

TITLE NEWS

A publication issued monthly by

The American Title Association

Published monthly at Mount Morris, Illinois; Editorial office, Kansas City, Mo. Entered as second class matter, December 25, 1921, at the post office at Mount Morris, Illinois, under the act of March 3, 1879.

Vol. 5

MARCH, 1926

No. 2

Third Annual Joint Conference of State and National Officials Will Make History for Title Business

Very Practical and Profitable Meeting Where Many Subjects Were Presented and Discussed. Twenty-Six Topics Included in Busy Two Day Program

Sixty-seven members of the title fraternity came to Chicago from twenty-three states to attend the annual mid-winter meeting. This was the third annual joint conference, as it is termed, because three years ago the plan was inaugurated of having the various state officials come to the customary business meeting of the American Title Association.

Each one of these meetings has grown and improved in strength of purpose and accomplishment. The object is to have a real practical down-to-business session where things about the title business and the conduct of the state and national title associations can be presented and plans made to solve or achieve the necessary relative to them.

This year brought a real representative gathering of those in the title business. There were the officials of the American Association, members of its committees, others who are working on special assignments in its program of activities, state officials, and others

interested in the work or to observe.

It was a real conference, and many things brought out. They were not only presented, but discussed, courses decided upon, and best of all, a record made. This is presented herewith.

The program was of two parts, as was the purpose of the meeting. First was the presentation of subjects pertaining to association work, both state and national, and of things to be done for the good of the title business and the organizations representing it. The second was a group of matters dealing directly with the conduct of the business. These subjects were selected from those suggested in responses to letters sent out by Chairman Woodford prior to the meeting.

The meeting was presided over by J. W. Woodford, vice president of the American Title Association, and ex-officio chairman of the executive committee. It was called to order at 9:45 in the morning of Friday, Feb. 5. The first leader presented two subjects:

"MEMBERSHIP DUES FOR STATE ASSOCIATIONS" and "HOW TO GET OLD NON-MEMBERS BACK INTO THE ASSOCIATION"

By Forrest M. Rogers, Secretary, Kansas State Association

MR. F. M. ROGERS (The Rogers Abstract & Title Co., Wellington, Kans.): I think we would probably get more out of these two subjects from discussion, so my remarks will be very brief, merely with the idea in view of starting the discussion on the two subjects.

With regard to membership dues for state associations, our association for several years had been running at seven dollars a member per year, two dollars of which goes to the American Association leaving us five dollars a

member for our work. At our last convention we decided to raise the membership dues to ten dollars. We made out a budget and felt that we had to have that amount in order to carry on our work satisfactorily. Of course this amount would have to be decided upon by each state according to its local condition.

I might say for the benefit of those who might be considering raising the dues, that we made no apologies about the raise. The first of the year we sent out notices that dues were due and they were ten dollars, and we have

received remittance from all old members with the exception of six and have only had two complaints, both of which were satisfactorily explained, and they sent checks later. I think it is something like raising your prices on abstracts. It is really easily done. It scared us for a little bit. But if you decide to raise them, there is no question you can get the increase by doing it in that way. Our experience in Kansas has been that you will have very little trouble in raising your dues and getting what is adequate for your work.

The second subject is "How to Get Old Non-members into the Association." My experience is very limited. We haven't run up against that proposition. Our association has been increasing steadily in membership. This year we have a large increase. Our membership is probably pretty well saturated, and we probably have most of those that will join. The coming year we will be up against that question of how to keep the old members in our organization.

It seems to me that the state organizations are going to have to do some definite thing to tie the members in the organization in order to keep them and keep a full membership. A large number of them, of course, do not attend our meetings, and they think to a large extent the ten dollars is a donation to help the officers along. We have to have something that will tie them to the organization. Unless, as we see it, we can get something that will interest them and be of more advantage to them in attending the association meetings, I think in coming years we will be up against that problem of trying to keep the old members in the association.

In the discussion I would certainly be glad to get any information which the other states might have in their

method of keeping their members in the association. With that, Mr. Chairman, I leave it to the discussion on the floor.

DISCUSSION

MR. E. JENKINS (Arapahoe County Abstract & Title Co., Littleton, Col., Secretary Colorado Title Assoc.): Our dues are ten dollars a year, the same as Kansas. We don't find anybody kicking about that. Our association is fairly young, and we haven't very many prior members who have dropped out, just one or two of them. We have been getting a few of them back in again. We had one difficulty that our dues were not collected at any stated period. We hope to overcome that after this year and hope to have them pay at a certain time, so everybody will know when they are payable and collectible. That is one thing that has been acting with us, and it has lost us one or two members because they thought they had paid when they hadn't paid.

MR. L. D. FOX (Home Abstract Co., Fort Worth, Texas): In Texas they are on a graduated scale based on the population of the county and run from six dollars to sixteen dollars a year. We figure a town of 100,000 and 150,000 can pay larger dues than a town of 2,000, 5,000 and 10,000. It is graduated according to the population of the county.

MR. J. E. POTTER (Potter Title & Trust Co., Pittsburgh, Pa.): The situation in Pennsylvania is different owing to the fact the membership is limited to trust companies. Our dues there are \$50 a year. No one has ever dropped out.

Probably the most important thing we do is keep in very close touch with legislation. I don't mean to say one cent is spent improperly, but it is

very important to know what is going on, especially at special sessions of the legislature, and there is a whole raft of acts introduced each session which would revolutionize not only title insurance but all other branches of the institution. It requires very careful watching and much work to keep all our people informed as to exactly what is going on. I don't think any of those bills will get out of the committee this year.



FORREST M. ROGERS,
Secretary of the Kansas Title Assn.
who started the program by presenting
two topics for discussion.

The discussion showed that membership in the state and national title associations costs a very small amount. The state association's dues are very low and it is surprising that they can do any work at all on the amount of funds at hand.

Some states have increased them in the past few years, while others have provided a state sustaining fund so there will be something to work with. In any event, the value received and service being rendered by the state associations is worth many times the cost, and the American Title Association makes no exceptions or apologies for the work it is doing and the value given to every member, and the business as an industry.

When compared with similar associations, labor unions and others, the cost of belonging to and supporting the state and national title associations is at a minimum.

State associations need to adopt some really definite and practical enterprise to hold the interest of their members.

One of the best of these is an abstract contest as a feature of the state conventions. Such a contest conducted along the right lines will not only make for interest, but accomplish a real good.

"HOW TO KEEP OLD MEMBERS FROM DROPPING OUT"

"WHY ABSTRACTERS REFUSE TO JOIN STATE ASSOCIATIONS AND HOW THEIR INTEREST MAY BE AROUSED"

By Geo. F. Buzbee, Secretary, Arkansas Title Association

MR. G. F. BUZBEE (Saline County Abstract & Guaranty Co., Benton, Ark.): I think that my subject might be arranged just a little differently. Probably it would sound a little better to say "Why abstracters refuse to join state associations"; then "How to keep old members from dropping out and how other abstracters' interest might be aroused."

I have not formed any definite conclusions as to just why abstracters refuse to join the state associations. In a great many instances I have talked to some of these fellows and they say the association is not doing anything, and others say they don't have time to attend the conventions, and because of that fact they don't think it would do them any good. Others just simply say they have never paid any attention

to it and have never given it any thought.

As to how to keep old members from dropping out and how to interest new members, the first part of that has been partially covered by the gentleman who spoke just before me. Our dues in Arkansas were increased this last year from five dollars to ten dollars per member. We had two members who said that was too much and refused to renew their membership. We had one who died, and one who went out of business, and my competitor said business was just so poor with him he couldn't afford to pay it, and I am trying to keep his business in that condition. (Laughter.)

The first of October of this year I sent out a letter to all of our old members and suggested an honor roll and

told them that each one who responded to that first request within a specified time would be placed on the honor roll, and that honor roll would be circulated among our membership. I believe eighteen responded. At the close of the time specified by that letter I made out a bill and sent each one a bill for his dues, just like a grocery man would send a bill for the groceries, and told them if they didn't pay within, I think, thirty days, I would draw on them. Those who didn't pay were promptly drawn on. I think sixty per cent of those drafts were honored.

The other day I had the pleasure of sending in to Dick Hall the renewals for all of our members except those I just mentioned.

As to how to interest new members, I don't know. I conceived the idea early in this campaign that we have just put on that if I could just visit all of these fellows who had not joined the association I could induce them to join. It so happened I was up at Fort Smith about sixty days ago. I got my friend O. M. Young to go with me to

DISCUSSION



GEO. F. BUZBEE,
Secretary, Arkansas Title Association,
who gave some good suggestions for
state association work.

a neighboring town. They have two abstracters there, neither of whom were members of the association. We called on one; the other was out of his office. We couldn't interest the man we called on. He simply said he would think about it and probably would join later. About two weeks ago I got a letter from him enclosing his application and his check for ten dollars. Pinned to his application was a note of two lines: "Lindow's circular was the whole thing in making me join the association." (Applause.) So that knocked in the head my theory that a personal solicitation was the thing. I really believe, gentlemen, it is a matter of salesmanship. We have to sell this association just as we must sell any other article of commerce, and I don't believe that Lindow's circular was the whole thing in making that man join the association. I believe it is like pounding a rock. The last lick you give it is the one that seems to make it pop open, but if it hadn't been for the licks that preceded it that one wouldn't have had the effect.

I believe the thing to do is to keep pounding away. If you can't strike them on one tackle, try another. I believe we must do something to keep them interested and tied on. I think that the monthly bulletin is a good thing, because I believe a great many of them lose out because they simply lose interest. They don't keep in touch with us and don't know what we are doing. If we will do something and let them know what we are doing, I don't think we will have any trouble in keeping old members in.

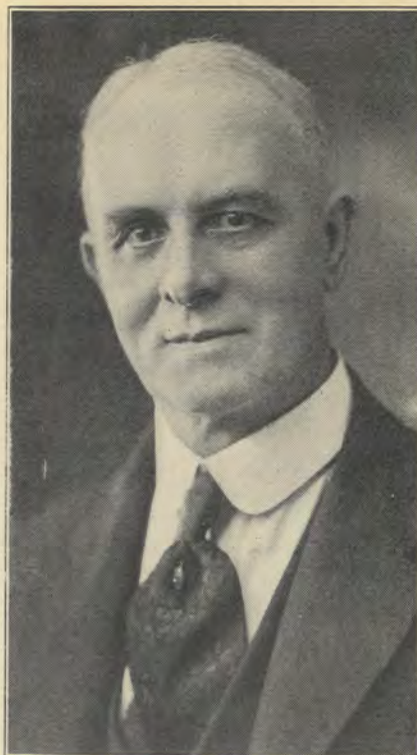
MR. R. M. BARNEY (C. W. Barney & Son, Kearney, Neb.): In Nebraska this last year we put on a campaign to increase membership. The bunch that didn't pay up were the old members, the fellows that usually paid at the end of the year and really would be entitled to membership until the end of the current year. However, there were fifty-five of them. After the series of letters were sent out by the various chairmen, Membership Committee, Mr. Fehrman and Guy Johnson, secretary of our association, I received from Guy the list of those who had not paid. Incidentally I sent a personal letter addressed to each one, dictated especially to fit that particular man because I knew most of them personally. About four-fifths of them sent the dues right in, either to the secretary or to myself. We have found that consistent pounding away at them and personal letters on top of the others is the way we get results.

MR. J. A. RILEY (Schuyler County Abstract Co., Lancaster, Mo.): I come from a little town out in North Missouri and perhaps have less business here than anybody else. It shouldn't take me long to say what I have to say. To make an honest confession, for a few years I was a traveling salesman for a St. Louis stationery house, calling on county officials and abstracters. This I did at times when our work in the abstract office was not rushing. I made a personal call on the abstracters in all the territory I traveled.

When I first attended the Missouri Title Association, we had about fifty-six members. The next year we had 101. Any one else could have done the same thing, but I called on them and talked to them. I found that a great many real good abstractors in our state would receive a letter from our secretary inviting them to take mem-



J. A. RILEY,
President, Missouri Title Association.



JOHN F. MEREDITH,
President, Indiana Title Association.

bership, but that letter went to the wastebasket.

In the association at present I think we number around 130 members in the Abstracters' Division and something like thirty members in our Title Examiners' Division. I had a letter from our secretary just before starting over here. He told me that 114 had renewed out of 129 or 130, or something like that.

We issue a bulletin in our state prepared by McCune Gill giving the decisions of the Supreme and Appellate Courts on all questions pertaining to titles as they are decided in the courts, and they are worth several times the annual membership dues. I had no trouble in soliciting new members, in selling the idea of the Title News that we all receive. It is a real text book in the last two years to any one who is just starting in the abstract business or to any one who thinks he has completed it.

MR. J. F. MEREDITH (Delaware County Abstract Company, Muncie, Ind.): About two or three years ago we adopted a new system in our office. When we had any abstract work to do outside of our own county we would look in the directory of the Indiana title men and see if there was a firm represented who was a member of the Indiana Title Association. If so, we would send it to that firm. If not, we would write to some abstracter there this kind of a request: "We desire to have some abstract work done in your county. If you are a member of the Indiana Title Association let us know and we will send you an order for this work."

Also, if we found there was a firm who had been a member but dropped out for some reason, we would write them the same kind of a letter. By this method we brought in several members.

MR. W. L. ROGERS (Federal Land Bank, Louisville, Ky.): Mr. Meredith's talk reminds me of the fact that the same thing occurred to me recently in Ohio. A man wrote and wanted to know if I wouldn't approve him as an abstractor. My answer was, "I don't see you listed either in the American Title Association or the Ohio State Title Association." He wrote back right away and said he sent the state secretary, Theodore Kemp, Junior, at Newark, his fees and he was now a member.

MR. J. E. POTTER (Potter Title & Trust Co., Pittsburgh, Pa.): We are working along the same line with a directory of the state association which not only contains the constitution and by-laws in full but contains the names and addresses of every member, also the president, the title officer, assistant title officer and executive officer who is in charge of the title department. Our membership is urged to make use of this in the exchange of business, and believe in following out this plan, it makes the membership in the state association a real asset to all the members.

MR. THEO. KEMP, JR. (Newark, Ohio): I am here representing the Ohio Title Association, being the secretary of that organization. I wish to emphasize the fact that a great deal is dependent upon the state secretary. Whether or not it is a live functioning and worth-while organization and of any benefit to the membership depends upon the attention given by the secretary. He must keep it going, and this

One of the hard things to understand is why members of organizations—not only in our case but in all—do not respond promptly when sent notice of dues being payable. It is a human trait to not do it now. Most everyone intends to keep up his dues and membership, but it takes letter after letter, and repeated notices and calls in a surprising number of cases to get a response.

This kind of delay means extra work and effort on the part of a secretary, who is giving his time and effort for the good of the cause.

It takes constant plugging and reminding, not only in this but even a lot more when soliciting new members. Half of those not now members of their state association probably intend to be, want to be. They simply do not DO IT NOW when the matter is brought to their attention. Such is life.

The Arkansas Association has an honor roll and to get on it, one must respond to the first call for payment of dues within a limited time.

particularly applies to the matter of keeping up the old membership and in the securing of new ones.

The secretary has to keep after them all the time in the matter of collecting dues and in getting new ones to join.

“WHAT ARE QUALIFICATIONS FOR STATE ASSOCIATION MEMBERS”

MR. J. M. KENNEY (Dane County Abstract & Title Co., Madison, Wis.): We haven't any qualifications in Wisconsin except that you must own your own books and pay your dues and furnish qualifications. I guess that is about as far as it goes.

DISCUSSION

CHAIRMAN WOODFORD: Let's hear from some as to what the qualifications are. I don't think there is any state association that has not some certain qualifications for membership. I would like to have expression from the state associations represented and any others who know about the qualifications of states not represented.

MR. J. CAMPBELL (Midland Title Guarantee & Abstract Co., Omaha, Neb.): I didn't come prepared to discuss this subject. I want to say the state of Nebraska's qualification requirements are nil. If you have the \$50 to pay a premium on a bond, you can get in the game, copy the other fellow's abstract and go ahead. That is

the qualification of Nebraska. (Laughter.)

MR. R. M. BARNEY (C. W. Barney & Son, Kearney, Neb.): I hate to take exception with the chairman of my executive committee. However, the abstracters must be approved. The new members must be approved by the executive committee.

MR. TOM DILWORTH (Dilworth Abstract Co., Waco, Texas): The Texas association has requirements which must be complied with. In the first place, you must have a complete set of abstract books. In the second place, you must be a man of good moral character and standing in the community. You must give bank references. Those are investigated by the executive committee. Sometimes they are turned down.

At a meeting of the executive committee last Sunday at Dallas there were approximately forty-two or forty-three applications. Out of those, three were absolutely turned down and four were held up pending further investigation.

So far as I know that has been the practice of the Texas association for a number of years. Possibly that is one reason why we haven't a large membership. That rule is strictly adhered to or is attempted to be.

MR. J. R. MORGAN (Johnson Abstract Co., Kokomo, Ind.): We have three requirements in Indiana. The first of those is the same requirement that is necessary to practice law—a good moral character. The second requirement is to have commenced a set of abstract books, and the third requirement is the fee of ten dollars.

MR. G. F. BUZBEE (Saline County Abstract & Guaranty Co., Benton, Ark.): In Arkansas we have requirements provided for in our constitution that any firm or corporation owning a complete set of abstract books or indexes and being regularly engaged in the business of making abstracts or insuring titles, subject to the approval of the executive committee, may become members. I have never gotten the executive committee together to pass on any one. I sent them the list of members who applied, and I never had them turn anybody down.

We send out application to each prospective member on a form provided for in our constitution that asks how long they have been in business; what is the value of their plant and what it consists of and bank references.

MR. C. B. HILLIS (Des Moines Title Co., Des Moines, Iowa): I want to state the qualifications of Texas are very similar to those of Iowa. To me it seems decidedly unfair and unjust that any one who simply has and is willing to pay the membership fee of the association should be allowed to be a member of the association and entitled to benefits of such membership without being possessed of complete records. It would seem a proper step in this age, when even barbers and hairdressers and people in almost every line of business are required to get state authority before engaging in that business, that the associations in the various states should see to it that there would be a commission authorizing abstracts upon which people lend money and pay for property. To the uninformed and ill-advised person any abstractor is on the same basis as another. Very frequently the public suffers because the abstract that they relied upon was prepared by some one who did not have the knowledge or the material from which to furnish it.

MR. H. J. DAVENPORT (Brooklyn, N. Y.): I was very much embarrassed at first when I heard the qualifications of the different state associations. Perhaps we have just as good and serious qualifications in our by-laws, but I haven't read them. (Laughter.) As a matter of practice, in the New York State Association we are interested in doing a very practical work in regard to real estate transfers and are not to as great an extent, as I imagine many of the state associations are, interested in the technicalities of abstracts on examination. For that rea-

son we have asked to come into the association and secured the membership of a rather varied lot of men. For instance, we have the president and ex-president of the New York State Real Estate Board. We have one or two officers of the State Savings Bank Association. The theory of taking them in was they could cooperate with us in matters of legislation, and they were vitally and directly interested in titles, although not directly doing title work.

Whatever our by-law qualifications are, the members we have are mostly members whom we asked to come in for some special reason, and we have not passed on them with any regard to their qualifications as title men.

MR. W. H. PRYOR (Pryor Abstract Co., Duluth, Minn.): To a large extent the qualifications are determined by local conditions. For instance, we in Minnesota, with eighty-seven counties, find ourselves in rather a peculiar position in that there is less than half the state in which there are private abstract companies. We started our association with the idea that we would limit our membership to those private companies. We found that the registrars in other counties were knocking at our doors, wanting to be admitted. We changed our by-laws to this extent: anybody now making abstracts in the state of Minnesota is eligible for membership. The registers of deeds in over half the counties of the states have no plants. They rely upon the county recorder for the furnishing of the abstracts. We realize that that situation is not the best, but we are trying to bore from within; that is, we who are private abstracters and own our own plants are trying to impress upon the registrar of deeds throughout the other counties the urgent necessity of building plants of their own and getting on the same basis as the rest of them.

