

THE FARMERS AND MERCHANTS NATIONAL BANK OF CAMBRIDGE, MD., CHARTER 5880

by J. Fred Maples

This bank was organized May 22, 1901, with William F. Applegarth elected president, and James M. Robertson, cashier. The bank received its charter on June 26, 1901, and opened its doors on July 1. This bank was largely successful and issued \$872,400 in 1882 Series, 1902 Series, and 1929 Series notes – all \$50s and \$100s -- with a \$15,000 circulation increasing nicely to \$60,000 by 1903. This bank had a conservator in the 1933 banking crisis, but reopened in 1934, and continued through the end of the national currency period in 1935. Applegarth was followed as president by Milford Nathan from 1921 through the end, and Robertson was followed by L. Thurman Phillips from 1917 through the end.

Applegarth, born in 1842, and son of a sheriff, was a bank founder, farmer, dry goods merchant, state assemblyman and senator, county political leader, and school teacher and principal. For most of his life Applegarth was wealthy and successful, but reportedly later in life “investments and enterprises turned out badly”, and he died penniless in 1920. Nathan, born in 1876, and an enterprising furniture dealer like his father, was also a theatre owner, philanthropist, and civic leader who was “vitally interested in the affairs of Cambridge.” Nathan was very much a people person, and it was said his “understanding of and liking for people may have (had) much to do with his success in merchandising.”



\$100 1882 Date Back. The Farmers and Merchants National Bank of Cambridge, Md. Charter # 5880. This bank issued 560 sheets of \$50 and \$100 1882 Date Backs between 1909 and 1911, with two notes per sheet. Afterward this bank issued another 1,046 sheets of \$50 and \$100s 1882 Date Backs, with four notes per sheet.

The best note from this bank today is this \$100 1882 Date Back, Friedberg # 571, certified by PMG Very Fine 30. This important note combines rarity and grade, with eye appeal, pen signatures, and an interesting scissor cut. According to the National Bank Note Census, this note is one of just two known \$100 1882 Date Backs from Maryland. Recently this note was a highlight of Marc Watts' Maryland collection before selling for a bargain price of \$14,400 in Heritage's 2018 FUN sale, lot 20896. Previously this

note sold in a 2006 ebay.com auction for \$21,450 – an impressive sum for that venue. This note was pen signed by James M. Robertson, cashier, and W. Lake Robinson, vice president.

Robertson was successful in many ways. Robertson's obituary in the Cambridge Daily Banner of June 3, 1931 reads: "James McCrea Robertson, first cashier of the Farmers & Merchants Bank and former county treasurer, died this afternoon at 2:30 o'clock at the Cambridge-Maryland Hospital. Death was due to

the infirmities of old age. Until 17 years of age Mr. Robertson lived on a farm, after which he learned carpentry and on locating in Vienna, 1866, he engaged in contracting and building. While attending school in his native district he studied surveying under the direction of his teacher, James Benton Armstrong, of Pennsylvania, with whom he formed a firm partnership. Mr. Robertson was prominent in Democratic politics. While residing in Vienna, 1870, he was appointed justice of peace, which office he held for four consecutive years. In 1877 he was nominated and elected county surveyor, which office he held for six years. In 1885 he was elected to the Maryland House of Delegates; and following this term he resumed contracting in Vienna. He was appointed school commissioner in 1892 and continued until 1894 when he was made treasurer of Dorchester County. Following this term of office he was appointed assistant superintendent of schools of Dorchester County and remained in that position until the organization of the Farmers and Merchants Bank in 1901, when he became their first cashier. He continued in banking circles until about a year ago when failing health forced him to give up his active duties." Again Robertson was followed as cashier by L. Thurman Phillips. Phillips, son of a boat captain, was a career bookkeeper, local welfare and hospital board member, noted mason, and church leader, who moved with his family to Cambridge in 1896.

Per Robinson's obituary in the Baltimore Sun of September 14, 1915: "Mr. (W. Lake) Robinson was born near Cambridge 54 years ago, and was a son of the late Joseph and Mary Bowdle Robinson. In early manhood he engaged in business with the late Daniel E. Dail, the firm being known as Robinson, Dail & Co. He subsequently engaged in farming and speculation in real estate, in both of which he was successful. He was engaged in many other enterprises, being a partner of Lewin S. Dail in the wood and coal business; of G. Walter Wright, in fire insurance; a director of the Cambridge Creamery Company and first vice-president of the Farmers and Merchants' National Bank of Cambridge. Mr. Robinson took an active part in politics and filled several positions—Tax Collector of Cambridge district, Sheriff and County Clerk for the last six years. He became chairman of the Democratic State Central Committee in 1907, upon the retirement of State Senator William F. Applegarth, and retained the position until his death."

The layouts of \$100 1882 Date Backs—including this note -- are stunning in every way. Top left this note is highlighted by the distinctive Roman numeral C, followed by the decimal 100. Below the left decimal 100 is the beautiful vignette named "Commodore Perry's Victory on Lake Champlain", which depicts Commodore Oliver Hazard Perry leaving his flagship,

the Lawrence, during the Battle of Lake Erie in 1813. Top center includes the declaration "National Currency. This Note Is Secured by Bonds of the United States, Or Other Securities", which defines the note's backing. In the middle is the bank's official name "The Farmers and Merchants National Bank of Cambridge". Immediately right of "The" in the bank's name is its charter number, overprinted in blue ink. Just below the right decimal 100 is this note's treasury serial number, A150862, which was unique across all banks. And finally the right vignette is an angelic depiction of Liberty, seated by a bundle of rods representing the union of states, along with the message "Maintain It!" burst in sunlight.

The 1882 Date Back national currency series was created by the Aldrich-Vreeland Act of May 30, 1908, as signed by Theodore Roosevelt, to mitigate the worldwide financial Panic of 1907. Senator Nelson W. Aldrich, a Republican from Rhode Island, was largely responsible for the bill, along with his co-sponsor Rep. Edward Vreeland of New York. The bill provided a mechanism for banks to use securities other than U.S. government bonds to obtain short-term increases in their national bank note circulations. Two types of entities could apply for the additional currency: 1) individual banks, like this one, and, 2) groups of at least 10 banks formed into national currency associations. Individual banks applied directly to the Comptroller of the Currency for additional notes to be secured by state or local government bonds, and could receive notes up to 90% of the bonds' market value. The associations were allowed to accept securities from a member bank, and then apply to the Comptroller for additional circulation for that member. Again if the deposited assets were acceptable state or local bonds, the association could apply for national bank notes up to 90% of the bonds' value, but were limited to 75% of the cash value of certain securities or short-term commercial paper.

Cambridge is a historic city on Maryland's Eastern Shore -- east of the Chesapeake Bay -- and the county seat of Dorchester County. Cambridge was settled by English colonists in 1684, who developed farming on the Eastern Shore, with the largest plantations devoted first to tobacco, and later to mixed farming. Tobacco farming was very labor intensive, and required many enslaved Africans, but mixed farming required less labor. The town was a successful trading center, and was named Cambridge in 1686 for the English university town. Cambridge developed a food processing industry in the late 19th century, and canned oysters, tomatoes and sweet potatoes. The industry won contracts with the Department of Defense during the First and Second World Wars, and employed up to 10,000 people at its peak. Later Cambridge became a popular tourist destination for its abundant historical sites and water sports.