

the branches in existence; it would merely be a matter of disintitling banks to establish branches, in fact.

Mr. SONNTAG. We got along very nicely, the banks that had branches. We understood that when they passed the law. We only have one bank in the city with branches.

The CHAIRMAN. Your thought is that the limitation ought to be the county line and not the city line.

Mr. SONNTAG. I think from what I have heard here to-day that it should be.

The CHAIRMAN. Is there any other phase of the matter about which you care to express an opinion?

Mr. SONNTAG. No, sir; I may say that I believe the State banks seem to be, as far as I know, almost unanimous on the bill.

**STATEMENT OF VICTOR H. ROSSETTI, VICE PRESIDENT  
FARMERS & MERCHANTS' NATIONAL BANK OF LOS ANGELES, CALIF.**

Mr. ROSSETTI. Mr. Chairman, I have not had the time to read over my small preparation here, but I want to say for the benefit of the committee that I represent as vice president the Farmers & Merchants' National Bank of Los Angeles, Calif., an independent banking institution, and that I am here in an atmosphere of the most perfect relationship with our competitors who are involved in this momentous question and to give the views of one not particularly an economist and who makes no claims to such, but merely has an understanding of banking principles, with an experience extending from boyhood to the present time, or approximately 34 years, and if what I may say will be helpful, I will feel that my mission has been well rewarded.

I have made some notes of what I care to say, and I might add that our bank, independent as it is, and the oldest bank in southern California, is not apprehensive as to being absorbed by the so-called increase in the establishment of branch banks and their acquisition by purchase and absorption, but that I do contemplate the monopolistic tendencies, especially when we resisted a tentative offer of \$500 a share for the stock of our bank, which has an approximate book value of \$240 per share, exclusive probably of the good-will value, with a deposit line of approximately \$48,000,000.

I take this occasion, without any reflection on Mr. Willis, but merely following a policy of our bank, to resist any reflection that might be impugned, or otherwise devolving on us, to say that we are not any of the bootlegger banks that have been referred to but unnamed.

The CHAIRMAN. Is your institution a member of any chain banks?

Mr. ROSSETTI. We are not; we are absolutely independent.

The CHAIRMAN. Of course you understood that that term was rather jocularly used by Doctor Willis, in referring to the branch banking generally, as he thought, under cover of the chain system.

Mr. ROSSETTI. I did not; no.

The CHAIRMAN. You did not understand him to be referring to independent banks?

Mr. ROSSETTI. I did not so understand it.