

# THE BANKER'S WORLD'S FAIR NATIONAL BANK OF ST. LOUIS

by DAVE GRANT

Even after 90 years, few historical events are as well and fondly recalled in St. Louis as the 1904 Louisiana Purchase Exposition, more commonly known as the "St. Louis World's Fair." The Fair, which commemorated the acquisition of "Louisiana" a hundred years before, was used to showcase St. Louis as a modern, important American city. Both at the time and since, veritable forests have been used to document the Fair, and souvenirs are actively pursued by St. Louis collectors.

**T**HE Fair was associated with one of the most interesting and short-lived of St. Louis' national banks, charmingly named The Banker's World's Fair National Bank of St. Louis. In their catalogue, Hickman and Oakes indicate that the bank was in existence for less than a year, issued \$50,100 in \$50 and \$100 red seals, and all of its notes were redeemed by early 1905. Obviously, with the occasional errors/vagaries associated with the Redemption Agency records, every St. Louis national bank note collector continues to hope that there is, somewhere, a \$50 or \$100 waiting to be discovered. The purpose of this article is to provide a little more information about the bank, and to consider whether any notes may have escaped destruction.

The most important person initially associated with the bank was William Thompson, the president of the National Bank of Commerce and treasurer of the Fair. With the possible exception of David R. Francis, the Fair's president, Thompson was probably the person most responsible for the financial success of the Fair. He worked on the Fair's business with the same zeal that had made his bank the most important financial institution in St. Louis from virtually the beginning in 1901 until his death at the end of 1905.

Thompson undoubtedly realized the benefits of locating a bank on the Fairgrounds, and on November 20, 1903 sent an invitation to most of the financial institutions in St. Louis to participate in the first organizational meeting on November 23rd. There was a sufficient interest shown that an organization committee was appointed and reported its findings on December 19th. Little time remained since the Fair was to open at the end of April. At the first meeting of the banks' stockholders on February 26, 1904, H.A. Forman, president of the Fourth National Bank of St. Louis, was elected president of the bank. A *St. Louis Globe Democrat* article two days later indicated that the bank would be "open to a late hour every evening to accommodate visitors and concessionaires." In addition to providing

Fair visitors with cashiering services, all gate receipts and government funds committed to the Fair would pass through the bank. The cashier and assistant cashier were to be the "only active officials of the institution," although it was expected that the president and vice presidents would make daily visits in the afternoon, presumably after the close of the normal business day.

On March 9th, Forman transmitted the bank's organization papers to the Comptroller of the Currency. The bank had 17 stockholders who also served as directors. All were associated with important St. Louis banks or trust companies including ten presidents—five had been elected as vice presidents of the Bank. Interestingly, this letter and several other early pieces of correspondence were on the letterhead of the Fourth National Bank.

The bank was initially capitalized at \$200,000, and, since it was a national bank, was required to purchase a minimum of \$50,000 in U.S. bonds. The bank chose to issue currency against these bonds and this point is touched upon in Forman's March 9th letter.

The Fourth National Bank has \$50,000 U.S. Registered 2% bonds, now in Washington, subject to our orders, and I have agreed to sell these bonds to the Bankers' World's Fair National Bank, to be utilized in securing the minimum circulation, which we would like to have in 50's and 100's. In this connection, we would be pleased to have you proceed at once, in order that we may have the currency ready at the earliest possible moment, and let me know what expense is necessary in the direction of the plates, etc., and I will remit that amount.

According to a September call report by the Office of the Comptroller of the Currency, the bank paid a \$2,500 premium to Fourth for the bonds, and, as required, deposited \$2,500—equal to 5% of its circulation—in the Redemption Fund. National bank charter 7179 was granted to the organizers before the end of March, and by April the bank was using its own letterhead. Although the bank's corporate life lasted for less than one year, it used two distinctively different forms of letterhead. On the back of each type is a listing of the 17 directors and a notice that the bank's directors are:

also shareholders in the World's Fair Safe Deposit Co. with capital of \$100,000. Operating 2500 safe deposit boxes in connection with the bank."

