

# Title News

*the official publication of the American Land Title Association*



DO NOT REMOVE



Metric  
Conversion  
Ahead?

June, 1973



## A Message from the Vice President

JUNE, 1973

The Massachusetts Body of Liberties adopted December 10, 1641 was entitled:

### A COPPIE OF THE LIBERTIES OF THE MASSACHUSETTS COLONIE IN NEW ENGLAND

Its Preamble read: . . . "We doe therefore this day religiously and unanimously decree and confirme these following rites, liberties and priveledges concerneing our Churches, and Civill State to be respectively impartiallie and inviolably enjoyed and observed throughout our Jurisdiction for ever."

The instrument provided ". . . that all persons which are of the age of 21 yeares and of right understanding and meamories, whether excommunicate or condemned shall have full power and libertie to make their wills and testaments, and other lawful alienations of their lands and estates. . . . and When parents dye intestate, the Elder sonne shall have a doble portion of his whole estate reall and personall, unlesse the Generall Court upon just cause alleadged shall Judge otherwise." . . . and "When parents dye intestate haveing noe heires males of their bodies their Daughters shall inherit as copartners, unlesse the Generall Court upon just reason shall judge otherwise."

Do you think the above is quaint? Well, it is, but no more so than some of the proposed legislation in Congress in recent times. Real property law has been evolving since Magna Carta and even before, and our American recordation laws have been amaking since this nation began. Real property law takes a long time, many years, many arguments, and many reasons before it undergoes even a subtle change and properly so. Real property law is local in nature, often peculiar to a region or area, not easily applicable in some other area.

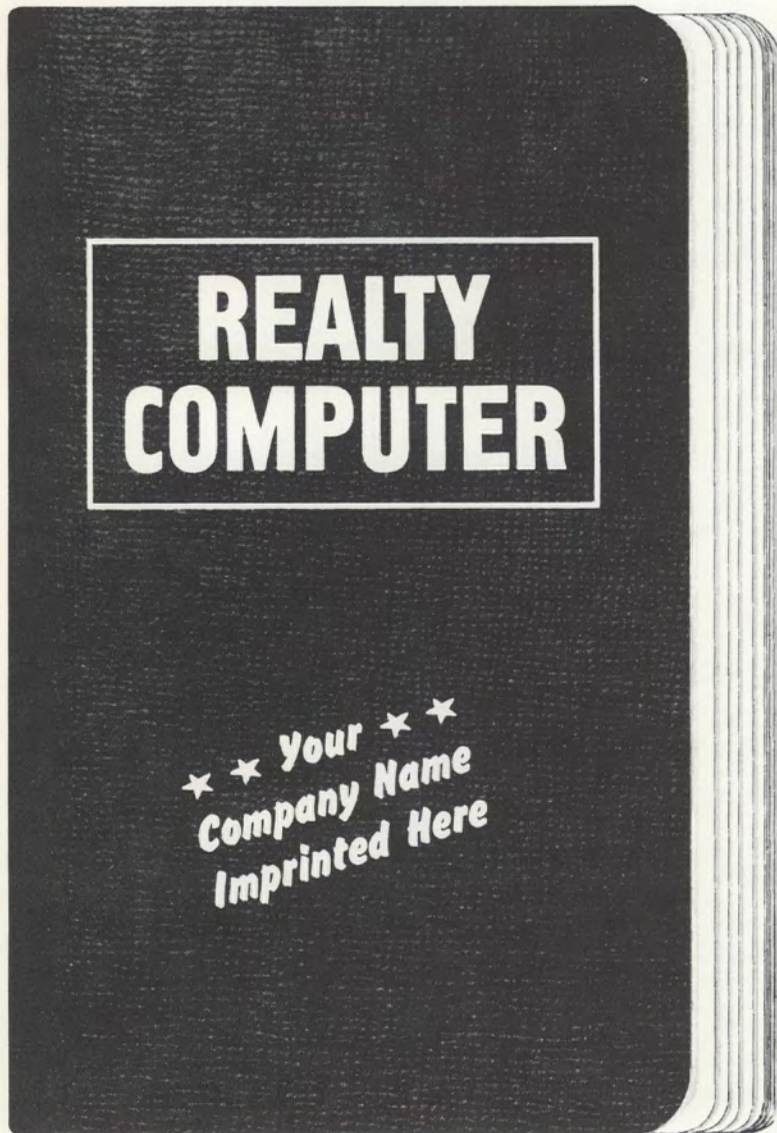
If Congress or any other lawmaking body recklessly and arbitrarily attempts to alter real property or recordation laws throughout the land, nothing can result except chaos. Truth in lending has almost done that. A bill now in draft proposes other sweeping changes. The title insurance industry wants to protect and insure the home buyer's title, but the home owner may find his title so seriously clouded and unmerchantable due to thoughtless meddling with real property laws that title protection of any kind will be denied.

Sincerely,

James A. Gray

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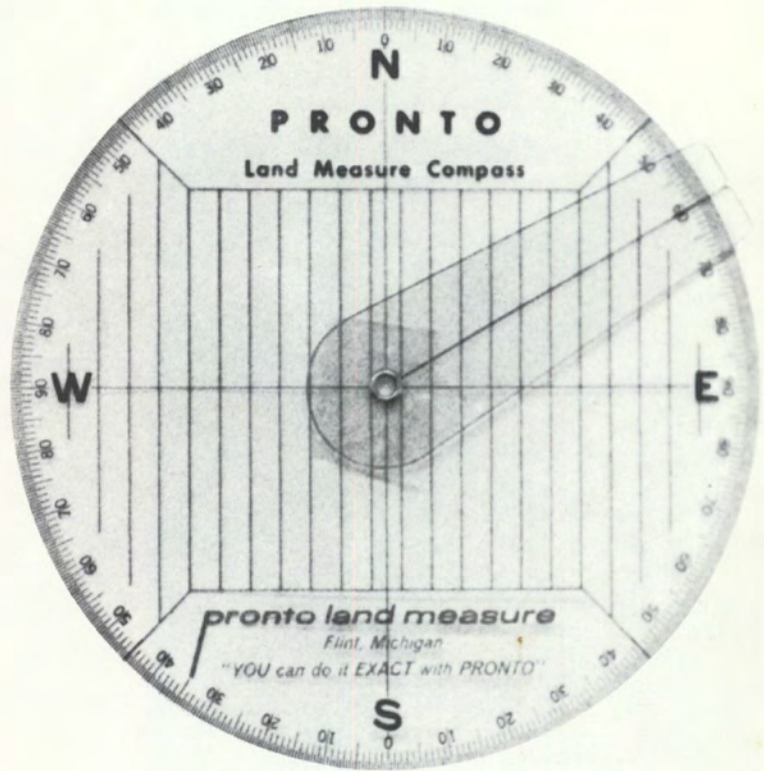
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# Title News

*the official publication of the American Land Title Association*

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**ON THE COVER:** After the past session of Congress did not enact legislation calling for changing the nation to metric measurement, the present session has turned to the question once again with March, 1973, hearings on proposed conversion legislation before the House Science, Research, and Development Subcommittee. ALTA reminded the Subcommittee of its previously-existing position: that it finds no advantage in converting land title records to metric but that the Association will cooperate in any decision by Congress calling for a changeover to metric measurement. A statement presented before the Subcommittee by William E. Zeiter, a Philadelphia attorney speaking in part on behalf of the American Bar Association, is printed beginning on page 10 of this issue.

