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**The
theoretical man
knows *why*. The
practical man
knows *how*. The
man who would
lead must know
why and how.**

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A General Reference Work on

BOOKKEEPING, ACCOUNTING, AUDITING, COMMERCIAL LAW, BUSINESS
ORGANIZATION, FACTORY ORGANIZATION, BUSINESS MANAGEMENT,
BANKING, ADVERTISING, SELLING, OFFICE AND FACTORY
RECORDS, COST KEEPING, SYSTEMATIZING, ETC.

Prepared by a Corps of

AUDITORS, ACCOUNTANTS, ATTORNEYS, AND SPECIALISTS IN BUSINESS
METHODS AND MANAGEMENT

Illustrated with over Fifteen Hundred Engravings

SEVEN VOLUMES

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Grateful acknowledgment is made also of the valuable service rendered by the many manufacturers and specialists in office and factory methods, whose coöperation has made it possible to include in these volumes suitable illustrations of the latest equipment for office use; as well as those financial, mercantile, and manufacturing concerns who have supplied illustrations of offices, factories, shops, and buildings, typical of the commercial and industrial life of America.

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Foreword

WITH the unprecedented increase in our commercial activities has come a demand for better business methods. Methods which were adequate for the business of a less active commercial era have given way to more elaborate systems and countless labor-saving ideas in keeping with the financial and industrial progress of the world.

❧ Out of this progress has risen a new literature—the literature of business. But with the rapid advancement in the science of business its literature can scarcely be said to have kept pace, at least, not to the same extent as in other sciences and professions. Much excellent material dealing with special phases of business activity has been prepared, but this is so scattered that the student desiring to acquire a comprehensive business library has found himself confronted by serious difficulties. He has been obliged, to a great extent, to make his selections blindly, resulting in many duplications of material without securing needed information on important phases of the subject, except at the sacrifice of much time and patience.

❧ In the belief that a demand exists for a library which shall embrace the best practice in all branches of business—from buying to selling, from simple bookkeeping to the administration of the financial affairs of a great corporation—these volumes have been prepared. Prepared primarily for home study, the authors have striven for simplicity and directness of style and have used a large number of practical problems to further illuminate the text. In addition to the purely accounting and management phases, the newly developed subject of Income Tax has received adequate treatment.

¶ Editors and writers have been selected because of their familiarity with, and experience in handling various subjects pertaining to Commerce, Accountancy, and Business Administration. Writers with practical business experience have received preference over those with theoretical training; practicability has been considered of greater importance than literary excellence.

¶ These volumes are offered with the confident expectation that they will prove of great value to the trained man who desires to become conversant with phases of business practice with which he is unfamiliar, and to those holding advanced clerical and managerial positions.

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BUSINESS CORRESPONDENCE

INTRODUCTORY

Business Correspondence may be roughly divided into two classes—letters pertaining to general business affairs, and letters designed especially to produce new business. Under the first head would come recommendations, applications for positions, inquiries, orders, complaints, etc., and their answers, and the many other letters that make up the daily routine of business correspondence; under the second head would come form letters answering inquiries or soliciting business, follow-up systems, and similar business-getting letters. As a matter of fact, however, every business letter should have for its first purpose the getting of business, either by direct solicitation and sound argument, as in the form letter, or by satisfying and retaining a customer already on the firm's books, as in a courteous answer to a complaint. This textbook will consider all business letters as potential business-getting letters, and will so treat them.

The business correspondent will write many letters to men who will have no interest in what he has to say—who will, indeed, be glad of any excuse to refuse to read his letters. It will be important to him, either personally or as a paid correspondent, to have his letters read. The first step to that end is to make the letter so correct in form that it will stand out from the mass of less careful communications, and so clear that it can be read without effort. The chief task of the business correspondent is to get a hearing; to gain that point is to have the battle half won. It is the purpose of this text to teach the correspondent how to write a letter that will be sufficiently business-like to get a reading, and sufficiently forceful to produce upon the reader the effect intended.

It is assumed that the student of this text has already mastered the elements of English grammar; it is absolutely necessary that he shall have done so if he is to profit by it. The writer who confuses

cases and tenses, who misuses relative pronouns and other connectives, who cannot construct a correct sentence or paragraph, or who hesitates over a question of punctuation, can never attain any great degree of success as a business correspondent. No amount of natural ability as a letter writer or salesman can equal the training that enables the writer to use the correct word, the telling phrase, the proper sentence construction. The most effective letter is the one that is the nearest correct in all its details.

While the student is expected to meet the grammatical requirements of the English language, he is not expected to follow slavishly any particular style commended in the following pages. On the contrary, he is urged to cultivate his own individual style, so long as it does not violate the principles of English grammar or business practice. A good individual style is one of the most valuable assets of the business correspondent. Since form letters seem to bring out the individuality of the writer more certainly than general letters, this text uses form letters even to illustrate some phases of general correspondence.

It is to be hoped that the student can copy his Exercises on the typewriter. If he cannot do so, he should use the regular typewriter sheet ($8\frac{1}{2} \times 11$ inches), and make his letter conform as nearly as possible to the form of a typewritten letter. Each letter that is supposed to be written by a business firm requires, as part of a perfect Exercise, the lettering of the firm's letterhead, properly arranged. No Exercise given should make more than a page of single-spaced typewriting. For the benefit of those who are not able to use a typewriter, it may be stated that the *contents* of a one-page typewritten letter would not contain more than three hundred words.

A text that covered every phase and style of business correspondence would run into many volumes—and would still be incomplete. Business correspondence is a live and growing profession—even yet in its infancy; and the correspondent who desires to succeed in his profession should study in detail every business letter that comes into his hands, and either profit by its effectiveness, or consider how he could better it.

LESSON I

THE FORM OF THE LETTER

As a matter of convenience, business letters may be roughly divided into three classes: general business letters, such as a business firm uses in handling its daily correspondence; personal business letters, such as an individual writes to another individual, or to a business firm; and business-getting letters, such as form letters, inquiry letters, and "follow-ups." This text will first consider the general requirements to which all three classes should conform, and will then take up in detail the specific features of each particular class.

Modern business is a thing of well-defined system, and the modern business man exacts a strict conformity to that system. It follows, therefore, that the business letter has a very definite form, which permits of few variations, because it exactly meets business requirements. Only in business-getting letters, as will be explained later, is it wise to depart from the accepted form.

The parts of a letter are:

- (1) Heading, including:
 - (a) Address of writer
 - (b) Date of letter
- (2) Introduction, including:
 - (c) Name and address of addressee
 - (d) Salutation
- (3) Body of the letter
- (4) Conclusion, including:
 - (e) Complimentary close
 - (f) Signature of writer

The heading of a letter should contain (a) the address of the writer, and (b) the date of the letter.

In Fig. 1, the address and date line could also be written in either of the following ways:

123 High St.,
Oshkosh, Wis., Jan. 3, 1910.

123 High St.,
Oshkosh, Wis.,
Jan. 3, 1910.

Or the place and date alone could be written at the top of the letter, and the name and full address below the letter, against the left

margin. The use of the last form insures setting down the full address, and enables the reader to copy the address without being obliged to hunt up its component parts. If the address were on a R. F. D. route, the route and box number should take the place of the street and number.

In Fig. 2, the firm's letterhead contains the address, so that need not be repeated. If the town were placed below and at the right, the date should be written after it (see Fig. 6 and Fig. 11); otherwise, it should be written at the right, and a little below the letterhead, as in Fig. 2.

Note the punctuation of the heading: the several parts are always separated by commas, whichever form is used. The names of the months may be abbreviated; but remember that an abbreviation requires a period after it. It is not necessary to use letters in the date line; as, "1st," "2nd," "3rd," "4th," etc. Abbreviating the number of the year ("10" for "1910," etc.) is permissible only in informal notes between departments, and in notations.

The introduction of a letter should contain (*c*) the name and address of the addressee, and (*d*) a courteous salutation.

In Fig. 1, the name and address require only two lines, because the firm is sufficiently well known to be able to dispense with the use of its street and number. In addressing a firm doing business under the names of any of its several partners, it is proper to prefix the firm name by "Messrs.," the plural of "Mr.," as Fig. 1. It is, however, not considered a breach of courtesy to omit this formality. If the firm is doing business under a trade name, the "Messrs." is omitted; as in addressing "The Fair, Chicago, Ill."

In Fig. 2, the name and address require three lines, and should always be written in this form. Some business houses omit the street and number from the address, but it is better practice to put them on every letter. The letter may fall into the hands of a person who does not know the address, and who may be obliged to spend valuable time looking it up.

If the addressee is an individual who is addressed in his official capacity, it is proper to place the title of his position on a separate line between his name and the address. This permits the letter to be handled by some person responsible to him, in case it is impossible or unnecessary for him to give it his personal attention. It is much

better to address a business letter in this way than to use only the addressee's name. When the title is used, the introduction would be written thus:

Mr. O. C. Miller,
 Sec'y Extension Work, Amer. School of Correspondence,
 Chicago, Ill.

* * * *

Dear Sir:

Mr. Wm. H. Field,
 Adv. Mgr., The Frank A. Munsey Co.,
 New York, N. Y.

Dear Sir:

It is customary to prefix the name of the addressee with some title. The ordinary title for a man is "Mr.," which is never spelled out. Some writers still cling to the old form, "John Brown, Esq.," but this is no longer in good use. If, however, a man has a right to a title, it is a mark of courtesy to address him by it. He should be addressed as "Dr. John Brown," if he has taken a medical degree; as "Prof. John Brown," if he is actually a professor in a college or a university, but not if he is a public school teacher; as "Capt.," "Maj.," "Col.," or "Gen.," if he holds an army commission; as "Rev.," "Rev. Dr.," or "Rt. Rev.," according to his position in the church; as "Hon.," if he holds or has held a high political office. A married woman should be addressed as "Mrs.,"; an unmarried woman as "Miss"—which is *not* an abbreviation and requires no period after it; a firm composed of women as "Mesdames" or "Misses," according as they are married or unmarried.

The proper salutation to use in addressing a firm is either "Gentlemen" or "Dear Sirs"; the former is coming to be the more general usage. In addressing a single person, "Dear Sir" is proper for a man, "Dear Madam" for a woman, even if she is known to be single. "Dear Miss" is never permissible; a young unmarried woman may be addressed as "Dear Miss Brown," if "Dear Madam" seems too formal. The use of "Sir" alone as a salutation is too formal for business correspondence. Such salutations as "Dear Mr. Brown," "My Dear Mr. Brown," and "My Dear Sir," imply a personal acquaintance or considerable previous correspondence. "Dear Friend" has no place in ordinary business correspondence.

Note the punctuation of the introduction. The several parts

of the address are separated by commas, and the completed address is marked by a period. The salutation may be followed by either

(1) (a) 123 High Street.,
Oshkosh, Wisc.,
(b) Jan. 3, 1910.

(2) (c) Messrs. Wallace, Hills & Co.,
Chicago, Ill.

(d) Gentlemen:-

(3) Please send me, by American Express, the following articles, as advertised by you in the "Chicago Record-Herald" of January 2nd:

1 German Silver Hexagon Mesh Bag	\$8.50
1 Baby's Sleeping Bag	1.95
1 Burnt Leather Pillow Slip, Brown, with Indian Head Design	3.00
1/2 doz. Hand Hammered Coffee Spoons	8.10
	\$21.55

I enclose postoffice money order #3281 for \$21.55, in payment.

Please send me also samples of the new imported Dimities, which you advertised at the same time. I want something with pale blue or green figures, and do not care to pay more than 30 cents a yard.

(4) (c) Very truly yours,
(r) James A. Stoll
(Mrs. John H. Stoll)

Fig. 1. Correct Form for Personal Business Letter.

a colon, a colon and a dash, or a comma and a dash; the first punctuation is perhaps the most common.

The body of the letter should contain the matter which led to the writing of the letter. For its proper treatment, see Lesson II.

The conclusion of the letter should contain (e) a complimentary close, and (f) the signature of the writer.

The complimentary close to be used is largely a matter of personal taste, or of the custom of the firm. The most impersonal forms are "Yours truly," "Truly yours," "Yours very truly," "Very truly yours." "Yours" alone is too curt to be courteous. The forms "Respectfully," "Yours respectfully," "Yours very respectfully," "Very respectfully yours," imply a subtle deference which is not quite in accord with ordinary business correspondence, but which makes them particularly appropriate in letters from applicants for a position, from the ordinary man to one of high position, or from employe to employer. "Yours sincerely," "Yours cordially," and their several variants, imply a degree of intimacy which should exist in fact to justify their use in general business correspondence.

The complimentary close should always occupy a line by itself. The first word only should begin with a capital letter, and a comma should follow the whole expression. It is improper to abbreviate any of the words in a complimentary close. "Y'rs," "Resp'tly," etc., convey an idea of haste or carelessness which amounts to discourtesy.

The signature of a letter should always be written with a pen, never with a typewriter. A typewritten signature is neither courteous nor legal. To avoid confusion and inconvenience, the signature should always be written in the same way; it is a serious fault to sign "John Henry Smith" one time, "John H. Smith" another time, and "J. H. Smith," at a third writing. In a personal letter, Fig. 1, a man should not prefix his name by "Mr." or by any title whatsoever; a woman should always prefix either "Miss" or "Mrs.," as the case may be, enclosing the title in parentheses; as, "(Miss) Jane Brown," "(Mrs.) John H. Brown." The best usage requires a married woman to use her own name as a signature, and to supplement it with her husband's name, prefixed by "Mrs.," thus:

*Very truly yours,
Jane A. Stoll
(Mrs. John H. Stoll)*

According to the same usage a widow should sign her own name, prefixed by "Mrs." in parentheses; as, "(Mrs.) Jane A. Stoll."

The business letter of a firm may be signed variously, according to the usage of the firm. Except in form letters, however, it should never be signed by the firm name only; as:

Marshall Field & Co.

American School of Correspondence

The firm name may or may not be a part of the signature; it is not necessary, because it appears in the letterhead. If it is not made a part of the signature, the name of the signer is usually followed by the title of his position with the firm; but his title may be omitted if his name and position appear in the letterhead. If the signer has no official title, he signs under the firm name, and prefixes his signature by "By." The following are proper signatures:

Yours truly

P. H. Bogardus
Publicity Manager.

Very truly yours,

O. C. Miller
Secretary Extension Work

Very truly yours,

The Frank A. Munsey Co.,

Wm. H. Field

Advertising Manager.

Yours truly,

The Jewell Nursery Co.,

By *E. A. Smith*

The postscript of a letter follows all the matter previously explained. It is introduced by the initials "P. S.," with or without a following dash, and is sometimes followed by the writer's initials.

Strictly speaking, the postscript has no place in business correspondence, because it is the sign of an afterthought, and afterthoughts are not good business. However, it may properly be used to call attention to an enclosure, or to matter sent by current mail; or—in a business-getting form letter—to give emphasis to some particular point or argument. (See Figs. 6, 10, and 12.)

The folding of a business letter is also prescribed by custom.

The letter sheet usual in business correspondence is $8\frac{1}{2} \times 11$ inches. This sheet should be folded once from bottom to top, and then once from either side. Any other folding will give the letter an unbusiness-like appearance, and make it less easy to open. In case, however, the letter is to be mailed in a long envelope (legal size, or "No. 9"), the sheet should be folded from bottom to middle, and from top of sheet to bottom of fold.

The envelope containing the letter should bear the name and address that appears at the head of the letter. This is called the *superscription* of the letter. The following are properly arranged superscriptions:

American School of Correspondence,
Chicago, Ill.

American School of Correspondence,
Chicago, Ill.

Mr. O. C. Miller,
Secretary Extension Work,
American School of Correspondence,
Chicago, Ill.

Messrs. Marshall Field & Co.,
State, Washington, and Randolph Sts.,
Chicago, Ill.

Mr. John Brown,
123 State St.,
Chicago, Ill.

The town and state may be written in one or two lines. The commas following the lines are strictly correct, but many firms omit them to save time. Every letter should be addressed correctly and legibly, and the names of the states should be abbreviated according to the suggestions of the Postoffice Department. The envelope of a letter requiring foreign postage should be marked "5c" in the upper right-hand corner, to insure its being correctly stamped.

In most matters of form each firm has formulated its own style, which is probably correct. If, however, the correspondent is left to form his own style, he should conform to some accepted usage. The careless arrangement of a letter betrays ignorance of business practice.

EXERCISES

1. Arrange in proper form, capitalize and punctuate correctly, the parts of letters given below. Supply any parts necessary.

1. Josiah J Hazen Adv Mgr McClures Magazine 44 60 east Twenty-third St New York November 24 1909**** sincerely yours O A Brown

2. Manufacturers cigar co 288 S Center avenue Chicago September 9 1908 your advertisement in the morning papers caught my eye****hoping for an early answer I am yours respectfully Marvin Hughes 324 East st Cairo Ill.

3. 11 Flatiron Bldg New York city Oct 25 1909 American School of Correspondence Chicago Dear sirs**** Mary J Devine

4. Planters Hotel St Louis Mo Jan 3 1910 A Lehmann President The Fair State Adams and Dearboru sts Chicago dear Mr Lehmann***** cordially yours John E Graves

5. Chicago Ill Jan 5 1910 John E Graves Planters Hotel St Louis Mo Dear Mr Graves****very truly yours A Lehmann president

6. Tampa Fla Feb 3 08 Henry W Nelson R F D 34 Minnetonka Minn *** very truly yours J. W. Roberts & Son per J W Roberts Jr P S The sample is mailed under separate cover Watch for it

7. R F D 34 Minnetonka Minn Feb 8 1908 J W Roberts & Son Tampa Fla gentlemen****yours Henry W Nelson

2. Arrange in proper form, capitalize and punctuate correctly, the superscriptions of the seven letters given above.

3. Complete one of the letters given in part above by supplying its body—not less than three paragraphs on some business matter. Arrange the completed letter in proper form.

DON'T USE*

ABOVE as a noun, as, "He dictated the above;" or as an adjective, as, "He dictated the above statement." Say, "He dictated the above-mentioned (or, foregoing) statement."

ALL OF THEM. "Of them" is superfluous. "Some of them" is correct.

ALLOW for "think," "think likely," "intend," or "say." "Allow" means to offer no objection.

ALRIGHT. The correct spelling is "all right."

AMONG for "between." "Among" refers to more than two; "between," to two only.

ANGRY AT in reference to persons. Say, "I am angry with him;" "I am angry at the accident that delayed me."

ANTICIPATE for "hope," or "expect." "Anticipate" means to expect with confidence and pleasure.

ANY as an adverb. Don't say, "I didn't walk any." Say, "I didn't walk at all."

ANYHOW, ANYWAY. Don't say, "Anyhow, I don't care." Say, "in any event," "at any rate," or, "be that as it may."

*This list of misused words is far from complete. The correspondent should early form the habit of consulting a dictionary when in doubt regarding the exact meaning or proper usage of a word.

LESSON II

THE BODY OF THE LETTER

As a writer of English, the business correspondent is governed by the rules of English grammar in the use of words, sentences, paragraphs, capitals, and punctuation marks; but as a business-getter he is allowed considerable latitude in the interpretation of those rules. Thus some of the form letters and "follow-ups" used as illustrations disregard many of the general principles presented in this Lesson, and still stand as models of their kind. These variations are explained in Lessons XII, XIII, XIV, and XV.

A letter that is properly paragraphed is both more attractive and more easy to read than one which is written solid. Similarly, short paragraphs are usually more effective than long ones, and so better adapted to business letters. It might be said that an average paragraph should not contain over ten typewritten lines—about one hundred words; but such a paragraph would appear "long" in a short letter, while in a long letter it would seem a good length. Considered solely by its effect upon the eye, proper paragraphing is a matter of proportion, and a given paragraph will appear long or short according to the length and arrangement of the whole matter. In illustration, compare the actual lengths of the paragraphs in Fig. 5, with the apparent length of the first paragraph in Fig. 11.

Any letter containing ten or more lines will be improved in appearance by being divided into at least two paragraphs, and almost any letter can be so divided. The opening and closing sentences of even a short letter are usually so distinct from the other matter that they can be used as paragraphs without violating the thought. Each subject discussed should be treated in a separate paragraph, even if it requires but two or three lines. If the discussion tends to run much over ten lines, it is justifiable to force a paragraph where the division will do the least harm to the sense; there is almost no paragraph of one hundred words or more which does not show a slight break in the thought, where a new paragraph might properly be made. Compare Figs. 13 and 14.

The depth of the indentation of the paragraph is largely a matter of choice; as a rule it should not exceed ten spaces. Whether the first paragraph should be indented uniformly with its successors, or should be dropped down

from the end of the salutation, is a matter of dispute. The first method is preferable chiefly because its regularity improves the general appearance of the letter. Some firms have the practice of beginning both the different parts of the address, and the several paragraphs composing the body of the letter, flush with the left-hand type margin. This gives the letter a style which has its attractive qualities, but which is better adapted to form letters than to general correspondence. (See Fig. 26.)

Proper paragraphing can result only from proper methods of thought. A letter that is logical in the arrangement of its matter will divide itself naturally into a series of complete and well-proportioned paragraphs; a letter in which several different subjects are jumbled together can be properly paragraphed only after it has been rewritten. To say "Begin at the beginning, complete the first subject before taking up the second, and so on to the end of the letter," may sound ridiculous; but if correspondents followed that simple rule more carefully they would write briefer and better letters. Constant dictation tends to encourage a loose, illogical habit of thought, which can be corrected only by a continual effort to separate the several subjects to be treated, and to arrange them in the most effective order.

What that order should be depends upon the nature of the letter. In answering a letter it is usually wise to take up the several subjects in the order in which they appear in that letter. This method will make it easier for the reader to connect question and answer, and will insure that the writer overlooks nothing of importance. It is better to leave to the latter part of the letter the introduction of new matter, because the reader will not be in a mental condition to consider properly a new proposition until his own letter has been satisfactorily answered. In arranging an original letter—that is, one which is not a direct answer to a previous letter—it is a good plan to handle first, those matters on which there has been previous correspondence; then, those of which the reader may be supposed to have some knowledge; and last, those which will be new to him. A letter so arranged is logical because it progresses from the known to the unknown, and it is particularly effective because it has the force of a climax.

Neither of these methods of arrangement should be followed blindly. Certain subjects are of such importance that they require presentation in the first paragraph. If, for example, there has been any difference of opinion

regarding the way in which an order has been filled, that difference should at once be presented in its best light, whether or no it can be settled at that writing, so that the reader will be in a mental condition to give full and un-

(1) (a) WALLACE, HILLS & COMPANY
STATE STREET AND WABASH AVENUE
CHICAGO, ILL.

(b) January 6, 1910.

(2) (c) Mrs. John A. Stoll,
123 High St.,
Oshkosh, Wiso.

(d) Dear Madam:-

(3) Thank you for your order of the 3rd inst., and remittance of \$21.65 in payment. The goods go forward today, by American Express, in accordance with your instructions.

The advertised price of the Hand Hammered Coffee Spoons, \$1.25 each, is for single spoons only. On orders for half a dozen we give our customers the advantage of the price for a dozen, which is \$13.60. We accordingly enclose a credit slip for 75¢, which you may apply on a future order, or for which we will send you cash, if you prefer.

Enclosed you will find samples of the new Imported Dimitties, with price tags attached. If none of these exactly meets your needs, will you kindly return the one that comes the nearest and allow us to send you other samples? We have a very large line of these goods, and are confident that we shall be able to please you.

We are mailing you our catalogue of Spring dress goods, in which we are offering the newest styles and fabrics at prices which make them bargains.

(4) (e) Yours very truly,

(f) *E B Hills*

CEH-OW.

Mgr. Mail Order Dept.

Fig. 2. Correct Form for a General Business Letter.

prejudiced consideration to what follows. If the letter answers an inquiry regarding an extension of time on a bill or a selling offer, or if it makes a new proposition greatly to the advantage of the reader, that answer or proposition should be the first thing in the first paragraph, in order to put the reader in a complaisant and receptive frame of mind. After the big thing has been

properly handled, the less important matters may follow in the usual order. Such a letter will form an anticlimax, but it will fulfil its purpose. (See Fig. 21, and its answer, Lesson X.)

The first paragraph of a letter answering another should refer to the date of the letter answered. It should, however, avoid the stereotyped phrase, "Referring to your esteemed favor of the 11th inst., would say, etc.;" that is neither good English nor good business. It should be the aim of the correspondent to put something of his personality into his letter, and to make it individual. (See Fig. 2.)

There are other ways of opening a letter; as:

Our Fall and Winter Catalogue, sent by current mail in answer to your inquiry of the 11th inst., will, we believe, give you full information concerning the styles and prices in our Ready-to-Wear lines. If, however, you desire further information, etc.

* * * *

Your order of the 11th inst. is already being prepared for shipment. We regret to say, however, that a temporary breakdown in our factory will prevent us from shipping your full order, etc.

* * * *

Your criticism of our Shipping Department, as expressed in your letter of the 11th inst., seems to be justified. If you will return the damaged suits, at our expense, etc.

A letter acknowledging a remittance should repeat the amount, and the purpose to which it is to be applied. In acknowledging an order, it is not usual to repeat the order unless it consists of a single item, or can be grouped under some general term. It is no longer necessary to refresh a correspondent's memory by giving a synopsis of his letter. Modern copying and filing methods make it possible for either party to study the complete correspondence, if necessary, and the writer has done enough if he includes in his first paragraph the date of the letter answered, and a phrase that will identify it.

Lists of any kind—items in an order, specifications, names, titles of books, etc.—should not be run into the body of a paragraph, but should be written an item to a line, and the lines should be indented. This arrangement enables the reader to distinguish easily the several items, and to check or number them in any way that will facilitate the handling of the letter. Note the proper method of writing the list in Figs. 1 and 21, and compare the appearance of the list from Fig. 1 when run into one paragraph, as printed below:

Please send me, by American Express, the following articles, as advertised by you in the "Chicago Record-Herald" of January 2nd: 1 German Silver Hexagon Mesh Bag, \$8.60; 1 Baby's Sleeping Bag, \$1.75; 1 Burnt Leather Pillow Slip, Brown, with Indian Head Design, \$3.00; 1/2 dozen Hand Hammered Coffee Spoons, \$8.10; Total, \$21.55. I enclose postoffice money order #3281 for \$21.65, in payment.

The last paragraph of the letter should be short and courteous. It may convey the writer's appreciation of a courtesy shown him, his thanks for an order or a prompt remittance, or a request for an early consideration of a proposition. It should avoid such phrases as, "Thanking you again for your esteemed favor," "Trusting that you will favor us with an early order," etc.; they mean nothing, and only waste time. The last paragraph, like each of its predecessors, should be business-like. When there is really nothing more to say, the best thing to do is to add a courteous salutation and the signature. For good examples of closing paragraphs, see Figs. 2, 18, and 21.

The general appearance of a letter is important; it corresponds to a man's personal appearance, and the reader will judge the writer by its looks, just as he would judge him by his clothes or manner, if talking to him in person. If he approves of the appearance of the letter, or the man, he will be much more ready to listen than if the letter were slovenly, or the man untidy.

Single-spaced typewriting gives the letter a better appearance than double-spaced; it is more compact, and it allows a more definite separation of the paragraphs by means of double spacing. It has the further advantage of making it possible to get the ordinary letter upon one sheet, which makes it appear more easy to read, and which is also a great convenience in filing. If the letter has an ample margin on either side, it can be read as easily as if it were double-spaced. The margin should never be less than an inch.

The general appearance of the letter depends largely upon its arrangement upon the letter sheet. However well it may be phrased, paragraphed, and punctuated, it will lose much of its force if it is placed haphazard upon the paper. It should be so arranged that it has a symmetrical appearance, with about the same margin all around; or, if it is a short letter written upon a full size letterhead, it should at least have the same margin top and bottom. For the value of proper arrangement, study the Figures reproduced as good examples.

EXERCISES

1. Copy the following letter, arranging it properly on a sheet by itself; capitalize and punctuate it:

Room 7 Rookery bldg Chicago Ill Feb 18 1910 Mgr A C McClurg & co
Chicago Ill dear Sir on monday the 7th inst I purchased at your store a set of
Dickens's complete works latest edition 15 vols paying for them \$15 in cash
the clerk promised that they would be delivered at my home address given

below not later than Wednesday night but they have not come yet will you kindly look into the matter it would seem that the books must have been misdirected as there is always some one at home if necessary I can stop in during the luncheon hour and see the clerk who made the sale I believe I should remember him very truly yours Miss Harriet Northam_29 Grove st Evanston

2. Write an answer to the letter given above, stating that the books were not delivered because they were temporarily out of stock, that they will be sent in two or three days, and that you supposed that Miss Northam had been notified to that effect; tell her it will not be necessary for her to call at the store, and apologize for the trouble caused her. Sign your own name as manager.

3. Write a letter which will illustrate the logical arrangement of matter in a letter. Supply your own details.

4. Write a letter which will illustrate the effect of putting the important part of the letter in the opening paragraph. Supply your own details.

SEND TO THE SCHOOL YOUR EXERCISES FOR LESSONS I and II.

DON'T USE

AUGHT for "ought." "Aught" means any part; "ought," as a noun, is a corruption of "naught," meaning a cipher.

AVOCATION for "vocation." "Vocation" means a calling—that is, a regular occupation; an "avocation" is that which takes a man from his "vocation."

AWFUL for "very," or to express the superlative degree. "Awful" means inspiring awe.

BACK OF. Say, "behind the desk."

BALANCE for "remainder," or "rest." A bookkeeper obtains a "balance" from his books; he obtains a "remainder" by subtraction. Don't say, "The balance of the party staid behind;" say, "The rest of the party staid behind."

BECAUSE WHY. "Why" is superfluous.

BELONG without a word or phrase explaining to what something belongs. "They all belong in the same city (or, to the same club)" is correct.

BLAME ON. Don't say, "He blames his trouble on me;" say, "He blames me for his trouble."

LESSON III

THE WORDING OF THE LETTER

The business letter represents the firm as much as does the man in whose place it is sent. No reputable firm will tolerate a careless or impudent clerk, or a salesman who confuses business and bungles orders; and no reputable firm will keep a correspondent who writes impudent, careless, or unbusiness-like letters. In some ways a bad business letter is more detrimental than a bad employe, because the offensive letter puts its damaging statements into permanent form, where they can be referred to at any time, or produced for the examination of a third party. Successful business correspondence, therefore, depends upon a constant observance of five cardinal principles: clearness, completeness, brevity, courtesy, and tact.

While these characteristics are matters of expression, they are based upon habits of thought. A man who thinks in long, involved sentences, may be sufficiently skillful to "boil down" his letter through successive rewritings to a proper brevity of expression; but that is the wrong way to go about it. As few men have the time to write a letter more than once, they must be able to put it in proper form the first time. It is only incidentally the province of this textbook to teach proper methods of thought; but it is well within its province to insist upon the importance of the correspondent's training himself to think clearly, logically, and accurately.

Clearness. Clearness requires that a letter should say what it has to say in a manner that cannot possibly be misunderstood. It is not enough that it shall be sufficiently plain to be mastered by two or three readings; it should be so plain and so unmistakable that it can be read and understood at a glance. Every business letter is likely to be read hurriedly and by several different persons, none of whom can give any unnecessary time to its perusal; and if a letter, even after several readings, fails to convey what it was meant to say, the letter is wasted, and its purpose is unfulfilled. It is better to write no letter at all, than one that fails to perform its function, and so creates an additional obstacle to overcome in future correspondence. Every business letter concerns money, either directly or indirectly, and all money matters require careful handling, whether they concern a few cents, or thousands of dollars.

Clear expression comes only from clear thinking; clear thinking depends both upon a knowledge of the matter to be discussed, and

upon the ability to arrange ideas in an orderly manner. It is a mistake to try to answer a letter without having mastered all the previous correspondence to which it may refer, and the whole subject which it concerns. It is good business practice to answer all letters promptly; it is better business practice never to answer a letter until it can be answered finally, with a full knowledge and understanding of the facts in the case. It is a further aid to clear expression to think only of business during business hours. Baseball scores and social events are well enough in their places, but they have no place in business correspondence. They will intrude upon it, at least to the extent of confusing it, if the mind is allowed to dwell upon them when it should be intent on business matters.

Completeness. Completeness requires that a business letter shall contain all that is necessary to its understanding, without obliging the reader to refer to letters that have preceded it. This does not mean that it shall contain a synopsis of all that has gone before, but that it shall be complete in itself, and shall make a definite part of the complete correspondence. Letters usually lack completeness because the writer unconsciously takes the attitude that a firm with which he has frequent correspondence must be as familiar with their mutual affairs as he is. That might be true if correspondence were always handled by the same person; but it may be handled by any one of half a dozen different men, according to its nature.

A letter that conforms to the mechanical requirements explained in the preceding Lessons, and that possesses clearness, will be complete in many important respects. It should also contain all details pertaining to the subjects that it treats. If it is answering an inquiry, it should answer all queries, however trivial they may seem. If it is giving or acknowledging an order, it should make the order specific, and contain a definite statement regarding its shipment. If it is making or acknowledging a remittance, it should state the amount and purpose of the remittance. If it is making or handling a complaint, it should cover every detail necessary to the understanding and settlement of the difficulty.

Brevity. Brevity requires that the letter shall treat of business matters only, and that it shall convey its ideas in as few words as clearness, completeness, and courtesy will permit. The last requirement is much the more important. The average business correspondent tries to attain brevity by sacrificing completeness and courtesy; he omits essential facts and adopts a curt style, instead of using con-

cise and exact expressions. Proper brevity is secured by making every word tell, not by using the discourteous abbreviations, and the choppy, ungrammatical style which many people regard as "business

WALLACE, HILLS & COMPANY
STATE STREET AND WABASH AVENUE
CHICAGO, ILL.

Dec. 11, 1909.

Messrs. Anderson & King,
New York, N. Y.

Gentlemen:

We acknowledge your valued order of the 8th inst for one #1 Snapshot Camera, size 3 ¼ x 4 ¼, as listed in your catalogue at \$12.20. This includes the camera listed at \$10, carrying case at \$1.50, and the film pack at \$.70, making a total of \$12.20. We are, however, unable to allow a discount of 40% on the film pack, as 25% is absolutely the best price we ever allow on film packs. Our original quotation, giving you a net price equal to 40% on the Snapshot Camera, did not cover film packs or other supplies. We are able to make you the same concessions on the carrying case, but a net price equal to 25% only on the film pack.

We desire a definite understanding in this respect so as to avoid any future complications; so when placing orders hereafter, please do not mention the discount on the order. We will invoice the goods at net prices, which would be equal to 40% on both the camera and the carrying cases, and a discount equal to 25% on the packs.

We are shipping the outfit today, by United States Express.

Thanking you for the order, we beg to remain,

Yours very truly,

A. E. Fulton

Mgr. Camera Department

AEP/C.

Fig. 3. A Letter That is Clear, Complete, and Properly Brief.

English." Proper brevity is rendered doubly valuable because of the number of persons to whom each letter must go for its proper handling, and the short time that each can give to a single letter.

If the letter lacks brevity it cannot be handled with the usual facility, and the attempt to handle it so may cause confusion and trouble.

However, an answer to a letter which is full of personalities must sacrifice brevity to a certain extent, or the correspondent will take offense. When a man writes that he has recently been married, or a woman announces that little Johnny has just recovered from the whooping cough, that man or woman supposes that the reader will be interested in the news, and expects some acknowledgment of the announcement. Such letters are frequent in the correspondence of mail-order houses. They are an evidence of the personal interest felt by the writer for that particular house, and, however annoying and out of place they may be in a business house, they should be answered in kind.

In illustration of the preceding paragraphs, compare Fig. 3 with its briefer form:

Dear Sir:

Y'rs of 8th inst. rec'd, and outfit goes forward today by express. Discount of 40% on list price good for Camera, but on film packs can allow only 25%. Hereafter please order by list price; we will invoice at net prices, allowing discounts as agreed.

Yours truly,

This example lacks clearness because it does not fully explain the difference in discounts, nor why Anderson & King are requested to quote only list prices. It lacks completeness because it does not state the name, number, or price of the camera ordered, nor the express company by which it is shipped. It makes too great an effort to be brief in its use of the abbreviations "y'rs" and "rec'd," and in failing to give the details necessary for a clear understanding of the difference in discounts.

Courtesy. Courtesy requires that all correspondents shall be treated as gentlemen, however discourteous their letters may be. Courtesy is shown partly in the attitude taken toward the correspondent, but quite as much in the manner in which his wants are attended to, and the language in which he is addressed.

No man would expect to promote business by being impudent or insulting to customers who came to him in person; too many men appear to think that a customer, who is handled by mail only, may be insulted or bulldozed with impunity. This opinion is particularly prevalent among young correspondents, who are inclined to think it "smart" and "funny" to talk by letter as they would not dare to talk

to a customer in person. Successful businesses are not built up by such methods, and no house worth working for will tolerate such conduct on the part of its employes.

Business is too hard to get to be thrown away lightly. Answering inquiries, however foolish they may seem, is part of the regular business of the correspondent; as is the prompt and courteous adjustment of complaints, however unjust they may be. The fact that a man writes angrily, discourteously, and unreasonably, is no reason why he should be answered in like manner; on the contrary, it is the best reason why the answer should take the opposite tone, both to shame him by contrast and to handle him effectually.

A customer is entitled to ordinary courtesy because he is, presumably, a gentleman; and to special courtesy because he is a customer. The fact that he shows himself to be anything but a gentleman does not justify treating him discourteously; to follow his example is to sink to his level. The fact that he has purchased goods should be regarded as a favor, because it is probable that he could have obtained just as acceptable goods and just as attractive prices from one of a dozen other concerns. His decision not to go elsewhere in the first place may have been influenced by the reputation of the several firms for business courtesy.

Tact. Tact in business, as in other things, implies making the other person feel at ease by giving him the impression that, under similar circumstances, anyone would feel and act just as he does. Business tact is applicable to a considerable extent in business-getting letters, where it enables the writer to put himself in the reader's place, to think as he will be likely to think, and to meet the objections which he is apt to present. It is particularly applicable to general business correspondence, enabling its skillful user to "turn down" a man without hurting his feelings, to show him the injustice of his position while persuading him to see things differently, and to keep his good will and respect even if, for business reasons, it seems better to lose his trade.

A sound business is built not alone upon honest goods, honest dealings, and honest profits, but as much upon the mutual goodwill and respect of the two parties concerned. Tact does not mean giving in to a man who is unreasonable or unjust in his demands, but it does mean believing that he has some reason for his attitude,

and, if an agreement is impossible, disagreeing without being disagreeable. A customer is worth to a business house not only the profits that he puts upon its books, but also the reputation that he gives it. Every man's opinion carries some weight, and tact makes it easy to retain the good opinion of every man who has any dealings with the firm.

In illustration of the value of courtesy and tact, compare the letter given below with its more courteous and tactful version in Fig. 4.

Dear Madam:

We are in receipt of your letter of the 23rd inst., asking us to explain why the blue-figured Dimity, such as you bought of us for 22 cents a yard, is now advertised by us at 18 cents. The explanation is simple: you made your purchase when the goods were just placed on sale; the present price, as our last advertisement plainly states, is made on remnants, in order to close out the line. Under the circumstances we must decline to consider your suggestion that we refund to you the difference in price.

Yours very truly,

Both letters contain the same matter, but it is self evident that the example will only further irritate a dissatisfied customer, while Fig. 4, without giving offense, will probably cause her to appreciate her unreasonableness.

EXERCISES

1. Write a letter for Wallace, Hills & Co., explaining an error in shipping a bill of goods. Pay particular attention to clearness, completeness, and proper brevity. Supply your own details.

2. Write a letter for Wallace, Hills & Co., to an irate customer who has some cause for complaint, but who has allowed his anger to befog his judgment. He is a valued customer, and a person of influence in his town, so use courtesy and tact. Supply your own details.

DON'T USE

BOOST for "increase," or "assist." Don't say, "He boosted the business," "He gave me a boost in business;" say, "He increased (or, enlarged) the business," "He assisted me in business."

BOTH ALIKE. "Alike" is superfluous.

BRAN-NEW. The correct spelling is "brand-new."

BROKE for "broken." Don't say, "I'm broke;" say, "I'm broken;" or (what is really meant) "I have no money."

BULK for "greater part." Don't say, "I sold the bulk of the stock;" say, "I sold the greater part of the stock."

BY for "of." Don't say, "I know a man by the name of Smith;" say, "I know a man of the name of Smith."

CALCULATE for "think," "intend," etc. Don't say, "I calculate he's the man," "I calculate to go tomorrow;" say, "I think he's the man," "I intend to go tomorrow."

CHARACTER for "reputation" or "recommendation." "Character" is what a man really is; "reputation" is what the world thinks him to be. A "recommendation" may give a man a good "reputation;" it cannot give him a "character." Don't say, "My last employer gave me a good character;" say, "My last employer gave me a recommendation;" it would not be a "recommendation" if it were not "good."

CHUCK-FULL. The correct spelling is "chock-full."

CLAIM for "assert" or "maintain." "Claim" means to demand as one's own; "assert," to state positively; "maintain," to defend by argument.

CONSTANTLY for "continually." "Constantly" means at regular intervals; "continually," without ceasing.

CONTINUE ON. "On" is superfluous.

CO-OPERATE TOGETHER. "Together" is superfluous.

COUPLE for "two." "Couple" means two things coupled or united by some bond. A man and wife are properly "a couple;" "two" books, "two" dollars, etc., are not.

DAMAGE for "cost" or "charge." Don't say, "What is the damage?" say, "What is the cost (or, charge)?"

DEAL for "bargain." Don't say, "I closed the deal;" say, "I closed the bargain."

DEMEAN for "debase" or "degrade." "Demean" means to behave.

DIE for "long for," and similar expressions. Don't say, "I am dying for a drink of water;" say, "I am longing for a drink of water," or "I want a drink of water very much."

DIRECTLY for "at once," or "as soon as." Don't say, "I will come directly;" say, "I will come at once."

DISREMEMBER for "forget." "Disremember" is no longer in good use.

LESSON IV

THE TONE OF THE LETTER

The tone of the letter is determined both by its matter, and by the impression that its writer wishes to produce. An order written by one firm to another in the ordinary course of business may be expressed in the briefest terms consistent with clearness and completeness, without giving offense; but a letter asking a favor, or endeavoring to bring another man to a different way of thinking, or attempting to appease a dissatisfied customer, requires the utmost care in its phrasing.

Many correspondents fail to attain the end desired because they can see only one side of a question, and that their own. It seems idle to suggest that every question has at least two sides; but that is the first thing to consider in handling a delicate problem in correspondence. The easiest way to get a man to change his mind is first to agree with him so far as is possible, and then to show him how slight the difference of opinion really is. In finally convincing him, it may be necessary to take direct issue with him; but first siding with him makes it possible to put him in a state of mind suitable to a calm and careful consideration of the arguments presented. To do this requires an unlimited amount of tact, a deal of careful courtesy, and a strong determination not to take nor give offense; but it is worth all the time and care required.

“Put yourself in his place” is the first principle of successful correspondence. Every subject should be viewed as nearly as possible in the light in which it will appear to the reader. It is impossible to think another man’s thoughts, but it is possible to come so near to his habits of thought that he can be unconsciously influenced. It is important that the correspondent should not lose his patience or his temper, however much occasion he may have. The average man is ashamed of himself as soon as he has mailed a “scorching” letter; it is much better policy to take advantage of his shame by making one’s courtesy emphasize his lack of it, than to bring shame upon one’s self by answering him in kind. As different diseases demand different remedies, so different men and different circumstances demand different treatment; but “like cures like” is not an infallible rule in business correspondence. This insistence

on tact and courtesy may seem to be mere theorizing, but observation and experience will prove it to be based upon sound fact.

When the correspondent has put himself in his reader's place,

WALLACE, HILLS & COMPANY

STATE STREET AND WABASH AVENUE

CHICAGO, ILL.

March 18, 1910.

Mrs. John A. Stoll,
123 High St.,
Oshkosh Wisc.

Dear Madam:-

While it is true that we are now advertising at 18¢ a yard blue figured Dimity for which you paid 22¢ in January, we are selling remnants only. These goods proved so popular at 22¢ that we were unable to fill some of the later orders, and we had only a few odds and ends to put on the bargain counter. We were advertising similar bargains at the time of your purchase, but we took it for granted that you preferred to pay a little more in order to get the newest patterns.

We can readily understand that you object to paying more for goods than others are asked to pay, but we believe you will agree with us that the goods were worth what we asked for them in January, and that we are justified in getting what we can out of the remnants left on our shelves. We thank you for allowing us to explain this matter in detail, and trust that you will find our explanation satisfactory.

Assuring you of our appreciation for your patronage,
I am

Yours very truly,

B. B. Hills

CBH-07.

Mgr. Mail Order Dept.

Fig. 4. A Letter That is Courteous and Tactful.

and has determined how best to convince him, even against his will, his method of handling him becomes largely a mechanical matter. The letter may be business-like but courteous, genial or effusive,

wrathful or apologetic, persuasive or peremptory, argumentative or conciliatory, familiar or dignified; but while its tone will be determined by the attitude decided upon by the correspondent, its striking that tone will depend upon his knowledge of the possibilities of the English language. Just as a skilled musician can compose many different tunes from the same few notes, so the expert correspondent can produce many different effects with the same words.

The tone of a letter is affected to a considerable extent by the length of the sentences composing it. Short sentences give a letter a snap and directness which are most desirable in the regular routine of business correspondence, but which may be fatal when the occasion calls for delicate treatment. Long sentences, on the other hand, give an impression of geniality and studied courtesy which is very effective in cases requiring special treatment, but which is unnecessary in ordinary correspondence. If the sentences are properly constructed, it is usually possible to make them appear long or short at will, by a mere change in their punctuation. The change of a semicolon or a comma to a period can often be made without doing any damage to the construction of the sentence; and similarly a period can be changed to a semicolon or a comma to produce the opposite effect. In either case it is usually necessary to add or eliminate certain connective words or phrases; but as these are simply connectives they will affect the tone of the letter, rather than its sense. In illustration, note the difference in tone of the following examples, which reproduce the openings of two New Year's letters used on successive years by the same correspondence school. Note also that the length of the paragraph is governed by the length of the sentences composing it. The first example shows how the use of short sentences adds to the snap and pointedness of the ideas expressed.

Dear Sir:

A Happy New Year to you, and many of them!

What? You don't see anything to be happy about? You're still at the same old job, at the same old pay?

If that's the case, my friend, you're lucky to have any job and get any pay. You've fallen down, failed to make good, got in a rut, that's what's the matter with you. The boss is keeping you on only because he knows you can do better, and hopes you will.

Oh, yes, he is! Strike him for a raise, and see. He'll put a flea in your ear that'll make your head buzz. He'll say: "A man who can't earn a raise in a year's time -" Etc.

The following example shows how the use of long, smooth sentences gives an easy, genial expression to the thought:

Dear Sir:

This is the season when a man looks back over the past year and wonders just where the time has gone, and what good it has done him. You will catch yourself doing this involuntarily when you are feeling tired or "blue," when things have not gone quite right with the work, or you have to pinch the pennies too tight at home. And when you remember how far ahead the year would have put you, if you had devoted some of your spare time to systematic study, you will say to yourself: "There was where I made a big mistake!" Etc.

A device somewhat similar is the use of the dash in the place of the more conventional punctuation marks—chiefly in the place of the comma or semicolon. This cannot be considered a violation of the rules of punctuation, but is rather an exhibition of the value and possibilities of the dash. The dash indicates a break in the thought, caused either by the introduction of extraneous matter, or produced deliberately to jolt the reader into paying particular attention to the matter following the dash. The latter use is exceedingly effective, especially in selling letters, when used with discretion, and without doing violence to the structure of the sentence. A letter so punctuated is often more effective than one interlarded with capitals and underlined words, because it makes a better appearance, and because it can give equal prominence to a succession of important statements. A sentence so punctuated might make a long sentence, if punctuated in the usual way; but the divisions into which it is cut by the dashes must be short, or the desired effect will not be obtained. For the effectiveness of this trick of punctuation, study its use in Figs. 5, 7, and 26.

The person in which the letter is written has an important influence upon its tone. While it is the exceptional letter which confines itself to one person throughout, every correct letter is dominated by one person, so that letters may properly be said to be in the first, second, or third person, according to the dominant pronoun.

Too many correspondents allow the first person to dominate their correspondence, not through an overweening sense of their own importance, but through carelessness. In applying for a position, giving an opinion upon a proposition, or handling any other matter where personality is of importance, it is proper enough to use the first person; but in most correspondence it is more courteous, and

much more effective, to keep the writer in the background. This applies equally to the insistent use of the plural "we" that stands for the firm which the correspondent represents. It might be well to make it a rule never to begin a letter with "we," to begin as few paragraphs as possible with it, and to use that handy but rather pompous-sounding pronoun as little as possible. The secret of this matter is that the correspondent who makes too free use of the first person is apt to get an undue idea of the importance of himself or his firm, and to assume a domineering attitude in his effort to make a forceful presentation of his side of the matter. In the following paragraph the underlines were not in the original; they are used to emphasize the impression which the overabundant "we" must make on the reader.

We compiled the Cyclopedia of Civil Engineering to help you in your everyday work. We want you to add the books to your working library, to keep them at your elbow and use them every day. We are sure that you will find nothing else published on the subject that will give you so much practical help and up-to-date information. We should like to send you a set, express prepaid, for five days' free examination. We'll pay return charges, if you don't like the books.

The use of the third person gives the letter a cold and distant tone which is out of place in most business correspondence. It is proper for a letter of reprimand or dismissal, for the discussion of a difference of great moment, or for the approach of a person far removed in the business or social scale; but is not a business-getting tone. When used in connection with the indefinite pronoun "one," and the passive voice, it is altogether out of place in business correspondence. The impersonal tone is proper enough for the discussion of an impersonal matter; but when the letter is intended to impress ideas or arguments upon the reader, it cannot be too personal in tone. Note the lack of personal application of the statements made in the following paragraph; the effect is again heightened by underlining:

One brings to the labor market his time, his strength, and whatever training he may have. All men have for sale time, and some degree of strength; so one's salary will depend chiefly upon his training. Long and faithful service alone will not fit one for the position he wants. It will take him all his life to learn a trade or a profession by practice alone, and by the time he has mastered it he will be too old to use his knowledge. By supplementing his practical experience with systematic study, one can get just as thorough training in three or five years, and have left the best part of his life in which to enjoy the results of his foresightedness.

Obviously, then, the preferable person is the second, because its use is a delicate courtesy to the reader, and a tacit assurance that his point of view has been given due consideration. It has also the

American School of Correspondence

CHICAGO, U. S. A.

January 3, 1910.

Henry W. Morton,
Newstead, Mass.

Dear Sir:-

What kind of man does your boss promote? If you don't know, find out — keep your eyes and ears open — ask questions when you get a chance. Make it your business to know why men are hired or fired — and how you can get ahead:

Just now your boss is busy taking stock — figuring up profit and loss for 1909 — laying plans for 1910 — getting ready to make this the best year he ever had. He is going over your record — your failures and successes — your interest or lack of it — your ability to handle new situations — your progress during the past — your prospects for the year to come.

Can you do better than to follow his example? — to take stock of your record, your prospects? Your employer studies how to increase his producing ability — correct his mistakes — make things come his way. Prepare for opportunity in advance — then you can spend your time and energy in "making good" when opportunity comes.

When your employer wants specific information — he sends a man to dig it out for him. He hasn't time to go himself — nor, perhaps, the ability to get at the facts — but he will pay well for the information. Our textbooks present the experience and investigations of experts — they enable you to get at valuable facts — to do the special work which brings special pay.

Home study — during your spare time — will put the cutting edge on your training. This certificate — used within thirty days — entitles you to a complete and practical library, free of cost. If you wish, pay \$3.00 a month — at the \$5.00 a month rate. Make yourself the kind of a man that your boss will promote!

Very truly yours,

O. C. Miller

Secretary Extension Work.

00M-CAB

Fig. 5. Illustration of Punctuation by Dashes.

valuable quality of making a letter seem as personal as if the writer were talking to the reader face to face, and so gives it a directness that will go a long way toward attaining its end. This is particularly true in form letters, "follow-ups," and other selling letters that are

sent to hundreds and often thousands of persons, of all natures and circumstances. This little trick of writing personally will often strengthen weak points in the letter, which otherwise could not be helped. This trick may seem too obvious to deceive any one; but, while the average reader quickly recognizes it, he is nevertheless influenced by this friendly and personal tone. It is a trick which can hardly be overdone, if it is well done. Its greatest danger lies in the fact that it may lead the writer to become unduly argumentative and talkative. This danger can be avoided by presenting the general arguments in the third person, and reserving the second person for driving the application home to the reader. (See Fig. 5.) Compare the effect produced by the following paragraphs with their effect when previously used in illustration:

You need the Cyclopedia of Civil Engineering to help you in your everyday work. You should add the books to your working library, keep them at your elbow and use them every day. You will find nothing else published on the subject that will give you so much practical help and up-to-date information. You should let us send you a set, express prepaid, for five days' free examination. If you don't want the books, we'll pay return charges.

* * * *

You bring to the labor market your time, your strength, and whatever training you may have. All men have for sale time, and some degree of strength; so your salary will depend chiefly upon your training. Long and faithful service alone will not fit you for the position you want. It will take you all your life to learn a trade or a profession by practice alone, and by the time you have mastered it you will be too old to use your knowledge. By supplementing your practical experience with systematic study, you can get just as thorough training in three or five years, and have left the best part of your life in which to enjoy the results of your foresightedness.

The use of a limited amount of slang in a business letter may be not only excused but even commended; this is particularly true in a business-getting letter. By *slang* is not meant the terms and expressions peculiar to business, for they compose a business dialect which is justified by their brevity and directness. The ordinary slang of the street has a value of its own when used to relieve the monotony of an otherwise dry presentation of facts, or to convey an idea in an expression so pat and so catchy that it cannot easily be forgotten. Slang should, however, be used with moderation; it should never approach vulgarity; and it should be carefully adapted both to the subject and to the reader. It would not be policy to try to sell Bibles by a slangy letter, nor to approach the dignified head

of a big firm with a verbal slap on the back. Fig. 6, a reproduction of a letter actually sent by one advertising man to others of the same class, illustrates the effective use of slang.

In circular selling letters, where the reader knows that the arguments are not really personal, it is often possible to use effectively a tone that is best described as "fresh" and flippant. Business men enjoy getting a breezy letter occasionally, especially if it is cleverly done; they will often give to its proposition more attention than they otherwise would—perhaps more than it really deserves. This tone is a dangerous one, however; unless used with the utmost care, it will lead to the writing of many letters which are simply "smart" and which fail entirely to promote the business on which they are sent. The first business of a selling letter is to get business. If it can best accomplish that by the use of a rather unusual tone, it is justified in adopting that tone; but, however clever it may be, it is not successful unless it brings the business. Fig. 7 illustrates the effective use of the flippant style. The two letters reproduced in Figs. 6 and 7 have many characteristics in common; indeed, they might be said to represent different degrees of the same tone, rather than different tones.

EXERCISES

1. Write a letter for A. C. McClurg & Co., Chicago, addressed to the librarian of your public library, announcing the publication of a new "History of Chicago," and asking the librarian to use his influence to have the book placed in his library. Use the second person as far as possible. Supply any details necessary to make it a forceful selling letter.

2. Write a letter for the Rambler Automobile Co., Kenosha, Wisc., that will sell a 1910 model, high speed, "gentleman's roadster" to men who like to travel fast. Make it personal, snappy, and business-like. Supply any necessary details.

SEND TO THE SCHOOL YOUR EXERCISES FOR LESSONS III and IV.

DON'T USE

EFFECT for "affect." "Effect" means to accomplish; "affect," to influence.

ENDORSE ON THE BACK OF. "Endorse" means to write upon the back of, therefore "on the back of" is superfluous.

LESSON V

SUITING THE STYLE TO THE READER

One of the marks of the successful business correspondent is adaptability—the skill to suit the style of his letters both to his firm and to his readers. It is the business of the correspondent to approach all classes of men in such a way that he will get a hearing from them, but it is a further proof of his skill to be able to do this in a manner that will uphold the standards of his firm. A correspondent for a bond selling house may be called upon to deal with all classes—bankers, professional men, educators, business men, saloonkeepers, housewives, working women—many of whom he may not know as individuals; and it will be his duty to approach each class in the manner that will best appeal to it, without lowering the dignity of his firm.

A letter which would appeal to a banker might be entirely lacking in selling power if addressed to a small shop keeper, and *vice versa*; but it is exactly this problem which is continually confronting the correspondent. Similarly, a letter from a cigar manufacturer, announcing to the trade the merits of a new brand of cigars, should be couched in different language than that used in a letter in which a banking firm announces the sale of a new lot of bonds (compare Figs. 8 and 24); but it is in his handling of just such problems that the business correspondent is distinguished from the mere letter writer. In order to make the difference more obvious, this Lesson will make use of examples which are properly selling letters; letters handling general correspondence would show the same difference; but, as they would be confined to more routine work, they would not make the difference so distinct.

The last ten years have seen a great change in business correspondence; this is only in keeping with the general trend in business methods. It used to be considered good business for the correspondent to make a sale by misrepresenting the goods of his own firm, or running down competitors; the correspondent was not held responsible, provided he got the business. But business men have learned to have a pride in their business, and to consider such methods unbecoming; they have learned, too, that such methods do not pay in the long run, and that honest and dignified methods do. It is still allowable for a correspondent to adapt his style and methods to the individual or class with which he is dealing, but always with the reservation that he must protect the honor and dignity of his firm.

The first problem, then, is how far the dignity of the firm may be strained in adapting the style and proposition to the habits and mentality of the man addressed. It is understood that "class"

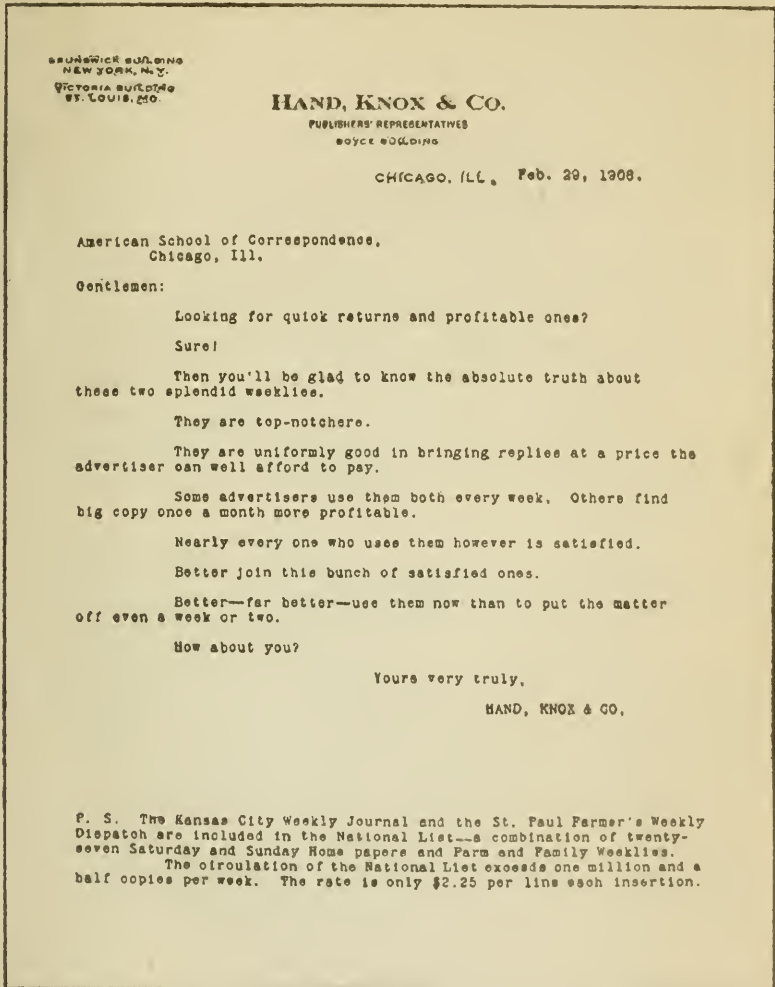


Fig. 6. Letter Showing Effective Use of Slang.

distinctions are made here only to provide a working basis, and not at all to cast reflections upon any type of men. The men to whom Fig. 8 would appeal would be of many different types; they would form a "class" only through their supposed liking for cigars.

It will be admitted that dignity should play a large part in the correspondence of the banker, the bond and investment broker, the wholesaler, and the retailer who is commonly known as the "better class," because he appeals to customers who have more money to spend. Conservative investors and particular purchasers judge the business integrity of a firm very largely by the tone which pervades its advertisements, correspondence, and general business conduct; and while this fact is sometimes taken advantage of by less reputable firms, it is nevertheless a very good criterion of the standing of the firm. We may laugh at the antics and jokes of a clown, but we do not as a rule respect him; we may even admire the "slickness" of a shrewd schemer, but we do not care to trust our money to him; and similarly, most men, whatever their own standing in the community, expect a certain dignity of the men who are the guardians of their money, or the heads of their line of business. A letter such as Fig. 9 is as reassuring in its style as in its contents. Compare with it the style of the following paragraphs, which may present as good an investment, but which will not appeal to as conservative a class.

TO MY PREFERRED CLIENTS:

A number of my preferred clients have asked me to permit them to subscribe for their choice of the two stocks included in the GRAND EXTRA SPECIAL COMBINATION OFFER.

One of the stocks ADVANCES TO 25 CENTS PER SHARE ON -----, while the other ADVANCES TO 15 CENTS PER SHARE ON THE SAME DAY.

It seems hardly a fair proposition for clients to ask me to allow them to subscribe for a 25 cent stock at 10 cents per share after I have arranged for the special offer of the two combined at an average price of 10 cents per share, but, inasmuch as the requests are about evenly divided as to each stock, I will take the chance that all single subscriptions, that is, for one stock only, will be about evenly distributed and I WILL ACCEPT SUBSCRIPTIONS FOR EITHER STOCK AT 10 CENTS PER SHARE and will allow a discount of 10 per cent for all cash on either.

I told you in a circular the other day that I didn't care whether I made money on these two flotations, or not, and I MEAN IT. What I want to do and MY ONLY OBJECT is to see both of them make good and be on a DIVIDEND-PAYING BASIS AT AN EARLY DATE, and I am just as confident as I am that I am alive that I will accomplish my purpose. Both of them have the goods and both of them can deliver the goods. THEY ARE REAL, LEGITIMATE, SQUARE-DEAL MINES and no mistake about it.

I will allow the time that it takes this letter to reach you and a reply to come back BUT NO LONGER (that is, if you are at a distance where it cannot reach by -----). I will also allow for a possible day or so delay in the mail, BUT THAT IS ALL. I will return all money received too late, so make up your mind quickly and act. I don't believe that you will ever get another opportunity equal to it.

With kindest personal regards, I am,

For the sake of another concrete example, take the case of a wholesaler, handling a line of general merchandise, and selling to

all classes of retailers, from the mammoth city department store, to the country general store. It is obviously impossible to interest both the city and the country retailer by the same method. The city man is presumably better posted on the market, more in touch with general conditions, and less liable to be reached through the personal appeal; while the country man is liable to be impressed with the size, wealth, and importance of the wholesaler, and more open to the "jollyng" to which traveling salesmen have accustomed him. The city retailer, therefore, needs a straight business proposition, put in cold, terse, business English; while the country retailer can be addressed in a more personal and confidential tone. In fact, it is almost as sure that the city man will resent any attempt at familiarity, as it is that the country man will resent its lack. That it is quite possible to be at once familiar and business-like in the same letter is shown by Figs. 8 and 11; it requires a more roundabout style of approach, and, therefore, a longer letter.

The same rule for distinguishing between classes holds good when the seller is a large mail-order house, handling every variety of wares that can be sold from a catalogue. Such a house will have customers of all classes and of all varying degrees of wealth, from the family of the out-of-town magnate to the family of the poor farmer or day laborer. In a business way these two classes are equal—they are both spenders of money; but in their handling they must be considered and treated as very different classes.

The second problem, then, is for the correspondent to determine how far his firm can properly lower its dignity to get business. As this is almost entirely a matter of approach, it may be stated as a working fact that the problem is not as difficult as it may at first appear. Persons of the so-called "better class" will respond most readily to an appeal that is couched in the language ordinarily used by them—that is, courteous, careful, dignified language. They will resent at once any attempt at familiarity, as much as they will resent any implication that they are in straightened circumstances. They will excuse a letter for being formal, but not for being flippant; they will not buy if approached in the latter manner; they may buy if the formality does not hide the selling points.

It does not follow, however, that the so-called "lower classes" will be equally complaisant if met on their own grounds. On the contrary, they will resent any appearance of an attempt to put them at their ease, or anything that appears to be "written down" to them.

The difference in addressing the two classes is only a matter of loosening up the language—by the use of an occasional phrase that approaches slang, by making the diction easier and more colloquial,

TECHNICAL WORLD MAGAZINE

AN ILLUSTRATED POPULAR MONTHLY

TECHNICAL WORLD COMPANY
CHICAGO

OFFICE OF PUBLICATION
589 W. MADISON AVE.
CHICAGO

EDITORIAL OFFICE
1 MADISON AVE.
NEW YORK

Aug. 20th, 1909.

Adv. Mgr., Montgomery Ward & Co.,
Chicago, Ill.

Dear Sir:

Of course you read about the Frenchman who dropped into London's front yard before breakfast one morning, and gave Johnny Bull a chill in his War Office.

You got quite excited about it, very likely, and recalled all you'd learned or dreamed about airships and dirigibles, and wished you'd been there to cheer the ~~plucky~~ Frenchman.

Then you began to brag about what the Americans would do, once they stopped gobbling the prizes and got down to business.

You thought you were bragging - and doing it rather neatly, too; but you didn't suggest crossing the Atlantic in three days, did you? or the American Continent in four? You lost your chance to pose as a prophet - and make good.

Think of a flying trip from Seattle to New York - ninety-six hours running time - over a roadbed of air - vinderless, dustless, smokeless, noiseless - as clean and cool and comfortable as the immaculate passenger of the "Road of Anthracite."

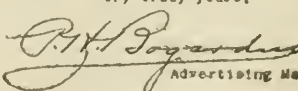
Then read "To Europe by Balloon" in the TECHNICAL WORLD MAGAZINE for September.

That's the beauty of the TECHNICAL WORLD - it's always "Johnny-on-the-spot" with the very article that you've been looking for.

That's why it's so strong with advertisers - it's read by live men and women, who want up-to-date news, up-to-date ideas, up-to-date necessities, comforts, and luxuries.

I didn't mean to talk shop. Read that article for your own information and enjoyment.

Very truly yours,


 Advertising Manager.

PHB-CRB.

Fig 7 Letter Showing Effective Use of Breezy Style.

and by a greater insistence upon the pronoun of the second person. It is surprising, to the uninitiated, how readily a reader, who is known to be illiterate, will respond to an appeal couched in correct but simple English. Because a man does not himself use correct English,

is no reason why he should be addressed in language equally lacking in grammatical correctness; indeed, it is almost sure that he will resent a letter that appears to reflect upon his ability to use good English.

The practice of the skillful correspondent is not so much to attempt to write down to his reader, as to try to make his language so colloquial and personal that the reader will be caught at once by the idea that the correspondent is a member of his social class, or familiar with his business. Every trade and profession has a language of its own, which is a dialect of ordinary business English; and every man will read a letter that is written in his own tongue. It requires only a touch here and there to give the appearance of familiarity with the man's business—usually a figure of speech introducing the tools of the workman, the trade terms of the business man, the stock market talk of the banker or broker, the more learned speech of the professional man. For excellent illustrations of this writing for a particular class, compare Figs. 10, 11, and 12. Fig. 10 is addressed to bank cashiers—who compose one of the most dignified classes of business men. Fig. 11 is addressed to business men in general; Fig. 12, to clerks and bookkeepers.

