

# The Hood River Courier.

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No. 26



**Passing Time eternally whispers its warning to the world.**

**Save time - Make money - Seek safety.**

Confidence is the basis of credit and the finances of the world revolve upon an axis annealed from the combined confidence of Depositor and Banker.

We have confidence in our customers, they have confidence in us or they would not be our customers. This Bank is chartered and supervised by the Government to give better protection to its patrons and we cordially solicit your account.

4% Interest Paid on Savings

**FIRST NATIONAL BANK**

Capital \$100,000 Surplus \$35,000

Bank Advertisement No. 33

Geo. French in introducing his excellent work, The Art and Science of Advertising, says: "Advertising is the only business which yields a revenue simply for the asking, for, resolved to its simplest elements, advertising is asking that many people do specific things."

You will probably have this thought in mind hereafter and even though some of our copy is put in quite general terms, you will remember that through it all we are really "asking many people to do specific things," to-wit:

We would have you avail yourself of all the different facilities of a well managed bank. The junior officers, whom you most frequently meet in the daily course of business, are thoroughly imbued with the idea that their first care is the welfare of our customers. On a busy day they may not have time to visit you, but they have all the time that is necessary to do just what you want done in as nearly the way you would be served as it is possible for us to serve you.

Do not hesitate to make known your wants to any of us, and especially do not hesitate to tell us of anything that displeases you, for there is nothing from an advertising standpoint that can compare with a long line of satisfied customers.

BUTLER BANKING COMPANY

## A Pointer

Some people can see the point more quickly than others. Here is a pointer that may help you see the point.

If you haven't reached the point in life where you feel the need of a bank account it does not follow that you never will. You can't keep from growing old. You will not always be young and care free. As age creeps on, you will see the point of the saving habit even if you don't see it now. Our bank will help you to see the point before it is too late. Start with us now.

Hood River State Bank

**FORD and DODGE BROTHERS MOTOR CARS**

Columbia Auto & Machine Co.

## Reed & Henderson

Incorporated

Real Estate and Insurance--Money to Loan

Arriving at the scene of the fire, the first question you ask is "have you any insurance?" The usual answer is "very little" or "none at all." You owe it to yourself and family to carry some fire insurance. The cost is small. It may be your turn today.

## Henderson & McKay

Netherby  Odell

**FOR SALE Hogs for Fattening**

We have a number of shoats, sows and barrows for the man who wants to reduce the high cost of living this winter by having his own meat. Ready to fatten for Christmas. Reasonable prices.

We Want Alfalfa or Clover Hay Telephone Odell 345

## T. J. KINNAIRD

Groceries

Fresh Vegetables and Fruit in Season Flour and Feed

Phone 2121 Hood River, Oregon

**Satisfactory Titles** are demanded by the wise buyer. Our work is unquestioned and guarantees protection.

**Satisfactory Insurance** is deemed a necessity by the wise property owner. We represent 10 strong companies and have millions of insurance in the Valley.

**Satisfactory Bonds** may sometimes be required of you, contract, court or security. When in need of such service inquire of us.

Hood River Abstract Company



**Victrola and Graphonola Talking Machines**

Complete Stock of Records

**Kresse Drug Company** TE REXALL STORE

ON THIS DAY OF THANKS we feel grateful to our many customers for the orders given us in the past and we will endeavor at all times to merit a liberal share of your future business.

"The Store of Quality"

**The Star Grocery, Perigo & Son**

"Good Things to Eat"

Our Rubber Stamps Always Print

## LOCAL BANKERS HOSTS SATURDAY

LUNCHEON GIVEN FOR VISITORS

Group One of State Bankers Association Held Session at Rooms of Commercial Club

Group No. 1 of the State Bankers Association, composed of Columbia, Clatsop, Clackamas, Tillamook, Yamhill, Washington, Multnomah and Hood River counties, held a successful convention here Saturday. The group consists of 10 banks, and the convention was held at the rooms of the Commercial Club. The early morning arrivals were immediately taken on a tour of inspection of local apple industry plants. The visitors who came on the noon train visited these plants in the late afternoon, just before returning to Portland on the O.-W. R. & N. train No. 17.

The visiting bankers were entertained at a luncheon at the Commercial Club. A long table was laid in the men's reading room and the ladies' rest room. Green and chrysantheums formed handsome decorations. The luncheon was made entertaining by songs from Otto T. Wedemeyer and J. A. Epping, while Arthur Clarke and Clarence F. Gilbert produced laughter with their Dutch stunts.