*VOLUME 52, NUMBER 6, 1973*

*TITLE NEWS is published by American Land Title Association, 1828 L Street, N.W., Washington, D.C., 20036; (phone) 202-296-3671*

*GARY L. GARRITY, Editor*

*CAROL MATHES HALEY, Managing Editor*

## This talented group wants to sing your praises



These talented performers are ready to sing the praises of your title company through local radio advertising. They're waiting—on tape—in the recently-introduced ALTA Do-It-Yourself Commercial Kit.

If you're an ALTA member, you can buy the kit—on a first come, first served basis—for \$50 plus postage. Just write Gary Garrity in the ALTA Washington office. You'll be billed later.

What's in the kit? The singers, of course. On 7½ ips mono tape. Furnishing high quality contemporary music for a 20, a 30, and a 60-second commercial. Plus instructions and suggested copy for three different title company radio advertising approaches. For promoting use of local attorneys or real estate brokers. For establishing local identity for a title company executive. For promoting simultaneous is-

sue and awareness of mortgagor title insurance. You decide which approach is best for your local need—or substitute another.

Here's how it works. First, order the kit. Then work out your radio advertising campaign with one or more local stations. Adapt the enclosed commercials to carry your message—or write your own. Have a local announcer—or other appropriate talent—record voice copy to link your message with the taped music. And—presto—you have a customized local radio campaign to strengthen your market identity.

What does the group sing? This jingle: "Who can ease all your worries . . . when you're buyin' a home . . . who can bring you protection . . . the title man can."

Better order now. They're doing your song.

**American Land Title Association**  
1828 L Street, N.W.  
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# Effective Political Action

**Aubrey C. Doggett, Jr.**  
**Chairman**  
**Mortgage Bankers**  
**Political Action**  
**Committee**

(Editor's note: This article is adapted from a speech presented at the 1973 ALTA Mid-Winter Conference in Phoenix.)

\* \* \*

It is a pleasure to participate with the American Land Title Association members at your Mid-Winter Conference. I appreciate those kind introductory remarks and you can readily see that I have had some exposure, both as a lender and a borrower, to title insurance.

Hopefully this morning, back in North Carolina, a closing is taking place on a resort development called Seven Devils, which includes golf and ski amenities as well as residential lots and condominiums. This development started as a camping facility and developed into a rather elaborate resort facility. Some weeks ago, in showing the commitment letter for the new loan to the new principals, we came to the clause which required at settlement, "borrower shall provide an ALTA Mortgagee's Title Policy", I was immediately interrupted and asked what company was ALTA because they had never heard of it. I had to explain that ALTA meant a form of policy and not the company itself. The point here is, really, that your association's activities are extremely well known in our industry of real estate finance, but not by the general borrowing public. We in the mortgage banking profession enjoy some of that common problem. In order to discuss "Helping Your Candidate Win", I want to have you understand who your candidate is. Politics is a business, and political action funds are a business.

Gentlemen, your candidate is the man on Congressional Hill who will vote on legislation vitally affecting your industry—that is, the business of insuring titles on real property. You must, as individuals interested in the title insuring field, be organized so that as a collective group your voice may be heard in the nation's capitol on matters that affect you legislatively.

I, as an individual, am involved in a similar activity for the benefit of mortgage bankers. Some two years ago, a group of individual mortgage bankers

got together and formed an organization called the Mortgage Bankers Political Action Committee, commonly referred to as MORPAC. This organization is a voluntary, unincorporated, non-profit committee composed of individuals. It operates independently of all other organizations, and its activities shall not be associated with any particular political party.

As most of you probably know, a corporation cannot make political contributions. It can only be done by individuals. The Mortgage Bankers Association is composed of business firms as members and therefore cannot engage in political contributions. The only recourse is for individuals interested in the same purpose of political action for a chosen area of activity to organize themselves into a political action committee.

In order for you to understand how we support our candidates, let me tell you about MORPAC and perhaps you can translate it into your own situation. I repeat, MORPAC is a voluntary, non-profit, unincorporated group composed entirely of individuals interested in mortgage banking. No company can become a member of MORPAC.

You may ask the question, "Why was MORPAC organized?" Mortgage bankers, their employees and associates need an organization through which they can participate effectively in public affairs. MORPAC helps further the political knowledge of its members and provides them with the means for concerted and effective political action. MORPAC is in the business of raising funds and making contributions to (1) aid in the election of candidates to national offices; (2) promote improvement in national government; and (3) encourage economic growth in the private enterprise system in the United States.

Another question that could be asked is "Do partisan politics enter into MORPAC's activities?" Definitely not! It is the individual candidate's platform and program, not his party label, that determines whether he gets MORPAC's support, whether he is a Democrat, Republican or an independent.

Who decides the course of action that MORPAC takes? The management and supervision of all property and expenditure of all funds are under

the control of MORPAC's governing body. The members are appointed annually and identified as the committee. The committee consists of several individuals who act in their individual capacities, not for any other personal organization, and meets as frequently as necessary to conduct the affairs of MORPAC. The officers of the committee consist of a chairman, vice chairman and secretary-treasurer who are elected by the committee itself. MORPAC is a permanent organization. Political effectiveness does not result from temporary programs. Effective candidate support requires political knowledge, politically knowledgeable people who keep up-to-date on issues, candidates and campaign techniques. As an individual interested in MORPAC's activities and your participation, you are, of course, interested in whether it will interfere with your personal convictions and political activities of your own, and MORPAC members will absolutely not find any interference. They can go their own way with their political parties and activities. However, they find in MORPAC the means of concentrating their material resources in a more effective manner.

