

THE BANKERS WORLD'S FAIR NATIONAL BANK OF ST. LOUIS A SEQUEL

by DAVE GRANT



The Bankers World's Fair National Bank Building.

I have been fortunate to receive some additional information which corrects, clarifies or amplifies my article appearing in the January 1993 *PAPER MONEY*. A sequel seemed to be appropriate at this time, and provides an excuse to show the Smithsonian specimen sheet for the bank. In order to minimize covering material previously discussed, it is assumed that the reader is familiar with the earlier background article.

PHOTOGRAPHS

Two important photographs that relate to the Bankers World's Fair National Bank (BWFNB) are in the collection of the Missouri Historical Society. The first of these is a simple view of the bank. The photograph certainly confirms the utilitarian appearance of the bank and the description of the *World's Fair Bulletin* that the bank was "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."

While the *Bulletin* reported that the building was to be located on the "model street" at the northeast boundary of the Fairgrounds, the bank was actually located further west at the main entrance of the Fair and very close to the primary railway and streetcar stations, ensuring maximum exposure to the Fair's visitors. Many views of the Fairgrounds, including that used on the daily program, omit the entire area occupied by the bank, so its actual location may not have been decided until very late in the process.

Following the close of the Fair, the bank occupied its building for only two weeks, at which time the building was sold to the Chicago House Wrecking Company for \$500. A comment in the 12/31/04 Examination of the Comptroller of the Currency notes that "since vacating the bank building at the Fair Grounds on about the 16th ult; Cashier French [sic] and his employees, now reduced to two in number, have been occupying temporary quarters, during liquidation, at the Fourth National Bank, St Louis."

The second, more remarkable photo features twelve individuals standing together on what appears to be the bank's steps.

Open since the end of March, the Fair generated large amounts of cash, and Fair officials were increasingly anxious for the bank to open. There is an interesting letter dated June

1, 1904 which emphasizes the bank president H.A. Forman's exasperation in being forced to open prematurely:

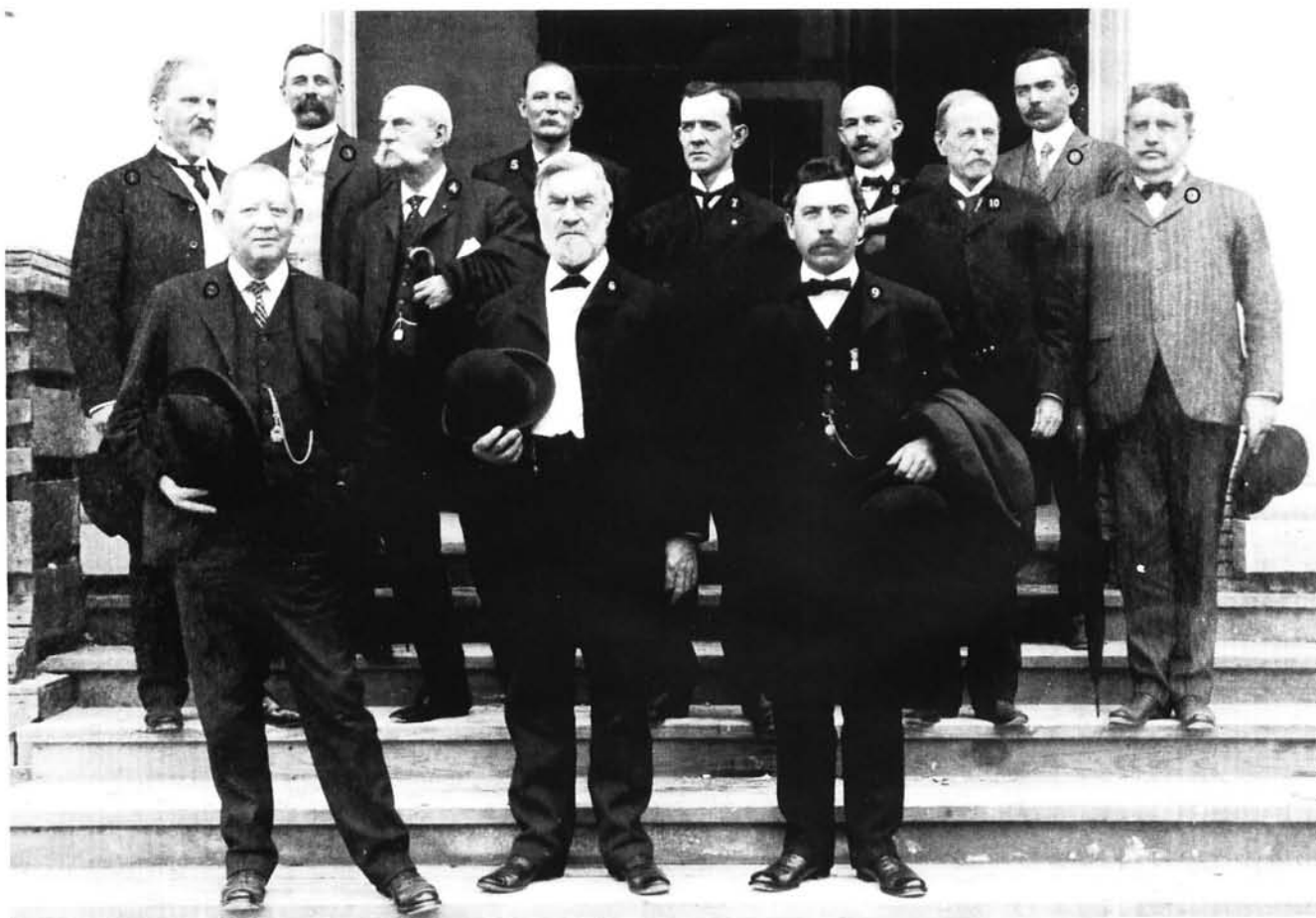
I wish to state, that the Bankers' World's Fair Natl. Bank has this day opened its books, and will commence business today, although hardly ready for such an occurrence, but owing to the desire of the World's Fair interests for us to do so at as early a date as possible, we have commenced business, notwithstanding the fact that all of our furniture is not yet ready for use.

