

present time it is not at all uncommon for a member of the board of trustees of one college to have his children go to another college - almost wherever they can get in. It is more or less accepted practice. Not so in the 1920's. So, Steve and Jim did have something to do with my decision to leave Raleigh and go to Wilmington. It was while I was in this frame of mind and in this transition that I received a telegram from Frank duPont, asking if I would be interested in going with the Equitable Trust Company, of which he was President. Although I was not in a very happy frame of mind at the time, the message did not impress me particularly. I think that I merely acknowledged receipt of it and said that I would let him know later. I let two weeks pass without doing anything further about it or saying anything more to him. Then he sent me a follow-up message - letter or telegram - asking if I was interested. Then I did get busy. I went up to Philadelphia to see Carl Fenninger of the Provident Trust Company and asked him about Mr. duPont and the Equitable Trust Company. And, to my surprise, I learned from him that Mr. duPont had been in touch with him about a man for his trust department and about me as a possibility. While I was in Carl's office he got in touch with Frank by 'phone and arranged for me to go to see him. But before I tell of our visit to Wilmington and the Equitable, let me tell how Frank ever heard of me.

The annual convention of the American Institute of Banking in 1928 was in Philadelphia at the Bellevue Stratford. I was invited to address the convention. I was the last on the program of an evening session. The program was running behind time. I debated with myself whether to go ahead and make my prepared address or to

cut it short, say a few words, and quit. I decided to make the address I had prepared. In the audience that evening, unbeknownst to me, were Jack Jessup and Bill Mageer of the Equitable Trust Company who had come up from Wilmington to look me over. It was after that, after I had gone back to Winston-Salem that Frank duPont had wired me. What would have happened had I not made the address I do not know. But I do know that it is well always to put your best foot foremost; one never knows who is watching to see how you step.

Anyway, in due course, I went to Wilmington, to the Equitable Trust Company, to Frank duPont's office, and had a talk with him. I asked him lots of questions. I asked him what questions he wanted to ask me. He said none, except would I come. He offered me a salary of \$15,000 a year and an additional \$5,000 out of the bonus at the end of the year. I told him that on a matter as important as this I would have to go back home and talk it over with my wife. There I went back to Raleigh. In a few days Grace and I went up to Baltimore by train. From Baltimore Theo. and Marie White took us by automobile up to Wilmington. We had lunch with Frank and, I believe, his first wife - Katherine, Casey - in the duPont Hotel. Then we, including Casey went for a ride through Brandywine Park. When we came back, we dropped Casey at their home, 814 North Broome Street. When she left the automobile she said to me, "I hope you will come."

Back in Raleigh, in a few days Colonel Fries came to the Raleigh office. Then and there I decided to leave Raleigh and the Wachovia and go to Wilmington, Delaware, and the Equitable. He received my statement almost without comment, returned to Winston-Salem, and wrote me a beautiful letter which, I think, I have preserved

\$15 million of insurance policy contracts in insurance trusts.
in my Journal.

making a grand total of nearly \$65 million but soon after Frank
As soon as I had tendered my resignation to the Wachovia,
duPont resigned as president and Douglas Buck, his brother-in-
about the first of July 1929, Steve and I went to Europe, to
law, succeeded him, I convinced the latter that the insurance
England to study the trust business over there, and were gone
policy contracts on living persons should not be carried as
until nearly the first of August. As soon as we returned we did
trust assets. He agreed to sell them on the books at only \$1
move from Raleigh to ~~Winston-Salem~~ ^{Wilmington}. Through the good offices of
and \$1,000 of the policy contract (for control purposes only) and
Matt Judge and Bill Mageer we were able to rent on of the ~~Fort~~ ^{er}
thereby reduced the trust assets, at one stroke, by nearly \$13
Ford apartments on the corner of Broome and 10th Streets.
million.

Before leaving the Wachovia, let me say that, as soon as
When I entered the Equitable, the trust department was
the Wachovia had decided to establish a Public Relations Depart-
housed on the same floor as the banking department, in the rear
ment and move me to Winston-Salem and make me head of it, Colonel
of the space for the lobby and bank officers. The man who had been
Fries asked me to be on the lookout for my successor. First we
in charge of the trust department was Francis A. Gooch of Newark.
found Melville Broughton and he accepted the headship of the Ral-
He had been with the Equitable almost all his mature life. He was
eigh office and membership on the board of directors. It was not
a competent administrator but, like Mr. Eller in the Wachovia, was
long, however, before he realized that he had made a mistake, as
not an aggressive new-business developer. Bill Mageer was the new-
he saw it, that he was depriving himself of a political career.
business man for the Equitable as a whole but was not a specialist
Thereupon he resigned, and I had to go back to Raleigh to take
in trust new-business development. While Frank duPont had general
over. Still looking for a man to take my place, we first inves-
supervision of the trust company as a whole, he had so many other
tigated Frank Spruill of Rocky Mount. But before we had gone far
trains in the fire that he could not attend to the details. The man
with him, Colonel Fries called me off him, and we centered upon
next under him - the executive vice president, though not then
Frank Page, then head of the State Highway Department. And Frank
known by that title - was Harry Springer. ^{ed} ~~ing~~ Harry was Jack
accepted the place, succeeding me, and staying on the rest of his
Jessup who recently had come over from the duPont Company. In ad-
life.

