

Bank Progress

Resources of State Banks Increase 110 Per Cent. National Banks 50 Per Cent.

By J. O. ELLINGTON, State Bank Examiner.

Here is the story of bank progress in North Carolina in a few words. On the fifth of April, 1899, there were twenty-nine national banks in North Carolina, forty-four State banks, twenty-one private banks and six savings banks—total, 71.

On the ninth day of April, 1903, there were forty national banks, and one hundred and thirty-seven State, private and savings banks under the supervision of the Corporation Commission.

Since April 9th, 1903, two national banks have been chartered. There are fifty-four State, private and savings banks that have charters but have not opened.

It will thus be seen that the State banks have gained considerably over the National banks.

STATE BANK GROWTH.

Here are some more figures of growth: The total resources of State banks April 5th, 1899, aggregated \$11,275,490.72. On April 9th, 1903, they had grown to \$24,985,158.83—or considerably over one hundred and ten per cent.

The amount invested in banking houses, furniture and fixtures in 1899 was \$259,662.97. This year the corresponding amount is \$537,328.36, or an increase of over 100 per cent.

The comparative figures for capital stock are: in 1899, \$2,207,297.80; in 1903, \$4,243,050.87, or nearly 100 per cent. increase. The combined surplus in 1899 was \$410,339.42; now it amounts to \$631,239.99; or over 50 per cent. increase.

The sum of the undivided profits in 1899 was \$28,530.81. Now it is \$703,925.15, again well over 100 per cent. increase.

NATIONAL BANK GROWTH.

The total deposits of all kinds in 1899 were \$7,469,514.28. In 1903 they are \$17,788,428.12, nearly 150 per cent. increase.

The forty national banks had resources on April 5th, 1899, of \$13,558,047.25. On April 9th, 1903, they had \$21,175,809.00, an increase of largely more than 50 per cent.

The combined loans and discounts of all the National banks in 1899 amounted to \$7,530,013.27. In April, 1903, they were \$12,659,347.95, an increase of nearly 75 per cent.

The aggregate of capital stock in 1899 was \$2,901,200.00. In 1903 it was \$3,476,020.00, an increase of nearly 50 per cent.

The surplus in 1899 was \$841,753.15. In 1903 it was \$1,176,300.00, which shows an increase of about 25 per cent.

The total deposits in 1899 amounted to \$7,570,803.92. They were in 1903 \$11,489,757.57, an increase of over 60 per cent.

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beautiful place where the old ocean kisses the fairest land of earth and where the original settlers first landed in that spirit of freedom and love of independence that their descendants have right nobly maintained in their day and generation.

"We count it a great privilege to be here, and we note with pleasure and pride what you have done and are doing in your beautiful city and this delightful suburb. Your large and growing export trade is of especial interest, for all North Carolinians feel a personal interest and pride in what you are doing in this line, for your growth means our growth, and your success in handling foreign trade is ours also. Your jobbing trade reaching far inland is known to many of us, but we did not know the magnitude of it until we were permitted to see it ourselves. Your splendid graded schools are famed all over the State, and none take more interest in them than the communities from which I come where many of your most beautiful and cultured daughters were educated, and from which you have drawn your worthy and able superintendent. Your banks are a source of pride and wonder to the bankers of the State and not a few of the brotherhood would like to be taken into the secrets and learn how it is all done; how they gather such large deposits when remitting daily for all collections; how they manage to get into and out of Lexington, Thomasville, Reidsville, Mount Airy, and such places without paying tribute to Caesar or some one else, to many it is inexplicable unless it is done between suns; how they take so little and give so much, and still add so largely to their surplus. But I am wandering from the point in a pardonable zeal for knowledge.

"We are impressed with your large business interests, your magnificent churches and beautiful homes, your schools and public buildings and the splendid condition of your city; and we, feeling the spirit that actuates your people, congratulate you on what you have done, what you are doing and what you are going to do in the coming years.

"I assure you, Colonel, gentlemen of the Chamber of Commerce, bankers, and friends of the city of Wilmington, that we are most highly gratified at your cordial welcome, and that we already feel perfectly at home; like the tax-lister now loose in our land, we do not think we can tax you too much or that we can draw too heavily upon your kindness and hospitality. If you should have occasion to think you are thus over-taxed and that our overdrafts are burdensome, we beg that you will remember that it is your own fault, and that you have invited it by your most generous welcome.