EXERCISES

1. Write a letter from a wholesaler to a city department store buyer, as suggested in paragraph 6. Supply your own details.
2. Rewrite Exercise 1 to adapt it to a country store keeper, as suggested in paragraph 6.
3. Write a letter from a mail-order house to a customer in good circumstances, as suggested in paragraph 7. Supply your own details.
4. Rewrite Exercise 3 to adapt it to a poor farmer or laborer, as suggested in paragraph 7.

DON'T USE

ENTHUSE. There is no such word in the English language. Don't say, "They enthused at the idea;" say, "They showed enthusiasm (or, became enthusiastic) at the idea."

EVERY WHICH WAY for "every way" or "in all directions."

EXCEPT for "unless." Don't say, "I will not go except you do;" say, "I will not go unless you do."

LESSON VI

PERSONAL BUSINESS LETTERS

By a "personal business letter" is meant a letter on business matters written by an individual to another individual, or to a business firm. Every person has occasional need to write such a letter; and most persons, even among those well versed in general business correspondence, neglect some important detail. All business letters, whether general or personal, are subject to the general rules of form laid down in the preceding Lessons; but the personal business letter has certain peculiar requirements that are worth considering.


All business correspondence should be typewritten, if possible; if, however, that is out of the question, the letter should conform as nearly as possible to the typewritten form, and should be written carefully and legibly. A firm should be addressed by the name that is used on its letterhead, or in its advertisement; many firms object to having business letters addressed to individual representatives of the firm. (See bottom line of Fig. 23.) Figures and names should be made so plain that they cannot be misunderstood; the addresses of both writer and addressee should be complete and legible; and the signature of the writer should be repeated in ordinary script, if necessary to insure its legibility. It is a good plan to print out, schoolboy style, any word which might be misunderstood. This does not add to the neatness of the letter, but it atones for that by making it easy to read. A letter that is written carefully and plainly will naturally bring a prompter, more satisfactory response than one that is carelessly arranged, and so poorly written that its meaning must be guessed at. Firms doing a large business by mail often use as a part of their letterhead a line reading, "In answering, please refer to No.—." When answering a letter so marked, it will expedite matters to place above the address, about on a line with the date, "Referring to your No.—."

The personal business letter should be uniformly courteous, but business-like. Anger begets anger, and a discourteous letter invites a discourteous answer. The writer of an angry or sarcastic letter puts himself in a false position, and so injures his cause, however just his anger may be. Personal affairs or comments have no place in a business letter, unless they directly affect and explain some matter to which it relates. Business men are concerned not with personal affairs, but with what they can do to serve the writer in a business way. Personalities take a letter outside the province of business correspondence.

A letter asking for information should state as plainly and succinctly as possible just what the writer wants to know. Most

business firms have at least two articles or propositions that are very much alike, and if the writer desires information other than that contained in their printed matter or catalogue, he should give them

'More Clear Havana Cigars Are Made In Tampa Than In Any Other City In The World.'



WE SELL OUR ENTIRE OUTPUT DIRECT TO THE CONSUMER.

Factory No. 234 District of Florida TAMPA, FLORIDA. 2/3/08.

Chas. R. Barrett,
Chicago, Ill.

Dear Sir:

A new delight awaits you.

Have you ever smoked a real FRESH HAVANA CIGAR?

It is far better than the dry, crisp veteran of the showcase, which you buy from the retailer.

In buying direct from our factory, you get a cigar which has been made only a few days, retaining all of its natural flavor and aroma, and you save all middlemen's profits.

ROBERTS HAVANA CIGARS are hand-made, by Cubans from the best grade of Havana tobacco--our own importation!

These Cubans know how to make a Havana cigar so that it smoke free, smooth, and even--bringing out the full, rich aroma.

We want to send you 100 ROBERTS HAVANA CIGARS, express prepaid, with the understanding that if, after smoking ten, you are not pleased with them, you may return the remaining ninety at our expense.

Isn't that a fair proposition? You can't lose anything, while we stand to lose the express both ways, and the ten cigars which you smoke.

Don't send any money, but give us a chance to prove every statement we have made--at our own expense!

Fill out the enclosed blank for fifty of each size and mail it to us.

TODAY--RIGHT NOW!

Very truly yours,
J. W. ROBERTS & SON.

Fig. 8. A Style That is Brisk but Not Undignified.

some clue to what he wants. When referring to an advertised article, it is best to state the name and date of the periodical in which the advertisement appeared. If the number or price of the article is given, it should be mentioned.

A letter asking for bids, specifications, prices, or terms should state exactly what conditions are to be met; it should leave nothing to imagination or guess work. A letter giving an order should contain instructions that cannot be misunderstood. It should give the number of the article, if the firm has given it one, or the name or description copied exactly as the firm had it; quote the price, if known; give any dimensions that may be necessary; pay particular attention to size, quality, color, finish, etc., if such particulars are necessary; give each item in a list a line to itself; add any other description that will assist the seller; give explicit directions regarding shipping. (See Fig. 1.) A letter making a complaint should be even more explicit, if possible. It should state exactly what was ordered, and in what particulars the goods received failed to fill the order.

If the firm supplies a printed form order blank, it is wise to use that blank, and to fill out carefully all the information requested. The firm knows best how to arrange its orders to facilitate their handling, and what information it needs. Questions that seem of little importance, because their bearing is not clear, may be the very ones that are of chief importance to the firm. It is usually unnecessary to send a letter with a printed order blank, as the blank will provide for all necessary details. An order blank may be filled out on the typewriter, but it should always be signed with pen or pencil. Most order blanks provide separate spaces for the name as part of the address, and as a signature.

Some persons have a peculiar objection to using a printed order blank, or contract form. Apparently there are three reasons for this: that the printed form seems discourteous; that a personal letter will receive more careful attention; that a printed order or contract, by some legerdemain, gives the firm addressed an undue hold on the sender. None of these reasons has any basis in fact. It is the height of courtesy to address a firm as that firm prefers to be addressed. A printed form, properly filled out, is much more easily handled than a written one, however carefully prepared, because the form exactly meets the needs of the firm. A written order or contract is just as binding upon the sender as a filled-in blank—or, if it is not, the firm will not accept it until it has been made so. Similarly, it is usually advisable to use the return envelope that is supplied with the order blank. The firm has taken care that that envelope is addressed properly and clearly; and that, if it should be handled by a certain department, it is so distinguished by color or marking that it will reach that department at once, and not after having gone the rounds.

A letter enclosing a remittance should state exactly why and how the money is sent. If it is in the form of a postoffice money

order, its number should be given; if it is an express money order, the name of the express company, and the number of the order should appear; if it is a bank draft, the name of the bank upon which it is drawn, and the number of the draft should be given; and the letter should always state the exact amount of the remittance. It is not enough to say "enclosing remittance in full," or "balance due," or "monthly installment." The addressee's books will show the amount, to be sure, but the writer should know that he is sending the correct amount. For the same reason, it is wise to compare the amount given in the letter with the amount called for by the enclosure.

The four accepted ways of sending money by mail are: currency in a registered letter; a postoffice or express money order; a bank draft. It is wiser never to send currency, even in a registered letter. Currency in a letter always betrays its presence, because such a letter has a peculiar "feel," as can easily be proved by experiment; and currency, once misappropriated, is hard to trace. A postoffice money order can be secured as easily as a letter can be registered, and for the same nominal fee. Local checks should not be sent out of town. City banks charge rather a high premium for the collection of out-of-town checks, and most city business houses require the sender to pay this discount. Even if they do not, it is neither fair nor courteous to force them to pay for collection. Any person having a checking account can usually get a bank draft from his banker, without expense.

It is a good practice to keep a copy of every business letter, particularly if it contains, or refers to, a remittance, or an order. If the letter is typewritten, it is as easy to make a carbon copy as it is to write the letter. If it is written by hand, and too long to copy in full, it is well to copy the date and address, and sufficient data regarding its nature to make possible its duplication if it goes astray. This caution is to guard not against dishonesty, but against the chance of its going astray in the mails, or being mislaid or misconstrued by the addressee. To insure the return of the letter in case it cannot be delivered, its envelope should bear a "return card" consisting of the full name and address of the writer, and a request for its return in a certain number of days.

An illustration of a badly written personal business letter is given below:

American School,

Dear Sirs:

Y'rs rec'd. Enclosed find remittance for course in Business Administration. My express office is Newstead, Mass. Send literature to Alfred Sweet.

Y'rs,

This letter lacks the complete address of the writer, thus necessitating a search of the files of the School to supply the lack. The date line is lacking—a matter of small moment here, but often of great importance. The introduction is so brief as to be discourteous. The abbreviation “Y’rs rec’d” is improper and discourteous, and the date of the letter answered is lacking. The amount and form of the remittance are omitted—a serious omission if the letter should miscarry, or if it should be confused in the office of the School. The kind of literature desired by Alfred Sweet is not given. “Y’rs” is improper and discourteous. The whole tone of the letter is almost insolent, because of its curttness. Too many correspondents adopt this short, jerky, offensive style, with the mistaken idea that it is “business-like.”

Fig. 13 goes to the other extreme: it is cluttered with nonessentials, rambling in style, and so confused that the reader will have to use great care and consume an unusual amount of time to get at the information. The salutation is addressed to an individual, not to the School; the form of the remittance is omitted; and one of the most important items—the course for which Mr. Stoll desires to enroll—is left to the postscript. Fig. 14 contains all necessary information, presented in logical order, expressed briefly but courteously, and arranged in short paragraphs, so that it can be easily mastered.

EXERCISES

1. Write a letter to some firm advertising in a newspaper or a magazine, ordering a bill of goods, enclosing the necessary remittance, and giving careful shipping directions. Also inquire regarding other goods that you think they may carry.

2. You have received the goods ordered above, but the firm was out of stock on one article and substituted one of higher price asking you to remit the balance due, if you were satisfied. The information for which you asked was not given. Write a letter covering these points.

SEND TO THE SCHOOL YOUR EXERCISES FOR LESSONS V and VI

DON'T USE

FAVOR for “resemble.” Don’t say, “She favors her mother;” say, “She resembles her mother.”

FINAL COMPLETION. "Final" is superfluous.

FIRST-RATE as an adverb. Don't say, "He talks first-rate;" say, "He is a first-rate talker."

FIX for "condition," "predicament," or "dilemma." Don't say, "I am in a bad fix;" say, "I am in a bad predicament (or, condition)."

FOLKS. "Folk" is the correct form for both singular and plural.

FRIEND for "acquaintance." A "friend" is an intimate; an "acquaintance" is any person whom one has met.

FUNNY for "queer," unless the "queer" thing is ludicrous as well as unusual.

GENT. This contraction is not used by gentlemen.

HANGS ON for "remains." Don't say, "He hangs on in the place;" say, "He remains in the place."

HOW? for "What did you say?" "What?", the abbreviated form of that sentence, is correct.

HUNG for "hanged." Meat is "hung;" men are "hanged."

ILLY. "Ill" is the proper form for both adjective and adverb.

INGENIOUS for "ingenuous." "Ingenious" means clever or skillful; "ingenuous," frank, free from guile.

INVENT for "discover." Man "invents" what did not exist before; he "discovers" what had not been known before.

INVITE for "invitation." "Invite" is the verb, "invitation" the noun. Don't say, "He gave me an invite to his party;" say, "He gave me an invitation (or, He invited me) to his party."

IT'S for "its." "Its" is the possessive form of the pronoun; "it's" is an abbreviation of "it is."

KICK for "protest" or "complaint." Don't say, "I want to register a kick;" say, "I want to make a complaint," or, "I want to enter a protest," as the case may be

KNOCK for "find fault with." Don't say, "He's a knocker," "He's always knocking me;" say, "He's a continual faultfinder," "He is continually finding fault with me."

LADY for "woman." Don't say, "saleslady" or "washlady;" say, "saleswoman," "washerwoman." And don't, under any circumstances, say "my lady friend;" say, "my friend, Miss Smith."

LESSON VII

LETTERS OF APPLICATION

One of the best tests of a man's business ability is the manner in which he applies for a position. This is particularly true of the correspondent, for if he cannot present his own case convincingly, how can he expect to present that of the man whom he asks to employ him? A knowledge of the proper method of applying for employment is an essential part of a business education: The young man just starting out may expect to make one or two false starts before he finds his proper place; the man of experience is never sure of a life hold on his position, and never knows when he may have to look out for something else; and the ambitious man may find his progress arrested because he has exhausted the possibilities for promotion offered by the firm by which he is employed.

Employers are coming more and more to advertise in the daily papers for needed help; and, almost without exception, they make use of what is known as a "blind ad."—that is, of a small ad. in the "Help Wanted" columns, which sets forth the requirements to be met by the applicant, and which gives as an address only a postoffice box, or a number in care of the newspaper. The employer is too busy to meet personally a horde of applicants, of whom the majority have no fitness for the place; and he has found that requiring an application by letter will save his time, and give him a fairly definite idea of the general ability of the applicants. An employer will seldom hire a man from a letter only, unless the applicant is very highly recommended by some other business man in whom he has confidence; he will usually give the writers of the best letters a personal interview.

The applicant for a position should take it for granted that he will be only one of many—the answers to a "blind ad." often run into the hundreds; and he should so arrange and word his letter that it will stick out of the mass of answers and secure for him the coveted privilege of a personal interview with the advertiser. That is, indeed, the chief purpose of a letter of application in answer to a "blind ad."

In general the letter of application should conform to the form prescribed for business letters; by his observance of that form the applicant shows his familiarity with business usage. It should contain the applicant's full name and address, plainly written, should fulfill all requirements of the ad., and should present the case of the

applicant convincingly without giving the impression of overconfidence or conceit. Unless the ad. stipulates that it shall be answered in the applicant's own handwriting, it is better to send a typewritten



The Fortune Colony

of the City of New York

437 Fifth Avenue

Richard Wightman, President

December 31st, 1909.

Mr. C. R. Barrett,
Chicago, Ill.

Dear Mr. Barrett:-

This is the last day of 1909! To-morrow the New Year will be with us. I write to express the hope that it may be for you a happy and prosperous Year.

Incidentally, as President of The Fortune Colony, it is my privilege to remind you--you who are one of our correspondents--that 1910 is bound to be a great year--great for the country at large, and great for every progressive man and woman whose feet are in the path of earnest effort and worthy achievement.

This new year--like other years--is made up of twelve little units called months, each one of which works for our good or our ill, each one of which is packed with choices. TO PICK THE RIGHT THINGS AND LET THE WRONG ONES GO--this is at once the problem and the opportunity which will be in every month of 1910.

One of your first opportunities in January, now at hand, will be to secure a membership in The Fortune Colony which will help you to shape your financial welfare during the entire year of 1910, and through nine more years after that, at the end of which time you will receive, in cash, the little fortune which your membership provides. The amount of it will be \$1,000, \$2,000, \$5,000, or \$10,000, according to what you may decide at the beginning.

That this membership is one of the right things for you to pick in the first month of 1910 is sure; the present members of The Fortune Colony--all of them--would say so if they could speak to you personally and disinterestedly.

We have already sent you the Colony literature and an Invitation to Membership. A place is being reserved for you awaiting your acceptance. It is both a business and friendly tie which binds the Members of The Fortune Colony together--good business and good friendship. The January Memberships are now being allotted.

With best wishes, I remain,

Cordially yours,

Richard Wightman
President.

RE/G

Fig. 9. A Style That is Dignified, Yet Forceful and Convincing.

letter, especially if the writer is able to use a machine; but a manuscript letter, if written carefully and legibly, will receive equal attention. It is imperative that the letter, however written, should be neat in appearance, business-like in form and expression, and correct in matters of spelling, capitalization, punctuation, etc. The use of

an old scrap of paper, of a pencil or a peculiar shade of ink, or any other bit of carelessness that may prejudice the receiver, is almost sure to be fatal to the hopes of the applicant. A position that is not worth applying for in a proper manner is not worth much to the applicant—and the prospective employer desires a man who will think the place worth taking some care to get.

The following "blind ad." was actually used in an effort to fill the position advertised:

YOUNG MAN—WELL EDUCATED,
original, to write mail-order litera-
ture; rapid promotion if satisfactory;
state age, experience, and salary desired
to start. Address S A 45, Tribune.

In answer, the advertiser received about one hundred letters, of which fifteen were never considered, some seventy-five were labeled "possible," and only ten were answered by a request for the writer to call in person. That is about the usual proportion of "possible" answers received in answer to a "blind ad.," and it proves conclusively the importance to the applicant of making his letter effective. It is presumable that more than ten of the writers possessed greater fitness for the position than their letters showed.

Among the applications were two letters, reproduced here verbatim, except for the names and addresses of the writers, which well exemplify the two chief faults in most letters of application. One letter was as follows:

Chicago Sept. 10th, '08.

S - A - 45 "Tribune"

Gentlemen:-

In regard to answer your ad' in the "Tribune" I am a young man 20 yrs of age. Am well educated and neat and rapid penman. Am experienced in copying work and etc.

Respectfully,

John Brown
021 E 63rd St.
City

This letter is much too brief to answer all the requirements mentioned in the ad.; its writer seems also to have missed the purpose of the ad., which is distinctly for a writer of original copy, not for a copyist. The applicant states definitely only one fact—his age. He fails to give his experience, or the salary which he expects, to start; he does not even say that he is original, much less submit proof;

and hesays that he is well educated without stating where he received his education—and “well educated” is capable of a different interpretation by each reader. Furthermore, his letter contains an offen-

American School of Correspondence

CHICAGO, U. S. A.

Nov. 8th, 1909.

Dear Sir:-

Only one combination will open your vaults.

There's one right way to do anything, and a million wrong ways. There are two ways of learning the right way. One is by experiment. The other is by learning from those who know.

Eighteen experts, eighteen men who know, have crammed the Cyclopedia of Commerce, Accountancy, and Business Administration with the kind of information that you need, that your employes need, that will simplify every process by which you do business. And we offer to send these ten big, handsome volumes free, charges prepaid, subject to five days' examination. Put them to work for you, and, if they don't make good, send them back at our expense.

The Cyclopedia covers every business matter on which you will ever need exact information. The chapters on business law alone are worth more to you than the price of the Cyclopedia. It shows the institution how to avoid red tape in everything. It shows the individual how to do more and better work, how to do things the quick way, the correct way, to be sure you are right every time, to make instantaneous and correct decisions, to do today's work and plan tomorrow's, how to avoid guess-work in everything, to grasp every opportunity, to make every step a forward one, to put purpose into every thought and act, to use your brain to its full capacity.

A special offer, good only until November 30th, reduces the price of the Cyclopedia from \$50.00 to \$24.00, payable \$2.00 after acceptance and \$2.00 per month. We sell it this way to make known the excellence of the School's correspondence courses, from which it was compiled. And we include a year's subscription to the Technical World Magazine, regular price \$1.50.

In these books you will find the one correct way. It costs nothing to see them. Why not send today, now?

Very truly yours,



State Secretary.

HAG-WSL.

P. S.--If you yourself don't want to see the Cyclopedia, you probably know or have working with you some ambitious man who would thank you for turning this offer over to him.

Fig. 10. Style of Letter Suitable for "Best Class."

sive abbreviation, “yrs.,” a curt omission of the personal pronoun “I” before the verb in two instances, a lack of punctuation, and a grammatical error, “and etc.,” which prove him either too careless or too poorly trained to do the work expected of him.

The other letter, which is shown in Fig. 15, though more complete in details, is too roundabout and discursive in style, and too given to personal history that has no bearing on the matter in hand; by making these matters so prominent the writer lays himself open to an accusation of conceit and "cocksureness" that is perhaps undeserved; but he is certainly at fault for giving the impression that he is incapable of being direct and business-like. He says that he has had two years of experience, but fails to state where and at what kind of work; that he has a high school education, but fails to mention the school or to state whether he graduated—some young men seem to think that one year's attendance constitutes a "high school education." In his last paragraph he commits a grammatical error in using "will" for "shall," and omits the pronoun. And in his second paragraph he commits an inexcusable offense against tact when he says, "if your proposition to customers is a worthy one." He has no occasion to suggest such a thing until he has been asked to undertake dishonorable work; and he would offend the most honest advertiser by implying that the "blind ad." was used to conceal business crookedness.

A man is not prohibited from answering an ad. because he does not happen to possess all the requirements called for; actual experience in similar lines, thorough theoretical training, or practical experience, will often make him eligible in spite of other handicaps; but in making application he should always show how nearly he can meet the requirements, and suggest how he can overcome his handicaps. Nor is it improper to relate experience which is not called for, but which may prove to be helpful to him; but he should make sure that such details are relevant, and that he has made clear their relevancy.

While there is no fixed formula for a letter of application, the form given in Fig. 16, which is a revision of Fig. 15, is so clear, concise, and business-like that it is sure of careful consideration. In general it conforms to the accepted form of a business letter; it departs from that form only to emphasize the applicant's ability to fulfill the requirements of the ad. By first giving a summary of the writer's qualifications, and then going into more detail, it both emphasizes his fitness and saves the time of the reader. The details lacking in Fig. 15 have been supplied in Fig. 16 to show how they should be presented. Fig. 16 omits the salutation, but it would be correct to use either "Dear Sir," "Dear Sirs," or "Gentlemen."

In applying for a position at the suggestion of a friend or ac-

quaintance of his prospective employer, the applicant would vary only slightly the form given in Fig. 16. The opening paragraph would then read something as follows:

Mr. C. B. Hills, Manager of the Mail Order Department of Wallace, Hills & Co., of Chicago, has informed me that you are in need of an advertising writer, and has advised me to apply for the position. Mr. Hills has been kind enough to express his opinion of my ability to fill the position in the letter which I enclose. My qualifications and experience are as follows:

(Remainder of letter as in Fig. 16.)

In applying for a position with a firm which he thought might have need of his services, the applicant could vary the opening paragraph thus:

In case you have need of another advertising writer, either now, or in the immediate future, will you kindly consider my ability to meet your requirements? My only reason for wishing to leave my present position is that I appear to have reached the highest position with the company.

My qualifications and experience are as follows:

(Remainder of letter as in Fig. 16.)

There are three qualifications upon which it is proper for the applicant to insist, whether or no they are mentioned in the ad.: his willingness to work; his equal willingness to make the permanency of his position depend upon his "making good;" and his desire for a personal interview. It may be taken for granted that the employer will himself insist upon the first two requirements, and that he will be willing to grant the third to any applicant whose letter may impress him favorably; but it can do no harm for the applicant to show that he is really looking for work, and that he is not afraid to meet his prospective employer face to face. It might be well to add that it is idle for an applicant to secure an interview by claiming ability which he does not possess, and trust to luck or "bluff" to carry him through the interview. Employers cannot easily be bluffed; and they are a clammy lot, apt to mark a man who tries such tricks, and to advise their friends of his methods and his unreliability.

EXERCISES

Answer three *different* advertisements from the following list, supplying details to make your application as strong as possible.

HELP WANTED

1. BOOKKEEPER—YOUNG OR MIDDLE AGED MAN, ASSISTANT bookkeeper and stenographer; one who is willing to start at a moderate

salary; good chance for the right party; must furnish bonds; answer in own handwriting, stating past experience and salary expected to start. Address E J, Tribune.

2. BY LEADING ACCOUNTANTS, A SENIOR CAPABLE OF taking charge of large work. Must have had experience with first-class firm of public accountants. Salary \$2,000 to commence, increasing \$300 each year. Address in confidence, giving age, experience, references, etc. N 560, Tribune.

3. CORRESPONDENT—A1, WITH KNOWLEDGE OF SALESMANSHIP. Capable of dictating forceful business getting letters; follow up, and appoint agents by mail; knowledge of gasoline or acetylene lighting preferred; excellent opportunity; chance for advancement. Apply in own handwriting, giving age, experience, salary, and references; must start immediately. Address E D 189, Tribune.

4. MAN—WE HAVE POSITION TO OFFER TO A FIRST-CLASS man to take full charge of office in mail-order tailoring house; must possess following qualifications: 1st, experience in this branch; 2nd, executive ability; 3rd, forceful correspondent; 4th, good on follow-up system. No others need apply. Salary \$2,500. Give full particulars, which will be treated confidentially. Address K 510, Tribune.

5. STENOGRAPHER—BRIGHT, EXPERIENCED YOUNG WOMAN who can take dictation and turn out neat, accurate work. Give full particulars as to experience, age, and salary. Address E O 238, Tribune.

6. STENOGRAPHER—YOUNG MAN WHO IS THOROUGHLY competent, who has had credit-department experience; or who is ambitious to become a credit man; excellent opportunity; no agencies; state experience, etc. Address N 544, Tribune.

DON'T USE

LAST for "latter." "Latter" refers to two; "last," to more than two.

LEARN for "teach." A pupil "learns;" a teacher "teaches." A man can "teach" himself, and he can "learn" if he studies; but he cannot "learn" himself.

LEAVE for "let." Don't say, "Leave me be," "Leave him have it;" say, "Let me be," "Let him have it."

LENGTHWAYS, *SIDEWAYS*, *ENDWAYS* for "lengthwise," "sidewise," "endwise." These words cannot properly be compounded with "ways."

LIABLE for "likely." "Liable" expresses a tendency toward a certain action; "likely" expresses probability.

LIKE for "as" or "as if." Don't say, "Walk like he does," "He walks like he was hurt;" say, "Walk as he does," "He walks as if he were hurt."

LESSON VIII

LETTERS OF RECOMMENDATION AND INTRODUCTION

Employers demand of an applicant not only his own estimate of his abilities, but also the estimate of his previous employer or employers. If the applicant cannot get any one of standing to vouch for him, he is not likely to get a desirable position, no matter how well qualified he may be. It is, therefore, the custom for a man leaving a position in which he has acquitted himself well, to ask for and receive a letter recommending him to others who may desire to employ him. The employe should never neglect to ask for such a letter, because, though he may have no immediate need of it, he can never know when it will stand him in good stead; and no honorable employer will hesitate to give such a letter, however much he may regret the loss of the man, because it is his right to ask it.

Letters of recommendation naturally fall under two heads: letters recommending the applicant to a specific person, and open letters which may be shown to any one with whom he may seek employment; and both the classes may be further divided into letters from an employer, and letters from some man who knows of the applicant's business qualifications only in a general way, but who is willing to vouch for his personal character and general deserts.

While employers usually require an applicant to offer letters of recommendation, they are somewhat inclined to view them with suspicion, unless they know personally the signer; this is due to the fact that employers will sometimes "recommend" a man whom they themselves would not employ, either to make it easier to discharge him, or to give him a chance which he may not deserve. To be of value, the letter of recommendation should be open and honest, should confine itself to the knowledge of the writer, and should be couched in language which will not arouse suspicion by its apparent attempt to give undue credit to an unworthy applicant. Furthermore, as the letter of recommendation is asking a favor of the reader, at least so far as the bearer is concerned, it should be at once dignified and courteous, so that it may arouse no prejudice against the man whom it is intended to benefit.

Employers want facts, not theories or general good wishes. They want to know what a man has done; how he has done it; what

general ability he has shown; why and under what circumstances he left his former employment; what his habits are; how willing he is to work; and how far he can be trusted, not only in money matters but also in matters of responsibility. It is as useless as it is unbusi-



M. J. Coffey
 ...Tailor and Draper...

A
 BUSINESS TAILOR
 FOR A
 BUSINESS MAN

Rooms
 4184 to 1187 Assenilton
 Building
 153 La Salle St.

153 La Salle Street

Chicago, Illinois

March 30 1908.

Mr. Chas. Raymond Berrett,
 Chicago.

Dear Sir:

Right now it's important that the business man should look prosperous; should be well dressed and carry the air of one untouched by the recent financial flurry. This applies equally to the man whose credit is an asset in his business and to the man who is employed to represent others

A prosperous appearance is desirable at any time. You know this without my telling you; but there's one thing in connection with it that I can tell you—how to get the best results. By best results I mean best fabrics, best patterns, best styles, best fittings, best linings, and best workmanship in your clothes. Every other tailor claims the same things — of course, but I keep right on claiming them by everything I do; not only while you are buying a suit of me, but as long as you wear the suit. If I should see the suit on you a year after you bought it, I'd say, "best fabric, best pattern, etc..." and if you didn't agree with me I'd make you another suit for nothing. In other words I want the result more for the result than for the sake of getting your money. That's why I really mean best when I say it.

I'm not carrying over any old stocks; not trying to work off 1907 patterns in suits made in 1908, my stocks are new, and 1908 patterns are very attractive and effective; I'd like to show them to you.

My prices are fair; fair to you, fair to me; fair to the best workmen to be had; they are not high prices — just fair.

I'd like to make your Spring suit

Yours very truly,

M. J. Coffey

Fig. 11. Style of Letter Suitable for Business Men.

ness-like to try to cast a glamour of ability about a man, however deserving he may be in general, who does not possess the qualities attributed to him. A letter of recommendation is worse than useless if it is not honest and straightforward.

In Lesson VII, paragraph 10, John Brown says that he is enclosing a letter of recommendation from Mr. C. B. Hills, of Wallace, Hills & Co. That letter, which may be given as a model, is shown in Fig. 17. If, however, Brown had received an open letter of recommendation from Mr. Hills, the letter would have been somewhat different in form, as follows:

TO WHOM IT MAY CONCERN:

The bearer, Mr. John Brown, has been employed by this firm for the past two years, in the capacity of advertising writer, and has worked directly under me. He has a thorough knowledge of advertising media, writes strong, clean, original copy, both for ads and for circular work, and understands the technical side of printing. He has written for us some of the best advertising matter that we have ever used, and has contributed much to the strength and class of our campaigns while he has been with us. Personally he is honest, steady, businesslike, and dependable.

Mr. Brown is leaving us of his own free will, and only because he has outgrown his position here and we have nothing bigger to offer him. I feel that I cannot recommend him too highly as an advertising writer.

Respectfully,

C. B. Hills

Mgr. Mail Order Dept.

When Brown presented himself in answer to the request for an interview, he carried an additional testimonial to his general worth in the form of a letter from a member of the church which he attended, who happened to be a member of the same golf club as Mr. Hills. This letter, also a model of its kind, appears below:

Dear Mr. Blank:

Mr. John Brown, who presents this letter, informs me that he is seeking a position with you, and asks me, as a mutual acquaintance, to tell you what I know of him. While I feel that Mr. Brown's personality will be sufficient recommendation, I am glad of this opportunity to vouch for him as a man.

I have known Mr. Brown for about six years, chiefly through our membership in the same church. I have served on committees with him, and helped to elect him to several minor offices in the church and Sunday school. While ours has not been a business acquaintance, I have learned to know him well enough to feel justified in saying that he is a man whom I should be glad to employ myself. I know that he is honest and earnest, of good habits, and possessed of high ideals. I have no means of judging of his ability as an advertising man; but if he can meet your requirements in that respect I am willing to guarantee that he will not disappoint you in any other.

Very truly yours,

Andrew White

As a matter of courtesy to the bearer, the letter of recommendation is given to him in an envelope properly addressed, but unsealed.

This is to indicate that the letter is written in good faith, and that the bearer is at liberty to read it, and to assure himself that it contains nothing prejudicial to him. The bearer presents the letter

American School of Correspondence

CHICAGO, U. S. A.

January 10th, 1910.

Dear Sir:-

Are you perfectly sure of promotion?

Sure that you will get the first better position that opens up? Or will it go to some man with a pull?

Only one thing can keep you ahead of your business competitors, and that is knowledge. The Cyclopedia of Commerce, Accountancy, and Business Administration contains the knowledge that you need to make yourself valuable—to make your value known and appreciated.

These ten big, handsome volumes show you how to do more and better work, to clip off the corners and smooth down the rough edges, to manage today's work and plan tomorrow's, to make every step a forward one, to laugh at the man with only a pull. The books cover thoroughly organization, commercial law, sales, advertising, and are particularly strong on simplified systems for saving time and money in every business process.

Until Feb. 2nd, we offer to ship the books to you, charges prepaid, for five days' examination. And to place the first two send sets advantageously, we reduce the price from \$50.00 to \$24.00. Send and look them over, then if you can resist what they say for themselves, return them at our expense. Otherwise mail us \$2.00 and \$2.00 per month until paid, and we will include a year's subscription to the Technical World Magazine, regular price \$1.50.

You would go to much trouble to meet an influential person. It's no bother, no expense, to see these books, and they are more powerful than any kind of pull or influence.

Make sure of rapid promotion. Send today!

Very truly yours,



State Secretary.

HAG-WSL.

P. S.—Don't merely rest satisfied with taking advantage of this offer yourself. Favor some ambitious business friend or employe by also passing it along to him.

Fig. 12. Style of Letter Suitable for "Middle Class."

unsealed, unless he sends it by mail, or presents it through the medium of a third party—as, for example, an office boy—whom he does not care to have know its contents.

When an applicant has neglected to procure a letter of recom-

mentation from his previous employer, and sometimes when he has such a guarantee, he is asked to give the names of business men or personal acquaintances to whom he is willing his prospective employer should write regarding his character and qualifications. Firms employing a large number of people usually have a printed form which they send out to references so given. When employers advertise that they will require references, it is best to give in the letter answering the ad. the names and addresses of the references that will be offered; and, if the applicant has open letters from any of them, it would be well to enclose copies of them. The original letters should never be allowed to go out of the possession of the bearer, except when they are addressed to a particular person. The applicant may feel himself privileged to refer to personal friends without giving them formal notice of the fact; but if he has occasion to refer to business men, it is only courteous that he should advise them of the fact that he has taken the liberty, and to ask their good word in his behalf. Such a letter need be only a brief, courteous business note, as in the following example:

Dear Sir:

When I left your employment in March of last year, you were good enough to offer to say a good word for me if ever the opportunity presented itself.

I have applied to Wallace, Hills and Co., of this city, for a position as advertising writer, and have taken the liberty of mentioning you as one of my references. In case they write to you regarding me, you will greatly oblige me if you will tell them something of my work with you. They seemed to be well satisfied of my ability to do the work required, and wished only to know a little more of how I stood with my former employers.

Thanking you in advance for any favor that you can show me in this matter, I am,

Respectfully yours,

Business men are frequently called upon to introduce by letter two of their friends or business acquaintances who have never met. Such letters usually concern not the possible employment of the bearer, but a personal certification to his desirability as an acquaintance, or to his worth as a business man. They may properly introduce two men who personally may have nothing in common, but who may be supposed to have common business interests. They are, therefore, chiefly a certification to the fact that the writer considers the bearer a man whom it may be an advantage for the recipient to know. Such letters are always addressed to a particular person, are couched in dignified, courteous language, and are given to the bearer unsealed,

and delivered by him, usually in person. In case, however, the bearer is a much smaller man in a business way than the man to whom he has a letter, it is usually better for him to mail the letter of introduction to the addressee, enclosed in a note of his own requesting the favor of a personal interview at the convenience of the addressee. Following is an example of a good letter of introduction:

Dear Sir:

Mr. John Brown, whom this will introduce to you, is a valued member of our Collection and Claims Department. His visit to New York is really a vacation trip; but as he has kindly offered to make a personal investigation of the Brooks matter, which he has been handling, I have advised him to see you, as the man best qualified to give the inside history of that affair. If you can find the time to give him a brief interview, you will do him a favor, and add to the obligations of

Yours very truly,

William Wallace

President.

Below is the note in which Mr. Brown enclosed the letter of introduction:

Dear Sir:

You will oblige me greatly if you let me have a short talk with you in regard to the Brooks matter, in the interests of Wallace, Hills, and Co., as explained in the enclosed letter from Mr. William Wallace. I shall be in the city for several days and, as I have no other business engagements, I shall be glad to make your convenience mine.

Respectfully yours,

John Brown

EXERCISES

1. Write a letter of recommendation from your present employer to a prospective employer. Supply your own details.
2. Supposing yourself the secretary of your local Y. M. C. A., write an open letter of recommendation, regarding the habits, etc., of the bearer, such as a young man going to a large city might need to secure admission to a good, private boarding house. Supply your own details.
3. Supposing yourself the cashier of your local bank, write for the same young man a letter of introduction to the cashier of the city bank with which he wishes to start an account.

SEND to the SCHOOL YOUR EXERCISES FOR LESSONS VII and VIII.

DON'T USE

LIKE for "love." A boy "loves" his father, but he "likes" to have a good time.

LIT for "lighted." Don't say, "I lit a cigar;" say, "I lighted a cigar."

LOAN for "lend." A man makes a "loan" when he "lends" money.

LOVELY as an expression of pleasure in things in general. It is correct to speak of a "lovely" woman, but not of a "lovely" time.

LUNCH for "luncheon." Don't say, "Take lunch with me;" say, "Take luncheon with me."

LUXURIANT for "luxurious." "Luxuriant" means excessive growth; "luxurious," pertaining to luxury.

MAD for "angry." "Mad" denotes some degree of insanity; "angry" means enraged. To say that one is "mad" at a person or a thing implies that one is not of sound mind.

MAKE for "earn." Don't say, "I make fifteen dollars a week;" say, "I earn fifteen dollars a week."

MEAN for "ill-tempered" or "disagreeable." Don't say, "He has a mean disposition;" say, "He has a disagreeable disposition."

MEMORANDA as a singular. The singular form is "memorandum."

MIGHTY for "very." Don't say, "It's mighty hot;" say, "It's very hot."

NICELY for "very well." Don't say, "I am feeling nicely;" say, "I am feeling very well."

NO for "any." Don't say, "I don't want no help;" say, "I don't want any help." When a man says that he "don't want no help" he contradicts himself.

NOHOW for "in any way" or "by any means." Don't say, "I can't do it nohow;" say, "I can't do it in any way (or, by any means)."

NO MORE for "any more." Don't say, "I don't want to see you no more;" say, "I don't want to see you any more."

NOTHING LIKE for "not nearly." Don't say, "It was nothing like as good as I thought it would be;" say, "It was not nearly so good as," etc.

LESSON IX

ORDERING GOODS AND ACKNOWLEDGING ORDERS

Letters ordering goods—whether enclosing a remittance to cover the amount of the order, requesting that the goods be shipped C. O. D., or having them charged to the account of the firm—concern the equivalent of money, and should be safeguarded like all other monetary transactions. If the correspondent makes his order clear and explicit, he relieves himself and his firm of any responsibility until the goods have been safely delivered; if, however, he writes carelessly and vaguely, he makes both himself and his firm responsible for any error in filling the order. The correspondent will have trouble enough correcting errors which he could not prevent, without making himself additional work through his own carelessness.

Many of the essential points to be observed in ordering goods have already been discussed, but it will do no harm to go over the ground again here, at the risk of repeating some of the essentials. A letter ordering goods should cover the following points:

(1) It should itemize the goods ordered, giving each item a line to itself, and arranging the several items in a column. This arrangement makes the letter easier to read, and enables the buyer to check over the order easily after the letter is written, and before it is mailed. It also enables the seller to check the items for billing, and for filling by different departments; to note at once any articles ordered which are not carried or which are temporarily out of stock; and to use the letter, if desired, in place of a shipping order.

(2) It should state exactly the quantity, shape, style, size, price, etc., desired, repeating the description used by the selling firm. An order exactly stated can be checked and filled immediately, without reference to any list or catalogue, or without looking up previous orders from the same firm to determine what particular styles, prices, etc., the buyer is accustomed to order.

(3) It should specify the number of the article ordered, if the seller has given it a number, or else the page of the catalogue, the issue of the periodical, or the date of the circular letter in which the article is listed. This will enable the seller either to identify at once the goods ordered, or to turn to the source of the buyer's information and verify or correct the order.

(4) It should arrange definitely for payment, either by enclosing a remittance to cover all or part of the order, by requesting shipment C. O. D., by requesting that the order be charged to an

Hempstead, Mass., Nov. 15.

American School of Correspondence,
Chicago, Ill.

Dear Mr. Miller,--

In response to your favor of the 10th inst. would say that I have decided to take a course with your school, as I believe that, as you say, the work seems to be just what I need. While I am already engaged in business, being, as I told you, employed as a bookkeeper in the woolen mills here, I am not satisfied with my position, and want to get ahead. As I have a little money in the bank I am going to take advantage of your cash price, and show myself a good business man by getting the discount offered for cash. I enclose \$25.00, the amount stated on the application blank, for which please send me a receipt. My express office is Hempstead, Mass., so if you send the textbooks by express, please send them there. My brother is there every day and can get them for me. I have been talking about your school to one of the men in the office here, and he may decide to take work with you also. He thinks he would prefer to take up engineering, as he wants to get out of office work. His name is Alfred Sweet. Will you please write him about your courses in that line?

Thanking you for your kindness in answering my questions, and hoping that this course will help me to get ahead in the world, I am

Yours truly,

Henry N. Morton

P. S. You remember that the course I was thinking of taking was the complete course in Business Administration.

Fig. 13. Incorrect Method of Writing a Personal Business Letter.

open account, or by requesting credit and advising the seller how to prove the reliability of the buyer. As no firm can afford to "sell" goods without receiving immediate payment, or without having some exact understanding with the buyer regarding time and terms of

payment, attention to this matter will facilitate the filling of orders. If the buyer has an open account with the seller, it is not necessary for him to request that the amount of the order be charged to his account, unless he buys so infrequently that he may not be known as a "regular" customer; if he has no account with the seller, it is his business to make definite arrangements for payment, and if he asks credit, to make it as easy as possible for the seller to prove his reliability.

(5) It should specify the time limit within which the order must be filled to be accepted, in case time is an important matter with the buyer. If he is ordering seasonable goods, or giving a manufacturing order, and it is important that he should receive the goods within a certain time limit, it is his right to make the date of delivery a condition as much as the price. If, however, he fails to limit the time for filling the order, he cannot return the goods if they reach him too late.

(6) It should contain definite directions for the shipment of the goods, unless the buyer has a standing shipping order with the seller, or unless the manner of shipment does not matter to the buyer. It is usually more convenient or less expensive for the buyer to have his purchase shipped by a certain express company, or by a certain line of railroad; while it is immaterial to the seller how he ships. It is, therefore, the business of the buyer to see that the seller has definite shipping instructions.

(7) It should include any other information, directions, or specifications that will enable the seller to fill the order correctly and promptly. Order clerks and shipping clerks are not mind readers, but hard worked men, who have no time to "guess" at what the buyer wants or means, and they cannot be held responsible for not following instructions which they did not receive.

Many large firms use a printed order blank, which provides space for all the details necessary either for them or for the seller. Such forms usually require no accompanying letter. If blanks are not used, attention to the matters explained above will facilitate the handling of orders, save much confusion and bickering in both firms concerned, and lessen the unnecessary work of the correspondent. For an example of a well arranged order letter from a business firm, see Fig. 18, and compare Fig. 1, a personal order letter.

The buyer may expect from the seller the same care in handling and acknowledging orders as the seller expects from the buyer in

giving them. Every order received should be acknowledged within twenty-four hours. Acknowledgment, however, does not necessarily mean filling, since stocks will occasionally run low or be sold out,

Newstead, Mass.,

Nov. 16, 1910.

American School of Correspondence,
Chicago, Ill.

Dear Sirs,--

I thank you for your careful and comprehensive letter of the 10th inst., which has convinced me of the practical nature of your instruction.

I enclose application for enrollment in the Business Administration course, and postoffice money order #231, for \$85.00, the cash tuition price.

Please make all express shipments by American Express, to Hempstead, Mass.

Mr. Alfred Sweet, Newstead, Mass., would like information regarding a course in Mechanical Engineering.

Yours truly,

Henry H. Morton

Fig. 14. A Well Written Personal Business Letter.

and since many orders are for goods to be manufactured according to the specifications of the buyer. A prompt acknowledgment of an order is both a courtesy due to the customer, and a tacit guar-

antee that the order will be filled as promptly as possible. A letter acknowledging an order should cover the following points:

(1) It should repeat the date of the order.

(2) It should repeat the buyer's order number, and state the order number given by the seller, if either firm uses the order number system.

(3) It should contain either an itemized copy of the order, or a comprehensive statement sufficiently definite to enable either firm to look up the matter in case of error or dispute.

(4) It should either state definitely the date the goods are shipped; give the approximate date, in the case of goods out of stock or to be manufactured; give a definite reason for inability to fill the order; or combine any or all of these features, as the case may require.

(5) It should state definitely the express company or railroad by which the goods are shipped, the number and style of packages, and give any other information that may assist the buyer to identify the shipment. If the shipment is made by freight, the bill of lading should be enclosed.

(6) It should either acknowledge receipt of a remittance, stating the amount; state that the goods have been shipped C. O. D.; or enclose a shipping bill, if the goods have been charged to an open account.

(7) It should state clearly any difference in style, price, quality, etc., between the goods ordered and the goods that the seller can supply.

(8) It is courteous to incorporate into the letter an expression of thanks for the order, a hope that the goods sent will prove satisfactory, and an assurance that the seller will be glad to make right any error or damage for which he is responsible. The last two points are especially important in a letter to an individual.

Many firms have blanks and forms that cover these points, but it is more courteous to acknowledge an order by letter, even if only to express the thanks of the seller. The correspondent should see to it that both letter and blank cover all the points mentioned. Study Fig. 2, the acknowledgment of an order from an individual; and Fig. 3, the acknowledgment of an order from a firm.

The correspondent should remember that the tone which he uses in acknowledging an order from another firm will not be appropriate in acknowledging an order from an individual. The firm

will excuse brevity so long as its wants are properly attended to; the individual will expect much the same courtesy as he would demand from a retail salesman. He will also need a more careful

Chicago - Ill
Sept. 10-10.

S A 45, Tribune,
City.

Gentlemen:-

In applying for the position as Advertising Man in your employ, I do so with the conviction that I can fill it with satisfaction to all parties concerned.

I am not a printing expert but, if your proposition to customers is a worthy one, I can write the kind of "copy" for "ads", booklets, and "follow-ups" that will not only get new business but will revive the old. I have been writing Advertising literature of different kinds for the last two years. This is a short period as experience is computed in the Advertising field but, as I have "made good", I feel that I have the right to claim that I am an Advertising Man of value.

Previous to my entrance into the advertising field I had been a salesman, both wholesale and retail for five years and I believe this experience helped me greatly in giving me the opportunity to study human nature.

I am twenty-five years old, have a high-school education, and have made my own way in the world since the age of seventeen.

I will be willing to accept the position at eighteen dollars per week and leave it to your judgment if I am worth more in the future.

Will be glad to call and name references, etc.

Yours very truly--

John Brown
021 E 63rd St.

Fig. 15. Letter of Application That is Too Wordy and Indefinite.

explanation of any error or indefiniteness in his order, more careful handling in the matter of credit, and most explicit information regarding the shipment of his goods. It is probable that he is not altogether familiar with business forms, terms, and customs, and he will ap-

preciate any attention on the part of the correspondent that will make business matters easier or simpler for him. If the correspondent handles either wholesale or retail orders only, he will probably have no trouble in this respect; but if he is required to handle both kinds, or is shifted suddenly from one to the other, it will pay him to be careful in the wording of his letter. Compare the styles of Figs. 2 and 3.

EXERCISES

1. Write a letter to yourself, from Wallace, Hills & Co., acknowledging order and remittance for three standard books; say that two are being shipped, but that the third is temporarily out of print. Supply your own details.

2. Supposing yourself to be buyer for a small department store, write a letter to the wholesale department of Marshall Field & Co., Chicago, ordering a bill of dry goods. Supply your own details.

3. Acknowledge the order for Marshall Field & Co.

DON'T USE

NO USE for "of no use." Don't say, "It's no use to me;" say, "It's of no use to me."

OCCUR for "take place." Panics may "occur," but auctions "take place."

ONCE IN A WHILE for "now and then" or "occasionally."

OPEN UP for "open" or "introduce." "Up" is superfluous. A man may "open" a place of business, or "introduce" a new topic in conversation.

OPINION for "idea." An "opinion" is the result of thought; an "idea" may be only a passing impression.

OVER for "more than." Don't say, "I have over a dollar left;" say, "I have more than a dollar left."

OVER AND ABOVE for "in addition to." Don't say, "Over and above what you gave me, I had some money of my own;" say, "In addition to what you gave me," etc.

OVER WITH for "over." "With" is superfluous.

OWN UP for "confess." Don't say, "I own up that I was wrong;" say, "I confess that I was wrong."

LESSON X

COMPLAINTS, AND HOW TO HANDLE THEM

In spite of the care with which modern business methods surround every transaction, mistakes are bound to occur; as the responsibility for them is pretty sure to be about equally divided between buyer and seller, it is only proper for each to assume his fair share of blame, and to make the adjustment as easy as possible for the other. It will happen, too, that the most painstaking correspondent will occasionally make a mistake, and will need the sympathetic help of the man on the other side of the case; it will pay him to remember this when he has to handle complaints from others.

Every firm expects to make and receive a certain number of complaints in the course of a business year, and firms doing any great amount of business employ persons who do nothing else but attend to such matters. Such correspondents are paid not to make things disagreeable, but to settle disputes and adjust errors with as little friction as possible. Theirs is not the most pleasant work, but it is necessary; and, if handled right, it means a great deal both to the firm and to the correspondent. It is much easier to offend a good customer who thinks he has been misused than it is to put a new customer on the books; and it is the business of the complaint man not only to settle the affair in question to the advantage of his firm, but to do it in such a way that the customer's patronage will be retained.

The greatest difficulty in handling complaints arises from the fact that too many "kicks" are written while the complainant is still moved by his anger or disappointment, so that he permits himself to be discourteous, and at the same time neglects to present his complaint in the definite terms that will lead to its speedy adjustment. When a man comes upon what appears to be an inexcusable piece of carelessness, his first impulse is to "roast" the man or firm responsible; as a matter of fact, he not only gains nothing by so doing, but he is almost sure to lose sight of the reason for his complaint, and so to involve the two firms in a further tangle.

A complaint letter should be written promptly, courteously, and specifically. It is unfair to the offending party to hold a grudge against him, without giving him a chance to adjust the difference; and it is often very difficult to adjust a matter that has been allowed to go unnoticed for some time—until the goods involved have spoiled

or gone out of style, perhaps, or until the details attending the sale have become dim in the minds of both parties. It often happens, too, that a disagreement apparently serious—as, for example, in a matter

Chicago, Ill.
Oct. 10, 1910.

S A Tribune,
Chicago, Ill.

My qualifications for the position advertised are as follows:

Age: 25; unmarried.

Education: Graduate of Hyde Park High School, Chicago, 1901.

Habits: Good. I do not drink, and use tobacco only in moderation.

Experience: Retail salesman for Marshall Field & Co., Chicago, 1901-03.
Wholesale salesman, same firm, both in Chicago and on the road, 1903-08.
Advertising writer for Long, Critchfield & Co., Chicago, 1906-08.
Advertising writer for Wallace, Hills & Co., Chicago, 1908 to present time, and still employed by them.

Salary expected to start: \$18.00 a week.

My desire to leave my present position is due to the fact that I believe I can do better work by giving all my time to one line of advertising writing, instead of being obliged to handle many different propositions. Wallace, Hills & Co. know of my desire to get into mail order work, and will be glad to answer any inquiries regarding my ability.

I left both Marshall Field & Co., and Long, Critchfield & Co., of my own accord. I have general letters of recommendation from both firms. Long, Critchfield & Co. credited me with considerable originality, and I planned for their clients several advertising campaigns that worked out well.

While I am willing to start at \$18.00 a week, I understand that I may expect something better as soon as I have proved my worth.

If you will kindly grant me a personal interview, and allow me to show you some samples of my work, I believe I can convince you of my ability to meet your requirements.

Respectfully yours,

John Brown

021 East 63rd St.,

Chicago, Ill.

Fig. 16. A Letter of Application That Will Receive Attention.

of delivery or terms—will prove to be only a misunderstanding that can be settled amicably by the exchange of two letters. It is wisest, therefore, in all matters that justify a complaint, to give the offend-

ing party immediate notice of the fact, and to suspend judgment until he can explain his side of the question.

Courtesy is peculiarly appropriate in letters of complaint. If the offending party has made an error which could be due only to lack of proper care—as is often the case—he will be sorry enough for the mistake, and ready to adjust it when it is brought to his attention. To abuse him before he has had a chance to speak for himself is neither right nor gentlemanly; and if he happens to be a man of quick temper, or if he considers that his business honor has been questioned, he may even go so far as to throw all the blame upon the complainant, and either force him to take all necessary steps to secure an adjustment, or refuse outright to consider the complaint. An initial letter of complaint should, therefore, be as courteous and unbiased as possible, to give the other party the tacit assurance that he will not be condemned unheard; but if that fails to bring a satisfactory response, the matter may be pressed, and even handled without gloves, as the policy of the house may dictate. In this respect complaint letters are very similar to collection letters to stubborn delinquents. (See Lesson XI.)

A complaint letter that is specific makes it possible both for the recipient to understand the reason for the complaint, and either to see at once wherein his firm is at fault, or to understand at once the problem which he has to handle. To say that goods received “don’t suit” is to give no just reason for their refusal or return. It is due to both parties, both in courtesy and as a matter of business, that they should be given full details of the cause and extent of the disagreement. For an example of a good complaint letter from one firm to another, see Fig. 19.

Complaints, like collections (see Lesson XI), should be considered in two distinct classes: complaints from firms, and complaints from individuals. A complaint from a firm may be handled as briefly and as business-like as possible—indeed, it is quite possible that the complaint will be made on a printed form, and answered on another. In case a letter is written it may concern itself only with making plain the status of each party, and settling the difference. An apology for a blunder is always proper and expected, but the offending firm can best show the proper spirit by its promptness in attending to the matter, and by its willingness to do

its part to make matters right. A complaint that is handled promptly and courteously is already half adjusted, no matter how serious the difference may appear. A good way to handle the complaint made in Fig. 19 would be as follows:

Dear Sirs:

Permit us to thank you for your very considerate letter of April 10th, regarding the two Swift Bicycles which were damaged in shipment. We find that our packer misunderstood his instructions and crated those two wheels for city delivery. His error should have been caught by our Shipping Department; but as it was not, the fault is plainly ours. We deeply regret this carelessness, and assure you that we have taken steps to prevent its repetition.

To atone for the inconvenience that we have caused you, we are shipping you today by American Express, carriage prepaid, two Swift Bicycles to duplicate your order, and a new wheel and tire to replace the broken one. If you can repair and sell the damaged bicycles, we will allow you 25% off on the list price, as you suggest, and have so billed them. Please return the broken wheel and tire, at our expense.

We are pleased to know that the rest of your order was satisfactory, and trust that you will be able to send us many reorders on these bicycles.

Very truly yours,

In handling individuals the method is different. Individuals are more prone to show anger in making their complaint, and they are apt to forget that theirs was not the only order with which the firm had to deal. They should be treated with the utmost courtesy and promptness, and as a rule they must be allowed to be more dictatorial in the matter of settlement. The complaint should be acknowledged immediately, and, if it cannot be at once adjusted, the complainant should be assured that the matter will receive prompt and careful attention. If it is a matter of some moment, involving considerable care in investigation and settling, the complainant should be advised from time to time how matters are progressing. This will keep him in good humor, and will prove to him that the firm is doing its best to adjust matters.

Non-delivery of goods ordered is one of the chief causes of complaints from individuals. About half the time the responsibility for non-delivery is due to the fact that the purchaser did not give proper shipping instructions; but, as a rule, it is better for the shipper to assume the burden of blame, unless he can at once prove that he followed instructions. The most satisfactory way to deal with such a complaint, so far as the purchaser is concerned, is to duplicate the shipment and assume the burden and expense of tracing and recovering the lost shipment. Often, however, this is not possible, as in the case of goods made to order, goods out of stock, or season-

able or perishable goods. In such cases the only thing to do is to start a "tracer" after the missing shipment, and assure the buyer that every possible effort will be made to get the goods to him. If

WALLACE, HILLS & COMPANY
STATE STREET AND WABASH AVENUE
CHICAGO, ILL.

October 10, 1910.

Mr. W. W. Blank,
Adv. Mgr. Montgomery Ward & Co.,
Chicago, Ill.

Dear Mr. Blank:-

While we were lunching together at the University Club last Tuesday, you mentioned the fact that you were in need of another advertising writer. If the position is still open, I would recommend for it Mr. John Brown, who will present this letter to you.

When I first met Mr. Brown he was with Long, Critchfield & Co., Chicago, and was writing most of our magazine advertising. His work impressed me so favorably that I offered him a position as advertising writer with our firm. He accepted, with the approval of Long, Critchfield & Co., and has been with me for the last two years. He has justified my faith in him by writing us some of the best pulling copy that we ever used, and his work has been satisfactory in every way. He is original and up-to-date in his advertising ideas, and knows how to express them forcefully and in good English. Personally he is a good man to work with--steady, businesslike, and dependable.

While I shall greatly regret losing Mr. Brown, I cannot advance him above his present position, because the men above him have made themselves fixtures. I agree with Mr. Brown that he is equal to a bigger position than he has here, and I hope you can give him the opportunity that he seeks. If you will see him personally, you will oblige both him and me.

Very truly yours,

W. B. Hill

Fig. 17. An Effective Personal Letter of Recommendation.

the buyer can be proved responsible for faulty shipping directions, he must suffer any possible loss; but if the seller is responsible, he must either hasten the delivery of the goods or stand good for their

loss or the loss of the sale. For an illustration of a suitable letter in such a case, see Lesson II, Exercise 2.

Individuals are also prone to complain when the goods ordered

MATTHEW GREEN & SON

Dealers in.

GENERAL MERCHANDISE

Jonesville, Mich., March 22, 1910.

Wallace, Hills & Co.,
Chicago, Ill.

Dears Sirs:-

You may ship us by freight, f.o.b. Chicago, via Michigan Central Railroad, the following goods, listed in your "Spring Specials" announcement, dated March 15th, 1910:

1 Model X Swift Bicycle, fitted with M. & W. double tube tires, 20 in. frame,	-	-	-	-	\$40.00
1 Do., 22 in. frame	-	-	-	-	40.00
1 Model 2908 Ajax Bicycle, fitted with Xmor single tube tires, 22 in. frame	-	-	-	-	30.00
1 Model 288 Oriole Bicycle, fitted regularly, 22 in. frame	-	-	-	-	22.50
1 Model 1910 Swift Motorcycle	-	-	-	-	200.00

In case any of these goods are out of stock, kindly advise us, and ship remainder of order immediately.

We wish these goods billed us at 60 and 90 days. You will find us rated in Dun and Bradstreet. We also refer you to Marshall Field & Co., Hibbard, Spencer, Bartlett & Co., Franklin MacVeagh & Co., of whom we have recently purchased goods, and who, we believe, will satisfy you of our promptness in meeting our bills. We shall appreciate any courtesies that you can show us in the way of credit and discounts.

While we have been in business here for only two years, we are well established and have a good cash trade, turning over \$2,000 a month on the average. Our customers are keen after bargains, even though the prices are only slightly cut, and we shall be glad to be kept advised of goods that we can use as leaders. We expect to use those bicycles to get more of the trade of the young men.

Yours very truly,

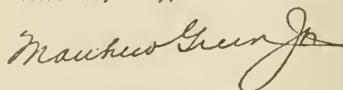


Fig. 18. Correct Form for a Letter Ordering Goods.

do not come up to their expectations, when they themselves are plainly at fault in having misunderstood what was offered to them. There is no law against a man's changing his mind between the time he buys and the time he receives his purchase, but there is a

pretty definite business law that a change of mind does not entitle a man to return goods once purchased. If the goods are returnable, it is the business of the correspondent to resell them—that is, to per-

MATTHEW GREEN & SON

Dealers in

GENERAL MERCHANDISE

Jonesville, Mich., April 10, 1910.

Wallace Hills, & Co.,
Chicago, Ill.

Dear Sirs:--

Your shipment of our order of March 22nd arrived today, but I am sorry to say that it is not all in good condition.

The two Model X Swift Bicycles, which were crated together, are badly smashed. The front wheel of one (the 22 in. frame) has a cracked rim, and five broken spokes; the tire, too, is so torn that it will have to go back to the factory. The other bicycle (the 20 in. frame) has a bent handle bar, and several deep scratches on the frame. Apparently the damage is due to poor packing, as the crats on these two wheels is much lighter than those on the others.

If you will replace the wheel and tire of the 22 in., we can have made such other repairs as will enable us to sell these bicycles, provided you will give us a discount of 25% off on each. We cannot make either wheel look good enough to sell for full price. If you do not care to do this, send two more Model X Swift Bicycles, carefully packed, and we will return the damaged ones.

The other bicycles came through in good condition, and are satisfactory in every respect.

We are greatly disappointed that the two Swift wheels are not immediately saleable, as we had planned to use them as leaders, and hoped to send you a good number of orders. We shall appreciate it if you will duplicate them promptly.

Very truly yours,

Matthew Green Jr

Fig. 19. A Complaint Letter from One Firm to Another.

suade the buyer that they are exactly as represented; and that, though he may be disappointed in them now, he will find, if he will give them a fair trial, that they are exactly what he wanted. If he

cannot be so persuaded, it depends upon the policy of the house whether he shall be allowed to return them, or be obliged to make the best of his bargain. In either case, it is the business of the cor-

American Technical Society
PUBLISHERS
Chicago

January 12, 1910.

Mr. Ernest M. Dawes,
Fordham, Miss.

Dear Sir:-

Your recent order for Cyclopedia of Architecture is now ready for delivery and we await shipping instructions from you. Through an oversight our agent who took your order failed to show on the contract whether books are to be delivered at your home or business address; the date on which the shipment should be made is also omitted. We need both shipping date and delivery address to insure prompt and proper handling of your order.

Will you be kind enough to give us this information at once, using the enclosed stamped envelope for your reply. At the same time please give us the name of some responsible business man as reference, as this is required for our records on all orders taken outside of the home office district. As a business man you, of course, appreciate that this is a necessary formality. We are pleased to refer you to the Continental National Bank and to the National City Bank of Chicago for reference as to our standing.

Hoping to receive a reply by return mail so that your order may not be unduly delayed, I am

Yours very truly,

E. H. Ward.

Secretary.

CHW/L

Fig. 20. A Letter Asking Further Information Before Giving Credit.

respondent to convince the buyer, without giving offense, that the seller was perfectly honest in the transaction, and that the buyer deceived himself, if he considers himself deceived. If the goods are not returnable the correspondent has the pleasant task of per-

suading a disgruntled customer that he is really satisfied with what he declares he does not want and will not keep. In such a letter the correspondent may put some stress upon the fact that the goods cannot be returned, and that the purchaser might as well make up his mind to like them. It cannot be put as baldly as that, but that attitude will often show a changeable customer that his complaint is only a passing whim which really deserves no attention. For the correct method of handling such complaints see Fig. 4.

It is not to be understood that the customer should be encouraged in making unreasonable complaints, or that he should be humored at the expense of the seller. If his complaint is justified it must be adjusted to his complete satisfaction, whatever the monetary loss of the firm; but if he had no reason to complain, or asks unreasonable things, he must be "turned down" politely but firmly. The policy to be followed in such matters is determined by some one higher than the correspondent, but it is his duty to use every legitimate trick of his profession to help his firm out of a hole, without offending the complainant.

EXERCISES

1. Make a complaint to Marshall Field & Co., Chicago, regarding the goods ordered in Exercise 2, Lesson IX. Supply your own details.
2. Acknowledge and adjust the complaint made in Exercise 1.
3. The Brown Automobile Co., Chicago, sold to Arthur Simms, Cairo, Ill., a 40-horse-power Brown Automobile, for \$3,000. Mr. Simms is very much dissatisfied with his purchase; he objects to its color, though it is exactly as ordered, and says that the machine won't run. He writes an offensive letter, demanding his money back. It is evident that the real trouble is that he does not yet understand the machine. Write a letter that will satisfy him.

SEND TO THE SCHOOL YOUR EXERCISES FOR LESSONS IX and X.

DON'T USE

PANTS. In ordinary speech, "trousers" is preferable; but "pants," as a trade term, must be accepted as business English.

PARTIALLY for "partly." "Partially" means with unjust favoritism. To say that one is "partially" responsible for a mistake, is, as a rule, to take undue blame upon one's self.

LESSON XI

CREDITS AND COLLECTIONS

The duties of the credit man are distinct from those of the correspondent, and are not within the province of this text; but since many correspondents are required to write credit and collection letters, either wholly or in part, it will not be irrelevant to consider here how such correspondence should be handled.

Credit letters require care, courtesy, and tact. It is usually impolitic to offend a man, however undesirable a customer he may be; but it is not good business to allow an "undesirable" to see that he is trying the patience of the house, nor to let a "hard luck tale," or a natural feeling of pity or sympathy, warp business judgment. The credit man may curtly instruct the correspondent to refuse to open an account with a certain man, or to give him further time for payment; but it is the business of the correspondent to state the case as gently and yet as firmly as he can. If it appears that the customer is entitled to credit, but that he has failed through carelessness or ignorance of business procedure to present his case in its most favorable light, the correspondent is supposed to explain the circumstances so clearly that the customer will know how to set himself right, and so tactfully that he will not take offense at being further questioned. Many a man has later become a valued customer of a rival house, because the tone used by the credit department hurt his pride. Fig. 20 shows a good form for such cases.

When a customer's application for credit is granted, he should be so advised in a manner that will lead him to think not that he is the recipient of a great and unusual favor, but that he is receiving only his right as a responsible business man. If, on the other hand, he must be absolutely refused credit, the correspondent should inform him of the fact in terms that will gloss the real reason so far as may be, but that will give him to understand that the matter cannot be reopened. Perhaps the most effective reason for refusing credit, and the one least galling to the customer, is the indefinite "it is contrary to the policy of the house," to do as the customer suggests. There are cases when a blunt "no," and a plain statement of the real reason, are the best answers to give to a request for credit; but even such a letter should be dignified and not purposely discourteous.

There is more difference in the handling of collections than in any other form of business correspondence, and this text can consider collection letters only in a general way. Here again the policy of the firm dictates the tone of the letter. Some firms will tolerate any kind of a letter that will collect the

THE DIXON-HANSON COMPANY

Educational Publishers
315 DEARBORN STREET

CHICAGO. Aug. 5, 1910

Dear Sir:

A month or so ago we wrote you about paying for your set of the NEW PRACTICAL REFERENCE LIBRARY. We understood that you were temporarily in rather poor circumstances, and we tried to accommodate affairs to your needs. We offered to accept ridiculously small payments from you, believing you would appreciate the courtesy and be glad to do your share. You evidently have not done so, for we have received no payment from you since.

Now this must have attention. We agreed to accept very small payments, but we cannot agree to accept nothing at all. We must ask you to pay something at once. You wouldn't ask or expect less, were you in our place.

It is not an unreasonable request. No one but a person in absolute poverty would find it impossible to pay such a small amount. It can only be a question of disposition, not ability to pay.

We raised no question about your order when you gave it. We filled it in good faith. We believed we were safe in trusting the set to you on credit. Honesty is not conditional on wealth or poverty. We believed we could rely upon yours. Were we mistaken?

Do you realize that you have purchased the work of great merit - a work unsurpassed in the field that it covers? You ought to take pride in placing it in your home. If your means are small your ambitions are big. It is much to your credit that you are providing your children with such advantages. We realized that, and tried to help you by our offer last month. Don't you appreciate it?

In short, we ask you to take care of this account at once. We have tried to do our part - we must ask you to do yours. We request some payment, even if not a large one. Provide for it now. Don't put it off. Lay it aside now, for our collector. Don't overlook it again.