Why was MORPAC needed? The mortgage banking industry has lacked adequate strength in making its problems known to the elected officials who create the legislation under which our profession must operate. Individuals in many industries have established organizations similar to MORPAC. It is necessary, if our industry is to survive and prosper and continue to serve the public interest, that we support this organization.

An individual may contribute annually to MORPAC \$100 and be in good standing; he may be an associate for \$50 or a sponsor for \$1,000.

This gives you some explanation as to what MORPAC is, and I think it would be well for you to understand how it has functioned in its short history. For years the Mortgage Bankers Association of America has had a Washington committee which is responsible for working on legislative matters by personal contacts on the Hill and by testimony and preparation of technical data on various legislative matters. Except as individuals, it became very

frustrating not to have been in a position as a group to have made contributions, particularly to those incumbents holding office. In many instances, they felt inadequate in asking for an audience and being aware that there had been no financial political support. As a result of this, some two years ago MORPAC was organized by a group of individuals so that a national group of interested mortgage bankers could have a committee to politically support national candidates.

Last year, which was our first full year of organization, we had several hundred members with aggregate contributions of about \$50,000. We contributed over \$30,000 to various campaigns—just about exclusively to campaigns of incumbents holding key positions in various Congressional committees and centered mostly around housing. At a recent Board of Governors meeting of the MBA, I heard a testimonial from our president, Everett Mattson, that the Mortgage Bankers Association of America was effective politically and that one of the principal reasons was that another organization called MORPAC, composed of individuals interested in the mortgage banking activity, had worked so well during the 1972 election campaign. Everett also said, no matter how effective we thought we were a couple of years ago, we are 500 per cent more effective now than we ever have been. This is a testimonial that an organization of individuals for political action can be of assistance to an industry similar to yours.

Your candidate, if you are supporting your industry, must be a candidate that has a vital decision making process nationally in matters relating to title insurance. You should not be concerned about what party, what his other principles are, or anything else. It is strictly a matter of hard core business to have a voice with him on legislative matters. Of all of the educational processes that MORPAC has to do with individuals in the mortgage banking business, it is to make this key point, "be you Democrat or Republican or independent, whether you are for sex or against it, you have to provide financial support for political candidates to have a voice on matters affecting real estate fi-

nance", To some individuals that message never comes out clearly; to others it is a slow rebirth process that culminates in an ultimate membership in MORPAC.

Because the Mortgage Bankers Association is composed of business memberships and not individuals, a real hurdle has had to be overcome in establishing contact with individuals and having them become members of MORPAC. I could foresee a similar complication for your organization which, I believe, is structured similarly. The Realtors, with their large membership, particularly now since they are having associate members also be members of the national association, have a goal of collecting \$3 million this year, as we understand it. A percentage would go for local, a percentage for state and a percentage for national. The political action for their association, or organization, is called REPAC. They are able to identify each individual and bill them or encourage them very easily to join the REPAC organization.

Our organization, MORPAC, is set up on a regional and then a state basis and we have individuals who work with each firm that is engaged in mortgage banking, with an individual within that firm working with their individual associates. It is a long educational process, but we are able to now say that in the vast majority of cases we have educated the individuals and made them aware. We have a goal substantially higher for this year's contributions.

All activity has to be carefully handled as individuals using our personal time and we must not associate ourselves in this activity in any way with our business firms. This goes as far as telephone, secretarial help, stationery, etc. In this way we clearly qualify as an organization for political action purposes made up of individuals and are not dealing with any corporate structures. Because, under federal law, corporations, as well as labor unions alike, are barred from contributing their own funds to political candidates or committees involved in federal election. To get around this provision, unions have for years openly operated voluntary political committees which collect money from individual members for the spe-

Continued on page 13



# Research Committee Report Shows Cyclical Nature of Title Business

*John E. Jensen*  
*Senior Vice President*  
*Chicago Title and*  
*Trust Company*  
*Chicago, Illinois*



(Editor's note: Author Jensen is chairman of the ALTA Research Committee.)

\* \* \*

Results of the fourth annual ALTA Research Committee study of the operations of member title insurers indicate that the majority of underwriters averaged 12.6 percent of gross operating income in pre-tax operating profits during the four-year period 1968 through 1971. Pre-tax operating profits for each of the calendar years averaged 13 per cent in both 1968 and 1969, 6.7 per cent in 1970, and 16.4 per cent in 1971.

Differences in the ranges of average annual industry pre-tax profit margins, in the opinion of the Research Committee, are attributable to the cyclical nature of the land title industry in terms of its direct relationship to the fluctuations of the real estate economy. Because such cyclical influence can create distortions in statistical comparisons on a one-year to one-year basis, the Committee is underscoring the impor-

tance of analysis of data which are aggregated over a number of years, permitting a more realistic view of overall industry financial activity.

Findings of the study are based on individual title underwriters data contained in National Association of Insurance Commissioners Form No. 9 reports or questionnaires returned to the ALTA Washington office. An average of 85 per cent of all ALTA member underwriting companies have contributed data to the project annually since 1968. As in previous years, the report does not include data from Association member companies acting as title insurance agents.

The Research Committee has developed a cover sheet for the fourth annual project which specifically identifies the source of data contained therein and acknowledges the varying title insurance financial data reporting requirements which exist from state to state. The language of this cover sheet reads as follows:

All figures contained in this re-

port were obtained from either the NAIC Form No. 9 Annual Financial Statement most title insurance underwriting companies are required to file with the insurance commissioner of each state or via the use of questionnaires mailed from ALTA national headquarters directly to underwriting companies. This report refers only to the financial activity of participating companies for the calendar years 1968, 1969, 1970 and 1971. An average 85 per cent of all member title insurance underwriting companies of the American Land Title Association have participated in this project annually since its inception.

The data contained in this report are aggregated from individual company financial statements completed in accordance with generally accepted accounting principles as prescribed by the insurance departments and statutes of the various states. It is important to consider that the requirements and

methods for reporting title insurance financial data vary from one state to another. An example of such varying reporting requirements may be found in the treatment of title plant valuation as an admitted asset in each state. One state may permit the entire value of a title plant to be reported as an admitted asset whereas another state may require that a title plant must be amortized over a period of ten years commencing in the third year after acquisition, while still another state may not permit a title plant to be reported at all as an admitted asset. Such lack of uniformity in practices and requirements for financial reporting among the states result in statistical inconsistencies which do not, at the present time, permit development of valid rate of return data. The American Land Title Association and its members are currently working with the National Association of Insurance Commissioners and the Departments of Insurance of the various states to bring about uniform accounting practices and procedures which will provide the necessary bases for rates of return which accurately reflect the profitability of the title insurance industry.