"We know our stay among you will be delightful, that we will always cherish with fondest recollections the session of the association held in your midst and will ever remember you as the charming and hospitable people you have always been, and are.

Col. Fries' response was greeted with continuous applause and everybody highly appreciated his speech.

The Convention held its first business session on Wednesday afternoon, June 21. The opening invocation was made by Rev. Richard W. Hoge, rector of St. James Church, Wilmington. The roll call by Secretary Evans showed a large attendance at the first meeting. The convention was presided over by President George W. Montcastle, who is president of the Bank of Lexington, and who is quite as much at ease in presiding over a deliberative body as in conducting a successful bank in a prosperous and growing community. His address, which delighted his brother bankers and others who heard it, was a singularly clear cut and strong speech. It will be found in full on page twenty-one of this paper.

SECRETARY EVANS.

The annual report of the popular secretary Mr. C. N. Evans, cashier of the Merchants and Farmers Bank of Charlotte, gave a history of the work of the Association during the past year and contained many statistics and facts of value and interest. It is largely due to Mr. Evans that this session of the Association eclipsed all its predecessors, for he left no stone unturned to secure a large attendance and an attractive programme. The full report of Secretary Evans will be found on page twenty-one of this paper.

INTERESTING AND INSTRUCTIVE.

The reports of these two officers will not only interest all the bankers, but they contain much that will interest and instruct all who rejoice in the prosperity and growth of North Carolina's financial institutions and industrial enterprises.

NATIONAL CONVENTION.

At this session Col. John P. Bruton, of Wilson, who was a delegate to the twenty-eighth annual convention of the American Bankers' Association at New Orleans in November of last year made an interesting report of the meeting and its work, taking occasion to pay a handsome compliment to the address made at that convention by Mr. Joseph G. Brown, of Raleigh, who represented North Carolina on the program.

COMMITTEES NAMED.

President Montcastle appointed the following committees: Nominations—J. P. Sawyer, Asheville; J. G. Brown, Raleigh; George Stephens, Charlotte; L. A. Bethune, Clinton; T. J. Latham, Washington.

Resolutions—J. F. Benton, Wilson; J. S. Carr, Durham; R. G. Vaughan, Greensboro.

PRESIDENT CALDWELL HARDY.

On Thursday the convention listened to addresses from leading bankers in the State who had been assigned on the programme to speak. The first of these was by the most distinguished visitor to the convention, Mr. Caldwell Hardy, who spoke on "Organization Among Banks and the Benefits Incident Thereto."

PRESIDENT CALDWELL HARDY. The presence of Mr. Caldwell Hardy, of Norfolk, Va., President of the American Bankers' Association, was greatly appreciated and enjoyed by every banker present. His address was in every way admirable, full of sound sense and not burdened with statistics, but weighty

with facts and wise suggestions. Personally he is a charming gentleman and made friends of all who had the good fortune to meet him.

Mr. Hardy is about 50 years old, and was born in Petersburg, Va. He has been in the banking business since early manhood and is now one of the most prominent bankers in the South. He has been President of the Norfolk National Bank for several years, and under his guiding hand that bank has been wonderfully prosperous and is now one of the soundest banking institutions in the land. He is a son of Mr. Henry C. Hardy, who married Miss Huldah Dozier from Eastern North Carolina. He married his cousin, Miss Lacey Hardy, a daughter of the late Dr. Hardy, of Norfolk, and has four children. His oldest son, Wallington Hardy is Secretary and Treasurer of the Consolidated Street Railway Company, of Norfolk, and his other son, Russell Hardy is at college. He has two charming daughters, one of whom will enter society this winter. He started the banking business in Norfolk. He was elected President of the American Bankers' Association at its session in New Orleans last year, and was the youngest man ever elected to that position. His reputation as a banker is a national one, and his views on all banking subjects are highly regarded by the bankers of New York and other centres of financial influence.

The full text of Mr. Hardy's admirable address, which ought to be read by every business man as well as every banker, appears on page 17 of this paper.

"COMPETITION AMONG BANKS."

