

L.T. - SUNOCO , FRIDAY FEBRUARY 9, 1934.

GOOD EVENING EVERYBODY:

I'm in Washington tonight. And believe me this is the most exciting place in the country to be in today. For instance let's start with the President's latest bombshell:- By presidential decree it has been ordered that all the airmail contracts in the United States shall be cancelled. The announcement that came from the White House this afternoon is, that owing to the evidence of colusion and corruption in the awarding of contracts for transportation of airmail the President has ordered the Postmaster General to cancel all of them, except those for ~~ex~~ foreign mail. The date of cancellation has not yet been agreed upon.

This will not mean complete disruption of airmail service. Your letters will be carried so far as possible by U.S. Army planes. The President has instructed the Postmaster General to get together with the Secretary of War and the Secretary of Commerce, to perfect arrangements. The Army will place not only planes but pilots and fields at the disposal of the Post-

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master General. Gen. Douglas McArthur, Army chief of staff, said he understood the order would go into effect in about a week. He said the Army was ready.

At about the same time as the President's executive order came out William P. MacCracken, former Assistant Secretary of Commerce, was ordered arrested by the Senate after failing to answer a summons to appear before that body at noon today. The Senate dispatched Chesley Journey, Sergeant at Arms, to find Mr. MacCracken. Journey first went to MacCracken's office in the National Press Building but did not locate him. He next visited Frank J. Hogan, Mr. MacCracken's attorney but still failed to find MacCracken.

The Senate adjourned at five o'clock tonight but up to that time MacCracken had not been arrested. Mr. MacCracken sent a letter to the Senate in which he said that he questioned whether the Senate had the authority under the Constitution to summon him to appear. It was on constitutional grounds that he declined to answer summons.

But that wasn't the only big news in Washington today.

STOCKS

At last we know what President Roosevelt's ideas are on the vital subject of regulating Stock Exchanges. He sent Congress today a special message, the most important since the one in which he set forth his money program. What he told the legislators affects all of us more or less directly but it is of particular significance to investors.

First of all he pointed out the urgent necessity of new laws to protect investors and also to put an end to speculation that is unnecessary, unwise and destructive. At the same time he admitted that exchanges, not only commodity but security exchanges, were indispensable to the life of both business men and farmers. Without commodity exchanges there can be no proper traffic in farm products and without security exchanges business could not carry on. Nevertheless he emphasized the point that it was necessary to compel the exchanges to abolish the sort of speculation that is destructive.

Immediately after the President's message was read to the Senate a bill was introduced by Mr. Fletcher of Florida, Chairman of the Committee on Banking and Currency. It is a most

drastic measure calling for the strictest kind of regulation of the Exchanges. It was made emphatically clear that Mr. Fletcher's bill is not a White House measure. Though the President is familiar with the terms of the bill he conspicuously refrained from giving it any endorsement in his message.

The bill requires all Exchanges to be registered and licensed by the Federal Trade Commission. It definitely restricts the amount of money that a broker can lend to a customer on any securities. A broker may not lend more than eighty percent of the lowest price at which the share or bond sold within the preceding three years. In other words if you own a hundred shares of any stock that within the last three years was down as low as twelve dollars your broker may not lend you more than eighty per cent of twelve hundred dollars, even though the stock may now be selling at fifty. As an alternative a broker may lend forty per cent of the current market price.

And here's another rule proposed by Senator Fletcher. No broker may borrow on registered securities except from member

banks of the Federal Reserve System. Furthermore a broker may not pledge the securities of his customers as collateral for loans without the customer's consent. Brokers are also prohibited from giving out pool tips.

We will surely hear a lot about this measure in the next few weeks. There is bound to be unlimited difference of opinion regarding it.

UTILITIES

Washington is making things warmer and warmer for public utilities. Hitherto when State Public Service Commissions ordered the corporations to lower their rates the corporations would appeal to the Federal Courts. So Senator Johnson of California offered a bill making such appeals impossible in the future. After a week's debate this bill was passed today without a record vote. That puts it up to the House.

