

TITLE NEWS



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A LETTER



from

THE PRESIDENT

March 3, 1960

Dear Friend:

If the attendance in Las Vegas at our Mid-Winter Conference was the biggest ever ("358" registered), there was also an unusually high attendance percentagewise in the various meetings. Art Reppert and Tom Dowd, Section Chairmen, and Al Robin, Chairman of our State Officers' Meeting, as well as myself and others, were particularly grateful that this was true in spite of all the around-the-clock distractions. Business, during the day, did have top priority.

Reports indicated that 1959 was an excellent year for the title business, in spite of some softening toward the end; and although 1960 has started on the quiet side, considerable optimism was expressed that the year as a whole will turn out to be good. It was pointed out that all the forecasts of the "Soaring Sixties", in spite of the "tight money" situation, do contain a warning that everybody needs to "tighten up." This goes for everything—education, the armed forces, controlling inflation, plugging tax leaks—right down to tailoring our own Association meetings to suit the 60s.

Considerable emphasis was given to the format of our program for the October ATA Convention in Dallas. With your help, it is now contemplated that it will look about like this: General and Sectional business meetings in the mornings, followed on alternate afternoons by so-called "workshops", panels, or small instructive group sessions on subjects that you want to hear discussed. These sessions would be under the direction of the Abstracters' Section on one afternoon, and the Title Insurance Section on another afternoon, arranged so that you can attend both sets of meetings. This will be successful only if you will send in suitable suggestions for discussion to Joe Smith. He will sort them and all of us will do our best to get the right people to lead the various groups. Furthermore, if you will get your suggestions in soon enough, Jim Robinson will announce the completed program ahead of time so that you can prepare to be present and take part in the subject matters that interest you.

Your officers and committees are working, as was indicated in Las Vegas (more on that in this issue). Since Las Vegas, "Dutch" Stine and his Committee indicate that there will be more news on our ATA Headquarters in Washington soon.

Yours,

Lloyd Hughes

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THE CRISIS IN OPPORTUNITY

By

**FELIX W. COSTE, President,
Outdoor Advertising Incorporated**

Felix W. Coste combines an outstanding advertising and marketing career with a strong participation in public service activities. Last January he was elected president of Outdoor Advertising Incorporated, the medium's central sales and promotion organization. Formerly he was Vice President and Director of Marketing, The Coca-Cola Company. He also held the post of Vice President of D'Arcy Advertising Company. Prominent in public service activities. Mr. Coste is a member of the Board and a Vice Chairman of the Executive Committee of The Advertising Council. He was a member of the original group which set the Council's Better Schools Campaign in motion, and for many years served as Coordinator of the Better Schools Campaign. He is also a member of the Board of Directors of the Brand Names Foundation. A native of St. Louis, he received his college training at Washington University.

It is several years since I have been in Detroit to greet my colleagues from this friendly forum. On this visit we share an even closer community of interest than before. Detroit is the capital of America on wheels. You are happiest when just about everybody is driving in automobiles. When people ride I'm happy, too. For mine is the only visual medium which sells the 72 million car riders who spend an hour or so every day not only on wheels, but on the special alert for visual stimuli. You make more cars and I'll make more sales.

As the end of the Fabulous Fifties approaches, tradition calls for second guessing the past and forecasting the future. Second guessing is easier, but forecasting is more fun and already there have been many observations on what's ahead for business. Since the days of Delphi, the most optimistic oracles have done the biggest busi-



FELIX W. COSTE

ness. From all current accounts the ten years ahead should become known as the Sizzling Sixties. I can't remember when the outlook has been viewed by so many to be so rosy. This is pleasant to contemplate. My own guess is this: whatever happens, it will be different from what we now expect.

Despite great temptation I will try not to add to the cluster of prognostications. I am not an economist. Marketing is my business—marketing products and ideas. Part of my job with mass consumption products is to note trends and forces and circumstances which affect their salability. Several of these have been gathering momentum lately. They will have an increasing effect on what we do and how we do it. They will affect us whether we do something about them or not. Fortunately, we can influence them. Because of them we are in a very real sense approaching a turning point in our business. We are about to meet a crisis in opportunity.

Competition—Plus

These factors of which I speak will continue developing momentum without much regard for the usual economic swings. Whether the business outlook is rose colored or lemon; whether the Gross National Product tops \$600 billion or limps along at \$500 billion, we can be sure:

—Whatever happens, the products we sell are going to move at a lower margin of profit per unit.

—Whatever happens, the ideas we sell—and you can't sell a product without selling an idea—the ideas we sell will be subject to closer consumer scrutiny, and more intelligent analysis than we have ever before experienced.

—Finally, whatever happens, there will be increasing pressure by legislators and bureaucrats to restrict what we say, and how and where and when we say it.

Now if you think this is just a fancy way of saying we're going to have more competition, you may have a point. But in my book these influences will be added to the normal, do-or-die competition we meet every day. Moreover, the opportunities they

present can be reduced to specific and interesting terms.

Let's look first at the political problem. When I speak of bureaucratic restrictions I mean the gamut, from Congress and the Federal Trade Commission right down to the city administration that slaps a two-bit or a two dollar tax on some form of advertising or other business. This includes rulings dictated by the personal prejudices of Federal bureaucrats, rulings which often go far beyond authority granted by Congress.

Here are some examples. A special group of people—in this case patent attorneys—have been prohibited from advertising so much as their name, address and telephone number. There are sweeping Federal restrictions on places where advertising can appear. One ruling implies that while a company may incur a business expense of a million dollars or more to defend its right to exist, it may not charge off a dime's worth of advertising for the same purpose.

Various forms of advertising restrictions or taxes have been adopted or proposed in Texas, Alabama, Rhode Island, Oregon, West Virginia, Minnesota, Maine and your own fine state of Michigan. And recently several states have had to deal with a Federal bonus—or bribe—for restricting advertising on the Interstate Highway System. Although this restriction happened to be innocuous, it went far beyond reasonable regulation, and indeed beyond the intent of Congress. It is therefore encouraging that the fight waged by all of us for a principle was won in the closing days of Congress.

These samples of what advertisers are up against illustrate the validity of our political problem. What are we to do about it?

Humility Versus Arrogance

We are hearing a lot about the importance of business participation in politics. I agree it presents an urgent need. It is urgent because we must save what remains of our free enterprise system from sinking deeper and deeper into the slough of bureaucratic socialism. When we remember

that one out of six Americans is on a government payroll, a 650 per cent increase since 1900, the urgency is at once apparent.

But any full scale entry of business into politics should be approached with caution and humility. It was the arrogance of big business which brought on the regulatory laws of the turn of the century. As Governor Rockefeller said not long ago, "My grandfather didn't break any laws but he caused a lot of them." It was also the arrogance of labor unions which brought on the labor bill of 1959.

Politics is more specialized and has far fewer expert practitioners than advertising. Those few are much too smart to attend luncheon meetings, as we do in our business, and tell their rivals all they know.

Let us approach politics with respect.

Political action doubly affects us in the advertising business. We are business—we are also the voice of business. We will give voice to the political philosophy of business. More than this, if the consumer is to have a reasonably free choice of competitively produced goods, advertising must help her choose what most nearly meets her needs. If we must get into politics to sustain the rights of the consumer, then by all means let's do it. We've done just about everything else.

Increasingly we will be urged to participate in politics. I warn you solemnly, the perils of political action are grave. Don't jump in with both feet without first removing your shoes. Above all, don't make Republicans the party of business and Democrats the party of labor.

Business must sell its point of view without regard to party. Capitalism is more than our method of doing business. It is a principle aimed at the effective production, distribution and consumption of wealth. It has no more place in party politics than the law of gravity. It should be upheld by all perceptive men, management and labor.

Business—including the advertising business—should try its utmost best to get its people interested in politics.

But let us begin at the beginning. Let's start down at the ward level in the election district. Let's see who is running for the school board, the state assembly and the judgeships—and why. These people affect us every day. Take care of them and the presidential and congressional elections will tend to take care of themselves.

As you may know, the Advertising Federation of America will move to Washington next year and will serve as a liaison with government which should generate sympathetic understanding. Another agency, the newly formed Advertising Committee of the National Distribution Council, is working with the Department of Commerce. Such groups deserve the full support of every business man.

Politics offers an opportunity for real statesmanship.

New Marketing Frontier

It seems a long step from politics to marketing but in the decade ahead we will be meeting opportunities on both these fronts at the same time. The elements which will affect marketing are too diverse to treat fully. One, its mounting cost, is to you and me a blessing and a burden. It's a burden because it's grown so big boards of directors and stockholders are asking questions. Forty per cent of the last stockholder report of General Foods was devoted to explaining the high cost of advertising. Another, which I mentioned at the outset—the narrowing profit margin—is too obvious to need amplification. It is one proof of the success of capitalism. A profitable product invites competition. It gets competition.

The narrowing profit margin will decrease some advertising budgets and increase others. It may cause accounts to shift from one agency to another and probably back again. It will tend to separate the men from the boys. It may make many people miserable. There is not much use speculating on what it **might** do. Let us consider what it for sure **will** do.

The narrowing profit margin will increase the concentration of advertising in markets which promise greatest productivity.

Those who fail to heed this may

also fail to survive the decade. Since survival is sometimes our most important product, the point is worth attention. This concentration will have a marked effect on national advertising. National advertising as we once regarded it is becoming a luxury fewer and fewer of us can afford. For example, for thirty years national advertising helped build the image of Coca-Cola which exists today. It didn't do the job alone—far from it. Supplementing that national advertising was probably the largest local and point-of-sale effort in comparable marketing history. Coke blanketed the country.

This can be a practical approach to advertising a product which dominates every market in which it is sold. But how many products today dominate the entire national market? I can't think of many. Certainly not enough on which to base sound theories of advertising. There are areas of relative dominance. There are degrees of market penetration. And those degrees of penetration will increasingly affect advertising allocations under the coming slide-rule precision essential to profitable returns.

Concentration For Profits

National advertising is going to be heavily supplemented or supplanted by a combination of local and regional area concentrations—the concentrations that produce profits. It will become a mixture of media which lowers the cost per unit of sale. Steps in recognizing this trend have been taken by major national media. You can hook into a major network show just about anywhere. The magazines are splitting up their runs on a sectional basis. You can now be in **Look** in any of seven regions and **Life** in any combination of eleven. **Life** has already sold about \$10 million worth of sectional advertising. **Look** got 70 of 77 new advertisers in 1959's four sectional issues solely on this appeal.

This is a start but we must pinpoint more closely than that. Many of us will have to take our markets apart, as one oil company has done, city by city and county by county, to insure that not just every dollar but every dime provides the utmost im-

pact. The automobile companies are aware of this.

More and more marketers are adopting a method of advertising a product at a reasonable cost to more than 90 per cent of the people in a given urban market and reaching them all at least twenty times within a month. And I may as well say it, though I shouldn't, this can be done.