The next address was made on "Competition Among Banks," by Mr. Walter L. Parsons, cashier of the Bank of Pee Dee, Rockingham. In substance Mr. Parsons said:

Mr. President, Members of the North Carolina Bankers' Association, Ladies and Gentlemen: If you will pardon the impropriety of attempting to speak without manuscript, I promise not to add to the offense by stating anything new or startling. Competition among bankers may be either legitimate and beneficial, or excessive and hurtful. It is universally popular, except with the individual who is being left behind, or to change the figure, "the under dog in the fight." To such it is a bitter dose, but generally the medicine needed, a tonic that gives life and renewed strength. To my mind, the impression made by the term is one of development and improvement. This is what may be termed the legitimate sphere of competition. To have a competitor in any line of business brings to light the defects, weaknesses and dangers and leads to their correction, as it does to the adoption of what on either side is shown to be superior. Competition, therefore, is one of the principles of human progress. I am not aware of any particular form of competition among the North Carolina banks at this time of which I am expected to speak. The multiplication of our numbers in recent years presents a condition interesting to all, and intensifies the importance of the question we are discussing. While I believe among banks there is a legitimate field for competition, I also believe it is more restricted in extent and manner of expression than in many other lines of business. Our efforts have but two objects in view, namely, to attract all the money we can induce to stay with us, and to loan it out safely for the interest. How, then, may a bank properly increase its business? This is a question which I have no intention of attempting to answer in detail. In a general way, I would say by emphasizing the importance of correct business principles, in its community. Safety will always be the jewel with bankers. Whatever tends to increase the strength and safety of a bank may be adopted and emphasized before the public. The bank should also look to increasing the facilities for handling in an attractive way its business already has. In the last place, by the improvement of the personnel of its officers and employees. In other words, seek business by merit, by building more securely the foundations of your own house, rather than by punching at the house of your competitor.

There are many methods for attracting business resorted to that are harmless. Some are short-sighted and of little value or moment one way or the other. Most of us have learned long ago that no every customer is a desirable one. What good, for instance, comes from discussing indiscriminately the defects of a competitor? In advertising them, we simply bring them to his attention, and secure their removal. If let alone, that may bring some good business our way. I have heard of other methods that are said to be in vogue in some parts of the State, such as the hospitable handshake, the winning smile, etc. Of the virtue of these, I cannot speak, but would not like to put much confidence in them. I have never quite gotten a satisfactory estimate of the banker who can say no to the man whose business has been solicited as easily as to him who came without it. How shall bank competition be confined to its legitimate sphere?

1. By a good understanding between those who manage banks.

2. By attending local and State associations. Here we meet experienced men of other institutions. They won't tell us many of their secrets, but we can absorb a good deal from them. After all, this must always remain in its last analysis a local question, and its happy solution rests with those who are nearest the burden. Much depends upon the ideal of a president or cashier or board of directors. If true to the best interests of their community, they may sometimes have to choose the unpopular side, that declines business and foregoes present advantage, in which case they may act with the confident assurance that correct business principles will win more enduring public favor, and lead to permanent success.

Another address on the same subject was made by Mr. J. Elwood Cox, president of the Commercial National Bank of High Point. Mr. Cox was unavoidably absent, and his address was read by Col. W. H. S. Burgwyn and is as follows:

COMPETITION AMONG BANKS.

In the marvelous evolution of the industrial life of the South in the last decade the Bank has been the most potential factor. In every nerve and every artery of the new life we are living its influence is felt.

Some one has aptly said that "the bank is a tool of civilized society—that the banker is society's treasurer—a practical

business expert and clearing agent of the purchases and sales in a community—an underwriter of every loan and a guarantor to all his depositors. He is at the nerve centre of industry and feels every pulsation of life about him."

The average mind scarcely conceives the fearful responsibilities with which he is invested by the confidence of his fellow men. Surely his is a position which demands the daily exercise of the highest qualities of manhood.

The average layman loses but little sleep over his pastor; he needs his physician perhaps once a month; he consults his lawyer possibly twice a year, but how different with his banker. The banker is expected to know the law and the gospel; he is expected to know every quotation twenty-four hours in advance; he is expected to know the financial weight of every neighbor and the strength of every corporation from the Northern Securities down to the smallest of the community; he is expected to know the day, if not the hour, when the next panic will strike us; he is expected to know whether Cleveland or Roosevelt will be elected President in 1904; he is supposed to know what your prospective father-in-law is worth; he must know how much rain will fall and how many bales of cotton will grow this season. In short, he is expected to know a little of everything and everybody's business.

