



OFFICE OF

STROMBERG, KRAUS & CO.

MANUFACTURERS OF

TRUNKS

AND TRAVELING BAGS.

Office, Salesroom & Factory, Cor. Jefferson, Ninth & Green.

Louisville, Ky. July 26/93

Dear Mr.

Your letter is received & cannot say it is encouraging. After 5 bank failures & the 2 million dollar one in New Albany that with money you speak of, which we may get in bank, will not be forth coming. To Manufacture at all is out of the question. Same as to travelling. Same as to paying any bills. We must make every one wait if they will do so. I today wrote two lawyers who have 1000- notes of ours between them requesting 60 days renewal of time on them. They are due by Aug 15th. They generally discount their notes from us. If discounted of course they must receive. Leaving bills go past due want do

any good - As regards being cool
& using judgement think I am
both. Notwithstanding your severe
opinion of me for rising Dick -
I can place good reason for this even
if Leo Cant. But Cashiers & calcula-
tions dont pay bills salary & expenses.
I am truly sorry that you are put
out by Russias action. My conservation
places me in a hardy position. You see
it dont pay always to be conservative.
Thirty days ago I could have had the
money. It been today easy in a measure.
In order to not use a dollar unless
forced I have that money about,
which I today need as bad as bread.
Dicks was - he stated to me I
could get when he got to N.Y. & perhaps
two - Talk about discounting in
bank between now & Sept 1st. Is all
Nonsense - It cant be done - During
Sept after Congress is in session



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Louisville, Ky.

I should sign a receipt perhaps
provided matters settle somewhat
I can get money if any body can -
don't you doubt that, but between
now & then they don't do our bag -
As to Mendels 1000 - I prefer to give
him our own 4 Mats paper & hold
customers paper for my bank -
I can get customers paper direct
quicker than our own - A bank
likes them better. Therefore advise
me by return mail whether our lot
will be acceptable to Mr Mendel
& if you have have Lehman
instructed as to this matter, but I
prefer much to place our own

paper with Mendel - Or, is there
No one in H. who would use any
paper for ^{\$2500-} Mrs. - I tell you
I, I must be gotten to Sep 1
to 10th. Sure. If I can't get money
in bank then - No one can

However I want you to stop off
here on your way north. It
makes no difference so you get to
Chicago - One day more on Texas -
I will cheerfully pay what it
costs you more - As for Company
you can't find better Company than
mine anywhere - I know you will
admit that - Times are tough &
precarious. You have more experience
than I. I want the benefit of said
experience - Stop here & don't fail
to do so - Adress me at once

With regards

Yours
My wife is sick.



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Louisville, Ky. July 23/93

Dear Sir
I was very glad to hear of your views at home.
Your ideas what to say to Mr. Bohue' fully
understand & strictly in accordance with my
views & former manner of talk to Mr. Bohue.
Yesterday morning I at once went to see him,
paid \$300 - out \$150 - Note due & extended \$200
for 4 mos - or rather renewed same -
The talk given Mr. B. was strictly business,
& to the point, & as per your plan - but
as I feared, when Leo told me of your
opinion that the Man must extend us
what money we needed in Aug, Sept & Oct -
& would do so if approached correctly
You underestimate the conservatism and
closefistedness of our bankers here -
Mr. Bohue' stated that at present he

Could Make No promises or discuss
with any certainty what he could do in
one two or 3 months. "I can make you No
promises - Matters are very tight. Our
banks here have had a steady outflow
of money & reduction in deposits. If you
are in need of money & must say
today what I can do, you had better
look Elsewhere for Money - But Mr Polhem
& our doing business with this bank & cannot
Nor will I look Elsewhere for money
when I do business with this bank especially
at this time. That is Mr S. & I know
you cannot get it Elsewhere - Mr S.
do like other bankers shape your business
accordingly & if you must close your
factory like many bankers have done -
I said Mr Polhem - The South is in a very fair
condition, we are doing a very fair but
cautious & careful business and I would
Not consider for a moment any such
a move as to close my factory,
as it would mean ruination to this year



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Louisville, Ky.