dition to these there were Richard Reese who was vice president
I entered the employment of the Equitable Trust Company as
in charge of investments and Matt Judge, the real estate man,
of the last of July or the first of August 1929 as vice president
Harry Springer, who had had general supervision of the en-
in charge of the trust department and as a member of the board of
fire offices, did not quite understand in the beginning that I had
directors.

come in as executive head of the trust department and thought he
At that time the trust assets were carried at a little less
still had responsibility for supervising me too. Frank duPont
than \$50 million. In addition to these they were carrying about

\$15 million of insurance policy contracts in insurance trusts. making a grand total of nearly \$65 million but soon after Frank duPont resigned as president and Douglas Buck, his brother-in-law, succeeded him, I convinced the latter that the insurance policy contracts on living persons should not be carried as trust assets. He agreed; we kept them on the books at only \$1 and \$1,000 of the policy contract (for control purposes only) and thereby reduced the trust assets, at one stroke, by nearly \$15 million.

When I entered the Equitable, the trust department was housed on the same floor as the banking department, in the rear of the space for the lobby and bank officers. The man who had been in charge of the trust department was Francis A. Cooch of Newark. He had been with the Equitable almost all his mature life. He was a competent administrator but, like Mr. Eller in the Wachovia, was not an aggressive new-business developer. Bill Mageer was the new-business man for the Equitable as a whole but was not a specialist in trust new-business development. While Frank duPont had general supervision of the trust company as a whole, he had so many other irons in the fire that he could not attend to the details. The man next under him - the executive vice president, though not then known by that title - was Harry Springer. Under Harry was Jack Jessup who recently had come over from the duPont Company. In addition to these there were Richard Reese who was vice president in charge of investments and Matt Judge, the real estate man.

Harry Springer, who had had general supervision of the entire office, did not quite understand in the beginning that I had come in as executive head of the trust department and thought he still had responsibility for supervising me too. Frank duPont

let him know that from then on it was I who had responsibility for the trust department and was answerable directly to him, Frank. This settled the matter so far as Harry and I were concerned. Not long after, but after Frank had been succeeded by Douglass Buck, Harry himself got into trouble, had to leave the Equitable, and left under a dark shadow. Since this is not to be published, I believe I'll tell how he did get into trouble: The summer of 1929 was a period when speculating ran high; everybody was trying to get rich overnight. Harry had an investment account with Laird, Bissell, and Meades up the street in the duPont Building. He would sell and buy securities. When he took a loss on a sale, it was the Equitable's loss; when a profit, it was his. Soon after I went with the Equitable, I noticed that whenever I entered the bank in the morning Harry already was there. I moved up my entering time, he still was there. I moved it up and up until I was getting there by eight or before and, instead of reading the paper at home, I was reading it at the office before the bank opened. I was determined that no one should say that Mr. duPont had brought up from the South a lazy-slow-poke to head his trust department. After Harry's trouble came to light, I found out why he was determined to beat me to the office in the morning. He wanted to get and go over the mail and remove any incoming mail that might incriminate him before I got to it. He handled all of the mail and handed me only that for the trust department.

Mr. Cooch was not happy over my being brought in over him; but he was very nice about it. We became good friends and worked in complete harmony with each other. Later he told me that, if the Depression had not followed so soon after I came, he would have left the Equitable; and I would not have blamed him. I suggested

to Frank that he make Mr. Cooch an administrative vice president; but he was not willing to do so.

I am relating these two episodes about my entering the Equitable - the Harry Springer trouble and the Francis Cooch unhappiness - for this purpose, namely, to show that, when an outsider is brought into a business organization and put over the existing insiders, it will lead to trouble unless the outsider and the insiders are handled with consummate tact.

