

Copy sent to: Wallace Fulton.

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For your  
information

August 24, 1938

S.F.

Mr. G. M. Peterson,  
Polk-Peterson Corporation,  
Des Moines Building,  
Des Moines, Iowa.

Dear Mr. Peterson:

Thank you very much for your letter of August 22nd. The matter you have written about is one of a great deal of importance to all of us, and I am sure that an exchange of views is beneficial.

As you may know, Mr. Matthews was here in Minneapolis on the 15th of August, and at that time I got the distinct impression from him that he thought if any association to register under the Maloney Act were formed before the first of the year, it would be quite quick work.

It seems to me that we should postpone any decision as to whether we wish to join a national association, country-wide in scope, or whether we wish to form a smaller group until such time as the national association, which I understand is being worked out by Mr. Hostettler and Mr. Bonner, has been completed and submitted to us.

I agree entirely with you that any organization that is formed should not be dominated by the large Eastern houses, but it is my impression, after talking with Mr. Matthews, that this is one of the things which the SEC is strongly determined to prevent, and that any association that is formed and registered under the Maloney Act must be so constituted that the smaller houses have equal representation with the larger houses.

It seems to me that the matter of expense of the smaller association, such as you suggest, might be prohibitive. It could contain only local houses, and as it would have to have a headquarters and probably considerable legal assistance in its initial stages and many conferences with the SEC, this would cost a great deal of money.

I have discussed this matter with a number of local dealers who have received letters similar to the one which you wrote me, and so far as I have gone I have found that their views coincide with those I have expressed above.

Yours very truly,

LB:DM

Walter Peterson