This is only part of the burden he carries in the face of fierce and sometimes unfair competition, and is only a mere suggestion of the trying exactness levied upon his time and labor, which in season and out of season require clean figures, cool brain, a clear head, a heart of gold and a nerve of iron. Indeed in this hot struggle he who wins and lives must be built of the stuff of which heroes are made.

This is true when competition is legitimate, fair, clean and white, and it is to be said to the credit of the bankers of North Carolina that, as a rule, the competition between them is clean and legitimate. But there are occasional exceptions to this rule and these exceptions are symptoms of a disease, if I may so term it, upon our business life, which, if unchecked in its incipient stage will grow and spread and which must eventually prove to be dangerous if not fatal.

In the wild eagerness in our day for business—for the accumulation and concentration of wealth—in the fierce rivalry for the prize of success in every line of effort and in the reckless and desperate contests in all fields of endeavor, the temptation for the banker to go beyond the limit of legitimate competition was never so great as it is today.

It is, therefore, the business as well as the duty, it seems to me, of this association to watch carefully the growing temptations along this line and to discourage same as much as possible.

In all the varied channels and in all the strenuous activities of modern commercial life, the banker must meet and could not, if he would, avoid legitimate competition. There is no reason why there should not be competition among banks but there is reason why this competition should be clean and fair and honest.

As the treasurer of society and as the trusted agent of the community the banker owes it to himself and to those who pin their faith to his institution to keep and maintain in both private and business life a record as clear as the unsoiled coin—free from suspicion and flaws. The bank is the depository of the confidence of a community made sacred by the implicit faith therein placed. The widow and orphan, the magistrate and the pauper place their all upon its open counters. There is no place more sacred in the eye and faith of the public. Let not competition debase it with "cheap John" methods and "nigh cuts." Let us keep it clean.

There is no higher obligation devolving upon this association, to my mind, than that of seeing to it, in so far as it may be able, that this competition shall be safeguarded by upright conduct, exalted integrity, the most rigid rules of honesty and stainless methods.

It is fit, Mr. President, that our attention should be directed to this question of competition. I am free to declare that the most insidious danger that befalls the average banker today is to be found in the open field of keen and indiscriminate competition among our banks.

The average banker's profits are made by little and on the other hand leaks may be by little, and finally the small losses which in the mad eagerness for business are lost sight of may weaken, if it does not demoralize, what would otherwise be a strong financial institution.

Already the banker is forced to do more business for nothing than almost any other man in the community, and already he is tempted not to charge exchange on paper and to pay too high a rate of interest for money on deposit by reason of the competition he meets. Here is the danger line and the dangerous practices engendered or produced by competition must be guarded with unceasing vigilance. The successful banker needs not to resort to "nigh cuts." He needs not the poison of prejudice nor the weapons of envy to compete with an honest neighbor. The trickster may flourish for a day in the banking business, but in the long run an intelligent and discriminating public will discover his methods and uncover his record.

The strength of the bank as with an individual is in its character and if in its dealings it fails or refuses to observe the highest ethics of life it should be condemned as the individual. There is one law and only one which the last analysis should obtain in the broad field of competition, and that is the Golden Law from Holy Writ, "Do unto others as you would have them do unto you."

"EXCHANGE COLLECTIONS."

Upon this important subject two addresses were delivered, the first by Mr. T. W. Dewey, cashier Merchants and Farmers Bank of New Bern. Mr. Dewey spoke as follows:

Nineteen hundred years before Christ, uncoined silver was weighed out in payment for land, and nineteen hundred years after Christ, gold dust passed current as money among the fort-nissers in California.

So in all the complicated process of supplying the wants of man, money has been the great agency—the universal medium of exchange.

For centuries has the question of exchange, based upon stable ratios, agitated the human mind. And this agitation of the past ages has been diversified and intensified through the silent lapse of years, down to the present. When, with a vastly increased and ever increasing population, and in calculable progress in

every phase of commercial and financial conditions—present and prospective, even the Economist and Investigator in his efforts to facilitate rather than fetter the ever enlarging volume of both internal and external exchanges, confesses an unsatisfactory solution of this all-important question.

For these reasons, and with scarcely an hour at my command for uninterrupted thought or investigation of the subject assigned to me, and lest too aptly you might apply the aphorism, "Fools step in where Angels fear to tread," I shall tender only the most superficial observations anent my theme, from our worthy member from Gastonia.