In the Equitable, although I was brought in as executive head of the trust department, I did not confine and it was not meant that I should confine my time and energy to administrative work only. Mr. Cooch and his staff already were doing the administrative work acceptably. What Frank duPont really wanted of me was to build up his trust department and make it a worthy rival of that of the Wilmington Trust Company. Consequently a great deal of my time was spent on business-development work for the trust department. At that time there were state-licensed scrivener's licenses could be issued to corporations as well as individuals. One of the specific functions of a scrivener was to write wills and trust agreements. The Equitable was a licensed scrivener. Representing the Equitable, which of course could act only through its representatives, I had as much right to draw a will as a licensed lawyer did. This naturally gave the trust companies in Delaware a distinct advantage in getting wills in which they were named. Later, but only after I left the Equitable, the law was changed and the office of scrivener was either abolished or the right of trust companies or non-lawyer trustmen to draw wills was withdrawn. At the present time the lawyers and the trust institutions of Delaware operate under an agreement setting forth their respective

rights regarding the drawing of wills, trust agreements, and other legal instruments. At the time I went with the Equitable it did not have a trust committee. Trust matters were brought directly to the attention of the executive committee of the board of directors. It was only after Douglass Buck came in as president, succeeding Frank duPont, that I succeeded in getting a separate trust committee. The Equitable, being a state bank, was not under Regulation F of the Federal Reserve System which requires the having of a trust investment committee. If I were writing for trustmen, instead of our grandchildren, I should like to tell some of the procedures and activities of the Equitable trust committee; but any such details would be intolerably boring to our children or grandchildren.

I was vice president in charge of the trust department of the Equitable Trust Company from August 1929 until January 1 1937. Today the Equitable Trust Company is the Bank of Delaware. Its President is Edgin F. Neilan, a native of Texas, who was one of my students in The Stonier Graduate School of Banking. The executive head of the trust department is Rodman Ward who also was one of my students in the Graduate School. Frank duPont had two promising young men on his staff - George Elliott, Jr., and Rodman Ward. He gave me the choice of them for the trust department saying that the other would go into the investment department. Almost sight unseen I chose Rod. Both of them have made very good in their respective fields. Steve had great respect for George in the investment field. Grace's living trust still is in the Bank of Delaware and in it she holds a sizable block of the stock of the company. So, although I have been out of the Equitable or the Bank of Delaware nearly 25 years, I still am in somewhat close touch with it. Besides,

both Steve and Jim have living trusts with the Bank of Delaware. I recall this incident about Rod. Ward: He was in love with a girl named Dorcas down in Virginia. One weekend he went down to see her. He wired me if he might stay over Monday. I wired him yes if he would make the most of his opportunity. He did. Later, when Rod's parents gave a reception for the bride-to-be, as we passed down the receiving line and Rod introduced me to Dorcas he remarked to her that I was the one who had wired him to make the most of his opportunity. Now Rod and Dorcas themselves have at least one married child and, I believe, one or more grandchildren. We were residents of Wilmington nearly 21 years, from the August 1929 through May 1950. During that time we had two homes, both on North Broome Street, one in a double house on the corner of 10th and Broome, and the other, 814 North Broome, on the corner of 9th and Broome. Bill Megear and Matt Judge found the half-house and rented it for us for \$150 a month from the owner, Mr. Ford, who occupied the other half. My study was the attic. Our dining room looked out over one of the city reservoirs. It was within easy walking distance of the office, and I came home for lunch every day.

After we had been in Wilmington a year or so Frank and Casey separated and broke up housekeeping in 814 North Broome Street. Thereupon Frank offered me the house for \$10,000 or \$11,000, a very reasonable price. We moved up to 814 and lived there the remainder of our stay in Wilmington. The moving was easy, just from one block to the next on the same street. In 814 we had plenty of room - for Grace, for the boys, for me. In our We Came Home to Warren Place Grace has described 814 in some detail. What I liked especially about it was that I

As I have said, we moved to Wilmington the last of July 1929 had for the first time, including Winston-Salem and Raleigh speculation was in full swing. Prices of stocks were bounding. homes, a spacious library and workroom. Furthermore, I had an indoor garage for our car. While we lived in the Ford half-

Then came October 29th and the beginning of the Great Depression. Having nothing on margin, I was not affected personally. 814 we made part of the basement our garage with entrance from 9th Street.

One of the very pleasant features of our homelife until Frank's parents, who lived on Broome Street two doors from 814, was our access to the swimming pool at the rear of the Coleman duPont (Frank's father) house. All of us had an open, standing invitation to the swimming pool. There in the summer afternoons the boys met the boys and the girls and we the older people.

Frank and Casey had three children about our boys' ages - Coleman (Coley), Eleuthere (Brud) and Phoebe. Coley became Jim's playmate and lifelong friend. Steve was a little older than they were. Today Coley and his wife, Joan, and their children live and for several years have lived near Annapolis, Maryland. A year or so ago Jim and Jeanne gave a dinner party for us and invited Coley and Joan up to it. Coley had grown up and developed into a very attractive young man.