Yours very truly,

THE DIXON-HANSON COMPANY.

Fig. 21. A Collection Letter That is Strong, but Not Offensive.

money due them, while others will maintain their dignity at the risk of losing the money; and on the other hand, some men can be led to pay their bills by persuasion, some by shame, some by "bluffing," some by bullying, some by threats, some only by process of law—and some not at all. As a rule, a firm wastes little time or courtesy trying to collect from another firm. The creditor

sends monthly statements of the indebtedness for three or four months, with increasingly curt requests for settlement, then warns the delinquent debtor that he will have recourse to law, and finally turns the account over to a lawyer or a collection agency. The preliminary letters need not be discourteous, and they should not be offensive; but they may be as short as the creditor cares to make them. The latter part of the correspondence should be written or supervised by a lawyer, and belongs to commercial law rather than to business correspondence.

Collection letters directed at an individual permit of different handling. It may be taken for granted that most individual debtors really intend and desire to pay, and that their delinquency is the result rather of carelessness or misfortune than of any desire to defraud. Most mail-order houses sell part or all of their goods on the installment plan, requiring monthly payments; and probably a majority of the accounts that are collected by mail are of this sort. Whatever the proposition, installment accounts offer the best opportunity for the correspondent to show his skill and ingenuity.

Installment contracts seldom call for the payment of more than one hundred dollars, and most of them call for considerably less. It is not profitable either to reclaim the goods for nonpayment, or to force payment by process of law. The creditor can better afford to spend time and postage collecting by mail—not by threats, but by persuasion.

Men who are both able and willing to pay their debts are often careless about paying promptly, either through habit or through some chance that has interrupted their usual routine. A simple "monthly statement," such as is usually sent when the installment is due, may reach the debtor when it is inconvenient for him to get a money order or a draft, and before he has the opportunity to send the money, he may forget the matter. This may happen several months together, without any intentional neglect on the debtor's part. Obviously, then, the best way to approach such a debtor is to assume that his neglect has not been intentional, and to remind him that he is causing the creditor an expense and inconvenience that were not covered by the price at which the goods were sold to him. Similarly, it may be assumed that any debtor is delinquent only through carelessness; and the assumption, courteously expressed, will often bring the desired remittance more promptly than a violent letter would do.

Again, it may easily happen that a man who has contracted to

make payments extending over a number of months has undertaken more than he should, that he has suffered reverses that have made it impossible for him to meet the payments as he expected, or that he

Maurice L. Rothschild

Southwest corner Jackson and State

Chicago

MINNEAPOLIS 617 & WOODLEY
ST. PAUL 718 & HOBBY

Nov. 26, 1909.

Mr. C. B. Barrett,
Chicago,
Ill.

Dear Sir:-

Just at this overcoat season, it seems as though we really must send you a special message about the extraordinary stock of fine overcoats we have here.

We can't think of any overcoat need that we haven't provided for. We have these overcoats, auto coats, rain coats, general utility overcoats; some have the high military collar, made to fold back in laps if desired; some button-through, some box back, some form-fitting.

The new Scotch and Irish weaves are notably rich this year; and will show you some very stylish new grays in various shades that will please your fancy.

At \$35 \$40 \$50 \$60 you get the richest fabrics and finest silk linings made. At \$20 and \$25 we're selling overcoats that are better than we ever believed could possibly be delivered for the money.

If you'd like to look at fur trimmed or fur lined overcoats, we've got some beauties. The "shells" are made for us by Hart Schaffner & Marx and we put the fur on or in them in our own fur shop.

We do want you to see this overcoat stock; there's nothing like it elsewhere in this country.

You understand, of course, that if you ever get anything here that isn't fully satisfactory in any way, we want a chance to make it right. Mistakes do happen; we're willing to pay for ours.

Have you ever been disappointed here? Let us know.

Yours very truly,

Maurice L. Rothschild

Fig. 22. A Good "Form" Selling Letter for the Retail Trade.

has found the goods not so satisfactory as when he first bought them. In any of these cases the problem becomes one of selling rather than collecting—the purchaser must be again persuaded that he really

wants the goods, that they are just what he expected them to be, and that he can afford to pay for them if he only thinks so.

Presuming that the man purchased in good faith, it is bad policy to go at him as if he were suspected of a desire to defraud. Many honest debtors are ashamed of their inability to pay, particularly if they are accustomed to meet bills promptly, and will refuse to answer an ordinary dunning letter, or to give any statement of their situation, hoping that some turn of fortune will enable them to pay up next month. It is a good idea, therefore, to invite the confidence of the debtor, tacitly assuring him that his honesty is not questioned, and determine if the payments can be made any easier for him. It may be suggested that some unforeseen contingency has made it temporarily impossible for him to meet his payments, and that the creditor is willing to do anything possible to lighten the burden of the debt. Even if this does not happen to hit his case, the tone of the letter will convince the debtor that he is still regarded as an honest man, and will give him an opportunity to explain his delinquency, and arrange for future payment. It is not always possible to get an answer even to such a letter, because the debtor still hesitates to acknowledge his condition, and still hopes for relief; but a series of letters of this type will often work wonders where an immediate resort to bluffs or threats would have no effect. Fig. 21 illustrates a collection letter which is urgent, yet not offensive.

The purpose of these preliminary letters is to discover why the debtor has become delinquent; until he knows that, the correspondent is only groping in the dark. When once the debtor explains that he is unable to continue the payments, or that he does not feel obliged to because the goods were not as represented, the case assumes a different phase. Whether the man can or cannot pay is not for the correspondent to decide; it is his duty to tell the debtor, without offending him, that he will be held to his contract; or to resell the goods, if dissatisfaction with them appears to be the real reason for delinquency. Fig. 4 illustrates the method of "reselling" a dissatisfied customer.

In the latter case the correspondent must first determine how much real cause for complaint the debtor has. Often a case that appears to be merely an attempt to avoid payment, will, upon investigation, prove to be a well founded complaint. The corre-

spondent can determine the exact standing of the complaint both by an investigation of the manner in which the order was filled, and by getting the debtor to explain in full his cause for dissatisfaction. That is not always as easy as it might be, for a dissatisfied debtor has probably reached the point where he will be glad to get rid of a bad bargain; but if the correspondent is courteous and patient, he will at last get at the facts in the case. If he finds that his firm is at fault, it is his duty to make amends as speedily and as thoroughly as possible, and to apologize so thoroughly and sincerely that the debtor will be convinced that the firm meant to do the right thing by him. If the debtor is wholly or partly in the wrong, and particularly if he has been self-deceived in the nature of the goods, or the terms of the sale, the task of the correspondent is more delicate and important. By patience and courtesy, however, and by firmly refusing to back down when he finds that his firm is in the right, he will be able to collect many debts that were apparently going "bad."

In case the debtor remains silent, or proves not amenable to persuasion, the correspondent may begin to "put on the screws"—always within the limits fixed by the policy of his house. The "Chicago Tribune" uses the following brief letter, which is written in the middle of a full size letter sheet, and which is effective because of what it does *not* say:

Dear Sir:

The enclosed statement shows your account considerably overdue. Please give us a remittance in full settlement by return mail.

Yours very truly,

Sometimes a quiet hint that it will be the disagreeable duty of the creditor to see that other business men are not similarly imposed upon, will bring the debtor to time. Again, it may be necessary to tell him plainly that he must either meet his payments or suffer the consequences—the seizure of the goods, or a law suit, as the case may be. When matters reach this stage, they belong in the province of the lawyer rather than the correspondent; but it may be stated here that a bluff or a threat must be made convincingly to be effective, and that it can hardly be effective unless it is backed by a determination on the part of the creditor to carry it out, if necessary. Collection

letters that threaten suit need to be handled very carefully, or they may involve the creditor in unpleasant legal entanglements. Even a dishonest and defiant debtor may not be handled too roughly through the mails.

EXERCISES

1. Supposing yourself credit man for Wallace, Hills & Co., Chicago, write a letter to Matthew Green & Son (Fig. 18), declining to give them credit on their showing, but offering them the opportunity of making a statement of their condition. Supply your own details.

2. Write a collection letter for Wallace, Hills & Co., Chicago, to be used on "charge" customers three months in arrears. Supply your own details.

3. Write a collection letter to be used by them on similar accounts just before placing the matter in the hands of an attorney for collection.

DON'T USE

PATRONS for "customers." Properly speaking, the "patrons" of a business are the men who have money invested in it; those who buy are "customers."

PHENOMENA. as a singular. The singular form is "phenomenon."

PLACE for "where." Don't say, "Let's go some place tonight;" say, "Let's go somewhere tonight."

PREJUDICE for "prepossess" or "predispose." Don't say, "I am prejudiced in his favor;" say, "I am predisposed in his favor." "Prejudiced" means inclined against.

PRESENT for "introduce." A man is "presented" to one of higher social rank, as to the President of the United States; he is "introduced" to men with whom he will work.

PRETEND for "profess." "Pretend" implies a claim which cannot be substantiated. Don't say, "I pretend to be a bookkeeper;" say, "I profess to be a bookkeeper."

PRINCIPLE for "principal." It is "principal" that a man puts out at interest; his "principle" of honesty that inclines him to pay his debts.

LESSON XII

FORM LETTERS

If all the letters received by a firm were answered individually, and if all those answers were compared at the end of a certain time, it would be found that many of them were duplicates except for minor details of phrasing. Similarly, if a firm had the same proposition to present to several hundred or several thousand different persons, and should undertake to write them individual letters, it would be sending out hundreds or thousands of letters alike except in unimportant details. It is certain, too, that many of these individual letters, while they might contain all necessary information, would be considerably lacking in selling force, because the correspondent had become "stale" through constant repetition of the same thoughts. Both to make their letters uniformly good, and to effect a considerable saving in time, labor, and money, most business houses now make use of what is termed the "form letter"—that is, of a letter written as to an individual, but sent to a number of different firms or persons to convey to them the same information.

Form letters may be either copied singly on the typewriter, or printed by the thousand from imitation typewriter type on a regular printing press. Form letters that are copied are in effect individual letters, and should be so regarded. They are prepared in advance in order to put the proposition in the best possible shape; they should follow very closely the usual letter form, in order not to betray the fact that they are stereotyped; and they must, of course, be sent sealed, as first-class mail. On account of the expense of copying and mailing them, they are adapted only to cases where it is necessary, or politic, to make the reader think that he is getting a personal letter. For example, if an art dealer were commissioned to sell a small and valuable collection of water-color paintings, he would know that he would be wasting effort and postage to advertise them generally. He would, instead, prepare a careful notice of sale, in the form of a letter, which he would have copied in the best possible form, and mailed to the three or four hundred persons of wealth and culture to whom he could hope to sell the paintings.

Printed form letters are so generally used that, in spite of the skill with which they can be printed, it is probable that they do not deceive one reader in a thousand. That is, however, no reason why they should be prepared carelessly, but is rather an additional reason why they should receive the utmost care—not in the attempt to deceive, but to make them seem attractive and personal in spite of their printed form. The whole purpose of the printed form letter

is to give the impression of a personal letter; if that pretense is not carried out to the least detail, the whole effect of the letter is lost, and the letter fails to make a favorable impression. A circular,

Baltimore Boston Butte Chicago Cleveland Dallas Denver Detroit Houston Kansas City London Los Angeles Memphis	HARPER & BROTHERS, PUBLISHERS NEW YORK AND LONDON	Baltimore New Orleans New York Philadelphia Portland Rochester St. Louis St. Paul Salt Lake City San Francisco Seattle Syracuse Washington
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HARPER'S
MAGAZINE

HARPER'S
WEEKLY

HARPER'S
BAZAR

FRANKLIN SQUARE, NEW YORK

January 3, 1910.

Mr. W. S. Lockwood,
5769 Drexel Blvd.,
Chicago, Ill.

Dear Sir:

We desire to acknowledge receipt of your letter of recent date and to apologize for our tardiness in answering.

We take pleasure in enclosing herewith descriptive circular of HARPER'S MASTER-TALES, which consists of eight volumes of Tales by the best European authors, in connection with the three Harper Periodicals.

The purpose of offering these books, together with a year's subscription to each of the Harper Periodicals, at a cost of but little more than the newsstand price of the periodicals alone, is to increase our subscription list.

It was our conscientious endeavor to include in these volumes the greatest short fiction that Europe has produced. That we have succeeded may be inferred from the fact that the editors were, among others, William Dean Howells, Henry James, and Brander Matthews, and that among the thirty-three writers, whose works are represented, are Guy de Maupassant, Ludovic Halévy, François Coppée, B. Pérez Galdos, Alphonse Daudet, Alexander Kielland, etc.; men, in other words, who stand for the greatest in modern European literature.

The books have gilt tops and uncut edges, and are bound in red silk book cloth with design in gold, and in every way worthy of a place in your library.

We sell these books alone at \$9.00 a set; together with one periodical at \$11.00; while with the three periodicals the cost is \$13.00. Furthermore, the periodicals may be sent to different addresses, if desired.

Payment may be made either by cash with a 5% discount, or by monthly payments of \$1.00 upon receipt of the books and \$1.00 a month until the amount is liquidated.

Yours very truly,

Harper & Brothers

HAN--S

ALL COMMUNICATIONS MUST BE ADDRESSED TO THE HOUSE AND NOT TO INDIVIDUALS.

Fig. 23. An "Inquiry" Letter Designed to Sell Direct.

neatly printed in regular type, is far more effective as a selling document than a poorly arranged and badly printed form letter.

Printed form letters come from the printer in various stages of completion, according to their purpose. Some have the date, "Dear

Sir," and signature printed at the same time as the body, and are designed to be mailed under a one-cent stamp, in an unsealed envelope. They are not personally addressed to the recipient, and depend upon their contents or arrangement to catch his attention. Some have only the body printed, from the "Dear Sir" to and including the "Yours truly;" the date line and the personal address are filled in on the typewriter, and the signature is filled in by hand, or by means of a rubber stamp facsimile. Such letters may or may not be mailed under a one-cent stamp, according to the postoffice ruling in force at the moment. It is important that the correspondent should keep up on these varying rulings, in so far as he can, for his knowledge will enable him to save his firm no small loss of time and money. Some letters are incomplete in the body. They are, in effect, forms to be filled in on the typewriter, and are used chiefly in acknowledging orders and mailing statements of accounts. They are more courteous than a regularly printed statement. They require two-cent postage.

In illustration: Fig. 5 has date and address filled in on the typewriter, signature filled in by hand; Figs. 6, 8, and 22 have date, address, and salutation filled in on the typewriter, signature printed; Fig. 9 is typewritten throughout, with pen signature; Figs. 10 and 12 are printed, with no address, and are signed with a rubber stamp.

While it is impossible to lay down any working rule regarding the relative value of letters entirely printed or partly filled in, it may be regarded as axiomatic that the more personal the form letter appears, the more effective it will be. Whether the expense of filling in the headings and signature will be justified is a matter to be decided for each separate case; but it is the business of the correspondent to understand all these matters, and to follow carefully the returns from the various kinds of form letters. It has been proved beyond question that a form letter mailed sealed, under a two-cent stamp, will receive more careful consideration than one sent under one-cent postage, unsealed. No man will throw into the waste basket, unopened, a sealed letter; but many men—especially those whom it is most desirable to reach—will destroy, unread, an unsealed communication. In case the proposition to be presented allows only a narrow margin of profit, or the list to be used is known to be full of dead timber, the correspondent may be justified in sending the letter unsealed; as a rule, a sealed letter will more than pay for the extra

expense of two-cent postage. The "postage saver" envelope is useful only because it carries its contents better than the ordinary envelope with a "tucked in" flap; the "postage saver" is now as familiar to the public as the form letter.

<small> CHARLES C. SMITH ADDRESS UNKNOWN PHILIP P. SMITH W.C. HENRY </small>	<small> 0001 000000 010 </small> OTIS & HOUGH BANKERS AND BROKERS <small>CUYAHOGA BUILDING</small> CLEVELAND	<small> MEMBERS OF NEW YORK STOCK EXCHANGE CLEVELAND STOCK EXCHANGE CHICAGO STOCK EXCHANGE COLUMBUS STOCK EXCHANGE CHICAGO BOARD OF TRADE </small>
<small> BOND DEPARTMENT 100 N. YORK BUILDING </small>		<small> FEDERAL RESERVE BANK COLUMBUS OFFICE ONE PENNSYLVANIA BENTLEY BUILDING CLEVELAND OHIO </small>
11 January, 1910		
Mr C. R. Barrett 6203 Madison Avenue Chicago, Illinois		
Dear Sir:		
We are in receipt of your inquiry of the 10th inst. asking for our booklet "BONDS AND HOW TO BUY THEM."		
In order to give inquiries from Illinois our best attention, we have arranged to refer all inquiries of this kind to Messrs. Litten & Roberts, Peoples National Bank Building, Rock Island, Illinois. They represent us in full and will be pleased to furnish you with booklets, list, and any information which we ourselves could give you, in a manner that cannot help but be satisfactory to you. Your letter has therefore been referred to them by this same mail, with the request that they favor you in every way possible.		
We shall watch the progress of your inquiry carefully, and are satisfied that we can give you the best service through the co-operation of our representatives at Rock Island.		
Thanking you for the inquiry, and trusting this is the beginning of a most pleasant business relation, we are,		
Very truly yours,		
OTIS & HOUGH,		
AMM/S	By <i>AMM</i>	

Fig. 24. An "Inquiry" Letter Designed to Sell Through an Agent.

It is also the duty of the correspondent to see that the form letters used by his firm are mechanically perfect. The printer can get type exactly duplicating the type used on any standard writing machine; and, if the letter is to

be filled in, it is important that he should print the letter in the type used by the firm. The filling in should be done accurately and neatly, so that all margins and spacings shall be exact, and the color of the "fill-in" should match the color of the body printing. Printers who make a specialty of imitation typewritten letters will match exactly any color of ink used, and will usually furnish, free of charge, short ribbons of the same color to use in filling in; any printer can get the proper ink from his ink house, if he will. The special inks used for this purpose have a tendency to run light or streaked, and the typist filling in printed letters should be instructed to throw out all botched letters. If these run too high in any given lot, the copies should be returned to the printer, so that he may replace them with perfect ones, and take more care with his work.

The printed letter may properly vary considerably from the usual form of the business letter, in its effort to catch the attention of the reader. This variation consists in greater freedom in the matter of paragraphing, in the use of capitals and underlinings, and in a somewhat eccentric method of punctuation. Indeed, it may be said that the printed letter may go to any extreme in these matters, so long as it does not absolutely offend against good taste, obscure its message, or give its form undue importance. For examples of the variations of form permissible in form letters, study Figs. 5, 6, 7, 8, 9, 12, 26, and 27.

Form letters are often accompanied by printed matter which states the general proposition, and which leaves to the letter its specific application. Whenever this is the case the correspondent should make it his business to see that the printed matter does fulfill all the general requirements, and that he himself is thoroughly familiar with the styles, prices, terms, general proposition, or whatever he may be handling. The correspondent may or may not have a hand in compiling the printed matter; but in any event he will be in the best position to test its general effectiveness, and his suggestions for its betterment will be given due consideration. Indeed, if he finds that the general printed matter is not doing its part of the work, and is in consequence both increasing his own labors, and making them less effective, it is his duty to his firm and himself to insist that the fault be remedied.

It may seem unnecessary to say that the correspondent should be familiar with the matter that he is handling, but the suggestion is warranted by the facts; many a firm has a good proposition ruined, and a possible customer turned away, by the ignorance of the correspondent. In city department stores it is customary for the heads of departments to supply their subordinates with copies of the day's advertisement, and to see that they understand both

the special proposition for the day, and the exact location of the goods offered. It is equally important that the correspondent should post himself thoroughly upon all the advertisements and printed matter used by his firm; if they are properly prepared, he can do no better than to follow their lead; if they are lacking in any respect, he will be expected to make up the lack.

EXERCISES

1. Supposing Fig. 4 to be a form letter sent out to a number of dissatisfied customers, vary the form to make it more effective. Change the wording as little as possible.

2. Supposing Fig. 11 came to you in the mail, show how you would vary the form to make it more effective to you. Change the wording as little as possible.

3. Write for A. C. McClurg & Co., Chicago, a form letter, requiring considerable filling in, to be used in acknowledging advance orders on a de luxe edition of "The History of Chicago."

SEND TO THE SCHOOL YOUR EXERCISES FOR LESSONS XI and XII.

DON'T USE

PROMISE for "assure." Don't say, "I promise you, it was an unpleasant experience;" say, "I assure you," etc.

QUIT for "stop." "Quit" means to go away from. Don't say, "We have quit making that style;" say, "We have stopped," etc.

QUITE for "very" or "considerable." "Quite" means to the fullest extent, totally, perfectly. An order book is "quite" full when it could not contain another order; but not when it is fairly well filled.

RECOMMEND for "recommendation." "Recommend" is a verb; "recommendation," a noun. Don't say, "He gave me a recommend;" say, "He gave me a recommendation."

REGARDLESS in such expressions as "got up regardless;" "regardless" leaves the thought incomplete. Say, "got up regardless of expense."

RESPECTIVELY for "respectfully." "Respectively" means singly, in the order designated; "respectfully," in a respectful manner. "Yours respectfully" is the proper form in closing a letter.

RIGHT for "precisely" or "without delay." Don't say, "Stand right here," "Do it right away;" say, "Stand (precisely) where you are" ("precisely" is not necessary, except for emphasis); "Do it at once (or, this instant)."

LESSON XIII

USE OF FORM LETTERS

According to their purpose, form letters fall roughly into three classes: answers to inquiries, business getting letters, and letters answering inquiries which are constantly repeated, handling claims or complaints, or making collections. Letters of the first class are distinct enough to be considered at length in Lesson XIV; letters of the second and third classes, having many points in common, are treated in this Lesson.

A form letter that is used to solicit business is essentially an advertisement, and should be so considered. As its possibilities of display are limited, and as it is not usually embellished by pictures, it demands of the writer a full knowledge of the possibilities of effective letter writing, and a most careful arrangement. It may depart to a considerable extent from the regular form of the general business letter—indeed, it must usually do so, since it comes to the reader unsolicited, and must make a special effort to get his attention and induce him to read it. (See Lesson XII.)

A form letter must be logical and convincing—that is, it must present its proposition in such form and language that the reader will follow it with interest, accept its arguments as sound, and act upon its suggestion. Logic, however, is not usually attractive when put into cold type, and the form letter must be attractive enough to secure a reading. It follows, therefore, that the form letter must at the very outset depart from its logical form sufficiently to catch the eye and attention of the reader. That involves making the opening paragraph attractive rather than logical, and then, when the reader's attention has been secured, skillfully directing it in the desired direction. As this method frequently means that the correspondent must jump into the middle of his subject, and work both ways at once to reach his end, it is not a simple matter.

The reader's attention may be secured by varying the fixed form of the letter, by opening with some startling announcement, or by using language or a figure of speech that is so personal in its appeal that the reader will be at once interested in what is to follow. The first method has been explained in the preceding Lesson. The second method needs careful handling because, if the opening is too startling, it may give offense, or mislead the reader so that he will be prejudiced against the proposition by being tricked into reading it,

or be so farfetched that it will be impossible to connect it logically with the proposition following. The personal appeal requires equally careful handling, lest it be so familiar or presuming that it is offensive, or so evidently condescending that it at once prejudices the reader.

As a rule, the success of a selling form letter depends upon its opening paragraph. The general proposition contained in the letter may be ever so attractive, but it will not be read by many men unless the opening of the letter is attractive. The following opening paragraphs, taken from actual letters, are too ordinary, too obviously marked "circular letter," to catch the attention of the reader:

It has occurred to the writer, etc.

* * * *

I am taking this means of acquainting you and all of my friends with the fact that I am an officer and stockholder in, etc.

* * * *

We know that you are interested in the sale of Wallpaper. We presume that as in anything else, you desire to achieve the greatest success. A great deal of your time and efforts are constantly taken up to work out plans how to increase your sales, how to augment your profits and to increase your prestige so that the ground once gained will become a source of continual income to you. Etc.

* * * *

Your attention is called to the enclosed circular descriptive of our great Automobile Contest.

The results of our previous Contest were so unsatisfactory that we decided to give our readers and their friends a better automobile as premium this year than we did last. Etc.

Consider how much more effective this last example would have been if the first sentence, and *paragraph*, had been as follows:

Want an auto? Of course you do!

Compare with the foregoing examples the following opening paragraphs:

We want the profits on your trade in 1920 besides wanting it today - therefore we resort to no questionable schemes to overstock you.

* * * *

Of course you're in business to make money; and this being the case, wouldn't it be worth while for you at this time to consider the handling of such additional lines as would enable you to make money during the summer months?

You know that the Millinery Business is very dull at times, in fact you have rather a long dull season, and your expenses, such as rent, light, etc., do not diminish. Etc.

Study also the opening paragraphs of Figs. 5, 6, 7, 8, 9, 10, 11, 12, and 22.

The following opening paragraph illustrates in a ludicrous manner the importance of adapting the style to the subject matter:

The nature of a lumberman's work necessitates adequate hand-protection. He needs a glove that will save the wear and tear on his hands and which at the same time is durable. He needs a glove that will stand by him. Etc.

"Adequate hand-protection" is a joke, when used in connection with lumbermen's gloves. And the following opening shows that what may catch the reader's attention will not necessarily fix his attention upon the proposition offered:

"How do you mix your paints?" - inquired the art enthusiast of an immortal painter. "Easily enough;" was the great man's laconic reply. "I mix them with brains."

And the same receipt holds good in compounding the elements of a successfully running off-set press. The element we wish to focus attention on is the dampening rollers, etc.

In general it may be said that it is easier to get the reader's attention than it is to keep it. Catchy openings are not so hard to contrive; but openings that will at once attract the attention, and lead naturally into the logical presentation of the proposition, are the result of a happy inspiration, or of careful thought and planning.

As a rule it is wiser not to present the proposition in the first paragraph. The reader knows before he reads the letter that it is an attempt to make him spend money, and that it will use all the arts of the salesman to persuade him to do so; and he instinctively and unconsciously determines that he will not be persuaded, even though he may be induced to read the letter. For the same reason it is usually bad selling policy to quote prices in the first paragraph, while it is equally good policy to present as soon as possible the favorable terms, or the special offer that is to be made him. If a man knows at the outset that he is going to be asked to spend, say, \$24.00 for a set of books, he will often read no further; but if he is informed that he can have the books sent to him on approval, and pay for them in monthly installments of \$2.00, he is ready to listen to the arguments why he should purchase, and to consider them in the favorable light in which the salesman presents them. (See Fig. 12.) If, however, the proposition really offers the reader unusual advantages, or can be made to appear to do so, that is the strongest opening that can be devised; though even in that case the salesman can well afford to make his opening as striking and attractive as possible.

The argument should be personal throughout, both in tone and in application. (See Fig. 5.) The reader knows that the real pur-

pose of the letter is to sell goods at a profit, and he must be shown and convinced that the purchase will be equally profitable to him. Just how this can be done depends equally upon the goods, the

American School of Correspondence

CHICAGO, U. S. A.

Dec. 2nd, 1909.

Joshua White,
San Francisco, Calif

Dear Sir:-

You have overlooked something.

Is this a habit with you, or is it merely an accident? We write you a second time, because we assume that it is merely an accident.

We wrote you on the 15th ult., offering to send you the Cyclopedia of Commerce, Accountancy, and Business Administration free, charges prepaid, for five days' examination. We can't believe that you would deliberately turn down that proposition, and so we are renewing it.

The Cyclopedia is for the man who wants to get ahead, and who is particular not to overlook any chances; for the man who knows that experience, though a good teacher, is a slow one, and who, therefore, wants to get his knowledge in some quicker way. The successful plans of the cleverest organizers and executives in the business world are clearly explained. You are shown how to clip off the corners and smooth down the rough places so that your progress will be rapid and easy. Every branch of business is thoroughly covered. And all these plans for working, for thinking, for increasing your earning power in the easiest ways, have been given the sure test of long and successful use in many of the largest institutions in the country.

You cannot afford to overlook this chance. What man with his own interests at heart would dream of doing so? We take all the risk. The chances for great gain are all in your favor. We extend the offer made in our letter of November 15th for ten days longer, and we enclose a new order card for your use.

Don't run any chances of overlooking the matter. It's our last offer on these terms. Sign and return the card today.

Yours very truly,

H. Graves
State Secretary

HAG-WSL.

Fig. 25. A "Follow-Up" Letter Referring to Original Proposition.

reader, and the proposition. It is futile to attempt to sell a Cyclopedia to a poor clerk at the regular price because the books will look well on his library shelves; but it is a different proposition to sell the same books to the same clerk, reduced in price for a logical reason

and to show him how a study of them will increase his own chances of promotion. (See Fig. 12.)

The proposition itself should be presented clearly and simply, so that it cannot be misunderstood, and so that the reader will feel that it is straightforward and honest. If the proposition has been presented in the opening paragraph, it is probably put briefly and made as attractive as possible. In a page letter it can be repeated to advantage, so that the two separate presentations will assure its being understood. As a rule the selling letter is accompanied by printed matter explaining or describing at length the goods offered; it is necessary that it should be so accompanied unless the proposition concerns itself with a well-known article. The letter, therefore, can confine its space to making the proposition personal to the reader. It should contain prices, terms, limit of sale, and any other important details, whether or no they have been already covered by the printed matter. It should leave detailed descriptions to the printed matter, and selling arguments to the preceding paragraphs. (See Figs. 10 and 12, and compare Fig. 11.)

The closing paragraph should contain a brief but forcible summing up of the selling argument, and it may usually be strengthened by a cogent reason for quick action on the part of the reader. Selling letters are not often preserved for later consideration. If their first appeal is not strong enough to convince, they usually go direct into the waste basket. If, however, they have convinced the reader that he wants the goods offered, he will not resent being urged to order immediately, because he knows that matters postponed are often neglected till it is too late. There is further need for a strong closing paragraph, because the reader receives from that paragraph his last and most lasting impression of the letter; the purpose of the last paragraph is to leave an impulse to do at once what he has been asked to do. The following endings are too conventional and meaningless:

Trusting that we may have the pleasure of hearing from you
and assuring you that your reply will be greatly appreciated, we are
eto.

* * * *

With the hope that we may have a reply, for which we will
be duly grateful, we beg to remain, eto.

* * * *

Thanking you in advance for the early reply we know you
will give this, we remain, eto.

The following ending even encourages the buyer to postpone action, by its suggestion that the "excellencies" of the proposition have not been fully presented:

In a letter to follow soon, if you don't surrender at discretion to this one, we shall point out, in detail, some other excellencies that suggest themselves to us.
We shall hope to hear from you.

Compare with these, the forceful, business-like, "Do-it-now" tone of the endings employed in Figs. 5, 6, 7, 8, 10, 11, 12, and 22.

EXERCISES

1. Write a form selling letter for Franklin MacVeagh & Co., Chicago, addressed to the retail grocery trade, advertising a new line of canned goods, "Cabinet Brand," designed to meet the pure food requirements of all states. A descriptive price list accompanies the letter. Supply your own details.

2. Write a form selling letter for a merchant of your own town, addressed to country customers and possible customers, designed especially to draw their trade from city mail-order houses. A descriptive price list accompanies the letter. Supply your own details.

DON'T USE

SAME for "it." This is a common fault in business correspondence. Don't say, "We have your order, and will attend to the same at once;" say, "We have your order, and will attend to it at once."

SAYS I. There is no authority or excuse for this expression. Say, "I said," or, "said I."

SET for "sit." A man may "set" a hen, or "set" a plate on a shelf; he himself "sits" on a chair.

SETTLE for "pay." "Settle" implies that there has been a dispute, which has finally been adjusted. One "pays" a bill concerning which there has been no dispute.

SPELL to denote a period of time. Don't say, "I saw him quite a spell ago;" say, "I saw him some time since."

SPLENDID to express extreme delight in a person or a thing. Don't say, "I had a splendid time (or, offer);" say, "I had a very good time (or, offer)."

STATIONARY for "stationery." "Stationary" means remaining in one place; "stationery" means writing materials. One may speak of a "stationary" engine, or of the "stationery" of a business firm.

LESSON XIV

HANDLING INQUIRIES

In their newspaper and magazine advertising, many mail-order firms aim not to sell direct, but only to interest the reader to the extent of getting him to write for further particulars; and many firms, which aim to sell direct through advertising, also invite inquiry and investigation from readers who are interested, but who are not quite convinced that the advertised article is what they want.

A firm handling or specializing in one standard article, can usually present the superior merits of its goods in an advertisement, and make direct sales, because the buying public is familiar with the general good points of that class of ware, and needs only to be informed of the particular points of the particular brand advertised; thus cheap jewelry, cigars, books, watches, and other familiar low-priced articles can be sold direct through advertising. If, however, the reader wants to buy bonds, correspondence instruction, pianos, furnaces, automobiles, boats, or anything else that requires the expenditure of considerable money, and that depends for its value upon the honesty of the seller and the fancy of the buyer, he wants to look into the matter thoroughly before he invests his money. It is also the practice of manufacturers of many different products, who sell only to jobbers and retailers, to advertise their wares direct to the consumer, without offering to sell to him, in order to create a general demand for their product, and so to build up a business for their jobbers and retailers. This is true of such goods as food products, patent medicines, automobiles, piano players, etc.

When such advertisers receive an inquiry, they answer it with a strong selling letter, intended to center the interest of the inquirer upon the special merits of their product; but they leave the actual taking of the money and delivery of the goods to the local merchant or agent, to whom the inquirer is referred. (See Fig. 24.)

The advantage of getting the inquiry first, is that it leads the inquirer to express his peculiar personal wants, and so enables the advertiser to make the selling proposition personal to him. This means not only that the advertiser can meet expressed needs, but that he can also forestall the objections which his long experience and training have led him to expect. It also excuses his explaining his goods or proposition in greater detail than he would dare to do in an advertisement, with the comforting assurance that the inquirer will give full consideration to any facts or arguments that he may advance. When a man reads an advertisement he is on the defensive, even

though unconscious of the fact, because he knows that all the arts of some skilled advertising man have been spent upon that ad.; when he answers the ad. he acknowledges his interest in the general proposition, and makes known his willingness to "be shown," and his determination to spend money if he is convinced that he will get his money's worth. It is the business of the correspondent to convince him.

Advertisers consider that they have won half the selling battle, when they have persuaded a man to answer the advertisement. Having aroused his interest, it remains for them to complete the sale by convincing him of the superiority of their proposition—by proving that their goods are really better than those of their competitors, by offering him better terms or prices, or by meeting his ideas of style, quality, etc., as the case may be.

The fact that the advertiser probably has many competitors, whose ads. the inquirer has also answered, does not discourage the advertiser, but rather encourages him to make his answer so much better that the inquirer will not hesitate where to place his order. Since, however, inquiries may cost from 50c to \$10.00 each, or even more, before they are received, it behooves the advertiser to be as careful of them as he would be of the money which he has spent to get them.

While some advertisements seek to make direct sales through the mails by means of subsequent letters, and others aim only to interest a prospective customer who can be turned over to the local agent or retailer, the method of handling the inquiry in both cases is practically the same. A firm that is actually selling by mail will dwell upon arguments that will persuade the inquirer to purchase at once, both in order to forestall competition, and to curtail the expense of carrying on a lengthy correspondence. A firm that is advertising for general publicity will dwell more upon the superiority of its goods, and will leave the actual selling to its agent or the retailer.

Inquiries are usually of two kinds: those which simply ask for further information, and those which seek information on particular points. Inquiries of the first class are best handled by a form letter, either printed and filled in, or written in full from a set form. Such letters demand of the correspondent only that he shall make sure that the form answers them fully and convincingly. Inquiries of

the second class require more careful handling: the easiest and surest way to "kill" an inquiry is to answer it generally, or to neglect to answer some of the questions that it presents. Such letters may

PUBLISHED BY W. B. CLURE COMPANY 22-28 EAST 23RD STREET CHICAGO, ILL. EDWARD F. CLURE, Proprietor and Manager	WESTERN OFFICE McCLURE'S MAGAZINE. TRIBUNE BUILDING CHICAGO.	LONDON OFFICE RAYNOR HOUSE, 25, MARK LANE, ENGLAND.
August 8, 1910.		
Adv. Mgr. Swift & Co., Chicago, Ill.		
Dear Sir:-		
<p>The circus comes and goes --- its glint and glamor --- its boastful sensationalism are soon over and we get back to the fireside with gladness in our hearts. The circus may be uppermost as it passes; but it's like the eel fly --- a matter of history by night.</p>		
<p>There is something in dignity after all for it compels respect. There is something in a straightforward and reasonable policy of business attended with fairness. There is something stable and attractive in a magazine having for its purpose a moral tone and an entertaining and instructive editorial program.</p>		
<p>Mc Clure's isn't sensational --- doesn't indulge in the "side-show-hawkers-gibberish" to attract attention. It shoots straight --- accomplishes something --- uplifts --- educates. And this is the reason for our tight grasp upon the public for they soon are fatigued with tinsel, gauze, and red fire, because such things have no substance.</p>		
<p>Mc Clure's sells you a definite quantity which can be proved --- is proved.</p>		
<p>During all the fuss and hysteria of the past year or two we have sailed free on even keel and carried all the passengers we guaranteed --- and then some.</p>		
<p>October forms close on the first of September.</p>		
Very truly yours, <i>Ernest F. Clure</i> Western Advertising Manager.		

Fig. 26. A "Follow-Up" Letter Showing Originality of Matter and Form.

often be handled efficiently, with little dictation, by means of a series of paragraphs already prepared on the questions most frequently asked; but they always repay care and skill in handling. The test

of a good correspondent is the ability to seize upon any chance offered to make his letter personal and individual.

A letter answering an inquiry should cover these points: it should *answer* the inquiry completely and clearly; it should put the proposition so logically and convincingly that the inquirer will become a purchaser; it should overcome competition, not by "knocking," but by making clear the superiority of the goods offered; it should present terms and prices so plainly that there can be no misunderstanding; it should leave the inquirer in a frame of mind that will lead him to buy. These points are very similar to those which govern the construction of a good form letter of any kind, for the answer to an inquiry, whether a form or a dictated reply, must always partake of the nature of a form letter, and must be considered in that light. It follows, therefore, that it will have a specific form, and that it must be planned with care.

The opening paragraph of a letter answering an inquiry need not be as sensational as a circular letter sent out to a general list, because the inquirer has already demonstrated his interest in the proposition. It is the practice of many firms to begin the inquiry letter like a letter used in general correspondence, with a reference to the date of the inquiry. In some cases this method of approach may be advisable—if, for example, the letter is addressed to a man who may be supposed to receive considerable personal mail; in general it is better to take it for granted that the reader will be looking for the letter, and to jump at once into the selling argument. Thus, in Fig. 23, the opening paragraph refers to the date of the inquiry, whereas it would seem better to begin with the second paragraph. This letter presents one original feature worth noting—the apology for "tardiness," although the letter was sent by return mail. Apparently the writer added this touch to the reference to the date to make the letter appear more important. Fig. 8, which was not in answer to an inquiry, is a good example of a very different style of letter which would be effective in answering inquiries.

It may be accepted as a working rule that a letter answering an inquiry will be accompanied by printed matter explaining in detail the goods handled by the advertiser—a catalogue describing the different articles of merchandise, or the different styles, grades, and prices; or a detailed explanation of the proposition, as in the case of a firm handling bonds, mortgages, and other investment securities. (See Figs. 23 and 24.) Therefore, the letter may leave to

the printed matter the general plan or description, and concern itself with the personal application. This matter is handled as in any form letter (See Lesson XIII), except that in the inquiry letter the general arrangement may follow

Collier's
 THE NATIONAL WEEKLY
 ADVERTISING DEPARTMENT
 120 N. WABASH ST. CHICAGO, ILL.

HART SCHAFFNER & MARX
 Good Clothes Makers

May 17, 1909.

Mr. P. H. Bogardus,
 c/o American School of Correspondence,
 Chicago, Ill.

Dear Mr. Bogardus:-

You understand, of course, that my object in these letters is to lead you to want to use Collier's and see if it is as good as it sounds here.

When you do consider it, don't let one point escape you; our circulation guarantee gives you strictly "all wool" advertising value - it's really the most important point for you.

Sincerely yours,
A. G. Hammerfahr

"500,000 homes, it's the circulation with the guarantee."

RA

CHICAGO, ILL. MAY 17 1909

"You understand, of course, that our object," etc., etc.

Fig. 27. A "Follow-Up" Letter Showing Great Originality and Individuality.]

the more natural order of the letter used in general correspondence. (See Lesson II.)

The close of the inquiry letter should usually urge the reader to take quick action, and in that case should give some valid reason

for haste. If the proposition itself offers no real reason—such as a special proposition with a time limit, a limited stock, a probable rise in price, etc.—it is the business of the correspondent to supply one: Fig. 8 gives a good reason—the desire of every smoker to smoke good cigars; Fig. 23 is weak in this respect; Fig. 24, since it concerns what might be termed a staple line of bonds, could not well urge haste without placing the seller in the “get-rich-quick” class. If, however, Fig. 24 concerned a particular bond issue, which was selling fast, it could honestly urge speedy action, as is done in Fig. 9.

EXERCISES

1. Clip from a magazine a manufacturer's advertisement containing sufficient details for you to work with, and write for that firm a letter answering an inquiry sent by you, asking you to purchase of your local dealer. Pin the advertisement to your letter.

2. Clip an advertisement of a firm that sells direct to the consumer, and write an inquiry letter designed to get your order by return mail. Pin the advertisement to your letter.

SEND to the SCHOOL YOUR EXERCISES FOR LESSONS XIII and XIV.

DON'T USE

SURE for “surely.” “Sure” is an adjective; “surely,” an adverb. Don't say, “Sure I will;” say, “I surely will.”

THAT THERE. “There” is both superfluous and incorrect. Don't say, “I saw that there man;” say, “I saw that man.”

THEM as a modifier. Don't say, “Give me them books;” say, “Give me those books.”

THESE KIND for “this kind.” “Kind,” when used as a singular noun, requires an adjective in the singular. Don't say, “I like these kind of shoes best;” say, “I like this kind,” etc.

TURN DOWN for “reject” or “dismiss.” Don't say, “He turned down my proposition,” “He turned me down;” say, “He rejected my proposition,” “He dismissed me.”

TWICE OVER. “Over” is superfluous.

TWO FIRST. Say, “first two;” there can be only one “first.” “First” is the proper form for the adverb also, not “firstly.”

LESSON XV

"FOLLOW-UP" LETTERS

The "follow-up" letter is, as its name suggests, a letter that is used to follow up a previous message that has failed to have the desired effect. "Follow-ups" are a special variety of form letter; they are used after letters of inquiry, selling letters, and collection letters, or compose what might be termed a series of form selling letters. (See Figs. 5, 7, 9, 11, 22, 25, 26, and 27.) Usually they are printed form letters, filled in or not as the circumstances dictate. Upon such letters the correspondent may exhaust all his skill and all the arts of his profession, and try out all his theories regarding selling by mail, for here he has the most definite chance to prove the effect of each separate manner of approach, or form of argument.

Follow-up letters should be arranged in a definite progressive series, comprising from three to six or more separate messages, according to the circumstances. The first letter in the follow-up series should be the letter which is to be followed up—that is, the first letter sent in answer to an inquiry, or the first selling or collection letter. In other words, the series must be logically planned from the very beginning if it is to have the desired effect. It is the failure to appreciate this fact that makes so many really good follow-ups fail to produce the desired results.

While it is not always possible to plan a complete selling campaign in advance, it is both possible and wise to plan it so that it can be changed in its details without injury to the general plan. Just as the provident business man should insure himself against loss by fire or theft, so the good business correspondent should insure his selling campaign against failure by taking thought for the morrow, and preparing the way in his first letter for other letters that may follow. Indeed, so great is the cumulative effect of a properly planned series of follow-ups, that the best men in the profession make it a rule not to use every argument or inducement in their first letters, but to keep some shots in reserve for the need that they know will arise. That cautious foresight wins many a business battle that would otherwise be a disastrous defeat.

There is a bit of selling psychology in this that is worth considering. Many persons make it a fixed if unconscious rule never

to respond to the first attempt to sell them. They may be slow to arrive at a decision, overcareful in judgment, distrustful of themselves or of the wily salesman, or just mentally lazy; and they have all been trained by mail-order salesmen to sit back and wait for a better proposition. It is no longer considered good business practice to follow up the original proposition with successive cuts in price; that method, so long in vogue, was manifestly unfair to the first purchasers, and stamped the house using it as trying to get an unreasonable price for its goods. It is considered proper for a follow-up to extend the term of a limited offer, to make special concessions in the manner of payment, to send goods on trial or approval, or to resort to other selling methods that at once maintain the dignity of the seller and suit the convenience or whim of the buyer. It remains, therefore, for the writer of follow-up letters to exercise his ingenuity in presenting his proposition in new lights.

It may happen that the first selling letter is ineffective because it contains too many arguments in favor of its proposition. Readers are as apt to question the value of an article that is overpraised as one that is underrated. The first letter should confine itself to making a strong, clear, but brief statement of the proposition, depending for much of its selling force upon the actual value of the goods offered, and the explanatory printed matter accompanying it; it should leave to the follow-ups the more detailed expansion of the general line of argument. Each follow-up should contain an additional reason why the reader should buy, reinforced, perhaps, by the experiences and opinions of others who have already purchased. Similarly, a first collection letter that exhausts every argument, or overpersuades the reader that he should pay his debts, not only makes itself ineffective but weakens its follow-ups by making them mere echoes of itself. One good argument well driven home is worth a dozen that will be unconvincing because of their very number.

It is not wise, however, for a first letter, or any of the follow-ups, to suggest that it is one of a series. The weakness of allowing the reader to know that he may expect other letters is illustrated in the last closing example quoted in Lesson XIII. Each letter in the series should give the impression of finality, either by fixing a definite time limit, by predicting the early exhaustion of the goods offered, or by its tone and its insistence upon quick action. For the same

reason it may be bad practice to upbraid the reader for not taking advantage of previous offers, or even to refer to them. If there is a sound reason for haste on the reader's part, the follow-up may properly refer to the original offer; if the reference is only a salesman's trick, it is too apt to take on the whine of a neglected child. A follow-up beginning as follows is not worth the postage required to carry it:

Did you receive our letter relative to saxaphones? Up to the present time, we have not had your reply. We are, therefore, writing you again, believing that possibly our letter may have miscarried in the mail. If you did not receive it, let us know and we will send you a copy of such letter.

If the writer thought his original letter worth referring to, he would have done better to begin his follow-up in some such way as this:

You have neglected to answer our letter relative to saxaphones. You must have received it, or it would have been returned to us. You must have been impressed by its contents, because it made you a proposition that meant money to you. Then why have we not heard from you?

This "hammer-and-tongs" style is often effective in following up a proposition to the trade, or to a consumer who may be presumed to be interested in the proposition. For a good example of a follow-up of this type, see Fig. 25.

The follow-up that is most effective in the majority of cases is the one that gives the reader a new view of an old situation, a new reason to accept an old proposition. Such a letter is handled much like a first form selling letter, except that it is shorter and terser, in order not to weary the reader. It requires the same care in the handling of its opening and closing paragraphs; and it may resort to any of the tricks of form that will give it individuality and induce the recipient to read it through. Figs. 5, 7, 9, 11, 22, 26, and 27 illustrate good letters of this type. Another good example follows:

Gentlemen:

I will mail you a check tomorrow for \$3.75, if you will let me have your order for \$25 worth of my toilet preparation,

—or, if you prefer to effect the saving in another way, I will sell you a bill of goods amounting to \$25 at 16%-2% off, freight prepaid — books and samples supplied.

I will exchange at any time any unsalable goods, at my expense.

I should like to have your order on this basis.

Very truly yours,

Gerwaise Graham

As an illustration of the brevity and individuality possible in letters of this style, see Fig. 27. This letter also shows the versatility of the experienced correspondent; the use of the names and catch lines of big advertisers to advertise the magazine carrying their ads. is both strong and striking. The contents of two other letters in this series are given below; the form was the same in all three:

PACKARD
1909

"Ask the man
who owns one."

* * * *

WASHBURN-CROSBY CO.
Gold Medal Flour.

*Eventually Gold
Medal. WHY NOT NOW?

May 20, 1909.

Ask the man who has used Collier's. The story of his actual experience, if he is consistent, intelligent advertiser, will be more convincing than my arguments.

Sincerely yours,

"500,000 homes — it's the circulation with the guarantee."

May 24, 1909.

EVENTUALLY you will realize that to reach real buying power in half a million desirable homes, COLLIER'S is one of the necessary mediums.

WHY NOT start to use it NOW?

Sincerely yours,

"500,000 homes — it's the circulation with the guarantee."

EXERCISES

Write a series of three follow-ups to follow *one* of the form letters written by you as an Exercise for Lesson XIV. Number the letters in the order in which they should be sent. Supply your own details.

SEND TO THE SCHOOL YOUR EXERCISES FOR THIS LESSON.

DON'T USE

UNIVERSALLY BY ALL. "Universally" means "by all." Use either, as preferred, but not both together.

UPWARDS OF for "more than." Don't say, "I have upwards of five hundred dollars in cash;" say, "I have more than," etc.

WAN'T. It is not a proper contraction. One may, however, say "he wasn't," "they weren't."

WAY to express distance. Don't say, "He has gone way out West;" say, "He has gone West."

WIDOW WOMAN. "Woman" is superfluous.

WORSE for "more." Don't say, "He dislikes you worse than me;" say, "He dislikes you more than me."

WOULD SAY. A good correspondent doesn't stop to inform the reader that he "would say" something; he says it.

CORRESPONDENCE AND FILING

INTRODUCTION

This book deals with a subject of growing importance in every office—that of handling correspondence and filing all papers and documents which form a part of the records of every business. While making no attempt to teach letter writing, suggestions are made which, it is hoped, will prove of assistance to those whose duty it is to handle correspondence. Among those whom it is hoped a study of this book will benefit, are the incoming-mail clerk, the correspondent, the stenographer, the private secretary, the file clerk, and, in fact, every person who has anything to do with handling and preserving business or professional correspondence.

Present-day conditions tend to increase the volume of correspondence in every office, and any improvement that will reduce labor or contribute to more prompt service is welcomed. Every concern, except possibly the small establishment doing a strictly neighborhood business, uses the mails more and more in the transaction of its business; we buy, sell, pay bills, collect money, make contracts, and execute all sorts of transactions by mail—all of which necessitates writing letters. Not only is it necessary to answer letters promptly, but the increasing accumulation of correspondence must be preserved and filed in a manner that will permit of easy reference; all of which emphasizes the necessity of systematic methods in the conduct of this very important department.

In the belief that more representative illustrations will result, and that they can readily be adapted to the needs of a small establishment, the suggestions herein are applied to a business in which the correspondence is large in volume.

OPENING AND DISTRIBUTING MAIL

Opening Mail. Incoming mail should invariably be delivered to one desk in charge of a clerk, usually known as the *incoming-mail clerk*. When a business has reached a position where a large cor-

respondence is handled, it is poor business policy for an executive to assume the task of opening the mail. The natural conclusion, when a house has a large correspondence, is that its business is correspondingly large, and the executive who is fitted for his position can devote his energies to larger tasks with better results. He should be free to look after the big things—to plan greater results for his business or his department.

The argument has been advanced that it might be dangerous to trust a clerk with such business secrets as are found in the correspondence, but in the handling of business transactions practically every one of these “secrets” come to the knowledge of several clerks. Surely, if employes can be trusted with the cash and to keep the accounts—if stenographers can be trusted to take letters of the most confidential nature—a clerk can be trusted to open and distribute the mail.

Sorting Mail. Sorting the mail is the first duty of the incoming-mail clerk. This sorting is important in that all personal mail may be taken out before it is opened. A general rule among all large houses is to instruct all employes to have personal mail sent to their private or home addresses, but in spite of all precautions an occasional personal communication will come to the business address. An acquaintance may know that Smith works for Jones & Co. and, having forgotten his personal address, sends his letter in care of the house.

If Smith happens to be an unimportant employe, there will be no question about the communication being personal; but if he is a department head, there may be reasons for doubt. Large business organizations are divided into departments, each in charge of a manager. The correspondence of each department is signed by the head, over his official title. A reply may be addressed in the name of the house, to *Smith, Sales Manager*, or to *Smith*, without the title. The letter addressed to *Smith, Sales Manager*, belongs to the house, but if his title is omitted, it belongs to Smith, and to open it without permission is a violation of the law. When the departmental correspondence is heavy, a considerable number of letters addressed to the manager, but without his title, may be received, and it is the custom in many houses to secure written permission from department heads to open all such letters. This pro-

fects the clerk in case a personal letter is opened by mistake, and insures prompt attention to correspondence received during the absence of the department manager.

Distributing Incoming Mail. After the mail is opened, it should be carefully distributed. While it is not necessary to read every letter, the incoming-mail clerk should read as much of each letter as may be necessary to determine to what department it should go. Frequently, a letter addressed to one department refers to matters requiring the attention of another—a letter ordering goods may be addressed to the advertising manager, or a remittance to the sales department; or a letter may require the attention of more than one department.

In a large organization it is a very good plan to designate the departments and executives by numbers, that is, the president might be *No. 1*, the general manager, *No. 2*, the sales manager, *No. 3*, etc. When a letter requires the attention of two or more departments, these numbers should be placed on the letter in the order of their importance. On a letter containing a remittance and asking for a quotation, the sales manager's number would follow that of the cashier. Such letters are sent to the department whose number appears first, and the numbers indicate to the correspondent that the letter is to be referred to another department.

For distributing the mail, the clerk should be supplied with baskets labeled with the names or numbers of the departments. Mail can then be distributed quickly to the proper departments. If the number of baskets exceeds six, a rack should be provided for them at the side of the desk.

In some offices, the incoming-mail clerk makes a record of all orders received, before sending them to the sales or order department; in most concerns, however, this is done in the statistical department, after the orders have been passed upon. If the business is strictly cash and not too large, the statistical work can be done by the mail clerk.

Fig. 1 shows a tally sheet which is made up by the mail clerk for a small mail-order house. The sales of this house are divided by departments, each department representing a few specialties. While the business is essentially mail-order, a few agents are employed. On this sheet, columns are provided for a record of the

Talled By _____		Date _____												
		ADVERTISING				SALESMEN			CASH		CREDIT	TOTAL		
ARTICLES		NO.	CASH	NO.	CREDIT	NO.	CASH	NO.	CREDIT	NO.	AMOUNT	NO.	AMOUNT	TOTAL
Dept. A														
Dept. B														
Dept. C														
Dept. D														
Total														

Fig. 1. Tally Sheet of Sales for Small Mail-Order House

articles sold by each department, the number and amount of cash and credit sales as a result of advertising, sales by salesmen divided in the same manner, total cash and credit sales, and the grand total. The cross-footings show the total sales of each article, while the column footings show the total sales, divided between advertising and salesmen, and whether cash or credit.

When the mail is sorted, all orders are placed together, and these are then sorted into the classes shown by the tally sheet. To prevent holding orders, a memorandum tally should be made of each lot of mail handled, and the totals for the day entered on the sheet.

The tally sheet should be loose-leaf and made in manifold. A sufficient number of copies should be made to supply all department heads who have a direct interest in the volume of the day's business. Usually, copies will be required by the executives and the sales manager.

Departmental Distribution. The sorting and distribution of the mail, after it reaches the department for which it is intended, is also of considerable importance. And, in this sorting, the department manager's stenographer can render valuable assistance. For the same reason that the head of the house is relieved of details, the head of a department should strive to rid himself of tasks which can be as well performed by a subordinate.

Whether the mail is sorted by the correspondent or his stenographer, it should be gone through before an attempt is made to answer it. Letters that can be answered at once should be placed by themselves; those necessitating further information should be handled specially; if a letter requires the attention of another department, it should be answered immediately and passed on.

Under this plan, the mail is prepared for answer before a stenographer is called to take dictation, which saves time. The correspondent who does not plan his work calls a stenographer and starts dictating, taking the first letter that comes to hand. When a letter about which further information is needed is found, he sends to the files for correspondence, wasting both his own and his stenographer's time while waiting for the information.

Before any letters are answered, the necessary notations should be made on all letters requiring information, and the letters sent to the proper departments. The very first letters answered should

be those that must be referred to another department. These should be not only dictated first, but transcribed and forwarded to the next department before further dictation is given.

These methods will go far toward solving the problem of the prompt handling of correspondence. Most large houses receive complaints of delay in answering letters, and when these complaints are investigated the causes of delay are found to be divided between a lack of method in handling correspondence and ignorance or carelessness on the part of the complainant. In any well-managed concern everything possible will be done to overcome the first-named defect, even to the extent of providing a system which will, at least partially, overcome the defects due to the latter cause.

As to the complaints due to ignorance or carelessness, it is found that at least 75% of all complaints received come within this classification. In many cases complaints come from persons whose correspondence is limited to a half-dozen letters, or less, a day. They fail to appreciate the difficulties of the correspondent whose dictation averages a hundred letters a day; being unaccustomed to the departmental plan of organization, they do not realize that each subject about which they write must be referred to one certain department. And so, a single letter contains an order, a remittance, and a request for some special information, and, because he does not receive a reply covering all subjects referred to in his letter by return mail, the customer complains of delay. It is entirely legitimate to politely request a customer to use a separate sheet for each subject—as orders, remittances, complaints, etc.—but since not all will comply, some such method as has been described is needed to insure against unreasonable delay in handling letters that require the attention of several departments.

In another class is the letter which, for some reason, cannot be answered at once. An example is the letter to a manufacturer, asking for a price on a special machine. Before a price can be named, the engineering department must make a careful estimate of the cost, and it may be necessary to secure quotations on some special material needed. This means an unavoidable delay, but the prospective customer should not be left in a state of expectancy—the letter should be acknowledged immediately, and the cause of the delay explained. The customer then feels that he is receiving atten-

tion, while if no reply is made until full information can be given, a competitor more courteous may secure the order.

Interdepartment Correspondence. Of considerable importance in every large organization is the interdepartment correspondence—the notes from one department head to another. Every department head finds it necessary at times to request information from other departments. Even with an intercommunicating telephone system, with which every large office and plant should be equipped, many of these requests are of a nature that, to guard against misunderstandings, demand written communications.

Usually, these communications call for prompt replies; a letter from a customer may be held or some important action delayed until the information is received. A good rule for the correspondent is to give attention to these notes as soon as received, and answer them at the earliest possible moment. The stenographer should, as a rule, write these notes first, or if written in the order in which they are dictated, should place them on the correspondent's desk immediately. Of course, judgment must be exercised, for some of these notes do not require immediate attention and should be held until more important correspondence is disposed of.

There are also many notes giving instructions, either from a department head to his subordinates, or from the executive heads to the heads of departments. Except on general orders, affecting all employes, the names of all department heads to whom the order applies, should appear at the head of such notes. The manager may wish to call attention to some act, common to all department heads, without making it a personal matter with any one of them, so writes the same note to all. For example:

July 15, 1909.

Mr. Blake,
Mr. Watson,
Mr. Kimball,
Mr. Cobb,
Mr. Royce,

Gentlemen:

During the past few days some of you have been a little careless about getting to the office on time. If you arrive 5 or 10 minutes late, it will have a very unfortunate effect on the discipline of your department, and I trust that each of you will strive to overcome the habit of arriving late—a habit which, I am sure, is entirely due to carelessness on your part.

Yours truly,

General Manager.

In the above example, five copies of the note are required, and four of these can be carbon copies. When Mr. Blake or Mr. Watson receives the note, he knows that it is not addressed to him alone, but that each of the others has received a copy. Without detracting from, but rather adding to, its effectiveness, this note leaves a much more pleasant impression than a personal note to each man. No one man feels that he has been singled out for criticism.

CORRESPONDENCE SHORT CUTS

Dictating by Number. One of the greatest time savers in handling correspondence is dictation by numbers. The plan is to indicate each letter by a number, instead of requiring the stenographer to take down the name and address.

Probably 90 per cent of the letters dictated are replies to other letters. When the correspondent has his mail ready for dictation, he should write, or stamp with a numbering stamp, *No. 1* on the first letter answered. To the stenographer he will say "*No. 1*," and, instead of the name and address, this number is entered in the stenographer's notebook. The original letter, from which the address is obtained, is turned over to the stenographer. A new series of numbers, beginning with *No. 1*, should be used each day, to run consecutively during the day.

Careful tests, made in different offices, show that in taking ordinary business correspondence dictation, the stenographer wastes about 20 per cent of the time writing the name and address. By the use of the numbering plan, practically all of this time is saved.

Form Paragraphs. A large per cent of the correspondence of the average business is a repetition of the things that have been said before. Day after day the same questions are asked and answered, the same complaints are received, the same arguments, formal acknowledgments, and requests form a large part of the dictation. Over and over the same paragraphs are used to say the same things—a repetition and waste of time for both correspondent and stenographer, which can be done away with by the use of form paragraphs.

For illustration, the acknowledgment of remittances is entirely formal, rarely necessitating a special letter. Many times, however, the letter of remittance asks for special information, which can be given in the same letter with the acknowledgment. If one or more

form acknowledgment paragraphs are prepared to meet different conditions, one of these can be used, saving the time required for dictation.

Form paragraphs are especially applicable in answering complaints and in sales letters. Complaints can usually be divided into a few classes, and one paragraph will answer all complaints of the same kind. In sales letters, form paragraphs will answer all requests for certain information about the product, the terms of sale, the guaranty, etc.

Not only do form paragraphs save much time in dictation, but they result in stronger letters. It is the experience of every correspondent that he can write better letters one day than another. The best form paragraphs are found in the letters written on the correspondent's good days.

Form paragraphs should be arranged for ready reference. A very satisfactory method is to write them on sheets punched for filing in a binder. The paragraphs should be numbered consecutively, and indexed by subject. Copies should be supplied to all correspondents and stenographers who have occasion to use them.

Frequently a large part of the day's correspondence can be handled with form paragraphs, and through constant use the stenographer will become so familiar with them that he will be in a position to answer many letters without dictation. The really efficient stenographer—one of the kind who expects to advance to the position of private secretary—will make a careful study of form paragraphs, fitting himself to handle the minor correspondence, thereby saving the more valuable time of the correspondent.

Talking Machines for Dictation. Every year sees an increase in the use of the talking machine for dictation. These machines have now been brought to a state of perfection which makes their use feasible, and in many large offices they are used to the almost complete exclusion of shorthand writers.

An outfit for correspondence work consists, usually, of two machines—one for recording and one for reproducing dictation. The correspondent dictates his letters to the recording machine and passes the cylinders on which the record has been made to the stenographer, who transcribes on the typewriter direct from the reproducing machine. In small offices, one machine is made to

answer every purpose, as it can be changed instantly from a recorder to a producer.

After the dictation on a cylinder has been transcribed it is shaved, and is then ready for a new record. This permits of the use of the cylinders until they are worn thin, and reduces the expense to a minimum.

The principal advantages claimed for this machine are that it saves all of the time of the stenographer usually required for taking dictation; the correspondent can dictate at any time without waiting for a stenographer; the work is more evenly distributed, and consequently finished earlier in the day. In the opinion of the writer, the chief advantage lies in having the machine at hand ready for dictation day or night.

While in some offices the shorthand writer has been almost entirely supplanted, the machine is more likely to be used as an auxiliary. It can never supply the brains of the human machine, and is not likely to lessen the demand for competent stenographers. Fig. 2 is an illustration of one of the well-known makes of correspondence machines.



Fig. 2. The Dictaphone
Columbia Phonograph Co.

Correspondence Requisitions. A considerable per cent of the letters to be answered in a business office are of such a nature that former correspondence must be referred to before an intelligent reply can be given.

The unsatisfactory character of the replies to many letters can be traced to the fact that the correspondent did not take the trouble to first find out what had been written before.

To insure against the loss of correspondence, it should be most carefully filed, and every letter should be accounted for. Also, if a correspondent wants certain correspondence from the files he should state explicitly what correspondence or information he desires. This not only insures his getting the information needed to formulate an intelligent reply, but protects the file clerk.

The systematic method is to have a correspondence requisition, similar to the one shown in Fig. 3. On this requisition is noted

just what is wanted—invoice, order, or letter—with room for special instructions. One of these requisitions should be sent to the files whenever any papers are wanted, and nothing should be delivered without such a requisition. By placing this requisition in the files, in place of the papers removed, the file clerk can always trace missing correspondence.

		Date _____ 19__
<i>File Clerk:</i>		
<i>I want the following papers;</i>		
<i>Invoice</i> _____		<i>Date</i> _____
<i>Order</i> _____		<i>Date</i> _____
<i>Letter From</i> _____		<i>Date</i> _____
<i>Letter to</i> _____		<i>Date</i> _____
<i>Letter About</i> _____		<i>Date</i> _____
<i>Signed</i> _____		

Fig. 3. Requisition for Correspondence

Complaints and Changes of Address. In some lines of business, complaints and notices of change of addresses are quite numerous. An example is the business of publishing a weekly or monthly periodical. Many complaints are received from subscribers who claim that they do not receive the publication regularly. The great majority of these complaints can be traced to carelessness on the part of the subscriber in failing to notify of change of address.

In some businesses, the handling of complaints requires the services of a correspondent, and a clerk to trace the complaint and gather the information necessary before an adjustment can be made. In a smaller business, the work of looking up the information usually falls on the stenographer. But no matter who gathers the information, the correspondent never should attempt to answer or adjust a complaint until he has made a thorough investigation. Not until he understands all of the causes leading up to the complaint, can he correctly judge of its merits.

The policy of having all complaints handled by one man is in keeping with approved business practice. A man who makes a study of the subject soon learns to handle complaints to the ultimate satisfaction of all concerned. Being independent of the selfish interests of a particular department, he is much more likely to serve the best interests of the house than any other man in the organization. The sales manager, for instance, is not the best man to adjust complaints of customers; he is likely to be more liberal than is warranted, because of his fear of losing trade.

When a complaint has been investigated, everything possible should be done to remove the cause, and to guard against a similar complaint in the future. The seemingly little precautions count for much. In the matter of changes of address, for instance, it is a small matter for the one who makes the change to see that it is made not only on the ledger but on the sales list, the collection card, and in every place where the address is permanently recorded. Failure to make the change in one place may lead to endless confusion.

Stenographer's Reference Index. Here is a suggestion for the special benefit of the stenographer. Keep in your desk a reference index of names, addresses, and telephone numbers. There are certain persons and firms to whom your employer frequently writes letters. These are not in reply to letters, but are written in the usual course of business. The names of these persons should be on your index so that when you are told to write to Mr. Hunter or Mr. Roberts you will not be obliged to ask the address.

Probably your employer will not ask you to keep such an index, but surely will appreciate your knowing the addresses. When he finds that you always know the telephone numbers of the printer, the bank, and other local houses with whom he does business regularly, as well as the addresses of prominent out-of-town correspondents, he will at least not place it to your discredit.

But do not keep the addresses on sheets of paper that surely will soon become confusing on account of changes and additions which make an alphabetical arrangement impossible. Ask for a small card tray, holding 3" × 5" cards, that will go in the drawer of your desk, a set of alphabetical indexes, and a supply of blank cards. Such an outfit can be bought at any first-class stationer's for a dollar or two. When you want to preserve an address, write it on a card,

and file it alphabetically. If your employer will not supply the outfit, cut slips of paper and indexes to fit one of the small compartments in the desk drawer. Have the index, even if you must devise your own method of keeping it; you will at least have the satisfaction of saving many minutes of your time. And in the formation of a systematic habit you will be adding to your equipment.