Recently our eighth largest industrial company showed how to do it, too. After a most painstaking analysis, thrifty Swift & Company came up with 160 markets for special cultivation. Swift is now placing ads in these markets at the closest possible point to actual purchase. Swift is out to produce maximum results because the meat packing industry operates on a very small profit margin and must eliminate advertising waste. More and more companies will soon be following Swift's example.

Intelligent Skeptics

There is no question in my mind that we have reached a crisis in opportunity in the fields of politics and marketing. We are approaching this crisis also from another angle, I think, because of tremendous advances in education.

People who have pondered the probable effects of more widespread education have emphasized the increased resistance to advertising it may create. John Dollard, professor of psychology at Yale, is one of these. He cites the "happy fact that intelligence constitutes an automatic check on suggestibility" — to advertising, that is—and adds that it is therefore "encouraging to note that the educational level of the population is rapidly rising."

Dr. Dollard likes to needle us. He should know that we also welcome the effect of education on the consumer. Many of us have worked hard for it. I served for years on the Better Schools Committee of The Advertising Council. Most of us look forward to selling our products to intelligent skeptics. They are the people who appreciate merit.

There is no question that this normal, healthy skepticism has become rampant in the wake of the revela-

tions before the House Sub-Committee on Legislative Oversight. Incidentally, that word oversight is not synonymous with neglect. It expresses the right of Congress to oversee or supervise administration of legislation. We can anticipate that because of these revelations this right — this responsibility — will be far more diligently exercised in the future than in the past.

The quiz exposures have produced the widest public interest ever shown in the advertising business. The exposures are as spicy as the exploits of the deacon's wife with the traveling salesman. But let's not kid ourselves that this is just another passing scandal. It has deepened consumer skepticism and given it more basis in fact. We have become far more vulnerable to defamatory as well as honest attacks. A chain reaction has begun and no one can tell where it will end. It has been proved that some editorial content—in this case one gimmick of entertainment—is dishonest. Now an investigation is planned of TV advertising. There will be a clamour of accusations against all advertising. Other aspects of marketing—some so-called smart promotions, some sound merchandising—will be held up for consumer examination.

This will last into the Sixties. It will have a continuing effect on consumers. Something will have to be done about it, and it is up to us—and no outside agency—to do this job. Don't tell me there isn't at this moment a crisis in opportunity.

But this is a negative approach to the concept of continuous consumer education and its implications for our business.

Improvement and extension of education are not merely going to add to the skepticism of the consumer. This is the least of our problems. In most respects it's a plus because the consumer will not only buy better quality products, she will be better equipped to winnow out the weak competition. Education will tend to eliminate those whose claims are inexact—the products which do not live up to promises. And because of the increasing range of consumer sensitivity which education engenders, it

will make the job of selling tougher for companies whose broad spectrum of public relations is faulty. Company policy and practices will increasingly affect sales and both the mission and the message of advertising.

Now this isn't new. We have all known for a long time that it takes an axe to cut down a tree. We've got tougher trees now and we're going to have to sharpen the axe more often. We had better get out the grindstone.

The "Sense Beneath"

However, it is other, more subtle effects of education which will prove more puzzling. Talk about opportunity! We are going to have to define and analyze groups with a new common interest. Ten or twenty of these may spring up in the next decade, each offering a fruitful market. These groups will crisscross with one another and with existing patterns. They will all have far more vacation time. They will be able to indulge their desire to go places. They will enjoy a marked increase in discretionary spending. What more opportunity do we need?

But it won't be easy. As an indication of the complexities I'll mention just one effect of education—what it is doing to artistic taste. The swing a way from representational art through phases of impressionism, cubism, geometrical abstraction, surrealism, and now something by a painter named de Kooning, consisting simply of bold, broad brushes of color, is having a profound effect. In recent years some old masters have declined in market value while moderns have climbed 500 and even 5,000 per cent in price. These prices are being supported in a market which includes people in substantial numbers to whom a few years ago Whistler's Mother represented a sort of pinnacle.

I appreciate the importance of this trend because in our medium, above all others, we know how art arrests attention and sells products. Keeping abreast of such changes as this—not leading them but just keeping up with them—will open real opportunities for all of us.

Moreover, because of education, our advertising will be addressed to increasingly brighter, alert and nimble minds; to people whose well nurtured imaginations can quickly grasp the significance of a stimulating suggestion. More and more we will be able to make effective use of brevity. We can substitute the phrase for the paragraph and the word for the phrase. We can give more than lip service to Alexander Pope's observation:

"Words are like leaves,
and where they most abound,
Much fruit of sense beneath
is rarely found."

This doesn't apply to some recent cigarette advertising. Remember when only two words were needed to suggest the pleasure of smoking a famous tobacco blend: "They Satisfy"? Now we employ microscope art, men in white coats, and hundreds of words to explain why a filtering device that removes basic ingredients increases tobacco pleasure. More hundreds are used to describe how maximum benefits are achieved either by diluting with tobacco smoke the air you inhale, through porous cigarette paper, or by diluting the smoke with air, I forget which. Perhaps in the Sixties we will get back to the simplicity of "They Satisfy."

I'm not using current cigarette newspaper advertising as a sample of what sparks the imagination. But I believe our coming educated generations are going to respond increasingly to subtle stimulation. The advertiser who lets them put their own interpretation on suggestive stimuli will ring up the sales.

Right Time and Place

Just as there will be a more effective use and analysis of local and regional advertising, we are going to experience a far greater appreciation of what I call time and context impact.

Not so long ago we marveled at the effect of television commercials. A message delivered in the evening often sustained its pulling power with the consumer through the next day and, with effective reminders, even through the next several days. Our

ON THE COVER

In man's search for dignity, peace of mind and happiness, for himself and for his family, a "home of his own" comes closer to fulfilling his desires than any other single factor. The homebuilders of America have met the challenge of this need dramatically. Within the framework of their association, the National Association of Homebuilders, they have developed standards, introduced new designs, encouraged home ownership, and in dozens of other ways have demonstrated their flexibility and their progressiveness.

And so, we welcome to our cover in March, John M. Dickerman, Executive Vice President of the National Association of Homebuilders. The objectives of his organization parallel those of titlemen everywhere.

more educated consumer will be less affected and not merely because of the dilution of the medium. Being alert she will assimilate many messages of nearly equal merit. Therefore, the decision that determines the sale will more and more be made when she goes forth to shop.

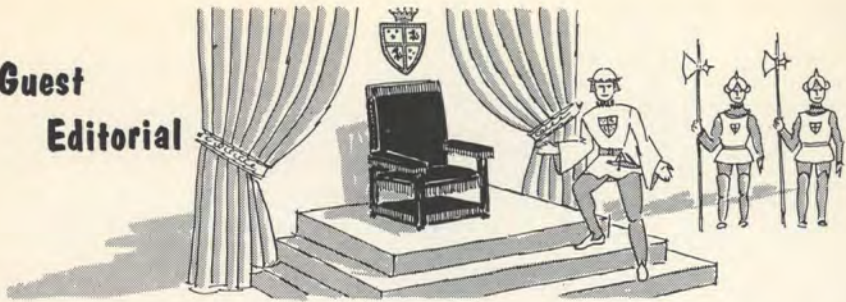
The advertiser who rings the cash register is the one who reaches the consumer in the right **context**—in the right frame of mind. This context is at its most favorable when she is on her way to shop or when she is outside the home with time to shop.

You people in the automobile business, and in tires, accessories, and gasoline, use context selling in its purest form. You reach your customers when they are actually riding in an automobile—when the message is really meaningful.

The right **time** is when she is near the point of sale and at the point of sale. Remember this: **at** the point of sale and **near** the point of sale. This factor is becoming important in much the same way as the regional and local concentrations of advertising in markets which are most responsive. It is what Swift & Company was seeking in its new, pinpoint effort.

I didn't originate this marketing strategy. Point of sale exploitation has already been developed to a fine art, but only by a comparatively few manufacturers who fully appreciate its significance. And some advertisers have discovered to their profit the importance of near-point-of-sale timing. They have found this to be a

Guest Editorial



As anyone who has ever dealt with a prospective home buyer knows only too well, the average citizen is impressed — and often a little frightened — by the fact that he is making one of the major decisions of his lifetime. We who build and sell homes must do everything possible to allay his fears.

Therefore, the members of the National Association of Home Builders have every reason to be grateful for the fine work of the units of the American Title Association. Certainly, the concept of

title insurance has done much to make mortgages an attractive investment. But considered solely from the aspect of instilling confidence in the buyer, title insurance is of major importance. Even though our prospect is convinced that the home we've built for him is an excellent investment, he must also be assured that the land on which his fine new home is built is his own. An intangible perhaps — but one that home builders could not do without!

JOHN M. DICKERMAN
Executive Vice President, National
Association of Homebuilders

relatively unexplored area in which to further refine the marketing process. In the crisis that is upon us, it is such opportunities that we seek.

Opportunities—Found or Made?

The crisis we face is not unusual: We're running out of money — surplus money. We'll be spending more money in total dollars—11 billion next year, maybe 20 billion in the Sixties. But we will have to produce more sales per dollar spent.

This means we've got to place our advertising in the right place—the productive markets. National advertising in its purest sense will become more and more a backdrop to pinpointed regional and local concentration.

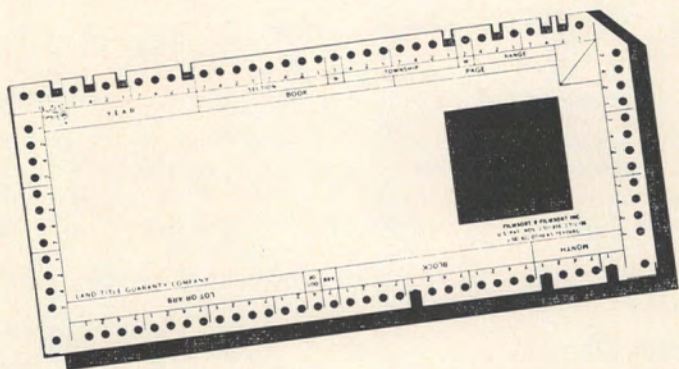
It means further that we have got to show our advertising to consumers at the right time—when they go out to shop or when they are outside the home and can shop.

It means also that we must place our ads where they are in the right context—the mental state that is conducive to buying — the shopping mood.

We must face up to the fact that education is changing consumer reactions. It is creating skepticism, but that works to our advantage. It is cultivating the imaginations of millions of people. Many of us can capitalize on this trend. Particularly, we can rely more and more on brevity and art. We can let these educated imaginations work for us.

These are some of the opportunities we will find in the years just ahead. To this I'd like to add just one pertinent play on words. Those among us who most succeed will **make** more opportunities than we **find**. For them the coming crisis of the Sixties should be a bonanza, indeed.

Time is



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How Title and Abstract Companies Can Assist in the Right of Way Acquisition

CARL B. HALL

Vice President

Title Guarantee and Trust Company, Birmingham, Alabama

Of vital importance to title men everywhere are the men and women who are active in the Right of Way Acquisition Program. Time and again our industry has demonstrated its adaptability by meeting the demand for unusual service in aiding this gigantic program.