When we left Wilmington in 1950 we sold 814 North Broome Street to Dr. Vincent Maguire for \$21,000, payable in 15 years. Dr. Maguire died recently (May 1960) at 41 leaving a widow and 12 children.

Before leaving 814, I think, I should say that Mama came and lived there with us 16 months immediately before we came home to Warren Place. As Grace has said in our book, Mama became so much enamored of the place and of the people coming and going that she wanted us to stay on and keep Warren Place only as a place to visit.

As I have said, we moved to Wilmington the last of July 1929. Speculation was in full swing. Prices of stocks were bounding. People were buying stock on margin. Then came October 29th and the beginning of the Great Depression. Having nothing on margin, I was not affected personally by the drop in the stockmarket. But the Equitable Trust Company was by the drop in the collateral to the loans it had made. The one thing I remember about it is that one evening soon after the bottom dropped out of the stockmarket, Frank duPont called a group of us of the Equitable to re-value stocks being held as collateral to loans. We worked in pairs. I was paired with Dave Aspril. It was my first association with him. I remember Frank's making the remark that he could or would pay off the indebtedness of the Equitable. Maybe he could have or would have, but I thought and still think that it was a very foolish remark. The Equitable did weather the storm without any untoward event. I had little or nothing to do with the banking end of the Equitable except to consider matters brought up at the board meetings. But in the trust department we went ahead on the even tenor of our way. However, the same cannot be said of the people of Wilmington. Not a few - far too many - of them had bought stock on margin. When called upon to increase their collateral, they could not do so. Several men of the city in desperation committed suicide. Throughout the community, as was true of many other communities over the country, there were stress and strain on every hand. As head of the trust department I felt the effect of the depression more at or near the end than at the beginning. Soon after Roosevelt became President he declared a bank holiday and closed

every bank in the country. In a meeting with the bankers of Wilmington I took the position that the closing of the banks did not and could not apply to the trust departments. I remember now that Willie duPont of the Delaware Trust Company was not impressed by the point I made; he did not know enough about the nature of the trust business to be impressed by it.

Anyhow, all the week that the Equitable banking department was closed Mr. Cooch and I and other members of the trust department staff were at our desks or workplaces dealing with customers and beneficiaries as though nothing had happened, except that we in the trust department could not draw a check on a trust account in the banking department. Other than the withdrawal of funds from the banking department while the bank was closed, we were under a duty to go and we went on as if nothing had happened.

One of the effects of the depression upon our trust business related to insurance trusts. As I have said, in our trust department we had about \$15 million of insurance policies on living persons. After the depression struck, many of these let their policies lapse; others took the cash surrender value; still others borrowed all they could on their policies. I should say that the depression wrought havoc temporarily with the insurance trust business. The effect was more upon the morale of the trust company than of the policyholders. The trust companies lost interest largely in the insurance trust as a kind of business to be sought.

On the other hand, the depression gave the American people a greater faith in trust institutions than they ever had had before. Out of it they learned the lesson, which trustmen already had learned, that the failure of a bank did not carry

with its losses to the trust accounts except possibly, bank deposits of trust funds. And in some cases, including Delaware, trust accounts were given priority even in case of failure of the bank. And, today even in the absence of such priority, under the Federal Deposit Insurance Corporation, the deposits of every trust account, as of any other depositor, are protected up to \$10,000. With no sign of another depression visible on the horizon, this phase of the safety to trust accounts scarcely is mentioned, much less discussed or emphasized, any more.

One of the effects upon me personally was that I took a reduction in my salary. First, while Frank duPont still was President I voluntarily waived the \$5,000 bonus at the end of the year; there was no bonus. Then, after Douglas Buck became President, I took, along with the other officers, a cut in my salary, down to \$10,000. This hit me pretty hard because Steve and Jim were in Phillips Exeter Academy, which added a great deal to their school expenses. And my father, like all other larger farmers, was up against it. Frank duPont voluntarily offered to make a loan to me to help my father meet his obligations. I declined. Instead we borrowed from the Land Bank by a mortgage on our land and with the money paid off all farm indebtedness and later paid off the Land Bank.

All of this that I am telling about the depression took place in the early 1930's, nearly 30 years ago. Since then a whole generation has grown up and taken over. They never have known anything about hard times. They cannot appreciate what we of the earlier generation went through. I have confidence that, should the test come to them as it came to us, they would rise to the occasion, as we did. But, just the same, I think it worth while for us of the pre-

ceding generation to let the men of the present generation know that such a thing as a depression is possible and what it might mean, should it come.

My Trust Division activities continued throughout and, in fact, were intensified during the two decades, 1930-1950, we are describing now.