On March 9th, the directors of the bank had elected C.E. Bryan, of the Third National Bank in St. Louis, as cashier. In a related move D.A.P. Cooke, manager of Mercantile Trust Company's Safety Deposit Vaults was elected manager of the World's Fair Safe Deposit Company. Cooke was the primary active official,



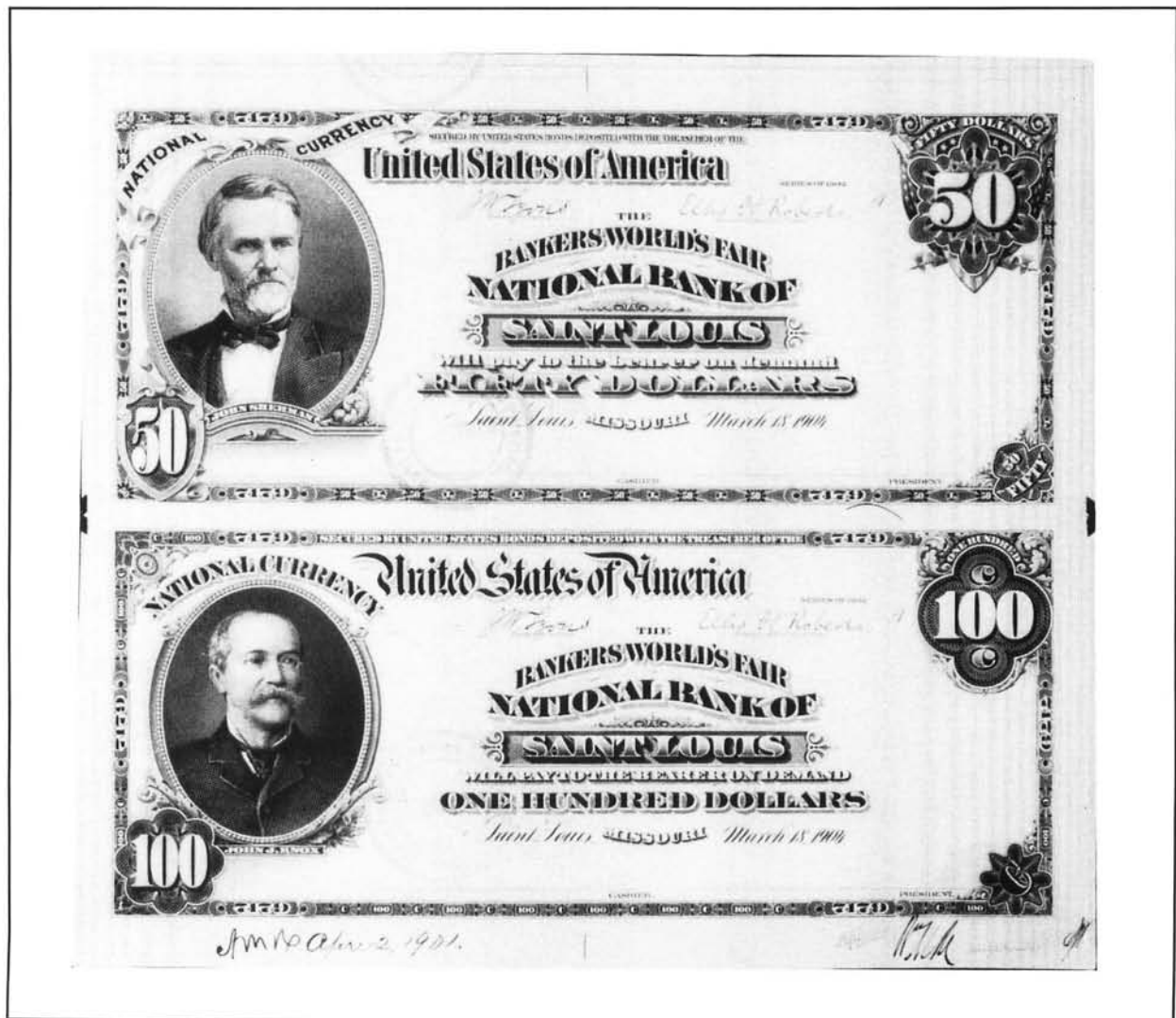
and oversaw the rental of boxes to Fair concessionaires and others who had an interest.