The following is a copy of a talk presented to the Right of Way Conference at the University of Alabama in January.

This morning a deed conveying a parcel of real estate situated in Jefferson County, Alabama, was filed for record in the Office of the Judge of Probate in Birmingham. This deed will be recorded in Volume 6310 of the probate records. By Law this deed is now notice to all the world of that particular real estate transaction. It is now one of over two and one half million instruments recorded in deed and mortgage volumes in Jefferson County. Also there are over one hundred thousand court proceedings relating to real estate. There are thousands of maps, incorporation records, judgments, tax liens, sewer liens, marriage records, divorces, adoptions, legitimations and other matters of record.

This is the record. This is the mass of information that must be searched in order to determine ownership of any parcel of land in Jefferson County. The only difference between the search in Jefferson County and the search in any other county in Alabama is the volume of the record. The methods and practices may vary between counties and between individuals. However, the same problems must be solved, the same difficulties met, and the same questions answered.

The search is my business and the

business of my company. It is the business and the profession of a number of companies and individual abstracters and attorneys in the state of Alabama.

In the earlier years of the development of this state it was possible for almost anyone to go to the court house, and by checking the general index of deeds and mortgages, obtain



CARL B. HALL

a fairly accurate history of a parcel of land. This is no longer practical and rarely possible. Growth, progress, the passage of time and the complex development of metropolitan areas have made it necessary for abstracters and title companies to set up elaborate systems of index and cross index. These systems must be kept with almost painful accuracy. They become increasingly technical and intricate as the record grows in volume. The books of my company have been posted daily since 1901. Without these systems of search the public records would not be accessible to the public in the state of Alabama.

This then is what we have to offer. The search of the record and the information resulting from the search. We are very much interested in determining the special and specific types of information that you need in the acquisition of rights of way, and to find the best way to make that information available to you. It is not my intention today to talk about the technical details of the title business. Nor is it my intention to tell you how to conduct your own business. However, I believe you will agree that in the matter of right of way acquisition a sharing of ideas and of problems between your business and mine should be profitable.

Conventional Forms of Title Information

Let us first examine the conventional forms in which title information is usually reported.

1. **Abstract of Title.** The first of these is of course the Abstract of Title. Abstracts have long been the almost universally accepted form of reporting record information. The abstract consists of all the information on record relating to the specific land under examination. The information is compiled in such a manner that the examining attorney may examine the title and render his opinion based on the abstract.
2. **Title Insurance.** The second conventional form of title work is Title Insurance which goes a step further. This is a guarantee against loss from title defect

issued in the form of an insurance policy by the title company after examination of the title by an attorney.

3. **Title Certificates.** Another form of title report is the Title Certificate. This is an opinion of title based on examination of the original record by the examining attorney. The first two of these conventional forms of title information, abstracts and title insurance, are not being used to any large extent for purposes of right of way acquisition in Alabama. We in the title business believe they should be, especially when valuable property is involved. The third, the title certificate, is perhaps being used in counties where the examining attorney is also an abstracter, maintaining his own systems of record indexes. Title companies cannot issue this title opinion certificate because to do so would constitute the practice of law.

Chains of Title

The most widely used form of title information for right of way purposes in Alabama is the Chain of Title. This is simply a list of all the matters of record pertaining to the particular parcel of land for a specified period of time. The Chain gives the Volume and page where the instrument is recorded; identifies the instrument as a deed, mortgage or whatever it might be; shows the execution date of the instrument; and sets out the names of the parties to the instrument. The Chain of Title may also include a report of judgments and tax liens against the present owner. The period of time covered may be specified, or it may be left to the discretion of the abstracter. The abstracter will then show enough of the record to show the apparent present owner and the outstanding encumbrances. The examining attorney must then examine the original record of the instruments shown on the chain.

The Chain of Title is at best incomplete title information. This is true for several reasons. The chain is made directly from the indexes of the title company or abstracter. The person preparing the chain does not read

the instruments. Matters that appear in the instruments and do not appear on the index do not come to the attention of the abstractor. No search is made as to the satisfaction of mortgages. No search is made to determine the status of reversions, reservations and liens created by the terms of the instruments. No search is made to find proceedings in the administration of Estates of deceased persons where those proceedings did not describe the property under examination. Because of the limitation of the period covered the chain does not show matters recorded prior to that period. Such matters may even include a title superior to the one shown by the chain of title. The search for judgments and tax liens is usually limited to the present owner.

These objections to the chain of title are the objections of a title man and perhaps arise from an occupational aversion to anything less than a complete search. For practical purposes the chain is perhaps sufficient in the large majority of cases. However, I believe you should be aware of these limitations when you purchase this kind of title information.

Information for Public Utilities

The Chain of Title, as I have discussed it, is usually used for purposes of public road rights of way. It is also used in much the same manner at times for the acquisition of public utility easements. A more frequently used form of title information for public utilities is a brief preliminary title report. This usually includes a reference to the last deed of record, indicating apparent present ownership. It may also include references to the latest mortgage, assessment and payment to ad valorem taxes, and a report as to judgments and tax liens against the present owner. This type report makes it possible for the agent to contact the apparent record owner with some assurance that he is dealing with the proper parties. This preliminary report does not reveal title defects and encumbrances that would be discovered by a more extensive search and report of the record. Also, the matter of descriptions is often a major diffi-

culty. In many cases, such as easements for service lines and pole permits, no title information is obtained. The preliminary report can be varied to meet the needs of the user. It is inexpensive and can be obtained in a short time.

Information for Appraisers

In the matter of title information for appraisal purposes there is very little in the way of established procedure in Alabama. However, there is much information on record that is essential to the appraiser. The modern title company can furnish most of this information in the form of photostatic copies of recorded instruments. Photostatic copies of deeds show the recited consideration and the actual federal revenue stamps affixed to the deed. Photostatic copies of recorded maps of subdivisions in regular legal stationery size make information as to descriptions and the size of lots immediately available to the appraiser. The abstractor or title company can search out and furnish copies of deeds for all sales for any given period of years in any designated area or as to any specific parcel of land. These photostatic copies can then become a part of the appraiser's file or be attached in support of his report. The information required will probably be different in each case. If these requirements are explained to your abstractor or title company the search can be made by trained, skilled people and reported in accurate, concise and convenient form. If the report relates to a single parcel of land it may even include information relating to comparable properties designated by the appraiser.

Description of Rights of Way

The matter of descriptions is one of the most difficult problems in preparing title information for right of way acquisition. Perhaps it is one of the most difficult problems in acquiring rights of way. If the right of way map is prepared before the title information is obtained, it is usually done from descriptions taken from the Tax Assessor's records. Unfortunately tax assessment descriptions do not always accurately reflect present ownership of lands. A parcel of

land may be divided into several parcels and continue to be assessed as one tract for several years before the assessment is changed. Also assessment descriptions very often do not describe the land in detail. When the chains of title are made the abstractor usually describes each parcel by reference to a recorded deed conveying that parcel. It is not practical for the abstractor to write a description of the exact part of the land included in the right of way. The result is that the chains of title do not correspond to the parcels as shown on the right of way map. The engineer must then prepare another map and the descriptions for the right of way deeds must all be rewritten.

This situation can be avoided by obtaining the title information before the preparation of the right of way map. The title company or the abstractor can work from a center line map showing only the approximate location of the center line of the proposed right of way and the quarter-quarter section lines. It is also possible to sketch in the center line on a copy of the tax assessor's map. The abstractor can then prepare a chain of title on each parcel he finds in the width of the proposed right of way. For small additional expense a photostatic copy of the last deed of record conveying the parcel can be attached to the chain of title. The engineer then has the record description of the parcel, or a reference to it on the record, when he prepares the map. The examining attorney then works with a map and chains of title that agree as to description as much as possible. It is true that when the final location of the right of way lines is determined additional title work may be required as to parcels that were not included in the original search. It is also possible that this procedure may lengthen the period between the date of the title work and the date of acquisition. However, these disadvantages are more than compensated by the time saved in preparation of the right of way map and the increased efficiency of the entire acquisition procedure.

I could not appear here as a representative of the title business with-

out urging you to give every consideration to the improvement of descriptions in whatever kind of real estate instrument you prepare. In the past errors in description were often ignored because everybody in the community recognized the owner and his claim of ownership. Descriptions were often written by well meaning people who professed to know how to "measure land and write deeds." This gave us descriptions like this; "begin at the foot log across Village Creek near Bill Smith's spring house and run far enough to take in the mule lot, but not far enough to take in the well; thence run down the ditch to a sassafras bush near a sweet gum tree; thence run to a stone in the edge of the creek; thence run up the creek to the point of beginning." There are descriptions of record that begin "at a tree where a blue bird sings"; "the place in the road where Mr. Kelley's horse broke his leg"; "at Mr. Jones' yard gate." These descriptions continue to plague us to this day. An old colored man once explained to me how his family divided his father's land after the old man died. He drew a diagram on my desk with his dirty thumb and said, "we pace it off and vide it up and then we say, dis is mine, dat is youn, start plowing."

Erroneous descriptions in the acquisition of rights of way and easements often encumber the title to lands never intended to be affected. Title companies spend much time and money attempting to index instruments containing such descriptions. Examining attorneys find abstracts filled with such matters. It seems to me that emphasis on accuracy in describing the property affected in any instrument is in the best interest of the agency acquiring the easement, the property owner, the title man and the general public. Title companies and abstractors will always welcome an opportunity to discuss with you adequate record information to aid in the preparation of descriptions.

Costs of Title Information

In a talk before this conference last year Mr. Richard Taylor, Chair-

man of the National Liaison Committee of the American Right of Way Association, mentioned efforts of that committee regarding mounting costs of title information. I do not believe that this is a problem in Alabama. Title work in this state represents a very small fraction of the costs of right of way acquisition. This nominal expense for title work may not continue to be the rule in the future. The record will grow. The complex development of metropolitan areas and the increased pace of construction will require more complete title work and an ever increasing volume. Title companies will be asked to give right of way work immediate attention and it will be necessary to employ additional highly skilled personnel. All this will of course result in greater expense.

These are some of the practical applications of information from the records of the Office of the Judge of Probate. Let me remind you that the record has another importance. It tells the story of a community and its people. It tells of progress and stagnation, of success and failure, of hope and despair. It reveals the honest man and the crook, the wise man and the fool. The record will tell a story of what kind of roads you build. It

will tell how well you serve your customers. It will tell how well title men perform their tasks.

As we study the rapidly changing record today we can almost sense the enormous undertakings of the future. The record of the past tells us that we must prepare to meet new requirements and the challenge of new problems.

By tradition Title Companies and Abstracters stand in a unique position of public responsibility. We are keenly aware of that responsibility. As the American Right of Way Association considers the problems of right of way acquisition we want to contribute whatever we can to the solution. If your agency or your business requires title information discuss it with your local title man. He will be interested in your problem and anxious to devise the best means of supplying the needed information. We in the title business share the desire expressed in the first paragraph of the Code of Ethics of the Right of Way Association "to show faith in the worthiness of our profession by industry, honesty and courtesy, in order to merit a reputation for high quality of service and fair dealing."

