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Politics keeps comptroller's po

By TED SCHAFERS
Business & Financial Editor

The Office of Comptroller of the Currency by law supervises all national banks in the United States — some 4700 of them. And while they are fewer in number than state chartered banks, the national banks hold more than 60 per cent of all of the nation's bank deposits.

An Analysis

Comptroller is an office that should be above politics and headed by a man fully qualified to understand the country's intricate and sensitive banking system. But as matters now stand, because of 1976 politics, the office has been vacant since July 30 and likely will remain that way for months to come.

On July 20 President Ford named Stanley E. Shirk to the five year term of Comptroller, succeeding James E. Smith, who had resigned a month earlier. St. Louis bankers who know Shirk say he is probably one of the most qualified ever named to that office.

SHIRK, NOW 60, is a retired partner in the nationally known accounting firm of Peat, Marwick & Mitchell. A resident of West Cornwall, Conn., he has been a CPA for 38 years and for the past 20 years was in charge of his firm's bank accounting practice.

Despite these credentials, Shirk has been trying for two months now to get a hearing before the Democratic-controlled Senate Banking, Housing & Urban Affairs Committee, chaired by Sen. William Proxmire, D-Wis. But through Friday, he has not been successful. In fact, a member of the Committee staff said Sen. Proxmire has decided not to hold any hearings "until Congress returns after the Nov. 2 general elections." And adjournment is set for next Friday!

What does this mean for the country and the banking industry? In the words of Mr. Shirk, "If the matter is delayed until after the election, in the event of a new Administration, it probably will be early summer of 1977 before a nominee could be confirmed."

THE REASON FOR THIS long delay is that a new candidate would have to be thoroughly studied by the President, preliminary checking made of background, tax returns reviewed, FBI clearances made, potential conflicts of interest studied by the White House and Treasury Department, and committee hearings and final Senate approval given.

"I know . . . since I've been there. This is a long time to leave this important office, which has been severely criticised by you, without permanent leadership," said Shirk in a final appeal to Sen. Proxmire last week.

At first the excuse for delaying the hearing was to investigate [illegible] charges made by Rep. Benjamin [illegible] thal, D.-N.Y., on July 22, which [illegible] said were in essence "political [illegible] herrings designed to delay the [illegible] process."

Shirk said Counsel to the [illegible] and the Treasury were satisfied [illegible] no financial or employment [illegible] interest for the Comptroller's [illegible] before he was nominated on July [illegible]

AND IN REPLY to Rosenthal's [illegible] tion whether the CPA Code of [illegible] sional Ethics on confidential [illegible] might not interfere with his [illegible] duty, Shirk replied:

"Any action that Compt[illegible] take against a national bank [illegible] based on what his examiners [illegible] professional staff members [illegible] in the past and currently abo[illegible] from examination, observation [illegible] er supervisory processes and [illegible] what he might have learned [illegible] as a former accountant for the [illegible] adding:

"If one were to carry Congress[illegible] Rosenthal's views concerning [illegible] interest—or potential therefore— [illegible] ultimate, no member of the House [illegible] ever be qualified for the Senate [illegible] prior service to his district [illegible] preclude him from even-handed [illegible] sentation of an entire state because [illegible] would always be partial to the [illegible] interests of his smaller district [illegible] ly no lawyer could ever become [illegible] or attorney general because he [illegible] leave his client's interests [illegible]

A COMMITTEE STAFF member [illegible] mitted Congressman [illegible] charges have been checked [illegible] far as to assure Shirk the [illegible] hearing in no way should [illegible] Proxmire or committee members [illegible]

Monsanto named codefendant in $1 billion class action suit

ANDERSON, S.C. (AP) — The Monsanto Co. of St. Louis has been named as a codefendant in a $1 billion class action suit on behalf of Lake Hartwell property owners in Georgia and South Carolina.

In an amended complaint filed this week in federal court in Greenville, S.C., Monsanto was accused of negligence and "strict liability" in its production of PCBs, or polychlorinated biphenyls, according to Ronnie Cole, a member of the Anderson, S.C., law firm which filed the complaint.

The suit, filed about two weeks ago, originally named the Sangamo Electric Company of Pickens, S.C. Sangamo has been identified as a source of PCBs, which have been found in high levels in Lake Hartwell.

Cole said Monsanto is the sole producer of PCBs, a group of organic chemicals used by Sangamo in its manufacture of electrical capacitators and suspected of causing cancer. He said the suit charges that by virtue of producing PCBs, Monsanto is liable for damages sustained by property owners as a result of the Lake Hartwell pollution.

The suit says that the PCB-contamination has caused a lowering of property values and a loss in profit to businesses along the lake.

The action, Cole said, has been filed on behalf of four classes: property owners whose lands touch Lake Hartwell; boating and marine dealers on the lake; residents within a three mile of the lake's shoreline and all commercial businesses that sell lake-related products within three miles of the shoreline.

Earlier this month, the Environmental Protection Agency and South Carolina health officials issued an advisory against eating fish taken from Lake Hartwell because of the PCB contamination.

Sangamo is under federal orders to bring its PCB discharge within the EPA's recommended levels by the end of September.

Ralston dividend

Busines

Pott repurchases 436,855

Pott Industries Inc. has announced repurchase of 436,855 shares common stock from The Travelers Insurance Co. for $9,173,935 or [illegible] share. These shares were [illegible] Travelers when it converted [illegible] Pott's 6 per cent Convertible Subordinated Notes.

Pott said it made the repurchase because of its current [illegible] relat[illegible] stron[illegible] By [illegible] financ[illegible]

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Breckenridge Hotels [illegible]

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