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Entire prospects. We have been for the past
60 days very slow in our movements,
having the interests of our bank much
before us, but we had between \$120,000
& equal amounts for Aug Sept & October
& depend upon this bank for the same
& not to close our business up. We
paid this bank a small sum, have reduced
our indebtedness to you to as low a mark
as consistent with our needs & more,
Well Mr J. of course I don't mean
to close up & quit entirely. It hurts
me much to have to talk to you in this
way. It is not because I don't consider
you good & entitled to your wants &
what you ask for, but its a question
of whether we are able to let you

have the money or not. Last week I
thought matters were somewhat on the
improve, but here came that Colorado
Lunatic & the Denver bank failures,
destroying confidence more & more
& causing bankers to fear they don't know
what. Now if Congress convenes &
quickly repeals the Sherman act, & matters
improve in Aug & Sep, & we can do so,
we shall let you have what money
you need - You shall have your
share - But as it looks now & unless
matters improve materially we cannot
let you have a dollar - But Mr B -
it is impossible for a man to run
his business on probabilities, and I talk
to you now so that you may be prepared
for our needs - Mr S. I can prepare
for nothing excepting to take care
that I don't pay out money in front
of my bank & loan it out in the rear.
It must come in at one end



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Louisville, Ky.

I until it does that I can say no more -
that ended the matter - He said all
he was going to say. My opinion is that
unless matters improve materially
that bank will hold on to every dollar
they have on hand & ask for all they
can get - although he said that now he
can't ask his customers to pay their notes
if they can't collect their money, & as they
are receiving papers he must hold on
to his funds - No doubt when he talked
to me, he already knew of the Kentucky
National Bank suspension - I saw him
write a telegram to some newspaper
bank in cipher, which ended "by Express
at once", probably order "Money for
any probable use for Monday -
Here is all sorts of talk here

I know of two banks none too strong,
& if there should be any more failures
or any more you can imagine the
effect on banks & borrowers -
Yesterday afternoon, the Defau
gives work down work, but well
& all other defau enterprises assigned
in New Albany. Assets 2 Million, liabilities
probably 1 1/2. I hear of inside authority
of other contemplated respected banks.
How then Oke - Our business is in No 1
shape. We have been careful in everything.
We owe 1900 in July 2350 in Aug -
this without many expenses, although
July is gone nearly. We have 1250 -
to collect for July & 3800 in Aug. Cash
500 in bank - We have 1000 of customers
papers. Total resources 5000. as I
don't think Boken would disct the 1000 -
customers papers. These two breaks are bad,
& will have a bad effect - How with
the 2500 - you have for us we
can go through to Sep 1st by close

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book - working for time that is for day
only - cutting every where - but we must
go to our Office in St Louis to sell
goods. We have a fair stock yet. I
may say a very fair stock - I want of
course afford to stop ^{entire} the expenses
of this house, hold them down as I may
see no small affairs & I can't afford
to go back west - have been there
for the past two years - Man careful
in our Credits & intend to sell in
St Louis only to choice trade, but
to be compelled to stop altogether,
& not to go to St Louis & sell only
400 500 in Aug & Sept, would
certainly cut off our raised fund.

We of course intend to make that
bank give us some money - if it can
be done - Your 2500 + ⁴3000 from
Baker would make it possible
to see 10 to 1200 in Aug - 3 to 4000
in Sep. would do the same - If Andrew
a 1000 or 2000 I can't exactly say more
or less - If I can get it from B -
I see money ahead, notwithstanding
the dull times. Our bills are well scattered.
None very large - & our losses so far
this year unappreciable satisfactory.
So here you have the tax exactly.
In ordinary times it would be paid.
Now a very hardy problem -
The main part is we have 750 notes
due next Thursday & only 500 left - & don't
know whether Govt will disint the
1000 customer papers. I think that, at
least the month. They are notes we
these merchants give us who would
not pay - which we are doing every
one - But even notes are now no good.



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Louisville, Ky.

