactivity and the prevailing large stocks.

Mill operation at the close of the year was around the low point, and there was persistent complaint of inadequate shipping directions. Improvement in the latter respect is looked for shortly from buyers who have completed inventory taking. There are indications that stocks in many hands are so low as to compel some action very soon.—Northwestern Miller.



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

replacing their plant destroyed by fire in
August 1911.

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

The Barnett & Record Co.

MINNEAPOLIS, MINNESOTA
DULUTH, MINNESOTA
FORT WILLIAM, ONTARIO

That is our specialty

Write us for designs and estimates

STATEMENT OF CONDITION



Made pursuant to the call of the comptroller of currency on
December 31st, 1926

RESOURCES

Loans and Discounts.....	\$48,435,935.52
Overdrafts	7,585.72
U. S. Gov. Securities.....	14,359,000.00
Other Bonds and Securities.....	8,687,703.65
Bank Buildings	1,191,297.02
Customers' Acceptance Liability (Less Anticipations)	2,812,697.80
Bankers Acceptances Purchased.....	295,000.00
Interest Earned but not Collected.....	318,413.62
Cash on Hand and due from Banks.....	23,209,005.41
	<hr/>
	\$99,316,638.74

LIABILITIES

Capital Stock	\$ 5,500,000.00
Surplus and Undivided Profits.....	5,516,037.21
Dividends Payable January 3d, 1927.....	330,000.00
Reserved for Interest, Expenses and Taxes.....	488,532.25
Interest Collected but not Earned.....	191,025.48
Circulation	1,701,000.00
Letters of Credit and Acceptances.....	3,008,508.64
DEPOSITS	82,581,535.16
	<hr/>
	\$99,316,638.74

Combined resources of the First National Bank, Minneapolis
Trust Company and Hennepin County Savings Bank
\$127,561,985.71