The question of domestic collections and exchanges (domestic in contra-distinction to foreign), and upon which I take it I am expected to address this convention, being one of our principal and legitimate sources of revenue, is one which appeals to our Southland banks for more than a passing thought. A question which, in the judgment of the writer, should be taken up by our North Carolina Bankers' Association with a determined and untiring effort to place it as nearly as possible upon a uniform and paying basis to its every membership.

To do this, I admit that like all great and important undertakings, there must necessarily confront us many seemingly intricate and difficult problems—provoked by local conditions and environments peculiar to the many interested institutions. But which nevertheless have a feasible solution in the harmonious co-work of the separate parts (different banking towns) until blended into an equitable and powerful whole.

"A place to rest our fulcrum and we can move the earth." Our North Carolina Bankers' Association can, I believe, through its stamp of approval, create further desired methods, and by its manifest disapproval, disintegrate and relegate to "innocuous desuetude" (as in Cleveland) undignified and unworthy ones.

The fact that among all the advanced civilizations, there is a distinct consciousness of the inadequacy and inequality in the methods and mechanisms of banking systems, should be an additional incentive to our association to undertake the task of rendering nearer perfect, this feature of collections and exchange, at least in our own good old State.

I feel sure that a statistical investigation would reveal the fact that fully one-half, if not three-fourths of the items drawn on and through our North Carolina banks, are collected and credited through reciprocal relations at par, and where such is not the case, there is either no competing bank or they are protected by local agreement or combine of the several banks in that particular locality. Or, the larger banks centrally located, are used as distributing points for these collections, and many of the smaller banks at point of destination, are forced to collect and credit these items without the legitimate remuneration to which they are entitled.

Again, a lack of uniformity of rates, is a condition which might be improved whenever a basis for action is agreed upon. From the limited data which I have been able to gather, these rates now vary from one-twentieth, to one-half of one per cent.—the former under forced conditions, the latter under monopoly.

The rates for Northern exchange vary likewise, except in some localities they reach zero.

The situation appeals to us as statesmen, as economists, as bankers, as intelligent citizens at large, for a candid and thorough research into every profitable avenue of progression.

The establishment of a clearing house bank would possibly obviate to a greater extent than any other plan yet suggested to the mind of the writer, the obstacles and barriers which must be surmounted in the maturer consideration of my subject.

Such a bank to receive at a fixed, profitable and divisible rate, all the items coming into our State for collection, and transmitting them directly to destination, equally prorating with final collecting banks.

Why could not such a bank be viewed as an investment, apart from its great convenience, by having its stock subscribed for exclusively by our own banks in the State, upon a pro rata basis? If this suggestion is counter to any feature of the National banking laws, "His Satanic Majesty can be made to round the stump," as is often done, when the occasion requires.

Should this brief and superficial address—conspicuous for its absence of both statistics and detail—accomplish nothing more than contra-suggestions, and interested discussions, the writer will have received a most gratifying and satisfactory tribute.

Second was made by Mr. L. L. Jenkins, president First National Bank of Gastonia. [We regret that we were unable to secure the speech of Mr. Jenkins for publication.—Editor.]

"A SOUTHERN DEPOSITORY."

One of the best papers read during the convention of the association, and one that treated of a subject in which all bankers are interested, was that read at the morning session Thursday by Mr. Sam T. Peace, secretary and treasurer of the Oxford Savings and Trust Company, of Oxford, N. C., upon the subject, "A Southern Depository." The question has been discussed at previous sessions of the association, but no action had been taken until this year. At the afternoon session of the convention following the reading of his paper, Mr. Peace made a motion that S. T. Peace, secretary and treasurer of the Oxford Savings and Trust Company; C. J. Cooper, cashier of the National Bank of Fayetteville, and Lee H. Battle, cashier of the City National Bank of Greensboro, be constituted a committee to look into the advisability of advocating a Southern depository and that upon approval of such, that the committee be empowered to call the attention of other Southern Banks to the movement and ask for their approval and co-operation.

Addressing himself to the motion, Mr. Peace said that he wished the names mentioned on the committee because they represented every phase of our banking institutions. If this committee approves of such a depository they will confer with other committees of other State associations. If then these committees together express approval, they can agree upon some particular place for the depository. If they should not approve or be able to agree upon any designated place, then our State can through this association agree upon some clearing house for North Carolina alone. The object of this motion is to get the matter before our bankers, so that when the association meets one year

hence it will be able to accomplish something definite.

