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by

DR. EDWIN WALTER KEMMERER

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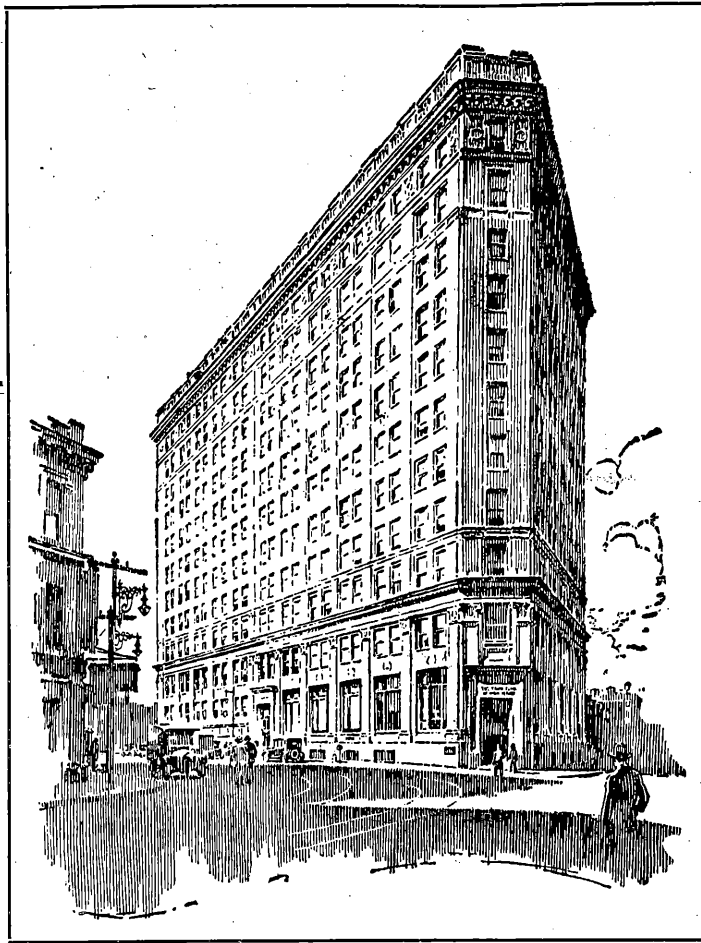
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Organized 1853
The Girard F. & M. Insurance Co.
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 \$6,000,966.28 \$2,930,594.84 \$1,000,000.00 \$2,070,371.44

Organized 1854
Mechanics Insurance Company
 OF PHILADELPHIA, PA.
 \$4,828,245.29 \$2,820,808.68 \$600,000.00 \$1,407,486.61

Organized 1866
National-Ben Franklin Fire Ins. Co.
 OF PITTSBURGH, PA.
 \$4,907,721.63 \$2,557,216.60 \$1,000,000.00 \$1,350,505.03

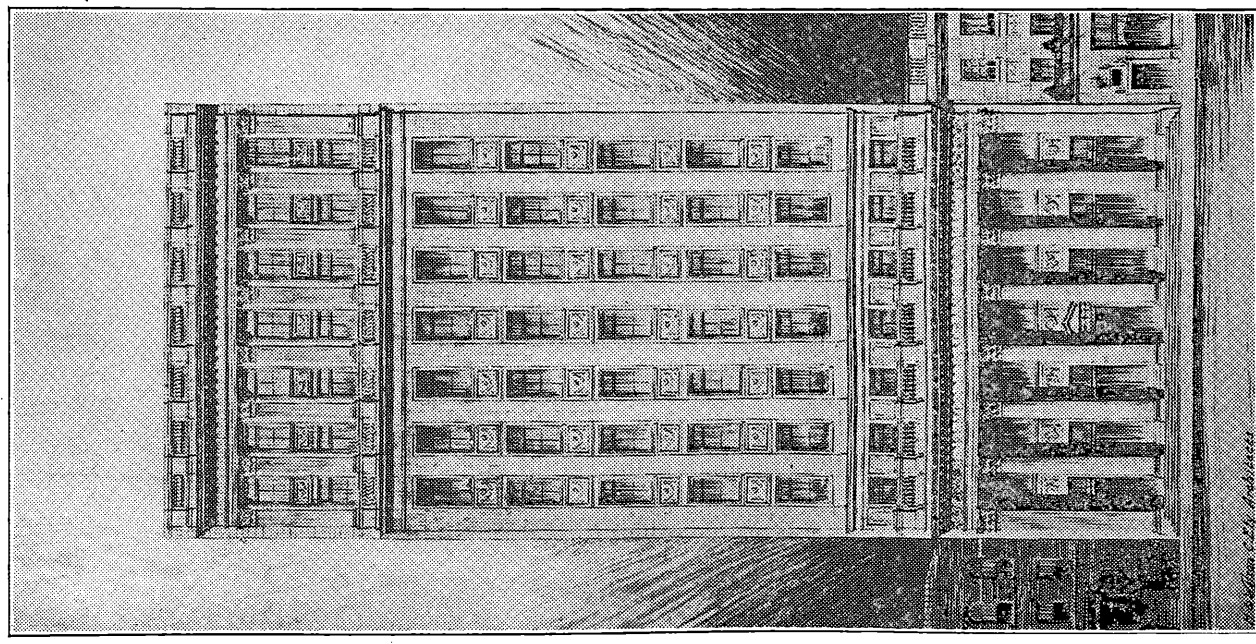
Organized 1886
Capital Fire Insurance Company
 OF CONCORD, N. H.
 \$760,298.04 \$375.00 \$300,000.00 \$459,923.04

Organized 1871
Superior Fire Insurance Company
 OF PITTSBURGH, PA.
 \$4,835,369.35 \$2,520,317.56 \$1,000,000.00 \$1,315,051.79

Organized 1870
The Concordia Fire Insurance Company
 OF MILWAUKEE, WIS.
 \$5,250,424.26 \$2,567,447.92 \$1,000,000.00 \$1,682,976.34

Organized 1874
Metropolitan Casualty Insurance Co.
 OF NEW YORK, N. Y.
 \$15,295,959.00 \$10,284,747.00 \$3,000,000.00 \$2,011,211.93

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**LOYAL TO PRINCIPLE—
 TO LOYAL AGENTS, LOYAL**

*As changed by stock dividend March 1928

NEW JERSEY BANKING 1902—1927^(*)

By Edwin Walter Kemmerer

Princeton University

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DURING the twenty-five year period 1902-1927 the number of banking institutions in New Jersey increased from 223 to 569, or more than twofold; and the total assets of all New Jersey banking institutions increased nearly eightfold, or from \$346,230,000 in 1902 to \$2,740,803,000 in 1927. Thus the average size of individual banking institutions must have increased approximately fourfold.

This growth in numbers has not been shared equally by the different types of banking institutions, as the following table shows:²

TABLE 1

NUMBER OF BANKING INSTITUTIONS IN NEW JERSEY, 1901-1927

End of	Savings Banks	State Banks	Trust Companies	National Banks	Total
1901	27	18	34	126	205
1902	27	16	55	125	223
1903	28	18	56	130	232
1904	27	17	59	136	239
1905	27	17	63	139	246
1906	26	17	68	151	262
1907	26	18	74	173	291
1908	26	19	77	177	299
1909	26	20	80	187	313
1910	25	19	85	194	323
1911	25	20	90	196	331
1912	25	22	100	199	346
1913	25	23	99	203	350
1914	25	24	103	202	354
1915	25	25	103	202	355
1916	27	23	111	202	363
1917	27	24	117	203	371
1918	27	24	118	202	371
1919	27	25	123	206	381
1920	27	27	126	217	397
1921	27	26	135	225	413
1922	27	29	142	230	428
1923	28	32	154	244	458
1924	28	34	162	253	477
1925	28	36	174	275	513
1926	28	38	196	290	552
1927	28	39	207	295	569

It is to be noted that the number of savings banks in the State remained practically stationary during the entire period, declining from 28 in 1903 to 25 in 1910 and then increasing after 1915 to 28 in 1927. The number of state banks increased from 16 in 1902 to 39 in 1927; the number of trust companies increased from 55 in 1902 to 207 in 1927; and the number of national

banks increased from 125 in 1902 to 295 in 1927. The percentage increase in numbers of each type of banking institution is as follows:

	% increase in number from 1902-1927
Savings Banks	Less than 1%
State Banks	144%
Trust Companies	276%
National Banks	136%

The progress of banking in the State, however, is not adequately pictured by figures showing the number of institutions. One needs to know also the facts concerning the growth of the institutions themselves, and the changes that have taken place in the character and quality of the services they are rendering.

The following table shows the increase in total assets of New Jersey banking institutions during this twenty-five year period:

TABLE 2

ASSETS OF NEW JERSEY BANKING INSTITUTIONS, 1901-1927

(In millions of dollars)

End of	Savings Banks	State Banks	Trust Companies	National Banks	Total
1901	73	12	74	128	287
1902	80	11	113	142	346
1903	84	12	129	147	372
1904	88	13	152	161	415
1905	95	14	168	178	455
1906	101	16	182	192	491
1907	101	17	172	201	494
1908	102	16	192	216	527
1909	109	19	220	238	586
1910	114	19	226	255	513
1911	120	20	241	274	655
1912	127	21	264	289	700
1913	132	22	268	300	722
1914	134	23	284	308	750
1915	140	26	313	333	812
1916	162	27	372	381	943
1917	165	32	408	422	1,028
1918	176	38	467	523	1,203
1919	196	48	547	545	1,336
1920	214	56	587	569	1,425
1921	220	57	634	564	1,470
1922	234	66	724	646	1,669
1923	245	73	813	728	1,859
1924	260	83	914	804	2,060
1925	276	95	1,017	913	2,302
1926	292	105	1,164	959	2,520
1927	311	111	1,328	991	2,741

Thus, while the number of savings banks remained about the same throughout the period, the total assets

¹In the preparation of this article I have received very valuable assistance from my colleague, Professor James G. Smith.

²Tables 1, 2, 3 and 4 are compiled from the annual reports of the New Jersey Department of Banking and Insurance and annual reports of the United States Comptroller of the Currency.



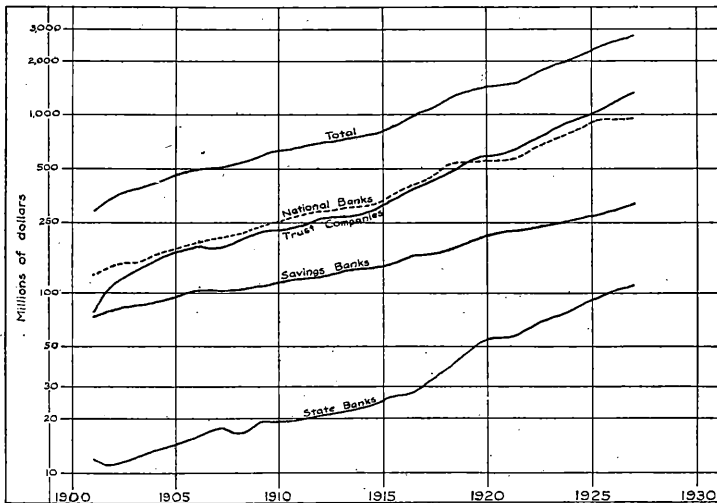
DR. EDWIN WALTER KEMMERER
The "Money Doctor"

of the savings banks increased nearly fourfold, i. e., from \$79,570,000 in 1902 to \$311,043,000 in 1927. The total assets of state banks increased from \$11,165,000 in 1902, to \$110,528,000 in 1927; the total assets of the trust companies from \$113,393,000 in 1902 to \$1,327,836,000 in 1927; and the total assets of national banks of New Jersey from \$142,102,000 in 1902 to \$991,396,000 in 1927. The percentage increase in total assets of each type of banking institution is as follows:

	% increase of assets from 1902-1927
Savings Banks	291%
State Banks	890%
Trust Companies	1,071%
National Banks	598%

In the following graph, which is plotted on a scale constructed so as to show rate of change (logarithmic scale), the relative growths of the total assets of these four types of banking institutions in New Jersey are shown from year to year for the period 1901-1927, in comparison with the relative growth of the total banking resources of the State.

GRAPH I
ASSETS OF NEW JERSEY BANKING INSTITUTIONS
1901-1927



The trust companies have grown most rapidly, next in rapidity of growth come the state banks, then the national banks, and finally the savings banks.

The growth of banking institutions is to a large extent a reflection of the growth of industry and wealth in the State. The accompanying table (3) shows how banking institutions have grown in various parts of the State.

Examination of this table seems to indicate that the rate of growth has been greatest in the part of the State classified as metropolitan and resort areas, which includes the towns in northern New Jersey serving as suburban residence sections to New York City, the towns of southern New Jersey serving as suburban residence sections to Philadelphia, and the seaside resort towns, such as Atlantic City, Lakewood, Spring

Lake, and Asbury Park. The increase in the banking resources of such parts of the State have aggregated more than elevenfold from 1901 to 1926.

The fact that banking institutions "in other parts of

TABLE 3

GROWTH OF BANKING INSTITUTIONS IN NEW JERSEY CLASSIFIED ACCORDING TO INDUSTRIAL CITIES, METROPOLITAN OR RESORT AREAS, AND OTHERS*

(Figures are total assets of banking institutions in thousands of dollars)

Classification of Banks	1901	1911	1926
In leading industrial cities	180,559	375,633	1,338,401
In metropolitan and resort areas	56,388	152,229	650,506
In other parts of the State	50,265	126,785	531,175
All banking institutions of the State**	287,212	654,647	2,520,082

*It was impossible to make this classification completely accurate according to these subdivisions; for example Jersey City and Newark are leading industrial cities and also in the metropolitan area. In the above classification they have been put with leading industrial cities.

**Excepting private bankers, credit unions and small loan brokers.

the State" show such a large percentage growth is probably due to three causes:

- 1.—The increase in the number of small towns in the State and the organization of banks in such towns as soon as they could support such an institution;
- 2.—The fact that the influence of the metropolitan area is effective throughout practically the whole State to some degree; and
- 3.—The fact that in the above classification some of the smaller industrial towns are included in "others," only the larger industrial towns being included in "leading industrial cities."

The table shows a sevenfold increase in the banking resources of the leading industrial cities, which include Bayonne, Camden, Elizabeth, Jersey City, Newark, Passaic, Paterson, Perth Amboy and Trenton.

Even allowing for the fact that the dollar of 1927 is worth only about 57% as much as the dollar of 1902, there is still left to be accounted for a great increase in banking resources during this period. It would be expected that something like the same rate of growth must have taken place in population, in business and in trade, to give rise to the need for the greater banking services. But the population of the State increased from 1,883,669 in 1900 to 3,155,900 in 1920 and is estimated in 1927 to be slightly over three and a quarter millions. This is an increase in population of 73%, in comparison with an 855% increase in banking resources during the same period.

As population becomes more and more urban it tends to use banking facilities more extensively. New Jersey population was 70.6% urban in 1900 and 78.4% urban in 1920. This still does not account for the large relative increase in banking resources. Analysis of the important factors in the development of the State seem to indicate that the explanation of this 855% increase in banking resources with only 73% increase in

population has been due to three main groups of causes:

- 1.—The growth of industry in the State.
- 2.—The extension of the metropolitan area of New York City into northern New Jersey and the consequent increase in a wealthy banking population.
- 3.—The growth of banking in the resort or playground sections of the State with the development of summer and winter resorts.

These developments are reflected in the population figures. From 1900 to 1920 the most rapid growth of population was in the industrial and summer resort counties of the State, such as Atlantic County, Bergen, Cape May, Essex and Middlesex; whereas the least rapid growth of population during this period was in the agricultural counties of Cumberland, Hunterdon, Salem, Sussex and Warren—in fact population in Hunterdon actually declined 2.4% from 1900 to 1910.

For the State as a whole there was a marked decline in agricultural products such as grain, hay and cereals, during this period, due to the comparative advantage enjoyed by western lands for the production of such crops. Sheep and wool growing rapidly declined, as also swine and cattle for slaughtering. Land is more valuable for other uses in New Jersey.²

Those other uses as far as agriculture is concerned include the growing of what are usually termed garden products such as vegetables and melons. New Jersey is a large producer of chickens, both for laying eggs and for marketing for food. The population of chickens increased from 2,534,371 in 1920 to 4,113,622 in 1925, and production of eggs increased from 13,280,104 in 1919 to 27,417,182 in 1924. The State is a large producer of fruits, particularly apples and peaches and small fruits such as strawberries and cranberries. Large quantities of beans, lettuce, sweet corn and tomatoes are produced. Thus, with the large cities in

²In terms of dollars, the value of farm property greatly increased during the period, i. e. from \$189,533,660 in 1900 to \$311,084,284 in 1925; but allowing for the depreciation in the value of the dollar this increase is from \$189,533,660 in 1900 to approximately \$196,000,000 in 1925.

New Jersey and in neighboring states (New York City and Philadelphia particularly) much of the agricultural land in New Jersey is most profitably used to produce garden products. The value of all New Jersey crops for 1926 was \$53,100,000.

The rapid industrial growth of the State is shown, on the other hand, by the fact that the value of products of New Jersey industries increased from \$774,369,000 in 1904 to \$1,406,633,000 in 1914 and to \$3,539,181,000 in 1925. According to the United States Census of 1920, of the persons 10 years and over engaged in gainful occupations in the State, 51% were employed in manufacturing and mechanical industries, as against 6% in agriculture.

With this industrial growth of the State has come the increase in wealth and in size of cities, the need of financing improvements for sanitation, of enlarged and improved educational facilities and of building good roads for transportation. This latter need has been enormously increased by the growth of motor vehicle traffic. The value of tangible property increased from \$2,734,000,000 in 1900 to \$11,794,000,000 in 1922. The property tax increased from \$20,956,000 in 1902 to \$145,355,000 in 1922. Debts of local governments increased from \$81,204,000 in 1902 to \$365,817,000 in 1922. Automobile registrations increased from 51,360 in 1913 to 651,415 in 1926. The State had 1,297 miles of surfaced roads in 1926. Expenditures on roads alone in 1925 amounted to over \$55,000,000. Corporation incomes in New Jersey increased from \$154,209,000 in 1921 to \$260,526,000 in 1924, and personal incomes increased from \$828,429,000 in 1919 to \$1,177,421,000 in 1924.

Such are the manifestations of wealth and increase of wealth during the past twenty-five years which serve as the fundamental explanation for the growth of banking institutions in the aggregate during this period.

OUTSTANDING FEATURES OF BANKING DEVELOPMENT

THE story of the progress of banking in New Jersey as reflected in total bank resources and other manifestations of wealth has been given in the foregoing section; and the purpose was to relate the banking growth in the aggregate with the industrial, commercial and social development of the state in the aggregate. It is now proposed to show the relationship to this development, of certain outstanding features of the State's banking development.

An analysis of savings bank assets shows a relative increase in importance of investments in real estate bonds and mortgages during the last twenty-five years. In 1901 investments in real estate bonds and mortgages constituted 33.6% of the total assets of savings

banks of the State. In 1926 the savings banks had 48.2% of their assets invested in bonds and mortgages.

The relative importance of bonds of counties, cities and towns of the State declined as investments for savings banks. In 1901 savings banks had 26.6% of their assets in bonds of counties, cities and towns of New Jersey—in 1926 this percentage amounted to but 11.3%. New Jersey savings bank investments in United States government obligations have always been relatively small—in 1901 the savings banks had 8.6% of their assets so invested; in 1926 the figure was 6.5%, although during the period of the war this type of investment was larger. In 1921 savings banks had 14.5% of their assets in United States government obliga-

tions. The following table compiled from the annual reports of the New Jersey Department of Banking and Insurance is a summary of the changing character of the assets of savings banks of New Jersey at five year intervals from 1901 to 1926:

TABLE 4
SAVINGS BANK INVESTMENTS

End of	Percentage of assets invested in			
	Real Estate Bonds and Mortgages	Bonds of Counties, Cities and Towns of N. J.	Railroad Bonds 1st Mortgage	United States and District of Columbia Bonds
1901	33.6	26.6	18.8	8.6
1906	30.5	28.4	25.2	4.0
1911	41.6	25.0	19.1	2.2
1916	44.4	26.5	17.2	1.8
1921	37.7	18.6	20.9	14.5
1926	48.2	11.3	25.0	6.5

During this period one of the outstanding developments has been the introduction of a savings bank business into the commercial banks of the State. Under a ruling of the Comptroller of the Currency on February 11, 1903, to the effect that there is nothing in the National Bank Act to prevent national banks from accepting savings accounts, there were in 1904 fourteen national banks in New Jersey which maintained savings departments.³ Shortly after this the state banks entered this field of service and have had a steadily increasing savings bank business ever since.

Trust companies from the beginning have been permitted by their charters to take savings accounts. During the earlier part of the period savings banks opposed this invasion into their field and for several years controversy existed between the savings banks on the one hand and the commercial banks on the other. It was argued by the savings bank interests that they performed a distinct and valuable service which the commercial banks could not perform and that their position was being jeopardized by the competition of the commercial banks in the savings bank field.

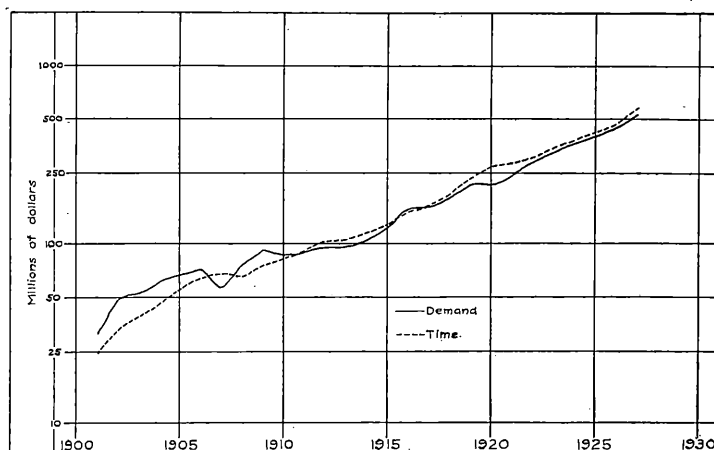
In 1908 the savings bank group felt so strongly on the matter that some of them withdrew from the New Jersey Bankers Association and formed a separate savings bank association for the State.⁴ The national banking group argued that there was room for all of them in the field. In 1904 they pointed to the fact that there were savings banks in only 19 places in the State, while there were 258 banking institutions in the State, including 173 national banks, 17 state banks and 68 trust companies. For the sake of encouraging thrift, it was argued, it is only right that facilities for saving should be available at as many places as possible in the State—many of which are so small that a savings

bank could not successfully organize there.⁵ In fact one of the arguments later given in favor of the Postal Savings System was to have available at many convenient places a depository for savings.

The opposition of the savings banks gradually died out, after they learned that their deposits grew in spite of the competition of the commercial banks and that their opposition was fruitless. The deposits in savings banks of the State increased from \$65,679,000 in 1901 to \$260,233,000 in 1926—an approximate four-fold increase.

Time deposits in trust companies of the State increased more than tenfold in the same period. Time deposits in state banks increased from a little over \$1,000,000 in 1907 (data not available before that time) to over \$46,000,000 in 1927. There are no comparable data for national banks prior to 1914.⁶ But since 1914 the time deposits of national banks in the State have grown from approximately \$41,000,000 to over \$434,000,000. The following graphs show the relative growth of time deposits and demand deposits in trust companies, state banks and national banks respectively.

GRAPH 2
DEPOSITS OF THE TRUST COMPANIES OF NEW JERSEY
At the end of each year



In the cases of all three types of banking institutions, trust companies, state banks and national banks, it is to be noted that time deposits aggregate a greater amount than demand deposits at the end of 1927. The rate of growth of time deposits in trust companies is about the same as the rate of growth of demand deposits in trust companies. The rate of growth of time deposits in state banks has been much more rapid than the rate of growth of state bank demand deposits.

The most striking contrast in growth, however, is shown in the case of national banks since 1914; although it is to be presumed from other information that

³Proceedings of the first annual convention of the New Jersey Bankers Association, 1904, p. 13.

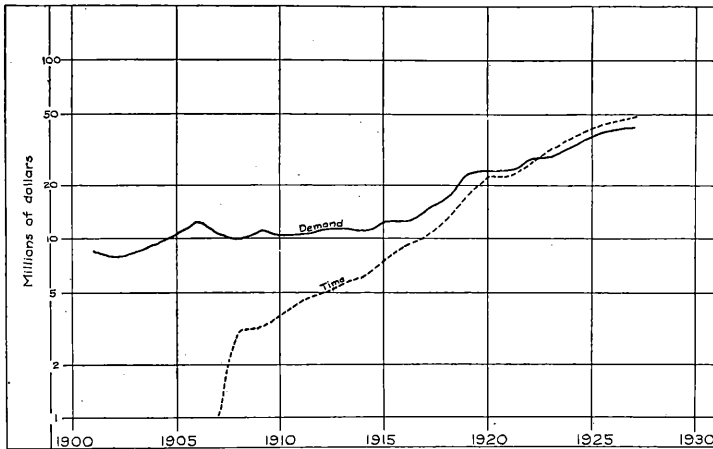
⁴Proceedings of the sixth annual convention of the New Jersey Bankers Association, 1909, pp. 105-7, and seventh annual convention, 1910, pp. 114-5.

⁵Proceedings of the fifth annual convention of the New Jersey Bankers Association, 1908, pp. 44-5, 47.

⁶Reports of the Comptroller of the Currency, especially 1910, pp. 7-8; also Wall Street Journal, Jan. 6, 1915, and Conway and Patterson, *The Operation of the New Bank Act*, pp. 223-4.

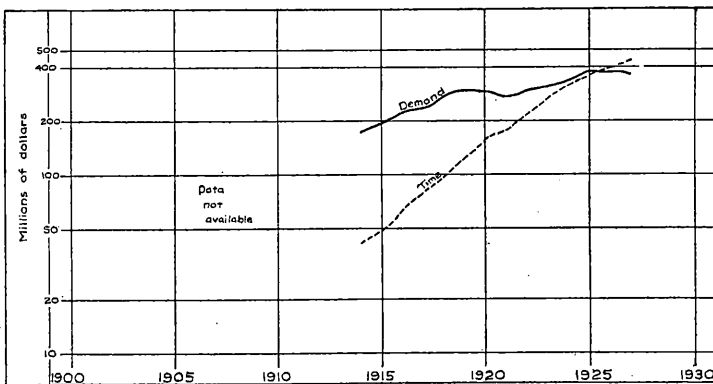
time deposits in national banks grew very rapidly from 1904 to 1914 also. The Federal Reserve Act removed all doubt as to the legality of time deposits in national

GRAPH 3
DEPOSITS OF THE STATE BANKS OF NEW JERSEY
At the end of each year



banks, made provision for segregation of such accounts from demand deposits, provided a lower reserve requirement against such deposits and provided that

GRAPH 4
DEPOSITS of the
NATIONAL BANKS OF THE STATE OF NEW JERSEY
At the end of each year



the savings bank laws of the State would apply to the savings departments of national banks in the State.

With these points of controversy thus finally settled, a rapid growth of time deposits resulted.

It is probable that national banks and state bank members of the Federal Reserve System have encouraged the growth of time deposits by reason of the lower reserve requirements for such deposits since 1913; but it is a mistake to assume that the lower reserve requirement is the complete explanation for the rapid growth of time deposits since 1914. If it were true, how would the rapid growth of time deposits in commercial banks before the Federal Reserve Act be explained?

Another striking feature of the development of assets, which has appeared principally since the World

War, is the relatively rapid increase of loans secured by stocks and bonds, other than United States Government securities, compared with that of other bank loans throughout the country. Unfortunately segregated data on this subject for New Jersey are unavailable, but it is a tendency reflected in the data published by the Federal Reserve Board for all of the twelve federal reserve districts.

The explanation offered for this development is the increasing tendency on the part of large borrowers to finance themselves through the sale of securities, rather than through borrowing at banks. This practice has arisen in part because the American people were taught to invest in securities by the flotation of the Liberty Loans. Prior to the War, a great national manufacturing plant would finance itself by borrowing direct from its bank to the extent, say, of a million dollars. This million dollars would show in the bank's statements under the head of "commercial loans." At the present time the same company will issue securities and sell a million dollars worth of them to one thousand different people.

These people, in order to purchase and carry the securities, will borrow money from their respective banks collateralized by the securities. Thus the same one million dollars credit will appear in the bank's statements, but now as loans secured by stocks and bonds instead of as commercial loans. This new development has no doubt been furthered by the increasing participation on the part of banks in the promotion of investment services for the public. A part of the relative increase in loans on stocks and bonds would also be due to the rise in the prices of stocks and bonds which has taken place during the period under consideration.⁷

The trust companies of New Jersey, like trust companies of other states, are organized with power to perform fiduciary services, including power to act as executor, administrator, trustee, and agent under a variety of circumstances, for individuals and for corporations. There are no published data to indicate the amount of trust and agency business that is being done by these companies, but it is known to be very large. The corporate trust services, such as trustee for bondholders, is probably not very greatly developed in New Jersey because of the proximity of the large trust companies of New York City, Philadelphia and Baltimore. Large corporations ordinarily choose one of the old well-established trust companies in a large city, particularly in New York City, as trustee under corporate trust deeds.⁸

Similarly, for transfer agency services, registrar of stocks, registrar of bonds, etc., the larger metropoli-

⁷B. H. Beckhart and James G. Smith, *The New York Money Market, Since 1914*, Manuscript in preparation.

⁸Smith, James G. *The Development of Trust Companies in the United States*, pp. 295-309.

tan trust companies are selected because of their intimate connections with financial interests and the stock and bond markets. Yet in New Jersey, trust companies have received appointments on a considerable scale as trustee under bond issues for smaller industrial concerns, clubs, and other local enterprises which have no interest in a national market for their issues.

Similarly New Jersey trust companies perform transfer agency and registration services. But to how great an extent one can only guess, because of the entire lack of statistics on the subject. A large agency business has developed where trust companies undertake important duties for municipalities in connection with the issue of bonds. As registration agent for municipal bonds the trust company safeguards the community against fraud and improves its credit.⁹

The growth of trust companies in New Jersey in recent years has been observed to have been particularly rapid. This phenomenal development of trust companies was frequently the subject of comment during the latter part of the 19th century and the early part of the twentieth. It was due, among other things, to the fact that their charters were more liberal, especially with reference to banking services in connection with real estate finance. The trust companies have built up a congeries of coordinated services such as those of escrow agent, trustee under real estate trust deed, and simple real estate agent, which have so met the convenience of the communities served that the trust companies have thrived and progressed with the growing towns and cities of the State and Nation. This has attracted other banking business to the trust companies.

Another important cause for the rapid growth of the trust companies has been the development of personal trust service. When a trust company is acting as executor, administrator or trustee in any way, it builds up between itself and the individuals served a confidential relationship which encourages further banking business with those people as well as their friends.

Certainly the vast degree of confidence placed in the trust departments of these institutions has had much to do with the rapid expansion of their commercial and savings departments. These two important causes for the more rapid growth of trust companies than of other banking institutions were felt early by state banks and national banks, and it was urged as early as 1906, that national banks should be granted fiduciary powers.

Finally, section 11 (k) of the Federal Reserve Act authorized national banks to obtain trust powers by application to the Federal Reserve Board, provided they could comply with the state laws regarding minimum paid up capital stock for trust companies. According

to New Jersey law the minimum paid up capital stock of a trust company is \$100,000. When a national bank exercises trust powers it does so subject to the probate law and law of trusts of the state in which it exists.¹⁰

At the time that the controversy over section 11 (k) was so bitter in other parts of the country, the New Jersey trust companies and national banks assumed a more dispassionate attitude, although at the 1915 convention of the New Jersey Bankers Association a lively discussion of the issue took place on the floor,¹¹ with the result that a special committee was appointed to deal with the matter. The constitutionality of this section of the Federal Reserve Act was finally decided by the Supreme Court in 1924.¹²

In order to put state banks on an equal competitive basis with the trust companies and national banks, the state legislature passed a law in 1919 granting fiduciary powers to state banks provided they have a paid up capital stock of \$100,000 and comply with probate law and the law of trusts of the State.¹³

While there are no aggregate data for personal trust business in New Jersey, the reports of separate trust companies in the annual reports of the Commissioner of Banking and Insurance for the years 1901-1916 give a statement concerning the trust department of each trust company of the State. From these statements the following table has been compiled, the figure for 1927 being furnished by the State Department of Banking and Insurance:

End of	Total Trust Accounts of New Jersey Trust Companies
1901	\$17,119,554
1906	46,567,417
1911	64,872,791
1916	92,524,779
1927	528,856,415

Of the 295 national banks in operation in New Jersey on December 31, 1927, 153 had authority to exercise trust powers under Section 11 (k) of the Federal Reserve Act. The aggregate capital of the national banks with fiduciary powers amounted to \$35,150,000, or approximately 70% of the aggregate capital of all national banks in the State.¹⁴

The building up of a trust department, however, requires something more than merely the obtaining of the legal authority to do so; and only 92 of these 153

¹⁰Sec. 11 (k) of the Federal Reserve Act and Regulation F, Series of 1928 of the Federal Reserve Board.

¹¹Proceedings of the twelfth annual convention of the New Jersey Bankers Association, 1915, pp. 110-1 and 115-20.

¹²*State of Missouri ex rel Burns National Bank v. Duncan*, 265 U. S. 17. See also *First National Bank of Bay City v. Fellows*, 244 U. S. 416 (1917). Annual Report of the Federal Reserve Board, 1924, pp. 27, 234-7 and for a summary of the controversy see Tippetts, Charles S. "Fiduciary Powers of National Banks," *American Economic Review*, September, 1925, pp. 417-34.

¹³Chapter 136, Laws of 1919; also Proceedings of the sixteenth annual convention of the New Jersey Bankers Association, in *New Jersey Commerce and Finance—Record and Guide*, June 7, 1919, p. 54.

¹⁴Under this provision of the Federal Reserve Act there were in New Jersey at the end of 1926, 128 national banks with trust powers. Annual Report of the Federal Reserve Board, 1926, pp. 540-1 and 543.

⁹*Ibid.*, pp. 138, 140, 377-9. See on this general subject, Williams, Clark, "An Element of Danger to Banks in Municipal Bonds as Security" Proceedings of the second annual convention of the New Jersey Bankers Association, 1904, pp. 33-9.

national banks have thus far actually begun a trust business. These ninety-two national banks in New Jersey which have active trust departments have a combined capital of \$25,200,000, and on December 31, 1927, were administering altogether 1,316 individual trusts with total assets of \$50,714,117.

In addition to the personal trust services, 30 of these national banks were also administering 92 corporate trusts and acting as trustees for bond and note issues aggregating \$28,045,940. The following statement shows in greater detail the activities of these 92 national banks that were administering trusts in 1927:¹⁵

- 69 national banks were acting as trustees
- 59 national banks were acting as executors
- 49 national banks were acting as administrators
- 47 national banks were acting as guardians of estates
- 2 national banks were acting as registrars of stocks and bonds.
- 29 national banks were acting in other capacities not mentioned above.

According to the office of the New Jersey Department of Banking and Insurance, there are now fourteen state banks and one savings bank with active trust

¹⁵The national banks in New Jersey reported gross earnings of \$362,000 from trust department activities for the fiscal year ended June 30, 1927. This information concerning fiduciary services of national banks in New Jersey was obtained from correspondence with Mr. E. W. Stearns, Deputy Comptroller of the Currency, United States Treasury Department, March 23, 1928.

departments, and aggregate trust deposits amounting to \$12,353,860. Thus the total trust deposits of the State at the end of 1927 amounted to:

Trust Companies	\$538,856,415
National Banks	50,714,117
State Banks and one Savings Bank	12,353,860
Total for the State	\$601,924,392

There has been a steady growth of bond departments in the banking institutions of the State, particularly noticeable in recent years, according to the statement of the offices of the New Jersey State Department of Banking and Insurance; but there are no actual data to picture this development. There have been organized, also, in recent years a number of investment trusts in the larger cities of the State; but this movement has not progressed far enough to become reflected in the statistics of the banking institutions of the State.

The following six tables are presented in order to show the changes in the principal assets and liabilities of New Jersey banking institutions during the last quarter century:

The tables referred to by Dr. Kemmerer will be found on the pages immediately following

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TABLE 5
 PRINCIPAL RESOURCES OF NEW JERSEY STATE BANKS

As of Date of Last Call of Each Year

(In Thousands of Dollars)

End of	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Total Cash on Hand	Checks and Other Cash Items	Due from Banks, and Trust Companies	Loans and Discounts	Accept- ances	TOTAL SHORT- TERM LOANS*	TOTAL SHORT AS- SETS†	U. S. Bonds, Notes, Etc.	Other Bonds, Stocks and Securities	Real Estate Bonds and Mortgages	TOTAL LONG- TERM INVEST- MENTS‡	TOTAL RE- SOUR- CES
1901	503	26	1,427	7,590	....	7,590	9,546	....	1,758	280	2,038	12,199
1902	437	31	1,265	6,895	....	6,895	8,628	....	1,661	312	1,973	11,165
1903	534	27	1,209	7,542	....	7,542	9,313	....	1,811	353	2,164	12,017
1904	583	27	1,964	7,585	....	7,585	10,160	....	1,818	371	2,189	12,920
1905	605	30	1,743	8,359	....	8,359	10,736	....	2,726	409	3,135	14,432
1906	617	49	1,692	9,354	....	9,354	11,711	....	3,702	459	4,161	16,410
1907	805	40	1,360	8,440	....	8,440	10,645	....	4,044	455	4,499	15,674
1908	780	54	1,715	8,745	....	8,745	11,294	....	4,595	551	5,146	16,994
1909	864	107	2,004	9,519	....	9,519	12,494	....	5,136	594	5,730	18,636
1910	914	47	1,889	9,973	....	9,973	12,823	....	4,681	735	5,416	18,664
1911	834	105	1,888	10,156	....	10,156	12,983	....	5,397	986	6,383	19,818
1912	859	79	1,593	11,666	....	11,666	14,197	....	5,539	1,066	6,605	21,301
1913	920	90	1,969	11,477	....	11,477	14,456	....	6,276	1,115	7,391	22,414
1914	1,036	132	2,244	11,260	....	11,260	14,672	....	6,520	1,207	7,727	23,090
1915	1,124	138	3,125	11,833	....	11,833	16,220	....	7,595	1,474	9,069	26,019
1916	1,239	85	2,720	12,591	....	12,591	16,635	....	8,116	1,591	9,707	27,001
1917	1,180	227	2,968	13,959	....	13,959	18,335	1,963	8,657	1,784	12,404	31,840
1918	1,466	455	3,183	14,613	....	14,613	19,717	5,821	9,764	1,728	17,313	37,812
1919	1,535	256	5,327	22,302	....	22,302	29,420	5,683	9,898	2,107	17,688	47,974
1920	1,996	164	5,804	26,346	....	26,346	34,311	4,889	12,307	2,705	19,901	55,684
1921	1,314	294	4,996	25,867	228	26,095	32,699	4,425	14,753	2,745	21,923	56,547
1922	1,736	388	5,035	29,805	215	30,020	37,178	5,253	17,554	3,725	26,532	65,910
1923	1,891	513	5,283	32,757	15	32,772	40,460	5,738	18,326	6,040	30,104	73,164
1924	2,256	343	6,955	35,404	95	35,499	45,053	5,338	20,913	8,441	34,692	82,627
1925	2,271	2,272	5,501	43,236	75	43,311	53,355	4,868	22,521	11,069	38,458	95,334
1926	2,135	1,157	8,206	48,992	88	49,080	60,577	4,112	24,379	11,956	40,447	105,133
1927	2,169	617	8,135	50,515	89	50,604	61,525	4,329	26,993	11,856	43,178	110,528

*Sum of Columns 4 and 5. †Sum of Columns 1, 2, 3, 4 and 5. ‡Sum of Columns 8, 9 and 10.

SOURCE: Compiled from the Annual Reports of the Department of Banking and Insurance, States of New Jersey, 1901-1927.

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TABLE 6
 PRINCIPAL LIABILITIES OF NEW JERSEY STATE BANKS
As of Date of Last Call of Each Year
 (In Thousands of Dollars)

End of	(1) Individual Deposits Subject to Check	(2) Due to Banks, Bankers and Trust Companies	(3) Certified Checks	(4) Cashiers' Checks Outstand- ing	(5) Demand Certifi- cates of Deposit	(6) TOTAL DEMAND LIABIL- ITIES*	(7) Individual Deposits on Time	(8) Time Certificates of Deposit	(9) Bills Pay- able and Notes and Bills Re- discounted	(10) TOTAL SHORT- TERM LIABILI- TIES†	(11) Capital, Surplus and Undi- vided Profits
1901	8,595	309	31	6	127	9,068	....	121	47	168	2,955
1902	7,922	209	15	1	182	8,329	....	153	60	213	2,617
1903	8,431	321	16	1	234	9,003	....	117	110	227	2,773
1904	9,313	311	29	7	220	9,880	....	225	....	225	2,807
1905	10,832	336	21	1	132	11,322	....	196	....	196	2,909
1906	12,414	554	27	1	123	13,119	....	255	....	255	3,031
1907	10,725	358	16	13	66	11,178	1,021	224	228	1,473	3,021
1908	10,060	424	30	7	38	10,559	3,110	76	10	3,196	3,185
1909	11,130	679	20	9	105	11,943	3,229	53	40	3,322	3,367
1910	10,769	563	35	14	39	11,420	3,822	84	....	3,906	3,327
1911	10,831	546	36	19	45	11,477	4,524	77	42	4,643	3,677
1912	11,254	501	22	13	85	11,875	5,085	128	75	5,288	4,117
1913	11,481	542	55	13	65	12,156	5,784	125	80	5,989	4,199
1914	11,020	717	30	10	81	11,858	6,295	190	215	6,699	4,472
1915	12,513	613	72	27	96	13,321	7,687	199	40	7,826	4,699
1916	12,516	513	51	17	180	13,277	9,121	116	91	9,328	4,349
1917	14,743	541	71	26	122	15,503	10,237	85	991	11,313	4,462
1918	16,921	591	151	37	87	17,787	13,068	44	1,432	14,544	4,501
1919	22,789	450	133	78	111	23,561	17,542	88	1,088	18,718	5,217
1920	24,430	388	133	172	164	25,287	22,446	230	1,063	23,739	6,187
1921	24,279	241	120	145	193	24,978	22,984	193	1,370	24,547	6,484
1922	28,531	375	107	136	222	29,371	26,738	262	1,395	28,395	7,715
1923	29,398	388	165	102	558	30,611	32,001	216	1,588	33,805	8,386
1924	33,243	630	136	197	405	34,611	37,153	335	808	38,296	9,136
1925	38,236	496	179	201	398	39,510	42,076	538	1,556	44,170	10,738
1926	41,358	793	147	671	542	43,511	46,170	650	1,875	48,695	11,755
1927	41,619	684	213	364	482	43,362	49,796	885	945	51,626	13,180

*Sum of Columns 1, 2, 3, 4 and 5. †Sum of Columns 7, 8 and 9.

SOURCE: Compiled from the Annual Reports of the New Jersey State Department of Banking and Insurance.

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TABLE 7
 PRINCIPAL RESOURCES OF THE TRUST COMPANIES OF NEW JERSEY
As of Date of Last Call Each Year
 (In Thousands of Dollars)

End of	(1) Total Cash on Hand	(2) Checks and Other Cash Items	(3) Due from Banks, and Trust Companies	(4) Loans on Col- lateral	(5) Loans to Cities and Towns	(6) Notes & Bills Pur- chased and Accep- tances	(7) TOTAL SHORT- TERM LOANS*	(8) TOTAL DE- MAND AND SHORT- TERM AS- SETS†	(9) Bonds and Mort- gages	(10) Stocks, Bonds, Etc.‡	(11) TOTAL LONG- TERM IN- VEST- MENTS§	(12) TOTAL RE- SOURCE	(13) Trust Ac- counts
1901	1,475	205	8,315	26,556	668	7,459	34,683	44,678	10,389	15,922	26,311	74,002	17,120
1902	2,027	656	10,327	38,689	1,633	11,755	52,077	65,087	12,820	31,112	43,932	113,393	.....
1903	2,106	689	14,066	40,080	1,678	13,332	55,090	71,951	14,929	37,312	52,241	129,461	.....
1904	2,340	516	19,878	37,788	1,908	14,754	54,450	77,184	18,592	50,611	69,203	152,471	.....
1905	2,626	467	17,567	42,808	1,538	17,874	62,220	82,880	23,515	54,640	78,155	167,534	.....
1906	3,280	369	19,264	49,408	2,332	20,953	72,693	95,606	26,114	53,054	79,168	181,784	46,567
1907	4,840	686	16,431	39,285	2,301	23,128	64,714	86,671	27,291	50,554	77,845	172,004	.....
1908	4,328	606	28,094	37,096	3,772	24,522	65,390	98,418	29,419	56,227	85,646	191,714	.....
1909	4,494	644	25,441	44,877	4,044	31,359	80,280	110,859	35,379	65,805	101,184	220,481	.....
1910	4,584	944	26,408	43,728	3,962	35,595	83,285	115,221	36,401	65,517	101,918	225,767	.....
1911	5,015	927	26,487	43,595	3,778	39,171	86,544	118,973	39,538	73,275	112,813	240,605	64,873
1912	5,626	517	26,813	48,077	5,709	45,249	99,935	131,991	42,874	78,786	121,660	263,581	.....
1913	6,042	581	27,882	45,803	5,522	49,479	100,804	135,309	44,246	77,580	121,826	268,009	.....
1914	7,046	1,361	32,923	43,733	3,827	50,749	98,309	139,639	45,634	87,045	132,679	284,338	.....
1915	7,750	1,807	44,557	42,882	4,377	54,299	101,558	155,672	48,441	95,987	144,428	312,534	.....
1916	10,362	1,111	39,274	57,193	7,219	66,605	131,017	181,764	51,095	125,579	176,674	372,454	92,525
1917	9,972	2,086	39,964	58,438	8,963	72,048	139,449	191,471	52,851	146,539	199,390	408,486	.....
1918	11,190	2,537	43,487	72,744	10,658	72,445	155,847	213,061	48,246	190,559	238,805	466,640	.....
1919	11,627	3,396	50,404	115,966	7,624	99,917	223,507	288,934	49,033	192,711	241,744	547,376	.....
1920	13,759	2,792	45,865	124,185	13,236	116,571	253,992	316,408	54,171	195,853	250,024	586,799	.....
1921	11,484	5,286	51,505	110,568	17,354	137,126	265,048	333,323	61,780	218,258	280,038	634,122	.....
1922	13,994	4,682	62,521	105,914	17,641	160,294	283,849	365,046	79,834	255,047	334,881	723,663	.....
1923	15,433	7,015	82,924	121,399	24,522	187,700	333,621	438,993	98,886	247,224	346,110	812,983	.....
1924	18,015	7,966	88,452	138,404	23,429	209,974	371,807	486,240	119,732	277,257	396,989	913,717	.....
1925	16,833	8,800	86,045	166,015	22,810	259,032	447,857	559,535	144,379	275,783	420,162	1,017,097	.....
1926	17,152	11,366	91,488	212,283	25,347	300,897	538,527	658,533	163,487	293,195	456,682	1,163,647	.....
1927	18,372	12,704	110,321	242,987	26,880	345,695	615,562	756,959	175,711	324,775	500,486	1,327,836	538,856

*Sum of Columns 4, 5 and 6. †Sum of Columns 1, 2, 3 and 7. ‡Includes United States Bonds, Notes, Etc. §Sum of Columns 9 and 10.
 SOURCE. Compiled from Annual Reports of the New Jersey Department of Banking and Insurance. Trust accounts added up from state-
 ments of individual trust companies at intervals of five years. Trust accounts not published after 1916, data for the end of 1927 from the
 State Department of Banking and Insurance.

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2. To provide funds for satisfaction of estate and inheritance taxes and costs of administration.
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Assets
\$483,871,974.59

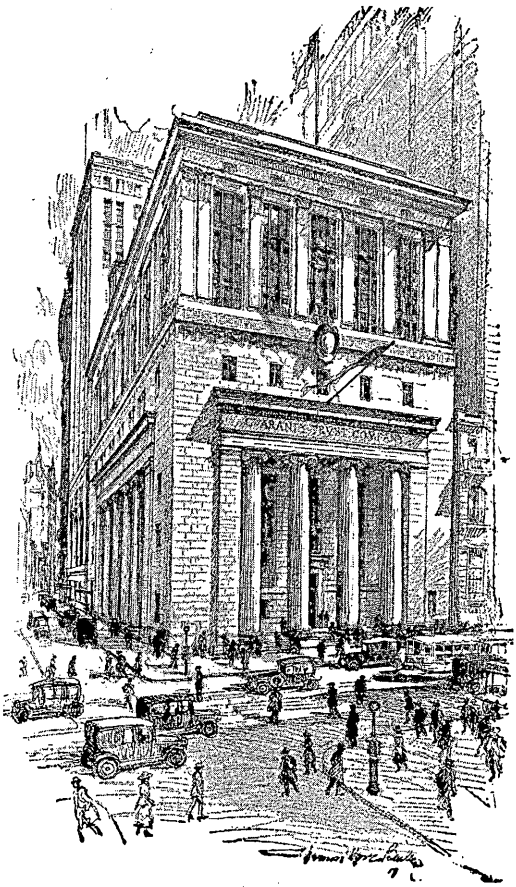
Contingency Reserve Funds (Amortized basis)
\$20,488,437.98

TABLE 8
 PRINCIPAL LIABILITIES OF THE TRUST COMPANIES OF NEW JERSEY
As of Date of Last Call of Each Year
 (In Thousands of Dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
End of	Demand Deposits	Due to Banks	Demand Certificates of Deposit	Certified Checks and Treasurers' Checks	TOTAL DEMAND LIABILITIES*	Time Deposits	Time Certificates of Deposit	Bills Payable, Notes and Bills Rediscounted and Acceptances	TOTAL SHORT-TERM LIABILITIES†	Bonds Outstanding‡	Capital, Surplus and Undivided Profits
1901	30,940	1,962	....	....	32,902	24,502	....	....	24,502	1,200	14,449
1902	49,396	3,406	....	....	52,802	33,197	....	....	33,197	1,150	25,081
1903	52,943	4,313	....	....	57,256	39,430	....	....	39,430	1,150	30,649
1904	61,747	8,807	....	....	70,554	46,601	....	....	46,601	857	33,730
1905	67,456	7,286	....	....	74,742	56,360	....	....	56,360	846	34,680
1906	71,924	6,641	....	....	78,565	64,944	....	....	64,944	859	36,302
1907	57,500	5,337	....	....	62,837	68,211	....	3,154	71,365	952	35,964
1908	76,863	7,424	....	....	84,287	65,980	....	75	66,055	831	39,568
1909	92,743	6,636	....	....	99,379	75,418	....	197	75,615	926	43,285
1910	86,645	7,658	....	....	94,303	83,319	....	1,755	85,074	926	44,144
1911	90,875	8,066	....	....	98,941	91,465	....	1,214	92,679	926	46,551
1912	97,548	8,028	....	....	105,576	103,425	....	1,134	104,559	912	49,651
1913	97,463	7,983	....	....	105,446	108,933	....	1,544	110,477	652	48,962
1914	106,875	6,946	....	....	113,821	116,267	....	1,764	118,031	651	50,392
1915	123,519	10,260	....	....	133,779	128,371	....	475	128,846	567	47,754
1916	154,276	8,989	....	....	163,265	152,580	....	879	153,459	456	51,525
1917	162,555	9,106	....	....	171,661	164,163	....	10,992	175,155	556	51,420
1918	184,294	8,475	....	....	192,769	188,030	....	17,531	205,561	511	51,753
1919	220,557	7,897	5,036	2,532	236,022	232,124	4,074	14,194	250,392	411	54,618
1920	217,870	7,118	4,422	2,330	231,740	270,777	3,848	14,548	289,173	611	59,526
1921	244,830	8,232	4,960	2,855	260,877	286,531	3,322	10,686	300,539	652	67,276
1922	290,355	9,632	6,191	4,305	310,483	305,779	3,584	16,600	325,963	722	79,772
1923	329,927	9,114	6,769	3,482	349,292	346,231	4,039	15,441	365,711	2,560	89,662
1924	368,573	14,103	10,496	5,434	398,606	384,165	10,030	8,873	403,068	5,511	98,666
1925	402,837	16,667	12,830	5,407	437,741	421,274	7,573	19,965	448,812	10,266	111,066
1926	457,828	24,941	12,584	5,076	500,429	466,097	10,284	21,802	498,183	8,153	141,365
1927	514,731	24,628	16,201	5,875	561,435	525,278	13,608	16,038	554,924	12,779	174,133

*Sum of Columns 1, 2, 3 and 4. †Sum of Columns 6, 7 and 8. ‡Includes mortgage trust bonds, guaranteed mortgages and mortgage participations.

SOURCE: Annual Reports of the New Jersey Department of Banking and Insurance, *passim*.



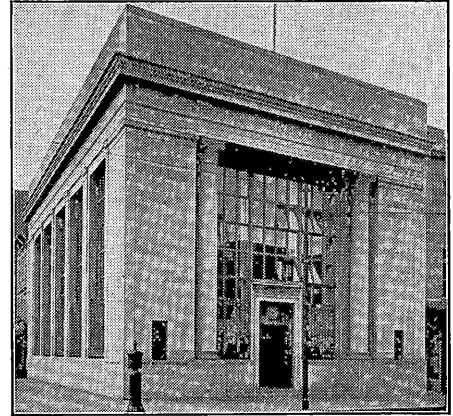
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Cover Their Employees
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Benefiting All Concerned—
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Insurance Co. of America

EDWARD D. DUFFIELD, President

Home Office, Newark, N. J.

