

TITLE NEWS

Official Publication

THE
AMERICAN TITLE ASSOCIATION

DO NOT REMOVE



VOLUME XXXI

APRIL, 1952

NUMBER 3

TITLE NEWS

Official Publication of

THE AMERICAN TITLE ASSOCIATION

3608 Guardian Building—Detroit 26, Michigan

VOLUME XXXI

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A N N O U N C I N G

FIFTH ANNUAL NATIONAL ADVERTISING CONTEST

for

MEMBERS OF THE AMERICAN TITLE ASSOCIATION

EXHIBITS TO BE DISPLAYED AT 1952 CONVENTION

Washington, D. C.

ALL MEMBERS ELIGIBLE TO ENTER

ENTER YOUR ADVERTISING IN CONTEST

1. To Give Other Members Advertising Ideas
2. To Win a Prize

For Purposes and Rules, See Following Pages

FIFTH ANNUAL NATIONAL ADVERTISING CONTEST
FOR
MEMBERS OF THE AMERICAN TITLE ASSOCIATION

1. PURPOSE - To stimulate advertising and publicity by the membership which will attract and increase business; to disseminate and exchange among the membership meritorious advertising and mediums; to sell the abstract and title profession to the public; and to make the members more conscious of the value of advertising and publicity.
2. RULES - The rules of the contest are as follows:
 - A. Members will submit 2 copies of all new advertising and publicity material, which they wish to enter, not later than August 15, 1952 - one to Harvey Humphrey, Vice-President, Title Insurance and Trust Company, 433 So. Spring St., Los Angeles 13, California, and one to James E. Sheridan, Executive Vice-President, The American Title Association, 3608 Guardian Bldg., Detroit 26, Michigan. Mr. Humphrey's material will form the Advertising Exhibit to be presented at the National Convention this fall. Prior to the report of the Committee on Advertising and Publicity, at that meeting, the committee members will vote on the material submitted and determine the winners of the contest. (NOTE: If only one copy of material is available, forward it to Mr. Humphrey. While National Headquarters would like to have a copy from which to select and reproduce outstanding examples in the Association Bulletins during the year, Mr. Sheridan has said, "The contest is first. If you have an additional copy to spare, of course we should like it at Headquarters.")
 - B. Companies wishing to prepare their own exhibits for the contest may do so. However, this material must arrive in Washington, D. C., not later than September 3rd, 1952, so that it may be included in the national advertising exhibit, and so that the committee may have the opportunity of considering such material at the same time they judge material submitted as in paragraph A above. It should be shipped prepaid to the Hotel Statler, Washington, D. C., Attention: James E. Sheridan, Executive Vice-President, "Hold for The American

Title Association Convention." Companies preparing their own exhibits and contest entries must notify the chairman of the committee, in advance, giving approximate space said material will require (for instance: one horizontal board, 4' x 8'; three vertical joined panels 30" x 40"; etc.) in order that the committee may anticipate the material and reserve space for it.

- C. Factors considered in making the awards will include the character of the advertising or publicity in selling the public on the title and abstract business; originality of approach; attractiveness of presentation; economy and comprehensiveness of coverage.
- D. In judging the material, the committee will divide it into the following classifications: (a) Newspaper and magazine advertising; (b) booklets, pamphlets, financial statements, etc.; (c) blotters; (d) direct mail campaigns, including letters and series of printed messages, etc.; (e) miscellaneous advertising, including novelties, gifts, etc.; (f) Business and office forms which carry advertising such as legal forms, office maps, policy or abstract covers, etc.; (g) publicity releases; (h) radio advertising; (i) house organ or company publications; (j) posters, display cards and exhibits.
- E. In submitting their entries, the members will furnish the following information:
 - (a) Newspaper and magazine advertising: Give the cost; estimate what coverage and or circulation advertisement had; if newspaper, state what day of week advertising ran and why; and state whether material was prepared with aid of outside advertising counsel.
 - (b) Booklets, pamphlets, financial statements, etc.: Give the cost; quantity, pertinent facts regarding the distribution; and state whether material was prepared with aid of outside advertising counsel.
 - (c) Blotters: Give cost; quantity and how distributed; and state whether material was prepared with aid of outside advertising counsel.

- (d) Direct mail campaigns, including letters and series of printed messages, etc.: Give the cost; object of the campaign; how the distribution was made; results if they can be estimated; what class of mail used; whether personally mailed or handled by direct mail agency; and whether mail was prepared with aid of outside advertising counsel.
- (e) Miscellaneous advertising, including novelties, gifts, calendars, etc.: Give the cost, quantity; name and address of manufacturer; how they were distributed; for what purpose distributed, for instance, Christmas gift, office opening souvenir, customer relations campaign, etc.; if calendars, did company representative hang calendars on customer's wall or leave with customer to hang; if calendars, what percentage of previous years' edition did company representative find hanging in offices when he delivered current year's calendars; conclusions as to results obtained by distribution of such novelties.
- (f) Business and office forms which carry advertising such as legal forms, office maps, policy or abstract covers, etc.: Give cost, give distribution and state whether material was prepared with aid of outside advertising counsel.
- (g) Publicity releases. State what coverage or circulation item had; state whether material was prepared with aid of outside public relations or advertising counsel.
- (h) Radio advertising: Give cost; period of time radio contract ran; days of week and times of day of broadcast; type of program sponsored; number of commercials in each program; sample transcript of commercials; state whether program was activity of company entering contest or whether it was a joint enterprise with other title companies in the area; conclusions on results obtained if possible; state whether material was prepared with aid of outside advertising counsel and give name of counsel; and statement of advertising counsel of its conclusions as to results.

- (i) House organ or company publication: Give the cost; describe circulation, indicating whether confined to company employees, stockholders, the public, or a combination of all three; state how distributed, whether personally or by mail; and state whether material was prepared with aid of outside advertising counsel.
- (j) Posters, billboards, display cards and exhibits: Give the cost; how they were used; estimate of number of readers, if obtainable; and, if exhibits, whether for window display, trade show, fair, etc.; and state whether material was prepared with aid of outside advertising counsel.

F. Prizes will be awarded at the Annual Banquet at the National Convention.

3. PRIZES - The Prizes to be awarded are as follows:

- A. A grand prize for the most effective advertising program of the year carried on by any abstract, title, or title insurance company in the Association. This trophy will be a perpetual trophy and will be held by the winning company through the following year. The company's name will be inscribed on the trophy and the company will also receive a plaque or certificate which it may retain permanently, as evidence of having received the award.
- B. An annual capital prize, consisting of a bronze plaque to the abstract company producing the best single ad, series of ads, publicity story, or series of publicity stories, during the year. This plaque will be held permanently by the company winning it.
- C. An annual capital prize, consisting of an identical bronze plaque to the title or title insurance company - whose combined capital and surplus exceeds \$1,000,000.00 or which employs outside professional advertising counsel - producing the best single ad, series of ads, publicity story or series of publicity stories, during the year. This plaque will be held permanently by the company winning it.

- D. An annual capital prize, consisting of an identical bronze plaque to the title or title insurance company - whose combined capital and surplus is less than \$1,000,000.00 and which does not employ professional advertising counsel - producing the best single ad, series of ads, publicity story, or series of publicity stories, during the year. This plaque will be held permanently by the company winning it.
- E. Certificates of Merit to the first, second and third prize winners for the best advertising ideas or campaigns, radio broadcasts or publicity stories in the classes described in paragraph 2, RULES, sub-paragraph D above.

All members are urged to participate. The new rule, 2 B, gives those members who wish to use their own ideas the opportunity of personalizing their material and a wider latitude in its display. Not only may all contestants win recognition for their advertising efforts but they may also help their fellow members by submitting just the idea for which they are looking.

COMMITTEE ON ADVERTISING AND PUBLICITY
The American Title Association

O. J. Allen, Jr., Pres., Allen Abstract & Title Company,
Albuquerque, New Mexico

O. A. Bell, Pres., The Security Abstract & Title Company,
Wichita, Kansas

William J. Faust, North Montana Abstract Co., Great Falls,
Montana

George B. Garber, Vice-Pres., Washington Title Insurance
Co., Seattle, Washington

M. S. Hewgley, Louisville Title Insurance Co., Cleveland,
Ohio

James E. Mayfield, Sec'y, Guaranty Title & Mortgage Co.,
Flint, Michigan

Albert F. Miles, Vice-Pres., The District Title Insurance
Co., Washington, D. C.

Committee on Advertising and Publicity (Cont'd)
The American Title Association

Donald C. Peek, Vice-Pres., Commonwealth, Inc., Portland,
Oregon

Thomas Quinn, Pres., Inter-County Title Guaranty & Mort-
gage Co., Floral Park, New Jersey

Harvey Humphrey, Chairman
Committee on Advertising and Publicity
Vice-President, Title Insurance & Trust Co.
Los Angeles, California

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REPORT OF NATIONAL PRESIDENT

JOSEPH T. MEREDITH, CHAIRMAN
President
Delaware County Abstract Company
Muncie, Indiana

It is a distinct pleasure to welcome you to the Mid-Winter Conference. There are many familiar faces here - and some who are attending a conference for the first time. To those, let me explain that this conference is informal. It is a down-to-earth discussion of our business. Feel perfectly free to enter into the discussions at any time, and if there is a particular problem you wish discussed, feel free to go to the discussion leader and request that it be put on the agenda; or just bring it up from the floor. The chances are you will get plenty of action, for I doubt that there is any problem which has not been met head-on by some of our people.

WE ARE MOVING AHEAD

As you listen to the reports of the various committees during this conference, and study the ramifications of the ordinary activities and the special promotions instituted since we were last together, you will come to the inevitable conclusion that your association is on the move.

