

# Monthly Bulletin

of the

## American Association of Title Men

DO NOT WRITE IN THESE SPACES

Vol. 2

MAY, 1923

No. 5

### THE WHY OF AN ABSTRACT.

The thing suggested by every one present at the meeting of states officials and the executive committees as the most necessary and that the association could do which would be of the greatest help to the business was something that would popularize the abstract business, and better acquaint the public with what an abstract is, and what it is for.

The average layman has a very vague understanding as to what an abstract really is. We all have an occasional meeting with the man who is going straight to the courthouse to record his abstract; his twin brother who thinks an abstract in a pretty cover and gotten up in good form means a good title, and others equally familiar. Most of the misunderstandings and complaints about abstracts, etc., are occasioned by ignorance on the part of the public as to what an abstract really is. The reason for this condition is within our own family and the cause ourselves.

It is simply because of all business or professions, the abstracters as a whole, have done the least advertising of any and have made practically no effort to advance the interests of their business.

There have been many reasons for this, but whatever they have been it is now time to change and give the abstract business the necessary push and publicity. We will have to if we expect to survive.

The association as an association cannot advertise the title business, whether it be abstract, certificates, or insurance so that the public will understand what it is. It could only do this by a large national advertising program of long duration and thousands of dollars expense. Even then such a campaign would be unsuccessful if relied upon wholly and the individuals in business did not augment the work with local publicity reports.

Various products and many businesses have been advanced overnight by such methods, but the national campaign has only been a strengthener. The lasting work has been done because

every member at the same minute was doing the same.

The real value of a national organization is not so much what it does but the influence it can have in creating new ideas and new efforts on the part of the members to put forth.

A spontaneous splurge by such a body is soon over and everything forgotten except the expense.

Those in the title business and particularly the abstracters must advertise. A startlingly small per cent of abstracters advertise at all and it is because of this that the people know so little of our business.

The real way that the American Association of Title Men can be of service in this demand is to create and stimulate a desire upon each and every member to advance the welfare of the business, and to generally improve and develop his own local conditions. When this is done, then the business as a whole and nationally will prosper and assume it as real proportions.

Be wise in your advertising mediums study local conditions—then use whatever would bring the best results. The association has a great deal of material and ideas for advertising. It has maintained a committee on advertising for a long time and will endeavor to assist anyone by giving suggestions and the services of the association generally.

### ARE YOU MAKING PLANS TO ATTEND THE CONVENTION?

Every titleman in the country should attend the Convention this year. The time is September 4-5 and 6, the best in the year for you to be away. There are many problems now confronting our business which should be discussed.

President Brewer is working hard arranging the program. The Omaha and Nebraska Titlemen are sparing no effort in making every arrangement for this to be the best ever Convention.

The Omaha Chamber of Commerce is taking a great deal of interest and being very generous in its efforts to make it a success.

Special entertainment features will be provided. It will be a great meeting. Will you be there?

### ASSESSING OF ABSTRACT PLANTS.

Judging from the number of inquiries regarding the assessing of abstract books, it appears that some assessors have been on their periodical rampage.

This is a matter of regular occurrence and one of which the outcome is as varied as the number of cases.

Abstract books are carried at a reasonable figure in the big majority of places, but every now and then some new administration or assessor decides to create a new precedent.

One of the most valuable services rendered the Association was in the report of Henry Soucheray, Chairman of the Judiciary Committee in 1921, and found in the Proceedings of the Des Moines Convention of that year. This report goes into the matter very much in detail and cites many decisions which have been rendered on this subject.

There is no question but that there is a growing tendency to increase the valuation of abstract books for the purpose of taxation. For this reason abstracters must be prepared to answer their part of the question; but better yet, endeavor to work with the assessors, and be willing to pay on a reasonable and just figure. Taxes are increasing on everything and it seems the officials always hold the advantage. There is constant hunt on the part of the powers that be in much matters to find every way possible to raise more money. This, however, is no reason why an unjust figure should be placed upon an abstract plant, and the abstracter certainly should protect his interests in any arbitrary move.

A case on this point is now in the courts of Minnesota and the final outcome will be reported in The Monthly Bulletin. It will be profitable for everyone to read the report mentioned above and found in the 1921 proceedings.

### CALIFORNIA MEETING AUGUST 3 AND 4.

The meeting of this association will be held on the above dates at Yosemite National Park.