TIME IS EXPENSIVE

Management has a thorough knowledge of most of the expenses encountered by a business. These expenses, which vary according to the size of the business, include erasers for the office girls, contracts of a new branch, remodeling the office and many more; but is management aware of this all important expense . . . TIME?

According to the figures of certain officials whose business is supplying industry with time recorders, TIME is quite an expensive item. Their figures are established on the average eight hour day, five day week, not counting Saturdays, Sundays and holidays.

A company having 10 employees with an average \$1.25 hourly rate

spends \$531.20 a year for only five minutes per day wasted by the 10 employees. And it costs \$26,560.00 to a company with 500 employees, with the same salary, wasting the same amount of time. If the wages are \$1.50 per hour to 100 employees the company will find \$6,376.00 lost because of those five minutes wasted. These sums go higher, of course, if the employees are paid \$2.50 per hour. In one year \$1,062.60 will be the lost sum for a company with 10 employees; \$5,313.00 for a company with 50 employees and the slightly larger sum of \$53,130.00 for a company with 500 employees.

With these figures in mind everyone should realize the importance of TIME and the effect it has on a budget.

OUT OF THE PAST



By

LAWRENCE R. ZERFING

Past President, American Title Association

Advice to the ambitious is to "look ahead" . . . don't dwell on the past. In fact, too frequent references to the days gone by is often taken as a sign of old age and a static condition, but some consideration of a past era has merit as a milestone or guidepost. Just as we have little sense of movement when observing a parallel train running at the same speed so we may well fail to recognize whether we are going forward or backward unless we have some definite object or period against which to measure. Although my term of office was not so many years ago we may analyze our then objectives and goals and see what has been accomplished; if some of the goals have been reached there was progress.

One enters into the distinguished office of the Presidency of the American Title Association with vim and vigor, many ambitions and expectations of great accomplishments. At the end of the term there is relief at its termination, regret because all goals have not been reached and still some sense of satisfaction that something has been done and a better appreciation of the adage that "The mills of the Gods grind slowly."

My term of office began in Chicago, September 10, 1954, and ended September 29, 1955 in Cleveland. During that period our industry was extremely active and the year 1955 was one of great volume and generally good profits.

In going back over the various reports I found that then we were concerned about such subjects as open end mortgages, F.N.M.A. requirements, Bar Association differences, personnel problems, mechanics liens insurance, casualty risks, mortgage



LAWRENCE R. ZERFING

companies as agents, "kickbacks" to approved attorneys or mortgage companies, public relations, price cutting, uniform owners policy, new machinery and new methods and standard exceptions.

In my talk at the dinner in Chicago upon entering office I set up as some of our objectives:

Further effort in development of a uniform owners policy

Strengthening the machinery to carry out the principles of our Code of Ethics and maintaining high standards and sound practices.

During my term I stressed in various talks importance of high standards, dangers in casualty risks, conflict of interest in mortgage company representation, improved methods, better training of personnel, free services and the like.

Upon my leaving office in Cleveland I pointed out the need for earlier delivery of the Directory (a then long time problem), improving Title News so as to be of more value to the members and a more clear defining of the duties and obligations of the Grievance Committee.

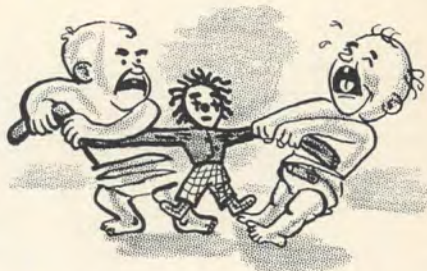
These subjects are mentioned, not in the thought that they were original with my administration . . . they were not . . . but to determine what progress was made. Some progress was made. The uniform owners policy is almost a reality. The directory is coming out earlier and Title News is vastly improved.

Now as to some of the items which worried us then. Are they still with us, have they been resolved or has time taken care of some of them.

Fanny May requirements apparently no longer present a problem. Discussions and analysis solved any differences.

Open end mortgages, long a vexation problem, compounded by unwarranted and inexact public statements, differences in state laws and in some cases an unwise approach to the title insurance viewpoint as distinguished from casualty insurance, gave all of us much concern. From what I can see now this no longer poses any real difficulty. These transactions are handled to the satisfaction of the mortgagees at reasonable rates and

on a basis which, in accordance with the various state laws, protects the insuring company and mortgagee based on a proper title examination.



Bar Association differences are not generally discussed, but why not. There should be no conflict. Many of our members are members of Bar Associations and are interested in harmonious relations and the two groups can complement each other because practicing lawyers do not by their examinations insure or guarantee titles and title companies do not practice law.

A number of the other items are still with us. Public relations is not a problem; it is a continuing job, important to our wellbeing and our methods. The methods of handling this job will and must improve and change with general growth and development in business.

The same exists with respect to personnel relations. We are governed by the market demands, changes in requirements and rewards available in other lines of business and industry. In fact, inadequate or improper consideration of personnel relations will eventually result in the decay of any organization which fails to keep abreast of the times and which is not cognizant of the latest and best standards as they exist and vary from time to time.

The problems which during my administration I considered important and discussed at every opportunity were those relating to maintenance of high standards. That covers a tremendous area, relating to quality of examination, casualty "type" insurance by title companies, rebates, kickbacks, free and easy appointment of

agents, discounts and so on. Nothing can be so inimical to the welfare of any segment of our industry . . . or any industry for that matter . . . as a loss of esteem on the part of customers or users of a product or service. Confidence in those from whom we purchase goods or services is important and that confidence cannot exist if we know that others get a better deal than we do or if they can get unwarranted "favors" which are not available to us. Our customers will have the same reaction. A service as intangible as title service must be based on confidence. You can't count the jewels or weigh the product on a scale. The only measure of value must be confidence. While concessions and the like may for a time increase volume to the conceding organization that can only be followed by similar but reluctant concessions on the part of others with the result that the whole level is reduced to a still lower and lower base.

Television had its phony quiz programs and payola. That industry will clean up because if the industry does not do so public authorities will. Our industry by comparison is small but it directly affects many persons who have full confidence in our work. We cannot let them down.

Not many years ago the word "regulation" was anathema to the industry. It is still looked upon unfavorably but more and more one hears that regulation might be readily accepted if it would lead to a cure of the increasing faults and bad practices. If our industry will not voluntarily adhere to sound practices we will be required to do so by some authorities and that always carries with it burdens and dangers of harassment.

Through the past years great strides have been made in the increasing uses of machinery, equipment, photography and electronics. Many of these facilities could be put to greater use in our industry and over the past ten years will, I believe, be used to a degree now considered unthinkable. This will of necessity come partly because of shortage of help, higher wages and costs generally.

Very closely allied is the subject of management. In the smaller units an ability to sell your product with facilities to produce a report of title or abstract will suffice reasonably well. As organizations become larger sound principles of management, knowledge of finances, systems and methods are of paramount importance and are an essential to profitable operations. In the years ahead I believe there will be more consolidations and mergers which will of necessity, because of size, place much more emphasis on matters of management and systems.

This did not begin as a preaching. It was supposed to be a discussion of the aims, objectives, successes and failures of my administration. It was to include problems of the industry and an opinion as to the changes in the foreseeable future. The two problems of standards and management are to my mind the most important, the ones which will have the most impact in the future and the handling of them can spell the difference between operating profitable businesses or having just fair results. That will be increasingly so because of the keen competition which exists in our industry.

I hope we are big enough to see that the objective of any corporation should be to make money for its stockholders over a long period of time . . . not just short range. With that objective there must exist, of necessity, good service to customers and wellbeing of employees. There will never be perfection but a reasonable solution of these problems must mean that finer and greater things will be ahead for us if we have vision and build on sound foundations.

Another difference between death and taxes is that death doesn't get worse every time Congress meets.

If the cows knew what milk is selling for these days, they wouldn't be contented, they'd be hilarious.

An income is something you can't live within or without.

FROSTING ON THE CAKE

Against this background of luxury and splendor (see opposite page) title men and women from all across the United States met at the Riviera Hotel in Las Vegas on February 16, 17, and 18 to consider the state of the title industry, and to explore, in open sessions, ways of increasing their individual effectiveness and adding to the stature of the American Title Association through cooperative action.

The glamorous surroundings were just "the frosting on the cake" as President Lloyd Hughes set the pace with a sober, thought-provoking message, urging a "tightening up" of our entire economy, not only in government activities but in the nation's business life as well.

"We, like everybody else," he said, "have got to limit the use of our time and money to the best purposes."

It was the best attended Mid-Winter Conference in ATA history and, despite the lure of man made enticements and the breath-taking natural beauty of "paradise valley", each business session sparkled with enthusiasm, and there was no need to bombard the 358 delegates with requests to "be in the auditorium promptly at 9:30."

A get-acquainted reception Tues-

day evening (see pages 20 and 21) launched the 1960 Conference, followed the next morning by a tailor-made news broadcast, prepared especially for the American Title Association by Morrie Kaplan, staff announcer for radio station KRAM.

Typical of the value of the business sessions to title men was Otto Zerwick's report of the work of the Committee on Title Plans and Photography. Otto disclosed an ambitious plan for a library of reference material to be made available at national headquarters for members of the association.

To make future annual convention programs even more meaningful, "workshop" discussion groups were planned and all members are urged to offer suggestions to national headquarters regarding specific subjects they wish to have discussed.

Below: The Board of Governors in a serious mood as they study reports from the ATA office.









GIVE AND TAKE



President Lloyd Hughes hands a title insurance policy covering the new Las Vegas \$7,000,000 Convention Hall to Harley Harmon, County Commissioner, Left, as he receives from the Las Vegas Mayor, Oran Gragson, a proclamation designating the week of February 14-20 as "Real Estate Title Week". The proclamation signed by Mayor Gragson reads as follows:

WHEREAS the private ownership of real estate is a precious right guaranteed by the Constitution of the United States and

WHEREAS the abstractors and title insurance companies comprising the American Title Association help our citizens to fulfill this basic human desire and,

WHEREAS the expansion and progress enjoyed by America's great Southwest has been enhanced by the services rendered by members of the American Title Association,

NOW THEREFORE I, Oran Gragson, Mayor of the City of Las Vegas, do hereby proclaim the week of February 14 to 20 as "Real Estate Title Week."

Title Insurance Section

On the afternoon of February 17th the members of the Title Insurance Section had their first opportunity to see the newly elected Section Chairman, Thomas P. Dowd in action. They were not disappointed. The meeting was businesslike and highly productive.

Changes in the all-important ATA Mortgage Policy Form and Owners Policy Form were explained in detail by Ben Henley, Chairman of the Standard Forms Committee and by Co-Chairman, Dick Howlett. Particular attention was paid to the precise language in the portion of the policies covering mechanics' liens and it was indicated that future changes are contemplated.

Note: Title Insurance companies were urged to submit copies of their certificates to the Life Insurance companies by Gus Mitchell of the Equitable Life Assurance Company.