We find at almost every state convention one or two more of the registrars announces he has written or is writing a new set of books. I believe it will be just a very short time in Minnesota until we can adopt our old qualification of requiring the ownership of a plant, because by that time practically every county in the state with registrars will be owning their own set of books. As I said, local conditions apply. I believe we should have certain ideals in front of us. The ideals we should have are perhaps not attainable at the present time, but they are the things toward which we can work.

If we find we can get a greater percentage of our members qualifying under our present requirements, then is the time for us to raise the requirements making them still higher, and in that way furnishing better service to the public and those depending upon us for the information we are giving.

MR. E. C. WYCKOFF (Fidelity Union Title & Mortgage Co., Newark, N. J.): In our state, members to the

Qualifications for membership in the various state associations are receiving much consideration and the tendency is to make membership mean something. The discussion at Chicago showed that most of the state associations have some rules. Some are strict, others more lenient, but with a surprisingly small number who have none at all.

This is a matter that is receiving considerable consideration. It would seem that having to comply with certain requirements to attain membership, of making a membership worth while, and the public knowing a membership in the title association meant as much as a membership in the medical association, and others of high standing, would establish a prestige for the titleman that could not be ignored. This might eventually establish a moral force and meaning that would make proposed license and other regulatory measures unnecessary.

Other state associations who have none or very lenient rules for membership contend that everyone should be taken in and those who could not comply with strict membership requirements will "see the light" and improve from the example set.

Maybe so, but the process of learning by environment and simulation is sometimes slow and hopeless. Especially when the ones who need it most are never at meetings or around when they could have benefited.

title association must be incorporated either as abstract or title companies under the laws of our state. In addition, attorneys in full charge of the departments of insurance and trust companies, organized under state or federal laws, are entitled to membership, if they have full charge of the department and are not directly in the employ of the company or if they are in the employ of the company and work in that department. Our idea with the trust insurance companies was to get their men in and get them in the title insurance.

MR. E. F. DOUGHERTY (Federal Land Bank, Omaha, Neb.): As a guest here today and not being in the title and abstract preparation business, I might feel free to make a few suggestions that might not be unbecoming. I believe the time is approaching when



JOHN M. KENNEY,
Secretary, Wisconsin Title Association.

the abstracter as a man in the community should be recognized as a member of an important profession. The time was when quack doctors or any one who cared to hang out a shingle could practice medicine. Likewise, anybody who cared to pick up a law book and look it over and gain some of the technical language contained therein could designate himself a lawyer. By various steps of progress, the states of this country have adopted license laws for those men who sell their services to the public and whose services vitally affect either the lives or property of the public. So I believe it would be very proper for this association to have as an objective the elevation of the abstracting business to a recognized profession not only for its own dignity but for the protection of the public.

This association can well undertake the job of doing the missionary work; first, bettering its own membership through the educational programs that have been had from time to time. No doubt this publication Title News is of some value to the members. It is of some advantage to get it to your inexperienced curbstone abstractors in the association so they will be educated, until such time when the line can be drawn strictly and when the man who gets in the abstract business will be one who has established his qualifications and responsibility.

While it may not be possible to have uniform license and bonding laws in the various states, I should think the association would do well in its own interest and in the interest of the public it serves to advocate that ideal.

"OBTAINING NEW MEMBERS WITHOUT PLACING THE ENTIRE BURDEN ON THE OFFICERS OF STATE ASSOCIATIONS"

By Henry J. Davenport, President of New York State Title Association

MR. H. J. DAVENPORT (Brooklyn, N. Y.): I can imagine no more inappropriate selection than has been made of myself to lead this discussion. In the first place, this is the first meeting or convention of the American Title Association that I have been lucky enough to attend, so I don't know what the problems are or the way you go about solving them. In the second place, I can think of no way to get members except by the officers of the state association getting them. I am here to learn, if there is some other way. I have no doubt the state officers of the association would be glad to be relieved of that. It seems to me it is just like running a business or running anything else. If you want something; if you want to increase business; if you want to increase membership in the club; if you want to sell anything, the only way to do any of those things is to go out and do it. There may be some general national campaign that could be conducted, but it seems to me, the state associations territorially and otherwise being so much more compact, their officers are the logical ones to go out in their own territory and increase their own membership, meeting their own local problems and interesting new members in the local problems and their solution, and by so doing indirectly increasing the membership of the national association.

You might be interested in the method we adopted this year to increase the state association membership. The president of the state association took two weeks off in the very busy fall and toured the state. He was accompanied on that trip by the vice-president of the association for each section as he came to it and went through the section, and part of the time by the executive secretary of the state association. I visited all of the cities and most of the important towns in New York state during those two weeks, driving my own car, so I had a lot of fun and lot of fresh air. I never walked up and down so many stairs in all my life as I did in those two weeks. (Laughter.)

New York state isn't as large as many of the magnificent states of the west, but it is larger than I thought it was before I started on that trip. Our aim was not only to increase the membership in numbers but to strengthen the membership of the association in its influence by attracting to it, having joined the association, the attorneys for all of the savings banks in the state, the attorneys for all of the savings and loan associations, the reputable abstracters and title examiners throughout the state and those that were directly interested in titles, spreading the membership as much as

possible so as to have at least one representative from every county and every town of importance throughout the state.

The effect was really better than we anticipated, not only in getting new members but increasing the interest of the members we already had. I have no doubt that as a result of that effort our state conventions will be attended by at least twice as many members as they have ever been attended before and that the representation from New York state to your national convention



HENRY J. DAVENPORT,
President of New York State Title Association, who told the results of personal solicitation for memberships.

will be very much larger than it has ever been. (Applause.)

DISCUSSION

CHAIRMAN WOODFORD: Is the state official here who sent in the request for the discussion satisfied with it? Somebody wanted to know how to do the thing without the burden on the state officers. Mr. Davenport said there isn't any such way, that you have to assume the burden yourself.

MR. V. E. ERICKSON (Aitkin County Abstract Co., Aitkin, Minn.): In our state we are just beginning to have a live title association. This year we had a very successful meeting. We have worked out a plan. It hasn't been worked so very long. This plan is that we send to members a list of non-members to be interviewed. For in-

stance, some of the neighboring counties have abstracters who do not belong, and we send these lists out for members to go and interview them. We propose to have the officers of the association work along with these parties. We expect within the next six months or so to double the membership in our association.

The results to be obtained from a personal solicitation of prospective members were clearly shown in the cases of Henry J. Davenport, and J. A. Riley, presidents of the New York and Missouri Associations, respectively.

President Davenport simply took a few weeks off and canvassed the entire state of New York, and as he says, got a lot of exercise climbing stairways. Riley just dropped in and called upon the titlemen in each county seat when he was on a trip through the state of Missouri.

This same thing can be done anywhere and the work divided by using the plan several state associations have of dividing the states into districts with a vice president in charge of each who will take his part of the state, go around calling upon the non member abstracters and title men, and getting them to sign on the line.

Every abstracter has occasion now and then to send an abstract to some other county for completion. If, whenever a member of the association has such a case and finding no abstracter a member in the county where the abstract is to go, would write the abstracter he has to send it to, urging him to join, many members would be obtained in the course of a year.

It was plainly shown that there is no tendency on the part or attitude of the national association to dictate the policies and customs of the various state associations. It accepts and abides by their several and various individual ideas and practices.

The place of the national organization is to handle its own particular general problems, and create an atmosphere of helpfulness and inspiration for the state associations to do things by the creation of ideas and ideals for them to grasp.

"STATE ASSOCIATION ACTIVITIES' BETWEEN ANNUAL MEETINGS"

By E. D. Boyce, Secretary, Minnesota Title Association

MR. E. D. BOYCE (Blue Earth County Abstract Co., Mankato, Minn.): Mr. Chairman, ladies and gentlemen: I haven't very much to say on this subject, but I am hoping what I do say will start enough discussion so I can get some pointers, because that is one of the problems we are up against in our state. Bill Pryor told you some of the unusual conditions under which our state association functions, namely that of having sixty per cent of the eighty-seven counties in the state without any abstract service except such as is rendered by registrars of deeds, and the registrars of deeds still laboring under the old statute passed about forty-eight years ago limiting them to a twenty-five cent fee per entry on the abstract service they give.

We know that no one could compel the registrar of deeds to give a modern, up-to-date abstract at twenty-five cents a number, but you know the registrar of deeds are dependent upon the votes of the poll for their positions and it is pretty hard to educate them to the fact, not perhaps that they can't do it but to get them to a point where they will do it, charge a regular price which is around fifty cents per entry for the modern abstract today.

Any state association, if it is functioning properly, must have a definite, progressive program. The national association has set us such a pace in this matter that it is hard to keep up. If we are not going to become so little that we are going to be lost, we have to have a worthwhile program. If we have such a program it means work. It seems to be true not only of state abstract associations but any other association that the office of the secretary is the hub of the whole matter. We seem to depend upon him for any services that we ask for or expect from the state association. I believe that is right. I believe that he should be expected to furnish it.

In our association we have a definite program. It takes time to work it out. This year we adopted resolutions guaranteeing to defend any registrar of deeds who is a member of our association and writes abstracts and charges what it is worth, if he is brought into court on account of the old statutory fee. That is a program of education to get the registrar of deeds to charge the right fee for his work. In that way it will help the abstracters, too.

Another thing we are working toward is a uniform or standard form of abstract in Minnesota. This is in the program of the American Title Association. We are also working to the point where through some system of licensing or bonding we will be able to protect any legitimate abstracter against the curbstone ab-

stracter. We have in our state, as I presume you have in some of the other states, people writing abstracts who don't even own a typewriter. They don't even rent an office. They have desk space in some office. If you sue them for \$5,000 tomorrow on account of one of their errors you wouldn't have anything to recover.

It seems to me that if the state association is going to build up and hold its membership, it must be of some real service and value to the members



E. D. BOYCE,
Secretary, Minnesota Title Association,
who showed he was well qualified to
speak on the subject "Activities Be-
tween Conventions."

of that association. So it seems to me the state association should act as a clearing house for all the abstracters in the state which it serves. It should be a center where they can bring all their problems. If there is some real information they want they should be able to depend upon the secretary's office to get it for them. If they are in need of an employee and have to go outside of the local community to get one, the secretary should be in position to help them supply this need either through the applications he has on file or through the national association.

Then there is another service we are doing in our state which is small and still it is important. We all have abstract work to do in other counties. We do that work for people whom we do

not know and in order to give them the best service we can't wait and write and ask them to send their check. We either have to write the abstract and send it to the bank C. O. D. or send it to one of our association members in that community and depend on him to collect it. We find that personal touch even in collecting for abstract services helps a whole lot. In our state, most of them, I think all, will be willing to do any collecting services of that kind, some of them without any charge and others, where conditions warrant it, a very nominal fee.

Another thing I think the secretary's office should do during the interim between campaigns for membership and the annual meeting is to educate the membership individually toward the standard of the program that your association has set. If your program is right, it is way ahead of some of the members in the association and you need to educate them. We find in our association some of the most active opposition we have is from members of our own association because they don't understand these things.

This year we propose in the matter of standard form of abstract, and will probably center on that, to have one of our members who is best qualified through a bulletin sent out from the secretary's office discuss the matter or form of deeds to be shown in the standard form of abstract. Another member will discuss mortgages; another will discuss mechanics lien. In that way we hope by the next meeting to have brought the matter to the personal attention of the members of our association that we will be able to get together on some standard form of abstract, so when an attorney in one county of the state receives it or the Federal Land Bank or any other loan company gets the abstract written by any of our members, it will mean the same thing. It will all be that standard form. I presume there are other things that the state association can do. I am here to get some of those suggestions. I know some of you must have them, but I am thoroughly convinced of this thing: if we are going to get new members and are going to hold our old ones, especially, we have to so function as to cause these members to depend on us by giving them a real service so they will actually feel it is a great loss to them personally not to belong to the association.

In our state we have a number of counties where there is just one abstract company. They feel, "I have no competition. There is no object in my belonging to the state association. They have to send the work to me." We have probably sixty per cent of the states where the registrar of the county writes abstracts. "Why should I spend my good money? What abstract work they want they will have to get from me while I am here, and after I am gone I don't care." We



WORRALL WILSON,
Chairman of the Committee on Co-
operation, who left a business engage-
ment in the East to attend the meet-
ing, returning to Washington, D. C.,
upon its adjournment.

have those problems to contend with. You probably have others that we don't have.

If we are going to make our association worth while and increase the standing of our profession with the public so that they will come to recognize us as being of some value instead of looking on us with contempt, we have to have a real live program that has to be worked out by educating the association members first, and then have the education go out from them to our constituents.

DISCUSSION

MR. H. C. BARE (Marion Title & Trust Co., Ardmore, Penn.): The speaker raises the question of whether there are any activities the state association can conduct between annual meetings. In Pennsylvania we have a practice which to my mind is of very great importance and must be of incalculable help to the members. As you heard from Mr. Potter the membership of our association is title companies. It seems to me the same thought would be applicable to abstract or any of the similar types of work. We maintain a committee which we term a committee of uniform practice and procedure. Necessarily all through the daily work there are questions which arise which, particularly in our state, if we knew just how all the other companies and particularly those of good standing would react we could govern our individual company

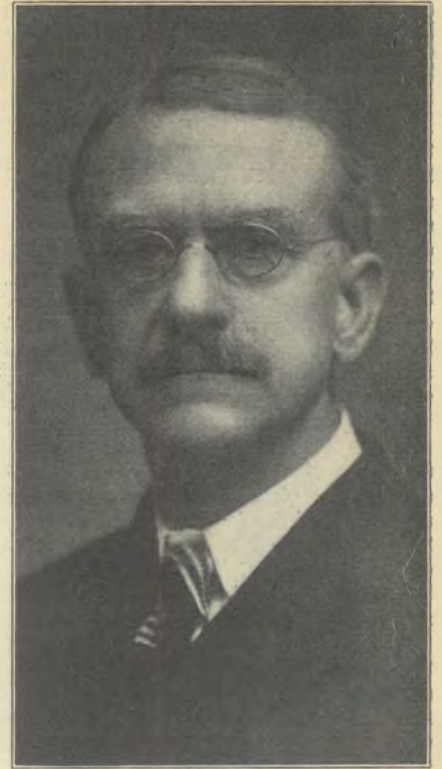
activities in accordance. This committee therefore acts as a clearing house. In the daily routine of work if any question of meeting problems in the insurance field arises the member is encouraged—mark you, he is encouraged—to send the question to the committee. The best minds in the association have been placed upon that committee, and they in turn, after careful analysis, issue a bulletin giving their determination of the question and also their thought as to how they arrived at it, and that is sent to the member companies of the Pennsylvania association, and, to my mind, clearly has the result of letting each member have a definite service, and the answer to a question which could very properly be raised would benefit all members. Just to the extent of how earnestly your organization can make them function do you give your members real benefit.

There is another thought which we apply and I think is very helpful and could be applicable to any state; that is with regard to the different legislative measures which are proposed. We have a legislative committee which keeps in touch with the proposed legislation and also that which has been finally passed, and that information is disseminated to our various members with the comments of that committee, both of which activities, to my mind, give, during the period between meetings, a real service to the members and one which they actually appreciate as witnessed by our almost one hundred per cent membership, and brings to title insurance a real benefit.

MR. E. JENKINS (Arapahoe



V. E. ERICKSON,
President, Minnesota Title Association.



J. R. WEST,
of Nashville, Tennessee, whose interest in the American Title Association is a guarantee that his state will be represented at every meeting.

County Abstract and Title Co., Littleton, Col.): I think the chief activity should be the bulletin of the secretary. I think all the members read it. We started one since the Denver convention. It isn't very much of a bulletin but it is being read. Every once in a while I write to find out what they think about it and they write back and say, "We like it." I tried to show them different ways of abstracting in order to get their comments, and in that way possibly bring about uniformity in the handling of anything that comes up, so we will be that far ahead in the uniformity we are striving for.

We try all the other suggestions of helping in the delivery of abstracts, employees and all like that. It all gets back to the secretary taking as much time as possible on the bulletin, making it of interest and importance in their own local problems that can't be discussed in the national association.

MR. J. R. ROHAN (St. Louis County Land Title Co., St. Louis, Mo., Vice-President Missouri Title Ass'n.): During the interim we have a bulletin issued by the secretary which is compiled by Mr. Gill of the Title & Guaranty Company of St. Louis. He selects from the Southwestern Reporter all decisions relative to real estate titles and embodies them in this bulletin and also any suggestions for the general good of the order. In the city we have a monthly meeting of all the title companies who are members



EDWARD F. DOUGHERTY,
General Attorney, Federal Land Bank,
Omaha, Nebr., who expressed some
pertinent suggestions on qualifying
titlemen.

of the state association and also national association. At this meeting we bring up all the different problems that arise during the month and discuss them, and if possible come to a harmonious conclusion, so we will not be writing either certificates or abstracts at random. In that way we believe between the annual meetings we have accomplished something to keep up the interest of the members of the association.

Also in our correspondence through the state we ask the different abstracters if there is any item of interest that we can inform them on we will be glad to have them write us. In that way we have quite a lot of correspondence in the city. The state secretary, unfortunately, isn't here today. I believe he keeps up a thorough correspondence with all the members. I am not sure whether we have a full quota of membership subscribed yet, but I think from the interest displayed by the different abstracters in the state, we are going to have a full quota and probably an increase in membership.

MR. V. E. ERICKSON (Aitkin County Abstract Co., Aitkin, Minn.): In our state the annual meeting is usually held in January. We found there was quite a long while between meetings and we proposed to have sort of a mid-summer picnic or a meeting of that kind whereby we could get together and have some social activities as well as general discussion. We believe it is going to have a great deal

to do with holding the association together. I know the friendships I have formed with members of the association have made me much more interested in going to meetings. I know I wouldn't have been here today if it hadn't been that I knew Bill Pryor, Mr. Soucheray, Mr. Tuttle and Mr. Boyce. I believe that will do a great deal to hold the association together, because you have a personal interest in each other. If others haven't tried that, I believe it would be well worth trying.

MR. O. M. YOUNG (Guaranty Abstract & Title Insurance Co., Ft. Smith, Ark.): We don't have a regular stated meeting, but at the last convention we adopted a plan of dividing the state into four districts and each district holds a meeting prior to the state convention. We are patterning it somewhat after the Arkansas Bankers' Association which has been one organization that has a one hundred per cent membership record. We hope not only to increase our membership—in fact that is secondary in our campaign—but to increase the interest and the good of the conventions by having these meetings in each of the four different districts of the state some time prior to the state meeting. We have arranged for programs covering subjects of vital interest at those meetings. We are only starting that this year. Of course, we can't tell exactly what success it is going to be, but I am satisfied we are going to get more than the usual interest and in that way increase our attendance at our state meetings, although the state convention more than doubled in at-



O. N. ROSS,
Vice President, Iowa Title Association.

tendance what it has any other year.

MR. R. McLAIN (American National Co., Oklahoma City, Okla.): In Oklahoma a year ago a question was raised by a great many abstracters who had delinquent bills, and in discussing it around the convention they found several of them had bills against the same party. Somebody would lease up a block of land and run up an abstract bill and wouldn't pay it; then go into another locality and lease up another block of land and follow the same practice. As a result of the exchange of ideas in the convention they decided to establish a credit bureau in the state, and every member of the association sends to the secretary a list of his delinquent accounts, not particularly some little account in his own locality. One member of the association had a man come into his office and want an abstract. He made him put up a deposit for it. He went and looked through his files and found he owed some other member money. He wouldn't let him have the abstract and wouldn't let him have his deposit back until he paid the other bill. (Laughter.) That kind of cooperation activity will bring service, and when you do a few things of that kind, you gain the interest and support of the members and they appreciate their membership.

Several of the states reported issuing state directories. These provide a fine medium for profitable results. It is a good thing to have a list of the members of the state association in the hands of every member for the exchange of business among them, but they should likewise be distributed outside of the membership.

Copies sent to all of the loan companies, real estate firms and other sources of business for the abstracter will bring business. These state directories should be gotten up in an attractive style, well printed and having a good appearance.

Missouri issued one last year that was a work of art. Washington and Oregon have them as an annual feature. Kansas, Oklahoma, Texas and others issue them.

Pennsylvania has put out their first directory, and it is very complete. In addition to full information about the state association, its committees, officers and others, the list of names is augmented by giving the names of the executives, title officers and others of each company who are actively and prominently identified with the title department.