It is easy for any trade association to become static - to accomplish the routine chores and go through the familiar motions. The proof of progressiveness lies in the new ideas generated in the membership and proposed by the leaders of the craft.

NATIONAL IN SCOPE

Our membership embraces 46 states and the District of Columbia. Naturally all the variations and idiosyncracies of title evidencing are represented. Thus our program can at best

be general and fundamental, striving toward uniformity and searching for the common ground.

PLANNING COMMITTEE

To insure that our goals will be kept in sight and our activities directed toward their achievement, ATA has wisely called upon a Planning Committee to suggest new avenues of endeavour and to re-affirm our basic tenants. The Planning Committee this year is composed of the following men:

Chairman--William Gill	Oklahoma City, Okla.
Exec. Vice-President, American-First Trust Co.	
William W. West	Philadelphia, Pa.
President, Commonwealth Title Co.	
A. W. Suelzer	Fort Wayne, Ind.
President, Kuhne & Co.	
Paul W. Goodrich	Chicago, Ill.
Vice-President, Chicago Title & Trust Co.	
Joe Jenkins	Kansas City, Kans.
The Guarantee Abstract Co.	
Earl C. Glasson	Waterloo, Iowa
President, Black Hawk Abstract Co.	
Leonard F. Fish	Madison, Wis.
President, Dane County Title Co.	
George C. Rawlings	Richmond, Va.
Exec. Vice-President, Lawyers Title Insurance Corp.	
George E. Harbert	Sycamore, Ill.
President, DeKalb County Abstract Co.	
Lawrence R. Zerfing	Philadelphia, Pa.
Vice-President, Land Title Bank & Trust Co.	

Ex-Officio members of the committee are the President, Vice-President, Treasurer, Executive Vice-President and Chairman of the Finance Committee of the Association.

Later we will hear a report from that committee. However, at the last meeting of this Board a motion was passed that a special committee of three from the Planning Committee review the reports of the Planning Committee heretofore made, and submit its findings and analysis to this Mid-Winter Conference. The motion further suggested the names of Gill, Glasson and Suelzer to serve on the committee, with which your President was in wholehearted agreement and the committee was appointed.

I know they met, for your President attended a part of the sessions they held in Chicago. Many things were discussed which will be reviewed to you by that committee.

PROGRESSIVE IDEAS

There were certain ideas upon which all were in agreement, and seemed to be of such importance that your officers began immediately to appoint committees to bring the suggestions to fruition.

The first was a committee to prepare a brochure on "State Association Management, Activity & Expansion."

STATE ASSOCIATION HANDBOOK

Many of you have been presidents of your state organizations and know the utter futility you felt when you first took over the direction of your association. What sort of a program of work should be instituted? How should you build the program? How might you interest your members who do not come to association meetings? How might you bring into the association qualified title people who had not joined before? These and many other questions entered your mind, and there was no place where you could turn for help.

This brochure is intended to meet this situation. It will not only outline the usual duties of the various officers of state associations, but it will contain successful methods of building a program of work. It will outline plans for enthusing the membership, for holding district meetings, for obtaining publicity for securing good public relations, and the whole gamut of activities a successful state association can pursue.

A large order, you say, but the following committee composed of:

Chairman--V. Hubert Smith	McAlester, Okla.
Manager, Pioneer Abstract Co.	
Preston D. Brenner	Philadelphia, Pa.
Title Officer, Land Title Bank & Trust Co.	
Marshall H. Cox	Cleveland, Ohio
Sec'y, Ohio Title Association	
Richard H. DeMott	Winter Haven, Fla.
General Mgr., Florida Southern Abstract & Title Co.	

Palmer Everts	New York, N. Y.
Sec'y, New York State Title Association	
Wharton T. Funk	Seattle, Wash.
President, Lawyers Title Insurance Corp.	
Melvin Josephson	Boone, Iowa
President, Boone County Abstract & Loan Co.	
Earl G. Kruse	Kiowa, Colo.
Sec'y, Elbert County Abstract & Title Co.	
Edwin D. McCrory	Houston, Texas
Exec. Vice-President, American Title Guaranty Co.	
M. E. McCurdy	Washburn, N. D.
President, Security Abstract & Loan Co.	
Hazel Parker	Los Angeles, Calif.
Ass't Sec'y, California Land Title Association	
John R. Parker	Lincoln, Ill.
Vice-President, Logan County Title Co.	
Marvin W. Wallace	Kingman, Kans.
President, Cragun Abstract Co.	

is enthusiastic over the possibilities of creating such a handbook. Many of them either are active Secretaries of State Associations or have been in the past, and their knowledge of what it takes to make the wheels go round in a state association precludes the possibility of any mediocre product. I am sure that they enter this work with the idea of making it the 'bible' of association officers for years to come. We shall indeed be indebted to them for this much-needed implement.

EMPLOYEE TRAINING

For several years we have been interested as an association in a more effective means of training our employees. Some of our large organizations can afford to do this in an adequate and successful manner. Most of our members either feel they do not have the time, or do not feel competent to make a dry subject interesting enough to hold the attention of their employees.

We have been indebted to William Gill for his Title Course, and more recently his Revised Title Course, which has been most helpful in training personnel. However, even with this guide, many members have not progressed their training program to a carefully conceived routine. I actually believe that most offices instruct the employee in only one certain task until they are moved to something else, and the over-all picture of the title business must be obtained by inquiry, repetition and absorption.

EMPLOYEE SEMINAR

So we are going to attack the problem from a new angle. A committee has been appointed to make an outline for an "Employee Seminar" to be conducted in connection with a district meeting or a state association convention. The committee will strive to come up with three or four such seminars, which may be held from time to time, when all the employees of many title companies can study the business together.

It is felt that by bringing the employees of various companies together that it will result in more interest being shown, and greater good being accomplished. The Seminar, as being presently considered, will last for one day, running through a luncheon and ending not later than 4 o'clock in the afternoon.

If the Seminars do what we believe they can accomplish, it would be possible to give the employees a good working background of the business during the course of a year or so, and at the same time establish cordial relationships between offices and companies not heretofore possible.

This committee under the Chairmanship of John P. Turner, Vice-President of The Kansas City Title Insurance Company, is composed of:

A. J. Yates	Geneva, Ill.
President, Kane County Title Co.	
Briant Wells	Los Angeles, Calif.
Vice-President, Title Insurance & Trust Co.	
Robert J. Jay	Port Huron, Mich.
President, St. Clair County Abstract Co.	
John B. Bell	Boise, Idaho
President, The Title Insurance Co.	
Thomas J. Lloyd	Pueblo, Colo.
President, The Pueblo Title Guaranty Co.	
E. M. Waldron	Fort Worth, Texas
Vice-President, Elliott & Waldron Title Co.	

You will all look forward, I am sure, to the product of this fine committee.

MINING MOVE GOLD

Past-presidents of ATA have been a little like past-

presidents of our country. They have a tremendous amount of know-how on craft-organization, yet there is no definite way of taking advantage of this knowledge. It is true that many of them have been consulted and some have assumed duties that keep them active in association affairs. But there is more gold in "them thar hills" than we have been mining. We are now proposing a Council of Past-Presidents, with recognized stature. This will be accomplished, if you accept your officers recommendations, by an amendment to our Constitution and By-Laws, creating the Council, and giving a representative of the Council a seat with the Board of Governors.

The officers of the Association may call on them for advice and help, and the Council may, on their own volition, bring recommendations to the Board through their duly accredited member.

Your officers feel that we would be most fortunate to have the active participation and thinking of this group of title men, most of whom have served with distinction on many committees in the past, and because of their prominence in the business and their executive positions in their own organizations, have time to devote for the advancement of the craft. We hope you will concur in this feeling.

HISTORICAL

Another suggestion of the Planning Committee, which has been echoed by members of the Association, is that we prepare for posterity a short history of the American Title Association. It has been forty-five years since our organization was established and many of our early members are deceased. The difficulty of securing information on the early years of our history will increase as time passes.

Your President has been reviewing our membership, trying to secure the right person to assemble and colate the necessary material. I thought I had succeeded in securing William H. Pryor, a Past-President who has retired and now lives in Fayetteville, Arkansas, to assume this chore, but his hometown has given him duties with their City Planning Commission and other civic assignments, which take all his time. Others, whom might have been helpful in this work are John McGregor, Hugh Shepard, Ed Wycoff, McCune Gill, Fred Condit and Jim Woodford. There are, no doubt, others who you will know, and

any suggestions which you may have about this History and those who might be helpful in its compilation, will be gratefully received. If you deem it desirable we will pursue the suggestion.

MEMBERSHIP MUST GROW

Now I would like to discuss with you our membership situation. As reported to you by Jim Sheridan our membership for the last six years has been as follows:

1946	1,969
1947	2,016
1948	1,966
1949	2,111
1950	2,053
1951	2,050

This demonstrates that our membership is more or less static. It does not reflect much aggressiveness on the part of the national or state associations. You must know, however, in considering this problem that with dual memberships in state and national associations, which exist in many of our states, that we are obliged and glad to accept for membership only those which are approved by the state associations. This means that we must attack the situation through the state associations where dual memberships prevail.

Through William R. Barnes, Chairman of our Membership Committee we have addressed all the Presidents and Secretaries of State Associations asking them to review eligible members within their state, including those who have dropped out for one reason or another, and attempt to secure for themselves and for the national association such new members. We expect to pursue this further by letters direct from my office and from George Harbert, Chairman of the Abstracters Section of ATA.

GREEN PASTURES

I feel that there are sections of the country where the organization of title people have not been made, perhaps not even attempted. There are a few states where membership has been restricted to a few large title companies, and, as far as I know, no effort has been made to bring into our craft association those who handle the title business in the less populated areas.