Toasts were responded to by Mayor Reed, Lydell Baker, of Portland, and N. J. Sinnott, of The Dailies, representative in congress from the second Oregon Dist. Leslie Butler was chairman of the local committee in charge of the convention. Paul S. Dick, of the United States National Bank of Portland, is secretary of Group No. 1. The session was presided over by W. S. Wharton, of Newberg.

The two chief addresses of the convention were delivered by State Bank Superintendent Sargent, who talked on legislation pertaining to state banks now pending, and H. W. Hawkins, of the Portland Savings & Trust Co., who read a paper on the federal reserve act.

A great part of the discussions of the bankers was taken up with the red-counting of commercial paper. It was the opinion of most of the country bankers that their institutions would not benefit from the act by red-counting, since their paper was not in a form to be so handled. As was stated by the bankers, hereafter it will be necessary to collect interest on notes at the time of making. The custom in the small towns, has been to collect interest only at maturity of notes.

The bankers and local citizens present at the luncheon were: W. M. Ross, of St. Helens; W. O. Galloway, Banks; LeRoy D. Walker, Canby; N. J. Sinnott, The Dailies; W. S. Wharton, Newberg; A. C. Shute and C. Jack, Jr., Hillsboro; L. M. Meeker, Canby; C. R. Higgins, Astoria; J. N. Edlefsen, St. Johns; Lydell Baker, II, E. Hawkins, E. S. Sammons, J. E. Simpson, Geo. W. Bates, N. Carpenter, W. H. Beard, Wilfrid Jones, W. M. Cook, Paul S. Dick, P. S. Huntington, F. S. Stanley, State Bank Superintendent Sargent and C. B. Sewace, of Portland; Raymond F. Caulfield, Oregon City; and O. E. Wedemeyer, J. A. Epping, A. D. Moe, R. B. Bennett, A. P. Reed, Leslie Butler, Truman Butler, S. A. Mitchell, E. C. Smith, W. B. Young, C. H. Vaughan, V. C. Crook, A. J. Derby, M. M. Hill, and Geo. K. Wilbur, Hood River.

The visitors thanked the Hood River bankers and citizens for the hospitality shown them. Leslie Butler and E. O. Illenhar both made short talks telling of local conditions and expressing their pleasure at having the privilege of entertaining the visiting men. Mr. Butler urged that the semi-annual convention of next May be held in Hood River, that the local people might be able to show the beauties of the valley at that season.

Touching on the federal reserve act, which has just gone into effect, the paper of Mr. Hawkins is particularly interesting at the present time. Extracts from the paper are given below:

The law is indeed a milestone in the financial legislation of the country, and promises to be a monument to President Wilson and his advisers, and while parts of the law can be justly criticized from economic or practical business standpoints, I do not wish to be accused of casting political aspersions upon its sponsors because I might happen, say as a prohibitionist, to differ from them in politics.

To fully appreciate and understand the law, and all its possibilities and all its consequences, a thoroughly critical analysis of it must be made. However interesting that is, I am permitted to mention only to discuss two or three features of it. First, I shall recall to your mind criticism passed upon the bill before its passage, that as in contradistinction to the control of the banking system of the country by a coterie of influential financiers, there might also be possible a control of the system by a coterie of politicians, and this through the extraordinary powers and privileges granted to the secretary of the treasury by the law.

I thoroughly believe that it is advisable and necessary to provide a single, strong, responsible governing authority for the management of so great and so important an institution as the banking system of the country, but I also believe that the over-weening solicitation of a political administration in shaping and controlling, politically, that institution for all times might better have been restrained and the administration of the system placed in a commission or a board of directors moved only by economic or expedient financial motives unclouded by political influence, and responsible only to congress or to a judiciary.

The whole plan of the law I believe to be admirable; for its constructors appear to have considered adequately the fundamentals of financial legislation; but as to many of the minor provisions of the law, it could have been improved and made a finished piece of work, had the advice of bankers been sought, and the technical side of the subject been given greater consideration.

Alongside the assembling of the reserves of the national banks, the red-count function of the federal reserve banks is one of the system's most important features, and regarding this I will quote a part of Section 13 which I

think is probably the most vital section in it.