“SHOULD STATE ASSOCIATIONS IN ‘ABSTRACT’ STATES TRY TO GET TITLE EXAMINERS AS MEMBERS OR SHOULD TITLE EXAMINERS JOIN THE AMERICAN ASSOCIATION DIRECT?”

By Cyrus B. Hillis, President of the Iowa Title Association

MR. C. B. HILLIS (Des Moines Title Co., Des Moines, Iowa): Since listening to the talks and discussions on the floor, I am brought to the conclusion very forcibly that there can be no common standing. The local conditions and local laws governing the filing of instruments must determine who can properly become members of any association. In a state where the state government maintains a system where any competent person can go to the state records and run down a title, the requirements for admission should not be as rigid as they are in my state. In Iowa mortgages and contracts are filed for record in the county recorder's under “grantor” and “grantee” classification. In the case of change of name or anything of that sort by marriage or divorce or through inheritance there could be no possible way of running down the title. Deeds are transferred in the auditor's office for purposes of taxation, getting them properly on the books.

My remarks are peculiar and I think proper from my own viewpoint and angle, and I want them to be considered as such.

Being a member of a title association in an abstract state, in considering this question I naturally think of the advantages or disadvantages to the abstracters of having in the membership of their state association title examiners.

Considering this matter it is apparent that the closer relationship of the examiners and the abstracters, the constructive criticism of the examiner and the working out to their mutual benefit of the various problems that confront the abstracter and the examiner might, if developed properly, be of benefit to the abstracter. Also suggestions to and instruction of the abstracter by the examiner as to the proper manner of abstracting, would doubtless, in some cases, be productive of beneficial results.

The benefits and advantages that would be derived by the examiner from such an association would probably be a better and first hand knowledge of the character, reputation and qualification of the abstracter. A knowledge of the equipment of the abstracter for making abstracts and of the completeness of his abstract plant; the interchange of ideas with other examiners and the tendency towards a standardization of general requirements and a willingness to waive minor objections, in fact a broader and more liberal treatment of immaterial defects in a title would all be a step in the right direction. Frequently an attorney will insist upon curing some minor objection which cannot possibly

affect the validity of the title and which is extremely difficult to comply with because he is afraid that in some future examination of the same title, some other attorney may raise the same question.

If the title examiners could be educated to be courageous enough to decide unequivocally to pass or waive these unimportant matters, much time, money and patience could be saved and the customer or client would not feel



CYRUS B. HILLIS,
President of the Iowa Title Association, whose paper on Membership of Title Examiners showed much thought in its preparation.

that he was being taken advantage of or needlessly exploited.

In order to qualify for membership in a state association of title men, comprised of abstracters, one of the necessary requirements is that a prospective member have complete records of all matters affecting the title to real estate in his county. If the entrance bars of our various associations were broadened sufficiently to permit the entrance of title examiners into our sacred precincts, should not there be strict qualifications for membership required and should not the eligibility of the applicant for membership be passed upon?

In every community attorneys greatly outnumber abstracters. If the requirements of abstracters for member-

ship are properly very rigid and the question of character, ability and completeness of plant have to be necessarily considered, should not the question of the ability, the specialization of the attorney along title lines and desirability as a member also be considered and stressed?

If any great number of examiners should join any state association it would be possible for them to dominate the meetings and to inject into the programs their own problems—if a title examiner has problems—to the exclusion of the questions which confront the abstracter. It would be possible to have the analogous situation of the tail wagging the dog.

We might not have a common interest and the problems of one branch might not be of the slightest interest to the others. While an examiner might and undoubtedly would be interested in a uniform certificate of all abstracters, he could not enthuse over an extended discussion of abstract charges or the elimination of discounts and commissions.

Many abstracting concerns, not able to meet the requirements for admission to state title associations, have connected with their companies as owners, officers or abstracters, lawyers who are skilled title examiners and as a consequence might be eligible for membership in a state association which permitted title examiners to become members thereof, when the abstract companies, with which they were associated, could not begin to qualify for membership.

In our city of Des Moines, the Des Moines Title Company with which I am connected as secretary, in 1918 took over the then seven operating plants, all of which had complete records from the government entry to all real estate in Polk County, Iowa. All seven companies being members of our state association were the only companies, individuals or partnerships that were at that time or had ever been engaged in the abstract business in Polk County. These different sets of abstract books were started at different dates beginning with the year 1856 and had been kept up to date by posting thereon daily the various matters affecting the title to real estate that were filed for record or that transpired in the courts.

It is an absolute impossibility to make new, complete and reliable abstract books in this county. There are thousands of pages missing from the records in the office of the recorder of Polk County, which contained the record of deeds, mortgages, etc., covering a vast amount of property in this county. There are also hundreds of the original court files and decrees in probate, partition proceedings, foreclosures, quiet title actions and other suits in the courts of Polk County affecting the title to real estate, that are missing, mislaid, lost or destroyed.

Since thence, four new companies



JOE F. HUNT,
President, Washington Title Association, who came all the way from Spokane to be initiated into a national meeting.

have engaged in the abstract business in Des Moines, with varying degrees of success, and all but one of these companies have connected with them attorneys, some of whom have special ability as title examiners. These companies, not having complete records are not eligible to membership in our state association but if title examiners were permitted to join our association, these companies through their attorneys could enjoy membership on an equal footing and to all appearances be on the same basis and have an equal voice in the conduct of and rules for the association, thus defeating the aims and purposes that inspired the founding of the abstract association.

The skilled and capable title examiner is our friend. For him we have the greatest respect and admiration and it is indeed a pleasure to work with him. Many times without personal acquaintance we conceive a genuine liking for an examiner from a frequent inspection of his opinions. Unfortunately, all examiners are not possessed of equal ability and all of us have had the experience of satisfying the so-called objections which at the same time are both laughable and pathetic. We smile at the objection and grieve at the ignorance of the examiner.

In the preparation of our abstracts, if the records show some discrepancy which has been taken care of by some curative action of the state legislature, our company frequently cites the code section as a remedy. Section 3447-B of

the supplement to the code of 1913, in reference to the recovery of interest in real estate, when spouse failed to join in conveyance states, among other things, as follows:

"In all cases where the holder of the legal or equitable title or estate to real estate situated within this state, prior to the first day of Jan., 1890, conveyed said real estate or any interest therein by deed, mortgage or other instrument, and the spouse failed to join therein, such spouse or the heirs at law, personal representatives, devisees, grantees, or assignees of such spouse shall be barred from recovery unless suit is brought therefor within one year after the taking effect of this act. But in case the right to such distributive share has not accrued by the death of the spouse making such instrument, then the one not joining is hereby authorized to file in the recorder's office of the county where the land is situated, a notice with affidavit, setting forth affiant's claim, together with the facts upon which such claim rests, and the residence of such claimants; and if such notice is not filed within two years from the taking effect of this act, such claim shall be barred forever."

In a recent opinion of a title by a local examining attorney I quote the following:

"At No. 7 of abstract, No. 3313, of the Des Moines Title Company, I see note by abstractor that no notice or affidavit was ever filed in the recorder's office in Polk County, Iowa, in compliance with section 3447-B of the supplement to the code of 1913 in connection with the deed of Robert Heath to William P. Heath, but I do not think this is any serious objection for the reason that the lapse of time has cured this, the deed being executed in 1854."

You will all agree and recognize that we see entirely too many opinions equally ludicrous.

The subject which has been assigned me is one that could be elaborated on at a greater length but there are other matters about which we are to be enlightened that will be of more interest to all of us.

In concluding I would say that the proper affiliation for the examiner in an abstract state would be as a member of the national association and to participate in the worth-while programs of our national meetings, but that if title examiners were generally permitted to join the state associations their qualifications should be carefully sifted and their membership limited.

DISCUSSION

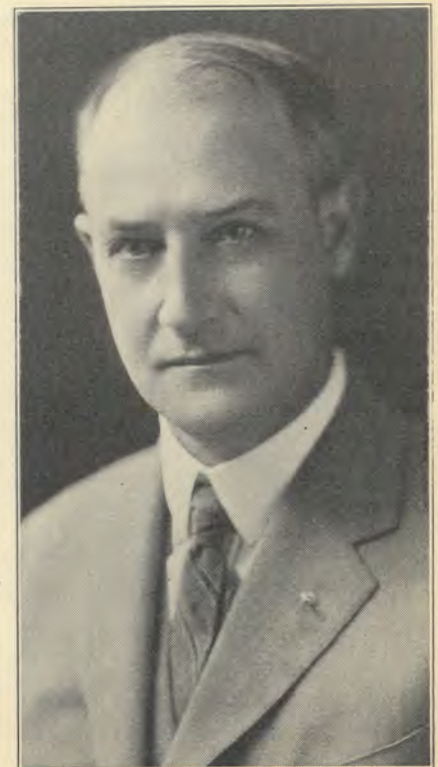
MR. R. M. BARNEY (C. W. Barney & Son, Kearney, Neb.): Years ago the Nebraska association was an association of abstractors only. We later changed, deciding that for the benefit of the abstractor we should take in the title examiners. The association's name was changed and we made a

campaign to get the better examiners. I am mighty glad to say we have title men as well as abstractors as members of our state title association. It has been our custom to alternate the presidency of the association. One year the president of the title association is an abstractor, and the next year he has to be an attorney—title examiner. The association formed an acquaintanceship through these connections which, to my mind, has been of great advantage to both the abstractors and examining attorneys.

Advertising as usual came in for its share of discussion. The association is working on this subject however, and will soon present something of value and information to the title business.

The attendance of the special committee on advertising was 100 per cent at this meeting—every member of that committee coming for conference.

Many statements were made showing the growing strength and scope of title insurance companies. They are putting more and more behind their policies as they increase their capital, surplus and undivided profits.



RAY A. TRUCKS,
President, Michigan Title Association.

"ARE BULLETINS ISSUED BY STATE SECRETARIES WORTH WHILE?"

By C. E. Lambert, Secretary, Indiana Title Association

MR. C. E. LAMBERT (Lambert Title Co., Rockville, Ind.): I am afraid you have assigned a subject that is too broad. I consider it one of the most interesting subjects that has been before the convention of all those you have discussed.

The bulletin is printed and circulated containing the latest, down-to-date information for abstracters, title men, examiners and realtors. Its pages are always replete with snappy reading matter which comes from the pens of various members, giving a brief, descriptive and newsy publicity of the clientele it represents and relates doings of the different abstract plants, both social and professional in the various states. It is the assembled contribution and official mouthpiece of the abstract fraternity, both state and national. Men and women of high intelligence contribute interesting topics to its columns. It has individuality as well as the spirit of vision and progress as made during its many years of existence. I make this statement because we are making progress today in title matters. A printed bulletin discusses the facts and publishes happenings of interest from reliable sources, which will elevate the standard of the abstract maker and title insurance man. It has assisted materially in bringing the abstract of title to its present high standard of business use and encouraged a better understanding by the public in general.

A publication of this kind represents the accumulated knowledge and practical experience of some twenty years of organized service. It is like all other helps which offer through booklets the supply of useful information on the uses and construction of title research.

A state bulletin is the exponent of the many benefits of progress which have been almost magical—brought about by the reaching out of a vast number of diversified minds in every state, on every conceivable title question, developing and teaching new ideas in this busy world of specialization. Thoughtfully written articles dealing with a variety of subjects will always be found in the state and national bulletins.

The Indiana Title Association from its inception has been a great success. Its membership will continue so because we have a bulletin. All are interested in it and this keeps the members posted. Cooperation on the part of its members is more necessary than ever before. Foresight and zeal will accomplish a great deal. The bulletins all stand for better abstracts and more reliability back of the certificates based on a modern plant.

The various state associations have made an astounding growth. Each needs the aid and should have the support of a state publication in some

form. State organizations will become better known through their bulletins. Everything relative to the prosperity of state associations read in the bulletins is of important interest to the members. Help make the bulletins better. Some states are printing bulletins, while others are not. The bulletin is of inestimable value. Let the slogan be: "A Bulletin for Each State."

The bulletin has opened the eyes of all its votaries to a unique region of advancement and progress. It has grown in importance and continued improvement—beneficial to all. It penetrates title territory—changing and



C. E. LAMBERT,
Secretary, Indiana Title Association,
who has served the American and his
state title associations as official and
worker and whose paper on "State
Bulletins" left no doubt as to their
value.

seemingly awakening the fraternity to its present high standard of advancement and title policy.

The result of the careful planning and large expenditures for this improvement of abstracts and the modernizing and adaption of good ethics in lieu of the crude, skeletonized and haphazard early methods, is recognized by all. The evolution of abstract methods has been brought about rapidly and is largely accomplished through the publication of bulletins; the finished product changing for the better in every phase of the work.

Today several states have their bulletins, edited by active men, bringing new thought, changes in design and methods of advancement, which guarantee continuous activity in the future. The bulletin is an excellent developer. All should be proud of the results obtained through its wide field of popularity. It is a source of knowl-

edge of extraordinary quality, establishing ways and discussions from the bulletin-point-of-view.

The building of a good state bulletin depends entirely upon the abstracters and title men themselves. It has made the abstract more distinctive and different from its early pioneer. It has a more substantial value, however, which will result ere long in a kind of standardization. Whether or not this will be done by legislation remains a question.

The bulletin is responsible for bringing about all this advancement. In fact, the highest-ideal abstract value will more than provide for the added cost of the bulletin.

As secretary of the Indiana Title Association, I might say here, it has been recommended that some kind of an arrangement be suggested and perfected whereby we can have actual interstate exchange of bulletins, including all other printed literature relative to abstracting. The expense will be small. All secretaries should be authorized to mail out their bulletins to the members of state associations. Who will start this innovation? We truly believe it will be a benefit and that the state will reciprocate and boost the idea. Indiana has already tried out the scheme and it has proven a decided success.

I will state I have received letters from all over the United States about the Indiana bulletin. They all compliment and advocate it. I am going to read some of those excerpts.

Mr. Hugh S. Gordon, Santa Cruz Land Title Company, Santa Cruz, Calif. "Please accept our best thanks for January, 1925, issue of the Indiana Title Bulletin, which we have read and digested with great interest, and filed for reference. We have nothing quite so good in California, though our own association issues bulletins covering proposed legislation, recent title decisions and the like."

Mr. W. M. Fike, Lewiston, Ill: "I appreciate very much the copies of bulletins sent me, and used them to what I think was a very good advantage. Have you anything new to offer along the line of advertising this work that you could give me?"

Mr. Henry J. Fehrman, Omaha, Nebraska: "I think it would be fine if you could send a copy of the Indiana Bulletin to each of the abstracters in the country. I believe that if you decide on this, the Nebraska association would bear the expense of sending this out to each member in Nebraska. Let me know about what the cost of printing 250 of these would be because it will require about that many for Nebraska."

Emery County Abstract Company, Castle Dale, Utah: "We are this morning (Mar. 17, 1925), in receipt of your Indiana Title Bulletin and have noted a number of articles therein which will interest us very much. Please accept our thanks for this courtesy."

Mr. Walter E. Skinner, Independence, Kan.: "If it is possible I would like a copy of the proceedings of this convention (Indianapolis, Oct., 1925) as there probably is something that would be of interest to the abstracters' section of the American association in it, and I am sure it would be very interesting to me personally."

J. F. Hanson & Company, Abstracters and General Title Office, Fremont, Neb.: "We wish to thank you for your courtesy in mailing us a copy of the Indiana Title Bulletin. This is quite a comprehensive affair, and as soon as this Mar. 1 settlement rush lets us breathe a moment we will read it more thoroughly."

Mr. J. N. Steff, Flandreau, S. D.: "I wish to thank you for the number of the Indiana Title Bulletin of Feb. 1, 1925, that you forwarded me some time ago. It certainly is a real publication and deserves praise for the amount and quality of its contents. The interest it stimulates and fosters in those engaged in the ordinary, every-day problems of making abstracts pervades the whole volume. The articles touching title insurance are of particular interest too, as I have been convinced for some years that the solution of the local abstract plant's problem will be in connection with title insurance by some method of affiliation. This method preserves the individuality and independence of the abstract plant in the local field and gives it the stability and responsibility backed by sufficient capital assets. Allow me to thank you for the bulletin and letter."

Perry County Abstract Office, Pinckneyville, Ill., by Mr. Charles H. Roe,



EMMA STOECKERT,
Secretary, Michigan Title Association.

Abstracter: "I take pleasure in acknowledging the receipt of your Title Bulletin of Feb. 1, 1925. Getting down to brass tacks, it is 'bully', a credit to the Indiana association, and a recommendation of its push and enterprise. I looked it over, thinging to find a subscription page, but not finding it, conclude it is for free distribution to your members. I thank you for mailing me a copy. I am interested in the abstract service, its improvement and progress. But a little more, and it will have reached a comparative uniformity in abstract building; however, I have little hope of a corresponding improvement in title examination. I find a wonderful improvement in the abstracters, and of course their title plants must have corresponding improvement, but title examiners have not changed."

Glacier County Abstract Company, Cut Bank, Mont.: "We wish to thank you for your Feb., 1925, bulletin which contains some mighty good and interesting matter. We hope to be able to reciprocate some time."

Mr. George E. Wedthoff, Bay City, Mich.: "Please accept my congratulations upon the recent bulletin issued by the Indiana Title Association. I think it is fine and should be of interest to every title man in the country. If all the state associations would periodically issue a snappy bulletin of this kind I believe it would greatly stimulate the interest in the profession as well as in the State and National Associations. I like it very much and thank you sincerely for sending me a copy."

Barker's Abstract Office, Boonville, Ind.: "I want to compliment you on the January number of the Indiana Title Bulletin. Just made me feel that I ought to be identified with the bunch of men who know so much more about my profession than I do."

From another letter written by Hugh S. Gordon, Santa Cruz, Calif.: "Make your bulletin a clearing house for discussion and information; publishing it, say, monthly, with special issues in case of emergency. Drop the abstract and attorney's opinion as quickly as possible. Substitute title insurance written through the local title man, who ought to know more about his home titles than any one else, or where that cannot be done at once, then the certificate of title."

"The California Way" was published in the Indiana Title Bulletin, Feb. 1, 1925, issue. A postage stamp will bring a copy from the Indiana secretary.

This is what title bulletins should do for the title business in each and every state. Some abstracters are unmindful of the benefits to be derived from organization. They are the "slow" boys in the business and the first to lament when the legislature talks about the regulation of abstracters.

This does not quite satisfy the "progressives" of the different states. They



W. L. ROGERS,
Louisville, Ky., whose presence always insures representation for Kentucky.

see other businesses improving in all parts of the country, trying by fair and honest means to reach a higher development of reliability and service, and they want to do likewise. It is coming by leaps and bounds. Why not abstracts and title insurance? Specialized professions always prove successful. Efficiency in the abstract field means success and better pay.

The National and State bulletins are the publications and mediums through which the propaganda will be distributed. They are edited with the aid of men and women of wide experience in the business; for years identified with the movement and advancement of the day which has been brought about by organized title, both National and State.

The bulletins have proved their worth on all questions discussed and put into practical use. Without them we could not survive. "Ye Abstracters! Stand by your bulletins!"

Some of the elderly members have not seemed to grasp the spirit of improvement and cannot realize it is here to stay and continue to even a greater degree of efficiency. "Like father, like son," in this age of title knowledge and advancement will not hold good. The pace is set by the younger and more modern title men and women—all readers of title bulletins who crave the best that brains can originate, especially in abstract equipment and service to be rendered.

They are honest in their decision. It is the men and women of this great Republic who buy homes, farms and business houses, to say nothing of the

money invested in bonds, mortgages and loans. They should receive an honest and modern product showing title for their good money.

It is the open-hearted and extensive generation coming who will grasp the spirit of progress in all business ventures and industries. This is especially true in the abstract field of endeavor.

This is mention of a few of the many reasons "Why bulletins issued by state secretaries are worth while." Practical results have been disclosed to all officials of the National and State Associations. They are worth-while

and an excellent investment in the face of some criticism here and there of our elderly brethren.

Surveys, systematic planning, modern-day plants and service, and the inherent desire in all of us to please and improve, is the goal to which we strive and these alone will get the required results in any business; so it is in the abstract and title insurance world. Improvement is nothing more than continued progress with rich new blood infused into its veins of activity, and this can best be accomplished through the bulletin.