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of the  
**American Association of Title Men**

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Title Guarantee & Trust Co.  
Henry E. Monroe.....San Francisco, Calif.  
California-Pacific Title Insurance Co.

MAY, 1923.

**BUSINESS IMPROVING.**

It is interesting to note that the report of the questionnaire telling that prospects were for a better business all over the country in 1923 is proving to be so. Word comes from all places that business is greatly improved from what it has been for a long time. Many of the companies in the larger cities saw 1922 as one of their best, in fact, the best in many cases, and even better so far this one.

Building is on the increase, there is a surplus of both farm and city loan money, and better yet, people are not holding back because of uncertainty, but going ahead with things.

Many new oil fields have been opened and the abstracters in those places are of course swamped.

Everything points to a good year for the title business.

**AN AID IN COLLECTING FEES.**

A. W. Thompson of Preston, Minn., is one of the very progressive abstracters, and likewise uses some very unique things in his business.

He uses one idea which has proven successful in the collection of charges.

It is an envelope in which abstracts are delivered to banks, agents, etc., and has the following on the outside:

"This envelope contains an abstract of (name, etc.) which is to be delivered to (name) on receipt of fees \$.....  
Not to be opened until paid for."

There have been times when every abstracter would have found it profitable to have used one of these.

**ADVERTISING LOSSES.**

The Title Guarantee & Trust Co. of New York makes a feature of telling of its losses. This is good publicity, as it not only emphasizes the security of title insurance but inspires confidence in the company. Knowing that a company will pay and has paid its losses promptly is a big asset. All title companies do this, and it is well to let the public know it.

The company's annual statement shows that its losses were several thousands of dollars.

This company also has a very profitable branch business in its Guarantee Mortgage department. The report shows a fine volume for this department.

The main office and branches employ a total of 1,875 people and a 13-story building, with special safe deposit and record vaults being planned.

**SPECIAL BULLETIN ON ADVERTISING.**

An early issue of The Monthly Bulletin will be almost entirely devoted in telling of various advertising ideas used by abstracters. Specimens of methods, etc., have been sent to the Secretary's office from time to time by various companies until now there is quite a collection. If you have any special pamphlets, schemes, etc., which you use, forward them to this office so that they may be described in this special advertising bulletin.

**THE HOME ABSTRACT COMPANY, FORT WORTH, EXTENSIVE ADVERTISERS.**

Some good methods of advertising always are being followed by the Home Abstract Co., Fort Worth, Tex., better known as the Lewis Fox Abstract Office.

Lewis believes in dignified and forceful mediums of advertising. One of the latest is a little folder produced very tastefully and which tells the following:

**The Philosophy of the Title Business.**  
(From our side of the fence.)

*To Believe* that our Business is ethical and affords us a distinct opportunity to serve society.

*To Remember* that the good name of a firm is the only solid foundation for its Prestige, that it cannot be trademarked; but indirectly can be made an even greater asset by making it represent intelligent, dependable service.

*To Keep* in mind our obligations and duties to the community in which we live, to support our Churches, our Charities and our Chamber of Commerce to

the end that we may do our bit to make our Home Town a better place in which to live.

*To Do* a little more than is expected of us, in a little less time than is demanded of us, and just a little bit better than the other fellow.

*To Impress* on you that although superficial brilliancy of achievement, extravagant claims of Sudden Service make a strong appeal to the busy man, yet this policy is highly dangerous when applied to complicated land titles that must endure through the years.

*To Not* lose sight of the fact that it is your right to demand, and your privilege to give the most for what we charge, not charge the most for what we give.

*To Realize* that our abstracts must show the record title, nothing more, and nothing less, without fear or favor.

*To Stand* unflinchingly for the Square Deal in all our relations with our customers and in every phase of our business life to the end that the Wise and Ignorant, the Rich and the Poor may receive only one kind of service—the Best that we can give.

*Believing That* the Good Will of those we have served is our greatest Asset and to insist that only by sustained achievement over a period of time is the Title to true Worth established.

*This*, it seems to us, is the Philosophy of the Abstract of Land Title Business.

**NORTH DAKOTA MEETING, JULY 16-17.**

The annual convention of this organization will be held on the above mentioned dates at Grand Forks, N. D. A cup contest for the best abstract again will be conducted and be the feature of the meeting.