What has been your experience with forgeries? Do you insist upon a resolution of the stockholders when a corporate execution of a mortgage is involved? How do you stand with regard to FHA and VA foreclosures and subsequent coverage for a purchaser? Are you interested in the position taken by the counsel of other title insurance companies with respect to mortgages that are usurious? These and many other important subjects were discussed at the Section meeting.

Members were informed that in recognition of the outstanding contribution made by the members of the Standard Forms Committee the following resolution had been adopted by the Board of Governors on the previous day:

WHEREAS, the members of the Standard Title Insurance Forms Committee have devoted a great measure of time, effort, and skill toward the development of ATA Standard Forms, and

WHEREAS, by reason of their contribution the American Title Association has gained in prestige and improved its relationships within the Association and among other professional groups and,

WHEREAS, Benjamin J. Henley by his example of leadership and service had guided and inspired the members of that committee,

NOW THEREFORE BE IT RESOLVED THAT the Board of Governors of the American Title Association in meeting assembled at the annual Mid-Winter Conference, Las Vegas, Nevada, February 16, 1960, do hereby express their deep sense of gratitude to Chairman Benjamin J. Henley and the members of his committee.

Congratulations, Tom Dowd, on a fine meeting.

Abstracters Section

3½ hours of debate, instruction, inspiration and down-to-earth discussions of the business of abstracting that's what was provided for the Association's Abstracter members under the leadership of Art Reppert, as the Section met in the Riviera Hotel on February 17.

Of vital concern to all abstracters was the eloquent plea for a separate section set of by-laws and a greater degree of autonomy for the Abstracters Section made by H. G. (Bud) Ruemmele. Chairman Reppert announced the appointment of a special constitution and by-laws committee and Mr. Ruemmele's proposal that a separate set of by-laws be adopted immediately was tabled by popular vote pending the opportunity of that committee to make a thorough study of the subject.

The idea of workshop sessions at future conventions was greeted enthusiastically. Some of the topics suggested for the 1960 Annual Convention in Dallas are:

- Abstracters Schools
- State Association Publications
- Escrows
- Title Underwriting From the Point of View of Abstracters
- State Highway Associations
- Bookkeeping Procedures
- Public Relations

Members were also interested in the discussion regarding errors and omissions policies and it was promised that a representative of the St. Paul Fire and Marine Insurance Company would report in full on this subject at the next annual meeting.

As the meeting broke up, members were heard to say, "Now we're getting somewhere. This session was really worthwhile."

AN ENVIABLE RECORD

The success of the 1960 Mid-Winter Meeting set a difficult standard for future conferences to match, and much of what was accomplished would have been utterly impossible without the splendid spirit of cooperation on the part of M. M. Sweeney, President of the Pioneer Title Insurance Co. of Nevada.

The name of Major Sweeney was an open sesame to the office of the Mayor; he worked magic with the managing editors of local newspapers; his command brought a low bow from head waiters, prompt service from the bellboys and inspiration from the bartenders. With his help, here is what was accomplished:

Advance publicity in both local newspapers complete with photographs of President Lloyd Hughes and Executive Vice President, Joseph H. Smith.

Special news broadcasts especially prepared for the American Title Association by one of radio's leading commentators.

Address of welcome from M. R. McCann, Vice President of Las Vegas Board of Realtors. Incidentally, Mr. McCann's speech was the shortest in history. He said, "Title insurance together with escrow facilities and the cooperation provided by the title companies are most important to us in the proper handling of real estate transactions".

Front page "spread" carrying President Hughes's photograph and text of his keynote speech.

Two column writeup in the Las Vegas Review Journal covering Jim Robinson's speech to the Rotary Club, "Your Home, How Much Of It Do You Own?"

Two column photograph and story in both newspapers depicting the opening of the second general ATA session.

Photograph and story of our President receiving proclamation from the Las Vegas Mayor.



Above: Major Sweeney (right) chats with Alice Robinson, Secretary to ATA's Executive Vice President, as they crystallize plans for a "bangup" publicity program.



Judiciary Committee Report

F. W. AUDRAIN
Vice-President, Security Title
Insurance Company
Los Angeles, California
Chairman, Judiciary Committee

Mr. Lloyd Hughes has sent out his letters of appointments to the Judiciary Committee and as Chairman I am becoming acquainted by letter with new committee members. To past and continuing committee members, and to new members, the message of the committee is that your information about cases of interest to title men in fifty states is welcome. Title News has been generous to the committee and the committee appreciates the space made available to it.

The chairman of the committee welcomes the new members and appreciates their letters expressing their desire to help make the committee useful to title men everywhere.

High Water—Low Water—and the Center Line of A River!

During most of the year (eight months) the channel of the river was southerly of where a center line would be at the time of flood or heavy flow. A land area (island) desired by a plaintiff lay mostly northerly of the center line of the eight month's channel. Defendant preferred a center line equidistant between the banks which contained the river at high water flow. Citations from many states were relevant in the court's decision that the lowest level of the river is a dominant factor, and this quotation from a N.Y. case was important to the court:

"In order to determine just where

the center of the channel is, it is necessary to determine what constitutes such center . . . Water always seeks its lowest level. If the deepest part of a channel is well to one side, and the equidistant rule is applied, the riparian owner upon the shallow side would, in times of drouth, be shut off from access to the water which is supposed to flow past his door, without trespassing upon the lands of his neighbor, as the exact middle of the stream would be on dry land. In the very nature of things, the thread or center of a stream must be the line which could give to the owner upon either side access to the water, whatever its stage might be, and particularly at its lowest flow. Upon principle, therefore, it would

appear that the thread of a non-navigable river is the line of the water at its lowest stage!"

Bisbel vs. Faria (Cal. Supreme Ct. December, 1959).

Transfer Taxes

In some states there are cities that impose realty transfer taxes. For those title men having an interest in the subject, and who want to keep fully informed thereon, two cases may be of interest:

Realty Equities Corp. of New York vs. Cerosa (12/9/ 59, N.Y. Sup. Ct.) and City Stores Company vs. Philadelphia, 376 Pa. 482.

It appears that place of delivery of a deed in relation to the city limits of the taxing city is a relevant factor in discussion of the subject.

"An Accurate Survey, Etc."

Subject to what may occur on appeal, if any, the case Kuhlman vs. Title Insurance Company of Minnesota, 177 F. Supp. 925 (Missouri, Aug., 1959), brings directly into focus the policy exception:

"Facts which would be disclosed by an accurate survey of the premises herein described."

Plaintiff, insured, was grantee in a deed with a metes and bounds description, which description was used in the policy. Plaintiffs' surveyor, preliminary to construction, used the deed and policy exception to locate a property line and a proposed building line, the latter being located to provide 60 feet for trucks to clear for loading and unloading.

Thereafter the owner of land adjoining the property line here involved also surveyed for construction and by this survey, later accepted by all parties as the correct survey, located the true property line, which reduced the 60 feet to 57 feet, thus making a truck movement problem. Plaintiff claims \$10,000.00, the policy amount. Defendant insurer pleads the policy exception. The court finds for the defendant on the exception:

"Plaintiffs contend that when they sought title insurance from the defendant, it was the responsibility of the defendant to determine the correctness of the description in insuring

the title to such property as the plaintiff actually purchased under their deed.

Had the survey obtained by the plaintiffs prior to the erection of the building been a correct survey, it would have revealed the exact location of plaintiffs' east boundary and their present difficulty would not have arisen.

It is very apparent that the defendant was under no obligation to cause a survey to be made prior to issuing the policy, and that it insured the title only to such property as plaintiffs actually acquired. There can be no other reason for the exclusionary clause in its contract, and such exclusionary clause is binding upon the plaintiffs, and they are not entitled to recover."

A Rule for the Ninth Circuit:

The creditor holding a mortgage or deed of trust having unquestioned priority to the later federal tax lien is junior to the tax lien as to the property taxes paid by him. The provisions of the security paper relatives to the creditors' right to pay taxes and thereby increase the principal debt are of no value in a setting where the property taxes, coming into being after the federal tax lien attached, are junior to the federal liens.

United States v. Christensen, 269 F. 2d 624 (9CCA-1959).

Homestead and Bankruptcy

Need exists for title men to have knowledge of the federal law as interpreted for their federal circuit, although in situations where the circuits state different conclusions on a common problem the title men may wonder how safe it may be to act on the case rule of his circuit, since there is always the risk that some litigant, usually the United States, may persuade the Supreme Court to reconcile the decisions and reject the rule of his circuit. This is the situation as to some aspects of tax liens and prior encumbrances.

A somewhat similar problem exists for those who have to decide how much action must occur in bankruptcy as to the bankrupt's homestead

exemption created under state law. Some of us in the Ninth Circuit have required that the claimed exempt property has to be submitted to the bankruptcy court to obtain the exemption order. A presentation of the exempt property to the referee to obtain a judicial confirmation that the property is in fact lawfully exempt from administration. *Gardner vs. Johnson*, 195 F 2d 717 (1952) (9CCA) discusses this matter and is given attention in this circuit.

By a decision dated in September, 1959, the 10th Circuit Court of Appeals, having before it an effort by a bankruptcy trustee to void a bankrupt's deed of homestead property (four months preference claim) decided that the conveyance was non-avoidable, being exempt property under Oklahoma law as to homesteads. The court, after having considered *Gardner vs. Johnson*, said that while there was "much" to be said for the rule or theory of that case, the need to have bankruptcy court attention, i.e., a petition and order as to exempt property, ought to be confined to property owned by the bankrupt at the time of filing of bankruptcy. *Rutledge vs. Johansen*, 270 F 2d 881.

Both cases involved conveyances by the bankrupt of homestead property and efforts of the bankruptcy trustee to recapture the property. The subject may be of interest to some title men because of the requests by bankrupts and their counsel that their deeds to property described in homestead declarations be honored without further concern over the owner's pending bankruptcy proceedings.

Anaconda Mortgages?

"Mortgages of this character have been denominated 'anaconda mortgages' and are well named thus, as by their broad and general terms they enwrap the unsuspecting debtor in the folds of indebtedness embraced and secured in the mortgage which he did not contemplate, and to extend them further than has already been done would, in our opinion, be dangerous and unwise, etc."

The case of National Bank of Eastern Arkansas vs. Blankenship, 177 F. Supp. 667 (Sept., 1959) is good reading for title men, for some to review acquaintance with known rules and always there are title men who will find their first acquaintance with significant rules in the setting of a specific set of facts.

The court was speaking of the deed of trust taken by a bank which had a "dragnet clause" to cover assorted other, sometimes earlier, debts and "future advances" which might be made, in addition to the principal loan figure for which the trust deed was given. The court admitted to the ability of creditor and debtor to contract to extend a lien to other obligations than the obligation for which the security paper was given, but indicated that for Arkansas, such contracts will be strictly construed.

