

Prosperity and Promise

throughout the United States are nearing fulfillment. The tremendous commercial stimulus now being enjoyed by our Nation's industries is bringing legitimate investments greater promise than for some time past. The wheels of commercial activity are surely and certainly revolving with greater energy and speed. Prospective investors in all lines of financial endeavor are diligently seeking the strongest banking associations as a measure of preparedness for business opportunities in sight.

The Ladd & Tilton Bank, oldest in the Northwest, has successfully weathered the crucial experiences of intermittent money panics for the past 56 years. The test of time is the acid test for a bank, and it has been met by this one. For over half a century some of the most important business projects in the Northwest have been given aid and financial support by the LADD & TILTON BANK. We believe this bank is the logical financial institution for the prudent business man or woman who carefully values present holdings and future prospects. Our service, based on experience, conservatism and efficiency, offers you exceptional banking facilities at all times. Commercial and savings accounts are invited.

DIRECTORS

Edward Cookingham
Henry L. Corbett
William M. Ladd
Charles E. Ladd
J. Wesley Ladd
Frederic B. Pratt
Theodore B. Wilcox



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Edward Cookingham,
Vice-President
W. H. Dunkley,
Cashier
Robert S. Howard,
Asst. Cashier
J. W. Ladd,
Asst. Cashier
Walter M. Cook,
Asst. Cashier

Commercial Accounts

Savings Accounts

LADD & TILTON BANK

Oldest in the Northwest
Established in 1859

PORTLAND, OREGON

Capital and Surplus
Two Million Dollars

Future Activities in Security Market in Portland to Be Big

Surplus Funds in Past Have Been Absorbed, for Most Part, in Community Development—City's Per Capita Wealth Large.

Mr. C. K. Williams, President of Merrill Lynch, Pierce, Fenner & Smith, Inc.

BEFORE entering into any general discussion of this subject it is of interest to note that Portland is one of the wealthiest cities of its size in the country, from a comparative standpoint, as the following figures will indicate:

City	Population	Estimated Value of Real Estate
Portland	247,000	\$180,000,000
New Orleans	239,000	\$140,000,000
Minneapolis	241,000	\$140,000,000
St. Paul	214,000	\$140,000,000
Chicago	2,180,000	\$1,400,000,000
Providence	214,000	\$140,000,000
Washington	211,000	\$140,000,000
Denver	212,000	\$140,000,000

From the standpoint of taxable wealth Portland ranks fourth in this list of cities—all of greater population.

The average layman undoubtedly would assume that an excellent bond market would exist in a comparatively old, prosperous, wealthy city like Portland and that a fairly representative portion of the wealth of the community would be invested in stocks and bonds. Such is not the case, however, and while there is no way of arriving at the aggregate amount of such (local) investments, I am satisfied the sum total does not equal that of many smaller and less wealthy cities.

Surplus Profits Reinvested.

There is a logical reason for this condition of things, to some extent, from the fact that the wealth of this community has been derived largely through enhancement in value of the natural resources of the country, including land, standing timber, water power, etc., and still remains in some form of fixed capital—any increase of available liquid capital being reinvested as a rule in similar channels.

The continued growth in population and development of the surrounding country has required a constant increase in the amount of capital em-

vestment that approximates all the attributes of safety, conservatism, freedom from care and certainty of income for a long period of years to be found in carefully selected "gilt-edge" bonds.

The conservative banker appreciates the necessity of building up what is termed a secondary reserve, usually in the form of a carefully selected list of high-grade bonds or similar investments, which may be quickly converted into cash in an emergency. The average professional man, merchant or business man, on the contrary, does not seem to realize the importance of gradually accumulating a reserve fund invested in somewhat the same way, which could be used in case of emergency and which would provide a sure source of income in the event of business depression or a reduction in the earning capacity of the individual.