Making Corrections. All stenographers make mistakes, and no correspondent is entirely free from faulty dictation, which necessitates corrections in letters after they are written. But the time of the stenographer and, incidentally, expense to the house, can be saved if the correspondent will exercise reasonable care in indicating the corrections to be made.

Do not deface the letter so that neat corrections will be impossible, unless the mistake is so serious as to necessitate rewriting the entire letter. When the wrong word has been used, draw a light pencil line under it and write the correct word on the margin or the end of the letter; if the word is misspelled, underline it and write the correct spelling at the end of the line. This takes even less time than to deface the letter, and leaves it in such shape that corrections can be made quickly and neatly.

To the stenographer it is well to say, "If you find it impossible to make a neat correction, rewrite the letter." Nothing gives a more unfavorable impression of a house than an untidy letter, and your employer is more willing to overlook an occasional mistake than a letter filled with visible erasures.

COPYING CORRESPONDENCE

Copies of outgoing correspondence are a part of the system of every business office. There was a time when copies of important letters were made by hand, and then came the copying press and tissue impression book with many cloths, wringers, pans of water, and other paraphernalia for moistening the sheets of the book. The copying press is an awkward machine, difficult to operate, and altogether unsatisfactory, but, until a better method was offered, it answered the purpose.

One of the greatest defects in the copying-book method is the impossibility of making uniformly clear copies; some will be clear while others are blurred, and the important letter is usually the one

that is illegible. The difficulty in securing clear copies is due to the impossibility of securing uniform pressure. While the copying press is still found in a few small offices, it is practically obsolete, and not used in offices where modern efficient methods receive consideration.

Carbon Copies. A simple method of obtaining copies of outgoing letters, invoices, orders, etc., is to make duplicates by means of carbon paper. In its adaptability and far-reaching effect, the sheet of carbon paper has proved to be one of the greatest of all aids to modern business methods. Used in connection with a typewriter of modern construction, the carbon sheet has revolutionized manifold processes, making possible as many duplicate copies of any paper as are required in ordinary business.

The carbon method of obtaining copies of letters has the merit of economy in time. When the letter is written, the copy is made; if extra copies, up to a half-dozen, are wanted, all are made at one writing. If the last letter is being written when it is time for the mail to leave the office, it need not be held to make a copy.

The carbon method is not expensive. Good carbon paper costs 2 cents or less a sheet, and for 1,000 copies only about 30 sheets are required. A satisfactory quality of plain paper for copies can be bought for \$1.00 or less a thousand. These prices are naturally subject to slight fluctuations, depending on the quantities purchased and the locality.

A defect in the carbon method is found in the manner of making corrections. It is not uncommon for a man to make a slight correction, or add a note, in his own handwriting; such corrections and additions cannot appear on the carbon copy. When corrections are made on the typewriter, it is very difficult to obtain a clear copy of the correction on the second, or carbon, sheet—the correction on the copy is very likely to be blurred. If the correction is written directly on the copy, without using carbon paper, the essential feature of the copy is destroyed; it is no longer a facsimile, and its value as evidence is very materially lessened.

Mechanical Copiers. There are now on the market several mechanical copiers, without the many disadvantages of the copying press, or the defects of the carbon method. One of the most satisfactory and best known is the roller copier. The fundamental principle of the roller copier is that of the clothes wringer; the original

letter, with a wet tissue sheet placed against the written side, is passed between rubber rollers, to which just the right amount of pressure is applied.

Working from the clothes-wringer idea as a basis, the inventor of the roller copier set about to remedy the defects of the copying press. It was found that clear copies could be obtained only under certain conditions; the pressure must be absolutely uniform, and the tissue sheet must be moistened evenly.

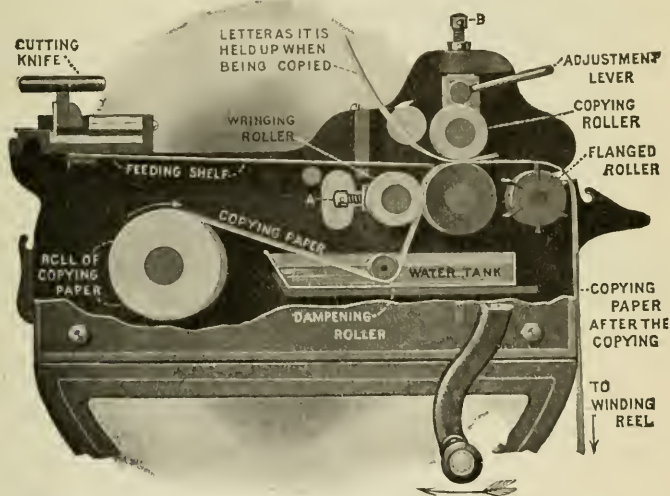


Fig. 4. Mechanism of the Yawman & Erbe Roller Copier

As to the pressure, it was found that too much or too little resulted in unsatisfactory copies—some faint, others blurred—the very defect that had made the use of the copying press objectionable. This was overcome by using an adjusting screw by which the exact pressure required could be obtained. But, if the pressure were left on all of the time, the rubber rollers would soon be flat. So, an adjustment lever was added, by which the pressure could be thrown on before copying, and thrown off when the machine is not in use.

To adjust a single sheet of tissue paper so that it would lie smooth on the letter, was out of the question. This difficulty was overcome by copying on a continuous roll, and the problem of moistening was solved by passing the paper through water, insuring equal moisture over the entire surface.

The mechanism of the roller copier is shown in Fig. 4. The paper from the roll is passed under the dampening roll in the water tank, then between the large roller and the wringing roller, over the same large roller and between it and the copying roller, thence out over the flanged roller and down to the winding reel. The pressure on the wringing and copying roller is adjusted by the adjusting screws *A* and *B*, and the adjustment lever throws the pressure on or off. The letter to be copied is laid face down on the feeding shelf, the edge is placed under the copying roller, pressure thrown on, and a turn of the crank carries the letter through into a receiving basket, leaving a perfect copy. If additional copies are wanted—any number up to a half-dozen—the operation is repeated for each copy.

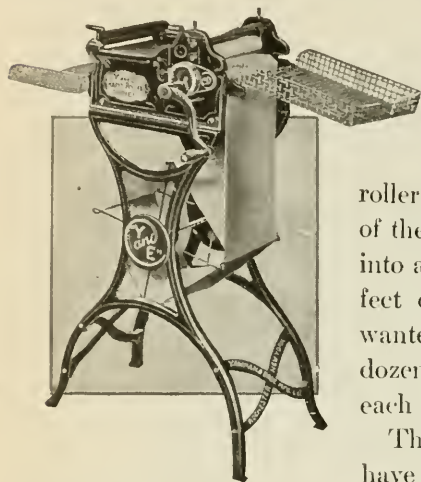


Fig. 5. General View of the Yawman & Erbe Roller Copier

The paper on which the copies have been made passes to a winding reel under the copier, as shown in Fig. 5. This is a large rectangular reel on which the paper is stretched tightly, so that it will be smooth when dry. The open construction of the reel affords free circulation of air, drying the copies very quickly. After the day's copying is done, the action of the machine is reversed by the turn of a thumbscrew, the paper is broken above the last copy, that on the reel is brought back over the copier, and the letters cut apart with the cutting knife at the end of the feeding shelf. The separate copies are then ready for filing with the original letters, keeping letters and replies together.

Among the advantages claimed for the machine are certainty of legible copies, copies of all corrections, and economy of operation. The copies are made after the letter has been written and corrected; consequently it must be a facsimile. If a note is written at the bottom or on the margin, it is shown in the copy.

Copying is the last operation before mailing. Frequently a

man finds, after the letter is written, that he needs additional copies. With the carbon system it is necessary to rewrite the letter; with the copier, the copies can be obtained any time before the letter is mailed.

The copier is economical in operation. The best quality of paper costs 50 cents a roll, and a little more than one roll, or about 60 cents' worth of paper is required for 1,000 copies; and there is no carbon paper to buy. The office boy can operate the copier, and it takes but a few minutes to copy the day's mail of the average concern. If desired, the machine can be obtained with an electric motor attached, but this power is really unnecessary unless the correspondence averages 300 or more letters a day.

STENOGRAPHIC DIVISION

As has been stated elsewhere in this series of books, the modern plan for a large organization is to have an independent stenographic division or department. Instead of each department head and correspondent having one or more stenographers in his office, to handle his work only, this plan contemplates placing all stenographers and typists in one room, in charge of a chief stenographer. Except where an executive officer has a stenographer who acts as his private secretary, this plan is now carried out in the most highly organized of our larger enterprises.

The stenographers are subject to the call of any correspondent, the chief stenographer supplying the one who is first available. The plan is sometimes modified to the extent of holding a stenographer for the work of a certain correspondent during stated hours; the stenographer being, at other times, available for any other correspondent.

The plan has proved to be economical and beneficial in many other ways. It is economical, as it reduces the number of stenographers actually needed to handle the work. Under the old plan, some of the stenographers are idle a part of the time, or obliged to do copy work to keep busy. For example, in a certain house, two departments were located in adjoining rooms. The department heads each had more work than one stenographer could do, but not sufficient to keep two busy all the time; it was necessary for each to employ two stenographers—four in all—and let them fill in a part of their time addressing envelopes, and similar work. The plan of having a common stenographic force was tried, and three

stenographers handled the work of both departments, with some time to spare for the work of other departments—a clear saving of 25%.

The stenographer is benefited by becoming familiar with the correspondence of all departments. While not learning all of the secrets of one department, the stenographer obtains a much better insight into the business as a whole—far more valuable as a business training than a more intimate knowledge of a single department.

Every correspondent is benefited by having several stenographers who are familiar with his work. If a certain stenographer leaves, is ill, or takes a vacation, he is not placed under the handicap of having his work stand still until he can break in a substitute. The new stenographer can be given some dictation in each department while becoming familiar with the work.

The work is more evenly distributed, with the result that the mail is out on time and no stenographer is obliged to work after hours. When all work together under one chief, the efficiency of the stenographic force, individually and collectively, is materially increased.

Not the least of the many advantages of this plan is the one of having all typewriters in one place, confining the noise. Employes in other departments of the office are greatly benefited by working in comparative quiet. Especially advantageous is the absence of the noise of the typewriter in private offices.

When the stenographic division is installed, it is necessary to provide a system of call bells, with a push button at the desk of each correspondent. Each correspondent is assigned a signal by which he may summon a stenographer. The chief assigns a stenographer to answer each call, or in the absence of the chief, the one whose turn it is answers the call.

Records of Work. An independent stenographic division necessitates a careful record of work performed. These records are required in order that the expense may be distributed and the wages of the stenographers charged to the proper departments. A distribution of office expense is just as necessary as a distribution of factory charges. The records should show exactly what it costs to conduct the purchasing, sales, or credit departments. If a man divides his time between two or more departments, his salary should

Stenographer No. _____		Week Ending _____ 19__																
Department	Hrs.	Letters	Hrs.		Letters		Hrs.		Letters		Hrs.		Letters		Hrs.		Letters	
			Hrs.	Letters	Hrs.	Letters	Hrs.	Letters	Hrs.	Letters	Hrs.	Letters	Hrs.	Letters	Hrs.	Letters		
Monday	A.M.																	
	P.M.																	
Tuesday	A.M.																	
	P.M.																	
Wednesday	A.M.																	
	P.M.																	
Thursday	A.M.																	
	P.M.																	
Friday	A.M.																	
	P.M.																	
Saturday	A.M.																	
	P.M.																	
Misc.																		

Fig. 6. Stenographer's Weekly Record of Work, Distributed by Departments

be charged accordingly. In like manner, the wages of a stenographer should be distributed.

Elaborate or complicated records are not required; a record of the time worked for each department is sufficient, though usually the number of letters written is included. First, is the record of work done by each individual. This should be a record covering a week's work, and may be kept on a card. Fig. 6 shows a form designed for such a record. This is on a 5"×8" card, one of which is given to each stenographer, who keeps the record from day to day.

This form provides for a record of the work of the stenographer each day in the week. The columns from left to right are headed with the names of the departments, but instead of having these printed in, it is best to leave the spaces blank and write the names. The daily record shows the hours worked and number of letters written, both morning and afternoon, for each department. Space is also provided for a record of miscellaneous or special work, which should be explained briefly. The total number of hours shown by this record should, of course, agree with the time for which the stenographer is paid.

These cards should be turned in to the chief stenographer, who will file them under the name or the number of the stenographer, keeping all records of each employe together. If preferred, daily reports can be used, though the weekly report will prove satisfactory in almost every case.

On receipt of the individual reports, the chief stenographer should make up a weekly report of the work of the entire division. The object of the report is primarily to show the amount to be charged to each department for stenographic work, but may also show the cost of each stenographer.

The form shown in Fig. 7 provides for a complete report. The work of each stenographer for each day of the week is distributed among the several departments, showing the number of hours worked, the number of letters written, and the cost. A record for five departments with six stenographers is provided for in the form shown. The footings of the columns show the total cost to the departments and the total column at the right, which is an extension of daily costs, shows the total cost for each stenographer. The footing of the total column, and the cross-footing of the departmental columns, must

STENOGRAPHIC DIVISION

Report for the Week Ending _____ 19__

Chief _____

DEPT.		STENOGR.		HRS.		NO.		COST		HRS.		NO.		COST		HRS.		NO.		COST		TOTAL	
NO.	M																						
	T																						
	W																						
	T																						
	F																						
	S																						
NO.	M																						
	T																						
	W																						
	T																						
	F																						
	S																						
NO.	M																						
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NO.	M																						
	T																						
	W																						
	T																						
	F																						
	S																						
NO.	M																						
	T																						
NO.	T																						
	F																						
	S																						
TOTAL																							

Fig. 7. Departmental Distribution of Work of Stenographic Division

agree and exactly equal the amount of the pay-roll of the stenographic division.

One valuable comparison shown by this report is the cost to handle the work of one department or correspondent, when different stenographers are used. The comparison must be based on the letters of one correspondent, because, while they are not likely to vary materially, there is a marked difference in the length of the letters written by different correspondents; also, the dictation of some correspondents is much more easy to take than others.

The form shown should be loose-leaf, and made in duplicate. One copy goes to the comptroller and one is kept by the chief stenographer. The size can be increased to accommodate a large number of departments or stenographers, but rather than use a sheet that is bulky, it is better to use more than one sheet. To provide for a monthly distribution of costs, these reports should be closed on the last day of the month, regardless of the day of the week.

Hints for Stenographers. Telegrams. When a telegram is sent, it is safe to assume that its object is to secure quick action; otherwise a letter would serve the purpose. Telegrams should, therefore, be transcribed and dispatched immediately, regardless of any other work that may be on the machine.

It has become the usual custom of business to confirm telegrams by mail. The more usual custom is to write a letter, in which the telegram is quoted, but the matter can be handled with less labor by the use of triplicate telegraph blanks. The original is the regulation blank supplied by the telegraph companies; the duplicate is on a sheet of the same size as the telegraph blank, but printed as shown in Fig. 8; the triplicate is a blank sheet of paper. The duplicate is mailed to the correspondent, while the triplicate is filed with his correspondence. Unless some special explanation is demanded, it is unnecessary to write a letter.

Don'ts. Don't keep your employer waiting while you hunt for, or sharpen, a pencil. Always keep a supply of at least a half-dozen well-sharpened pencils on hand. Keep them in a handy place and take them with you when your employer calls you to his desk to take dictation. Remember that his time is more valuable than your own.

Don't be afraid of working a few minutes overtime, when requested to do so. Only an unreasonable employer will ask you to work after

hours, excepting when it is really necessary. But occasionally something will come up at the last moment, making it necessary to write and mail a letter that night. Remember that what seems to you a trivial matter, may be of the utmost importance to your employer.

Don't overlook the important letters. If you handle a heavy correspondence there will be many days when you will find it impossible to transcribe all of the dictation you have taken, but some of the letters will be important while others can be held over without loss. Write the important letters first; if you are not sure which they are, ask your employer. He will appreciate your interest.

CONFIRMATION OF TELEGRAM	
<i>We have sent you the following telegram.</i>	

Fig. 8. Confirmation of Telegram

Don't overlook the necessity of learning something about the business in which you are employed. Every business has its own nomenclature—technical terms peculiar to the business, with which you may be unfamiliar. When you accept a new position, read the catalogs, circulars, and other literature of the house; this is the easiest way to familiarize yourself with the technical terms. You will find your position improved if you can correctly transcribe the terms peculiar to the business.

Don't waste envelopes and postage. Your employer may write a half-dozen letters to one firm the same day. This frequently happens in writing to branch offices and agencies. See to it that all letters to the same address are enclosed in one envelope. The saving in postage will be very considerable.

Don't underestimate the opportunities afforded by your position. There really is no position offering better chances for advance-

ment than that of the willing and competent stenographer. There are many incompetents, and for such salaries are small; but there are plenty of positions at good salaries open to the really competent. A stenographer handles many confidential matters, learns the business secrets of his employer, and has every opportunity to learn the business. The stenographer who takes advantage of the opportunities to learn becomes a private secretary, and rapidly advances to even more important positions.

Don't betray secrets. This is the most important *don't* of all. Remember that your employer dictates many confidential letters, imparting business and private secrets. Do not, under any circumstances, impart these confidential matters to others, and never talk about the business to those outside the office.

FILING DIVISION

Only a small per cent of the records of a business are found in the books of account; the larger part are in the form of business papers of various kinds. And, since the records in the books are, in the main, based on the records found in these papers, the papers themselves are not less valuable than the books. Letters, orders, invoices, receipts, vouchers, contracts, specifications, and estimates form the basis of the larger part of the business transactions of all houses, giving authority for transactions and offering proof that the transactions have been completed. The proper preservation of these papers is, therefore, a necessity, and, since they form so important a part of the records, they must be accessible.

The filing division is, therefore, one of the most necessary in the office of any enterprise, and should receive the careful attention that its importance deserves. Whether the equipment of the filing division consists of a single file or many large cabinets, it should be located where it will be accessible to all departments. It should be given as nearly a central location as the general plan of the office will permit. In a very large enterprise a separate room may be required, while in a small business the files may be arranged along the wall or around a corner. But whatever its location, aisles leading to the filing division should be left open, that it may be reached conveniently from any part of the office. Since good light is not so essential as for some other divisions, it is sometimes advisable to

locate the filing division where the light is not sufficient for another division—as the bookkeeping division. At the same time, there must be sufficient light to enable the file clerk to do the work properly.

As a general rule, all filing should be in one place, although under certain conditions, which are referred to later, special departmental filing is justified. It should be possible to obtain from the general files all papers that have a bearing on a particular transaction, or all of the correspondence of a given concern. More or less confusion results when certain of the papers are missing. For example, if a part of the correspondence about an order is filed in the sales department, the papers in the general file may not give a complete history of the case, and the order may be accepted or rejected under a wrong impression because the most important letter is missing.

When independent filing systems are maintained by the different departments, it is sometimes difficult to determine just where certain papers will be found. To say the least, it is quite difficult to collect all of the papers referring to one subject, when the filing is handled in this manner.

Experience has demonstrated that a central filing division is really more convenient for the department manager, than to maintain his own filing system. If the system has been properly installed, he can obtain correspondence or other papers from the general files about as quickly as from his own files, with the added advantage of obtaining all of the correspondence with a particular person. If another department has been in correspondence with the same person, he has their letters as well as his own. When the credit man, for example, reviews the correspondence of a customer from whom he is trying to collect an account, he will not be ignorant of the existence of a letter from the sales manager in which special terms were offered to secure the order.

The File Clerk. The filing division should be in charge of a file clerk and the clerk should have full control of the work of the division. In a large business, a chief file clerk and several assistants will be required, while in a small business it is customary for the stenographer to do the filing. No matter what the extent of the filing, the principle is the same; if but two persons are employed and one is expected to do the filing, the other should neither file nor remove papers from the file. When a letter is wanted, the file clerk should be asked for it.

The essential qualifications of a file clerk may be summed up as follows:

- A good memory;
- The habit of accuracy;
- The ability to read confusing chirography;
- The ability to spell correctly;
- Speed.

To these might be added the possession of a liberal amount of common sense, the faculty of absorbing information, and ability to correlate facts according to their importance.

A good memory is very necessary, for the papers that have been filed must be found when wanted. Letters signed by an individual may be filed with the correspondence of his firm. When the manager calls for "that letter from Whitcomb," it is embarrassing to ask him with what firm Mr. Whitcomb is connected; still more so to keep the manager waiting while an index is consulted.

A comprehensive index is necessary, of course, and the efficient file clerk will be fortified against all possible contingencies with proper indexes, but a memory which will permit of ignoring indexes, except in special cases, is a valuable asset. It may be stated as a rule that it should not be necessary to refer to special indexes to locate the letters of a regular correspondent.

Accuracy is another very necessary qualification. Accuracy is a habit—the habit of first finding the right way to do a thing, and then doing it that way every time. The habit of doing a thing the same way every time is very important in filing. If the rule is to file all correspondence in the name of the firm from whom it is received, no matter by whom signed, it is very essential that all letters from the firm be filed in exactly the same way—not a part of them in the name of the individual.

Accuracy is necessary also in placing letters in the files. Letters that belong in the *Be* division of the index must be filed there—not in the *Ba* division; letters intended for folder *No. 19* are to all intents lost, if placed in *No. 91*.

To be able to read confusing chirography is a talent that is much appreciated in more than one line of endeavor; it is especially valuable to the file clerk. The signatures of many men are notoriously difficult

to read, and large numbers of such signatures come to the filing division of every concern having an extensive correspondence.

Spelling might seem to be an accomplishment not absolutely essential to the equipment of a file clerk, but the ability to spell correctly is very helpful. It is a great help in indexing. Especially when a finely subdivided index is used, correct spelling is necessary to determine the division under which a paper should be filed.

Speed is an absolute requirement. When the manager wants a letter, he wants it at once. When the day's mail reaches the filing division, it must be filed as quickly as possible. Some one may call for a letter within an hour after it reaches the files, and to find it in the unfiled correspondence means inevitable delay. Nowhere is prompt service more thoroughly appreciated than in the filing division.

The importance of securing a file clerk with proper qualifications is apparently overlooked in many offices. A girl is placed in charge because she will work for a small salary, resulting—unless she is qualified—in very poor service. An incompetent file clerk can, in a short time, get the files in a demoralized condition almost impossible to straighten out. The necessity of proper filing makes the position one of real importance. On the other hand, the possibilities of the position are seldom appreciated by the clerk. This is due, perhaps, to the policy of making the position one of the lowest in the office from the salary standpoint; but the greatest possibilities of the position lie outside of the salary question.

The position of file clerk is a sure stepping stone to something better—a more responsible and better paid position. No clerk in the office has a better opportunity to obtain a general knowledge of the business. From the stenographer who files the manager's personal correspondence, to the clerk in charge of an extensive filing division, each is intrusted with important papers revealing the very secrets of the business. The position is a confidential one, and the clerk who can absorb the information that must inevitably come to his notice, and *keep the information to himself*, is surely preparing to fill a higher position; he has a golden opportunity to demonstrate his absolute trustworthiness.

FILING SYSTEMS

The evolution of methods of filing is itself an interesting study. From the days when the merchant preserved his bills and important

letters by hanging them on a sharp-pointed hook, to the present with filing cabinets of pleasing design and careful construction, in sizes to hold papers of all shapes and kinds, there has been constant progress. The advance of business methods, bringing with it an ever-increasing volume of papers to be preserved, has resulted in a demand for more simple methods—more scientific systems of filing. Those confronted with a practical solution of the problem, and those attempting to supply the demand, have devoted much time to a study of the subject. This has brought into being the filing expert

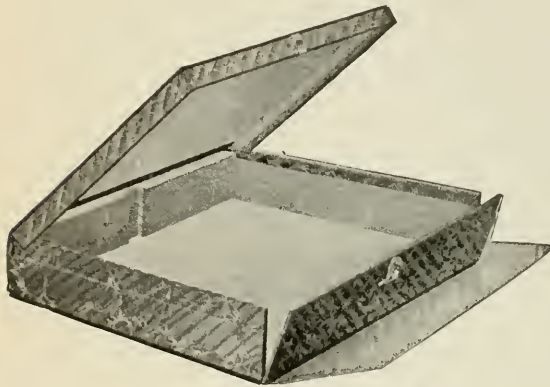


Fig. 9. Flat Letter File. *Browne-Morse Co.*

who makes a study of the filing problems of concerns in all lines of business. The manufacturer has kept pace with the development, and now is prepared to furnish the right device for filing any document from a small card to the largest drawing or map.

In this discussion of filing systems, it is not necessary to consider the obsolete methods, even though they have at some time been considered standard. The purpose of this discussion will be better served by a study of the more modern systems.

Flat Files. One of the filing systems still found in some offices is the flat, or box file. This file is made in the form of a box, with a hinged cover, as shown in Fig. 9. This box is of the right size to hold letters without folding, and is equipped with an *A* to *Z* index. Letters and other papers are filed between the index sheets in the order of their receipt. Sometimes an attempt is made to keep all of the correspondence of one person together but, since the letters are simply laid in the file, with no means of separating those of the several correspondents filed in one subdivision, it is very difficult to maintain this arrangement.

Cabinets are also made with box drawers of wood, the number

of drawers in a cabinet ranging from two to sixty. This permits of the use of a more finely subdivided index, and better classification of the contents. Each box in the cabinet is equipped with a spring compressor which holds the contents in place. To file or remove papers it is necessary to release this compressor. The index is removable, and when the drawer is full, the index and contents are placed in one of the box files referred to, which then becomes a transfer case. A new index is placed in the file, which is then ready for current correspondence.

This style of cabinet was for long the best to be had, but when used for filing an extensive correspondence, its defects became apparent. Among the disadvantages of its use, one of the chief is the uneven filling up of the separate divisions. Where the alphabet is divided among several drawers, one may fill up in two months, while another is but half full at the end of a year. This means that the transferring must be done whenever a single drawer is filled, instead of transferring the contents of the entire file at one time, adding to the difficulty of locating correspondence at a given date.

Other disadvantages are that correspondence is mixed together, making it difficult to locate all of the correspondence of one person; to remove a letter, the drawer must be taken from the file, and a search made through all of the letters in a given subdivision of the alphabet. Frequent transfers are necessary, resulting in an accumulation of transfer files which occupy valuable space in the office.

Vertical Filing. The vertical system of filing takes its name from the fact that papers are filed vertically, on edge, instead of being laid flat in a drawer. Vertical filing is the result of a gradual evolution of filing methods.

Those who recognized the defects of the old systems, set about to correct them. In the search for a remedy, all systems in use—for whatever purpose—were carefully investigated, among others the so-called *railroad system*. For years, railroads had been keeping all correspondence relating to one subject together, attaching the letters to a strong backing sheet. The sheet, with the letters attached, was folded twice, making a package about $3\frac{1}{2}'' \times 9''$ in size, which package was known as a file. These files were numbered, and kept in numerical sequence in pigeon holes, or in boxes similar to the present-day document files. When the document boxes were used,

which was the case in the larger offices, the packages or files were placed on end—filed vertically. This undoubtedly was the forerunner of the present-day vertical file.

The plan of keeping together all correspondence about a given subject naturally appealed to the investigator as being practicable for use in a commercial house. Not a few houses adopted the system in its entirety, which included an alphabetically indexed book in which a brief synopsis of the correspondence was written. The book was also used for a cross-index to the names of individual correspondents. It was really a system of recording the principal contents of letters, with references to the files where all of the correspondence could be found.

While the idea of keeping all of the correspondence on one subject, or with one individual, together, was excellent, this system was not well adapted to commercial use. Writing the contents of letters in a book was entirely impractical, and too much time was

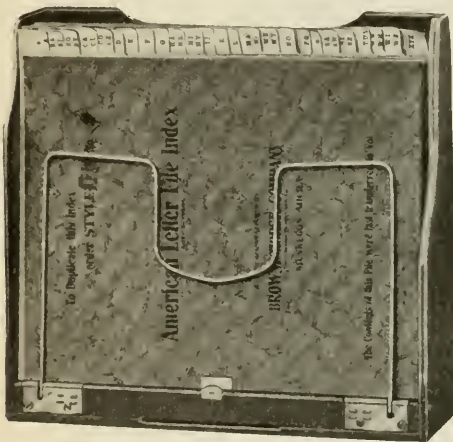


Fig. 10. The Principle of Vertical Filing
Browne-Morse Co.

required to open the files and refer to the contents. But, said someone, why not adopt the numerical idea, and substitute a numerical for the alphabetical index in the box file; instead of index sheets printed with the letters, why not have them numbered from 1 up? Then a number could be assigned to each correspondent and all of his letters could be filed under the index sheet bearing the corresponding number. An index book could be used for the names and references to the numbers.

Next came the card-index man with a proposition to use his cards for an index to the files. Not long ago the writer inspected a filing system consisting of a number of box files indexed numerically, arranged on a shelf. A card index supplied the cross-references.

In this particular case the system was designed by a card-index manufacturer to create a market for card files.

But the use of card indexes furnished the final solution of the filing problem. If small cards could be filed on edge, why not letters? With a larger drawer, with index guides to fit, the card index idea could be adapted to the filing of correspondence. Indeed, a flat file drawer, standing on edge, as shown in Fig. 10, illustrates the principle of vertical filing.

To preserve the idea of keeping all correspondence of one individual or firm together, folders are used. A folder, as shown in Fig. 11, consists of a piece of heavy manila paper folded, with one edge higher than the other, forming a pocket $9\frac{3}{4}'' \times 11\frac{7}{8}''$ in size. The higher or projecting edge of the folder is used for writing the name of the correspondent or other reference; or the folder may be made with a projecting tab for the purpose.

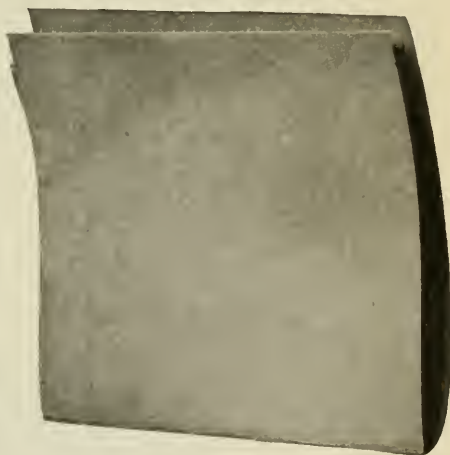


Fig. 11. Folder for Vertical Filing
Browne-Morse Co.

One of these folders is used for each correspondent. Suppose, for example, that correspondence develops with Scott & Blake. The name of the concern is written on the projection of a folder, and all letters from, with copies of all letters written to, Scott & Blake are placed in this folder in the order of their date—the last letter in front. The folder provides a complete history of the correspondence with the concern.

The folders are filed on edge between guides or index cards having projections on which the indexes are written or printed. The indexes are fastened in a vertical file drawer, yet are removable. On the bottom of the guide, Fig. 12, is a square-cut projection, punched with a round hole. This projection drops into an opening in the bottom of the drawer, and engages a countersunk rod which

is passed through the hole. The rod holds the guide firmly in place, but since the rod is removable, the guide can be taken out when it



Fig. 12. Guides for Vertical Filing. *Browne-Morse Co.*

is desired to do so. The folders are not fastened in any way, and any folder can be removed without disturbing the others, as shown in Fig. 13.

Methods of Indexing.

There are four principal

methods of indexing the vertical file; namely, the numerical, alphabetical, geographical, and subject. These four methods, with their resulting combinations, provide for the proper indexing of any class of papers.

Numerical Indexing. Numerical indexing was the method first used with the vertical file, and still is extensively used. With the numeri-



Fig. 13. Vertical File Drawer Showing Folders and Guides
Browne-Morse Co.

cal system of indexing, the folders are numbered consecutively in the upper right-hand corner. The folders are filed in numerical sequence between guides, numbered usually by 10's, as shown in Fig. 14.

Each correspondent is known by a number, and all of his correspondence—both original letters and copies of replies—is filed in a folder bearing his number. To locate his folder, a cross-index is necessary, as it is not possible to remember the numbers of all correspondents. The index is provided by a card on which is written the name, the folder number or file number, and any other memoranda that may be desired. The card is filed in a card drawer behind the proper alphabetical index guide, where it can be found very quickly.

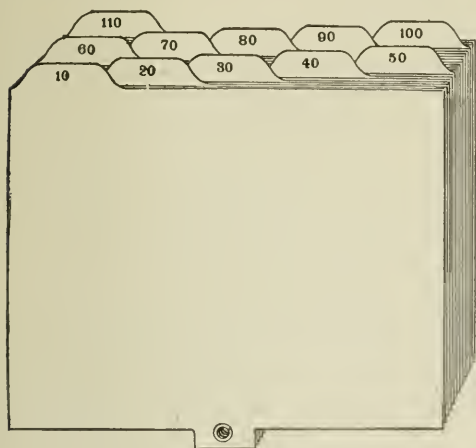


Fig. 14. Numerical Indexing
Browne-Morse Co.

Suppose, for example, that correspondence develops with B. J. Anderson. We will file his letter or a copy of our reply in the next unused numbered folder—which happens to be *No. 545*—and this will be Mr. Anderson's number as long as we have any dealings with him. Before placing the folder in the proper place in the file—following folder *No. 544*, back of guide

540—we will write Mr. Anderson's name near the upper edge, and at the same time we will fill out an index card as shown in Fig. 15. This card will be filed in its proper place in the card index drawer, and whenever we wish to refer to this correspondence we will turn to the card, which shows that it will be found in folder *No. 545*.

When a letter refers to more than one person or subject, it is filed under the most important. For example, when correspondence develops with a firm, it should always be filed under the firm name, even though the letters are signed by individuals. We will suppose that one of our correspondents is the Norton Machine Co., and that folder *No. 610* is assigned. Later, a letter signed by T. J. Watson, Secretary, is received. Since the letter refers to the business of the Norton Machine Co., it will be filed in their folder, and we will fill out a cross-index card for T. J. Watson, Secretary, referring to the

With the alphabetical system a folder is assigned to each regular correspondent, as with the numerical system, but instead of a number, only the name is written on the folder, or on the tab projection. The folder is filed back of the proper alphabetical guide, as in Fig. 17, and is used exclusively for that one correspondent.

It is the experience of every business house that a small correspondence is received from a large number of persons. Perhaps but one or two letters will be received, the person never developing into a regular correspondent. This correspondence is treated as miscellaneous. For miscellaneous correspondence a separate folder, on which the index letters are written or printed, is used for each alphabetical subdivision. This may be placed either behind or in front of the name folders, as in Fig. 18.

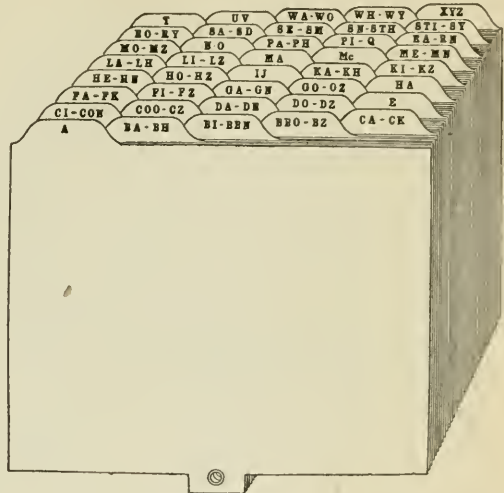


Fig. 17. File with 50 Alphabetical Subdivisions
Brown-Morse Co.

The miscellaneous folder should not be allowed to become too full. When a sufficient number of letters are accumulated with a firm or individual, or whenever the nature of the correspondence indicates that it is likely to become permanent, it should be transferred to a separate folder.

Geographical Indexing. When for any reason it is desirable to have correspondence arranged according to territory, the geographical system of indexing is used to excellent advantage. The plan is exactly like alphabetical indexing, with the exception that the files are divided according to territory. First, the files are divided by states by means of state guides—indexes printed with the names of the states. A very large concern may require guides for all states, while a smaller business will use only three or four such divisions.

Or a concern doing business in a half-dozen states may find it advisable to arrange the correspondence from but two of them territorially, indexing the balance alphabetically. The correspondence from a single state may require two or more drawers; or one drawer may accommodate that from several states.



Fig. 18. Tab Folders. Miscellaneous Folders in front
Library Bureau

To subdivide the states, guide cards printed with the names of the towns are used. These are arranged alphabetically between the state guides. Correspondence folders are filed back of the town guides in alphabetical sequence. If there is a large number of correspondents in one town, the folders are

subdivided with a set of alphabetical guides. The geographical method of indexing is shown in Fig. 19.

When the correspondence in a state is scattered, with but few correspondents in each town, a set of alphabetical guides can be substituted for the town guides. In New York state, for instance, the letter

A would represent Albion, Attica, and other towns the names of which begin with that letter. If there is a large town—as Albany—



Fig. 19. Geographical-Alphabetical Filing with Guides for
States and Towns. *Library Bureau*

in which there are a number of correspondents, a town guide should be inserted in its proper place in the alphabetical index. Then, if the correspondence from Albany is sufficient, it can be subdivided with alphabetical guides, but these should be of a different color than those representing the towns. The geographical index can be expanded to any limit by inserting additional town and alphabetical guides, wherever and whenever needed.

Subject Index.

The subject index is used whenever the subject of the correspondence is more important than the name of the writer. Subject indexing may be used in connection with the regular correspondence.

When it is desired to file by subjects indexed numerically, a numbered folder is headed with the name of the subject, and all correspondence pertaining to the subject is filed in that folder. An index card is then filled in with

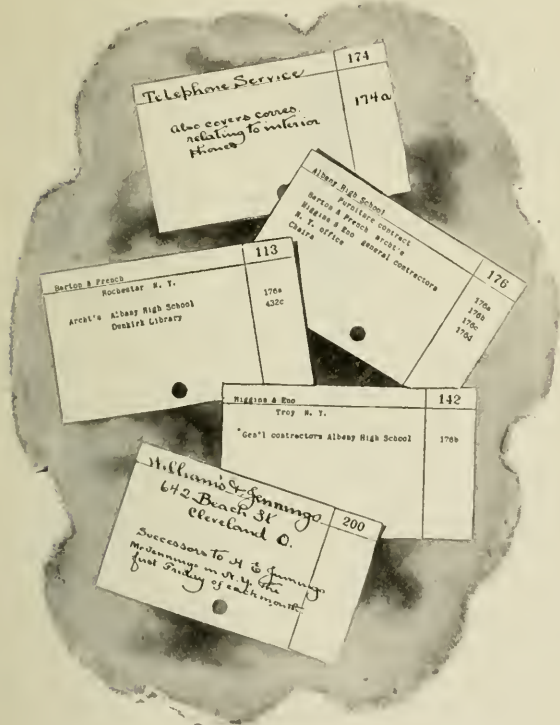


Fig. 20. Subject Indexing and Cross-Reference Notice Memoranda on Index Cards
Library Bureau

the name of the subject and the number of the folder, and filed alphabetically. Additional cross-index cards are headed with the names of correspondents, and refer to the subject and folder number. Several subject index cards are shown in Fig. 20.

Subject filing can be adapted to the alphabetical index by inserting folders or guides headed with the names of subjects, as shown

in Fig. 21. These folders are used for correspondence pertaining to a given subject, and cross-index cards are made for the names of individuals.

Selecting the Index. The selection of the index for correspondence files is important, and must be governed by the nature of the business, and the correspondence to be filed. Subject indexing is the least used of any of the methods described. Railroads, and a few large corporations determine as far as possible a number of

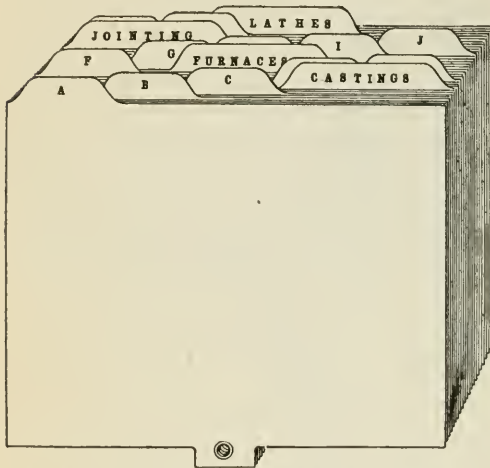


Fig. 21. Subject and Alphabetical Folder
Broune-Morse Co.

subject headings under which all correspondence shall be filed, individuals being known only in the miscellaneous correspondence; but these are exceptions, and this method of filing is not adapted to the needs of the average business concern.

Geographical indexing is quite largely used by jobbers, and is a very practicable method

for a concern whose correspondence is confined within a definite territory. It is also used to advantage in connection with other methods of indexing. For example, a concern in Chicago, with a large number of customers in Illinois, Iowa, and Wisconsin, might use a geographical index for those states, while filing all other correspondence alphabetically.

This leaves alphabetical and numerical indexing from which to make a selection. A thorough investigation, which has included consultations with many leading filing experts, and examinations of the systems used by more than a hundred representative houses, from the small retail store to the largest corporations, leads to the conclusion that, except in special cases, the alphabetical index is best. It is best because simplest; and to do a thing in the most simple way is one of the cardinal principles of business system

Alphabetical indexing adapts itself to every possible requirement. Suppose, for example, that the correspondence of the Norton Machine Company is filed alphabetically, and that you want to refer to the correspondence of T. J. Watson, who is secretary of the company. A cross-index card is headed with the name of the company. This would be exactly like the cross-index shown in Fig. 16, except that the number would be omitted.

There may be times when you will wish to keep together all correspondence pertaining to a given subject—as a contract in which you are interested. A folder can be made for this contract, headed with the subject name, and filed in its proper place in the alphabetical index. Cross-reference cards can be made, headed with the names of individuals, and referring to the subject. Perhaps, when the contract is completed, there will be no further reason for keeping the correspondence together, and it can then be distributed according to the regular alphabetical arrangement.

Should you wish to adapt the geographical idea to any part of the correspondence, the alphabetical index lends itself to the change without disturbing the general arrangement of the files. It can be expanded to any size; any class of correspondence can be segregated; and with properly subdivided indexes, papers can be quickly located.

Probably the two most important advantages of the alphabetical over the numerical system of indexing are its economy of operation and safety. As to the first named advantage, there is a saving at the start in the outfit required. Only the letter file and alphabetical index are needed—there is no investment in a card-index outfit, unless it be a very small one for cross-references. But the greatest saving is in the time required for its operation.

Without considering the operations involved in filing letters, compare the two methods when a letter is wanted from the files. Suppose that the file clerk has received a requisition for the correspondence of the Norton Machine Company. With the numerical index, the following steps are taken:

- (1) Open card index drawer;
- (2) Refer to cards filed back of the *N* guide, and find index card showing that folder No. 610 holds the correspondence;
- (3) Close card index drawer;
- (4) Open vertical file drawer;

- (5) Refer to folders back of the 600 index, find *No. 610*, remove folder;
- (6) Close vertical file drawer.

When the alphabetical index is used, only the following steps are necessary:

- (1) Open vertical file drawer;
- (2) Refer direct to folder of Norton Machine Company, back of the *N* guide, and remove correspondence;
- (3) Close file drawer.

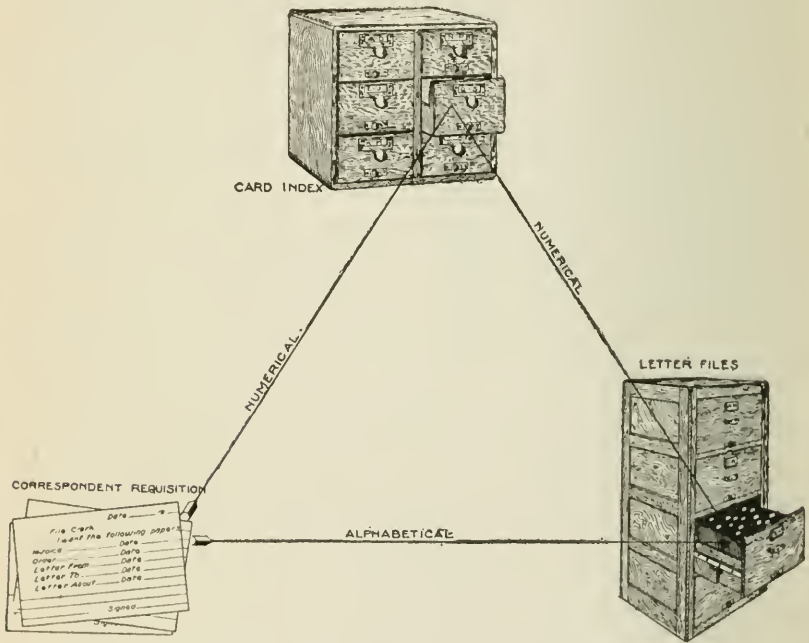


Fig. 22. Alphabetical vs. Numerical Filing

This is merely an application of the principle that a straight line is the shortest distance between two points, as illustrated in Fig. 22.

Alphabetical indexing is the safer for the reason that there is less liability of filing a letter in the wrong place. With the numerical system, the filing of letters in the wrong folder is not uncommon, and when this is done the letters are practically lost.

The usual routine in numerical filing is first to place the folder numbers on the letters, and then file according to these numbers

without reference to the name. Naturally, the file clerk commits to memory the numbers of a large part of the active correspondents, and places them on the letters without referring to the card index. Memory is ever fickle, and if the wrong number is placed on the letter, it is probable that it will be filed accordingly.

In the use of figures, the most common of all errors is transposition, and this is a constant source of danger in filing. Suppose, for example, that in placing the number on a letter from the Norton Machine Company, a transposition is made and the number reads 160 instead of 610. The letter is filed in folder *No.160*, just four hundred and fifty folders out of the way. The letter is practically lost, for there is no way to locate it except to look through all of the folders until it is found.

With the alphabetical index there is some danger of filing a letter in the wrong place, but it is materially lessened by the fact that the name must be kept in mind. If the letter is incorrectly filed, it probably will be placed in a folder close to the right one. Almost without exception, it will be found within two or three folders of its proper place; there is scarcely a possibility that a letter from Norton will be filed in White's folder.

MISCELLANEOUS FILING

Salesmen's Correspondence. The correspondence from salesmen and branch houses is, as a rule, more bulky than that from even the largest customers. A sub-division should be provided that will make it possible to locate quickly a letter of any date, without looking through a great mass of correspondence. The most simple way to accomplish this is to divide the correspondence of each salesman or branch by months. A folder should be used each month.

Sufficient space should be provided in the general files to hold salesmen's correspondence for an entire year. If sub-divided by months, old correspondence can be located much more quickly than if scattered through several transfer files.

One way to reduce the bulk of this correspondence in the salesmen's folders is to require each salesman to use a separate sheet for each subject about which he writes. Nine out of every ten letters from a salesman refer specifically to transactions with certain customers, and are chiefly important in connection with the correspond-

ence of those customers. Such letters should be filed in the customers' folders, where they will be found when it is wished to investigate transactions with a customer.

The correspondence of some very large customers is also quite bulky. This, also, can be sub-divided by the use of a new folder each month. A similar plan is used to advantage in connection with subject filing, a separate folder, filed back of the subject guide, being used for each correspondent.

Correspondence of Temporary Value. Every large enterprise receives a considerable amount of correspondence which has no permanent value. Inquiries for catalogs in response to advertising are of no value unless further correspondence is developed. It is advisable to set aside sufficient space in the files, and file such correspondence alphabetically, in miscellaneous folders. Later, when further correspondence develops, separate folders can be made and transferred to the regular files. After a reasonable time—when the follow-up is abandoned—the inquiries can be destroyed, saving space in the permanent files.

Orders. The manner of filing orders depends on the business and the method of handling. It will depend on whether the greater part of the orders are received direct from customers on their own blanks, on blanks supplied by the house, or from salesmen on the blanks of the house.

When orders are received direct from customers, whether in the form of letters or on the customers' blanks, it is customary to copy them on the house order blanks, from which orders are filled and billed. The most practical disposition of customers' original orders is to file them with their correspondence, instead of providing a special file for them. There are certain exceptions, as subscriptions received by a magazine and which, for certain reasons, should be kept by themselves; but that outlined can be regarded as a general rule. One reason for filing orders with the correspondence is that, in case of dispute, it will very likely be necessary to refer to past correspondence.

The manner of filing the house blanks depends on the number of copies made. Some houses make but two copies of the order—one to be sent to the customer as an acknowledgment, and one from which the order is filled. This leaves but one copy for the office, and this should be filed numerically, which also brings it in the order

of the date. If the order copy is also used as a posting medium, it should be filed in a loose-leaf binder; otherwise a vertical file drawer can be used.

Another very satisfactory method is to enter the order in triplicate—one copy as an acknowledgment, an office copy, and a shipping copy—leaving two copies for the files. One copy should be filed numerically, the other alphabetically. This provides a cross-index without the necessity of writing a card index, showing how easy it is to provide valuable records by using ordinary care. A complete order record is provided by making one extra copy, which is done with no additional labor.

Orders received from salesmen on the house blanks are sometimes used as a posting medium, in which case they are filed in a binder, by date. Another method is to make the invoice in duplicate, and use one copy as a posting medium. In such case, the copy of the order can be filed alphabetically, bringing all orders from each customer together.



Fig. 23. Special Invoice Folder—Open
Browne-Morse Co.

Invoices. The method of filing invoices depends on whether or not a complete voucher system is used. When no voucher system is used, all invoices should be filed alphabetically in a vertical file. A folder should be used for each firm or person from whom goods are purchased, so that all of their invoices can be kept together. Invoices should be filed in the folder in the order of their dates, the last one in front.

With the voucher system, invoices are sometimes attached to the voucher, in which case they are filed according to the voucher number and a separate card index is kept for alphabetical reference. The more modern plan, however, is to file the voucher numerically, retaining the alphabetical index for invoices.

Invoices can be filed in the same file with the correspondence, or in a special file. When the former method is adopted a folder of

a special color should be used. There would then be two folders for a firm, one for invoices and one for correspondence. Special folders with double folds are largely used for filing invoices, as shown in Fig. 23.

Documents and Legal Papers. For filing documents and legal papers, there are two standard methods. The older of the two is to fold the papers and file them on end in a document drawer, like the one shown in Fig. 24. The drawer is equipped with a compressor or following block for keeping the papers in an upright position, and either alphabetical or numerical indexes. These drawers can be obtained singly or in cabinets containing any number.

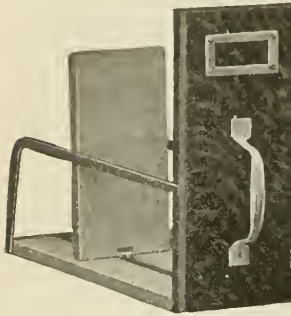


Fig. 24. Document File.
Broune-Morse Co.

The more modern method is to file documents and legal papers in a vertical file, using document envelopes, as shown in Fig. 25. These envelopes are of the right size to hold legal papers flat, insur-

ing convenient reference, which is a decided improvement over the older method of folding the papers. Any of the several methods of indexing can be used, depending on the requirements of the business.

As a filing system for the lawyer's office, this method is unsurpassed. Every record of the office is kept in one complete filing system, yet each case is separate and distinct. Every paper and all correspondence relating to a given case is filed, unfolded, in one of the document envelopes—or a folder can be used—bringing all papers on the same subject together.

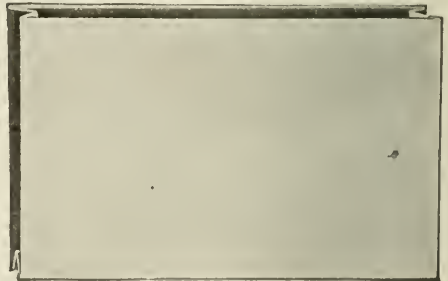


Fig. 25. Document File Envelopes
Broune-Morse Co.

If indexed alphabetically, the papers are filed according to the name of the client. When the numerical index is adopted, an alphabetical index card with cross-references, including the docket index, is used. The folders may be numbered by case or office numbers.

Copies of opinions can be filed in the same manner, making every opinion available whether given yesterday or ten years ago. The usual confusion in the lawyer's office, incident to the search for papers scattered through several files, is entirely done away with.

Clippings. The vertical system is the most practicable for filing clippings, but, since they are liable to be lost through the open ends of the ordinary correspondence folder, it is best to use either the envelope or the invoice folder—preferably the former. Indexing for clippings should be by subject, and if a file is used exclusively for clippings, it may be either numerical or alphabetical. As a rule, the latter is most satisfactory, though the former is used quite extensively.

An envelope should be used for each subject. On the front of the envelope the name of the subject and a list of the

contents is written. All clippings relating to that subject are filed in the envelope, which is placed back of the proper alphabetical guide. Cross-references, when needed, are provided by a card index.

Drawings and Maps. A large concern, especially a manufacturing enterprise, has a large number of drawings, blue prints, maps, and photographs to file. One method is to file them in large folders, laid flat in a flat drawer, using a card index for cross-reference.

A more convenient method is to file them vertically. The ordinary vertical file drawer is too small for large drawings, but in Fig. 26 is shown a special file which will accommodate drawings measuring $24" \times 36"$. The drawings are filed in heavy folders, made to fit the drawer. This drawer is hinged at its lower front edge, permitting it to be opened by simply tilting the drawer forward, an operation which is accomplished with very little exertion. The drawer is held

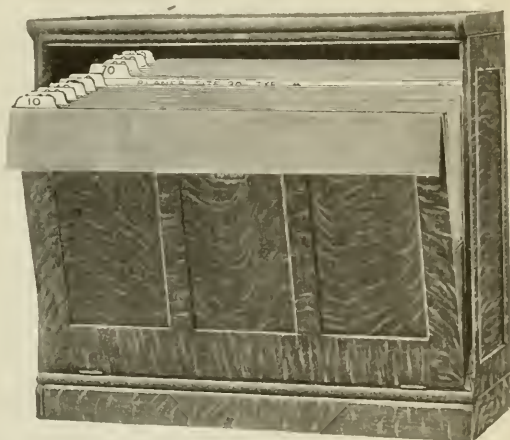


Fig. 26. Drawing or Map File
C. J. Lundstrom Co.

in open position by an automatic catch which is quickly released when it is desired to close the drawer. Each drawer is provided with an adjustable follower which moves back as the space fills up. When open the drawer exposes its entire contents, any of which may be picked out instantly and again filed with the utmost convenience and dispatch. When a large tracing is to be filed, it is desirable to first pull out the folder to which it belongs and, after having placed the tracing therein, to slip the folder back in its place. This prevents any accidental creasing of the drawing.

Either an alphabetical or numerical index can be used, depending on the class of drawings to be filed. In a machine shop, where all machines and parts are known by number, the numerical index is best. In a publishing house, where it is desired to keep all drawings used for each book, they should be filed alphabetically by subject.

Credit Reports. Vertical filing is best for credit reports, as it brings together all credit information about a customer. Unlike correspondence, it is customary to fasten credit reports in the folder by using a drop of paste at the top of each report. A folder is used for each customer, and all reports are attached in the order of their date.

The index may be numerical, alphabetical, or geographical. When the numerical system is used, a card index furnishes the cross-reference. The card contains the name and the number of the folder, with a brief history of the customer's dealings with the house.

FILING HELPS

Guiding. The importance of guiding should not be overlooked, for guides are the great essential of a successful filing system. They must be simple and correct. They must be inserted at sufficient intervals to guide eye and hand instantly to the desired folder. A vertical file drawer holds about 5000 letters, and, assuming that the average is 10 letters to a folder, this would mean 500 folders. A general rule is to use 50 guides to a drawer, or one guide for every ten folders.

The estimate of the number of guides required should be liberal. If there are 500 regular correspondents, it is better to equip the files with a 60 subdivision alphabetical index than to confine it to a 50 subdivision index.

Guides must stand hard usage and remain legible; therefore the best quality should be used. All manufacturers of filing equipment now supply guides of heavy pressboard with metal tips. The metal tip guide is entirely rigid and supports the papers or folders in the file, keeping them rigid and in alignment. An important feature is that the index heading (name, letter, or number) can be changed at any time by merely inserting a new slip in the metal tip. Metal tip guides cost more than the old-style manila guide stock, but in the end are more economical. The money paid for a filing outfit should be regarded as a permanent investment; if the expense is to be cut down, let it be in the purchase of supplies used for transfer, rather than in the regular files which are used every day.



Fig. 27. Sorting Tray

Transferring. Correspondence which is out of date should be removed from the current file and filed in transfer files or boxes, indexed as in the regular files. Transfers should not be made too frequently. It is often advisable to use cabinets large enough to hold the correspondence for two years, one part being used for current correspondence, the other for correspondence one year back. At the end of the year, all of the correspondence is removed from the older file, which becomes the current file during the succeeding year.

Sorting. The work of the file clerk is facilitated and greater accuracy insured by the use of a sorting tray, as shown in Fig. 27. This consists of a wooden tray, equipped with alphabetical or numerical guides according to the system used. For the alphabetical system a set of *A* to *Z* guides—one for each letter of the alphabet—is used.

Before attempting to file, the clerk sorts the day's correspondence in this tray. All correspondence belonging in one division of the alphabet is thus brought together, and can be quickly filed.

SELECTING FILING EQUIPMENT

The selection of filing equipment has been greatly simplified by the manufacturers, who have studied the filing problem with the view to supplying the demand for equipment to accommodate every business paper. As new problems have presented themselves, new equipment has been designed. The needs of the smallest office, as well as those of the largest corporation, have been studied and met. Heavy cabinets of solid construction have given way to cabinets built in sections, any one of which can be carried by the office boy.

The man who has but a half-dozen letters a day to file finds a section exactly suited to his requirements; as his business grows, he adds other sections; the cabinet grows with the business, making one complete system, no matter how small or how large.

The most universally used of all filing devices is the vertical file. As has been explained in the preceding pages, it adapts itself to almost all of the papers found in a business office. Vertical files are

made with drawers in three standard sizes: letter size, for ordinary correspondence, or papers up to $9\frac{1}{2}'' \times 11''$ in size; legal or cap size, for legal blanks, reports, and other large papers up to $10'' \times 15''$ in size; invoice size, for invoices, orders, credit reports, and all papers not larger than $5\frac{1}{4}'' \times 8''$. Papers $8'' \times 10''$ can be filed in the invoice size by folding once.

Styles of Construction. Two standard styles of construction are used for vertical files, horizontal sections and upright sections or units. The horizontal section is made one vertical file drawer high and either two or three drawers wide. Upright units are one



Fig. 28. Showing Manner of Joining Upright Sections. *Browne-Morse Co.*

drawer wide, four drawers high for letter and cap sizes, and five drawers high for the invoice size.

The upright unit is the newer and preferred style of construction; it is more substantial, and for either large or small filing systems occupies less floor space. Upright units are put together as shown in Fig. 28. Each section is built with skeleton ends, and at each end of the cabinet—whether one or a dozen sections—end panels are used, making one complete cabinet. The sections are locked together, and can be separated at will. Fig. 29 shows three upright sections, in the three standard sizes, joined together to make a complete cabinet. This gives some indication of the possibilities offered by this style of construction in building a cabinet to meet every requirement.

Upright units are also made with combinations of drawers for different purposes. For a small business, an assortment of files for different purposes is frequently desirable. An entire section filled with files of one kind may not be needed, but a combination section offers a solution.

The combination illustrated in Fig. 30 contains one cupboard, six shallow storage blanks, two double card-index drawers, and three document files. A vertical file drawer can be substituted for the cupboard unit.

If vouchers, or other folded documents are to be filed, the document drawers shown in the combination unit can be used, or provision can be made for filing these papers in the vertical file. The vertical file drawer is divided lengthwise by partitions into compartments of the same width as the document file. Each compartment is equipped with a follower block and countersunk rod for holding guides.



Fig. 29. Three Upright Sections in Standard Sizes
Browne-Morse Co.

Where a large number of folded documents are to be filed, as in the office of a corporation using a voucher system, this file is much more convenient than the old style. An old-style document file has a limited filing capacity, and must be taken from the cabinet for consultation. A vertical file drawer, legal size, provides three compartments, each 24" in length. This gives an actual filing capacity of six feet in a single drawer. An upright section, equipped for document filing, is shown in Fig. 31. If an entire section is not needed for



Fig. 30. Combination Cabinet
Browne-Morse Co.

this purpose, one drawer can be equipped for document filing, and the others used for correspondence.

A style of construction designed to combine the expansion idea with variety is known as the *inter-inter cabinet*. This cabinet consists primarily of an outer cabinet or shell of standard height, depth, and width. This shell is divided into compartments of standard height into which the filing devices are fitted. The various filing devices are arranged in skeleton units of stand-



Fig. 31. Upright Cabinet for Documents
Library Bureau

and dimensions, made interchangeable so that any desired combination can be produced. Fig. 32 shows an outside cabinet, card index, and vertical file units, which fit the openings in the cabinet.

This construction enables the user to make a combination of small units of various kinds to suit present requirements, all housed

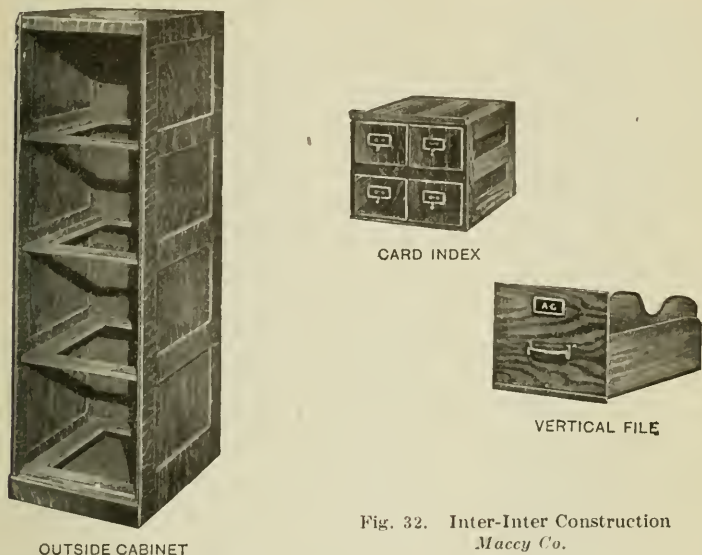


Fig. 32. Inter-Inter Construction
Maccy Co.

in a single case in a compact form. Provision for future expansion is unnecessary, since an additional outside cabinet can be added at any time, and the units rearranged at will to conform with changes in the system.

An inter-inter cabinet shown in Fig. 33 suggests the variety of devices that can be accommodated in a single shell. This cabinet contains vertical file, card index, legal blank drawers, and document files.

The need has been felt for a small filing cabinet, or stack of sections, that would be complete and give the proper variety. The professional man, the department manager, and the executive have need for a small cabinet for personal correspondence, reports, statistics, records of matters requiring personal attention, blanks and forms, private papers, and all matters of a confidential nature. This need seems to have been met satisfactorily by the small sections known to the trade as *sectionets*.

These are complete sections, the largest size being that of the vertical file drawer, which can be stacked one on top of the other or side by side. Any of the standard filing devices can be made up into these sections. A small section for 4" × 6" cards is shown

in Fig. 34. A single section, with top and base, makes a complete cabinet, which can be added to as needed. Fig. 35 shows a small stack of sections consisting of vertical file, 5" × 8" card index, and 3" × 5" card-index drawers, and one document file, on a leg base.

Transfer Files. Files for the storage of transferred correspondence can be of cheaper construction than the regular filing cabinets, as they are less frequently referred to and not subject to the same hard usage. They should, however, be of reasonably substantial construction; it is usual to keep business correspondence at least two years, and it may be necessary to refer to it many times after it is transferred. Then, too, if substantial transfer files are provided, they can be used again and again; sufficient transfer files to hold two years' correspondence will last indefinitely.

At first, manufacturers of vertical filing equipment supplied nothing more substantial than boxes made of binder's



Fig. 33. Inter-Inter Cabinet
The Macey Co.

board. Boxes the size of a vertical file drawer were used. These were usually stored on shelves, and to refer to the contents it was necessary to take down the box and remove the cover. To keep pace with improvements in

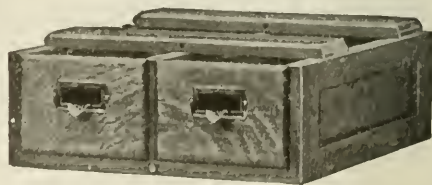


Fig. 34. Card Sectionet
Shaw-Walker Co.

filing cabinets, new styles of transfer files have been perfected. One of the most satisfactory of the more modern styles is the drawer transfer file, which is practically a single drawer section. It is made



Fig. 35. A Stack of Sectionets
Shaw-Walker Co.

of light wood with a drawer as shown in Fig. 36. These files can be stacked, one on top of another, and locked together, making a solid filing cabinet. The drawers hold the contents of a vertical file drawer, but are not equipped with follower blocks, and are not recommended for current filing. These transfer files cost more than the old style, but when durability and accessibility are considered, they probably are more economical in the long run.

Metal Files. Metal furniture is rapidly gaining in popularity for office use. All sorts of office furniture is now made of sheet steel — desks, tables, chairs, counters, and filing devices for all purposes. Metal cabinets are made in upright sections and equipped with the same filing devices found in wooden cabinets. Fig. 37 shows a row of metal sections, combining a variety of filing devices. At either

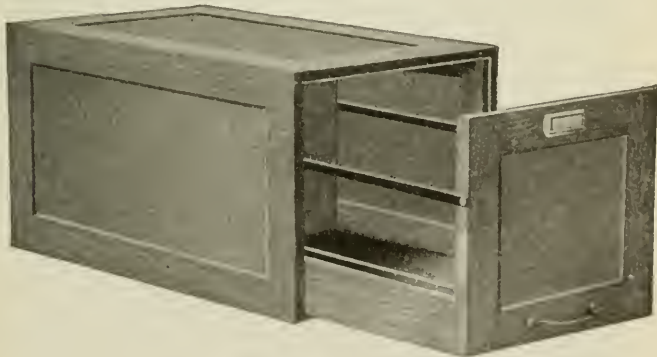


Fig. 36. Transfer Drawer. *Browne-Morse Co.*

end are roller book shelves and a cupboard, while in the center are six styles of files.

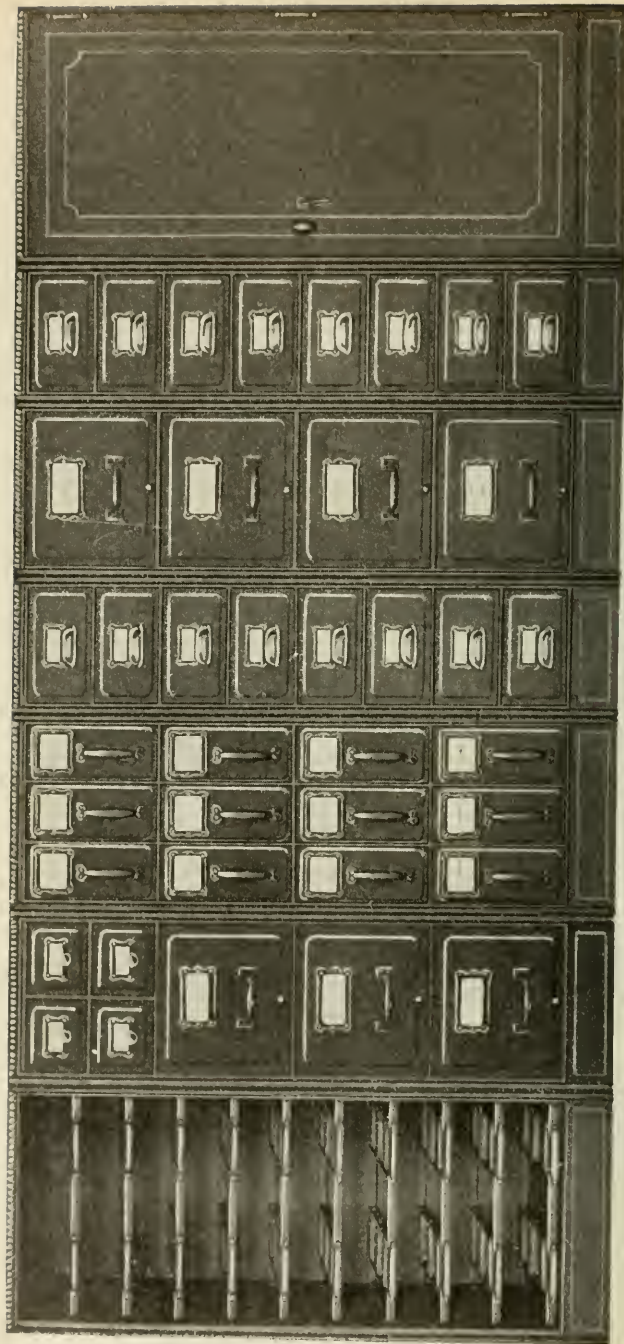


Fig. 37. A Row of Metal Files. *The Berger Co.*

Metal files afford safety, as they will go through quite a severe fire without damage to the contents. Few offices have sufficient vault space for papers, which metal files not only preserve, but by keeping the papers away from combustible material, act as a fire preventative.