In the April 1904 *World's Fair Bulletin*, the bank is described as a modern building 84 by 54 feet, two stories in height, in the center of which is a tower 20 feet square and 44 feet in height. It was to be located on the "model street" at the northeast boundary of the Fair. In actuality, the bank seems to have been located near the main entrance of the Fair, at the northern end of the Plaza of St. Louis and very close to the Fair's primary railway and streetcar stations. Many views of the Fair, including that used on the daily program, omit the entire area occupied by the bank, so it may have been a last minute decision to place it here.

Immediately to the north and west was the Pike, whose "popular entertainments" provided a break for fairgoers from the more formal exhibitions. Visitors could see the entire world here, including the Tyrolean Alps, Asia, Constantinople, South Sea Islands, an Irish Village, Old St. Louis, which showed the City as it appeared in 1803, the Galveston Flood, miniature naval battles, and even an Old Testament Creation of the World and an interpretation of the "Hereafter." Also on exhibit was Jim Key, the educated horse who "reads, writes, spells, figures, counts and changes money!" The Pike was one of the most popular areas of the Fair, and doubtless provided much business for the bank.

The Fair opened at the end of April, but the bank did not open until a month later. In his June 1st letter to the Comptroller, Forman indicates that he was not completely ready to open for business, but was pressured to open by Fair officials. Many of the Fair's thousands of daily visitors needed the bank's services. In addition to exchange services, the bank also permitted visitors to open deposit accounts, on which no interest was paid, probably for more convenience and security in managing their money. Concessionaires were certainly important customers for these accounts as well, since this provided a convenient means to deposit daily receipts and manage cash. The bank's daily income from exchange averaged \$62.50, equivalent to a discount of about 0.1%. In addition, interest was earned on the bank's bonds, and more importantly, on the deposits it had with other banks. By early September, midway through the Fair, the Bank's assets stood at a very substantial \$771,302 and profits totalled \$5,339. Two months later, the bank reported total assets of \$873,365 and profits of \$11,012. This represented an important level of assets to garner in such a short time, as most of the City's banks had total assets well under \$10 million.

The Fair closed at the end of November and on December 15th the bank informed the Comptroller of the Currency of its intention to liquidate. In the Comptroller's exam at the end of the year, the loss on the building—which was only a temporary





structure erected on the fairgrounds—was expected to offset any profits made during the bank's operation. It was noted that this was in keeping with the purpose of the bank, to be of service to fairgoers and not as a profitmaking venture. As it happened, the demolition of the building was not as expensive as originally anticipated. C.E. Bryan notes in his final earnings report filed with the Comptroller on February 11, 1905 that the bank made a profit of \$907.70, which was divided among the shareholders.

So what about the currency?

Forman's March 9, 1904 letter mentioned that the Fourth National Bank sold the necessary bonds to the bank, probably with an understanding to repurchase them at the close of the Fair. C.F. Childs notes in *Concerning U.S. Government Securities* that bond sellers at this time used a variety of "creative financing" techniques (to use a modern term) to peddle their bonds. Typically, the buyer would only be obliged to put up the premium on the bonds, and the seller (in this case Fourth) would receive the circulation in payment. It is not unreasonable to assume that this approach was used in this case as well.

That's it then. It seems very likely that the currency—probably uncut and unsigned—was held in the vaults of Fourth National during the Fair, and was returned intact as part of the liquidation process to ensure that both the redemption fund and Fourth National's bonds would be released without a problem.

There's only one other small point. Hickman-Oakes notes that a single \$100 was returned to the Redemption Agency in late May, 1904, about six weeks after the original currency order. The bank's circulation consisted of \$50s and \$100s, in the two note plate format no doubt in order to minimize expenses. It may well be that the full 334 sheets were sent to the bank in error and, after an initial counting at the bank, that the \$100 note was returned simply as a correction.

So . . . while St. Louis collectors might wish that someone had "salted" a note from another bank into the \$50,000 in exchange for a souvenir, it's likely that we will be limited to seeing a proof sheet of the notes of this short-lived bank.