If our association is to assume the stature it deserves, it behooves us to spread our area of influence as completely over the country as it is possible. Certainly title evidencing is being handled, in some manner, in every section of the country, and we need to have those so engaged associated with us in our national program.

It is my purpose to urge the large companies in those states where no organization exists, to undertake to perfect some state association, to be affiliated with ATA, and to call an organization meeting during this year for that purpose. The national headquarters can assist in this program by mailing out propoganda to their prospective members, and by handling, if necessary the letters and mailing for the large companies. That, you might say, is an unfair burden upon the few companies in an unorganized state. The answer is that in every state there have been a few who, in the beginning, took the aggression and brought together for the first time those who became the embryo state association. It is a privilege for them to be accorded this honor, and, personally, I expect the fullest cooperation.

Few of our state associations pursue new members as much as they should. It is lethargy more than anything else, and with a little punching up by you members, in your own state organizations, I feel sure that our membership can be increased materially. I urge your honest effort along this line.

ABSTRACTERS REGIONAL CONFERENCES

You will be asked to approve another experiment, which has been suggested in the past, and which we will put to a test this spring. That is a regional meeting of abstracters, which George Harbert, Chairman of the Abstracters Section will explain to you in his report. It is another forward-thinking program designed to cement the relations between contiguous states and tighten the net-work of title people nationally. You will appreciate that in all of our endeavours this final goal, the strengthening of our national blanket of title people, is always kept in mind.

A NEW SECRETARY

During the greater part of 1951 our central office was inadequately staffed. We were without the services of an assistant to Jim Sheridan and there was some turn-over in other office personnel. During the last month we have secured a Secretary

in the person of Joseph H. Smith, who will give his complete time to our affairs. He is here at this meeting and most of you have met him. He has a background of legal training, being an attorney, with a pleasing personality which I feel will make him acceptable with our membership. He should be urged to attend as many state association meetings as possible, for I feel it is much better for our title people over the country to know with whom they are corresponding at the central office. When it was first decided to add a Secretary to the Central Office the idea was that he was to spend a large part of his time with the Abstracters Section. Since then the situation has changed somewhat and he will probably be used in all phases of Association work. The other help in the office has been shifted, but it is likely that the new activities will call for some additional help.

BETTER SERVICE

We are determined to get the routine affairs of the central office running so that prompt replies will come from your inquiries and the information to our members will go out promptly. There was some difficulty with the convention number of Title News, resulting from situations beyond our control as Jim will report to you. This is being corrected as of our current meeting.

It is our purpose to step up the services to all members of the association this year. You have heard some of these already explained and there are others being considered for the Title Insurance Section.

FINANCIAL PICTURE

Our finances are in splendid shape as you will hear from our Treasurer and from the Chairman of the Finance Committee. Last year we operated at a substantial profit due to unusual circumstances. During our current fiscal year our budget will be larger and our expenses higher. The money we collect from our members should be effectively used - and must be to warrant its acceptance. There is no desire to be extravagant with our funds - with the present complexion of the Finance Committee and the Executive Committee, I believe you will agree that this would be well-nigh impossible.

WASHINGTON CONVENTION

No doubt our Washington Convention will cost more than

the usual convention. We are expecting to entertain some of the personnel of the Federal Agencies with whom we do business. It is an opportunity which we do not often have and we should take advantage of it. The members of Congress will probably not be in Washington at the time of our convention, since it is an election year, but the service agencies of the government will be there.

PROGRESS TOWARD UNIFORMITY

We are making strides toward uniformity in our title insurance policies. Obstacles and legal hurdles must be overcome, but just as surely as we developed the ATA Mortgage Policy, we will eventually produce a Standard Owners Policy, with the help of our members and the section committees.

CHAMBER OF COMMERCE

As a member of the United States Chamber of Commerce we are entitled to nominate a regional Director. As far as I know, we do not have a candidate. We are represented at the meetings of the Chamber by Joseph D. Shelly, Vice-President of Chicago Title & Trust Company. It is possible that we may be asked by him to support some individual for Director, and I requested the authority of the Board to give him discretion in the matter.

TRADE PROBLEMS

Our members are having their problems throughout the country and we are attempting to help them with our advice and counsel. Wage & Hour violations have appeared, OPS trouble has cropped up, and in isolated districts there has been contentions with the local Bar Association on the unlawful practice of law. This is but to be expected with 2,000 members engaging in the title business all over the country. Your association is sympathetic to their problems and are giving them the advice which experience and sound practices dictate.

THE NATIONAL OUTLOOK

Business conditions during 1951 were excellent for our craft, and while we are in a historically slack period at the present time, the future looks bright for another good year. Restrictions will probably cause a decrease in new constructions,

but this will be partially overcome by accelerated building in critical defense areas.

Federal taxes continue to rip deeper holes in potential profits. Under the guise of defense many unnecessary appropriations are being made and our national budget reaches astronomical figures. Unabashed bidding for votes results in such proposals as federal grants of a 50% increase in unemployment payments, and other pork-barrel appropriations.

The answer is not easy to find. However, active and vocal disapproval by leaders in their respective communities, and pointed letters to your congressmen will have an effect. When the citizens express themselves with enough vehemence, Washington will listen - but the disapproval must be loud and general. When one dollar out of every three collected by the Federal government goes to pay for some sort of Social Security, we wonder if we are not on the wrong side of the counter.

EXTEND A WELCOME

At this meeting there will be many new state officers in attendance who have not attended former meetings. Make them feel welcome. I know you will see many of your cronies here and will want to spend as much time as possible in their company - but take some time to become acquainted with the newcomers and make them feel that they are a part of a happy, amiable, interested and cooperative craft.

APPRECIATION

Finally, permit me to express my sincere and deep appreciation of the fine help you have accorded me in my administration and solicit for the remainder of my term of office your continued devotion to the solution of our mutual problems.

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TITLE INSURANCE SECTION REPORT OF CHAIRMAN

LAWRENCE R. ZERFING
Vice-President
Land Title Bank and Trust Company
Philadelphia, Pennsylvania

Since the meeting of the Annual Convention at Colorado Springs, the Committee on Standard Forms was appointed under the Chairmanship of Benjamin J. Henley of San Francisco, California, the membership being Ralph H. Foster, Seattle, Washington, Frank Kennedy, Detroit, Michigan, C. H. Barsch, Toledo, Ohio, and R. W. Jordan, Jr., Richmond, Virginia. That Committee will report during the Conference as to the results of its meeting with the life insurance company representatives.

As a result of a suggestion made, a committee has been appointed to study the advisability of copyrighting of the Association's emblem and name. The Chairman of that Committee is Russell A. Clarke, Milwaukee, Wisconsin, and the members, H. Stanley Stine, Washington, D. C., William Garrett, Chicago, Illinois, Harvey Humphrey, Los Angeles, California, and Frank K. Stevens, Angleton, Texas. That Committee is expected to make its report on the desirability of copyright at our next Annual Convention.

A recommendation was also made that the Association furnish its members, at regular intervals, a report on the various laws and decisions which affect the title business generally. That job is being undertaken by the Judiciary Committee and it is hoped that within a few months the reports will be forthcoming, which will be of value to the membership.

The Committee asks that the members who have problems or suggestions which they wish discussed at the Washington Conference submit those as early as possible to the Chairman.

ABSTRACTERS SECTION REPORT OF CHAIRMAN

G. E. HARBERT

President

DeKalb County Abstract Company
Sycamore, Illinois

Gentlemen; since the Colorado Convention, the Abstracters Section has had many problems.

I think that our Number One problem is to obtain exemption from price ceilings. As you remember, this problem was reported to the Board of Governors at Colorado Springs. At that time we were taking a position of watchful waiting. Our dream was rudely shattered by the serving of five day notices on Abstracters in Illinois, Montana, New Mexico, Florida and other States and after considerable discussion it was the considered opinion of your President, James Sheridan, and myself that an informal petition should be filed with O.P.S. This was done in early November. Jim spent considerable time securing background material from all of you and the matter was personally presented to an officer of O.P.S. It is now under consideration by the Counsel for the Services Division. We have no way of knowing what the ultimate ruling on this petition will be.

At that particular time we also sent broadcast to all abstracters a recommendation that a limited filing be made in which they would reserve the right to maintain that we were not bound by the Act. I understand that many abstracters have now filed.

It has also come to our attention that in at least one case in Minnesota, an enforcement officer of the O.P.S. has visited an abstract company and assessed that company with a fine for an alleged violation of ceiling prices.

On the other side of the picture the wage stabilization program is inflicting a hardship upon our members, as most of

them are now by law prevented from raising salaries of the faithful employees who they feel are entitled to them. On their behalf we have taken up with the Wage Stabilization Board procedure for obtaining specific exemptions for individual companies and will shortly be able to broadcast to the abstracters a form upon which such petition can be written.

State-wise, two companies in Sioux City, Iowa, have had serious difficulties with an inspector of the Wage and Hours Division of the Government. At first it was their feeling that this matter should be litigated and at one time they were determined to secure the united action of the Iowa State Title Association and financial assistance from members of the National Association. As Chairman of the Section, I attended a meeting of the Board of Directors of the Iowa Association in December. After reviewing the question it was determined that it would be unwise for the Iowa State Association to participate in this and that further everything should be done to discourage the individual company from proceeding to actual litigation of this issue. This matter has now simmered down and I believe no litigation will be undertaken.

In the State of Florida an action has been commenced to enjoin a Title Company from carrying on certain practices which it is contended constitute the practice of law. It is hoped that through the Florida State Title Association this matter can be worked out so that the litigation will be terminated. It does, however, point to the necessity for arduous work for the improvement of proper relations between Title Companies and the Lawyer customers.