Suitable timber for files is becoming scarce and also is increasing in cost. Metal seems to offer a practical substitute for the oak and mahogany office furniture now in use.

MAILING-ROOM MACHINERY

Mechanical devices and machines are used for many purposes in an office, and both the variety of uses and types of machines are steadily increasing. Inventors and manufacturers of office appliances are working constantly to perfect devices which will save time, insure accuracy, and reduce costs. Among these are several for reducing labor and increasing speed in the mailing room.

Addressing Machines. One of the most efficient labor-saving devices is the addressing machine, which is used for addressing envelopes, cards, and other matter, to a large list of names. These machines are especially well adapted for the names to which communications are addressed at regular intervals. Brokers and commission men use them for addressing daily market letters to permanent lists of correspondents; business houses in all lines find them convenient for monthly statements, using the machine both for addressing the envelopes and filling in the names on the statements. An office boy can fill in addresses on statements for all accounts in the sales ledger, and address the envelopes, saving about one-half the time of the bookkeeper.

In the advertising and sales department, the addressing machine is used to excellent advantage for addressing follow-up letters, booklets, circulars, and catalogs. Its use makes it easy to send advertising literature to all customers at frequent intervals. The machine is not recommended for a prospective customer's follow-up list, unless a large number of follow-ups are to be sent; but when a man becomes a customer, it may be safely assumed that the name is permanent.

Of the machines now on the market, one of the best known is the *addressograph*. This machine is made with both card addresses

and chain addresses. The card machine, which is shown in Fig. 21, is the most practical for the uses to which the machine is put in the average office. With this machine, metal frames the size of an index card are used. These frames are made in two styles, one of which

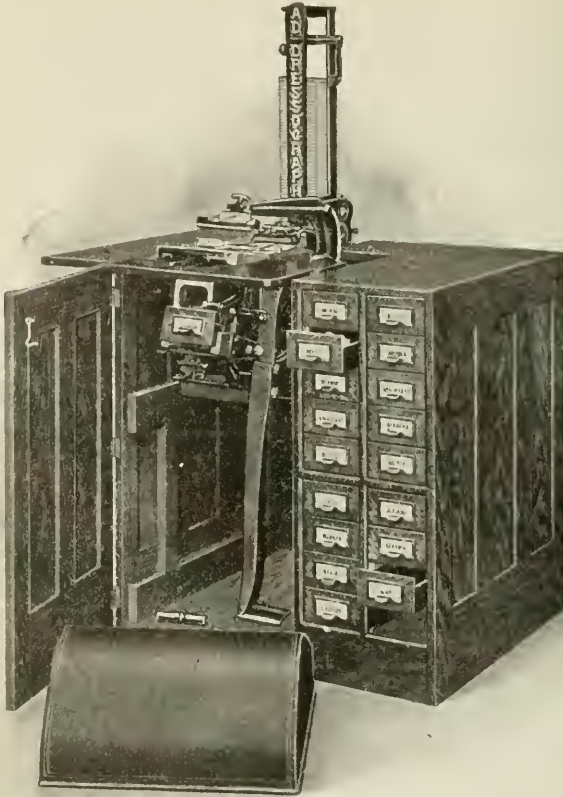


Fig. 21. The Addressograph Addressing Machine
Addressograph Co.

has a metal printing plate, while with the other, the name and address are set in rubber type. With the first style, the printing plate is made by stamping the letters on a sheet of metal. This makes a permanent address, which cannot be changed without making a new plate.

Fig. 22 shows the rubber type frame. The name and address are set up in the type frame, and can be changed at will. Type

taken from old addresses can be used over and over again. When an address is set, a proof is printed on a card, which is placed in the upper half of the frame. This card is large enough for notations, and can be arranged for recording any information desired.

The metal frames are provided with tabs printed with letters, names of towns, numbers, or other special information, and are filed in card drawers, as shown in Fig. 23. They may be filed in any of the usual ways adapted for card systems; a customers' list may be filed according to states and towns, and the names in a certain town addressed without disturbing the balance of the list.

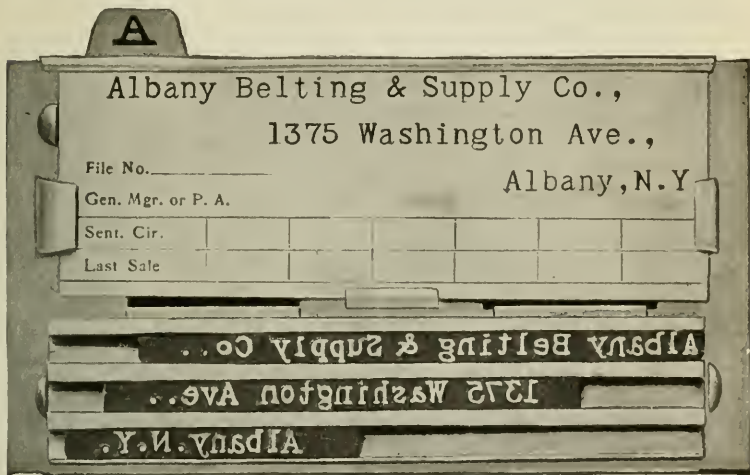


Fig. 22. Metal Frames for Rubber Type
The Addressograph Co.

To operate the machine, the address plates are first transferred to the magazine on top of the machine. The contents of a drawer can be transferred without handling. The plates are automatically fed to the printing point of the machine, from which they are returned to the drawer, which is placed under the machine, in the exact order in which they were filed. When the address frame reaches the printing point, the address is plainly visible on the card, so that any name can be skipped.

With an addressograph it is claimed that 3000 addresses an hour can easily be made. This takes the place of several girls, and reduces the cost to a minimum.

Folding Machines. One of the most practical labor-saving devices for the mailing room is the folding machine. Direct adver-

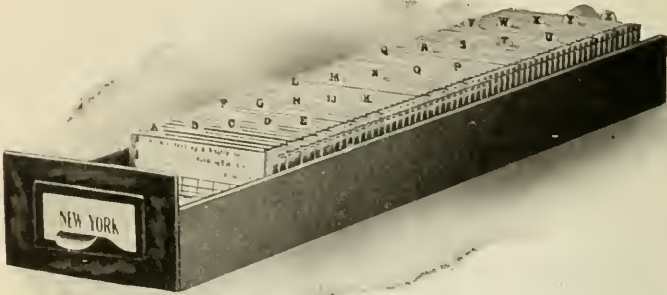


Fig. 23. Addressing Card File. *Addressograph Co.*

tising, by means of circular or form letters, and printed circulars, is becoming more and more popular. Where such communications were formerly mailed in hundreds, they are now mailed in thousands; it is not uncommon for a concern using this form of advertising to mail a million circulars on one proposition in a single season.

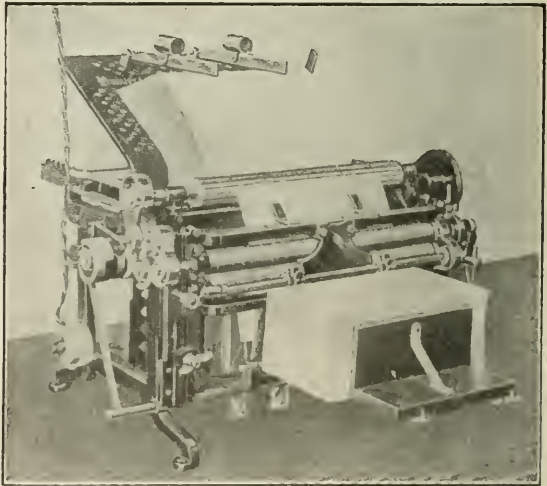


Fig. 24. Folding Machine Operated by Electric Motor
A. B. Dick Co.

To fold these letters and circulars by hand in the ordinary way is an expensive and time-consuming task. The labor cost might be justified, but the question of time is often a limiting factor. The circulars must be mailed on a certain day, perhaps at a given hour, to be of any value to the concern preparing them, or of interest to those receiving them.

The question of space is, in many offices, of even greater importance than labor or time. While a plant occupying buildings

owned by the company may be in a position to provide plenty of space for offices, the great majority of businesses are conducted in cramped office quarters; the modern office building with its high rents tends to reduce office space to a minimum. As a result, many a business, lacking room in which to work a large force of folders, has been obliged to hire its extensive circularizing done outside of the office.

These difficulties have to a great extent been overcome by the folding machine. For many years printers have made use of machines for folding, but it was not until a comparatively recent date that a machine adapted to office use was perfected. Now there are several practical machines on the market.

One of these machines will fold from 4000 to 7000 letters or circulars an hour, depending on the size and weight of the paper, and the number of folds. This is equal to eight persons folding by hand, and the machine and operator occupy no more space than one hand folder.

The best machines are so made that they can be operated by hand or electric power. Wherever electric lights are available, the power machine can be used. Including the cost of power, the maximum cost of folding with one of the machines is from 3 cents to 5 cents a thousand. One of the well-known types, with motor attached, is shown in Fig. 24.

Mailing Machines. To a concern mailing large quantities of circular matter, an envelope sealer or mailing machine is indispensable. Envelope sealers which worked in a more or less satisfactory manner have been on the market for several years. These machines have been improved, and their best features combined with new ideas, until now machines are to be had which work perfectly.

Several of the machines seal envelopes only; one both seals the envelopes and attaches the stamp. The combination sealing and stamping machine seals, stamps, and counts envelopes at an average rate of 8000 an hour, doing the work of from eight to ten clerks.

When sealed by the machine, the flaps of the envelopes are folded tightly and securely sealed. The moistening device is so constructed that the amount of moisture passing under each flap is regulated to a nicety, preventing envelopes sticking together on account of too much water being applied. Coincident with the sealing of an envelope, the stamp is applied. Every envelope passing through the

machine is stamped; as a result, none are returned from the postoffice for lack of postage.

A special counting device automatically counts the stamps as applied, the counter being in full view of the operator. This means an absolute check on the postage account. The stamps are locked in a glass case and, by moving a lever, the stamp mechanism can be

thrown out of operation. It can only be made to apply stamps again by unlocking the case, which places the stamps absolutely under the control of one person.

After being sealed and counted, the envelopes pass to a stacker, all facing one way so that they can be tied in bundles for sending to the postoffice. This is a point worthy of consideration where dispatch in getting mail out is of importance. Envelopes of any size up to twelve inches are handled, and by throwing off the sealing device, mailing cards can be stamped.

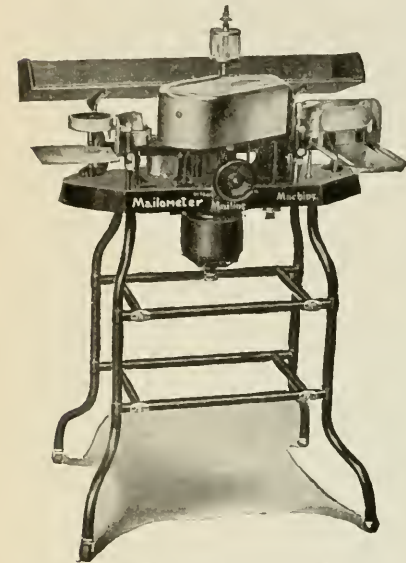


Fig. 25. The Mailometer Mailing Machine
Mailometer Co.

The machine referred to is shown in Fig. 25. In operation, the mail is gathered and placed on the rack shown at the top of the machine, with the flap of each envelope overlapping the one next to it. The operator, taking a bunch of about twenty-five envelopes from the rack, holds them lightly against the feed rolls at the left of the machine. The automatic feed separates the envelopes, permitting only one at a time to pass its flap over a metal disc which revolves in water. As the envelope is advanced, the stamps are fed forward, cut off, moistened, and rolled upon the passing envelope. The stamps used in the machine are put up in ribbon form, wound 3000 on a reel.

The Multipost is a hand device which not only affixes the stamps to the mail matter, but also counts them as they are used. The Government now supplies stamps in rolls for these devices.

Letter-Printing Machines. The present extensive use of circular or form letters is made possible by the use of letter-printing machines. To write all of the letters on a typewriter is out of the question, owing to the cost. Consequently, concerns doing any considerable circularizing have resorted to imitation typewritten letters.

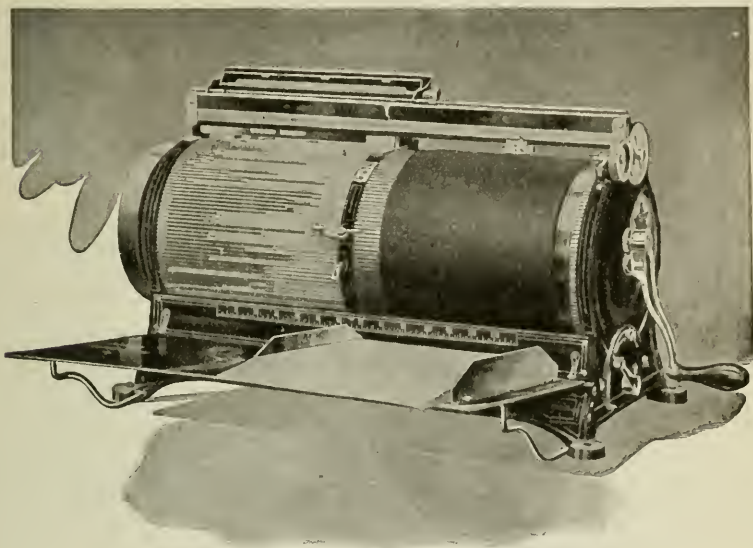


Fig. 26. The Multigraph Cylinder Printing Machine
American Multigraph Sales Co.

For many purposes letters bring better results than printed circulars, but without the personal touch—unless the recipient is made to feel that the letter was written to him—a letter loses its force. This fact makes the ordinary printed letter ineffective. An imitation typewritten letter makes the personal appeal possible; if it is printed from typewriter type in a color that matches the ribbon of the machine, the name and address can be filled in, and it will look like a typewritten letter

Many printers have learned to produce satisfactory letters of this character and, within the last few years, several printing machines, designed for office use, have been put on the market. These machines are adaptations of the printing-press idea. Letters are set up as they would be for a printing press, typewriter type being used;

but instead of printing from ink applied directly to the type, the letters are printed through a large typewriter ribbon. Ribbons of the same kind are used on the typewriter for filling in names and addresses, which insures a perfect match. One of these machines will print from 1000 to 2500 letters an hour.



Fig. 27. Multi-Copy Typewriter. *Multi-Copy Typewriter Co.*

There are two distinct types of machines, the cylinder machine and the flat-bed machine. A well-known machine of the cylinder type is shown in Fig. 26. The machine has two cylinders, one for type storage and one for printing. The type is held in slots in which

it moves freely. To set up a letter on the printing cylinder, the storage cylinder is revolved until the pointer at the top of the machine reaches the desired letter, when a slight pressure of the finger on the small lever in the center moves the type into the slot on the printing cylinder. This is continued until the line is set, when the printing cylinder is moved into position for the next line. To distribute the type to the storage cylinder, this operation is reversed.

After the letter is set, a ribbon is drawn around the printing cylinder, and the machine is ready to print. The paper is fed, printing side up, underneath the cylinder. A turn of the crank draws the paper through, prints it, and discharges it at the back of the machine. Special power attachments can be put on which operate both the machine itself and an automatic feed, which greatly increases the speed.

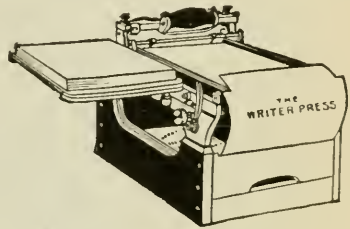


Fig. 28. The Writerpress Printing Machine. *The Writerpress Co.*

Machines of the flat-bed type are shown in Figs. 27 and 28. With these machines the type is kept in cases, the compartments of which are arranged in the same order as the keys on a typewriter. The type is set up and locked in a chase, just as it is by a printer, and the chase placed on the flat bed of the machine.

The ribbon is stretched tightly over the type, the printing being done by moving an impression roller over the ribbon. Paper is fed, one sheet at a time, against the paper guide, and the roller, passing over, produces the desired printing impression. When the roller is returned, the sheet is automatically ejected and counted. The pressure and shade of the printing are regulated by the adjustment of impression screws.

An advantage claimed for this type of machine is that electrotypes and zinc etchings can be used, or regular printers' job type can be substituted for printing small circulars and office forms. If a letter or form is used frequently, it can be electrotyped and held permanently, releasing the type.

The Multicolor Press, a machine which utilizes the flat-bed principle, has the advantage of printing in more than one color.

It uses standard printer's equipment, from flat cuts and half-tones to the various kinds of type, and, when electrically driven, it can print from 1500 to 5000 pieces of matter an hour.

It produces either ordinary printing or form typewriting, both at the same time if desired. Equipped with two ink fountains, a letter head may be printed in ink of one color, the body of the letter through a ribbon in another, while the signature or other desired printing in a third color, all at one operation.

The Mimeograph. The Mimeograph is a machine by which letters, forms, drawings, and correspondence of all kinds can be

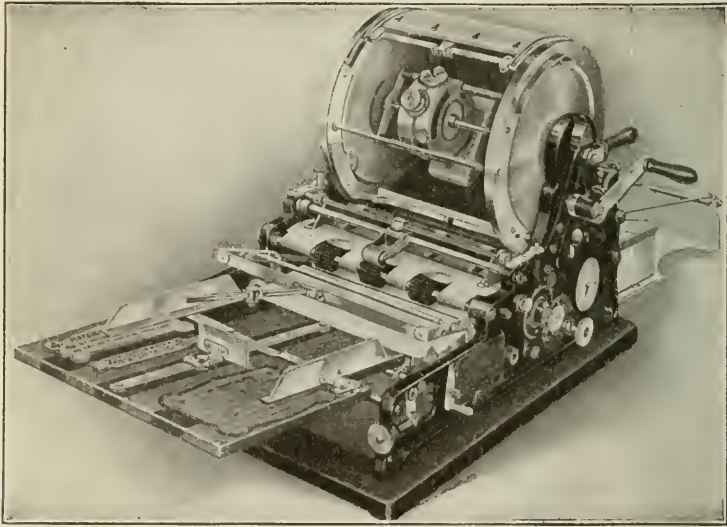


Fig. 29. Mimeograph Rotary Duplicator
Courtesy of A-B-Dick Co., Chicago

accurately reproduced in any desired quantity. Several distinctive features make its detailed operation interesting.

A chemically treated sheet of fibrous paper is converted into a stencil by the impression made upon it by type of a pointed steel pencil. When this fibrous paper is run into an ordinary typewriter, the ribbon is detached, and the text to be reproduced is typed on the surface of the stencil. When the stencil is completed, it is taken from the typewriter and backed onto the drum of the Mimeograph, shown in Fig. 29, by means of buttons and

strippers which hold it in position. Ink is then applied to the inner surface of the stencil by a revolving well inside the drum, and when the drum is revolved, either by hand or electrically, the sheet of paper which passes through the machine and which is to receive the imprint is pressed through rollers onto the surface of the stencil, after which it is thrown forth from the machine into a hopper. Mechanical arrangements are supplied with this machine to allow great speed in reproduction, accurate control of any size paper—from post-cards to abstract sheets—and an accurate counting device which allows the operator to regulate the amount of copies to be made.

A stylus, or pointed steel pencil, when pressed upon the surface of the chemically treated stencil, allows accurate reproduction of signatures, tracings, and drawings of all sorts.

Complicated free-hand or mechanical drawings, music, maps, etc., may be reproduced on the stencil by the use of a specially illuminated drawing-stand, or *mimescope*. Drawings placed inside the device are reflected upon the surface of the stand from a strong light encased in the body of the stand. The stencil can then be placed on its glass top, and the reflected drawings traced accurately. Not only lines but solid surfaces can be traced in this way. Such material can be printed on the Mimeograph either alone or in conjunction with printed matter.

The Automatic Typewriter. All these letter-printing machines are admittedly for the purpose of preparing "imitation" letters, as near the original as possible. Owing to the item of cost, it has been considered impracticable to have several thousand circular letters written on the typewriter. The lack of the personal touch in the form letter, however, is something to be reckoned with, and to what extent such a circular letter is read, is another question to be considered.

An automatic typewriter has now been put on the market which makes possible the personal form letter, assuring correspondence of a more subjective nature than a "filled-in" name and address above an obviously printed letter. By using a standard typewriter, and controlling its operation by a perforated sheet of paper—in principle operating like the player piano—an accurate circular may be written in an extremely short time.

Fig. 30 shows the two different parts which make up the complete apparatus. A special roll of strong paper is fed into the perforator, at the right, a specially designed machine which operates like any typewriter. The copy produced, however, is not in type, but in the form of perforations in the paper roll. A master letter is thus produced on the perforating machine. This is then placed in the automatic typewriter, and by means of a small electric motor, connected to any ordinary light circuit, the automotive mechanism is

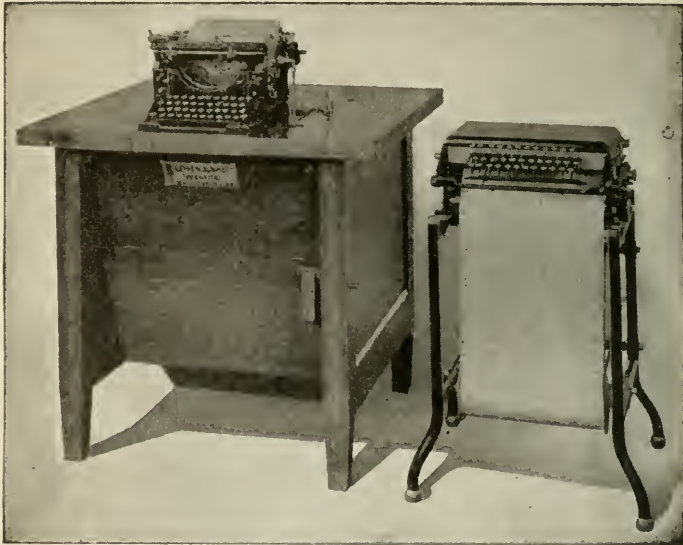


Fig. 30. Automatic Typewriter for "Personal" Form Letters
Courtesy of Hooven Automatic Typewriter Corporation, Hamilton, Ohio

set in motion. The perforated master letter feeds through the typewriter, operating its keys to produce an exact typewritten letter. A special advantage is that by means of a special control button, the machine may be stopped instantly, and the operator may insert any amount of material by hand. The stencil may then be continued to its end, and the roll put through the machine as many times as is needed. It is claimed that this machine will do the work of five ordinary stenographers.

OFFICE EQUIPMENT

MECHANICAL ACCOUNTING

Since the advent of the typewriter, which was one of the first office machines to come into general use, an army of creative minds has been concentrated on the problem of reducing office detail to a mechanical basis; in particular, to the creation of mechanical devices that would relieve the human brain. So great has been the progress along these lines that no office is complete without its quota of mechanical devices; in the equipment of a strictly modern office are found many machines that do the work which formerly required the closest application.

All this has benefited both the owners of business enterprises and their employes. Mechanical devices have made it possible to produce more satisfactory records in greater volume. They have made the work of the employe easier by relieving him from brain fag, and made him more valuable to his employer by enabling him to do more and better work.

A mere list of the practical devices for handling office work in all its details would necessitate a volume several times the size of this one. In other parts of this work some of these devices have been referred to; this book is confined to machines which are of direct assistance in the bookkeeping of a business. No attempt has been made to include all of the machines coming within this classification, but those referred to have been selected as being representative of the best in their special fields.

The purpose of this book is to familiarize the student with the use of certain machines rather than to describe the machines themselves, and in selecting illustrations an effort has been made to confine them to those of universal interest.

THE ADDING MACHINE

One of the well-nigh indispensable machines in the up-to-date office is the adding machine, or mechanical calculator. Of these

there are two general styles, one printing a record of its work, the other being used for calculations without making a record.

Originally designed for adding only, the first listing machines printed a list of the items added on a narrow strip of paper. When the possibilities of the machine began to be appreciated many improvements, intended to adapt it to a wide range of uses, were made. Among the most important of these was the addition of a movable carriage, similar to the typewriter carriage, making it possible to list the items in one or more columns on a wide sheet. The possibility of using a wide sheet at once opened the way to making many accounting records and adding the items at one operation.

The manufacturers, quick to see the opportunities for widening the sphere of usefulness of their machines, have devoted much study to the question of systems. Able accountants have been employed to find new uses for the machine, and they have received the co-operation of the manufacturers in designing many machines for specific purposes. In the following pages, a few of the many uses of the combined adding and listing machine are described.

MAKING SALES RECORDS

The cashier, overburdened with turning through sales slips, listing items, and adding them mentally, soon realized that a machine that could add and list them for a bank deposit could also be used for recapitulating daily sales, and from this developed a method of handling the records of daily sales by the use of the adding machine.

The application of this system involves the listing and adding of a great many small items. The sales tickets are filed as they come to the cashier's office, either by departments or by clerks, according to the sheet that is to be prepared first. On the following morning the machine operator puts a sheet in the machine carriage and tabulates the sales items directly from the sales tickets. Each group of items corresponding to any department or clerk is designated by a number or letter at the top of the column of items.

Figs. 1 and 2 show sales records prepared in their simplest form. On a sheet made out after this manner, the clerk's or department's number is printed and the items listed in column form below it. The symbol # is an eliminating sign, which indicates that the \$ has not entered into the adding mechanism of the machine. It

is printed at the same time the number is printed, with one lever pull, simply by depressing an eliminating button when the 3 is depressed. The star (*) is printed when the total button is depressed and the lever is pulled, and indicates that the machine is clear. The items are then added and listed in the usual manner.

Dept. 3#
3.20*
4.12
11.75
10.45
2.35
31.87*

Fig. 1. Sales Record for a Department

Clerk 7#
2.25*
1.20
.35
.40
1.00
5.20*

Fig. 2. Sales Record for a Clerk

The simplest form of sales record was not adequate to meet the demand when it was desired to add and list cash and credit sales items side by side.

This necessity was taken care of, however, by the improved machine and the split-and-normal device which permitted an operator to add and list two columns of items simultaneously with a totaling capacity of 9999999 in one column and 99999999 in the other.

Figs. 3 and 4 give an idea of the more elaborate forms of sales

Cash	Credit
125	*
34	
	325
200	250
	125
25	
384	700*

Fig. 3. Cash and Credit Sales

Dept. No.	Cost	Selling
12	422	575*
14	400	600
7	225	350
9	655	825
16	125	245
	1827	2595*

Fig. 4. Cost and Selling Prices

Numerous forms of sales records can be prepared on the machine, the most customary of which are shown in Figs. 1 and 2. Fig. 5 is an exceptionally interesting form because it shows one of the combinations that is possible with the machine.

Weekly Summary
of SALES

No	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Totals
1*	1,102.20	1,135.25	1,182.50	1,136.55	1,191.35	1,202.45	6,950.30*
2*	987.65	986.55	975.45	992.20	987.45	1,001.25	5,930.55*
3*	1,565.45	1,320.45	1,140.55	1,009.45	986.45	1,001.45	7,023.80*
4*	1,400.00	1,412.45	1,398.45	1,375.45	1,399.35	1,421.35	8,407.05*
5*	1,250.00	1,256.95	1,282.45	1,247.65	1,232.50	1,282.75	7,551.90*
	6,305.30*	6,112.5*	5,979.40*	5,761.30*	5,797.10*	5,909.25*	35,866.360*

Fig. 6. Weekly Summary Showing Daily Sales of Each Salesman. Burroughs Adding Machine Co.

The sales sheets which have been prepared each day can be filed and used at the end of the week to furnish data for a comparative summary. Fig. 6 gives an idea of this summary.

It will be noticed that the sales for each of the five clerks are recorded under the different days of the week and a total of the week's sales printed in the extreme right-hand column. The total amounts of business for each day is indicated by the figure in the bottom row. When forms similar to this are prepared, the machine is set to cross-tabulate and the items are added and listed in horizontal rows instead of the regular column form.

Many commercial houses use the adding and listing machine in the capacity outlined and, in addition to this, use it in connection with all forms of bookkeeping work.

MAKING TRIAL BALANCE

The monthly trial balance is generally dreaded by even the best of bookkeepers, not only on account of the tedious work involved in transcribing

all the debits and credits to sheets and making footings, but also because they have visions of burning the midnight oil in order to find some fugitive error which has crept in despite their carefulness.

There are many safeguards against error in trial balances, but there are none that give as great satisfaction to the bookkeeper

as one which assures him of accuracy as well as lightens his labor and mental strain.

There are several ways in which the adding machine can be used for taking off the debits and credits that make up the trial balance. There are three ways of taking off a trial balance with the regular adding machine.

The first method is to insert a column-ruled sheet in the machine carriage and then turn through the ledger, taking off all the debits and adding and listing them in their proper column or columns. When there is a credit to be recorded, it is listed in a column for credits, but not added. A little symbol, #, which is printed to the right of an amount whenever the eliminating button on the machine is depressed in connection with the amount, indicates that the items have not been accumulated. When all the debits and credits have been taken from the ledger, the footing of the debits is printed and then the credits are added on the machine with the carriage thrown back, and the total is printed. This method is shown in Fig. 7.

Debits	Credits
*	
22.50	
12.50	
3.50	
12.40	12.50#
6.50	10.00#
	3.75#
57.40*	26.25*

Fig. 7. Debits and Credits Listed Separately

A second method consists of taking off the debits and credits somewhat after the manner outlined in Fig. 8, except that in this case the credits, which are usually comparatively few, are listed into the columns of debits with the eliminating button depressed to prevent addition. When the transcribing has been completed, it is

an easy matter to pick out the amounts opposite the eliminating symbol, #, and add these on the machine with the carriage thrown back and print the total, as shown in the illustration.

Debits and Credits	
	*
	3.50
	13.50
	6.50
	4.55#
	5.55#
	12.50
	6.50
	7.50#
Debit	42.50*
Credit	17.60*

Fig. 8. Debits and Credits Listed in Same Column

A third method consists in taking off only the debit and credit balances. Either of the above two methods can be followed in doing this. These methods save more than half the time required by the old hand method, but there is even a quicker way than those just described and that is found by making use of the split-and-normal machine.

This machine enables the bookkeeper to add and list credits in one column and debits in another. Thus, when he turns through his ledger and comes to a debit he enters it in one section of the machine keyboard and adds and lists it in the debit column. When all the items have been taken in this manner from the ledger, all that is necessary in order to have a printed total of both debits and credits is to press the total button and pull the handle. All debits and credits or only the debit and credit balances can be taken off and the footing of each of the resultant columns printed by one stroke of the machine, as shown in Fig. 9.

OFFICE EQUIPMENT

MONTHLY STATEMENTS

The adding machine permits of many variations. Monthly statements can be prepared by arranging the machine to print abbreviations for months and dates in one section of the keyboard and to add and list amounts in a third section.

TRIAL BALANCE

DEBITS	CREDITS	DEBITS	CREDITS	DEBITS	CREDITS
		16,069.73	19,886.37	4,788.85	5,722.08
66554	45607	6640	5000	55053	30050
6055	305555	70300	3400	66053	35050
5053	77050	1540	4500	60530	30450
55553	40644	3500	450	6055	3550
45400	14050	2440	1200	6550	3555
3455	1300055	56050	3550	4660	35060
34532	2050	35000	4600	1505000	20,577.70
5040	4850	3500	455	77050	4670
66540	4560	5043	4666	1800	7503
54300	35050	43790	1300	7050	16550
66400	35506	97760	9076	1204050	45600
764	44666	9750	5179	56600	56071
7640	556	88750	1378	806400	5700
665400	4500	96600	4057	75300	466
65000	6531	16000	3400		5675
6000	5370	2705	1269		7593.12
500		5053	4660	500000	
6640	525	66530	456	60500	3550
6050	410	6653	4606	144400	44360
6540	4560	50000	4566	40320	35060
	4800	60530	3505	165500	80040
6540	4550	60530	4600	370450	4660
5000		60000		16500	5600
6540	1	60530	4506	4742	6553
	4606	60640	4860	46700	4600
65400	4566	6553	4560	24400	575
8000	455	60540	406	6000	1225
70640	455	70640	4506	64400	4660
7050	431	13040	2450	30530	9,363.75
760	4060	15040	8740		
70640	55	13040	6690	99,989.42	99,989.42
760		9500	5707		
5553		70640	577		
6040		6530	4566		
6550	466	5440	40660		
60500	4206	10,45000	35,00000		
10760	366	80530	4060		
12220	2340	50430	4506		
11303	2304	00430	2405		
3500	4606	70640	4506		
3050	4506	50430	3505		
44450	5609	6053	4566		
12300	1330	6054	30560		
12411	1250	6500	500		
3550	456	66504	4660		
60	4505	50000	4525		
15,069.73	19,886.37	47,658.51	57,220.81		

Fig. 9. Monthly Trial Balance Taken on the Adding Machine Burroughs Adding Machine Co.

Much time was formerly required to prepare statements because all of the items were entered by hand and the amounts added mentally. The statement machine, which is no more or less than a modified style of the adding and listing machine, is capable of printing

month, day of the month, number of articles, and amount at the same time.

By using this machine the operator can transcribe dates, number of items, and amounts from a ledger at one operation. It is

STATEMENT

Burroughs Adding Machine Company
Formerly AMERICAN ARITHMOMETER CO. of St. Louis, Mo.
Owners and Manufacturers of

BURROUGHS ADDING AND LISTING MACHINES

In Account with Detroit, Mich.,

M _____

POSITIVELY NO DISCOUNT ALLOWED

RED FIGURES DATES, BLACK AMOUNTS
Made on a Burroughs Adding and Listing Machine

DR			
JAN	2	50.00	
	19	75.00	
FEB	8	273	
MAR	17	95.00	
			222.73*
CR			
JAN	25	50.00	
FEB	20	100.00	
			150.00*
		BAL	72.73*

FAC SIMILE OF WORK DONE ON A BURROUGHS BOOKKEEPING MACHINE

NOTE—In case remittance has been sent within next few days for the above account please destroy this statement

THESE STATEMENTS ARE PRINTED IN ROLLS

Fig. 10. Statement Showing Debits and Credits in One Column
Burroughs Adding Machine Co.

not even necessary for him to insert a statement sheet. The statements come in rolls so that they can be run off one after the other for as many statements as desired. In those cases where only dates and amounts are used, the date is put in one section of the machine

keyboard and the amount in the other. The handle is pulled once and both the date and amount are listed and the amount only is added. When all the dates and amounts for one account have been

STATEMENT			
		July 15 1908	
		BROWNWOOD, TEXAS.....100...	
M. John Smith,			
		Bakersville, La.	
IN ACCOUNT WITH			
ADAMS GROCER COMPANY			
WHOLESALE GROCERS			
PLEASE COMPARE THIS STATEMENT WITH YOUR BOOKS AND REPORT PROMPTLY ANY DIFFERENCES THAT MAY EXIST			
DATE	CHARGES	DATE	CREDITS
	Bal. 124.12	1	100.00
1	3.25	10	50.00
1	3.44	15	25.00
2	5.46	19	25.00
3	5.40	20	1.20
5	5.13	25	3.80
5	12.23	29	20.00
10	54.60		
12	3.33		
13	5.45		
15	6.56		
15	6.50		
16	7.50		
18	50.00		
19	10.50		
21	3.20		
23	5.40		
25	4.50		
26	6.56		
28	6.50		
28	4.30		
28	3.50		
29	4.56		
29	5.60		Balance Due us
30	5.60		
30	6.14		143.21
31	4.56		
31	4.32		
Total	368.21*	Total	368.21*

Fig. 11. Statement with Debits and Credits Listed in Separate Columns
Burroughs Adding Machine Co.

transferred to the statement in the manner just described, the total button is pressed, the handle pulled, and the total of all the amounts is printed, as in Fig. 10.

The dates and amounts being entered on the statement, it is torn off and dropped into the ledger at the account from which the

amounts have been taken, and after all the statements have been made in this manner the bookkeeper turns to the first and enters

Daily Sales Sheet						
Date						180
SALES MEN						
J. L. May	Robt C Cook	F. H Jones	T G Wilson	Frank R Dale	C E Flint	
1390	4500	11235	7920	4080	1480	
4360	1800	15820	3605	11480	3046	
750	3825	630	450	7380	5025	
115	4035	780	96242	3860	4500	
6480	1440	938	2055	9008	2530	
3230	4925	172	4791	4800	1520	
5030	2400	3230	320		8100	
21630	975	7350	21090	40608	6520	
3975	950	3840	5110		1600	
4640	9500		18400		3535	
40780	2473	45995			1300	
5995	400		5250		38256	
1735	1350		5520			
3300	29475		9710			
520	5010		4560			
285	2850		3230			
7930	20500					
6640	2400		178953			
200	5415					
4700	5025					
1198	250					
150	3520					
300	3930					
15503	375					
10670	5400					
5520	8520					
1200						
2400	183373					
177396						

Sales A to L		Sales M to Z	
1390	238905	750	278867
4360	320	6480	2055
115	21090	3230	5510
5090	12400	3975	1300
21630	520	4640	5250
40780	9710	5995	4560
4300	3530	5995	7380
820	4080	17385	9008
6440	11480	285	4800
1198	3860	7990	1480
150	5025	200	2530
300	4500	4700	1920
10670	8100	15503	1600
2400	6520	5520	3535
4500		1200	
1800		3825	
4035		1440	
49925	332786	2400	329795
9150		72	
9473		9500	
2880		400	
20500		1350	
5415		2400	
250		29475	
3520		5010	
5400		2400	
8520		5028	
630		3930	
938		175	
3230		11235	
7350		15820	
3605		780	
450		172	
4791		3840	
		7920	
		96242	
238905		278867	

Fig. 12. Showing Method of Proving Postings on an Adding Machine Burroughs Adding Machine Co.

the name and at the same time compares the statement footing with the ledger footing. In this way both the statement footings are checked. A statement, made on a smaller machine, is shown in Fig. 11.

PROOF OF POSTING

One of the greatest boons to a bookkeeper is a method of proving his postings every day. It is obvious that if the postings to a ledger account are proved each day there will be little liability of making errors in the trial balance at the end of the month.

The proof of the posting system which is used in connection with the adding machine has been devised for the purpose of enabling the bookkeeper to take a daily proof of his postings. The principle of the system is very simple.

The items that are to be posted are first added and listed on the machine and a total taken. Then as each posting is made, a marker is dropped in at the page in order to locate the account to which the amount is posted. After all the postings have been made in this manner, the bookkeeper pulls up his adding machine, and, opening his ledger at the first marker, adds and lists the amount, and so on for each of the markers until he has taken off all the items posted. If the total thus obtained agrees with the total of the items which have previously been taken, it is proof that he has posted the correct amounts to his ledger accounts.

Fig. 12 gives an idea of the method of proving postings. No. 1 represents a marker, which is used to indicate accounts to which items have been posted. No. 2 represents a list of the items that are to be posted, giving the totals of these items, and No. 3 is a list of the same items after they have been posted, and which are taken from the accounts in the ledger.

It takes only a very short time to add and list these items by means of the adding machine and it is well worth the while of any bookkeeper to avail himself of this easy method of proving his postings and thereby do away with the trial balance troubles at the end of the month, which so frequently arise on account of having posted some item wrong during the month.

In this connection it might be well to point out a very valuable feature of the mechanical accountant. It has been shown how daily postings could be proved, the trial balance items taken off, and monthly statements transcribed with the adding and listing machine.

These three phases of the accountant's work are linked together

by the use of the adding machine and serve as a check against each other. The proof of postings, which can be applied to the cash book as well as the ledger, assures the bookkeeper of the accuracy of his postings. Then the monthly statements check up the foot-

<p>W. H. ALLISON, Custom House Broker AND FORWARDING AGENT 43 FORT STREET, WEST <small>(Telephone 12)</small></p>	<p>CUSTOMS AGENT FOR MICHIGAN CENTRAL R. R. CO. CANADIAN PACIFIC RAILWAY CO. WHEELER RAILWAY CO. LAKE SHREVE AND DETROIT BRIDGE CO. PIERRE MARQUETTE SHIPLOADING CO.</p>
<p><i>Detroit, Mich.,</i> October 10, 1906. 190</p>	
<p>Messrs R. B. Fox and Company, Detroit, MICHIGAN.</p>	
<p>Gentlemen:-</p>	
<p>You will find enclosed our check for one hundred seventy-five dollars (\$175.00) to cover your invoice of October 2nd.</p>	
<p>Yours very truly,</p>	
<p>W. H. Allison, <i>H</i></p>	
<p>175⁰⁰—</p>	

Fig. 13. Letter of Remittance which Becomes a Cash Received Voucher
Burroughs Adding Machine Co.

ings of the ledger accounts, and, finally, the items on the trial balance sheets are added correctly by using the machine.

When mechanical accounting is carried on in this way there is but one chance of missing a balance, and that will occur only when an error is made in transcribing amounts from the ledger to the working sheets.

RECORDING CASH RECEIVED

There is another application of the adding machine which is due to its ability to add and list. This application is that of handling cash received. When the mail comes in, all letters containing

BURROUGHS CASH RECEIVED SYSTEM
 BURROUGHS ADDING MACHINE COMPANY.
 DETROIT, MICH.

Date 4/24 1908

AMOUNT OF CASH RECEIVED \$ 32⁵⁰

PAYING BILLS _____

April 15th \$35.00

DISCOUNT 2⁵⁰

TOTAL POSTED 35⁰⁰

NAME John Rogers,

TOWN Chicago,

STATE Ills.

Fig. 14. Cash Received Voucher Used when Remittance is not Accompanied by a Letter. Burroughs Adding Machine Co.

remittances are sent to the cashier, who marks on each letter in blue pencil the amount of the accompanying remittance.

In case a remittance is received with no letter accompanying it, the envelope is torn open and the amount marked in blue pencil on the envelope. If a voucher is received, a copy of the items on the voucher is made on a special slip arranged for that purpose. In the case of cash being received at the cashier's window or collected by the salesman, a cash memorandum of the amount is made similar to the slip used for vouchers.

After arranging the letter and the remittances according to the ledger divisions, the cashier adds and lists on the machine the various amounts received. These slips and letters are all sent to the book-keeper, who rearranges them according to the classification of his

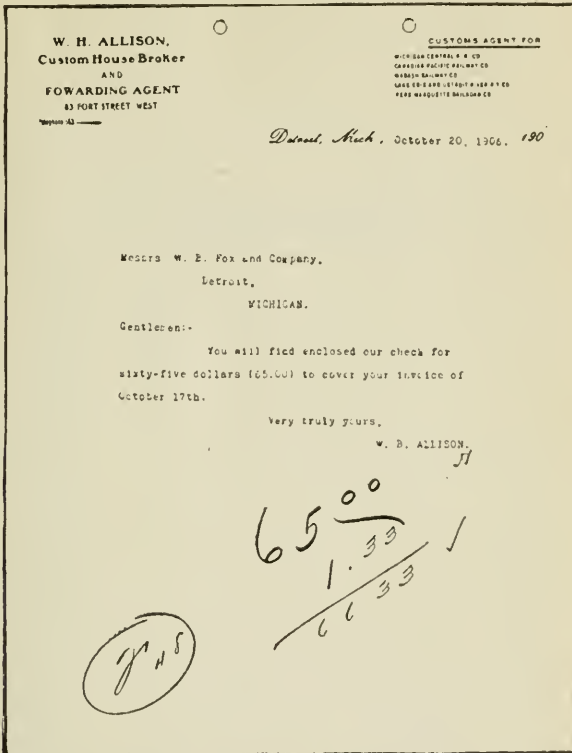


Fig. 15. Remittance Letter, with Cash Received and Deductions Shown by Notation. *Burroughs Adding Machine Co.*

ledger. He opens the ledger to the first account and figures the discount. If the customer has made the proper deduction, the amount is added to the blue pencil figures made by the cashier, and the amount of cash received, plus the discount, is posted to the credit of his account in the ledger directly from the letter, slip, or invoice.

In case a bound ledger is used, the folio number is marked on the letter at the time the posting is made. After the amount has been posted, the letter is placed in the ledger opposite the account and remains there until all postings are completed. The letter

thus serves as a marker, indicating the location of the active accounts. The bookkeeper, or an assistant, then opens the ledger to the first account, as shown by the projecting letter, and lists and adds on the machine the actual amount posted, taking it from the ledger page. The amount of the discount is then transcribed from the letter and added and listed on the machine, and the folio or account number can also be printed with the machine.

Burroughs Cash Received System		
Business System Department		
Burroughs Adding Machine Company		
DETROIT, MICH., U.S.A.		
Ledger A in C.		
AMOUNT OF CASH RECEIVED	AMOUNT OF CASH RECEIVED	AMOUNT OF CASH RECEIVED
2380		
11927		
6500		
29000		
34186		
243		
1112		
5000		
9222		
99103*		

Fig. 16

Burroughs Cash Received System		
Business System Department		
Burroughs Adding Machine Company		
DETROIT, MICH., U.S.A.		
Ledger A in C.		
FILED	AMOUNT FILED	DISCOUNT
L36		
L45	2498	
48	12270	48
82	8533	243
L25	25310	133
L23	34609	330
78	524	897
84	442	11
L47	1124	9
	2104	22
	8410	102
	99266*	188
		4863*

Fig. 17

Recap of Cash Received, Amounts Posted, and Cash Discounts
Burroughs Adding Machine Co.

When the amounts posted in the ledger have been listed and added by the machine, the difference between the discount column and the amount posted column should equal the amount of cash held by the cashier for that ledger division. In case the business is one in which no discount is allowed, the amount taken from the ledger must equal the amount of cash in the cashier's hands. Transpositions and other errors in posting will be detected by this comparison. The letters and slips are alphabetically arranged and filed each day, the machine record being placed on the file with the letters and slips.

At the end of the month the letters are taken from the file, bound between heavy pasteboards, and labeled with the ledger division and month. It is much easier to locate a letter filed in this

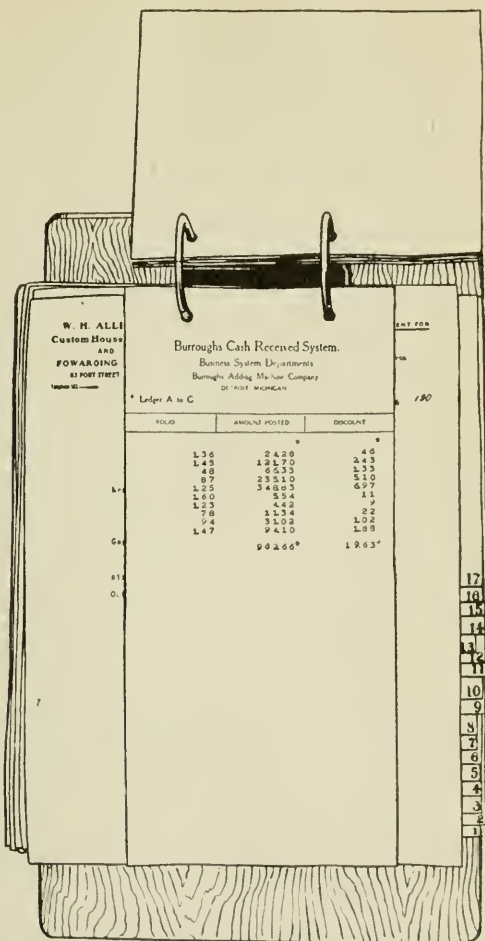


Fig. 18. A File of Remittance Letters, with Daily Recap of Amounts Posted and Discounts Allowed. *Burroughs Adding Machine Co.*

manner than when it is filed with the general correspondence, for nothing is placed in this binder except letters, slips, and envelopes pertaining to cash; so that in case a customer complains regarding an error in the credit side of his account, it is very easy to refer at once to the original letter which accompanied his remittance, instead

of being compelled to first consult the cash book or cash journal and then the general correspondence files.

The operation of this system is fully illustrated in Figs. 13 to 19, inclusive.

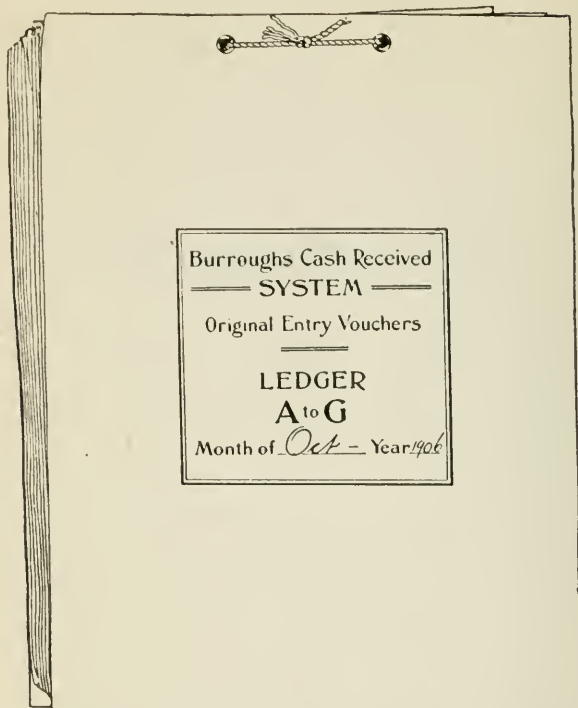


Fig. 19. A Bundle Containing a Month's Remittance Letters Ready for Permanent Filing. *Burroughs Adding Machine Co.*

LISTING PAY-ROLL AMOUNTS

The machine is further used in connection with pay-rolls of large mercantile and manufacturing concerns, as well as railroads, etc. The old way of making up a pay-roll by writing down all the names and amounts by hand and afterwards footing and checking back the amounts mentally, takes a great amount of time unnecessarily.

When the work is done by hand there is not only more time consumed, but, in checking back item by item, there is liability of error. The work is accurately done and the time required to do it is diminished when the amounts are added and listed on the machine.

The workman's time and rate are extended on the clock or

time cards, and the amounts are then added and listed on a pay-roll slip or sheet, as the case may be. The time cards are turned over, one by one, like checks, and the workman's number and amount of earnings are entered on a pay-roll sheet. The split-and-normal machine adds and lists the numbers and amounts at one operation.

The listing itself is done by the machine in about one-fourth the time required to do it by hand, and the totals are taken both of the number column and the amount column simply by pressing the total button and pulling the handle. The total of the amount column will indicate the amount of money necessary to pay off the men, and the total of the number column will serve as a check, which is used to advantage later on. Fig. 20 gives an idea of how a pay-roll looks when it comes from the machine.

Numbers	Amounts
	\$ *
1245	22.45
1246	18.50
1247	19.45
1248	22.34
1249	13.56
1250	25.00
1251	23.55
1252	22.75
9988	167.60

Fig. 20. A List of Pay-Roll Items

As soon as the numbers and amounts have been taken from the time cards and added and listed on the pay-roll sheets, it is desired to print the workmen's numbers and amounts on the pay envelopes. If this is done by hand, it is necessary to add the amounts afterwards and check back the numbers in order to ascertain whether the correct amounts are opposite their respective numbers. With the machine in use neither of these processes are necessary, since the machine is capable of listing amounts and numbers on the envelopes at one operation and accumulating the totals. Each envelope is inserted into the carriage like a sheet of paper and turned up a cer-

tain distance, which the eye can regulate accurately and quickly, and the number and amount is taken direct from the pay-roll sheet and printed on the envelope, the envelope turned out, and the next one inserted. This same operation is repeated for all the envelopes, and when the last number and amount have been printed, the total for the numbers and the total for the amounts which show on the adding wheels of the machine, should agree with the corresponding totals on the pay-roll sheet. This proves that the workmen's numbers and the earnings have been correctly printed on the envelopes.

This work is not only done more quickly on the machine, but both the numbers and amounts are proved by comparing the totals with those on the pay-roll sheet, which is a more accurate method than calling back. By employing the machine for this purpose the liability of making errors either by entering wrong amounts or by getting numbers opposite wrong amounts is reduced to a minimum.

COST FINDING

The adding and listing machine is also extensively used by cost accountants. Figuring the cost of day labor, for instance, involves a great amount of addition. The number of hours and the amounts of earnings for each day in the week must be transcribed from the cost or time cards to some suitable sheet and then added.

The necessity for so many additions gave rise to the cost-keeping machine, which is but an amplification of the original adding and listing machine. When a cost-keeping machine is used, the number of operations for adding and listing time and earnings is reduced to one, and the time required to do the work is just about one-fourth of that required when the hand and mental method is used.

The reduced facsimile of a day-labor sheet, Fig. 21, shows the daily record of nine workmen for one week. A sheet similar to the one shown in the reproduction is inserted in the machine carriage and the first two items opposite number and rate are taken from the clock or time card and printed on the sheet with the eliminating button depressed, which prevents the amounts being added.

Then the items, $10\frac{1}{2}$ and 2.10 are set into the machine. The $10\frac{1}{2}$ is set into the left-hand, or hours and fractions section, and the 2.10^* is set into the right-hand, or amount section, and by one

pull of the handle both amounts are added and listed as shown in the reproduced form. After these items on a workman's clock cards or time cards have been added and listed, a total is taken, which, in the case of the first group of items, shows the total time put in by the workman *No. 201* during the week and his earnings at the rate of 20 cents per hour.

JOHN JONES & CO.
PITTSBURG, PA.

Day Labor

Dept. No. 10

Week Ending Nov. 16

Number	2.01*	2.04*	2.07*				
Rate	2.0*	2.6*	1.6*				
• 10½	2.10	10½	2.73	12½	2.00	6.6¼	13.35
10	2.00	11	2.86	11¼	1.88	5.9¼	13.16
16½	3.30	12¼	3.32	10	1.80	6.5¼	15.78
11¼	2.35	9¼	2.41	9¼	1.48	6.7¼	17.63
8¼	1.65	10	2.60	13	2.08	6.7½	18.24
9¼	1.95	14¼	3.71	7½	1.20	6.7¼	6.74
						64	10.24
66%	13.35°	67¼	17.63°	64	10.24°	65	19.51
	2.02*		2.05*		2.08*	67	8.04
	22°		27°		30*	590¼	122.69°
8¼	1.93	14	3.78	11½	3.45		
11¼	2.48	13½	3.65	9¼	2.93		
12½	2.75	11¼	3.04	12	3.60		
7¼	1.71	10½	2.84	8½	2.55		
10	2.20	8¼	2.36	10	3.00		
9½	2.09	9½	2.57	13¼	3.98		
59%	13.16°	67½	18.24°	65	19.51°		
	2.03*		2.06*		2.09*		
	24°		10°		12°		
11½	2.76	10¼	1.03	10	1.20		
12¼	2.94	9½	9.5	11¼	1.41		
9¼	2.34	14¼	1.48	10½	1.26		
10	2.40	11¼	1.13	9¼	1.11		
8½	2.04	15	1.50	12½	1.50		
13¼	3.30	6½	6.5	13	1.56		
65%	15.78°	67¼	6.74°	67	8.04°		

Fig. 21. Cost Sheet Showing Addition of Rates and Earnings
Burroughs Adding Machine Co.

The total amount of money earned can be proved by multiplying the total time by the rate per hour. This method of checking the work is easier and quicker than to go over the items and check them by calling back. It is also a more accurate check because checking is done by an independent process which eliminates the liability of making the same error twice, of which there is a chance when the calling back system is used.

The recapitulation shows the total number of hours for all the workmen, and their total earnings. Similar tabulations can be made to show labor costs by jobs, material costs by jobs, and total costs.

The foregoing outline of the various uses which have been found for the adding machine and for which it is peculiarly adapted, serves well to indicate its development from the original machine which was capable of adding and listing amounts on a narrow strip of paper.

The wide carriage together with the improved mechanism made it possible not only to tabulate all manner of records on wide paper, but also to do the work much more quickly than with the earlier slow-acting model. The feature of adding and listing soon developed from the handling of small units to that of compound additions, such as tons and cwts., hours and minutes, feet and inches, etc.

Tons and Hundredweight Additions. In certain lines of business, especially the coal business, there is considerable addition of tons and cwts. When such additions are made mentally the tons column must be added first and then the cwt. column and after these two additions have been completed it is necessary to convert the cwt. into tons and cwt. and to add the extra number of tons to the total of the tons column already obtained.

The ton and cwt. machine is capable of adding and listing tons and cwt. in the same manner that ordinary numbers are added and listed. A ton amount and a cwt. amount are set into the machine by depressing the proper keys, and by pulling the handle both the ton amount and the cwt. amount are added and listed. The two amounts are printed side by side as shown in Fig. 22.

	*
	12 ¹⁵
1.	11 ¹⁶
	44 ¹⁵
	65 ¹⁸
2.	33 ¹⁵
1.	22 ⁸
	34 ¹⁵
	55 ¹⁸
	12 ⁴
	13 ⁷
7.0711*	

Fig. 22. Ton and Cwt. Addition

The large numerals represent tons and the small numerals represent hundredweights. It is not necessary for the operator to bother with converting cwt. into tons. The machine does this automatically and the correct total is printed by pressing down the total key and pulling the handle, and it is on account of the extreme simplicity of the operation that the machine can list and add tons and hundredweights about five times as fast as it can be done by hand.

Hour and Minute Additions. The necessity for recording time by hours and fractions of hours brought forth an adding machine that would add hours and minutes. This machine operates on the same principle as the one for handling tons and cwt. The hours are printed in large numerals, while the minutes are printed in small numerals, and the minutes automatically accumulate into hours and are carried forward into the total printed under the hour column. The illustration, Fig. 23, gives a good idea of the work done by this machine.

*
922
1045
11 2
725
836
1029
1214
833
78 ²⁶ *

Fig. 23. Hour and Minute Additions

When the hour and minute machine is used, the operator simply sets in the item by depressing the proper keys, and pulls the handle. Each handle pull adds and lists whatever amount of hours and minutes has been set into the machine and automatically converts the minutes into hours. A correct total can be taken at any time by depressing the total button and pulling the handle.

Foot and Inch Additions. The work involved when feet, inches, and fractions of inches are added and listed is very considerable.

To handle this kind of work, the foot and inch fractional machine was devised.

When the mental method is employed, the fractions of inches must first be added and converted into inches and fractions, and the inches carried over into the inch column. This is a process more or less difficult and open to many errors. Then the inches must be added and converted into feet and inches, and the feet carried over into the foot column. Then the foot column must be added. In other words, there are five additions and two divisions in the process.

The foot and inch fractional machine, however, makes this complicated addition as simple as if only one column of figures were being added. The amounts of feet, inches, and fractions of inches are set into the machine by depressing the proper keys and are added and listed by pulling the handle. The fractions and inches are automatically converted by the machine, thus making it necessary for the operator to do nothing more than depress the proper keys and pull the handle. A correct total can be taken at any time, whether the column has few items or many, by depressing the total button and pulling the handle.

The addition shown in the reproduction, Fig. 24, will give a clearer idea of the work done by the machine. The inches are designated by small numerals, the feet by the regular-size numerals, and the fractions by ordinary fractional type.

	*
23	4
32	5 $\frac{1}{2}$
54	7
5	8 $\frac{1}{2}$
12	11
23	10 $\frac{3}{4}$
22	5 $\frac{1}{2}$
13	8 $\frac{1}{2}$
188	11 $\frac{1}{2}$ *

Fig. 24. Foot and Inch Addition

A little study of the figure and description will indicate why it is possible with a machine to add and list amounts in feet, inches, and fractions of inches in a fourth of the time required by the hand and mind process.

Pay-roll work sometimes requires the addition of hours and fractions of hours. When the fractions of hours are expressed in minutes, the hours and minutes can be added and listed on an hour-and-minute machine in about one-fourth the time taken to do the same work by hand.

Pounds, Shillings, and Pence Additions. The pounds, shillings, and pence machine was designed to add and list pounds, shillings, and pence with as much ease and facility as the ordinary machine handles whole numbers. This machine is so arranged that the pence are automatically converted into shillings when the total in the pence section has exceeded 11, and likewise the shillings are automatically converted into pounds when the total in the shilling section has exceeded 19. As the shillings and pence accumulate and are converted into the larger denomination the amount is automatically added to and printed with the total of the pounds section.

	s	d
£		7
3421.18		5
145.12		11
221.74		8
1321. 6		10
742.17		
5853. 1		5

Fig. 25. Adding English Money

The reproduction, Fig. 25, of the addition done by this machine will give a clearer idea of the work.

The double $\frac{1}{16}$ -fractional machine is built along the same lines as the pounds, shillings, pence machine, and is designed to handle items involving pounds, ozs., and drs. The ozs. and drs. are automatically accumulated into pounds.

All the foregoing machines are modifications of the original

adding and listing machine, and while capable of performing extra functions, they also have a capacity for adding and listing regular amounts. By ignoring the section of the keyboard devoted to inches, minutes, hundredweights, or other fractional parts, the operator can add whole numbers the same as on the ordinary adding and listing machine.

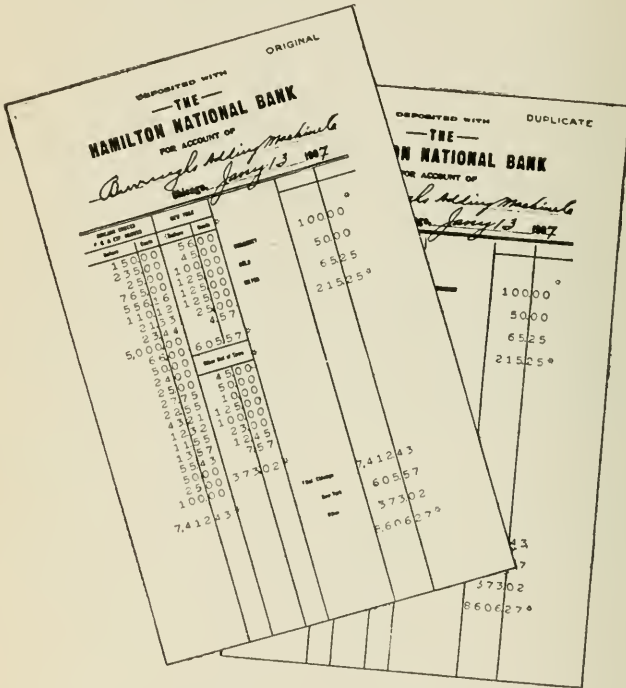


Fig. 26

Fig. 27

Fig. 26 is the Original Deposit Ticket. Fig. 27 is the Carbon. Both are Made at the Same Time with the Machine Burroughs Adding Machine Co.

MAKING DUPLICATE RECORDS OF BANK DEPOSITS

The preparation of the bank deposit ticket is a part of the daily routine of any business concern and involves more or less listing, adding, and duplicating, and these operations take time.

The old method of preparing these tickets is to copy the amount of each check by hand, then foot the column of amounts and afterwards make a duplicate for the office files. By this method there

is liability to error every time a duplicate is made. Where there are a number of items the time consumed in the preparation of the deposit ticket is considerable. It is impossible to list and add amounts mentally as fast as they can be listed and added on a machine.

Time is saved in two ways. First, the amounts are added and listed about five times as fast as it is possible to do the work by hand; and second, it makes a perfect carbon copy at the same time the original ticket is prepared. In addition to these two time-saving advantages, all the amounts are printed and can be easily read.

When the work is done on the machine two blank tickets, with a carbon between them, are used. The items are then added and listed, taking the amounts direct from the remittances.

In cases where the daily bank deposits are made up of a large number of items, it is more convenient to use a sheet in connection with the machine and add and list the items in several columns.

Fig. 26 and Fig. 27 illustrate how the machine can prepare a slip deposit ticket with a duplicate.

When the cashier desires to get his deposit to the bank at an early hour, there is no helper that will lend such valuable assistance as the machine.

DAILY LEDGER BALANCE FOR A COMMERCIAL HOUSE

About ten per cent of the accounts of the average concern change during a single day's business. This percentage, however, suffices for a correct balance. If there are, say, five hundred accounts and only fifty act during the day, the daily balance can be obtained by taking only the fifty into consideration.

This simplification of an otherwise tedious job is accomplished by a balance column ledger and the bookkeeping machine.

When the bookkeeper posts to an account, he extends the balance and puts a strip of blotter or cardboard to mark the account to which he has posted, as shown in Fig. 28.

When the posting has been completed, the "previous" and "current" balances are taken from each active account and added and listed on a *split-aud-normal-machine*. The "previous" balance is then entered in the left-hand section and the "current" balance is entered in the right-hand section. One pull of the handle adds and

lists both amounts. When all the balances have been taken off, the two totals are obtained by depressing the total button and pulling the handle. The machine work is shown in Fig. 29.

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE
	Bal. Forward			111.14
1/1		1.00		112.14
2/1		1.00		113.14
3/1		1.00		114.14
4/1		1.00		115.14
5/1		1.00		116.14
6/1		1.00		117.14
7/1		1.00		118.14
8/1		1.00		119.14
9/1		1.00		120.14
10/1		1.00		121.14
11/1		1.00		122.14
12/1		1.00		123.14
	Total			244.96

Fig. 28. Ledger with Extended Balances and Markers. Active Accounts Can be Transcribed to Sheets Quickly when Marked in this Way. Burroughs Adding Machine Co.

The advantage of the large machine is that it permits the operator to add and list both the old and new balances at the same time, thus making it unnecessary to run through the ledger twice to transcribe the balance. The regular adding and listing machine, on the other

hand, can be used in the operation of this system, as shown in Fig. 30. After all the postings have been made, the sheet is inserted in the machine and the old balance on each account is added and listed in the proper columns; then the bookkeeper runs through the ledger

OLD BALANCES	NEW BALANCES	OLD BALANCES	NEW BALANCES	OLD BALANCES	NEW BALANCES
2 1277	24396	195346	217272	353775	382521*
3 2520	3200	2200	2500	12260	12561
3 2525	3450	2565	5565	1825	2262
4 1000	3500	5000	5000	12140	1400
4 2265	2500	3378	5011	12265	14675
2 1165	23575	5066	23575	12145	3755
4 2576	1500	6250	2200	13145	15000
4 2888	3755	3288	15000	1	3500
4 2525	13255	2423	7500	3	2500
3 2525	7576	3250	1250	3	3500
4 2525	4550	13255	3650	3	5000
3 550	2500	2500	15650	2	9697
3 550	2500	2500	14555	2	5134
3 450	3750	17500	3455	2	25805
3 340	3750	17500	10000	3	4500
3 340	3750	17500	2255	2	25565
3 340	3750	17500	3255	4	50000
1 315	15544	2625	4250	590529	613161*
1 544	6500	14280	15000		
3 276	7500	5567	2500		
1 288	7523	7321	4756		
1 230	13250	3177	4756		
1 230	3000	4245	3500		
1 230	3000	4245	4675		
4 566	3265	33160	15165		
4 566	3265	2756	3620		
4 566	3265	4261	2500		
6 500	7522	12217	14675		
2 565	3220	2165	3800		
1 2250	2214	3275	3840		
1 95342	217272	353775	382521		

RECAPITULATION

Old Balance 590529
 Sales 68250
 Cr. Cash Book 7825

New Balances 613161
 Mdcs. Renewed 12131
 Dr. Cash Book 41312

666604*

Fig. 29. Showing a Balance Sheet made on the Split-and-Normal Machine. A Column of Old and New Balances are Added and Listed Simultaneously with this Machine *Burroughs Adding Machine Co.*

for the second time for the new balance on each account, adding and listing them in the proper columns.