Before going into my general Trust Division activities, let me tell in some detail of my American Institute of Banking (AIB) activities. In 1934 I was appointed a member and made chairman of the Trust Division Committee on Trust Education. The other members of this committee were: James W. Allison, First and Merchants National Bank, Richmond, Virginia; Frederick R. Behrends, California Trust Company, Los Angeles; William H. A. Johnson, Federal Reserve Bank, Chicago; J. H. McGee, The South Carolina National Bank, Charleston; Maurice E. Reeve, City National Bank, Philadelphia; Henry A. Theis, Guaranty Trust Company of New York; and Earl I. Vaughan, Bank of America, NT&SA, Los Angeles.

The assignment to this committee was aid in the preparation of the AIB textbook to succeed the 1927 textbook, Trust Functions. The committee met in New York and blocked out the chapter headings and the main points to be covered. Then I as chairman served also as draftsman. I would make a draft of each chapter and send a copy to each member of the committee. In the light of the comments and criticisms received I would re-draft and re-submit the chapter. Also, I tried out the chapters in draft form on the Philadelphia Chapter and invited criticisms and comments. These two were considered the making the re-drafts and the final drafts of each chapter. Also, the chapters in draft form were tried out in Chicago, Los Angeles, and Richmond, as well as Philadelphia. The committee was at work on

the first volume of this textbook three years or more. When it was published in 1934, Harold Stonier, National Educational Directors of the AIB, said of me:

Gilbert T. Stephenson, chairman of the Committee on Trust Education, has given generously of his time and energy to the program throughout the period during which this new attack on trust education has been evolving. His training and experience in this field have been of inestimable value in carrying forward the whole project.

The next year, 1935, still under my chairmanship of the Committee on Trust Education, we brought out the second volume of this textbook, known as Trusts II. In the preface to this volume Harold Stonier, still National Educational Director, went still further in expression of appreciation of my work, saying:

Gilbert T. Stephenson, the author of the major portion of both Trusts I and Trusts II, has had a distinguished record as a trust executive and author in this field. His books on various aspects of the trust business are widely read both in America and abroad. As vice president of the Equitable Trust Company of Wilmington, Delaware, he is highly regarded by his fellow trust executives in the Trust Division; and as a lecturer before university and Institute (AIB) classes, he is respected as an authority by educational administrators. The Institute considers itself fortunate in having had the benefit of his advice and counsel during the production of this work. We know that his efforts in this field will have a profound effect upon the character of the services rendered by trust institutions for years to come.

By 1944 it had become necessary to get out a revised edi-

tion of this textbook. By this time James W. Allison had become chairman of the Committee on Trust Education and William A. Irwin had become National Educational Director. Although I was Director of Trust Research by this time on a wholetime capacity, I nonetheless helped to get out the revised edition of both the volumes (Trusts I, 1944; Trusts II, 1946). In fact, the AIB authorized me to employ a special typist, Eugenia Stanier (Mrs. Ned Wildrick of Jacksonville, Florida) to prepare the first draft of the revised edition. In the preface to the revised edition Dr. Irwin said:

The Institute is under deep obligation to them (members of the Committee on Trust Education) and to Gilbert T. Stephenson, Director of Trust Research, The Graduate School of Banking, for the preparation of the original draft of the revised text.

And in the preface to the 1956 revised edition of Trusts II he said:

Gilbert T. Stephenson, director of trust research, The Graduate School of Banking, deserves special acknowledgment for taking charge of the preliminary in the preparation of the manuscript of Trusts II. In addition he made many constructive suggestions with respect to the final form of the manuscript.

By the time, 1954, it became necessary to get out a revised edition of Trusts I, under the title Trust Department Services, and of Trusts II, Trust Department Organization, LeRoy A. Lewis had succeeded Dr. Irwin as National Educational Director, and I had retired, and I had next to nothing to do with this edition.

However, my work in the field of trust educational mater-

Division at which I was elected was held in Atlantic City and the minds of the people in attendance certainly were on Trust Education, under the chairmanship of Richard P. Chapman of Boston, primarily to be active in the establishment of the National Trust School. In 1959 I was taken off the Committee on Trust Education and made a one-year member of the Board of Regents of the School and in 1960 was continued, as a three-year member. Later I shall have something to say about my activities in the general field of trust education other than through or for the AIB.

My main official activities in the Trust Division during the two decades we now are covering were as Vice President of the Division, 1929-1930, and President, 1930-1931; then as a member, as a Past President, of the Executive Committee, 1931-1934; as a member of the Committee on Federal Legislation, 1933-1934; as a member of the Committee on Extension of Trust Service, 1934-1935; and finally as chairman of the Committee on Trust Policies, 1936-1941.