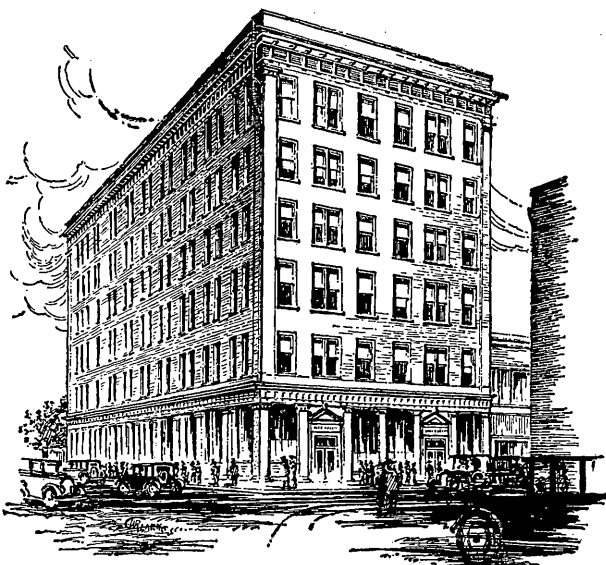
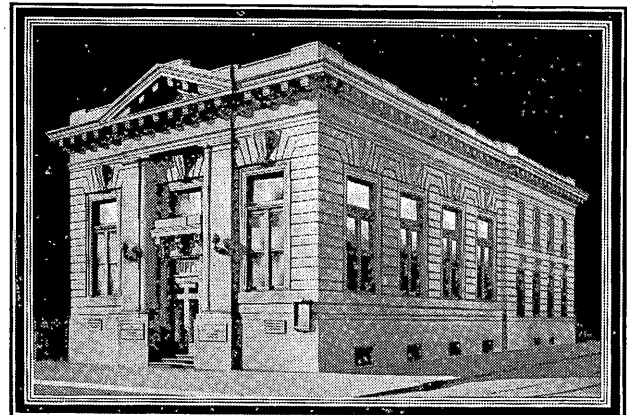


TABLE 9
 PRINCIPAL RESOURCES OF THE NATIONAL BANKS OF NEW JERSEY
As of Date of Last Call of Each Year
 (In Thousands of Dollars)

End of	(1) Total Cash in Vault	(2) Due from Banks and Other Cash Items	(3) Lawful Reserve with Federal Reserve Banks	(4) Loans and Discounts Including Rediscounts	(5) Amount Eligible for Rediscount	(6) TOTAL DEMAND AND SHORT- TERM ASSETS	(7) United States Govern- ment Securities	(8) Other Bonds, Stocks, Etc.	(9) TOTAL LONG- TERM INVEST- MENTS	(10) TOTAL RE- SOURCES
1901	6,989	18,848	.....	69,498	.....	95,335	9,994	17,367	27,361	127,875
1902	6,802	20,335	.....	81,076	.....	108,213	9,703	18,998	28,701	142,102
1903	6,884	23,030	.....	82,392	.....	112,306	10,383	19,148	29,531	147,490
1904	8,109	29,462	.....	82,886	.....	120,457	10,656	23,996	34,652	161,179
1905	8,782	25,815	.....	95,082	.....	129,679	11,542	30,664	42,206	178,112
1906	8,680	28,561	.....	104,711	.....	141,952	12,217	31,464	43,681	192,022
1907	10,845	25,322	.....	108,813	.....	144,980	14,318	34,729	49,047	200,783
1908	11,202	34,177	.....	108,625	.....	154,004	14,431	39,939	54,370	215,768
1909	12,080	33,058	.....	123,069	.....	168,207	16,027	45,682	61,709	237,934
1910	13,147	32,959	.....	134,722	.....	180,823	16,732	48,471	65,203	254,654
1911	14,484	33,534	.....	142,970	.....	190,988	18,143	58,527	76,670	273,767
1912	14,286	34,250	.....	152,698	.....	201,234	18,715	58,093	76,808	288,746
1913	15,509	38,257	.....	157,113	.....	210,879	19,115	58,883	77,998	300,140
1914	13,449	45,864	4,195	156,541	.....	215,854	19,200	61,891	81,091	308,333
1915	13,937	59,970	7,176	153,642	.....	227,549	18,658	74,340	92,998	333,170
1916	18,261	58,515	15,383	176,890	.....	253,666	16,211	98,908	115,119	380,725
1917	14,710	69,605	19,797	193,324	.....	277,640	33,372	104,439	137,811	421,903
1918	16,123	79,912	25,185	222,124	.....	318,159	91,352	102,753	194,105	523,108
1919	16,410	73,989	27,436	254,271	.....	344,670	77,185	111,436	188,621	545,226
1920	17,538	65,726	28,865	287,085	.....	370,349	71,500	120,362	191,862	568,743
1921	11,533	60,627	26,427	265,173	.....	337,333	71,036	137,924	208,960	564,243
1922	13,893	70,012	28,258	291,892	.....	375,797	77,856	170,553	248,409	645,526
1923	16,360	76,237	31,831	343,998	85,955	436,595	82,578	187,272	269,850	728,447
1924	17,282	88,224	37,489	370,960	88,157	476,465	75,702	224,558	300,260	803,551
1925	15,989	97,025	41,094	460,852	94,851	573,867	72,520	236,417	308,937	913,485
1926	14,450	95,391	38,985	506,929	102,805	616,770	66,661	240,884	307,545	959,372
1927	15,637	94,202	42,366	524,500	.....	634,339	65,938	251,942	317,880	991,395

(1) Total cash in vault.

(2) Due from banks and other cash items, includes Column (3).

(3) Lawful reserve with Federal Reserve Banks.

(4) Loans and discounts, including rediscounts.

(5) Amount of discounts eligible for rediscount with Federal Reserve Bank, reporting date June 30th.

(6) Total demand and short-term assets, includes Columns (1), (2) and (4).

(7) United States Government securities, includes U. S. bonds for deposits and for circulation. Also includes premiums.

(8) Other bonds, stocks, etc., includes stock of Federal Reserve Banks, other bonds than U. S. bonds for deposits and circulation and miscellaneous securities for circulation.

(9) Total long-term investments includes Columns (7) and (8).

(10) Total Resources.

SOURCE: Annual Reports of the Comptroller of the Currency of the United States.

Assets

1923	\$1,876,991.53
1924	1,931,608.43
1925	2,774,216.25
1926	3,735,497.10
1927	5,667,396.20

DIRECTORS

LOUIS V. ARONSON	PAUL GUENTHER
WILLIAM F. BIRCH	ALBERT E. HOWE
JOHN BERKENHAUER	JOHN HOWE
THOMAS B. DONALDSON	JAMES Y. MILNE
VICTOR E. DOWNER	EDGAR SERGEANT
FRANKLIN W. FORT	FRANK C. STUMPF
EDWARD M. WALDRON	

Policy Holders' Surplus

1923	\$ 703,083.89
1924	778,529.68
1925	951,014.08
1926	1,445,135.83
1927	2,391,127.64

EAGLE FIRE INSURANCE CO.

NEWARK, NEW JERSEY

STATEMENT AS OF DECEMBER 31st, 1927

[FIRE REINSURANCE]

ASSETS

Bonds and Stocks (Market Value)	\$3,574,139.84
First Mortgage Loans on Real Estate	515,300.00
Agents' Balances	125,333.10
Cash in Banks and Office	1,293,723.70
Real Estate Owned	100,000.00
Interest and Expenses Due and Accrued	58,899.56

LIABILITIES

Reserve for Unearned Premiums	\$2,756,379.11
Reserve for Losses	443,103.76
Reserve for Expenses and all other	
Liabilities	76,785.69
Capital	\$1,000,000.00
Net Surplus	1,391,127.64
Surplus to Policyholders	2,391,127.64

\$5,667,396.20

\$5,667,396.20

Year's Results (1927)

Increase in Assets	\$1,931,899.10
Increase in Unearned Premium Reserve	875,705.68
Increase in Policyholders' Surplus	945,991.81

Cash Dividends paid Stockholders in the last five years, \$467,500.00

Unearned Premium Reserve

1923	\$ 863,055.01
1924	823,773.54
1925	1,452,489.14
1926	1,880,673.43
1927	2,756,379.11

OFFICERS

EDWARD M. WALDRON, President.	LOUIS V. ARONSON, Treasurer
PAUL GUENTHER, Vice President.	VICTOR E. DOWNER, Assistant Treasurer.
ALBERT E. HOWE, Vice President.	THOMAS B. DONALDSON, Associate Manager.
FRANKLIN W. FORT, Vice President, Counsel and Manager.	JAMES Y. MILNE, Secretary.

Premiums Written

1923	\$1,206,399.16
1924	985,771.55
1925	2,077,569.85
1926	2,409,668.93
1927	3,523,139.07

TABLE 10
 PRINCIPAL LIABILITIES OF THE NATIONAL BANKS OF NEW JERSEY
As of Date of Last Call of Each Year
 (In Thousands of Dollars)

End of	(1) Demand Deposits	(2) Due to Banks	(3) Circulation Outstand- ing	(4) TOTAL DEMAND LIABILI- TIES	(5) Time Deposits	(6) Bills Payable	(7) Redis- counts	(8) TOTAL SHORT- TERM LIABILITIES	(9) Individual Deposits	(10) Capital, Sur- plus and Undivided Profits
1901	....	7,067	8,571	....	....	363	653	....	77,918	32,005
1902	....	8,152	8,167	....	....	604	147	....	87,353	36,024
1903	....	9,326	8,684	....	....	862	71	....	89,421	37,433
1904	....	9,898	9,099	....	....	234	121	....	100,884	39,726
1905	....	12,201	10,329	....	....	913	43	....	112,625	41,130
1906	....	12,824	11,194	....	....	820	13	....	122,938	43,016
1907	....	11,878	12,564	....	....	2,946	1,577	....	123,921	45,365
1908	....	14,955	12,596	....	....	566	76	....	138,911	46,760
1909	....	16,008	14,742	....	....	1,043	28	....	155,953	49,097
1910	....	16,396	15,287	....	....	2,234	768	....	167,756	51,279
1911	....	17,417	16,823	....	....	1,790	887	....	182,652	53,302
1912	....	17,993	17,445	....	....	3,633	210	....	192,791	55,587
1913	....	19,273	17,674	....	....	2,571	122	....	202,225	56,901
1914	173,670*	16,115	18,362	208,147	40,853	3,102	400	44,355	218,025	55,222
1915	193,460*	16,459	17,525	227,444	48,940	1,119	287	50,346	243,806	54,715
1916	226,208*	15,985	15,128	257,321	64,898	1,975	700	67,573	293,781	55,857
1917	235,976	16,086	14,600	266,662	80,500†	5,255	6,506	92,261	328,237	55,397
1918	276,430	18,232	14,525	309,187	96,389†	28,711	3,643	128,743	405,173	55,063
1919	297,972	18,927	14,386	331,285	121,549†	19,411	3,695	144,655	442,627	58,838
1920	293,472	17,050	14,403	324,925	154,317†	15,345	8,885	178,547	472,019	68,975
1921	271,906	12,947	16,017	300,870	175,643†	13,487	3,881	193,011	464,917	65,581
1922	298,731	15,066	16,132	329,929	217,370†	12,021	3,358	232,749	531,480	76,510
1923	315,203	13,958	17,819	346,980	270,792†	18,032	6,664	295,488	610,691	80,951
1924	335,866	18,919	20,740	375,525	316,466†	11,522	2,005	329,993	665,859	89,791
1925	386,066	18,702	21,058	425,826	356,422†	17,670	5,881	379,973	766,039	99,381
1926	380,026	21,361	21,315	422,702	396,388†	16,398	5,962	418,748	798,774	110,103
1927	367,013	20,381	21,334	408,728	434,380†	14,978	3,359	452,717	819,730	120,331

*Includes Postal Savings Deposits and United States Deposits. †Includes Postal Savings Deposits.

- (1) Demand deposits includes individual deposits subject to check, certified checks and cashiers' checks outstanding.
- (2) Due to banks includes due to Federal Reserve Banks.
- (3) Circulation outstanding does not include state bank circulation.
- (4) Total demand liabilities is the sum of Columns (1), (2) and (3).
- (5) Time deposits.
- (6) Bills payable.
- (7) Rediscounts.
- (8) Total short-term liabilities is the sum of Columns (5), (6) and (7).
- (9) Individual deposits, includes certified checks and cashiers' checks outstanding, and individual time and demand deposits.
- (10) Capital, surplus and undivided profits.

SOURCE: Annual Reports of the Comptroller of the Currency of the United States.

Roebbling



*A Name Renowned in Wire Rope
Manufacture*

John A. Roebbling's Sons Company
Trenton, New Jersey

CAUSES OF GROWTH AND CHANGES IN BANKING

THE growth of commercial banking services of national banks and state banks is reflected in the increase in loans and discounts, while in the case of the trust companies it is reflected in the sum of "loans on collateral," "loans to cities and towns" and "notes and bills purchased" and "acceptances." While "loans to cities and towns" is not strictly commercial banking, it is of the nature of short-term financing and for that reason is here grouped with that type of banking business. Thus by combining loans and discounts of state banks and national banks with the total short-term loans of the trust companies a measure of the growth of commercial banking in the State will be obtained. This amount has increased from \$111,771,000 in 1901 to \$1,112,107,000 in 1926 and to \$1,190,666,000 in 1927. This is more than a tenfold increase during the period. The following table and graph give a picture of this increase in the commercial banking services in the State:

TABLE 11

NEW JERSEY MARKET FOR SHORT-TERM FINANCING

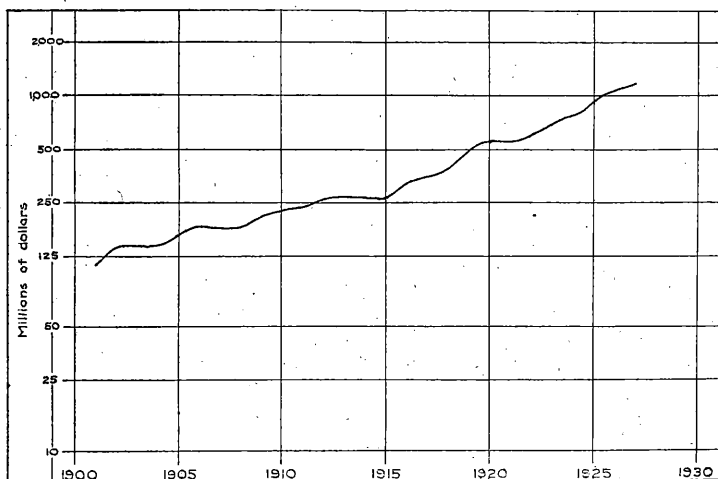
(As reflected in short-term investments of New Jersey National Banks, State Banks and Trust Companies)

(In Thousands of Dollars)

1901	111,771	1915	267,033
1902	140,048	1916	320,498
1903	145,024	1917	346,732
1904	144,921	1918	392,584
1905	165,661	1919	500,080
1906	186,758	1920	567,423
1907	181,967	1921	556,316
1908	182,760	1922	605,761
1909	212,868	1923	710,391
1910	227,980	1924	778,246
1911	239,670	1925	952,020
1912	263,399	1926	1,094,536
1913	269,394	1927	1,190,666
1914	266,110		

GRAPH 5

NEW JERSEY MARKET FOR SHORT-TERM FINANCING
1901-1927



This short-term credit is partly to supply New Jersey enterprise with needed working capital, and partly to supply funds to the open credit market by purchase of notes and bills from commercial paper houses either directly or through agents.

Bank statements for the end of 1927 show the following:

	Loans on demand and time*	Notes and bills purchased**
State Banks	\$ 19,354,000	\$ 28,571,000
Trust Companies ...	242,987,000	344,066,000

*Loans on demand and time would very largely represent the amount of short-term credit supplied to New Jersey enterprise.

**The notes and bills purchased would very largely represent the amount of short-term credit supplied by New Jersey banking institutions to the open credit market, particularly through the purchase of commercial paper in New York City and Philadelphia.

It is to be noted that whereas in 1901 the national banks supplied 31% of the market and state banks 7%; in 1927 national banks supplied services to 44.1% of the market, trust companies to 51.7% and state banks to 4.2%.

This growth of demand for short-term financing, which is mainly the furnishing of working capital to industry, is accounted for by the increase in value of industrial products of New Jersey from \$774,000,000 in 1904 to over \$3,500,000,000 in 1925; and by increasing participation of New Jersey banking institutions in the open credit market.

TABLE 12

NEW JERSEY MARKET FOR LONG-TERM FINANCING

(As reflected in "real estate bonds and mortgages" of State Banks and Trust Companies)

(In Thousands of Dollars)

1901	10,669	1915	49,915
1902	13,132	1916	52,686
1903	15,282	1917	54,635
1904	18,963	1918	49,974
1905	23,924	1919	51,140
1906	26,573	1920	56,876
1907	27,746	1921	64,525
1908	29,970	1922	83,559
1909	35,973	1923	104,926
1910	37,136	1924	128,173
1911	40,524	1925	155,448
1912	43,940	1926	175,443
1913	45,361	1927	187,567
1914	46,841		

The growth of long-term financing within New Jersey is largely reflected in "real estate bonds and mortgages" owned by state banks and trust companies. The

^{a*}**GROWTH**
—Through service

^a Old established banks
have grown through
service to their clientele

* The oldest advertising
agency has also grown
through its service to
many of these banks



Complete facilities for handling
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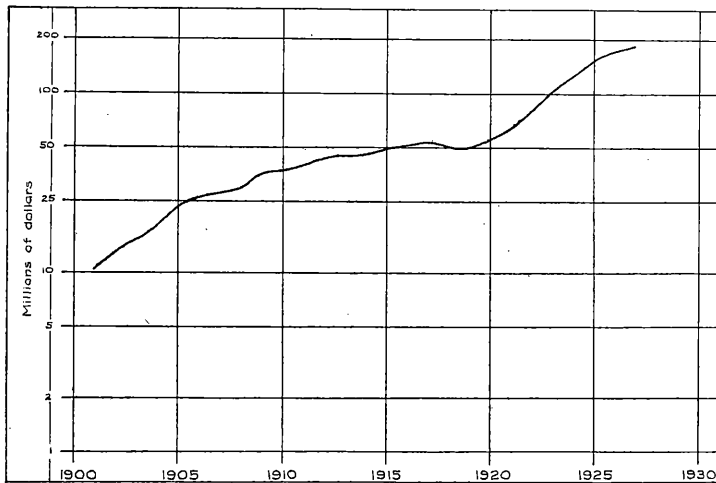
810 BROAD STREET

Newark, N. J.

TELEPHONE
MARKET 5680

other long-term investments of state banks, trust companies and national banks, such as stocks and bonds, including United States government obligations, reflect a national market for long-term investment and show the extent to which New Jersey banking institutions are furnishing long-term credit to the industries in the country as a whole. The growth of the market for long-term financing services within the State is reflected in the "real estate bonds and mortgages" of state banks and trust companies which are shown in the table and graph published herewith.

GRAPH 6
NEW JERSEY MARKET FOR LONG-TERM FINANCING
1901-1927



The aggregate increased from \$10,669,000 in 1901 to \$175,443,000 in 1926 and to \$187,567,000 in 1927. This growth of the market for long-term financing may be accounted for by the increase in value of real property and improvements in the State from \$3,857,000,000 in 1912 to \$5,851,000,000 in 1922 and \$8,055,000,000 in 1926, and other statistics of the growth of wealth and capital in the State during the period.

An important aspect of banking progress in the State during this period is the improvement of the financial and credit structure of the banking institutions which has been brought about very largely by state and federal legislation. Much of this state financial legislation has been first formulated by the legislative committee of the New Jersey Bankers Association since its organization in 1903 and advocated for passage in the state legislature by the State Bankers Association. Legislation has also been introduced which has been opposed by the State Bankers Association. On the whole the influence on state banking legislation which has been exerted by the banking interests of this State has been good, although there is a power here which might at any time be abused. The evidence seems to indicate that legislators are conscious of this possibility and usually put the burden

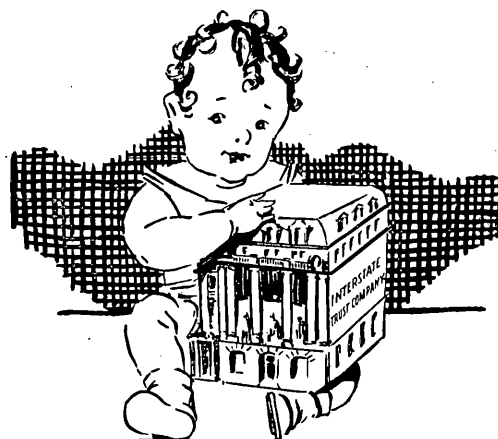
upon the bankers to prove that they are not trying to "put something over" on the people. This attitude is reflected in the statewide "investigations" of all banking institutions which are occasionally instigated in the State legislature, such as the one in 1906, and the one now in progress.

The method of procedure in favor or against a pending bill is to have the members of the legislative committee of the association and other bankers in the state present themselves at the hearings on the bills held in Trenton and maintain a consistent and solid front either in favor of or in opposition to the bill. The state legislative committee conducting the hearings on the bill will balance the evidence for and against the bill which is obtained in the hearings and will be influenced thereby in its report on the bill to the legislature. The state legislation advocated from time to time may be considered under three main heads: (1) legislation to maintain the competitive position of banking institutions against outside enterprises; (2) legislation to maintain and equalize competitive positions of national banks, state banks and trust companies among each other; and (3) legislation to improve the credit structure.

The legislation designed to protect the competitive position of the banking institutions is on the face of it beneficial only to the banking institutions, but upon further analysis it is appreciated that public welfare depends upon reasonably conservative banking and that unregulated competition in banking is likely to lead to speculation, credit inflation and disaster. That this is true is one of the costly lessons learned from the period of wildcat banking in this country before the Civil War. With the banking institutions of the State under the scrutiny and regulation of state authority, with legal reserve requirements and with restrictive laws regarding investment of funds, the "banking game" is required to be played according to rules that protect both the competing bankers and the public. The State regulates the bankers' business, but it also protects their business from unfair competition of a type which history has demonstrated would break down the banking and credit structure of the State.

Probably in some cases this protection from competition has been carried too far, but in many cases it has certainly been beneficial to the public. The banks desire to be protected by law from competition of private bankers who operate outside the banking law of the State, and so there is found legislation which has been advocated by the State Bankers Association designed to protect the incorporated banks from private bankers.¹⁶ Similarly legislation has been obtained to protect

¹⁶Ch. 130, Laws of 1906. See Proceedings of the fourth annual convention of the New Jersey Bankers Association, 1906, p. 95; 1907, p. 69; 1923, pp. 136-7; and 1924, pp. 137-8.



*An infant in years.....
a man in accomplishments*

ALTHOUGH it will be twenty-three years before we celebrate our twenty-fifth anniversary, The Interstate Trust Company has many things to its credit. Organized in October 1926 with resources of \$3,900,000, this bank at the present time has resources of over \$50,000,000.

Starting with one office, we have added seven branch offices in Greater New York and Queens.

This record indicates one of the fastest growths in the history of banking institutions in the United States.

Situated as we are in the financial center of the world and at New Jersey's threshold, we are in a position to be of service as New York correspondent for New Jersey banks.

We extend a cordial invitation to these banks to grow with us.

INTERSTATE TRUST COMPANY

George S. Silzer, President

Main Office: 59 LIBERTY STREET, NEW YORK

Franklin at Hudson Street

130 West 42nd Street

Lexington Avenue at 60th Street

110th Street at Broadway

96 East 170th Street

Wadsworth Avenue at 181st Street

216-19 Jamaica Avenue, Queens Village, L. I.

Member Federal Reserve System

Capital, Surplus and Undivided Profits over \$7,000,000

the banking institutions from the small foreign and domestic exchange brokers;¹⁷ and from the competition of foreign banking corporations (i. e. banks incorporated outside of New Jersey).¹⁸ In 1917 and again in 1921 the banking interests successfully opposed the introduction into the state of the Morris Plan banks. In 1922 the competition of building and loan associations became of importance and a special committee was created. Legislation which would virtually have permitted building and loan associations to do a savings bank business was successfully opposed by the New Jersey Bankers Association in 1923, and finally the building and loan interests and the banking interests got together and agreed upon legislation controlling such associations which was agreeable to all concerned.¹⁹

Without much of this protective legislation guarding the banking institutions from the competition of banking concerns outside the control of the state banking department, and doing business in ways that would not be tolerated on the part of institutions incorporated under New Jersey laws, the great progress made by New Jersey banking institutions during the last quarter century could not have taken place.

The second type of legislation is that intended to maintain or equalize the competitive position of the various types of banking institutions as among each other. It has been sought by the Association from time to time to keep state banks, national banks and trust companies on a relatively equal competitive basis, or rather to obtain such an equal competitive basis. The whole period may be looked upon as one during which legislation was developing by degrees such an equality of competitive position among the different classes of institutions. Attempts to equalize taxation of national banks, state banks and trust companies, were made from time to time throughout the period. One of the first matters to come to the attention of the legislative committee of the New Jersey Bankers Association was the taxation of national banks and trust companies.

The Buck law was passed in 1905 in order to allow an individual holder of national bank stock to claim exemptions for such portion of the value of his shares as was invested by the bank in real estate and non-taxable securities. The local tax assessors refused to allow the deductions and the Association carried a test case to the State Supreme Court which decided against them, but the case was then carried to the New Jersey Court of Errors and Appeals and was won.²⁰

¹⁷Proceedings of the fifth annual convention of the New Jersey Bankers Association, 1907, p. 94 and 1913, p. 144 and 1923, p. 136. Chapters 104 and 105, Laws of 1913.

¹⁸Chapter 35, Laws of 1907 and Proceedings of the fifth annual convention of the New Jersey Bankers Association, 1907, p. 68 and 1916, p. 99.

¹⁹Proceedings, 1922, pp. 110-1; and Proceedings, 1923, pp. 141-3; and 1924, pp. 123 and 139.

²⁰Proceedings, 1905, p. 73, and Proceedings, 1906, pp. 92-3 and 98-9; Proceedings, 1907, pp. 60-1. The case is *Lippincott vs. Lippincott*, N. J. Supreme Court, November term, 1906, No. 113; and New Jersey Court of Errors and Appeals, No. 76, November Term, 1907.

After this decision, the matter of bank taxation remained quiescent for a number of years, probably due to the relatively great importance of the banking reform issue upon which interest was centered from the time of the Panic of 1907 until the passage of the Federal Reserve Act of 1913. But in 1914 the question of bank taxation again came up in the State and the final result was the passage of a new state law covering bank taxation. This law was slightly amended in 1918²¹ and has finally brought about the desired equalization of taxation of all banking institutions of the State, although it was at first opposed by the Association because it was alleged to favor private bankers, who were not included in the act and who therefore continued to be taxed under the general property tax only. However, the rate of the new tax on banking institutions provided by the act was so low as to make the objection disappear in a short time.

Another important subject of legislation of this type has been branch banking. In 1910 a bill passed both houses of the state legislature which provided that no trust company could operate any branch or agency without the consent in writing of the Commissioner of Banking and Insurance, and required that \$100,000 additional capital would have to be paid in for each branch or agency. The bill was approved by the Association and supported by it, but it was vetoed by the Governor. This bill came up again in 1913 and was enacted into law in substantially the original form.²² Under this law, the New Jersey Title Guarantee and Trust Company of Jersey City established a branch in May, 1913, and during the years 1915 and 1916, five additional trust companies in Jersey City established branches. Branches were established also by trust companies in East Orange, Paterson, Newark and Bayonne.²³ The law permitted branches only in the county in which the trust company is located.

This law permitting trust companies to have branches was opposed by the state banking and national banking interests, and a special committee was appointed on the question of branch banking in the State Bankers Association. The committee recommended the passage of a law permitting any state banking institution, including trust companies, to establish branches within its own county; but difference of opinion on the question of branches resulted in failure to obtain the enactment of the desired law.²⁴

It was later proposed by the trust companies to permit branches through merger of other institutions in the county, either the one or the other of the merged companies becoming the branch, but this also failed

²¹Chapter 90, Laws of 1914, and Chapter 265, Laws of 1918; for a copy of the act see Proceedings, 1914, pp. 112-7, and 1918, pp. 117-22.

²²Proceedings, 1910, p. 102. Chapter 140, Laws of 1913; Proceedings, 1913, p. 148.

²³Annual reports of the Department of Banking and Insurance, 1914, p. 6; 1915, p. 6, and 1916, p. 6.

²⁴Proceedings, 1914, pp. 100, 127-8.

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due to the opposition of certain members of the Association.²⁵ Again this legislation was sought in 1924 in order to make it as easy for trust companies to merge and have branches as for national banks which were permitted to do so, but it failed to pass due to opposition of individual banks though favored by the Association.²⁶ In 1925, however, this law was finally passed, so that state banks were placed upon an equal competitive footing, as regards branches, with trust companies and with national banks.²⁷

This problem of equalizing the competitive position of trust companies, state banks and national banks with respect to the establishment of branches was an issue not only within the State of New Jersey, but throughout the nation. It constituted one of the points of irritation underlying the bitter controversy between national banks and trust companies which during these stormy years threatened to burst asunder the American Bankers Association.

The New Jersey Bankers Association was never threatened with such disruption, but that the feeling was present is indicated by the above evidence and by the fact that a committee on branch banking existed until the whole issue was finally settled by the McFadden Law of February 25, 1927, permitting national banks to have branches in any county where state banking institutions could have them.²⁸ As indicated above, however, the Comptroller of the Currency had been for years permitting branch banking by national banks within counties in states where trust companies or state banks were allowed such branches.²⁹ The McFadden Law simply legalized this procedure.

Still another important piece of legislation of this type is that designed to equalize the competitive position of different classes of banking institutions with respect to the power to perform fiduciary services. This, also, has been a national as well as state issue. After the trust companies became firmly entrenched as commercial banking institutions, one of the outstanding competitive advantages enjoyed by them was the power to perform fiduciary services.³⁰

When finally fiduciary powers were granted to national banks under section 11 (k) of the Federal Reserve Act, it was the sign for the beginning of one of the most bitter controversies yet recorded in the history of American banking. Both the constitutionality of this legislation and its advisability became the subject of heated debate throughout the country, and in

the twelfth annual convention of the New Jersey Bankers Association the subject came up for lively discussion.³¹

The question of constitutionality having been favorably decided by the United States Supreme Court, the national banks are now established in the fiduciary field of service. The state banks of New Jersey were granted power to perform fiduciary services in 1919 under restrictions and regulations similar to those regarding national banks performing such services.³² Since that time, fourteen state banks have obtained fiduciary powers under the act of 1919.

Through the Federal Reserve Act and subsequent state legislation the reserve requirements of the various types of banking institutions have been made more nearly equal. After the passage of the Federal Reserve Act the New Jersey State legislature enacted a law permitting state bank and trust companies to become members of the federal reserve system,³³ and in 1917 the State passed a law permitting state institutions to substitute the reserve requirements of the federal law for those of state law if they were members of the system.³⁴ The state laws regarding reserve requirements slightly favors trust companies in that they may keep four-fifths of their lawful reserve on deposit in banks or trust companies, whereas state banks may keep only three-fifths so deposited.

There have been other examples of this type of legislation to equalize the competitive positions of different types of banking institutions. For example, state legislation was enacted in 1920 to place trust companies on an equal competitive footing with national banks and with state banks with respect to discounting commercial paper, buying and selling it and loaning upon it.³⁵ In the same year a law was passed designed to permit state banks to compete with trust companies in the field of real estate financing.³⁶ In 1922 the Federal Reserve Act was amended so as to equalize rediscount privileges of state bank and trust company members with those of national banks, and in the same year the National Bank Act was amended so as to give national banks 99 year charters in order to enable them to accept trust running for a long period of years.³⁷

Finally, the McFadden Law of 1926 ironed out practically all of the remaining differences between the competitive positions of state banks, trust companies and national banks. It provides for indeterminate charters for national banks in order to give them a continuous existence and thereby enable them to offer

²⁵Proceedings, 1921, pp. 64-5.

²⁶Proceedings, 1924, pp. 143-4.

²⁷Chapter 27, Laws of 1925.

²⁸Proceedings, 1923, pp. 40-8, 144-6; and 1924, pp. 159-60; and 1925, pp. 133-4; and 1927, p. 94.

²⁹Proceedings, 1923, p. 145. Before the passage of the McFadden Law four branches had been established by national banks in the State, two by the First National Bank & Trust Company of Camden and two by the Union Trust & Hudson County National Bank of Jersey City. Since the Act, 24 branches of national banks have been authorized in New Jersey. Report of the Comptroller of the Currency, Dec., 1927, p. 5.

³⁰Cf. *supra*, pp. 15-8, and Proceedings, 1910, pp. 116-7.

³¹Proceedings, 1915, pp. 110-1, 115-20.

³²Chapter 136, Laws of 1919; and Proceedings, 1919, published in *New Jersey Commerce & Finance—Record and Guide*, June 7, 1919, p. 54.

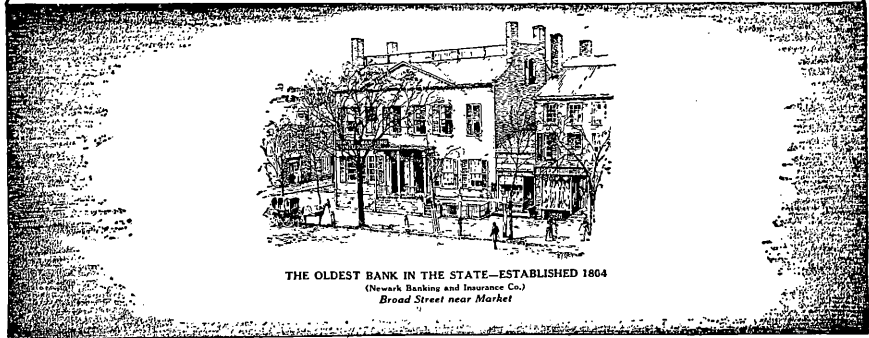
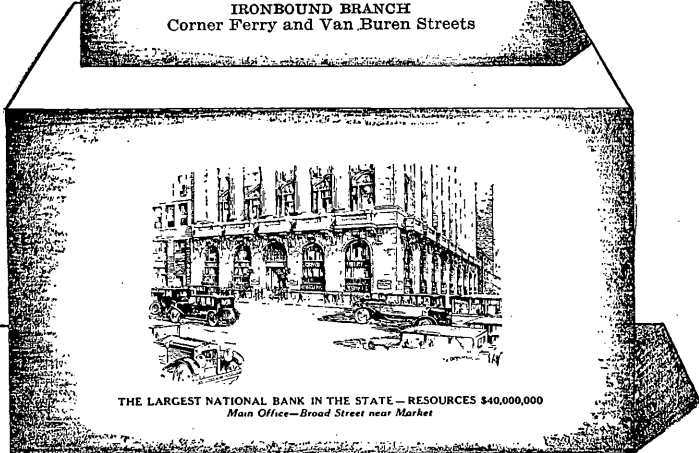
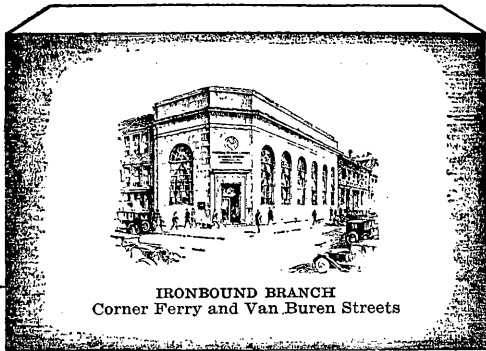
³³Chapter 159, Laws of 1914.

³⁴Ch. 225, Laws of 1917.

³⁵Chapter 27, Laws of 1920, and Chapter 29, Laws of 1920. See Proceedings, 1920, published in *New Jersey Commerce and Finance—Record and Guide*, May 29, 1920, p. 35.

³⁶Chapter 44, Laws of 1920.

³⁷Proceedings, 1923, pp. 126, and Paragraph 10, Sec. 9, Federal Reserve Act.



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services as an immortal trustee. It permits national banks to pay stock dividends, to have branches in their own town, to conduct a safe deposit business and to have savings departments. It also places the national banks more nearly on an equal competitive footing with trust companies in the field of real estate financing, and permits national banks to do an investment business, in other words, to have bond departments.³⁸

Thus, by way of a summary interpretation, the trust company may be said to have revolutionized banking in the last twenty-five years, although its influence began somewhat earlier.³⁹ At the beginning of the period the trust company was regarded among banking institutions as a "bad boy" who persisted in practicing certain types of financial tricks which were considered speculative and too radical for real banks to undertake. During the period, those activities of the trust companies proved to be so profitable and yet so safe, that gradually the other banking institutions sought and finally obtained permission to conduct those types of services themselves. In a way the trust companies forced them to do so by their competition in the commercial banking field which increased steadily during the period.

The trust companies introduced new practices into modern finance which were not permitted by law to state banks and national banks. The new types of service were proved to be useful to the public and, as the trust companies expanded and developed commercial banking services, the older type of banking institutions were forced to adopt the new methods also. The result was a series of state and federal laws, culminating in certain amendments to the Federal Reserve Act and in the McFadden Law which enabled state banks and national banks to compete on a more even keel with trust companies. This was done by gradually extending the powers of national banks and state banks until now they can do practically all the things the trust companies are permitted to do.

The third type of legislative development, a large amount of which was sought by the New Jersey Bankers Association in the case of state legislation and by the American Bankers Association in the case of federal legislation, is that designed to improve the credit structure and financial strength of banking institutions. Such legislation is found in amendments to the negotiable instruments law,⁴⁰ laws improving the state supervision of banks and increasing the state's power to detect and eliminate unsound practices.⁴¹ For years the American Bankers Association sought federal legislation to obtain uniform bills of lading in order to im-

prove their negotiability.⁴² Such a law as that of 1907 making it a misdemeanor for a person to start rumors calculated to cause a financial panic is an example of this type of legislation.⁴³ A state law was passed in 1912 making it a criminal offense to obtain credit under a false written statement.⁴⁴ A state uniform bill of lading law was passed in 1913.⁴⁵

The most striking case of legislation designed to improve the credit structure and the financial strength of the banks is the Federal Reserve Act. By the mobilization and centralization of reserves and the other credit structure reforms brought about by this federal law, a great increase in the efficiency of reserve money has been realized.⁴⁶

Data cannot be found to show the extent to which state banks and trust companies have benefited by the Act in this respect, but the national bank figures for the State show that in 1913 the total cash in vault of the national banks of the State was 7.6% of total deposits, while in 1927 it was 2%. The aggregate of cash in vault had barely increased during this fourteen year period, while total deposits had increased by 305%. At the end of 1927 the lawful reserves of New Jersey national banks on deposit with Federal Reserve Banks totalled \$42,336,000 against a total of deposits in these national banks of \$819,730,000 (includes time deposits of \$434,380,000). This is an average reserve of 5.3%. But with the additional cash in vault of \$15,637,000 and due from banks and other cash items of \$94,202,000, part of which would have counted as lawful reserve before the Federal Reserve Act, the 1927 total reserve strength is \$152,205,000, or a ratio to total deposits of 19%.

This same tendency is shown in the case of state banks, but to a less marked degree. The total cash on hand of the state banks has about doubled during the period from 1913 to 1927, while the total deposits have increased about fivefold. In the case of the trust companies, cash has increased approximately threefold during the period, while the total deposits have increased approximately fivefold. The reason why this economy of reserve strength is not so fully reflected in the case of the state banks and trust companies is that they are not all members of the Federal Reserve System, and those which are not members still must keep reserves according to the state law, as previously, regarding legal minimum reserve requirements. The first state bank to join the Federal Reserve System did so in 1917 and in that year only one state bank joined. In the following year there was another. By 1926 there were 9 state bank members of the Federal Reserve

³⁸Proceedings, 1924, pp. 159-60, and Norris, George W., "Changes in Banking Practice Resulting from the McFadden Bill," Proceedings, 1927, pp. 64-70.

³⁹Smith, James G. *The Development of Trust Companies in the United States*, pp. 329-39 and 345-54.

⁴⁰Proceedings, 1905, p. 71.

⁴¹Proceedings, 1906, p. 95.

⁴²Proceedings, 1906, p. 99.

⁴³Chapter 50, Laws of 1907.

⁴⁴Chapter 241, Laws of 1912.

⁴⁵Chapter 156, Laws of 1913. Proceedings, 1913, pp. 149-63 and 194.

⁴⁶Cf. Kemmerer, E. W. *The A B C of the Federal Reserve System*.

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System. Table 13 shows the progress of membership in the Federal Reserve System by state banks.

TABLE 13
MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM
(State Banks of New Jersey)

Year (End of each year)	Number of Member State Banks in New Jersey		Resources of Member State Banks in New Jersey	
	Number	% of Total Number of State Banks in New Jersey	Resources \$000's	% of Total Resources of State Banks in New Jersey
1917	1	4%	2,586	8%
1918	2	8	3,598	10
1920	7	26	13,998	25
1922	7	24	23,201	35
1924	10	29	37,823	46
1926	9	32	44,449	42

SOURCE: Compiled from annual reports of the New Jersey State Department of Banking and Insurance.

The first trust companies to become members of the Federal Reserve System likewise joined in 1917 and in that year six went into the system; in the following year 21 more followed suit, until by 1926 the total number of trust company members of the system was fifty-five. Table 14 shows the progress of membership in the Federal Reserve System of the trust companies.

TABLE 14
MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM
(Trust Companies of New Jersey)

Year	Number of Member Trust Companies in New Jersey		Resources of Member Trust Companies in New Jersey	
	Number	% of Total Number of State Trust Companies	Resources \$000's	% of Total Resources of State Trust Companies
1917	6	5%	32,050	8%
1918	27	23	175,314	38
1920	37	29	273,267	47
1922	43	30	354,870	49
1924	46	28	456,400	50
1926	55	28	579,669	50

SOURCE: Compiled from annual reports of the New Jersey State Department of Banking and Insurance.

In 1926, of those trust companies located in Federal Reserve District No. 3, with aggregate resources of \$202,167, the member trust companies constituted 27% of the total resources, i. e., the aggregate resources of member trust companies in District No. 3 was \$54,476,000 and the total resources of trust companies in that part of the State was \$202,167,000.

In 1926, of those trust companies located in District No. 2, with aggregate resources of \$961,481,000, the member trust companies constituted 55% of the total resources, i. e., the aggregate resources of member trust companies in District No. 2 was \$525,193,000 and the total resources of trust companies in that part of the State was \$961,481,000.

Another way in which the Federal Reserve Act has improved the credit structure of the State is by the eli-

gibility requirements concerning commercial paper for rediscount with the Federal Reserve Banks. During the entire twenty-five years of banking history under review, the New Jersey Bankers Association had been seeking to improve the negotiability and credit standing of commercial paper. At the very first convention there was a report of a "Committee on Property Blanks" in which there was submitted a uniform blank for customers to fill out in order to furnish credit information.⁴⁷ The work of this committee continued for years, and it accomplished much to improve the credit situation,⁴⁸ but the provisions of the Federal Reserve Act on eligibility of commercial paper for rediscount furnish the opportunity for all banking institutions to require full credit information from every prospective borrower without offense, particularly in that it sets up a standard to which the banker may direct the attention of the customer. Furthermore, to maintain a liquid position the member bank must have a considerable portion of its portfolio eligible at all times for rediscount in case of need. Thus the Federal Reserve Act accomplished for the banking institutions of the State in a more complete and final way much that they had been seeking for years to accomplish before the Act.

In the matter of domestic exchange, also, the Federal Reserve System has solved a problem of long standing among New Jersey banking institutions. In the early part of the period the banks attempted through the activity of the State Association to develop the bank money order and some progress was made, but after the panic of 1907 this type of business by the banks rapidly disappeared.⁴⁹ About 1908 the solution of the domestic exchange problem shifted to a Committee on Collections of the State Bankers Association which endeavored to get all the banks to refuse to clear checks sent in the mail unless accompanied by a fee of 15c.⁵⁰ In 1909 a committee was appointed to study the possibility of establishing clearing houses in New Jersey, but the committee discovered a general lack of interest in the project on the part of the banks.⁵¹ In 1912 the New York Clearing House took up the question of the advisability of making northern New Jersey a par collection point,⁵² and for two years a committee of the New Jersey Bankers Association worked to obtain par clearance for New Jersey checks in New York. These problems of the credit structure were likewise solved by the Federal Reserve System by its par collection system, and by the establishment in 1920 of a Northern New Jersey Clearing House Association

⁴⁷Proceedings, 1904, pp. 56-8.

⁴⁸Proceedings, 1905, pp. 68-9; 1911, pp. 124-6, and 1912, pp. 106-8.

⁴⁹Proceedings, 1904, pp. 53-4. It was expressed as a matter of surprise that the bankers have been content to allow the express companies and the post office usurp this business. See also Proceedings, 1905, pp. 63-8; 1906, pp. 100-1, and 1908, pp. 139-40.

⁵⁰Proceedings, 1907, pp. 96-9; 1908, pp. 140-2.

⁵¹Proceedings, 1909, pp. 101-2.

⁵²Proceedings, 1912, pp. 90-1; 1913, pp. 181-3; 1914, pp. 126-7.

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A 14 year old banking institution that is not too old to contemplate the spirit of youth in modern business and modern corporations.

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through the encouragement of the Federal Reserve Bank of New York.⁵³

The last twenty-five years of banking progress may also be said to have been a period of progress and improvement in bank administration. Some of this improvement has been brought about by legislation. In 1906 a law was passed requiring each director of a state bank or trust company to take oath on assuming office "that he will, so far as the duty devolves upon him, diligently and honestly administer the affairs of such bank . . ." etc.⁵⁴ In the same year a law was passed permitting the State Department of Banking and Insurance to place in receivership any state banking institution, not only which is insolvent, but:⁵⁵

- a.—Which becomes unsound because of illegal or unsafe investments;
- b.—In case of the transaction of illegal or unauthorized business;
- c.—In case it becomes unsafe or inexpedient to continue business;
- d.—In case of refusing to submit books, etc., to the bank examiner or to the Commissioner when requested;
- e.—In case of refusal of a director or officer to submit to examination;
- f.—In case of violation of its charter or any state law, or, and this was added by chapter 172, Laws of 1913;
- g.—In case the bank refuses to comply with orders of the Commissioner to discontinue illegal or unsafe practices.

Administration has been improved greatly in other ways than by legislation during this period. Perhaps the most important single influence towards such improvement has been the existence of the State Bankers Association at whose annual conventions the important issues and problems are freely discussed and where experts are called in to present papers on a variety of subjects.

During this period much has been accomplished towards effecting a proper differentiation of services, and their organization into departments of service. Among such departments are the savings department, the investment department or bond department, real estate department, personal trust and agency department, and corporate trust and agency department. At the same time the accounting and auditing departments have been vastly improved, partly due to the introduction of new technical and mechanical devices and partly due to the activity of the State Banking Department and the New Jersey Bankers Association in an effort to obtain better auditing.

In 1909 there began a movement in the State for the banks to organize themselves into groups by counties. The first county group to organize in this way was Middlesex. One of the reasons for such organizations was to enable the "employment of an auditor to examine all the banks in the group, once or twice a year."

⁵³Proceedings, 1920, published in *New Jersey Commerce and Finance—Record and Guide*, May 29, 1920, pp. 32-3.

⁵⁴Section 9 of the State Banking Law and Section 12 of the Trust Company Law.

⁵⁵Proceedings, 1906, p. 95, and Sections 24 and 25 of the State Banking Law.

Later other county groups were organized and the constitution of the New Jersey Bankers Association was amended to take account of the reorganization of the Association into a body of federated county groups. By 1923 the entire State was organized into county groups.⁵⁶ Other problems of improving bank administration and organization are taken up in county groups such as interest rates on deposits, exchange rates, establishing of clearing houses, exchange of credit information and exchange of ideas in general.

At the same time there has occurred during this period a revolution in the psychological milieu of banking institutions. The attitude of bank officials towards employees and towards the public served has undergone a great change as likewise has the attitude of the public towards the banks and bank officials, and the attitude of employees towards the bank officials. At the beginning of this period a bank officer was often a mysterious person who must be very sedate, unresponsive and cold—above all conservative and impervious to anything new or radical. He was housed in an enclosed office, out of sight of the general crowd of customers in the bank lobby. It would be undignified for him to be in open view. It was generally understood that he had no time to waste on the ordinary person—his time was completely occupied, ostensibly, with those who had big business to offer. Moreover, the business must come to the bank—the bank must not go after the business. Under this old psychological régime, competition for business consisted in offering higher and higher interest rates on deposits, even commercial demand deposits, in secret concessions to important customers and other unhealthy practices.⁵⁷

With the improvements in the organization of the Association a new régime in the human relations of banks was ushered in, or at least was in the making. A committee on interest rates was created in 1910 to bring about uniform maximum rates among the banking institutions of the State.⁵⁸ Similarly, uniformity of practice as to exchange charges was sought, uniformity as to fees to be charged for trust and agency services where such fees are not fixed by law or the probate courts has been largely obtained through the activity of the state and national associations.⁵⁹ The

⁵⁶Proceedings, 1909, pp. 108-9, and Proceedings, 1911, pp. 121-3; Benton, A. A., "New Jersey Group System of Bank Examinations," Proceedings, 1911, pp. 47-52; Riddlestorffer, Sidney, "Our Group System," Proceedings, 1912, pp. 46-9; Proceedings, 1914, pp. 134-5; 1922, 103-4; and for revision of the constitution of the association, see Proceedings, 1924, pp. 151-7. Proceedings, 1923, pp. 120-1; Coates, A. H., "County Groups," Proceedings, 1925, pp. 143-7.

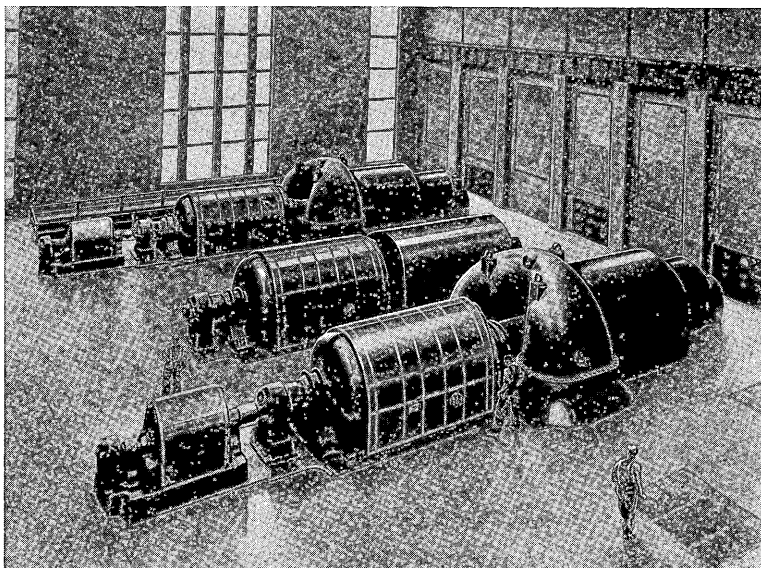
⁵⁷Proceedings, 1908, pp. 48-9.

⁵⁸Proceedings, 1910, pp. 107-11; 1911, pp. 127-8; Pierson, Edward S., "Interest on Deposits," Proceedings, 1912, pp. 22-6; and Proceedings, 1912, pp. 108-9; Harden, Robert W., "Interest on Deposits," Proceedings, 1923, pp. 15-8; and Proceedings, 1924, pp. 23-39; Green, Maurice S., "Computation and Payment of Interest on Accounts," Proceedings, 1927; pp. 52-7.

⁵⁹Proceedings, 1916, pp. 106-8; Thies, Henry A., "Fees for Trust Business," Proceedings, 1919, published in *New Jersey Commerce and Finance—Record and Guide*, pp. 19-24; Proceedings, 1920, published in same journal, 1920, pp. 51-2.

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charge for small accounts has been agreed upon and generally adhered to.⁶⁰

Thus with the tendency for competition as to charges for various types of banking services to disappear, and with the tendency for competition to disappear as to interest paid on deposits, a new psychological attitude on the part of the banking officials to the public has developed. This has been reflected in three ways: First, by the attempt, which has been largely successful, to humanize banking service, and to create a feeling of confidence and personal relationship between banker and client in place of the old impersonal attitude. The development of personal trust and agency services by the trust companies and later by the state banks and national banks has vastly aided in this humanizing process.⁶¹

Secondly, this change has been reflected in the new competition, which is a competition as to service rather than a competition as to prices charged for the service. Banking institutions have vied with each other to improve their service to the public and to add new types of useful services to those already offered. One aspect of this change has been the new attitude towards advertising. Whereas at the beginning of this period it was considered bad form for a bank to advertise, there has now developed a real and distinct type of bank advertising.⁶²

The banks in their new competition to improve services discovered the need to tell the public about the services, and the increase in bank advertising, particularly of the fiduciary services which tend to draw other types of banking business, has been an important feature of recent banking development.⁶³ A committee on public education was created in 1921 and this committee has since worked out a system of wide publicity to educate old and young, by lectures, by radio talks and printed matter, as to what banking service should really mean to the community.⁶⁴

On the other hand, the interest of the public in banking and fiduciary services of banking institutions has been greatly stimulated since the coming of the federal income tax, the federal estate tax, and the state income taxes and inheritance taxes. The complexity which these new taxing methods have brought into the financial and investment problems of individuals, and

the greater need for adequate accounting of income and expenses brought about by these taxes, makes the public a ready market for the banking and agency services offered in this new advertising. The accounting services the bank furnishes every depositor are a valuable part of the information he needs in order to fill out his income tax blank. His bank becomes the logical place to which to go for advice and assistance in working out his financial plans.

The income tax law, the federal estate tax law, and the inheritance tax law of New Jersey impose important duties in connection with the administration of the taxes upon the banking institutions when acting in a fiduciary capacity, as personal trustee, or as transfer agent and registrar of stocks and bonds.⁶⁵ A great expansion in personal trusts and agency services has resulted and this increase in personal trust and agency services has increased and improved the human relationships between banks and their clients. The rapid increase in importance of the trust and agency departments of New Jersey banks in recent years is manifested by the formation of the Fiduciary Section of the Essex County Bankers Association in 1924 and of the Bergen County Corporate Fiduciary Association in 1927.⁶⁶

A third way in which this change has been manifested is by the active interest of the banking institutions in community and state welfare. This is reflected in the fact, for example, that the New Jersey Bankers Association has had a Committee on Agriculture since 1913. While it has been noted above that agriculture in New Jersey is declining in importance relatively speaking, yet there is a large agricultural interest due to the possibility of the profitable development of certain types of agriculture such as dairying, poultry, truck farming and fruit growing. The Committee on Agriculture of the New Jersey Bankers Association was created to make efforts to improve the conditions of the farmers.⁶⁷ The committee's work consisted largely of organizing boys' and girls' groups in farming communities and offering prizes for the best agricultural results. This work was done in cooperation with the Agricultural Station at New Brunswick,⁶⁸ The committee also worked for improvement of the

⁶⁰Proceedings, 1915, pp. 108-11; Scott, Frank J., "Cost of Deposit Accounts," Proceedings, 1924, pp. 84-91; Ritter, Wm. F., "Unprofitable Accounts and the Remedy," Proceedings, 1925, pp. 38-53.

⁶¹Fisk, Willard C., "The Trust Features of Trust Company Business," Proceedings, 1909, pp. 28-33; Judd, Orrin R., "Is the Trust Department Worth While?" Proceedings, 1920, pp. 10-2; Tomlinson, Ephraim, "The Usefulness of the Trust Department," Proceedings, 1923, pp. 73-9; Totten, Frank M., "Fiduciary Service by National Banks," Proceedings, 1924, pp. 62-8; Livingston, A. C., "Building & Administering Trust Departments," Proceedings, 1925, pp. 55-65.

⁶²Babcock, A. L., "Banking Service a Factor in Business Extension," Proceedings, 1921, pp. 16-20; Hering, H. B., "How to Secure New Business," Proceedings, 1927, pp. 37-50.

⁶³Ellsworth, F. W., "Bank Publicity," Proceedings, 1915, pp. 37-45; La Monte, George M., "Cooperation and Public Responsibility," Proceedings, 1916, pp. 15-23; also Proceedings, 1923, pp. 19-21; and 1926, p. 122.