Of course, the machine insures accuracy and speed in the handling of these items, which means that an old and new balance sheet can be taken off in about the time it would take to put down half the figures by the long hand method.

RECONCILING BANK BALANCES

Accountants connected with commercial houses, railroads, insurance companies, manufactories, municipal offices, and many other large concerns have occasion every month to reconcile the

OLD BALANCES		NEW BALANCES	
2 1277°	493373°	24 966°	513251°
2 3550°	22256°	3450°	22845
2 3255°	77655	15000°	4500
1 1555°	34555	7524°	22565
5 0000°	21224	12500°	50000
2 265°	4224	25000°	
2 4176°	59059°	700°	613161°
1 1576°	12000°	12565°	
1 1576°	22555°	110000°	
1 2250°	12365	22550°	
1 2250°	175000°	22555°	
1 2252°	12625°	120000°	
2 125°	42567	25000°	
2 145°	45211	47321°	
2 2250°	3177	25000°	
1 3165°	4245	4675°	
1 5454°	12160	151655°	
1 3276°	27556°	26200°	
1 0000°	3261	25000°	
	21217	14675°	
	2125	2000°	
	12260	12562°	
	11825	1400°	
	12140	14675°	
	12265	8276°	
	12145	23555°	
	12145	15000°	
	12144	12000°	
	3252	15000°	
	8556	500°	
	2500	5067°	
	7075	734°	
	32145	2250°	
2 05396°	493373°	235120°	513251°

RECAPITULATION

Old Balance 590529
Sales 68250
Cr. Cash Book 7825

666604°

New Balance 613161
Mdsc. Returned 13151
Dr. Cash Book 41312

666604°

Fig. 30. Showing a Balance Sheet made on the Regular Machine. This Machine cannot do the work as rapidly as the Larger Style *Burroughs Adding Machine Co.*

check book balance with the bank balance. On account of the nature of a check book, it is a difficult job to turn through the stubs and foot the deposits and outstanding checks mentally. If the amounts are set down on a sheet of paper and afterwards footed, so much time is consumed that the process becomes very laborious.

The best, most accurate, and quickest way of taking off these amounts is to use a *split-and-normal machine*, because this machine is capable of listing both check numbers and amounts at one operation, taking a total only of the check amounts.

There are several ways in which this kind of work can be done on the machine with a great saving of time. One method consists, first, of adding and listing the cancelled check amounts. The checks are then arranged in numerical order and the amounts are checked against the amounts on the check-book stubs. Blue pencil marks are made opposite the amounts on the check-book stubs which correspond to the cancelled check amounts. After this operation has been completed, the unmarked amounts on the check-book stubs will represent outstanding checks. Then the accountant again takes the machine, adjusts it to add in one column and number in another, inserts a sheet in the carriage, and runs off the unmarked amounts, together with the corresponding check numbers. The machine

Check Numbers	Amounts
	\$ *
42345	125.50
42357	43.65
42431	54.75
42455	35.55
42475	45.00
	304.45*

Fig. 31. Check Numbers and Amounts Listed

transcribes both of these, as shown in Fig. 31, at one operation, and prints the total in the amount column only. When all the outstanding check amounts and numbers have been transcribed to the sheet, the total of the amounts can be printed by simply pressing the total button and pulling the handle.

After the check amounts have been added and listed, the deposits are added and listed in the same way, setting down the day of the month if desired at the same time the amount is entered. A sample of this work is shown in Fig. 32.

Then the previous month's balance plus all deposits, minus the total of cancelled and outstanding checks, should agree with the current bank balance. The split-and-normal type of machine is well adapted for doing this work with speed and accuracy, as the feature which enables the operator to set down the check number and the amount of the check side by side assures him that the amounts have been entered opposite their respective check numbers.

Day of Month	Deposits \$	*
12	250.00	
15	125.55	
18	33.75	
20	75.00	
21	65.45	
	549.85*	

Fig. 32. Dates and Deposits Listed

A method, where the regular machine can be used, is to run off the returned checks the same as on the split-and-normal machine, and check against the amounts on the check-book stubs. Then add and list first the amounts of the outstanding checks and then the numbers opposite their respective amounts. The deposit can be listed at a third operation.

Still another method is to check off the returned check amounts and add and list the checks in the usual way. Then add and list the unmarked amounts on the check-book stubs which signify outstanding checks. Whenever a deposit is found set in the amount with the eliminating button depressed, after the total of the outstanding checks has been made, go back over the list and add the amounts indicated by the eliminating symbol, #, which in this case will be the deposits.

The quickest and most satisfactory method, however, is the first one described where the split-and-normal machine is used.

By applying this system, the labor attendant upon reconciling a bank balance is reduced to about one-fourth the amount usually

required to do the work by the old hand method. The great saving comes not only from the fact that the machine transcribes both check numbers and amounts at one operation, but because it is so much easier to set the amounts on the machine keys, pull the handle and add and list them automatically than it is to transcribe by hand and add afterwards by head.

Another advantage of using the machine is that the record it makes is neatly tabulated and can be filed away between loose-leaf covers for any future reference that may be necessary.

PERPETUAL STOCK RECORD

The machine can be used to advantage in connection with a perpetual stock record for the purpose of checking up the balances of stock on hand.

For instance, suppose a column of balances has been entered on the record card, as shown in Fig. 33, and it is desired to check the last balance in the column before carrying it forward to the top of the next column. It is evident that the amounts received together with the balance on hand, minus all the amounts issued, should give the last balance at any time.

Now to prove that the last balance, 3750, in the first balance column is correct, take the card to the adding machine and add and list the amounts received, and also the balance already on hand, which in this case is 854 lbs. This gives a total amount of 3954 lbs. Then add and list the amounts issued which total up 204 lbs. Deduct the 204 from the 3954, and the remainder, 3750, will agree with the last balance if all the preceding balances have been entered correctly.

The fractions shown in the illustration can be added quickly on the regular machine by leaving the two right-hand columns of keys for decimals and treating $\frac{1}{4}$'s, $\frac{1}{2}$'s, and $\frac{3}{4}$'s as .25, .50, and .75 respectively.

OPERATING EXPENSES AND EARNINGS

Comparative weekly, monthly, and yearly statements of operating expenses and earnings are of great value to the manager and board of directors. The manager who is acquainted with the average of

for the agencies for 1903 are added and listed in the second column, and the totals for both the home office and the agencies, in the third

Analysis and Comparative Statement of Expenses for Month of January 1906

	HEAD OFFICE	AGENCIES	TOTAL
Commission	1903 4,444.30 *	4,550.500 *	4,994.930 *
	1904 5,066.00	4,440.000	4,946.600
Bottus	1903 345.00	5,066.600	5,101.100
	1904 300.00	4,550.000	4,580.000
Physicians' Fees	1903 77.60	45.500	53.260
	1904 56.60	40.000	45.660
Salaries	1903 1,908.00	1,330.000	3,238.000
	1904 1,300.00	1,200.000	2,500.000
Printing	1903 55.00	45.00	100.000
	1904 56.00	44.000	100.000
Advertising	1903 77.00	5,566.600	5,643.600
	1904 57.77	4,500.000	4,557.777
Books, Periodicals, etc.	1903 75.00	677.000	752.000
	1904 67.00	566.000	633.000
Taxes, Licenses, Fees & Fines	1903 2,033.330	3,055.000	5,088.330
	1904 1,044.000	2,545.000	3,589.000
Valuation Fees, etc.	1903 4,055.00	56.600	4,621.600
	1904 3,550.00	45.000	4,000.000
Rents	1903 6,099.00	5,066.600	11,165.600
	1904 5,660.00	4,500.000	10,160.000
Stationery	1903 4,055.00	5,660.600	9,715.600
	1904 3,550.00	4,555.500	8,105.500
Postage, Bank Exchange, etc.	1903 1,022.00	809.900	1,831.900
	1904 899.900	777.000	9,776.000
Traveling	1903 1,011.00	688.888	1,699.888
	1904 899.000	788.000	1,687.000
Solicitors' Charges	1903 122.00	4,555.000	5,775.000
	1904 300.000	3,750.000	6,750.000
Light and Fuel	1903 122.00	5,666.600	5,788.600
	1904 330.000	6,660.000	6,990.000
Furniture, Etc.	1903 89.00	99.000	188.000
	1904 70.000	89.000	159.000
Express and Freight	1903 777.00	6,777.000	1,454.700
	1904 678.000	5,660.000	1,244.000
Telephone Rent	1903 60.88	4,555.000	1,064.300
	1904 66.000	4,000.000	1,060.000
Telegrams and Telephones	1903 60.77	5,666.600	627.377
	1904 50.000	4,755.000	5,250.000
Expenses	1903 6,077.70	4,555.000	10,632.700
	1904 5,660.000	3,788.000	9,448.000
Total for month of	1903 50,756.75 * 15,455.133 *	20,530.808 *	
	1904 46,858.37 * 13,912.900 *	18,598.737 *	

Fig. 34. This Form Gives a Good Idea of the Neat Appearance of a Comparative Statement when Prepared on the Machine
Burroughs Adding Machine Co.

column. The operation is repeated for the year 1904. In this way the work is done in about one-half the time required by the hand method.

MECHANICAL CHECK ON INVOICES

Before a business man will send his check in payment of a bill of goods, he proves up the invoice, and this proof requires a considerable amount of figuring and involves the multiplication of fractions as well as whole numbers. Work of this kind takes time and often comes when other business is pressing and the time required to check up invoices can ill be spared. Even when there is no press of other business, the process is more or less tedious when done mentally.

This method, with the help of the machine, converts the process from a mental to a mechanical one, and cuts in half, the time required for the calculations.

As a rule, the fractions entering into the calculations are in $\frac{1}{8}$ ths or $\frac{1}{3}$ rds, or their multiples. These fractions can be easily handled by the machine when converted into decimals according to the following table:

$\frac{1}{8}$	=	.125
$\frac{1}{4}$	=	.25
$\frac{3}{8}$	=	.375
$\frac{1}{2}$	=	.5
$\frac{5}{8}$	=	.625
$\frac{3}{4}$	=	.75
$\frac{7}{8}$	=	.875
$\frac{1}{3}$	=	.333
$\frac{2}{3}$	=	.666

If large amounts are involved, it may be necessary sometimes to carry out the decimals for thirds to another place, but for the majority of cases the three-place decimals will suffice.

It has been proven by fair tests that the machine is capable of making straight multiplications more than three times as fast as it is possible to multiply mentally. Consequently, it stands to reason that the multiplications necessary to check an invoice can be made on one of these machines in considerably less time than will be required to do the work mentally.

Take the following items for illustration:

2 gross brooms	$.12\frac{1}{2} = \$36.00$
1 gross mops	$.09\frac{1}{3} = 13.44$
75 lbs. candy	$.14\frac{3}{4} = 11.06$
225 lbs. lard	$.08\frac{2}{3} = 19.50$
56 yds. linoleum	$.27\frac{1}{2} = 15.40$
125 yds. oilcloth	$.16\frac{2}{3} = 20.83$

The first item is proved by setting the repeat button for multiplication, placing 288 (equivalent to 2 gross) in the machine as a multiplicand and using 125 as a multiplier. After converting the vulgar fractions into decimals according to the tables, the multiplication is performed in the usual way and the product pointed off the required number of places. In this manner, the result, \$36.00, is obtained.

In order to give an idea of the advantage to be derived by using a machine for work of this nature, the items given in the illustration have been checked by a good mental calculator and a good machine operator. When the results were obtained mentally, the time required was 2 minutes 30 seconds. With the machine it took only 1 minute 30 seconds. This comparison of methods by actual time shows the superiority of the machine method unquestionably.

Where there are a number of items to be checked similar to those given, the machine does the work in the least possible time. A little practice will soon enable the operator to become quite expert in multiplication, and he will find that the work can be done in about one-half the time ordinarily required to multiply with a pencil, and at the same time he will save himself the mental fatigue which attends the slower process.

TABULATING ACCOUNTS RECEIVABLE FOR CREDIT DEPARTMENT

The use of the machine greatly simplifies the making of a monthly or weekly analysis of outstanding accounts for the credit department. The cross-tabulating carriage enables the operator to list items overdue thirty, sixty, and ninety days and total the amount on each account, thus necessitating only one turning of ledger leaves to record accounts in need of attention.

Since the standard typewriter spacing is the same as that used on the machine, it is an easy matter to write in the names first, then to

Sheet No. _____

ACCOUNTS RECEIVABLE ON BOOKS OF _____ AGENCY _____ 190 _____

Date	Name	Location	Money or value	1 to 1000	100 to 1000	1000 to 10000	Over 10000	Total	Balance
	C. Brownell		2340	347	4570			7257*	
	Smith & Son		4660					4660*	
	Jones & Turner		350	666	3023			4039*	
	F. Brown		4550					4550*	
	C. Howell		30466			4067		34553*	
	C. Hocking		4560					4560*	
	Jones & Starkey		4056				4560	8616*	
	H. Gifford		5668					5668*	
	Steam Bakery		40050	4660		455		45165*	
	Armour Pkg. Co.		5660					5660*	
	H. Jeneen		6080					6080*	
	Powell & Hart		60080					60080*	
	Homer & Stocking		505	707	7088	7080	140	15520*	
	H. Bradley		30440					30440*	
	Giles Bufford		56000		5070			61070*	
	Pareos & Buell		20333			3500		23833*	
	J. Steubaus		10320					10320*	
	J. Herbert		4660					4660*	
	Henry Alloo		1220		440		140	1806*	
	S. Hadley		3040					3040*	
	Perking Bros.		4550					4550*	
	H. Smithson		5500		460		5960	11920*	
	W. W. Cooley		2330					2330*	
	G. Jennings		44050					44050*	
	Hanson & Hart		5660	600				6260*	
	C. Dooge		45050	560		4040		49650*	
	H. Berne		3440					3440*	
	Crowell & Povers		3030			344		3374*	
	Herbert Little		3330					3330*	
	G. White		2220					2220*	
	Homer Green			4455				4455*	
	William Black						2450	2450*	
	Theodore Russell		34440		450			34890*	
	John Adams		2340					2340*	
	Henry Cloy		340					340*	
	George Washington	Smith	3440					3440*	
	Daniel Jackson		560					560*	
	Henry Webster		30040			460		30500*	
	Brown Bros.		4005					4005*	
	Dot & Smart		7888					7888*	
	G. Keeling		77					77*	
	A. Stevens		44770					44770*	
	D. Stanley		5060					5060*	
	P. Jones		2660					2660*	
	H. Smith		2776					2776*	
	V. Owens		1005					1005*	
	A. Jules		2700					2700*	
	Deering Plow Co.		52770					52770*	
	W. Withey		3777					3777*	
			612846*	11995*	21101*	19946*	13250*	579138*	

Fig. 35. Accounts Receivable Statement

The names are entered on the sheet first and the amounts filled in afterward with the adding machine. *Burroughs Adding Machine Co.*

adjust the sheet in the machine carriage so that the first row of items will fall opposite the first name. This done, all items following will fall opposite their corresponding names, Fig. 35.

CHECKING STATISTICS

When a sheet contains several columns of items which must be cross-footed as well as column-footed, the adding machine is the best safeguard to prevent errors.

The amounts can be entered more rapidly and more neatly by the aid of the machine and at the same time the operator is assured that the items which are printed on the sheet are added correctly. All that is necessary for correct results is to depress the proper keys. The machine does the rest.

Weekly Sales Summary
BY DEPARTMENTS.

Dept.	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Weekly Totals
1	12655	12750	13245	12587	13400	14250	78887*
2	9255	10155	8755	10245	8855	10255	57920*
3	4565	6500	9500	8755	10045	12256	51621*
4	10234	12244	9845	8733	8966	10495	60477*
5	7565	7754	10050	7500	8745	11075	52689*
6	22500	21545	23367	17645	13565	15575	114197*
7	9565	10433	8756	6650	10255	10455	56114*
8	12565	11275	9955	10000	8856	10277	62928*
9	7643	10277	9845	8678	9125	9834	55402*
<i>Daily Totals</i>	96947*	108233*	103318*	90793*	91812*	104432*	590235*

Fig. 36. Weekly Summary of Sales

The total in the lower right-hand corner checks both the "weekly totals" and the "daily totals." *Burroughs Adding Machine Co.*

The amounts can be tabulated either in column form or in rows across the sheet. One set of footings is made, whichever the method chosen.

The table of amounts shown in Fig. 36 has been made by tabulating in columns. A star, *, is printed at the top of each column; then the items are added and listed and a total is taken in the usual manner.

Then the rows are cross-footed by the machine, the machine carriage being thrown back so that the amounts will not be entered on the sheet, and the total is printed in its proper column by restoring the carriage to normal position, depressing the total button and pulling the handle. The next row is then footed in a similar manner.

The cross-footings are then totaled on the machine, and the grand total printed at the bottom of the column of cross-footings.

The totals of the other columns are then added, and if the grand total of these totals agrees with the grand total of the cross-footings, the operator knows that his work is correct.

HANDLING CHECK FIGURES BY MACHINERY

Check figures are employed by many bookkeepers because they give a check on the ledger postings.

When an amount is posted from the journal into the ledger, the check figure is extracted for the ledger posting and then set down opposite the corresponding amount in the journal. Then, when the amounts and check figures in the journal are footed, the check figures for the check figure total and the check figure of the total of amounts will not agree unless all the ledger postings have been made correctly as to amounts. If the two check figures agree, the amount of the footing is proved as well as the ledger postings.

It takes time, however, to add a column of check figures, especially where the higher order of check figures is employed. This column must be added in addition to the amount column, and, while the work involved may be less tedious on account of the small numbers, it assumes considerable proportions where a large number of additions are to be made.

The *check-figure machines* are capable of adding both the check-figure column and the amount column at one operation. An amount and its corresponding check figure are set into their proper sections of the machine keyboard, and by one pull of the handle both are listed on the paper ribbon or sheet and added. When all the amounts with their check figures have been added and listed, the total of the amount column is printed, and only the check figure for the check-figure footing is printed, instead of the footing of the check-figure column, as might be supposed at first thought. All that is necessary then to check the footing of the amount column is to calculate its check figure, and if it agrees with the machine check figure the addition is correct, and, since the check figures have been extracted from the amounts posted in the ledger, the ledger postings are proved.

In Fig. 37 is illustrated the manner in which the check-figure machine adds and lists amounts and their check figures.

9 Check Figure	11 Check Figure
3625 ⁷ *	42651 ⁴ *
2451 ³	2240 ⁷
1146 ³	3112 ¹⁰
245 ²	171 ⁶
1126 ¹	4265 ⁸
8593 ⁷	52439 ² *

Fig. 37

Briefly stated, the check figure 9 is obtained by adding together the digits in the number, dividing by 9, and using the remainder as the check figure. Thus the check figure 7 for the amount 3625 is the number left over after dividing $3 + 6 + 2 + 5$ by 9.

The check figure 11 is obtained by adding together every other digit, beginning with the units place and deducting from this total the sum of every other digit beginning with the tens place. In case the subtraction is impossible, add 11 to the minuend. Thus, the check figure 11 of 42651 is $(1 + 6 + 4) - (5 + 2) = 11 - 7 = 4$. In case the subtraction is, say, $7 - 11$, add 11 to the 7 making it 18, and the remainder 7 is the check figure.

CALCULATING AND BOOKKEEPING MACHINES

TYPES OF ADDING MACHINES

Adding and calculating machines used in various lines of business differ somewhat in design and operation, the nature of the work to be performed usually determining the particular make of machine selected. In the descriptions which follow it has been thought best to mention only the distinguishing features of the styles mentioned, as it is apparent that the usual processes of addition, subtraction, multiplication and division may be performed on any of the machines listed.

Comptometer. For calculations of which no permanent records are required, as when the results are to be transferred immediately, or when figures are to be checked for accuracy, a

machine of the type of the Comptometer, Fig. 38, will be found very serviceable. A machine of this type is called *key-driven*, as the amounts represented by the keys are computed as the keys are depressed, and the results of the computation appear in the dials at the lower edge of the machine. A lever at the side is used for clearing, or setting all the dials back to zero. Ordinary mathematical computations, such as addition, subtraction, multi-

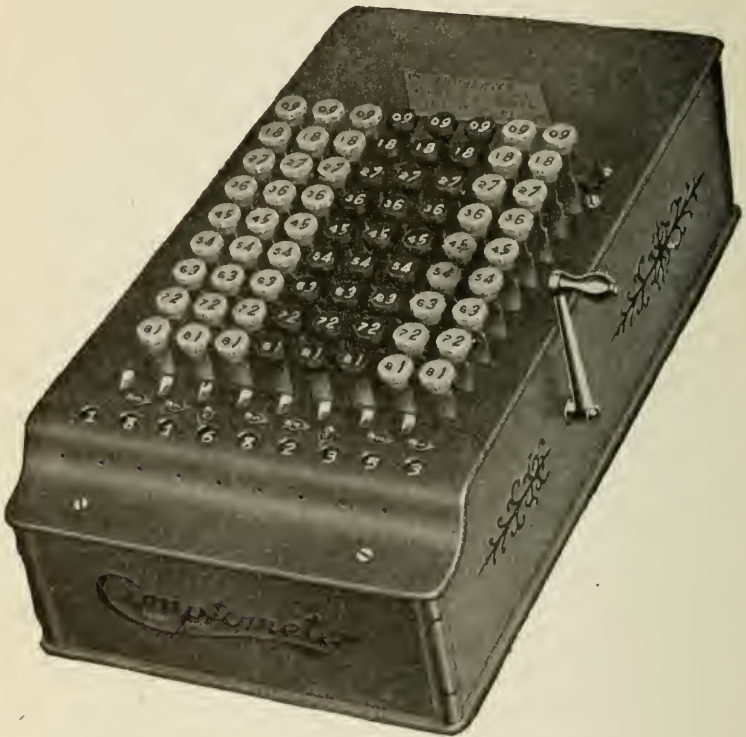


Fig. 38. Comptometer Calculator—A Key-Driven Machine

plication and division are readily performed, allowing the operator to compute discounts, payrolls, exchange and similar problems. A single column of figures may be added, or, when desired, two independent columns may be added at one time. This permits using the machine for many accounting purposes, such as adding debits and credits, the subtraction of one from the other showing the balance. An automatic device locks the machine when a *key

is not fully depressed or when the key does not return to its normal position after depression. This feature is designed to check careless operation.



Fig. 39. A Lever-Cleared Calculator—the Monroe

Monroe. Another non-listing machine is the Monroe, Fig. 39. In this machine the keys remain depressed until cleared by a turn

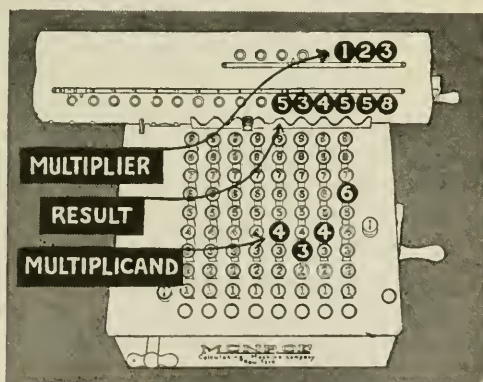


Fig. 40. Multiplication on the Monroe

of the lever at the side. This feature permits the operator to check for accuracy before transferring the figures or clearing. In addition or subtraction the answer appears in the lower row of dials. In

multiplication, as indicated in Fig. 40, the operator can multiply any eight figures by any eight figures, the multiplicand showing in

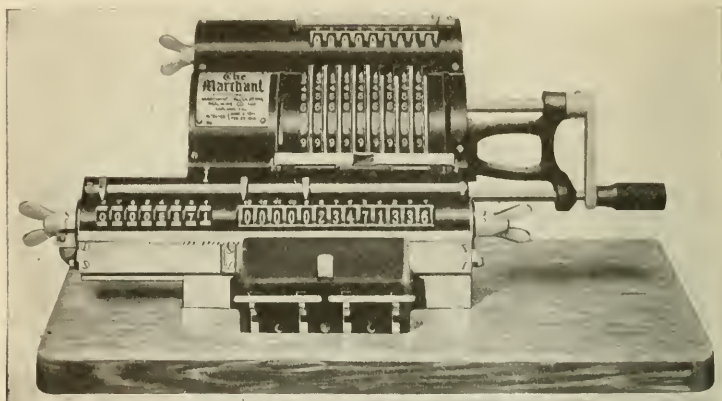


Fig. 41. Marchant Calculator



Fig. 42. Burroughs Adding Machine.

the depressed keys, the multiplier in the dials at the top, and the product or result in the lower row of dials. The problem shown

on the machine would be solved by the ordinary operator in from three to four seconds. The Monroe is adapted for such work as extending or checking invoices, cost accounting, foreign exchange, interest and discount, engineering and insurance problems and similar computations.

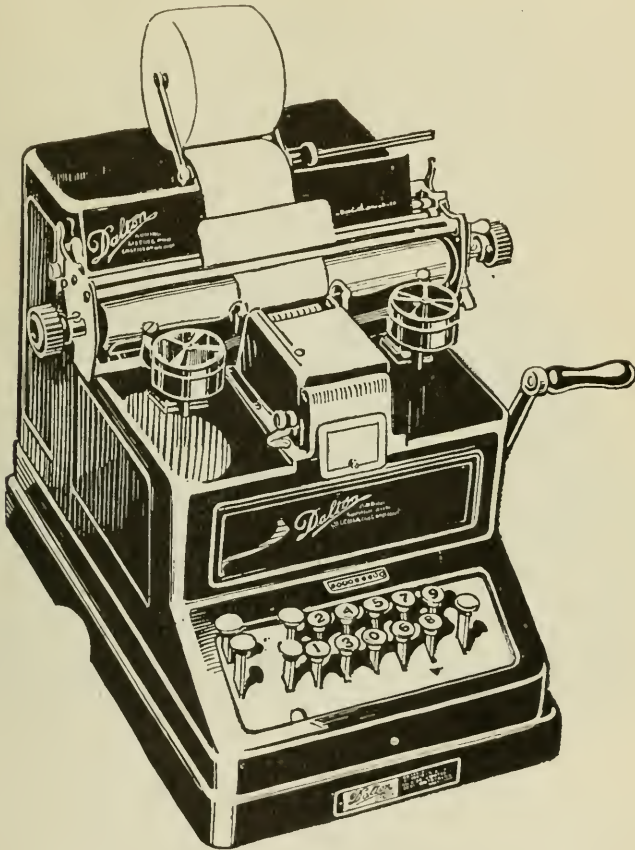


Fig. 43. Dalton Listing Machine
Courtesy of Dalton Adding Machine Co., Norwood, Ohio

Marchant. The Marchant Calculator, Fig. 41, is designed particularly for multiplication and division, and operates on a rotary principle, having all the figures in sight for checking or verification. Intricate calculations, such as tax apportionment and distribution assessments, payroll distribution, and the like, are readily made with this machine.

Burroughs. One style of the Burroughs adding machine is shown in Fig. 42. This style is known as a listing machine, as the result of every computation is printed on the sheet shown in the machine, or on a paper strip seen at the top of the figure. At the same time the result is shown in the dials at the lower edge of the machine. Some of the styles of the Burroughs machine are designed to be operated by electricity as well as by hand.

Dalton. A somewhat different principle is used in the Dalton machine, Fig. 43. This is a listing machine, the result of the computation being printed on a paper strip, but differing from most other machines in having but one set of keys. The figures automatically



Fig. 44. Ensign Adding Machine—Electrically Operated
Courtesy of Ensign Manufacturing Company, Boston, Mass.

follow the order in which the keys are depressed, and the amount is printed by pulling forward the lever on the left of the machine. The amount is automatically added to the number in the machine and the total may be printed when desired. A number of key words, such as "Cash", "Mdse.", "Paid", etc., may be printed in if desired. The printing can be done in columns or cross-footed as desired, giving the machine a considerable range of usefulness. Some styles of the Dalton are operated by electricity.

Ensign. One of the extremely portable styles of adding machines is the Ensign, shown in Fig. 44. As with other makes of

machines, the Ensign is made in several styles or sizes, so as to be suited for various kinds of work. All the machines of this make are operated by electricity, which reduces the time of operation considerably, and thus permits a greater amount of work to be done in a day, with less effort on the part of the operator.

BOOKKEEPING MACHINES

Posting, billing and similar processes which are many times repeated contain features readily performed by mechanical devices, limiting the brain work of the operator to directing only. The principles of the listing and adding machines already mentioned have been adapted to bookkeeping work, and several types of machines doing such work are now available. The descriptions which follow are necessarily limited, as the student will realize that it is our purpose rather to tell what can be accomplished on the machine than to explain its mechanism. The popular types of bookkeeping machines have standard typewriter keyboards, with registers or totalizers to accumulate all of the figures posted in the various columns during the run of postings, and with cross-footing devices to add the row of figures as written. Uses of such a system is found in the computing of daily balances on ledger accounts, and in providing distributing pages, such as of a Cashbook or a Voucher Record. The column totalizers which accumulate the figures check the accuracy of the cross-footing devices, so that the machine contains within itself all of the means necessary to check and locate errors. To accommodate various lines of business, such a machine must be capable of assembly by units which may be varied to meet conditions.

Since the introduction of bookkeeping machines there has been an increased tendency to do the work by such agencies. The more the processes of a business can be reduced to routine the greater the opportunity for doing the work mechanically. Adapting the line of work to systematic routine is as necessary as a careful selection of the type of machine. Forms and record sheets must be arranged to take the fullest advantage of the mechanical features of the machine as well as to secure permanent detailed records of the transactions.

As indicating the application of the bookkeeping machine to

everyday business, it may be said that the machine may be used for Accounts Receivable with skeleton or detailed ledger, with or without monthly statements; to handle an invoice, statement and ledger; or it may be used with Accounts Payable, making records of remittance advices and checks, and showing also voueher numbers or alphabetical order. It may be used for making a raw stores record or a department stores record, showing the several balances, namely; balance on hand, balance available and balance on order; and also the price. It may be used for writing employes' pay envelopes; individual record of earnings for income tax data; and for weekly time sheet. In the cost department, it can be used for part or production order costs combined with a columnar analysis or for grouping department and general costs.

In banks, the bookkeeping machine is used to write depositors' statements; ledgers and auditors' journals; and for recording checks and deposits. It is also used for writing all savings' ledgers and journals, and for keeping accounts with various estates. Public utilities companies use the machines quite generally to write customers' bills; ledgers; and for making abstracts of earnings or classification of rates.

Elliott-Fisher Bookkeeping and Accounting Machine. This machine, one of the earliest to engage in this work, has a stationary flat writing surface or platen, which facilitates the insertion and removal of forms, and permits various sizes and thicknesses to be aligned properly, so that all the postings may be carried through onto as many copies as are necessary to secure the proper efficiency in the system installed.

In the making of many copies, such as in writing at one time the statement, ledger and sales journal or cashbook, the several sheets are laid on the flat surface and securely clamped by a side guide rail. The necessary carbon papers are fed from rolls across the flat surface, so need not be handled. The head of the machine, Fig. 45, moves across the bed, up or down and across, so that the position or alignment of the form is not changed after being laid to make a posting.

The machine working on this flat surface is composed of three units: (1) a standard typewriter keyboard; (2) an equipment of totalizing registers, one over each column in which figures are to

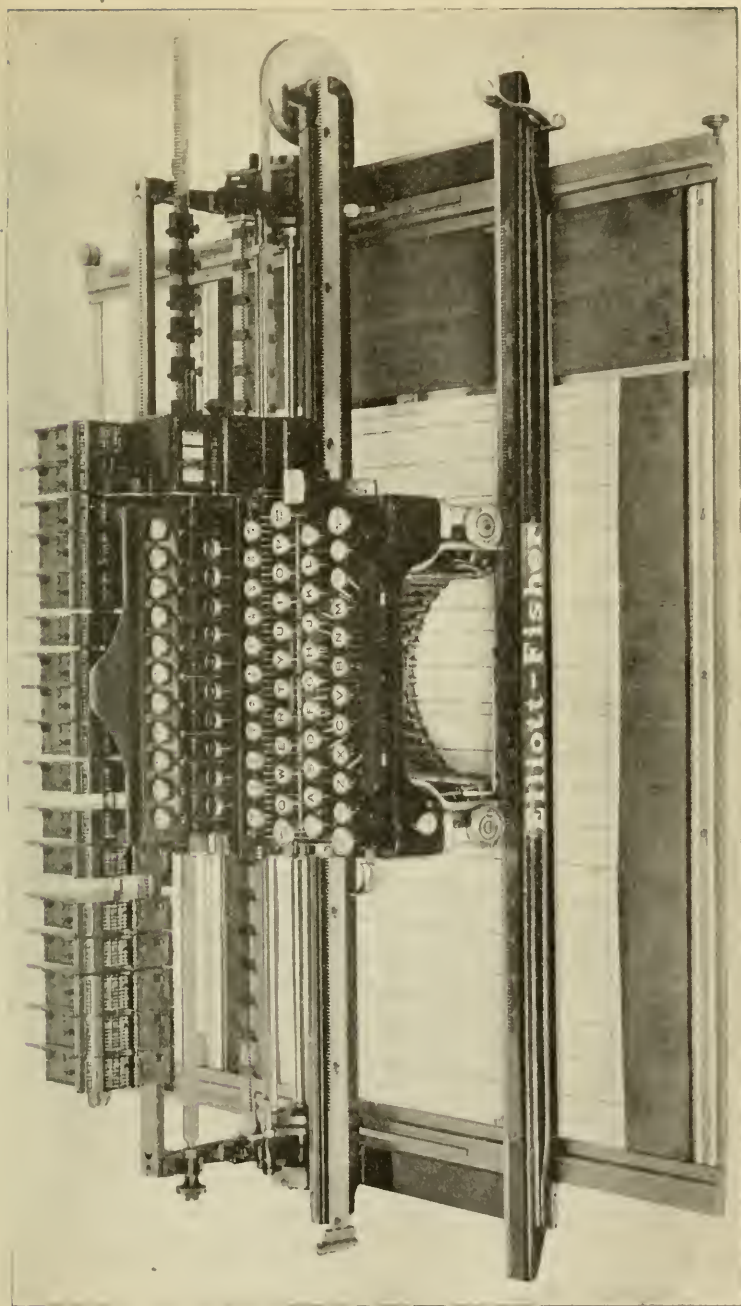


Fig. 45. Elliott-Fisher Bookkeeping and Accounting Machine. Its platen is flat and stationary.
Courtesy of Elliott-Fisher Co., Harrisburg, Pa.

be accumulated; and (3) a cross-computing device which mechanically accumulates the old balance plus the debit or minus the credit, and shows a new balance. When this balance is written out of the machine a star (*) key is pressed, indicating that the entry has been completed. In the event of an error in copying out the figures, the star key locks itself and cannot be pressed, thus immediately calling attention to the fact that an error has been made. The registers over each column carry forward and accumulate the totals of the figures posted in the respective columns. These totalizers furnish one of the elements of proof in bookkeeping, as the totalizer over the debit column should agree with the predetermined total of the debit postings as it comes from the billing department, and the total over the credit column should agree with the total from the cashier's department.

In posting with this machine, the statement and ledger sheets for each account affected are inserted in the machine, lined up, an entry made and the sheets removed. During a run of postings an additional sheet, known as a *proof sheet*, remains in the machine, and thus contains in detail every entry made. At the close of a run of postings, this proof sheet is used for checking, and in the case of debits, is sometimes filed away as a Sales Journal; in the case of credits, as a Cashbook or Merchandise Returned Journal. With this proof sheet, which contains in detail every stroke made by the operator, both errors and corrections, it is possible, when a run of postings has been completed, to refer to this *one* place and verify the correctness of the operator's work. Without this proof sheet, which is in reality a resume of the run of postings, it would be necessary to refer to each account affected to locate an error.

The essential features of the Elliott-Fisher machine are readily discernible in Fig. 45. The registers, or totalizers, up to twenty in number, may be set where desired, to accommodate any disposition of the columns of figures.

A typical use of this machine may be seen by reference to Fig. 46. The journal sheet at the top of the cut shows the account of one John Doe, with various entries, the balances being brought forward after every entry. This loose-leaf journal sheet is placed in the machine below the monthly statement sheet seen

JAMES B. CLOW & SONS CHICAGO				SHEET NO. 1	
STATE MO		TOWN ST LOUIS			
NAME JOHN DOE					
OLD BALANCE	DATE	CHARGES	CREDITS	BALANCE	
	1919				
	4/10	59 99			
	4/10	375 63			
435 62	4/23	NET 35 23		435 62	JOHN DOE
	4/25	1256 75			
1727 60	5/1	CASH ON ACCT	500 00	1727 60	JOHN DOE
1227 60	5/2	NET 45 32		1227 60	JOHN DOE
1272 92	6/2	350 00		1272 92	JOHN DOE
	6/3	10 23			
1633 15	6/6	JNL 32 O/M 14532		1633 15	JOHN DOE
1633 50	6/15	CASH 35		1633 50	JOHN DOE
1598 27	6/20	NET 210 00	35 23	1598 27	JOHN DOE
1808 27	6/21	32 00		1808 27	JOHN DOE
	6/22	115 00			
	6/22	NET 55 65			
2010 92	6/25	JNL 33 N/D 7/25	1000 00	2010 92	JOHN DOE
1010 92	6/25	C/M		1010 92	JOHN DOE
1010 92	6/26		3 32	1007 60	JOHN DOE

IN ACCOUNT WITH
JAMES B. CLOW & SONS
34-46 SOUTH FRANKLIN STREET
CHICAGO,

SOLD TO JOHN DOE
ST LOUIS MO

PAY LAST AMOUNT IN BALANCE COLUMN

Illustration A

Name _____
Town _____

Balance \$	OLD BALANCE	DATE	CHARGES	CREDITS	BALANCE
		JUNE 1	BALANCE		1272 92
	1272 92	6/2	350 00		
		6/3	10 23		1633 15
	1633 15	6/6	JNL 32 O/M 14532 35		1633 50
	1633 50	6/15	CASH	35 23	1598 27
	1598 27	6/20	NET 210 00		1808 27
	1808 27	6/21	32 00		
		6/22	115 00		
		6/22	NET 55 65		
1727 60	2010 92	6/25	JNL 33 N/D 7/25	1000 00	2010 92
1007 60	1010 92	6/25	C/M		1010 92
		6/26		3 32	1007 60

JAMES B. CLOW & SONS

SHEET 1 JUNE 20 1919

RECAPITULATION OF CHARGES COUNTRY LEDGER NO 1 DATE JUNE 20 1919

OLD BALANCE	DATE	CHARGES	CREDITS	BALANCE	NAME
470 84	6/20	2 10			
	6/20	10 20			
	6/20	64 57		346 01	H A ADAMS
182 20	6/20	68 50		270 70	J T ARNOLD
775 14	6/20	191 60			
	6/20	10 71		565 53	JOHN BEALLIE
11 55	6/20	52 84		64 59	S CAMERON
359 03	6/20	15 50			
	6/20	29 25		380 64	H R DALY
1596 27	6/20	210 00		1008 27	JOHN DOE
3575 89		662 51		4837 34	TOTALS
5975 00		682 71		5071 94	PROOF

Illustration B

Fig. 46. Typical Work of Elliott-Fisher Bookkeeping and Accounting Machine

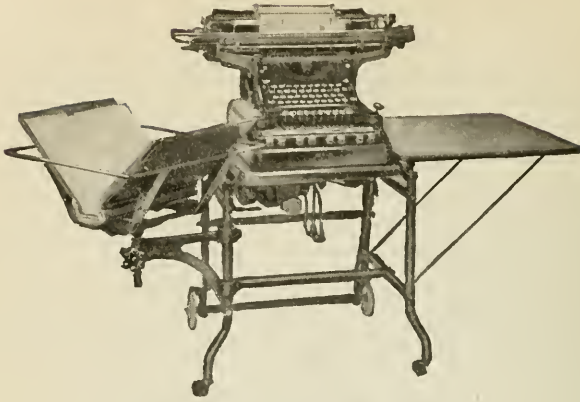


Fig. 17. Underwood Bookkeeping Machine
 Courtesy of Underwood Typewriter Company, New York



Fig. 18. Remington Typewriter Doing Bookkeeping Work
 Courtesy of Remington Typewriter Company, New York

in "Illustration A". At the bottom of the cut is seen the proof sheet for June 20, 1919, showing the purchase of goods to the value of \$210.00. These three entries for this date were made at one writing, the sheets being held in the machine one above the other for that purpose, and separated here only to show the results. The machine computed the balance on each record as the line entry was made, and accumulated the figures of each writing column into totals, to be used in making up the daily balance.

Typewriter Type of Bookkeeping Machines. The Underwood Machine, Fig. 47, and the Remington Machine, Fig. 48, hold the record forms on the typewriter roller, practically the same as in the standard method of typewriter manifolding, while registers accumulate the amounts written on the machine. Several styles of machines are made, designed for special lines of work, but the underlying principles are practically the same for all. Accuracy, speed and the assurance that all the records agree, having been made at the same writing, have made bookkeeping machines almost indispensable in lines of business where large volumes of bookkeeping and accounting work must proceed without interruption. In many establishments all accounts are balanced practically daily; there is little delay at the end of the month in getting out statements or recapitulations; in fact, most concerns are able to check up their accounts daily. The advantages of this feature are not confined to credits and debits, but is equally important in stock records, warehouse supplies, shipments, and similar records which are kept by modern business concerns.

Adding Machine Type of Bookkeeping Machines. The principles of the listing and adding machines are utilized in the latest type of the Burroughs Ledger Posting and Statement Machine, Fig. 49. This machine has a number of automatic features which tend to make it both fast and accurate when it is sufficient to describe the various items briefly when posting ledgers or making out statements. The machine shown is electrically operated, thus relieving the operator of much of the effort necessary to run the machine, and enabling the operator to give more attention to the essential direction of the various processes. Of the 17 rows of keys seen on the keyboard, three are used for writing in the date,



Fig. 49. Burroughs Ledger Posting and Statement Machine

THE PEPSODENT COMPANY

SHEET NO _____
 RATING High Only
 TERMS _____
 CREDIT LIMIT _____

NAME George A. Kelly Co.,
 ADDRESS Pittsburgh, Penna.

DEBIT		CREDIT		BALANCE	
MEMO	AMOUNT	DATE	MEMO	AMOUNT	
	459.00				459.00
	229.50	OCT 4 6RD	5	229.50	229.50
	459.00				459.00
	229.50				229.50
	.00	OCT 2 2 6RD	5	229.50	229.50
	229.50	OCT 3 4 6RD	5	229.50	459.00
	459.00	OCT 3 2 6RD	2	229.50	550.80
	550.80	OCT 3 1 6RD	6	229.50	780.30
	780.30				780.30
	550.80				550.80
	321.30				321.30
	.00				321.30
	229.50	NOV 1 8 6RD	5	229.50	459.00
	229.50	NOV 2 2 6RD	5	229.50	550.80
	459.00	NOV 2 9 6RD	5	229.50	688.50
	688.50				688.50
	459.00				459.00
	229.50	OCT 1 3 6RD	5	229.50	229.50

Fig. 50. Typical Record Page from the Burroughs

two for descriptions of the item to be entered, four for folios or other reference where the original source of information was obtained, and the remainder for figures. The printing of dates, ciphers, addition, subtraction, punctuation and spacing are entirely automatic, thus relieving the operator from the work of depressing the keys for indicating those items, and permitting greater speed through the reduced number of places to be watched at every entry. When desired, two colors of ink may be used, thus printing the dates, folios and characters in red, and the figures in black. A typical record page made on this type of machine is shown in Fig. 50. In place of a standard typewriter keyboard this machine has facilities for printing in certain characters, phrases or short words which are reduced to stereotyped forms, such as "Paid," "Recd.," "Mdse.," and other terms particularly adapted to the line of business for which the machine was designed.

TABULATING MACHINES

In the larger establishments of trade or manufacture it becomes necessary, in order to have the information essential for proper control and direction of the business, that much statistical data shall be not only gathered, but compiled and classified and sometimes analyzed before it is available for use. Speed and accuracy are prime requisites in this kind of work and the application of machine methods to statistical work in business has grown accordingly.

The basis of such machine work is a card similar to the one shown in Fig. 51. The body of the card shows a series of columns with figures from 0 to 9, inclusive, to each one of which a value or fact may be assigned and indicated by punching out that particular number. The series of numbers at the base of the card shows 45 such columns and, therefore, that the card is capable of taking record of 45 times 10 or 450 independent facts. In the illustration, we have a card planned for recording information concerning employes. Preliminary to use of the card, a code must be arranged for each class of data to be recorded. Suppose we wish to compile data concerning the occupations of applicants for employment. First, a code number is assigned to the different

OFFICE EQUIPMENT

NOTE: THE DATE OF AN EMPLOYEE'S BIRTH IS OF MORE PERMANENT VALUE THAN HIS AGE. FOR AN EMPLOYEE'S BIRTHDAY REMAINS CONSTANT, WHILE HIS AGE CHANGES FROM DAY TO DAY, AND TO COMPILE FACTS CONNECTED WITH AN EMPLOYEE'S AGE IT IS NECESSARY TO COMPARE THE DATE OF THE APPLICATION WITH THE EMPLOYEE'S AGE INVOLVING UNNECESSARY CLERICAL LABOR.

POSITION (COL. 14-17) SEE CODE OF OCCUPATIONS ON PAGES 128-132, 6130-BOILERMAKER, WHICH NUMBER IS PUNCHED OUT.

DIV. NO. (COL. 10, 11) PLANT WAS DIVIDED INTO SEVERAL DIVISIONS. APPLICANT WORKED IN DIVISION #12 WHICH NUMBER IS PUNCHED OUT.

DEPT. (COL. 12-13) EACH DIVISION IS DIVIDED INTO DEPARTMENTS AS APPLICANT IS ASSIGNED TO DEPT. 18 OF DIV. 12, 18 IS PUNCHED OUT.

VERT. COLS. 4 TO 9 REFERRED TO APPLICANT'S PLANT PASS NO. THE NO. BEING 348922 WAS PUNCHED IN COLS. 5, 6, 7, 8, 9.

DATE HIRED-YEAR (COL. 1) YEAR PUNCHED OUT.

DATE HIRED-DAY (COL. 1-2) DAY OF MONTH PUNCHED OUT.

DATE HIRED-MONTH (COL. 3) MONTH EXPRESSED NUMERICALLY PUNCHED OUT AUGUST - 8.

YEAR OF BIRTH (COL. 21-22) 18-UNDERSTOOD. TWO COLUMNS PUNCHED REFER TO YEAR IN CENTURY. THUS 1892 IS CODED HERE.

DAY OF BIRTH (COL. 18-19) DAY OF MONTH PUNCHED.

MONTH OF BIRTH (COL. 20) PUNCHED IN NUMERICAL ORDER-AUGUST - 8TH-MONTH

SEX (COL. 23) SEE CODE. 1 DENOTES MALE EMPLOYEE. 2 DENOTES FEMALE EMPLOYEE. MARITAL RELATIONS SEE CODE. 0 DENOTES UNMARRIED.

PHYSICAL CONDITION (COL. 24) 1 DENOTES 1ST CLASS PHYSICAL CONDITION.

YEARS IN U.S.A. (COL. 25) SEE CODE. 10 MEANS RESIDENT FOR 25 YEARS OR MORE.

HOUSING (COL. 26) SEE CODE. 1 MEANS MAN RENTS ROOMS.

CITIZENSHIP

MARRIAGE

NATIONALITY

PREVIOUS OCCUPATION

EDUCATION

RATE BASIS

CAUSE OF LEAVING SERVICE

LENGTH OF LEAVING SERVICE

DATE BASIS (COL. 27) SEE CODE. 0-HOURLY BASIS FOR RATE OF PAY.

CAUSE OF LEAVES (COL. 43-44) SEE CODE. 2 MEANS LEFT OF OWN ACCORD.

EDUCATION (COL. 46) SEE CODE. 4-GRADUATED FROM GRAMMAR SCHOOL.

LENGTH OF SERVICE (COL. 45) SEE CODE. 9 DENOTES EMPLOYEE REMAINED WITH PLANT OVER SIX MONTHS.

CITIZENSHIP (COL. 23) SEE CODE. 1 DENOTES APPLICANT IS AMERICAN BORN.

NATIONALITY (COL. 28-29) SEE CODE. 01 DENOTES APPLICANT IS AMERICAN.

DEPENDENTS (COL. 31) SEE CODE. 2 DENOTES WIFE AND CHILDREN UNDER 16.

LOCATION (COL. 30) SEE CODE. REFERS TO LOCATION OF WORKER'S FAMILY. 4-LIVES WITHIN 5 MILE RADIUS OF PLANT.

PREVIOUS OCCUPATION (COL. 32-35) SEE CODE FOR OCCUPATIONS. 6131-BOILERMAKER'S HELPER.

RATE (COL. 38-42) 80 MEANS THAT EMPLOYEE'S WAGE IS 80% OF THE RATE BASIS OF THE RATE OF PAY-80 PER HOUR.

DATE BASIS (COL. 27) SEE CODE. 0-HOURLY BASIS FOR RATE OF PAY.

CAUSE OF LEAVES (COL. 43-44) SEE CODE. 2 MEANS LEFT OF OWN ACCORD.

EDUCATION (COL. 46) SEE CODE. 4-GRADUATED FROM GRAMMAR SCHOOL.

LENGTH OF SERVICE (COL. 45) SEE CODE. 9 DENOTES EMPLOYEE REMAINED WITH PLANT OVER SIX MONTHS.

DATE HIRED DAY	DATE HIRED MONTH	DATE HIRED YEAR	PHOTO NO.	DIV.	DEPT.	POSITION	DATE OF BIRTH DAY	DATE OF BIRTH MONTH	DATE OF BIRTH YEAR	SEX	MARRIAGE	NATIONALITY	PREVIOUS OCCUPATION	EDUCATION	RATE BASIS	RATE	CAUSE OF LEAVING SERVICE	LENGTH OF LEAVING SERVICE	
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
41	42	43	44	45															

Fig. 51. Graphic Representation of Powers Code Card

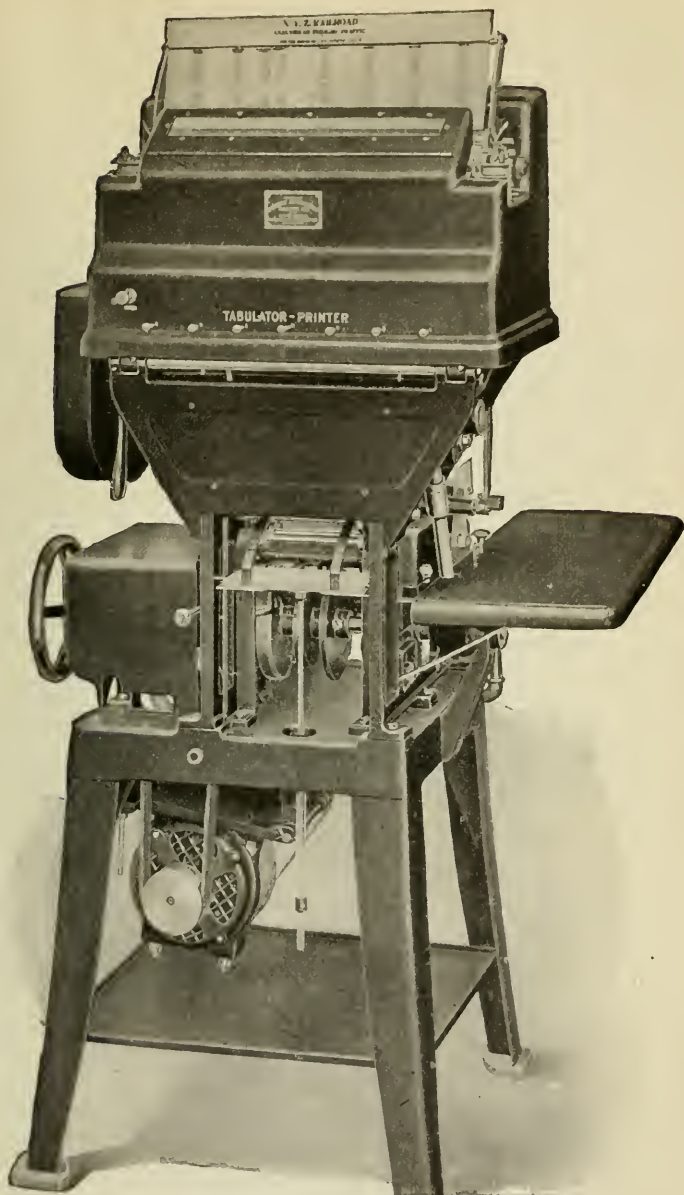


Fig. 52. Tabulator-Printer

Selects mechanically; adds mechanically. Prints designations and tabulated totals, with or without detail, on paper strip or record sheet. Prints legibly five carbon copies. Is equipped with one to seven designating or adding units which operate simultaneously.

occupations which we anticipate applicants will report and thus get a partial list, as follows:

- 6125 Blacksmith
- 6126 Blacksmith Helper
- 6127 Bolter up
- 6128 Bricklayer
- 6129 Boltman
- 6130 Boiler Maker
- 6131 Boiler Maker Helper

A separate card is used for recording the data concerning each applicant. Suppose an applicant reports his former occupations to have been that of a boiler maker helper. By reference to the list we find that the code number for boiler maker helper is 6131. Under the heading of "Position," on the card, we punch out in order in columns Nos. 32-35, the numbers 6, 1, 3, and 1, as shown on the card. Another applicant may report his previous occupation as a blacksmith. The code number is 6125; then on his card the figures 6, 1, 2, and 5 in columns 32-35 would be punched out.

In like manner, the applicant's number, his age, date of birth, etc., may be indicated. If now, we wish at any time to learn what men and how many have the training and other qualifications essential for a particular line of work we have need only to run the entire bunch of cards through a tabulating machine which, being properly set, will automatically sort out and count all the cards showing a particular fact or any combination of facts, as may be desired. The Powers tabulator-printer, Fig. 52, will also add and total as high as seven different columns at one running through the machine.

MISCELLANEOUS EQUIPMENT

Check Writing and Protecting Devices. With the intention of making negotiable papers proof against altering, as well as making the figures more legible, a number of devices have been perfected. Some of these print with indelible ink or on paper which will show any attempt at altering, some cut or shred the paper so that it will be difficult to erase any lines without plainly

showing, some print in the words and figures, "not over ——— Dollars," the device having even amounts up to practically any amount. This type of device, as a rule, cuts, mashes or shreds the paper so that the indelible ink used will be absorbed by the exposed edges of the paper, making any alterations plainly visible. Even when there is no intent at deception or evasion, the writing on checks, receipts, bills, or other negotiable papers may be more or less illegible and so lead to misunderstandings as to the amount intended.

One of the modern types of devices of this character is shown in Fig. 53, and is known as the Protectograph. This device writes in the exact amount desired in indelible ink, the wording

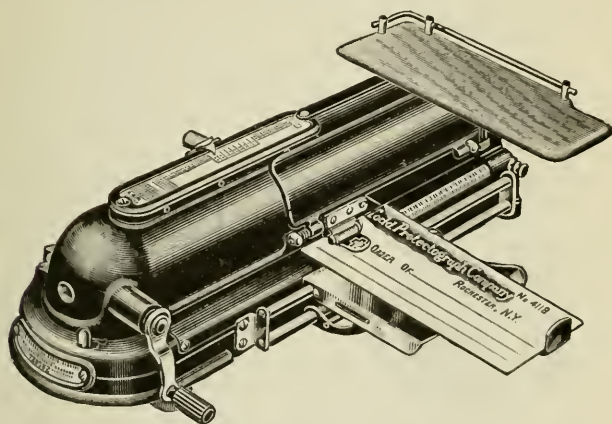


Fig. 53. Protectograph Check-Writer
 Courtesy of Todd Protectograph Co., Rochester, N. Y.

being written a word at a time. The mechanism also shreds or cuts the paper at the point where the writing occurs, so that the indelible ink is forced through the paper, providing not only accuracy as to the amount, but a high degree of protection against possibility of changing. While a device of this character is especially adapted for check writing, it is equally useful for other forms of negotiable papers, such as stock certificates, bills-of-lading, trade acceptances, letters-of-credit, and similar documents.

Automatic Time Stamp. Whenever it is desirable to fix or record the time of a business process or transaction, a device similar to Fig. 54 will be found very useful. Many business

houses make it a practice to mark the time of arriving mail, telegrams, orders, and similar papers; to check the time occupied by teams in doing work or making deliveries; in manufacturing processes, to show the elapsed time or the exact amount of time consumed in doing work, or to prevent delay in sending work or data from one department to another.

The time stamp shown in Fig. 54 prints simultaneously the date, hour and minute, the firm name, and a word indicating the nature of the transaction, such as "received," "paid," "ordered," or a consecutive number. For a small number

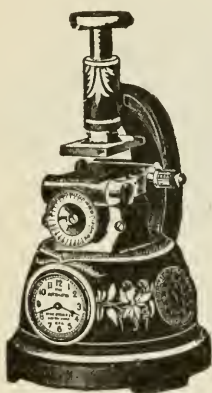


Fig. 54. Automatic Time Stamp



Fig. 55. Bates Numbering Machine

of employes it may be used to stamp time cards and so be an aid to the time keeper.

Numbering Machine. Where papers or articles are to be numbered consecutively a device such as the one shown in Fig. 55 may be used to advantage. This device may be set to any one of three movements, consecutive numbers, duplicate numbers, or to repeat. The limit of the device is usually eight figures or 99,999,999, and it can be set at any number desired as the start of the numbers to be printed.

BANK BOOKKEEPING

PART I

COMMERCIAL BANKING

1. Bookkeeping for banks is considered by many authorities as unusually complicated, but in reality it is very simple and easily understood. One particular reason why this character of bookkeeping is not complex is because banks deal only in one commodity—*cash*.

The entire business of the bank is receiving, disbursing, caring for the surplus funds, and investing that portion of the surplus allowed in such a manner as will bring the largest returns to the bank, consistent with safety.

This being the case, the receiving teller occupies a similar position to the purchasing agent in a mercantile business, receiving from customers the deposits of cash, which are later either returned to the customer or loaned by the bank. The paying teller returns to the customer, at his demand, by check or draft, such portions of his money as he desires to withdraw. The note or discount clerk occupies a position analogous to that of the sales clerk in a mercantile business, inasmuch as he disposes of, or rents the surplus moneys of the bank under such forms as will be considered hereafter.

CASHIER

2. In most city banks or those within the *Central Reserve* or the *Reserve Cities*, the cashier has very little if anything to do with the bookkeeping department. In large banks the business is specialized and very carefully systemized, until it reaches a degree of highest efficiency. The various departments of the bank are divided and subdivided as far as may be necessary, each part interwoven with and closely allied to its neighbor, so that the working of a great institution becomes practically automatic, and moves with perfect harmony. Under such perfect organization the bookkeeping system is naturally developed to the highest state of efficiency.

The cashier in such an institution as this, is practically the general manager of the business, overseeing and directing every department but not personally attending to any one of them. In almost every banking institution the cashier is practically the executive head, while the higher officers of the bank are inactive, with the exception of their duties as directors. In a country bank, however, or such banks as are in cities and towns outside of the *Reserve*, the duties of the cashier are very different. He not only has the supervision of the bank, and its general welfare to look after, but he is obliged to consider applications for loans, passing upon them frequently on his own judgment, without the aid of the counsel of members of the board. He usually acts as secretary, keeps the stock ledger, attends to all transfers of stock, and entries for the issue of stock. He is called to almost every department in the bank, acting sometimes as paying teller, sometimes as receiving teller, and very frequently having entire charge of the discount department. He receives, opens, and replies to all special correspondence, does all the purchasing of bank supplies and stationery, signs all drafts, cashier's checks and certified checks, also attending to the compiling of the regular reports and statements required by the State, or by the Comptroller of the Currency. He has the responsible position of advisor to his clients in regard to any character of investments they may desire to make, and he must also be able to carefully select the investments made by the bank. It is very necessary that he watch carefully the daily statement book and general ledger; he must also watch the individual ledgers in order to keep himself constantly informed regarding the accounts of the customers. He must also watch the loss and gain account and the expense account.

Having so many duties to perform it will be readily seen that the cashier of a bank, besides having business judgment, acumen, and a polite and suave manner with his customers, should also fully understand the most minute details of the bookkeeping department.

3. Assistant Cashier. Wherever an assistant cashier is necessary, it is to relieve the burden of work placed upon the cashier and he must therefore be fully posted on the duties and requirements of the position. In the main, he has much less responsibility than the cashier, and has more clerical duties to perform but, as he is entitled and expected to assume the full duties of the cashier in his absence or

disability, he must be fully posted in these important duties and able to perform them if called upon. As a rule, in country banks, besides being the assistant cashier, he is the general bookkeeper, and has charge of the collection department, also attending to the letters received from, and going to, other banks and correspondents, containing remittances.

As the bookkeeping methods of even the small country banks should conform as closely as possible to the perfected workings of larger banks, we have selected for our illustrations the bookkeeping methods of a bank which we shall call the *State National Bank*, located in a *Reserve* city having ten other banks, of which seven are members of the clearing house. This bank has a capital stock of \$300,000.00 and a surplus of \$420,122.00. It does an ordinary commercial business; it also has a savings bank, and, beneath the bank, officered by the same people, are safety deposit vaults. The clearing house number of our bank is 3. The banks in the city with their clearing house numbers are as follows:

CLEARING HOUSE NO	NAME OF BANK
1.....	Old National Bank.
2.....	First National Bank.
3.....	State National Bank.
4.....	Continental Bank.
5.....	Central State Bank
6.....	Bardwell & Co. Bank.
7.....	New National Bank.

The banks outside of the clearing house are the City Bank, The People's Bank, M. Loeb & Company, and The J. Scott Banking Company.

The State National Bank has as correspondents, the Commercial National Bank of New York City, Massachusetts National Bank of Boston, and The Third National Bank of St. Louis.

ACCOUNTING DEPARTMENT

4. The working force in the accounting department of our bank consists of, with their helpers:

1. General bookkeeper.
2. Paying teller.
3. Receiving teller.
4. Discount clerk (note teller).
5. Collection clerk.

6. Clearings clerk.
7. Mail clerk.
8. Individual bookkeeper A to K.
9. Individual bookkeeper L to Z.
10. Statement clerk.
11. Draft clerk.

5. General Bookkeeper. It is usual to rank the paying teller next to the assistant cashier, but in considering our subject as to the accounting methods of the bank, we think the general bookkeeper should come first, as he holds the most responsible accounting position and as it is to him that all the accounts of the different departments of the bank converge. He keeps the books of final entry. He has charge of the final balance of each day's work, in every department, and he must be prepared at any time, to render an immediate statement of the bank's financial condition, with its complete resources and liabilities. Should the bank employ an auditor, he ranks above the general bookkeeper.

The general bookkeeper, by the reports received from the different departments of the bank, is in a position to tell exactly whether each department is in perfect balance. In his hand he holds all of the threads of this ramified business. He knows to a penny how much the paying teller has paid out and how much his balance should be at the close of the day. He knows how much the receiving teller has received each day and what his cash balance should be each night. He knows the similar conditions in the collection department, the mailing clerk's department, and the discount clerk's department. He knows exactly the amount necessary to balance each individual ledger, and it is his duty to be absolutely certain that every department in the bank is in balance with his figures before he allows the clerk in charge of that department to leave the bank.

It is the general bookkeeper's business to make up the bank statements that are regularly printed in the newspapers for the information of the public. The framing of these statements is uniform, with very few exceptions, and usually begins with the liability of capital stock, followed immediately by the surplus, and then by undivided profits, leaving the depositor's liabilities way down on the list, appearing in such a manner as to indicate that they are really of very little importance. The resources are quite as badly tangled in the relative importance of their position. The object, undoubtedly, of

bankers making their statements in the manner given, is not to attract too great public attention to the size of their quick liabilities or their quick assets. No doubt as a rule the general bookkeeper would be obliged to make his statement conform to the wishes of the board of directors and the cashier, but at the same time it is necessary for him to know what would be the most desirable and most perfect arrangement of such a statement. This statement should begin with the quick assets and follow with the slow assets, and the statement of the liabilities should be made up with the same object in view. The following classification will fully illustrate:

RESOURCES

Gold and Silver
 Legal Tender Notes
 Checks and other Cash Items
 Fractional Currency
 Exchanges for Clearing House
 Due from Reserve Banks
 Due from Other Banks
 Due from Trust Companies
 Loans: (a) Demand (b) Time
 Discounts
 Bonds—Face Value
 Securities—Face Value
 U. S. Bonds (Circulation)
 U. S. Bonds (U. S. Deposits)
 Other Bonds (U. S. Deposits)
 Redemption Fund with United States Treasurer (5% of Circulation)
 Premiums on United States Bonds
 Banking House, Furniture and Fixtures. (In many banks the item of furniture and fixtures is omitted entirely from the statement. This is particularly true with large city institutions.)

LIABILITIES

Certified Checks
 Demand Certificates of Deposit
 Individual Deposits, Subject to Check
 Cashier's Checks, Unpaid
 Due to Reserve Banks
 Due to Other Banks
 Due to Trust Companies
 National Bank Notes Outstanding
 United States Deposits
 Due on Bonds, Borrowed
 Capital Stock, Paid In
 Surplus
 Undivided Profits

The duties of the general bookkeeper will be more fully explained in connection with the forms and books used in his department.

6. Paying Teller. The paying teller, while ranking next to the cashier in importance as a bank employe, is next to the general bookkeeper in the accounting department. He has complete charge of the moneys of the bank, and his duties require him to pay out all of the cash disbursed. It is a position of great responsibility. Mistakes in other departments of the bank may be easily rectified, but when made in connection with the payment of cash, it is often impossible to trace them. He should be a man of good character, courteous, and obliging. He has to deal with all kinds and conditions of people, and must use tact and discretion. He should be patient under the most aggravating circumstances and always return a pleasant answer. It is very necessary for him to know the condition of the depositors' accounts and he must be able to identify readily and instantly a depositor's signature. He must be constantly on the watch for crooks and crooked dealings. He must use tact in the matter of identification, and be well versed in detecting counterfeit money. His "cage" must always be kept neat and orderly, the money conveniently "stacked" and "sorted" to facilitate counting rapidly and to avoid confusion. In most banks they have what is known as the "rag bag," a drawer or receptacle wherein are deposited torn or mutilated bills, which are shipped to the treasurer of the United States, from time to time, for redemption. With National banks the credit is usually placed to the account of the *Five per cent Redemption Fund*, but other banks may secure the cash from the nearest United States Sub-Treasury.