"Upon the endorsement of any of its member banks, with a waiver of demand, notice, and protest by such bank, any federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts and bills of exchange issued or drawn for agricultural, industrial or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the federal reserve board to have the right to determine or define the character of the paper thus eligible for discount within the meaning of this act.

"Nothing in this act contained shall be construed to prohibit such notes, drafts and bills of exchange secured by staple agricultural products, or other goods, wares or merchandise, but such definition shall not include notes, drafts or bills of exchange covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds or other investment securities, except bonds and notes of the Government of the United States."

The law provides that such paper must have a maturity of not more than 90 days except it be for agricultural purposes, or based on live stock, when it may have a maturity not exceeding six months.

To quote further: "Any federal reserve bank may discount acceptances which are based on the importation or exportation of goods and which have a maturity at time of discount not more than three months and endorsed by at least one member bank."

Quoting again: "Any member bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation or exportation of goods, having not more than six months' sight to run."

Regarding these red-count privileges accorded a federal reserve or member bank, I believe practical bankers would have given other matters consideration. At least questions of interpretation arise, and it is only by exceedingly broad interpretation in some instances and exact rulings in others that the federal reserve board can fully advise and instruct member banks as to these functions. For instance, the law provides that red-counts must bear a waiver of demand, notice and protest by the discounting bank. The question arises, Does this waiver apply to the red-counting member bank only, or to other endorsers or guarantors on the paper? A cursory opinion would lead one to believe that the waiver applied to the endorsement of the discounting bank only, and if so, the discounting bank should have the protection of protest against any other endorser and guarantor.

Again, a federal reserve bank can discount (note that it may discount, not purchase) notes, drafts and bills of exchange. The query arises, Why are drafts mentioned, when the definition of "bill of exchange" under the negotiable instruments law prevailing in nearly all of the states of the Union covers drafts and bills of exchange as well.

The law gives the federal reserve board the right to determine or define the character of the paper thus eligible for discount, and in a ruling the board has proclaimed in a circular of instructions that paper offered for red-count under Section 13 of the law must conform with the following requirements in addition to those prescribed in the law itself:

Until January 15, 1915, the directors of a federal reserve bank may accept as evidence that the paper offered for red-count was uttered for agricultural, industrial or commercial purposes a written statement from an officer of the applying bank that of his own knowledge and belief the original loan was made for one of the purposes mentioned, and that the provisions of the act and regulations issued by the board have been complied with. From and after that date, however, all paper offered for red-count shall show on its face, or by endorsement, a statement substantially to the following effect: "Eligible for red-count with federal reserve banks under regulations of federal reserve board, Circular 13. Credit File No. ---, District No. --- (Name of Bank)."

This certificate must be signed in person by an officer of the applying bank. The credit file number required in the certificate is for convenience in referring to files in the office of the applying bank, from which must be ascertainable complete credit information regarding the makers of the paper and evidence of the character of the transaction out of which it arose. These files shall at all times be open to inspection by examiners of the federal reserve bank or the federal reserve board, or examiners of the comptroller of the currency, and must be produced upon demand. These credit files should contain information giving the financial responsibility of the borrower, including his balance sheet, profit and loss account, etc.

The credit statement should furthermore show the maximum aggregate amount to which the concern applying this paper expects to borrow on short credit or sale of its paper, and the individual, firm, or corporation giving the statement obligates himself or itself to explain the member bank's consent before exceeding the agreed limit. The affixing of the endorsement stamp mentioned stating such paper to be eligible for red-counting will be considered a solemn and binding declaration by the member bank that the statement has been examined from this point of view and that the paper discounted complies with all the requirements of the law and the regulations imposed.

Whenever paper offered for red-count has a maturity of more than three but less than six months, and the federal reserve bank has been satisfied that the proceeds of the loans were used, or were to be used, for agricultural purposes, or based upon livestock, such paper, until further regulation is prescribed by the federal reserve board, may be red-counted in an aggregate amount not exceeding 25 per cent of the paid in capital of the federal reserve bank accepting the same.

Also, whenever bank acceptances are offered for red-count, it must appear on the face of such acceptances that the proceeds thereof are used, or are to be used, in connection with the transaction involving the importation or exportation of goods; that is to say, it must appear that there has been an actual bona fide sale which involves the transportation of goods from some foreign country to the United States or from the United States to some foreign country.

(Continued on Last Page.)