**PLEASE NOTE:** The material contained in this report includes only NAIC Form No. 9 Annual Financial Statement data and does not include normal abstracting charges made by agents or examinations made through agents or approved attorneys.

In the study, the 1968-1971 title insurer pre-tax operating profit percentage of 12.6 per cent was compared to these other pre-tax profit margins for the identical four year period: 425 industrial companies, 15.1 per cent; finance companies, 51.8 per cent; small loan companies, 21.1 per cent; and surety companies, 12.5 per cent.

Participating companies spent 83.2 per cent of all operating income for operating expense for the years studied. Operating expense figures include salaries and related employee benefits, commissions, rent, overhead, taxes other than federal taxes, and other cost items,

but exclude loss and loss adjustment expense. Comparable operating expense percentages for other industries as contained in the study were: stock property and liability insurance companies, 30.1 per cent; fidelity companies, 37.8 per cent; surety companies, 51.2 per cent; boiler and machinery companies, 57.8 per cent; and credit companies 33.7 per cent.

The 1968-1971 cost of salaries, pensions and other employee benefits paid by the underwriters studied amounted to 42.8 per cent of operating income. In comparison, stock property and liability insurance companies during the same period spent 6.8 per cent of income for employee related costs and casualty and surety companies spent 8.1 per cent.

Figures of participating underwriters show loss and loss adjustment expenses as 4.2 per cent for the four years. This percentage has maintained a quite consistent range for each of the years studied, with the lowest percentage at 4.0 per cent in 1970 and the highest percentage at 4.5 per cent in 1968.

Assets of participating underwriters, exclusive of agency and escrow funds, totalled \$743.1 million in 1971, a 2.9 per cent increase over 1970.

Findings of the study show that underwriters over the four-year period spent 1.3 per cent of their operating income and 1.5 per cent of their operating expenses for advertising purposes.

Although operating income and pre-tax operating profits fluctuated to a great extent during the four years as a result of the 1968-71 real estate cycle, operating expenses *increased* each year. The average compound annual rate of increase was 11.2 per cent. The bulk of this expense growth was in employee salaries, payroll taxes, and related fringe benefits, which have averaged a 7.6 per cent increase each year. A comparison of these two increase rates in a labor intensive industry such as the title industry leads one to believe that, on the whole, our industry has exercised excellent cost controls. However, continuing inflationary pressures, the historic violence of the real estate cycle and the relatively steady increase in our costs should alert title companies to the continuing need for cost controls.

The Research Committee has also

been involved in the continuing study of claims filed and losses paid by member underwriters during the years 1969 through 1971. This project began with the establishment by the Special ALTA Committee on Claims of a Uniform Classification Reporting System providing each ALTA member with a suggested means to record claims data internally for eventual transfer to master reporting forms to be filed with the Association office in Washington. Participation in this project has been increasing steadily since its inception as additional companies convert their existing recording systems to the system proposed by the ALTA. In 1971, approximately 70 per cent of the total industry, in terms of gross revenue received that year, participated in the project.

The Claims Report divides claims received, loss payments made and attorney fees and other outside expenses into eight major classifications, with appropriate sub-classifications. Major classifications include basic risks; special risks authorized by company practice; plant, searching and abstract procedure; examination and opinion error; description error; closing or escrow procedure; typing or policy review; and taxes and special assessments.

Over 60 per cent of the claims received as reported by participating underwriters in each of the three years studied involved taxes and special assessments, examination and opinion error, and closing or escrow procedure. Typing or policy review accounted for less than one per cent of all claims reported during the period.

There is no relationship in the report between the number of new claims received and loss payments made. The number of new claims received pertains only to those claims actually received by participating underwriters in each calendar year. The chart exhibit in this report shows percentage changes in types of claims received during the study period.

Actual loss payments made during each of the years 1969-71 ranged between 72 per cent and 81 per cent of total dollar amounts actually paid out as reported under four major loss classifications: special risks authorized by company practice; examination and

opinion error; basic risks; and plant, searching and abstract procedure. As was the case with the number of new claims received, the fewest total dollars paid out for each year were reported under the classification typing or policy review. Loss payments refer only to payments made in each calendar year, irrespective of the year in which each claim may have originated.

In the case of both claims received and loss payments made, only the major category of examination and opinion error has increased as a percentage of the total each year.

A clear pattern was established in the report for total attorney fees and other outside expenses incurred in each of the three years. Basic risks, including fraud, forgery, competency or capacity of parties, undisclosed heirs, marital rights, and other risks, accounted for from 29 per cent to 36 per cent of total legal and related outside expenses incurred in

each year. Special risks authorized by company practice accounted for from 22 per cent to 27 per cent of the total, whereas examination and opinion error ranged from 13 per cent to 19 per cent. Once again, typing or policy review was recorded at less than 1 per cent in each year studied.