In Ogden, Utah, the companies have encountered some difficulty with the local recorder who has attempted to remove them from her offices. Through the National Association we have supplied them with an extensive brief on the subject and it is believed this matter can be disposed of satisfactorily.

In general, I would say that while the business of this Section remains satisfactory, our members are finding increasing difficulties in operating profitably, due to the abundance of State and National regulations. I think that the future of our Section will be subject to many problems and can only hope that we have reached the peak of Government interference in business and that there may be a turning point soon.

Title Insurance-wise, the use of title insurance is generally increasing through the splendid sales work of the larger Title Insurance companies. Relations between the title insuring companies and the abstracters are constantly improving. It is our sincere hope that this will continue.

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REPORT OF TREASURER

WILLIAM GILL, SR.
Executive Vice-President
American-First Trust Company
Oklahoma City, Oklahoma

Total collections from all sources for the year 1951 (This includes dues, blotter advertising, directories, Title News advertising, sale of Title Course, registration fees Annual and Mid-Winter Conferences and miscellaneous income.)	\$99,219.02
Total expenditures (salaries, supplies, postage, printing, etc.)	<u>69,107.78</u>
Leaving a net income of	30,111.24
During the year 1951 additional United States Savings Bonds were purchased and we now have invested in Bonds (Actual Cost)	109,298.00
As of December 31, 1951, we had cash on hand - General Bank Account	8,644.00
And Cash in the Reserve Bank Account of	550.00
Our Furniture and Fixtures are carried at	1.00
and on December 31, 1951, we had pre-paid expense amounting to	3,697.12

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REPORT OF JUDICIARY COMMITTEE

RALPH H. FOSTER, CHAIRMAN
President
Washington Title Insurance Company

Race Restrictions - Damages - Action for damages may be maintained against one who conveys to a negro in violation of mutual covenant not to do so. Correll v. Earley (Okla.) 237 Pac. 2nd 1017.

(Reported by H. T. Tumilty of Oklahoma City)

Citizenship - Forfeiture - Act of Congress forfeiting citizenship of native born citizen entering or serving in the armed forces of a foreign state or voting in a political election in a foreign state is unconstitutional. Okimura v. Acheson, 99 Fed. Supp. 587.

(Reported by McCune Gill of St. Louis)

Limitations - Statutes of limitation do not run against the Reconstruction Finance Corporation because it is a part of the United States Government. R.F.C. v. Marcum, 100 Fed. Supp. 953.

(Reported by McCune Gill of St. Louis)

Adverse Possession - Encroachment of a few feet by garage and driveway for 27 years gives title by adverse possession to fee under the garage and easement for the driveway. Roberts v. Quisenberry, 242 SW 2nd 26.

(Reported by McCune Gill of St. Louis)

Trustees - The broad general rule that a trustee may not purchase from himself and at his own sale is universally recognized, but there are certain exceptions. One is that a trustee may purchase trust property for his own benefit where the trustee could not have any control over the sale; another that wherever the trustee has a personal interest in the trust property

he must have the right to protect it, and if to buy it be necessary to protect it, he must be allowed to do it. *Victor v. Hillebrecht*, 405 Ill. 264, 90 N.E. 2d 751.

(Reported by Lyle W. Maley of Chicago)

Building Line Restriction - General Plan - An excellent summary of the rules relating to the enforcement of restrictions (too lengthy to set out in this report) is found in *Wallace v. Hoffman*, 336 Ill. App. 545, 84 N.E. 2d 654.

(Reported by Lyle W. Maley of Chicago)

Dedication - Vacation-Adverse User - Easement - In an action to quiet title to an alley vacated by statutory abandonment it was held that common grantees from the dedicator of a plat, as among themselves, cannot question the right of ingress and egress over alleys shown on the plat.

The dissenting judge said: "The majority says in effect that, although the public has lost all interest in or title to a platted street or alley, adverse possession of such a street or alley, no matter how complete nor how long continued, cannot divest one who purchases with reference to the plat and whose title is deraigned from the original plat, of the right to use such street or alley for access to his property.

I am of the opinion that the right to any private easement, like title to any other private property, can be extinguished by adverse possession, and that it was in this case. See annotation on 'Loss of easement by adverse possession or nonuser,' subd. III, 1 A.L.R. 889, 66 A.L.R. 1106, and 98 A.L.R. 1295."

Burkhard v. Bowen, 32 Wn. (2d) 613, 203 P (2d) 361.

Alley - Adverse User - Plaintiff owning a lot abutting on an alley in a subdivision brings suit to abate a nuisance against defendant who stacked lumber in alley and used portion thereof as his own for 22 years.

Granting the petition, the Court said: "Where the owner of property has it surveyed, marked off and subdivided into streets, lots and alleys, has a plat drawn showing the location of such streets, lots and alleys, records the plat and thereafter sells the lots to various purchasers, giving deeds thereto which refer to the plat and in describing the location of the lots sold, refer to the streets and alleys shown on the plat as boundaries thereof, the purchasers acquire a perpetual and indefeasible easement over such streets and alleys as a means of ingress and egress to their lots, which cannot be forfeited or abandoned by a mere non-user or failure for a long period of time to open and improve

such streets and alleys, and this is true whether such streets and alleys are ever formally dedicated or accepted by public authority as public streets or alleys or not." --

Barnes v. Check, 67 SE 145 (Ga. 1951)

(Reported by R. W. Jordan, Jr., of Richmond, Va.)

Attachment - Federal Tax Lien - A tax lien of the United States is prior in right to an attachment lien where the Federal tax lien was recorded subsequent to the date of the attachment lien but prior to the date the attaching creditor obtained judgment. - U.S. v. Security Trust & Savings Bank, 340 U.S. 47, 95 Law Ed 53.

Stepchild - "Tie of Affinity" - Exhaustive discussion of this "extremely recondite branch of the law" is found in the case of In re Bordeaux's Estate, 37 Wn. (2d) 561, 225 Pac. 433.

Lease with Option to Renew - A lease for two years with an option to "renew" for three additional years "gives the lease effect as an original present demise for the full term for which it might be made inclusive, contingent on the election to renew." Corvington v. Heppert, (Ohio) 156 O.S. 411.

(Reported by W. R. Kinney of Cleveland, Ohio)

Restrictions - General Plan - Subdivider recorded blanket restrictions and sold off lots referring in each deed to the restrictions by deed book and page. The instrument containing the restrictions was not signed, witnessed or probated. Defendant whose deed contained reference to the above recorded instrument violated a covenant restricting lots to residences.

Held: The fact that the instrument was irregularly recorded is immaterial for defendants had notice of the covenants by reference contained in their deed.

The Court went further and held: "...where a common grantor opens up a tract of land to be sold in lots and blocks and before any lots are sold he inaugurates a general scheme of improvements for such entire tract intended to enhance the value of each lot, and each lot subsequently sold by such grantor is made subject to such scheme of improvements, there is created and annexed to the entire tract what is termed a negative equitable easement, in which the several purchasers of lots have an interest, and between whom there is mutuality of covenant and consideration."

Also, acquiescence in minor violations by other lot owners did not estop plaintiffs from complaining of instant violation.

McDonald v. Welborn, 66 SE (2d) 327 (S.C. 1951).
(Reported by R. W. Jordan, Jr., of Richmond, Va.)

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COMING EVENTS

May 9-10

Regional Conference of Title Insurance Executives
Central States District--Edgewater Beach Hotel,
Chicago, Illinois

May 15-16

Illinois Title Association--Annual Convention
Sheraton Hotel, Chicago, Illinois

May 16-17

Regional Convention--Illinois, Indiana, Iowa, Michigan
Wisconsin. Sheraton Hotel, Chicago, Illinois

May 16-17

Regional Conference of Title Insurance Executives
Atlantic Seaboard District--Hotel Dennis, Atlantic
City, New Jersey

May 19-20

Arkansas Land Title Association--Annual Convention
Hotel Marion, Little Rock, Arkansas

May 25-26-27

Iowa Title Association--Annual Convention, Fort Des
Moines Hotel, Des Moines, Iowa

May 30-31

Texas Title Association--Annual Convention, Baker
Hotel, Dallas, Texas

REPORT OF COMMITTEE ON CONSTITUTION AND BY-LAWS

J. J. O'DOWD, CHAIRMAN
President
Tucson Title Insurance Company
Tucson, Arizona

Your Planning Committee, headed by Mr. William Gill, has proposed the creation of a Council of Past-Presidents, this to secure to the Association, the accumulation of experience and talent in that group of men who have served the organization.

That recommendation of the Planning Committee has received at this Mid-Winter Conference of 1952, full approval of your Board of Governors. The matter has been referred to the Committee on Constitution and By-Laws with instructions there be presented at this conference, appropriate amendments to the Constitution of this association to give official recognition to such a Council of Past-Presidents.

Final action on this cannot be taken at this conference. In accordance with the provisions of the Constitution, it is to be presented here and must then lay over until the next convention, at which time it is hoped and expected the delegates will approve the recommendation. Written notice of the contemplated change will be sent to all members, pursuant to the notice provisions of our Constitution, not later than thirty days prior to the holding of the 1952 convention.

The proposals to amend are the following:

"BE IT RESOLVED that Section 2 of Article VII of the Constitution of American Title Association be and the same hereby is amended to read as follows, to-wit:

"Section 2. The Board of Governors shall consist of the President, Vice-President, Treasurer, Chairman of the Finance Committee, Chairman of the Council of

Past-Presidents, the retiring President for a term of one year, the Chairman of each Section and fifteen elective members. The Board shall appoint an Executive Vice-President and prescribe his duties, compensation and term of employment."

