

CHAPTER IV.

WELL-FOUNDED CAPITAL ISSUES.

DURING the first few years of the practical application of *Geographical Distribution of Capital* the Registry's recommendations were confined exclusively to securities dealt in on the open market, and no attempt was made in any way to control the progress of the stocks so recommended.

Gradually, as a constantly growing number of the Registry's customers adopted the system of Geographical Distribution, it became more and more difficult to supply their investment requirements effectively. The Registry was naturally anxious to do better for its customers than the latter could have done for themselves, when dealing with others. The Registry aimed at a very high standard of efficiency, but soon found it extremely difficult to supply satisfactorily the very large demand, which the introduction of Geographical Distribution had created, for investments located in all parts of the world.