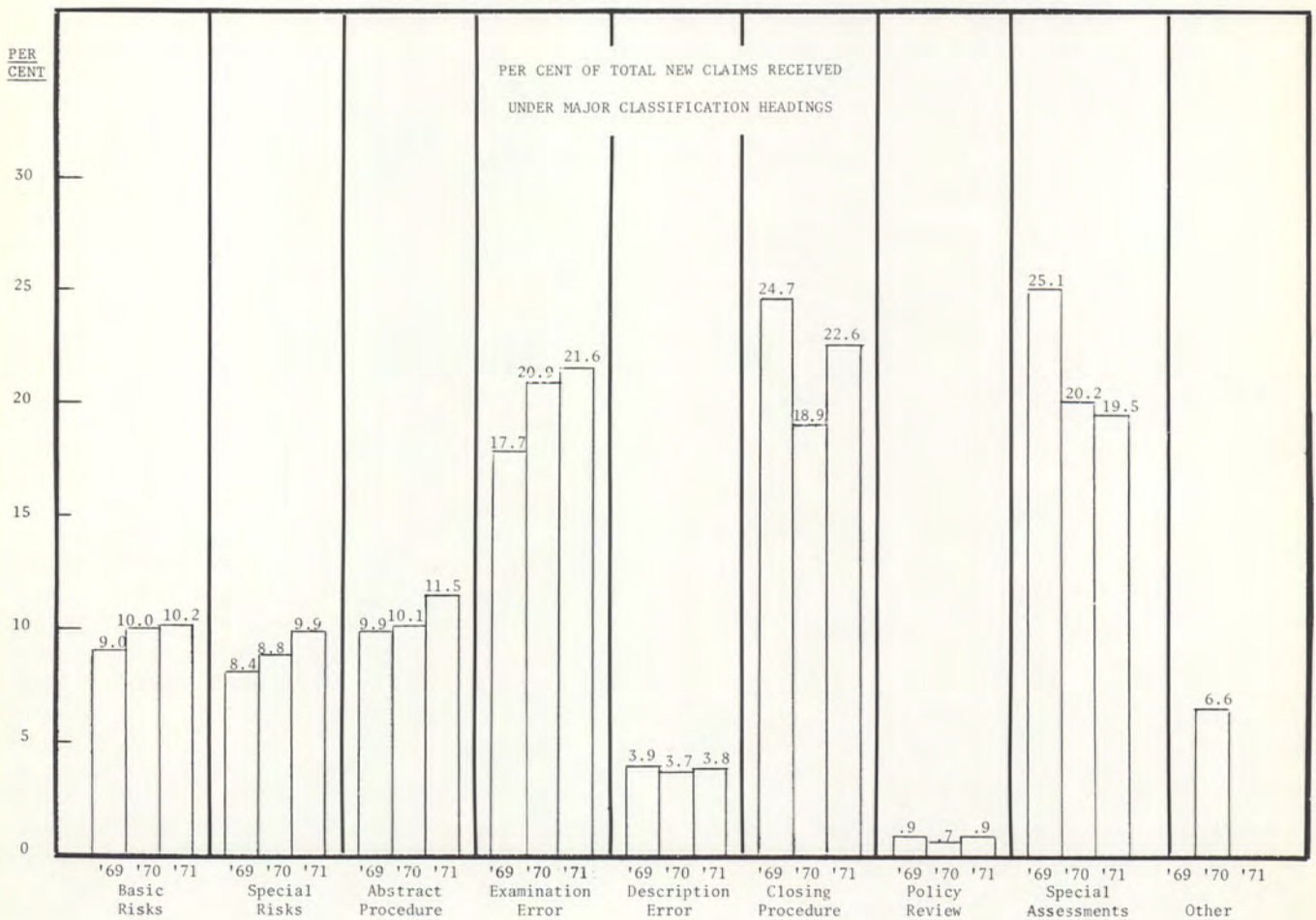
The claims project is particularly helpful to underwriters attempting to pinpoint internally the specific nature of claims and losses they incur and provides a guide for comparison of their claims problem sources to the national findings.

Copies of the complete NAIC Form No. 9 and Claims Reports have been distributed to ALTA member companies participating in each project.

Appreciation is extended to the member underwriters whose cooperation has made ALTA research studies meaningful, and who have participated in the effort to more effectively explain

operational aspects of the title industry. All ALTA members are urged to continue to cooperate fully in the various projects initiated by the Research Committee for the benefit of the public and the land title profession.

Acknowledgement of the commendable work performed in developing and disseminating ALTA research program results is made to Michael B. Goodin, Association Director of Research, and to all members of the Research Committee. Committee members involved include James L. Butler, Lawyers Title Insurance Corporation, Richmond, Virginia; Charles V. Gardiner, Transamerica Title Insurance Company, Oakland; Victor W. Gillett, Stewart Title & Trust of Phoenix; LeRoy F. King, Commonwealth Land Title Insurance Company, Philadelphia; and Allen C. McGurk, Title Insurance and Trust Company, Los Angeles.



*William E Zeiter*  
*Morgan, Lewis and Bockius*  
*Philadelphia, Pennsylvania*

## **An Attorney's View on Metrication**

(Editor's note: This article is adapted from recent testimony at hearings on metric conversion legislation before the House Subcommittee on Science, Research and Development. Zeiter is a partner in a Philadelphia law firm and an engineering graduate of Lehigh University. As indicated, a portion of his remarks represents the opinion of the American Bar Association.)

\* \* \*

**M**r. Chairman and Members of the Subcommittee: I am William E. Zeiter of Philadelphia, Pennsylvania. I deeply appreciate the opportunity afforded by your invitation to appear here today and testify on the legal aspects of metrication and, in particular, on the relationship of metrication to land records. . . .

I was appointed in July, 1969, as a member of the U.S. Metric System Study Advisory Panel established in the Department of Commerce under Public Law 90-472. In addition to serving on the executive committee of the panel, I accompanied Dr. Daniel V. DeSimone, director of the U.S. Metric Study, and Mr. Louis F. Polk, chairman of the Metric System Study Advisory Panel, to the United Kingdom in October, 1970, to observe first-hand the ongoing British conversion. On that occasion,

we were privileged to meet and interrogate members of government responsible for metric policy, as well as officials of the Metrication Board, Decimal Currency Board, Confederation of British Industry and British Standards Institution.

In August, 1968, the Section of Corporation, Banking and Business Law of the American Bar Association established a Committee on Metric System in Commercial Transactions, which has operated under my chairmanship since its establishment.

For a number of years, I have been secretary and a public member of the Pennsylvania Joint Committee on Documents, which is an agency of the Commonwealth of Pennsylvania responsible for the codification, printing and distribution of official rules and regulations of state agencies. In that connection, my responsibility has included the review and regulation of state agency use of units of measurement in regulations having the force and effect of law.

Robert W. Meserve, president of the American Bar Association, has very graciously authorized me to present to you the position of the ABA on the metric question. With that limited exception, however, I am appearing here today as an individual and my views should not necessarily be attributed to anyone other than myself.

The American Bar Association is the world's largest voluntary professional organization, composed of 163,000 members of the legal profession. Through its House of Delegates, the Association speaks for the organized bar on issues of interest and concern to lawyers.

At the request of the Secretary of Commerce, the Association submitted to the General National Metric Study Conference, conducted in November, 1970, as part of the U.S. Metric Study, a statement on behalf of the Standing Committee on Law and Technology and the Section of Corporation, Banking and Business Law which provided, in part:

1. The system of judicial administration in the United States is (with the exception of Louisiana) derived from the English or common law system and utilizes the customary system of measurement almost exclusively. In certain localities, such as the Southwest, old land records are maintained in a system, derived from Spanish law, which is neither the customary nor the metric system.
2. The legal profession draws contracts, bills of sale and other commercial documents in the measurement of language commonly used and understood in the industry to which the transaction relates. Thus,

such instruments are largely drawn in units of the customary system, but may be drawn in the metric system when the matters covered relate to scientific or technical questions in fields which normally employ the metric system for measurement purposes.

3. The legal profession as a consumer is a substantial user of office supplies and equipment and office space, most of which is presently obtained in terms of the customary system. At the present time, no generally recognized organ of the legal profession sets engineering standards for equipment purchased or utilized by the profession.