One of the really astonishing phases of the investment situation here in Portland is the absence of any appreciable volume of trading in local securities. Outside of our well-known "Portland Improvement bond," there is hardly a bond or stock that commands ready sale or any fairly broad market. Several unsuccessful attempts have been made to establish a local stock

exchange, and while it is true we have no list of corporation or miscellaneous securities to deal in, yet a number of smaller cities, such as Columbus, O.; Louisville, Ky., etc., support well-established, fairly active stock exchanges, whose activities radiate through a very wide section. This is borne out by the fact that the securities of some of our local corporations are listed on both of the exchanges above referred to and are uniformly

quoted in that market. The average individual in Portland wishing either to buy or sell local stocks or bonds usually applies to his banker or some broker with whom he is acquainted, provided he does not know of an opportunity of dealing direct with another interested investor. There are no fixed prices or quotations obtainable, as a rule, on any given security, such business being subject largely to a question of bargain and

sale and influenced probably by personal inclination of the individuals involved, irrespective of any buying or selling basis which would be established through a general market. In many ways Portland should become a large and active bond-buying community. While, as I have already stated, property and other fixed forms of investment have practically absorbed all of the available capital of the community in the past, it is reasonable to assume that in view of the apparent uncertainty of income from real estate investment and the like through fairly long periods, many of our local investors in the future will be inclined to purchase good bonds or stocks which insure an uninterrupted income at a given rate and which form of investment is furthermore largely free from the worries and cares attendant upon the ownership, control or management of property in other forms.

STATISTICS OF PORTLAND PUBLIC IMPROVEMENT WORK.

Number of miles of streets.....	1,253.3
Hard-surfaced.....	378.44
Macadam and concrete.....	149.19
Earth grade.....	248.35
Number of miles of sewers.....	\$59.32
Number of water mains.....	712
Number of fire hydrants.....	5,062
There are 48 miles of conduits, with a capacity of \$7,990,000 gallons each 24 hours.	
Cost of water system.....	\$12,000,000
Total indebtedness of water system.....	\$4,445,900
Number of arc lights overhead.....	2,254
Number of arc lights underground.....	157

The Canadian Bank of Commerce

HEAD OFFICE
Toronto, Canada
Established 1867

A general banking business transacted.
Interest paid on time deposits.
Commercial Letters of Credit Issued.
Exchange on London, England, Bought and Sold.
Travelers' Checks Issued.

Portland Branch
Corner Second and Stark Sts.
F. C. MALPAS, Manager.

SUCCESSFUL MEN

Have built their fortunes largely through the habits of thrift acquired by starting a bank account early in life.

Young men and women will find that they will spend less when they put their money in the bank—they'll stop and think before they write a check—and as the account grows they'll take a great deal of pride in its possession.

This strong National Bank invites small accounts as well as large ones.

THE United States National Bank

Capital and Surplus
\$2,000,000.00

Member Federal Reserve System

Third and Oak Streets

OFFICERS:

J. C. Ainsworth, President R. Lea Barnes, Vice-President
R. W. Schmeer, Cashier
A. M. Wright, W. A. Holt, P. S. Pick,
Assistant Cashiers

OREGON STATE SCHOOL FUND.

1900 \$2,687,694.23	1912 \$9,642,700.83
1904 3,126,747.65	1914 8,142,769.43
1910 3,428,749.89	1915 8,512,741.11
1912 3,442,769.89	

plured by our local business institutions. In this way active employment has been found for practically all surplus profits arising through trade and commerce. Another factor which has been lacking in the community, as far as the development of a broad and active bond market is concerned, is the absence of any large element of industrious, thrifty wage-earners, artisans, tradespeople and like classes.

We have no large bond-buying institutions such as savings banks, insurance companies, endowments, trusts, etc., nor have we, as suggested above, any large class of individual investors who systematically lay aside part of their earnings and invest the same in bonds. Investing in bonds to the average individual is a matter of education and possibly to some extent environment. A thrifty people, however, save. A saving people invest. France, Belgium and Holland are wonderful examples of thrifty, saving, bond-buying nations. For generations these people have laid aside a constantly increasing