PUBLICITY

A new ruling made by the Roosevelt Administration will provide plenty of more work for newspapermen. Since the year nineteen twenty-six it was the custom not to make public any of the complaints filed against corporations, that is, filed with the Federal Trade Commission. In the future all this is to be changed. Any complaint, whether concerning unfair practices, discrimination or monopoly, will be given out to the public. President Roosevelt guarantees full publicity in all such matters from now on.

WILLARD

One of the colorful gatherings of the year is when the Military Order of the Carabao holds its banquet. Those who belong are Army, Navy and Marine officers and War Correspondents who have had service in the Phillipines. They are gathering in Washington now, getting ready for their session at the Willard Hotel tomorrow.

GOLD

We are now getting gold from Canada as well as from Europe. For a year, even since Uncle Sam went off the gold standard, the Canadians were shipping their spare supply of the precious metal to London. But this week they have sent two shipments, four million dollars worth, to the U.S.

BUSINESS

From various sources we learn that business is still steadily climbing up the hill. ~~First of all,~~ ^A survey made by the Department of Commerce shows that sales of retail stores in January were more than fifty per cent above what they were a year ago.

Then, there is a report from Dunn and Bradstreet. This firm declares there has been a consistent rise in practically all trades since the first of January. And the approach of Spring appears to be giving an extra kick to every line. People are buying things on the installment plan once more.

Similar news comes from the Federal Bank of Boston. In New England fifty one department stores reported a large increase in sales since the first of the year. In Rochester, New York, the factories turning out men's clothing are more active than at any time during the last four years. Particularly in the making of the more expensive suits. Apparently Uncle Sam's nephews are dolling up again.

But the industrial picture is not all so rosy.

BUSINESS - 2

I was in the Woodbridge, Rahway, Perth Amboy section of New Jersey last night -- the region of copper smelters, terra cotta and brick plants and clay mines, and Mayor August Greiner shook the icicles out of his beard and told me that improvement was mighty slow around there.

TRAMWAY

The people of Philadelphia and Camden will benefit by a transaction that has just been put through in Washington. The Public Works Administration has loaned eleven million nine hundred thousand dollars to the Delaware River Joint Commission. This will be used to build a rapid transit shuttle line across the bridge between Philadelphia and Camden.

WEATHER

I have a warning for motorists, a warning suggested by the Automobile Club of New York. Roads are unsafe anywhere between New York and Washington, D.C. Also throughout northern Virginia and the eastern shore of Maryland. The same applies to northern and central New Jersey, eastern and northern Pennsylvania. The reason is that the snow drifts which gathered across the highways could not be removed. They are frozen into practically solid masses of ice. Anybody who does take a chance on the highways should be sure to take the precautions of using chains.

FORTUNE

The U.S.A. for some time has been proverbially the home of big fortunes. But it was not generally realized that the big ones do not last long. In nineteen twenty-nine there were thirty thousand millionaires in this country. Samuel Crowther, the author, points out today that there are only five thousand of those thirty thousand millionaires left. And he points out further that even those five thousand have a good chance of living to see their riches dwindle if not vanish.

Most of the really huge fortunes in America are of quite recent growth. The oldest is that of the Astor family which dates from more than a hundred years ago. But the three really biggest of all, those of the Fords, the Rockefellers and the Mellons are still in their first generation.

Samuel Crowther also calls attention to another interesting fact. To find really old fortunes one must look neither to America nor to Europe but to Asia. The families of some of the Indian princes have been fabulously wealthy

FIRE

A waterfront fire broke out about an hour ago on the piers in the Bayridge section of Brooklyn, New York, and four alarms have been sounded. Last reports said the fire was not under control.

