

TELEGRAM

November 16, 1934

Mr. Joseph P. Kennedy
Room 4437
30 Rockefeller Plaza
New York, New York

[Note: formatting added to make document more readable]

Companies used with gross proceeds registration fee legal and accounting expenses follow

Edison Electric Company first issue
thirty five million dollars
registration thirty five hundred
legal seventy five hundred
accounting twenty thousand

Edison Electric Notes second issue
gross twenty million
legal seventy five hundred
accounting twelve thousand

Central States Power and Light Debentures
gross six million
legal twenty five hundred
accounting fifteen hundred

Northern Power Refunding Mortgage
gross ten million
legal thirty thousand
accounting seventy six thousand five hundred

American Water Works Collateral Trust Bonds
gross fifteen million
legal ninety thousand
accounting seventy two thousand

Mathieson Alkali Works common stock
gross six million two hundred thirty two thousand eight hundred thirty
legal ten thousand
accounting ten thousand

Christian Moerlein Brewery Company common stock
gross five million seven hundred fifty thousand
legal five thousand
accounting no accounting expenses filed

National Distillery common
gross sixteen million eight hundred fifty thousand
legal fifty thousand
accounting forty five thousand

Distillers and Brewers Corporation of America
gross six million three hundred twenty five thousand
legal fifteen thousand
accounting and other fees twelve thousand five hundred

Abba Gold Mining Corporation
gross five million legal fifteen hundred
accounting and other fees one thousand

STOP

thus seen five bond issues five stock issues used only one mining issue used

STOP

only ten issues were used in all and only one of these a speculative mining venture

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aggregate registration fees for ten registrations was thirteen thousand five hundred which when added to two hundred nineteen thousand legal fees above and two hundred fifty thousand two hundred accounting et cetera totals four hundred eighty two thousand seven hundred which is thirty eight one hundredths of one percent of gross proceeds or one hundred twenty six million two hundred thousand dollars

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of course quote registration costs of sound financing on old companies runs into hundreds of thousands of dollars unquote in American Water Works it amounted to one hundred sixty two thousand dollars as above indicated plus three thousand registration a total of one and one tenth percent of the gross proceeds which is by far the largest

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in the case of Boston Edison an issue whose financing was three and one half times American Water Works registration legal and accounting was fifty two thousand five hundred or one tenth of one percent of the gross the chief difference being in the legal expense

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writer evidently did not hear or read speech or he would have known the figure was based on study of ten registrations and not all registrations as he states STOP he also should have known that the twenty day period was described as the actual time required to clear fifty five million dollars of financing of Edison Electric Illuminating Company and did not refer to quote equities unquote

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comment on comparison of new issues with a period following the banking crises is a matter of opinion

J. A. Fayne