1. "HOW TO GET ATTENDANCE AT STATE CONVENTIONS"

By Guy E. Johnson, Secretary of the Nebraska Title Association

I have undertaken to divide this subject into three subdivisions, namely service, advertising and program. Most of you will agree with me that at least two of these subdivisions have much to do with increasing the attendance of state conventions. Some will say however that they can't see that the third has much to do with increasing our attendance. I refer to service. Service, in my estimation, is the foundation of our state association. It is the foundation of any association. Just the minute you cease to give service as a state association, just that minute you cease to exist as a state association. Therefore, in my opinion it at least has its part and place in increasing attendance at state conventions.

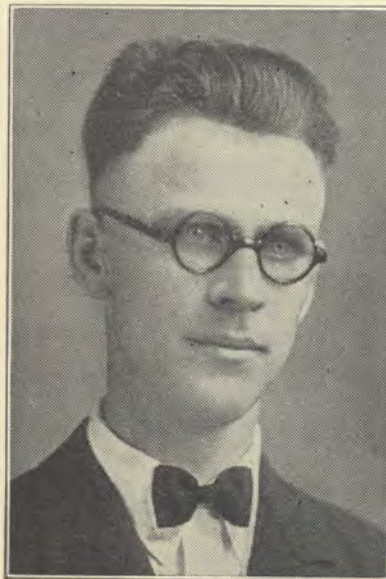
Some of our state associations are depending almost entirely upon the American Title Association to render service to their membership in which they should have a part. Right here let me compliment the American Title Association on the service they are now rendering their membership. You will notice I said now. I distinctly recall a few years ago the American Title Association sending out a question to the state officers for them to fill in their answer. The question was this: "How to increase the membership." I also very well remember my answer to that question, but in view of the service the American Title Association is now rendering its membership I could not answer that question now as I did then. My answer then was "give them value received." Today I believe the membership is getting value received, but every state association should enter into this matter seriously with the same enthusiasm that the American Title Association does.

Now our second subdivision is advertising. We all agree advertising is very necessary to increase our attendance at state conventions, but the question arises as to what kind of advertising should be used and when should we start advertising. To me, your advertising for your next convention should start at your last convention held. Some of you will say, "Should we start this advertising and continue throughout the entire year?"

No, but your advertising should start at your last convention held, and in this way: I find a number of the state associations are not doing it, and if it had been a year sooner I would have included Nebraska in that list; that is the choosing of your next convention meeting place at your last convention held. This immediately notifies all of the members in attendance where the next convention is to be held so that if they are asked the question any time during the year, "Where is our next convention to be held?" they don't have to shake their heads and say, "I don't know."

This brings up the point of where should we hold our conventions. It should be a place that is easily accessible to your membership. By that I mean it should accommodate the largest majority of your membership with the least possible expense, considering, of course, the size of your city and the things of interest going on in that city.

Then there must necessarily be



GUY E. JOHNSON,
Secretary of the Nebraska Title Association, who presented the subject, "How To Get Attendance at State Conventions."

It was unanimously declared that every state association should issue some kind of a state bulletin, be it a news letter now and then, a formal printed bulletin, once or more a year, or a mimeographed bulletin every now and then.

Such a thing will create and keep interest in members for their state association. It establishes an acquaintance in the organization and makes one feel it is functioning and working for him.

One of the best things in the way of a bulletin and which can be gotten out if nothing else is attempted or included, is a digest of the current title decisions rendered each month.

Every state association has in its ranks some member who could and would prepare these each month from the advance sheets.

Several states do this now and there is nothing that is of more practical value or appeal to the members than to receive such a report each month.

The different state secretaries should have a mailing list of other state officials for their state bulletins, directories and such things. In this way the different state activities could be broadcast and distributed among all of the state officials.

This is possible now by the directory of state and national officials appearing in TITLE NEWS. This will appear every month and be corrected as changes occur.

something else of interest going on at approximately the same time as your convention. In this connection I wish to mention Nebraska's experiences along this line. For the past two years Nebraska has held their convention at approximately the same time that one of the larger universities' football games is being played; for instance, holding a two-day session, starting on Friday morning and ending Saturday noon. Then those in attendance who wish to attend the football games can do so Saturday afternoon.

I can positively state that two years ago we had members in attendance at our convention that would not have been there had it not been as it were; they could kill two birds with one stone. In other words, two things of interest draw better than one. Then we have a medium of advertising

that but very few of the state associations have taken advantage of. I refer to the American Title Association monthly bulletin. I don't know whether it is possible for us to advertise. I haven't asked any of the national officers whether we can or not, but personally, in my own mind, I have no doubt as to your advertising the conventions in that bulletin. I believe every state association, without exception, should take advantage of that medium of advertising.

Then we all agree that program has much to do with increasing our attendance at our state convention. We also agree that this program must be of interest to our membership. The selection of a program that will be of interest to our membership is a problem that confronts every state officer once a year, and as the common saying goes, believe me it is no small job. We have, however, a way of assisting ourselves in the selection of a program that will be of interest to our membership. The idea is not a new one, but I believe it is a good one; that is the sending out of a questionnaire to our membership, asking them what particular subjects they would like to have discussed at our convention. In response to such questionnaire you will receive numerous and a variety of subjects, too numerous for you to assign to your individual speakers at your convention. It therefore becomes the duty of every state officer to select from these subjects what he thinks will be of the most interest to his membership. Then as a solution and in order that that propor-

tion of your membership will not be disappointed—those who have sent in the subjects which you are unable to assign to the individual speakers—I suggest that every state association hold what is called a question box at their convention. I believe this is one of the best features you can put on your program. It has been tried out in Nebraska for the past several years, and it affords an opportunity for every member in attendance to take a part in this program. If you have a member in attendance who is not taking the least bit of interest in your convention up until the time of holding the question box, if he takes a part in this question box, he will surely go away saying good words for you.

In regard to the question box you must necessarily put some member in charge of it, preferably an attorney. You abstracters don't need to feel bad because I said an attorney. They will ask questions at that convention that will stump him too. There will be questions asked at the convention that no one in attendance will be able to answer offhand without looking up citations. Then, these questions not answered at your convention should be referred to the man in charge of your question box. After he has had ample time to look up the citations, he should forward to the member asking the question an answer to such question; but, better still have the answers to the unanswered questions printed in the state convention proceedings.

There is one more point I would like to mention and that is in regard to the printing of the state convention proceedings. A number of our state associations are not printing the convention proceedings. I know this is expensive, but I believe it pays big interest. Some may take the attitude that the printing of these convention proceedings is not necessary because if the membership wants to know what is going on, let them attend, and possibly thereby increase your attendance. That is entirely the wrong attitude to take. Some of your members are unable to attend the convention and should not be deprived of the privilege of reading those proceedings. Again, show me any man who can attend any convention and grasp all that goes on at that convention. To that particular member who was in attendance at the convention the reading of those proceedings is probably appreciated more than by the man not in attendance. Therefore, I suggest that all the state associations print their state convention proceedings.

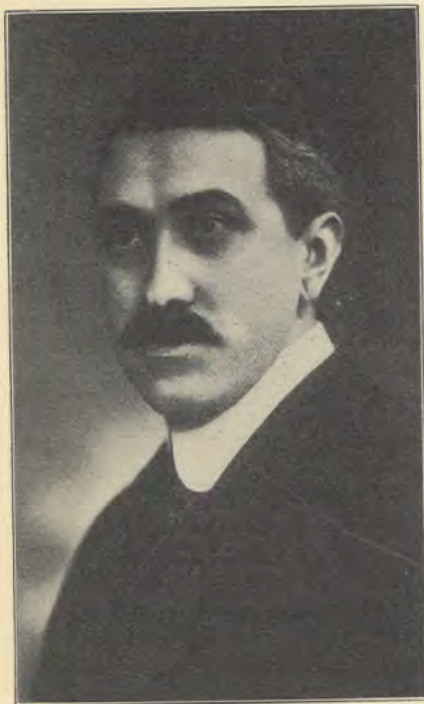
DISCUSSION

MR. W. J. SNYDER (North Philadelphia Trust Co., Philadelphia, Pa.): Mr. Johnson's last remarks, the program, we find is the best way to get one hundred per cent attendance at our state convention. You have got to have a program that is full of subjects, that are interesting to all of your membership.

In the last two years at our state conventions our programs were so interesting that not one of the men in attendance thought of leaving before the convention was over. We not only took out a lot of time on the proceedings, but we extended the time for at least several hours; so that the program to my mind is the principal magnet to draw the people to your conventions. Give them something that they can get something out of.

Our good president, Mr. Potter, is always on the job. For months before the convention he writes personal letters to every member of the association. He not only does that, but he has committees under him and each one of those committees writes personal letters to every member of the association. We have found there is real enthusiasm in our state meetings, and I think it is mostly due to the fact that the programs are so arranged that there are topics on it which will be of interest to everybody and everybody will have an opportunity of expressing their opinion on the floor of the convention.

MR. J. F. HUNT (Spokane Title Co., Spokane, Wash.): We in Washington had in our last state convention what was termed a round table talk or round table conference. One of our abstracters from the interior had been trying for a number of years to get a round table conference. At last when the Spokane conference convened we decided to have that on the program. We had one of the most interesting conventions that we have had for a number of years. At that round table conference all who sat in had the privilege of bringing up the ques-



WELLINGTON J. SNYDER,
Chairman, Special Committee on Arrangements, 1926 Convention, who told of the wonderful facilities and entertainment that have been provided for the Atlantic City Convention next September.



ELMER McCLURE,
President, Arkansas Title Association.

tions, and it got to be a real live proposition. I am sure if the other conventions could set aside about two hours for round table conference to bring up all points of discussion it will work out very favorably.

MR. G. F. BUZBEE: At that time I don't think I made more than one announcement, maybe a second one, announcing the association and then later sending a program. Last year our president, having a bank as a side line, was able to go to Europe for a vacation and he didn't get back until about the first of September. I had a meeting with him, and we decided to have the association meeting at Hot Springs on Oct. 10. I only had a little over four weeks.

First, I sent out an announcement. We decided in that short time to try to have an abstracters' contest. We knew we could not have a model con-

test, but we decided to do the best we could. Two or three days after sending the announcement I sat down and wrote a letter to each abstractor in the state ordering an abstract. I knew that would get next to his heart and get his attention. From that request I think we got twelve entries in the contest and about twelve or fifteen abstracts put there for the exhibit.

Then Dick Hall wrote all of them; then we had the president write each one of them. I had the secretary of the Chamber of Commerce of Hot Springs write each one of them, inviting them to Hot Springs and sending them a booklet telling all about that city. As a result, in nearly every mail they got they had something about that convention for three or four weeks before it.

When we got over there we had more than twice as many as we had at the meeting the year before.

"IS IT IN THE PROVINCE OF THE STATE ASSOCIATION TO OFFICIALLY NOTICE OR SUGGEST FEE SCALES?"

By Lewis D. Fox, of The Texas Abstracters Association

With regard to the subject which has been assigned to me, I want to say frankly I don't know anything about it. I haven't been able to arrive at any conclusion myself. While sitting in a nice easy chair in Jim's living room and smoking a pipe the other night, he said, "While I am busy, Lewis, you take 'The Memoirs of Thomas R. Marshall' and look over them. They are very interesting."

About the first page I found an underlined section which I am going to read. "What we know about the things that we know nothing about is the most remarkable part of our mental equipment and our education, and the less we know the surer we are of our conclusions. It is only the man who has made a thorough study of a subject who hesitates to express an unqualified, absolutely certain opinion." That is pretty true of most all of us.

As to whether the state association can officially take notice of fees, it occurs to me, depends upon two or three things; first, the status of your local association; whether or not your constitution and by-laws provide or give you the right to regulate or make that regulation of your members; second, whether or not your application, which would be a part of your qualification of membership, provides that on certain contingencies they forfeit the membership, and gives to the executive committee specific authority to take the membership away from them; third, the general attitude of the state association as regards whether they feel that the association has a right to interfere with what they consider their private business in the way they make their living.

The proposition has a whole lot of dynamite in it. I don't know whether you know it, but we touched off a few

sticks down in our state, and we found our hands were tied. We didn't have the authority to do the things that we would like to do. So I came to the conclusion, if I formed any definite opinion on it at all, that the state association can and most properly should take cognizance of whatever fees are charged. They should make a study of the proposition and should suggest what they consider an adequate fee.



LEWIS D. FOX,

One of the very active workers in his state and the American title associations, who discussed "Fee Schedules."

Emphasis was stressed on things that would add to the attractiveness of state conventions. It was brought out that they should be planned well in advance so as to give time for presenting them to the members, and advertising them periodically.

The programs should be interesting, a place of meeting that would attract visitors should be selected, and there should be some little entertainment and hospitable features and considerations for the visitors.

There is a need amounting to a demand that uniformity in abstracts and practices be brought about within each state.

This can be accomplished in a great measure and without trying to force or dictate to anyone how to make his work. The first step that is possible and practical is the adoption of a uniform state certificate.

This has been done in a few states with fine results. It can be done in every one of them. Some elasticity many have to be provided in certain of them where different sections of the state have a different situation, such as Oklahoma with its Indian titles in one part, and the regular government titles in the balance.

The different cities with various sources of taxes, judgments, etc., varying with each other will have to have provision made for them too, but the basis and general form and wording of the certificate can be made for the entire state.

An abstract contest conducted through a series of years with the proper display of the entrants and an examination of the winner with comments thereon would automatically bring about a degree of uniformity.

It is very regrettable indeed that so few of the state conventions are reported, and a record of them made. If the various papers, discussions and things presented of the many state conventions held in the years past had been taken down and preserved, there would be an invaluable store of information and treatises on title subjects available for constant use.

Every state should adopt this policy, have the report of the conventions printed and distributed to the members.

You may say that in itself would be definite. Some years ago I happened to be president of our association, and I conceived the idea that the people interested in the association, those who dealt with it, would like to know something about the interior workings, so I had the state association publish a list of members and officers. I had a list giving the town and county, with the population of both, the name of the company, whether it was a corporation or partnership, the year established, the active manager. Mortgage companies writing to a small abstract company in a small town would like to know with whom they are dealing. They would like to know if the man makes abstracts, is qualified, what his length of service is, and so forth, and the system used. Then we further carried on the scale of prices per page, minimum charge and so on.

With that information before you you can find out what the average charge is that is being made in counties of 50,000 population or 100,000 or 200,000. You have some basis on which to work. I think it is very advisable that the state association look in the matter of fees and attempt to raise the general scale or, if they can arrive at what is a fair price, to suggest to their members that this abstract company in a town of approximately the same size with approximately the same conditions is enabled to get \$1 a page for its abstracts, whereas they get fifty cents. I think they can raise the standards of the



TOM DILWORTH,
Chairman of Special Committee on Advertising, who brought his collection of advertising. Every member of this committee was present.



PEARL KOONTZ JEFFREYS,
Member of the Advertising Committee.

business and incidentally raise the price, and it will be better.

We had a flagrant case of price-cutting. We wrote a letter to the party and told him that the policy of the association was to maintain a price, and so forth, and that letter was ignored. We had no authority, as I saw it, to do anything further than that. That situation has been adjusted. They were making abstracts for practically nothing. They claimed they had sufficient cause for establishing these rates. Our committee didn't feel they did. However, we intend to put in our application some such provision as this: if at any time the member company feels that the circumstances justify them, or they claim they are compelled to enter into a rate war over, and over a period of time continue that practice, their membership in the association will automatically cease. We will have an amendment to our by-laws. We can't force them out any other way. I don't know whether the effort to make that an iron clad rule by including it in the by-laws is going to get all the results or not. To some extent we all agree it is impossible to legislate goodness into any one. You have to inspire people to operate their business on high standards and go to them on a reasonable proposition and tell them that their course of conduct is detrimental not only to their competitors in their immediate locality, but detrimental to the business as a whole.

What we are trying to do in the Texas association doesn't differ from any other association, but a few statements of our principles might be of interest. "What we are selling is serv-

ice. We want to sell it for fair profit. We believe that is both legitimate and ethical, but we do not stop there. We believe we must sell satisfaction. Success in the selling game as applied to our business does not simply mean abstracts delivered and charges collected. It means we will treat a man as well after we have sold him as before. It means complaints handled on square deal principles; errors or mistakes on our part fully and satisfactorily settled out of court. The individual members of this association strive to conduct their business in such a manner. They will merit the confidence and hold the respect of all with whom they deal.

"We believe that a high ethical standard is necessary to the success of the individual member; that in turn the association is judged by the conduct of any or all of its members. The vision that we see is that membership in this association should of itself constitute a guarantee to the public of proficiency and fair dealing. This vision is idealistic, we grant you, but it is the object and purpose of this association to make this dream a reality. To that end we welcome intelligent criticism of our work and methods. In the event any member in the conduct of his business does not hold to the high standards the association has set forth, indulges in any practice the association does not countenance, if brought to the attention of the executive committee in writing, the matter will be investigated and proper steps made to correct it."

We have tried to impress on our



EDWIN H. LINDOW.
Mr. Lindow reported on the Membership Campaign and was also present to meet with the Advertising Committee.

members their individual responsibility to the title business and to the association. As I said in the beginning, I don't know whether it is within the province of the state association to attempt by any iron clad regulation or rule to adjust prices, fix them and say they shall not be higher or shall not be lower, but I think they certainly must take cognizance of such prices as exist. If they are too high in certain places or too low in others, they should make an effort to make an adjustment and have equality in prices.

DISCUSSION

Mr. H. C. BARE (Marion Title & Trust Co., Ardmore, Penn.): Mr. Fox said this question is full of dynamite. He is absolutely right; we know it. In the eastern part of the state (the western part is entirely innocent) there has been some very flagrant cases of price-cutting, and whether it is correct or not, brokers would quote rates absolutely out of proportion. The question that Mr. Fox discussed was raised at one of our state associations, and the explosions were so terrific it was finally passed over in this form: a committee was suggested (I don't recall the natural, definite appointment) to separate the state into zones which would overcome the objection of one section that "somebody else can't

dictate to me what my price is going to be."

I am only speaking now to emphasize that point which, in my judgment, is very helpful—not satisfactory, but a very helpful way of meeting it. Pursuing that policy, two weeks ago several of our immediate competitors held a little dinner and discussed several of the questions immediately relating to prices. I just want to say that the result of that meeting was one of very close friendly discussion in which the different questions were discussed on a friendly basis, entirely devoid of any criticism, which is the part that seems to bring the trouble we get in conventions. When we discuss those things, then the fireworks start.

With a quiet, little roundtable dinner affair you can meet the questions on a friendly basis. The net result of the meeting was an entire unanimity of thought, arrived at on three very important questions of price. The result was submission to our various boards, which has not yet been completed, but if approved by the various boards, then committees will be appointed to draft a gentleman's agreement that all will comply with that. My point is you can get that so much better from your individual zone consideration or friendly basis than from your general state activity.

organ which shall be devoted exclusively to the interests of the association. This publication must be printed on good paper, in attractive form and contain articles of practical value to title people as well as items of news from the different sections of the country at large. It is the proper medium for communications from the officials of the national association to its members and also to the members of the state associations. I am satisfied that one of the principal reasons why the American association made so little growth for many years was the fact that its official publications were put out in such unattractive form and contained so little matter. I am very much pleased, however, to state that this failing has been remedied to a very great extent and our association has no longer reason to feel ashamed of its official organ. Our efficient executive secretary, Dick Hall, is entitled to the largest portion of the credit for this improvement so vital to the American association. The TITLE NEWS is the only medium of contact of the national association with the individual members who never attend the national conventions, and too much stress cannot be placed upon the importance of keeping our official publication up to the highest standard of excellence. I consider it would be a very grave mistake to attempt to economize by reducing the size, character, style or make-up of the TITLE NEWS.