The motion was amended by Mr. Joseph G. Brown, referring the matter to the Association Executive Committee, which motion was adopted. Mr. Peace's paper is as follows:

A SOUTHERN DEPOSITORY.

Mr. President, Ladies and Gentlemen: Your attention is invited to a subject about which little has been said, and concerning which nothing has been written. But as "Coming events cast their shadows before" it is now opportune, to speak of "A Southern Depository."

Any depository is a transient resting place for surplus funds, and is selected by mutual agreement through virtue of its ability, security, profit and convenience. When our country prospered so that banks became a necessity, then our banks prospered so that a bankers depository became a great necessity. New York, the logical city, was then recognized as the depository of the banks of the nation. Our people continued to progress, thrift became widespread, and business reduced itself to such a science that in order to save time and money other places of deposit were agreed upon and used as aids to finance in their respective localities. So that today the bankers of the North and East have their New York, those of the Valley have their Chicago and St. Louis, and those of the West have their San Francisco. But alas! the Southern bankers, like "sheep without a shepherd," know not unity and are devoid of proper economic protection.

[In looking back] we find that the South, thinned of her young manhood and shorn of her wealth by the Civil War, had not been able until recently to produce such banks as would necessitate a depository of her own. But in forty years time a new generation has been born and raised, brain and brawn have been at work, and the wheels of industry have turned profitably. Our banks have grown in capital and deposits until they feel the need of some selected city among them, where they may deposit with profit, and from which they may draw with con-

venience. I say among them because it has cost considerable to deposit in the North. It is not my intention to appeal to sectional feeling or to sentiment but to argue from a standpoint of dollars and cents, and to show that in this case home patronage is profitable.

The express on cash money shipped to the South for the removal of the 1902 crop as closely as I can approximate was \$50,000.00. The cost of telegrams sent in ordering this money was \$5,000.00. The interest on this money in transit, and the interest on the return remittances in transit also amounted to several thousand dollars. Now if we had a depository in our midst, the distance of shipment would have been shortened 2.5, the rate of express and cost of telegrams cut down, and the loss in interest on cash and cash items in transit reduced proportionately.

Again, the undue inducement of value which any New York bank can offer under the rules of the Clearing House is the difference of minimum average deposits required in order to allow interest on daily balances carried. All New York banks allow only 2 per cent. interest while Southern banks are anxious for the same deposits at 3 per cent. The average reserve carried in New York by our banks is one hundred million dollars. And we have probably about the same amount in other Northern cities bearing the same rate of interest, 2 per cent. The difference in interest offered on this reserve makes an argument of two million dollars profit per year in favor of a Southern Depository.

Our ways of collecting are slow, costly and unsatisfactory. From answers to letters of inquiry sent to every bank in the State I find that seventy per cent of our banks are forced to pay charges on Southern exchange and collections, and most of the other thirty per cent handle no Southern collections on which to pay. In many instances the collections are sent direct, at a cost of 1-4 of one percent. Southern banks can collect Northern, Eastern and Western exchange at par, and the only reason why they cannot collect Southern items without expense is because Southern bankers have not given the matter proper consideration and have not agreed upon any one particular clearing house for themselves. In no other section of our nation is such the case. Other bankers are alive to every question, while moss grows upon our backs and useless profit gnaws upon our profits.

Express, telegrams, interest on cash and cash items in transit, the difference of interest allowed on daily balances carried and the cost of collecting are some of the losses which may be reduced to a minimum through the establishment of a home depository. You may think these items are trifles, you may say they are expenses too small to mention, but they seriously impede our progress and in comparison are large. For instance, many of our banks could pay one book-keeper's salary merely out of the profits made by watching the number of days in each loan to run so many days or so many months, as the advantage may be, for in so doing they would save one week's time out of every fifty-two. How much more closely should we watch such items as exchange and the rate of interest received on reserve balances carried in other banks. I have been banking and studying banking for eight years, serving State banks, a private bank, and savings bank and trust company, filling every position from janitor to cashier inclusively, and it has been my observation and experience that close attention to such small matters will materially effect each year's earning. These losses above cited during the past year amounted to \$200,000 in the bank in which I am employed. They affected the profits of every bank here represented. The cost this State \$75,000.00, and the South con-

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JOHN O. ELLINGTON, State Bank Examiner.



S. T. PEACE, Who Spoke on A Southern Depository.