BE IT RESOLVED FURTHER that there be added to said Article VII a Section to be numbered Section 7, reading as follows, to-wit:

"Section 7. There shall be a Council of Past-Presidents, composed of all past-presidents, the chairman of which shall be elected by the Council at each annual convention meeting and he shall be a member of the Board of Governors. The Council may elect such other officers as may be determined expedient and proper."

BE IT RESOLVED that Article VIII of the Constitution of American Title Association be and the same hereby is amended by inserting a Section to be numbered Section 5-A following Section 5, reading as follows, to-wit:

"ARTICLE VIII - DUTIES OF OFFICERS

Section 5-A. The Council of Past-Presidents when requested shall, and on its own motion may advise with and give counsel to the Board of Governors or any officer or committee on any measure deemed to advance the good of the Association, and it shall report through its chairman at all meetings of the Board."

It was moved and seconded the proposals be accepted, and that the matter be brought before the 1952 convention for final action. Carried.

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THE ABSTRACTERS SECTION "FOURTEEN POINT PROGRAM"

(Revised)

1. Adopt an adequate dues schedule, preferably on a sliding scale, based on the amount of abstract and title business done.

NOTE: Unless its dues income is adequate, the State Association cannot function efficiently. Money makes the wheels turn. The experience of the National Association in courageously adopting a sliding scale dues schedule shows that this is a good method of increasing income. It need not make for hardship on the member with small receipts, but gets an increased amount of dues from the member whose business is of such size as to warrant a greater contribution. It collects on the ability to pay theory, and recognizes the fact that the larger the business of the member the more he profits by the Association's Activities.

2. Make membership in the American Title Association compulsory by including the National dues with State Association dues.

NOTE: The National Association is composed of members of State and Regional Associations. No abstracter can belong to the National Association except through membership in a State or Regional Association if there is one in his jurisdiction. The National Association continuously contacts the various users of abstracts urging the use of members of the National Association. It watches harmful and ill advised legislation -- issues periodically bulletins keeping its membership advised of what's going on elsewhere -- silently and effectively watching the welfare of the titlemen of all associations. Then why shouldn't each State Association make membership in the National Association compulsory? If you care to and will actively

collect them, you can add to the State dues the amount of National dues required. Title problems are no longer confined to the borders of a State. What affects one State may directly or indirectly affect every abstract state.

3. Attempt to attain more uniform and more stringent qualifications for membership in State Associations.

NOTE: An association worth belonging to means something. Caution should be used to keep the irresponsible, fly-by-night, unethical, incompetent abstracter out of the ranks. Let the public know when they patronize a member they will receive prompt, courteous and fair treatment -- if a loss occurs, that such member will pay it promptly; that abstracts will be properly compiled (not stuffed) and the charges will be the same to all alike, and reasonable. Let the members know that this will be expected and see that the reputations of worthy members will not be jeopardized by anyone unworthy.

4. Have a Planning Committee as one of the standing Committees of the Association.

NOTE: Every President, when elected, wants to do his best for his Association. But often, even though he has been active in Association affairs, he is uncertain of a proper program to formulate and execute. His own personal affairs severely limit the time he can give to planning, and he should have some help from a proper committee. A planning committee, required to meet promptly after the annual election to lay out the year's work, would be of great assistance to the officers, and would insure a continuity of effort not usually possible with changing personnel in the offices of the Association. This committee could also be charged with a thoughtful planning of the program for the State Convention.

5. Have at least one State Association Officer at each ATA Mid-Winter meeting, and at each ATA National Convention, preferably at State Association expense.

NOTE: How can a State Association be kept better informed than by having at least one of its officers at each Mid-Winter meeting and at each National Convention? It is in these meetings that plans are made for the successful operation of the National Association, and where the problems of the State Association and of the individual abstracter are discussed. The

Mid-Winter meeting is not properly a convention -- it is primarily a meeting of the Board of Governors, National Association Officers and Regional and State Representatives of the National and State Associations, but all are welcome to come and attend. Lately the interest in this meeting has been so intense that it has been deemed wise to have prepared programs for the sessions, but the chief attractions are the members' open forums. These "Round Table Discussions" consider almost every problem the State Association and the individual raises, and almost always one finds that the perplexing problem confronting him back home has been solved by some one some where. The National Convention is of course the big meeting of the year. Here the programs are only a little more formal than at the Mid-Winter meeting, and the open forum is the big thing. Without stressing the fine fellowship of both of these meetings, and the accurate information imparted by those who know whereof they speak, your State Officer should be there for the primary benefit of your members who cannot come themselves. He can and will accumulate a vast amount of valuable information which he can pass on to your non-attending members through his reports.

6. Have at least one National officer at each State Convention.

NOTE: Every officer of the American Title Association is elected because he is outstanding in more than one respect. It is a part of the duty of his office to render such service to state Associations as they may request. Demands upon his time and energy permitting, he will be glad to accept an invitation to attend your convention and appear on your program, and he will always contribute much to your conferences. His outlook is national, and he can bring much information which will be of value to your members.

7. Adopt a Uniform Certificate for certification of abstracts and Standard Forms for abstracting and give benefits therefrom as much publicity as possible.

NOTE: Abstracters are "rugged individualists" and they do things in their own respective ways. As a result, unless there is a uniformity in certificates and in abstracting sponsored by the Association and agreed upon and used by the members, there are as many forms of certificates and abstracts as there are abstracters. Every examiner of abstracts welcomes the certificate and the abstract which bears the official stamp of a State Association. Not only does this stamp insure the quality of the

work in the abstract, but it eliminates for him the tedious task of construing, word by word, the certification. Properly drawn, the Uniform Certificate will also eliminate the requirements of customers whose business is national in scope, of special certificates on their own forms.

8. Organize the Past-Presidents of the Association into a special group to counsel with and serve the Association.

NOTE: Such an organization will compose a powerful force for good in Association affairs. While they may and probably will prefer to remain in the background, they can do much by their moral suasion to help in the guidance of the Associations work. They could counsel in the selection of officers, in the appointments of committees, in the working of committees, and should be available as "trouble shooters" should occasion arise. They should elect their own officers and have at least one meeting of their own at each convention, perhaps a breakfast, at which they can discuss the Associations problems among themselves. The endorsement of such a group would help a President immensely in his program.

9. Divide the State into Districts or Regions and hold at least one District or Regional meeting in each annually.

NOTE: By doing this No. 7 is more easily put into effect. Many abstracters do not attend State Conventions -- many do not belong to State Associations, and cannot be reached at a State Convention. Divide the State into districts. Keep in mind the accessibility of the point where the regional meeting is to be held. Appoint a Chairman of each district -- hold meetings once or twice a year. Not only invite but GET ALL abstracters in the district to attend, members and non-members alike. Don't have any "long-winded speeches" by an outsider. Better still, have no one present but abstracters. Sit around the table and frankly discuss the lack of uniform practices of all character. Use tact (and plenty of it). See that everyone present takes part. You'll be surprised how quickly "misunderstandings" become "mutual understandings". The spirit of fellowship soon develops into friendship. Several such meetings may be necessary, but the final results will be both profitable and surprising. Don't overlook the importance of Regional Meetings. They will stimulate State Convention attendance and increase your membership.

10. Issue monthly a State Bulletin in which State Court reports

are briefed, carrying news items and articles of interest to the membership.

NOTE: Any State Association issuing a worthwhile monthly bulletin for its members is a "live association," or at least above the average. Without this popular means of contact with its members how else can you let the membership know "what's going on". Who doesn't like to see his or her name in print? There is something of interest taking place in the title world daily. The monthly bulletin is a splendid medium for exchange of ideas. It will stimulate State Convention attendance -- and the collection of association dues. It ties the membership into one big family -- all with common problems. The cost isn't prohibitive. Several states use a "Volunteer Editor" for each month with the Secretary's office as a clearing house. It provides a simple way for the officers and various Committees to contact the members when necessary. It has proven of great value to the many state associations publishing a monthly bulletin.

11. Invite constructive criticism of the customs and practices of abstracters by the Creation of a Public Relations, or similar committee, whose duty it will be to contact associations of Realtors, Mortgage Companies, Building and Loan Associations, Bankers, Bar Associations, Oil Companies, Lease and Royalty Associations, Federal Land Bank Offices, and others using the product of the abstracter, and to explain the purpose, the objects and benefits of a State Association.

NOTE: Maybe you don't agree with a customer, but isn't it worth while to know the customer's viewpoint? This can be best obtained by the activities of a Public Relations Committee. The abstracter can avoid much criticism by contacting the various groups using his product, and soliciting frank expressions of constructive criticism from them. It might be surprising to learn that there are many small irritating matters irking the customer which slight adjustments by the abstracter could eliminate. Such contacts will provide excellent opportunities for the explanation of the problems of the abstracter and will evidence a sincere desire on his part to meet his customer far more than half way.

12. Sponsor an educational program in each county in which, as often as possible, local speakers will appear before the various civic and professional groups to discuss the title

business or some phases thereof.

NOTE: This will be a real Good Will builder. The average citizen is the fellow who eventually pays all our fee bills, and as a rule he is almost entirely uninformed about what he is paying for. The local abstracter is the fellow who can explain the complexities of our work, and short talks before civic and professional groups, school and college classes, clubs and associations will dispel the fog of ignorance concerning us which is almost universal. Whether or not he is a skilled public speaker makes no difference. He should tell the story in his own way, in his own words and in all sincerity. Out of his own personal experience he can, with a little thought, assemble a wealth of interesting information which his audience will literally gobble up. And each time, he should bring in the story of the State Title Association, its membership requirements, its standards of ethics and fair dealing, and all the other things it stands for. Every such speaker will find the effort well worth while, for it will increase his own personal stature in his community as well as that of the State Title Association.