"HOW TO AROUSE INTEREST IN THE AMERICAN TITLE ASSOCIATION IN THE MEMBERS OF THE STATE ASSOCIATIONS"

By John E. Potter, President, Pennsylvania Title Association

MR. J. E. POTTER (Potter Title & Trust Company, Pittsburgh, Penn.): Mr. Chairman, ladies and gentlemen: The easiest, quickest and most effective way is to secure attendance upon a national convention. From my own experience and observation, I feel entirely justified in stating that I believe the cases are few where attendance at the national conventions does not result in selling the national association to individual members of the state associations. This is the reason why our eastern people were so anxious to have the 1926 national convention meet at Atlantic City, as we wanted our eastern people to become interested in the national association. I consider it very important for the continued growth of the national association that the national conventions be held in the different sections of the country and not be limited to any one section.

I feel that it is of the first importance in securing the highest degree of loyalty from the state associations that the national association recognizes and works through the state associations as far as it is possible to do so. This is particularly true in the matter of committee appointments or similar details in connection with the duties of the national officers. I believe that, as a

general rule, it is well to consult the state officials in the matter of appointments from the various states when it is practicable to do so.

It is my opinion that communications from the national officers should be short, snappy and pithy. Business men in these days will not read long letters. There should always be a special purpose or reason for sending out every communication.

The national officers should recognize that every state has its own peculiar conditions and problems and the fact that some particular line of policy has proved successful in one state does not mean that it will have the same effect in another state.

The fact cannot be too strongly emphasized that the national and state associations are not in the slightest degree antagonistic. The national association exists primarily for the purpose of aiding the state associations and to afford a medium for cooperation of the state associations for mutual aid and benefit. If a state association languishes and is threatened with decess, the national association is the only possible organization to aid in its resuscitation.

It is absolutely necessary that the national association should have a real, live, attractive, interesting and helpful

MR. RAY McLAIN (American National Co., Oklahoma City, Okla.): I picked up a few points that I would like to make a few comments on to emphasize before the state officials here.

I think there is no more important thing for a state association to do than to issue a state bulletin. The Indiana Association Bulletin is a very fine bulletin, not excelled by any other. However, as I understand it, it is issued along a different idea than others, it only being gotten out once a year. I wonder if they would not get more value and results if it were supplemented by a monthly or quarterly bulletin or supplement.

There are so many things going on affecting titles that abstracters should know. It seems to me they should be in more intimate touch than possible through a once-a-year bulletin. Even if it is only a mimeographed sheet it can be made of very great value to the members. Every legislature considers and frequently passes legislation that affects the abstracter. How is the abstracter going to know what the changes are unless he has some source from his state association which will put him in touch with that situation?

The feature of our bulletin in Oklahoma for the last three years has been a monthly synopsis of cases and decisions rendered in the Supreme Court and affecting titles. Our membership has been kept in touch with every de-

DISCUSSION



JOHN E. POTTER,
President of the Pennsylvania Title Association since its organization, and one of the genuine supporters of the American Title Association.

cision of the Supreme Court which affects titles to real estate. I think that is highly important, and each state association has some member who would prepare such a digest of the decisions rendered each month.

There was under discussion this morning the question, "How to keep old members from dropping out." My suggestion is to do something for them and tell them what you have done for them, because nine times out of ten they won't know it unless you tell them. (Laughter)

Qualifications of abstractors for membership in the state association have been mentioned. I think that is important. However, I think it must be worked out by states. The qualification in every state will undoubtedly be different. I think that is very important. Your state association may be in a condition of organization where you can't take up that question now, but in the older associations, where they have been organized a while, that question should be worked out. It shouldn't be, in my opinion, that anybody who will send in the fees can become a member of your state association. If that is the case, what does the membership in your association mean?

You should decide on what is a minimum qualification and fix that as the qualification for membership rather than build up a maximum or a desired qualification and make everybody come up to it. You should make that minimum down to what you think is essential to good service by an abstractor in your association.

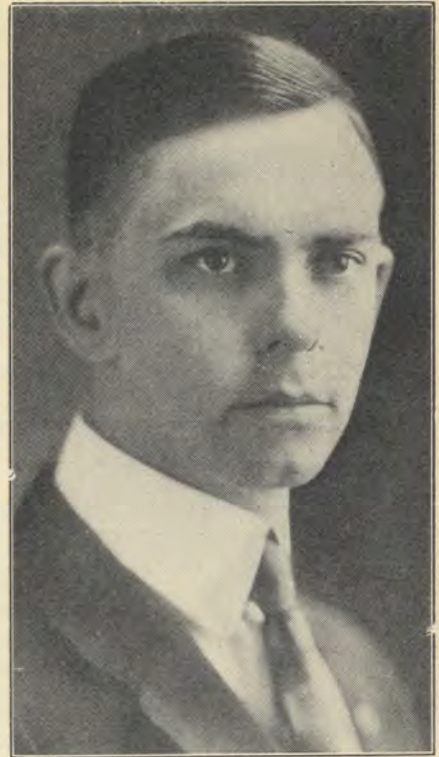
We carry on certain other activities

in our association which create interest. One thing we have been trying to work out in the last two years, and which we adopted at the last convention, was uniform certificate. In your association work there will undoubtedly be certain activities which you are working on, certain ideals which you hope to attain. It occurs to me in working out anything like that you must work it out and instead of adopting it as an iron bound rule you must make submission to the more or less voluntary. In other words, if the thing hasn't appeal enough in itself to induce the members to adopt it, it shouldn't be forced on them. With a thing like that, if there are enough supporting it to put it into effect, and the results they obtain don't appeal to the other fellows, the probability is it isn't as good as you think it is.

There is another thing in arriving at your membership. When you begin to draw the line at where you are going to make your qualification, you have to consider first whether you are going to have general representation. You can't just pick up a few outfits in your state and qualify them and draw a stiff line. When you start drawing a line you must figure whether you have a general representation all over the state and then begin to draw your line. If you draw a line that is going to eliminate the majority of the people in your business you are drawing dangerous lines.

Another thing that occurred to me was the date of your conventions. That is a matter that has to be considered from several different angles. We have found that holding our convention in the winter has brought out a great many members we couldn't get in the summer, because a great many are off on vacations or going to other conventions, and it interferes with the state convention. If you can pick a time when you think you can get the most members out and when other conventions are interfering the least, I believe you will have more successful conventions.

MR. H. C. SOUCHERAY (St. Paul Abstract Co., St. Paul, Minn.): Two of our members discovered something that is very valuable to me; that is the great value of publicity. They had the fact of their coming to this convention noted by their local newspapers; one of them accompanied with a picture of the party who is coming here. It is something of the Spanish exercise of throwing the bull, but it has a great value; and I think it should be taken seriously by the men who come to these affairs. When they go back home, if they haven't done it before they came here, they should see that the local newspapers are appraised of the fact that they take enough interest in their business to come to Chicago to attend this meeting. The National Association of Bankers has a little squib. It says: "In the future bankers are going to take notice of men who belong to trade associations



RAY McLAIN,
One of the builders of the Oklahoma Title Association, who gave a fine summary of the various matters discussed.

as being men who are prime risks when it comes to their dealings with them." I think that is true. If you don't let the people know you have that interest in your business, they certainly are never going to guess at it.

I think if everybody, when they go home, will notify the newspapers they have been here and give a long story about how interested they are in bettering the profession or how much more interested they are in getting more fees (laughter), it will mean a great deal more not only to your local association but to the National as well.

MR. A. C. LONGBRAKE (Real Estate Abstract Co., Toledo, Ohio): Some of you know I am doing a little blotter advertising. While at luncheon with Mr. Dilworth, we were talking about whether it would be proper in the next blotter I send out to make the statement or apprise the public of the fact I had been in attendance at the convention. We concluded as far as we could see that that was the proper thing to do.

The best way for members of the state associations to realize the worth and place of the American Title Association is for them to attend one national convention.

There is a revelation in store for any and every member of the American Title Association who has not yet attended such a meeting.

"SOME COMMENTS ON THE AMERICAN TITLE ASSOCIATION"

By Richard B. Hall, Executive Secretary

In the course of the three and one-half years it has been my pleasure to act as executive secretary, I have attended quite a number of state conventions and other title meetings. The more I go to them, the more I enjoy them and learn from each.

At these meetings and in my work I have made notes from time to time as things have come up and been observed. It was my intention to have mentioned some of them at this meeting but I do not think there is a thing necessary to be emphasized by me. Everything seems to have been pretty well disposed of at this gathering. However, I feel there is not anyone in this room who realizes what is ahead of the title business and what there is in the future of the association. We had been creeping, and then started to walk. The organization now is on a dead run ahead. I can truthfully say that I know of no business which, it seems to me, has the future of the title business. When I say the title business, I mean the country abstractor as well as the city title company. The past few years have brought a wonderful development, and the thing is growing fast.

The next few years will see title service developed to a high degree and those who are interested in the business now and in it in good faith will soon realize their years of effort have not been spent in vain, and the country abstractor can throw out his chest a little and take off the rubber collar and wear the regulation white linen shirt. This has been brought about by the existence of the title associations, the state and national, and the interest and support in their work by those in the business and nothing else. We have tried to the best of our limited ability and financial resources plus the excellent moral support we have always been able to get, to render the most efficient service possible.

The course of progress and evolution and natural results of things have brought it to a point where the association is a real proposition. I don't think any of you here realize what it is. It reached such a point that I felt it was either my duty to step out and let some one who could devote his entire time and energy to it occupy the office of executive secretary, or else do it myself.

In a few days you will receive formal announcement of the establishment of the national headquarters in the Title & Trust Building in Kansas City. The title business now very properly has an established agency for the conduct of its affairs. The future is going to be a busy and profitable one for the association which means you and your business.

The strength of the whole thing and the success of the title business will be brought about through the activi-

ties of the state and the national associations, and the success and measure of them will be gauged by the support given by you folks. It is an organization now; and not an individual matter. I cannot begin to do all the work that has to be done, and no individual in this association can. From now on it will be the American Title Association and not any one or group of individuals. When you think of it, think of it as an organization of which you are a part, and that it is serving you. That means the active personnel in the work will have to be increased. At the present time there are 186 officials and committeemen of the American Title Association; nearly ten per cent of its membership is engaged or assigned tasks in its active work. That is an interesting thing to know. We will have to have more man and woman-power to conduct the activities, and the state associations must function as never before. They must become efficient and do things that will boost the cause along.

I never admitted this in public before, but it was stated by one hard-working secretary here today, and I will admit it, there is no question but that the success of any organization depends upon the secretary. If he lies down on his job he is putting on the brakes until somebody else can grab it up. A book was written on that. It was published about three months ago. It was written by the secretary of the largest association, the Retail Credit Men's Association. We secretaries can now admit that a great deal depends upon us and our work. I am saying that because I know and every one of us knows the success of the state association depends upon the secretary. He must function.

With the possible exception of one or two, every state association at this time has been giving the finest kind of support, and the secretaries are really doing admirable work. We are at the critical stage for the reason the membership, as never before, has been bombarded with things calling attention to the activities of the state and national title associations.

If when this membership campaign is over, this meeting is over, Mr. Dilworth's advertising campaign ends there will be a tendency to relax and there is a danger that the whole thing will let down. We must watch that and keep on harder than ever to keep it going. We all have a task in keeping interest in the state association and national association from now on. That brings up the point, what can we do? You have all heard many suggestions this afternoon and today about the state associations and what they can do. I am going to tell you a few of my observations. You cannot maintain an interested membership in your state associations if you only hold a convention once a year and

nothing in between. You must do something in between. Another thing is you can't hold a successful state convention and decide upon the time two weeks in advance and try to work up the crowd.

Above all things, the best way to keep the members in the state associations is to collect the dues of 1926 within the first ninety days of 1926. It is the habit of over half the state associations not to collect the 1925 dues, for instance, until 1926, and that is the biggest reason I have observed you can't keep your members—they just slide by. The state secretaries must begin right now to collect the 1926 dues.

This directory is going to be one of the finest things you ever saw. It is going to be a big drawing power, and it is going to make a real appeal to your members. You can start in now and get the names. We are going to hold the names open on the list until Mar. 15 or Apr. 1 to give you a chance to collect. Don't give up on the membership campaign; keep on.

I think it is a crime that the state association meetings, which are very valuable, are entirely lost as soon as they are over. I don't believe more than five or six have them reported. This is a mistake. It is done well by many. I have some examples to show you that are good. Here is the Texas report; it is even more attractive than the national. Here is the Illinois; here is the Iowa; here is the Kansas and here is the New York. Those are records that contain invaluable information to the title business, and I think every state association should print proceedings of its convention, and then mail them out to every other state secretary.

As I say, the TITLE NEWS is going to be further enlarged and improved every month, and you will have this mailing list of officials. Another thing is an attractive printed program. Get out a nice one in advance. Here are several, and I have hundreds of copies of these and will be glad to loan anybody at any time. If you will get up an attractive program and send it out to the members in advance, about six weeks before the time you hold the meeting, you will have a bigger crowd.

Some state associations have issued state directories which have been a means of not only holding interest but of doing some real money-making work for the members. I think this is the most attractive one that was ever gotten out. It was gotten out by the Missouri association. It classified the whole business of that state. I don't think money was better spent than when they got that book out.

There have been several suggestions from time to time about the national association not including a department for each state in its title news, so they could print state-wide news. The reason for that is (I don't want to hurt anybody's feelings here, and please, folks don't think I am being hard) I don't think there is a state secretary

here who would send in more than two or three articles a year for that, and I don't think it would be a success. It would tend to make the people in your state read only that. I think it is better for each of you to get up a good looking state bulletin. It will keep you in touch with your membership; you will find it will pay. It is something for you to do. These fellows are asked to pay money to the state association, and if you don't give them value received they will not think they are getting much and will begrudge the payment of dues.

Most state associations are too low in the dues. You can't expect a state association with fifty or seventy-five members to run on dues of five dollars a year when two dollars goes to the national. We don't apologize for that two dollars, because we are giving your members value received for that small sum.

We will send a representative to every state convention if you will let us know in time, but these men are busy, and we cannot within ten days or two weeks' notice, which is sometimes the case, arrange to send somebody to you. I really wish you would all try to arrange the convention programs at least one month in advance and work about two months to set it up.

In the course of a year we are going to send a personal letter to every member calling attention to the state asso-

ciation and state program. We want to help you. There is not one thing in the world that the headquarters of the national association won't do to help you if you will give us a chance. TITLE NEWS is going to be further improved. We are going to have a directory, as you all know. We will work with you in every way we can. The only thing we want you to do is to know we are for you first, last and all the time. We are equipped to do anything for you either through the state associations or in individual title matters. Just make use of us.

This association is going to grow within the coming year in a way that will not only surprise you but please you. It is going to be a wonderful organization. We have to have your support. We have to have the financial and moral support of the state associations. They are the groundwork of it. Remember, you secretaries and presidents, that you have got to do something. You have to conduct some kind of activities; in that way you get the support of your members and your members support you.

I hope within the coming year you will bombard my office with requests for everything and anything. We are ready to serve you and we will.

You can be glad you are in the title business and proud of the association representing it in the commercial world.

former sales resistance and you have a much better chance to do business. The general public has found out that real estate represents the great wealth of this country and that there is never going to be any more real estate. Consequently real estate is going to become more valuable year after year and year after year and the public is more concerned today about having a good title.

Consequently from my viewpoint, I say title insurance is just as necessary as any other form of insurance, fire, life, liability or any other sort because the public is buying protection and it can buy protection for lands as well as for personal property or anything else.

That brings along another question.



JOHN HENRY SMITH,
President, The Kansas City Title & Trust Co., Mr. Smith presented two of the topics on Title Insurance subjects and took a forceful part in the discussions.

“STATE-WIDE TITLE INSURANCE; ITS BENEFIT TO THE COUNTRY ABTRACTER”

By John Henry Smith, President, Kansas City Title & Trust Co.

National title insurance is getting very large in its scope. When we organized our company, which will be eleven years ago this coming May, we started in the title business, which you now term “national title insurance” for the reason that Kansas City, Missouri was an abstract town and had been for years, and title insurance was practically unknown. In order to spread our business and to try to make some money outside of Kansas City, we conceived the idea of doing business elsewhere. That business was practically all conducted with farm mortgage bankers who were selling their loans to savings banks, life insurance companies and perhaps private investors who had foreseen the advantages of title insurance and wanted such protection. Our company immediately got into the field to take care of that business in the south and west, and we did write policies for a number of farm mortgage bankers.

I might say without any spirit of braggadocio that our company was perhaps the first company in the United States that ever launched into the national title insurance business, or rather sought business outside of its own locality, or where they covered the situation with an abstract plan.

Our service covers Jasekson County which is Kansas City, Missouri, proper, Clay County on the north, and Wyandotte County, Kansas, which is just across the state line. We have plants in those three counties. Of course, we were in a position to do either abstract business or title insurance business in those three counties, but, as I say, the title insurance business was new. It was a matter of educating the public to the necessity of title insurance. We were out for business where we could do it safely and with some profit, whether it was in Kansas, Missouri, Oklahoma or elsewhere.

Since that time, which will be eleven years the fifteenth of next May, there has been a great deal of talk about title insurance. It has spread all over the country. Title insurance service for a great number of years was confined to New York and Chicago. The Chicago Title and Trust Company has been in business as long as I can remember and the New York companies practically never did any abstract business. The Los Angeles and San Francisco companies have turned practically all of their business into title insurance. So that today when you launch a title company anywhere in the United States, you haven't the

When we started to go into the national title insurance business there weren't any such companies in Wichita, Kansas. I don't believe Mr. Woodford's company in Tulsa was organized. There might have been a company in Dallas, Houston or somewhere in the south and west. Today we have title insurance companies springing up all over the United States, in the south, in the west and in the middle west—the same as they have always existed in the east.

There is one principle of title insurance practice that the Kansas City Title and Trust Company has steadfastly adhered to; that is our company will not become a competitor of a local company in Wichita or in Tulsa or any other point in the south and west.

In other words, we believe if there is a local company that can take care of the general course of business in its particular locality, no other company should interfere. The business rightfully belongs to the company in that locality. We have adhered strictly to that practice turning down many times the opportunity of writing title insurance where it could be obtained from some local company. Where we have gone out and written title insurance in some competitive point it has been with the consent of the local company and therefore it was perfectly proper for us to operate.

As I said, I made no preparation to talk on title insurance. Mr. Crump, our vice-president, wished me to express his great regret at not being able to attend.

If you want my idea on how national title insurance might be conducted by any organization I will say this: Where there are smaller companies in some other state who want to write the small business and they don't feel they want to take on the responsibility of large policies, they should make arrangements with a larger company that can reinsure them. In fact, we have quite a number of deals like that pending today. Personally, I am in favor of local title companies assum-

ing their own risk but I do believe re-insurance is going to come where local companies have not sufficient capital to take care of large policies, not that they would be unable to take care of any loss which might happen, but because the investor or the corporation transacting the business doesn't look upon a small capital as being adequate for backing a large volume of risks.

In our immediate country there are very good companies springing up. I heard of one recently that is going to be organized in Little Rock. We have been asked to reinsure them over a certain amount. It is my belief that title insurance is a self-containing business within itself. I would say publicly that the title insurance business is a specialized business, and the title companies should take care of their problems. I don't believe the Kansas City Title and Trust Company today is qualified to go into the steel business, and I don't believe the U. S. Steel Corporation is qualified to go in the title business. I would say that title companies alone are the ones to take care of the examination and guaranteeing of titles throughout the United States without the aid of any other corporation, except that it be incorporated for the same purpose and is engaged in the same business.

There was a decided opinion expressed on the point that local title companies should serve their own immediate and logical territories and every encouragement given them to take care of the business within their ethical and logical boundaries.

This is not only a matter of business principle, but also tends to encourage and prosper the growth of companies by getting their legitimate business and gaining the good will and patronage of their community.

Title insurance does two things—it renders a service and it gives true protection. The greatest expense in operating though is in the service.

It was fittingly said that title insurance companies gamble on the past after they have had a good look back.

Title service is by its very nature, only to be handled by and entrusted to those equipped with the skilful and technical training necessary plus adequate facilities and resources to give protection, which means companies and individuals in business in good faith.

“RE-INSURANCE OF LARGE RISKS AMONG SEVERAL COMPANIES” “STANDARDIZATION OF FORMS” “A NATIONAL ADVERTISING CAMPAIGN OF EDUCATIONAL NATURE”

By Harry C. Bare, Secretary of the Pennsylvania Title Association

CHAIRMAN WOODFORD: I want to turn now to Harry Bare, secretary of the Pennsylvania Association whose topics have been walked on in the past discussion pretty thoroughly. (Laughter.) If there is anything left on reinsurance we would like to hear from you.