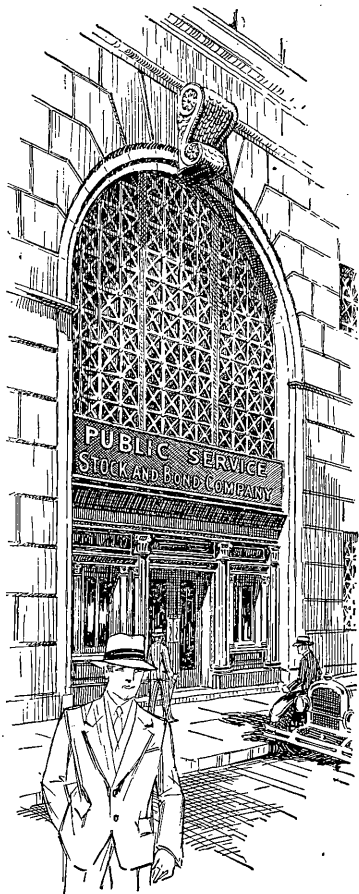
⁶⁴Proceedings, 1921, pp. 83-5; 1922, pp. 106-7; 1923, pp. 130-2; 1924, pp. 135-7; 1926, pp. 135-8, and 1927, p. 101.

⁶⁵Chapter 151, New Jersey Laws, 1914; Fisk, Willard C., "Bank Stock and Inheritance Taxes," Proceedings, 1914, pp. 57-67; and Proceedings, 1914, pp. 118-24, for the amendment to the inheritance tax law imposing new duties on the banks; and Proceedings, 1914, pp. 100-1; and for cooperation between banks and the government in the administration of the inheritance and estate taxes see Proceedings, 1918, pp. 133-5, and Proceedings, 1926, pp. 123-6.

⁶⁶Directory of Corporate Fiduciary Associations, March, 1928, Trust Company Division, American Bankers' Association, pp. 10-11.

⁶⁷Proceedings, 1913, pp. 190-2; Lipman, J. G., "Agricultural Experiment Stations"; Agee, Alva, "Agricultural Science and the Farm"; Gaunt, G. W. F., "Agricultural Legislation," all in the Proceedings, 1913; and Harris, B. F., "The Banker-Farmer," Proceedings, 1914, pp. 24-33; Hulbert, A. M., "Agricultural Problems," Proceedings, 1918, pp. 66-72; Knowles, W. F., "The Banker and the Pig," Proceedings, 1919, *New Jersey Commerce and Finance—Record and Guide*, June 7, 1919, pp. 24-30; and Meyer, Eugene, Jr., "The War Financing Corporation," Proceedings, 1922, pp. 13-23.

⁶⁸Proceedings, 1915, pp. 103-4; 1916, pp. 102-4; 1917, pp. 118-20; 1918, pp. 128-30; 1919, pp. 55-9; 1920, pp. 44-7; 1921, pp. 84-7; 1922, pp. 108-9; and 1923, pp. 132-4.



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roads in the State,⁶⁹ and for improvement in farm credit, particularly by education of farmers to better business methods. In 1924 a program for agricultural development in the State was worked out by the committee, covering improvement of quality in dairy stock, farm credit, cooperative organization of the farmers and the enlargement and continuation of the boys' and girls' club work.⁷⁰

The rapid growth of trust departments in New Jersey banking institutions has stimulated the development of investment departments or bond departments in the same banks. To perform the expert investment services necessary in connection with personal trust and agency accounts the bank must develop investment research for itself and it is an easy and logical step and an economy to sell the investment services of that department to the public. There are no statistics published on the number of bond departments in New Jersey banks, but the Department of Banking and Insurance states that there has been a steady increase in such departments. The bond department in turn usually stimulates the trust and banking business, by bringing new customers to the bank and by the fact that individuals often prefer as trustee or fiduciary an institution which is active in the investment market on its own account.

One of the great changes in banking institutions during this period has been the integration of services, making possible economies otherwise unattainable, and offering to the public a whole stock of financial services. This development was stimulated by the advent of the trust company, as the discussion above indicates, and it is reflected in the growth of the various departments of service in a single institution and in the fact that while the number of banking institutions in the State has increased from 205 in 1901 to 569 in 1927, the aggregate assets of these banking institutions has increased from \$287,000,000 in 1901 to \$2,741,000,000 in 1927. Thus the average size of banking institutions has increased from one with assets of \$1,400,000 in 1901 to one with assets of \$4,800,000 in 1927. It is also manifested by consolidations and by the formation of branches.⁷¹

The important rôle played by the State and County Bankers Associations of New Jersey in the twenty-five years of banking progress which has been traced is so outstanding in the discussion above that little needs to be added on that subject. There is one thing

of importance which should be mentioned, however, and that is the influence of these associations in building up a professional feeling of class-consciousness or brotherhood among the bankers of the State. It is a sort of guild to which the profession of banking belongs and which represents all the things that professional banking stands for—a solidarity of feeling and a real professional *esprit de corps* has been built up by these organizations. This has much to do with the increased efficiency and higher code of ethics of the bankers of the new era.⁷²

Perhaps the most important aspect of the State Association of Bankers is the attitude towards the education of the bankers of the future—the present clerical forces of the banks. The educational movement among the younger bankers began to be encouraged as early as 1906 in the State,⁷³ and an active interest continued in the American Institute of Banking but it was not until 1921 that the first chapter of the American Institute of Banking was organized in New Jersey. This was the Essex County Chapter, with headquarters at Newark.⁷⁴ Six chapters have been organized since that time. The data show the date of organization, the membership and the class enrollment of New Jersey's chapters of the American Institute of Banking.⁷⁵

TABLE 15

AMERICAN INSTITUTE OF BANKING CHAPTERS IN NEW JERSEY
MARCH, 1928

Chapter	Organized	Member- ship	Class Enrollment
Atlantic City	Sept. 27, 1923	74	71
Bergen County (Hackensack)	Jan. 22, 1924	58	57
Elizabeth	Oct. 26, 1921	363	211
Essex County (Newark).....	Oct. 18, 1921	882	541
Hudson County (Jersey City)	March 24, 1922	433	277
Passaic County (Passaic)....	Dec. 9, 1923	220	137
Trenton	Sept. 28, 1923	329	258
Total		2359	1552

To date standard certificates for the completion of a four-year course covering banking fundamentals, commercial law, economics and standard banking, have been awarded to 206 people in the State during the period the chapters have been organized.

⁶⁹Proceedings, 1916, pp. 102-4; 1917, pp. 118-20; 1918, pp. 128-30; 1919, pp. 55-7; etc., see footnote (68); and Pierson, Arthur N., "Good Roads," Proceedings, 1922, pp. 32-9.

⁷⁰Proceedings, 1924, pp. 129-34; 1926, pp. 129-35; and 1927, pp. 95-100.

⁷¹Annual reports of the Department of Banking and Insurance, 1914, p. 6; 1915, p. 6; 1916, p. 6; 1920, pp. v-vi; 1923, p. vi; 1925, p. vi; 1926, p. v.

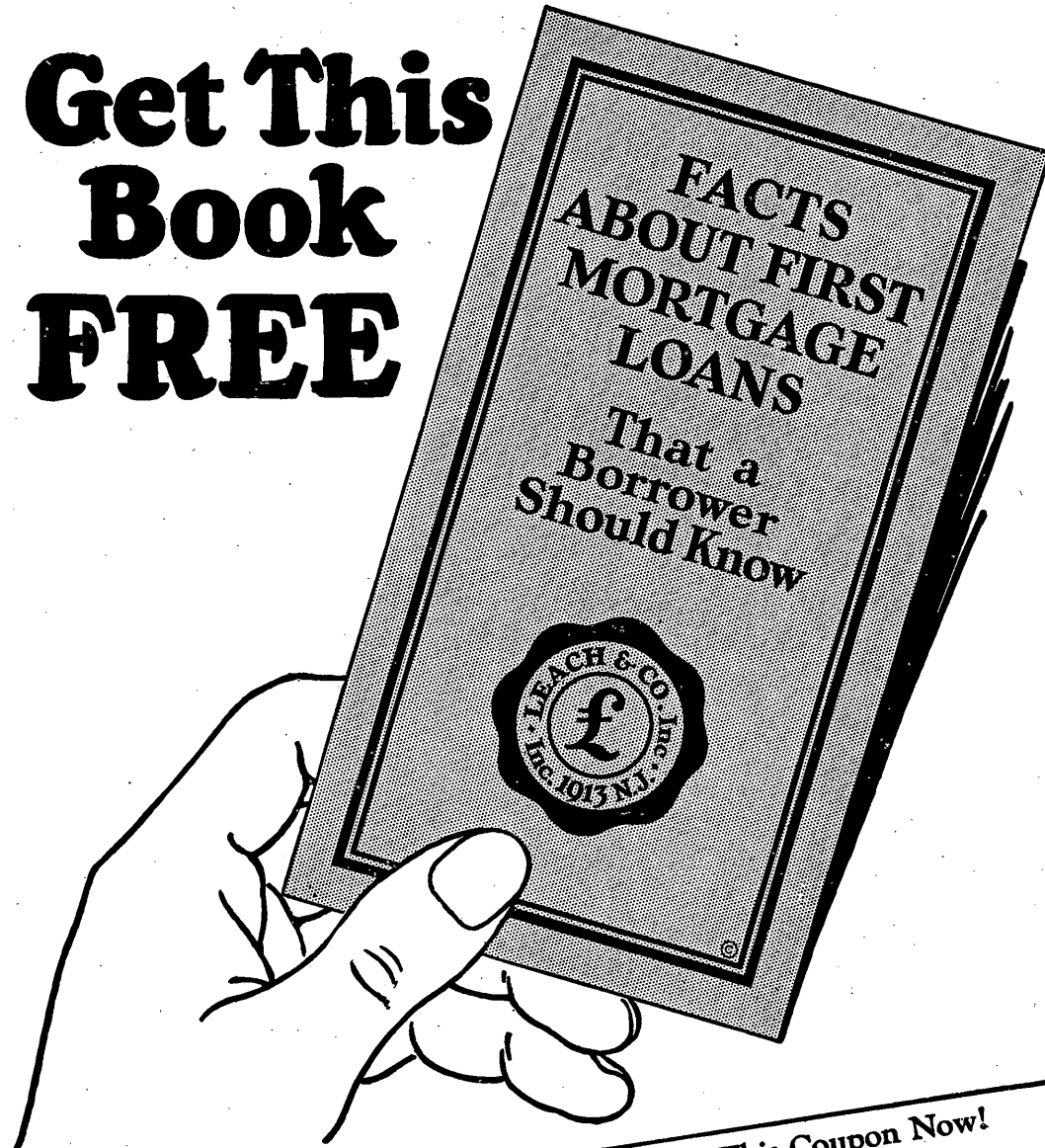
⁷²Branch, J. R., "The Benefits of Bankers' Associations," Proceedings, 1904, pp. 28-32; Eaton, J. S., "Higher Education for Preparation of Bankers," Proceedings, 1908, pp. 15-27; Silzer, Governor George S., "Bankers Must Safeguard Investing Public or Government Will Do It," Proceedings, 1925, pp. 100-8.

⁷³Barrett, A. M., "Bank Clerk Associations," Proceedings, 1906, pp. 52-6. —tells the history of the organization of the American Institute of Bank Clerks, later the American Institute of Banking, by the American Bankers' Association, Feb. 15, 1901.

⁷⁴Proceedings, 1912, p. 91; Perry, G. B., "Practicability and Inspiration in Study," Proceedings, 1920, pp. 21-3; and Proceedings, 1924, pp. 136-7; and 1926, pp. 135-8.

⁷⁵By courtesy of Mr. Richard W. Hill, National Secretary of the American Institute of Banking.

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D-5

PROSPECT FOR FUTURE GROWTH AND CHANGES

THE future growth of New Jersey is well assured by any one of a number of important factors. Such growth may be accomplished by greater industrial development, or by greater development of resorts and country estates, by further expansion of the metropolitan areas of the great cities of New York and Philadelphia, by the development of motor freight transportation routes through the State leading to the interior from the greatest port of entry in the world, or by some other cause. The State is certain to grow in wealth and importance. New Jersey's geographical position with respect to the industrial and commercial centers of the country and to the future financial center of the world makes her economic prospects bright.

Just as the market situation in the case of material products has resulted in integration of modern industry, so the expansion of the market for financial services is gradually forcing integration in banking institutions.

This integration of services facilitates the transaction of business between what would formerly have been numerous business houses. Concentrated under a single administration and located within a convenient radius of space, there will be a great variety of coordinated financial services for the convenience of commercial business clients, corporations, depositors, legatees, wards, etc.

This tendency towards integration of services into great financial institutions or "department stores of finance" has been noted for years in the large financial centers of the country; and the tendencies outlined in the last section showing the ironing out of competition among the various types of banking institutions is a reflection of the same forces. The distinction between state banks, national banks and trust companies is fast disappearing so far as types of services rendered are concerned, and the regulation of such institutions by state and federal authority is likely to become more and more cooperative.

In large financial centers the motives for integration are the desire to bring together into one great institution vast resources in order to gain the confidence of big clients, and, secondly, the desire to meet an increasing demand on the part of the customers for services of a variety of types at one convenient place. In the small community or in cities other than the financial centers, similar motives exist; but more important to financial institutions in such places is the saving of overhead by such integration of services. In many communities uninterrupted financial services of many types would be impossible if the attempt were made to perform them in separate institutions. This is par-

ticularly true of such services as those normally performed by the bond department, which must be done on a relatively large scale to be profitable at all.

Banks and trust companies in small communities may afford to organize bond departments and perform valuable services to their community—not because the bond department by itself would be profitable as a separate enterprise, but it profits the bank or trust company because of services which the bond department performs for the bank itself, because it stimulates contacts with larger financial and industrial interests, not only making it possible for the country bank to do all of its own investing more intelligently but putting it in the position to become a better informed banker for its community. It is probable that this movement towards integration of financial services will be much more noticeable in New Jersey banking institutions and throughout the country, as a result of the opening up of the way by the McFadden Law and other legislation outlined in earlier pages of this paper.

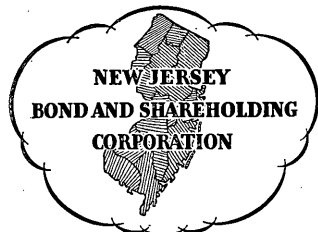
As the banking institutions progress and grow, many new and unforeseen problems will arise and it is impossible to predict just what they will be; but from the review of the last twenty-five years of history and an analysis of the present situation, it seems that there are three outstanding problems which will face the banking institutions in the near future.

The first of these problems has already begun to be felt vaguely by many banking officials and for years has been foreseen by some. It is the problem arising from the development of bond departments in banking institutions which have trust departments of service. The bond department service is a trading service and the customer is presumed to be reasonably alert to his own interests in his dealings with the bond department.

The services of the trust department, on the other hand, presume no such activity on the part of its clients; but rather there is a complete confidence placed in the trust department by its customers. Under the law of trusts, the client acts on the faith that the trust department must perform its services with entire regard to his interests. Due to this fact there is likelihood of the public coming to place a similar complete confidence or trust in the services of the bond department. When going to a banking institution to buy a bond, a person should be just as much on his guard as he is when he goes to a reputable store to buy food or clothing. He may rely upon competition to a certain degree to assure him of getting value, but nevertheless he must not buy blindly. Furthermore, where a trust company has a bond department there is the

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Twenty-Seven Directors



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temptation to sell bonds to itself in its capacity as trustee or agent, thus quoting its own buying and selling prices to the trust fund of which it is trustee.

Because of the fact that such a practice may be suspected by the public, some trust companies refuse to have any bond department. Many also suspect that trust companies with bond departments deliberately advise customers who rely upon them for investment information to buy bonds upon which their bond department will make a profit, sometimes to get rid of a block of bonds which are moving with great difficulty into the market. It is probable that this problem of the bond department will be solved largely through the fostering of keen competition among corporate fiduciaries in the matter of quality of service and through the building up of a strong *esprit de corps* among corporate fiduciaries to abide by a code of ethics for the profession of trusteeship. If it cannot be solved in that way, then further state legislation and state and court supervision must step into the breach. Adequate accounting and auditing controls must be established and required of every financial institution which engages in the two broadly different types of services (bond trading and fiduciary services), either through competition or by legislation.

The second problem that is likely soon to arise and demand solution is one relating to the competition of a new type of financial institution—the investment trust. The manner in which this problem is likely to be solved is indicated by the method in which similar problems in connection with competition of private bankers, and recently of building and loan associations, have been met. It will probably be by state legislation regulating the investment trust similar to state legislation regulating other types of financial institutions.

The two main principles of the investment trust are: (1) the pooling of small funds to make a fund large enough so that adequate distribution of risks and other sound principles of investment may be applied, and (2) the furnishing of expert investment service which is paid for collectively by the large number of small investors so that each individual's contribution is small. Any legislation should take account of these two principles and should avoid any steps which would destroy their usefulness.

The third problem that will probably present itself in a very assertive way is that of the investment of the

country's rapidly growing amounts of trust funds. In the first place, the expansion of personal trusts will require a broader field of legal investments for trust funds, and in the second place, the investment trust movement will force the development of a new theory of legal investments. At the present time the law determining legal investments for trust funds is based upon the legal fiction that because a bond is a promise to pay, protected by law, it is a safer form of investment for trust funds than the common stock, which is not a promise to pay. Furthermore, the law assumes that because trust funds are invested safely so far as amount of dollars is concerned, they are safely invested in terms of real livelihood.

Experience has well demonstrated that the conservation of dollars worth of an estate is not necessarily real conservation of wealth; and that in periods of rising prices the mere conservation of dollars worth may mean great losses to the beneficiaries of the trusts.

The new legislation on this subject must take a different point of view than most of our present legislation. A trustee should be required to conserve real livelihood, in other words to maintain the real income and real principal value of estates trusted to its care; and in order to do this the trustee must be permitted to invest in common stocks as well as in bonds.

The probable changes in state and federal legislation to meet the changing situation in banking institutions may be summarized as follows:

1. (a) Legislation which will continue to break down the distinctions among state banks, trust companies and national banks and facilitate the integration of financial institutions into "department stores of finance."

(b) Legislation which will aim at cooperative federal and state supervision of banking institutions and reduce the competition between the states and the federal government in the formation of banking institutions.

2. (a) Legislation to control properly by accounting and auditing practices and reports the building up of financial services such as those offered by the bond departments, especially where the same financial institutions have trust departments.

(b) As a result of 2(a), the collection and publication of more adequate statistics of the fiduciary business done by banking institutions. The Comptroller

of the Currency of the United States now publishes data on the fiduciary services performed by national banks in the country.

3. (a) Legislation rationally designed to supervise and control in the public interest the investment trust.

(b) A change in the theory of legislation regarding legal investments for trust funds from a fictitious legal concept of "safety" of the number of dollars invested, to an economic concept of the conservation of the real value of the property.

[In later pages will be found a compilation by Ernst & Ernst, public accountants, of individual bank reports over the period covered by Dr. Kemmerer.]

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STOCKS AND BONDS

Jersey City, N. J.

BANK STOCKS, INSURANCE STOCKS
INVESTMENT BONDS

Honor Roll of New Jersey Banks

The Fastest Growers

NATIONAL BANKS

<i>Rank</i>	<i>Name</i>	<i>Years Covered</i>	<i>Percentage of Growth of Resources</i>
1	Little Falls National Bank	21	13,926
2	First National Bank, Westwood	21	4,427
3	First National Bank, Garfield	21	3,475
4	First National Bank, South River	25	3,365
5	First National Bank, Millburn	21	2,765
6	First Camden National Bank and Trust Company	25	2,356
7	First National Bank and Trust Company, Kearny	21	2,273
8	First National Bank, Roselle	21	2,241
9	Chelsea National Bank, Atlantic City	25	2,094
10	Marine National Bank, Wildwood	21	2,083
11	First National Bank, Dunellen	21	1,877
12	First National Bank, Cape May Court House	25	1,774
13	First National Bank, Carteret	21	1,748
14	First National Bank, Belleville	21	1,734
15	Carlstadt National Bank	25	1,696
16	National Bank of North Hudson, Union City	16	1,672
17	Closter National Bank and Trust Co.	21	1,640
18	First National Bank and Trust Company, Summit	25	1,549
19	First National Bank, Rockaway	21	1,545
20	Pitman National Bank and Trust Co.	21	1,477
21	Rutherford National Bank	25	1,401
22	First National Bank, Bradley Beach	16	1,320
23	First National Bank, Union City	16	1,255
24	First National Bank, Pennington	25	1,253
25	First National Bank and Trust Company, Merchantville	21	1,215
26	First National Bank, East Rutherford	6	1,205
27	Kearny National Bank	16	1,194
28	First National Bank and Trust Company, Paulsboro	25	1,193
29	Irvington National Bank	21	1,150
30	Passaic National Bank and Trust Company	25	1,142
31	Hudson County National Bank, Jersey City	25	1,137
32	West Englewood National Bank	5	1,130
33	Second National Bank, Somerville	25	1,116
34	First National Bank, Spring Lake	25	1,072
35	First National Bank, Beverly	21	1,069
36	Citizen's National Bank and Trust Company, Caldwell	16	1,060
37	First National Bank, Ridgewood	25	1,058
38	First National Bank, Mays Landing	21	1,043
39	First National Bank, Barnegat	21	1,033
40	Second National Bank and Trust Company, Red Bank	25	1,028
41	Ocean County National Bank, Point Pleasant	25	1,010

TRUST COMPANIES

Rank	Name	Years Covered	Percentage of Growth of Resources
1	Service Trust Company, Passaic	21	4,688
2	Middlesex Title Guaranty Trust Company, New Brunswick	21	3,858
3	Trust Company of New Jersey, Jersey City	25	3,682
4	Perth Amboy Trust Company	25	3,226
5	Broadway Merchants Trust Company, Camden	21	3,002
6	Montclair Trust Company	25	2,760
7	Commonwealth Trust Company, Union City	21	2,547
8	People's Bank and Trust Company, Westfield	21	2,531
9	West Hudson County Trust Company, Harrison	25	2,317
10	Westside Jersey and Parkside Trust Company, Camden	21	2,255
11	Savings Investment and Trust Company, East Orange	25	2,238
12	Bayonne Trust Company	25	2,201
13	Freehold Trust Company	16	2,019
14	Marine Trust Company, Atlantic City	25	1,889
15	Bloomfield Trust Company	25	1,773
16	Liberty Trust Company, Newark	16	1,751
17	Westfield Trust Company	25	1,719
18	People's Trust Company and Guaranty Company, Hackensack	21	1,698
19	Tenafly Trust Company	21	1,689
20	Mercer Trust Company, Trenton	21	1,623
21	Hoboken Trust Company	25	1,598
22	Newton Trust Company	25	1,587
23	Mercantile Trust Company, Jersey City	21	1,460
24	Riverside Trust Company	21	1,345
25	Bound Brook Trust Company	21	1,344
26	Merchants and Newark Trust Company, Newark	25	1,336
27	Plainfield Trust Company	25	1,322
28	Weehawken Trust and Title Company, Union City	21	1,318
29	Lincoln Trust Company, Jersey City	25	1,316
30	Hackensack Trust Company	25	1,311
31	Guttenberg Trust Company	25	1,310
32	Verona Trust Company	11	1,303
33	Essex Title Guaranty and Trust Company, Montclair	21	1,291
34	Asbury Park Trust Company	16	1,242
35	Palisades Trust and Guaranty Company, Englewood	25	1,234
36	United States Trust Company, Paterson	21	1,134
37	Greenville Banking and Trust Company	25	1,035
38	Westside Trust Company, Newark	25	1,025
39	Haddon Heights Trust Company	16	1,011
40	Glen Ridge Trust Company	16	1,003

STATE BANKS

1	Claremont Bank, Jersey City	16	2,142
2	East Orange Bank	21	2,087
3	Bank of Nutley	21	2,035
4	Elizabethport Banking Company	25	1,422
5	Egg Harbor Commercial Bank	25	1,404

SAVINGS BANKS

1	Fifth Ward Saving Bank, Jersey City	21	1,209
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The Leaders in Total Resources

NATIONAL BANKS (All 25 Years Old or More)

	<i>Resources</i> (As of Dec. 31, 1927)
1 National Newark and Essex Banking Company, Newark.....	\$44,613,328
2 First Camden National Bank and Trust Company.....	36,691,992
3 County National Bank, Jersey City.....	35,299,170
4 Passaic National Bank and Trust Company.....	31,281,709
5 First National Bank, Jersey City.....	29,072,737
6 Mechanics National Bank, Trenton.....	23,914,595
7 First National Bank, Trenton.....	18,396,897
8 Paterson National Bank.....	17,801,028
9 First National Bank, Hoboken.....	17,035,448
10 National Bank of New Jersey, New Brunswick.....	16,486,421

TRUST COMPANIES)

(All But One 25 Years Old or More)

1 Fidelity Union Trust Company, Newark.....	151,424,217
2 Trust Company of New Jersey, Jersey City.....	80,370,249
3 Commercial Trust Company, Jersey City.....	63,734,091
4 Federal Trust Company, Newark.....	45,216,100
5 New Jersey Title Guaranty and Trust Company.....	40,425,944
6 Hudson Trust Company, West Hoboken.....	38,762,854
7 Merchants and Newark Trust Company, Newark.....	29,980,144
8 Camden Safe Deposit and Trust Company.....	23,813,005
9 Plainfield Trust Company.....	22,909,487
10 United States Trust Company, Paterson*.....	22,393,120

*21 years old or more.

STATE BANKS

(Only Five 25 Years Old or More)

1 Trenton Banking Company.....	17,608,361
2 Claremont Bank, Jersey City†.....	11,590,007
3 Bank of Montclair.....	8,569,756
4 Asbury Park and Ocean Grove Bank, Asbury Park.....	8,079,227
5 Elizabethport Banking Company.....	7,747,756
6 East Orange Bank*.....	4,746,630
7 Mutual Bank of Roseville, Newark‡.....	4,474,333
8 Bank of Nutley*.....	3,454,216
9 Watsessing Bank, Bloomfield†.....	3,306,922
10 Egg Harbor County Bank, Egg Harbor.....	3,038,214

*21 years old or more.

†16 years old or more.

‡10 years old or more.

SAVINGS BANKS

(All But One 25 Years Old or More)

1 Howard Savings Institution, Newark.....	57,572,589
2 Provident Institution of Savings, Jersey City.....	31,776,283
3 Paterson Saving Institution.....	30,383,207
4 Mutual Savings Fund Harmonia, Elizabeth*.....	25,855,460
5 Hoboken Bank for Savings.....	25,465,469
6 United States Savings Bank, Newark.....	19,069,952
7 Morris County Savings Bank.....	12,449,733
8 Security Savings Bank, Newark.....	11,326,168
9 Trenton Saving Fund Society.....	10,670,267
10 Franklin Savings Institution, Newark.....	9,556,997

*21 years old or more.

PROGRAM 25th ANNIVERSARY

New Jersey Bankers Association

THURSDAY, May 17th
Golf Tournament at the Seaview Golf Club

THURSDAY EVENING
Smoker and Entertainment

FRIDAY, May 18th
The Forum

"Banking Insurance"

ROBERT J. RENDELL
PRESIDENT OF THE HUDSON CITY SAVINGS BANK, JERSEY CITY

"Recent Legislation and Rulings"

J. FISHER ANDERSON
COUNSEL FOR THE BANKERS ASSOCIATION

"Banker—Thinking Aloud"

J. H. BACHELLER
VICE-PRESIDENT OF THE FIDELITY UNION TRUST COMPANY, NEWARK

"Some Federal Reserve Problems"

W. RANDOLPH BURGESS
ASSISTANT FEDERAL RESERVE AGENT, NEW YORK

FRIDAY EVENING
Annual Banquet

HON. A. HARRY MOORE
GOVERNOR OF NEW JERSEY

THOMAS R. PRESTON
PRESIDENT OF THE AMERICAN BANKERS ASSOCIATION

HON. FLETCHER W. STITES
PENNSYLVANIA STATE SENATOR

SATURDAY, MAY 19th
Annual Business Meeting

Cooperative Spirit Encouraged by the Bankers Ass'n. Old and New Methods Compared—Need of Jealous Care to Safeguard Sound Banking

By F. Morse Archer

President, N. J. Bankers Association

IF the story of the New Jersey Bankers Association for its first twenty-five years were told, and its accomplishments considered, every member would say that the Association has justified itself. It has done much good. It has prevented much evil. Our banking structure is sounder; our banks are more prosperous because of it. Personal experience leads me to believe that in at least three respects the Association functions in an important manner.

First, it brings banks throughout the State closer together, establishing friendships which, as we all know, are often the source of great mutual benefit. Thanks to this habit of getting better acquainted, the days of unfriendly rivalry in the banking profession are rapidly becoming a thing of the past. The present generation of bankers realizes that for one bank in a community to say unkind things about another is to strike at the root of confidence in all of the financial institutions serving that section. More and more the tendency is nowadays to have each bank "sell" itself by stressing the advantages of its own facilities, rather than by disparaging, even indirectly, the services rendered by a competitor.

Cooperation is a word of greater import than ever before. It is not so easy for Mr. X to borrow promiscuously from the banks of his community as it once was. Credit information is now too continuously exchanged. But you cannot cooperate with men you do not know. Neither can you cooperate with men in whom you do not have a feeling of confidence. The Bankers Association promotes all this.

In our own particular banking community a striking example of wise cooperation was manifested last January, when all the banks of Camden voluntarily agreed upon a reduced rate on savings, a matter of common importance to them all, a movement tending to promote sound banking, but one which would have been impossible of accomplishment had there been a less hearty spirit of cooperation.

Secondly, through the work of its committees and its forums, the Association is performing valuable educational work. Our banks are growing rapidly. Business is becoming more complex. The oncoming men in the banking field must be men of larger vision. Compare banking today with that of a century ago. Aside from mortgages, there was then no such thing as collateral, as we know it today. Practically the only security that could be offered for a loan was merchandise. Trust companies, as we know them, were unheard of. Communities, and the banks in them were literally isolated, if we think in terms of what the bank does today—place money on call in New York

in a few moments' time, rediscount paper at a Federal Reserve Bank, participate in syndicate offerings of securities based on properties at great distances.

In the Minute Book of one of our older banking institutions, I recently found this notation as of May 31, 1814:

"Resolved that William and Daniel Lober's note of \$3,000, endorsed by Ed. Lorber, be discounted for the benefit of W.

& D. Lober, that they make sufficient deposit of boots and shoes with Benj. Masden as collateral for the payment of such note, and that Joshua Longstreth and Benj. Masden be appointed a committee to carry this into effect. Also that the said committee be authorized to effect insurance on the said deposit from loss by fire and to procure from Chas. Chauncey, Esq., a legal form to transfer the same to the bank."

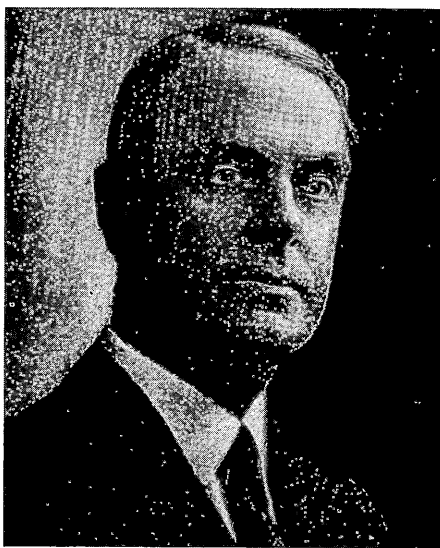
In the same year another reference in the Minute Book speaks of a loan of \$14,000, secured by more than 17,000 barrels of salt, placed under the bank's control.

How different it all is today, and how much more complex. To enable us to keep abreast of the times, the Association, at its forum meetings, brings experts fully capable of discussing our

problems. For instance, this year we are sponsoring the publication and distribution of a notable article on the history of banking in New Jersey, by an expert, known throughout the world. At one of our forum meetings, another expert, the author of a widely read book, will discuss such matters as the control of credit by the Federal Reserve System through the use of the rediscount rate, the sale of securities, the open market operations and the consequent effect of such fundamental actions upon Government financing, and the movement of gold. If it is true that nothing is so vital to the continued prosperity of the Nation and of the communities themselves, as sound banking, we cannot know too much about either the theory or the practice of it, and the Association is doing fine work in its educational program.

Thirdly, the Association wields a powerful influence on State policy with regard to the treatment of banks doing business within its borders. The Association introduces legislation, and it sometimes opposes legislation. It is responsible, for instance, for the present policy with regard to such a fundamental matter as branch banking. It is, at the moment, vigorously opposing the development of "chain banking," sought to be established through the ownership of a controlling interest in banks by holding corporations formed for that purpose.

Much is being said and more printed at the present time with

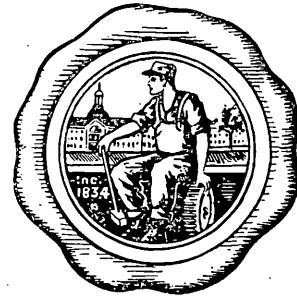


F. MORSE ARCHER

regard to the increasing number of banks located and doing business in New Jersey. Most of us believe that we already have too many banks, and that charters of both State and National banks are too easily obtained. Perhaps out of the investigation of this matter, presently being made by the legislature, will come some constructive suggestion of value. When one stops to consider that a group of individuals cannot, under our law, form a corporation to conduct the banking business by the mere filing of a Certificate of Incorporation, but that such special right must be obtained from the State, after the need of the community is studied, and the reputations and characters of the incorporators are investigated, indicating the special confidence and trust placed in such an institution by the State itself for the protection of its citizens, and when, at the same time, one realizes the great evil inherent in the having of too many banks, the whole question of the granting of charters for banks seems to be one of as great importance as many of those passed upon by such a body as our Public Utility Commissioners. Perhaps some day this Association may help to solve the problem by coming forward with a constructive suggestion along the line indicated.

In these matters of great importance, we, as members of the Bankers Association, are those most vitally interested. As an Association, we have come to have the reputation of sponsoring only those measures which promote sound banking. We should jealously guard this reputation. While sound banking exists, the public gives little thought to the subject. When it is lacking, there is wide-spread distress. It is our particular work to keep a vigilant eye upon all that transpires affecting our banks.

FOUNDED 1834



The standing of this bank in the public mind has not come suddenly. It is the result of constant fidelity for nearly a century to the highest principles of banking practice.

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TOTAL RESOURCES OVER \$23,000,000.00

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FAITHFULLY serving its community for nearly a century and a quarter.

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BANKING COMPANY
TRENTON, NEW JERSEY

WEST END BRANCH:
112 NORTH HERMITAGE AVENUE

First Twenty-five Years of the New Jersey Bankers Association

By William J. Field

Secretary of the Association and President of the Commercial Trust Company of New Jersey, Jersey City, N. J.

IN response to a call for a conference signed by William F. Rose, Cashier of the National State Bank of Camden, Oscar L. Gubelman, Secretary and Treasurer of the Commercial Trust Company of New Jersey, Jersey City, Uzal H. McCarter, President Fidelity Trust Company, Newark, Samuel Freeman, President Morristown Trust Company, Edward T. Bell, President First National Bank, Paterson, Edward S. Campbell, President National Newark Banking Company, Newark, and Edward C. Stokes, President Mechanics National Bank, Trenton, a meeting was held at the office of the Fidelity Trust Company of Newark on January 10, 1903, the result of which was the organization of the New Jersey Bankers Association.

Sixty-five banking institutions were represented at this first meeting and the following officers and members of the executive committee were elected:

President, Edward C. Stokes.

Vice President, Uzal H. McCarter.

Treasurer, Oscar L. Gubelman.

Members of the Executive Committee for one year: E. S. Campbell, Newark; J. E. Hulshizer, Jersey City; H. H. Pond, Vineland.

Two years: Samuel Freeman, Morristown; Wm. F. Arnold, Plainfield; Carlton Godfrey, Atlantic City.

Three years: Henry G. Parker, New Brunswick; Wm. F. Rose, Camden; Edward T. Bell, Paterson.

As Mr. Hulshizer did not qualify, General Wm. C. Heppenheim was elected in his place.

At a meeting of the executive committee held on January 31, 1903, William J. Field was elected Secretary.

The purpose of the organization as outlined in the constitution and by-laws adopted at that time was "to promote the general welfare and usefulness of banks and banking institutions and to secure uniformity of action together with the practical benefits to be derived from personal acquaintance and from the discussion of subjects of importance to the banking and commercial interests of the state of New Jersey, and especially in order to secure the proper consideration of questions regarding the financial and commercial usages, customs and laws which affect the banking interests of the state and the entire country and for protection against loss by crime or otherwise."

That the organization in its twenty-five years of effort has accomplished the purposes of its being is a matter of history.

Bankers who formerly knew each other only by reputation are now personally acquainted and in many cases fast friends; the old petty jealousies have disappeared and bankers meet in a spirit of give and take, and consider what is to the benefit of the commercial and banking interests of the state, as through a association they have found that the bettering of general conditions is always reflected in the banking business.

The Association has sponsored many laws which have been enacted by the Legislature, and has caused many others to be discarded. Practically ninety-five per cent. of all banking laws passed since our organization have been prepared by our counsel. That these laws have been favorably received by the Legislature is an evidence of the high regard in which the Association is held. To-day, when banking legislation is being proposed at Trenton, the first question asked is whether it has been approved by the "Bankers Association" and if it has not, it has little chance of serious consideration. Appreciating this situation, the Association has used extreme care in preparing bills and has never asked the legislators to consider any act that is not constructive and for the best interests of banking and general business.

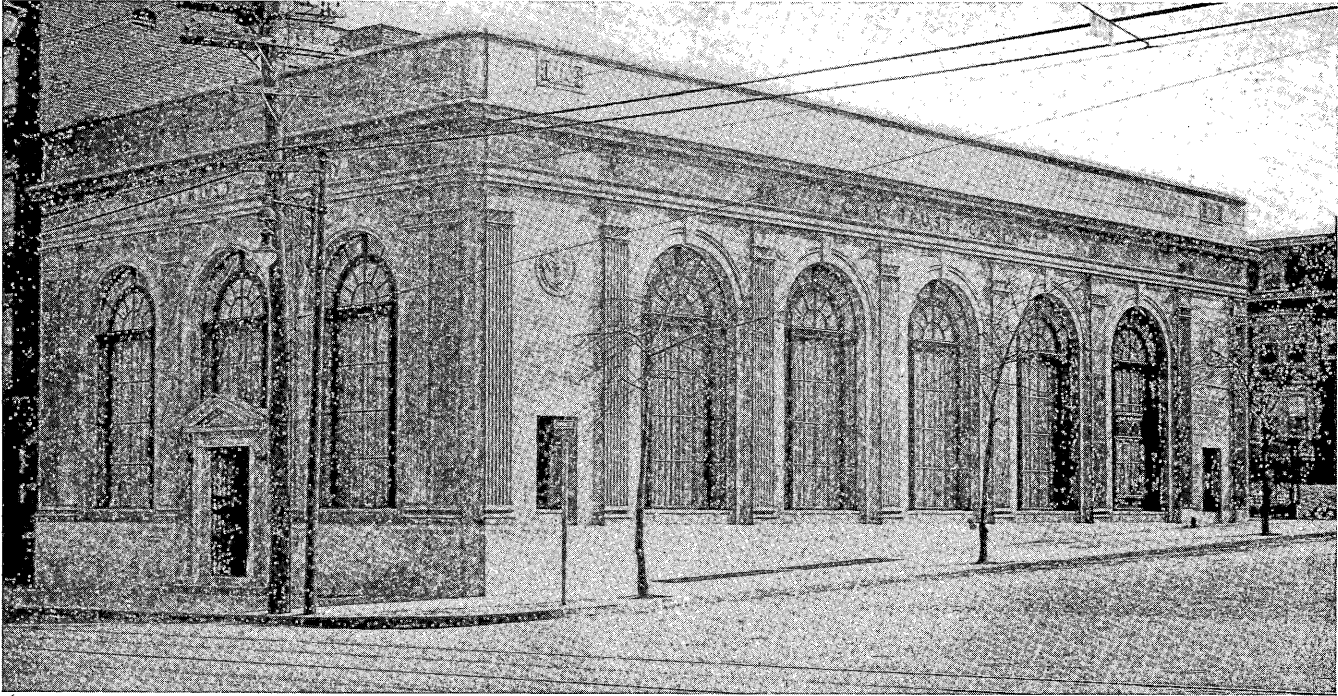


WILLIAM J. FIELD

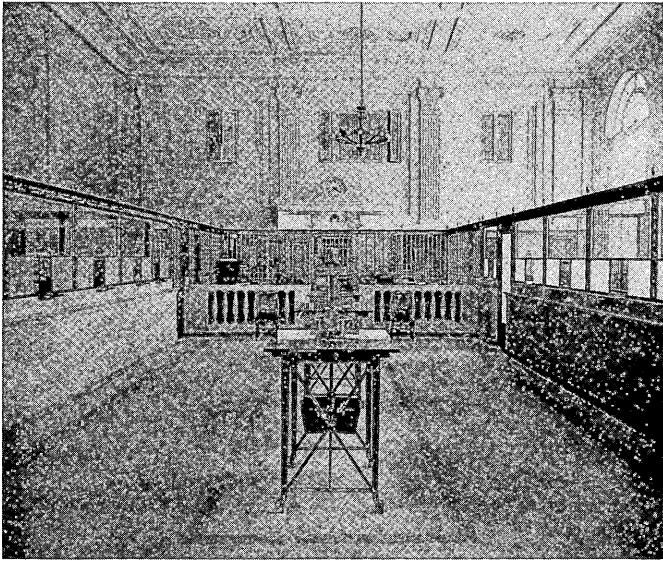
Officers of our banking institutions have personally found the Association of great benefit in their advancement in the banking business, through association with others and discussion of methods and practice of other communities. The broadening effect of such contacts is shown throughout the state by those who, when first affiliated with the Association, held minor positions and who are now the chief executive officers of their institutions.

The growth of the Association in the twenty-five years of its existence has been remarkable and shows the regard in which it is held by the banking community. The first convention was held at the Hotel Chelsea, Atlantic City, in the Spring of 1904 and attended by 236 bankers, the membership being one hundred and twenty-one. The last convention held at the same place in May, 1927, had an attendance of 1063 and at this time practically every banking institution in the State is enrolled as a member.

It is often said "the first twenty-five years are the hardest" but the Association has reached its silver anniversary as a most successful organization, highly regarded by all. Its aim during the next twenty-five years will be to arrive at its golden anniversary with a record of another quarter of a century of successful endeavor and accomplishment.



CITY TRUST COMPANY BRANCH OF FIDELITY UNION TRUST COMPANY, NEWARK

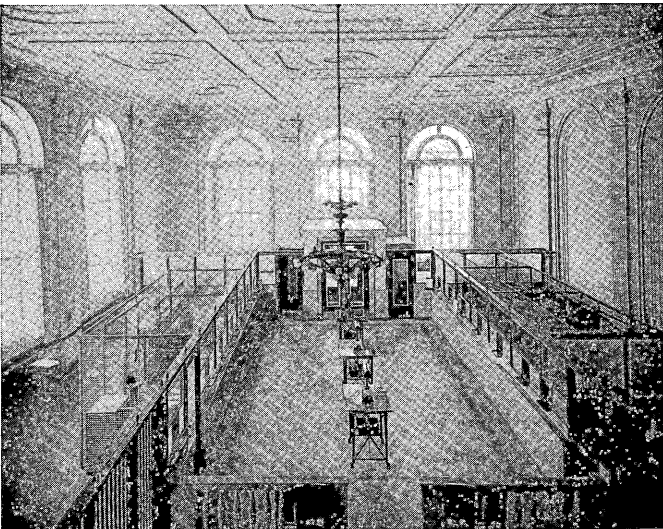


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New Jersey's Part in Federal Reserve Act

A Statement By Charles N. Fowler By Whom the First Bill Was Drafted—
His Letter to Senator Glass

By Charles N. Fowler

[Editor's Note: There has been much acrimonious debate over the authorship of the ideas contained in the Federal Reserve Act. Col. E. M. House dealt with the subject in his memoirs, and Senator Glass, replying to the once intimate friend of Woodrow Wilson, has gone into it at great length.

The JOURNAL OF INDUSTRY AND FINANCE has no desire to reopen the discussion. It feels nevertheless that in commemorating the 25th anniversary of the New Jersey Bankers Association, the part played by a prominent representative of the state in Congress in a matter of so much importance to the banks should be put on the record. For that reason it publishes herewith a statement by Charles N. Fowler who as chairman of the House Banking and Currency Committee drafted the bill which he believes served as the basis of subsequent legislation.]

FOLLOWING the Civil War down to the resumption of specie-payments, January 1, 1879, there was an unceasing campaign for cheap money, in the form of more United States Notes or Greenbacks with which to pay off the great crop of debts growing out of the inflation following the speculation resulting from the war.

After the resumption of specie-payments or Gold Payments, the cheap or fiat money people took on the "silver craze" which reached its climax in 1896 when the Presidential nominee of the Democratic Party, William J. Bryan, was named on a platform of "The Free and Unlimited Coinage of Silver at the Ratio of 16-1."

This Presidential Campaign, known over the whole country as "The Battle of the Standards," went down to defeat. The establishment of the gold standard eliminated the silver question, and the country was left with three very clearly defined and fixed opinions. The first was the standard must be gold. The second was that bank currency, secured by Government Bonds was the best in the world when in principle as a matter of economic science it was the very worst in the world. The third was that a bank credit currency was the very worst in the world, when, as a matter of fact and in truth, it is economically and scientifically the best currency in the world if it is supplemented by current redemption in gold coin as the Federal Reserve Notes now are.

I had entered Congress in the fall of 1895 and with the establishment of the gold standard as pointed out above I began a campaign of education for the express purpose of wiping out the two fallacies above referred to.

From December, 1895, for a period of fourteen years, I was a member of the Banking and Currency Committee of the House of Representatives and the chairman for the last eight years. During that period of fourteen years I gave my attention almost exclusively to this educational campaign and for the establishment of the Federal Reserve Banking System which was comprehensively and completely set forth in my draft of the Federal Reserve Bank which

was the original and first draft of this great reform movement, dated March 29, 1910, printed in full in the Congressional Record.

This educational campaign was carried on at very considerable expense,—indeed its cost to me alone was almost equal to the total amount the Government paid me in the way of salary during that fourteen years.

On January 31, 1927, Mr. Beedy, member of the House of Representatives, in referring to the Federal Reserve Act used these words:

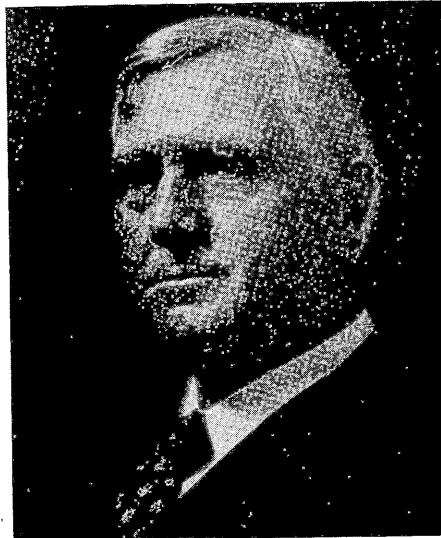
Mr. Chairman, it was probably one of the greatest anomalies connected with any piece of legislation that ever passed both houses of this Congress that the Federal Reserve Act, passed by the House and the Senate and became a law without the name of any single man or group of men having been connected with it in the way of authorship. The want of any visible parentage of this legislation recently led the resourceful Colonel E. M. House to assume responsibility for having inspired the legislation in question and of having nurtured it in its travel through both houses of Congress. There

were also some friends of Paul Warburg who desired to immortalize him and to this end suggested that he was the author of the Federal Reserve Act.

Within the last ten days an honored Senator of this Congress (Hon. Carter Glass of Virginia) has proceeded to eliminate all of these various pretensions as to the parentage and authorship of the Federal Reserve Act. Indeed he has not only eliminated Col. House; but he has annihilated him and has demonstrated by historic incidents that Paul Warburg was not the friend of the legislation in question; but was, in fact, its enemy.

A distinguished member of this House for many years, and for eight years a distinguished Chairman of the House Committee of Banking and Currency, Hon. Charles N. Fowler of the State of New Jersey, has just addressed an open letter to the Hon. Senator Carter Glass and to H. Parker Willis who was the special economic expert of the Banking and Currency Committee at the time of the passage of the Federal Reserve Act, and in this letter he has pointed out that more than three and a half years before the passage of the act in question he had drafted a bill in which he covered and included not only all but vastly more than was included in the Federal Reserve Act itself. It is in the interest of historic truth and justice that I ask that this letter be read by the Clerk and spread upon the records of this House.

There being no objection the Clerk read as follows:



HON. CHARLES N. FOWLER

Elizabeth, N. J., January 14, 1927.

Gentlemen:—By remarks made by both of you as to the true authorship of the Federal Reserve Act, I am impelled, in the interest of historic truth and justice, to address this open letter to you.

I am sure that you will both agree with me that in drawing a bill covering a great financial and banking reform principles, and purposes are everything and, comparatively speaking, words are nothing.

Upon the title page of my draft of the Federal Reserve Act of March 29, 1910, and introduced by me on that date, I find these words, "A complete financial and banking system for the United States." "The complete organization consists of 28 commercial zones" and "the 28 commercial zones are individually as strong as all combined but are absolutely independent of each other commercially, and yet, economically and organically, they are all united and bound together in the Federal Reserve Bank." This analysis was written more than three and one-half years before the passage of the Federal Reserve Act.

I desire to ask whether either of you or both of you together could even now write a better analysis of the Federal Reserve Act than you two gentlemen conjointly drew up and was passed December 23, 1913.

My draft of the Federal Reserve Act covered the whole subject of our Government finances and our banking problem under these headings: "First, our governmental finances should be put upon a wise and safe basis from a national point of view."

"Second, our banking methods should be completely reformed from an economic point of view."

However, we have only to deal with the banking problem.

My draft of the Federal Reserve Act provided: First, for the centralization of gold reserves for the absolute protection of all our commercial credits: second, for the conversion of commercial credits into cash credits. Economically speaking, this is the soul and substance and all there is in or of the Federal Reserve Act. Administratively there were included in my draft of the Federal Reserve Act some important features that were incorporated in your draft. Several others were incorporated in my draft of vast importance to the commercial welfare of the whole country. Some of these have since been adopted and incorporated in the National Bank Act or the Federal Reserve Act.

First, my draft of the Federal Reserve Act provided for 28 commercial zones, each having its central bank. Your draft provided for 12 regional banks. Since the passage of the act, December 23, 1913, there have been established, as I am informed, 18 branches, every one of which should be for obvious reasons commercial-zone banks or regional banks. Frankly, can anything be more absurd than to have made Baltimore a branch of Richmond; New Orleans a branch of Atlanta; Detroit a branch of Chicago; Louisville a branch of St. Louis; Denver a branch of Kansas City; Cincinnati and Pittsburgh branches of Cleveland; Houston a branch of Dallas; finally, Los Angeles and Seattle branches of San Francisco?

Every one of your branch-bank cities has its own peculiar commercial interests, economic environment, and it may be stated without any fear or hesitation whatever that every branch bank established since the passage of the Federal Reserve Act December 23, 1913, should have been either a commercial-zone bank or a regional bank, and this to the very great economic commercial advantage, satisfaction, and pride of every one of the 18 cities where your branches have been established.

I have not before me the memoranda of the cities selected for my 28 commercial-zone banks, but I doubt not that they are identically the same cities your branch banks and your regional banks are located in. Your 12 regional banks, combined with your 18 branches, give us just 2 more than the 28 commercial zones which were provided for in my draft of the Federal Reserve Act. In other words, it has taken just 15 years to arrive at where I was in my economic banking organization in 1910. Please note that there can be no possible difference, economically speaking, between a commercial-zone bank and one of your regional banks. Zone and region must mean identically the same thing.

Second, my draft of the Federal Reserve Act provided for the establishment of savings bank departments in all national banks and also trust departments in national banks. Since my draft in 1910, these privileges have been extended to the national-banking system but subsequent to the passage of the Federal Reserve Act, December 23, 1913.

Third, my draft of the Federal Reserve Act provided for the subdivision of the whole United States into 28 commercial zones organized into as many zone-clearing houses, supervised by the bankers themselves, and covered by clearing-house bank examiners; so that all the

banks of the United States, both State and National, would have been placed under one uniform system of bank examinations and finally freed from both State and National politics, and certainly would have been conducted at not more than one-half of the present cost, and American banking would thereby have been coordinated and unified and we could have then said that we, indeed, have an American banking system.

Instead of a coordinated and unified banking system resulting from the right and power of the Government under the Interstate Commerce and general welfare clauses of the Constitution, the same old conglomerate mess that existed before the passage of the Federal Reserve Act still exists. Under such a coordinated and unified banking system we would have had the most efficient and economical supervision of our banks possible; indeed, at possibly one-third of what it costs to-day with your State-bank examinations, and regional-bank examinations, etc.

I have often been told and have also received many letters to the effect that the Federal Reserve Act would never have been passed except for the campaign of education in banking economics that I carried on during the 14 years that I was a member of the Banking and Currency Committee, of which I was chairman for eight years.

In May and again in December, 1906, I introduced a bill for the purpose of meeting the exigencies of the impending or coming panic which finally overtook us in March, 1907, it having been put over the holidays by strong financial interests in New York. That bill provided for the issuance of \$250,000,000 of credit notes such as are issued by the banks of Canada and the bank of France and provided for their pro rata distribution among the national banks according to their capital. The report of the Comptroller of the Currency after the panic demonstrated that the total amount of all extraordinary forms of credit used as cash as a result of the panic was \$248,297,700 or within a million and three-quarters of the amount provided for in my bill drawn for the express purpose of meeting and preventing that panic.

You will remember, my dear Senator Glass, that you were a member of the Banking and Currency Committee for six or eight years while I was chairman of that committee; and you will undoubtedly also remember that, after I had failed, through the overabundant ignorance of Speaker Cannon of all banking economics, to pass the emergency measure in 1906; that I set about to secure the passage of a general financial and banking bill; to wit, the Federal Reserve Act. You will undoubtedly recall that because of this determination and because I had succeeded in securing the vote of the Banking and Currency Committee to report a general financial and banking bill instead of a popgun or dough-pill bill, subsequently known as the Aldrich-Vreeland law, Speaker Cannon removed me from the chairmanship of the Banking and Currency Committee and also from the committee itself; in other words, that I was punished and penalized for making the first draft of the Federal Reserve Act and endeavoring as a matter of duty to give my country a sound and comprehensive financial and banking system.