13. Make available to State Association members leaflets bearing the State Association imprint, bearing the member's name if desired, for his distribution to his customers, explanatory of the abstract business and of the State Association's membership requirements and qualifications.

NOTE: A good looking leaflet explaining the abstract of title is one of the best publicity mediums possible. It should be prepared with much care by a competent committee with the assistance of an experienced advertising man. It should be attractive to look at, interesting to read and accurate in its statements. When produced in the quantities which your members can use for their private distribution, the cost is not prohibitive by any means. We all know how little information the public has about us and our business, and this is an easy and reasonably cheap way to make them better informed.

Other forms of publicity can be made available to your members in this way, also. Blotters, small advertising novelties, pencils, and all sorts of things can be had, and if the State Association buys in large quantities, the cost per item will be held down. We use too little of this sort of thing because of the high cost of quality merchandise, and this is a good way to overcome the problem. The imprint of the State Association upon each

and every item will help the customer realize that the member of the State Association is the abstracter to do his work.

14. Make available to all employees of members of State Associations, a title course covering all phases of abstracting.

NOTE: There is no better way to raise the standard of abstracting than to raise the standard of the abstracter. A thorough title course will help do this. In every state there are practical abstracters capable of preparing such a course. (Copies of courses may be obtained from the American Title Association). Cover as completely as possible the whole field of knowledge required of a competent abstracter. Have one lesson on the subject of state title registration, and another on title insurance. Word the lessons in plain, everyday, ordinary language rather than in technical terms. Establish an Educational Committee which will give written examinations to students of this course, grade their work, and finally issue to them a Certificate of Satisfactory Completion of the course. Embryo abstracters will appreciate such an opportunity to become proficient in their work, and it will make them conscious of the importance of the State Association. Remember, those employees will some day be running the abstract businesses in the state.

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TITLE INSURANCE NEED FOR FULL COVERAGE

(Quoted from Bulletin, New York State
Title Association, March, 1952)

THE CASE OF MR. WISE

This article by Frederick Cantrell, Vice-President of Guaranteed Title and Mortgage Company was awarded second prize in a contest recently sponsored by the Title Insurance Section. David Stein in his report as judge of the contest stated that "it merits high rating as an unusual claim demonstrating to the insured the importance at the time of taking out Title Insurance of obtaining a sufficiently large policy to cover not only the land but any improvements" anticipated. "I think," added Mr. Stein, "that it demonstrates the duty upon the part of the insurance company to explain to the public not only the need for Title Insurance, but the need for adequate Title Insurance."

"A man whom we will call Mr. Wise, for the very good reason that it is not his name, entered into a contract for the purchase of certain real estate. Being a wise man, he took the contract to a title company and applied to it for an examination and insurance of the title. The sellers named in the contract were John O'Brien, James O'Brien and Mary O'Brien, which names are also fictitious.

The property consisted of vacant lots and the contract price was \$4,000, which was the amount of insurance applied for. Upon the examination of the title it was found that the last record owner was one Mary O'Brien, and proof of her death was furnished by affidavit, satisfactory to the title company, which showed she was a widow at the time of her death and died on a certain date, intestate, leaving her surviving John O'Brien,

James O'Brien and Mary O'Brien, her children and only heirs at law and that no administration proceedings had been taken. The title was then closed and a policy of title insurance duly issued. The purpose of Mr. Wise in acquiring this property was to erect a building thereon to cost about \$20,000.

Now it happened that after Mr. Wise took title and completed the building, three persons claiming to be John O'Brien, James O'Brien and Mary O'Brien, children and only heirs at law of Mary O'Brien, deceased, made a claim that they were the owners of the property and had never conveyed the same; that the three persons who had conveyed the property were not the heirs of the Mary O'Brien who died seized of same; that they had no knowledge that the property had been conveyed and learned of it only after they had made an inspection and saw a building standing thereon. After a careful investigation by the title company it turned out that such were the facts. Needless to say, the spurious O'Briens had left for parts unknown, and the company which insured the title had to make good the loss. This it did by obtaining deeds from the true owners who, through their attorney, claimed that they had a legal right to be compensated for the value of the building as well as for the land, on the theory that the building became theirs by annexation. However, they settled for the value of the land only, which was the limit of liability of the title company. As a result of this experience, the owner applied for and obtained a new title policy to cover not only the value of the land, but the value of the building as well. Mr. Wise is now a wiser man.

The fictitious Mr. Wise, some time after the experience narrated above applied for an examination and insurance of the title to a house and lot which he had contracted to purchase. The examination disclosed that a former owner of the premises had acquired a right of way over a strip of land one foot nine inches in width of the adjoining property in order to have a driveway to his garage, as the space between the house and lot line was not sufficient for that purpose. The driveway was essential to the enjoyment of the premises, as there was no other means of access to the garage, so the company advised Mr. Wise to have the title to the adjoining lot examined and the right of way insured. Profiting by the wisdom gained from his previous experience, he readily consented to this and agreed to pay the small additional charge for this extra protection. The examination of the title to this adjoining lot showed that at the time of the grant of the right of way the lot was subject to a mortgage

and that the consent of the holder thereof to the granting of the right of way had not been obtained. Thereafter the mortgage was foreclosed and the right of way was extinguished by the foreclosure suit.

These facts were reported to Mr. Wise, who thereupon declined to take title to the property. He paid the company's bill and expressed his appreciation for the advice which saved him from buying a defective title. Mr. Wise is not penny wise and pound foolish."

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QUICK ACTION

by
Carl D. Schlitt, Solicitor*
Home Title Guaranty Company

Title was insured to a corner parcel of property having a frontage of 240 feet on the main street and about 350 feet on the side street. The parcel came through various conveyances of small parcels all originating out of a common owner. The examiner began his examination of title by taking the end piece on the side street and working his way up to the corner. In each of these parcels he found a restriction requiring a building width of not less than 50 feet with a setback of 30 feet. This restriction was uniform in all of the parcels on the side street. When the examiner reached the property fronting on the main street, seeing that the title thereto came out of the same owner who had conveyed the side street parcels subject to the same uniform restrictions he assumed, without careful examination, that the restrictions affecting the property fronting on the main street were similar to the ones on the side street. The title was reported in that manner and insured.

Our insured commenced the construction of two buildings fronting on the main street, each building lot having a width of 50 feet with the building set back 30 feet from the front line of the lot. One of the buildings had gone to the point of having the frame work complete. The other building had only gone to the point of completion of the foundation and cellar enclosure. At this point, on a Thursday, our assured was served with an action to enjoin the violation of restrictions. An examination thereafter disclosed that the restrictions affecting the property fronting on the main street required a building width of 60 feet with a setback of 50 feet from the front line.

On the following day, Friday, we contacted the attorneys for the plaintiffs to determine whether the action could be settled by a payment of money. We were advised that money was not the object here but that the owners in the area were very much interested in maintaining the character of high grade residential neighborhood. We immediately got in touch with our assured who is a builder and to whom delay would be very expensive. We advised him that no adjustment could be made on the basis of discontinuing the action and that we were ready to pay a loss.

We requested him to study the matter over the weekend and advise us what, in his opinion, his loss would be. We also sent our own appraiser out to obtain an estimate of the damages. On Monday we got together with our insured, determined the salvage value of the materials which had been used to that point, the expense of filling in the two excavations and foundations and beginning again to build in accordance with the restrictions. We also estimated the loss caused by the delay and by the loss of an additional building lot which our assured believed he had. We mutually agreed on a loss payment of \$7,500. The check and release were exchanged on that Monday.

The tremendous and outstanding value of title insurance is illustrated in this case, better than in almost any other case within the experience of the writer. In this case an assured to whom any extensive delay would have meant financial ruination notified us of the claim on Thursday. On the following Monday he had received payment of his loss in an amount to adequately compensate him for all the elements of loss which he might encounter. It is to be noted that within this period two days were non-working days. The proof of the value of title insurance is most strongly attested to by the repeated and frequent comments of the assured in this case.

* At a recent meeting of the Title Insurance Section of the New York State Title Association held at the Hotel Statler, Mr. Carl D. Schlitt received a cash award for the above article adjudged the best essay submitted on the subject of the Most Unusual Claim Demonstrating the Importance of Title Insurance. Mr. Schlitt also won for his company a beautiful silver cup awarded by the Section and presented by its chairman, Mr. Thomas H. Quinn, President of Inter-County Title Gty. & Mtg. Co. to Mr. Henry J. Davenport, President of Home Title Gty. Co. Mr. David Stein, past Pres. of the Bronx County Bar Assoc. served as judge of the contest and awarded second prize to Mr. Frederick Cantrell, Vice-President of Guaranteed Title & Mtg. Co. The several sessions were attended by an unusually large delegation of Title Insurance Company executives from all parts of the state.

DEFENSE ACT REGULATION
INVOLVING LAND TITLES

Chapter V---Department of the Army

Subchapter B---Claims and Accounts

PART 536---CLAIMS AGAINST THE UNITED STATES

REIMBURSEMENT TO OWNERS AND TENANTS OF LAND AC-
QUIRED BY THE DEPARTMENT OF THE ARMY PURSU-
ANT TO PUBLIC LAW 155, 82D CONGRESS

New §§ 536.90 through 536.97 are added to Part 536 as follows:

Sec.

- 536.90 Statutory provisions.
- 536.91 Definitions of terms as used in §§ 536.90 to 536.97.
- 536.92 Scope.
- 536.93 Delegation.
- 536.94 Filing of application.
- 536.95 Limitation of amount of payment.
- 536.96 Conditions of reimbursement.
- 536.97 Payment.