## HIGHWAY WILL BRING TOURISTS

PUBLICITY CAMPAIGN IS PLANNED

Oregon World's Fair Commission Selects Ravlin for Horticultural Display at San Francisco

Those who are in touch with the efforts made by Hood River in the way of an exhibit at the San Francisco exposition next year are enthusiastic in their expressions as to the benefit that will be derived by the local community. The report of State Highway Engineer Bowley, which is now being prepared for the state legislature, states that the Columbia Highway will be opened from Seaside to Pendleton by June 1, 1915. Between Hood River and Portland a large portion of the great scenic boulevard will be hard surfaced. A movement is on foot already to advertise broadly the attractions that the scenic road will afford the motoring tourist.

Hood River in its representation of its scenic assets, applies and scenery, was a leader at the recent Portland Land and Manufacturers' show. With its displays in the Oregon building and an excellent location in the Palace of Horticulture at the San Francisco fair, it will attract a great deal of interest at San Francisco. It is estimated that at least half of those who travel from the east to San Francisco next year will make the journey through Portland. They will be as much interested in the sights that are to be offered in the great Northwestern country as in the fair itself. And, with the favorable advertising it has received the world over on account of its scenery and its apples, a great percentage of tourist travelers will leave their homes with a view to seeing the Mid-Columbia district.

An honor has come to Hood River county in the choice by the Oregon World Fair Commission of C. N. Ravlin, secretary of the Hood River Commercial Club, to have charge of the horticultural exhibit of the state of Oregon. Mr. Ravlin was chosen, it is stated, out of more than a hundred applicants. He, with E. A. Freitag, of Oregon City, who has been chosen to superintend the agricultural exhibits, will leave next Sunday for San Francisco, where he will spend a week in order to thoroughly inform himself as to the possibilities of the exhibits and to make preparations for the designs, which have been left entirely with him. The Oregon Commission has been recently watching Mr. Ravlin's work, and he and Mr. Freitag will be taken to San Francisco at the expense of the Commission.

That Hood River county may benefit from the great world's fair and secure the publicity that is needed for the advancement of the community, to realize on its great scenic assets and to make the most of the scenic Columbia River Highway, a committee has been appointed to present to the county court items of expense necessary for the work, to be included in the budget, which will be made out by the court at the December meeting.

Secretary Ravlin was in Portland Saturday evening to see the new panorama picture of the valley, taken from Van Horn butte which has been colored in oils. He says that all who have seen the picture declare it the best panorama ever put on exhibition. This wonderful picture will be put on display in the Oregon building. It is 40 inches high and 21 feet long.

## LOCAL MEN ATTEND SPOKANE APPLE SHOW

The following local men, interested in the fruit industry were in Spokane last week to attend the National Apple Show: A. W. Stone, W. B. Dickerson, J. C. Porter, J. F. Batchelder and E. H. Shepard. Mr. Stone was present while in Spokane at a meeting of the board of trustees of the North Pacific Fruit Distributors, he representing the Apple Growers Association in the absence of H. F. Davidson, who will spend the winter in New York.

One of the chief features of the big show was the conference on by-products. Mr. Shepard delivered a strong address on the necessity of reducing the cost of production of apples. He praised the movement for establishing by-product plants, but declared that this alone would not be the salvation of the apple industry. He cited the necessity of working out a change in the condition of marketing apples by which the retailer's price for the fruit would not be enormously increased over that of the price received by the grower as at present.

## VAL NEHRBAUER REPORTED DEAD

From letters returned from Beaverton, where the old man has been living for the past four years, it has been learned that Valentine Nehrbauer, formerly a resident of the Summit district, where he owned property, is dead. Mr. Nehrbauer, who for many years was a subscriber to the Courier, having as he said, learned the English language from the paper, lived as a hermit on his Summit place. He sold his land for a fairly handsome figure and had sufficient money to keep him in comfort. Week before last his paper was returned unclaimed. A letter was written him. The missive was returned with the word "deceased" marked on the envelope.

Valentine Nehrbauer will be remembered by all of the residents of the Summit district, as well as by the merchants and business men of the city.

## Past Week's Apple Exports

The apple exports from all American ports for the past week ending last Saturday were 73,149 barrels against 66,347 for the same period a year ago. Of this number New York shipped 19,046, Boston 13,292, Montreal 23,632, Portland, Me., 6,012 and Halifax 11,239. In addition to the above shipments for last week, there were exported 27,458 boxes of apples.

Rubber Stamps at the Glacier office.