During the summer of 1912 I was living with my family at Spring Lake, N. J., and went over to Sea Girt to pay my respects to then Governor, but Candidate Wilson. While calling on Mr. Wilson he expressed a desire to have a conference with me upon the question of financial and banking reform, and suggested that it would be better to have our conference at my hotel, if that was agreeable to me, and it was arranged that way. He came to my hotel on the evening appointed, and we spent about three hours together going over the whole subject of financial and banking reform. The impression Mr. Wilson then made upon me was that he was not at all familiar with the subject of banking economics, but had a marvelously quick mind with the power of clear apprehension and, in a general way, a complete comprehension of the principles involved when stated. To anyone at all familiar with the ways of Congress, it must be self-evident that the Federal Reserve measure could have been enacted only through the active interest and power of President Wilson, for whose support the country should, indeed, be grateful.

First, I challenge either of you or both of you to point out a substantive economic feature of the Federal Reserve Act as it was passed that was not better and more completely and more scientifically covered by my draft of the Federal Reserve Act.

Second, I challenge either of you or both of you to point to any banking bill that preceded my draft of the Federal Reserve Act that covered these great fundamental principles at all comprehensively and completely.

Third, if this can be done, then, in the interest of historical truth and justice it should be done.

The foregoing communication to Senator Glass and Editor Willis in the nature of a challenge was written and ready to mail Friday afternoon, January 14, 1927, but was delayed because I had decided to go to Washington before mailing it. On Saturday, January 15, 1927, Senator, your seventh article of the series of 23 appeared in the *New York Evening Post*, from which I quote the following about your first interview with President Wilson and your 11 proposals for the Federal Reserve Act:

"Neither in this first interview at Princeton nor at any other did Mr. Wilson exhibit familiarity with banking technique. Very likely he knew little about it. But there was never a moment when he did not know what he wanted done nor know what he would not permit to be done in this currency proceeding. He did not need, nor did he ever have, any 'guardian angle' around.

"The outstanding features of the currency proposal presented to Mr. Wilson at the Princeton discussion were (1) organization of a certain number of regional reserve banks of specified capital, with a view to decentralizing credits; (2) a compulsory withdrawal of reserve balances as then impounded and their transfer to these regional reserve banks; (3) compulsory stockholding membership of national banks under penalty of charter forfeiture in case of refusal; (4) associate membership of State banks with limited privileges; (5) the rediscounting processes common to such plans; (6) the issuance by the regional banks of Federal Reserve notes, based on a gold and liquid paper cover; (7) the gradual retirement of national bank bond-secured notes; (8) the joint liability of all the regional banks; (9) constituting the regional banks fiscal agents of the Government, with a view to displacing sub-treasuries; (10) conversion of United States 2 per cent bonds into 3 per cent bonds, with cancellation of circulation privilege; (11) committing to the Comptroller of the Currency at Washington full supervisory power over the reserve system.

"There were, of course, many minor details.

"As stated, Mr. Wilson did not relish the idea of having a single Federal official invested with complete supervision of such a system and suggested the creation of a Federal Reserve Board. He likewise thought there should be special provision for foreign commerce, and made quite a few other suggestions."

Covering and replying to your 11 proposals presented to Mr. Wilson on your first interview verbatim et liberatim, I note (1) my draft of the Federal Reserve Act provided for 28 commercial-zone banks with a combined reserve capital fund, in round numbers, of \$1,000,000,000; (2) my draft of the Federal Reserve Act required that a very large proportion of all the required reserve be made with the Federal Reserve Bank system; (3) my draft provided an accumulation of a round \$1,000,000,000 certainly adequate for all possible capital needs; (4) my draft of the Federal Reserve Act anticipated through the Interstate Commerce and general welfare clauses of the Constitution the coordination and unification of all banks, both State and National, into one system; (5) my draft of the Federal Reserve Act provided for rediscounting "processes"; (6) my draft of the Federal Reserve Act provided for the issuance of credit bank notes in accordance with the principal illustrated by our two United States banks, by the State Bank of Indiana, by the 500 banks under the Suffolk system carried on with marvelous success, throughout all the New England States for more than 40 years, by the Canadian banks for more than a hundred years, and by the Bank of France since 1803, or 123 years. Your draft adopted the fatal note issue plan of the Imperial Bank of Germany. Now, either of these two note-issuing systems would supply adequate cash to carry on the business of the country. I will not here discuss which principle of note issue should have been adopted, as I have dealt with that matter elsewhere; (7) my draft of the Federal Reserve Act completely disposed of the National Bank bond-secured notes within one year. Your plan started with \$750,000,000 December 23, 1913, and there are now outstanding \$700,000,000; (8) my draft of the Federal Reserve Act made the whole 28 commercial zone banks one institution; (9) my draft of the Federal Reserve Act made the Federal Reserve Bank a fiscal agent of the Government and necessarily from the very nature of things displaced the subtreasury system; (10) my draft of the Federal Reserve Act funded the 2 per cent Government bonds within a year. Under your draft of the act there are still outstanding \$700,000,000 securing National Bank bond-secured notes; (11) my draft made the chairman of each of the 28 zone-clearing houses deputy comptrollers, with the intent and purpose that all banks, State as well as National,

should come under national supervision as members of the respective clearing houses where located. Your draft put the Comptroller of the Currency in charge of your regional banks.

My draft of the Federal Reserve Act provided that the whole organization was to be under the Federal Reserve Board, consisting of a representative from each of the 28 commercial zones, who elected their own president. The Comptroller of the Currency was ex-officio to be a member of that board and the Secretary of the Treasury was ex-officio to be a member of that board.

Your Federal Reserve Board consists now of eight members, of whom six are appointed by the President and confirmed by the Senate, with the Comptroller of the Currency ex-officio a member of that board and the Secretary of the Treasury ex-officio a member of that board.

Your comment upon Mr. Wilson very greatly amused and intensely interested me. You say, "Neither in his first interview at Princeton nor at any other did Mr. Wilson exhibit familiarity with banking technique." In my letter the day before I read this quotation which contained these words: "The impression Mr. Wilson then made upon me was that he was not at all familiar with the subject of banking economics."

Again, you say, "Mr. Wilson did not relish the idea of having a single Federal official invested with complete supervision of such a system and suggested the creation of a Federal Reserve Board."

Now, strange as it may seem, in the light of this fact I recall how strenuously I pointed out to Mr. Wilson the vast importance, the absolute necessity, as it seemed to me, of completely removing from the influence of politics and the power of any man or coterie of men to control this national financial system for these two reasons—the vast power it necessarily involved and the vast and varied interests it involved, reaching from ocean to ocean and from Canada to the Gulf. Indeed, that it was for those very reasons that I had organized my Federal Reserve Board, with a representative, from every important commercial and economic center—28 of them—for the protection of all the people everywhere within our borders. In my strenuous effort I evidently impressed upon Mr. Wilson the grave importance of a Federal Reserve Board acting with a broad intelligence, covering the whole country, and a proper sense of responsibility and with a judicial temper; for you say that Mr. Wilson was the author of the idea of the Federal Reserve Board and responsible for its insertion or inclusion in your plan.

You say in the above quotation, "He (Wilson) likewise thought there should be special provision for foreign commerce." My draft of the Federal Reserve Act provides, among many other things, "to buy and sell bills of exchange, domestic and foreign * * * and have, full power to carry into effect the object for which this organization is created." That, like the "general-welfare" clause in the Constitution, covers everything. Certainly Woodrow Wilson became a devout disciple of mine.

Frankly and honestly speaking, did the Federal Reserve Act as passed contain one single substantive feature that was not to be found in my draft of the Federal Reserve Act, and far better provided for in my draft than in the act passed December 23, 1913?

With this full detailed review of the recorded historical facts and the indubitable inherent evidence can anyone ever have any doubt as to the true origin of the Federal Reserve Act as to who was the true author?

CHARLES N. FOWLER.

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Life Insurance Mortgage Investments

A Social Benefaction

By Edward D. Duffield

President, The Prudential Insurance Company of America

WHEN requested to contribute an article to this issue of the JOURNAL OF INDUSTRY AND FINANCE as the official souvenir publication most fittingly to commemorate the Twenty-fifth Anniversary Convention of the New Jersey Bankers Association, I consented to do so because of the fact that there is much in common between the business of banking and the activities of a life insurance company. Even though our primary objects are different, nevertheless we are often interested in the solution of the same problems. Both the banking system and the institution of life insurance are two of the most potent factors for the encouragement of thrift. Through each channel, and in pursuit of the normal activities which accompany the conduct of each business, there results vast accumulation of funds. The funds so accumulated must be constantly employed in a productive manner, and it is with the investment of these funds that the banking official and the insurance company officer find themselves interested in the same questions. Each has the responsibility of a trustee, and there rests with each the care of investing the funds of others.

Responsibility is the thought which is imbedded in the conscience of trustees as they approach the task of investing the trust funds committed to their charge. It should ever be their dominant thought that they are administering a fund upon which millions of persons must depend.

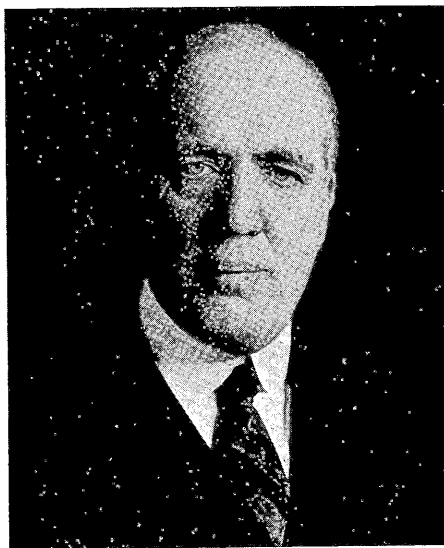
The paramount duty which rests upon a trustee is to see that the trust funds are securely invested and produce as large earnings as are commensurate with safety.

Being confronted, therefore, with like problems in the matter of investments it seems fitting that reference may here be made to certain influences which decide the kind of investments to which trust fund capital is attracted.

It seems clear that during recent years many material changes have been made in our whole economic structure. We have witnessed many marvelous commercial achievements. Great development has taken place throughout the country. A thorough and honest appraisal of this great expansion and betterment cannot be made without a realization of the part which our system of credit has played in this development. It requires but little analysis to conclude that our great national development could not have taken place without the use of credit. Few, if any, of our large commercial enterprises could have been built or operated without the use of borrowed capital, either in the form of bank loans, bond issues, preferred stock or mortgages. A large part of our national development

can be directly traced to constructive borrowing. It is a sound practice.

It must be realized, therefore, that while depositors and policyholders are serving themselves through thrift, they are at the same time, in a broader sense, serving the country at large, by reason of the diversified and widespread investment of their contributions. In the form of deposits and insurance premiums they become partners in the constructive development of the city, the state and the nation.



EDWARD D. DUFFIELD

The institution of life insurance has long enjoyed substantial recognition as a permanent and important factor in social economy,—and that it has always responded to the needs of the nation is generally conceded. The primary functions and direct benefits of life insurance are so well known as to need no elaboration. That it has long served a social purpose cannot be doubted. That it has been the greatest single agency for social betterment and independence can no longer be questioned. It seems to me, therefore, since the direct function of a life insurance company is founded on the principle of the betterment of human society, that this purpose can be no better served than by encouraging the building and owning of homes and in this way strengthening family life. It must be realized that with the progressive development of America there should be constant progress toward a higher degree of social efficiency. We believe that one of the most practical means of attaining that higher degree of efficiency is in the assistance we can give toward providing the average man with better living conditions. It is difficult for the average man to retain his ideals when living conditions are not satisfactory. One of the most effective ways to develop ideals, contentment and longevity is through one of the instruments of daily life—the home. Because of our firm belief in this policy, the Prudential has invested many millions in mortgage loans on homes. Of course, the administration of a trust fund requires that investments having the most intrinsic value should be selected. We feel that the mortgage on the home, when properly placed, meets this requirement and consequently induces that selection. The reason seems obvious. A mortgage on the home rests on more than land plus brick, mortar and labor; it rests upon an intangible asset—a human element, an additional factor of safety which stands between the investor and loss, an inherent value not found in other forms of investment: the instinct of the home maker. Those motives which actuate a man to take out life insurance for the protection of his dependents after his decease are bred of the same spirit which makes him stand

against the world to protect his home, his equity, and consequently the investor.

The very moment a man steps out of self and makes a goal of his desire to provide for others, then by that very act he tunes in with a force which is not only working for the stability of society but which gives to his act an especial asset value which the investor may well take into consideration.

Mortgage Loans Secure National Prosperity

It is our strong belief that while the Prudential has been securing these sound investments it has at the same time been materially increasing national prosperity, social security and the social uplift of the people. The financial aid which the Prudential has always stood ready to give to the prospective home owner has served to a large degree in eliminating the landlord; and through that financial help is turning tenants into owners and giving unity to many restless communities. Furthermore, in thus aiding the average man to solve the problem of shelter for his family we have assisted in relieving one of the main causes of his anxiety.

In supporting and stimulating the property ownership idea we have further inculcated the spirit of thrift. Thrift is the outstanding element which makes for the acquisition of property, and the acquisition of property makes for responsibility and independence. Responsibility in turn goes far towards the creation of a spirit of cooperation. A nation is nothing more nor less than the individuals which compose it, and if investors can help wisely to increase the responsibility of the average citizen they will have done the nation a service. It seems, therefore, that home ownership is an unailing process whereby the owner becomes intimately knitted into the fabric of community affairs, which process seems to be the natural antidote for radicalism.

I believe, too, that the policy of the Prudential in rendering a financial aid which makes home ownership possible is further serving to build up individual independence on the part of the home owner, which goes a long way toward creating in that individual a contented mind. There is nothing which so makes for a contented mind as the realization of escape from dependent poverty to relative social and economic freedom. Through the acquirement of homes and the additional comforts which make for contentment, an investment is made which materially assists in the conversion of an aimless, shifting community to a stabilized people rooted to firm convictions and ideals.

A Social Benefaction

And so it is that we may well recognize the financial assistance through investments in mortgages on homes as a social benefaction. Experience has shown that this form of investment has been sound and at the same time we have assisted the thrifty citizen to acquire a property interest.

It seems to me that I may here insert, for the purpose of concrete illustration, a brief statement covering the mortgage loan activities of the Prudential, with particular reference to mortgages on homes. We have made mortgage loans for an amount in excess of one and one-half billions of dollars, of which amount \$476,638,989.38 was loaned on dwellings accommodating 121,236 families.

On December 31, 1927, our investment in mortgages amounted to \$864,364,903.11, divided into 128,372 loans, and at the present time our mortgage investments amount to over \$900,-

000,000. While a part of this sum is invested in loans on farms, giving aid to the basic industry of agriculture, and some investments have been made in the form of office buildings and business blocks through the country, we nevertheless have the sum of \$581,246,717.79 invested in loans covering properties accommodating 146,846 families. Of this amount the sum of \$354,035,248.38 is invested in 88,073 dwelling loans, which properties accommodate 94,555 families, and \$127,211,469.41 is invested in 4,687 apartment house loans, which properties accommodate 52,291 families.

While a large number of our mortgage loan investments are made on the straight mortgage plan, we have three forms of instalment mortgages covering periods of 60, 142 and 200 months, respectively. Under the terms of the 60 month loan there is a curtailment of thirty per cent. during the five year period, and under the 142 and 200 month plans the loans are fully amortized during the respective periods. The amortized plan of mortgage is being selected as a means of financing homes by an increasingly large number of borrowers.

Our experience has shown that the instalment plans of mortgage have worked out most satisfactorily, both as to the borrower and the investor. Every monthly payment increases the equity of the borrower and every monthly reduction automatically increases the margin of security and automatically provides against any depreciation or change in values.

It seems clear, therefore, that the financial service thus rendered through life insurance mortgage investments is a service which should be known, appreciated, appraised and measured in the light of its value to society.

Conservative Investments

In a day of changing styles in investments it becomes more and more difficult to appraise the intrinsic merit of a security by rule-o'-thumb methods. Investors of judgment appreciate the advantages to be derived from dealing with investment bankers of sound training and long experience.

Correspondence Invited

MINSCH, MACBRIDE & Co.

790 Broad Street

Newark

NEWARK BANKS FLOURISH

President McCarter Traces Their Growth—A Warning Against Speculative Conditions

THE head of the largest bank in the state of New Jersey, Uzal H. McCarter, president of the Fidelity Union Trust Company, sees Newark as the financial metropolis of the state. In an interview for the JOURNAL OF INDUSTRY AND FINANCE, Mr. McCarter traces the growth of Newark in a financial way and the principal influences affecting that growth.

"When I came to Newark in 1889," he said, "there were few banks and the largest credit any individual could obtain was \$75,000. Newark has become a financial metropolis primarily because it is an industrial center; its banks are secondary in importance in that respect. It was a case of industry creating a demand for better banking facilities, rather than a thriving financial situation making a profitable industrial field.

"Years ago it was necessary for manufacturers to maintain only a payroll account in Newark. The balance was kept in New York or Philadelphia where, too, were sought capital investments.

"The banks of Newark have advanced until now they offer accommodation to equal any legitimate demand. All manner of American and foreign service may be obtained here. Any financial service rendered by a New York bank may be secured in Newark.

"The proximity of Newark to New York, once considered a detriment, to my mind is an advantage. Newark is close to the greatest national and international markets. Port Newark is now, and will be increasingly, of advantage to manufacturers.

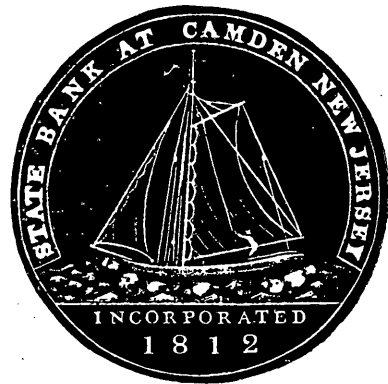
"At present, the banking business is speculatively overdone and this condition is making the prospective depositor view the place where he deposits his money with greater care than he did before this speculative wave swept over us. I have often jocularly remarked that 'the corner saloon has been succeeded by the corner bank'. This speculative tendency can be viewed only with alarm by many of us.

"The diversity of Newark's industry has always tended to create a stable situation. People have kept their feet on the ground, and until recently were conservative in their dealings. The labor market is bountiful enough to insure industry.

"Mid-city land values are as high as in any city in the country. The vehicular tunnel under the Hudson and the new bridge over the Hudson will add vastly to prestige and growth. The new Pennsylvania railroad union station and additional arteries of transport are certain to increase values. The residential situation is largely that of the masses, the wealthy classes having moved into the suburbs. Newark has taken the lead in industry and in finance that entitles it to be known as the metropolis of New Jersey."

Mr. McCarter entered the financial world as a bank runner in Wall street in 1882, immediately following graduation from Princeton University, at a salary of \$4 a week.

A quarter century ago his bank was capitalized at \$2,600,000 with total resources of \$13,886,980. At the close of 1927, the capital of the Fidelity Union was \$6,000,000 and total resources \$151,424,217, an increase of \$137,537,237. This phenomenal growth is indicative of the advance of banking in the state of New Jersey.



More Than A Silver Anniversary

The past quarter century has witnessed developments in American business and finance equal to those of the preceding century.

The twenty-fifth annual meeting of the New Jersey Bankers Association ought therefore to be a good time for all of us to take stock of the future as well as review the past.

For there are even greater days ahead, and "The First Camden" is preparing for them—among other things, by erecting this year a new banking home.

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BANK EXAMINATIONS

By Charles B. Veghte

President, New Brunswick Trust Company

TEN years of service as a bank examiner and nineteen years as a bank employee and officer has given me a fair opportunity to view bank examinations both from the standpoint of a banker and an examiner. This article is based on the viewpoint of the banker.

As a banker, I have always welcomed examinations whether they be by the government authorities, directors examining committee, or private accountants. A banker, I care not whether in a minor office or in the highest official position, is dependent to a great extent on the integrity of his employees for the proper management of the institution. His close contact with them inspires confidence in them. It is difficult for him to believe that the employee with whom he is intimately associated day in and day out would be guilty of dishonesty.

Along comes the examiner. He conducts his examinations in an impartial manner. He does not know and probably has never before seen many of the employees and officers. They mean nothing to him. He is after facts as to the manner in which the bank is managed and operated. The result is, that if an officer or employee is dishonest the examiner is very likely to discover it.

Take the matter of loans and investments which are such important elements in the proper management of an institution. The banker by his personal contact is liable to have developed a prejudiced viewpoint, whereas the examiner in the impartial way in which he views these assets may be able to dig up facts which the banker has overlooked; or the examiner may, from his wide experience, develop a "hunch" regarding loans to a certain class of borrowers which the banker, from his narrow experience, may not have discovered.

Let me illustrate. In an examination I once made, I found a certain loan that had been running for a long time without any reductions. The amount was in the neighborhood of \$5,000. The loan was obtained by a small merchant located across the street from the bank. Upon inquiry of the president of the institution, he informed me that the borrower was perfectly good and of his knowledge had equity in real estate amounting to over \$60,000. No statement was in the files of the bank to justify this. I obtained one, and discovered that the borrower by his own figures showed a net worth of less than \$5,000. The banker was sincere in his statement but too close contact had caused him to have undue confidence in his customer.

The viewpoints of the banker and examiner must necessarily be different. The banker is selling the services and facilities of his institution. He is interested in building it up, and all of his time and attention is given to his own bank. He is liable to get into a rut and conceive the idea that his way is the only way a bank should be properly managed and operated. The examiner has a broader outlook. During the course of the year, he is visiting and delving intimately into the affairs of many different banks and

his suggestions and advice may be and many times are of invaluable assistance to the open minded banker.

So long as these examinations are carefully and expeditiously made, at a reasonable cost, every good banker will welcome them as not only in the interest of the depositors and stockholders, but helpful to officers, directors and personnel as well.

The directors of our financial institutions are men of the highest type. They are business or professional men actively engaged in their several vocations. They are almost entirely dependent on the officers and employees for the proper management of the institution. As a safeguard and for their information as to the condition of the bank they are required to make periodical examinations. A thorough examination of a bank takes a considerable amount of time and thought. Those directors who are best fitted to conduct such an examination are busily engaged in their own business, and are therefore handicapped by lack of time in which to conduct such an examination. I believe that experienced and capable public accountants should be employed to assist them in making examinations.

My contact with both the national and state examiners in New Jersey leads me to believe that they are high-class men, not only able but willing to be helpful to the banker. I am naturally more familiar with the personnel of the state banking department than with that of the national department. It was my privilege to serve under four banking commissioners in the state of New Jersey, George M. LaMonte, Frank H. Smith, William E. Tuttle and our present commissioner, Edward Maxson. Each was of the highest type, conservative, considerate and always working to keep banking in the state up to the highest standard. The small number of bank failures, or even embarrassments, which may be characterized as near failures, in this state during the last fifteen years is due in no small part to the high type of supervision which has been maintained by these commissioners. The commissioner cannot, however, maintain this high class of supervision unaided, and he deserves much credit for the able assistants which have been selected by him, and who have made and are making real careful, conscientious examinations of institutions under the supervision of the Banking Department of the State of New Jersey.

REPORT OF CONDITION OF THE FIRST NATIONAL BANK

Princeton, N. J., at close of business, February 28, 1928

RESOURCES

Cash on Hand and in Banks	\$335,321.33
United States Bonds	1,074,189.29
Loans and Other Investments	2,833,728.11

\$4,243,238.73

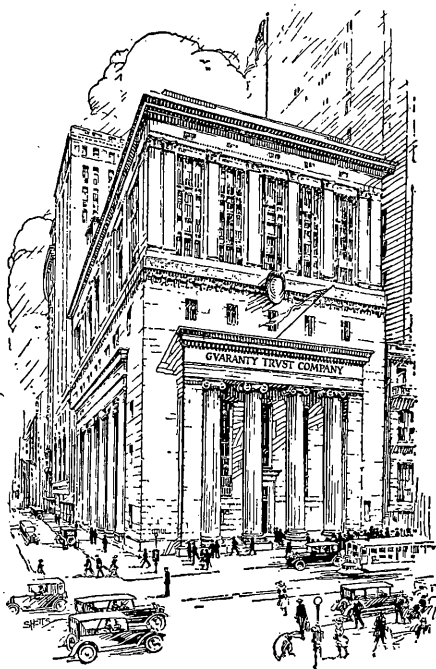
LIABILITIES

Capital Stock	\$200,000.00
Surplus and Undivided Profits	246,761.95
Deposits	3,602,026.78
Circulation	194,450.00

\$4,243,238.73

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EDW. A. FROHLING, <i>Cashier</i>	JOSEPH S. HOFF, <i>Vice-President</i>
R. V. CORTELYOU, <i>Ass't Cashier</i>	WM. R. MATTHEWS, <i>Vice-President</i>
VAN BUREN LEIGH, <i>Ass't Cashier</i>	GEO. E. GIBSON, <i>Trust Officer</i>
	WM. C. VANDEWATER, <i>Counsel</i>



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Through its offices in New York and abroad, and correspondents throughout the world, this Company is equipped to handle every type of banking transaction—domestic and foreign.

We transact a general commercial banking business; pay interest on checking accounts and time deposits; extend credit to commercial houses; render complete foreign banking service; and act in every fiduciary capacity.

We shall be pleased to receive your inquiries, in person or by letter, and to explain any of our facilities in detail.

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Surplus and Profits
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Deposits
\$10,000,000

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A HUNDRED YEAR OLD BANK

By John D. Everitt

President Orange National Bank

PERHAPS the most outstanding thing I can tell you about The Orange National Bank is that this year completes one hundred years of service and successful business of the bank in this community, as we are a direct successor to the Orange Bank, a state institution which was chartered by the Legislature of the State of New Jersey February 29, 1828. At that time there were only two banks in the city of Newark and only about a half dozen in the whole State of New Jersey. The Oranges were undivided, and the total population was only 3800. What is now the City of East Orange was farming land, what is now the Town of West Orange was woodland, and the present center of Orange was a small business community for the whole region. It seems quite remarkable that such a community should have been enterprising enough to organize a bank.

It might be of interest to the present-day bankers, politicians, and especially to the legal fraternity, for me to state that the records show the cost of obtaining the charter. We have a memorandum in the handwriting of Squire Stephen D. Day, the first president of the bank, of his going to Trenton to obtain the charter. The total expenditure was twenty-five dollars for two trips—one in 1824 and one in 1825. He must have driven his team there as there were no other means of transportation in those days. It is still further interesting to read in the minutes of the directors that afterwards a claim was put in by another party for \$100 for obtaining the charter. The record reads: "The board, by an unanimous vote, decided that they would not consent to pay his demand of one hundred dollars."

Banks in those days were all organized under State charters. They were conceived with the idea of making profits out of their capital and circulation rather than from their deposits, which for many years were small, and evidently all efforts were made to keep the currency of the bank outstanding as long as possible; and the Orange National Bank was apparently very proud of the fact that its money issue was always maintained in circulation at par.

Looking over the records from 1828 to 1928, it is easy to note the several stormy periods through which the bank passed. Like most other banks, the Orange Bank discontinued specie payment in 1837 and in 1857, but the bank continued solvent, and apparently took an early opportunity, in the troublesome times of the Civil War, to be among the early banks in 1865 to take out a national charter with rights to issue national bank currency and assist in the flotation of Government loans during the period of the War.

In these days of new banking charters and new institutions growing up all about us, I feel that the greatest possibility for growth of business in any banking institution is in its own customers. I constantly try to instill in the minds of our officers and clerks the great possibilities of additional business among our own customers who know us, believe in us and trust us. Let them know we can do a lot more than receive deposits and cash checks.

An Up-To-Date Office In The "Gay Nineties"

**TIMES CHANGE—METHODS IMPROVE
BUSINESS PROGRESSES**



Contrast the office above—

With the modern office of today, where the smooth top desk, the telephone at the Executive's elbow, the up to the minute filing systems—all promote efficient service.

Keeping abreast and ahead of the Times, are the Banks of the Country eager to meet the needs of modern business.

From deposits of \$124,000 in 1902
we have grown to

DEPOSITS TODAY OF \$20,500,000.

**ONLY ONE THING REMAINS UNCHANGED
THROUGHOUT THE YEARS**

**THE HIGH STANDARDS—THE SOUND POL-
ICIES—UPON WHICH THIS TRUST
COMPANY WAS FOUNDED**

The Plainfield Trust Company

Plainfield, N. J.

BANKER-FARMER TOURS

By Charles H. Laird, Jr.

Executive Vice President, West Jersey-Parkside
Trust Co., Camden, N. J.

AS a member of the Agricultural Commission of the American Bankers' Association, representing the Third Federal Reserve District, I have given considerable study to banker-farmer relations, in the endeavor to bring about closer cooperation.

I was afforded the pleasure, during the summer of 1927, of being numbered among those who accompanied the committee on agriculture of the Pennsylvania Bankers' Association on its fifth annual inspection tour.

Pennsylvania is somewhat ahead of the state of New Jersey in interpreting the needs of the farmer through the development of these tours. In addition to our own tour, we were met at various points by county bankers on independent tours, and much valuable information was gathered showing the strides taken by the farmers when they were backed by the active participation of the bankers themselves.

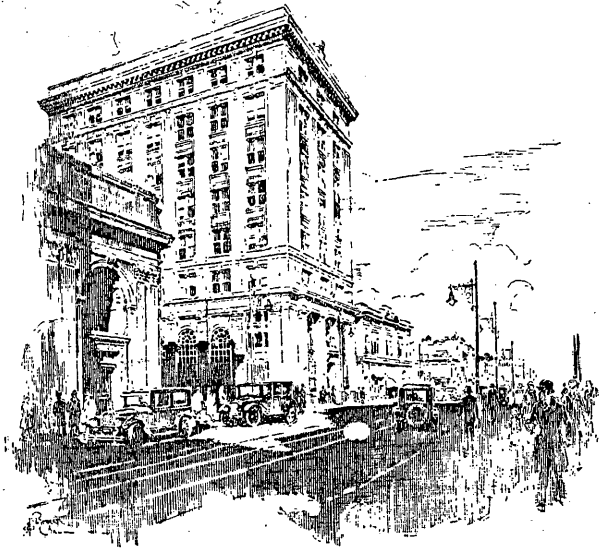
Increased yields of various farm products, the application of modern methods and up-to-date machinery, have generally resulted through the farmers' interest in the extension service of state college in addition to the cooperation given by the county farm agent.

Efficient banker aid may mean the salvation of those banks located in a farming community and it is a fact that in several sections of Pennsylvania, banks have attained large growth because of prosperity in their farming districts.

A farm worked on a profitable basis enables the owner to pay off his mortgages at bank, which, after all, is the aim the banker is out to achieve. Liquefaction of frozen assets permits community development at large.

While utilizing the forces of the extension department of state college and the county farm agent, the banker must not lose sight of the intensive cultivation of the rising generation, for it is with the younger element that he must make his alliances for his future benefit. It is figured that 40% of the farms throughout the country are operated by tenants under lease to the farm owners; approximately one-third of these tenants are related to the owners; and in the ordinary course of events, the farms will ensue to them. Through proper contact with this element, the banker can bring about effective results, for these tenant farmers are generally "live wires" and susceptible of those cooperative influences that will tend to make their farms pay.

Pennsylvania, however, is not alone in its concentrated efforts toward the development of banker-farmer aid. Effective work has been accomplished by the colleges of agriculture of Wisconsin, Louisiana and the state of Kansas. Even in our nearby sister state of Delaware, some informal cooperative effort has been practiced, although it has not approached the status of a united or organized enterprise. In some of the annual reports of the county agents in the state of Delaware, frequent mention is made of bank cooperation with the local agent in undertakings.



When You or Your Bank Items Come to New Brunswick

When New Jersey bankers have New Brunswick transactions that they want competently and promptly handled, the natural place to send them is the National Bank of New Jersey, the city's oldest and largest bank.

And when you are in New Brunswick yourself, make a point to drop in to see us. We are intimately in touch with conditions throughout Middlesex County, where banking resources showed a gain of 276% during the ten years up to 1925—indicating the importance of having strong, trustworthy banking connections in this section of this State.

**Banking Department Resources over
\$16,000,000**

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**GEORGE AND CHURCH STREETS
NEW BRUNSWICK, N. J.**

EXCESSIVE INTEREST

By Thomas W. Stephens
President, Bank of Montclair

ONE of the most important problems before our bankers today is the payment of excessive interest on deposits. This problem is being seriously accentuated by the sharply competitive conditions arising from the rapidly increasing number of banks and trust companies.

Until within a few years the business of banking was regarded with some degree of seriousness, the opening of a new bank was a matter of real importance and the possibilities of success were carefully weighed. Today, banks are almost as numerous as chain stores and one cannot but wonder how the business is to be maintained on a sound and profitable basis, in view of diminishing returns on investments, without materially reducing interest paid on deposits.

The alert and forward looking banker knows that the payment of interest has become a definite and fixed practice but he also knows, or should know, that under existing conditions the margin of profit in legitimate banking is not what it should be. The inevitable result of excessive overhead—and interest paid is probably the largest item—is an endeavor to increase gross income unduly, which is apt to lead to the purchase of more or less speculative securities and the taking of chances in the extension of credit, which the rules of sound banking wisely prohibit.

The various services offered by banks today—and every banker wants his bank to be up to the minute—are expensive and must be paid for out of earnings as competition sees to it that no charge for most of them can be made to the depositor. The depositor who draws a considerable number of checks each month—and most depositors do—would in all probability take no exception to a rule limiting the payment of interest on checking accounts to balances in excess of \$1000—that is to say, there should be a free balance of \$1000 upon which no interest should be paid—especially if the reasons for such a rule were full explained.

Have our bank officers and directors the courage to take this important step in the face of existing competitive conditions? Upon their answer much may depend.

SPECIALISTS IN NEW JERSEY MUNICIPALS

C. A. Preim, Summit, N. J., one of the founders about eight years ago, of Boland & Preim, has established his own firm under the name of C. A. Preim & Co., 15 Broad st., New York, telephone Whitehall 9470. Mr. Preim is well known to New Jersey bankers and investors as a specialist in New Jersey municipals. His new firm will deal also in railroad, public utilities, industrials, foreign securities, and preferred stocks. The firm will give special attention to the purchase and sale of securities for account of the general investing public. Mr. Preim attends regularly the conventions of the New Jersey Bankers Association and is known favorably to most of the bankers of the state.

It is a matter of some pride to the publisher of this magazine that he sold Mr. Preim the first advertising contract of his old firm of Boland & Preim as well as the first advertising announcement of the new firm of C. A. Preim & Co.

New Brunswick Trust Company

1902 - 1928

*Twenty-six Years
of
Progressive Banking
Service*

On St. Patrick's Day, March 17, 1902, one year before the N. J. Bankers Association was organized, the New Brunswick Trust Company opened its doors for business with a Capital and Surplus of \$150,000.00.

Today its Capital Surplus and undivided profits stand at \$870,000 with total assets of over \$7,800,000.

Its watchword during these 26 years has been "The Bank that is Boosting New Brunswick."

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Frank B. Whitlock, Sec'y and Treas.
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Charles B. Veghte	Clifford I. Voorhees
Frederick Weigel	

NEW BRUNSWICK TRUST COMPANY

"The Bank of Personal Service"

BUILDING PERMITS IN MARCH

Building permits in the principal cities during March called for expenditures of \$396,984,719, compared with \$414,537,685 in March, 1927, a decline of 4%, according to S. W. Straus & Co. In the twenty-five largest cities the amount was \$258,891,634, compared with \$237,908,597. The gain here was due mainly to the continued exceptional activity in Manhattan. Newark also contributed a substantial amount, but the New Jersey cities as a rule were down, as will be seen in the following table:

	—March—		Feb.
	1928	1927	1928
Asbury Park	248,150	70,050	65,500
Atlantic City	326,240	677,217	391,739
Bayonne	228,585	202,940	149,420
Belleville	181,755	250,125	101,600
Bloomfield	278,990	728,042	236,675
Camden	205,050	584,205	2,156,806
Clifton	679,160	357,635	195,900
East Orange	364,059	1,168,451	1,334,720
Elizabeth	541,575	661,025	296,928
Englewood	364,840	193,600	249,600
Garfield	100,900	154,600	27,900
Glen Rock	22,900	121,509	16,320
Hackensack	447,073	867,124	472,592
Hillside	123,640	232,705	173,605
Hoboken	73,975	37,537	11,610
Irvington	787,375	1,331,220	757,130
Jersey City	1,161,350	1,464,606	1,344,861
Kearny	447,076	408,280	140,750
Millburn	245,185	205,240	126,305
Montclair	298,652	438,802	208,000
Newark	6,387,091	4,754,647	3,508,065
New Brunswick	192,530	300,259	93,725
Nutley	203,875	184,950	55,755
Orange	201,379	703,174	243,175
Passaic	495,234	487,165	227,336
Paterson	1,346,488	676,938	123,162
Perth Amboy	107,360	211,330	228,027
Plainfield	289,439	612,032	183,649
Pompton Lakes	44,550	77,950	10,600
Ridgewood (5%)	588,646	294,499	127,045
Teaneck	194,400	.....	185,000
Trenton	374,194	454,285	420,246
Ventnor (10%)	347,895	119,745	128,134
Westfield	179,020	221,550	115,625
West New York	133,343	137,000	20,017
West Orange	551,666	275,785	110,932
State Totals	18,569,240	24,295,713	14,053,954

TRUST CO. FUR STORAGE

The Plainfield Trust Co. erected a fur storage vault as part of its new building in 1924. The response with which this innovation in safe deposit service would be met was a matter of some doubt to bank officials, but they have since found it highly popular among their patrons. Expert furriers are employed to clean and store the furs. DeWitt Hubbell, executive vice president, states that this department is one of the best sources for new business that the bank has and that patrons appreciate the convenience of having their furs available in Plainfield on the day needed.

The bank building is unique in many ways. Its lobby is unusually cheerful with windows on all four sides. A special women's department and lounge affords a private banking room for women depositors where women tellers serve customers.

STOCK EXCHANGE FORMED IN NEWARK

The formation of the Newark Stock Exchange by Julius S. Rippel and his associates, Julius A. Rippel and Edward S. Hinckley, was announced April 16. The exchange was capitalized with 1,000 shares of no par stock and a voluntary association formed.

The exchange association will limit its activity to Newark securities, mainly bank stocks and public service securities, and will hold meetings three or four times a day. No listings are contemplated.

Further speculative trading in Newark securities is not contemplated, according to Mr. Rippel. The main purpose, he said, is to insure that any organization formed for trading in securities will be under the control of responsible banking interests.

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The First National Company of Trenton, N. J.

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New Jersey's Probable Growth

Indications of Impending Increase of Population—Need of Preparation

By George S. Silzer

Former Governor of the State, and Chairman, Port of New York Authority

THE rôle of a prophet is dangerous, though inviting. A study of the stars is fascinating, yet who can vouch for its reliability. To foretell the future of New Jersey, however, requires no unusual gift of prognostication. The trend of industry and commerce, the necessary solving of metropolitan congestion and growth, all are involved with the prosperity prospects of this State for the next half-century.

The transformation of numerous vacant acreages into sound development has been witnessed in the last two years. Many communities are slowly awakening to the demands that are to be made upon them. Everywhere, in the northern counties especially, Jersey men are becoming State-conscious. The danger is that they may lose their perspective and so permit this new-born consciousness to become merely a glorified provincialism.

The development of Long Island came after communication was made easy with Manhattan. Now, the great Manhattan giant has stretched himself as far as is feasible in a commuting way toward the east and he is overflowing into the west—to New Jersey. New Jersey is not the victim of this growth, as some would have us believe; rather, it is the beneficiary, the "residuary legatee" to the excess population that Manhattan cannot house and that the other boroughs cannot accommodate for various reasons.

The Brooklyn Bridge was opened in 1883, the Manhattan and Queensboro Bridges in 1909, and Williamsburg in 1903. In the recent circular of the Committee of Regional Planning in the City of New York and environs, it was significantly pointed out that between 1900 and 1910 Brooklyn gained in population by 40.1%; Queens by 85.6%; while the gain in Manhattan was 38.7%. It will be observed that Brooklyn and Manhattan had practically the same increase in population during that period.

In the succeeding ten years, Brooklyn's increase was 23.5% and Queen's 65.1%, but Manhattan was changed from an increase to a decrease of two per cent, showing that people were going somewhere else. In the 1900-1910 decade, the population of New Jersey gained slightly less than a full quarter and in the ensuing ten years it increased a full third. It is fair to assume that the Greater City was beginning to reach its maximum capacity whereas the swing to New Jersey was just under way.

Congestion in the City of New York, with its limited area and its apparently unlimited activities, is necessarily great. This is manifested in one way by building up in the air instead of spreading side-wise. All of the necessary consequences follow—street congestion, subway congestion, passenger congestion and congestion in every particular, all of which makes Manhattan more or less inconvenient.

People naturally feel these things and try to obtain relief from them. Those who can live in the country and take their children there, naturally do so. The first impulse of

the people when congestion came on was to move to some other part of New York and as the figures show, they spread out to Brooklyn and Queens. But there is a limit to this movement.

Daniel L. Turner, engineer of the North Jersey Transit Commission, and also of the New York Board of Transportation, recently pointed out that the only way to dissolve congestion is to get people "somewhere else."

At the same time, the "Bergen Record" was commenting:

Manhattan has a population density of two hundred thousand per square mile, but there are sections of the Metropolitan district where the density is small. . . . All we need is the transportation facilities to draw the elbow rubbing thousands of the subway in Manhattan out to where they can have room to expand their lungs, and their families.

Railroad men state that it is impossible to commute for a distance that will take more than one hour each way, morning and night. When people have to go this far away from their work, and find congested conditions going in and out, they seek to make a change.

New Jersey Next in Line

It is quite likely that people have pushed out on Long Island and into Queens and Brooklyn for as great a distance as they can find it conveniently possible to do at this time. It necessarily results that they will have to push in another direction. There are still wide-open spaces in the northern part of New Jersey which are within an hour's easy reach of New York, through the great railroads that traverse these sections. Nothing can be more natural than that people will take advantage of this chance to live comfortably and travel conveniently.

I believe such a movement is inevitable. The result must be that this section of New Jersey is in for the greatest growth that it has had in recent times, and with it must come prosperity to those sections of the State so populated. This movement need give Brooklyn, Queens, Manhattan and the others no cause for jealousy or resentment. They already have large populations and they will eventually realize that there is a limitation to human endurance when people must travel to and from their work.

After the same condition has been reached in New Jersey, New Jersey, too, will find that there will be no further increase in population from the Metropolis. The natural movement, after the saturation point has been reached, is to set up centers of activity, where people live and meet and work independently of the Metropolis—communities that become self-centered and self-supported.

This is already true in large measure in the Port District where Brooklyn, itself, dominates a particular section, and Newark, Jersey City, Paterson, Passaic and Elizabeth do the

same. In all of these communities people shop in the local stores, work in the local factories, and men seldom leave those communities except to seek pleasure. They are entirely independent of the other group who work in New York and furnish it with their brains and industry, but who prefer to live in the suburbs.

There is not only a movement toward New Jersey by way of population but it is also true of industry. Many of the industries are coming to this State because they find conditions better in some ways and because they are near the railroads.

The "Journal of Industry and Finance" has already pointed out that New Jersey of all the New England and Middle Atlantic States, has moved to sixth place industrially, having displaced Massachusetts.

It is also well-known that the chemical industry has concentrated in great force in the New Jersey district within the last ten years.

In Camden and the Camden Port District, conditions are similar to those in the Northern section. The people of Philadelphia have been and are moving out into the suburbs of Philadelphia, but having reached the commuting limit, many are turning their faces toward New Jersey, which produces much the same conditions as those found in the northern part of the State.

All in all, I am thoroughly convinced that New Jersey has never had such attractive possibilities for expansion as it has at the present time. I am sure that the next twenty years will bring such growth as it has never seen. All of this is extremely encouraging and will do much to bring prosperity to the Garden State.

Responsibilities of the State

We must not forget, however, that with this comes also responsibilities; that industries and people will come to those places only where government is efficient and honest, and where it furnishes the facilities that people need; and that people will not be attracted to communities in which there are bad government, corruption and a lack of proper facilities, such as police protection, pure water, zoning, lower taxes, good labor conditions and other things essential to comfort and agreeable existence.

We should not delude ourselves into fearing that closer contact with centers of population greater than our own would not be mutually helpful. New Jersey merchants can and do successfully compete with the merchants of Manhattan. "Population follows transportation" and New Jersey business is dependent upon increased population for increased returns. Let us develop our intrastate facilities but don't let us be blind to the fact that New York is a great reservoir to which are drawn people from all over the world—people who inevitably must look around for a "great open space" in which to bring up their families.

More population that would come with increased transportation facilities would indeed mean more prosperity. More population makes more tax ratables and industry would benefit from having a larger number of people on whom to draw for workers.

An interview published in the "Newark Evening News" on January 3, 1928, with Chester I. Barnard of the New

Jersey Bell Telephone Company, contained this significant paragraph:

Moreover, in my opinion, the development of the Hudson tubes, the Holland Tunnel, the bridge now in process of construction, while all tending greatly to facilitate the development of this great North Jersey area, will make Northern New Jersey less suburban than ever to New York City, for they will, by reducing the physical barriers between the States, increase the independence of the industrial development of this section of New Jersey to New York, and it will tend to equalize between New Jersey and New York.

The "New York World" of almost a year ago said:

Any discussion of the future of New Jersey from a real estate angle must necessarily center around transportation facilities. Residents of New York constantly are being forced out of the high rent districts to New Jersey, which offers attractive homesites, so much of the transit discussion must have to do with connections between New York and New Jersey.

"The Hudson Dispatch" on January 24 commented:

How fast should tunnels and bridges be built? If we were to judge by the development of Long Island since the building of four bridges from Manhattan across the East River, we would say they can hardly be built too fast.

It is pretty generally admitted that progress in New Jersey was set back a quarter of a century by the lead Long Island got when bridges were built to Manhattan.

If I am correct in my belief that great growth is coming to New Jersey, then the people of the State must prepare themselves at once to receive it and to be ready to do their part.

AMERICAN PATENT PROTECTION CORPORATION

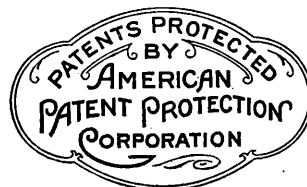
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Marked Discrepancies of Profits on Volume

An Analysis by Industry Divisions that Shows Current Tendencies

A STUDY of such records of business returns as are available discovers rather extraordinary variations among the industries. The most reliable data do not reflect present conditions except by inference. Going back over a few recent years, however, certain tendencies are noticeable which give to the figures distinct current value; making allowances for known factors in the present situation, it is not difficult to apply information derivable from the comparative statistics herewith presented so as to interpret what is going on today.

Our best source of information is found in the statistics of Income prepared for and issued by the Treasury Department. For while these reports are made up in the Internal Revenue Office primarily for taxation purposes, they disclose business conditions more clearly than any of the incomplete compilations designed for the enlightenment of business men. This fact seems to have been learned only lately, but, because the government tables are unwieldy and not easy to read, there has been a tendency to draw from them merely a few isolated figures which are used as favorable or unfavorable indices according to individual bias.

Take, for example, the following passages from an article by Roger Babson, the statistician and business forecaster, published in the January 28 issue of *Collier's* under the title "Your Money's Worth":

Look at all the business concerns in the country and you find that about every other one is losing money. To be exact, the number of corporations showing deficits during the past few years has ranged from 40 to 50 per cent of the total reporting.

The combined loss has ranged from two to four billion dollars a year. And yet people are always asking me to help their children get into business so they can be sure to make lots of money. Statistics plainly show that anyone who goes into business in a happy-go-lucky way stands almost a fifty-fifty chance of losing. Do you call that a sure thing? I call it a doubtful gamble.

However, let us dip further into Mr. Mellon's little book. After the big fellows there is a separate story for the small concerns. At the bottom of the heap are 100,000 small concerns showing an average profit of only \$95 a year apiece.

On top of the heap are 200 of the giant corporations, averaging an annual profit of \$15,000,000 apiece.

In other words, there is plenty of money being made in business today, but it is being made by the big corporations.

Mr. Babson bases his remarks on the showing of corporations reporting net income contrasted with that of the corporations reporting deficits. He ignores the fact, which has been called to the attention of readers of this journal, that the "deficits" reported are not by any means all business losses. As the Treasury Department says, they are nothing more than the excess over gross income of deductions claimed by the taxpayer under provisions of the tax laws. Mr. Babson writes of combined loss ranging from two to four billion a year. As a matter of fact the deficits shown by all corporations in the three latest reports were: 1925, \$1,646,453,000; 1924, \$1,897,001,000; 1923, \$1,694,440,000. The minimum loss mentioned by Mr. Babson was reached by adding to these sums the tax-exempt dividends and interest received from domestic corporations, a little more than three hundred million a year. It is to be observed

COMPARATIVE PROFITS OF INDUSTRY IN RECENT YEARS

By Main Divisions

Corporations reporting net income

	Total Receipts			Net Income After Taxes			% of Profits		
	1925	1924	1923	1925	1924	1923	1925	1924	1923
Manufacturing	\$53,010,898	\$45,396,807	\$48,770,874	\$4,227,245	\$3,437,601	\$4,094,647	8.0	7.6	8.4
Trade	32,628,255	28,637,561	26,463,767	1,177,557	1,013,210	1,113,115	3.6	3.5	4.2
Transportation	10,980,108	9,124,622	9,308,022	1,603,153	1,394,465	1,377,567	14.6	15.3	14.8
Finance	8,759,592	7,038,305	5,673,791	1,848,259	1,321,296	1,085,306	21.1	18.9	19.1
Mining	3,719,808	2,598,704	2,687,144	459,423	237,737	289,317	12.4	9.1	10.7
Service	2,284,843	2,050,886	1,919,664	233,396	192,925	176,635	10.2	5.0	9.2
Construction	1,916,464	1,787,363	1,755,937	147,204	124,815	107,324	7.7	3.8	6.1
Agriculture	572,683	566,633	605,889	71,339	60,572	84,773	12.4	10.7	14.0
Unclassified	214,073	359,436	608,650	24,930	27,983	62,914	11.6	7.8	10.3
Total	\$114,086,724	\$97,560,316	\$97,793,737	\$9,792,505	\$7,810,604	\$8,391,596	8.6	8.0	8.6

By Groups of Manufacturing Industries

Metals	17,373,900	13,980,907	15,270,604	1,617,190	1,244,287	1,327,102	9.3	8.9	8.7
Food	11,482,825	10,751,861	8,518,272	505,303	502,352	485,051	4.4	4.7	5.7
Chemicals	6,486,983	5,169,668	4,816,811	713,704	518,391	494,923	11.0	10.0	10.3
Textiles	6,117,815	4,850,346	6,712,236	380,681	291,087	516,049	6.2	6.0	7.7
Lumber	2,382,816	2,209,234	2,694,703	185,431	167,004	277,448	7.8	7.6	10.3
Printing	1,992,272	1,882,110	1,727,804	181,658	174,374	155,497	9.1	9.3	9.0
Rubber	1,373,873	938,274	909,397	130,468	52,465	44,300	9.5	5.6	4.9
Stone	1,347,534	1,219,768	1,256,354	164,050	150,134	170,223	12.2	12.3	13.5
Paper	1,262,139	1,164,941	1,248,717	101,873	85,649	102,207	8.1	7.4	8.2
Leather	1,176,254	1,048,511	1,152,829	68,356	64,634	65,754	5.8	6.1	5.7
Unclassified	2,014,487	2,181,186	4,463,147	178,533	187,225	456,094	8.8	8.6	10.2

also that Mr. Babson does not take account of the fact that the corporations reporting statutory deficits in 1925 paid out cash dividends amounting to \$372,173,000 and stock dividends of \$41,942,000, clearly indicating that the unfavorable statements reflected temporary conditions.

What he has to say about the relative prosperity of the big corporations is undoubtedly true in the main. But even here there is exaggeration, since while it is true that the relatively small number of corporations in the brackets showing large net income must all be corporations of great magnitude there is no reason to doubt that the many corporations found in the brackets of small net income totals or of deficits are also of giant size.

However, if we are to get anything like an accurate picture of American business it is necessary to go further into details. Business, like every other form of human activity, is far from homogeneous. Even in the most propitious times there are hardships in some lines, movement forward or backward never being uniform either among individuals or groups.

Much has been made of the item in the Statistics of Income which shows in percentage of total receipt, the amount of net profits of all corporations. We have learned that between 1923 and 1925 that percentage ran as follows: 1925, 6.81%; 1924, 5.67%; 1923, 6.41%; evidence that on the whole industry has done fairly well despite the talk of shrinking profits. Without knowledge of the capital invested these percentages of profits may of course be misleading. In default of fuller information, however, they are generally accepted as a significant indication.

That being the case the method used in arriving at them has been applied in closer analysis so that we might ascertain how the main divisions of corporations fared during the period under review. For this purpose in compiling the table presented herewith we have considered only corporations reporting taxable net income and have taken as net income the amount *after* taxes instead of *before* taxes, contrary to usual practice in citations from the Statistics of Income, believing that the balance remaining for distribution or surplus is the more accurate gauge.

It will be observed that while total receipts show a considerable gain in 1925 over those of 1923 in every division except that of agriculture, the percentages of profit did not rise in every case.

In manufacturing, there was a gain in total receipts of 8.6%, accompanied by a loss of 0.4 in percentage of profit. The case of trade, wholesale and retail, is even more striking. Here we find a gain in receipts of no less than 23% and a loss in profit percentage of 0.6.

Finance (including banking, brokerage and insurance) which gained most in receipts, more than 54%, advanced the percentage of its profits by 2.0, while transportation (land, water, cartage and storage and other public utilities) with a gain of nearly 17% in receipts lost 0.2 in profit percentage. Mining and quarrying (including oil) added 37% to its receipts and 1.6 to its profits percentage. Service (including besides personal services, hotels and amusements) went up nearly 19% in receipts and 1.0 in profit percentage. Construction gained 9% in receipts and 1.6 in profit percentage. Agriculture, sole loser in volume, 5.6%, dropped 1.6 in profit percentage.

How misleading mere totals may be is demonstrated by the fact that for all divisions profit percentage was the same in

1925 as in 1923, although the sum of total receipts was 16½% higher in the former year.

Breaking down the division of manufacturing into its principal parts we find equally glaring discrepancies. Only two specified groups lost in volume of receipts between 1925 and 1923—textiles and lumber. The miscellaneous group also showed a very large decrease. The largest of all, metals and their products (including automobiles) gained nearly 14% in receipts and only 0.6 in profit percentage, while foods, the second largest, with a gain of more than 35% in receipts, lost 1.3 in profit of percentage.

Chemicals and drugs, which went forward as rapidly as food in receipts, increased its profit percentage only 0.7. Textiles, losing 9% in receipts, were 1.5 worse off in profit percentage, while lumber, the other loser, was down more than 11% in receipts and 2.5 in profit percentage. Printing and publishing gained 15% in receipts and only 0.1 in profit percentage. Rubber, on the other hand, took on 50% in receipts and nearly doubled its percentage of profits. In stone, clay and glassware, paper and pulp, and leather the gains in receipts were small, but the first mentioned lost 1.3 in profit percentage, while the other two did very nearly the same in percentages of profit in both years. The miscellaneous group lost 50% in receipts and 1.4 in profit percentage.