The matter of notice, actual or constructive, as to junior liens also arose as to optional advances by the lender and the court said: "Where a mortgage or deed of trust is given to secure future advances, and the making of such advances is optional with the lender, as was the case here, the law is that where the advances are made after 'notice' of the filing of an intervening lien has been received by the original creditor, his lien for such subsequent advances is inferior to the later lien. *Superior Lumber Co. v. National Bank of Commerce*, 176 Ark. 300, 2 S.W. 2d 1093. By the weight of authority the notice that the senior lienholder must have before his advances will be subordinated to a junior lien is 'actual', as contrasted to 'constructive' or 'record' notices. 36 Am. Jur. 'Mortgages', Section 235; see also annotation in 138 A.L.R. 566 and 579."

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Experienced title men have long known the perils (and losses) inherent in title work based on a file stamped "Rush" or marked with a red pencil "Rush." These men can also narrate some narrow escapes that caused hard breathing or shuddering (thinking of what could have been).

Last fall a title man had a title order to close where a bankruptcy trustee was selling for \$30,000.00. There was an existing deed of trust securing a balance of \$15,000.00.

Title Officer to his counsel: "The bankruptcy trustee's escrow instructions are silent as to this deed of trust. It's O.K., isn't it, to use proceeds of sale to pay off this lien?"

Counsel: "No, it is not O.K. You must have a specific instruction to do so. By the way—do you have all the usual and needed orders and examination out of the referee's office?"

Title Officer: "We have all that and the bankruptcy trustee tells us to pay the bankrupts \$12,500.00 direct which is their homestead exemption. One odd thing, though, the United States filed a claim for taxes—\$20,000.00—in the referee's office, but no lien in this county. The parties are in a big rush—escrow time expires in 48 hours. May we pay out to the bankrupts and ignore the tax claim and record?"

Counsel: "It's a good thing you called. First you must not pay out \$12,500.00 to the bankrupts. Pay it to the trustee and, since he is a lawyer and you know him, you might mention that the United States can reach the \$12,500.00, for the state exemption won't defeat the tax claim. This could interest the trustee. He probably had to file a bond. As to the purchaser, he is only bound by a tax lien of record in the county where the property is located, and his actual notice won't hurt him. You may ignore the tax claim and record. Thanks so much for calling. It was nice of you to ask, especially about that \$12,500.00, knowing as you did about the \$20,000.00 of taxes."

Avoid that run down feeling; stay off the streets.

Only in America

I do not choose to be a common man. It is my right to be uncommon if I can.

I seek opportunity—not security.

I do not wish to be kept a citizen, humbled, dulled, by having the state look after me.

I want to take the calculated risk; to dream and to build; to fail or succeed.

I refuse to barter incentive for dole.

I prefer the challenges of life to guaranteed existence; the thrill of fulfillment to the state calm of Utopia.

I will not trade freedom for beneficence, nor my dignity for a hand-out.

I will never cower before my master nor bend to any threat. It is my heritage to stand erect, proud and unafraid; to think and act for myself, enjoy the benefits of my creation, and to face the world boldly and say:

... This I have done.

May my children and all my countrymen have this same opportunity.

It Isn't Your Firm . . . It's You

If you want to work for the kind of firm

Like the kind of a firm you like,
You needn't slip your clothes in a grip

And start on a long, long hike;
You'll only find what you left behind,
For there's nothing that's really new.
It's a knock at yourself when you knock your firm,

It isn't your firm—It's YOU.
Good firms are not made by men afraid

Lest someone else gets ahead,
When everyone works and nobody shirks

You can raise a firm from the dead.
And if, while you make your personal stake,

Your neighbor can make one, too,
Your firm will be what you want it to be,

It isn't your firm—It's YOU.

MEETING TIMETABLE

APRIL 8-9, 1960

Oklahoma Title Association
Mayo Hotel, Tulsa, Oklahoma

APRIL 14-15-16, 1960

Texas Title Association
Robert Driscoll Hotel
Corpus Christi, Texas

APRIL 22, 23, 24, 1960

Arkansas Land Title Association
Mountain Inn, Fayetteville, Arkansas

APRIL 24-25, 1960

Wisconsin Mid-Year Meeting
Mead Hotel
Wisconsin Rapids, Wisconsin

APRIL 29, 30, 1960

Central States Regional
Drake Hotel, Chicago, Illinois

MAY 1, 2, 3, 1960

Iowa Title Association
Hotel Fort Des Moines
Des Moines, Iowa

MAY 4-, 5, 6, 1960

Atlantic Coast Regional
Seaview Country Club
Absecon, New Jersey
(Just outside Atlantic City)

MAY 6-7, 1960

Abstracters Short Course
Florida Land Title Assn.
Univ. of Fla., Gainesville, Fla.

MAY 11, 12, 13, 1960

Illinois Title Association
St. Nicholas Hotel, Springfield, Illinois

MAY 12, 13, 14, 1960

Pennsylvania Title Association
Galen Hall, Wernersville, Pa.

MAY 19, 20, 21, 1960

California Land Title Association
Hotel del Coronado
Coronado, California

MAY 24, 25, 26, 1960

American Right-of-Way Assn.
6th Annual Nat'l Seminar
Shoreham Hotel, Washington, D.C.

JUNE, 1960

Wyoming Title Association
Worland, Wyoming

JUNE 3, 4, 1960

South Dakota Title Association
Sawnee Hotel
Brookings, South Dakota

JUNE 6-7, 1960

Southwest Regional, Dallas, Texas

JUNE 8, 9, 10, 11, 1960

Oregon Land Title Association
Gearhart Hotel, Gearhart, Oregon

JUNE 16, 17, 18, 1960

Colorado Title Association
Harvest House Hotel
Boulder, Colorado

JUNE 30 - JULY 1-2, 1960

Michigan Title Association
Boyne Mountain Lodge
Boyne Falls, Michigan

JULY 9-12, 1960

New York State Title Assn.
Saranac Inn, New York

JULY 29-30, 1960

Montana Title Association
Rainbow Western Hotel
Great Falls, Montana

AUGUST 12, 13, 1960

Minnesota Title Association
Duluth, Minnesota

SEPTEMBER 8, 9, 1960

North Dakota Title Association
Bismarck, North Dakota

SEPTEMBER 15, 16, 17, 1960

Kansas Title Association
Warren Hotel
Garden City, Kansas

SEPTEMBER 22-23-24-25, 1960

Washington Land Title Association
Olympic Hotel
Seattle, Washington

SEPTEMBER 23-24, 1960

Utah Land Title Association
Cottonwood Country Club
Salt Lake City, Utah

SEPTEMBER 25, 26, 27, 1960

Missouri Title Association
Statler Hotel, St. Louis, Missouri

SEPTEMBER 25-26-27, 1960

Nebraska Title Association
Clarke Hotel
Hastings, Nebraska

OCTOBER 3-6, 1960

Mortgage Bankers Assn. of America
Conrad Hilton Hotel
Chicago, Illinois

OCTOBER 9-13, 1960

American Title Association Annual
Convention
Statler Hilton Hotel
Dallas, Texas

OCTOBER 30-31, NOVEMBER 1, 1960

Ohio Title Association
Netherlands Plaza, Cincinnati, Ohio

NOVEMBER 14-15, 1960

Indiana Title Association
Sheraton-Lincoln Hotel
Indianapolis, Indiana

NOVEMBER 17, 18, 19, 1960

Florida Land Title Association
Miami, Florida



**IN THE
ASSOCIATION
SPOTLIGHT**

Kansas City Changes

John D. Petterson, formerly secretary of Kansas City Title Insurance Company, was elected secretary-treasurer of the firm at the Company's annual board of directors meeting January 11. He succeeds George R. Baldrige whose retirement was announced simultaneously. Miss Nelle Holloway, cashier for many years, was promoted to assistant secretary-treasurer.

Petterson joined Kansas City Title in January of 1952 as a member of the accounting department. In July, 1954, he was named assistant treasurer. His election as secretary of the company became effective January 1, 1958.

Petterson, who has just completed a three-year term as city councilman in North Kansas City, currently serves as a trustee of the North Kansas City Memorial hospital, a member of the board of governors of the Metropolitan Area Planning council.

He is treasurer of the local chapter of the National Office Management Association and is a member of the Chamber of Commerce, the Real Estate Board and the National Wholesale Credit Association.

A native of Chanute, Kansas, Petterson has resided in Kansas City since 1938. He is a graduate of the College of Emporia, receiving a degree in business administration in 1935.

Petterson, his wife and 11-year old son reside at the home, 2410 Fayette, North Kansas City.

Miss Nelle Holloway was employed by the title firm in 1928 as a secretary in the accounting department. She was named cashier in 1944, the post she held until her recent promotion.

A native of Graves County, Kentucky, she has lived in Kansas City for the past 31 years. She is a member of Lambda Tau Delta, philanthropic sorority, and served as national vice president of the group as well as local chapter president.

She is a member of Second Presbyterian church and resides at 5050 Oak.

George R. Baldrige, who completed, his forty-fourth year with the title company last June, joined the firm as an accountant. In January, 1939, he was elected treasurer. Upon the resignation of the late William E. Glenn in 1941, Baldrige was elected secretary-treasurer, a post he held until January, 1958, when he relinquished the duties of secretary.

He remains a member of the board of directors of the title company.

Politically Speaking

Jim Hickman is new Boulder, Colorado Mayor. Jim, who is Manager of Boulder County Abstract of Title Company, was elected mayor of Boulder for a 2-year term by fellow members of the City Council. Under the Boulder City Charter, the mayor must be chosen from the councilmen's ranks. Jim is Secretary of the Abstracters' Board of Examiners and served as President of the Colorado Title Association in 1955.

License for Virginia Operations

Realty Title Insurance Co. has been granted a license to issue title insurance policies in Virginia.

Howard Bernstein, executive vice president, said his organization will issue policies through firm-approved attorneys in Virginia and Maryland where the company has been doing business since 1954.

Retires

Claire Gibson stepped down recently as general manager of Title, Bond and Mortgage Co., in Kalamazoo, Michigan.

Gibson, 76, will continue with the abstract firm, however, on a full-time basis as secretary-treasurer of the corporation he has managed since its formation in 1921.

He will be succeeded as general manager by H. Max Marquardt, who was elected a vice president of the corporation at its board of directors meeting Monday afternoon.

Marquardt, 37, a native of Evanston, Ill., is a graduate of the University of Detroit School of Law and a member of the Michigan Bar Association.



CLAIRE GIBSON



H. MAX MARQUARDT

He had been employed by Abstract and Title Guaranty Co., Detroit, for nine years, as title examiner and later as chief title attorney, prior to going with Title, Bond and Mortgage Co., in January of this year.

Gibson, a native of Burdick, Ind., moved to Michigan with his family in 1886. He taught schools in the Bronson and Sheldon districts, Van Buren County from 1901 to 1902 and was deputy register of deeds at Paw Paw from 1903 to 1910.

He went to Kalamazoo in 1910 and served with the Kalamazoo National Bank as collection clerk, receiving teller, note teller and assistant cashier until March of 1921 when he became manager of the newly-organized title, Bond and Mortgage Co., which had purchased the Taylor Title Co. and abstract records.

Man of Year Announced

John Morse, 33, assistant secretary of the Ventura Title Insurance and Trust Co., California, is Ventura's Man of the Year for 1959.