4. There are no planned changes in unit usage in the legal profession other than normal adaptation to any changed usage in client industries and professions.

5. Increased metric usage has had little effect on the administration of justice or the legal profession generally.

6. In the event of continued evolutionary metrication, the legal profession would continue to adapt to changed usage in client industries and professions as such changes occur.

7. A planned program to increase the use of the metric system would have little effect on the legal profession, apart from the general impact on the individual members of the profession as consumers of goods and as members of the public generally. The principal effect would be to require a change in the language of measurement used in transactions in which lawyers are involved. This adaptation could be accomplished with reasonable effort during a 10-year conversion period. The need to understand superseded measurement systems for the purpose of understanding legal documents, such as land records, etc., is generally recognized as a normal responsibility of lawyers who are active in such subject matter areas and would not pose any unique or unusually difficult professional problems.

8. Representatives of The Law Society (U.K.) have advised that

the actual experience of the legal profession in the United Kingdom parallels the projections of this submittal for the legal profession in the United States, with the possible exception of land title records. In the United Kingdom land title registration is much more widely employed than in the United States, and it is expected that in the United Kingdom it will be necessary to rework the real estate description into metric language.

The November, 1970, submittal (referred to above) made clear that its authorized scope was limited to a response to factual questions, since under American Bar Association procedures a policy position on the metric question could be taken only by the ABA House of Delegates.

At its August, 1972, Annual Meeting in San Francisco, the House of Delegates, on the recommendation of the Standing Committee on Law and Technology and of the Section of Corporation, Banking and Business Law, adopted the following resolutions:

*“Resolved, That if the Congress of the United States decides that it is in the interest of our country to change to the metric system, the American Bar Association urges the enactment of H.J. Res. 1092 or similar legislation providing for a voluntary transition; and*

*“Further Resolved, That the President or his designee is authorized to urge such view upon the proper committees of Congress.”*

The Report supporting the resolution stated:

*“The H.J. Res. 1092 approach is patterned after the United Kingdom experience. It would establish a central, governmentally sponsored (and hence largely immune from the strictures of the antitrust laws) body to serve as the focus and coordinator of the innumerable private decisions which will be made up and down the chains of production and distribution as the United States passes through the metric transition.*

*“However, the coordinating body would have no compulsory powers. Thus, the United States would be*

committed to a rule of reason. No segment of the economy would be forced to convert to metric measure to satisfy someone’s craving for abstract measurement uniformity. Only those segments of the economy (but it should be recognized that most segments of the economy will meet this test) would be affected which determine that participation in the measurement conversion at the time is in their best interests and will produce long-term benefits justifying the required investment of money, time and effort.\*

*“The H.J. Res. 1092 approach to the metric question represents a measured and responsible reaction to the contemporary situation. . . .”*

Mr. Chairman, the foregoing exhausts my function as a representative of the American Bar Association. As I indicated earlier, the balance of my testimony represents my individual views.

We would take a great deal of time today exploring the ramifications of metric conversion as it will apply to the whole range of legal matters. However, I think that a brief examination of its effect on land records and real estate conveyancing will quite adequately exemplify the effects of the metric transition.

Real property transactions are so important to society that there is a practically universal rule that written evidence of the transaction be recorded in some public office. The minimum elements of such a written record, or “deed” are (1) the identity of the seller or vendor, (2) the identity of the buyer or purchaser, and (3) a description of the real estate transferred.

The description is ordinarily written in the units of land measure in current use. Thus, many colonial deeds along the eastern seaboard are written in chains, rods, perches or poles. Throughout the country there are local variations. For example, I understand that early Spanish deeds sometimes utilize varas.

Unless the new owner desires (or some local government regulation requires) a new survey, the next time the property is sold the scrivener of the new deed merely copies down the old

Continued on page 14

# names in the news

In conjunction with Lawyers Title Insurance Corporation's acquisition of Title Security Company, of Florida, **Samuel C. Gay** has been elected Ft. Pierce branch manager; **Thomas W. Fowler**, Melbourne branch manager; and **Richard L. Smenner**, Vero Beach branch manager. **Elaine T. Power** has been named branch manager of the Stamford (Conn.) office and **Lester G. Peyton** branch manager of the Elyria (Ohio) office.

\* \* \*

**William H. Laubscher** has been appointed assistant vice president and office manager of American Title Insurance Company, Miami.

\* \* \*

**John J. Smith, Jr.**, has been named branch manager of Chicago Title Insurance Company's Hartford (Conn.) office and **Charles Parker** has joined the company's Boston office as marketing representative.

\* \* \*

Security Title Insurance Company has promoted the following attorneys: **Joseph C. Mascari**, vice president and associate counsel, to assistant general counsel; **Robert D. Crawford**, vice president and associate counsel, to senior associate counsel; **Raymond D. Kelly**, associate counsel, to vice president and senior associate counsel; and **James N. Laichas**, associate counsel, to vice president.

\* \* \*

**Philip W. Burge** has joined Title Insurance and Trust as a vice president in the investment department and **Gene**



GAY



FOWLER



SMENNER



POWER



PEYTON



LAUBSCHER



SMITH



PARKER



MERLO



BURRELL



MORRISON



LITTLE

**D. Merlo** has been named manager of sales and marketing administration for the Los Angeles division of TI.

\* \* \*

**Dennis J. Burrell** has been elected vice president of USLIFE Title Insurance Company of New York.

\* \* \*

Title Insurance Company of Minnesota has elected **Clint Morrison** of the First National Bank of Minneapolis to the company's board of directors.

\* \* \*

**Richard J. Little** has been promoted to assistant vice president of The Title Insurance Corporation of Pennsylvania.

\* \* \*

**Robert T. Pluese** has been named executive vice president of the West Jersey Title Company.

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cific purpose of making contributions to candidates sympathetic to union causes. These committees are successful—such as COPE for the AFL-CIO, Drive of the Teamsters and the Good Government Fund of the United Auto Workers. The total reported contributions by national labor organizations in 1970 was over \$4 million.

AMPAC of the American Medical Association collected nearly \$700,000 in 1970 and BIPAC of the National Association of Manufacturers, \$540,000 in 1970.

Many business firms such as Union Carbide Corporation, as reported in a New York magazine, have individuals make donations or contributions; and they are pooled in an organization. General Electric has a very active program. General Tire and many other businesses have active political action organizations working through contributions by individuals. BANPAC was organized in 1970 with considerable embarrassment for the American Bankers and received quite a bit of publicity. We in MORPAC have appeared in Jack Anderson's syndicated column and have been questioned rather deeply by the *Wall Street Journal* concerning a certain individual Congressman's political contributions.