As I recall, I was scheduled to become chairman of the Executive Committee in 1928 as the first step toward the presidency of the Division. But I was passed over in order to make place for John (Jack) Mechem of Chicago who became chairman that year and moved on up to the presidency in due course. Judge Standeven of Tulsa, Oklahoma, had been scheduled for the chairmanship; but he had been passed over on account of self-dealing over mortgages with which his company had become involved.

The presidency of the Trust Division, which came during the Depression and during my second year with the Equitable Trust Company, was not brilliant for its accomplishments. It could not have been so, no matter who had been President. The meeting of the

Division at which I was elected was held in Atlantic City and the minds of the people in attendance certainly were not on Trust Division matters except as they would be affected by the Depression. The meeting of the Mid-Winter Trust Conference in 1931 was a dismal affair. Grace would not or did not attend. I had a President's Suite all to myself in the Ambassador Hotel. There was no such thing as President's reception or cocktail party. We simply went, went through the motions, and went back home. However, as I look back over the proceedings, I am of the opinion that Henry Sargentⁿ (the Secretary) and I had worked up a good, constructive program. On it we had such then outstanding trustmen as Francis H. Sisson of the Guaranty Trust Company of New York; Gwilym A. Price, then of the Peoples-Pittsburgh Trust Company, later President of Westinghouse; L. H. Roseberry of Security First National Bank, Los Angeles, now listed as one of the pioneers in the trust field; and Austin W. Scott of the Harvard Law School.

My President's Address was entitled The American Trust Company in 1930. I closed with these words, which are as appropriate now as they were in February 1931:

Two dominating thoughts have impelled me to call attention to these responsibilities that are ours as trustmen. The first is that the American trust company has now attained such proportions both in volume and in the expanse of its trust business, that it has become a national institution heavily weighted with possibilities for the weal or woe of our country. The second is that the American trustman, as head of this national trust institution, has definite obligation that he should acknowledge and accept without waiting to have them imposed upon

paying basis. To its first report to the Executive Committee it
him by public sentiment or legislation. These are obligations
had said:

to the State and to future generations as well as to the in-
The most pressing business problem of bankers and trust-
dividual and to contemporaries. To a greater extent than they,
men with respect to trust business - the one that calls for
themselves, fully realize, trustmen are custodians of the
prompt and constructive action - is that of placing trust bus-
welfare no less than the wealth of America, both now and
ness on a paying basis and keeping it there. (15 Trust Bul-
in the years to come. (Proceedings, 12th Mid-Winter Trust
letin (May 1936) 3)

Conference, 2 at 13)

The committee addressed itself to these questions: (1)
I cannot recall that I made any whorth-while contribution
to the trust business in my capacity either as a member of the
business can be put on a paying basis. The committee made re-
Committee on Federal Legislation or on Extension of Trust Serv-
ports at each regular meeting of the Executive Committee - in
ice. But I do believe that I made a really worth-while contri-
the fall in connection with the annual convention of the American
bution in my capacity as chairman of the Committee on Trust Pol-
Bankers Association and in February in connection with the Mid-
icies.

At its meeting in February 1936 under the leadership of
After the Committee on Trust Policies had gone as far
Merrell P. Callaway of the Guaranty Trust Company of New York
as it could in arousing interest in the profitableness of trust
the Executive Committee had created a Committee on Trust Poli-
business. I retired from that field, turning further work over
cies. He had named me chairman of that committee. The other mem-
bers were: James W. Allison, First and Merchants National Bank,
Richmond, Virginia; Frederick R. Behrends, California Trust Com-
pany, Los Angeles; Frederick A Carroll, National Shawmut Bank,
Boston; Alfred Fairbanks, The Boatmen's National Bank, St. Louis;
Carl W. Fenninger, Provident Trust Company, Philadelphia; Frank
F. Taylor, Continental Illinois National Bank and Trust Company,
Chicago; and Henry A. Theis, Guaranty Trust Company of New York.
Notice the number of members of this committee who had been mem-
bers of the Committee on Trust Education - Allison, Behrends,
Theis, and myself.

The first assignment of this committee was to try to find
some way of putting the trust business on a paying or on a better

paying basis. In its first report to the Executive Committee it had said: ^{longer} "we under the present conditions, shall not."

The most pressing business problem of bankers and trustmen with respect to trust business - the one that calls for prompt and constructive action - is that of placing trust business on a paying basis and keeping it there. (15 Trust Bulletin (May 1936) 3)

The committee addressed itself to these questions: (1) why trust business is not on a paying basis and (2) how trust business can be put on a paying basis. The committee made reports at each regular meeting of the Executive Committee - in the fall in connection with the annual convention of the American Bankers Association and in February in connection with the Mid-Winter Trust Conference.