### SOURCES OF INFORMATION/ACKNOWLEDGMENTS

Correspondence and Examination files of the Comptroller of the Currency, various dates 1904 to 1905 in the National Archives.

*St. Louis Globe Democrat*, February 28, 1904 and March 10, 1904.

*World's Fair Bulletin*, various issues 1902-1904.

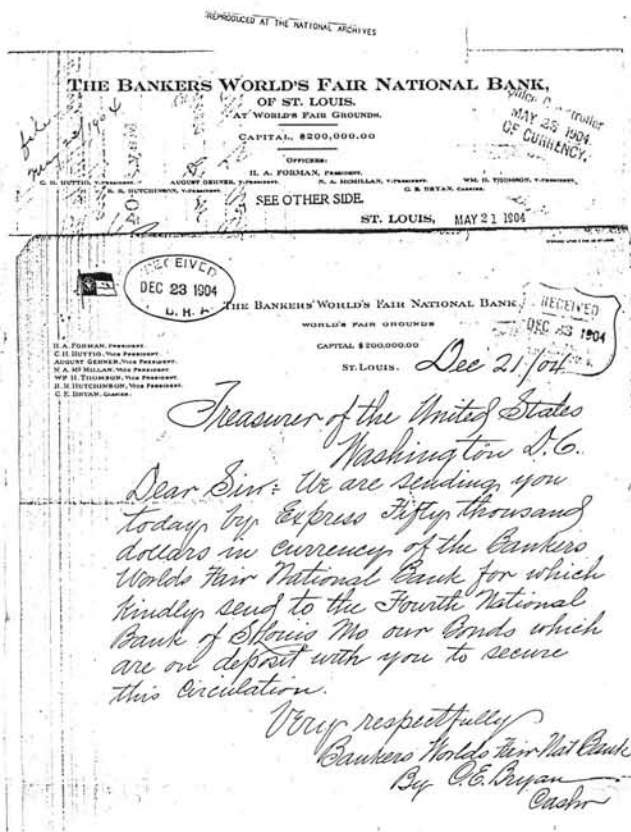
Bennett, M. (1905), *History of the Louisiana Purchase Exposition*, St. Louis.

This includes a photograph of the bank which unfortunately does not reproduce well.

Childs, C.F. (1947), *Concerning U.S. Government Securities*, Chicago. See especially pages 361 to 363. I first heard about this invaluable book and the concept of bond dealers "underwriting" the circulation of National Banks during John Hickman's presentation at the 6th annual PCDA Show in St. Louis, October 1991.

Hickman, J. and D. Oakes (1990), *The Standard Catalog of National Bank Notes*, Iola, WI.

Thanks are also due to Lynn Vosloh for generously providing the illustration of the proof sheet of the \$50-\$100 notes in the Smithsonian Collection.



Two letters from the bank hold the key. C.E. Bryan wrote to the Comptroller on December 21st that:

We are sending you today by Express Fifty Thousand dollars in currency of the Bankers' World's Fair National Bank for which kindly send to the Fourth National Bank of St. Louis Mo. our bonds which are on deposit with you to secure this circulation.

Further, on January 21, 1905 H.A. Forman had written to instruct the Comptroller that bonds should continue to be held, subject to the order of the Fourth National Bank.

### Call for Nominations for 1993

The following governors' terms expire in 1993: Gene Hessler, Ronald Horstman, Robert Raby and Frank Trask. If you have suggestions, please contact the chairman of the nominating committee, Ronald Horstman, Box 2999, Leslie, MO 63056. In addition, candidates may be placed on the ballot in the following manner:

- (1) A written nominating petition is submitted, which has been signed by ten current SPMC members;
- (2) An acceptance letter from the person being nominated is submitted with the petition;
- (3) Any nominating petitions (and accompanying letters) MUST BE RECEIVED BY THE SECRETARY BY FEB. 27, 1993.

Ballots for the election will be included in the March/April 1993 issue of *PAPER MONEY*. They will be counted at Memphis and announced at the SPMC general meeting held during the International Paper Money Show.

Nominees should send a portrait-photo and a brief biography to: the editor, Gene Hessler.