MR. H. C. BARE (Marion Title & Trust Co., Ardmore, Penn.): I have had no opportunity to prepare any formal paper or address. I am going to ask you to let me talk about the subjects assigned to me in an entirely friendly conversational way.

With reference to standardization of forms, I cannot conceive how it could be feasible to have a standard form of title insurance applicable to every state, because the legislation, the practices and customs of the states are so entirely divergent. Your legislative enactments, your judicial expressions make it, to my mind, entirely unfeasible to have a uniform policy all over the United States. I do say, however, that in each state every argument is in favor of uniform policy, and I can't think of a single thing that can be said in opposition to that form of issuance of policy.

Summarizing that, let me content myself in saying my own personal

thought is each state should have, through its state associations, a committee which would most carefully draft a policy which meets the requirements of that particular state, and let that go to the public as the uniform policy approved by your local state organization.

Another subject which I have been asked to speak about is the reinsurance of large risk by other companies. Before I go into that I can't refrain from making a comment that is not exactly in accord with that Mr. Stoney from San Francisco made a statement here a minute ago that, in my opinion, is the most important, vital thing that you men and ladies can take away from this meeting. It is this: title insurance by its very nature is the examination of the evidences of title which lead up to now, not the future but now. After trained examiners, abstracters, call them what you may, there must absolutely be a careful analysis of that title. Don't ever lose sight of the fact that the policy is nothing more or less than a contract with all the elements of a contract incident thereto. The business should bring into its consideration the highest degree of technical training. Men, there is nobody in this wide world so

capable of giving that as the trained men, and no other outside influences or agency or corporation can give the public that same degree of protection. I want to emphasize that point of Stoney's. I think that is one hundred per cent.

With reference to reinsurance, it seems to me that should be considered from the angle of the title company issuing insurance. While it is true that the amount of losses which have been sustained by insuring companies is comparatively low and only consists of some trifling lien, tax question, some more or less trivial matter which has been overlooked in the careful examination, the amount of loss is very much less than the amount of premium which is charged by the insuring company. How many men in this room engaged in title insurance have the slightest assurance that when they go back to their desk they won't find some loss that will curl their hair, drive them frantic, and so on. You don't know that, because you have had the human element injected in the examination of the status of the title and you know that Damocles, or whoever it is, is going to come down and chop you up. Isn't that true? If that is true and you have a constant fear of some substantial loss ever hanging over your head, it does not seem wise to me for any title company



HARRY C. BARE,
Secretary of the Pennsylvania Title Association,
Discussion leader on "A National Campaign of an Educational Nature," and other topics.

reinsurance idea gives to that assured a substantial higher degree of protection. Coming back to the real fundamental principle of title insurance, it must in its very nature be protection to the assured. If by the plan of reinsurance you are enabled to give to the public that higher degree of insuring protection, you have raised title insurance to a higher and a safer and sounder basis.

I can't think of anything in my own mind that I want to say about reinsurance so far as the matter of advertising a national campaign of educational value is concerned. If I thought that every one here was as familiar with holy writ as our friend Mr. Wilson is I would refer you to some chapter of whatever it was where they took up the sinews of war, because just as sure as any campaign of educational nature to go over this entire United States were inaugurated, you would require so many sinews of war you wouldn't have any capital or surplus left for your business. I do feel that advertising is an absolutely essential thing for title insurance. I firmly believe the problems of title insurance in the localities where it is not now known is absolutely sure of solution in the minds of the men now working on it. I wish I could say that emphatically enough to carry conviction to anybody who has a doubt on that subject. You don't need to go out of the bounds of title insurance today to get insurance that is bound to be satisfactory.

In Pennsylvania we have a very satisfactory plan. California has

to take a risk out of the proportion to their capital and surplus.

In answer to a question which I think Mr. Potter asked a moment ago, whether it is good business to issue a title policy for a risk in excess of capital and surplus, I unhesitatingly would answer for myself, no.

The actual, practical application of reinsurance is in two forms. Assuming it is the desirable thing not to have any one company issue a policy of such size, that a complete loss would mean a material, substantial crippling of their activity, then I think they should take on reinsurance. That reinsurance may be issued, as I conceive it, in one of two forms. The original company would issue its initial policy. They then could properly submit the evidence of title to some other company whose policy is satisfactory to that original company. They then could take a participating agreement with their other company which could have within its agreement a provision that any loss would be sustained in proportion to the amount of the participation of that company. I conceive that to be by far a preferable plan to one in which several companies issue their joint policies. The insured would receive the same degree of protection and the original company would keep its point of contact with the assured.

So far as the angle of the assured is concerned, it seems to me that the

worked it out; Kansas has worked it out. There may be a number of other states that have worked it out. Just as sure as you are in this room, it will be worked out in every locality. Advertising is merely incidental to that campaign. In leaving that subject I would merely like to say the state organizations are, in my mind, the most capable of creating the impulse, the plan and the sinews of war with which to carry on in their own state organizations.

The desirability of re-insurance was shown many times. No company should issue a policy in excess of its capital and surplus without re-insurance. In fact some states prohibit it.

When a plan of re-insurance facilities will have been provided, then it was pointed out, title insurance would be raised to a higher, safer and sounder basis by giving the greatest and best protection possible.

One of the problems of advancing and developing title insurance is the requirements for such a large capitalization as to make their existence prohibitive or unprofitable.

State laws usually restrict the branches and activities of business they can engage in too, to such an extent as to be a handicap. Even then when a company can operate under a fair capitalization, it does not seem large enough in the public eye to assure protection.

A company can conscientiously operate on a fair amount of capital and give adequate protection because of the nature of title insurance—service plus its gamble after careful investigation to remove possible loss.

A scheme of re-insurance though would prove a wonderful boon to the growth and success of title insurance. It would encourage the expansion of the idea by more companies, eliminate the present necessity of a large capital, give greater confidence to the thing and prove profitable to all concerned.

Re-insurance came in for its usual amount of discussion and likewise the usual failure to work out anything tangible.

It will come eventually however and the companies who will grasp the idea will be presented with a wonderful opportunity for profitable business.



ARTHUR C. LONGBRAKE,
Member Committee on Advertising.

"DISCOUNTS AND COMMISSIONS"

By John Henry Smith, President of The Kansas City Title & Trust Co.

Perhaps I can tell you gentlemen why we are in favor of commissions in Kansas City. Our situation may be different from yours.

We are in favor of commissions for this reason: We allow the real estate men ten per cent on abstracts; we allow lawyers the same. On title insurance we allow ten per cent on any owner's policy for any amount. On mortgage policies we allow ten per cent where the premiums are as much as \$50 or over. I think perhaps that same practice is followed by the Chicago Title & Trust Company.

The reason we do this is: a real estate man opens an account with us and no matter what his billing is for the entire month, whether it is \$100 or \$1,000 we hold him responsible. He pays us the entire bill. If it is \$900 he sends us a check for \$900 by the fifteenth of the following month. On the eighteenth day of the month, as sure as there is an eighteenth, the Kansas City Title & Trust Company sends him a check for \$90. We have never failed to have those checks out on the eighteenth. We collect the entire account and remit our own check charging it to expense the same as any other expense in our office. In doing it that way we get our money. We get our money much faster than we would otherwise.

The system that used to be in vogue involved paying a commission without any stated time to collect the bills. Maybe a creditor would run six months or more overtime, and still the company would allow him a commission. We think it is a great advantage to us to get our money when it is due so that we can reinvest it. We invest our surplus in six per cent first mortgages on real estate in Kansas City only. That is the only kind of investment we make.

There is another thing about commissions. Commissions serve a real estate man in this way: many, many times a realtor loses accounts. He may have a deal pending, and one of his customers comes in and says, "I would like to borrow this abstract." The abstract has been brought down to date, and the bill has been rendered. He takes the abstract out under some pretense or other, never returns, and tosses the deal in the air. That real estate man has some security when he has the abstract in his possession, but when he loses that abstract he has lost all security he has behind the collection of his bill, unless the owner is a righteous, honest sort of fellow and will pay regardless of whether he wins or loses. Those commissions have just about let the real estate man break even on the losses sustained. That aids in collecting the bills.

Under the old system, if we were billing \$500 a month to some real estate man, and if only \$300 of his deals had

been closed, our collector possibly could get a check for \$300 of our money. The other \$200 would hang fire and hang fire. Our system in Kansas City is to collect all bills. You gentlemen know, if you have a large account that transactions are not always closed. There are just about as many unclosed as closed and that is the reason we are strong for this ten per cent commission.

I can see the wave of title insurance growing all over the country, as I said yesterday, not only in large centers but in rural districts. That means that you are taking business from the lawyers. Many times it pleases the lawyer beyond measure to know he is going to get even ten per cent out of the title insurance business.

We pay on no premium on mortgage policy unless it amounts to \$50. I do not know what system you gentlemen have but we think we make money by giving this ten per cent, because we get our money, and we use our money for investment. If we didn't have the ten per cent we would carry on our bills receivable, many, many thousands of dollars that we do not carry today after the fifteenth of the month.

You may all be thinking, "Well, do you ever pay ten per cent after the fifteenth day of the month?" I will say there never was a rule made in God Almighty's world that wasn't made to break. We do in isolated case pay where some fellow will give a good reason such as that he was out of town, or the bookkeeper was busy, or all such excuses why he didn't send a check. In those cases we do break the rule occasionally and we pay the ten per cent regardless of whether it happened to run over a few days or a week, ten days or more. That is about all I have to say. (Applause.)

DISCUSSION

MR. J. E. POTTER: I don't know of anything that has been brought up in this meeting that was of any more practical interest than the remarks just made. We had a very peculiar matter in Pittsburgh with regards to paying commissions to lawyers. Our high-class lawyers would not accept commissions. They said they had no moral right to take commissions on client's business. If they took the commissions they simply gave the money back to the clients. They said it didn't belong to them. The consequence was we found our clients were going to the attorneys and saying, "You order this insurance for me; you get commission on that, so just give it back to me." That means we were reducing all the way around. The way it worked out was so unfortunate that the title companies were all glad to discontinue the practice of paying the attorney commissions. High class men would not take it. If they took it, they would turn it back to the clients. We had to stop it.

MR. J. M. DALL (Chicago Title & Trust Co., Chicago, Ill.): On all orders left by lawyers and real estate men we allow a fee of ten per cent on bills for abstracts of title and premiums for title guaranty policies, irrespective of the amount of the bill, providing the bill is paid on or before the tenth of the month succeeding date of bill.

We do not call it commission.

We find that this facilitates prompt payment of bills.

Inasmuch as we have approximately 20,000 accounts it is quite important that bills be paid promptly.

MR. L. D. FOX: I would like to ask Mr. Smith and Mr. Dall how it is possible to hold it down to ten per cent; how to keep it from rising with a little competition.

MR. JOHN HENRY SMITH: I have heard a great deal of discussion on this subject at these association meetings. I presume in answering that question that most places where there is competition have the same prevailing charges, and the others are exceptions.

I have always been a strong advocate that the prices of abstracts and title insurance in any one community should all be at uniform rates. I do not care whether there be one or any number more of companies. Those established rates should be adhered to strictly.

I hear all about the room everywhere, you fellows saying it can't be done. I say it can be done.

It can be done by persistent effort in getting those in the business in a town together, having an understanding, an agreement, and meeting together every now and then in the discussion, not of prices, but in rendering service and the mutual working out of the solution of business problems as they arise.



WILL H. PRYOR,
Member of the Advertising Committee.

TITLE NEWS

Published Monthly as
Official Publication of

The American Title Association

Printed by Kable Brothers Company. Pub-
lication office, 404 N. Wesley Ave.,
Mount Morris, Ill.

EDITOR

Richard B. Hall.....Kansas City, Mo.
Title & Trust Bldg.

Subscription price \$2.00 per year.

Entered as second class matter December
25, 1921, at the post office at Mount Morris,
Illinois, under the Act of March 3, 1879.

Address all communications relative to this
publication or matters contained therein to

THE AMERICAN TITLE ASSOCIATION

Richard B. Hall, Executive Secretary
Title & Trust Bldg., Kansas City, Mo.

MARCH, 1926.

MR. J. E. POTTER: I move you Mr. Smith be requested to put his remarks in the form of a formal paper and that a copy be forwarded by the secretary to every member of the association. I think this subject is of most vital importance, because collection is a serious matter with us.

CHAIRMAN WOODFORD: Without suggesting that the motion might be modified, or without saying it should, might I make this suggestion? I think Mr. Smith would be perfectly willing to let the matter go in the record as an ideal system of commission payments if the name of the Kansas City Title & Trust Company were eliminated entirely, so it appeared as a plan rather than as the policy followed by a specific company. If Mr. Smith will do that, he can make arrangements with Mr. Hall who will have charge of the editing and the censoring of these reports. I think the matter will come out then as a plan rather than as a specific policy of the Kansas City Title & Trust Company. Is there any objection?

MR. JOHN HENRY SMITH: I would have no objections to publicity on this point as it is a known practice and principle of our company. It is likewise the practice of many others, and the same as that of the Chicago Title & Trust I believe.

I say frankly I think it a desirable system. I should hate to have the American Association of Title Men take any drastic measure as to advocating the elimination of fees, as Mr. Dall pleases to call them, and ask the different members in the different cities to adopt that sort of plan.

Our experience is that we have collected thousands upon thousands and thousands upon thousands that we never would have collected otherwise. Just as the gentleman from Toledo said, your bills get old. You have a good customer and he wants to charge the bill off. He talks about charging the bill off. We say, "You get ten per cent. Your ten per cent takes care of the loss or buys the cigars or pays the stenographer." We don't have any

further argument. It is in effect the greatest collection agency I have ever seen. We spend very little money in the collection of bills.

The boys go out along about the fifteenth or the day before, or on the tenth, and start to warn the big customers to get their checks in, or something to that effect. But our expenditure of money in collection of bills is small. It takes less time than when my brother and I ran the Union Abstract Company, because we gave ten per cent and they paid the bill when they pleased. We didn't have the rule of sending the check in on the fifteenth to get the commission.

MR. J. R. MORGAN (Johnson Abstract Co., Kokomo, Ind.): It seems to me this proposition is more a local proposition than a general proposition. I am sure the community has a great deal to do with it. For twenty years we had a rule of paying ten per cent, and I want to say to you frankly that the only money I have ever lost of any consequence in the abstract business has been lost through the lawyers and through the real estate men. I never had any trouble collecting from the property owner. We have, through my own personal influence, eventually eliminated the commission. I say to the attorney or to the real estate man, bring me the written order from the property owner and you are relieved of all responsibility here. I have no trouble collecting from the consumer, and I personally would hate to get back to any commission basis. As I say, the real estate man and the attorney, in my experience, is the man who lets the account grow cold on him, and when you go back to the other man it is hard for him to understand it. I can't get a real estate man or lawyer to pay any bills in advance. I am doing mighty well to get him to pay his bills at all. (Laughter.)

MR. W. M. DALEY (Title & Trust Co., Portland, Ore.): As this is an experience meeting I am sure you would like to hear from everybody. I would say during the course of years we haven't paid any commissions and our losses have been less than one per cent of our business. I don't think at any time the amount of accounts upon our books run over forty-five days business.

One solution of price cutting tactics, unreasonable discount and other practices might be in disciplining from the state associations. Suspension from membership for such was advocated by one state official. It would be very humiliating to be dropped from your business organization because of unethical practices, and would do no man any good for the public to know that such had happened to him.

One of the most profitable and necessary things the several abstractors or title companies in a city can do is to hold weekly or periodic get together meetings or dinner sessions where representatives of the various companies can get together for conferences and discussion of questions.

It will promote good will among each other, make for better service by an understanding and arrival of solution of problems that do constantly arise—it will be for good business.

Many of the companies in the various cities do this.

One state official stated the following as representative of the meaning and practice of its state association:

"We believe that a high ethical standard is necessary to the success of the individual member; that in turn the association is judged by the conduct of any or all of its members. The vision that we see is that membership in this association should of itself constitute a guarantee to the public of proficiency and fair dealing. This vision is idealistic, we grant you, but it is the object and purpose of this association to make this dream a reality. To that end we welcome intelligent criticism of our work and methods. In the event any member in the conduct of his business does not hold to the high standards the association has set forth, indulges in any practice the association does not countenance, if brought to the attention of the executive committee in writing, the matter will be investigated and proper steps made to correct it."

People, your customers like to know you are interested and active in your business association. It is a good thing to let them know when you have attended any kind of a title meeting. It shows your customers that you have a real interest in your business and are in it in conscientious good faith.

Several at the meeting expressed the opinion it was a good idea to let the folks at home know when one attended such a meeting.

The American Title Association



PRESIDENT'S OFFICE
PETERS TRUST BLDG.
OMAHA, NEB.

March Fifteenth
1926.

TO THE MEMBERS OF THE
AMERICAN TITLE ASSOCIATION:

You have been notified that the business office of The American Title Association is now located in Kansas City, Missouri. I believe every member of the Association and all interested in title matters should rejoice to know that we now have a representative office centrally located and so admirable adapted to serve the needs of the membership. This change means much. It marks a new epoch in the growth and prestige of the Association by a gradual and forceful development. Through the past years the organization has expanded until now practically every state has an active, flourishing State Title Association functioning properly and meeting the needs of its members.

The American Title Association is made up for the most part, of the members of the State Title Associations, and in order for it to function properly and render the greatest service possible to all, it was necessary that it have a recognized business office. Kansas City is almost the center of the United States and has every desirable facility. The headquarters of the Association and the Executive Secretary in charge thereof should keep abreast of the advancing interests and demands upon them. It means much to the members to have such an established office for the organization and at their disposal to call upon for assistance in solving the problems daily confronting them. With an Executive Secretary thoroughly alive to the needs and anxious to render every service possible, both to the individual members and the work in general, the Association should take on a new impetus and accomplish a great many things heretofore considered impossible. The future of the Association is only limited by the extent to which the members are disposed to exert their efforts in its behalf. If all cooperate and put forth their best endeavors, the organization will go forward with unabated success. We have such an important part to play in its future achievements, that we should perform our part to the limit of our ability and opportunity. Nearly twenty years have elapsed since its founding and by gradual growth it has weaved its way into the title life of the country until now its influence permeates every nook and corner. It has had a beneficent influence on the life and work of the abstractor, the title examiner, and in recent years the title insurance company has found membership in it most advantageous and essential.

With Pride in the past history of the Association, and Faith for its future growth, I bespeak a greater influence for The American Title Association by reason of its established business location in Kansas City.

Sincerely yours,

President.

"SHOULD A NATIONAL SCHOOL OF ABSTRACTING BE ESTABLISHED?"

"WHEN IS THE OPPORTUNE TIME FOR ABSTRACTERS IN ANY LOCALITY TO DISCONTINUE THE MAKING OF ABSTRACTS AND ISSUE ONLY TITLE INSURANCE POLICIES?"

By J. R. Morgan, Kokomo, Indiana

MR. J. R. MORGAN (Johnson Abstract Co., Kokomo, Ind.): The first subject is "Should a National School of Abstracting be Established?" From my own standpoint, I am going to take the negative of that, because I wonder why any one ever raised that question. There isn't an abstracter who has been engaged in business any considerable length of time who hasn't been running a school of abstracting. In my thirty year's experience in the title business I have had one continuous school of abstracting, and I have had all kinds of scholars. In order to get my point before you, let me give you two or three concrete examples. Humanity is constantly changing; that is male or female.