The principal part of the *Cash Reserve* is kept in the bank vaults, and only a sufficient amount of currency and specie taken out in the morning and placed on the paying teller's counter to supply the demands of the day. If the paying teller should be short, he can have recourse to the cash in the vault. There are several mechanical devices now in use for the purpose of keeping silver in such shape that it is very easy to count and make up in fractional amounts. There is one device which even throws the exact change by pressing the figures indicated; for instance the pressure of key 65 would throw out a half dollar, a dime, and a nickel.

The currency on the counter is usually kept in hundred dollar piles, except ones and twos, which are usually stacked in fifty dollar piles. The cash drawer is divided into convenient compartments into which the currency is distributed according to the denomination of the bills.

The facilities for counting the cash are rendered easy by means of wrapping and sacking it in different amounts. That in the reserve vault is stacked according to denomination, while the silver and gold, after being properly wrapped, is placed in canvas sacks having the amount and kind of coin printed on the sack or on the tag. Reserve proper, being largely gold, is sealed after being counted and carried thus until needed. Currency is usually wrapped in the following denominations:

- \$100 bills in \$5,000 or \$10,000 packages
- \$50 bills in \$5,000 packages.
- \$20 bills in \$500 packages.
- \$10 bills in \$500 packages.
- \$5 bills in \$100, \$250, and \$500 packages.
- \$1 and \$2 bills in \$50 and \$100 packages.

Coin is rolled in paper wrappers, made for that purpose. The amount and denomination is printed upon each wrapper. The accepted amounts are usually:

- Dollars in \$20 rolls.
- Half dollars in \$10 or \$20 rolls.
- Quarters in \$5 and \$10 rolls.
- Dimes in \$3 and \$5 rolls.
- Nickels in \$1 and \$2 rolls.
- Pennies in twenty-five and fifty-cent rolls.

The paying teller certifies checks, pays current bills of the bank, when properly approved, and keeps careful records of everything paid out according to formulas and books hereinafter described.

7. Receiving Teller. Next in importance to the paying teller comes the office of the receiving teller. In the State National Bank it was found necessary to have two receiving tellers, one for ledger *A* to *K*, and the other for ledger *L* to *Z*, but a description of the duties of one will apply to both. It is a receiving teller's duty to take all items of money placed on deposit that is received in the bank. When the customer prepares his deposit, he makes out a *Deposit Ticket* Fig. 1, upon which he lists the items of his deposit in their proper

place. When this is handed in at the window with the customer's pass book, the receiving teller first counts the cash and verifies it with the amount noted upon the deposit ticket. Each listed check or item must be carefully scrutinized to note date, amount, signature, and indorsements. The indorsement of the depositor himself is particularly necessary as it is upon him the bank relies for protection. All of these items are very rapidly scanned by a teller accustomed to handling hundreds of checks. As each check item is read, it is compared with the amount entered on the deposit ticket and the amount is usually checked with colored pencil, a special check being necessary against such items as

carry a collection charge.

Metropolitan Trust & Savings Bank					
CHICAGO					
DEPOSITED FOR ACCOUNT OF					
.....					
Chicago,.....19....					
				DOLLARS	CTS.
Currency					
Gold					
Silver					
Checks on Other Chicago Banks and All M. O.		Items Payable Outside of Chicago		Checks on Bank. on this	
DOLLARS	CTS.	DOLLARS	CTS.		

Fig. 1. Commercial Deposit Ticket

If the deposit ticket is found correct, the amount, less exchange or collection charges, is credited in the customer's pass book, which ends the transaction so far as the customer is concerned. In case the exchange charges are deducted, the amount is subtracted from the depositor's total by the teller, but in case the customer prefers to pay the exchange in cash, the full amount of the deposit is credited and the amount of the exchange is entered upon the deposit ticket with a ring around it, to be placed to the credit of *Exchange Received*, in the settlement.

There are a number of items received over a bank counter besides actual cash, as follows:

- Checks upon the bank itself.
- Checks upon other city banks.
- Checks on outside or foreign banks.
- Certificates of deposit issued by our bank.
- Certificates of deposit issued by other banks.

Bank Drafts.

Post Office and Express Money Orders.

Drafts drawn by one person or firm upon another.

NOTE.—These drafts are usually received by the bank for collection, and are not credited to customer's account as cash, unless they are accepted and made payable at some other bank, or have been O. K'd by the cashier or by the assistant cashier.

Notes given by another person or firm to the depositor, which the bank has accepted and discounted.

NOTE.—In this case the discount is usually taken from the amount of the note, but it may be paid in cash if so desired by the customer.

Depositor's own individual notes (discounted).

Coupons.

The method of handling these various items will be taken up in connection with the forms and books used in this department. The checks on the bank itself are never cancelled until they have been posted in the individual ledger. This is done as soon as possible, as a check which is not good may be received and prompt entry in the ledger prevents unnoticed overdraft.

8. Note or Discount Teller. The discount teller (or as he is sometimes called, the note teller) ranks next to the receiving teller. This office may or may not be one of considerable importance. Most banks make it merely clerical, owing to the fact that no discounts are made without the approval of either the board of directors or the cashier. His duty is to look after making all discounts and loans, to compute discount and interest, to keep track of maturities and issue notifications, to receive payment for all notes and other items due, to file and see to the safe keeping of the bank's paper and collateral, and sometimes collect city checks on non-clearing banks; Also to issue drafts on correspondent banks and make out cashier's checks where there is no draft teller.

9. Collection Clerk. It is the duty of the collection clerk to take charge of all paper such as notes, drafts, and other items sent to the bank for collection, and to see that they are paid, or otherwise disposed of. A considerable part of the business of a bank is the collection of drafts, notes, and checks of customers and other banks, and these items are distinguished from the usual credit items by being—for customers—entered in the back of the pass book *For*

Collection. Such items are not credited to any account in the bank until they are due and paid. If drafts or notes deposited by customer are returned unpaid and there is any handling charge, a duplicate charge ticket is made for the collection charges or handling charges, one copy of which is turned in on the daily settlement to be charged to customer's account and credited to *Exchange*, Fig. 2. The forms and books used in this department will be fully described later.

COLLECTION CLERK	
19.....
Debit to.....
Credit Exchange
For.....	\$.....
.....
 Collection Clerk

Fig. 2. Debit Ticket for Exchange Charges

10. Clearings Clerk. It is the duty of the clearings clerk to take charge of, and keep a record of, all paper made upon the clearings banks. If any of the banks outside of the clearing house clear through some other bank, the checks of this bank are included with those of the other banks under separate lists and under the number of the bank through whom they clear. The clearing house, in this case, is an organization of the banks mentioned, numbering from 1 to 7 to enable them to settle their daily demands, each with the other, without any unnecessary delay. It has been found most convenient to make the clearing house a separate organization, the expenses of which are borne jointly by the banks therein in proportion to the business done. Usually the administration is in the hands of a committee made up of the officers of such banks as are members, but the general oversight is in the hands of a salaried manager. An office is provided for the daily meetings of the clearing house clerks of each bank, which is usually held at ten o'clock or eleven o'clock in the morning. There are usually two clearings clerks, one for deliveries and one for settlement. Each have their desk at the clearing house. The full modus operandi will be given in connection with the forms and books necessary for use of clearings clerks.

11. Mailing Clerk. In the ordinary course of business, many checks and items come over the counter or through the mail that are not drawn upon the bank itself or on any other bank in the same city, but are perhaps scattered through the country. It is the mailing clerk's duty to attend to all incoming and outgoing cash items. As these items cannot be collected in the city, they must therefore be sent out through the mail so as to eventually reach the bank upon which they are drawn, in order that our bank may receive payment. All such checks, however, are not sent direct to the bank upon which they are drawn. Such a system of collection would incur too much expense. The mailing clerk must know where to send various items in bulk so that they can be collected with the least expense to the bank. This is usually to some outside city bank maintaining reciprocal relations with the various country banks in its vicinity. As our bank carries reserve accounts in New York, Boston, and St. Louis, all items which may be paid to these banks without expense to them are usually sent for credit to our account. The rules of charges upon outside items have been recently very clearly defined in cities, therefore there would be no checks sent to our New York correspondent except those items collectible in New York City, or in such localities as they would collect and credit without charge.

The mailing clerk makes remittances, attends to advices, and sometimes makes out the drafts. He has also charge of the stenographers in his department, letter files, and stationery. His duties will be further described in the notation of books, forms, and reports, which are used in his department.

12. Individual Bookkeeper. The sole duty of the individual bookkeeper is to enter the debits and credits in the individual ledgers, and take off the daily balance. He posts to the ledgers direct from the checks, deposit slips, and other memoranda, calling back for proof to the adding machine list. The accounts of depositors and the accounts of the correspondent banks are in his charge. He is responsible for the daily balance of the ledger under his charge, but is never brought into personal contact with the bank's customers except it may be to explain any difference between the customer's account and the account of the bank. The forms and books used in this department will be fully described later.

13. Statement Clerk. The duties of this clerk are in the nature of an assistant to the bookkeepers. The old method of writing up the pass books is practically done away with. In some banks the pass book is entirely done away with, the record of deposits being kept by the customer's duplicate deposit ticket. In our bank they still use the pass book as a record of deposits. The statement clerk makes up the statements during the month. The checks are filed in an envelope for the purpose, one envelope for each account.

As the first day's checks are filed the names are written on the envelope, an envelope being prepared for each account that changes thereafter.

Before the checks are filed, they are cancelled by stamping *Paid* across the face with a rubber stamp, or by perforating them. They are then filed in cabinets, made for this purpose, containing as many drawers as the number of accounts justifies. These drawers are divided into compartments, one being given to each depositor, the accounts being arranged in alphabetical order exactly as they appear in the ledger. Depositors' names may be indicated if desired.

Deposit tickets should be stamped with the date upon which they were received before filing. This will correct those improperly dated and supply the date upon those left undated. Deposit tickets should be filed in a cabinet similar to the cabinet for checks, the only difference being that as the deposit tickets are kept by the bank, it is necessary to have a current cabinet for the tickets of each day during the month and also a filing device for the transfer of the tickets after the statement has been made up. In some banks the deposit tickets, instead of being filed alphabetically by depositors' names, are filed according to date, each day's tickets being filed together, and separated from each other by a dated inter-card. At the end of each month the tickets for the month can be filed and placed in the vault or other proper storage.

The regular work is so arranged that on the morning of the last day of the month the checks are all listed and written up so that all that is necessary is to enter the last day's business. By turning over both the debit and credit memoranda to the statement clerk, the daily balance can be kept to check against the individual ledgers.

At the end of the month, as there is only one day's business to be written up, the final posting and balancing of the statements is

the work of only a few hours. When not engaged on statement work, this clerk assists the bookkeeper in any manner desired.

14. Draft Teller. The duties of the draft teller are to attend to the making and registration of the drafts of our bank upon any of our correspondent banks and the making and registration of cashier's checks. His duties are similar to those of the discount clerk in many respects; he acts as his assistant when not engaged in his own duties, and in banks where they do not employ a draft clerk his duties are added to those of the discount clerk.

STATE NATIONAL BANK		
RECORD OF MINUTES		
MEETING	190	SHEET NO. 1.
○		
○		

Fig. 3. Loose-Leaf Minute Book

ACCOUNTING METHODS—BOOKS AND FORMS

15. Cashier. While not strictly in the accounting department, there are some books and forms which come under the direct supervision and charge of the cashier.

It is usually the case that the cashier is also the secretary of the corporation, and when such is the case, he has charge of the minute book and the stock ledger. The minute book is a form used to keep a full record of the action of the board of directors at each meeting held. A very convenient form, and one which can be written up on the typewriter from the secretary's notes is shown in Fig. 3. The size of this sheet is $9\frac{1}{4} \times 9\frac{1}{2}$ inches. The sheet numbers should run consecutively, and may be printed or numbered in advance so that each sheet must be accounted for, thus leaving no possibility of the omission of the minutes of any meeting.

The stock ledger is in the form of a loose-leaf book with an account for each stockholder, wherein is recorded any issuance or transfer of stock, thus keeping an accurate record of all stocks issued and the holder thereof, which is very necessary in making up dividend payments, and also required by law. The size of this sheet, as shown in Fig. 4, is 9½ x 11 inches. When accounts are balanced they should be removed from the current book and placed in a transfer binder. The total balance of the stock ledger is the exact amount of stock issued. The postings may be made from a stock record or from the stubs of the certificate book.

I,.....do hereby certify
 that I am the Secretary of the.....
 of.....and as such Secretary I have charge, custody,
 and control of the record book and corporate seal of this Company, and
 that on the.....day of.....A. D. 19.....,
 there was convened a meeting of the Board of Directors of said Company,
 at which meeting a resolution was unanimously adopted of which the
 following is a correct copy, to-wit:

Resolved, that the bank of deposit of the corporation be the Metro-
 politan Trust & Savings Bank, and that the funds to be deposited in said
 bank may be withdrawn on the check of this Company, signed in the
 corporate name by.....

In Witness Whereof, I have hereunto set my hand and affixed the seal
 of said Company this.....day of.....19.....

By.....
 SECRETARY.

Fig. 6. Certificate of Authority to Sign

When new accounts with customers are opened, they must first be passed upon by the cashier, or if he is in any doubt, the board of directors. When the account is opened the cashier has a signature card filled out for the use of the bank, Fig. 5, showing the signature which must be attached to checks or other papers, and whenever more than one has authority to sign or more than one signature is required, each of the signatures must be made by the parties having such authority. The size of this card is most convenient at 4 x 6 inches.

Sometimes, in opening accounts for a corporation, it is necessary for the bank to have an authority from the board of directors of the

company, that this bank shall be used as a depository, and to whom has been delegated the power to sign checks and draw against the account. For this purpose, we use the form, Fig. 6, size $6\frac{1}{2} \times 8$ inches.

Whenever the cashier is asked to act for, and in the stead of any patron of the bank in any business matter, it is necessary to have a power of attorney, Fig. 7. The size of this form is $7 \times 8\frac{1}{2}$ inches.

Chicago,.....19....
Metropolitan Trust & Savings Bank
Chicago, Illinois
<p>.....do hereby authorize and empower..... of Chicago, to be.....true and lawful Attorney for..... and in.....name, to sign and endorse checks, notes, and drafts respectively, and generally to represent.....in drawing and endorsing checks, drafts, and notes, or in discounting the same, as fully to all intents and purposes as.....could do if person- ally present.</p> <p style="text-align: right;">.....</p>

Fig. 7. Power of Attorney

In some cases, the bank, in making a loan to a corporation, requires the additional security of a personal obligation from one or more of the officers or directors of the company, in which case he uses a form similar to that shown in Fig. 8. This form is $11 \times 8\frac{1}{2}$ inches in size.

Papers and documents of importance are often left with the bank for safe keeping, either over night, or for a specified time. In such cases the cashier issues a receipt in proper form, Fig. 9.

GENERAL BOOKKEEPING

16. Books and Forms. There are several kinds of ledger forms used by banks for the general ledger and also for the individual ledger. As the Boston ledger form is used by a large number of banks we show a sample of the ruling, Fig. 10. As there are comparatively few accounts in the general ledger the resources often occupy the upper half of the page, and the liabilities the lower half. The Boston ledger is so arranged that the accounts run across the two

Whereas, at the request of the undersigned hereby made, the METROPOLITAN TRUST & SAVINGS BANK AT CHICAGO, will from time to time in the course of its business, receive and handle such of the promissory notes, drafts, acceptances, bills, checks, or other papers made, accepted, guaranteed, or endorsed by the.....
Company,
 a corporation organized and existing under the laws of.....
as said METROPOLITAN TRUST & SAVINGS BANK shall from time to time think fit :

Now, know all men by these presents. That we, the undersigned, for and in consideration of such receiving and handling, do hereby (jointly and severally) guarantee the prompt payment at maturity, or at any time thereafter, of all and singular the notes, drafts, acceptances, bills, checks, and all other paper as aforesaid received and handled by the said bank, both that made and to be made by the said corporation, and that made and to be made by others upon which the name or signature of said corporation may appear, together with interest at the rate of 7 per cent per annum on any and all such paper together with all costs and expenses of collection, including attorney's fees, and we hereby expressly waive presentation and all notices appertaining to all and singular such paper, and hereby expressly allow said Bank to renew any such paper and extend time of payment of same, or any of it, without notice to us, or either of us, without prejudice to it, said Bank, so far as its recourse to us or either of us hereunder is concerned, and we hereby expressly agree to save and keep forever harmless and indemnified said Bank from any and all loss, cost, injury, and damage, by reason of any such receiving or handling as aforesaid.

And expressly agree that said Bank shall not be bound to take any steps or proceedings against either said corporation or the maker, acceptor, guarantor, or endorser of any such paper, or either or any of them, or to apply or exhaust any collateral or other security, which said Bank may hold, before proceeding on this guarantee.

Witness.....hand and seal at Chicago, Illinois, this
day of.....A. D. 19....

.....(SEAL.)
(SEAL.)
(SEAL.)

Fig. 8. Acknowledgment of Personal Liability

pages of the ledger from left to right. The sections are divided into columns for *Checks in Detail*, *Total Debit*, *Credit*, and *Balance*, for each day of the week, so that instead of each customer's account being individual, and running up and down the page, it is collective, a number of other customers' accounts being on the same page, and extending across the book so that a full week's transactions upon any one account will reach across the two pages of the ledger. The balances are brought forward each day and when the leaf is turned, are extended to a sub-balance column upon the new page. The individual Boston ledger does not differ materially from the general ledger except that it does not require or provide any special space for credit accounts, and where credit accounts occur, the balances are

<p>RECEIVED FROM Metropolitan Trust & Savings Bank, Chicago, Ill.</p> <p>.....</p> <p>.....</p> <p>to be held by the undersigned in trust for said Bank, and at all times subject to its orders for the purpose of being sold, or otherwise dealt with as said Bank may direct; and if sold, the undersigned shall pay the proceeds to said Bank. The undersigned hereby declare... that the undersigned receive... and hold... said property as Bailee of and for said Bank.</p> <p>.....</p> <p>Chicago,.....</p>

Fig. 9. Receipt for Documents

carried forward in red ink instead of black. The general ledger in this form does not require the checks in detail column.

It is not our intention to discuss the relative merits of bank ledgers but on account of the difficulty in gauging the amount of space necessary for an account and the fact that it requires more time to operate and balance, our bank has discarded the Boston ledger.

Our bank uses for the general ledger the simple ledger form shown herewith, Fig. 11. The size of this sheet is 14 x 15 inches. We use a loose-leaf book for the general ledger preferring it to a bound book for this purpose, although many banks use a bound book for the reason that the number of accounts carried is comparatively few and the names very seldom change. The flexibility and ease in handling the loose-leaf ledger and the fact that each account has its

NAME	MONDAY				TUESDAY				WEDNESDAY				
	BALANCE	CHECKS IN DETAIL	TOTAL CHECKS	DEPOSITS BALANCE	BALANCE	CHECKS IN DETAIL	TOTAL CHECKS	DEPOSITS	BALANCE	CHECKS IN DETAIL	TOTAL CHECKS	DEPOSITS	BALANCE
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
24													
25													
26													
27													
28													
29													
30													

Fig. 10. Boston Ledger for Individual Accounts

leaf and that no more leaves need be carried in the book than we have accounts, making it more compact and easier to post to, and balance from, are the principal reasons for its adoption. Filled leaves may be immediately transferred to their separate accounts in the transfer binder, and the entire record of each account can be kept thus for an indefinite number of years. In taking off trial balances there is practically no danger of passing an account, on account of the fact that each leaf represents a current account and for every one an amount must be entered.

The general bookkeeper makes his entries both debit and credit from the general bank proof. In noting the balances of the resources, the entries in the debit column are added to, and those in the credit column are subtracted from, the previous balance. All departments of the bank present their settlement sheets, books, or proofs to the general bookkeeper as soon as possible after the bank closes, and from these reports he makes up the general bank proof. At the end of the fiscal period, which is usually six months, the income and expense accounts are carried into the loss and gain account, and the difference, less dividend charges if any, is carried from the loss and gain account into surplus. When transactions occur that affect accounts in the general ledger not printed in the general bank proof, the names of such accounts are written in.

17. General Bank Proof. This form is ruled on one side only to show all the transactions of each day, and the names of all the principal accounts are shown in Fig. 12. The size should be 14 x 17 inches, the sheets should be loose leaf, handled loose for each day, and afterwards filed in a permanent binder. The general bank proof is, as its name indicates, a form for the proof of the entire day's work in every department. It is made up from the receiving, paying, discount, and other tellers' settlements, and the mailing clerk's proof sheets. The columns designated, *State of Cash*, show in detail the actual cash on hand; clearings on hand, and cash items being counted as part of the cash. The proof of cash affords a proof of the day's cash transactions. By adding the cash receipts to, and deducting the cash payments from, the balance of the previous day, the amount should be equal to the amount of cash on hand. The total under *Clearings*, in this column, affords a proof of the clearings, and should agree with the total of the clearing house register. Under *Correspondents* is

GENERAL BANK PROOF

DATE _____ 19____

STATE OF CASH	PAYING TELLER	RECEIVING TELLER	NOTE TELLER	TOTAL	PROOF OF CASH	CORRESPONDENTS	DEBITS	CREDITS	GENERAL LEDGER	DEBITS	CREDITS
Gold Coin					Balance Forward	Receiving Teller			Deposits		
Gold Certificates					Received	Paying Teller			Correspondents		
Nat'l Bank Notes					Clearings	Note Teller			Discounts		
Legal Tenders					Receiving Teller	Mail Clerk			Loans		
Silver Certificates					Paying Teller	Collection Clerk			Prepays		
Silver Dollars					Note Teller	Draft Clerk			Expense		
Fractional Silver					Mail Clerk	Deducted			Interest @ Discount		
Nickels and Cents					Collection Clerk						
					Draft Clerk						
Total					Deducted						
					Total						
Clearings on hand					Cash Items	Deposits					
					Cash	Clearings					
Cash Items					Receiving Teller	Receiving Teller					
					Paying Teller	Paying Teller					
					Note Teller	Note Teller					
					Collection Clerk	Mail Clerk					
					Draft Clerk	Certified Checks					
					Total						
					Paid Out				Collection and		
					Paying Teller				Exchange		
					To Clearing House				Receiving Teller		
					Cash Items from				Paying Teller		
					yesterday				Note Teller		
									Mail Clerk		
									Collection Clerk		
									Draft Clerk		
									Cash		
TOTAL					TOTAL	TOTAL			TOTAL		

Fig. 12. Loose-Leaf Form for Daily Proof

loose-leaf form or in a bound book, as preferred. The sheet is ruled and printed to cover the information needed, Fig. 13. The bonds should be numbered consecutively as received, and the credit entries left open until the bond is sold or otherwise disposed of. The entries in the stock and bond register are very similar to the register of mortgages or bills payable or receivable. The balance of the stock and bond register and the bonds appearing thereon as unsold, should tally with these securities and the stocks and bonds account, or, as it is sometimes called the *Investment Account* in the general ledger.

19. **Interest Slip.** The interest slip is a form used for computing the monthly interest allowed depositors who carry large accounts and balances, Fig. 14.

On the left-hand side of the account are entered each day, the *Ledger Balance*, *Transit Deductions*, and *Amount not Available for Clearings*, with a total of the debits carried to the debit column, and the balance carried to the credit column. At the end of the month the columns are footed and proved. Where the agreement calls for a payment of 2% on the average daily balance in excess of any certain amount, the amount is deducted from the *Net Balance* column and the interest for one day at 2% is figured, which is the multiplication of the amount by two, the product being divided by 365; or the amount can be easily found upon the printed interest tables. The amount found due the customer is then made a credit on the interest slip, passed to the individual bookkeeper for credit on the customer's account, and the slip sent to the customer as an advice of the amount credited. The total of all the interest slips of the month is charged to the interest account in the general ledger.

The accounts to be carried in the general ledger are indicated by the list of resources and liabilities given in Art. 5. In the resources all such items as are a portion of cash would be carried under *Cash*. Besides the enumerated accounts there should be accounts for *Salary* and *Expense*, the latter of which may be divided as required. If a bank is not a National Bank, the item of circulation—*United States Deposits*, and *Redemption Fund*—would not be needed. Some flexibility must be allowed in determining accounts; for instance, if the bank owned real estate or its buildings, all such accounts should appear under resources.

Each department of the bank is self balancing. By means of the proof sheets, the work of each teller is proved by itself. The sum of all the checks on our bank cashed by the paying teller, received by the receiving teller, discount clerk, collection clerk, and mailing clerk, and received from the clearing house must equal the total amount of checks debited on the individual ledger. All the checks on outside or correspondent banks received must equal those sent to other banks for credit; all checks received that are payable through clearing house banks must equal the amount shown by the clearing house register. Every item entering or leaving the bank through any of the departments is cared for there and controlled by the ledger accounts; thus in searching for an error it can be easily located.

PAYING TELLER

20. **Books and Forms Used.** The books in charge of the paying teller are the *Paying Teller's Proof Book*, *Certified Check Register*, *Paying Teller's Settlement Sheet*, and *Cash Proof*. The ordinary check, Fig. 15, is one drawn by the depositor against his account

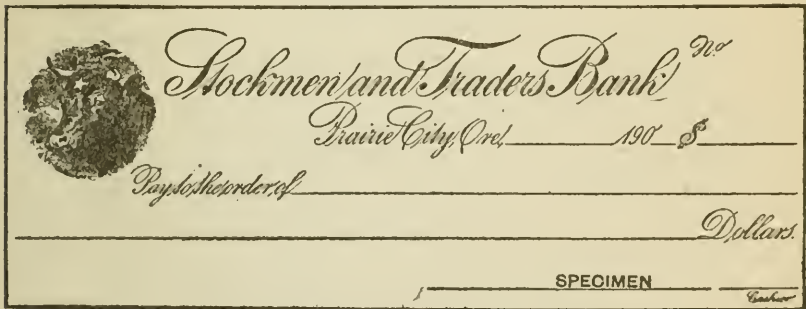


Fig. 15. Regular Form of Customers' Check

in the bank. Of late a new form of check called the *voucher check*, Fig. 16, is being extensively used. This check differs in form according to different ideas, and is sometimes a single strip like an ordinary check, with the statement of account on the face or on the back, or made to fold as is shown in our illustration. We show both the front and back of the check.

Some firms require the receipt of the receiver in addition to the endorsement upon the check. This makes it especially hard for the

ENDORSEMENTS.

This pay warrant is a payment in full of the within account and the payee accepts it as such by endorsement, above, no other receipt necessary or desired.

Fold here

Approved for Payment
Treasurer.

To _____ BANK
Pay to the order of _____ No. _____
\$ _____
Dollars _____

and charge to the account of
LEVEY BROS. & COMPANY, INC.
_____ Pres.

Indianapolis, Ind
_____ 19____

Front

LEVEY BROS. & COMPANY, INC. No. _____

Indianapolis, Ind. _____ 19____ Correct _____

To _____

Address _____

Less Discount
Amount Voucher

Note - If amount is not satisfactory, return without alterations or corrections.

Back

Fig. 16. Front and Back of Folded Voucher Check

paying teller. It is the paying teller's business to carefully scrutinize each check, seeing that the signature is genuine, and that the endorsements are in proper form and correct. He must also know,

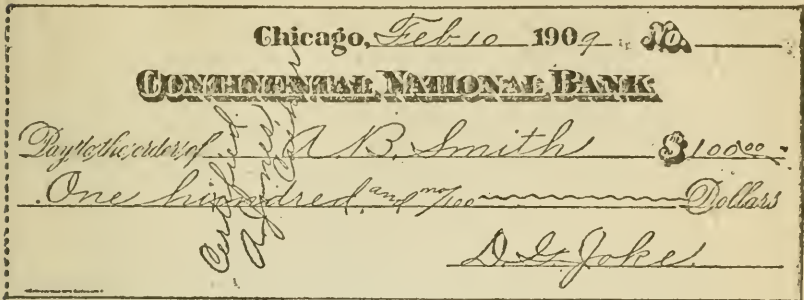


Fig. 17. Certified Check

before he honors the check, that there are sufficient funds to the credit of the account to cover it. The requirement by the customer of an extra receipt, which must be made before the check is good, throws an

PAYING TELLER

Date _____

INDIVIDUAL LEDGER BOOKKEEPER

A TO K L TO Z

Debit account of _____

Certified Check in favor of _____

For Amount \$ _____

Paying Teller.

Fig. 18. Debit Slip for Certified Checks

additional obligation upon the paying teller which he should not be called upon to meet. Banks do not like this form and, from a legal point of view, it is unnecessary.

21. **Certified Check.** It is frequently the case that the customer can use his own check as well as a draft for remittance, in case it is certified as being good by the bank carrying his deposit. Fig. 17 shows one method of certification. This is frequently done by rubber stamp impression across the face of the check, with the signature of the paying teller written thereon. As soon as a check is certified, it becomes a charge against the account of the individual in the individual ledger, and in order to facilitate such entries the paying teller makes out a memorandum charge ticket against the

STATE NATIONAL BANK									
RECORD OF CHECKS, CERTIFIED									
DATE	DRAWN BY	PAYABLE TO	NO.	AMOUNT	✓	DAILY TOTALS	DATE PAID		
	BROUGHT FORWARD								
			00						
			01						
			02						
			03						
			04						
			05						
			06						
			07						
			08						
			09						
			10						
			11						
			12						
			13						
			14						
			15						
			16						
			17						
			44						
			45						
			46						
			47						
			48						
			49						
	CARRIED FORWARD								

Fig. 19. Loose-Leaf Form of Certified Check Register

account, Fig. 18, which is first entered in the certified check register and then passed immediately to the individual bookkeeper for entry. During the time between the certification of a check and its final payment it will be seen that the bank has the use of the money, the liability being transferred from the customer to the certified check account.

22. **Certified Check Register.** This is a book for the registration of all checks certified, Fig. 19. It is ruled to show the date

of certification, the name of the customer, the name of the payee for whom it is certified, with columns for the carrying out of the amount, the total for the day, and the date paid. The size of this form is 15 x 13 inches, or larger if the lines are more than $\frac{1}{4}$ inch apart. The paying teller foots the amount of the day total column at the close of business and carries it to its proper column. A credit ticket for the amount of this total is made out for the certified checks' account in the individual ledger. When a check that has been certified has been paid, the date is entered in its proper place on the register; thus

Sheet No. _____		STATE NATIONAL BANK				Ledger _____							
LIST CHECKS PAID													
DETAIL OF CHECKS		MONTH		DAY		19							
	✓	AMOUNT	✓	AMOUNT	✓	AMOUNT	✓	AMOUNT	✓	AMOUNT	✓	AMOUNT	OTHER BANKS
00													
01													
02													
03													
04													
05													
06													
07													
08													
09													
10													
11													
12													
13													
14													
15													
42													
43													
44													
45													
46													
47													
48													
49													

Fig. 21. Daily Register of Checks Paid

the open checks entered upon this book signify the amount of certified checks out and unpaid, and balance with the individual ledger account used for this purpose.

23. **Paying Teller's Proof Book.** This book is loose leaf, size of sheet 13 x 11 inches. It is used for recording all of the transactions of the day which take place at the paying teller's window. It is ruled and printed to show amounts received and amounts paid, Fig. 20.

The received amounts are *debit*, under which will be found the

balance of the previous day, the amount received from the receiving teller the previous day and the present day; the amount received from the discount clerk the previous day and the present day, the balance from clearings, a record of drafts sold (if this duty is in the hands of the paying teller), and an *Exchange* column for any exchange which may be earned in this department.

On the *Paid* side of the account will first be found a list of checks on our bank.

Some banks record the name and amount of each check but our bank has a form whereby the checks as they come in are numbered upon their face by a clerk using a numbering machine, Fig. 21. The sheet is placed in an adding machine and the checks are listed—they may be listed with pen if desired. The clerk sees that the unit number on the check corresponds with the number in the left-hand column. He strikes a total at the end of each column and if necessary uses the second or third sheet. The column *Other Banks* indicates checks, drafts, or paper upon other banks cashed in our bank that day. At the end of the day the totals of all the columns are footed which is the sum the paying teller balances on. In case an error should occur, it will be seen that the search for checks by number will be very much easier than it would be by name.

There should be columns in the proof book for clearings paid, correspondents, non-clearing banks, and sundry expense. In case the balance of clearings is in *our favor* it goes on the *Received* side, but if the balance of clearings is *against us*, the numbers of the banks and the amount paid to each of them is entered in the *Clearings* column on the *Paid* side. Certificates of deposit, when paid, are entered as if they were checks. All items of bank expense, such as rent, salary, stationery, postage, etc., are entered in the *Sundry Expense* column. When drafts are sold for cash an entry is made of the amount and the exchange in the proper column, but when a check is taken an entry must also be made of the check in the *Paid* column. At the close of the day the footings of the various columns are carried to the paying teller's settlement sheet.

24. **Paying Teller's Settlement Sheet.** This is a form used to make the final settlement of the day's business, and prove the day's transactions in this department. It is turned over, after being proven, to the general bookkeeper who enters its totals in the general bank

proof. For particulars of this form, see Fig. 22. It should be 11 x 11 inches in size.

The settlement sheet is divided into two parts, the first being a recapitulation from the paying teller's proof book, and the second, which may be included on the same sheet if desired, being the *Proof of*

STATE NATIONAL BANK			
PAYING TELLER		CASH PROOF	
		Day _____ 19__	
		TOTAL	
DEBIT	Balance Brought Forward		
	Receiving Teller Previous Day		
	Receiving Teller To-day		
	Discount Clerk Previous Day		
	Discount Clerk To-day		
	Collection Teller Previous Day		
	Collection Teller To-day		
	From Clearing House		
	Drafts		
	Exchange		
	TOTAL		
CREDIT	Checks and Items Paid		
	Cash on Hand		
	Gold Coin		
	Gold Certificates		
	National Bank Notes		
	Legal Tenders		
	Silver Certificates		
	Silver Dollars		
	Fractional Silver		
	Nickels and Cents		
	TOTAL CASH		
	TOTAL		

Fig. 23. The Paying Teller's Cash Proof Sheet

Cash. On the *Debit* side of the settlement sheet are shown the receipts at the paying teller's window, and the debits from the certified checks, correspondents, clearings, non-clearings, checks on our bank, divided as per detail on the proof book to ledgers *A - K* and *L - Z*.

This item should be sub-divided to cover the number of independent ledgers, or series of ledgers, controlled in the general ledger. Any item of expense and clearing house exchanges should also be entered. The receipts are from clearing house balance, drafts sold, and exchange.

On the *Credit* side are shown checks and items paid, checks on our bank, correspondents, clearings checks, non-clearings checks, clearing house balance, expense, drafts sold, exchange, certified checks, and exchanges to clearing house. The two sides of the debit and credit statement on the settlement sheet should balance.

25. Cash Proof Sheet. The cash proof sheet is ruled and printed to show how the daily cash proves, with the name of the bank and the date at the top and the following items printed in. On the *Debit* side—balance brought forward, received from receiving teller previous day, received from receiving teller present day, received from discount teller previous day, received from discount teller present day, received from collection clerk previous day, received from collection clerk present day, received from clearing house, and such general items as have been received at the window. On the *Credit* side of the account, it shows checks and items paid out, being total from the proof sheet, followed by cash on hand, divided thus: gold coin, gold certificates, national bank notes, legal tenders, silver certificates, silver dollars, fractional silver, nickels, and cents. The total amount of this summary is carried into the next column which, added to items paid, must balance with the debit. This sheet is 11 x 11 inches and is shown in Fig. 23. As this proof is a trial proof of the paying teller's transactions for the day, it should be completed before closing the settlement sheet.

It is frequently the case that banks allow each of the tellers to have charge of their balance of cash from day to day, not turning it over to the paying teller unless there should appear to be a larger amount than was necessary for their department. The receiving teller turns over his cash each day, beginning his work each morning with an empty drawer. Where the tellers or clerks do not turn in their cash and settlements to the paying teller, each one of them turns his settlement sheet, or proof books, or both if necessary, over to the general bookkeeper.

RECEIVING TELLER

26. **Books and Forms.** The books and forms used by the receiving teller are *The Customer's Pass Book*, *The Deposit Ticket*, Fig. 1., *Certificate of Deposit*, *Certificate of Deposit Register*, *Receiving Teller's Proof* and his *Settlement Sheet*. The customer's pass book is a memorandum book with date, item column, and money column in which is entered the customer's deposit as it is made, with the initial of the teller receiving the same. It is usually leather covered with the name of the bank "in account with" (name of customer to be written in) printed thereon, with whatever instructions to customer may be deemed necessary. Upon opening an account with the bank a customer is presented with a bank book containing

CERTIFICATE OF DEPOSIT	CEDAR RAPIDS SAVINGS BANK \$ _____
	CEDAR RAPIDS, IOWA, _____ No _____
	_____ has deposited in this Bank
	_____ Dollars
	Payable to _____ or order, in current funds
	on the first day of _____ L _____ on the return of this Certificate properly endorsed, with _____ months interest at the rate of four per cent per annum.
NOT SUBJECT TO CHECK	SPECIMEN
<small>NO INTEREST AFTER DUE</small>	<small>Cashier</small>

Fig. 24. Certificate of Deposit

the amount of his first deposit. He is also given a book of blank checks for his use in drawing against the account. Banks pay considerable attention to the convenience of customers in this regard, furnishing small pocket size check books, sometimes bound in leather, containing fifty or one hundred checks, and various desk size check books containing from one hundred to one thousand checks as may be required to meet the demands of the customer. Some banks even go so far as to have a special check printed for the use of large customers and bound in whatever manner is most desirable. Business firms who wish to have a special check of their own, either printed, lithographed, or made from steel plate, pay the expense of such check books themselves.

27. **Certificate of Deposit.** A certificate of deposit is shown in Fig. 24. It is issued by the bank and is a certificate that the person

Sheet No. _____

CERTIFICATES OF DEPOSIT

Issued By _____ BANK

DATE	DEPOSITED BY	ORDER OF	NO.	AMOUNT	TOTAL AMOUNT	TIME	INT RATE	AMOUNT OF INTEREST	DATE PAID			
									MO	DAY	YEAR	
	Amounts Brought Forward											
			00									
			01									
			02									
			03									
			04									
			05									
			06									
			07									
			08									
			09									
			10									
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			36									
			37									
			38									
			39									
			40									
			41									
			42									
			43									
			44									
			45									
			46									
			47									
			48									
			49									

Fig. 25. A Register for Certificates of Deposit

named therein has deposited a specified sum of money to be paid, either to himself or to some designated person, on presentation. Such certificates are usually issued to those who do not wish to open accounts for checking purposes but merely desire to place the money in the bank for safe keeping. These certificates may be issued payable on demand, or at a definite, future date, in which latter case interest is allowed, and the certificate cannot be redeemed until the date of maturity.

28. Record of Certificates of Deposit. A convenient size for a record of certificates of deposit in loose leaf is 15 x 14 inches. This provides for a $\frac{1}{4}$ inch writing space, fifty lines to the page. If the space is widened the sheet must necessarily be made larger. At the top of the form is printed the sheet No., where the sheets are numbered in serial order as they are started. The name of the bank by whom the certificates are issued is printed at the head of the sheet. The sheet is ruled to show the date of deposit, the person by whom deposited, at whose order the amount is to be paid, the number of the certificate, the amount, the total amount on deposit, the time for which the certificate runs, the rate of interest, and the date paid, Fig. 25. A spring back holder will be found most convenient to use for current work, although many banks use a sectional post binder for both current and transfer work. While there are not many leaves in use the post binder works very well, but as the number increases the book becomes heavier and is more difficult to handle. A transfer binder should be provided to care for the used sheets.

The sheet is designed to be the record of all certificates of deposit which the bank issues, so that it may know at any time, not only how much it has on deposit against certificates of deposit but also when the certificates become due, and what interest they carry.

When a certificate of deposit is issued, the regular form, Fig. 24, is filled in by the receiving teller, who then makes the proper entry on this sheet. Each certificate of deposit bears a consecutive serial number, and the entry is made upon the line bearing the concluding figures of the same number. It is thus impossible for a certificate of deposit to be issued without its being properly entered upon the records of the bank. The number of the certificate need not be entered as the lines are numbered consecutively from 00 to 99. The first sheet used would have no sheet number and the entries would

begin at number one on the second line, provided the numbering of the certificates issued begins with one. The second sheet used would be sheet number one, which would indicate that the first line number upon the sheet was number one hundred. Thus sheet number 5 would be 500 to 599, sheet number 10 would be 1000 to 1099, sheet number 21 would be 2100 to 2199, etc. If this style of book was introduced in a bank and the first certificate of deposit to be entered was number 7135 the first sheet used would be numbered 71 and the entry would be made opposite the concluding numbers, that is, 35 on the sheet. Should a certificate be spoiled or cancelled for any reason, it should be filed away and the line covered by that number should be left blank in the entries, and marked cancelled with red ink. When the certificate is issued, all of the information called for is entered up to the column, *Amount of Interest*.

When a certificate matures, it is paid through the paying teller's department, the amount of interest is calculated, a debit ticket to *Interest* account is made out and the amount of the certificate, plus the interest, is paid to the customer. The general bookkeeper enters the interest, and this closes the transaction.

When all the certificates of deposit upon any one sheet have been paid and closed out, the sheet is removed from the current binder into a transfer binder, in its proper numerical order. If at any time any question comes up regarding certificates of deposit, the full record can at once be found in the transfer binder, and any definite one located immediately by the sheet which carries the number of the certificate.

By keeping the register in this manner it is impossible for a forged certificate to be cashed, inasmuch as every certificate must bear a serial number and should such a certificate be presented for payment, the fraud would be instantly detected. No certificate made out by the receiving teller can be missed or lost, as each number must be accounted for, and a cancelled line upon any sheet will show that that number has never been issued. The cashier, on turning to this record, can easily determine how much he has on deposit against certificates of deposit; how much he will be called upon to pay out at any given date; and how much any one depositor is carrying on certificates.

from the deposit. All checks on the State National Bank are entered in *Our Bank* column. Those on other clearing house banks of the city, in the *Clearings* column. Checks on banks not in the clearing house in the *Non-Clearings* column. Those outside of the city are entered in the *Correspondents* column, and turned over to the mailing clerk as soon as possible after being received, so that no delay may occur in forwarding them for collection. Upon this form the record of a certificate of deposit would show the number, in place of the depositor's name, the amount being carried into the *Total* column. If the amount received is in check, it must be entered in the proper check column, and if in cash in the *Cash* column.

Any currency delivered to the paying teller during the day should be entered under the *Sundries* heading. The various debits and credits upon this proof balance, and the totals are shown upon the settlement sheet of the receiving teller.

30. Receiving Teller's Settlement Sheet. This sheet is a recapitulation of the total day's receipts at the receiving teller's window, and is taken as a daily proof of the accuracy of the work. It shows on the *Debit* side, checks on our bank, clearings checks, non-clearings checks, correspondents, expense, two blank lines for any moneys turned over to any department, and cash on hand, sub-divided thus: gold, gold certificates, national bank notes, legal tenders, silver certificates, silver dollars, fractional silver, nickels and cents. The *Credit* side shows the total deposits for the day and the amount of exchange received. At the close of the day the cash should be counted and entered in detail, and the two sides of the settlement sheet must balance with the proof, Fig. 27. When found correct the settlement sheet is turned over to the general bookkeeper for entry in the bank proof. This completes the regular forms and methods of the receiving teller.

DISCOUNT CLERK

31. Books and Forms. The following are the books and forms and the method of use for the discount clerk.

32. Liability Ledger. This book is also called the *Discount Ledger* and the *Note Ledger*. There is a slight difference in the form used by different banks, but the one herewith presented, Fig. 28, is everything that can be required. This form is ruled and printed

DATE RECD		MAKER	ENDORSER	NO.	AMOUNT	TOTAL DAY
				00		
				01		
				02		
				03		
				04		
				05		
				06		
				07		
				08		
				42		
				43		
				44		
				45		
				46		
				47		
				48		
				49		

STATE NATIONAL BANK										Sheet No. _____
DISCOUNT	TOTAL DAY	RATE OF INT	DATE OF BILL	TIME	DATE DUE	NET AMOUNT	TOTAL NET AMOUNT	NO.	REMARKS	
								00		
								01		
								02		
								03		
								04		
								05		
								06		
								07		
								41		
								42		
								43		
								44		
								45		
								46		
								47		
								48		
								49		

Fig. 29. Left- and Right-Hand Pages of the Discount Register

to show at the head, sheet No., limit, name and address of customer; and in the box heading, date of note, number, by whom made, by whom endorsed, rate, date discounted, amount of discount, date due, amount of note, amount paid, and total amount. The size of this book is usually 14 x 17 inches. The best binders to use are regular current binder for current work and transfer binder for inactive and closed sheets. Indexing should be the same for each book (alphabetical), and fifty divisions is better than twenty-five divisions.

This ledger is an individual record of discounted paper, and should, therefore, be handled the same as an individual ledger.

CREDIT.	19....
.....	\$.....	
Please give full detailed description of the debit.	Approved.....	
.....		
.....		
O. K.		

Fig. 30. Credit Ticket for Discounts to Customers

Each borrowing customer should have an account wherein all discounted notes and payments thereon are recorded. These accounts should be arranged alphabetically, same as a telephone or city directory. It is desirable to know the endorser, and for whom they endorse, therefore a card index should be kept for them, showing the principals' names, dates, and amounts. Sheets should be numbered, each account beginning with number one and up. Should an account which has been transferred be re-opened the original sheet is taken from the transfer binder, restored to the current binder, and the account continued upon the same sheet.

This book is one of the most valuable books of accounting for banks, as it shows at a glance how much credit a customer is carrying, the volume of his discount, his limit, how much is not due, amount unpaid, and also with what promptitude he meets his obligations. The *Discount* or *Commercial Loan* account, carried by the general bookkeeper controls this ledger.

counts. When the loan is made it is given a number (consecutive), and this, with the date and other information, is entered in the regis-

NAME		NO.
ADDRESS		
ENDORSED BY		
DUE	RATE	AMOUNT INTEREST
AMOUNT \$		
PAYABLE AT		
DISCOUNTED FOR		

Fig. 33. Card Record for Discount Tickler

ter. This book is not line numbered owing to the fact that it is often necessary to use several lines to enter the full detail record of the

<h1>Metropolitan Trust and Savings Bank</h1>	
S. W. COR. LA SALLE AND WASHINGTON STREETS, CHICAGO	
Hours: 10 A. M. to 3 P. M.	Saturdays, 9 A. M. to 12 M.
Your note for \$..... due.....	
payable at..... may be found at th..... Bank.	
Checks offered in Payment must be Certified.	
CALVIN F. CRAIG, Cashier	
To.....	
.....	
.....	
PRESENT THIS NOTICE AT THE DISCOUNT WINDOW	

Fig. 34. Notice of Note Due

collateral and its value. When the collateral is changed this fact must be noted in the collateral column and a record of the substituted

rate of interest, amount, and when due, Fig. 33. It is filed in a chronological index about ten days prior to the due date. When it comes up, a notice is sent, Fig. 34, to the maker that the note will be due upon a certain date, and as soon as the notice is mailed, the card is transferred to the *due date*. As soon as the note is paid, the card is destroyed, but if the note should not be paid at maturity, the card is forwarded in the tickler to indicate the time of extension. A book is sometimes used for this purpose, giving daily maturities. It is loose leaf, chronological, in the form of a diary, with tabbed index sheets for the days of the current month and for the succeeding months and years. The notes are entered in this book at the maturity date, Fig. 35. All notes that are disposed of by payment or renewal are footed up at the close of business, and a *credit ticket* made for the total amount of the *Loan and Discount* account. Notation should be made upon the cards or in the book tickler, if renewed.

36. Discount Clerk's Proof Book. The discount clerk's proof book is used to record the transactions of the day at his desk, Fig. 36. Whenever a loan is made to a depositor his name is written under *Deposits Credited* and the interest is credited in the *Interest and Discount* column. Whenever a customer pays a note, his name is entered with the amount in the *Loans Paid* column. Any charges connected therewith are entered in the *Exchange* column. Upon the *Credit* side of the proof book, is found a column for *Correspondent*, under which are entered the proceeds of collections made for banks having accounts in the individual ledger and also drafts drawn in payment of collections made for other banks. Under *Non-Clearings* should be entered the amount of the non-clearing house checks received during the day. The *Sundries* column is used for other items, such as checks turned over for collections by the paying teller, the receiving teller, and the mailing clerk, and for such other items as do not properly belong to the special columns.

The entries on the *Debit* side are for cash received in payment of notes and drafts charged to depositors under *Our Bank*. Any notes that are drawn on, or certified to, by other clearing house banks, and checks upon such banks received in payment of discounts or notes, are entered under *Clearings*. Checks upon outside banks and advices for credit, for collection upon notes made by correspondents, are entered under *Correspondents*. Any amount of non-

clearings checks left uncollected from the previous day, and also the amount of such checks turned over during the present day, are entered under *Non-Clearings* debit. The *Sundries* column is for the use of such entries as do not belong in any other column.

A rectangular form with a decorative border. On the left, there is a box containing a dollar sign and a vertical bar. To its right, the text reads "Chicago; _____ 190 ____". Further right, "Due _____" and "No. _____" are written. Below this, a line reads "_____ after date, for value received _____ promise to pay". Underneath, "to the order of the _____" is written. On the right side, "DOLLARS" is printed. Below that, "at _____ office in Chicago, with interest at seven per cent. per annum after maturity until paid." is written. At the bottom, "Business Address, _____" is printed.

Fig. 38. Commercial Form of Promissory Note

37. **Discount Clerk's Settlement Sheet.** The settlement sheet of the discount clerk is similar to that of other departments and gives a full summary of the day's transactions in this department, Fig. 37. On the *Debit* side the entries made are for checks on our bank, clearings, correspondents, and sundries, and are the recapitulation of the

A rectangular form with a double-line border. At the top left, "\$ _____ CHICAGO, ILL., _____" is written. To the right, there are two boxes: the top one is labeled "DUA" and the bottom one "NO.". Below these, "AFTER DATE _____" is written. The main text reads "PROMISE TO PAY TO THE ORDER OF THE" followed by "Metropolitan Trust & Savings Bank" in a larger font, and "OF CHICAGO, AT ITS OFFICE IN CHICAGO, ILL." below it. On the right side, "DOLLARS." is printed. At the bottom, there is a line of small text: "WITH AUTHORITY TO CREDIT THIS NOTE TO OUR ACCOUNT, OR ACCOUNT OF EITHER OF US, AT MATURITY OR AT ANY TIME THEREAFTER. FOR VALUE RECEIVED, WITH INTEREST AT THE RATE OF SEVEN PER CENT PER ANNUM AFTER MATURITY." Below this, "ADDRESS _____" is printed.

Fig. 39. Promissory Note with Authority to Sign

footings upon the debit side of the proof. The items entered upon the *Credit* side for loans and discounts, collections, interest and discount, exchange, correspondents, and sundries are also a recapitulation of the totals of the credit side of the proof. Any amount of

non-clearings unpaid should appear upon the *Debit* side in the settlement. Cash on hand as shown in the detail, exhibits the actual amount of cash in this department at the close of business, and the total should always equal the footing of the debit side of the proof.

\$	Chicago,	190	Due _____ No. _____
_____ after date, for value received _____ promise to pay			
to the order of the METROPOLITAN TRUST & SAVINGS BANK			
DOLLARS			
at its office in Chicago, with interest at seven per cent. per annum after maturity until paid.			
<small>And to secure the payment of said sum, authority is given irrevocably to any attorney of any Court of Record, to appear for the undersigned in said Court, in term time or in vacation, at any time hereafter and confess a judgment without process in favor of the holder of this note, for such amount as may appear to be unpaid thereon, together with costs and ten per cent. attorney's fees, and also to file a complaint for the amount thereof, with an agreement therein that no writ of error or appeal shall be prosecuted upon said judgment, nor any bill in equity filed to interfere in any manner therewith, and to waive and release all errors in any such proceedings and consent to immediate execution upon such judgment, all that said attorney may do by virtue hereof being hereby ratified. Demand, protest and notice of non-payment to hereby severally waived by the makers, endorser and guarantors.</small>			
Business Address, _____			

Fig. 40. Judgment Note Payable to the Order of the Endorser

38. **Special Forms.** The discount clerk uses a number of forms in his department—perhaps more than are used in any other department of the bank. The various forms and notes given through the bank for discount are the ordinary commercial note, Fig. 38, the commercial note with authority to charge to individual firm or corporation account, Fig. 39, the judgment note, payable to the order

\$	Chicago,	190	Due _____ No. _____
_____ after date, for value received _____ promise to pay,			
to the order of the _____			
DOLLARS			
at _____ office in Chicago, with interest at seven per cent. per annum after maturity until paid.			
<small>And to secure the payment of said sum, authority is given irrevocably to any attorney of any Court of Record, to appear for the undersigned in said Court, in term time or in vacation, at any time hereafter and confess a judgment without process in favor of the holder of this note, for such amount as may appear to be unpaid thereon, together with costs and ten per cent. attorney's fees, and also to file a complaint for the amount thereof, with an agreement therein that no writ of error or appeal shall be prosecuted upon said judgment, nor any bill in equity filed to interfere in any manner therewith, and to waive and release all errors in any such proceedings and consent to immediate execution upon such judgment, all that said attorney may do by virtue hereof being hereby ratified. Demand, protest and notice of non-payment to hereby severally waived by the makers, endorser and guarantors.</small>			
Business Address, _____			

Fig. 41. Judgment Note Payable to the Order of the Bank

of the endorser, Fig. 40, the judgment note payable to the order of the bank, Fig. 41, the collateral note giving the bank the authority to dispose of the collateral in case the note is not paid at maturity,

CHICAGO,.....

.....after date, for value received.....promise
to pay to the order of METROPOLITAN TRUST & SAVINGS BANK,
at its office in Chicago,

..... DOLLARS,

with interest at the rate of.....per cent. per annum, after.....

....., having deposited with the legal holder
hereof as collateral security.....

and the undersigned hereby give the said legal holder or holders, his, her or their
assign or assigns authority to sell the same or any part thereof, on the maturity
of this Note, or at any time thereafter, or before, at public or private sale, without
advertising the same, or demanding payment or giving notice, and to apply so
much of the proceeds thereof to the payment of this Note as may be necessary to
pay the same, with all the interest due thereon, and also to the payment of all
expenses attending the sale of said collateral, and in case the proceeds of the sale
of the same shall not cover the principal, interest and expenses, the undersigned
will pay the deficiency forthwith after such sale, with interest at seven per cent.
per annum. Said legal holder hereof, his, her or their assigns, may purchase at
any such sale. And it is hereby agreed and understood, that said collateral, and
any money realized on sale thereof in excess of the amount due upon this Note,
shall be applicable to the payment of any other Note or claim which the said legal
holder may have against the undersigned, and in case of any exchange of or addition
to the collateral above named, the provisions of this Note shall extend to such
new or additional collateral, and so far as said collateral shall consist of what is
usually called commercial paper, the said holder may, instead of selling the same,
collect it, with or without suit, or make such compromise as said holder may
deem best with all or any of the parties thereto, and may extend the time of pay-
ment of any such paper without thereby extending the time of payment of the indebt-
edness or liability aforesaid of the undersigned, and after deducting the expenses
of such sales and collections, the said holder may apply the proceeds and the money
aforesaid toward the payment of said indebtedness or liability, and if there be any
excess over and above the amount of this Note, realized by collecting said com-
mercial paper, either with or without suit, then the legal holder hereof is author-
ized to apply such excess to the payment of any other Note or claim which said
legal holder may have against the undersigned, upon the surrender of said col-
lateral or any part thereof, the party to whom the same is surrendered shall give
his receipt therefor.

..... [SEAL.]

\$..... [SEAL.]

..... [SEAL.]

Fig. 42. Collateral Judgment Note with Authority to Sell

Fig. 42, and the collateral note given with a judgment clause, which is the same as the collateral note shown in Fig. 42 with the addition of the following clause:

“And to further secure the payment of said sum, authority is given irrevocably to any attorney or any court of record to appear for the undersigned in said court, in term time or in vacation, at any time hereafter, and confess a judgment without process in favor of the holder of this note, for such amount as may appear to be unpaid thereon, together with costs and ten per cent attorney’s fees and also to file a cognovit for the amount thereof, with an agreement therein that no writ of error or appeal shall be prosecuted upon such judgment, nor any bill in equity filed to interfere in any manner therewith, and to waive and release all errors in any such proceeding and consent to immediate execution upon such judgment, all that said attorney may do by virtue hereof being hereby ratified.”

Metropolitan Trust and Savings Bank	
S. W. Cor. La Salle and Washington Streets, Chicago	
Hours: 10 a. m. to 3 p. m. Saturdays, 9 a. m. to 12 m.	
Your note for \$.....	payable at.....
is due.....	19...., and may be found
at.....	Bank.
Checks offered in Payment must be Certified.	
CALVIN F. CRAIG, Cashier.	
To.....
.....
.....
PRESENT THIS NOTICE AT THE DISCOUNT WINDOW	

Fig. 43. Postal Notice of Note Due

Notice of Note Due. Whenever a note becomes due or generally a few days before that time, a notice is sent to the maker, either a slip or a postal card, Fig. 43. In case the note is not paid promptly upon the due date a second notice is sent, providing the note is not to be protested, Fig. 44. Upon demand note the interest becomes due monthly and a notice, Fig. 45, is sent a few days before the interest becomes due. These notices are unnecessary when arrangement has been made to charge the amount of the note or the interest to the customer’s account when due. In such cases a debit ticket is made in duplicate, one for the charge in the individual ledger and one sent to the customer the day the charge is made, giving the amount of the same and the item.

Protesting Notes. The law requires that in order to hold an endorser, a note which is not paid at maturity shall be protested by

Metropolitan Trust & Savings Bank
 Chicago, Illinois.
 CAPITAL, SURPLUS AND UNDIVIDED PROFITS, ONE MILLION DOLLARS

_____ 19__

Dear Sirs : _____

Your note for \$ _____ fell due this day. You are earnestly requested to give the same your immediate attention.

Yours truly,
 CALVIN F. CRAIG, Cashier.

CHICAGO STOCK EXCHANGE BUILDING

Fig. 44. Second Notice of Note Due

a notary public or other authorized public officer for non-payment. Payment of the note is first formally demanded by the bank and after

MEMORANDUM FROM
Metropolitan Trust and Savings Bank
 S. W. Corner La Salle and Washington Streets

Chicago,.....19.....

Dear Sir:—The interest on your demand note for \$.....
 to.....amounts to \$.....

Please remit for same, and oblige, Yours truly,
 CALVIN F. CRAIG, Cashier.

To.....

Fig. 45. Notice of Interest Due

refusal is demanded, by notice, of the maker and each of the endorsers. A protest notice must be in regular legal form, Fig. 46, and

the certificate of protest, Fig. 47, is attached to the protested note. A copy of the notice is sent to the maker of the paper and to each endorser thereon, and a debit ticket to the account of the maker is turned over to the individual bookkeeper for entry, credit being given *Protest* account. A proper record should be kept of all protested paper, as in Fig. 48.

NOTICE OF PROTEST	
STATE OF ILLINOIS	}
..... COUNTY	
} ss.	
SIR:19.....
A.....	for \$.....
.....	
.....	
..... Dated.....19.....	
Payable.....	
Signed by.....	
Endorsed by.....	
being this day due and unpaid, and by me <i>protested</i> for non-payment, I hereby notify you that the payment thereof has been duly demanded, and that the holders look to you for payment, damages, interest, and costs.	
<i>Done at the request of</i>	
.....	
..... NOTARY PUBLIC	
To.....	
.....	

Fig. 46. Notice of Protest

Sometimes it is necessary for the bank to hold an authorization in proper legal form for an individual to sign notes for a corporation, and a form for this purpose is shown in Fig. 49.

Loan Ledger. In this connection we show another loan ledger used by many banks for demand loans, Fig. 50. The size of this form is $11\frac{3}{4}$ x 11 inches. It is used as other loose-leaf ledgers with an alphabetical index for each binder. Its use is confined to demand or call loans and therefore that account in the general ledger should

CERTIFICATE OF PROTEST—Illinois Form.

.....
.....
.....
.....
.....

State of Illinois, }
County of..... } SS.

Be it Known, THAT on this.....
day of.....in the year of our Lord one thousand nine
hundred.....I,a Notary Public
duly commissioned and sworn, and residing in the.....
in said County and State, at the request of.....
went with the original..... which is above attached,
to the office of.....
and demanded.....thereon, which was refused

Whereupon I, the said Notary, at the request aforesaid, did PRO-
TEST, and by these Presents, do SOLEMNLY PROTEST, as well
against the.....of said.....the
endorsers thereof, as all others whom it may or doth concern, for
exchange, re-exchange, and all costs, charges, damages, and interest
already incurred by reason of the non-.....of the
said

And I, the said Notary, do hereby certify, that, on the same day
and year above written, due notice of the foregoing Protest was put in
the Post-Office at.....as follows:

- Notice for.....
- “ for.....
- “ for.....
- “ for.....
- “ for.....

Each of the above-named places being the reputed place of residence
of the person... to whom this Notice was directed.

IN TESTIMONY WHEREOF, I have hereunto
set my hand and affixed my Official Seal, the day
and year first above written.

.....
NOTARY PUBLIC

Fees:--Noting for Protest, . . . 25 cents;	Protest, 75 cents
Noting Protest, 25 cents;	Notices,
Certificate and Seal, . . . 25 cents;	Postage,
Vol.....: Page....., \$.....	

Fig. 47. Certificate of Protest

Credit Statement. In receiving an application for a loan, either a discount or endorsed commercial paper, it is customary for banks to require a credit statement, showing the full condition of the firm

Resolved, that the President and Secretary of this corporation be and they are hereby authorized for and on behalf of this corporation, to borrow from time to time from the METROPOLITAN TRUST AND SAVINGS BANK, such sum or sums of money as they in their judgment and discretion may think best, the amount of such indebtedness to said METROPOLITAN TRUST AND SAVINGS BANK not to exceed at any one time (exclusive of interest) the sum of \$.....

And be it further resolved, that to secure the payment of such money so borrowed and to evidence such indebtedness, or make renewals of notes theretofore given, the President and Secretary of this corporation be and they are hereby authorized and directed for and on behalf and in the name of this corporation, to make, execute and deliver to said METROPOLITAN TRUST AND SAVINGS BANK from time to time, as such President and Secretary may, in their judgment and discretion, think best, the judgment promissory note or notes of this corporation, such judgment notes to be in such form and to contain, each, any, and all such conditions, provisions, stipulations, covenants, promises, agreements and powers of attorney of any and every name, nature and description, as said banking company may require or request, and as such President and Secretary may, in their judgment and discretion, think fit and proper.

And be it further resolved, that said METROPOLITAN TRUST AND SAVINGS BANK, its successors or assigns, shall not be in any manner responsible for or required to see to the application of any of the money or moneys so borrowed. This resolution shall be in full force and effect and binding upon this corporation so far as said METROPOLITAN TRUST AND SAVINGS BANK is concerned, until the same is repealed and notice in writing of such repeal delivered to said METROPOLITAN TRUST AND SAVINGS BANK, at its office or place of business in Chicago, Illinois.

I DO HEREBY CERTIFY that at a proper meeting duly called, of the Board of Directors of..... held on the.....day of.....A. D. 19....., a resolution of which the above and foregoing is a full, true, and complete copy, was duly passed and spread on the records of said.....

.....
 CHICAGO,.....19.....

Secretary

Fig. 49. Authorization to Sign for a Corporation

asking the accommodation. The ordinary credit form now in general use gives the *customer* the opportunity to pass upon the value of his accounts receivable and his bills receivable. The form as

40. **Collection Register.** This is a book for the entry of collections received by the bank from its customers, and is ruled to show date received, number (which should be consecutive), for whom, payor, payable at, amount, sent to, and remarks, Fig. 54.

190	
For the purpose of obtaining Credit with you for money which _____ may now or hereafter borrow of you of _____ to the State of _____ do hereby make the following as a FULL, COMPLETE and true statement of _____ present resources and liabilities.	
RESOURCES	LIABILITIES
Dollars	Cents
Dollars	Cents
Cash on hand or in Bank	For Merchandise—give name—not due
Stock of Merchandise on hand at value	For Merchandise past due
Notes not due, secured	To
Notes past due, secured	
Notes unsecured not due	
Notes unsecured past due	
Accounts not due	
Accounts due and not 60 days past due	
Accounts over 60 days past due	For Borrowed Money—Rate of Int. paid
Store Building at value	\$ Due
Due from partners or stockholders	\$ Due
Other personal property—describe it	Amount secured \$
	Chattel Mortgages \$
	Upon what property given
Real Estate, market value, give name of person holding title	When due
	Mortgages on Real Estate—state incumbrance on each piece—when due
Rent of Store per year \$	
Annual Sales \$	Amount of past due notes
Homestead, at value—state in whose name	Amount owing on judgement notes
	Are you surety on notes or bonds?
Insurance—state on what property placed and names of companies	Confidential, and other debts not included above Refer to:
\$	
\$	
TOTAL ASSETS	TOTAL LIABILITIES OF EVERY KIND
NET ASSETS	
Business	Names of
Located at	Farmers in full

The above Statement, both printed and written, has been carefully read by _____ and _____ affirm it to be a full and correct statement of _____ financial condition at this date, and any change that is against _____ will notify you at once.

Signature _____

Fig. 52. Customer's Financial Statement

When an item is received for collection it is entered in the back of the customer's pass book, and the full description is given in the collection register. It is given a number, which should be consecu-

tive, and it is thereafter identified by this number. If outside of the city, it is given to the mailing clerk who sends it to the proper correspondent, and notes the same on the register. The duties of the collection clerk and the mailing clerk are very closely related, the first attending to the city collections, and the second to the foreign collections, but as these are intermingled it is necessary that they should work together. In some banks one clerk attends to the duties of both offices.

41. **Collection Tickler.** A tickler is primarily intended to keep close track of the due dates of various collections as to when they should be received in the natural order, and to avoid delays as much

Metropolitan Trust and Savings Bank	
	Chicago,.....19.....
.....	
.....	
DEAR SIR:	
On examining our Statement Files we find we have no recent statement from you. We would be glad to have you forward us a copy of your last balance sheet on the enclosed blank.	
We use these statements purely for reference, and they are strictly confidential.	
Yours truly,	
	Cashier

Fig. 53. Request for Financial Statement

as possible in remittance and credit, consequently a card record of each item presented for collection should be kept in a chronological file, the cards being placed as near the date of prospective returns as possible. At the proper time, if nothing has been heard from the collection the mailing clerk notifies the holder. Fig. 55.

42. **Draft for Use of Customers.** Our Fig. 56 gives the usual form of draft upon individuals or firms which customers of the bank use for drawing upon their customers.

43. **Notice of Draft.** When drafts are received from outside of the city or from customers, made upon any person, firm or com-

**COLLECTION REGISTER
DOMESTIC**

Sheet No. _____

OUR DATE	OUR NO.	THEIR NO.	FROM WHOM RECEIVED	P.O. ADDRESS	PAYOR	
			Amount Brought Forward			
	00					
	01					
	02					
	03					
	04					
	05					
	06					
	07					
	08					

	43					
	44					
	45					
	46					
	47					
	48					
	49					
			Amount Carried Forward,			

Sheet No. _____

STATE NATIONAL BANK

	DATE	TIME	DUE	OUR NO.	AMOUNT	RATE INTEREST	AMOUNT INTEREST	EXCHANGE	AMOUNT REMITTED	DATE REMITTED	REMARKS
				00							
				01							
				02							
				03							
				04							
				05							
				06							
				07							
				08							
				09							
				44							
				45							
				46							
				47							
				48							
				49							

Fig. 54. Left- and Right-Hand Pages of Register of Domestic Collections

packages with the name, clearing house number of the bank, and the total amount of the clearing showing at the top of each package.