**SETS DATES AND MEETING PLACE.**

The annual convention of the Iowa Association of Title Men will be held in Des Moines June 20 and 21. The Iowa State Mortgage Bankers will hold a meeting at the same time and plans are being made for some joint meetings and entertainment.

**TITLE COMPANIES ERECTING OWN BUILDINGS.**

The Alameda County Title Insurance Co., Oakland, Calif., is erecting a new eight-story building and will have one of the finest title offices in the country.

The new home of the Kansas City Title & Trust Co., is nearing completion and it will be only a short time until the company will move into it. It was "built around the vault," so to speak, and is unique in the preparation made for the protection of its records.

**RETURNS FROM VACATION.**

The President of the Title Insurance Section, John E. Potter, is home from a most enjoyable vacation. Mrs. Potter accompanied him on a trip to Porto Rico.



**IMPORTANCE OF FAIR DEALING  
IN DEVELOPING AND POPULARIZING  
TITLE INSURANCE, BY  
HORACE ANDERSON, SECRETARY,  
TITLE GUARANTEE AND TRUST COMPANY,  
NEW YORK CITY.**

Today, fair dealing is an underlying principle of every business. The time has gone by when it is any part of a legitimate business enterprise to fool the public any or all the time. Goods are supposed to be labelled in plain figures as to price and quality and the principle of "caveat emptor" has long since been forgotten in modern business dealings.

The idea of fair dealing is particularly important in title insurance. The bill for title insurance always seems large to the man who is paying it. He has the feeling that most titles are good, anyhow; that it is money which he is paying out only through a custom or sentiment and he seriously doubts whether he ever will really get anything in return for it. To him it looks as if the title companies were always taking in money and very seldom paying it out. Those of us who are in the business know how many troublesome questions in titles we have to straighten out. Our company here in New York now pays a loss on an average of every other business day in the year. These losses are not often very large and result not alone from occasional carelessness on the part of our employes but more often from defective or indecipherable records, particularly tax records. We speak of ourselves only because we know our own experience and want to share it with you.

A Title Guarantee and Trust Company should go on the principle that it wants to make a friend of every man who has title troubles, particularly if he has one of its policies. It should want to make its losses pay for themselves by making the insured a thorough believer in title insurance and a man who will talk for it on all possible occasions in the future. He will always be ready with his story "This is what the Title Guarantee & Trust Company did for me." If it is a good story, we will profit by it, if it is a poor story, we will lose by it.

One of the most important assets in fair dealing with customers is to have enough money laid by in the shape of capital, surplus or a guarantee fund to pay any reasonable loss without having to draw on the funds whose diminution would imperil the solvency of the institution or its reputation before the public.

A company has its capital, surplus and undivided profits. It should also have various reserves, suspense accounts, etc., set aside to provide for possible losses. With our company it would take a much larger loss than we ever have had to affect in any way our surplus, much less our capital. This is fair dealing with the public. They know our policy means what it says

and that if a loss comes along that we ought to pay, that we are perfectly able financially to pay it.

The spirit in which a title company approaches a question of loss is also an important one. The public must be made to feel that the company wants to play its side of the game perfectly fairly and that if it has made a mistake the company is just as anxious to pay as the insured is to have it paid. In our company we give all losses a most careful scrutiny and are very particular to fight claims which show evidences of being improper. There have been several efforts in New York on the part of individuals who were promoting fake dower claims. We have fought them to the bitter end and in almost every case, have succeeded in bringing about the withdrawal of the suit by proving that it was permeated with fraud. If the dower claim is a proper one and there is a widow really entitled to the payment, we take care of such a loss promptly and in full recognition of the fact that this is the sort of a loss that makes title insurance popular.

We acknowledge every claim for a loss at once and ask for time to investigate it unless our insured is in a business or financial position where immediate action must be taken. In these cases, we try to render him the assistance he needs to keep him from loss or discomfort. We try to make the policyholder feel he is not unpopular when he comes to us making a claim under his policy. This is what the policy is for, and while we dislike to see our assets dissipated, we appreciate that part of these assets are only a trust fund left with us to meet just such emergencies.