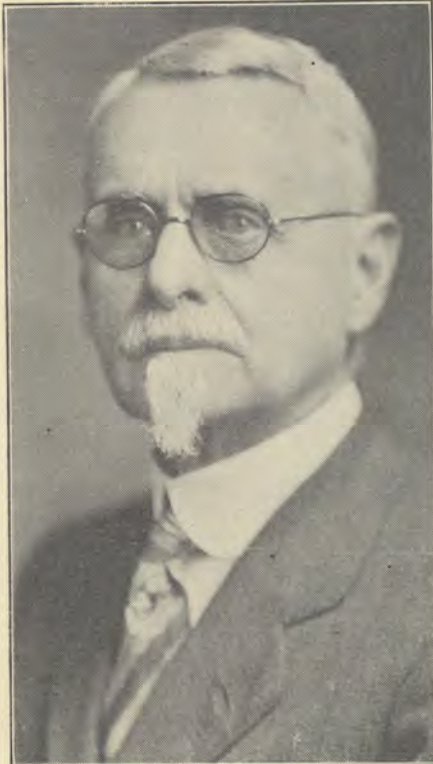
The ultimate object of every man who enters the abstract business or undertakes to learn the abstract business is to finally have a business of his own that will support him in his declining days. The ultimate object of the woman who enters in the business or particularly in the abstract business, my experience has taught me and yours no doubt the same, is to have a happy home with a husband and children. That is the ultimate result. No matter how long your schooling goes, it may go longer or shorter, that is the final result.

The man who comes in to learn the abstract business, ninety-nine times out of one hundred, has had no experience along that line. Permit concrete examples of the shiftlessness or the shifting of men's ideas. Permit a personality. I started out to be a politician at fifteen years of age, and I was some politician for about six, seven, eight or ten years. I held some offices, but I found myself just like every other man, a creature of circumstances and environment due to conditions over which I had no control. The death of James A. Garfield changed my occupation for life, because I was underlined for a lucrative office under Mr. Garfield, which his successor didn't see fit to carry out. There is where I parted with politics.

I had a friend who had been engaged in dentistry for a number of years. He had been trying to interest me along that line. I had been educating myself as a dentist. I jumped out of politics into dentistry. I practiced dentistry successfully for fifteen years. A thing over which I had no control, disease, came along and gave me a shaking of the hands that was no longer useful in dentist practice.

Getting out of that business and falling into the office of a brother-in-law engaged in the title business, I became

interested there and engaged in the title business. After his death I took the business over and for thirty years I have been in continuous business. I liked politics; I made a success while I stuck to it. I liked dentistry; I made a success of it. I like the title business and I have made a success of it, and I



J. R. MORGAN,
("The Man from Kokomo")
One of the pioneers of the Association
and who gave some fine ideas in the
talk "Schools for Abstracters."

am still sticking to it. But it shows that man is changing constantly by circumstances over which he has no particular control and by the environment that comes around him.

Your experience and mine in the education of help in the abstract business has come to us in peculiar ways. I have had the pleasure of educating three or four lawyers in the title business, men who started out in law and didn't find that just suited them exactly. They came in and wanted to learn the title business. Two of those people are in a successful title business today and a business of their own and doing well. They have only made the one shift. One of the other lawyers was formerly a farmer. He had taken a course in agriculture and graduated, and then graduated off the farm into law. Then he wanted to leave law and come into the abstract business. I

taught him the abstract business and he became a successful abstracter. Then along came an insurance company that wanted him to examine farms for them. He went out and did that. Later on he drifted into an abstract business of his own; then later on he left that to become examiner for a large real estate firm.

During the late war he drifted into the bakery business, and when he found man couldn't live by bread alone, he made another drift. Today he is a sky pilot in California where they needed him. The only disappointment that has come to him along that line is he was absolutely sure the world was coming to an end last November and it didn't, and he is sitting tight waiting for next November. I give you that to illustrate the constant shifting of man by conditions that come up over him.

There is the young man who started out to be an abstracter or the girl who sometimes becomes an abstracter instead of a copyist. You are always looking for the chance to get one. They usually come to you out of high school. They are girls and boys who must make a living. They are curtailed from a college education. They have some one to support or look after. I think the best abstracter I ever had in my office was a girl of that kind. She just got out of high school. Her father died. He was a veteran of the Civil War. She had to make a living for her mother and herself. She came into my office. For ten years she was with me. She could handle absolutely every question that came up in that office. I think out of my thirty years' experience I have never had any one as efficient as that girl. The government swiped her from me during the war as head of an efficiency department in the treasury at Washington. She drifted from that into the life of a Finlander and today she is rasing little Finns down in Washington.

There is the drifting of mankind and womankind, if you please. What does the boy in high school know of the business he wants to engage in? He has to drift and shift until he learns by actual experience and contact what kind of an education he wants and where to go. That is a preliminary now to the question of whether we should have a national school of abstracting. Abstracting is a class of business that is done differently, never indifferently. It needs a technical knowledge, it needs a practical knowledge more so probably than any other line of business, to become proficient. The question arises as to whether you can get that, in the first place, in a curriculum of any school. If you establish a national school of abstracting where are you going to locate it? There is no place in the United States that you can put it so it will be available to the people who want to avail themselves of it, because they are a class of people who, as a rule, are young and must make their living as they go along. They haven't

money to go off to distant parts of the same country and spend several years in that line of education.

Abstracting is largely a local question. Our laws in the state are different as to control of property. The knowledge we must have is of that particular state, sometimes of that particular locality. A great deal of the knowledge that must come to the abstractor is knowledge of his own peculiar conditions in his own locality. You know and I know that we carry here millions of things that are never indexed; they can't be indexed. You can't put a card index on them. It is almost impossible to take a man and put him through a curriculum of any school or college and give him an education that will put him in the abstract business. He absolutely has to have a certain part of that practical knowledge. I think a better way to do that would be through the law schools in all of your states. They are available to people in every community. They ought to provide a course for the man who wants abstract knowledge. Give him real estate law; give him law governing the states and the laws of your own particular state in which he is going to operate. Then let him come home and go into some office and get the practical end of it and combine it with the theoretical part which he got in college and then you have a real abstractor.

Another question that comes into my mind with regard to whether we need a school of abstracting is there a tendency toward consolidation of all businesses in existence. I think it is for the best. I know of a good many communities where the abstract business is consolidating. That is, eliminating a whole lot of people in the business. Title insurance is eliminating a lot of people in the abstract business, but there is a lot of people who ought to be eliminated; we all agree on that, but we can't just exactly agree which is the fellow who ought to be eliminated. That sometimes comes home and becomes pertinent to our own personality and our views may be different from the other fellow's views. If you take almost any town or county seat you will find more abstractors there than they ought to have.

In my town there are six offices which grew out of mine, but I am going just the same. There is a tendency to consolidate there. It is talked about. Personally I am of the opinion that that should be accomplished in every locality; eliminate your overhead. Sometimes we find people naturally fitted for things, who do things better than anybody else regardless of education. That seems to be some natural ability.

The best take-off man was a deaf and dumb tramp I picked up. He stayed with me for four or five years before the wanderlust hit him again and he went off. He had a handwriting that looked like scribbling. He had a brain

that worked and he could neither hear nor talk, and he never took any time off for talking or listening; he worked, and his books are the pride of our office today; in the thirty years of experience we have never had anything in the office that held a candle to them at all as to efficiency and as to appearance. That is the exception that nature brings on occasionally.

I have in my own community a man who can neither walk nor talk, who has made a magnificent success at raising garden vegetables; yet we find able-bodied and able-minded people grunting and complaining because the world don't give them a living. That fellow goes out on his hands and knees and scratches for it in the garden patch; loads it into an automobile, puts an extension on his abbreviated limb; drives around to market at five and six o'clock in the morning. He can't talk, but believe me he drives a close bargain with the grocery man. That is efficiency. That is what we need in the abstract business.

"When is the opportune time for the abstractors in any locality to discontinue the making of abstracts, and issue only title policies?" The wording of that question may mean three different things. The word "only" in there means he should absolutely discontinue the other business and issue only title policies. Now there are two ways that may come, one when he may take on time title insurance as a supplement to the abstract business, and the other when he must eliminate the abstract business and take on only the title insurance business.

Incidentally, I have been connected with title insurance in a small way for six or seven years, and I want to say to you frankly that with all my efforts I have never been able to sell but two insurance policies in my county. Why? Because everybody has abstracts and nearly everybody has an opinion and nearly all the titles are good. By the way, did you ever stop to think about how few bad titles there are in the world? It is astonishing, gentlemen, how comparatively few there are.

From the fact now that most titles are good, I think the time must come when title insurance rates must be downward before you reach a public demand.

Last week I tried to sell a title insurance policy in my country for a mortgage for \$30 premium, out of which I got nothing. I eliminated my part of it, and yet I didn't sell it, because the man had my previous opinion attached to the title that it was good, and he said he would stand on that. There was a little defect in the title but there was no chance of insuring it. In one clause the man had willed the real estate to his only son. Then in a later clause in the will he made the modification that if the son died without issue the proceeds were to go to the county farm. My standpoint was it was good on the first grant and could not be modified except in that clause, but taken up in a subsequent clause it was a secondary issue. The title insurance company took the same view.

In the rural communities it is going to be a hard question to decide when you shall drop your abstracts and take up only title insurance. I would be very glad to do it; yet my clientele is going to have to be educated, and they have been educated. For six or seven years I have been talking title insurance; they are not interested. The local attorneys are not interested. Why? Because they get fees for examining titles that have been passed on by others and are known to be good. I don't know what the experience of you people is with attorneys, but I found them to be a very narrow class of people when it comes to giving up fees. There is one thing that must be eliminated. There is one thing you must get out of the way. You must get the opinion. You must get the local attorney on your side before you can sell very much title insurance, because the client is going to his lawyer and say, "What do you think about the title insurance company?" I don't know what must happen in local rural communities. Most of the people have abstracts. It is just a question of bringing them down a little further.

"IS IT ADVISABLE FOR MORE THAN THREE GOING CONCERNS TO ISSUE TITLE INSURANCE IN A GROWING CITY OF 300,000?"

By E. C. Wyckoff, Solicitor of the Fidelity Union Title & Mortgage Guaranty Co., Newark, N. J.

MR. E. C. WYCKOFF (Fidelity Union Title & Mortgage Co., Newark, N. J.): I am not going to answer the question, gentlemen. I have found myself at a loss to put down in very definite terms my thoughts on that question. Again, it seems to me it is a question which depends upon locality. It also seems to me it is a question of business judgment, also somewhat a question of viewpoint.

If I was in an existing title company in a community of that size, I would

probably wish to discourage the organization of another title company, or if I was one of the two, I would like to join forces with the other man and discourage the third one. If I was considering the advisability of organizing the third company in a community of that size, it seems to me I would want to determine about what the volume of business was in the community for title business. I would want to determine just about what strength there was in the other title companies, whether they

were giving satisfactory service or not, whether their rates were satisfactory, whether their personnel and business methods were such as to in all probability tend to permit them to hold the business which they had; whether their strength was sufficient to make them dangerous competitors and whether they would be apt to fight back with fair methods or whether they would take the matter indifferently.

It seems to me all of those elements would enter into the question, and if the volume of business which was open to be picked up by the third company was questionable, I would not wish to go ahead with the organization of that third company in a city of that size. We have varying conditions around this country. Chicago has the monopoly. Philadelphia has sixty some odd title companies. New York has three in Manhattan proper who are doing business. They have four or five in Brooklyn, which is a part of the greater city of New York, and they have in the outlying boroughs or portions of the greater city individual companies.

For years in Newark we were the only ones. Today there are some six or seven title companies in Newark. In Newark, a city of some 500,000, we are still not fearful of competition because we got an edge on the rest of the crowd. We have a plant and they haven't. If I were thinking of investing money in Newark today in another title company, I would give it up as soon as I found out the facts which I know now. I wouldn't feel the field there was large enough for it. The tendency of today is for title companies to spring up with small capitalization and attempt to do business, thinking there is a lot of profit in the title game. If they are doing only a title business, they are going to wake up because there is no real money in purely title work. If you have some accessory to it in the way of guaranteeing mortgages, escrows and your other various lines of business which you have in the various localities, you can commence to make money.

I say there is no real money in the title business (that is true) until you



EDWARD C. WYCKOFF,
who discussed the possibilities of a
number of title companies in cities.

have been in business for many years, and you are working on what we in the trade sometimes call the velvet; that is the renewals. As soon as we commence to reach the stage where a majority of our business is renewal business, then we do commence to make some money, but not big money if it is purely title work.

After all, the answer to your question seems to me has to be a study of your local conditions and the advisability of starting your third company. I believe thoroughly that as time goes on the smaller companies will have to merge. The tendency in the future has to be on concentration in two or three larger companies in any large community. I believe there is going to be greater money in the business that way and greater stability of guaranty.

bond, but that it might be covered by insurance.

Insurance companies have had similar propositions submitted to them, but after careful consideration have thus far declined to undertake the risk, claiming that if the abstractor was protected against his own errors, he might become careless. Another reason given was that there would not be sufficient business to make it profitable for the insurance companies. It may be that if there is a considerable demand for this protection that some companies may be willing to re-consider, providing the volume of business is sufficient to make it profitable for them.

But why not carry your own insurance? You can do this by setting aside a certain percentage of the fees received for abstracts as a reserve fund, out of which to pay losses and save the cost of insurance.

Our company has a reserve for losses and has had for many years, out of which we have paid for errors in abstracts of title and losses sustained in cases where we have guaranteed the title.

The next topic "The best method to pursue in organizing a title insurance company to do a state-wide business, and is it feasible to have the State Title Association sponsor such a company."

Title insurance companies do not prosper excepting in the larger cities. In the smaller communities you will find considerable opposition on the part of lawyers to a title company. The success of any title insurance company depends largely upon its financial responsibility, its disposition to assume reasonable risks, render prompt service and meet its losses promptly.

If there is in your own state a reliable and responsible title insurance company with a sufficient capital, why not arrange with that company to undertake a state-wide title insurance business?

The Chicago Title and Trust Company is now prepared to undertake a state-wide business in our own state. We will furnish title insurance in Illinois. (Applause.)

If the application is made by an abstractor who is a member of the State Association and whose abstracts we can approve, we will examine the title in our own office and furnish title policies at the same rate we are charging in Cook County.

I do not deem it advisable to have the State Title Association sponsor a state-wide title insurance company, unless there is only one company in the state. If there is more than one company it would seem unfair.

"Would the country abstractor receive greater benefit from a title insurance company organized in his own state than from the entrance of a company from another state?"

He undoubtedly would receive better service from companies in his own

"INSURANCE PROTECTING AN ABSTRACTOR FROM LOSS THROUGH ERROR."

"ORGANIZING A TITLE INSURANCE COMPANY FOR A STATE-WIDE BUSINESS."

"SHOULD A STATE ASSOCIATION SPONSOR SUCH A BUSINESS."

By J. M. Dall, Vice President, Chicago Title & Trust Co.

MR. J. M. DALL (Vice President, Chicago Title and Trust Company, Chicago, Illinois): Mr. Chairman, ladies and gentlemen: It is practically impossible for anyone connected with our company to find the time necessary to prepare for a discussion on any subject, owing to the tremen-

dous rush and volume of our business.

Two topics have been assigned to me. One: "Insurance protecting abstractors against loss through an error in an abstract compiled."

I have been informed by representatives of various surety companies that this cannot be covered by a surety

state, as they would be more familiar with the laws, could render more prompt and efficient service, and it would be more simple to have such a company defend the title if attacked.

I believe that only the company or companies in your own state should be considered for the reasons stated.

DISCUSSION

MR. W. H. PRYOR (Pryor Abstract Co., Duluth, Minn.): I would like to ask Mr. Dall what provision is made in case he buys title insurance indemnifying him against inaccurate evidence, or how he protects himself against losses that he sustains on account of errors made by the local abstractor.

MR. J. M. DALL: It has always been our practice to examine the title in our own office, and have our own attorneys check the abstract with the records. This new departure of accepting abstracts from local abstractors means that we would only accept abstracts made by members of the state association, whose abstracts we can approve.

MR. W. H. PRYOR: There is another question I would like to ask, and that is whether Mr. Dall would consider it a feasible proposition for a title insurance business without owning any title insurance plant whatsoever. In other words, suppose a company were to organize in the city of Chicago, and advertised they would insure titles anywhere in the state of Illinois and would have no title plant whatsoever in the state, relying entirely upon the local companies.

MR. J. M. DALL: No sir.

M. LINDOW (Union Title & Guaranty Co., Detroit, Mich.): I would like to ask Mr. Dall a question. He didn't give his reasons as to why it wouldn't be good policy for a state title association to sponsor a title company. I am asking this question because a resolution was passed during the last five minutes of the Michigan Title Association's last meeting. It was that the state association should look into the matter and report back at the next convention with regard to sponsoring a state title company in which the various abstractors would partake and run. I would like to know your reasons why you feel it is not good policy where there are legitimate companies in the field.

MR. J. M. DALL: Are there companies writing title insurances who are members of your state association?

MR. E. H. LINDOW: Yes.

MR. J. M. DALL: It seems that the state association could not in fairness sponsor any particular company.

MR. H. C. SOUCHERAY, (St. Paul Abstract Co., St. Paul, Minn.) I would like to ask Mr. Dall what percentage of premiums should be set aside for a loss reserve.

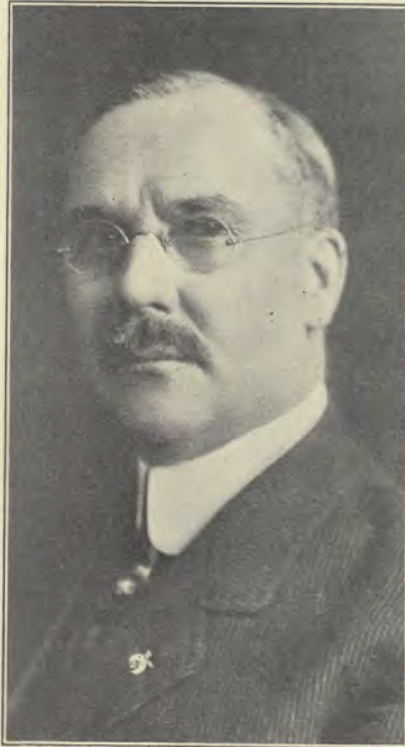
MR. DALL: Five per cent of guaranty policy fees and some small reasonable per cent of the abstract fees.

MR. R. McLAIN (American National Co., Oklahoma City, Okla.): I

would like to ask Mr. Dall what size capital stock does it occur to him would be a satisfactory amount with which to establish a title company. What would you consider as a minimum before it would attract people who relied on title insurance for state-wide insurance?

MR. J. M. DALL: That would depend upon the community in which the company proposes to do business. In some states the capital should be large. In other states where the volume of business is not so great, the capital might be smaller.

MR. R. McLAIN: Do you think a company with \$200,000 or \$300,000



J. M. DALL,
Chicago, Ill.,

Mr. Dall has a keen interest in the Association, and was a helpful participant in the program.

could undertake to go into the title insurance business in any state?

MR. J. M. DALL: That would depend upon the size of the community and the volume of business.

MR. R. McLAIN: Would \$500,000 be all right?

MR. J. M. DALL: That amount would be better.

MR. J. E. POTTER: (Potter Title & Trust Co., Pittsburgh, Penn.): Is it proper for a title insurance company to issue a policy in excess of the capital and surplus?

MR. DONZEL STONEY: (San Francisco, Cal.): Do the people in the east at any time reinsure in any other companies as they do in California? We are not permitted to issue a policy in excess of admitted assets unless we reinsure within a reasonable time.

MR. J. E. POTTER: That is our rule.

MR. D. STONEY: I would like to ask why an interior title company should have a large capital if it can arrange with a large metropolitan title insurance company for reinsurance.

MR. J. M. DALL: If you can obtain re-insurance on a satisfactory basis it might not be necessary.

MR. D. STONEY: The Western Title Company has a capital of \$340,000. We have a regular rate for re-insurance. If at any time they want to issue a policy for more, they issue it and we reinsure, or they use what we call a joint policy with our names attached, joining the two companies in the reinsurance. In other words, as I see it, it might be prohibitive for a small local company to have a large capital. If they have the right affiliation there is no difficulty in handling all the business that comes before them.

MR. J. M. DALL: It depends largely upon the volume of business, the amount of insurance required and the size of the community. We have frequently been requested to consider the proposition of re-insuring policies issued by smaller companies in other states, but we have never been able to figure out a satisfactory plan with respect to the premium to be charged.

MR. J. H. SMITH: Is it a fact that your company as well as many other title insurance companies, as fast as their volume of business increases, are constantly increasing their capital stock? In other words, I mean they are constantly putting behind the policy-holder more money all the time. Is that a fact?