AUTHORITY: §§ 536.90 to 536.97 issued under Pub. Law 155, 82d Cong.

SOURCE: Regs., January 22, 1952, ENGCM.

§ 536.90 Statutory provisions. The Secretary of the Army is authorized, to the extent he determines to be fair and reasonable, to reimburse owners and tenants of land acquired by the Department of the Army pursuant to the provisions of Public Law 155, 82d Congress, for expenses and other losses and damages incurred by such owners and tenants, respectively, in the process and as a direct result of the moving of themselves and their families and possessions because of such acquisition of land, which reimbursement shall be in addition to, but not in duplication of, any payments in respect of such acquisition as may otherwise be authorized by law: Provided, That the total of such reimbursement to the owners or tenants of any parcel of land shall in no event exceed 25 percent of the fair value of such parcel of land as determined by the Secretary of the Army. No payment or reimbursement shall be made unless application

therefore, supported by an itemized statement of the expenses, losses and damages so incurred shall have been submitted to the Secretary of the Army within one year following the date of such vacating (section 501 (b), Pub. Law 155, 82d Cong.).

§ 536.91 Definitions of terms as used in §§ 536.90--536.97--
(a) The act. Public Law 155, 82d Congress, approved September 28, 1951.

(b) Owner. Any owner of land, who moves himself, his family, or his possessions because of acquisition of his land pursuant to the act.

(c) Tenant. One who under proper authority uses or occupies land and who moves himself, his family, or his possessions because of acquisition of such land pursuant to the act.

(d) Acquisition pursuant to the act. Acquisition by the Department of the Army of any interest in land for any project authorized by the Act.

(e) Date of vacating. The date the owner or tenant moves himself, his family and his possessions.

(f) Fair value. The value of the land as determined in accordance with Department of the Army appraisal procedure.

§ 536.92 Scope. Pursuant to the provisions of the act, reimbursement may only be made to the extent determined fair and reasonable for items of expense and other losses and damages incurred by owners or tenants in the process and as a direct result of the moving of themselves and their families and possessions. The types of reimbursable items and non-reimbursable items hereinafter described are not intended to be exclusive.

(a) Types of reimbursable items;

(1) Moving expenses, such as cost of transportation, insurance, crating and uncrating;

(2) Temporary storage expenses;

(3) Expenditures for obtaining new site or land such as cost of appraisals, surveys, and title searches, where such expenses are normally borne by the purchaser. This does not include any part of the purchase price for the new site or any expenditures for the purpose of adding to the value or utility of the new site.

(b) Types of non-reimbursable items:

(1) Costs of conveying property to the Government;

(2) Consequential damages or losses, such as loss of good will, loss of profits, loss of trained employees, or expenses of

sales and losses because of such sales.

§ 536.93 Delegation. Authority is delegated to the Chief of Engineers, Department of the Army, and such of his officers or employees in the Office, Chief of Engineers, as he may designate and are approved by the Secretary of the Army to perform all functions and make all determinations which are authorized to be performed by the Secretary of the Army with respect to reimbursement under the provisions of section 501 (b) of the act.

§ 536.94 Filing of application. All applications for reimbursement will be filed with the appropriate Division of District Engineer, Corps of Engineers, Department of the Army, for forwarding to the Chief of Engineers for final action. Such applications must be delivered to or mailed to such Division or District Engineer within one year from the date of vacating and must be supported by an itemized statement of the expenses, and the losses and damages incurred and for which reimbursement is requested.

§ 536.95 Limitation of amount of payment. The act provides that the total amount of reimbursement to all owners and tenants of any parcel of land shall not exceed 25 percent of the fair value of such parcel of land. In the event that the approved amount of reimbursement for all owners and tenants exceeds 25 percent of the fair value of the land, each applicant will receive the same proportion of the 25 percent of the fair value as the approved amount for each application is of the total amount approved for all applications.

§ 536.96 Conditions of reimbursement. In determining whether reimbursement will be made and the extent and amount thereof, consideration will be given to the following:

(a) Reimbursement shall not be made unless and until reasonable proof of the expenses or other losses and damages incurred, in the form of receipts therefore or the next best evidence thereof when receipts are not available, have been submitted.

(b) Reimbursement shall not be made to the extent the applicant's negligence, wrongful act has contributed to the amount of the expenses, losses or damages.

(c) Reimbursement shall not be made for any expenses, losses or damages which were allowed in establishing the compensation paid or to be paid for the interest acquired in the land.

§ 536.97 Payment. Appropriate action will be taken to accomplish payment in accordance with prescribed procedure and regulations. Reimbursement will be made from funds appropriated to the Department of the Army pursuant to the act, to the extent available.

Note: The regulations contained in §§ 536.90 to 536.97 were approved by the Acting Secretary of Defense on Feb. 19, 1952.

(SEAL)

Wm. E. Bergin,
Major General, U. S. Army,
The Adjutant General.

(F. R. Doc. 52-3308; Filed, Mar. 21, 1952; 8:50 a.m.)

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PERSONALS.

ARIZONA

The new office of the Arizona Land Title & Trust Co., Phoenix, was opened in Hollywood style...out on Speedway Ave., to be known as SPEEDWAY OFFICE.

ARKANSAS

Elmer McClure, President of Beach Abstract & Guaranty Co., was the deserving recipient of congratulations recently...he began his 43rd year in the profession this year...note that convention out this way will be held May 19-20 at Little Rock.

CALIFORNIA

Harvey Humphrey and LaVerne Herbruck are the new Vice-Presidents of the Title Insurance & Trust Company...elected at recent Board of Directors meeting...Harvey is also beating the drums for the ATA National Convention Advertising and Publicity Contest...he is the hard working Chairman of that dept...in L.A. Security Title announces that Howard H. Rolapp is their new President as William S. Porter is new Chairman of Board...next months' TITLE NEWS will carry formal data plus pictures.

FLORIDA

Mort McDonald, Secretary of this association reports that interest is growing in an official emblem for their state organization...J. A. Ormand, President of Land Title & Trust of Marianna is pushing the idea along also...Mort also advises that the title men of Volusia County had a wing-ding of a meeting recently and hopes are high that the county plan spreads.

IDAHO

This state association is planning big things for their state convention which is set for June 20-21 at Twin Falls...they are boasting that two of the associations outstanding title men will be present in the personages of Edward T. Dwyer, Vice-President of ATA and President of Title & Trust Co., of Oregon...and Ralph H. Foster, President of Washington Title Insurance Co.,

of Seattle and ATA Chairman of Judiciary Committee...these men would enhance any program and certainly worth boasting about.

ILLINOIS

Judge M. M. Oshe, Vice-President of Chicago Title & Trust took time out to deliver two excellent talks before the Mason County Bar Association in Havana, Ill., and the Logan County Bar Association in Lincoln, Ill...he covered titles, guaranty policies, recent court decisions and current state legislations... George Harbert, President of Illinois Title Association and Chairman of Abstracters Section of ATA will surely "gather no moss"...making arrangements for Regional meetings following State Convention in Chicago, May 15-16-17...ATA members from Michigan, Indiana, Wisconsin, Illinois and Iowa are invited to Regional...he is also scheduled to appear on programs of other state conventions later on.

INDIANA

President of ATA, Joe Meredith is the busiest man in the state these days...with his attendance at the many state and national functions he can hardly allocate enough time to his new grandson...Union Title Co., publication featured John E. Gates as having been active in title business over 40 years...congratulations are added here.

KANSAS

The KANSAS ABSTRACTER, monthly organ of KTA carries fine article on Roy E. Rodgers as the "flying abstracter"...Roy takes off in his own plane for the various state meetings.

MICHIGAN

Frank Kennedy, Past President of ATA and President of Abstract & Title Guarantee Co., of Detroit, delivered fine lecture at University of Michigan sponsored Institute on Michigan Land Title Examination last month...Ray L. Potter, Vice-President and Treasurer of Burton Abstract & Title Co., was also complimented for his lecture on the same program covering Mechanics of Abstract Examination and Preparation of Opinions...by the way, Michigan Title Association plan their convention for Sept. 4-5-6 at Castle Park near Holland.

MISSOURI

Around the date of March 17...a booklet from the talented and prolific pen of McCune Gill, President of Title Insurance Corp., of St. Louis, arrived...entitled ST. PATRICK'S LAWS and concerned the possibly overlooked talent of the Irish patron as a faw writer...a most informative publication...in an orange cover...John W. Ziercher, President of MTA writes a fine article for state publication, TITLEGRAMS...encourages service and more service and reveals his zeal to foster ever better relations with the customer.

NEW YORK

A bundle of bouquets arrive at the office of Frederick P. Condit, Past National President, ATA, and President of New York State Title Association...his fine message in their BULLETIN encouraging membership in ATA is one of the reasons...it was a splendid work...President of ATA Joe Meredith and all of us are loud in our praise of Mr. Condit for this and other accomplishments.

OKLAHOMA

At recent state convention of OTA held at Lake Murray, newly elected President is Francis A. Nugent, Secretary Manager of Woods County Abstract Corporation...Stewart J. Robinson of the American-First is again returned to the office of Secretary where he performed so well during the last year...Coates Abstract Co., and Southwest Abstract & Title Co., are now one...merged organization now known as Coates-Southwest Title Co., in Oklahoma City...William A. Jackson is Executive Vice-President, Edward D. Wall is Manager of Title Dept., and Marvin Hudson is Manager of Abstract Dept., in the new firm.

TEXAS

E. D. McCrory, President of the TTA is beaming over success of numerous recent state regional meetings...Dallas meeting was overjoyed to hear an address by Aubrey M. Costa, President of Mortgage Bankers Association of America.

