

RICH IN ASSETS, POOR IN CASH

BANKS CLOSE TEMPORARILY, UNABLE TO MEET DEMANDS.

One of Milwaukee's Leading Financial Institutions, the Old "Mitchell Bank," Yields to the Pressure of the Times—Its Failure Causes the J. Obermann Brewing Company to Assign—Suspensions in Indianapolis, Louisville, and Other Smaller Places.

MILWAUKEE, Wis., July 25.—The Wisconsin Marine and Fire Insurance Company Bank suspended at 10 o'clock this morning. It is one of the most widely-known private banks in the country and has been regarded as absolutely sound. There was a general belief in Milwaukee that when all other banking institutions had disappeared from the face of the earth, the bank which Alexander Mitchell founded, and which, by the way, was always called the "Mitchell Bank," would continue to do business at the corner of East Water and Michigan Streets. The news that it had failed was a shock to the business community.

The City of Milwaukee has \$1,000,000 in the bank and the corporation will probably have to temporarily suspend payment, as did the county when the Commercial Bank closed.

The Chicago, Milwaukee and St. Paul Railway has for many years made the Mitchell Bank its chief depository. Its monthly pay-roll calls for about \$1,000,000. President Miller took the precaution last week, in view of the financial troubles prevailing in Milwaukee, to order all of the company's remittances held as a special deposit; in other words, they were taken out of the regular bank funds. Consequently there will be no delay in the payment of the railway employes. In fact, notice was given to-day that all pay checks issued by the company would be paid either at the Wisconsin National Bank here, or at the Continental Bank in Chicago. One hundred and thirty thousand dollars was paid to railroad men here to-day. All the checks that were presented were honored.

But for Mr. Miller's precaution at least \$500,000 would have been tied up in the Mitchell Bank, and the company's pay checks would have been at least temporarily worthless.

Orders were sent to-day to all stations on the line of the Chicago, Milwaukee and St. Paul Railway that remittances should be made to Chicago. Milwaukee will no longer be the depository of the road. Rumors of the intended withdrawal of the railroad company's large account doubtless tended to intensify the prevailing uneasiness and to increase the run on the bank.

The bank's suspension precipitated the failure of the J. Obermann Brewing Company, which assigned this afternoon to Hermann P. Obermann. The assignee's bond was for \$1,200,000.

It is feared that three other business houses may come to grief.

Cashier Murphy has made the following statement:

"We have not much to say about the matter at the present time, and in fact there is not much to be said. We have been subjected to a constant drain for some time and have realized on every asset on which the bank could get money on short notice. We felt that under existing circumstances it was only a question of time when suspension would inevitably come, and therefore decided to close. We might possibly have got through to-day all right, but it was considered best for all concerned not to open for business.

"This bank is not insolvent by any means, and only time is needed to realize enough money to meet every liability. It not only has ample assets, but Mr. Mitchell and Mr. Johnston are behind it."

The stockholders of the bank are John D. Mitchell, \$313,800; David Ferguson, \$166,600; Washington Becker, \$20,000; John P. Murphy, \$100; total, \$500,000. The last statement of the bank, rendered on the 1st of the month, showed: Total resources, \$8,946,344.61; capital, \$500,000; undivided profits, \$75,840.67; due depositors, \$7,870,903.94.