Morse, a Navy veteran, was honored for his church and Christian Business Men's Committee work.

New Home Construction

New home construction this year is due for a drop—to around 1,250,000 starts—but it will still be a good volume by all historical levels of the past, according to Dr. George Cline Smith, vice president and economist, F. W. Dodge Corporation, New York, speaking at the Senior Executives Conference in Dallas. The brunt of the slump will be in starts financed with FHA and VA loans, with conventional mortgage financing doing very well, Dr. Smith said.

He spoke at the Conference sponsored annually by the Mortgage Bankers Association of America in cooperation with the school of business administration of Southern Methodist University.

Looking beyond 1960 Dr. Smith forecast a sharp comeback in 1961.

"From where we now sit, we expect a housing comeback commencing early enough to boost 1961 as a whole above 1960, and quite possibly approaching the higher 1959 level.

"This estimate relies heavily on strength in conventionally-financed housing during periods of tight money and prosperity. Reinforcing this line of thinking is the increasing proportion of home-owners among non-farm families, meaning that more potential new home buyers have a house to trade in. This equity position gives them a ready and substantial down payment—overcoming the traditional big obstacle to conventional financing. According to the Federal Reserve Board, only 32 per cent of new homes purchased in 1949-50 were bought by previous home owners; while in the mid-1950's the proportion was between 40 and 45 per cent.

"At the same time, a trend toward higher loan-value ratios should bring conventional mortgage financing within the reach of more middle and low income families, where the need for F.H.A. and V.A. insurance has been most concentrated in the past.

"Thus there is reason to believe that housing activity in 1961 will have a strong, solid base even if money stays tight."

Housing has come under a political spell which few fully appreciate, he said.

"It seems quite safe to say that there is a critical point below which housing activity will not be permitted to fall for any length of time. Government has often demonstrated its ability and willingness to stimulate housing activity. A few years ago, the critical point at which pressure for government intervention became effective was at a rate of around a million units a year. It is now amply understood that this 'magic million' figure represents serious under-building, and the new politically acceptable critical point is probably closer to 1,200,000.

"In summary, even though the outlook for interest rates and government action affecting 1961 is quite cloudy at this point, it seems quite likely that the current decline in housing volume is destined to be short-lived, and that next year will provide the launching platform for housing in the Soaring Sixties."

Manager

Charles U. Anderson was elected vice president and general manager of the First Montana Title Insurance Co. at the firm's quarterly meeting in the office of the parent company, The Montana Corporation.

In addition, Dean Chaffin, president and general manager of The Montana Corp. announced Anderson's appointment as manager of the title division of The Montana Corp. The latter appointment places Anderson in a supervisory capacity over all the title and abstract groups subsidiary to the parent corporation.

Anderson had been associated with the Washington Title Insurance Co. as a title officer and branch manager since 1939, except for four years service with the U.S. Air Force during the World War II.

Anderson attended elementary schools in Missoula and graduated from Missoula County High School. He entered the title insurance field following his college education.

Active Titleman

W. Herbert Allen, Chairman of the Board of Title Insurance and Trust Company, has been named General Chairman for Junior Achievement's 1960 Education and Fund Campaign in the southland, according to Harlan H. Holmwood, Executive Vice President of General Telephone Company, and President of Junior Achievement. Allen has long been active in JA and has served as a member of its Advisory Council, Holmwood said.

In accepting the chairmanship, Allen pointed out that Junior Achievement, which gives teenagers an opportunity to learn business by actually organizing and operating miniature businesses of their own, has proven to be the most effective program of economic education yet devised.

Nevada Real Estate Soars

The velocity of real estate activity in southern Nevada outstripped all other parts of the country during 1959 with a spectacular jump of nearly 100 per cent in sales volume which pushed the year's total to an all-time record high of \$93.5 million. This was \$46.9 million higher than the 1958 total, and exceeded the previous peak year of 1955 by \$17 million, or over 22 per cent.

The year-end real estate statistical report, based on figures by Pioneer Title Insurance Co., also shows that in the face of the prevailing stringent mortgage money conditions, last year's real estate loan total of \$119.5 million in the Las Vegas area was up \$51.4 million, or 75 per cent from 1958, and 17 per cent above 1955.

Lending institutions provided \$85.8 million, or 71 per cent, of the real estate loan total. The 33.6 million balance was supplied by individuals, according to the report.

Largest single transaction in 1959 was the \$10-million sale of the Desert Inn to an eastern syndicate by the original owners who are now operating the "Strip" resort hotel under a long term lease. This deal included

transfer of real estate holdings valued at \$7 million, \$3 million in personal property and involved a \$5 million real estate loan.

The number of real estate transfers in Clark county during 1959 were the highest on record, totalling 9,375. This compared with 6,934 the previous year, a 35 per cent increase. Loan closings represented by trust deed recordings numbered 6,855 and were 60 per cent higher than the 4,285 total in 1958.

The report states that the rate of southern Nevada real estate activity last year, compared with 1958, was higher than anywhere else in the nation, based on the latest available complete national data on sales volume, number of transactions, loan volume and closings.

New President

Rolfe C. Croker has bought the interest of Robert Mobley in Pacific Coast Title Co. of Marin, California and in accordance with terms of the purchase Mobley has resigned the company presidency, which has been assumed by Croker, it was announced. Mobley has retired from the company.

Croker was formerly vice-president of the company which has its offices at 1325 Fourth Street, San Rafael. Frederick S. Allen and H. K. Bate, department heads, have been advanced to vice-presidential rank with supervision over their respective departments, the announcement said.

Succeeds Veteran

Melvin Weinschenk, has been appointed manager of the Mitchell County Abstract Company at Osage, Iowa, effective January 1. Mr. Weinschenk was the Mitchell County Recorder for 27 years, succeeds Miss Fae Bartlett, who has retired after nearly 50 years with the company. The new manager is the father of the five children; two in high school, Russell and Jerome; Marcus, Osage; Mrs. Marlow Angell, Osage and Mrs. Ray Card, Sioux City.

"Trade-in" Financing

A move to make it possible for people who own an older home to "trade" it in on a new one with more liberal financing was taken recently by the savings and loan business.

The action came in the form of a recommendation from legislative leaders of the United States Savings and Loan League to the Federal Home Loan Bank Board.

The League asked the FHLBB to devise regulations to permit federally-chartered savings and loan associations to engage in financing "trade-in" houses on a more liberal basis.

Heart of the proposal would be to permit an 80 per cent mortgage on an older house when it is taken in on trade by a builder selling a new home. Current regulations hold such mortgages to a 60 per cent level.

According to the League, this would open the opportunity to buy a new home to many families now occupying an older one. Lack of immediate liberal financing long has been a handicap holding back the use of "trade-ins" in housing comparable to trading in used cars on new ones.

League Executive Vice President Norman Strunk described the League proposal as a "workable and practical" program to help builders and realtors finance so-called "trade-in" sales.

The League program would enable federal savings and loan associations to provide necessary financing for builders and realtors to take the existing house of a home buyer "in trade" and thus permit the buyer to complete his purchase of another home.

Strunk explained that many potential prospects for new homes refrain from buying new homes because of the fear of not selling their old home on a fair basis and possibly having two houses on their hands.

So far as builders and realtors are concerned, they face the problem of tying up their capital very rapidly if they are required to finance the "trade-in" out of their own funds.

"The owners of existing homes are a ready-made market if this handicap can be overcome and a simple and satisfactory method can be developed of unfreezing the equities built up in their homes by home-owning families," Strunk said.

The plan approved by the League asks that the Federal Home Loan Bank Board authorize an 80 per cent loan on a one-year straight loan, without amortization. Under present regulations, federal associations can make a straight mortgage, but they are then restricted to 60 per cent of value with a maximum maturity of three years.

Here is a specific example of how a trade-in transaction would work under the League's plan:

Assume that a potential buyer wishes to purchase a \$30,000 house on which there is available to him a \$20,000 mortgage. He then needs \$10,000 for a down payment. Assume further that he already owns a home worth \$20,000 on which he has an unpaid mortgage of \$10,000 he would have an equity of \$10,000.

"If the builder takes this equity in trade on the new house, he (the builder) is "frozen" until the old house is disposed of; therefore it is necessary for him to borrow additional money on the old house to avoid depleting his working capital.

"If the builder could obtain an 80% mortgage of \$16,000 on the trade-in house (assuming it would appraise at \$20,000), after paying off the existing lien of \$10,000, he would receive a net of \$6,000 from the proceeds, unfreezing \$6,000 of the equity on the new house. If he has a normal profit of 10% in the new house, this would equal \$3,000 and he would have actually invested only \$1,000 of his working capital.

"The profit—\$3,000—and the \$1,000 working capital, would total \$4,000 still to be realized from the trade-in house when sold. A chain of trades might be created if the \$20,000 house were disposed of by means of taking another house in trade, and so on.

Directors Re-Elected

Re-election of Gessner T. McCorvey, Alfred L. Staples, Daniel T. McCall, Jr., J. W. Goodloe and Harold G. Goubil to the board of directors of the Title Insurance Co. of Mobile by the stockholders was announced.

The directors subsequently promoted Charles A. Cunningham, from the position of secretary to vice president and secretary and promoted Harold G. Goubil from trust officer to executive vice president.

Other officers were re-elected as follows: J. W. Goodloe, president; Gessner T. McCorvey, vice president and general counsel; Velma Seward McCorvey, Herbert Baumer and George J. Hardy, assistant secretary and plant manager.

Cunningham was educated at University Military School and obtained his bachelor of arts and bachelor of laws degrees from the University of Alabama. He entered the service of Title Insurance Co. in 1940 as an attorney and was elected secretary in 1942. During World War II, he served in the United States Army, the major part of his duty being in the office of the Chief of Engineers at



HAROLD G. GOUBIL

Washington, D.C. He was separated from the service in 1946 with the rank of captain and returned to his position with Title Insurance.

Goubil was educated in the Mobile County public schools and he joined the Title Insurance Co. upon graduation from Murphy High School in 1939. He served in the U.S. Army from 1942 to 1946, returning to the company after his separation from the Army. He was promoted to assistant secretary in January, 1949, and to trust officer in 1954 and was elected to the board of directors in January, 1958.

In his annual report to the stockholders and directors, President Goodloe noted that the company added \$50,000 to its surplus account last year, bringing the company's combined capital, surplus, undivided profits and reserves for loss contingencies up to a total of \$768,391.11.

President Goodloe commented on the recently completed modernization and enlargement of the company's offices to meet the growing needs of its business. He stated that all indications point to continued activity in the real estate market, particularly for the first half of the year.



CHARLES A. CUNNINGHAM

Public Service

Maintaining the high standard he has set for community work, Ernest J. Loebbecke, Immediate Past President of the American Title Association, and President of the Title Insurance and Trust Company, Los Angeles, was selected recently by Mayor Poulson of Los Angeles, to serve on a special advisory committee on human relations.

The advisors will have two functions:

1. To alert the Mayor regarding inter-racial incidents.
2. To recommend ways of handling such incidents, if they do develop.