MR. J. M. DALL: That is true. We are issuing so many large policies that we feel the policy-holder should be protected by ample capital and assets.

MR. J. H. SMITH: That is true of title companies because I observed it all over the United States. I happen to be familiar with our own company. I am very familiar with Mr. Dall's company. I can remember when their capital was \$2,500,000, and today it is \$12,000,000, which shows the Chicago Title & Trust Company or any other title insurance company increasing its capital is constantly making the policy-holder's policies better and is putting more capital behind the policies. That is our position in Kansas City. The next time we increase the capital stock we are going to increase it one-half million and make it one million and one-half instead of one million. You have to be constantly putting more money behind the policy-holder.

MR. J. E. POTTER: I was quite interested in the answer to your question as to the rate of reserve. We put away three per cent of the gross receipts of the title department. Out of that we pay all of our losses, and

the balance goes in the reserve. We found that is safe.

MR. DONZEL STONEY (Title Insurance & Guaranty Co., San Francisco, Cal.): In 1915 we started writing insurance on any kind of evidence supplied by a member of the land and title association. Our experience is we have collected between \$250,000 and \$300,000 in premiums. We have paid out between \$3,000 and \$4,000 in losses. We have always made it a rule in our company to set aside two and one-half per cent of the premiums for title insurance for a contingent liability fund, namely, arbitrarily taking that out of undivided profits to provide for claims when they arose. We think we were fair in our estimate, and our funds for contingent liabilities is increasing.

We have always figured a title insurance company does two things. It renders a service in addition to assuming a risk. The large expense is connected with the rendering of the service. Of course, we don't make abstracts for the public. We don't make certificates. We simply make a report on the title and issue a policy of title insurance. We have always considered that ninety per cent of the fee which we collect belongs to service and ten per cent of it belongs to risk. You realize a title insurance company is not like other insurance companies. Insurance companies ordinarily are gambling on the future. What we are doing is gambling on the past after we take a look (laughter) so the insurance feature is minimized. If you get that into your minds you will realize that while we base our premiums on values it is a mere arbitrary schedule to cover the expense of handling a completed transaction. I think it is fair to say that at least ninety per cent of it should be attributed to the labor and service rendered.

SECRETARY HALL: Every abstractor feels he is confronted with a problem of how he can eventually get a title insurance connection. I think there are more people in the room today thinking about that than any other subject, and I want to just sound a warning right here. Title insurance is going to come as a universal proposition. There is no question about that. We might just as well realize it as not. Some system is going to be provided within the next few years. If it is to be a sound system it must come from the title insurance men and the title insurance companies that are in business today. It has always been held that an abstract or title insurance business was akin to a gold mine and that every abstractor or anybody in the title insurance business should be riding around in a Packard. That has gotten to be more so in the past few years. Within the past six months there have been a number of promotion companies started over the country by men who know nothing about the title insurance business or

the title business, and they are attempting to make some kind of an underwriting arrangement with the local abstractor as a means of selling promotion stock. They nearly always try to sell stock to the abstractor. I prophesy within the next year or two years there will be these things spring up like mushrooms. Whether or not they make the success or whether or not they go is going to be whether or not the title men are fooled by them, and nothing else. Many are going to go into this and a few have already. I know of three companies that have organized within the past six months and are trying to work, and all of them are trying to sell stock to the local abstractor; getting him to be their agent under fat promises.

The thing that I want to sound right here is that the present country abstractor, county or inland abstractor, or any of the other species that you are, wants to sit tight and give the title insurance companies and the title men of the country today a chance to work this thing out. They are going to do it, and with the start that has been made in California, and the way it is spreading in other places, let us all sit tight until this thing is founded on the principle it ought to be founded upon and on the basis it should be, and not get excited or worried, because there is a demand for title insurance in our locality now and we can't fulfill it.

The title insurance companies, like the abstractors, have heretofore and up until the last few years considered they had a world of their own, with a Chinese wall built around their own respective county, and they showed no interest to go outside. They have opened the gates in several instances and are going to continue to do it, but there is a demand for title insurance, and likewise the title companies and the title men that are in business now have a serious problem confronting them in furnishing this facility. If they do not, then these companies, these already existing corporations of various kinds or newly organized companies, are going to organize to go into the underwriting business for title insurance. I don't think we need to worry about this or get excited, but give the people who are in the business a chance. They have it on their minds. The insurance people have it on their minds, and the country abstractor has it on his mind more important than any other thing. Just as sure as you are alive, within the next year or two they are going to work out something.

The nature of the abstract business is enough in itself to show the impracticability of and no necessity for teaching "abstracting" in schools.

Insurance for abstractors to protect them against loss from their own carelessness, negligence or error seems a pipe dream.

Insurance companies give no encouragement and consider it a thing not to be considered. They say it is not feasible, profitable or possible to issue insurance against a man letting up on his own carefulness or sincerity of purpose of an error even in his customary carefulness.

Other business, or professions with similar problems guard against it by providing their own insurance in the form of a reserve.

The title insurance companies set aside a portion of premiums for losses, and abstractors would do well to do the same.

One abstract company has built a substantial fund for this in a novel way as told in TITLE NEWS sometime ago, by having a building and loan association credit all its abstract bills to a fund in its association.

There has arisen a question on membership that comes from the differences in ideas from the various state associations.

There are a few of them that believe the purposes of a title association are varied and more than particularly and solely title. They take in examiners, representatives of the building and loan associations, mortgage loan companies, members of state government administrative departments, and others, with the idea of building up a good will for title matters and title people. This of course has its objects and good points.

Others however contend that a title organization should be only for exclusive titlemen, and those actually and largely in the title business.

If others are to be taken in for the good of the cause, they argue that provision should be made for an affiliated or associate membership and they only taken into such divisions.

Many secretaries reported that several prospective members replied they did not care to join as it would do them no good, they not having any competition and it was not necessary to go to any expense of belonging to any association, advertising or anything much.

Those in Attendance at Mid-Winter Meeting, Chicago, February 5-6

ARKANSAS.

O. M. Young
Vice President and General Counsel, Guaranty
Abstract and Title Insurance Co.
Vice President, Arkansas Land Title Association.
Fort Smith

Elmer McClure
Secretary and Manager of Little Rock Abstract
and Guaranty Co.
Secretary and Manager, Little Rock Title In-
surance Co.
President, Arkansas Title Association.
Little Rock

Geo. F. Buzbee
Manager of Saline County Abstract and Guar-
anty Co.
Secretary, Arkansas Land Title Association.
Benton

CALIFORNIA.

Donzel Stoney
Manager, Title Insurance and Guaranty Co.
Chairman, Title Insurance Section, American
Title Association.
San Francisco

COLORADO.

Edgar Jenkins
Manager, Arapahoe County Abstract and Title
Co.
Secretary, Colorado Title Association.
Littleton

Golding Fairfield
Vice President and Attorney, The Title Guaranty
Co.
Chairman, Title Examiners' Section, American
Title Association.
Denver

INDIANA.

J. R. Morgan
President, Johnson Abstract Co.
Kokomo

Charles E. Lambert
Lambert Title Co.
Secretary, Indiana Title Association.
Rockville

John F. Meredith
President, Delaware County Abstract Co.
President, Indiana Title Association.
Muncie

ILLINOIS.

Ben F. Hiltabrand
McLean County Abstract Co.
Bloomington

J. M. Dall
Vice President, Chicago Title and Trust Co.
Chicago

W. A. McPhail
Secretary, Holland-Ferguson Co.
Secretary, Illinois Abstracters Association.
Rockford

IOWA.

Jansen Haines
Southern Surety Co.
Des Moines

Anthony H. Rutgers
Southern Surety Co.
Des Moines

Cyrus B. Hillis
Secretary, Des Moines Title Co.
President, Iowa Title Association.
Des Moines

O. N. Ross
President, Sioux Abstract Co.
Vice President, Iowa Title Association.
Orange City

KANSAS.

Fred T. Wilkin
Member, Security Abstract Co.
Independence

F. M. Rogers
Secretary, The Rogers Abstract and Title Co.
Secretary-Treasurer, Kansas Title Association.
Wellington

Pearl Koontz Jeffreys.
Member, Advertising Committee American Title
Association.
Columbus

KENTUCKY.

W. L. Rogers
General Counsel, Federal Land Bank.
Louisville

MICHIGAN.

Emma Stoeckert
Monroe County Abstract Co.
Secretary, Michigan Title Association.
Monroe

Geo. E. Wedthoff
Treasurer, Northern Title and Trust Co.
Bay City

Mrs. Geo. E. Wedthoff
Bay City

Edwin H. Lindow
Vice President, Union Title and Guaranty Co.
Chairman, Membership Committee.
Member, Advertising Committee, American Title
Association.
Detroit

Lawrence C. Diebel
Assistant Vice President, Union Title and Guar-
anty Co.
Detroit

Harry M. Krull
Assistant Secretary, Union Title and Guaranty
Co.
Detroit

Clinton Berry
Assistant Vice President, Union Trust Co.
Detroit

Ray Trucks
Lake County Abstract Co.
President, Michigan Title Association.
Baldwin

MINNESOTA.

W. H. Pryor
Vice President, Pryor Abstract Co.
Member, Advertising Committee, American Title
Association.
Duluth

E. D. Boyce
Manager of Blue Earth County Abstract Co.
Secretary-Treasurer, Minnesota Title Association.
Mankato

V. E. Erickson
Aitkin County Abstract Co.
President, Minnesota Title Association.
Aitkin

C. E. Tuttle
Henry C. Soucheray
Treasurer, St. Paul Abstract Co.
Chairman, Judiciary Committee, American Title
Association.
Hastings
St. Paul

MISSISSIPPI.

M. P. Bouslog
President, Mississippi Abstract Title and Guar-
anty Co.
Member, Executive Committee, American Title
Association.
Gulfport

MISSOURI.

J. A. Riley
Manager, Schuyler County Abstract Co.
President, Missouri Title Association.
Lancaster

John Henry Smith
President, Kansas City Title and Trust Co.
Kansas City

Jas. M. Rohan
St. Louis County Land Title Co.
Vice President, Missouri Title Association.
Clayton

NEBRASKA.

John Campbell
President, Midland Title Guarantee and Abstract
Co.
Omaha

R. M. Barney
W. W. Barney & Son.
President, Nebraska Title Association.
Kearney

Guy E. Johnson
Hamilton and Johnson.
Secretary-Treasurer, Nebraska Title Association.
Wahoo

(Continued on page 35.)

- Henry J. Fehrman
Attorney, Peters Trust Co.
President, American Title Association.
Omaha
- Ed. F. Daugherty
General Counsel, Federal Land Bank.
NEW JERSEY.
Omaha
- Edward C. Wyckoff
Solicitor, Fidelity Union Title and Mortgage Guaranty Co.
Treasurer, American Title Association.
NEW YORK.
Newark
- H. R. Chittick
Solicitor Lawyers Title and Guaranty Co.
Chairman, Committee on Constitution and By-Laws, American Title Association.
New York City
- H. J. Davenport
President, Home Title Insurance Co.
President, New York State Title Association.
Brooklyn
- Fred P. Condit
Vice President, Title Guarantee and Trust Co.
Treasurer, New York State Title Association.
Member, Executive Committee, American Title Association.
New York City
- OHIO.**
- Theodore Kemp, Jr.
Kemp Abstract Co.
Secretary and Treasurer, Ohio Title Association.
Newark
- Fred A. Hall
Assistant Vice President, Land Title Abstract and Trust Co.
Cleveland
- J. L. Chapman
Secretary, The Land Title Abstract and Trust Co.
Member, Executive Committee, American Title Association.
Cleveland
- Arthur C. Longbrake
President, Real Estate Abstract Co.
Member, Committee on Advertising, American Title Association.
Toledo
- OKLAHOMA.**
- J. W. Woodford
Vice President, Title Guarantee and Trust Co.
Vice President, American Title Association.
Tulsa
- Ray McLain
Vice President, American National Co.
Chairman, Abstractors Section, American Title Association.
Oklahoma City
- OREGON.**
- Walter M. Daly
Vice President, Title and Trust Co.
Member, Executive Committee, American Title Association.
Portland
- PENNSYLVANIA.**
- John E. Potter
President, Potter Title and Trust Co.
President, Pennsylvania Title Association.
Pittsburgh
- W. J. Snyder
Title Officer, North Philadelphia Trust Co.
Chairman, Special Committee in charge 1926 Atlantic City Convention.
Philadelphia
- Henry C. Bare
Title Officer, The Merion Title and Trust Co. of Ardmore, Pennsylvania.
Secretary of Pennsylvania Title Association.
Ardmore
- TENNESSEE.**
- Joseph R. West
Vice President and Examiner, The Guaranty Title Trust Co.
Chairman, Legislative Committee 4th Division.
Nashville
- J. Mack Whitsitt
Vice President, Manager, Guaranty Title and Trust Co.
Member, Executive Committee, American Title Association.
Nashville
- TEXAS.**
- Lewis D. Fox
President, Home Abstract Co.
Vice Chairman, Abstractors Section, American Title Association.
Fort Worth
- Tom Dilworth
President, Dilworth Abstract Co.
Chairman, Advertising Committee, American Title Association.
Waco
- Tom M. Scott
Scott Title Co.
Paris
- WISCONSIN.**
- John M. Kenney
Dane Abstract of Title Co.
Secretary, Wisconsin Title Association.
Madison
- W. E. Furlong
Counsel, N. W. Mutual Life Insurance Co.
Milwaukee
- Frank A. Lenicheck
Vice President of Citizens Abstract and Title Co.
Milwaukee
- WASHINGTON.**
- Jos. F. Hunt
Treasurer Spokane Title Co. and Northwestern Title Insurance Co.
President, Washington Title Association.
Spokane
- Worrall Wilson
President, Seattle Title Trust Co.
Chairman, Committee on Co-operation, American Title Association.
Seattle

Topics Presented on Program of Mid-Winter Conference, 1926

"Obtaining New Members without Placing the Entire Burden on the Officers of State Associations," Henry J. Davenport, president New York State Title Association, Brooklyn, New York.

"Membership Dues for State Associations"; "How to Get Old Non-Members into the Association," Forrest M. Rogers, secretary, Kansas Title Ass'n., Wellington, Kansas.

"How to Keep Old Members from Dropping Out"; "Why Abstractors Refuse to Join State Association, and How Their Interest May be Aroused," George F. Buzbee, secretary, Arkansas Land Title Association, Benton, Ark.

"What are Qualifications of State Association Members?," John M. Kenney, secretary, Wisconsin Title Association, Madison, Wis.

"State Activities Between Annual Meetings of the State Association, Aside from Membership Campaigns," E. D. Boyce, secretary, Minnesota Abstractors' Association, Bemidji, Minn.

"Should State Associations in 'Abstract' States Try to

Get Title Examiners as Members, or Should Title Examiners Join the Association Direct?," Cyrus B. Hillis, president, the Iowa Title Association, Des Moines, Ia.

"Are Bulletins Issued by State Secretaries Worth While?," Chas. E. Lambert, secretary, Indiana Title Association, Rockville, Ind.

"How to Get Attendance at State Conventions?," G. E. Johnson, secretary, Nebraska Title Association, Wahoo, Neb.

"Is it the Province of the State Association Officially to Notice or Suggest Fee Scales?," Lewis D. Fox, Vice Chairman Abstractors' Section, American Title Association, Fort Worth, Texas.

"How to Arouse in Every Member of Every State Association a Personal Interest in the American Association," John E. Potter, President, Pennsylvania Title Association, Pittsburgh, Pennsylvania.

(Continued on page 36.)

"Surety Companies Attempting to Do a Title Insurance Business"; "National Title Insurance."

"State-Wide Title Insurance"; "Is State-Wide Title Insurance a Benefit to the Country Abstractor?", John Henry Smith, president, Kansas City Title and Trust Company, Kansas City, Mo.

"The Best Method to Pursue in Organizing a Title Insurance Company to Do a State-Wide Business, and Is It Feasible to Have the State Title Association Sponsor Such a Company?"

"Would the Country Abstractor Receive Greater Benefit from a Title Insurance Company Organized in His Own State Than from the Entrance of a Company from Another State?", J. M. Dall, vice president, Chicago Title & Trust Company, Chicago, Ill.

"Re-Insurance of Large Risks Among Several Companies"; "Standardization of Forms," Harry C. Bare, Secretary, Pennsylvania Title Association, Ardmore, Pennsylvania.

"Should a National School of Abstracting be Established?", J. R. Morgan, president, Johnson Abstract Co., Kokomo, Ind.

"A National Advertising Campaign of Educational Nature," Harry C. Bare, secretary, Pennsylvania Title Association, Ardmore, Pa.

"Insurance Protecting Abstractor Against Loss Through an Error in an Abstract Compiled," J. M. Dall, vice president, Chicago Title & Trust Co., Chicago, Ill.

"When is the Opportune Time for the Abstractors in Any Locality to Discontinue the Making of Abstracts, and Issue Only Title Policies?", J. R. Morgan, president, Johnson Abstract Co., Kokomo, Ind.

"Is it Advisable for More Than Three Going Concerns to Issue Title Insurance in a Growing City of Three Hundred Thousand?", Edward C. Wyckoff, treasurer, American Title Association, Newark, N. J.

"Rebates and Commissions," John Henry Smith, president, Kansas City Title & Trust Co., Kansas City, Mo.

LAW QUESTIONS AND THE COURTS' ANSWERS



Compiled from Recent
Court Decisions by

McCUNE GILL,

Vice-President and Attorney

Title Guaranty Trust Co., St. Louis, Mo.

Where the legal title is in one person who holds in secret trust for others, can they sue him in partition?

Yes. Holder of undivided equitable interest can sue holder of legal title. *Comer v. Landrum*. 277 S. W. 743 (Texas).

Can the Probate Court order a guardian to execute a lease extending beyond the minor's majority?

Farm lease, no; oil lease, yes. *Scott v. Oil Co.* 239 Pac. 887. *Billy v. McGill*. 240 Pac. 119 (Oklahoma).

Is a partition suit between life tenant and remainderman good?

No. But a suit between the owner of one undivided interest not subject to any life estate, against the life tenant and remainderman owning another undivided interest, is good. *Byars v. Howe*. 276 S. W. 43 (Missouri).

Is one state obliged to recognize an adoption in another state?

No. And will not so recognize it if the adoption laws of the two states differ. *Exparte Cline*, 105 Southern 686 (Alabama).

Land is conveyed to the husband and wife as tenants by entireties (to survivor); the husband murders the wife; who owns the land?

The child of the couple as heir of the wife, even though the husband is merely imprisoned for a term of years. *In re Santourian* 212 N. Y. S. 116 (New York).

Where adopted child dies, does his property pass to his natural or to his adoptive parents?

To the natural parents and not to the adoptive parents, unless statute expressly so provides. *Dodson v. Ward*. 240 Pac. 991 (New Mexico).

Does a remainder to children, but if deceased to "their legal heirs," include the widow of a child?

No. *Trott v. Kendall*. 130 Atl. 878 (Maine).

What is the doctrine of "Ancient Lights"?

The rule that where an owner of two houses sells either, neither party can afterward build closer to the line than the original location of the houses. *Cerra v. Maglio* 131 Atl. 96 (New Jersey).

Does a purchaser of a mortgage from the mortgagee, take subject to a previously recorded assignment by the mortgagee to a third person?

It seems that the purchaser takes free of the assignment if he had no actual knowledge thereof, in Oklahoma, *Foster v. Augustanna* 218 Pac. 335; but the rule elsewhere is generally to the contrary, *Jones Mortgages* 837; hence the abstract or policy should be continued to date.

Is a deed to the "heirs" of a living person valid?

Not where there is no preceding life estate; and provision that the living person is to "retain possession and use during his life" does not create life estate. *Legout v. Price*. 149 N. E. 427 (Illinois).

Does a remainder to the "children" of second parties include an adopted child?

No. *Ahlemeyer v. Miller*. 131 Atl. 54 (New Jersey).

Does deed to college trustees "to be used for education and no other purpose" vest an indefeasible estate?

Yes. Even though it should cease to be used for such purposes. *Hale v. Quinn*, 130 S. E. 18 (North Carolina).