So much for the corporations reporting net incomes subject to taxation. Let us glance now at their relation to those corporations that had nothing to show on which the tax collector could levy, so as to discover among the various divisions which had the highest ratio of tax payers and the highest ratio of deficits expressed in percentages of net income.

RATIO OF TAX PAYING CORPORATIONS; EARNINGS AND DEFICITS CONTRASTED

	—1925—		—1924—		—1923—	
	Report- ing net income	Ratio of deficits to net income	Report- ing net income	Ratio of deficits to net income	Report- ing net income	Ratio of deficits to net income
Manufacturing	63.2	15.7	59.1	22.9	63.1	16.5
Trade	65.6	23.6	64.7	28.5	67.7	23.3
Transporta- tion	63.0	5.7	65.0	7.9	67.6	7.7
Finance	63.2	12.9	64.0	19.7	64.7	19.0
Mining	28.6	43.2	26.5	117.0	27.9	97.0
Service	57.2	30.0	58.9	33.0	61.6	32.1
Construction ..	63.2	27.3	66.0	32.7	64.9	38.1
Agriculture ...	47.1	80.5	46.4	99.0	41.8	56.9
Unclassified ..	....	44.6	....	51.5	....	30.5
Total	58.7	16.8	56.6	24.3	58.5	20.0

The most unexpected disclosure of these figures, perhaps, is position of trade with the highest percentage in the number of net incomes and a fairly good showing with respect to deficits. It is unexpected because of the general belief that trade is the most precarious form of business, especially retail trade. Yet we find that in 1924, when full particulars were last given in Statistics of Income, 64% of all the retailers reported net profit while of the wholesalers (including jobbers, importers and exporters) only 62% were similarly successful. In the same year department stores, wholesale as well as retail, had 67% among

the tax payers, while the commission trade (including commercial travelers and special agents) had 59%.

The manufacturers did less well than the retailers in respect to the ratio of those reporting net income and only a little better in percentage of deficits. The poor case of agriculture and mining is revealed in both columns.

Transportation and public utilities make an extraordinarily favorable showing in the relatively small ratio of deficits. Finance was second best in that report.

TWO BANK ANNIVERSARIES

Among the New York banks celebrating anniversaries in April were the United States Trust Company of New York, seventy-five years old, and the Bankers Trust Company of New York, founded twenty-five years ago by the late Henry P. Davison of J. P. Morgan & Co. and now the sixth largest bank in the country. The United States Trust Company had an original capital of \$1,000,000. Peter Cooper was a member of the first board of trustees and the centenarian John Aikman Stewart was Secretary, President and Chairman of the Board from 1853 to 1926. This trust company has distributed in consecutive dividends, since 1853, \$45,660,000.

PROFITS FROM WORKMEN'S INSURANCE

A profit was reported by New Jersey companies writing workmen's compensation insurance for 1927 as follows:

	Premiums	Losses
Hudson Casualty	\$76,000	\$49,421
Bankers Indemnity	170,000	55,090
Commercial Casualty	2,251,989	1,494,306
Globe Indemnity	7,084,423	4,505,499
N. J. Manufacturers	2,015,667	1,132,787
Columbia Casualty	1,753,072	1,199,351

NEW JERSEY PHONE REPORT

The annual report of the New Jersey Bell Telephone Co. states that 580,956 telephones carrying 2,262,000 calls a day, were in operation at the close of 1927. This was an increase of 40,718 over 1926.

The New Jersey Bell Co. was organized Oct. 1, 1927, but the report includes the statement of its predecessor, the Delaware and Atlantic Telegraph and Telephone Co.

Gross total income was \$3,251,345; assets, \$146,275,143; fixed capital and permanent investments, \$139,461,159. There were 13,000 employees.

PUBLIC SERVICE EARNINGS

Public Service Corp. of New Jersey reports earnings for March and twelve months as follows:

		Changes over 1927	
		Amount	%
March gross	\$10,237,040	\$1,025,676	11.1
Surplus after charges.....	1,743,847	827,897	90.4
Twelve mos. gross	117,941,186	9,675,834	9.0
Surplus after charges	16,412,417	4,201,698	34.4

SIXTH ANNUAL EASTERN GAS CONFERENCE

General optimism was the keynote of the sixth annual meeting of the Eastern States Gas Conference held in the Public Service Terminal April 4 and 5. President Thomas N. McCarter of the Public Service Corporation made the opening address April 4, pointing out the future possibilities of the gas industry as a fuel industry. Other speakers: Howard H. Newman, Elizabeth; J. L. Farrell, Passaic; Major Alexander Forward, managing director American Gas Association; E. F. Coffman, Camden; Herman Benz, Paterson; Charles W. Person, American Gas Association; Colonel Oscar Fogg, president American Gas Association; Philip H. Gadsden, vice president U. G. I.; G. I. Vincent, Syracuse; N. W. Sultzer, New York; Herbert H. Ferris, Newark; and J. L. Conover, Electric and Gas Co. The Rev. Gill Robb Wilson, national chaplain American Legion, addressed the banquet of the conference at the Robert Treat Hotel, April 5.

LINCOLN GROUP'S PRESTIGE INCREASED

By the Addition of Henry C. Nicholas and William B. Weston of Harris, Forbes & Co.

The Aronson-Tepper-Thompson interests, one of the important new financial groups in Newark, have strengthened themselves by recently adding to their personnel of management Henry C. Nicholas, William B. Weston and Herbert Klein of Harris, Forbes & Co., New York, and Harry J. Daly of the New Jersey Bell Telephone Co.

Mr. Nicholas made the first tie-up between the Lincoln Mortgage concern and Harris, Forbes & Co., and that accomplishment gave the new financial group additional strength both in Newark and throughout the country. This does not mean, however, that the New York house is back of this group of Newark financiers. It simply is their outlet for disposing of mortgage securities.

The Lincoln interests announced April 29 the formation of the American Alliance Investing Corp., authorized capital, \$40,000,000, and the American Alliance Management Co.

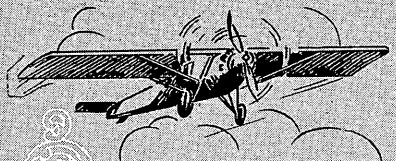
In New Jersey the depository for the securities of the investing corporation will be the Commercial Trust Co. of Jersey City; the transfer agent is the Guaranty Trust Co., New York; the registrar is the National Bank of Commerce, New York.

Messrs. Nicholas and Weston have also been elected to the board of Directors of the Lincoln Interstate Holding Co.

The entire eighteenth floor of 135 William st., New York, has been leased for the new companies.

ANOTHER NEW JERSEY HEADQUARTERS

Congoleum-Nairn, Inc., announces removal of its main office from Philadelphia to Kearny adjoining its linoleum plant in that city. This adds one more important unit to the long list of great manufacturing concerns the management of which has been established in New Jersey.



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N. J. FIRE INSURANCE GROWTH

Addition of a New \$5,000,000 Company

THE prominence of New Jersey as a fire insurance center, and of the City of Newark in particular, has been further testified to by the organization of the Public Fire Insurance Company of Newark with a capital set-up of over five millions of dollars. Underwriting began May 1.

On December 31, 1927, New Jersey had twenty-one domestic fire insurance companies. This was an increase of one for the year. In the last four months four fire insurance companies have been chartered: the Public Fire Insurance Co., Newark; Essex, Newark; Jefferson, Newark, and Pavonia, Jersey City.

The rapid birth of new companies is commanding the attention of fire underwriting experts throughout the state and in some instances eliciting no little concern. They view it as a movement comparable with, and perhaps related to, the outcropping of financial institutions and investment concerns which has recently featured the money situation in New Jersey, and the entire metropolitan district.

The paid in capital of the twenty-one companies at the beginning of the year was \$24,277,910, compared with \$18,316,900 in 1926. The paid-in capital of the four new companies totals \$1,455,115, making a total of \$25,733,025 for New Jersey.

The admitted assets of the stock fire insurance companies at the end of 1927 were \$132,733,951.80 as against \$97,137,684.78 in 1926. The surplus over capital was \$40,985,842.11 in 1927 as against \$24,259,764.48.

The amount of liability assumed by New Jersey fire insurance companies in 1926 was \$4,342,539,306.92. This was increased by more than a million and one-half dollars in 1927, making a total of \$5,874,805,480.69. Losses increased a bare four hundred thousand dollars from \$16,300,560.73 to \$16,719,677.50. Fire losses accounted for more than one-half of this increase, and motor vehicles for nearly one-hundred thousand more.

Of the \$24,277,910 capital of New Jersey fire insurance companies \$16,877,000 is divided among nine companies located in the City of Newark. Insurance companies gyrate about a few centers in the United States: Newark has been such a center for many years, and recent progress shows promise that the New Jersey metropolis will surpass the other insurance centers of the country.

Three New Jersey companies operate "fleets": the American Insurance Co., Newark, which in addition to its own companies operates the Columbia Fire Insurance Cos., Dayton, O.; the Eagle Fire Insurance Co., Newark, also manages or controls the Baltic of Copenhagen, and the New England, Pittsfield, Mass.; the Firemen's Insurance Co., Newark, also controls and operates the Capital Fire of Concord, N. H., the Concord of Milwaukee, the Girard Fire and Marine of Philadelphia, the Mechanics' of Philadelphia, the National Ben Franklin of Pittsburgh, the Superior of Pittsburgh, the Underwriters' Fire of Concord, and the Metropolitan Casualty Insurance Co., New York; the Ajax Fire Insurance Co., Newark, also controls the Essex, Fidelity and Plate Glass Insurance Co., and now is organizing the Essex Co.

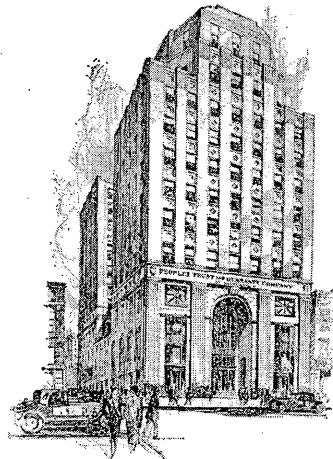
Best available statistics put the daily loss by fire in the United States at about \$1,530,000, and the average daily loss in New Jersey is over \$48,000.

Acute interest has been displayed in insurance circles over the purchase last month of the Metropolitan Casualty Co. of New York by the Firemen's. The final outcome of the friction which the purchase caused with the Department of Insurance of New York has not been revealed. It is expected, however, that some shift in the financial make-up of the Newark company will be made in order to satisfy the New York department.

Stockholders of the Firemen's last month voted an increase in capital to \$15,000,000 to take care of the purchase of the Metropolitan Casualty.

The new Public Fire Insurance Co. with its home office in Newark has the largest original capitalization with which any fire insurance company ever began business. Paid-in capital amounts to \$1,000,000; paid-in surplus, \$4,000,000; paid-in equipment expense \$200,000: a total of \$5,200,000.

Its president will be J. T. Dargan, Jr., formerly vice president and general manager of Windle, Burlingame and Dargan, Inc. Arthur T.



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Vanderbilt, Newark attorney, is chairman of the Board of Directors. Other officers: Fred A. Rye and David Neal Iverson, vice presidents; Ulric T. Atkinson, secretary; Paul Kennedy, secretary brokerage department; and Hugh W. Allen, secretary automobile department.

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Daniel, New York; Jay Monroe, Orange; Daniel E. Pomeroy, New York; Howell M. Stillman, New York; Harry H. Thomas, Orange; Arthur T. Vanderbilt, Newark; Edmund W. Wakelee, Newark; Morris White, New York; Charles G. Wilson, Richmond, Va.

The home office is in the Essex Building, Newark. The company has rented 28 Platt st., New York, as the nationwide bonding and brokerage office. Hopper and McDaniel, New York, are metropolitan managers. Condition of New Jersey companies:

COMPANIES December 31, 1927	Paid-up Capital	Admitted Assets	Liabilities Except Capital	Surplus Over Capital
Stock Companies of New Jersey				
Ajax, Newark	\$200,000.00	\$660,832.53	\$155,523.04	\$305,309.49
American, Newark	4,000,000.00	28,172,193.52	18,461,200.70	5,710,992.82
Atlantic City, Atlantic City	200,000.00	1,314,182.54	85,019.07	1,029,163.47
Camden, Camden	2,000,000.00	12,228,438.15	6,679,729.38	3,548,708.77
Columbia, Jersey City	400,000.00	2,950,607.32	1,246,535.02	1,304,072.30
Eagle, Newark	1,000,000.00	5,667,396.20	3,276,268.56	1,391,127.64
Eastern, Atlantic City	200,000.00	535,154.43	64,768.28	270,386.15
Federal, Jersey City	1,500,000.00	11,812,352.78	5,543,617.29	4,768,735.49
Fidelity, Atlantic City	200,000.00	534,239.00	86,144.28	248,094.72
Firemen's, Newark	7,500,000.00	40,000,136.83	19,469,279.01	13,040,857.82
Jersey Coast, Atlantic City	200,000.00	340,578.73	37,581.82	102,996.91
Merchants and Manufacturers, Newark	500,000.00	2,484,291.57	984,291.57	1,000,000.00
National F. & M., Elizabeth	200,000.00	402,360.52	100,733.96	101,626.56
National Guaranty, Newark	427,910.00	935,714.27	348,478.45	159,325.82
Newark, Newark	1,000,000.00	8,588,517.95	4,673,598.45	2,914,919.50
New Brunswick, New Brunswick	1,000,000.00	3,447,726.47	1,039,967.57	1,407,758.90
New Jersey, Newark	1,000,000.00	3,893,206.91	2,226,992.46	666,214.45
New Jersey Manufacturers, Trenton	200,000.00	918,210.68	257,063.06	461,147.62
Seaboard, Atlantic City	200,000.00	350,034.40	59,362.20	90,672.20
Standard, Trenton	600,000.00	2,941,449.53	1,689,054.58	652,394.95
Universal, Newark	1,250,000.00	4,052,576.98	994,422.44	1,808,154.54
Totals	\$23,777,910.00	\$132,230,201.31	\$67,469,631.19	\$40,982,660.12
Lloyds Association				
N. J. Mfr's Ass'n Lloyds, Trenton	\$500,000.00	\$503,750.49	\$568.50	\$3,181.99
Aggregates	\$24,277,910.00	\$132,733,951.80	\$67,470,199.69	\$40,985,842.11

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LACKAWANA TO ELECTRIFY SUBURBAN LINES

The Delaware, Lackawanna and Western railroad announced April 23 that electrification of its suburban tracks would begin immediately and would be completed within two years. The approval of the electrification plans by the board of managers, according to President J. M. Davis, was stimulated by the agreement of the suburban communities, represented by a joint committee of business and civic organization heads, to an increased commutation fare.

The lines to be electrified serve a district of 1,250,000 persons. These lines are: the Morris & Essex line from Hoboken to Dover, the Passaic & Delaware line to Gladstone and the Montclair branch—a total of 78 miles of road or 173 miles of track.

Estimates of cost are \$14,000,000 and \$18,000,000, depending on whether the road purchases its power from outside sources, or constructs a power plant at a cost of about \$4,000,000. Announcing the plans Mr. Davis says:

"This matter of the electrification of the suburban lines of the Lackawanna has been the subject of much speculation and discussion on the part of our patrons and communities for a long time; it also has been accorded consideration by our Board. But the present service is thoroughly dependable and operates with clock-like precision, while the cost has mounted so high that (considering the gradual loss of traffic to other forms of transportation that come and go, the increased expense of performing service and the everlasting pressure to reduce the rate on this or that, between here and there) we have been placed in a position where we were unable to imagine an increase in traffic or a reduction in outgo of sufficient proportions to enable the railroad to get its money back. Obviously, therefore, we have been cautious about incurring a burdensome obligation.

"Now, however, comes a committee composed of representatives of the communities at interest urging prompt undertaking of the electrification of the lines mentioned. This committee expressed the opinion that the importance of this project was so outstanding to their communities that those whom they represented would be willing to pay increased commutation fares in order to secure the advantages of such improvement in transportation facilities, and placed itself on record as agreeing to co-operate with the railroad in securing an increase in commutation fares. Under such circumstances, our Board has authorized the going ahead with the project.

"Some conception of what is involved can be gained when one contemplates that while the construction of many of the present suburban cars

is such that they can be altered to fit the new operating conditions, about one-hundred of these cars, which are now in good condition and serviceable for a long time to come, will have to be replaced by others of special design; that about seventy-five perfectly good locomotives which are now in splendid condition will have to be replaced, are not readily salable and, in all probability, will be reduced to mere scrap value; also that engine houses, coal-handling plants, water stations, ash pits and other railroad paraphernalia almost without end and incident to steam operation will have to be dismantled."

The railroad owns both land and water rights along the Hackensack river and has ample quantities of excellent steam coal readily available to its lines. Officers of the company are carefully weighing the advantages and relative cost of purchasing electric power from outside companies as compared with the construction of a generating plant and manufacturing its own power.

The work of construction will be handled by an electrical committee of the Lackawanna, consisting of Vice President and General Manager E. M. Rine, chairman; Chief Engineer G. L. Ray, Electrical Engineer H. M. Warren, General Superintendent E. B. Moffatt, Superintendent of Motive Power and Equipment C. J. Scudder, and Superintendent R. M. White.

ANALYSIS OF HOLLAND TUNNEL TRAFFIC

An analysis of the source and destination of the traffic using the Holland Tunnel has been made by the State Highway Commission. The percentages are looked upon as indicative of the usage made of various state highways and will be considered in future construction.

Zone	Vehicles	%
1—Hudson River-North	4,138	3.18
2—Hackensack	3,361	2.58
3—Jersey City-Bayonne	45,036	34.60
4—Paterson-Passaic	5,407	4.16
5—Belleville	4,120	3.17
6—Newark	30,000	23.05
7—N. W. New Jersey	17,154	13.18
8—Route 29, Newark to Lambertville	5,029	3.86
9—Lincoln Highway and S. W.	11,161	8.57
10—Shore Route	4,757	3.65
Total Vehicles	130,163	100.00

Thirty Minutes Nearer New York

The Holland Tubes have benefited all of New Jersey—the City of Asbury Park particularly.

Asbury Park's skyline is undergoing a complete change. Magnificent apartment houses are being constructed rapidly, and the erection of private dwellings shows a remarkable increase.

The Beach Development Plan, in course of construction at a cost of many millions, will provide a Resort City unequalled in the United States.

Asbury Park is a Recreation Community and a Business Center. It is becoming rapidly a City of Homes also.

Commuters from New York and Newark are increasing in great numbers.

No other city in the State of New Jersey is enjoying such general expansion.

Asbury Park's phenomenal development is due to the unselfish interest and cooperation of its Banking Institutions.

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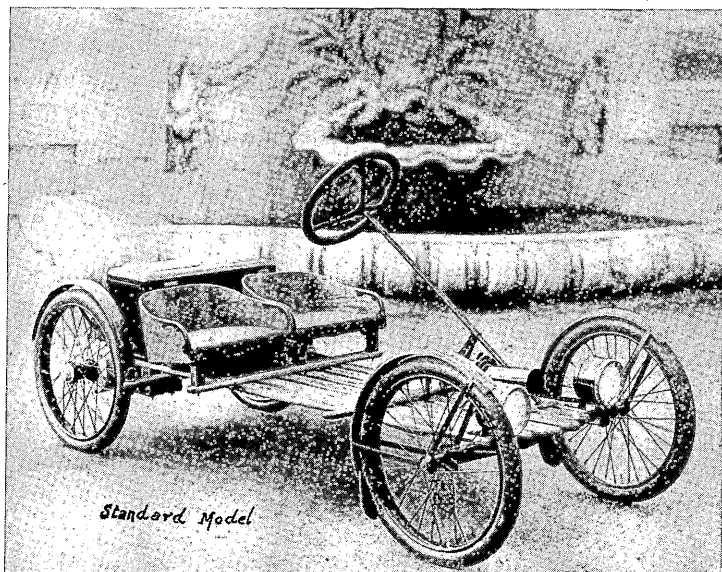
The resources of these institutions, exceeding \$17,500,000.00, evidence the sound policies of this resort and home city.

A THRIVING NEW JERSEY INFANT INDUSTRY

In North Bergen, the factory of Automotive Standards, Inc., manufactures "Red Bugs" at the rate of four a day. The "Red Bug" is an electric automobile. Its manufacture is one of the infant industries of the state.

J. Fred Howarth, of Sidney, Australia, who organized the motor transport system in Australia during the World War, designed the electric model for the Automotive Standards. The car was dubbed "Red Bug" by Senator T. Coleman duPont as best describing its appearance, and the owners, sensing its value, immediately trademarked the name.

The "Red Bug," despite its appearance, measures up to all the standards of an automobile. It is tested to carry 2000 pounds, will travel twenty miles an hour and is undaunted by the steepest grades. Its brakes will stop the miniature car in 60 inches travelling at maximum speed. It weighs 400 pounds and is 90% manufactured in New Jersey. The electric motor will generate one-half horsepower.



The history of this novel car goes back to the days of the Smith Motor Co. and the Smith Motor Wheel, a popular gasoline contrivance for the propulsion of bicycles. Then came the Briggs and Stratton motor wheel attached to the buck-board, which was similar in appearance to the modern "Red Bug." This was acquired by the New York branch of the Prest-O-Lite Co. and later the Automotive Electric Service Corp.

It was then that the electrically propelled machine was designed. The Automotive Standards succeeded the Automotive Service Corp. in 1926.

The program for 1928 calls for the construction of 1500 "Red Bugs" of the larger type—about four a day. At a recent test a car was completed in 16 hours at the assembling plant. Within seven weeks, orders have been received from four foreign countries. Inquiries are on hand from every major country except Soviet Russia. "Red Bugs" are particularly popular, officials of the company say, in the resort sections of Florida and California.

Automobile purchasers have learned to take "F. O. B. Detroit" as a proverb, but "\$200 F. O. B. Newark"—the price of the "Red Bug"—is a new note in motor car circles.

"Red Bug Boulevard" at Coney Island was established after the chance witnessing of a test in New York City by a Coney Island manager, and has returned 240 per cent on the investment in two years. The manager states that truck drivers, after guiding their giant machines about the city streets all day, will often spend \$3 or \$4 in the evening piloting a "Red Bug" along the wooden boulevard at 15c a ride.

The Automotive Standards company is headed by Norman T. Bolles, also resident manager in Newark, for Prince and Whitely, brokers. On December 31, there were outstanding 6900 shares of 8% stock which is said to have greatly risen in value. The company has no funded debt or bank loans. It is understood that plans are progressing on an air-cooled, gas type "Red Bug" capable of 150 miles on a gallon of gasoline.

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North Carolina and Atlantic Avenues

ARCHITECTS OPPOSE SUB-STANDARD BUILDING

Architects throughout north New Jersey, particularly in Hudson county, are making an effort to control sub-standard construction in the vicinity of the Hudson River Bridge at Fort Lee.

A committee consisting of Harry Lucht, Cliffside; Harold E. Paddon, Ridgewood; Henry Barrott Crosby, Paterson; and Clarence H. Tabor, Jr., Ridgewood, has been appointed to construct a plan whereby home-buyers will be protected from the sub-standard type of building which has been a concern in New York, and to make uniform building codes.

"A part of the work of the committee," according to Allen E. Beals, "is to report on a plan to interest banks, building and loan associations as well as private lenders of building money in the program, so that speculative builders, in arranging for financing their operations, will be induced to protect the lender as well as the ultimate purchaser of the building against premature depreciation.

"New Jersey is facing a scourge of speculative building construction, due in the first place to trade conditions in New York City that are retarding uninterrupted sway of the 'shoestring builder' in the building construction business, and secondly, the starting of work on the new Hudson River Bridge is stirring his imagination today as the bridge, tunnel and railroad improvements over and under the East River brought swarms of such builders into Queens."

JERSEY CITY-BROOKLYN FERRY

The ever increasing interest in inter-state communication is evidenced in the recent proposal made to the Jersey City Chamber of Commerce that a ferry be started between Jersey City and south Brooklyn. Changed industrial conditions of the two municipalities makes some communication between them, without passage through Manhattan advisable, and although the ferry is sometimes looked upon as a back number, it appears as the logical factor in this instance.

There is a great deal of raw material exchanged between New Jersey and Brooklyn industries. A ferry would simplify the haul.

There once existed a ferry from the Pennsylvania station in Jersey City to Brooklyn, but it was abandoned with changed conditions.

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PLANS TO REVIVE THE EMBROIDERY INDUSTRY

Results of an Investigation Into Jersey City Economic Ills

THE embroidery industry in Jersey City, once at the head of its trade, has sought the counsel of experts in an effort to regain its former standing. As the result of an investigation by Aaron Sapiro, it was reported that New York jobbers have forced the evil of split-orders on the small manufacturers of Hudson county and have succeeded in dictating price levels.

Remedies suggested were the formation of a trade association, or consolidation.

Investigation showed that many small embroidery makers maintain the status of manufacturer from pride and might better their condition by entering the employ of a larger manufacturer. The New York jobbers, by their manipulation, have divested the embroidery industry of any selling policy or marketing methods. The small manufacturers bid against one another to secure orders lacking profit. Often they are forced to take a large order from a jobber at a price set by him and then split the order with other manufacturers so as to complete the work on time.

Under the trade association plan the Jersey City embroideries would employ one designer, or as many as needed, rather than each manufacturer employing his own. Raw materials would be purchased through the association, orders divided, a common group of salesmen employed and the basic cost of production fixed.

Under the consolidation plan, all the factories would be merged under one corporation, the needless factories shut down and the others operated as a series of mills. The manufacturers committee of the Embroidery Manufacturers' Association of Hudson County favors the consolidation plan.

HARDWARE MEN CALL A NATIONAL MEETING

Manufacturing interests throughout the United States are being invited by the Bolt, Nut and Rivet Industry to confer at a national meeting on distribution and selling problems. Fifty-three industries, which distribute either all or in part through hardware jobbing and mill supply channels, have been addressed in a circular which says:

"The subject of greatest importance confronting American Industry is that of proper selling and distribution.

"It has been under discussion in newspapers, the trade press, and various periodicals, and has had the attention of some of our leading business executives in public addresses.

"There has never been a concerted move in the history of American business, for the proper study of this problem.

"The Bolt, Nut and Rivet industry, in its distribution plan, has created an avenue in the hardware jobbing and mill supply field which provides the basis of a general discussion of this subject in all lines that distribute either all or a part of their products through these channels.

"The enclosed folder (description of a plan for a national conference) outlines briefly the possibility of a national meeting between the leading jobbers, mill supply and industrial interests.

"The proposed meeting has already had the unqualified endorsement

of practically all of the distributors in the United States, and if the manufacturing interests are receptive, and will so state, it will be called at the earliest date possible."

NEW INVESTMENT COMPANY IN NEWARK

American Bankers Organized

Organization of the American Bankers Investment Company with headquarters in Newark was announced April 10. Five subsidiary companies have been organized and charters issued under the laws of New Jersey.

The capital setup of the parent company is 500,000 shares of \$5 par common stock to total \$2,500,000, surplus \$1,500,000 and reserves \$1,000,000.

The affiliated organizations are: American Bankers Acceptance Corp., capital \$1,000,000; American Bankers Title & Mortgage Guaranty Corp., \$500,000; American Bankers Casualty Insurance Corp., capital \$500,000; American Bankers Bonding and Indemnity Corp., capital \$500,000; and American Bankers Fire Insurance Corp., capital \$500,000.

The purpose of the Investment Company as set forth in the announcement of organization is to "invest in securities of banks, insurance and title companies, finance companies, mortgage companies and other corporate enterprises. Also the originating or participating in financial issues of governmental or corporate entities; the promotion of programs for the advance of rural banks, etc."

The company proposes to buy a minority interest in the banks of the state. No effort will be made to acquire controlling interests in banks. The object will be to offer to bank clients financial services which the limited capacity of their own bank makes it impossible to obtain.

The board of fifty directors is headed by Hon. Walter D. Van Riper, Newark. Allan I. Cole, New York, will head the Acceptance Corp. Among the others are: Charles H. Remington, New York; Hon. Charles P. Gillen, Newark; Charles Eisler, Newark; Hon. Felix Forlenza, Newark; Harry Meixell, Maplewood; Hon. Richard J. Fitzmaurice, Orange; and Charles M. Myers, Newark.

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Capital Stock	\$250,000.00
Surplus and Undivided Profits	1 160,101.77
Total Resources	12,993,962.91

CHARTERS BY COMMISSIONER MAXSON

Edward Maxson was appointed commissioner of the New Jersey State Department of Banking and Insurance by former Governor George S. Silzer, and assumed office Feb. 27, 1923. Since that time 76 charters have been granted to banks, 53 to insurance companies and 364 to building and loans associations.

Mr. Maxson states that there have been no failures under the charters issued by his administration.

The Record

	<i>Number</i>	<i>Resources</i>
State Banks	13	\$7,569,027
Trust Companies	62	111,800,788
Savings Banks	1	759,798
Total	76	\$122,129,798
*Building and Loan Associations:		
Prior to last report May 31, 1927....	327	\$27,427,996
Since May 31, 1927.....	30	
Total	357	
Insurance Companies:		
Fire	4	\$2,440,876
Life	2	528,661
Casualty	7	6,411,251
Title and Mortgage Guaranty.....	40	43,680,028
Total	53	\$53,060,816

*364 charters were issued; 7 were voided on account of failure to commence business.

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VOL. 2

MAY, 1928

NO. 6

Holding Up the Mirror to New Jersey

IN commemorating the twenty-fifth anniversary of the New Jersey Bankers' Association by publishing an adequate and authoritative review of the banking institutions of the state during the last quarter of a century, THE JOURNAL OF INDUSTRY AND FINANCE feels that it is not only giving due recognition to one of the most important organizations of the state, but at the same time providing a durable memorial of our industrial advance during that period.

For as banking is the servant of business, so the progress of banks is the surest measure of business growth. Banks supply the credit facilities that are essential to all commercial transactions as well as to many other relations of community life. And because they stand forth as witnesses to our development a summary and elucidation of what they have accomplished epitomize the whole history of what the state has done with the resources at its disposal.

Needless to say, no one will dispute the surpassing qualifications of Dr. Kemmerer as historian of the occasion. Known throughout the world as "the money doctor," he discusses with the most intimate understanding the financial institutions of the state in which he lives and works on the background of profound knowledge of the whole subject of banking and currency. Readers of his article cannot fail to enlarge their comprehension of banking in New Jersey and the country generally.

Inured as we are to prodigious undertakings in this era of vast expansion, we may have been prepared for the figures that tell of the multiplication of our banking resources during a generation. Many of us have lived among the activities which have won so full an achievement. Of a part we have witnessed the planting of the seed, the germination, the sprouting, the budding, and the flowering. But the trend of the whole marvelous growth only the thorough student is likely to perceive. Immersed in our own affairs, we are but vaguely conscious of the forces that drive us onward; of their significance in our own lives and their probable influence on the lives that are springing up around us we know but little.

Under Dr. Kemmerer's pen the dry statistics of the years he deals with assume an almost dramatic form. Marshaled and explored as he marshals and explores them, they take on the rôles of companionable characters whose passage

through the story of our business lives reveals the springs and impulses of the action in which we have been engaged.

He tells us that while the population of the state has been increasing by three-quarters of the number of us in 1902, the banking resources of the state have been augmented almost twelve times as fast—a fact sufficiently striking to enliven the most humdrum of annals. But when he proceeds to trace the reasons for this phenomenon through the up-building of our great metropolitan areas, the opening of our playgrounds to the multitudes of pleasure seekers of the nation, and the springing up of towns and villages in our outlying territories—then indeed we begin to realize the full import of the bare facts he sets down, the sort of facts that in most narratives of this kind rush pell mell over the printed page in meaningless array.

It is not our purpose, however, to forestal the readers of Dr. Kemmerer's article. So lucid an exposition of history that is of moment to us all, needs no exordium.

New Jersey's Industry Not Threatened

The Public Service Corporation of New Jersey is, and, in the opinion of its board of directors and management, should remain a New Jersey enterprise.

IN these emphatic words the president of the corporation, Thomas N. McCarter, set at rest rumors of a merger involving the United Gas Improvement Company that grew out of Mr. McCarter's election to the directorate of the Philadelphia Electric Company.

But Mr. McCarter's statement has a wider application. It calls attention to a tendency, all too common, to assume that, because of the state's geographical position between New York and Pennsylvania, New Jersey occupies a tributary relationship to its big neighbors, and that for this reason its industries are always open to absorption.

Suggestions of this kind overlook the well known fact that in many industrial activities New Jersey is an outstanding leader and is in no danger of losing her position in the front. Her canning and talking machine factories in Camden have no peers. Her potteries in Trenton are unsurpassed. In bridge building her Roeblings are known throughout the world. In the newest marvel industry of our time, which is today the cynosure of attention wherever the human race is to be found, her Wright Aeronautical works enjoy a primacy that is nowhere questioned. Paterson's silk mills have a distinction vieing with that of the great Lyons mills. As a center of fire insurance Newark is forging rapidly to the fore with great companies that are the parents of numerous offspring in other parts of the country.

The list of examples might be greatly expanded if further evidence were needed to show that our state is in the vanguard of industry, leading and not led, the home of great corporations that are and are sure to remain New Jersey enterprises.

The persistence and growth of New Jersey undertakings are the principal reasons for the remarkable development of the state's banking system. We have great banking institutions because we have had and have great need of them. In that sense our banks are the natural progeny of our own commercial demand; the measure of their expansion is in no small degree the gauge of the state's business progress.

On the Firing Line of Business

The legislative inquiry into the New Jersey banking department has brought out into the open many of the stories of political interference which have long been whispered about the state. If they are based on fact it is well that the disclosure should be complete. If they have been current in responsible quarters it is right that their origin should be traced. The allegation that the department is boss-ridden cannot be lightly dismissed.

The Bank Department Inquiry

Let us not forget, however, that we have heard only the complainants' side of the case. In due course we shall learn what the banking department has to say for itself. Until then, in the absence of proof of wrong doing, it will be well to take nothing for granted.

American Railway Association estimates of cars required for freight in the second quarter of the year confirm favorable inferences drawn from recent car loading figures. The margin of decrease over last year in the number of cars used has been growing narrower, and but for the relatively small amount of coal shipments would have been inconsiderable in the last six or eight weeks. According to the figures of the regional advisory boards of the railroads, nearly 4% more cars will be needed in the current quarter than were filled in the same quarter of 1927.

Movement of Goods Increasing

These figures are not prepared for the purpose of a business forecast. They are merely working data obtained from shippers to assist in making arrangements to handle cars to the best advantage. They have been found accurate in the past.

The greatest increase is foreseen in movement of automobiles and agricultural implements. The only declines expected are in hay, cotton, citrus fruits, and castings, machinery and boilers.

While the politicians continue to talk about shrinkage of labor employment as evidence that prosperity is not so general as we have been told it was, power production goes on expanding, "apparently indicating favorable general business conditions throughout the country." The quoted words are from the latest report of the Geological Survey of the Department of the Interior, which informs us that "the output of electricity shows a steady increase from July to February." In the latter month the daily average production was 236,500,000 kilowatt hours, 1% more than in January.

Meanwhile the Labor Department through Secretary Davis has told us that employment declined steadily from April, 1927, to February, 1928, and, although he makes no unfavorable deductions, his estimate that, compared with January, 1925, employment in January, 1928, was down 1,874,000 has set loose a flood of pessimistic calculations.

The seeming conflict between these two departments grows out of a misconstruction of statistics. Mr. Davis assumes that all employment has fallen off as much as factory and railroad employment, apparently ignoring the fact that operatives have been displaced to some extent by improved machinery, the wider use of which is reflected in the growing demand for electric power. The inference that they are idle is not supported by any reliable data. Factory employment was considerably less in 1926 than in 1923, due to increased use of horse power. But we heard nothing of bread lines in 1926 when the politicians were hibernating.

A recent report of the Sun Insurance Company of Canada has attracted attention because it discloses the growing inclination to increase common stocks in the portfolios of fiduciary concerns. A year ago the company had 33 3/4% of its inactive funds in such securities. At the end of 1927 the ratio among total investments of 308 million dollars was 52 1/4%, fattened at the expense of bonds and preferred stock.

Notable among the investments were round amounts of common shares in Borden Co., Liggett & Myers Tobacco, Otis Elevator, Philadelphia Electric, Public Service of New Jersey, Reynolds Tobacco, United Machinery, General Electric, Standard Oil of New Jersey, F. W. Woolworth Co., Owens Bottle Co., Consolidated Gas Co. of New

York, Fleischmann Co., National Lead Co., and Union Carbide and Carbon.

It is not surprising to learn that the market value of the securities held exceeded cost by \$19,235,839 and that the net profit on securities redeemed or sold because they had risen to a high premium amounted to \$5,028,033.

Revelations of this kind tell not only of the new dignity of common stocks but explain also the comparative scarcity of some of them in the security markets. Where cautious Scotch investors of trust funds go many others are sure to follow.

The unseasonal advance in money rates this spring is ascribed in part to the large outflow of gold, in part to abnormal speculative activity. The specie we can well spare. How far the rediscounting for the stock market can go without bringing about a further advance of the bank rate is a question. Commercial loans show only slight expansion and the Federal Reserve authorities are unwilling to impose credit hardships on industry, especially when its demands have nothing to do with the situation; and there is natural reluctance to take any action that might evoke the uncertainties which are historically associated with Presidential election years.

Higher Money

Eventually, no doubt, the excess carrying charges on stocks over their dividend yields will exert an active influence toward readjustment.

The change that is going on in the paint and varnish industry, in which New Jersey has a large interest, is brought out in the latest government figures, those of the Department of Commerce covering the last six months of 1927. Paste paints have been declining steadily since 1924, production in 1927 having been more than 16% less than in the former year. Ready mixed and semi-paste paints, on the other hand, were up 10% over that year, although 2% below the production of 1925; while output of varnish, japans and lacquers increased in the four years more than 12%. The shift is plainly traced in the index numbers for six years based on 1922 as 100:

Changes In Industry

	1927	1926	1925	1924	1923	1922
Paste paint	93	97	107	112	101	100
Ready mixed and semi-paste..	148	138	151	134	124	100
Varnishes, japans and lacquers	178	175	147	126	127	100

The drift seems to be to ornamentation—the hard, glistening surfaces.

Earnings statements which have been coming to hand recently show that profit margins in business last year were extremely irregular, some industries having done exceptionally well while others, owing to peculiar circumstances, fared relatively badly. Charts of the Federal Reserve Bank of New York, made from reports of 381 concerns classified into fourteen groups, indicate that with few exceptions profits were better in 1927 than in 1925, a very good year, and that in eight of the groups there was improvement in 1927 over 1926, our best year.

Contrasts in Profits

Those that had poorer results in 1927 than in 1925 were steel, oils, building supplies, and railroads. Those that did better in 1927 than 1926 were motors, rubber, tobacco, leather and shoes, chemicals and drugs, telephones, and other public utilities.

In the case of the motors the figures are not representative, 1927 as a whole having been unfavorable to the industry as compared with 1926.

The election of Thomas N. McCarter, president of the Public Service Corp. of New Jersey, to the directorate of the Philadelphia Electric Co. is regarded as further evidence of close relations among these two concerns and the United Gas Improvement Co. of Philadelphia. In the east as in the west it has been found advantageous to coordinate the activities of power corporations in overlapping territories. This is especially true of Pennsylvania and New Jersey with respect to the manufacture of gas and the operation of bus lines.

Utility Company Cooperation

Financial Questions and Answers

Conducted by George T. Hughes, Investment Expert

[Mr. Hughes will deal with inquiries about investments, publishing those, together with his comments, that are of general interest. Please address him at Journal of Industry & Finance, 40 Park Place, Newark, N. J.]

THE month just closed has been one of unrestrained speculation in stocks. With a turnover never before equalled prices have mounted upward until the averages of the rails and industrials alike are approximately at the highest in history. From the speculator's viewpoint the only barrier to a further advance is the Federal Reserve. The only time nervousness over the situation has been at all apparent was when the matter of raising rediscount rates was suggested.

As this is written a number of the interior banks have already increased their rates from 4 to 4½ per cent but the New York bank has not followed suit, at least no action was taken at the last regular meeting for the month of April. Probably the rate will be raised early in May as precedent is for a uniform rate throughout the system. With the outside public so deeply in the market as it is at present it is anyone's guess as to the effect. A buying movement of so great proportion and under so great a momentum cannot be checked by a gesture.

Fundamentally, however, the fact is that money is no longer easy. Quotations for call loans, for time money and for bankers' acceptances are all higher than they were a

month ago. The reserve ratio of the Federal Reserve Banks is lower and the bond market is wavering. Sooner or later this must have an effect on the prices of stocks. Those who wish to go along with the tide may reap large profits. They will also assume large risks.

The second point is that business is improving. From this there are two deductions. Money will be in greater demand for commercial purposes, also tending to harden rates. On the other hand corporate profits ought to be larger. Results for 1927 were in general not up to those of the preceding year. First quarter statements of 1928 have been mixed. There is, however, no reason to expect industrial reaction. Doubtless also any reaction in the stock market will go only far enough to correct its manifest extravagances.

Under these conditions an investment program is not easy to map. High grade bonds offer small attraction. The refunding issues carrying 4½ per cent coupons, a few of them even 4 per cent, find buyers only among the financial institutions and it is hard to see why a bank should accumulate bonds on so low a yield basis when 5 per cent can be had in the call money market with no risk at all. This argument

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must have appealed to a good many banks otherwise call funds would have been quoted higher than they have been. It would seem that this was a good policy to pursue for sometime to come.

The market for high grade preferred stocks has been improved by the liberalizing of the New York state law affecting insurance companies. Some of these issues, particularly the non-callable kind, present good opportunities. As to common stocks the rails are still under-priced in comparison with the industrials notwithstanding the sharp upturn the former had in the closing days of April.

Substitute Bonds

I should like your opinion on three bonds recommended to me as substitutes for some of the Public Service Corporation of New Jersey 5½s which were called for payment on April 1. They are Hearst Magazines 6% serial debentures due 1938, Paramount Theatres Allied Owners Corporation First Mortgage Real Estate 6s due 1945 and Kansas City Public Service First Mortgage 6s due 1951. I have a varied list of bonds, some bought on your advice. M. J. G.

Of the three bonds you name we like the Allied Owners Corporation issue best and the Kansas City Public Service one the least. The only present objection to the Hearst Magazines bond is that it is callable at par. We should prefer a North German Lloyd 6 selling on the Curb Exchange around 95 to any of the three. For part of your fund we would suggest Victor Talking Machine prior preferred paying 7% and selling on the Stock Exchange around 110. The latter is callable at 115, and ought to sell around that price eventually.

Speculative Stocks

Some years ago you advised the purchase of North American preferred stock. I bought the common instead and as you know it worked out better than the preferred. Now I have \$14,000 idle funds which I would like to place in securities that have a bright future and look to you for help. J. N. S.

Our first thought is to suggest bonds for your funds. Justification for investing in common stock is, first, the ability to diversify on a considerable scale and, second, the selection of the right time to enter the market.

As to the first we do not know what proportion \$14,000 is of your total capital and to the second it is obvious that most stocks have discounted in their present market price about everything favorable that is likely to happen for years to come. Feeling, however, that advice to buy bonds would not be well received we venture a few suggestions in stocks with the warning that risk is necessarily involved. They are Inland Steel, Texas Corporation, Mohawk Mining and the Paramount Famous. If you are willing to take a non-dividend paying stock, you could do worse than select Erie.

Of the foregoing, Inland Steel is one of the best managed independent small steel companies. When available under 50 it is an attractive purchase. Texas Corporation is perhaps the best of the independent oils. Around 60 it, too, looks desirable.

Mohawk Mining is more of a speculation. It is the lowest

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cost Lake Superior copper producer. It is listed in Boston, which is the only market. It earned last year about \$7.50. It paid in dividends \$5.00 of which \$1.00 was an extra. On this basis the return at a price of 60 for the stock is high. It ought to be in order to compensate for the risk. The future of course depends upon the price of copper.

Paramount Famous also gives a high yield but it has a good record. As for the Erie, the preferred issues will probably be restored to the dividend paying class within a year and if so the common will sell much higher.

For Her Daughter

I have about \$3,000 I wish to invest for my daughter in strong common stock or stocks giving a good return or a good preferred stock giving at least 6% on the money invested. I do not want to use my own judgment for her and would greatly appreciate your advice.

Mrs. J. A. G.

If you want common stock you will have to accept less than 6% in the present market. Moreover, a good deal of risk is involved in buying common stock with the general market at the highest in history. With this preface we think well of Texas Corporation, St. Louis-San Francisco, Pennsylvania Railroad, and of course American Telephone & Telegraph. The yield on the last named may appear low but there is a good probability of an early issue of "rights" to subscribe the new stock which are sure to be valuable. We suggest these because you ask for stocks. In our opinion the best investment for this fund would be a good real estate first mortgage or a participation in such a mortgage.



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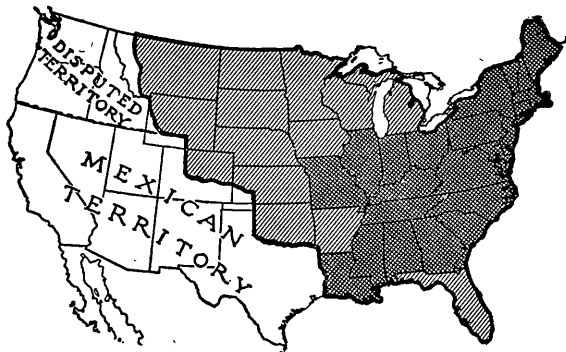
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Bradstreet's New Jersey Trade Report

ATLANTIC CITY

Hotels—During the past month there has been a notable increase in the hotel business, due mainly to the Easter season and ideal weather. The Lenten season found the beach-front hostelrys crowded and many of the side avenue hotels which have reopened report full houses. Hotel rates have been advanced with the advent of Spring and the outlook for the season is encouraging. Three new fireproof hotels have opened for business during the past few weeks, and with a lesson taught by the Hotel Iroquois fire on April 16th, it is believed much of this type of construction will follow.

Boardwalk Shops—Large crowds have taken advantage of the spring weather, and the boardwalk business men report an increase in business over this period last year. Several national advertisers have opened exhibits. Another new feature is a sanitarium which will be operated on a similar plan to that of Battle Creek, Mich. An art exhibit and all steel furniture exhibit, are other new features.

Department Stores—Retail trade during the past month has been encouraging a co-operative movement of retailers known as the "Spring Opening" which resulted in a great increase in this line, and with the usual Easter trade, merchants are looking forward to a better season than last year. The public continued to buy conservatively, apparently only for current needs.

General Remarks—Heavy railroad and motor traffic, and renewed business activity during the past month give promise of a good season. A large beach front owner recently announced a long term lease on 10,000 square feet of floor space, and other lessees report a fair amount of activity. Building and real estate are improving in a moderate degree, as is the unemployment situation.

CAMDEN

Department Stores—While department store sales continue to suffer to some extent on account of unseasonable weather and general depression incident to unemployment, the older stores report fairly satisfactory conditions. The newer stores appear to have suffered most. Statements of a number of stores show no material increase in business for the year 1927 over 1926, although they show a slight increase in the total assets and sales.

Shipbuilding—No immediate improvement is noted in this line as applying to large yards in either governmental, private or commercial work but there is enough work on hand to keep the payroll normal. The anticipated governmental work for war vessels has not materialized and conditions seem to indicate that financial readjustments, etc., have not brought forth the increased employment anticipated. For this time of year the small yards report a fair amount of commercial work.

Musical Instruments, Etc.—Factories in this line within the past week reported a moderate

Map Showing Trade Conditions



depression in the volume of musical records sold for domestic consumption but slight increases in export trade, especially to South America. Cabinets and talking machines appear to hold their own, although prices continue high. Employment keeps fairly good and financial statements for the year 1927 continue to show a healthy condition in this line.

Pens—Manufacturers of pens report no material changes either in employment or prices, which remain staple. Considerable of this product is exported.

Linoleums, Floor Coverings, Etc.—All the factories in this line report a substantial increase in Spring business, employment is about normal and prices remain standard.

Food Products—Canning factories in this community continue to work with peak employment for canned and bottled goods. The companies showing continued increases for export and domestic supplies, with prices staple and conditions prosperous.

Building Conditions—Building conditions in this city and suburban communities continue in a somewhat chaotic condition due to the effects of a realty slump as a result of a collapse of the 1927 boom. The building permits issued in the city of Camden show a decided reduction in the volume of work for homes and other building construction as compared with 1927. Suburban centers report a considerable decrease in the volume of suburban home building. Money notes have become tighter for ventures of this character, which has also had its effect.

ENGLEWOOD AND HACKENSACK

Department Stores—Easter styles stimulated sales somewhat, but business has since fallen off owing to unseasonable weather. Unemployment in some industries has fallen off and it is believed this will gradually improve buying in caption and kindred lines.

Men's Clothing—Easter buying made a marked improvement in sales but since then the market has been quiet.

JERSEY CITY

(Including Hoboken, Bayonne, Union City, North Bergen, Guttenberg, Weehawken, West New York.)

Department Stores, Men's and Women's Clothing—Easter sales generally were reported good due to warm weather. Cool weather has since retarded buying, and at present business appears only fairly active.

Automobiles—Dealers report business active with sales ahead of last year. Used car market is reported slow and dealers have large stocks on hand.

Auto Accessories—Volume of business reported satisfactory with sales equal to year ago, keen competition is noticeable and cut rate prices prevail among the smaller dealers.

Books, Stationery and Supplies—Business continues active with the prominent dealers.

Shoes and Leather Goods—Easter buying increased sales in the shoe line, but leather remains quiet.

Furniture—Business is said to show a slight improvement and a further increase in sales is anticipated as weather conditions improve.

Hardware—Retail hardware has improved somewhat of late and dealers expect further gain in sales shortly.

Batteries and Electric Supplies—Manufacturers of batteries report business continues active, although kindred lines seem quiet. Electrical supplies dealers report business quiet.

Building Construction—This line is quite active. Permits issued thus far show a large gain over same period of last year.

Chemicals—Prominent houses in this line report sales active with collections slow.

Embroidery and Knit Goods—Business

reputed quiet at present with outlook problematical.

Paper and Paper Boxes—Business is active but collections reported slow.

Roofing and Shingles—Sales reputed to have steadily increased during past month but collections reported slightly behind last year.

General Remarks—Unemployment has fallen off in many lines and it is apparent this will materially help in stimulating business in general; and while an immediate improvement cannot be expected, the prospects of a gradual increase in sales appear favorable.

NEWARK AND SURROUNDING TOWNS

Department Stores—Retail sales suffered to some extent during the month of April on account of inclement weather, but on the whole sales for the month compare favorably with those of 1927 and the trend in the retail trade is decidedly upward. Prices are firm in all commodities. Millinery, fancy sweaters, novelty shoes and all lines of golf apparel and ladies silk and rayon dresses are in good demand and leading in sales.

Automobiles—Sales of new cars continue to improve as the spring season advances, and that industry is fully up to April, 1927, in point of volume and profits. Price reductions have made a number of models attractive for purchases and about 70 to 80% are sold on the instalment plan. Stocks of used cars on hand are still large and the market is sluggish.

Automobile Parts and Accessories—The advance of spring had a favorable effect on the accessory and tire industry, and business is good. Dealers who make a practice of selling on the instalments plan in this line also report business good and collections fairly satisfactory.

Shoe Manufacturers—Local factories are running full time, prices are firm and prospects good. More black than tan shoes are being sold this spring.

Leather—Leather manufacturers are running to capacity, prices are firm and sole leather especially is in a stronger position than at any time since 1923. Manufacturers look for prices to advance if anything and locally stocks on hand are small. Some of the larger manufacturers have increased capacity by the purchase of additional space and machinery. The industry is in a strong position.

Building and Construction—Building and construction this season is ahead of the same period in 1927 and the outlook here is promising that the total volume will exceed 1927, estimated by authorities as much as ten per cent. Contractors are speeding up work and building trades are checking up now with their full quota of workmen. This is having a favorable effect on the unemployment situation. Everything indicates an active year in building and architects are busy on projects of considerable size.

Real Estate—Real estate sales are showing improvement and a busy season is expected.

Furniture—Furniture jobbers report business is picking up and the industry is in better shape than for some months past. Retail furniture sales are good, the bulk being sold on

the instalment plan. Collections are better than they had been for some months past. Floor coverings and linoleum are in demand. Congoleum and linoleum jobbers and manufacturers report business better than for some years.

Coal—There is little change in the coal situation and no improvement to speak of in sales.

Cutlery Manufacturing—Orders are coming in in good shape. Sales are normal and fully equal to 1927. Prices are firm and buyers are getting away to some extent from the hand-to-mouth buying in this line that has been customary heretofore.

Cement—Sales for the first quarter of 1928 were better than for the same period of 1927 and prices a little firmer.

Building Supplies—There is a good demand for all grades of building material and prices are steady, but still somewhat below 1927.

Retail Hardware and Factory Supplies—Business in factory supplies has improved in April over March, sales are better and prices are firm. There is in the hardware line a good demand for wire fencing of all grades, garden tools, etc.

Wholesale Trade—Wholesale grocery jobbers report business better. Drug business is also picking up. Collections were better in April than in March.

General Remarks—During the last four months there has been some seasonal recovery in industry but the recovery is confined almost entirely to a few lines; notably leather, automobiles, building and construction. In other lines the recovery has been irregular. All along the line, however, there is a decided upward trend of business. Bank deposits are large, commercial loans are on a normal basis and savings accounts are increasing. The consensus of opinion is that a substantial business revival is underway.

PASSAIC

Building Materials—Dealers in this line report business fairly active with competition keen. Sales for this period about equivalent to same period of 1927. Collections slow.

Plumbing Supplies—Local jobbers and wholesalers state sales for this month show a slight increase over same month of 1927 with margin of profits about the same. Competition exceptionally keen in this community and collections slow due principally to freely extended credit.

Chemicals—Manufacturers state this line is fairly active with sales about equivalent to preceding month and corresponding favorably with the same period of 1927. Collections considered fair.

Woolen and Worsted—No material change noted in this industry during the past month and plants continue to operate at 50 to 60% capacity. Sales considered fair with margin of profits about the same. Collections reported fair to slow.

Furniture—Retail dealers here report a fair volume of sales with margin of profits small and competition keen. Collections considered slow and selling on the instalment plan appears to predominate.

Men's Clothing and Furnishings—Retail

merchants report sales beginning to increase over last month and margin of profits small.

General Remarks—No material change noted in the employment situation here. Collections average from fair to slow. General retail trade not as active as this period of 1927.

PATERSON

Broad Silks—This particular line is not as active as preceding month with most of the manufacturers buying when needed. Market not very staple and sales somewhat lower than corresponding month of 1927. Margin of profits is smaller. Mills appear to be operating at 60 to 90% capacity.

Tie Silks—Sales for this month appear somewhat lower than same month of 1927 with margin of profits considered smaller. Plants said to be operating at 80 to 95% capacity with a fair market for finished goods. Collections reported fair.