If the photograph was taken on opening day, the incomplete nature of the building reinforces Forman's complaint. In any case, the picture is a real "blockbuster" to students of St Louis banking history since each of those pictured were related to the BWFNB in some way and most were prominent St Louis Bankers:

H.A. Forman. President & director of the BWFNB, president of Fourth National Bank.

A. Gehner. Director & VP of the BWFNB, president of the German-American Bank.

W.H. Thompson. Director and VP of the BWFNB, Treasurer of the Fair and president of the National Bank of Commerce. He was trained as a plumber, founded a plumbing supply company, became president of the largest St Louis bank and was the driving force in the financial success of the World's Fair. The



Bank Directors on the steps of the Worlds Fair Bank 1904. Left to right, first row: H.A. Forman, W.H. Thompson and C.H. Huttig. Second row: A. Gehner, Jno. T. Lyn, W.H. Thomson, Christian Clandy, C.E. Bryan, Arthur O. Wilson, R.R. Hutchinson, J.S. Calfee and N.A. McMillan.

half dozen years he was associated with the Fair took its toll, however, and he died at the end of 1905.

C.H. Huttig. Director & VP of the BWFNB, president of Third National Bank, founder and president of Huttig Sash and Door Company.

A. Gehner. Director & VP of the BWFNB, president of the German-American Bank.

Jno. T. Lynn. President of the St Louis Safe and Desk Company. Perhaps it was his products about which Forman complained were not yet ready at the bank's opening.

W. H. Thomson. Director of the BWFNB, Cashier of Boatmens Bank in St Louis. He had been with Boatmens from the 1850s, and held the curious distinction of being considered the "oldest" banker in the St Louis at this time.

Christian Clandy. Supervisor of the Burglar Proof Vault Company and clearly an important individual with the safe deposit company associated with the bank.

C.E. Bryan. Cashier of the BWFNB. He had been assistant cashier at the Central National Bank of Carthage, Missouri and, more recently held a fairly minor position at the Third National Bank in St Louis. Bryan appeared in the 1905 St Louis City directory and then disappeared from St Louis.

Arthur O. Wilson. At the time, a National Bank Examiner who performed the final exam of the BWFNB at the end of 1904. In 1906 he became a Vice President at the State National Bank.

R.R. Hutchinson. Director & VP of the BWFNB, president of Mechanics National Bank.

J.S. Calfee. On the face of it, Calfee held a fairly minor position as assistant cashier with the Mechanics National Bank, and would not become cashier of its successor, the Mechanics American, until 1909. However, he was to preside over the Missouri Bankers Association Convention held at the Fair, and was thus most appropriate to be in attendance at the opening of the bank.

N.A. McMillian. director & VP of the BWFNB, VP of St Louis Union Trust Co.

CIRCULATION

Peter Huntoon was kind enough to provide the following information from the Comptroller of the Currency's Bond and Currency Ledgers presently located at the National Archives.

Reconciliation of Note Issue/Redemption

Date	Denomination	Ser. Nos.	Value
Currency Issued*			
4/19/04	\$50-\$100	1-333	\$49,500
5/25/04	\$50-\$100	334	150
Currency Redeemed			
5/23/04	\$100	1	\$ 100
1/03/05	\$ 50	334	16,700
1/03/05	\$100	333	33,300

*"Currency Issued" indicates actual sheet serial numbers issued, "Currency Redeemed" indicates number of notes involved.