Now if you can show us anything to
relieve our situation, I shall be very
happy. By the first we shall have
done 75000 - 35 to 40000 more &
Money is made sure, even though
we lose 3 to 3500 - on the year
& our position assured & strengthened.
If forced to stop in Aug & Sep -
the two best months in the year,
we want still a 100000 - for Oct & Nov
are not so much - especially Nov.
In this latter case we would lose
Money - Its awful sure - especially
when one is not in position to
lose - & sees Money made ahead
provided legitimate wants can be

Cause actively & carefully supplied.
Sent us 3. My Ex. checks for the
other 2500 - in equal amounts &
make the note you have, which is
now payable Oct 1st, payable
in Novbr. If you have the detg
you sent us the money - We shall
keep those checks in our safe
& not use any unless we get your
order - We shall make the bank
over to you if you take & the right
kind can do it - but this month or
in Aug, I doubt our ability to do so.
We must be prepared however as we
must say when or how much of the
money due in Aug or July can be collected.
I do wish we could desert the books & Customs
papers. Write me fully by return
mail - Hope you are all well. Faith
is not your friend
My regards LEO -

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Louisville, Ky. July 25/93



Office, Salesroom & Factory, Cor. Jefferson, Ninth & Green.

Dear Sir -

Your two letters are recd. - Just now -
they morning the merchants Natl. - The 4th
Natl. & the Louisville Deposit Bank -
"Three" today went overboard - The town
is wild - Looks like a circus is on every
down town street, & while our legs
are pretty stiff, & we have enough
grip for nearly any condition. Still
it looks mighty nasty & I fear the future.
As out of the question I know to get
a dollar from our bank now or in
August - I think Colver treated me
well the other day in his manner of
talk etc, because while he knew them
of the Kentucky Natl Bank's resources

& probable failure, (he is a director of
the clearing house & otherwise would know
it anyhow) I did not. - As far as our
running of 1/2 time or 1/4 time is con-
cerned, we shall after tomorrow
stop manufacturing entirely. - We
have no money to go on now.
We have a very fair stock & plenty of
orders. No trouble to get more of
the latter & to what are thought to
be good houses at that. We shall
open no office in St Louis yet -
Powess will be the only man on the
road. Nevertheless even with all
this positive stop of expenditures
it will take some money to run
for 3 to 5 weeks only on Natural
expenses & payment of some bill
past due & which must be paid. We
have about 7000 - of July & Aug
payable a/c's in the shape of notes



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Louisville, Ky. 3

for Lumber bought since spring
also Rosunk apts 500 notes. These
Must be paid - & in my calculation
sent you that \$2500 was included
certain & I had strong hopes of
being able to any how direct the
1000 papers & probably a couple of
thousand with Police if that law
in 15 to 20 days from now -
Should you not get the \$2500 -
I give you my word I dont know
when to get money to go on every
so slowly - standing at every thing
& paying only what we must or
are forced to pay - This bank

trouble here certainly cuts off
our entire resources. and our
collections, if collected, dont exceed
our absolute needs, as to these
debts by much, leaving expenses
to be paid. It takes \$7500 - as
stated Sunday to run to Sept, ever so
slow - When I contemplate the good
shape our business is in & how well
we have done in these times I tell
you its terribly discouraging. As
you say the world want go down
though its terrible rough, but I'll
be smothered if things dont need
an air break somewhere. In a nut
shell you can see we need some
money - We have the business, stock
a pcs beyond what a good many
would have in our situation &

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Louisville, Ky.

Condition of chances etc, but this
piece plays h - June -
Max writes you are going to
Chicago with Yette Saturday via
Excessville. I hope not. If you
do leave Huntsville I hope you
will stop here dead certain Any
additional expense we will pay -
Matters are in such shape now
that I can make calculation
for several months ahead, nearly
to Dec 1st if not to it and
it behooves us how to have
knowledge of affairs & want your
advice & opinion of matters -

This informal paper covers out
any arith calculations. Let me
know whether I may look for you,
I want you to be intimately acquainted
with things here - at the same time
with things done in that Bank & so to
12000 - to be got at, we would go along
smoothly & do well - Let me hear
from you & I do hope you will
send that £500 & I want you
to come through here -

I hope you will attend to the
Monetary part of this letter
at once - With best regards

Yours truly
J. P. [Signature]