Hat Bands and Ribbons—Hat band line not as active as corresponding month of 1927 with margin of profits lower. Sales somewhat slower and collections fair. Mills operating at 60 to 75% capacity. There does not appear to be a market for ribbon, consequently this line is inactive and collections slow.

Hosiery—Large houses report business fairly active in this line and sales equivalent to corresponding period of 1927. However, margin of profits considered lower and collections slow. Mills operating at 65 to 90% capacity.

Textile Machinery—Business in this line continues fairly active and manufacturers report selling on terms of leased until fully paid for. Margin of profits equivalent to preceding year and plants continue operating at 75 to 90% capacity.

Plumbing Supplies—Local jobbers report large sales with collections slow. However, margin of profits considered small with competition exceptionally keen.

Building Materials—Dealers in this line report sales about equal same period of year 1927 with margin of profits about the same and competition keener. Collections reported fair to slow.

Hardware—Wholesale dealers report a good volume of business with margins of profit equivalent to corresponding period of 1927. Collections considered fair to slow.

Furniture—Local merchants report sales about equal corresponding period of 1927 with collections slow and competition exceptionally keen.

General Remarks—Principal industry here is silk and said business is in an adverse condition, consequently the retail trade has been more or less at a standstill for several months.

TRENTON AND VICINITY

Clay Products—Business continues quiet with potteries making sanitary ware; but those making table ware and hotel china are doing fairly well. Producers of porcelain for electrical work and textile plants report that business is fairly good. Brick and tile plants say that there is some improvement in conditions.

Rubber Products—Tire manufacturers report conditions satisfactory, and business is fair with plants making hard rubber goods, rubber heels and insulation products.

Plumbing Supplies—Slight improvement is noted by manufacturers of plumbing supplies, bath room fixtures and kindred lines.

Machinery and Brass and Iron Foundries—Business continues fair with machinery manufacturers, but there has been no special improvement among brass and iron foundries.

Wire and Wire Rope—Business in these lines is fair, but none of the plants is running full time.

Department Stores and Retail Dealers—Business continues fairly good among the larger department stores, and a good Easter

trade helped the smaller stores somewhat, but business as a whole with them is quiet.

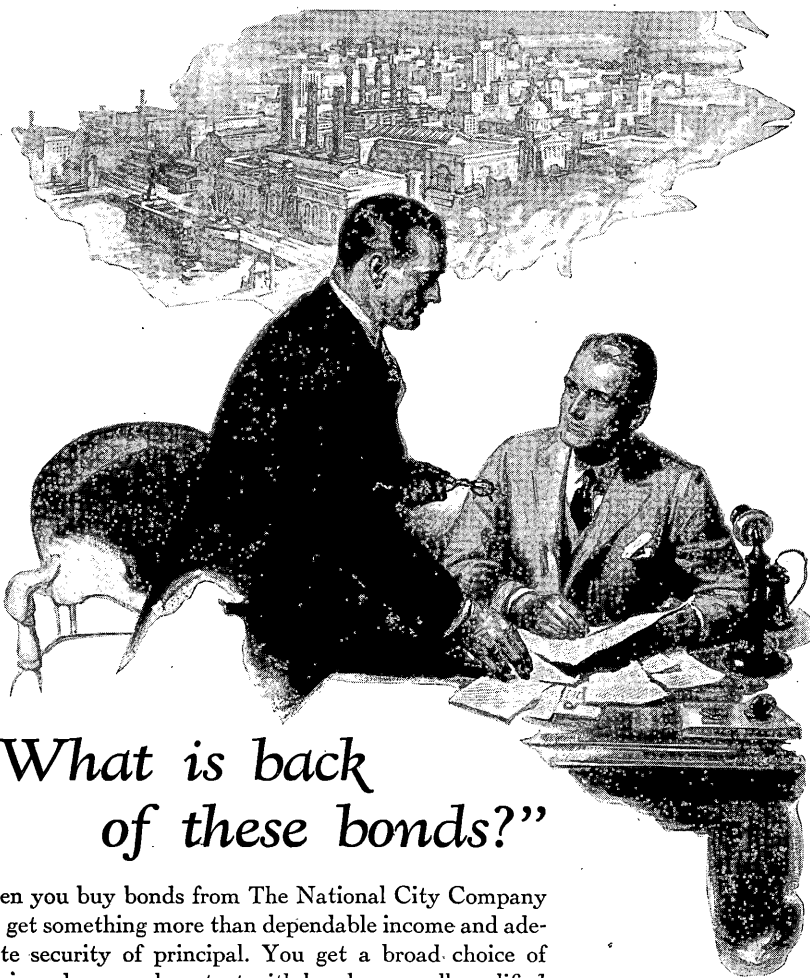
General Conditions—Taken as a whole there appears to be little improvement in general conditions. The number of unemployed has been slightly reduced by the resumption of out door work, but the weather has interfered more or less.

**BANK AUDITS AND EXAMINATIONS
EXCLUSIVELY**

NATHANIEL ORENS

67 WALL STREET NEW YORK CITY

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Banking Department for 22 years**



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of these bonds?”*

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The National City Company

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The Month in New Jersey

It is respectfully suggested by the publisher of the *Journal of Industry and Finance* that the 1929 Convention of the New Jersey Bankers Association be held in Newark, the financial metropolis of the state.

An agreement has been reached between the City of Newark and the Pennsylvania railroad whereby a union station costing \$20,000,000 will be erected near the site of the present depot, Manhattan Transfer abolished, making the electric to steam shift at Newark, and the Hudson and Manhattan tube system extended a mile from Park Place to Parkhurst st. At the same time the Public Service Corp. plans to build an express trolley service from the union station three miles to the outskirts of the city in the Roseville section using the abandoned Morris Canal bed for its tracks.

State Agriculture officials and representatives of the Central and Reading railroads have completed plans for the operation of a marketing demonstration train this season similar to that run in South Jersey last year. The tour will begin July 16 and continue for a month. The stops on the Central Railroad will include North Branch, Flemington, Freehold, Annandale, Bloomsbury, Middletown, Wheat Road, Vineland, Deerfield, Bridgeton, Greenwich and Cedarville. The stops on the Reading include Trenton Junction, Belle Mead, Hopewell, Egg Harbor, Mullica Hill, Glassboro, Williamstown, Richland, Hammonton, Dorothy, Cape May Court House and Cedar Brook.

One car of the train will be devoted to an educational exhibit along production and home economic lines under the direction of the State College of Agriculture. The train will also contain exhibits and demonstrations will be made showing the types of packages bringing the largest profit to the farmers, best methods of packing, advantages of grading, standardization and other modern methods of marketing.

Specifications for the projected rapid transit line through North Jersey include 14.3 miles between Paterson and Newark and 8.3 miles in a branch between Nutley and Hackensack: approximately 2.3 miles subway, 7 miles elevated, 13.3 miles grade and fill with grade crossings eliminated.

Shadow Lawn, Long Branch, the summer White House of President Wilson in 1916, which was burned down in January, 1927, will be the site of the million dollar mansion to be erected by Hubert T. Parson, president of the F. W. Woolworth Co. Shadow Lawn was once the residence of John A. McCall, then president of the New York Life Insurance Co.

The completion of the two bridges connecting New Jersey with Staten Island over the Arthur Kill will be celebrated June 20. The Goethals bridge will connect Elizabeth with Howland Hook, and the Outerbridge Crossing, Perth Amboy with Tottenville. Both bridges

will be opened several months before schedule and built at a total cost considerably less than estimated.

New York and New Jersey brick manufacturers have united in the New York and New Jersey Common Brick Manufacturers' Ass'n representing the largest production in the United States with an output of more than 1,500,000,000 brick annually. Effecting of economies in production and distribution is the object.

President R. B. White of the Central Railroad of New Jersey states that a decrease of \$380,615 in passenger revenue last year is attributed to increased use of privately owned automobiles and motor buses. He says the figures indicate that commuters are increasing but that persons having occasion to ride at other than the morning and evening rush are swinging to the bus or their own cars.

Some 250 years ago the land where the city of Newark now stands and also the greater portion of Essex county, were bought by the English settlers for 100 bars of lead, together with fifty "double hands" of gunpowder, four blankets, ten kettles, ten guns, twenty coats, axes, etc., the value of all these articles amounting to about \$700, as we would reckon it today. According to New Jersey records, the Indian Perro, of the Hackensack tribe, claimed to own the land and it was purchased from him on the instalment plan with the above goods. Today not many inches of land could be bought for \$700 on the corner of a busy street in Newark.

New Jersey postoffices of the fourth class advanced to the Presidential grade as of July 1, with the salaries to be paid, include: Pompton Plains, \$1400; Rosemont, Hunterdon county, \$1800; Singac, \$1300.

Two hundred attended the third annual conference of the New Jersey High School Teachers' Association at Elizabeth April 28.

P. J. Coffey, president of J. A. and S. W. Granbery, Newark manufacturing jewelers, was honored recently on his retirement as president of the National Jewelers' Board of Trade of New York with a dinner at the Harmonie club. Mr. Coffey is a resident of Chatham.

Captain Eugene Longstreet, who spent more than half his eighty-one years aboard seagoing vessels, died April 27 at the home of his daughter in Point Pleasant. He was born there in 1845 and went to sea at 15.

The first condemnation proceedings in acquisition of property for the Hudson River Bridge at Fort Lee were completed April 4 when \$61,087.50 was awarded Frederick J. Pfister, Frederick Frasch and Mrs. Pfister for 200 feet on Hudson st., Fort Lee.

Ray Keech, Pleasantville, established a new world's speed record for special built cars when he drove 207,5526 miles per hour at Daytona Beach, Fla., April 22.

Forest fires destroyed 13,000 acres of New Jersey woodland between April 18 and 23, according to Col. Leonidas Coyle, chief of the N. J. Forest Fire Service.

Uzal H. McCarter, president of the Fidelity Union Trust Co., warned against the establishment of banking institutions by those unfamiliar with banking practices in an address before the Association of Credit Men recently. Mr. McCarter said that too often financial institutions are established by those seeking social and commercial prestige.

Former Governor Edward C. Stokes, Trenton banker, stated recently in the *North American Review*, that a gigantic money trust is being created in this country which might enable a few men to dominate the country's 30,000 banks and even give them control of the Federal Reserve banking system.

A lease has been signed for ten years by the Colonial Western Airways, Inc., with the city of Newark, for two acres at the Newark airport as a terminus for New York airmail. The company now uses Hadley Field, New Brunswick. Passenger and express airways will be established to Hartford and Boston, Montreal, by way of Albany and Buffalo.

Plans for two large hotels in Newark are under way. The Bowman Hotels Corp. is negotiating for a fifty year lease of the Farmers' Market Plaza, Broad and Mulberry sts., Newark, from the city; the hotel to be twenty-seven stories high, 500 rooms and to cost \$3,150,000.

Six directors of Public Service Corporation of New Jersey were re-elected April 16: Frank Bergen, Samuel T. Bodine, Uzal H. McCarter, William H. Speer, Arthur W. Thompson and Percy S. Young. Directors elected for the Public Service Production Co.: Dwight P. Robinson, Samuel T. Bodine, Arthur W. Thompson, Paul Thompson, J. E. Zimmermann, Thomas N. McCarter and Percy S. Young.

Public Utilities Commission has authorized the Pennsylvania railroad to discontinue passenger service between Long Branch Junction, near Perth Amboy, and the State street terminus, Perth Amboy.

The Chambers of Commerce of South Jersey have invited all the Chambers of Commerce of the state to a dinner meeting at the Walt Whitman Hotel, Camden, May 22. Subject: "Needs and Opportunities of South Jersey."

The 16th Annual Summer Session at Rutgers University will be held June 26 to Aug. 3.

Elevators in the new \$10,000,000 addition to L. Bamberger & Co. department store, Newark, will transport 165,000 persons an hour.

Sutro Brothers' Braid Co., Ninth st., West New York, has dissolved, stating that "changes in styles in women's wear and the action of the army and navy abolishing braid on uniforms has practically ruined the braid industry."

A ninety foot tower, three light airplane beacon has been put into operation by the government near Princeton.

Manuel Reis, Newark, plans to cross the Atlantic in a thirty-foot sloop to advertise Port of Newark.

The Public Service Co-Ordinated Transport Co. has inaugurated a de luxe bus system between Hackensack and Paterson.

A seventy-two foot boulevard will lead from the state highway route to the Newark airport now under construction at Port Newark.

Joseph Bell Ferguson, Newark, is one of three heads of a television syndicate which has acquired the rights of the Baird television device and which plans to broadcast the head and shoulders of speakers as they talk into the microphone.

The Barrington Chamber of Commerce was organized April 18, Charles H. Pitt, president.

A tombstone 140 years old was unearthed in Treat pl., in the heart of Newark, April 4, inscribed, "In Memory of Charlotte, Daur. of Enos and Phebe Farrand, who died May 8, 1788, Aged 3 years & 7 mo."

The Interstate Commerce Commission has urged Congress to enact a law whereby motor bus operations will be under federal regulation.

Twenty-one Princeton University students are taking the ground school course in naval aviation under Commander J. W. Iseman of the Rockaway Naval Air Station and Ensign J. W. Gillies.

Thomas N. McCarter has been named president of the Public Service Corporation of New Jersey for the twenty-sixth year.

The Lincoln Theatre, Trenton, costing \$1,800,000 and seating 2300 was opened April 23.

Puritan Stores, Inc., have united twenty-four retail candy stores in New York and New Jersey.

The Lackawanna railroad has agreed to share in the cost of improving River Road, Hoboken, between Fifth and Eleventh sts., on which hinges the return of the North German Lloyd to its pre-war berths in New Jersey.

The United States Rubber Co. has purchased a five-story building in Passaic as a research laboratory.

Public Service Railway Co. April 18 distributed \$10,000 in bonuses to its employees at the conclusion of a "no-accident campaign."

The Lackawanna Bus Line, Inc., between Passaic and Wallington, has been sold to the Public Service Co-Ordinated Transport for \$50,000.

The consolidation of the Meisch Manufacturing Co., operating one mill in Paterson and five in Pennsylvania, and the Buser Silk Co., operating a Paterson mill and four Pennsylvania plants, has been announced, totaling \$3,000,000.

The Victor Talking Machine Co., Camden, the First National Pictures and the Electrical Research Products, a subsidiary of the Western Electric, have united in the production of motion pictures synchronized with sound by what is called the "formatone" process.

The Standard Oil Co. of N. J. moved into its own building, Washington and Plum sts., Newark, April 19.

The publicity campaign for Plainfield conducted by the Chamber of Commerce has brought inquiries from six foreign countries and most of the states, and 450 from New York.

A tentative site for the proposed Delaware bridge in Gloucester county has been selected at Washington Park to a point 2300 feet north of the Philadelphia navy yard flying field.

A NEW JERSEY INSTITUTION

Owned and Operated By the Manufacturers' Association of New Jersey. A Participating Stock Company
With No Assessments

HIGHEST PROTECTION

CASH DIVIDENDS

**NEW JERSEY MANUFACTURERS ASSOCIATION
FIRE INSURANCE COMPANY**

Issues Policies Covering

**FIRE, THEFT, PROPERTY DAMAGE AND COLLISION DAMAGE
AUTOMOBILE INSURANCE**

Also

FIRE AND LIGHTNING ON DWELLINGS AND HOUSEHOLD FURNITURE

for

Members of the Association, Their Officers and Recommended Employees

HOME OFFICE

TRENTON, NEW JERSEY

Ocean Grove has repealed a sixty year old rule forbidding construction of buildings to house vehicles so that residents may keep their automobiles within the gates over Sunday, although they will not be permitted to operate them.

The New Jersey State Chamber of Commerce has moved its quarters from the Firemen's building to 605 Broad st., Newark.

New Jersey's National Guard will open its Sea Girt camp on July 7, continuing until September 1.

The Port of New York Authority announces that work on the Hudson River Bridge connecting Fort Lee with Manhattan is several months ahead of schedule due to mild winter weather.

Professor George S. Harris has been appointed dean of the New Jersey Law School, Newark, to succeed the late Charles M. Mason.

Christian W. Feigenspan, president of the Federal Trust, has donated the Dryden mansion, Lincoln Park, Newark, to the Newark Art Club.

Two hundred and fifty years ago, April 4, the first white man in Passaic purchased Menehenike Island (now First Ward Park) from the Indians according to City Historian William W. Scott who laments the lack of any municipal celebration.

Bids will be opened shortly for the erection of seventeen small buildings at the Picatinny Arsenal destroyed in the Lake Denmark explosion July, 1926.

Contract for the erection of municipal docks at the mouth of the Raritan-Delaware canal, New Brunswick, has been awarded to Tuller Construction Co., Red Bank.

The bridge over the Raritan river near Weston Mills, New Brunswick, will be built by Parker & Graham, Paterson, for \$1,509,373.

The Trenton Central High School on Chamber st. to house 5,000 pupils will cost \$2,500,000.

Contracts for the furnishing and installing of electrical equipment for the Arthur Kill bridges at Perth Amboy and Elizabeth have been awarded to Erickson Engineering Co., New York.

Passenger trains on the Elmer and Quinton Branches of the West Jersey and Seashore railroad, which carried twenty-three passengers in twenty-five days, have been discontinued by authority of the Board of Public Utility Commissioners.

A City Planning Commission was created by the Bayonne City Commission April 4 to include: Commissioners J. Edward Johnson, Jacob Molitaris, John J. Nealon, Alexander Seclow, William C. Conway, Eugene F. Newkirk and George M. DeWaters.

The Pennsylvania-New Jersey Delaware River Bridge Commission has purchased the Trenton-Morrisville toll bridge for \$250,000.

Real estate mortgage loans made by the Prudential Insurance Co. of America amounted to \$52,812,179 for the first three months of 1928.

The Majestic Holding Co. plans a fifteen story, 360 room hotel at 15-21 Hill st. to cost \$2,000,000.

Cornelius C. Vermetule, East Orange, has been named engineer in charge of investigation into flood conditions on the Passaic river by the New Jersey State Board of Conservation and Development.

A life-size statue of Andrew Fleming West, for 27 years dean of the Princeton Graduate School, was unveiled in Princeton April 12.

May has been named "No Accident Month" by the Hudson County Safety Council for plants in that district.

Arrow Airways, Inc., Paterson, has purchased 143 acres at Pompton Plains for a flying field.

A weather signal tower has been erected at Port Newark.

The Gates-Day Aircraft Corp. has established a plant at Paterson.

LIQUIDITY

DEPOSIT LIABILITY March 31st, 1928 - \$13,266,759.36
CASH or equivalent (Immediately available) over 9,000,000.00

RESOURCES	
INVESTMENT SECURITIES (1st Grade)	\$3,160,173.87
LIBERTY BONDS & U. S. CERTIFICATES	5,069,637.15
CASH AND DUE FROM BANKS	785,252.00
	<u>\$9,015,063.02</u>
Loans and Discounts	5,878,052.97
U. S. Bonds to Secure Circulation	100,000.00
Redemption Fund (U. S. Treasurer) . . .	5,000.00
Banking House	523,835.03
Customers Liability Acct. of Acceptances	26,273.76
	<u>\$15,548,224.78</u>

LIABILITIES	
DEPOSITS	\$13,266,759.36
National Bank Notes in Circulation . . .	99,000.00
Owe Federal Reserve Bank	50,000.00
Acceptances Executed for Customers	26,273.76
Capital, Surplus and Reserves	2,106,191.66
	<u>\$15,548,224.78</u>

THE SECOND NATIONAL BANK
OF PATERSON, N. J.

Financial Interests

Banks and Trust Cos.

The Interstate Trust Co. of New York, of which Governor George S. Silzer is president, has formed a securities company known as the Interstate Corp. Stock was offered to trust company shareholders.

William H. Backer, secretary and trust officer of the Bound Brook Trust Co., has been named cashier of the Hillside National Bank, Newark.

The Board of Directors of the Trust Company of New Jersey, Jersey City, has authorized an increase in capital from \$4,000,000 to \$4,500,000.

David L. Sacks, president of Louis Sacks, Inc., has been elected a director of the West Side Trust Co., Newark.

The Savings and Investment Trust Co., East Orange, has added to its board of directors: Charles D. Moulton, Charles Pinnell, William F. O'Brien, Louis McCloud and Arthur T. Vanderbilt.

Edward H. Eisele, of Eisele & King, Newark, has been elected director of the Vailsburgh Trust Co.

The Elizabethport Banking Co., Elizabeth, has voted to increase its capital stock from \$250,000 to \$500,000.

Large Trenton Banks Merge

Merging of the Mechanics National Bank and the First National Bank of Trenton was approved April 12. The new personnel: former Governor Edward C. Stokes, President of the Mechanics, Chairman of the board of directors; Arthur H. Wood, Chairman of the First National board, President; Colonel Edward C. Rose, President of the First National, Chairman of the Executive Committee. The combined resources of the banks Dec. 31 were \$42,309,858. Each is capitalized for \$1,000,000.

The First National Co., organized January 1, 1928, as the securities company of the First National Bank, while some of the interests are the same, will remain independent and is not affiliated with the consolidation.

The First National Company is the first of its kind in Trenton and offers a complete financial investment service. The capital stock \$500,000 and surplus \$100,000. Colonel Edward C. Rose is president.

Approval has been given to permit the organization of the Point Pleasant Beach National Bank with a capital of \$100,000.

Frankland Briggs has been elected a member of the Board of Managers of the Howard Savings Institution, Newark.

The new Bergen Square branch of the Lincoln Trust Co., Jersey City, was opened for business last month. It is located at Bergen ave. and Academy st.

Announcement is made by the Capital City Trust Co., Trenton, of the complete reorganization of its personnel. Former Senator Harry D. Leavitt is president, Bentley H. Pope, vice-president, Owen J. Prior, vice-president, Willet M. Dennis, secretary-treasurer, and James A. O'Neil, assistant secretary-treasurer.

The New Jersey Bankers Securities Co. has purchased the Perth Amboy National Bank.

Shareholders of the Guaranty Trust Co., Newark, have approved the directors' recommendation that par value of the stock be changed from \$100 to \$25 and the exchange at four for one.

Applications for charters for three new Jersey banks have been made to the Comptroller of the Currency. They are the Pacific National Bank & Trust Co., Newark, Prospect National Bank, Verona, and Woodridge National Bank, Woodridge.

Stanley J. Lathrop has been elected secretary-treasurer of the Central Home Trust Co., Elizabeth.

Stockholders of the Clinton Trust Co., Newark, have approved the issuance of 2000 additional \$100 par shares whereby the capital will be raised to \$700,000. Each holder of five old shares will be entitled to purchase two new shares at \$350 each.

John Rizsak, founder of the institution, has been elected president of the Rizsak State Bank of Passaic.

PATERSON—An Advancing City With A Bank That Keeps Pace

In 26 years Paterson has more than quadrupled the annual value of its manufactured products and the amount of wages paid.

Year	Wages	Value of Products
1899	\$11,843,000	\$ 48,502,000
1904	13,002,000	54,673,000
1909	15,205,000	69,584,000
1914	16,195,000	78,429,000
1921	35,427,000	161,146,000
1923	41,276,000	194,857,000
1925	45,688,000	206,503,000

Since 1889, The Paterson National Bank has served all lines of Paterson commerce and industry with ever increasing effectiveness and strength.

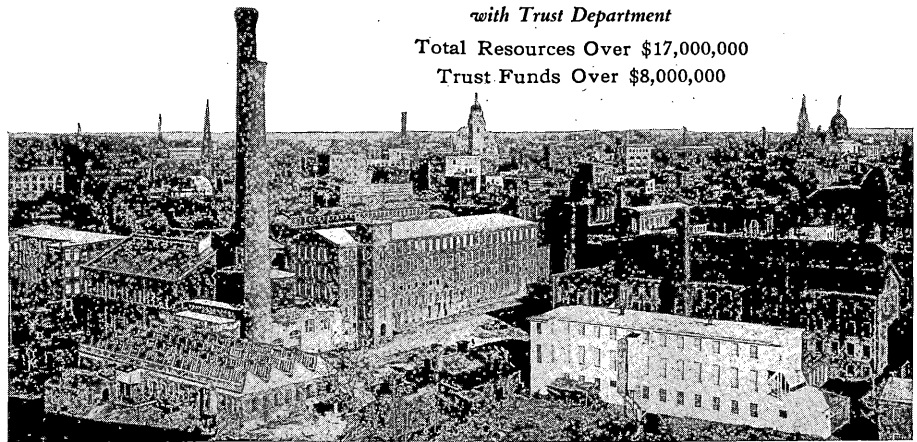
And The Paterson National is advancing with Paterson.

The PATERSON NATIONAL BANK

with Trust Department

Total Resources Over \$17,000,000

Trust Funds Over \$8,000,000



Finance Notes

While it is understood that the Public Service Corporation does not intend to offer any of the stock at present, stockholders will be asked to vote on May 28 on a recommendation of the directors, calling for authorization to issue preferred stock of no par value, bearing a dividend rate of 5 per cent. The stock will be cumulative as to dividend and the authorized amount would be 2,000,000 shares. All other preferred stock of the corporation has a par value of \$100.

The proposed plan would double the amount of authorized preferred stock of the corporation. It now has preferred stock capitalization of \$200,000,000, or 2,000,000 shares. Of that 250,000 shares, amounting to \$25,000,000, is in 8 per cent.; 500,000 shares, amounting to \$50,000,000, is in 7 per cent., and 1,250,000 shares amounting to \$125,000,000, is in 6 per cent.

Approval of the directors' recommendation to increase the capital stock from \$500,000 to \$1,000,000 has been given by the stockholders of the Merchants & Manufacturers Fire Insurance Co., Newark. The shares, of \$5 par value, will be increased from 100,000 to 200,000. Stockholders can subscribe for the new stock, share for share, at \$15. It is now quoted 36 bid and 38 offered.

The Emigrant and Industrial Savings Bank, New York, has announced an innovation in policy. Interest will be paid from the day of deposit to the day of withdrawal. Under the new plan no depositor can lose a single day's interest, even if he withdraws a few days after depositing. Under the old system interest was paid only when the money was left in until the end of a quarterly or semi-annual period, although in recent years several banks have adopted a policy of paying interest every calendar month.

The Plainfield National Bank is to be opened on or about June 1. Harry H. Pond, President of The Plainfield Trust Co. and Vice-President of The Chase National Bank of New York, and a group of influential business men were granted a charter several months ago. Marion S. Ackerman, a prominent New York business man, is to head the new institution as President. Arthur E. Crone, Vice-President of The Plainfield Trust Co., will be Vice-President. The other Vice-President is Horace E. Staples, President of the British-American Metals Co. Rufus B. Rittenhouse, well known in the younger banking circles and the American Institute of Banking, and President of the Elizabeth Chapter, is to be cashier.

The Universal Indemnity Insurance Co. of Newark, recently organized as a running mate of the Universal Fire Insurance Co. of Newark, has started to do business with a capital of \$300,000. The company for the present will confine itself to the writing of automobile liability insurance.

The Bankers Indemnity Insurance Co., Newark, has moved from the Federal Trust building to 31 Clinton st.

The Fidelity Union Title and Mortgage Guaranty Co., Newark, has moved into greatly enlarged quarters on the third floor of the new Prudential building at Broad and Academy sts.

Aaron Sapiro, whose suit against Henry Ford for \$1,000,000 brought him into prominence in the newspapers, will be chairman of the board of directors of the new Bankshares Corp. of the United States recently formed by William Harris, Newark lawyer. The principal office will be in New York and the object will be the acquisition of stocks in financial institutions. Mr. Harris will be president.

Stockholders of the United States Cast Iron Pipe & Foundry Co. have been asked to vote approval of the directors' plan to split the common and preferred stock. The recapitalization plan provides for changing the 120,000 shares each of common and preferred, \$100 par, into 600,000 shares of six per cent. \$20 par first preferred, redeemable at \$21 after Aug. 31, 1933; 180,000 shares of six per cent. \$20 par second preferred, redeemable at \$21 at any time, and 600,000 shares of common at no par value. Holders of preferred would receive five shares of new first preferred for each share of old and 1½ shares of new second preferred. Holders of common would receive five for one.

A new stock quotation board, the invention of a Newark engineer, has been installed in the offices of Prince & Whitely in the Firemen's building. It carries a large list of stocks, gives the open high and low quotations, and each quotation as it changes on the ticker direct from the New York Stock Exchange. The new board shows at all times the last twenty sales on each stock.

Directors of the Chemical & Dye Corp. of Springfield have declared an initial quarterly dividend of \$1.75 a share on the first preferred stock.

Directors of the Reliance Casualty Co., Newark, have voted to recommend to stockholders increasing the capital stock from \$300,000 to \$600,000 to do business in other states and to expand its operations along desirable casualty lines.

The Realty Funding Corp., a mortgage company, has been organized by a group of Irvington business men. It is capitalized at \$100,000. Offices are located temporarily at 901 Springfield ave., Irvington. The Officers are: John M. Cullerton, president; M. DeLancy, secretary; Harry W. Davis, treasurer; Lucile M. Jessurun, counsel.

Walter M. Drill has been made assistant secretary-treasurer of the Jefferson Fire Insurance Co., Newark, being advanced from the chief accountancy.

The 1927 business of the Prudential Insurance Co., Newark, amounted to \$2,608,000,000, an increase over the previous year of \$218,000,000.

The Southern New Jersey Title & Mortgage Guaranty Co. has been organized in Hammonton with an authorized capital and surplus of \$1,500,000. Edward W. McGovern, president of the Farmers and Merchants Building & Loan Association of Hammonton, is chairman of the board.

Bond issues of New Jersey recently put on the market include the following: \$500,000 Township of North Bergen 4¼% school bonds; \$703,000 City of New Brunswick 4% and 4¼%; \$100,000 City of Clinton 5½% gold bonds; \$80,000 Brigantine 5½% sewer bonds; \$55,000 Longport 5½% sewer bonds; Morristown gold 4% water bonds.

Detailed statement of the Mutual Benefit Life Insurance Co. shows that the total receipts for 1927 amounted to \$99,839,593 and exceeded the expenditures, \$68,568,908, by \$31,270,684. The total amount of new business written in 1927 was \$268,474,022.

The New Jersey Terra Cotta Co. and the South Amboy Terra Cotta Co. are being consolidated under the name of the former. The merger involves no change in ownership, management or financial capacity.

Stockholders of the Mutual Bank of Roseville will meet May 11 to take action upon the resolution of the directors providing for the surrender of the charter of the bank and transfer of its business and affairs to the Franklin Bank & Trust Co.

The Continental Can Co., Passaic, has offered its stockholders 68,262 additional shares of common stock at \$100 a share, to be purchased, if desired, to the extent of the per cent. of their holdings.

W. C. Langley & Co. and Halsey, Stuart & Co., New York, have offered \$600,000 Atlantic County Water Company of New Jersey first mortgage 5% bonds dated March 1, 1928, due March 1, 1958, at 97½ and interest.

Arthur Potterton, commissioner of Jersey City, has been elected a director of the Investment Trust, New York.

Smith-Austermuhl Co., Camden, insurance and mortgage brokers, have offered \$1,000,000 6% cumulative preferred stock at \$100 with privilege of common stock purchase at \$15.

Harlow H. Morgan of Newark, has joined the Newark office of Prince and Whitely.

Jules E. Tepper, of Braelow and Tepper, has been elected director of the Lincoln Mortgage and Title Guaranty Co., Newark.

Phelps, Fenn & Co., New York, have offered \$158,000 Borough of Hawthorne school district 4½% bonds due Feb. 1, 1929-1955, to yield 4 to 4.20%.

William R. Evans, Newark, has been named assistant vice president of the Lincoln Interstate Holding Co., Newark.

Real Estate Interests

The Jersey City Real Estate Board has been organized as one of the successors of the Real Estate Board of Hudson County which dissolved recently to permit the formation of smaller units to handle the growing real estate business in that section. Edward M. Taylor, Jersey City, was elected president. Similar boards will be organized in Hoboken, North Hudson, Arlington-Kearny and Bayonne.

The Massachusetts Mutual Life Insurance Co. has leased the twelfth floor of the new Griffith Building, Broad st., Newark.

Appraisals by the Real Estate Board of Newark for the three months ending March 31 totalled \$8,000,000. In March, \$7,762,400; Feb. \$25,000; Jan. \$308,000.

Binder, Booth and Aungst, Inc., East Orange, has organized as a real estate brokerage.

The Military Park Building, Park Place, Newark, the largest office building in New Jersey, has been sold by Maurice Strunsky and Louis Cohen, New York, to the Capital Realty Associates, Newark, Albert Hollander, president, for more than \$3,000,000.

Lot Development

Lippman & Lowry, insurance agents, have purchased 994 Broad st., Newark, as the site of an office building.

Clairvaux Park, Bernardsville, a 200 acre real estate development, has been sold to Home Colony, Inc., Newark, by B. Z. G. Realty Co., Inc.

The Glenn Land Co., Ridgewood, has sold 24 acres to the Herman Walker Realty Co., Union City, for \$50,000.

The Maple Realty Co., Perth Amboy, will develop a sixty-five acre tract at Avenel recently purchased from the Manor Real Estate and Trust Co.

James J. McFeeley, Inc., contractors, have purchased from Mattie Gibbs, Weehawken, a plot 250 feet on Jackson st., Hoboken, adjoining property of the Port of New York Development Co.

The Ready-Mixed Concrete Corp. of New Jersey is erecting a plant at Harrison and Passaic aves., Kearny.

The First National Bank of Bloomingdale, Bloomingdale, has purchased the Manhattan Hotel as a site for a new bank building.

Fourteen acres on the Palisades at Alpine have been sold by the Charles Riehl estate for \$105,000 to the Bridge Plaza Realty Co., Jersey City, for lot development.

One hundred lots in Cliffside Park have been sold by the Overlook Development Co. to the Bergen Land Development Co., Jersey City, for \$60,000.

A factory to cost \$75,000 is being built by M. Polaner & Son, fruit preservers, at 233-239 South Orange ave., Newark.

The Phelps Estate, twenty-four acres at Alpine, has been acquired by the Bridge Plaza Realty Co., Jersey City, for \$103,000.

The Mechanics National Bank, Trenton, plans a new bank building, with stores and offices, at State and Chancery sts.

A theatre seating 1,500 to cost \$500,000 is planned by the V. & L. Realty Co. on North Broad st., Elizabeth.

A three story building for the New Jersey Bell Telephone Co. is to be erected at 1177 East Grand st., Elizabeth, by the H. A. Rath Co.

The Wasmer estate, 97 acres, Oakland, was sold to Herman Klonburg, of Wyckoff, for \$31,000.

Arthur Brisbane has given the use of 90,000 acres at Allaire for a Boy Scout camp.

A New Jersey Institution

NEW JERSEY MANUFACTURERS' CASUALTY INSURANCE COMPANY

Writes Policies for Members of the Association, Their Officers and Recommended Employees Covering

**WORKMEN'S COMPENSATION
PUBLIC LIABILITY
AUTOMOBILE PUBLIC LIABILITY**

**HOME OFFICE
TRENTON, NEW JERSEY**

Owned and Operated by the Manufacturers' Association of New Jersey. A Participating Stock Company—With No Assessments.

The Hillside Trust Co. plans a new banking building on Liberty ave., Hillside.

The Jackson Trust Co. will build a bank building at Jackson and Woodlawn aves., Jersey City.

The Washburn-Crosby Flour Co. plans to erect a chemical plant on the property of the Lehigh Valley Railroad, Elizabeth.

The Molly Pitcher Hotel on Riverside ave., Red Bank, is being constructed by the Red Bank Hotel Co., Inc., costing \$600,000.

Two-hundred and forty lots in the vicinity of Lemoine and Van Nostrand aves., Englewood, were auctioned for \$176,405.

A civic center for East Orange is being erected on Main st. to include a City Hall, the Health Department and the Building and Police Department, and a Post Office, together costing \$1,500,000.

Development plans in Union City include: \$50,000 office building at 32nd st. and Bergenline ave.; the Cordts Office Building at 32nd st. and Central ave.; development of the west side of Bergenline ave. between 38th and 39th sts.; department store at 32nd st. and Bergenline ave.

A four story building to house sales offices of the Singer Sewing Machine Co. is planned at 1156 East Jersey st., Elizabeth.

The Perth Amboy Trust Co. plans a four story bank building at Smith and Hobart sts., Perth Amboy.

A two story office building is being erected by the Plainfield Building and Loan Ass'n at Park ave. and West Fourth st., Plainfield, costing \$57,000.

A union freight station for the port of New York was recommended by Walter P. Hedden, chief analyst of the Port of New York Authority. Such a station would lessen street congestion by cutting cross hauling, and would release valuable waterfront property in New York and New Jersey for steamship purposes. "Today more than one-third of the water front of Manhattan, available for berthing watercraft, is occupied by railroad pier stations despite the increasing demand from steamship companies for space in which to dock their huge transatlantic liners," he said.

Changes in Plants and Stores

The Frederick Kaiser Products, Philadelphia, has leased 56 Thomas st., Newark, as a distributing office.

Robinson's, Inc., 75 Market st., Newark, is a member of the recently organized Furniture Syndicate of America.

Additions costing \$200,000 are being made to the plant of the Trenton Potteries Co., N. Clinton ave., Trenton.

The Mutual Grocery Co. has purchased the American Food Co., a chain with headquarters in Newark, for \$750,000, acquiring ninety additional stores in New Jersey. Wilkinson-Gaddis & Co., Newark, owner of the Mutual grocery stores, will head the largest chain in this territory.

The plant of the Roller Bearing Co. of America, 141 Frelinghuysen ave., Newark, will be moved to the old Mercer Motor Car Co. plant, Trenton.

Vogeler Bros., Newark food distributors, have leased 61 E. Alpine st., Newark, from Russell-Schwarz Co. for the manufacture of mayonnaise.

E. S. Halstead & Co., Inc., manufacturer of burlap and cotton bags, have erected a plant at 78 Halladay st., Jersey City, costing \$250,000.

The Seaboard Glass Corp. and the Reliable Mirror Works, Inc., have leased the American Musical Supply Co. plant, 451 Communipaw ave., Jersey City.

Sears, Roebuck & Co. have leased 5 E. Kinney pl., Newark, for storage room.

Denson & Feder, Inc., millwork, have leased the Schuchman Chocolate Co. plant, 468-474 Johnston ave., Jersey City.

The Hudson Upholstering Works have leased 66-68 York st., Jersey City.

The Ideal Hat Manufacturing Co., New York, has leased the former Ahrens Co. plant, Uhlandt st., East Rutherford.

Apartment House Plans

The Metropolitan Holding Co. has acquired five apartment houses in Weehawken and West New York valued at more than \$600,000 from Samuel Engel and Max Pascher, Jersey City builders.

The Pennsylvania and Lehigh Valley railroads have advertised for bids on a bridge over

Newark Bay to cost approximately \$7,500,000 and which will carry freight to the terminals at Greenville and Jersey City.

A four-story apartment house will be erected at 369-379 Roseville ave., Newark, by Robert Lincoln Land Co.

A twenty family apartment will be erected by Milton Mirkin on Bellevue ave., Trenton, to cost \$100,000.

The five-story Lincoln Arms Apt., 137-139 Kensington ave., Jersey City, has been purchased by Hugh Meehan, Jersey City, from Charles B. Faller.

The Monmouth County Building Trades Council and the Master Builders' Association agreed April 10 to a five-day week effective May 5 on 3,000 masons, carpenters, electricians, plumbers and painters.

Walter Kidde & Company
Incorporated
Engineers and Constructors

Builders of
Institutional Buildings
Industrial Plants
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140 Cedar Street, New York

In close touch with the growth of Hudson County for over 77 years.

Our knowledge and experience is available to anyone wishing to transact business in Hudson County.

HUDSON COUNTY NATIONAL BANK

Jersey City, N. J.

Bayonne, N. J.

Oldest and Largest National Bank in Hudson County

Affiliated Institution, The Highland Trust Co., Union City, N. J.

Comparative Statistics of New Jersey National Banks

Banks That Are 25 Years Old and Older—1902=1927

Compiled for the Journal of Industry and Finance, Under Retainer,
By Ernst & Ernst, Public Accountants

(All figures are as of Dec. 31)

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Loans and Discounts	Investments—		Increase in Resources
							Stocks, Investments— Bonds, etc.	Total Resources	
Farmers National Bank.....	Allentown	1927	\$100,000	\$214,944	\$1,434,402	\$540,232	\$1,147,325	\$1,854,480	\$1,559,680
		1902	50,000	26,812	179,507	134,111	129,441	294,800	
Second National Bank.....	Atlantic City	1927	300,000	480,046	4,609,583	3,170,025	1,854,437	5,966,795	4,621,667
		1902	100,000	150,701	833,865	865,629	217,007	1,345,128	
Atlantic City National Bank.....	Atlantic City	1927	300,000	1,434,503	8,991,056	9,178,830	2,277,932	12,297,815	10,626,197
		1902	50,000	260,484	1,246,628	980,036	177,700	1,671,618	
Chelsea National Bank.....	Atlantic City	1927	200,000	678,800	6,568,207	5,442,148	1,380,654	7,985,673	7,622,144
		1902	100,000	5,762	212,787	280,366	25,000	363,529	
Union National Bank.....	Atlantic City	1927	100,000	345,273	2,164,133	1,648,982	509,127	2,868,597	1,976,183
		1902	100,000	92,419	674,141	436,023	141,812	892,414	
Atlantic Highlands National Bank.....	Atlantic Highlands...	1927	100,000	157,003	1,539,326	1,334,109	283,321	1,850,658	1,537,003
		1902	50,000	35,173	203,482	179,797	75,420	313,655	
First National Bank.....	Belmar	1927	50,000	108,844	1,766,364	1,648,431	90,924	1,969,993	1,736,523
		1902	25,000	7,409	184,615	114,100	41,250	233,470	
Belvidere National Bank.....	Belvidere	1927	100,000	195,639	1,829,663	426,906	1,530,199	2,147,540	1,716,916
		1902	100,000	70,128	137,274	37,441	324,359	430,624	
Bernardsville National Bank.....	Bernardsville	1927	100,000	105,000	1,900,212	507,772	1,463,119	2,238,321	1,966,024
		1902	30,000	6,654	218,379	194,450	25,077	272,297	
First National Bank.....	Blairstown	1927	50,000	57,390	1,009,877	340,758	563,581	1,145,622	1,016,214
		1902	25,000	3,723	75,861	58,931	44,525	129,408	
Bloomfield National Bank.....	Bloomfield	1927	300,000	438,884	6,239,357	4,654,961	1,768,431	7,338,191	6,508,678
		1902	50,000	47,831	631,881	296,409	218,097	829,513	
Citizens National Bank.....	Bloomsbury	1927	50,000	76,204	705,881	129,232	697,517	898,928	609,415
		1902	50,000	47,831	631,881	296,409	218,097	289,513	
Boonton National Bank.....	Boonton	1927	100,000	259,389	3,049,595	1,598,319	1,565,536	3,453,918	3,065,334
		1902	50,000	53,372	265,081	223,852	90,432	388,584	
First National Bank.....	Bound Brook	1927	100,000	300,151	4,109,780	1,849,850	2,273,451	4,547,932	4,239,092
		1902	50,000	30,822	203,778	180,452	49,890	308,840	
Bridgeton National Bank.....	Bridgeton	1927	100,000	215,781	2,343,184	1,458,238	642,485	2,844,824	1,866,107
		1902	100,000	158,042	622,225	557,952	223,890	978,717	
Cumberland National Bank.....	Bridgeton	1927	150,000	576,761	3,277,739	1,972,717	1,197,905	4,061,684	2,590,101
		1902	150,000	386,922	875,919	1,063,989	192,124	1,471,583	
Mechanics National Bank.....	Burlington	1927	200,000	258,305	2,296,078	689,794	1,810,999	2,950,501	2,095,665
		1902	100,000	85,546	554,062	465,158	200,229	854,836	
First Camden Nat. Bk. & Trust Co.....	Camden	1927	1,300,000	2,281,957	31,334,514	23,232,440	7,669,005	36,691,992	35,197,800
		1902	200,000	158,306	1,054,969	1,156,611	90,523	1,494,192	
First National Bank.....	Cape May Ct. House.	1927	75,000	174,374	1,092,115	793,015	471,486	1,386,696	1,312,504
		1902	25,000	173	38,482	32,934	6,300	74,192	
Carlstadt National Bank.....	Carlstadt	1927	100,000	135,072	1,687,210	1,093,605	944,551	2,172,418	2,051,911
		1902	30,000	3,534	66,606	84,243	15,000	120,507	
First National Bank.....	Clinton	1927	50,000	71,212	505,078	152,147	423,955	667,025	385,397
		1902	75,000	21,036	142,836	140,165	90,031	281,628	
Clinton National Bank.....	Clinton	1927	50,000	140,000	645,491	369,031	337,790	855,297	438,412
		1902	50,000	108,053	232,932	196,991	151,500	416,885	
First National Bank.....	Cranbury	1927	100,000	166,957	1,218,793	533,007	877,067	1,537,232	1,180,701
		1902	50,000	68,778	183,108	152,814	148,594	356,531	
National Union Bank.....	Dover	1927	125,000	555,246	5,209,739	4,069,325	1,159,463	5,951,237	4,726,627
		1902	125,000	289,128	633,429	896,426	137,475	1,224,610	
National State Bank.....	Elizabeth	1927	700,000	1,249,218	12,934,345	9,938,751	2,937,197	15,222,629	12,543,736
		1902	350,000	607,254	1,574,459	1,492,957	906,491	2,678,893	
Citizens Nat. Bank & Trust Co.....	Englewood	1927	200,000	340,095	5,152,206	2,508,116	2,600,254	5,868,814	5,135,950
		1902	50,000	78,199	567,170	294,204	299,238	732,864	
Flemington National Bank.....	Flemington	1927	100,000	248,299	1,754,637	511,406	1,431,545	2,205,924	1,645,093
		1902	100,000	58,355	300,361	228,987	206,142	560,831	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Investments—			Increase in Resources
						Loans and Discounts	Stocks, Mortgages, Bonds, etc.	Total Resources	
Hunterdon County National Bank	Flemington	1927	100,000	414,111	3,249,290	941,729	2,495,904	3,864,112	3,364,036
		1902	100,000	52,634	294,281	260,214	169,050	500,076	
First National Bank	Freehold	1927	50,000	173,851	1,740,697	743,406	997,076	1,978,021	1,401,841
		1902	50,000	105,191	385,923	158,324	327,348	576,180	
National Freehold Banking Co.	Freehold	1927	100,000	128,748	1,851,963	841,378	1,135,547	2,248,795	1,806,117
		1902	50,000	35,129	251,407	221,551	142,943	442,678	
Central National Bank	Freehold	1927	50,000	136,484	1,181,023	338,668	1,025,596	1,530,034	1,240,122
		1902	50,000	28,241	173,728	157,337	85,304	289,912	
Union National Bank	Frenchtown	1927	75,000	129,756	2,024,869	345,864	1,820,566	2,336,606	1,918,407
		1902	75,000	66,781	215,411	150,304	200,095	418,199	
First National Bank	Glassboro	1927	100,000	237,324	1,220,002	805,564	565,076	1,625,383	1,244,041
		1902	50,000	31,951	285,070	254,586	65,347	381,342	
Hackettstown National Bank	Hackettstown	1927	150,000	152,207	1,960,245	959,837	949,621	2,276,474	1,634,203
		1902	150,000	119,643	221,929	287,571	272,563	642,271	
Haddonfield National Bank	Haddonfield	1927	100,000	150,128	2,933,695	1,747,029	1,080,169	3,257,784	2,922,319
		1902	50,000	47,145	223,156	175,618	99,113	335,465	
First National Bank	High Bridge	1927	50,000	56,263	816,428	198,282	609,091	962,026	758,980
		1902	30,000	6,218	124,485	114,179	47,710	203,046	
First National Bank	Hightstown	1927	150,000	262,438	2,075,872	930,787	1,406,343	2,596,695	1,983,961
		1902	150,000	48,743	362,985	362,571	85,933	612,734	
First National Bank	Hoboken	1927	500,000	1,230,558	13,155,862	6,033,144	9,098,996	17,035,448	13,952,780
		1902	110,000	493,569	1,710,071	1,260,285	1,252,572	3,082,668	
Hopewell National Bank	Hopewell	1927	100,000	143,593	1,356,237	478,327	1,041,409	1,662,545	1,439,320
		1902	50,000	25,564	134,622	164,046	17,221	223,225	
First National Bank	Jamesburg	1927	50,000	116,534	1,372,512	703,273	555,936	1,569,066	1,367,962
		1902	50,000	5,359	110,088	103,266	54,772	191,104	
First National Bank	Jersey City	1927	1,000,000	1,666,486	22,323,035	16,764,457	5,760,457	29,072,737	19,923,791
		1902	400,000	996,797	6,457,108	4,845,686	867,000	9,148,946	
Hudson County National Bank	Jersey City	1927	1,250,000	1,176,056	30,503,004	12,786,048	17,827,093	35,299,170	32,446,005
		1902	250,000	618,170	1,635,189	1,458,630	891,647	2,853,165	
People's National Bank	Keyport	1927	50,000	83,117	1,567,502	698,767	975,932	1,720,586	1,479,545
		1902	50,000	26,395	149,989	150,024	49,607	241,041	
Amwell National Bank	Lambertville	1927	100,000	110,020	1,792,162	700,469	1,113,778	2,044,327	1,645,403
		1902	72,000	56,072	2,750,480	112,166	213,605	398,924	
Lambertville National Bank	Lambertville	1927	100,000	159,976	2,053,839	702,619	1,652,478	2,539,680	2,037,310
		1902	100,000	72,268	240,123	121,217	331,545	502,370	
Citizens National Bank	Long Branch	1927	150,000	324,399	2,775,572	2,201,002	480,374	3,259,872	2,570,826
		1902	100,000	58,862	491,616	381,345	39,000	689,046	
First National Bank	Madison	1927	100,000	151,945	2,678,363	1,174,437	1,551,167	3,096,617	2,760,668
		1902	50,000	32,038	226,292	177,626	110,475	335,949	
Burlington County National Bank	Medford	1927	100,000	72,308	952,606	656,613	205,159	1,190,864	870,699
		1902	100,000	41,511	128,736	136,936	115,170	320,165	
Mechanics National Bank	Millville	1927	150,000	125,356	839,991	677,850	411,149	1,365,718	1,090,735
		1902	100,000	19,093	108,106	188,473	45,000	274,983	
Millville National Bank	Millville	1927	100,000	534,442	3,211,820	2,236,920	1,200,635	3,970,394	3,117,582
		1902	100,000	163,529	484,787	458,654	279,903	852,812	
First National Bank	Morristown	1927	200,000	404,715	6,022,695	4,592,047	1,384,230	7,026,333	4,595,615
		1902	100,000	212,722	2,048,809	1,034,777	902,957	2,430,718	
National Iron Bank	Morristown	1927	250,000	224,963	6,987,372	5,704,124	1,311,478	8,185,857	6,894,877
		1902	200,000	61,795	887,959	783,836	267,735	1,290,980	
Mount Holly National Bank	Mount Holly	1927	100,000	102,034	757,400	724,860	253,650	1,063,986	616,938
		1902	100,000	64,415	250,534	295,633	105,360	447,048	
Union National Bank	Mount Holly	1927	100,000	256,244	1,757,554	1,495,619	436,090	2,629,443	2,029,225
		1902	100,000	65,349	327,974	322,066	198,060	600,218	
Nat. Newark & Essex Banking Co.	Newark	1927	2,500,000	1,626,885	36,998,462	25,751,434	10,797,368	44,613,328	38,120,019
		1902	1,000,000	1,208,176	3,799,558	4,957,661	175,000	6,493,309	
National State Bank	Newark	1927	500,000	1,165,457	7,837,773	5,152,521	2,114,265	11,009,815	7,711,703
		1902	500,000	404,706	2,283,209	1,344,277	778,000	3,298,112	
North Ward National Bank	Newark	1927	400,000	1,130,479	12,571,274	5,571,531	8,052,272	15,821,404	13,553,676
		1902	200,000	219,713	1,580,781	1,282,548	201,830	2,267,728	
National Bank of New Jersey	New Brunswick	1927	500,000	1,138,221	14,165,981	10,623,981	3,035,437	16,486,421	14,368,280
		1902	250,000	289,456	1,301,930	1,572,978	256,965	2,118,141	
People's National Bank	New Brunswick	1927	200,000	332,128	3,990,056	2,798,632	1,314,961	4,701,725	3,925,011
		1902	100,000	99,242	482,302	403,256	190,140	776,714	
Sussex and Merchants Nat. Bank	Newton	1927	400,000	604,616	5,623,527	2,793,462	3,214,605	6,939,310	6,264,314
		1902	100,000	96,699	379,843	291,643	235,792	674,996	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Investments—			Increase in Resources
						Loans and Discounts	Stocks, Mortgages, Bonds, etc.	Total Resources	
First National Bank.....	Ocean City	1927	300,000	392,763	2,181,277	2,479,620	678,390	3,595,211	3,148,007
		1902	50,000	10,483	366,721	248,233	95,500	447,204	
Ocean Grove National Bank.....	Ocean Grove	1927	100,000	102,665	1,398,077	1,300,116	181,634	1,732,184	1,560,736
		1902	25,000	6,247	115,202	98,697	25,000	171,448	
Second National Bank.....	Orange	1927	300,000	412,698	4,786,408	2,983,347	2,126,531	5,798,144	5,011,360
		1902	100,000	50,985	530,551	530,379	144,996	786,784	
Orange National Bank.....	Orange	1927	150,000	442,646	7,039,447	3,368,764	3,380,970	8,029,467	6,129,141
		1902	150,000	173,432	1,377,679	1,052,329	383,310	1,900,326	
Passaic Nat. Bank & Trust Co..	Passaic	1927	1,500,000	2,426,154	25,804,798	18,302,039	9,868,793	31,281,709	28,763,853
		1902	200,000	142,698	2,043,900	623,538	1,459,302	2,517,856	
First National Bank.....	Paterson	1927	600,000	828,385	7,685,877	5,983,962	3,010,855	11,381,339	7,518,724
		1902	400,000	496,979	2,239,499	2,162,249	844,856	3,862,615	
Second National Bank.....	Paterson	1927	750,000	1,442,050	13,223,292	5,213,600	8,741,484	15,666,981	14,034,706
		1902	150,000	186,000	1,149,159	719,556	491,633	1,632,275	
Paterson National Bank.....	Paterson	1927	1,200,000	1,279,579	14,286,471	7,501,162	7,357,128	17,801,028	15,160,329
		1902	300,000	227,683	1,768,657	1,543,933	573,846	2,640,699	
Penn's Grove National Bank.....	Penn's Grove	1927	75,000	187,067	1,180,629	462,176	788,891	1,470,903	1,297,718
		1902	25,000	2,787	138,398	69,854	55,680	173,185	
First National Bank.....	Pennington	1927	50,000	86,013	1,161,610	584,376	600,927	1,366,266	1,265,569
		1902	25,000	1,949	54,268	64,438	7,000	100,697	
First National Bank & Trust Co..	Paulsboro	1927	100,000	195,212	1,414,477	809,123	821,184	1,850,048	1,706,732
		1902	30,000	1,735	95,402	58,341	44,446	143,316	
First National Bank.....	Perth Amboy	1927	300,000	408,244	8,189,397	5,111,959	3,158,493	9,109,725	8,278,477
		1902	100,000	43,039	622,492	446,334	223,500	831,248	
Second National Bank.....	Phillipsburg	1927	200,000	408,419	2,574,756	1,669,062	1,447,391	3,454,476	2,989,665
		1902	100,000	14,481	211,487	262,704	100,000	464,811	
Phillipsburg Nat. Bk. & Trust Co..	Phillipsburg	1927	200,000	587,523	2,911,178	1,444,416	2,554,840	4,249,326	2,950,000
		1902	200,000	244,974	644,497	619,278	377,109	1,299,326	
First National Bank.....	Plainfield	1927	200,000	430,832	6,148,692	4,535,359	1,874,201	7,380,931	6,074,198
		1902	200,000	62,964	922,493	866,079	193,301	1,306,733	
Ocean County National Bank.....	Point Pleasant	1927	150,000	191,123	1,527,830	1,464,193	273,032	1,920,041	1,747,499
		1902	50,000	3,714	102,713	90,084	25,844	172,542	
First National Bank.....	Princeton	1927	200,000	238,375	3,770,423	2,513,380	1,135,773	4,463,844	4,037,558
		1902	50,000	20,931	273,924	204,568	105,000	426,286	
Rahway National Bank.....	Rahway	1927	200,000	231,846	3,601,188	1,519,578	2,248,319	4,185,858	3,648,525
		1902	100,000	22,785	282,056	297,778	160,114	537,333	
Second Nat. Bank & Trust Co....	Red Bank	1927	500,000	802,611	9,924,916	4,479,712	5,636,582	11,423,756	10,411,502
		1902	75,000	255,045	566,801	540,663	257,127	1,012,254	
First National Bank.....	Ridgewood	1927	100,000	245,884	3,156,142	1,925,388	1,368,622	3,707,271	3,387,385
		1902	50,000	16,116	236,117	151,186	74,898	319,886	
Rutherford National Bank.....	Rutherford	1927	200,000	563,049	4,462,171	3,712,998	979,917	5,691,243	5,311,857
		1902	50,000	17,376	250,806	201,140	106,188	379,386	
City Nat. Bank and Trust Co....	Salem	1927	100,000	351,141	2,581,645	1,422,180	1,414,100	3,143,615	2,632,144
		1902	100,000	48,903	259,623	254,238	151,400	511,471	
Salem National Bank & Trust Co..	Salem	1927	150,000	320,353	2,502,021	1,926,011	850,043	3,184,906	2,232,147
		1902	150,000	162,044	578,612	481,003	201,955	952,759	
First National Bank.....	Seabright	1927	50,000	29,344	561,665	488,455	110,977	705,400	554,324
		1902	25,000	1,611	88,504	42,379	40,708	151,076	
Second National Bank.....	Somerville	1927	100,000	200,764	3,698,648	1,963,368	1,661,433	4,108,968	3,771,107
		1902	50,000	28,317	231,444	195,211	50,000	337,861	
First National Bank.....	South Amboy	1927	100,000	181,557	3,038,292	2,114,268	905,602	3,399,304	2,962,250
		1902	50,000	48,301	275,750	151,847	186,200	437,054	
First National Bank.....	South River	1927	100,000	259,574	4,728,963	1,740,420	2,853,527	5,122,668	4,974,864
		1902	50,000	1,057	82,000	75,843	26,903	147,804	
First National Bank.....	Spring Lake	1927	25,000	304,276	2,483,445	2,075,983	501,469	2,849,920	2,607,193
		1902	25,000	17,922	184,357	102,752	33,106	242,727	
First National Bank & Trust Co..	Summit	1927	200,000	147,019	3,259,927	1,796,440	1,432,384	3,757,776	3,530,955
		1902	50,000	13,544	148,367	174,984	12,500	227,721	
Farmers Nat. Bk. of Deckertown.	Sussex	1927	100,000	235,573	2,349,352	1,515,038	1,013,278	2,793,222	2,300,221
		1902	100,000	81,352	241,520	292,483	105,500	493,001	
Swedesboro National Bank.....	Swedesboro	1927	100,000	176,483	1,305,181	980,951	383,426	1,692,417	1,235,257
		1902	53,000	47,903	334,503	163,694	209,262	457,160	
First National Bank.....	Toms River	1927	200,000	341,774	2,721,443	2,332,454	1,087,188	3,730,884	3,121,230
		1902	50,000	139,553	335,774	66,685	410,856	609,654	
First National Bank.....	Trenton	1927	1,000,000	2,200,573	13,690,859	11,845,249	4,192,101	18,396,897	16,129,621
		1902	500,000	269,293	960,019	1,174,019	728,284	2,267,276	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Investments—			Increase in Resources
						Loans and Discounts	Stocks, Mortgages, Bonds, etc.	Total Resources	
Broad Street National Bank.....	Trenton	1927	250,000	1,105,629	11,042,736	7,579,335	2,920,049	13,407,042	11,674,487
		1902	250,000	130,315	1,260,830	1,169,366	125,471	1,732,555	
Mechanics National Bank.....	Trenton	1927	1,000,000	2,292,807	17,716,768	15,050,831	4,911,592	23,914,595	19,061,529
		1902	500,000	474,382	3,203,256	2,937,288	1,187,196	4,853,066	
First National Bank.....	Vincentown	1927	100,000	119,269	417,721	309,329	326,241	698,392	452,482
		1902	100,000	30,845	90,000	109,963	78,945	245,910	
Vineland National Bank.....	Vineland	1927	150,000	227,583	1,968,007	901,427	1,251,490	2,513,721	1,991,886
		1902	50,000	55,355	370,610	290,021	136,439	521,835	
First National Bank.....	Washington	1927	100,000	538,593	4,538,139	986,480	3,858,028	5,286,802	4,393,702
		1902	100,000	101,712	557,264	491,983	278,800	893,100	
Marine National Bank.....	Wildwood	1927	200,000	469,964	2,601,331	2,300,652	560,322	3,340,945	3,188,065
		1902	27,790	.....	116,418	88,813	40,835	152,880	
First National Bank & Trust Co..	Woodbury	1927	200,000	500,747	2,285,741	2,069,699	574,050	3,152,844	2,112,101
		1902	100,000	169,817	703,357	686,160	187,520	1,040,743	
Farmers & Mechanics Nat. Bank.	Woodbury	1927	100,000	379,807	2,006,628	1,635,115	618,649	2,598,163	1,971,823
		1902	100,000	95,772	397,375	335,761	146,120	626,340	
First National Bank.....	Woodstown	1927	75,000	266,818	373,190	499,298	245,614	855,099	244,846
		1902	75,000	164,842	349,918	308,517	225,774	610,253	