No. 3.		CHICAGO CLEARING HOUSE				from		STATE NATIONAL BANK			
CLERK'S STATEMENT											
	NO.	BANKS	DR. AMOUNTS				RECEIPTS				NO.
	1	Old National Bank									
	2	First National Bank									
	3	State National Bank									
	4	Continental Bank									
	5	Central State Bank									
	6	Bardwell & Co. Bank									
	7	New National Bank									

Fig. 62. Clearing House Delivery Ticket

By using a duplicate sheet and a carbon for this work the duplicate may be perforated so that a proof sheet of all the checks offered to

No. 3.		CHICAGO CLEARING HOUSE				SETTLING CLERK'S STATEMENT		19__	
DEBIT BALANCE	NO.	BANKS	CREDIT BALANCE	BANKS DEBIT	BANKS CREDIT				
	1	Old National Bank							
	2	First National Bank							
	3	State National Bank							
	4	Continental Bank							
	5	Central State Bank							
	6	Bardwell & Co. Bank							
	7	New National Bank							

Fig. 63. Clearing House Settlement Sheet

the clearing house can accompany the package of checks. Each package is to be delivered to the bank upon whom the checks are

drawn or its representative in the clearing house. As soon as the total number of checks is entered in the register, the total amounts chargeable to each bank are entered upon the clearing house delivery ticket, Fig. 62. The addition of the various amounts appearing

CHICAGO,.....19.....	
The American Trust and Savings Bank	
Will pay through the Clearing House, for this Memorandum	
To	\$.....
.....
.....	DOLLARS.
.....
Teller	Cashier

Fig. 64. Clearing House Check

in the account of each bank will show the total amount due from the clearing house on that date.

49. **Clearing House Settlement Slip.** This slip is similar to the delivery ticket, having the names of all the banks and their number and shows the total amount of checks to be delivered to the clearing

CLEARING HOUSE.	CASHIER'S CHECK.				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; height: 50px;"></td> <td style="width: 50%; height: 50px;"></td> </tr> <tr> <td style="width: 50%; height: 50px;"></td> <td style="width: 50%; height: 50px;"></td> </tr> </table>					PAYABLE TO..... \$.....

Fig. 65. Clearing House Check

house in exactly the same manner as the delivery ticket. These entries are all made before clearing. The work of the settlement clerk at the clearing house is to fill in the credits to each bank when all other banks have delivered to him their checks drawn upon our bank. After the statement of the settlement clerk is completed, he

delivers the same at the manager's desk, and receives a memorandum showing the amount due the clearing house or what amount is due our bank. If the balance is in favor of our bank the clearing house manager gives a check to the bank for the amount due, and if the balance is in favor of the clearing house, our bank makes a clearing house check to its manager, Figs. 64 and 65.

As soon as the delivery clerk has completed the full delivery of his checks to the representatives of the various banks, and has received from the settlement clerk the checks presented upon our bank, he immediately leaves the clearing house and returns to our bank with his receipts for deliveries and all of the checks upon our bank turned over at the day's clearings.

The settlement clerk remains to prove the work of the day and to make a settlement with the clearing house. The checks from bank to clearing house, or from clearing house to bank, are presented the same day and are paid in currency or coin. Any checks or other items that go through the clearing house, that are found to be irregular or "not good" for any reason whatsoever, are returned to the bank from which they emanated.

BANK BOOKKEEPING

PART II

MAILING CLERK

50. Books and Forms. As the mailing clerk has charge of all of the cash items received or sent out by mail, he must have the necessary books and stationery to cover these duties.

The collection register is described in the collection clerk's books and forms, Fig. 54.

51. Foreign Collection Register. This book is for the entry of all checks and items sent to correspondent banks for collection. The ordinary form for collections forwarded is shown in Fig. 66. It is the duty of the mailing clerk to enter these collections upon this form showing due date, banks sent to, for whose account, their number, payable at, our number, and amount. If it is necessary to trace a collection, the mailing clerk sends out a notice to the receiving bank, Fig. 67, and enters date in the *When Sent* column. When the collection is returned or paid, it is noted in the column *When Paid*. The ordinary form used for sending out items for collection is shown in Fig. 68. It is in duplicate, two colors of paper being used, the original running four or five to the page and perforated. This form is made in various sizes to accommodate the needs of the business. The items entered thereon show number, drawer, to whose order, on what bank, and amount. The duplicate is kept as a record until remittances for all items thereon have been received and checked.

Customers frequently discount sight drafts, made to their own order, with bill of lading attached, covering all kinds of shipments of merchandise which are only released to the drawee upon payment of the draft. By this method of collection the property covered by the bill of lading is kept within the control of the owner until the draft is paid. Any items accompanying a draft should be carefully noted on the register and advice.

**COLLECTION REGISTER
FOREIGN**

WHEN RECEIVED	NO.	FROM WHOM RECEIVED	NO. OR DATE OF LETTER	MAKER OR DRAWEE	WHERE PAYABLE
		Amount Brought Forward.			
	00				
	01				
	02				
	03				
	04				
	05				
	06				
	07				
	08				
	09				

	44				
	45				
	46				
	47				
	48				
	49				
		Amount Carried Forward.			

STATE NATIONAL BANK

WHEN SENT	TO WHOM SENT	DATE	TIME	DUE	NO.	AMOUNT	WHEN PAID	REMARKS
					00			
					01			
					02			
					03			
					04			
					05			
					06			
					07			
					08			

					42			
					43			
					44			
					45			
					46			
					47			
					48			
					49			

Fig. 66. Left- and Right-Hand Pages of Foreign Collection Register

52. *Foreign Collection Register and Forwarding Slip*, a labor saver, is shown in Fig. 69. With this form the charge entry and the

Metropolitan Trust & Savings Bank
 Capital, Surplus and Undivided Profits over \$1,000,000
 Chicago,.....

Please advise fate of our

No.	Day sent	On	Due	Amount
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Please make reply on this letter. CALVIN F. CRAIG, Cashier.

Fig. 67. Collection Tracer

advice are made at one writing. The size of the full sheet is 11¼ x 14 inches, but as there is a 4 inch foldover (perforated) on the right-hand side, exactly duplicating the printing and columns shown on

METROPOLITAN TRUST & SAVINGS BANK

CASHIER..... CHICAGO,.....19....

Dear Sir:

We enclose for collection the following items, which please give your earliest attention and remit proceeds by New York or Chicago draft. Return promptly if not paid, stating reason:

Yours respectfully, CALVIN F. CRAIG, Cashier:

Protest all items unless otherwise instructed: Documents attached to items to be delivered only on payment in full, unless otherwise instructed.

NUMBER	DRAWER	ORDER	ON	AMOUNT
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Fig. 68. Advice of Collections Transmitted

that portion of the form, the size of the book is only 11¼ x 10 inches. The sheets are carried in spring-back holders for daily use and transfer binders for permanent filing.

Having sheets in constant readiness, a strip of carbon paper is inserted under the fold and a list of the items to be forwarded written as usual. After all are entered, the folded strip is torn from the sheet, and serves, without any rewriting, as a letter of advice. The original is then filed in a binder under the alphabetical division to which it properly belongs. As there are many banks with similar names it is usual to index by state and town. When collections are returned or accounted for, they are checked upon the proper sheet, and the sheet is filed in a binder for dead matter, to be kept for reference only. By the use of this sheet it is impossible for the entry and letter of ad-

PLEASE RETURN THIS CARD
<p>To Metropolitan Trust & Savings Bank CHICAGO, ILL.</p> <p style="text-align: right;">Chicago, 19...</p> <p>.....</p> <p style="text-align: center;">The receipt is hereby acknowledged of your letter of with enclosure as stated.</p> <p style="text-align: center;">Yours truly,</p> <p style="text-align: right;">..... Sign Here.</p>

Fig. 71. Acknowledgment of Remittance

vice to differ. The sheets may be distributed among several clerks for entry, if necessary. There is no waiting for letters of advice to be written, and no time lost in mailing.

53. Foreign Collections Paid. The size of this sheet is $9\frac{1}{4} \times 12$ inches, and it is ruled to show date, payor, their number, our number, amount, interest and exchange, amount paid, and on whose account collected. This book is valuable as a record.

It is usually the function of the mailing department to acknowledge all remittance letters, which is done usually by postal card, Fig. 71. Before the country checks are sent out for collection, they are endorsed with a rubber stamp, and made payable to the correspondent bank, or some banks use this form:

FOR COLLECTION
Pay to any bank or banker
State National Bank
.....*Cashier*

At the close of the day the various totals are added and proven by the letters of advice, and in the meantime, another clerk lists and foots the checks. The notes turned over by the collection department must be handled in a similar manner and where documents accompany the item they should be carefully noted on the letter of enclosure.

Notes, checks, and sight drafts, and other items *unpaid* are delivered to this department to be returned. There is usually a printed slip to accompany the item and pinned to it, which gives the reason for non-payment checked thereon, Fig. 72.

The mailing clerk has various other duties, such as sending out letters for reference, Fig. 73, making debit tickets to individual or correspondent bank accounts for items that have been returned on account of "Not Sufficient Funds," or for other reasons, Fig. 74, and such other matters as are connected with any of the banks outside of the regular correspondent banks.

RETURNED BY
Metropolitan Trust & Savings Bank
FOR REASON INDICATED BY X BELOW

Endorsement Missing
Endorsement Questionable
Clearing House Stamp Missing
Signature Missing
Incomplete Signature
Signature Incorrect
Date
Name of of Payee Altered
Amount Uncertain
Not Sufficient Funds
Drawn Against Uncollected Funds
No Instructions to Pay
Account Closed
No Account
Not on Us
Guarantee Endorsement
Guarantee Amount
Payment Stopped
Counter Signature Missing
No Funds

Fig. 72. Advice of Non-payment

54. Mail Clerk's Proof shows at the end of the day, on the *Debit* side: Items charged to our bank, clearing banks, non-clearing banks, and correspondents; while the *Credit* side shows the money received from miscellaneous banks and each of the correspondent banks, and from exchange, Fig. 75. When an item is received through the mail the clerk enters the name of the bank and the item or items listed in their proper column, according to the bank upon which they are drawn. The total amount, if the amount is received from one of the banks with whom we carry an account, is entered on the *Credit* side, under the proper name, and a credit is issued covering the amount for the entry by the individual bank proper. If the

items are from some other bank with whom we have no account, and which is to be paid by draft, the entry is made in the *Miscellaneous* column for the net amount, with the exchange noted in the *Exchange* column, and a slip is made out for the draft clerk.

Metropolitan Trust and Savings Bank
 S. W. Cor. La Salle and Washington Streets
 CHICAGO,.....19....

.....

Dear Sir:

In the ordinary course of business

NAME	BUSINESS	ADDRESS
------	----------	---------

.....

has given us your name as a reference.

We thank you in anticipation for any information you may furnish us, and will be glad to render you a like service at any time. Your reply hereon will be held in confidence.

Yours sincerely,

Cashier.

Fig. 73. Inquiry to a Reference

A further proof is necessary for the purpose of making a complete record of all checks remitted to other banks for credit to our account, Fig. 76. The name of the bank to whom the remittance is sent

DEBIT

Date.....19....

Acc't.....

Approved.....\$.....

A check of.....on the.....

.....to the order of

endorsed by.....has been returned to us

for.....

O. K.....

Fig. 74. Debit for Unpaid Check

is entered and an itemized account of the checks, or the total, with direct reference to the letter of advice, together with the total

having charge of the *A* to *K* or *L* to *Z* ledgers. These items are then posted to the *Individual Ledger* account, Fig. 77, with a recapitulation of the posting as made, which must agree with the machine list. When the total day's checks are posted to one account, the

DEBIT.	19...
.....	\$.....
.....	
Please give full detailed description of the debit.	Approved.....
.....	
.....	
.....	
O. K.	

Fig. 78. Ticket for Miscellaneous Charges

amount of the day's total is carried into the *Total* column. After the deposit, if any, is posted, the balance is struck at once and carried into the *Balance* column. The balance of each ledger at the close of the day's business must agree with the account controlling that ledger in the general ledger. Accounts for correspondent banks, and such

Metropolitan Trust and Savings Bank	
CREDIT	CHICAGO,.....19....
.....	Account \$.....
Full explanation } as follows: }	O. K.....Approved.....
.....	
.....	
.....	

Fig. 79. Ticket for Miscellaneous Credits

other banks as we may have reciprocal dealings with are carried in the individual ledger. It is a question of convenience to the book-keeper whether these accounts shall be separated from the customers' accounts or not, but we advise that they be kept in alphabetical order by state and town, immediately preceding the customers' accounts

as, by this means, they are easier of access than if they were distributed through the ledger. The balance of the *Correspondents* account must be taken separately to tally with the account in the general ledger. If a bank is doing a sufficient reciprocal business with country banks to warrant, a separate ledger should be kept for correspondent bank accounts.

The individual bookkeeper receives from various tellers and clerks, for entry in the individual ledgers, at various times during the day, debit tickets which are memoranda of charges to individual

Metropolitan Trust and Savings Bank	
S. W. Cor. La Salle and Washington Sts.	
	Chicago,..... 19
M.....	

	Your account stands overdrawn \$.....
Please give the same your attention without delay.	
	CALVIN F. CRAIG, Cashier.

Fig. 80. Notice of Overdraft

accounts, Fig. 78, and credit tickets which are memoranda of credit to individual accounts, Fig. 79. The debit tickets are printed in black and the credit tickets in red.

The individual bookkeeper makes out the notices of overdraft, used to notify a customer when his account is overdrawn, Fig. 80, which is turned over by him to the mailing clerk to be forwarded.

There are three little books which the individual bookkeeper can keep, if he chooses, the memoranda in which he will find very useful. One is for the recording of new accounts in the order in which they are opened, one is for keeping a record of accounts as they are closed, and the other for keeping a record of overdrafts. As the bookkeeper is frequently asked for this information, it is to his advantage to have the data at hand whenever it is required. It is useful to know the number of new accounts opened during the month; the

PLEASE EXAMINE AND REPORT IMMEDIATELY

In Account With _____ BANK

LINE NO.	DATE	CHECKS	TOTAL CHECKS	DATE	CHECKS	TOTAL CHECKS	DATE	DEPOSITS	TOTAL DEPOSITS
1								Credit Balance	
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
35									
36									
37									
38									
39									
40									
41									
42									
43									
44									
45									
46									
47									
48									
49									
50									

Fig. 81. Customers' Journal and Monthly Statement—Duplicate

taken from the total deposits, added to the previous month's balance, showing the present month's balance, Fig. 81. Entries on these statements are made daily.

The balance is brought forward at the beginning of the month, upon a new sheet. All debits and credits are posted as made, using carbon paper. Pen carbon may be used, making statements in ink, or pencil carbon, making statements in indelible pencil. This book is a proof book for the ledger that it represents, and is a perpetual check upon the individual ledger balances. One great advantage of this system is that the work may be divided among several clerks, and thus handled without any unnecessary delay, so that statements

CHICAGO,.....19....
RECEIVED OF
THE METROPOLITAN TRUST & SAVINGS BANK
OF CHICAGO
Statement of my Account to.....19...., with
.....Vouchers, and agree to examine same carefully,
and if not correct to give notice and make all reclamations within
ten days.
.....

Fig. 83. Receipt for Vouchers

can be in the customers' hands the second or third day of the month for the preceding month.

We show another form of customer's statement which is printed on medium weight bond with a duplicate or second sheet, printed or unprinted, of a different color. This form is ruled and printed to show the name and address of the customer, the number of checks returned, the request to report if any error is found, the date and amount of each check issued, the date and amount of each deposit made, and the balance. This sheet may be used in a sectional post binder or a prong binder as preferred, and there should be a binder for each individual ledger. The indexes should be leather tabbed sheets arranged the same as for the particular ledger represented in Fig. 82.

There are two ways of using this statement. One is to use it singly, having the amounts entered and the statement, together with

or against the individual ledger balance for the section covered by the work.

A receipt should be taken from the customer showing the date of the delivery of the statement, and the number of vouchers received, Fig. 83. The use of this receipt frequently avoids a controversy.

A card record should be kept with each customer showing the delivery of statement, Fig. 84.

It is frequently necessary on account of the failure of customers to call for their statements to send them a postal card calling attention to the fact that their statements are ready and waiting for them, Fig. 85.

As the duties of the statement clerk do not require his entire time, he is often called upon to assist the individual bookkeepers in their work.

CORN EXCHANGE NATIONAL BANK
OF CHICAGO.

CHICAGO. _____ No. _____

ON DEMAND, PAY TO THE ORDER OF _____ £ _____

TO PARR'S BANK LIMITED, STERLING
Bartholomew Lane, CORN EXCHANGE NATIONAL BANK OF CHICAGO,
LONDON. SPECIMEN

6103 Cashier

Fig. 86. Foreign Bank Draft

DRAFT TELLER

57. **Books and Forms.** The draft teller attends to the making of drafts and cashier's checks and the registration of the same, using in this work, the *Draft Register*, the *Cashier's Check Register*, the *Daily Proof*, and his *Settlement Sheet*. In case a bank does not have sufficient business to employ a draft teller, his duties devolve upon the discount clerk.


58. The *Bank Draft* is a check drawn upon one bank by another. The difference between its form and the ordinary check is shown in our Fig. 86. All banks have correspondent accounts at different financial centers, against which drafts are drawn for remittances and for sale to their customers. Our bank, as has been

stated, carries correspondent accounts in New York City, Boston, and St. Louis.


Application for New York Draft. When customers desire to have a draft or a number of drafts, they write out their order and present it to the draft teller with their check for the full amount, which may include the exchange, or if desired the exchange may be paid in cash, Fig. 87. It is often the case that, owing to the conditions of the money market, banks do not make any extra charge or exchange charges for drafts made upon their regular correspondents.

Metropolitan Trust & Savings Bank

DRAFT ON NEW YORK WANTED



**PAYABLE TO THE
ORDER OF**



_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

BOUGHT BY

NO. _____ STREET.

Fig. 87. Application for Drafts

59. **Register of Drafts.** The draft clerk makes out the drafts sold to customers and those necessary for remittance to country banks in payment for checks upon our bank and collections made by us for them. He must register each draft, entering the information as follows: Date, to whose order (line number to correspond with number of draft drawn), amount, total for day, exchange, total exchange for day, and to whom sold, Fig. 88.

The total of the day's business will balance the total of the amount received for drafts the same day. An account should be opened with each correspondent bank upon which drafts are drawn in the individual ledger, as noted in that department. Payments as reported should be properly checked. This register in loose leaf

REGISTER OF DRAFTS DRAWN ON _____

DATE	TO WHOSE ORDER	NO.	DATE PAID	AMOUNT	TOTAL	EXCHANGE	TOTAL EXCHANGE	SOLD TO
	Amount brought forward.	50						
		51						
		52						
		53						
		54						
		55						
		56						
		57						
		58						
		59						
		60						
		61						
		62						
		63						
		64						
		65						
		66						
		92						
		93						
		94						
		95						
		96						
		97						
		98						
		99						

Fig. 88. Register of Bank Drafts Issued

allows each bank's account to be kept separately if desired, and the total amount of drafts drawn upon it may be ascertained at any moment. It makes no difference how many banks are utilized or how many drafts are drawn, this system provides a proper, continuous, and instantaneous check. It is numerically arranged so that each draft must be accounted for, and the same plan should be followed as in other line number sheets. The size of the form is 15 x 17 inches, and it is used as described for other loose-leaf books of continuous entry.

Advice to Correspondent Banks. An advice of the number and amount of each draft drawn upon a correspondent bank is copied from the draft register each day at the close of business and mailed to the bank, Fig. 89. This enables the correspondent bank to always have a check upon drafts presented to them for payment.

UNION BANK OF CHICAGO		No.
CHICAGO, ILLS. _____		190__
PAY TO THE ORDER OF _____	\$ _____	
		_____ DOLLARS
CASHIER'S CHECK		
		<small>CASHIER.</small>

Fig. 90. Cashier's Check

Cashier's Check. The cashier's check is simply a bank's draft upon itself. It is usually signed by the cashier or assistant cashier and differs very little from the ordinary draft, Fig. 90. Cashier's checks are given for various purposes. They are sometimes issued to public officers in place of certificate of deposit, for money deposited by them temporarily; sometimes to contractors or others who desire to put up a certain amount of money as a guarantee of good faith in the fulfillment of a contract. Cashier's checks are also issued by the bank in payment of its own bills, and as they require the indorsement of the payee, and usually state upon the face for what purpose they were given, they furnish a systematic and convenient method of preserving receipts. Some banks sell cashier's checks instead of bank drafts. It is usual to keep an account called the

Sheet No. _____

CASHIER'S CHECK REGISTER

Issued By _____

BANK _____

DATE	PAYABLE TO	ISSUED FOR	NO.	AMOUNT OF CHECK	TOTAL AMOUNT CHECKS	DATE PAID			REMARKS
						MO.	DAY	YEAR	
	Amounts Brought Forward.		0						
			1						
			2						
			3						
			4						
			5						
			6						
			7						
			8						
			9						
			10						
			11						
			12						
			13						
			14						
			15						
			16						
			17						
			18						
			19						
			20						
			21						

			33						
			34						
			35						
			36						
			37						
			38						
			39						
			40						
			41						
			42						
			43						
			44						
			45						
			46						
			47						
			48						
			49						
		Amount Carried Forward.							

Fig. 91. Register of Cashier's Checks

with the number printed in the check register. The same instructions apply regarding the skipping of a line in case a cashier's check is spoiled as those given in connection with certificates of deposit.

At the close of each day the amount of all checks entered in the *Amount* column is totaled and carried into the *Total Amount Check* column. A credit ticket is made out for the total amount of cashier's checks for the day, which amount is entered in the proof and is passed to the individual bookkeeper for entry in the *Cashier's Check* account.

STATE NATIONAL BANK												
DRAFT CLERK'S SETTLEMENT SHEET												
											Day _____	19 _____
Cashier's Checks Issued												
Drafts On												
Commercial National Bank, N.Y.												
Massachusetts National Bank, Boston.												
Third National Bank, St. Louis.												
Total Drafts												
Grand Total												

Fig. 93. Draft Teller's Daily Settlement Sheet

When the cashier's checks are paid, they are handled by the paying teller the same as any other check, but a notation should be made in the *Date Paid* column of the register showing the date of payment. This completes the transaction, and the sheets are kept in the proper binder in the future, merely as a matter of reference. While one sheet is adequate for the record of one hundred checks, and while banks do not require a very large number of these sheets, it is also true that they are just as necessary as any other sheet in use.

61. **Draft Teller's Proof Book.** This book, Fig. 92, is a loose leaf, sheet size 11 x 11 inches, used for recording all of the transactions of the day which take place in the draft teller's department. It shows a *debit* of cash received, checks on our bank, clearings, non-clearings, correspondents, and when bills and salaries or other charges against the bank are paid by cashier's checks, expense and salaries should be included.

The *Credit* must show the total amount of drafts issued, the total amount of cashier's checks issued, and exchange.

62. **Draft Teller's Settlement Sheet.** This is a form used to make a final settlement of the day's business and prove the day's transactions in this department, and is turned over, after being proven, to the general bookkeeper. This form should be about 11 x 11 inches in size, and is a recapitulation from the draft teller's proof book. It shows the various debits and credits for the day, with a proof of cash similar to the settlement sheets in other departments, Fig. 93.

A WORD ABOUT COUPONS

63. Banks receive coupons at almost every window. They are presented at the paying teller's window for cash redemption; they are deposited with the receiving teller; they are given to the note teller and to the collection clerk for collection; and are received through the mailing department for collection and credit. They are the most difficult paper to identify that a bank handles, and each clerk handling coupons should, at the time he receives them, be sure to preserve a record in such a manner that if they are, for any reason, returned unpaid it will be known who presented them to the bank.

Coupons are quite small, therefore it is a good plan to slip them into an envelope with the identifying data upon the outside of the envelope. This envelope should be retained when the coupons are sent away for redemption until such time as it is certain that they will not be returned.

Coupon Register. It is a very good plan for banks to keep a register upon which is to be recorded the description of all coupons received. As these coupons are turned over to the collection clerk or to the mailing clerk for collection, one of these should keep the record. The form is ruled to show series, number, descrip-

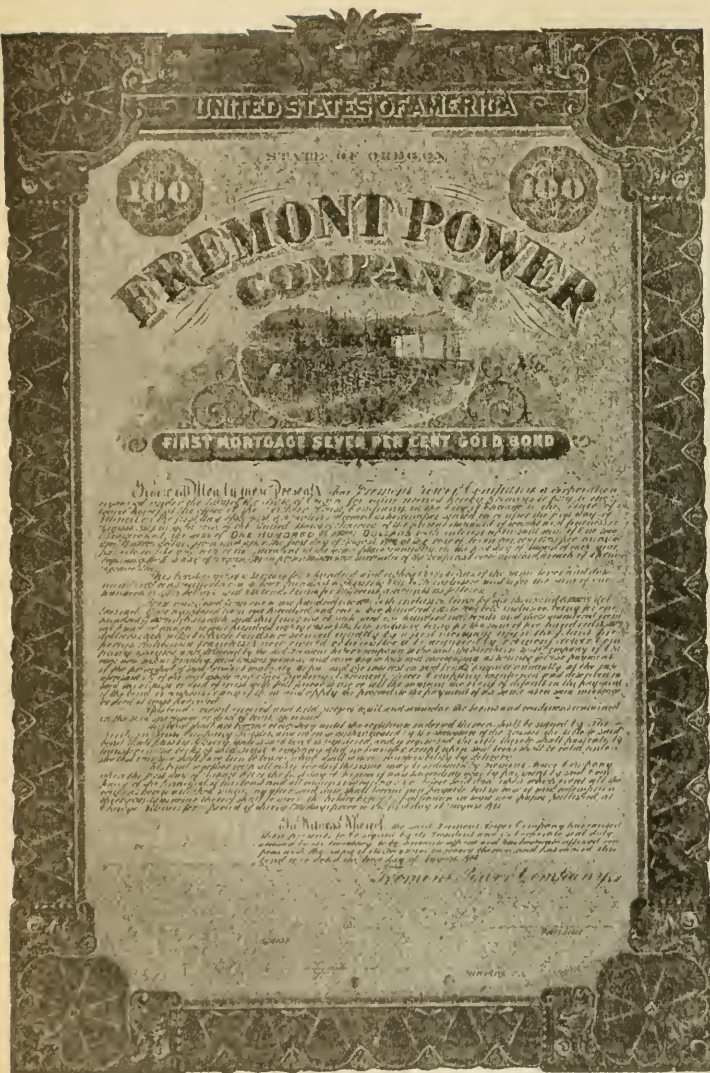


Fig. 93. Bond with Coupons Attached

This is a typical form of coupon bond, with interest coupons attached at the right. Each coupon calls for the payment of the interest due on the bond for the period covered—usually six months. When interest is due, the coupon is detached and becomes a draft payable at any bank. The bond being a negotiable instrument, the name of the owner is not required but the coupon is identified by the number which corresponds with the number of the bond. The fact that the coupons are small and do not bear the name of the person presenting them for payment, makes it very necessary that they be properly recorded by the bank cashing them.

Express Money Orders usually clear with some bank that is a member of the clearing house. They are marked for this bank and are handled the same as checks that clear through the same bank. *Postal Money Orders* are received on deposit but are collected at the post office by messenger.

Checks that do not clear on account of "Not Sufficient Funds" or for any other reason, are returned to the bank from which they came. If one of these checks is drawn to be protested in case of non-payment, or if a protest is considered necessary by the holding bank, the check must be presented at the window of the bank upon which it is drawn before the closing hours.

Non-Clearings checks are collected by messengers at the banks upon which they are drawn unless the bank clears through some other bank.

Some banks find it very profitable to maintain correspondent relations with foreign banks and issue *Letters of Credit*. The letter of credit is given for a specified amount, say \$2,000.00, and it can be collected in varying amounts to suit the purchaser at various banks in the foreign countries visited. The traveler, in collecting an amount, makes a draft upon the bank who sold him the letter of credit, and the amount of this draft is entered in its proper place upon the letter of credit to show that so much has been paid. Upon receipt of this draft, which is identified by the signature, the foreign bank pays to the customer an equivalent, in their money, of the amount drawn. A very convenient method for travelers in foreign countries and one which is handled by many banks is the *Express Traveler's Checks*, issued by the express companies. These checks are in the following denominations: \$10.00, \$20.00, \$50.00, \$100.00, \$200.00. A traveler may purchase any amount of these checks that he desires. At the time of purchase, he signs in the presence of the bank official, in the upper part of the check, each check that he receives. These checks are payable in any part of the world where the company has an express office. The only identification necessary is the signing of the check in the lower left-hand corner by the recipient, at any office. It goes without saying that no one can collect these checks except the person who purchased them. A legitimate exchange charge is made for letters of credit or express traveler's checks.

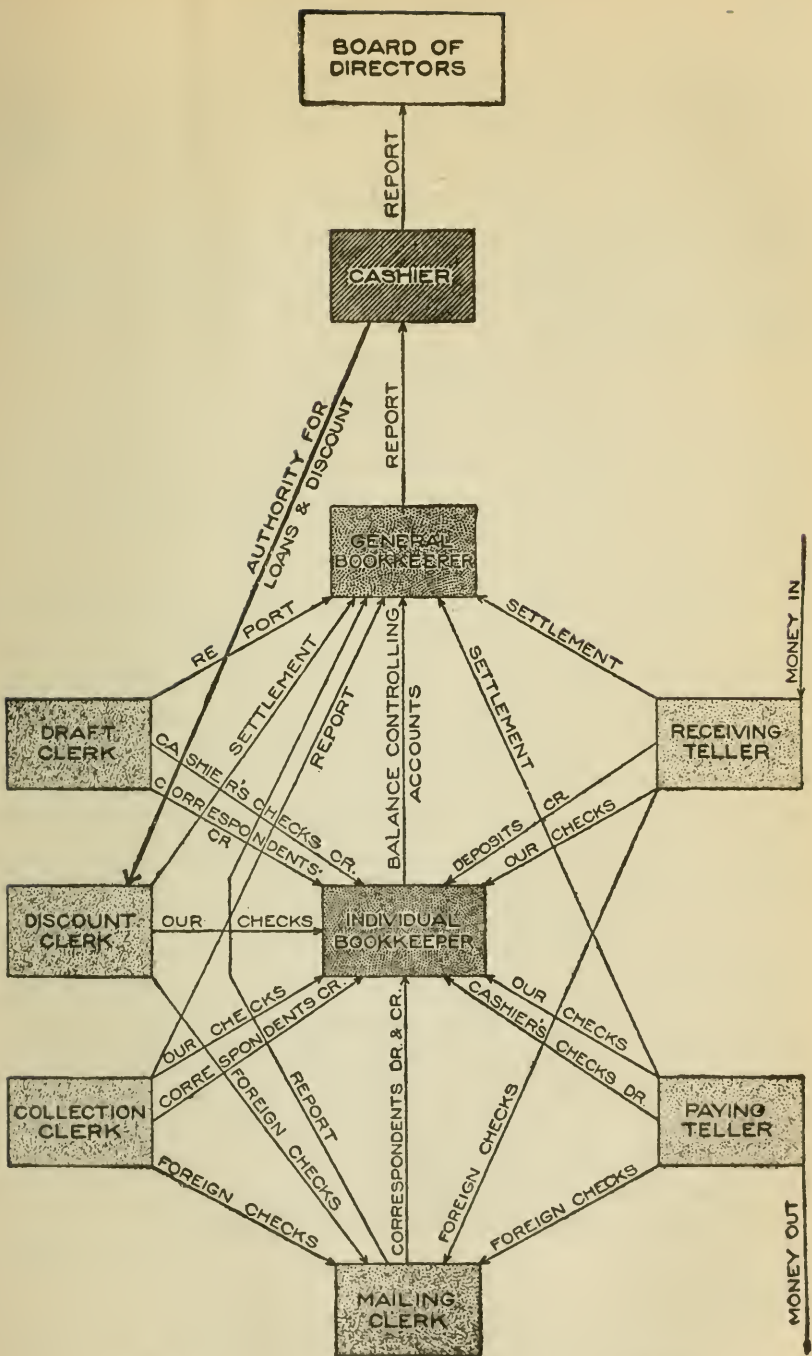


Fig. 95. Chart Showing the Routine of a Bank's Business

A BANKING CHART

65. The simple chart, Fig. 95, shows the relative position of the different banking departments that have been described in these lessons. A study of this chart in connection with the lessons will aid in making clear to the student the dependence of one department upon another, and the general trend of the accounting work of the bank toward the common center of the general bookkeeper's department.

SAVINGS BANKS

66. Accounting in a savings bank is a much more simple proposition than is found in commercial banking. The number of withdrawals from savings accounts are necessarily limited, owing to the fact that in order to withdraw any amount from such an account it is necessary to bring the pass book to the bank.

Savings banks discourage the withdrawal of funds, for two reasons: *First*, it would require a much larger clerical force, as is the case in commercial banking; and *second*, it is contrary to the purpose of the system itself, which was established to encourage the accumulation of savings. Savings banks, as a special inducement for depositors to leave their money with them, pay from three to four per cent interest upon deposits that are in their bank for full six months, some of them allowing a few extra days at the beginning of the term in order to encourage more deposits. Laws have been passed in most of the states requiring the filing of a notice of the proposed withdrawal for a specified time in advance, usually sixty to ninety days. It is very seldom that the bank requires such a notice, and it is only in times of panic or financial disturbance that the notice is demanded, at which time it forms a valuable safeguard against the rapid depletion of the resources of the bank. It allows the bank to invest its funds in interest paying securities more closely than could be done if they were not safeguarded in this manner.

Should a depositor withdraw a portion of his funds between interest dates, it is customary to compel him to forfeit the interest for the expired period. This is a loss to the depositor and a profit to the bank.

The accounting department of a savings bank usually consists of a general bookkeeper, a paying teller, a receiving teller, and as

many individual bookkeepers and assistant individual bookkeepers as are necessary. In some savings banks the cashier keeps the general books.

CASHIER

67. The cashier in a savings bank has practically the same duties in a modified form, as the cashier in a commercial bank. He is more closely identified with, and has a greater responsibility in the matter of investment of the surplus funds. The investment books used by a savings bank are similar to those used by other banks.

No.
Signature
Residence
Occupation
Name of Employer
Birthplace
Father's Name
Mother's Maiden Name
Date

Fig. 96. Signature Card for Savings Account

The cashier attends to opening of new accounts. Such banks begin an account frequently with a deposit as low as one dollar. Many institutions sell a small combination iron bank which can be used at home for the saving of dimes and nickels, the combination known only to the cashier, or it may be a lock bank with the key left in the possession of the savings bank. The bank is usually sold for one dollar which amount is credited immediately to the account that is opened at the time of sale. If the bank is returned later, the one dollar is refunded.

Upon opening an account, the cashier has the depositor make out an identification card or he may have the card signed by the depositor and fill in the balance himself, Fig. 96.

Our deposit book has the following on the first page:

<p>Established 1873</p> <p>STATE SAVINGS BANK</p> <p>Account No. 26952</p> <p>A E I O U Y</p> <p>Take care of this book.</p> <p>If you lose it, give immediate notice to the bank. Always present this book when money is deposited or withdrawn.</p>
--

The customer is identified by number, and to aid in finding the account more readily, and as an additional identification, the initial of the surname is inserted immediately preceding the proper vowel (the first in the name); for instance, if Mr. Brown opened an account, there would be a *B* inserted immediately preceding the vowel *O*.

The inside of the pass book has the name of the bank, account number, and the following matter: "Payable only on presentation of this book to the depositor whose signature is numbered identically herewith. Not transferable, except after notice to, and with the consent of, the bank. All deposits are received subject to the rules of the bank which will be found on the last three pages of this book." It is ruled to show date, deposit, entered by, withdrawals, and balance.

GENERAL BOOKKEEPER

68. The general bookkeeper has charge of the general books of the bank. The general ledger is similar in form to that used for

commercial banking, providing the Boston ledger is used, and exactly the same as our general ledger, loose-leaf form. The general bookkeeper carries the asset and liability accounts of the bank and an investment ledger similar to that carried in the commercial department. He receives daily reports from the paying and receiving tellers and the individual bookkeepers, and while the individual ledgers are not necessarily balanced daily, a balance is called for often enough to insure their accuracy.

69. **General Cash Book.** In savings banks the general bookkeeper usually keeps a general cash book, which is made up to show the cash *receipts* divided as the individual ledgers are divided by the controlling accounts, a column for interest earned, loans, investment, and a sundry column. The cash *withdrawals* are divided in the

NO PAYMENTS MADE WITHOUT
PASS BOOK.

Chicago, Ill. 190

RECEIVED OF

Metropolitan Trust & Savings Bank

\$ _____ Dollars

To be charged against account No. _____

Witness _____

Owner of Said Account _____

Fig. 98. Savings Account Check or Receipt

same manner with columns for investment, loans, expense, and sundries. The ruling is shown in our Fig. 97. Entries are made in this book from the reports of the individual bookkeeper as to the deposits and withdrawals, after being checked against the reports of the receiving teller and the paying teller. The paying teller's report shows any loans or investments made, interest received on same, and also a record of cashier's checks to pay current bills of the bank and salaries, which are to be charged to expense and itemized.

PAYING TELLER

70. The paying teller has entire charge of the moneys of the bank, paying out to depositors, and on cashier's checks issued for expense. It is usual when a depositor desires to draw money, for

afford the bookkeeper an additional means of verifying the ledger balance after the amount withdrawn has been posted. In some banks the checks or orders for money are presented to the individual bookkeeper first. He refers to the ledger account, O.K.'s the balance, and passes the same to the paying teller for payment.

As the checks are paid, the teller files them on a spindle. They may be removed for entry in the ledger as often as desired during the day, but when any number of them are taken at a time they should be listed in duplicate, on the adding machine, and the initialed original filed on the spindle in its proper place. Some banks mark the depositor's account number opposite each amount withdrawn to assist in checking up the day's business. When the withdrawal closes an account, the pass book is taken up and filed, the ledger page removed from the current to the inactive binder, and the signature card also removed to a file for *Closed* accounts. The fact that savings banks do not usually take a daily balance and that the number of withdrawals is limited makes the discovery of errors more difficult. Every available safeguard should be taken to prevent mistakes and frequent opportunity provided for balancing the day's entries. The ledger sections should be balanced against the controlling accounts in the general ledger very frequently.

71. Paying Teller's Report. The paying teller should make a daily report showing the amount paid out on accounts closed and the amount paid out on open accounts. These two amounts should balance the total amount of the individual ledger accounts as submitted by the individual bookkeeper for each ledger or series of ledgers controlled by the general ledger. His report should show also the amount paid on cashier's checks, the account for which should be handled in the same manner as noted in commercial banking, with the exception that the general bookkeeper usually keeps the itemized account, Fig. 99.

RECEIVING TELLER

72. It is the duty of a receiving teller in a savings bank to receive and enter in the pass books the moneys deposited to the credit of old and new customers, and to open the metal banks given to customers for their home savings, and to count the money in the

presence of the customer, making an entry of the amount in his pass book. For this purpose a deposit ticket is used, Fig. 100. This ticket should show the pass book number, name, date, and amount of the deposit. Checks are received sometimes for deposit, these being turned over to the commercial department for collection,

or if the bank has no commercial department they are presented by messenger direct to the banks upon which they are drawn. Since the majority of savings bank depositors are not well versed in business the receiving teller is frequently called upon to make out the deposit ticket himself. He should use great care in counting the money and be sure that no other money is close at hand. The

SAVINGS DEPARTMENT		
Metropolitan Trust and Savings Bank		
Pass Book No.....		
Name		
Chicago,.....	19.....	
	DOLLARS	CENTS
Currency.....		
Gold		
Silver.....		

Fig. 100. Savings Account Deposit Ticket

counting should always be done in the presence of the depositor.

73. Receiving Teller's Proof. The receiving teller should begin the morning's work with an empty cash drawer, and turn over to the paying teller each evening the total amount of deposits received. He should enter each deposit, giving the number of the pass book and the amount of the deposit, on his daily proof sheet, Fig. 101. He should also record on this sheet at the close of business the amount of cash on hand as specified on the sheet and also the amount of checks received during the day and their disposition. He should report to the general bookkeeper upon the form shown in Fig. 102 each night, filling in the information of the full amount of deposits, the amount received on new accounts, the amount received on old accounts, and the number of new accounts opened each day.

In some savings banks the duties of the cashier, receiving teller, and paying teller are all performed by one man.

Most banks compute interest on the monthly balances during the month of June, assuming that it will be the same on July 1st. Deposits during June make no difference, but when withdrawals are made the interest must be changed accordingly. This is comparatively little labor as no one withdraws money during June who can leave it until July 1st. About the only real rush in savings bank work is during the first few days in January and July, when there is a greater activity in the accounts especially in withdrawals. Interest

FARMERS DEPOSIT SAVINGS BANK PITTSBURGH, PA.									
DEPOSITS					Date _____				
Ledge No. _____		Account No. _____ To _____			Ledge No. _____		Account No. _____ To _____		
DEP. NO.	ACCOUNT NUMBER	AMOUNT DEPOSITED	CK. ✓	ACCOUNT NUMBER	AMOUNT DEPOSITED	CK. ✓	CALLED BY	CHECKED BY	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									

Fig. 104. Daily Statement of Savings Deposits

on all mortgage loans is due April and October the first, making this a busy time but, by paying interest to depositors in January and July, it keeps the business normal and aids materially in equalizing the work in a bank, thereby keeping the number of employes at the minimum.

SAFETY DEPOSIT VAULTS

76. Connected with many banks, especially where they own their building, are safety deposit vaults. These vaults contain safes or safety boxes which are rented to customers who desire to have a

FARMERS DEPOSIT SAVINGS BANK
PITTSBURGH, PA.

RECAPITULATION OF DEPOSITS AND WITHDRAWALS

DATE _____

	NO. OF DEPOSITS	NO. OF WITHDRAWS	LEDGER NOS.	ACCOUNT NUMBERS	PREVIOUS BALANCES	DEPOSITS	TOTALS	WITHDRAWALS	TODAY'S BALANCES
			1	1 to 600					
			2	601 to 1,200					
			3	1,201 to 1,800					
			4	1,801 to 2,400					
			5	2,401 to 3,000					
			6	3,001 to 3,600					
			7	3,601 to 4,200					
			8	4,201 to 4,800					
			9	4,801 to 5,400					
			10	5,401 to 6,000					
			11	6,001 to 6,600					
			12	6,601 to 7,200					
			13	7,201 to 7,800					
			14	7,801 to 8,400					
			15	8,401 to 9,000					
			16	9,001 to 9,600					
			17	9,601 to 10,200					
			18	10,201 to 10,800					
			19	10,801 to 11,400					
			20	11,401 to 12,000					
			21	12,001 to 12,600					
			22	12,601 to 13,200					
			23	13,201 to 13,800					
			24	13,801 to 14,400					
			25	14,401 to 15,000					
			26	15,001 to 15,600					
			27	15,601 to 16,200					
			28	16,201 to 16,800					
			29	16,801 to 17,400					
			30	17,401 to 18,000					

Fig. 105. Daily Recapitulation of Deposits and Withdrawals

safe place of deposit for money, papers, jewelry or other valuables.

NAME					SAFE NO.		
ADDRESS					RENTED BOX		
AGE	HEIGHT	WEIGHT	HAIR	COMPLEXION	PASS WORD		
RENT PAID		AMOUNT		RENT PAID		AMOUNT	
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		

Fig. 106. Renter's Identification Card

A NAME					SAFE NO.		
OR B NAME							
ADDRESS A				DESCRIPTION A			
AGE	HEIGHT	WEIGHT	HAIR	COMPLEXION	PASS WORD		
ADDRESS B				DESCRIPTION B			
AGE	HEIGHT	WEIGHT	HAIR	COMPLEXION	PASS WORD		
RENT PAID		AMOUNT		RENT PAID		AMOUNT	
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		
FROM	TO			FROM	TO		

Fig. 107. Co-Renter's Identification Card

The prices obtained for rental vary according to the size of the safe. The corporation owning and operating the safety deposit vaults, while

entirely separate from the banking corporation, is frequently composed of the same people.

As the rental of the boxes, and the proper safe guarding of the contents against loss by fire or burglary, is the only business of this company the accounting is very simple. The only books kept are the stock ledger and register for the company, a cash book simply showing the receipts for rental and the disbursements for the various items of expense, a journal for closing entries, and a small bound general ledger, having *Debit*, *Credit*, and *Balance* columns. In the balance column, debit, balances are recorded in black and credit balances in red ink.

NAME					SAFE NO.
ADDRESS					
DEPUTY FOR					
AGE	HEIGHT	WEIGHT	HAIR	COMPLEXION	PASS WORD

Fig. 108. Deputy's Identification Card

When a customer makes application to rent a box he is given an identification card to fill out and a *password* which will identify him, and which is not to be divulged. This information is entered upon a card, Fig. 106. He answers all questions asked in the blank spaces as to age, complexion, hair, eyes, etc. He is then given a receipt for his rent and the deposit which should invariably be charged for the keys, which deposit is refunded to him upon their safe return. His signature is then taken to the contract for rental which should be on the reverse of the card. These cards also serve as the individual ledger.

The *Co-renter's* contract, description, and ledger card differs from that of the individual, inasmuch as it is a joint and several contract permitting either of two parties to have access to the box after the death of the other, and during the life of both. It is necessary to have the two descriptions, Fig. 107.

A renter may empower a deputy, or more than one deputy, to enter the vaults and have access to his box at any time, but the power vested in the deputy differs from that of the co-renter, in that it ceases with the death of the renter and may be revoked at any time by the original renter. Cards for deputies, Fig. 108, should be of another color, either blue or red, and have no tabs.

NAME	SAFE NO.
ADDRESS	EXPIRES
RENTAL \$	

Fig. 109. Expiration Card for Leases

The renter's cards have tabs upon them and are kept in numerical order according to the numbers of the boxes rented, with guide cards between them to indicate the tens, hundreds, and thousands, so that the moment a key is presented the card is instantly obtainable, giving a complete description of the renter, also his ledger account and password, in fact everything necessary to be known to identify him.

The deputy's card (not tabbed) is kept in the ledger case directly behind the card of the renter whose deputy he is. It is thus possible for one renter to have several deputies who have authority to open his safe.

When a renter comes to open his safe he is attended by the watchman, who opens the bank's lock for him. All safes in vaults require a key of the bank and a key of the renter to open. The bank's locks all open with the same key, but each renter's key is different. The renter has all of the keys of his lock that are made, and the box cannot be opened by the bank authorities unless in the presence of the renter. When a safe is not in use a numbered card, Fig. 106, should be made, these cards being kept in a separate file so that the attendant may know what boxes are unrented. When a box is rented the card

BOX RENT PAYABLE INVARIABLY IN ADVANCE			
CHICAGO, ILL., _____ 19__			
NAME _____			
ADDRESS _____			
To STATE SAFE DEPOSIT VAULTS Dr.			
For Rent of Safe No. _____		Due _____	

Fig. 110. Renter's Monthly Statements

is taken out, filled in properly, as has been explained, and deposited in the individual ledger file *current*.

A "dead" file is kept for closed accounts. When the renter gives up his box, and when the account is balanced, the card is transferred from the current file to the "dead" file.

An expiration card, Fig. 109, should be made out, noting name, address, number of box, price per year, and when due. These cards should be made out at the time the box is rented in order that every customer will be represented on the expiration cards. These cards are filed in a chronological file and come up whenever the

rent is due so that statements can be sent out promptly and with little trouble. The form of statement sent to customers is simple, Fig. 110. As the guide cards in the time tray run according to days, months, and years, it is only necessary when a customer pays his rent to note the payment on the card and transfer it to its proper space for the succeeding year. It is a good plan to keep expiration cards upon which payments are made out of the time tray until they have been checked up with the entries in the cash book for the day, or a

NAME
ADDRESS
DATE RENTED
BOX NUMBER
PASS WORD
RENT EXPIRES

Fig. 111. Cross-Index for Renters

machine list made of them to show that they balance with the recorded receipts.

The use of the expiration card greatly facilitates the sending out of statements, and keeps a very close tab upon those who are behind in their rental.

A cross-index should be kept for renters, Fig. 111, giving name and address, date rented, number of box, password, and time of expiration. With this index, if anyone simply gives the name we can readily ascertain the particulars and number of his box without asking for the key. We will also know what date his rent comes due, without reference to the expiration cards.

An account is kept in the general ledger called *Rentals*. To this account is credited all amounts received for rental of boxes. A

key account should also be kept to which is credited money received on deposit for keys, and debited for money paid back in rebates when keys are returned by customers who surrender their boxes.

The regular expense accounts necessary are kept, and the disbursements are all made by check accompanied by voucher. All other detail is similar to regular commercial accounting.

A DAY'S BUSINESS

While the following synopsis will not include all of the bank's business for one day, a sufficient number of transactions without unnecessary duplication, will be given to fully illustrate the various divisions of the work. It should be the student's duty to properly place the various transactions in the different departments and make the entries necessary to balance the day's business.

A list of thirty depositors is here given, showing their balance at the commencement of the day's business. These depositors are as follows:

H. R. Whiteside	\$2,163.20
Sullivan Oil Co.	10,100.00
Cleveland Stone Co.	195.10
F. E. Atchison	201.00
John E. Bates	8.30
Standard Roofing Co.	21,402.09
Central Heater Co.	9,768.21
John Johnson	3,329.15
Timm Bros. & Stagg	9,675.42
Garside Drug Co.	31,579.87
Edward Ward & Co.	102,345.67
Peacock Bros.	45,785.91
John D. Johnson & Co.	950.00
John Anderson	30.56
Fred Bushnell	150.50
City Gas Co.	112,403.10
The Nelson Co.	1,301.75
Wright Range Co.	45,689.33
The West Mfg. Co.	355,689.70

Lexington Hotel Co.	\$ 25,778.92
Texas Real Estate Co.	23,765.07
Mrs. G. K. Sacks	345.86
Miss Alice Greenwood	2,345.71
New York Life Insurance Co.	60,000.00
Pacific Surety Co.	8,975.20
Olcott Novelty Co.	2,345.90
Empire Knitting Mills	17,790.00
Snow Flake Laundry Co	2,755.00
Scribner Printing Co.	700.30
Houghton Lumber Co.	29,754.20

The following are the business transactions of the day as far as is necessary to illustrate the various duties, entries, etc.:

Deposit of the West Mfg. Co.

Currency	\$ 40.00
Gold	10.00
Silver	2.35
Checks:	
Peacock Bros.	100.00
On New York	210.20
On Boston	9.51
On Denver, Colo.	34.30
Total	<u>406.36</u>

Loaned to Lexington Hotel Co., \$10,000.00, on demand at 5% with collateral 100 T & P Bonds at 112.

John Anderson secures permission to overdraw and cashes a check for \$81.00 on our bank.

Peacock Bros. buy drafts as follows, paid by check:

New York	\$11,201.90
St. Louis	642.61

Cash Pay-Roll Check for the sum of \$9,201.50 and makes deposit as follows:

Checks	
New York	\$ 2,200.35
Boston	12,910.00

Birmingham, Ala.	\$ 1,200.00
Our Bank (Fred Bushnell)	210.10
	<hr/>
Total	16,520.45
Less Exchange	1.20
	<hr/>
	16,519.25

The Cleveland Stone Co. discount a note for \$1,500.00 for 3 months at 6%. The discount amounts to \$22.50, the net proceeds are \$1,477.50

John Parkinson opens an account and deposits \$2,840.00 (check on Bardwell & Co, City).

For Standard Roofing Co. discounted four notes as follows:

Domestic Poultry House, \$500.00—3 months
at 6%, discount \$7.50, proceeds \$492.50.

George Anderson, New York City \$250.00—
4 months at 6%, discount \$5.00, proceeds
\$245.00.

John Peterson, Davenport, Iowa, \$300.00—
5 months at 6%, discount \$7.50, proceeds
\$292.50.

Climax Poultry Co., Kansas City, Mo.,
\$175.00—3 months at 6%, discount \$2.63,
proceeds \$172.37.

The Mailing Clerk received from the Commercial National Bank of New York City (correspondents) checks on our bank as follows:

Sullivan Oil Co.	\$ 1,172.37
Texas Real Estate Co.	2,000.00
New York Life Insurance Co.	21,000.00
The West Mfg. Co.	4,444.44
Other Clearing House Banks of the City	1,200.40
On Non-Clearing House Banks of the City	100.00
	<hr/>
Total	29,917.21

John Smith buys a letter of credit for \$2,000.00, on which the charges are \$10.00 for service. He pays cash.

Bill for new desk is paid, amount \$80.00.

Gas Bill paid, amount \$9.80.

Certified Check presented for Edward Ward & Co., \$10,102.90.

The following checks were presented at the Paying Teller's window and paid:

Wright Range Co.	\$ 280.10
City Gas Co.	13,000.10
The Nelson Co .	2.25
Miss Alice Greenwood	350.00
Fred Bushnell	25.00
Garside Drug Co	500.00
Total	<u>14,157.45</u>

Check presented, John E. Bates for \$19.00. Refused, not sufficient funds.

Deposit by John D. Johnson & Co.

Currency	\$ 200.00
Gold	100.00
Checks	
New York	1,235.50
Boston	500.00
Edward Ward & Co.	1,000.00
Clearings Banks	2,200.30
Birmingham, Ala.	100.00
Total	<u>5,335.80</u>

Exchange paid in cash .25

Received checks from Clearing House for \$32,100.45.

Paid Clearing House balance \$4,858.25.

Received from Collection Clerk yesterday's Clearing House Checks \$27,242.20.

Individual Bookkeeper checks turned over from Clearing House to be charged to accounts.

City Gas Company	\$ 1,200.00
New York Life Insurance Co.	10,000.00
New York Life Insurance Co.	1,000.00
Pacific Surety Co.	225.00
The West Mfg. Co.	12,800.00
The Nelson Co.	17.45
Garside Drug Co.	100.00
Garside Drug Co.	58.00
Timm Bros. & Stagg	2,000.00
Empire Knitting Mills	<u>4,700.00</u>
Total	<u>32,100.45</u>

Sold draft on Commercial National Bank, New York City, for \$1,000.00 to John Ward; exchange \$1.00. Draft paid by check on our bank by Edward Ward & Co. for \$1,001.00.

Received for collection from the Massachusetts National Bank of Boston, the following items:

Sight draft on the Sullivan Oil Co. \$1,000.00
 Note of John D. Peterson 261.20

Interest at 7%—8 months no protest.

Note of Morgan Bros. for \$3,720.60, dated Jan. 1st, six months, now due, with interest at 7%. Endorsed by John C. Brown, also of this city. To be protested if not paid. Payable at Continental Bank.

Draft on Preston Printing Co., \$25.50, no protest.

Draft on Brewster & Co., of Peoria, Ill., for \$690.40 to be protested if not paid.

Made a renewal for Note of Edward Ward & Co., \$30,000.00—5 months at 6%. Discount \$750.00, proceeds \$29,250.00.

Received by mail, from First National Bank, Quincy, Ill., the following items:

Checks on our bank	
H. R. Whiteside	\$ 163.20
Olcott Novelty Co.	680.02
Checks on the Continental Bank	524.00
Checks on the First National Bank	2,132.45
Checks on the New National Bank	10.00
Total	<u>3,509.67</u>

Sold Certificate of Deposit—6 months at 4%, to Miss Irene Campbell, amount \$100.00.

Deposit by H. R. Whiteside as follows:

Cash	\$100.00
Checks on our bank	
Garside Drug Co.	521.00
F. E. Atchison	11.00
Texas Real Estate Co.	511.20
Checks on	
Atchison, Kas.	10.00
Topeka, Kas.	10.00
Kirkwood, Mo.	50.00
St. Louis, Mo.	233.00
Omaha, Nebr.	100.00
Total	<u>1,546.20</u>
Less Exchange	.45
	<u>1,545.75</u>

Deposit by John Johnson

Cash	\$500.00
Coupons	50.00
Quincy City Bonds, Serial "S," Numbers 451 to 460 inclusive.	
	<u>550.00</u>

Cashier's Check for \$1,000.00 given to the Central Heater Co. to put up on contract with the Lexington Hotel. Contract with Hotel deposited as security, term sixty days, charge \$10.00. The Central Heating Co. pay the \$10.00 in cash and give note endorsed by the president, due in sixty days, for \$1,000.00.

John Y. Pearson opens an account with the bank. He deposits \$1,000.00 Cash and a Certificate of Deposit on the Continental Bank with four months to run at 4% for \$500.00, the amount added to his deposit for earned interest, \$3.33. The bank carries the Certificate until maturity for the unearned interest.

Telephone message to charge \$1,000.00 sight draft on Sullivan Oil Co. to their account. Note of John D. Peterson being unpaid and no protest, is returned to sender (no charge on account of being our correspondent). Note of Morgan Bros. for \$3,720.60 not paid and protested. Protest fees \$2.90, charged Boston. Draft on Preston Printing Co. for \$25.50 paid. Credit account Boston correspondent.

The Discount Tickler shows the following notes due:

Central Heater Co.	\$1,000.00
charge to account.	
Texas Real Estate Co.	350.00
charge to account.	
Houghton Lumber Co.	1,000.00
Payable at Old Natl. Bank, City—sent out by Messenger and paid.	
Snow Flake Laundry Co.	300.00
Renewed for 60 days, interest \$3.00, charged to account.	

Issued to Richard Sparling for Cash, Certificate of Deposit number 21096, for \$1,100.00.

Deposited by Miss Alice Greenwood:

Currency	\$ 9.00
Gold	5.00
Check on New National Bank	<u>100.00</u>
Total	114.00

Check paid on O. K. of Cashier to stranger. Check drawn on First National Bank, Los Angeles, California, for \$435.00. Exchange charge of \$.50 deducted.

The Collect on Clerk turned over to the Note Teller the following payments for notes:

John J. Peterson, \$100.00 collected for Massachusetts National Bank, Boston.

John G. Bliss & Co., \$450.50 collected for the Third National Bank of St. Louis, payable at Central State Bank, City. Certified by that bank and sent through the Clearing House.

Received from the First National Bank of Cario, Ill.:

Checks on Continental Bank City	\$1,023.33
Checks on First Natl. Bank, Milwaukee	116.35
Checks on Farmers' Bank, Minneapolis	321.00
Checks on New Orleans Natl. Bank	1,100.00
Checks on Farmers' Bk., Oshkosh, Wis.	<u>100.00</u>
Total	2,660.68

Sent in payment for this New York Draft \$2,658.68. Exchange \$2.00.

Snow Flake Laundry Co. make a deposit as follows:

Currency	\$35.00
Silver	5.50
Checks our bank	
Mrs. G. K. Sacks	1.80
John Anderson	.75
Fred Bushnell	1.50
Postal Money Order	2.00
Express Money Order	<u>1.80</u>
Total	48.35

Mrs. J. G. Benson makes a deposit of \$500.00 and takes a Certificate of Deposit payable on demand.

Received from Third National Bank, Baltimore, collection No. 842, being note of F. E. Williams due March 31st, payable at our bank, protest, amount \$265.20.

Received from First National Bank, Emporia, Kansas, collection No. 3122, note of the Central Iron Co. due March 28th, payable at Continental Bank, Chicago, amount \$601.50, protest.

Received from Farmers' Bank, Princeton, Ill., collection No. 8741, sight draft on the Wright Range Co. for \$50.00, no protest.

The Discount Tickler shows the following notes to be due:

Garside Drug Co.	\$ 1,000.00	charged their acct.
West Manufacturing Co.	15,689.70	charged their acct.
Greenburg & Co.	2,100.00	payable at First National Bank, City, Certified by them and sent to Clearing House for payment.
Sullivan Oil Co.	511.50	charged their acct.

Mailed to our New York correspondent for credit the following checks:

F. E. Chase & Co.—First National Bk., N. Y., \$1,200.00
 On Commercial Bank, N. Y., endorsed by Central Heater Co. 560.10
 On Third Natl. Bk., N. Y., endorsed by Edward Ward & Co. 5,000.00
 On Commercial National Bank, N. Y., City.

J. G. Spencer & Co.	\$1,110.05
N. Y. News Co.	205.00
C. E. Sheppard & Co.	601.80

On Second Natl. Bank, Jersey City, endorsed H. R. Whiteside 91.05

Drafts were drawn on our New York Correspondent during the day as follows:

No. 45622, payable to Third National Bank, Baltimore, for collection No. 842, note F. E. Williams, exchange \$1.20—\$264.00.

No. 45623, payable to Sullivan Oil Co. \$1,000.00 for which we received their check, exchange charged \$1.00 paid in cash.

No. 45624, payable to Farmers' Bank, Princeton, Ill for collection No. 8641, sight draft Wright Range Co., exchange \$.50; amount \$49.50.

No. 45625, payable to Continental Bank, Chicago, for collection J. B. Smith & Co., no exchange, \$461.00.

Received from First National Bank, Memphis, Tenn., draft on Chase National Bank, N. Y., for \$164.20, proceeds of collection sent out by Cleveland Stone Co. Credited their account less \$.35 exchange.

Note of John B. Pearson, endorsed by Central Heater Co., protested for non-payment. Protest fees \$2.00, if not paid to-day must be charged to account Central Heater Co. to-morrow.

Advice from the Third National Bank of St. Louis that collections sent them have been paid as follows:

Continental Commercial Co.	\$ 200.00
Wrought Iron Range Co.	1,150.20
Luyties Bros.	65.80

Their exchange charge \$1.50, net amount credited our account. Our credits go to F. E. Atchison for Continental Commercial Co., to Wright Range Co. for the Wrought Iron Range Co., and to the Nelson Co. for Luyties Bros. Collection charges \$.50 on Wrought Iron Range Co. and \$.25 exchange for each of the others.

The Perkins Millinery Co. open an account with the bank, depositing \$150.00 currency, and a check for \$1,800.00 on Bardwell & Co, they also have entered for collection on M. Loeb & Co, note due at their bank in thirty days signed by Christopher Joy and endorsed by Perkins Millinery Co.

John H. Perkins of the above company has twenty coupons series "J" numbers 823 up for \$3.00 each, cashed at Paying Teller's window.

Deposit by Timm Bros. & Stagg as follows:

Currency	\$100.00
Gold	20.00
Silver	25.50
Pennies	1.17
Checks:	
Central State Bank, City	20.00
State National Bank, City	110.80
J. Scott Banking Co., City	10.00

Central Natl. Bank, Columbus, Ohio	\$100.00
Farmers' Bank, Lancaster, Ind.	25.00
Total	412.47
Less Exchange	.40
	<u>412.07</u>

Deposit by City Gas Company as follows:

Checks on our bank	
John A. Bates	\$ 2.20
Standard Roofing Co.	21.10
Sullivan Oil Co.	18.05
John D. Johnson & Co.	61.20
Lexington Hotel Co.	206.10
Checks on	
Old National Bank, City	1,218.00
First National Bank, City	720.20
State National Bank, City	15.00
Continental Bank, City	905.18
New National Bank, City	81.20
The Peoples Bank, City	12.00
Bardwell & Co. Bank, City	<u>121.06</u>
Total	<u>3,381.29</u>

Texas Real Estate Co. make a deposit of \$1,000.00 currency.

The following checks were paid at the Paying Teller's window:

Pacific Surety Co.	\$ 145.20
Texas Real Estate Co.	18.45
Texas Real Estate Co.	42.90
Texas Real Estate Co.	2,145.80
H. R. Whiteside	920.35
Timm Bros. & Stagg	621.90
Edward Ward & Co.	10,520.06
City Gas Co.	403.20
City Gas Co.	912.05
City Gas Co.	8.00
John Anderson	2.01
Peacock Bros.	5,230.05
Cleveland Stone Co.	12.00

West Mfg. Co.	\$51,642.08
Garside Drug Co.	1,210.00
Lexington Hotel Co.	701.95
Lexington Hotel Co.	321.30
Lexington Hotel Co.	5.00
N. Y. Life Insurance Co.	5,000.00
Empire Knitting Mills	745.08
Empire Knitting Mills	1,792.33

Check on the First National Bank, City for \$922.10, cashed by Paying Teller for convenience of a customer.

The Nelson Co. give a collateral note for \$500.00 secured by a note made to them due in 6 months, amount \$1,000.00, signed by Edward Ward & Co. Discount \$7.50, net amount credited their account.

Mrs. G. K. Sacks presents a Certificate of Deposit due with interest for 6 months at 4%, issued by the Continental Bank, City, amount \$1,000.00, and receives the cash therefor.

The Wright Range Co. apply to the Cashier for discount on their own note, amount \$10,000.00, time 90 days. The Cashier before making the discount, requests them to furnish him with the proper note pledging the officer's individual liability as well as that of the corporation. Student prepare note.

John Johnson deposits a demand Certificate of Deposit not bearing any interest for \$750.00.

The Standard Roofing Co. leave with the Cashier for safe keeping a contract with the C. & N. W. Railway Co. for \$10,000.00. Show Cashier's receipt.

The Olcott Novelty Co. present the following drafts on customers outside of the city, for collection:

Benson & Brown, St. Louis	\$165.85
Milwaukee D. Gds. Co., Milwaukee, Wis.	88.05
Schipper & Block, Peoria, Ill.	95.00
Siegel & Cooper Co., New York City	845.12
People's Dry Gds. Co., Boston, Mass.	18.40
Boggs & Buhl, Allegheny, Pa.	327.69

Peacock Bros. present a draft for collection with bill of lading at-

tached, on Netherlands Grain Co., Minneapolis, Minn., for \$1,231.25. This draft is made to their own order with instructions to turn over bill of lading upon payment.

Edward Ward & Co., ask for the certification of a check, amounting to \$3,142.16.

The Cashier buys \$50,000.00 city of Joliet School Bonds, term 20 years, at 94.

Cashier's Check issued to John N. Wrenn & Co. in payment for the above bonds.

The Cleveland Stone Co. discount a Judgment Note for \$200.00, 60 days. Discount \$2.00, net amount credited to their account. Student make note and follow transaction.

The following checks and notes sent in by outside individuals and outside banks were found by the collection clerk uncollectible. He hands them to the proper department for attention.

Omaha Natl. Bank, Omaha, Nebr.	\$165.00
(Note) Fourth Natl. Bank, Kansas City, Mo.	*201.05
J. G. Spencer, Louisville, Ky.	80.10
Third Natl. Bank, St. Louis, Mo.	812.09
City Bank, Oshkosh, Wis.	112.00
*\$2.00 protest fees.	

The Garside Drug Co. make a deposit as follows:

Currency	\$ 75.00
Gold	20.00
Silver	39.25
Checks: Our Bank	
Miss Alice Greenwood	52.50
John D. Johnson Co.	115.71
Sullivan Oil Co.	65.00
Checks: City Banks	
State National	250.00
J. Scott Banking Co.	8.10
M. Loeb & Co.	915.66
First Natl. Bank, Peoria, Ill.	20.90
Farmers' Natl., Kewanee, Ill.	713.21

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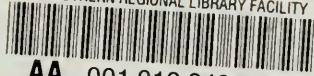
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**The
theoretical man
knows *why*. The
practical man
knows *how*. The
man who would
lead must know
why and how.**