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Ten mechanics repairing buses in a Brooklyn garage were overcome by monoxide gas and taken to a hospital. They closed all doors and windows to keep ~~up~~ out the cold, and did not know of the danger until they began dropping. Police with gas masks rescued them.

for centuries since the days of the Great Moguls, and some for more than a thousand years. They use banks only as day to day conveniences. The bulk of their wealth they still keep in gold and silver and priceless jewels.

The Gaikwar of Barado, the Nizam of Hyderabad, Hari Singh, Maharajah of Kashmir and others, have rooms knee-deep in uncut gems. And the pearls and diamonds those millionaires wear make our western eyes pop right out.

SANKEY

Did the mystery of the Lindbergh kidnapping die with Verne Sankey? That's one question being asked today, now that the man who was called "America's Number 1 Enemy" has done away with himself.

Sankey was being held at the South Dakota State Penitentiary in Sioux Falls. He was to be arraigned today for the kidnapping of Charles Boettcher of Denver. Two guards were supposed to be watching him day and night. The two who were on duty, left him for five minutes to procure some medicine. They returned to find Sankey hanging from a noose made of his own neckties. With his own hand he had paid the penalty for his racket.

There are still two others to stand trial for that Denver kidnapping. They are Sankey's confederate and his wife, also being held in the South Dakota penitentiary. The latter became hysterical when she learned how her husband had escaped trial.

FRANCE

Gaston Doumergue, seventy year old ex-president of France, has formally taken office as Prime Minister. In so doing he announced the list of colleagues who are to help him in his attempt to restore order out of the chaos of French politics. The new cabinet is, for the most part, radical socialist. But of course that doesn't mean what we usually have in mind when we say radical socialist. A French politician of that brand would seem rather conservative or at least a liberal over here.

However one appointment provided considerable surprise in the French capital. That was the naming of Louis Marin as Minister of Public Health. Marin is a leader of the right, the extreme opposite of the radical socialists.

As was foreshadowed yesterday, Marshall Petain of World War fame, becomes Minister of War. Another General who served with distinction in the big conflict is now the new Air Minister. Another minister who will help offset the radical socialist majority is Andre Tardieu who has long been a powerful figure in French politics.

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Everything has been quiet in Paris since Doumergue came. That is on the surface it has. Nevertheless the government has just called for eight thousand troops. So they are taking no chances. In calling on the troops they are thinking about that general strike which has been called by all the Labor Unions, for next Monday.

ASTOR

There was a real hubbub in the British House of Commons today. And the person who caused it was Lady Astor, the former Nancy Langhorne of Virginia. Lady Astor made a statement which certainly got the goat of her colleagues. She declared that members of Parliament were being bribed by the liquor interests in Great Britain. The accusation aroused such a storm that she subsequently withdrew it. At the same time she remarked: "That just shows how liquor arouses the worst passions."

WEATHER

How do you like the weather? I've just been talking to New York on the telephone and they tell me it's the coldest day in the history of that city; the coldest day since the weather bureau came into existence. At eight o'clock this morning it was fifteen below. The day it seemed comparatively warm with the mercury at three above this afternoon. People along the water fronts and on the ferries watched huge cakes of ice floating down the Hudson and East Rivers. Hospital ambulances were busy treating people for frostbite. At one high school they had to send half a dozen surgeons to take care of a hundred pupils who suffered from the cold. All of Father Knickerbocker's Rapid Transit Lines were delayed by the excessive frost.

Even down here in Washington people were complaining. They thought it was terrific when the temperature dropped almost to zero.

Lake Ontario, they say is frozen solid for the first

time in sixty years.

Curiously enough air service was less affected than other forms of transportation, and the Eastern Air Transport reported a heavy increase in reservations south to Miami.

This is not only the most severe but one of the longest cold snaps we have had. However the weatherman has good news for us. It's going to be colder tonight in some localities -- and then fair tomorrow with the thermometer rising slowly. Well, here's hoping and

SO LONG UNTIL MONDAY.