BANKS THAT ARE 21 YEARS OLD OR OLDER—1907-1927

Boardwalk National Bank.....	Atlantic City	1927	400,000	792,229	1,833,746	2,046,570	965,170	3,772,603	3,408,145
		1907	137,230	36,418	126,680	140,352	52,812	364,458	
First National Bank.....	Barnegat	1927	100,000	97,565	1,121,133	611,036	596,428	1,382,360	1,260,588
		1907	25,000	809	70,034	30,175	73,857	121,772	
First National Bank.....	Belleville	1927	300,000	105,531	4,095,905	3,011,467	1,179,126	5,006,409	4,733,528
		1907	50,000	4,535	175,491	157,098	53,303	272,881	
First National Bank.....	Beverly	1927	50,000	78,243	987,706	610,045	336,746	1,134,363	1,037,006
		1907	20,000	1,489	64,338	35,460	43,561	97,357	
First National Bank.....	Branchville	1927	25,000	72,500	869,242	268,108	682,411	1,031,011	823,380
		1907	25,000	13,030	145,101	118,261	55,175	207,631	
First National Bank.....	Butler	1927	100,000	216,954	2,573,786	1,657,009	1,087,706	3,022,941	2,560,197
		1907	50,000	37,732	348,035	250,708	129,530	462,744	
First National Bank.....	Carteret	1927	100,000	167,328	2,313,352	1,021,785	1,430,324	2,625,497	2,483,375
		1907	25,000	1,515	101,621	66,753	51,839	142,122	
Caldwell National Bank.....	Caldwell	1927	100,000	172,868	1,856,025	1,031,611	842,485	2,261,695	2,017,709
		1907	25,000	16,223	185,259	147,456	56,152	243,986	
Closter Nat. Bank & Trust Co..	Closter	1927	100,000	171,333	2,256,431	972,694	1,522,849	2,715,178	2,558,777
		1907	25,000	13,886	105,337	51,822	66,933	156,401	
Collingswood National Bank....	Collingswood	1927	100,000	160,411	1,837,026	1,471,724	469,828	2,252,979	2,040,278
		1907	25,000	4,057	118,156	121,667	75,512	212,701	
First National Bank.....	Dunellen	1927	100,000	68,514	1,724,026	1,365,185	475,572	2,056,831	1,952,359
		1907	25,000	906	63,427	67,416	25,606	104,472	
First National Bank.....	Edgewater	1927	50,000	56,060	1,493,641	465,228	1,000,398	1,645,435	1,471,647
		1907	25,000	1,234	125,366	78,871	41,541	173,788	
First National Bank.....	Elmer	1927	100,000	125,288	1,379,397	643,442	869,361	1,726,373	1,308,990
		1907	50,000	13,414	323,472	156,220	168,628	417,383	
First National Bank.....	Englishtown	1927	25,000	27,217	421,474	230,644	192,073	492,469	324,857
		1907	25,000	5,279	115,191	52,768	63,641	167,612	
First National Bank.....	Garfield	1927	200,000	203,601	3,361,719	1,611,687	1,827,005	4,044,174	3,931,023
		1907	25,000	550	80,286	45,681	43,255	113,151	
People's National Bank.....	Hackettstown	1927	100,000	131,254	1,657,207	608,021	1,179,519	1,954,417	1,586,616
		1907	60,000	36,253	210,011	239,631	85,900	367,801	
Hardyston National Bank.....	Hamburg	1927	50,000	102,431	826,594	580,498	416,681	1,083,781	824,198
		1907	50,000	13,842	146,615	115,922	84,804	259,583	
Irvington National Bank.....	Irvington	1927	250,000	451,543	6,179,749	3,968,797	2,679,341	7,371,443	6,781,918
		1907	100,000	17,753	407,263	350,511	143,689	589,525	
First National Bank & Trust Co..	Kearny	1927	100,000	177,781	3,298,260	2,500,984	451,359	3,797,501	3,637,935
		1907	50,000	13,529	83,527	63,152	57,288	159,566	
People's National Bank.....	Lakewood	1927	100,000	174,166	2,247,595	1,956,823	495,291	2,758,760	2,496,256
		1907	50,000	12,940	175,570	111,244	93,443	262,504	
Little Falls National Bank.....	Little Falls	1927	100,000	118,455	2,048,640	1,069,382	977,511	2,308,278	2,291,821
		1907	12,500	.....	3,944	325	6,905	16,457	
Farmers & Merchants Nat. Bank.	Matawan	1927	75,000	180,547	1,912,400	852,127	1,170,598	2,250,829	1,583,654
		1907	75,000	130,412	356,971	198,695	410,252	667,175	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Investments—			Increase in Resources
						Loans and Discounts	Stocks, Mortgages, Bonds, etc.	Total Resources	
First National Bank.....	Mays Landing	1927	25,000	85,746	936,510	325,895	624,911	1,074,948	981,127
		1907	22,500	1,471	57,356	65,553	17,045	93,821	
First National Bank & Trust Co..	Merchantville	1927	100,000	124,956	1,897,945	1,642,622	217,217	2,169,136	2,004,526
		1907	25,000	397	114,884	77,719	61,925	164,610	
Metuchen National Bank.....	Metuchen	1927	100,000	84,885	1,122,714	620,809	671,226	1,502,065	1,272,877
		1907	30,000	7,654	158,189	130,641	62,962	229,188	
First National Bank.....	Milford	1927	50,000	70,312	1,489,733	266,402	1,221,210	1,670,379	1,612,081
		1907	25,000	220	26,734	9,056	11,673	58,298	
First National Bank.....	Millburn	1927	150,000	190,236	3,243,323	3,009,583	198,943	3,632,331	3,530,874
		1907	21,000	664	69,294	56,018	23,757	101,457	
Farmers National Bank.....	Mullica Hill	1927	50,000	54,274	445,686	307,043	215,969	606,736	298,213
		1907	50,000	18,685	196,915	182,851	50,318	308,523	
Citizens National Bank.....	Netcong	1927	50,000	112,861	1,003,464	278,554	775,458	1,218,894	847,886
		1907	50,000	13,157	253,321	223,570	99,850	371,008	
First National Bank & Trust Co..	New Egypt	1927	100,000	45,976	788,518	216,253	613,689	941,359	855,373
		1907	25,000	828	51,282	32,773	40,702	85,986	
First National Bank.....	Pedricktown	1927	25,000	48,985	609,748	204,006	455,733	710,988	523,880
		1907	25,000	2,556	126,744	45,560	93,421	187,108	
Pitman Nat. Bank & Trust Co...	Pitman	1927	100,000	151,900	1,875,437	944,437	974,777	2,286,139	2,141,262
		1907	25,000	1,807	106,723	100,275	22,178	144,877	
People's National Bank.....	Pemberton	1927	100,000	95,371	1,060,025	517,427	545,568	1,273,934	1,142,266
		1907	25,000	1,807	78,262	62,846	46,661	131,668	
First National Bank.....	Pleasantville	1927	25,000	140,588	2,012,132	1,670,487	223,587	2,302,225	2,053,924
		1907	25,000	12,815	179,172	139,713	44,703	248,301	
First National Bank.....	Rockaway	1927	100,000	170,702	1,699,877	871,977	974,722	2,073,251	1,946,875
		1907	25,000	562	78,039	18,810	92,346	126,376	
First National Bank.....	Roselle	1927	100,000	230,160	2,757,532	1,586,992	1,230,662	3,161,063	3,026,117
		1907	25,000	1,250	93,965	23,703	86,898	134,946	
Tuckahoe National Bank.....	Tuckahoe	1927	25,000	16,616	310,438	175,234	147,515	369,915	319,985
		1907	25,000	709	17,673	34,293	8,550	49,930	
First National Bank.....	Westwood	1927	100,000	165,845	3,205,544	2,047,882	1,132,418	3,581,357	3,516,600
		1907	25,000	127	38,831	6,545	7,751	64,757	
First National Bank.....	Williamstown	1927	25,000	81,946	546,818	316,899	322,609	734,436	452,898
		1907	25,000	14,588	229,308	173,336	75,773	281,538	
First National Bank.....	Woodbridge	1927	100,000	118,575	1,622,929	1,281,623	342,956	1,885,442	1,701,197
		1907	25,000	1,220	122,312	85,662	50,472	184,245	

BANKS THAT ARE 16 YEARS OLD OR OLDER—1912-1927

Berlin National Bank.....	Berlin	1927	25,000	165,659	1,231,331	1,039,478	341,916	1,505,668	1,280,742
		1912	25,000	6,955	163,115	129,258	68,144	224,926	
First National Bank & Trust Co..	Blackwood	1927	100,000	148,504	1,090,933	1,023,694	203,943	1,390,617	1,212,494
		1912	25,000	7,518	139,197	113,699	34,439	178,123	
People's National Bank.....	Blairstown	1927	50,000	39,663	370,531	190,454	235,122	509,584	319,152
		1912	50,000	28,030	66,004	76,756	96,982	190,432	
First National Bank.....	Bordentown	1927	100,000	110,762	931,604	519,621	554,591	1,222,899	773,780
		1912	75,000	24,659	243,143	245,078	162,119	449,119	
First National Bank.....	Bradley Beach	1927	50,000	47,293	951,244	916,078	58,682	1,121,842	1,042,863
		1912	25,000	2,585	44,182	51,844	7,462	78,979	
Farmers & Merchants Nat. Bank.	Bridgeton	1927	150,000	215,916	1,697,336	1,064,608	680,540	2,071,768	1,282,643
		1912	150,000	64,322	473,318	435,759	264,312	789,125	
Citizens Nat. Bank & Trust Co..	Caldwell	1927	100,000	251,706	2,658,844	1,642,213	965,963	3,087,308	2,821,123
		1912	25,000	9,185	204,227	149,639	62,950	266,185	
Merchants National Bank.....	Cape May	1927	50,000	110,790	1,336,791	710,106	584,182	1,656,046	1,143,276
		1912	50,000	22,233	390,537	288,812	140,398	512,770	
First National Bank.....	Eatontown	1927	30,000	24,660	378,858	181,400	265,806	496,062	423,740
		1912	30,000	3,027	31,736	36,979	21,143	72,322	
First National Bank.....	Fort Lee	1927	50,000	85,344	2,848,561	1,209,126	1,569,281	3,042,841	2,427,519
		1912	25,000	17,328	543,758	247,061	265,313	615,322	
First National Bank.....	Hope	1927	25,000	15,760	255,598	138,545	126,858	325,167	231,442
		1912	25,000	6,589	37,280	34,013	49,844	93,725	
First National Bank.....	Union City	1927	250,000	79,614	4,825,958	2,737,895	2,145,839	5,475,761	5,071,798
		1912	100,000	24,024	214,937	297,375	72,277	403,963	
Kearny National Bank.....	Kearny	1927	150,000	254,331	4,097,628	2,319,750	1,550,608	4,542,829	4,192,046
		1912	25,000	9,090	287,698	216,872	58,443	350,783	
First National Bank & Trust Co..	Montclair	1927	300,000	339,607	5,034,190	3,289,453	1,939,750	6,075,608	5,242,358
		1912	100,000	55,091	550,383	471,787	246,835	833,250	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Loans and Discounts	Investments—Stocks, Investments—Mortgages, Bonds, etc.	Total Resources	Increase in Resources
Broad and Market Nat. Bank & Trust Co.	Newark	1927	1,325,000	775,264	9,225,180	8,489,626	3,267,979	13,324,105	11,326,845
		1912	200,000	118,772	1,404,225	1,381,755	302,735	1,997,260	
First National Bank	Port Norris	1927	100,000	179,562	828,252	771,779	201,145	1,146,804	1,033,385
		1912	25,000	6,611	74,848	45,566	53,015	113,419	
First National Bank & Trust Co.	Ramsey	1927	250,000	153,917	2,031,515	1,529,455	778,530	2,603,053	2,213,331
		1912	25,000	14,664	335,489	178,974	67,226	389,722	
First National Bank	Secaucus	1927	50,000	110,361	1,585,859	861,460	818,095	1,841,712	1,598,343
		1912	25,000	5,279	188,495	142,836	50,175	243,369	
National Bank of Westfield	Westfield	1927	100,000	98,774	1,826,853	1,408,373	396,259	2,129,560	1,870,111
		1912	85,080	24,908	83,921	140,430	67,814	259,449	
National Bank of North Hudson	Union City	1927	450,000	681,706	8,965,978	3,153,426	5,742,546	10,561,696	9,965,495
		1912	100,000	16,549	345,030	361,043	127,817	596,201	
First National Bank	West Orange	1927	100,000	429,293	4,523,178	1,191,495	3,443,921	5,233,419	4,679,280
		1912	100,000	25,068	393,837	385,233	111,368	554,139	
First National Bank	Whitehouse Station	1927	30,000	89,411	724,896	353,654	440,656	863,793	687,536
		1912	30,000	12,491	104,481	98,051	50,680	176,257	
Manasquan National Bank	Manasquan	1927	50,000	104,201	1,376,206	870,128	436,127	1,594,552	1,278,697
		1912	50,000	24,824	186,673	89,401	187,125	315,855	

BANKS THAT ARE 11 YEARS OLD OR OLDER—1917-1927

Merchants National Bank	Asbury Park	1927	400,000	138,508	2,659,326	2,578,927	279,950	3,214,470	2,671,368
		1917	100,000	25,702	415,499	262,149	108,318	543,102	
First National Bank	Farmingdale	1927	25,000	17,359	351,705	291,263	73,142	412,715	287,280
		1917	25,000	6,235	93,688	100,692	7,514	125,435	
Keansburg National Bank	Keansburg	1927	50,000	41,335	997,351	768,640	231,075	1,123,969	822,975
		1917	25,000	8,341	258,466	176,022	55,957	300,994	
First National Bank	Lyndhurst	1927	100,000	120,372	1,674,869	1,380,416	461,645	2,128,041	1,681,379
		1917	50,000	14,977	353,935	203,471	203,986	446,662	
First National Bank	Milltown	1927	100,000	78,022	1,434,949	623,916	833,318	1,627,156	1,442,400
		1917	25,000	5,672	154,084	78,851	67,704	184,756	
First National Bank & Trust Co.	Pompton Lakes	1927	200,000	271,791	3,048,160	2,428,827	987,012	3,802,013	3,251,076
		1917	50,000	16,114	343,770	256,408	247,244	550,937	
First National Bank	Absecon	1927	100,000	186,696	916,481	802,765	283,719	1,207,036	1,066,473
		1917	25,000	4,744	109,837	91,485	32,499	140,563	
Clayton National Bank	Clayton	1927	25,000	61,394	495,760	224,281	303,775	603,263	395,452
		1917	25,000	9,046	155,515	90,971	90,016	207,811	
First National Bank	Florence	1927	25,000	75,578	714,798	311,559	452,320	846,674	626,749
		1917	25,000	2,673	192,252	21,657	162,016	219,925	
First National Bank	Minotola	1927	50,000	62,095	467,443	512,424	14,250	601,057	416,102
		1917	25,000	7,258	144,398	92,533	56,191	184,955	
Ventnor City National Bank	Ventnor City	1927	100,000	138,694	1,697,861	736,617	1,095,355	2,171,789	1,621,986
		1917	25,000	41,660	438,143	203,045	248,668	549,803	
First National Bank	Westville	1927	25,000	66,409	687,077	383,675	214,941	790,327	555,168
		1917	25,000	9,084	194,205	112,632	76,178	235,159	

BANKS THAT ARE 6 YEARS OLD—1922-1927

People's National Bank	Belleville	1927	150,000	102,000	1,928,301	1,598,251	373,497	2,378,920	1,731,752
		1922	100,000	35,063	480,043	152,761	424,494	647,168	
Bergenfield Nat. Bank & Trust Co.	Bergenfield	1927	100,000	93,905	1,502,363	859,543	683,212	1,757,335	805,508
		1922	50,000	39,655	734,022	274,480	584,305	951,827	
Bogota National Bank	Bogota	1927	50,000	120,703	1,932,546	1,339,553	712,408	2,253,963	1,512,238
		1922	50,000	44,724	585,408	299,632	378,466	741,725	
Cliffside Park National Bank	Cliffside Park	1927	100,000	144,384	2,958,126	1,104,996	1,907,670	3,382,553	2,291,751
		1922	50,000	31,995	959,036	267,494	694,814	1,090,802	
First National Bank	Clifton	1927	100,000	125,249	2,159,086	1,451,895	827,237	2,521,451	1,816,388
		1922	100,000	40,243	477,552	105,836	500,553	705,063	
Dumont National Bank	Dumont	1927	50,000	65,519	1,152,486	761,220	426,262	1,321,537	674,696
		1922	25,000	20,943	583,887	283,670	289,694	646,841	
First National Bank	East Rutherford	1927	50,000	35,400	886,526	435,098	448,128	1,031,109	952,278
		1922	40,367	7,944	29,571		32,028	78,831	
People's National Bank	Elizabeth	1927	300,000	312,432	5,511,260	4,149,132	1,408,265	6,708,424	4,856,102
		1922	200,000	91,171	1,398,994	749,662	938,696	1,852,322	
Fords National Bank	Fords	1927	25,000	34,664	559,140	352,501	208,538	629,468	282,268
		1922	25,000	5,978	293,980	130,005	97,364	347,200	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Loans and Discounts	Investments—		Increase in Resources
							Stocks, Investments— Bonds, etc.	Total Resources	
City National Bank.....	Hackensack	1927	100,000	147,710	3,512,467	2,009,790	1,216,720	4,026,335	2,781,570
		1922	100,000	32,437	877,222	651,063	523,622	1,244,765	
Hillside National Bank.....	Hillside	1927	150,000	172,931	1,921,445	1,468,747	640,176	2,408,941	1,374,787
		1922	50,000	43,734	888,823	418,464	477,559	1,034,154	
Linden National Bank.....	Linden	1927	200,000	208,595	2,543,524	1,795,288	1,006,483	3,432,453	2,666,412
		1922	25,000	20,307	672,046	295,968	361,209	766,041	
North Arlington National Bank..	North Arlington	1927	50,000	19,668	655,096	394,413	307,884	775,804	605,341
		1922	25,000	3,100	142,248	48,901	101,227	170,463	
First National Bank.....	Nutley	1927	100,000	133,856	1,574,630	1,202,214	359,168	1,867,705	1,117,621
		1922	100,000	51,690	542,592	94,402	589,042	750,084	
Palisades Park National Bank....	Palisades Park	1927	50,000	82,953	1,036,336	726,724	427,856	1,363,391	822,559
		1922	50,000	27,527	341,852	290,877	173,280	540,832	
First National Bank.....	Park Ridge	1927	50,000	25,033	542,186	337,071	235,692	653,790	490,066
		1922	22,500	2,492	135,964	53,383	79,555	163,724	
Broad Street National Bank.....	Red Bank	1927	150,000	275,512	3,517,301	2,444,757	1,218,147	4,141,101	2,189,779
		1922	100,000	99,686	1,687,772	1,210,849	568,162	1,951,322	
Ridgefield National Bank.....	Ridgefield	1927	100,000	49,353	727,904	358,601	397,749	882,815	427,347
		1922	25,000	5,000	422,203	37,235	357,558	455,468	
Citizens Nat. Bank & Trust Co...	Ridgewood	1927	100,000	265,296	4,468,776	2,034,920	2,470,553	5,048,089	3,014,052
		1922	100,000	165,211	1,756,791	729,677	1,131,696	2,034,037	
First National Bank.....	South Plainfield	1927	60,000	21,639	532,050	367,506	132,074	620,502	267,562
		1922	30,000	4,038	278,393	105,094	204,347	352,940	
First National Bank.....	West New York.....	1927	200,000	360,440	5,527,074	3,764,927	1,877,875	6,221,245	4,578,830
		1922	100,000	54,116	1,330,930	894,623	582,232	1,642,415	
Woodbridge National Bank.....	Woodbridge	1927	50,000	56,133	953,256	572,912	297,122	1,137,736	704,622
		1922	50,000	20,007	330,083	140,788	232,634	433,114	
Audubon National Bank.....	Audubon	1927	100,000	109,412	1,734,473	790,843	829,352	1,949,462	1,074,310
		1922	50,000	35,902	787,771	272,739	487,245	875,152	
Beach Haven National Bank.....	Beach Haven	1927	100,000	67,557	463,203	393,378	228,063	705,484	311,993
		1922	25,000	15,220	351,792	99,680	242,955	393,491	
Clementon National Bank.....	Clementon	1927	25,000	90,881	758,060	730,916	176,235	1,011,076	425,660
		1922	25,000	28,030	424,312	187,536	344,588	585,416	
Memorial National Bank.....	Collingswood	1927	50,000	60,343	645,091	430,674	182,362	780,602	374,462
		1922	50,000	22,654	332,532	136,301	211,352	406,140	
Laurel Springs National Bank....	Laurel Springs	1927	25,000	37,029	398,729	259,804	168,065	505,437	310,168
		1922	25,000	6,517	162,650	50,221	120,816	195,269	
First National Bank.....	Newfield	1927	50,000	25,863	283,071	177,958	106,137	390,294	250,391
		1922	25,000	5,451	109,452	32,082	92,146	139,903	
Palmyra National Bank.....	Palmyra	1927	50,000	65,278	765,459	501,749	285,365	927,438	294,168
		1922	50,000	30,732	520,072	167,082	410,435	633,270	
First National Bank.....	Roebing	1927	50,000	90,173	1,066,615	215,953	993,427	1,340,550	657,801
		1922	50,000	26,766	540,163	51,635	555,174	682,749	
Woodstown Nat. Bank & Trust Co.	Woodstown	1927	100,000	114,750	869,894	390,503	622,729	1,183,938	355,581
		1922	100,000	36,509	665,786	260,990	485,862	828,357	
First National Bank.....	Wrightstown	1927	25,000	3,372	137,050	70,565	63,265	165,628	*153,789
		1922	25,000	17,924	262,123	184,885	87,399	319,417	

*Deficit.

BANKS THAT ARE 5 YEARS OLD—1923-1927

First National Bank.....	Avon-by-the-Sea	1927	50,000	24,269	349,825	305,201	30,888	484,380	375,871
		1923	17,500	3,918	84,860	61,861	20,734	108,509	
First National Bank.....	Cranford	1927	100,000	32,220	556,108	285,331	366,742	737,535	395,796
		1923	100,000	25,000	167,286	233,812	60,472	341,739	
First National Bank.....	Garwood	1927	25,000	7,093	344,575	181,823	167,287	409,565	302,163
		1923	25,000	5,000	77,000	51,214	34,760	107,402	
Franklin National Bank.....	Jersey City	1927	400,000	353,856	2,797,569	2,197,957	1,343,048	4,086,514	3,294,441
		1923	140,000	30,279	535,595	294,813	148,180	792,073	
Journal Square National Bank....	Jersey City	1927	500,000	502,980	3,429,521	2,206,525	1,731,105	4,715,226	3,199,164
		1923	250,000	62,368	1,093,919	856,947	539,908	1,516,062	
Little Ferry National Bank.....	Little Ferry	1927	25,000	45,394	760,474	642,931	200,042	947,270	785,222
		1923	23,351	5,849	131,722	9,895	127,452	162,048	
Montclair National Bank.....	Montclair	1927	100,000	111,779	1,219,985	519,712	698,204	1,520,250	865,736
		1923	100,000	51,963	499,514	419,422	195,086	654,514	
National Bank of America.....	Paterson	1927	500,000	396,768	4,433,945	3,699,973	1,263,103	6,250,900	4,620,881
		1923	300,000	153,747	991,159	916,253	582,605	1,630,019	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Investments—			Increase in Resources
						Loans and Discounts	Stocks, Mortgages, Bonds, etc.	Total Resources	
West Englewood National Bank..	West Englewood	1927	50,000	45,523	1,123,444	631,410	537,590	1,279,634	1,175,336
		1923	38,050	10,212	54,939	19,883	66,469	104,298	
First National Bank.....	Wyckoff	1927	25,000	40,556	519,255	272,377	248,765	618,832	405,469
		1923	25,000	25,000	163,307	166,498	17,275	213,363	
Maple Shade National Bank.....	Maple Shade	1927	50,000	17,892	343,109	276,602	78,447	447,236	367,236
		1923	25,700	3,340	39,447	6,400	18,415	80,000	
First National Bank.....	Sea Isle City	1927	50,000	34,614	501,847	443,567	117,969	709,748	443,997
		1923	25,000	5,000	234,674	135,701	68,384	265,751	
Coast National Bank.....	Seaside Heights	1927	25,000	15,160	294,477	204,325	104,461	360,139	145,588
		1923	25,000	5,000	183,909	38,514	139,406	214,551	
First National Bank.....	East Orange	1927	200,000	119,392	1,792,792	1,187,098	622,310	2,114,301	725,344
		1923	100,000	62,889	1,175,288	662,704	632,199	1,388,957	

BANKS THAT ARE 4 YEARS OLD—1924-1927

First National Bank.....	Fairview	1927	100,000	41,119	1,423,003	832,278	655,331	1,737,532	988,531
		1924	100,000	13,550	509,609	280,450	415,413	749,001	
Palisades Nat. Bank of Fort Lee..	Palisades	1927	50,000	36,006	574,911	206,757	452,312	732,928	478,021
		1924	50,000	12,500	161,988	43,593	178,320	254,907	
Citizens National Bank.....	New Brunswick	1927	250,000	100,431	2,071,596	1,447,905	728,742	2,627,957	1,586,071
		1924	250,000	50,000	728,444	644,192	275,449	1,041,886	
Labor Cooperative National Bank..	Paterson	1927	300,000	180,991	4,592,739	3,782,242	1,117,926	5,600,858	4,574,315
		1924	178,634	100,000	618,180	126,591	658,420	1,026,543	
Union Center National Bank.....	Union Center	1927	50,000	38,307	557,280	545,870	130,799	751,593	422,967
		1924	25,000	6,250	237,873	149,440	147,652	328,626	
First National Bank.....	Lakehurst	1927	25,000	12,238	240,364	139,685	94,588	277,802	209,575
		1924	24,550	4,910	38,714	13,032	12,450	68,227	
Ocean City National Bank.....	Ocean City	1927	100,000	128,723	492,971	504,738	172,176	894,199	428,962
		1924	100,000	100,000	143,524	220,403	166,417	465,237	
First National Bank.....	Somers Point	1927	50,000	51,195	444,308	251,115	255,046	577,376	298,642
		1924	50,000	22,557	156,054	34,436	102,801	278,734	
Westmount National Bank.....	Westmount	1927	25,000	38,981	547,038	445,845	105,707	636,835	342,644
		1924	25,000	1,624	267,470	161,888	62,178	294,191	

BANKS THAT ARE 3 YEARS OLD—1925-1927

First National Bank.....	Allendale	1927	50,000	26,536	335,694	256,226	82,489	430,765	355,022
		1925	49,940	24,970	.....	8,612	17,935	75,743	
First National Bank.....	Bloomington	1927	100,000	30,800	465,031	434,696	129,369	626,878	388,804
		1925	50,000	12,500	150,279	116,432	84,800	238,074	
Clifton National Bank.....	Clifton	1927	100,000	65,749	1,103,381	631,659	494,813	1,319,050	910,082
		1925	100,000	50,000	247,460	55,902	267,155	408,968	
First National Bank.....	Glen Rock	1927	60,000	20,300	464,253	238,047	245,201	589,481	324,633
		1925	60,000	15,000	155,080	106,432	124,824	264,848	
Liberty National Bank.....	Guttenburg	1927	100,000	60,497	1,417,936	979,136	492,185	1,837,834	1,614,944
		1925	60,000	35,310	116,848	93,200	83,668	222,890	
Labor National Bank.....	Newark	1927	250,000	138,085	3,245,529	2,433,331	889,846	3,803,678	2,699,578
		1925	250,000	125,009	712,908	585,267	310,265	1,104,100	
First National Bank.....	Hawthorne	1927	100,000	60,273	560,286	484,702	187,309	825,880	390,789
		1925	100,000	52,002	224,819	304,533	85,876	435,091	
First National Bank.....	Highland Park	1927	100,000	57,171	837,483	633,865	222,225	1,007,937	445,870
		1925	50,000	27,822	461,640	321,232	224,133	562,067	
First National Bank.....	Midland Park	1927	50,000	28,785	467,302	401,925	155,789	595,787	392,819
		1925	25,000	12,500	164,934	81,199	98,532	202,968	
People's National Bank.....	Montclair	1927	200,000	45,000	1,344,609	815,066	653,191	1,602,683	719,102
		1925	200,000	39,363	639,247	389,211	365,512	883,581	
Lincoln National Bank.....	Newark	1927	600,000	410,414	4,377,118	3,409,260	1,428,536	6,139,879	3,731,383
		1925	300,000	159,331	1,622,704	1,303,388	728,140	2,408,496	
South Side Nat. Bank & Trust Co.	Newark	1927	200,000	64,039	1,140,542	1,109,019	52,625	1,631,247	877,712
		1925	200,000	57,362	348,412	376,213	272,006	753,535	
First National Bank.....	North Bergen	1927	100,000	25,395	579,089	353,488	378,059	821,596	445,447
		1925	97,120	19,432	170,591	177,022	163,432	376,149	
Franklin National Bank.....	Nutley	1927	100,000	26,701	345,669	249,936	191,194	556,203	305,301
		1925	100,000	25,000	123,069	88,221	137,459	250,902	
Perth Amboy National Bank.....	Perth Amboy	1927	200,000	99,275	1,083,614	1,144,802	120,460	1,518,100	578,569
		1925	200,000	70,615	625,610	722,191	21,755	939,531	

Name of Bank	Location	Years	Capital	Surplus and Undivided Profits	Deposits	Loans and Discounts	Investments—		Increase in Resources
							Stocks, Investments— Bonds, etc.	Total Resources	
Atco National Bank.....	Atco	1927	25,000	10,085	277,969	194,789	87,846	339,191	192,556
		1925	25,000	5,000	101,576	43,845	80,633	146,635	
First National Bank.....	Hamilton Square	1927	50,000	21,733	500,357	394,914	103,108	604,157	357,175
		1925	50,000	10,000	18,512	108,459	32,971	246,982	
Mount Ephrian National Bank...	Mount Ephrian	1927	25,000	20,552	361,348	223,815	162,000	435,537	200,705
		1925	25,000	5,000	203,752	71,728	135,217	234,832	
Oaklyn National Bank.....	Oaklyn	1927	50,000	50,540	526,658	402,185	72,318	645,409	156,632
		1925	50,000	24,568	410,047	317,885	85,916	488,777	
Pleasantville National Bank.....	Pleasantville	1927	100,000	52,249	633,249	586,919	104,561	901,090	417,652
		1925	100,000	27,077	329,367	212,900	190,345	483,438	
Yardville National Bank.....	Yardville	1927	25,000	8,143	192,436	124,003	88,344	234,038	102,935
		1925	25,000	5,000	95,086	63,590	53,862	131,103	

BANKS THAT ARE 2 YEARS OLD—1926-1927

Allenhurst National Bank.....	Allenhurst	1927	50,000	16,746	424,490	219,189	182,138	515,153	151,075
		1926	50,000	16,919	279,616	199,250	97,324	364,078	
Alpha National Bank.....	Alpha	1927	25,000	12,628	223,493	128,862	151,905	315,391	74,357
		1926	25,000	11,516	165,818	80,441	144,244	241,034	
Mechanics National Bank.....	Bayonne	1927	200,000	101,175	693,891	726,340	131,811	1,048,739	415,674
		1926	140,000	77,807	263,345	387,831	107,388	633,065	
Haledon National Bank.....	Haledon	1927	50,000	14,945	590,783	268,281	297,511	669,892	234,360
		1926	50,000	12,500	366,489	138,959	242,556	435,532	
Hillsdale National Bank.....	Hillsdale	1927	50,000	10,300	333,462	320,446	67,197	444,613	102,157
		1926	50,000	11,377	229,939	217,664	80,284	342,456	
People's National Bank.....	Irvington	1927	100,000	65,042	1,445,043	1,097,374	298,913	1,617,152	551,542
		1926	100,000	55,000	905,432	709,319	198,896	1,065,610	
Labor National Bank.....	Jersey City	1927	200,000	83,500	1,850,487	733,109	1,280,687	2,360,443	834,571
		1926	200,000	65,807	1,155,178	413,753	889,260	1,525,872	
Manville National Bank.....	Manville	1927	50,000	25,000	183,283	189,420	45,620	270,592	91,281
		1926	50,000	25,000	103,029	127,159	14,887	179,311	
People's National Bank.....	Newark	1927	200,000	60,466	357,257	582,678	23,500	710,131	148,232
		1926	200,000	55,462	233,394	466,081	19,650	561,899	
American National Bank.....	Passaic	1927	200,000	59,426	685,735	328,310	558,586	1,123,328	247,481
		1926	200,000	52,685	559,633	353,731	442,685	875,847	
East Side National Bank.....	Paterson	1927	200,000	52,315	436,009	201,642	188,052	702,074	273,995
		1926	200,000	51,075	167,561	109,211	241,305	428,079	
Columbus National Bank.....	Paterson	1927	200,000	86,433	1,274,265	1,143,194	353,861	1,782,519	774,134
		1926	200,000	84,041	643,440	587,581	350,594	1,008,385	
Broadway National Bank.....	Paterson	1927	200,000	66,831	1,367,453	1,080,992	442,212	1,746,339	292,671
		1926	200,000	51,000	1,025,836	814,329	511,410	1,453,668	
Prospect Park National Bank....	Prospect Park.....	1927	50,000	35,431	902,784	717,505	249,036	1,100,097	446,257
		1926	50,000	30,586	518,890	284,581	300,165	653,840	
Citizens National Bank.....	Rahway	1927	100,000	35,000	677,037	454,923	437,701	1,096,545	266,068
		1926	100,000	30,539	460,767	343,936	341,630	830,477	
First National Bank.....	Springfield	1927	50,000	29,266	308,217	313,027	74,851	450,248	110,548
		1926	50,000	24,400	261,900	239,300	57,700	339,700	
Union City National Bank.....	Union City	1927	300,000	145,234	611,297	241,413	642,013	1,204,663	651,082
		1926	100,000	18,710	413,965	124,953	347,715	553,581	
Hamilton National Bank.....	Weehawken	1927	100,000	56,634	1,072,402	433,019	617,881	1,332,873	306,373
		1926	100,000	53,869	805,644	447,375	478,716	1,026,500	
Westside National Bank.....	West Paterson	1927	75,000	40,192	385,480	259,966	239,364	592,013	*46,733
		1926	75,000	37,500	470,458	319,747	236,810	638,746	
Pacific Avenue National Bank....	Atlantic City	1927	200,000	57,706	761,159	804,697	116,573	1,221,174	28,014
		1926	200,000	52,145	691,163	763,465	321,446	1,193,160	
National Bank of Mantua.....	Mantua	1927	50,000	9,601	242,941	198,784	81,536	330,521	117,602
		1926	50,000	7,257	153,447	113,358	63,271	212,919	
Pennsauken Township Nat. Bank.	North Merchantville.	1927	25,000	2,984	324,621	125,964	149,686	401,183	20,768
		1926	25,000	2,500	351,523	141,997	51,380	380,415	
First National Bank.....	Riverside	1927	100,000	20,000	358,648	249,156	108,764	497,971	276,527
		1926	96,289	20,000	100,126	105,376	66,168	221,444	
First National Bank.....	Stone Harbor	1927	25,000	10,390	197,887	193,180	37,704	260,371	152,844
		1926	23,164	9,528	72,207	74,848	7,095	167,527	
Prospect National Bank.....	Trenton	1927	200,000	50,453	551,879	342,768	252,186	803,170	313,099
		1926	200,000	42,845	232,386	134,987	249,948	490,071	

*Deficit.

Name of Bank	Location	Years	Capital	Surplus and		Loans and Discounts	Investments—		Increase in Resources
				Undivided Profits	Deposits		Stocks, Investments—	Total Resources	
Woodbine National Bank.....	Woodbine	1927	30,000	6,000	121,373	132,656	10,847	180,468	66,291
		1926	25,760	5,164	52,829	78,591	14,049	114,177	
Woodlynne National Bank.....	Woodlynne	1927	25,000	12,906	308,934	251,547	58,930	372,670	157,004
		1926	25,000	10,000	169,983	130,664	54,401	215,666	

BANKS THAT ARE 1 YEAR OLD—1927

Lincoln National Bank.....	Passaic	1927	500,000	371,949	1,104,444	1,389,973	156,129	2,027,836	
Hayes Circle Nat. Bk. & Trust Co.	Newark	1927	500,000	260,966	1,544,224	1,549,574	269,805	2,625,438	
Security National Bank.....	Trenton	1927	200,000	50,000	404,078	344,732	113,334	651,147	
First National Bank.....	Marlton	1927	25,000	10,756	41,735	22,287	31,795	83,381	
Bay Head National Bank.....	Bay Head	1927	30,000	11,251	88,831	57,338	15,766	130,087	
Mt. Prospect National Bank.....	Newark	1927	200,000	47,275	605,617	230,609	464,081	860,423	
Port Newark National Bank.....	Newark	1927	200,000	51,738	552,220	491,792	153,839	895,799	
First National Bank.....	Wharton	1927	50,000	25,674	223,427	219,326	70,258	336,147	
Northern Valley National Bank...	Tenafly	1927	100,000	51,177	615,221	324,586	320,994	773,748	
First National Bank.....	Cedar Grove	1927	50,000	45,501	131,226	78,980	172,686	285,392	
Harrison National Bank.....	Harrison	1927	225,000	80,679	1,111,590	997,462	335,902	1,691,757	
Teaneck National Bank.....	Teaneck	1927	50,000	10,792	200,783	49,724	160,277	264,127	

Comparative Statistics of New Jersey Trust Companies

Companies That Are 25 Years Old or Older—1902-1927

(All figures are as of Dec. 31)

Name of Bank	Location	Years	Capital	Surplus		Loans & Discounts	Investments		Increase in Resources	
				Undivided Profits	Deposits		Stocks, Inv.	Total Resources		
Atlantic Safe Deposit & Trust Co.	Atlantic City.....	1927	\$300,000	\$600,000	\$145,336	\$6,504,492	\$4,864,002	\$1,792,114	\$8,119,297	6,950,731
		1902	122,600	90,000	14,065	936,857	759,036	285,136	1,168,566	
Bayonne Trust Company.....	Bayonne	1927	300,000	400,000	200,097	9,200,870	5,388,306	3,623,092	10,193,570	9,750,784
		1902	100,000	100,000	2,919	239,868	270,163	99,550	442,786	
Bloomfield Trust Company.....	Bloomfield	1927	500,000	400,000	143,213	7,772,154	1,986,410	6,034,618	8,895,166	8,419,932
		1902	100,000	20,000	2,925	351,408	377,450	25,000	475,234	
Burlington City Loan & Trust Co.	Burlington	1927	100,000	250,000	173,263	2,007,203	674,765	1,790,233	2,878,279	2,416,743
		1902	100,000	100,000	19,042	242,494	134,240	291,812	461,536	
Burlington County Trust Co.....	Moorestown	1927	300,000	500,000	273,722	3,054,060	2,578,654	1,046,023	4,345,794	2,392,339
		1902	150,000	185,690	.....	1,523,976	770,750	931,598	1,953,455	
Camden Safe Deposit & Trust Co.	Camden	1927	850,000	2,000,000	788,879	19,516,648	8,630,995	12,321,145	23,813,005	16,366,811
		1902	200,000	200,000	490,633	6,551,022	3,288,698	3,104,643	7,446,194	
Citizens Trust Company.....	Paterson	1927	600,000	500,000	250,000	12,113,252	9,150,530	3,469,686	14,273,746	12,530,903
		1902	150,000	150,000	37,329	1,300,435	1,143,893	294,405	1,742,843	
Commercial Trust Company.....	Jersey City.....	1927	2,000,000	2,500,000	665,215	56,957,659	21,785,158	30,155,514	63,734,091	51,466,474
		1902	1,200,000	2,058,295	.....	7,687,066	6,358,670	2,741,891	12,267,617	
Cumberland Trust Company.....	Bridgeton	1927	150,000	150,000	65,362	1,957,679	1,178,126	721,238	2,354,611	1,622,282
		1902	125,000	.....	74,422	532,907	430,228	221,111	732,329	
Dover Trust Company.....	Dover	1927	100,000	150,000	75,876	4,549,849	1,687,845	2,819,485	5,009,565	4,498,398
		1902	100,000	15,000	9,702	366,267	347,954	92,584	511,167	
Essex County Trust Company....	East Orange.....	1927	500,000	500,000	119,684	10,662,687	4,579,644	4,696,438	11,951,969	10,344,981
		1902	200,000	35,000	10,090	1,334,836	562,757	743,958	1,606,988	
Federal Trust Company.....	Newark	1927	3,900,000	2,700,000	1,705,772	32,881,112	27,455,086	10,272,776	45,216,100	41,075,034
		1902	1,000,000	500,000	58,555	2,300,108	2,807,888	406,033	4,141,066	
Warren County Trust Company..	Belvidere	1927	100,000	50,000	38,280	864,260	462,070	499,998	1,055,802	733,342
		1902	50,000	40,076	.....	180,898	194,369	67,155	322,460	
Fidelity Union Trust Company...	Newark	1927	6,000,000	6,000,000	1,867,018	130,101,138	62,388,089	67,099,963	151,424,217	137,537,237
		1902	2,600,000	2,192,127	.....	7,704,021	9,360,659	1,246,583	13,886,980	
Greenville Banking & Trust Co...	Jersey City.....	1927	200,000	400,000	130,226	8,302,749	2,433,611	5,726,304	9,524,240	8,685,021
		1902	100,000	.....	34,913	679,855	486,744	99,540	839,219	
Guarantee Trust Company.....	Atlantic City.....	1927	600,000	900,000	34,790	6,565,747	5,505,744	1,527,278	8,522,202	6,402,443
		1902	500,000	85,000	6,412	1,281,791	1,525,933	406,000	2,119,759	

Name of Bank	Location	Years	Capital	Surplus	Investments					Increase in Resources
					Undivided Profits	Deposits	Loans & Discounts	Stocks, Inv. Mortgages Bonds, Etc.	Total Resources	
Hackensack Trust Company.....	Hackensack	1927	500,000	500,000	103,151	13,824,214	6,514,828	7,026,916	15,450,666	14,355,807
		1902	150,000	50,000	46,491	837,128	547,247	363,618	1,094,859	
Hamilton Trust Company.....	Paterson	1927	750,000	650,000	103,078	12,681,557	6,923,032	4,712,133	15,436,175	13,643,877
		1902	150,000	150,000	75,352	1,407,574	923,753	484,940	1,792,298	
Hobart Trust Company.....	Passaic	1927	300,000	200,000	278,342	4,144,453	3,138,898	1,284,239	5,245,067	4,669,503
		1902	100,000	50,000	13,753	409,722	232,315	266,693	575,564	
Hoboken Trust Company.....	Hoboken	1927	300,000	300,000	101,053	5,369,496	2,292,192	2,924,821	6,077,078	5,719,360
		1902	100,000	48,613	1,024	178,082	45,375	220,800	357,718	
Home Trust Company.....	Hoboken	1927	100,000	.....	160,785	.....	.....	200,760	260,785	134,560
		1902	100,000	.....	5,513	20,712	.....	.....	126,225	
Hudson Trust Company.....	West Hoboken....	1927	1,000,000	3,000,000	360,204	33,376,119	7,630,508	26,949,595	38,762,854	29,573,421
		1902	500,000	36,500	788,574	7,698,749	2,949,270	5,249,827	9,189,433	
Lakewood Trust Company.....	Lakewood	1927	150,000	150,000	10,526	2,917,620	1,596,834	1,057,444	3,259,879	2,682,245
		1902	75,000	46,449	.....	435,059	195,506	197,387	577,634	
Lincoln Trust Company.....	Jersey City.....	1927	600,000	400,000	329,741	6,919,710	5,128,999	2,179,869	8,722,176	8,106,142
		1902	100,000	100,000	7,593	408,441	419,030	135,237	616,034	
Marine Trust Company.....	Atlantic City.....	1927	200,000	800,000	13,490	4,529,574	3,247,517	1,228,944	5,670,691	5,386,139
		1902	100,000	.....	3,438	180,315	246,381	.....	284,552	
Merchants & Newark Trust Co..	Newark	1927	2,500,000	2,500,000	872,846	22,716,528	19,226,520	5,890,595	29,980,144	27,891,955
		1902	250,000	155,517	.....	1,314,740	1,110,749	489,014	2,088,189	
Mechanics Trust Company.....	Bayonne	1927	500,000	500,000	244,634	10,454,390	5,458,198	3,887,019	12,945,781	10,959,747
		1902	50,000	145,000	3,006	1,783,011	1,219,754	494,853	1,986,034	
Long Branch Trust Company....	Long Branch.....	1927	100,000	100,000	558,863	3,129,382	1,507,488	2,011,739	3,895,081	2,960,732
		1902	50,000	83,281	.....	746,214	484,590	280,877	934,349	
Second Bank & Trust Company...	Hoboken	1927	350,000	350,000	10,000	5,359,975	4,165,479	1,264,867	6,933,350	5,537,652
		1902	125,000	130,604	.....	915,144	850,522	226,460	1,395,698	
Montclair Trust Company.....	Montclair	1927	1,000,000	750,000	251,795	13,029,996	8,545,496	5,314,022	15,245,108	14,712,331
		1902	100,000	50,000	7,979	370,564	270,791	154,150	532,777	
Morristown Trust Company....	Morristown	1927	1,000,000	500,000	515,415	10,565,481	4,485,630	6,929,834	12,898,827	5,973,032
		1902	600,000	300,000	1,241,197	4,546,303	2,956,755	3,121,730	6,925,795	
Mt. Holly Safe Dep. & Trust Co..	Mt. Holly.....	1927	100,000	150,000	35,671	689,214	344,614	718,433	1,138,656	906,963
		1902	100,000	10,000	3,607	117,738	104,000	85,648	231,693	
New Brunswick Trust Company..	New Brunswick...	1927	300,000	300,000	267,999	6,434,041	3,035,141	4,001,080	8,347,420	7,586,173
		1902	100,000	50,000	139	605,981	536,656	70,575	761,247	
N. J. Title Guaranty & Trust Co..	Jersey City.....	1927	2,000,000	2,000,000	748,486	29,524,499	11,929,249	22,451,346	40,425,944	33,701,842
		1902	200,000	.....	761,590	4,618,396	3,679,859	1,967,737	6,724,102	
Newton Trust Company.....	Newton	1927	250,000	250,000	37,134	4,190,400	1,975,229	2,555,299	4,926,136	4,633,974
		1902	100,000	25,000	1,944	161,330	198,842	55,145	292,162	
Palisades Trust & Guaranty Co..	Englewood	1927	300,000	600,000	193,666	5,347,283	2,309,024	3,439,044	6,459,035	5,974,798
		1902	100,000	100,000	5,502	270,180	296,831	129,724	484,237	
People's Bank & Trust Company..	Passaic	1927	600,000	900,000	223,247	8,434,734	4,721,884	4,242,017	10,524,860	9,194,035
		1902	150,000	30,000	67,232	1,063,527	531,681	363,469	1,330,825	
Farmers Trust Company.....	Mt. Holly.....	1927	200,000	150,000	30,203	1,276,372	650,053	880,365	1,717,276	713,153
		1902	200,000	88,101	.....	508,595	468,533	440,128	1,004,123	
Princeton Bank & Trust Co.....	Princeton	1927	300,000	250,000	172,268	4,125,319	2,853,921	1,185,446	4,925,593	4,237,678
		1902	100,000	20,000	45,382	459,270	161,934	334,365	687,915	
Perth Amboy Trust Company....	Perth Amboy.....	1927	300,000	500,000	50,002	8,854,733	4,918,396	2,878,809	9,977,848	9,678,011
		1902	100,000	50,000	1,887	147,731	220,861	29,000	299,837	
Plainfield Trust Company.....	Plainfield	1927	650,000	1,000,000	156,727	20,458,667	8,193,158	11,784,538	22,909,487	21,298,579
		1902	250,000	143,376	.....	992,892	851,290	401,731	1,610,908	
Savings Investment & Trust Co..	East Orange.....	1927	1,000,000	850,000	233,315	17,921,721	11,474,499	6,227,156	20,295,352	19,427,276
		1902	100,000	.....	7,546	760,529	453,578	326,975	868,076	
Security Trust Company.....	Camden	1927	200,000	575,000	31,327	5,051,845	3,367,366	2,138,838	5,874,172	3,642,826
		1902	100,000	100,000	15,124	1,954,752	1,504,377	310,735	2,231,346	
Trenton Trust Company.....	Trenton	1927	750,000	750,000	474,447	13,870,370	11,139,944	3,308,190	18,218,644	14,945,018
		1902	150,000	30,000	104,774	2,855,852	1,661,265	1,258,360	3,273,626	
Trust Company of New Jersey...	Jersey City.....	1927	4,000,000	5,000,000	1,413,657	67,356,861	35,475,253	31,273,644	80,370,249	78,245,339
		1902	200,000	100,000	132,436	1,417,325	625,133	1,037,989	2,124,910	
Union County Trust Company...	Elizabeth	1927	750,000	750,000	181,371	13,130,262	7,665,103	5,253,787	14,915,816	12,810,336
		1902	200,000	100,000	15,872	1,474,386	766,464	1,011,694	2,105,480	
West Hudson County Trust Co..	Harrison	1927	100,000	700,000	115,568	9,727,889	5,015,496	4,776,227	11,093,942	10,634,627
		1902	100,000	.....	27,809	237,506	186,092	235,427	459,315	
Westfield Trust Company.....	Westfield	1927	300,000	200,000	67,697	4,885,771	2,539,769	2,622,733	5,765,404	5,448,581
		1902	50,000	29,584	.....	215,601	79,467	157,187	316,823	
West Side Trust Company.....	Newark	1927	1,000,000	1,500,000	100,317	9,976,138	7,684,615	4,075,548	12,641,124	11,516,902
		1902	200,000	100,000	9,492	763,363	900,483	33,670	1,124,222	
Woodbury Trust Company.....	Woodbury	1927	100,000	300,000	4,036	1,175,632	699,293	656,696	1,587,668	1,322,903
		1902	100,000	.....	3,150	161,615	191,307	50,135	264,765	

