

The Crown Manufacturers Association of America

MUNSEY BUILDING

Washington, D. C.

LOUIS B. MONTFORT
EXECUTIVE SECRETARY

April 3, 1934

TO ALL MEMBERS OF CONGRESS:

THE STOCK EXCHANGE BILL

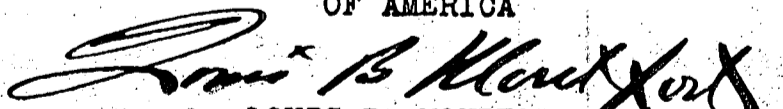
The Crown Manufacturing Industry, comprising nineteen individual manufacturers situated in eight different states, and operating under a Code of Fair Competition signed by the President on November 1, 1933, wishes to register its protest to the Fletcher-Rayburn Bill on the following grounds:

1. It tends to give the Federal Government comprehensive control over the acquisition and use of capital funds by corporate business.
2. It provides means for comprehensive Federal Control over management of business corporations.
3. It imposes too drastic a liability on those making or having anything to do with the making of corporation reports and financial statements, thus hindering the normal flow of long-term credits and retarding recovery.
4. Certain of its provisions will tend to increase corporate operating costs, and it is questionable as to whether such extra costs can be justified. Most industries are doing all in their power to eliminate needless expense.
5. The measures in the Bill will not protect security holders against loss. The lack of a broad market for securities and the enforced contraction of loans against securities imposed by these measures would so diminish the liquidity of securities as to subject security owners to great risk of loss. The denial to securities of their present broad market would necessarily result in an impairment of their value as investments and in considerable and immediate liquidation.
6. The statement that has been made that the opposition to the above Bill is coming from one source, namely, "Wall Street", is inaccurate and, in our opinion, is incorrect.

The Crown Manufacturing Industry would appreciate having your views on the Fletcher-Rayburn Bill and earnestly urges that you exercise your power to defeat it.

Respectfully submitted,

CROWN MANUFACTURERS ASSOCIATION
OF AMERICA


by LOUIS B. MONTFORT SECRETARY