After the Committee on Trust Policies had gone as far as it could in arousing interest in the profitableness of trust business, it retired from that field, turning further work over to the Committee on Costs and Charges, and addressed itself to its primary function of determining and formulating statements of general policies for the consideration and guidance of individual trust institutions in determining and formulating each its own policy on a given point.

On account of my official connection with the American Bankers Association, as Director of Trust Research, as of January 1 1937, I no longer was eligible to serve as chairman or even, technically, as a member of the Committee on Trust Policies. In the chairmanship I was succeeded by Fred. A. Carroll of the National Shawmut Bank, Boston; and I was carried as a member, perhaps in an advisory capacity only, until 1940. Fred. and I worked

in the closest harmony. The real accomplishments of the committee were under ^{longer} 'red's' not my/brief, chair nship.

Here is the way we went about it: The committee itself would initiate or someone, possibly the Executive Committee itself, would suggest some point on which a statement of policies should be considered and possibly formulated and submitted to the Executive Committee. Thereupon the committee would get busy, work out a suggested statement, working on it sometimes two or three years, and submit it to the Executive Committee. The Executive Committee would consider the suggested statement and, if it approved it, express its approval and order it published in The Trust Bulletin. That is as far as either the Executive Committee or the Committee on Trust Policies possibly could go. They could not make and impose policies on individual trust institutions. All they could do was suggest them for consideration.

I shall not go into detail about the work of the committee because it would be boring to our grandchildren and, besides, it has been detailed in my book, Reflections of a Trustman. Only let me say this: During the period I was either chairman or advisor to the committee we prepared, presented to and had approved by the Executive Committee suggested statements of policy on relationships between life insurance men and trustmen (1944), acceptance of trust business (1940), voting shares of stock held in trust accounts (1944), and extra-territorial solicitation and fee-cutting (1945).

I regard that the most resultful of my activities in the Trust Division was the work I did on A Statement of Principles of Trust Institutions (1933). I am not going into any detail about

this because I have done so in my Reflections of a Trustman.

Similarly in my Reflections, in the chapter on Advanced Trust Education, I have told what trustmen, but not grandchildren, might be interested in about my part in The Stonier Graduate School of Banking. Further, in my typescript volume, The Autobiograph of a Trustman, which is Volume XLIV of my Addresses and Articles on Trust Subjects, in Chapter VI, Trust Education Work, I describe in much detail my part in the development of the Trust Division of the Graduate School. Since this volume of Addresses and Articles is as accessible to anyone who is interested as this volume itself is, there would be no point whatever in my repeating here what any interested person can find in the other.

It is the same with my work as Director of the Trust Research Department of the Graduate School of Banking. That, too, has been written up in much detail in the transcript volume of autobiography, Chapters VII and VIII, and also in the published volume, Reflections of a Trustman, Chapters XIV and XV.

In fact, all of my Trust Division activities have been publicized by myself and others in The Trust Bulletin, Trusts and Estates, and Reflections of a Trustman, to which our grandchildren and any other interested person are referred, that it would be a waste of time - mine and theirs - here to repeat what they can find elsewhere.

So, let's go on to something which, I know, will be much more interesting our our grandchildren than my activities as a trustman.

Upon going to Wilmington one of our first decisions was to select a school for our sons. Steve was 14; Jim, 11. They both had been attending the public schools in Raleigh.

Frank duPont, with whom I advised, advised me not to put them into public school but to elect one or the other of the private schools, Friends or Tower Hill. At that time the public schools of Wilmington and, I believe, of Delaware as a whole were in disrepute. I remember that Robert Richards, Sr., the leading lawyer of Delaware at the time, coming into the Equitable and advising with me about finding a man to head-up the public school system of the city or the State. Since 1929 there has been phenomenal improvement, I understand, in the public schools of both the city and the State.

With public schools out, I had a choice between Tower Hill and Friends. I don't remember anyone advising me as to which of the two. I went out to Tower Hill, was greeted by the secretary to the principal, and made my inquiries. I had the feeling that I received a rather cold reception, one of indifference. Anyhow, I did not get a good impression of the atmosphere of the school. Later, let me say, Burton Fowler, the then principal of the school, and I became close friends - members together of Quill and Grill Club, workers in the same church, Westminster Presbyterian, and active in other community projects, including Rotary.

I checked off Tower Hill and turned to Friends. Friends School then was on Fourth Street, across the side street from Fourth Street Friends Meetinghouse. The headmaster was Charles Bush. Although the school building was old, somewhat dilapidated, and run-down in looks, the welcome of "Uncle Charlie" was cordial and the atmosphere friendly. So, we decided to send our sons to Friends School.