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Investments			Increase in Resources
							Loans & Discounts	Stocks, Inv. Mortgages Bonds, Etc.	Total Resources	

COMPANIES THAT ARE 21 YEARS OLD OR OLDER—1907-1927

Bessemer Trust Company.....	Jersey City.....	1927	100,000	20,000	103,365	.....	50,000	164,025	223,365	122,532
		1907	100,000	.....	833	.....	.....	88,000	100,833	
Tenafly Trust Company.....	Tenafly	1927	100,000	100,000	21,000	2,526,625	1,725,168	1,040,113	3,094,619	2,921,460
		1907	25,000	6,750	.....	72,912	91,390	10,168	173,159	
Broadway Merchants Trust Co...	Camden	1927	1,000,000	2,200,000	305,388	10,684,357	10,263,419	2,124,456	14,331,913	13,870,293
		1907	100,000	25,000	3,412	333,208	389,896	10,560	461,620	
Cinnaminson Bank & Trust Co...	Riverton	1927	100,000	100,000	65,557	1,140,583	792,890	491,412	1,412,141	1,305,381
		1907	25,000	.....	.....	74,357	21,451	64,910	106,760	
People's Bank & Trust Company.	Westfield	1927	200,000	200,000	75,219	5,106,165	2,746,449	2,010,509	5,603,384	5,390,631
		1907	50,000	10,611	.....	134,406	146,402	37,959	212,753	
Service Trust Company.....	Passaic	1927	400,000	200,000	147,871	4,469,398	3,777,762	639,210	5,458,154	5,344,329
		1907	50,000	.....	693	62,318	80,137	6,500	113,825	
Riverside Trust Company.....	Riverside	1927	100,000	175,000	28,032	2,572,822	1,545,048	461,024	2,891,348	2,691,547
		1907	25,000	3,413	.....	140,239	80,978	71,201	199,801	
Commonwealth Trust Company..	Union City.....	1927	600,000	400,000	353,470	10,195,754	3,871,835	6,612,178	11,646,035	11,205,575
		1907	100,000	.....	22,378	281,060	231,564	123,912	440,460	
Corporation Trust Company.....	Jersey City.....	1927	100,000	50,000	28,497	.....	31,350	26,000	208,797	40,479
		1907	100,000	20,000	47,512	.....	.....	158,537	168,318	
Essex Title Guaranty & Trust Co.	Montclair	1927	500,000	500,000	90,183	1,222,434	527,676	2,851,909	3,657,757	3,395,205
		1907	100,000	17,983	1,080	59,175	6,340	226,350	262,552	
United States Trust Company...	Paterson	1927	600,000	1,000,000	776,423	18,492,268	9,993,437	8,591,477	22,393,120	20,578,233
		1907	150,000	150,000	81,676	1,390,969	946,093	672,071	1,814,887	
Highland Trust Company.....	Union City.....	1927	300,000	100,000	188,854	5,333,297	1,926,540	3,850,948	6,383,636	5,295,939
		1907	100,000	10,000	4,443	919,333	335,633	614,494	1,087,697	
Jefferson Trust Company.....	Hoboken	1927	400,000	100,000	250,997	8,102,284	3,942,587	3,664,552	8,879,259	7,968,751
		1907	100,000	25,000	13,522	719,230	453,871	298,233	910,508	
Mercantile Trust Company.....	Jersey City.....	1927	200,000	100,000	300,000	10,177,590	1,028,048	8,954,270	10,814,588	10,122,081
		1907	100,000	41,652	.....	535,681	247,553	322,781	692,507	
Guttenberg Bank & Trust Co....	Guttenberg	1927	100,000	50,000	169,679	3,504,170	198,083	3,385,366	3,836,378	3,563,950
		1907	50,000	2,511	.....	185,558	192,594	51,246	272,428	
Mercer Trust Company.....	Trenton	1927	300,000	500,000	157,864	6,263,952	4,623,874	1,408,317	9,443,826	8,895,423
		1907	100,000	50,000	1,860	378,665	341,880	102,250	548,403	
Middlesex Title Guar. Trust Co...	New Brunswick...	1927	100,000	100,000	85,384	2,240,402	1,460,381	3,393,590	5,106,513	4,977,317
		1907	100,000	25,000	4,196	.....	5,000	100,388	129,196	
People's Trust & Guarantee Co...	Hackensack	1927	1,000,000	500,000	264,165	13,092,851	8,187,760	6,300,870	17,420,533	16,452,172
		1907	100,000	39,575	.....	725,221	524,463	220,249	968,361	
New Jersey Trust Co.....	Long Branch.....	1927	150,000	60,000	31,807	1,314,222	1,034,408	364,090	1,565,479	1,397,263
		1907	100,000	8,000	9,251	50,252	46,435	92,154	167,216	
Edgewater Trust Company.....	Edgewater	1927	100,000	100,000	28,511	1,587,571	1,318,401	571,926	2,075,402	1,759,051
		1907	100,000	50,000	940	155,837	204,580	25,000	316,351	
Ridgewood Trust Company.....	Ridgewood	1927	150,000	50,000	48,293	3,148,054	1,473,312	1,362,718	3,499,716	3,175,225
		1907	100,000	.....	964	220,670	111,081	154,288	324,491	
Elizabeth Trust Company.....	Elizabeth	1927	500,000	350,000	83,676	4,953,467	3,678,639	2,706,191	7,274,180	6,938,800
		1907	50,000	11,387	.....	243,922	53,425	245,344	335,380	
Bound Brook Trust Company....	Bound Brook.....	1927	100,000	75,000	34,282	1,875,474	971,729	906,034	2,181,200	2,030,125
		1907	50,000	2,781	.....	84,218	76,817	21,732	151,075	
Vineland Trust Company.....	Vineland	1927	100,000	50,000	58,885	2,261,038	1,593,898	625,395	2,484,163	2,067,783
		1907	100,000	10,000	1,866	304,514	66,828	265,073	416,380	
Weehawken Trust & Title Co....	Union City.....	1927	800,000	400,000	200,000	8,773,143	2,313,400	7,215,275	10,463,961	9,726,365
		1907	100,000	25,000	15,000	597,526	249,479	188,503	737,596	
West Jersey & Parkside Trust Co.	Camden	1927	700,000	800,000	160,765	8,302,641	6,307,575	3,017,608	10,597,015	10,147,035
		1907	120,700	1,035	3,916	293,269	260,212	124,250	449,980	

COMPANIES THAT ARE 16 YEARS OLD OR OLDER—1912-1927

American Trust Company.....	Morristown	1927	150,000	100,000	45,720	2,050,145	1,288,206	1,091,118	2,592,626	2,198,492
		1912	150,000	22,500	10,067	209,541	120,294	209,438	394,134	
Asbury Park Trust Company....	Asbury Park.....	1927	150,000	150,000	125,011	3,283,543	2,056,023	1,298,007	3,958,686	3,663,561
		1912	100,000	25,000	3,011	135,496	128,880	89,888	295,125	
Clinton Trust Company.....	Newark	1927	500,000	350,000	447,728	7,867,807	5,709,854	2,943,163	9,888,369	8,949,714
		1912	100,000	25,000	29,308	784,347	605,021	218,319	938,655	
Cranford Trust Company.....	Cranford	1927	200,000	200,000	75,274	3,400,524	1,681,229	1,794,235	4,070,786	3,398,594
		1912	100,000	20,000	4,637	539,147	308,854	261,950	672,192	
Freehold Trust Company.....	Freehold	1927	100,000	80,000	20,109	2,782,237	963,703	1,458,407	3,158,290	3,009,047
		1912	100,000	5,000	463	43,721	50,283	76,389	149,243	

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Loans & Discounts	Investments		Increase in Resources
								Stocks, Inv. Bonds, Etc.	Total Resources	
Glen Ridge Trust Company.....	Glen Ridge	1927	100,000	50,000	141,234	2,744,634	935,874	1,710,041	3,054,680	2,778,074
		1912	100,000	18,872	.....	154,285	83,859	146,953	276,606	
Hammonton Trust Company.....	Hammonton	1927	100,000	100,000	4,262	836,642	611,542	689,117	1,408,130	1,129,139
		1912	100,000	10,300	10,321	150,595	142,756	109,646	278,991	
Ridgefield Park Trust Company..	Ridgefield Park...	1927	100,000	100,000	64,717	2,666,711	826,807	1,800,300	3,061,366	2,598,962
		1912	50,000	15,963	.....	334,069	162,652	231,890	462,404	
Liberty Trust Company.....	Newark	1927	200,000	50,000	92,910	2,567,132	1,926,549	785,491	3,146,227	2,976,099
		1912	100,000	22,592	.....	47,336	81,610	.....	170,128	
Madison Trust Company.....	Madison	1927	100,000	75,000	37,292	1,552,000	485,966	1,104,637	1,774,046	989,732
		1912	100,000	100,000	14,400	553,210	210,159	459,137	784,314	
Millville Trust Company.....	Millville	1927	100,000	20,000	16,685	331,007	339,510	74,932	502,794	120,572
		1912	100,000	10,000	6,497	212,290	254,165	69,771	382,222	
Ocean City Title & Trust Co.....	Ocean City	1927	200,000	285,000	44,745	2,025,486	1,750,955	390,157	2,964,621	2,517,464
		1912	100,000	25,000	9,242	286,204	301,438	84,667	447,157	
Ocean County Trust Company....	Toms River	1927	100,000	100,000	31,667	1,475,953	747,701	956,557	1,892,642	1,515,192
		1912	100,000	18,000	7,754	247,814	91,788	226,543	377,450	
Pleasantville Trust Company....	Pleasantville	1927	100,000	50,000	53,535	1,119,313	912,691	239,984	1,378,222	1,170,394
		1912	100,000	.....	5,351	102,476	154,011	5,000	207,828	
Rutherford Trust Company.....	Rutherford	1927	200,000	350,000	20,877	3,295,129	2,194,863	1,258,294	4,014,984	3,481,467
		1912	100,000	25,000	24,210	384,306	211,838	212,406	533,517	
Salem County Trust Company....	Woodstown	1927	100,000	100,000	40,343	1,088,335	541,082	825,397	1,402,806	942,191
		1912	100,000	15,250	9,614	331,666	226,879	205,482	460,615	
State Trust Company.....	Plainfield	1927	150,000	150,000	111,016	4,172,717	2,443,977	1,480,249	4,690,660	4,046,020
		1912	100,000	43,533	6,021	471,683	380,410	142,845	644,640	
Haddon Heights Bk. & Trust Co.	Haddon Heights..	1927	100,000	100,000	37,702	1,741,863	1,431,366	399,938	2,234,476	2,033,845
		1912	25,000	8,201	.....	150,362	118,887	40,750	200,631	
Summit Trust Company.....	Summit	1927	400,000	200,000	147,502	5,463,216	3,008,558	2,902,894	6,584,299	4,924,619
		1912	100,000	100,000	29,280	1,393,266	875,032	607,171	1,659,680	
Lodi Trust Company.....	Lodi	1927	100,000	50,000	82,736	2,258,996	1,365,512	791,880	2,502,471	2,214,331
		1912	25,000	5,852	.....	231,584	123,400	54,608	288,140	

COMPANIES THAT ARE 11 YEARS OLD OR OLDER—1917-1927

Clifton Trust Company.....	Clifton	1927	200,000	200,000	169,536	4,472,820	2,748,259	2,424,325	5,557,509	4,419,995
		1917	100,000	50,000	10,175	826,635	307,687	581,319	1,137,514	
Columbia Trust Company of N. J.	Hoboken	1927	100,000	50,000	59,377	2,153,033	719,661	1,386,302	2,433,750	1,629,361
		1917	100,000	50,000	13,776	589,267	238,916	424,958	804,389	
Franklin Trust Company.....	Paterson	1927	600,000	300,000	300,032	4,689,144	4,109,908	663,082	6,178,925	4,982,745
		1917	150,000	75,000	3,023	887,244	569,630	216,422	1,196,180	
Gloucester City Trust Company..	Gloucester City...	1927	100,000	65,000	18,021	1,119,267	693,111	398,128	1,329,582	768,962
		1917	100,000	23,244	.....	437,377	89,554	128,874	560,620	
Merchants & Man'rs Trust Co..	Union City	1927	500,000	250,000	81,010	3,845,598	2,490,287	1,445,434	4,735,432	4,274,058
		1917	100,000	50,000	.....	281,990	153,594	126,426	461,374	
Moorestown Trust Company.....	Moorestown	1927	200,000	125,000	39,921	2,106,994	1,490,124	777,418	2,802,992	2,205,849
		1917	100,000	25,000	25,034	411,996	242,832	194,071	597,143	
Equitable Trust Company.....	Atlantic City	1927	200,000	300,000	87,945	4,124,276	1,101,361	2,989,539	5,029,956	3,583,165
		1917	200,000	100,000	39,939	1,080,330	812,403	312,249	1,446,791	
Phillipsburg Trust Company....	Phillipsburg	1927	100,000	75,000	47,283	1,552,166	1,012,665	662,778	2,084,268	1,743,551
		1917	100,000	25,000	846	147,935	186,913	99,959	340,717	
City Trust Company.....	Passaic	1927	400,000	400,000	152,216	5,644,762	3,937,855	1,776,057	6,596,979	5,937,609
		1917	100,000	50,000	5,237	504,133	180,882	367,473	659,379	
Verona Trust Company.....	Verona	1927	100,000	100,000	50,023	1,853,730	1,041,463	981,818	2,230,197	2,071,399
		1917	25,000	4,095	.....	129,678	90,178	47,786	158,798	
Rahway Trust Company.....	Rahway	1927	200,000	100,000	18,662	1,377,398	834,232	707,150	1,924,128	1,422,233
		1917	100,000	25,000	31	315,759	173,346	255,004	501,895	
Raritan Trust Company.....	Perth Amboy	1927	200,000	150,000	36,264	1,761,346	1,222,436	472,192	2,278,186	1,672,617
		1917	100,000	20,000	9,409	415,958	395,793	129,510	605,569	
Seacoast Trust Company.....	Asbury Park	1927	350,000	600,000	128,495	4,613,566	4,148,101	1,735,011	6,497,255	4,667,806
		1917	100,000	75,000	21,900	1,470,652	869,871	480,232	1,829,359	
Somerville Trust Company.....	Somerville	1927	200,000	300,000	227,485	4,986,641	1,450,307	3,971,382	5,946,881	3,321,486
		1917	100,000	150,000	43,582	1,957,717	716,894	1,552,203	2,625,395	
South River Trust Company....	South River	1927	100,000	50,000	32,044	1,667,663	1,140,668	784,395	2,145,518	1,608,823
		1917	100,000	20,000	5,539	370,422	206,073	215,898	536,695	
Steneck Trust Company.....	Hoboken	1927	750,000	350,000	279,006	12,040,636	7,487,944	3,835,243	17,105,469	14,640,155
		1917	100,000	100,000	17,402	1,738,051	910,919	983,625	2,465,314	
Swedesboro Trust Company.....	Swedesboro	1927	100,000	40,000	12,072	894,483	537,708	437,419	1,118,287	590,109
		1917	100,000	20,000	14,255	371,923	218,693	240,097	528,178	

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Investments			Increase in Resources
							Loans & Discounts	Stocks, Inv. Mortgages Bonds, Etc.	Total Resources	
Trust Company of Orange.....	Orange	1927	700,000	250,000	121,565	1,616,144	1,702,709	1,188,812	3,218,109	2,274,133
		1917	100,000	35,046	.....	577,614	48,844	774,642	943,976	
Washington Trust Company.....	Newark	1927	1,047,624	300,000	168,247	3,727,148	3,956,156	573,154	5,276,964	3,403,263
		1917	200,000	75,000	44,523	1,218,387	1,015,285	564,229	1,873,701	
Wildwood Title & Trust Co.....	Wildwood	1927	100,000	150,000	30,911	1,088,627	1,114,297	220,513	1,520,442	1,046,201
		1917	100,000	25,000	20,792	223,753	216,050	175,408	474,241	

COMPANIES THAT ARE 6 YEARS OLD OR OLDER—1922-1927

Atlantic County Trust Company..	Atlantic City	1927	200,000	400,000	49,663	3,183,902	2,009,063	861,732	3,861,738	1,369,981
		1922	100,000	50,000	49,178	2,110,665	1,469,290	457,471	2,491,757	
Bankers Trust Company.....	Atlantic City	1927	100,000	150,000	48,150	4,033,914	2,730,653	663,874	4,520,323	2,411,959
		1922	100,000	50,000	52,607	1,872,212	864,579	956,071	2,108,364	
Boonton Trust Company.....	Boonton	1927	100,000	50,000	51,832	1,572,416	805,252	783,491	1,777,351	362,584
		1922	100,000	50,000	27,903	1,084,907	682,650	596,966	1,414,767	
Cape May Co. Title & Trust Co..	Cape May Ct. Hse..	1927	200,000	50,000	28,212	184,425	160,852	291,546	703,042	538,126
		1922	100,000	25,000	3,993	.....	.....	60,925	164,916	
Capital City Trust Company.....	Trenton	1927	150,000	150,000	13,467	978,496	873,189	336,093	1,486,963	501,055
		1922	150,000	125,000	5,754	705,154	672,785	66,463	985,908	
Peapack-Gladstone Trust Co.....	Peapack-Gladst'ne	1927	100,000	20,000	28,254	558,412	297,466	358,353	706,665	440,465
		1922	30,000	6,000	.....	227,988	146,453	80,381	266,200	
Chelsea Safe Deposit & Trust Co.	Atlantic City	1927	100,000	100,000	47,797	1,976,180	1,686,165	267,401	2,284,101	819,261
		1922	100,000	50,000	4,715	1,055,505	735,943	436,504	1,464,840	
Collingswood Trust Company....	Collingswood	1927	100,000	50,000	56,097	1,071,197	736,913	273,948	1,329,616	1,042,829
		1922	100,000	48,661	.....	130,272	197,800	53,819	286,787	
Colonial Trust Company.....	Trenton	1927	100,000	150,000	101,691	3,743,902	3,168,266	937,681	4,693,774	2,605,223
		1922	100,000	50,000	40,061	1,833,491	1,082,895	426,056	2,088,551	
East End Trust Company.....	Camden	1927	100,000	125,000	17,535	2,250,677	1,546,921	741,384	2,713,275	1,367,022
		1922	100,000	50,000	47,337	1,015,918	673,888	476,517	1,346,253	
Fort Lee Trust Company.....	Fort Lee	1927	100,000	50,000	7,766	893,408	396,882	418,432	1,062,224	903,512
		1922	100,000	20,000	9,025	29,687	25,000	49,339	158,712	
Hanover Trust Company.....	Trenton	1927	200,000	200,000	110,093	4,748,969	3,085,541	1,472,998	5,291,001	3,662,632
		1922	200,000	40,000	16,790	1,067,126	1,019,673	308,640	1,628,369	
Hightstown Trust Company.....	Hightstown	1927	100,000	50,000	20,406	937,085	845,405	191,134	1,215,378	661,170
		1922	100,000	16,000	1,370	333,535	355,742	95,199	554,208	
Lyndhurst Trust Company.....	Lyndhurst	1927	100,000	75,000	10,059	860,438	521,790	409,244	1,050,547	780,966
		1922	100,000	20,000	189	149,392	96,186	120,659	269,581	
Overpeck Trust Company.....	Ridgefield Park..	1927	150,000	50,000	17,961	1,541,287	938,295	518,064	1,769,708	1,305,160
		1922	100,000	13,358	.....	316,929	190,496	135,101	464,548	
Pitman Title & Trust Company...	Pitman	1927	100,000	100,000	58,298	1,471,639	1,101,656	515,752	1,731,093	1,201,819
		1922	100,000	20,000	3,169	326,105	171,536	249,242	529,274	
Riverside Trust Company.....	Paterson	1927	100,000	25,000	34,613	1,019,684	511,729	526,698	1,237,011	1,071,876
		1922	100,000	20,000	4,696	30,439	260	22,657	165,135	
Chatham Trust Company.....	Chatham	1927	100,000	12,000	5,366	893,505	434,473	512,189	1,013,328	636,784
		1922	25,000	7,243	.....	337,088	265,617	68,130	376,544	
Roselle Park Trust Company.....	Roselle Park.....	1927	150,000	100,000	5,937	1,631,662	1,172,403	597,790	2,002,609	1,145,056
		1922	100,000	20,000	14,328	716,851	510,772	238,454	857,543	
Leonia Bank & Trust Company..	Leonia	1927	100,000	50,000	21,395	1,542,383	1,050,783	427,826	1,765,022	1,150,033
		1922	50,000	26,816	.....	532,300	202,294	355,075	614,989	
South Amboy Trust Company....	South Amboy....	1927	100,000	35,000	37,414	1,146,376	836,234	319,528	1,353,844	601,527
		1922	100,000	25,000	28,261	528,776	412,530	234,330	752,317	
South Camden Trust Company...	Camden	1927	100,000	100,000	82,921	1,573,807	914,363	602,525	1,915,667	1,071,791
		1922	100,000	25,000	35,259	539,730	423,559	297,812	843,876	
Sussex County Trust Company...	Franklin	1927	100,000	100,000	54,143	2,772,413	977,896	1,726,283	3,034,083	1,761,815
		1922	100,000	40,000	12,021	1,077,875	289,799	813,636	1,272,268	
Ventnor Trust Company.....	Ventnor City	1927	100,000	110,000	14,135	826,121	771,681	213,373	1,254,596	651,097
		1922	100,000	40,000	6,267	362,232	337,351	102,012	603,499	
Weequahic Trust Company.....	Newark	1927	200,000	100,000	161,356	3,288,490	2,193,549	517,385	3,988,094	3,239,499
		1922	200,000	100,000	1,750	446,845	473,869	71,409	748,595	
Westwood Trust Company.....	Westwood	1927	100,000	50,000	13,547	1,112,618	872,162	259,496	1,283,341	1,100,641
		1922	100,000	20,000	9,881	52,548	42,088	73,721	182,700	
Wilbur Trust Company.....	Trenton	1927	200,000	100,000	41,945	1,724,120	1,232,519	770,185	2,219,185	1,329,298
		1922	100,000	15,746	.....	660,150	246,794	404,688	889,887	
Woodcliff Trust Company.....	North Bergen	1927	100,000	100,000	27,682	1,640,617	566,652	1,168,635	1,948,599	1,410,108
		1922	100,000	50,000	4,234	381,967	47,470	410,069	538,491	

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Loans & Discounts	Investments	Total Resources	Increase in Resources
								Stocks, Inv. Mortgages Bonds, Etc.		
COMPANIES THAT ARE 5 YEARS OLD—1923-1927										
Bergenline Trust Company.....	Union City	1927	100,000	35,000	19,219	1,250,532	738,552	535,955	1,438,787	797,732
		1923	100,000	18,107	.....	522,153	411,649	127,821	641,055	
Carteret Trust Company.....	Carteret	1927	100,000	25,000	30,704	733,688	584,723	177,475	895,655	368,171
		1923	100,000	25,000	433	251,052	212,053	53,225	527,484	
Citizens Trust Company.....	Summit	1927	100,000	50,000	50,300	1,357,071	715,236	705,521	1,616,971	1,062,703
		1923	100,000	50,000	319	404,949	342,438	148,444	554,268	
Elmer Trust Company.....	Elmer	1927	100,000	15,000	15,132	437,897	314,069	183,313	605,528	395,270
		1923	100,000	13,803	.....	95,668	86,754	93,931	210,258	
Haddonfield Safe Dep. & Trust Co.	Haddonfield	1927	157,000	100,000	8,119	1,308,296	1,398,853	289,674	1,886,040	1,208,478
		1923	100,000	24,059	.....	349,427	343,906	274,695	677,562	
Hunterdon County Trust Co.....	Califon	1927	100,000	25,000	10,000	679,719	277,855	466,995	817,756	497,756
		1923	100,000	10,000	1,200	208,800	112,721	154,987	320,000	
Irvington Trust Company.....	Irvington	1927	200,000	100,000	37,486	2,375,122	1,604,324	711,078	2,715,610	1,935,724
		1923	100,000	23,520	.....	656,365	405,497	209,571	779,886	
Merchantville Trust Company....	Merchantville	1927	150,000	32,500	54,093	1,240,092	782,283	327,308	1,509,118	1,110,818
		1923	100,000	20,000	718	252,488	177,649	141,237	398,300	
Park Trust Company.....	Weehawken	1927	200,000	150,000	52,061	1,244,716	925,226	633,064	1,873,234	1,355,853
		1923	100,000	44,244	.....	369,553	224,842	213,744	517,381	
Vailsburg Trust Company.....	Newark	1927	200,000	125,000	38,789	2,722,010	2,289,305	479,659	3,125,739	1,843,032
		1923	200,000	50,000	8,010	1,024,698	814,192	101,790	1,282,707	
Victory Trust Company.....	Camden	1927	200,000	75,000	19,639	1,002,133	672,172	283,570	1,349,155	894,703
		1923	150,000	46,977	.....	254,029	182,028	132,019	454,452	
West Bergen Trust Company....	Jersey City	1927	200,000	75,000	41,994	2,293,342	1,159,506	1,233,225	2,694,957	1,831,895
		1923	200,000	50,000	3,055	607,007	197,492	510,255	863,062	
West New York Trust Company..	West New York..	1927	400,000	100,000	104,176	1,778,405	1,767,574	391,355	2,505,420	1,419,500
		1923	200,000	50,000	5,182	730,733	598,520	251,689	1,085,920	
COMPANIES THAT ARE 4 YEARS OLD—1924-1927										
Community Trust Company.....	Bloomfield	1927	100,000	50,000	25,148	811,176	422,511	453,969	1,029,056	841,752
		1924	100,000	50,000	181	37,124	.....	71,876	187,304	
Merchants Trust Company.....	Paterson	1927	100,000	20,000	11,988	648,707	558,002	153,965	832,747	519,067
		1924	100,000	15,249	.....	195,432	176,849	6,000	313,680	
Merchants Trust Company.....	Red Bank	1927	200,000	50,000	13,137	1,007,428	899,195	189,914	1,324,225	942,631
		1924	100,000	50,000	69	171,007	248,623	87,953	381,594	
Seaside Trust Company.....	Atlantic City	1927	100,000	150,000	41,249	1,164,070	1,034,005	82,376	1,531,035	752,500
		1924	100,000	150,000	6,968	521,567	447,669	47,504	778,535	
Central Home Trust Company...	Elizabeth	1927	500,000	235,000	33,936	4,271,493	3,524,673	767,037	5,225,027	2,521,236
		1924	200,000	50,000	15,578	2,384,256	1,718,000	585,280	2,703,790	
COMPANIES THAT ARE 3 YEARS OLD—1925-1927										
Blackwood Trust Company.....	Blackwood	1927	100,000	35,000	7,005	410,945	282,437	124,940	553,505	97,795
		1925	100,000	25,000	5,015	324,599	252,981	80,422	455,710	
Cliffside Pk. Title Guar. & Tr. Co.	Grantwood	1927	200,000	50,000	58,232	552,380	395,391	949,945	1,465,750	726,436
		1925	200,000	50,000	28,660	3,763	.....	657,900	739,314	
Egg Harbor City Trust Co.....	Egg Harbor City.	1927	100,000	25,000	4,076	203,745	254,315	23,041	352,821	132,224
		1925	100,000	25,000	322	95,275	67,558	25,000	220,597	
Englewood Title Guar. & Tr. Co.	Englewood	1927	100,000	50,000	16,320	694,601	512,845	284,671	984,864	350,181
		1925	100,000	50,000	147	421,414	114,988	324,664	634,683	
Garfield Trust Company.....	Garfield	1927	100,000	55,000	18,365	1,133,994	542,013	581,712	1,354,764	621,442
		1925	100,000	54,672	1,551	576,784	540,055	81,000	733,322	
Guaranty Trust Company.....	Newark	1927	500,000	187,500	81,299	1,862,198	1,695,337	381,178	2,631,509	1,693,445
		1925	250,000	62,500	14,169	607,388	784,764	10,000	938,064	
Jackson Trust Company.....	Jersey City	1927	200,000	20,000	47,372	828,219	296,459	667,838	1,242,450	685,158
		1925	200,000	20,000	11,474	279,914	118,008	271,128	557,292	
Title Guaranty & Trust Co.....	Plainfield	1927	250,000	50,000	15,279	1,276,435	969,052	288,074	1,648,124	630,391
		1925	250,000	50,000	8,367	653,096	402,598	267,650	1,017,733	
COMPANIES THAT ARE 2 YEARS OLD—1926-1927										
East Orange Trust Company.....	East Orange	1927	200,000	50,000	34,579	1,165,463	675,712	455,168	1,458,877	634,879
		1926	200,000	50,000	37,653	460,633	573,333	7,500	823,998	
Guardian Trust Co. of New Jersey.	Newark	1927	5,000,000	2,500,000	469,499	18,893,394	19,931,735	3,856,550	29,655,420	9,842,127
		1926	5,000,000	2,500,000	412,444	10,908,798	13,230,915	4,194,231	19,813,293	
Hawthorne Avenue Trust Co.....	Newark	1927	150,000	50,000	18,082	1,099,138	895,938	234,125	1,317,220	851,135
		1926	150,000	50,000	15,744	250,341	258,319	113,980	466,085	

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Loans & Discounts	Investments		Increase in Resources
								Stocks, Inv.	Total Resources	
Lincoln Trust Company.....	Paterson	1927	100,000	41,000	21	873,987	603,706	258,072	1,028,472	409,505
		1926	100,000	50,000	1,100	463,389	449,068	24,496	618,967	
Linden Trust Company.....	Linden	1927	200,000	50,000	15,129	830,636	516,888	373,669	1,112,450	374,425
		1926	200,000	50,000	6,883	464,072	247,814	357,912	738,025	
Maplewood Bank & Trust Co....	Maplewood	1927	200,000	150,000	41,000	2,406,812	1,483,252	782,832	2,805,722	770,205
		1926	100,000	100,000	12,899	1,822,617	1,084,684	735,186	2,035,517	
Merritt Trust Company.....	Dumont	1927	100,000	23,404	.....	198,781	192,894	84,596	322,914	162,249
		1926	100,000	23,431	.....	37,013	46,077	68,386	160,665	
Mid City Trust Company.....	Plainfield	1927	200,000	80,000	20,320	1,518,637	936,207	660,467	1,876,270	183,490
		1926	200,000	80,000	6,862	1,256,222	925,950	492,762	1,692,780	
Morsemere Trust Company.....	Palisade Park ...	1927	100,000	25,000	2,408	339,635	262,662	130,771	506,870	66,329
		1926	100,000	22,625	.....	222,790	259,047	106,495	440,541	
North Bergen Trust Company....	North Bergen ...	1927	100,000	50,000	771	363,737	198,239	354,985	631,162	270,796
		1926	100,000	45,984	.....	153,431	157,526	165,140	360,366	
Washington Trust Company.....	Washington	1927	100,000	36,079	.....	289,606	104,818	236,150	441,685	97,374
		1926	100,000	40,000	.....	187,011	69,549	179,942	344,311	
West Orange Trust Company....	West Orange	1927	150,000	25,500	5,902	888,496	546,096	354,765	1,069,899	576,728
		1926	150,000	22,638	.....	320,532	285,757	83,449	493,171	
South Orange Trust Company....	South Orange ...	1927	150,000	75,000	2,008	1,003,323	764,360	364,347	1,237,205	213,002
		1926	150,000	70,358	.....	775,211	662,786	206,538	1,024,203	

COMPANIES THAT ARE 1 YEAR OLD—1927

Central Trust of Essex County..	East Orange	1927	250,000	100,000	13,467	392,597	160,609	528,015	756,291
Colonial Trust Company.....	Newark	1927	300,000	150,000	31,045	1,264,120	1,157,405	249,038	1,745,167
Columbus Trust Company.....	Newark	1927	200,000	100,000	8,193	1,181,231	916,975	235,042	1,501,967
Downtown Trust Company.....	Elizabeth	1927	100,000	50,000	.....	64,106	39,650	113,104	216,324
Equitable Trust Company.....	Newark	1927	200,000	100,000	27,700	795,352	161,464	318,758	1,117,675
Harrison-Kearny Trust Company.	East Newark	1927	200,000	100,000	18,269	1,025,393	563,884	522,872	1,348,058
Hillside Trust Company.....	Hillside	1927	100,000	50,000	4,824	190,007	224,570	105,807	365,416
Margate Trust Company.....	Margate	1927	100,000	50,000	28,112	707,924	419,846	209,568	946,371
Monitor Trust Company.....	West New York..	1927	200,000	100,000	20,227	563,127	5,673,169	154,661	1,010,362
Mountain Trust Company.....	Upper Montclair..	1927	200,000	100,000	111,050	1,472,707	779,414	828,651	2,074,748
Passaic Park Trust Company....	Passaic	1927	200,000	50,000	7,366	428,732	241,095	197,678	687,678
People's Trust Company.....	Dunellen	1927	100,000	50,000	22	88,531	117,842	74,600	288,853
Prospect Trust Company.....	Maplewood	1927	100,000	50,000	6,469	661,294	528,792	2,878,809	822,626
Singac Trust Company.....	Singac	1927	100,000	30,000	3,128	45,762	52,900	83,588	178,889
Town Trust Company.....	Montclair	1927	100,000	21,042	.....	284,429	201,316	140,091	419,091
U. S. Trust Company.....	Newark	1927	1,200,000	820,000	41,221	3,849,570	3,889,932	1,258,151	6,101,521
Chambersburg Trust Company...	Trenton	1927	100,000	15,000	506	584,581	437,642	201,702	700,182
Clayton Title & Trust Company..	Clayton	1927	100,000	20,000	4,305	188,183	146,570	117,200	312,485
Fidelity Trust Company.....	Wildwood	1927	200,000	50,000	1,128	251,115	377,946	46,082	591,551
Glassboro Title & Trust Co.....	Glassboro	1927	100,000	30,000	1,259	323,957	196,863	166,940	475,216
Neptune Trust Company.....	Atlantic City	1927	200,000	100,000	199,762	.....	.....	.....	499,762
North Camden Trust Company...	Camden	1927	200,000	100,000	17,154	627,382	674,773	102,951	954,536
North Side Trust Company.....	Atlantic City	1927	300,000	300,000	27,294	.....	.....	.....	782,274

Comparative Statistics of New Jersey State Banks

Banks That Are 25 Years Old and Older—1902-1927

(All figures are as of Dec. 31)

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Loans & Discounts	Investments		Increase in Resources
								Stocks, Inv.	Total Resources	
Asbury Park and Ocean Grove Bk.	Asbury Park	1927	400,000	600,000	251,500	6,727,393	5,164,271	1,971,826	8,079,227	6,991,675
		1902	50,000	50,000	25,520	944,051	814,400	74,608	1,087,552	
Bank of Montclair.....	Montclair	1927	400,000	150,000	116,463	6,198,392	3,962,225	2,242,822	8,569,756	7,717,785
		1902	50,000	50,000	36,036	689,564	496,181	95,162	851,971	
Bordentown Banking Co.....	Bordentown	1927	100,000	100,000	125,996	1,866,353	994,781	946,418	2,200,520	1,561,223
		1902	73,750	75,000	35,033	446,134	276,508	248,745	639,297	

Name of Bank	Location	Years	Capital	Surplus	Undivided		Loans & Discounts	Investments	Total Resources	Increase in Resources
					Profits	Deposits		Stocks, Inv. Mortgages Bonds, Etc.		
Egg Harbor Commercial Bank...Egg Harbor City.		1927	100,000	260,000	22,326	2,644,838	1,891,129	851,925	3,038,214	2,835,939
		1902	25,000	6,000	5,500	164,274	119,500	49,975	202,275	
Elizabethport Banking Co.....Elizabeth		1927	250,000	450,000	51,400	6,940,305	4,331,674	2,943,014	7,747,756	7,239,219
		1902	50,000	21,000	2,574	416,353	234,744	159,835	508,537	
Keyport Banking Co.....Keyport		1927	100,000	125,000	59,164	1,841,622	1,105,493	826,537	2,136,295	1,805,535
		1902	50,000	25,000	36,902	210,034	236,845	58,100	330,760	
Long Branch Banking Co.....Long Branch		1927	150,000	150,000	86,091	2,765,986	2,133,129	673,474	3,184,695	2,588,962
		1902	90,000	100,000	27,044	375,674	319,446	64,670	595,733	
People's Bank of Hammonton...Hammonton		1927	100,000	125,000	55,485	1,455,732	915,725	749,108	1,885,446	1,615,735
		1902	30,000	20,000	7,282	208,633	148,717	90,875	269,711	
Tradesmen's Bank	Vineland	1927	100,000	250,000	73,656	1,740,971	1,332,778	814,468	2,474,936	2,023,041
		1902	30,000	15,000	8,802	386,677	244,082	157,783	451,895	
Trenton Banking Company.....Trenton		1927	1,000,000	1,000,000	801,023	14,642,907	8,640,906	5,808,842	17,608,361	14,768,470
		1902	500,000	300,000	109,873	1,916,878	2,120,270	345,031	2,839,891	
Tuckerton Bank	Tuckerton	1927	25,000	75,000	19,319	1,009,078	346,580	639,839	1,132,222	946,283
		1902	20,000	4,500	5,742	154,246	65,590	66,372	185,919	

BANKS THAT ARE 21 YEARS OLD OR OLDER—1907-1927

Bank of Nutley.....Nutley		1927	200,000	125,000	43,517	3,055,424	1,801,593	1,191,430	3,545,216	3,378,926
		1907	50,000	2,000	3,879	107,174	75,589	67,229	166,290	
East Orange Bank.....East Orange		1927	250,000	150,000	61,000	4,190,447	2,678,402	1,539,835	4,746,630	4,529,362
		1907	50,000	10,000	2,004	154,799	88,610	88,922	217,268	

BANKS THAT ARE 16 YEARS OLD OR OLDER—1912-1927

Bank of South Hudson.....Bayonne		1927	100,000	150,000	52,922	2,530,501	1,373,862	1,227,916	2,881,483	2,704,037
		1912	50,000	28,906	.....	79,293	94,230	54,874	177,446	
Claremont Bank	Jersey City	1927	200,000	300,000	190,074	10,877,092	3,055,211	7,070,809	11,590,907	11,073,357
		1912	100,000	.....	54,642	359,738	268,163	158,115	516,650	
Union Bank of Wildwood.....Wildwood		1927	100,000	25,000	30,229	465,858	407,892	169,228	709,314	466,676
		1912	50,000	.....	17,039	173,676	161,469	43,688	242,638	

BANKS THAT ARE 11 YEARS OLD OR OLDER—1917-1927

Matawan Bank	Matawan	1927	100,000	25,000	28,998	1,113,558	780,398	371,753	1,271,713	984,276
		1917	50,000	10,000	6,077	195,672	209,306	26,375	287,437	
Mutual Bank of Roseville.....Newark		1927	200,000	160,000	77,124	3,978,648	2,802,035	1,093,250	4,474,333	3,750,708
		1917	50,000	85,000	10,448	516,861	349,482	266,250	723,625	
Orange Valley Bank.....Orange		1927	100,000	50,000	12,933	1,402,716	399,177	1,082,196	1,565,849	1,348,018
		1917	50,000	20,000	4,032	143,640	34,524	127,451	217,831	
People's Bank of Penns Grove...Penns Grove		1927	50,000	10,000	7,647	449,118	180,071	272,530	541,308	87,526
		1917	50,000	10,000	1,104	354,711	185,912	212,700	453,782	
Watsessing Bank	Bloomfield	1927	100,000	100,000	122,041	2,880,319	921,745	2,061,795	3,306,922	2,518,595
		1917	50,000	20,000	10,458	582,079	117,086	589,261	788,327	

BANKS THAT ARE 6 YEARS OLD—1922-1927

Ampere Bank	East Orange	1927	100,000	50,000	20,039	1,579,912	384,049	1,188,388	1,758,628	1,557,291
		1922	100,000	18,179	.....	72,813	69,500	36,835	201,337	
Bank of Bogota.....Bogota		1927	100,000	60,000	16,686	1,626,670	483,842	1,092,342	1,839,852	1,210,239
		1922	50,000	25,000	17,137	532,733	246,054	302,750	629,613	
Bank of Hasbrouck Heights....Hasbrouck H'ts...		1927	75,000	75,000	6,269	978,182	384,633	659,650	1,218,188	707,683
		1922	50,000	25,000	14,699	396,074	116,047	341,870	510,505	
People's Bank of Hawthorne....Hawthorne		1927	50,000	10,000	47,272	861,542	660,886	370,710	1,144,324	841,283
		1922	50,000	8,232	.....	244,730	203,366	45,965	303,041	
People's Park Bank of Paterson..Paterson		1927	100,000	50,000	23,541	2,104,016	980,824	1,141,749	2,307,750	2,024,293
		1922	100,000	20,000	1,284	161,085	3,925	167,161	283,457	

BANKS THAT ARE 5 YEARS OLD—1923-1927

Schraalenburgh Bank	Bergenfield	1927	50,000	12,500	12,516	474,736	274,490	242,190	561,257	329,135
		1923	50,000	8,555	.....	147,357	70,975	126,559	232,122	
Suburban Com. Bk. of Barrington.Barrington		1927	50,000	10,000	14,514	289,196	239,495	72,552	363,709	237,736
		1923	50,000	7,910	.....	62,970	56,675	34,356	125,973	

BANKS THAT ARE 4 YEARS OLD—1924-1927

El Mora State Bank.....Elizabeth		1927	100,000	37,750	13,744	1,023,615	598,637	453,164	1,185,884	964,322
		1924	50,000	6,787	.....	119,253	56,395	61,679	221,562	
State Bank of Linden.....Linden		1927	50,000	25,000	665	541,776	420,793	73,978	647,441	442,854
		1924	50,000	12,500	2,880	129,518	150,188	14,851	204,587	

Name of Bank	Location	Years	Capital	Surplus	Undivided Profits	Deposits	Loans & Discounts	Investments	Total Resources	Increase in Resources
								Stocks, Inv. Mortgages Bonds, Etc.		

BANKS THAT ARE 3 YEARS OLD—1925-1927

Bank of Lafayette.....	Jersey City	1927	125,000	25,000	30,679	1,579,919	69,683	1,220,480	1,773,723	895,563
		1925	125,000	25,000	6,404	719,981	40,925	663,352	878,160	
Commonwealth Bank of Metuchen.....	Metuchen	1927	50,000	21,721	.....	375,036	266,958	88,325	505,009	223,708
		1925	50,000	21,957	.....	198,269	186,393	19,201	281,301	
Marzano State Bank of Newark.....	Newark	1927	150,000	60,000	17,929	1,246,848	72,660	1,229,440	1,492,861	407,571
		1925	150,000	60,000	12,883	798,520	27,912	865,144	1,085,290	

BANKS THAT ARE 2 YEARS OLD—1926-1927

The Liberty Bank.....	New Brunswick...	1927	75,000	20,000	4,141	419,088	247,790	220,875	606,073	260,250
		1926	75,000	20,000	719	219,162	165,205	77,342	345,823	
Pavonia Bank.....	Jersey City	1927	100,000	25,000	.....	572,723	98,150	.....	703,231	303,746
		1926	100,000	25,000	91	274,274	15,188	238,938	399,485	
Raritan State Bank.....	Raritan	1927	50,000	20,000	2,087	416,259	192,811	247,549	503,929	363,199
		1926	50,000	18,050	.....	67,588	5,940	41,021	140,730	

BANKS THAT ARE 1 YEAR OLD—1927

First State Bank.....	Scotch Plains	1927	100,000	24,285	.....	168,105	9,248	79,483	388,000	
Livingston State Bank.....	Livingston	1927	50,000	25,000	5,000	.....	.....	.....	80,000	
Padula State Bank.....	Newark	1927	150,000	60,000	33,701	435,145	10,073	541,471	757,910	

Comparative Statistics of New Jersey Savings Banks

Banks That Are 25 Years Old and Older—1902-1927

(All figures are as of Dec. 31)

Name of Bank	Location	Years	Surplus	Deposits	Loans and Discounts	Investments	Total Resources	Increase in Resources
						Stocks, Inv. Mortgages Bonds, etc.		
Bloomfield Savings Institution.....	Bloomfield	1927	536,741	6,735,097	94,512	6,826,123	7,271,838	6,375,137
		1902	67,477	829,224	.....	766,570	896,701	
Burlington Savings Institution.....	Burlington	1927	118,377	532,139	.....	602,954	660,195	115,881
		1902	128,684	413,530	200	498,085	544,314	
Dime Savings Institution.....	Newark	1927	810,667	4,963,399	300	5,636,579	5,805,804	4,772,489
		1902	64,601	964,599	.....	929,791	1,033,315	
Plainfield Savings Bank.....	Plainfield	1927	325,496	3,112,398	18,355	2,901,270	3,439,494	2,655,462
Formerly Dime, Plainfield Savings Institution...		1902	60,569	723,463	2,000	721,580	784,032	
Fifth Ward Savings Bank.....	Jersey City	1927	433,574	5,295,590	92,099	5,205,205	5,733,164	5,295,508
		1902	7,091	430,564	.....	420,492	437,656	
Franklin Savings Institution.....	Newark	1927	1,221,323	8,309,152	1,947	8,791,802	9,556,997	7,150,598
		1902	162,630	2,223,169	65,000	2,244,730	2,406,399	
Half Dime Savings Bank.....	Orange	1927	847,205	6,044,113	6,540	6,666,011	6,941,124	5,306,648
		1902	175,063	1,456,113	78,550	1,454,037	1,634,476	
Hoboken Bank for Savings.....	Hoboken	1927	3,738,079	21,727,213	26,500	24,457,162	25,465,469	17,838,033
		1902	528,470	7,098,966	.....	6,975,559	7,627,436	
Howard Savings Institution.....	Newark	1927	7,315,262	50,090,099	37,793	55,286,712	57,572,589	41,050,284
		1902	2,231,874	14,290,431	.....	15,414,856	16,522,305	
Hudson City Savings Bank.....	Jersey City	1927	803,120	7,603,650	109,308	7,435,409	8,438,368	7,073,138
		1902	47,356	1,317,874	4,000	1,232,322	1,365,230	
Montclair Savings Bank.....	Montclair	1927	817,963	7,204,337	18,085	7,624,409	8,127,291	6,548,173
		1902	64,292	1,514,826	32,930	1,316,122	1,579,118	
Morris County Savings Bank.....	Morristown	1927	1,231,498	11,218,235	37,345	11,429,725	12,449,733	9,806,888
		1902	241,460	2,401,385	61,400	2,266,053	2,642,845	
New Brunswick Savings Institution.....	New Brunswick...	1927	759,064	5,655,762	36,485	5,860,490	6,414,825	3,459,690
		1902	390,498	2,564,637	17,318	2,686,826	2,955,135	
Orange Savings Bank.....	Orange	1927	831,539	5,683,249	10,000	6,261,555	6,514,787	5,067,844
		1902	146,331	1,300,611	48,050	1,205,848	1,446,943	
Paterson Savings Institution.....	Paterson	1927	4,429,644	25,756,517	1,988,997	26,926,049	30,383,207	20,092,308
		1902	1,000,067	9,242,697	3,055,552	6,202,780	10,290,899	

Name of Bank	Location	Years	Surplus	Deposits	Loans and Discounts	Investments Stocks, Inv. Mortgages Bonds, etc.	Total Resources	Increase in Resources
Perth Amboy Savings Institution.....	Perth Amboy	1927	726,940	5,104,086	3,535	5,483,936	5,834,679	5,201,078
		1902	17,614	615,987	.....	567,328	633,601	
Princeton Savings Bank.....	Princeton	1927	64,803	381,990	8,015	421,196	446,793	147,095
		1902	14,769	284,929	6,150	262,904	299,698	
Provident Institution for Savings.....	Jersey City	1927	4,157,084	27,619,200	132,226	29,887,384	31,776,283	18,277,263
		1902	1,193,775	12,305,245	310,900	12,508,872	3,499,020	
Rahway Savings Institution.....	Rahway	1927	357,226	1,982,331	1,720	2,188,604	2,339,558	1,993,109
		1902	36,372	310,077	2,400	297,274	346,449	
Raritan Savings Bank.....	Raritan	1927	170,469	1,017,503	400	1,077,572	1,187,972	943,559
		1902	22,519	221,894	1,200	225,030	244,413	
Security Savings Bank.....	Newark	1927	1,360,142	9,966,025	39,253	10,087,963	11,326,168	8,571,777
		1902	224,801	3,529,590	.....	2,517,776	2,754,391	
Somerville Savings Bank.....	Somerville	1927	152,995	1,344,131	.....	1,386,008	1,502,566	946,290
Formerly Somerville Dime Savings Bank.....		1902	25,799	530,477	.....	504,557	556,276	
Trenton Saving Fund Society.....	Trenton	1927	1,575,912	9,094,355	19,445	9,991,500	10,670,267	5,047,985
		1902	540,640	5,081,642	2,400	5,195,322	5,622,282	
Union County Savings Bank.....	Elizabeth	1927	494,338	3,144,388	162,110	3,315,725	3,651,305	2,896,416
		1902	31,209	723,680	73,755	648,640	754,889	
United States Savings Bank.....	Newark	1927	1,743,689	17,210,949	14,825	17,658,445	19,069,952	16,548,605
		1902	142,670	2,378,677	.....	2,141,818	2,521,347	

BANKS THAT ARE 21 YEARS OLD OR OLDER—1907-1927

Germania Mutual Savings Association.....	Elizabeth	1927	56,098	1,740,550	16,698	1,757,900	1,846,825	1,655,670
		1907	5,710	168,944	9,410	179,800	191,155	
Mutual Savings Fund Harmonia.....	Elizabeth	1927	872,824	24,982,636	155,841	24,396,205	25,855,460	22,686,396
		1907	104,779	3,019,273	23,940	3,061,300	3,169,064	

BANKS THAT ARE 5 YEARS OLD—1923-1927

Bergen Savings Bank.....	Jersey City	1927	5,455	753,280	21,285	686,130	759,983	550,748
		1923	59	208,485	.....	181,139	209,235	

Summary of the Growth of All Banks in the State of New Jersey During the Last 25 Years

NATIONAL BANKS

	No.	Capital	Surplus and Undivided Profits	Undivided Profits	Deposits	Loans and Discounts	Investment Stocks Mortgages Bonds, etc.	Total Resources	Increase in Resources
1902	102	\$12,107,790	\$12,820,906		\$62,316,522	\$55,475,092	\$23,832,830	\$101,562,383	
1927	292	46,930,000	69,552,283		808,124,280	516,806,738	327,572,180	988,700,993	\$887,138,610

TRUST COMPANIES

		Capital	Surplus	Undivided Profits	Deposits	Loans and Discounts	Investment Stocks Mortgages Bonds, etc.	Total Resources	Increase in Resources
1902	50	11,947,600	8,093,213	4,158,413	73,252,136	54,690,133	31,042,479	104,790,970	
1927	207	77,154,624	70,809,025	26,093,215	1,077,242,610	617,276,480	509,822,068	1,327,241,696	1,222,450,726

STATE BANKS

1902	11	968,750	666,500	300,308	5,912,518	5,076,283	1,411,156	7,963,541	
1927	39	5,650,000	4,991,256	2,537,691	93,470,026	50,614,099	43,471,361	110,527,952	102,564,411

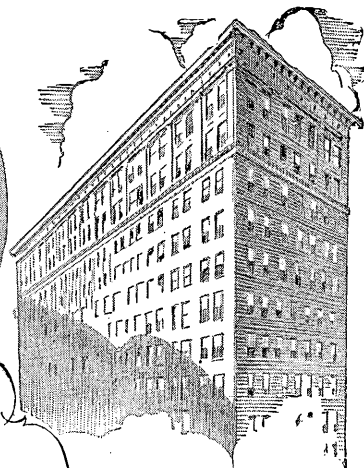
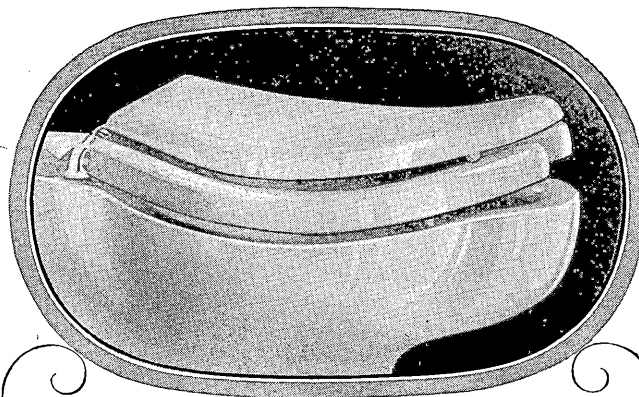
SAVINGS BANKS

1902	25		7,566,631		72,754,287	3,761,805	69,205,172	69,399,170	
1927	28		35,957,527		274,272,284	3,053,619	290,250,023	311,042,696	241,643,526

[Discrepancies between these totals and the figures in the tables compiled by Dr. Kemmerer are due to the fact that the tables summarized above are from the banking department reports as of Dec. 31 in each year, whereas Dr. Kemmerer used the figures of the last call in each year.]



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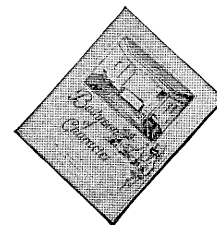
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