Perhaps a similar operation goes on within the corporation that you are associated with. For the funds to flow from that to an industry-wide organization of individuals, it would be necessary that those funds be shifted by the individuals; this is being done within some mortgage banking firms to MORPAC.

I am sure that your Association has legislative activity by its staff as well as by elected officials; but unless they have support with political contributions by individuals interested as a group in the title insurance business, their voice is difficult to be heard. We are told that our brief period of operation is successful compared to other organizations. We have to tell our members and potential members that, whether they like it or not, the business of political contributions is a reality and that their voice as individuals cannot be heard—but that through effective political action funds our voices can be heard. Therefore, if you want your candidate to win, you need to be an organized group contributing financially to a candidate that will effect legislative matters for the good of the title industry. What you do in the voting booth, or what you do otherwise for other candidates, becomes your own conscience and will in no way interfere with your group activity supporting successful legislation for the title insuring industry.

## TICOR Conducts Tax-Probate Forum

Title Insurance and Trust, a subsidiary of TICOR, conducted its twenty-fifth annual one-day tax and probate forum early in May. In recognition of the forum's anniversary, speakers were selected from among prominent attorneys in southern California specializing in taxes, probate and estate planning, who had lectured at former Title Insurance and Trust meetings over the past quarter century. Sessions were open to attorneys, CPA's and accountants, trust officers, Certified Life Underwriters and underwriters, and law students.

Topics covered by the forum's panel of experts included: "Trapping Distributions: the Trap that Pays"; "The ABC's of Generation Skipping Trusts"; "Techniques and Pitfalls in Drafting Charitable Remainder Trusts"; "Use of the Charitable Remainder Trust as a Tool in Family and Estate Planning"; "Bargains and Anomalies: Taxation of Non-Resident Estates"; "California Taxation of Trusts with Non-Resident Trustees and Beneficiaries"; "The Widow's Election—We Can Do Better than Give the Widow an Amortization Deduction"; and "Estate Planning for Farm and Ranch Families".

Climaxing the final session was a banquet honoring the 175 attorneys throughout southern California who have been forum speakers over the past quarter century. Featured speakers for this event were two former panelists, the Honorable John H. Hall, deputy assistant secretary, U.S. Treasury Department, and his wife, the Honorable Cynthia Holcomb Hall, U.S. tax court judge, who presently live in Washington, D.C.

## Missouri Concern Acquired by TI

The TI Corporation has announced its acquisition of Security Title Company, Clayton, Mo.

Security Title for several years has been an agent for Pioneer National Title Insurance, a subsidiary of TICOR.



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description verbatim.

Thus, general conversion to metric usage would definitely not require the mass rewriting of existing deeds. Further, in the absence of a requirement by the local tax mapping authorities or official surveyor, general metric conversion would not even necessarily result in the elimination of references to feet and acres in the property description in new deeds, and these terms would continue to be used on the same basis as terms such as chains, rods, perches and poles are used today.

Even where local governmental authority might require a translation of the customary measure to metric terms, the resulting elimination of possible ambiguity may more than offset any associated inconvenience.

Let me give you a few examples from my own experience. Let us ask the question: In Philadelphia, which covers more area: a 100-foot by 100-foot building or a 100-foot by 100-foot lot? The answer is the lot!! The building will cover 10,000 square feet and the lot approximately 10,050 square feet. Property lines in Philadelphia are measured in Philadelphia District Standard feet (apparently of colonial origin) not in U.S. Standard feet, which produces all sorts of interesting problems. A length of 1,000 feet of water main will not reach far enough to connect two streets separated by 1,000 feet on the city map. Two 100-foot x 100-foot buildings built on a 100-foot x 200-foot lot will be separated by a gap of several inches.

But, the situation is even more ludicrous than this. Will it take you longer to walk east to west on a 1,000-foot by 1,000-foot playing field in a particular area of Philadelphia than to walk north to south? The answer is no; it will take you longer to walk north to south! The field will be slightly more than four feet longer in the north-south direction than in the east-west direction. In that particular area of the city, 100,000 feet Philadelphia District Standard equal 100,200 feet U.S. Standard (East and West), but 100,450 feet U.S. Standard (North and South)!

The substitution of metric measurement for this Alice-in-Wonderland

legacy of our colonial forefathers will bring benefits clearly outweighing any transitional inconvenience.

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\*In adopting the general principle that costs should "lie where they fall," the joint resolution recognizes (as did the United Kingdom) that the consumer must ultimately bear the current costs of conversion. A system of government subsidies would be manifestly counterproductive, because it would encourage industry to demonstrate high conversion costs to support subsidy applications and would engender a substantial bureaucracy to dispense the subsidy. Without general subsidies, but with all industries in a given group converting simultaneously, the net cost, if any, is reflected in the general price level. The producer who is clever enough to minimize his conversion costs as compared with his competitors is rewarded with a greater profit margin.

## Giardina Aids Parade

Lawrence A. Giardina, assistant secretary of Title Insurance Company, Mobile, Ala., recently has been active in preparation of the 1973 *Mobile Area Parade of Homes*. This publication is issued by the Home Builders Association of Mobile which Giardina serves as special events chairman.

The attractive book contains over 100 pages and is a cooperative effort of Mobile's builders and suppliers. It displays 45 local homes showing the latest trends in design and building materials. The publication provides artist's renderings of each home as well as floor plans, addresses and brief narrative descriptions.

Considerable enthusiasm and interest from the home-buying public of Mobile is reported in response to the book.

## Mid-South Honors Essay Contest Winner



Corey James Mesler (above) accepts \$500 award for his winning essay in Mid-South Title Company's "Believe in Memphis!" college scholarship competition among local high school students. Presenting the check is George M. Houston, board chairman and chief executive officer of Mid-South.

## Major Expansion Planned by First American Title

A major expansion program by First American Title Insurance Company in Santa Ana, California, will get under way this summer, D. P. Kennedy, president of the company, has announced.

Under current plans, the national home offices of First American will be

housed in the present building. A new facility will accommodate the Orange County Title Division, including its extensive title plant operations.

In the past 15 years, the company has grown from an Orange County establishment to a nationwide network of more than 300 outlets.



## American Title Honors 25 Year Employees



Recently five employees of American Title Insurance Company's Abstract Division, Miami, were formally inducted into the company's twenty-five year club. They are (left to right) Norman Franssen, Delta Hosale, Madeline Delange, Pearl Schoen and Hyland Rifas. Gold watches and certificates were presented to each new member.