There is another way in which we try to deal fairly with the public and that is in connection with the collection of our bills. We have a regular fee for title insurance based on the with title insurance. Sometimes, we average amount of work that it takes to examine a title and the average loss that is apt to be paid in connection individual title, sometimes we lose a great deal, but our fees are always based on the amount of insurance, taking into account previous insurance. When a transaction does not close, either because the title is bad or because the party has resold the property before he takes title, we make a reduction at once cheerfully and without any urging of what we call the insurance fee or premium as distinguished from the examination fee. As a rule, it is about one-fifth of the fee and we allow the attorney or the broker his rebate off the balance just as freely as if we had collected the full fee.

This reduction is quoted in every case without waiting for the client to ask for it and we are very insistent that a greater reduction should not be made unless there are some extenuating circumstances. Sometimes we refuse to insure a title that we think is bad and yet some other title com-

pany in our vicinity will insure it. In this case, as a rule, we are a little more generous with our reduction because there may be room for doubt in the correctness of our position and it seems a little hard for the client to pay two bills in full. The man whose title is rejected or whose transaction falls through realizes he may expect this reduction from us. On the other hand, if he closes his title and decides he does not want title insurance, we make no reduction in the fee, our price being the same in connection with the closed transaction whether or not title insurance is taken. There are many people who would be content with our title examination without insurance, if they could get this for any less than our regular fees and yet the question of our responsibility where no policy is issued is so difficult to determine that we cannot consent to any man's closing his title under our examination and not receiving full insurance. The public has learned that we expect our bills to be paid and to be paid with reasonable promptness but on the other hand, that we do not expect to be paid for work that we do incorrectly or where our policy is not to be issued because the transaction does not close.

Where an attorney places business with us, we allow him a certain proportion of the fee—a small commission. Sometimes we have claims from attorneys who appear after the title is closed. They state we have done business with their client, that they really sent him to us and that they ought to have the attorney's allowance, whether or not they were present at the closing or whether they had very much to do with this particular transaction. We attempt to sift these questions and to deal fairly with the attorney but are not willing that these after developed claims should be granted too quickly or without thorough investigation. If the client places business with us and the attorney appears before the closing or at the closing and really takes an interest in the transaction, we admit his claim at once. If an attorney puts in a claim which we think is not justified, we are just as prompt in refusing it, taking care, however, to err on the generous side rather than the other.

We want our company to be known as generous in its handling of all questions, financial and otherwise, but we do not want to be known as a good thing where anybody can put over anything he wants to. There is a clear line of distinction which every company should try to observe.

Every title company should try to develop a reputation for fair dealing both financially and legally and such a reputation will do much to add to its profits.

**17th Annual  
Convention**

Omaha

Sept. 4-5-6



### CREDIT "THE LAWYER AND BANKER."

The verse "Who Has the Title" which appeared in the last issue of the Monthly Bulletin, and which was taken from "The Pittsburgh Realtor," first appeared in "The Lawyer and Banker," in its issue of January-February, 1918.

It is the original property of this publication and we are glad to give credit to the "land of its birth."

### TITLE INSURANCE BOOTH AT BROOKLYN EXPOSITION.

The Title Insurance booth of the New York State Title Association at the Own Your Home Exposition held recently in Brooklyn, New York, proved to be of much interest to the man-thousands of home owners and prospective home owners attending the show.

Effort was made to impress on the general public the importance of a second, clear title to real property and the fact that a man's title to a piece of real estate depends upon the soundness of the title he acquires from the man selling the property whose title in turn depends upon the title of the person from whom he bought—and so on down through the generations to some purchase from the Indians or the grant of some English king or Dutch High Mightiness to the original settler. It was shown that the complicated questions of law involved in these transfers the possibility of errors in description, incorrectly foreclosed mortgages, unpaid taxes, wrong legal construction of wills, unexpected widows, forged deeds, unsatisfied judgments and other matters, which only an expert in titles and real estate law is competent to handle, made title insurance the only safe and sure way of protecting himself and his heirs from any loss arising at any time from defects in title.

The numerous abstracts, certificates, policies of title insurance, maps and other interesting matter collected by the American Association of Title Men were on display in the booth.

The exposition was held in both afternoon and evening from March 24 to April 1 and was very successful from the opening to closing days.