WASHINGTON

In this state Klickitat Title Co., is now enjoying it's new

building and plant...had a super opening last January...Art Anderson of Snohomish County Title Co., informs us that enthusiasm is a-plenty within the Speakers Bureau organization... and growing in activity.

Joseph H. Smith
Secretary ATA

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1952 ADVERTISING CONTEST

- * The success of the 1952 Advertising Contest depends entirely upon the number of members who participate.
- * The more entries submitted -- the better will be the exhibit.
- * The more diversified the entries -- the greater the benefit to the various members.
- * The advertising efforts of ALL -- large and small -- are desired to assist others within the same classification.

D

(Dope)

O

(Observations)

T

(Trends)

J. E. SHERIDAN

Confucius say: "Study the past if you would divine the future"

CONDITIONS - CALCULATIONS

Conditions: Somewhat spotty. Unpredictable with certainty. Strikes - Confusion - Conflicting and Changing Decisions - High Taxes - High Operating expenses.

One million housing units in 1952 - much better than had been expected. That's partly because general business is picking up, partly through unexpected releases of materials to factories for civilian production, partly because of slack in using these materials in defense program now.

Auto production to be increased. Controls on materials for cars might be entirely removed in second half of 1952.

Restrictions on dwellings in construction field eased by allowing more material, even copper in some spots.

Ban on commercial construction eased in numerous areas. Washington even studying lifting the ban on theaters, playgrounds, recreational projects.

Capital outlays on new construction in March, 1952, total two and one half billion, an increase of 13% over February and even above March, 1951.

Total expenditures in March, 1952, for private residential building calculated at 784 million, 17% over February, 9% below March, 1951.

Incidentally this estimated figure, in numbers of units, is

close to the number of new families in 1952.

Putting these on a quarterly basis, we find private residential building is off 10% from first quarter of 1951.

In the first quarter of 1952, total expenditures for all types of new construction are calculated at six and one half billion, about the same as for the same period of last year.

Public expenditures in construction in March, 1952, is over March of last year by 18%.

Highway construction, March, 1952, increased 22% over February. That's probably seasonal. It's 23% down from the same month last year.

Subject to strikes, etc.: Private construction in 1952 may hit 20 billion against slightly under 21 billion last year.

Public construction may increase. Last year it was 9 billion. It may go over 10 billion this year.

BAN SLIGHTLY LIFTED

The (partial) lifting of bans may bring higher costs on building materials, particularly plumbing and hardware. Supplies are apparently sufficient for home building, but demands of commercial construction could create shortages, probably temporary and scattered, - and thus higher prices.

Some materials are off in price, cement, brick, some lumber.

Building costs will be upped, probably, (but not greatly) by labor costs in construction field. It appears likely authorization will come to grant increases of about 15¢ per hour for construction workers, plus fringe benefits of about 7 1/2¢ per hour. The Wage Stabilization Board indicates it is in opposition to bonuses for top craftsmen.

Housing and Home Finance Agency reports slum areas cleared with help of Federal Government are largely being turned over for new housing projects - and through local housing authorities.

165 localities, as of early April, have been declared "critical" areas - and thus restoration of rent controls - among other controls.

Again subject to strikes: More steel is authorized for 646 community projects throughout the nation. These include projects such as churches, clubhouses, orphanages, police stations.

Manufacturers of certain heavy civilian goods - refrigerators, stoves, trailers, given 10% boost in steel allotments.

Bond issues floated in 1951 totaled 3 1/2 billion, 50% increase over 1950.

Stock issues were 2 1/4 billion in 1951, an increase of 1/2 billion over 1950.

Spending in the defense program now about 42 billion a year.

Chain stores predict their sales in next six months of 1952 will equal sales in second half of 1951.

New factories (in defense program) in many sections, a departure from concentration in highly industrialized centers. This means work not only in heavy construction (and thus title work) on these projects. It also means housing for workmen, new stores, new shopping centers, new churches, new everything - and thus more title work.

STABALIZER

Armament seemingly is going to be a permanent industry in the United States - at least for the foreseeable future - and probably thus a "stabalizer" when demand for civilian goods sloughs off. Government is really big business. One authority says Federal expenditures this year will be more than all the income of all the people in all the states west of the Mississippi.

Disposition (now) in the Congress seems to be to cut the budget. Actions of Appropriations Committees of the House support this - up to now. Money for public housing was cut (by Committee) from 75,000 units recommended to 5,000 units.

Supply of money outstanding is about 186 billion, an increase

of 35 billion since the end of World War II. Inflationary.

Population of the country is growing at the rate of two million a year - that's 6,005 more people every day of the year. Important to keep in mind.

Over 62 1/2 million people gainfully employed.

CREDIT

Mortgage money available? Secondary market on V.A. and/or F.H.A. Guarantees continues tight. Monies of some life insurance companies allotted for 1952 mortgage paper is already largely committed. At this immediate moment Federal National Mortgage Association out of the market.

These important secondary out-lets will return, FNMA perhaps soon by Congressional action, life companies later.

Additional to these, there is much mortgage money available locally in banks, trust companies and building and loans. Don't forget great eastern banks and trust companies now seek good mortgage paper in practically all sections of the country. These, plus investments by foundations, fraternal orders, pension money, etc., may supply mortgage money needed in 1952.

The need for replacements of homes and other units of construction field stays high -- obsolescence, property destroyed by fire, tornadoes and other disasters -- higher than we realize.

Today, the big estate with 20 rooms is a drug on the market. The four bedroom house, built in the 20's, has high value today because, and only because, of the housing shortage. With its 16 x 24 kitchen and outmoded equipment, it will not be wanted.

The National Association of Home Builders is working on the "dream" house - a type of house that will speed obsolescence of others.

Standardized, with 8 ft. ceiling, it will be smaller, so more people can buy it. In the North country, there probably will have to be a basement - maybe not - with radiant heat - will have car loft instead of full garage unless weather demands otherwise.

It will have a "living" porch, a room that's both porch and living room - more closets - breakfast nook instead of formal dining room - heating perhaps by electricity - air conditioned - built in space for television, etc.

Builders claim credit terms on homes should be eased, not only on G.I.'s but also on F.H.A.'s particularly in the bracket around \$12,000. They argue many individuals can make a down payment of \$1,000 and take care of monthly payments not to exceed 25% of their income. Thus more homes.

The objectives of the Home Builders organization deserve our support.

SUPER HIGHWAYS

Highway construction now - and more later to take up slack when business sloughs. The brand new New Jersey turnpike (toll road) is already 'way ahead of its sinking fund requirements. The Pennsylvania Turnpike has been extended through Pennsylvania. Ohio is building its own extension from the Pennsylvania to Indiana lines -- toll roads, self liquidating.

Think about 40,000 miles of that type of new superhighway (and let's hope they will be toll roads) in the foreseeable future. We of the title fraternity should organize our thinking on handling title evidencing on these rights-of-way in the several states.

The trend toward new large-scale shopping centers in the suburban area continues. The nightmare of downtown parking is speeding the move. They bring many things other than a shopping center - particularly housing, and that means additional title work.

It is expected this type of project will increase rather than abate. Transportation and parking problems spell it out unmistakably.

Unless we have disastrous strikes, the second half of 1952 will almost certainly see approval by Federal authorities of the use of materials for over 1,000 contemplated new office buildings, stores, and other commercial enterprises with a value of over three quarters of a billion dollars. Plans for these are now on file. These are exclusive of projects in the defense program.

DIVERSIFICATION

Diversification of industry is on the increase, and for more reasons than safety of the country. Industrialists, for reasons of a more stable labor market, are leaving our heavily populated centers. Of course, they must consider items such as shipping, nearness to raw materials, and sources of fuel. But they are also looking for a spot where there can be good community life and a good climate.

The South is developing industrially with rapidity. So is the Southwest and the far West. So are many areas we formerly described as rural.

Income of the country for 1952 calculated at 266 billion. That's an increase of 15 billion over last year.

Wages and salaries will take 180 billion of this. That's an increase of the same amount - 15 billion - over last year.

Income of the country, after Federal taxes, may hit 234 billion. That's 12 billion more than 1951. It means spending - much spending. One authority estimates this spending at 213 billion. It was 205 billion spent last year. About 9% goes into savings.

Don't sell America short. It would appear now is definitely not the time to retrench drastically. But:

SPOTTY

Every rose has its thorn. Confusion and uncertainty exist. There is the fear of war - and let's stop kidding ourselves about Korea. Sure, it's intended to be a confined fracas, to head off World War III - but I don't call a fracas in which we have over 100,000 casualties a police action.

Our Ruhr Valley running from Flint down through Pontiac, Detroit and Toledo, and east through Youngstown and Akron to Pittsburgh, and west through South Bend into Chicago is down in employment, where we depend on heavy industry, especially automotive.

New England, or some of it, is down - textile industry off.

The shoe and furniture and jewelry business in our Midwest and spots in New England are all down in sales - and that's unemployment.

Retail sales were off, but they've picked up - and employment has started again - or let's put it, lay-offs have about stopped.

WAR

War? Europe seems much less worried about the possibility of all out war than we are. There seems to be a slight easing. Authorities which should know think there will not be war in the immediate or near future -- unless of course you want to call Korea a war instead of a "police action" of containment.

CONCLUSION

Rolling together opinions of those I have contacted, authorities I have read, U.S. News Reports, Wall Street Journal, governmental regulations, publications of federal agencies, Federal Reserve Reports, and doing some guessing, I'll rush in, like all fools do, and say our business should be good for the remainder of this year -- rushed in some spots -- operating expenses higher than last year but not much higher -- the help situation acute -- taxes way up and net profits down -- but we'll all be in business at the end of the year.

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