Maybe, I was pre-inclined to Friends School. Grace's people, including her father, had gone to a Friends school. So had

my Grandfather Fleetwood. My grandparents had Quaker friends in and around Woodland and George in Northampton County.

Charlie Bush and I became good friend, in church, in Rotary, as well as school. Every year for several years I would go down to Friends School and make a talk to the students. In my talks I would refer to the Headmaster as "Uncle Charlie," and the boys and girls, who adored him, liked the way I referred to him.

In later years, while we still were in Wilmington but after Steve and then Jim had gone away to Phillips Exeter, Friends School was moved from Fourth Street out to Alapocas and the present handsome stone building was erected to house it. When the removal and the new building were being projected, I was asked to head-up the committee to raise the funds. I could not accept the invitation because, with my Trust Division work, I already was taking too much time from the Equitable. I always have appreciated the fact that the Friends - especially ^WN_Aelin Booth who was one of the moving spirits and was also a member of the board of the Equitable - wanted me to head-up the campaign committee.

And isn't it a coincidence that at the present time (1960) Steve is chairman of a long-range planning committee and vice chairman of a campaign committee of Friends School who ^{ich} now is engaged in raising between one and two millions dollars for building, equipment, and endowment.

Steve was graduated from Friends School in 1931. I realized that in maturity of mind and body he was not ready for college yet, certainly not for Harvard where he seemed destined to go. I began to cast around for a good New England prep. school that would prepare him for Harvard.

The two that I asked most about were Phillips Andover and

Phillips Exeter. I got the impression that Exeter prepared mostly for Harvard and Andover for Yale. I got the further impression that they were the more conservative of the New England prep schools. So we decided upon Exeter. ~~a little apprehensive about~~

Before entering Steve he and I went up to Exeter, New Hampshire, to take a look at the town and the school. When I went into the school office I asked, not for the Director of Admissions, Mr. Ford, but for the Headmaster of the School, Lewis Perry, younger brother of Bliss Perry of Harvard. When Steve and I were ushered into Mr. Perry's office and I introduced myself and Steve and told Mr. Perry that I was thinking of applying for admission for Steve, he said, rather coldly, I thought, "Why did you ask to see me rather than Mr. Ford." I replied, equally dignifiedly I hope, "Because I wanted to see you." Then he came off his high horse and was cordial the rest of the interview. I wanted to see and to get an impression of the top man of the school to which we were to commit our sons.

Steve entered Exeter that fall, spent ~~one~~^{two} sessions there, made good in books and athletics, and newspaper work, and was graduated with the class of 193³~~4~~. We went up to his graduation, He made one of the Commencement addresses. The details of his session there are, no doubt, set out in his own Journal. ~~of being told by~~

Jim was about three sessions behind Steve in Friends School. Instead of having Jim stay on and graduate there, we decided to send him to Exeter a year before he had graduate at Friends. and to have him in Exeter three session from which he was graduated in 193³~~7~~.

As I have said there never was any doubt that, if they could get in, they would go to Harvard. Bill LaMotte, who had been Steve's roommate at Exeter, went to Yale. I had no real apprehension about their getting into Harvard. That was back in the time

when colleges and universities were looking for students instead, as now, of students trying to get into colleges and over one-half of the applicants being turned down. Steve, I think, had made better grades than Jim had. We were a little apprehensive about Jim's entrance exam. on English. To our surprise he passed his English exam. with honors. Although he is not a good speller - not yet even - he, like his mother, is a good stylist, knows how to express what he has in mind to express. This is quite noticeable in the writings of both Jim and his mother. Street, was just one block. As I recall, both Steve and Jim as Freshmen lived in the Yard in Matthews Hall. Then Steve and later Jim moved over to Lowell House and were there the rest of their Harvard life. Steve was graduated with the Class of 1937; Jim, with that of 1941. that Steve stayed on and got his Master's degree in 1939; after the War Jim returned to Harvard and got his degree in architecture in 1946. Elsewhere I have said that during my first year of graduate work in Harvard, back in 1904, long before I ever had met Grace and much longer before either Steve or Jim came along, I had made up my mind that, if ever I got married and had normal children, I would send them to Harvard better prepared than I had been and would save them the embarrassment of being told by the Harvard instructor - Professor Frank W. Taussig, the economist - that my graduate work in economics showed lack of preparation in college. about the Bible or religious things. In a word, we were Steve and Jim themselves will have to tell their children any details they want to tell about their prep. school life in Exeter and their college life in Harvard. I, of course, remember none of the details of their life either in Exeter or in Harvard. When I was it turned the four sons and I now carry six degrees.