### PERRY BOUSLOG'S COMPANY MERGES TO FORM LARGER CONCERN.

The consolidation of The Union Indemnity Co., and The Louisiana Abstract, Title & Guarantee Co., of New Orleans was perfected some time ago and the new institution will be known as The Union Title Guarantee Co.

Perry Bouslog has the best wishes of his many friends in the title fraternity in this new endeavor. He has worked enthusiastically to give the best of service in title matters in New Orleans and vicinity and has established an enviable reputation. A part of the newspaper announcement of the merger follows:

"The Louisiana Abstract and Title Guarantee Co. will in the future be con-

ducted as the Union Title Guarantee Co., Inc., and will be under the management and control of the Union Indemnity Company. The officers of the Union Title Guarantee Co., Inc., will be the same as those of the Union Indemnity Co., with the addition of M. P. Bouslog, title expert of national reputation, who will become a vice president and general manager of the Union Title Guarantee Co., Inc.

"The largely diversified interests presently identified with the Union Indemnity Co. and which have proved impressive factors in the remarkable success achieved by that company will be aggressively used to produce similar results in the Title Guarantee business. A comprehensive plan has been developed to immediately start the Union Title Guarantee Co., Inc., in its operations. Title insurance is considered an absolute necessity in modern business. The stamp of approval of the Union Title Guarantee Co., Inc., will be made to stand as a seal of currency on all realty transactions.

The move is in the direction of larger and more comprehensive business effort and should immediately redound to the advantage of real estate operations in this section. The advent of the Union Indemnity Co. into this new field of operation indicates a recognition for real estate activities that New Orleans up to this time has not enjoyed."

## Omaha Title Folks

Backed by  
the

## NEBRASKA TITLE FOLKS

and  
the

### CITY OF OMAHA

are making extraordinary plans for our entertainment and a successful convention.

Let us show our appreciation by a record attendance.

A fine program is being arranged.

*Plan to attend. You will learn—you will have a good time.*

Complete information is on file in the Secretary's Office regarding the following ads. If interested, write the office for details.

#### POSITIONS WANTED—MALE.

Young married man, several years' experience, manager of office for time, desires location in west or middle west.

Abstractor and examiner, 3 years at law school, 6 years with title companies. Desires position in Florida. Young man, married.

Able to make small investment in plant, single, 28 years of age, 7 years' experience, part of time as manager. Now located in small town and desires to get in bigger city and office.

Man of great deal of experience, several years as manager, excellent qualifications and recommendations, desires to change.

Graduate of both college and law school, experienced in abstract office as abstractor and examiner. Business changes will make him available in June. Prefers location on Pacific coast or in northern states.

#### POSITIONS WANTED—FEMALE.

Stenographer, experienced in law and abstract office. Excellent recommendations. Now located in south. Expresses no preference as to future location.

Young lady, excellent stenographer and office assistant. Experienced in county offices and abstract work.

Ten years' experience in Register of Deeds Office, both as office holder and assistant. Now in middle western state. Wants position in abstract office.

Applicant desires to locate in west or middle west. Worked in county offices, including 4½ years in recorder's. Also worked in abstract office. Available in July.

#### EQUIPMENT FOR SALE.

The Beck Abstract Co., Mason City, Iowa, has a Rectigraph Photo Duplicating machine for sale.

Cimarron County Abstract Co., Boise City, Okla., has a Rectigraph machine, book holder, etc., for sale at a bargain.

#### PLANTS FOR SALE.

Only abstract plant in Eastern Kansas County. Good business.

Good plant, fine business in one of the finest and most beautiful cities in Colorado. Priced at \$30,000.00.

One of the finest and most complete plants in Alabama. Located in a good city.

Owner of abstract plant in good Minnesota town desires to turn the abstract business of his office to the management of some competent party on commission basis.

Abstract plant in small Missouri town, good community, for sale, \$2,000.00, half of which would be carried for a time.

Owner of abstract plant in Northwestern Texas county, moving away and wants to sell business.

Business in good Iowa town, Northern county. Long established business. Only two in town, good volume of business.

Modern plant in Northwestern Oklahoma county. For sale at a bargain and on easy terms.

Good business, complete plant in Central Iowa county. Owner desires to retire.

Modern and complete plant in growing Wyoming town and county. Excellent opportunity to establish in new country with good chance to also deal in real estate, insurance, etc. Can be purchased on payments.

Good plant in one of the best towns of Oklahoma.