The bank had been issued 333 sheets of \$5-\$100 notes on April 19, 1904. Each sheet consisted of one \$50 note and one \$100 note and was the highest value sheet issued at the time. Fewer sheets meant easier handling and greater security. However, \$150 is not evenly divisible into \$50,000, and this first shipment totalled only \$49,950. Since circulation was sent to banks in the form of complete sheets, the only way to obtain the maximum circulation was to redeem \$100. Significantly, there is a letter from C.E. Bryan to the Comptroller dated May 21, 1904 which names A.S. Pratt and Sons as the agents to witness the destruction of the bank's notes, about the same time that the first \$100 note was redeemed.

On May 23, 1904 one \$100 note was redeemed, and two days later, on May 25th, sheet 334 was issued to the bank. It appears that the bank was simply trying to get to its maximum circulation of \$50,000 before it opened, presumably as payment/collateral for the bonds sold (but actually lent) by the Fourth National.

It is also of interest that a comment in the Comptroller's June 15, 1904 Examination indicated that, although circulation received totalled \$50,000, none was presently on hand at the bank. A December 21 letter from C.E. Bryan specifically indicates that the \$50,000 sent in to redeem the bonds was, in fact, the currency issued to the bank:

We are sending you today by Express Fifty Thousand dollars in currency of the Banker's 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.

The Currency Bureau ledgers indicate that 333 \$100s and 334 \$50s were canceled and presumably destroyed on January 3, 1905.

So, where was the currency from May to December 1904? As previously suggested, it probably resided—perhaps uncut and unsigned—in the vaults of the Fourth National to be redeemed when the bank was liquidated following the close of the Fair. The currency really served no purpose other than to pay for the U S bonds required to organize a National Bank since, unlike other banks of the time, the BWFNB made no loans and it generated plenty of cash from its cashing and exchange operations.

Further, under the terms of the Act of July 14, 1870, a bank in the process of liquidation was required to deposit lawful money to secure its outstanding circulation. If this deposit was not made within 6 months of the decision to liquidate, the Comptroller would force the issue by selling the bank's bonds and making the necessary deposit from the proceeds. Bonds carried significant premiums to par value at this time, so it was in Forman's interest to return the currency so that Fourth National's bonds would be released without a problem. Huntoon (1982) provides the last word on the matter. In discussing reissued currency, he notes that "when a bank reduced its circulation . . . it was required to deposit lawful money with the Treasurer to redeem that fraction of its outstanding circulation. What better way to accomplish this than to return available sheets!" Although Huntoon's comments apply to a specific example associated with the Aldrich-Vreeland Act, there is no reason to believe that the practice was not followed in this earlier case as well.

So, while St Louis collectors might wish that someone "salted" a note from another bank into the \$50,000 in exchange for a souvenir, it appears that the documentation precludes the



chance that any notes of the bank survived. At least we can enjoy the specimen preserved at the National Numismatic Collection at the Smithsonian.

SOURCES OF INFORMATION/ACKNOWLEDGMENTS

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

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

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.)

Grant, D. (1993). The Bankers World's Fair National Bank of St. Louis. *PAPER MONEY*, No. 163, pp. 18-21.

Huntoon, P. (1982). National bank note reissues—a case study. *PAPER MONEY*, No. 99, pp. 113–4.

Warns, M.O. (1973). National bank note reissues—a case study. *PAPER MONEY*, No. 99, pp. 14–15.

Special thanks are due to Lynn Vosloh for generously providing the fine illustration of the proof sheet in the Smithsonian Collection, and Peter Huntoon for the issue and redemption information for the bank. Thanks are also due to Kristen Hammerstrom at the Missouri Historical Society for assistance in securing the photos of the bank and the Directors. ■

CHECKS (Continued from page 5)

After the bank closed remittances were made by cash and registered mail. Regulations required each bill be listed by type, serial number and denomination and that a duplicate list be retained. Two surviving 1935 stamp orders totalling \$150 enclosed eight Federal Reserve notes (one Chicago, seven Minneapolis), a \$20 Farmers National Bank, Hutchinson, Minnesota, and \$10 First National Bank, Minneapolis. A \$32.48 order for envelopes enclosed a \$20 Pacific National Bank, Seattle; a Federal Reserve note; two silver certificates and forty-eight cents in coin.

Rules relating to all transactions relating to the care and transfer of all postal funds are defined in *Postal Laws and Regulations* (GPO 1932). *PL&R* was the supreme law for every postmaster, so almost every town with a bank had a postmaster's account for temporary deposits. Most of the accounts were small; surplus funds were those more than \$100 for third-class offices and \$50 for fourth-class. It is quite possible some postmasters drew checks directly to the depository postmaster or the stamp sales office rather than to the bank for a draft; without other examples there is no proof, however.

Most of the cancelled postmasters' checks must have been destroyed when a postmaster relinquished his job, or the bank closed; or preserved in this case when the post office moved to new quarters and the outdated forms were abandoned in the building owned by the previous postmaster. ■