The Mayor emphasized that appointment of the committee is not emergency action and said that the city has an excellent record in race relations.

In an other action this month, Ernie was elected a member of the Board of Directors of the Los Angeles Chamber of Commerce.

Buys Title Concern

United Utah Industries, Inc., Salt Lake City, announced purchase of the Utah Title Co., Provo.

Rendell N. Mabey, Salt Lake attorney and president of United Utah, said the Utah County title firm was organized in 1914 by Robert Thorne, and B. D. Hatch. Glen G. Farrer, Shirley M. Farrer and Ireta B. Mason were owners of the firm selling to United Utah.

The title company will operate in title insurance and abstracting in cooperation with Western States Title Insurance Co., another affiliate of United Utah, Mr. Mabey said.

Western will open an office at Utah Title Co. headquarters in Provo with Mr. Farrer as vice president and branch manager. Mr. Mabey said acquisition of Utah Title makes United Utah owner of three title firms.

"It is our intention to establish branches of Western States Title Insurance in principal cities of the state," he said.

Re-Elected

Paul W. Goodrich, president of the Chicago Title & Trust Co., has been re-elected president of the Chicago Association of Commerce & Industry.

Iowa Companies Merge

The Carroll County Abstract Company consolidated with the Security Title and Investment Company as of January 1, 1960, Wayne T. Harmening, president of Security firm has announced.

Security Measure

Robert B. Gordon has joined the Public Relations Staff of Security Title Insurance Company in Santa Ana, as Subdivision Coordinator. His primary duties will consist of assisting subdividers with their problems and financing. He has been active in the finance field since 1953 in Whittier, where he was a Real Estate Loan Broker. During this period he represented the outstanding Savings and Loan Associations of Southern California. He has also represented the Winter Mortgage Company, correspondents for New York Life.

F. R. "Dick" Marvin, Manager of Security Title's Orange County operations, stated when making the announcement of Gordon's appointment "He brings to Security Title Insurance Company a rich and complete background in subdivision and finance experience, and his many friends in the subdividing and lending fields will be happy to know that he will be continuing to work on bringing builders, developers and lenders together on detailed and comprehensive development programs."

Anniversary

W. Herbert Allen, Chairman of Title Insurance and Trust Co. observed his 40th anniversary with the company recently. Allen is the son of W. H. Allen, Jr., one of the firm's founders. Last month he was named chairman of the development committee of the Downtown Business Men's Association.

To County Seat

Kansas City Title Insurance Company officials have announced the opening of a new office at 117 South Cherry Street in Olathe, under the management of John H. Atchison.

Atchison, married and the father of two children, lives at 5087 Outlook in Mission. Formerly Mission branch manager of the Anchor Savings and Loan Association, he joined the title insurance company in October of last year. Prior to that he was a practicing attorney in Garden City.

Rising Volume

San Diego County's record volume of construction in 1959 carried with it a guarantee of increased business for the county's title insurance firms.

According to statistics kept by Union Title Insurance Co., oldest and largest title firm in the county, the number of real estate sales increased from 35,250 in 1958 to 42,291 in 1959.

Loans made for real estate in the county in 1858 had an aggregate value of 875 million dollars, compared with 600 million dollars in 1958.

The five title company offices operating in the county at the end of 1959 employed nearly 1,000 persons.

The largest employer in this field was Union Title, with 450 employes. Union Title had its beginnings in San Diego in 1875. It was incorporated with its present name in 1903 and presently is affiliated with Title Insurance and Trust Co. largest in the nation.

Union Title moved into its new \$1,500,000 office building at 220 A St. in February.

Security Title Insurance Co. moved into a new, \$750,000 office building at 1301 3rd Ave. in May, 1958. Land Title Insurance Co. has offices in the Land Title Building, at 225 Broadway.

Land Title was merged with Security Title at the end of business Dec. 31. Both San Diego offices will be maintained under present names and management.

Pacific Coast Title Insurance Co. is in a new, \$250,000 building at 5952 El Cajon Blvd. Stewart Title Co. of Dallas, opened a San Diego office on

Nov. 30 in remodeled building at 131 W. Ash St.

An Orange County Title firm has announced plans to open a city office at 1050 2nd Ave. under the name of San Diego County Title Co. The business opening date has not been announced.

Changes Name

Ventura County Title company will change its name to First American Title company of Ventura county as of February 15. The company has been issuing title insurance policies of its parent company, First American Title Insurance & Trust company of Santa Ana.

Besides Ventura, First American Title companies are to be located in Orange, Riverside, Santa Barbara, San Bernardino, San Diego and San Luis Obispo counties.

Elected in Toledo

The election of William H. Hannah, Jr., as President, and Victor C. Turf, as Treasurer, of The Title Guarantee & Trust Company of Toledo, Ohio, was announced by the Directors of the Company on December 28, 1959. Title Guarantee is a subsidiary of Lawyers Title Insurance Corporation.

Mr. Hannah, who will be chief administrative officer, succeeds Joseph C. Hughes, Vice President of Lawyers Title, whose resignation as president of Title Guarantee became effective December 28th. Mr. Hughes will continue as Director of Title Guarantee.

Prior to becoming Vice President and Treasurer of Title Guarantee in January of 1959, Mr. Hannah was associated with Lawyers Title in Columbus, Ohio, and in several eastern states. He is a native of Virginia and a graduate of Randolph-Macon College.

Mr. Turf, who succeeds Mr. Hannah as Treasurer, has been with Title Guarantee since September, 1954 in the Title and Escrow Departments. He was appointed Chief Escrow Officer in January, 1958, and will continue to serve the company in that capacity. He attended Bowling Green State University and Ohio Northern University.

PRESIDENT PROCLAIMS LAW DAY

President Dwight D. Eisenhower has designated Sunday, May 1, 1960, as Law Day in the United States.

In his proclamation, the President urges the people of the United States to observe the day with appropriate ceremonies "as a public demonstration of their devotion to the rule of law as the keystone of peace and order in our national and international life."

Law Day is designed to foster "a deeper respect for law and an awareness of its essential place in American life, as well as to encourage the efforts now being made to bring about an extension of law as an instrument of world peace and orderly progress in all international relationships for the future benefit of mankind," the proclamation added.

This is the third year for the national observance of Law Day USA by Presidential proclamation. For the first time in 1960, Law Day falls on Sunday. President Eisenhower took note of this in declaring that "respect for justice under law is vital and abiding only when its roots are grounded in our many traditions of religion, ethics, and philosophy with their common teaching concerning law as the foundation of our social order."

Following is the complete text of President Eisenhower's proclamation:

"WHEREAS one of the greatest heritages of American citizenship is a government of law before which all men stand as equals, and the dedication of our people to freedom under law has made possible the remarkable growth and development of our society in all its aspects; and

"WHEREAS respect for justice under law is vital and abiding only when its roots are grounded in our many traditions of religion, ethics, and philosophy with their common teaching concerning law as the foundation of our social order; and

"WHEREAS the widest possible understanding of these basic truths will contribute to the Nation's moral and spiritual strength, and reaffirmation

of faith in the rule of law in the daily lives of all Americans will serve to demonstrate to the peoples of the world that this Nation seeks only fairness and justice in its relations with other nations; and

"WHEREAS the observance of Law Day is designed to foster this deeper respect for law and an awareness of its essential place in American life, as well as to encourage the efforts now being made to bring about an extension of law as an instrument of world peace and orderly progress in all international relationships for the future benefit of mankind:

"NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby designate Sunday, May 1, 1960, as Law Day in the United States of America.

"I urge the people of the United States to observe Law Day with appropriate ceremonies as a public demonstration of their devotion to the rule of law as the keystone of peace and order in our national and international life.

"I also urge the members of the legal profession to bring the objectives of Law Day to public attention in all appropriate ways, through religious and educational institutions, by private organizations and public bodies, and through the media of public information."

Title men everywhere heartily endorse the objective of this important national program

Further information may be obtained by writing to the ATA office in Detroit.

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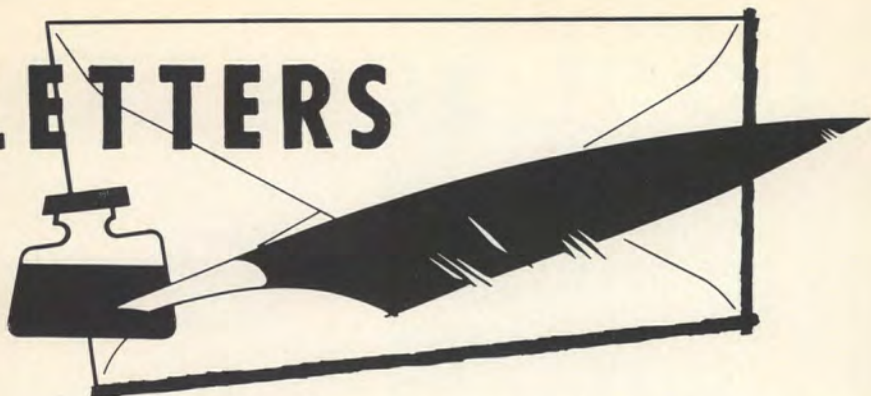
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LETTERS



American Title Association
3608 Guardian Bldg.
Detroit 26, Michigan
Dear Sir:

I am in the process of writing an article for Look magazine concerning the free system and free enterprise. I would appreciate receiving any and all brochures that either you or members of your association have compiled on this subject.

Also, I would like to have detailed information about any and all organizational programs that have been instigated to further the cause of the free system.

Your cooperation and assistance will be appreciated.

Sincerely,
Col. R. A. Ellsworth
(Signed)

Rt. 2 Box 43X
Thermal, Calif.

American Title Association
3608 Guardian Bldg.
Detroit 26, Michigan
Dear Sir:

I am preparing a report on how some of the leading professional societies and trade associations cooperate with schools in the field of vocational guidance. Most of these organizations have activities, such as distributing printed material and films and providing speakers, which are designed to acquaint students with occupational opportunities in their fields. A few have made available special tests to assist in selecting student candidates for their occupa-

tions. Some provide scholarships. Several either formally or informally accredit colleges or professional schools. This report will cover all these activities, with special emphasis on trends. The report will be submitted to Western Reserve University, Cleveland, Ohio.

Since your organization is one of the leading ones, I should like to include it in my report. If it is convenient, please send me printed material and other information which you think I might find useful in preparing this report.

Yours truly,
Harold F. Mathis (Signed)
P.O. Box 235
Kent, Ohio.

In Memoriam



Illinois Title Man

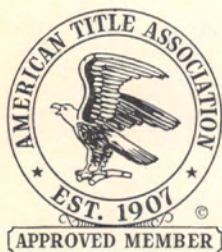
John H. Niehoff, of Clinton County Abstract Office, Carlyle, Illinois, died on January 23, 1960 at Eureka, Mo. Funeral services were held at St. Mary's Church in Carlyle on January 25th. Mr. Niehoff was 65 years old at the time of his death and had been in failing health for the past 4 years.

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