## Wemhoener, Berry Acquire Missouri Company

Lawyers Title Company of Missouri has been acquired by Warren H. Wemhoener and Ira E. Berry.

Wemhoener, president and managing officer, will manage the new Clayton, Mo. office. Berry, chairman of the

board, also is chairman of the board of Ira E. Berry, Inc., Realtors.

Adolph C. Kraus, senior vice president of the company, will continue to manage Lawyers Title's downtown St. Louis office.



Joseph J. Hurley, (above) president and director of The Title Insurance Corporation of Pennsylvania, recently has been elected president of the Pennsylvania Land Title Association. His company is located in Bryn Mawr, Pa.



Raymond B. Heston, (above) vice president, West Jersey Title and Guaranty Company, has retired after 54 years service. Heston is a past president of the New Jersey Land Title Insurance Association.

## OLTA Elects Cooper President

At the sixty-eighth annual convention of the Oklahoma Land Title Association, held recently in Tulsa, W. O. "Bill" Cooper, Jr., Bryan County Abstract Company, Durant, was elected president. John Cathey, American-First Title and Trust Co., Oklahoma City, vice president; Henry O. Arnall, Jr., Poteau Abstract Co., Poteau, treasurer. Glenn Nichols, Abstract & Guaranty Company, Chandler, was appointed secretary and Mrs. Lou Jackson, Oklahoma City, was rehired as executive secretary.

New board members to serve a two-year term are Jack Morrow, Muskogee Title Co., Muskogee and Bill Humphrey, Guarantee Abstract Co., Enid. Earnest Hoberecht, Blain County Abstract Co., Watonga, and J. L. Bowman, Rogers County Abstract Co., Claremore, have one more year to serve on the Board.

Guest speakers were James Hickman, president and William J. McAuliffe, Jr., executive vice president, ALTA; Larry Derryberry, attorney general, State of Oklahoma, and Representative Howard Cotner, a former president of OLTA.

## Commonwealth Opens Exton Settlement Office

Commonwealth Land Title Insurance Company will open a settlement service office in Exton, Pa. in July, Russell C. Pinker, Senior Vice President for Branch Administration, has announced.

Robert R. Schroedel, Title Officer, will supervise the new office with the assistance of Bert Miller.

## Chelsea Acquires Garden

Elwood F. Kirkman, president of Chelsea Title and Guaranty Company, has announced the company's acquisition of the Garden State Title Insurance Company of Montclair, N.J.

Garden State, chartered in 1929, will continue to operate with all of its present personnel. Chelsea Title is one of the oldest title insurance companies based in New Jersey and currently has offices in all 21 counties of the state.

With this acquisition, Garden State will operate as a Chelsea branch office.

# meeting timetable



**September 20-22, 1973**  
Nebraska Land Title Association  
Villager Motel  
Lincoln, Nebraska

**September 30-October 4, 1973**  
ALTA Annual Convention  
Century Plaza  
Los Angeles, California

**October 22-24, 1973**  
Mortgage Bankers Association of America  
New York Hilton, and the Americana  
New York, New York

**October 26-27, 1973**  
Carolinas Land Title Association  
Foxfire Inn  
Pinehurst, North Carolina

**October 28-30, 1973**  
Indiana Land Title Association  
Atkinson Hotel  
Indianapolis, Indiana

**November 2-3, 1973**  
Land Title Association of Arizona  
Francisco Grande Hotel and Motor Inn  
Casa Grande, Arizona

**November 2-3, 1973**  
Land Title Association of Arizona  
Francisco Grande Hotel and Motor Inn  
Casa Grande, Arizona

**November 7-10, 1973**  
Dixie Land Title Association  
Sheraton-Biloxi  
Biloxi, Mississippi

**November 9-15, 1973**  
National Association of Real Estate Boards  
Sheraton Park, and Hilton Hotels  
Washington, D.C.

1973

**June 3-5, 1973**  
Pennsylvania Land Title Association  
Host Corral  
Lancaster, Pennsylvania

**August 6-9, 1973**  
American Bar Association Annual Meeting  
Sheraton-Park Hotel  
Washington, D.C.

**June 7-10, 1973**  
New England Land Title Association  
Stratton Mountain Inn  
Stratton Mountain, Vermont

**August 22-25, 1973**  
New York State Land Title Association  
Whiteface Inn  
Lake Placid, New York

**June 14-16, 1973**  
Idaho, Montana and Wyoming Land Title  
Associations  
Pink Garter Plaza  
Jackson, Wyoming

**August 23-25, 1973**  
Minnesota Land Title Association  
Quadna Mountain Lodge  
Hill City, Minnesota

**June 20-22, 1973**  
Illinois Land Title Association  
Drake Hotel  
Chicago, Illinois

**August 24-25, 1973**  
Kansas Land Title Association  
Wichita Holiday Plaza  
Wichita, Kansas

**June 21-23, 1973**  
Colorado and Utah Land Title Associations  
Manor Vail  
Vail, Colorado

**September 6-8, 1973**  
Ohio Land Title Association  
Salt Fork Lodge  
Cambridge, Ohio

**June 21-23, 1973**  
Oregon Land Title Association  
Ka-Nee-Tah Lodge  
Warm Springs, Oregon

**September 13-15, 1973**  
North Dakota Land Title Association  
Westward Ho Motel  
Grand Forks, North Dakota

**June 24-26, 1973**  
Michigan Land Title Association  
Hidden Valley  
Gaylord, Michigan

**September 13-15, 1973**  
North Dakota Land Title Association  
Villager Motel  
Lincoln, Nebraska

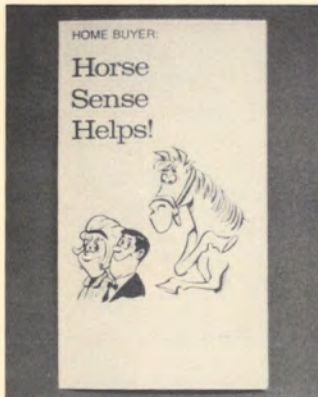
**July 12-14, 1973**  
New Jersey Land Title Association  
Seaview Country Club  
Absecon, New Jersey

**September 14-16, 1973**  
Missouri Land Title Association  
Hotel Muehlebach  
Kansas City, Missouri

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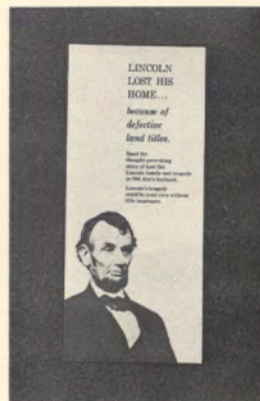
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# American Land Title Association

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