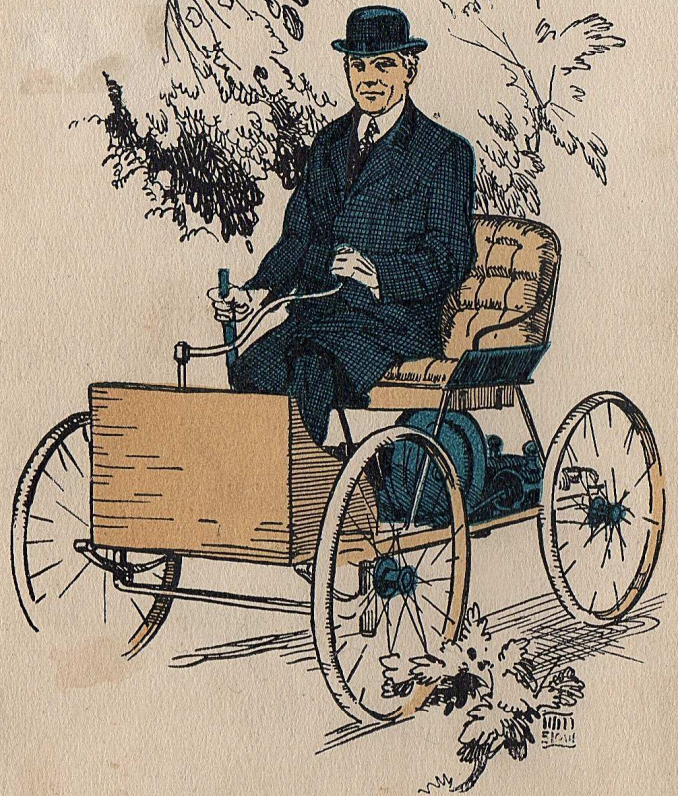


# Helping Ford

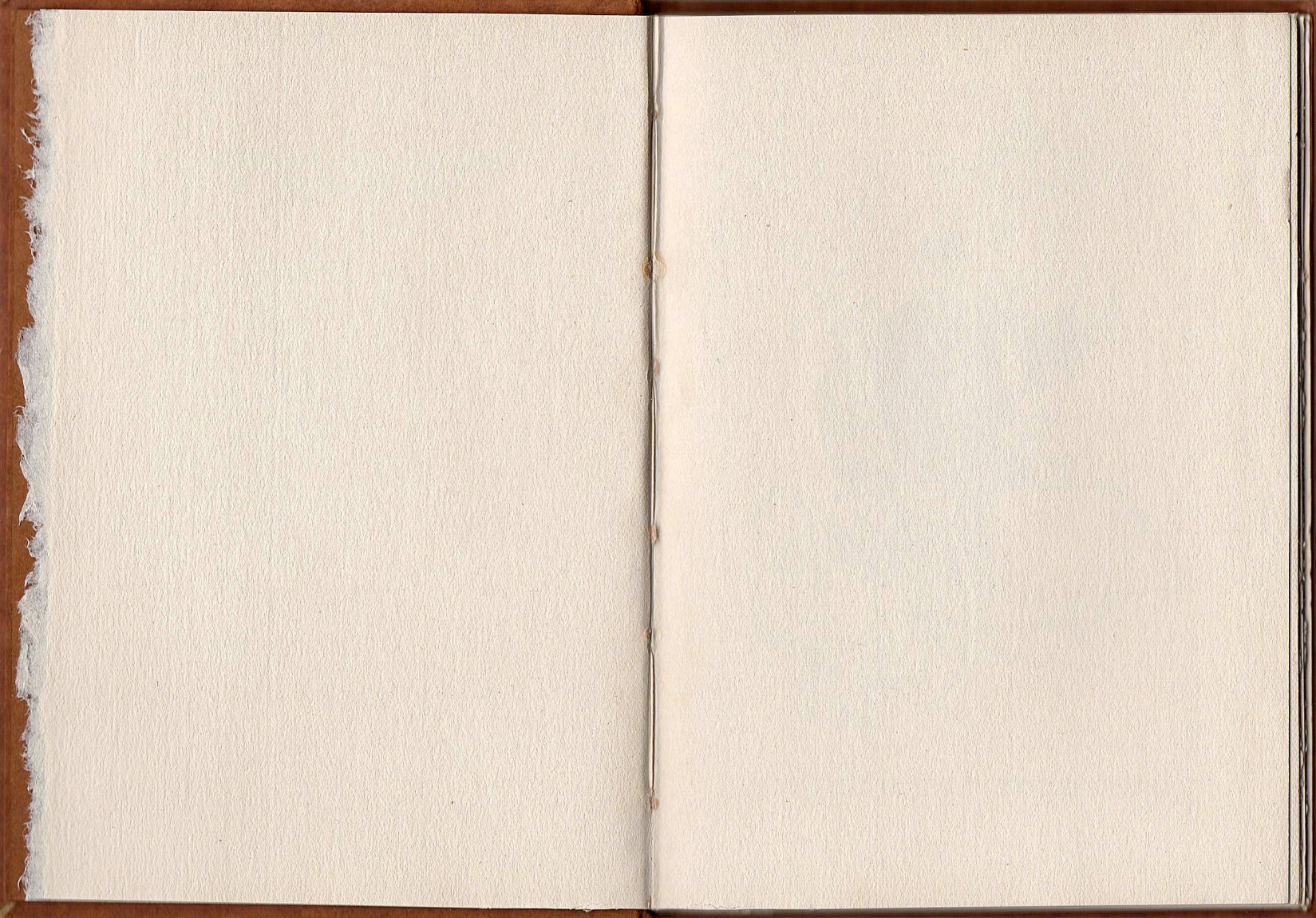


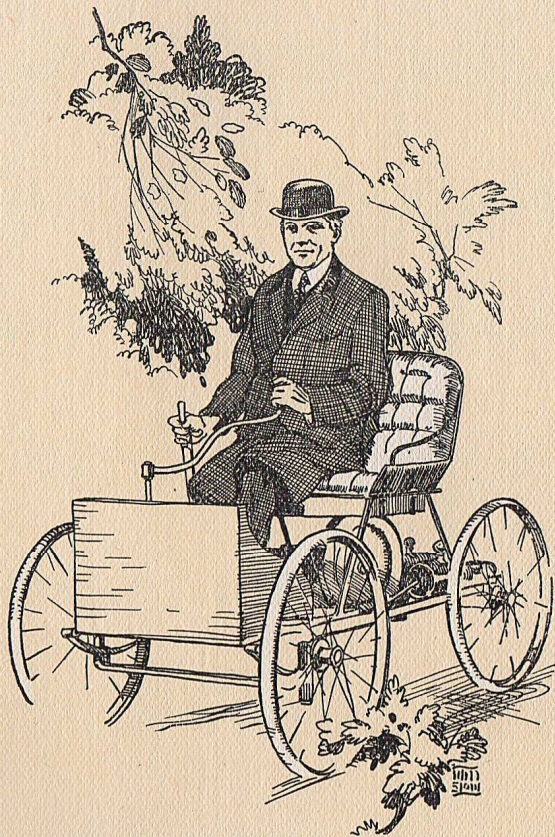
HELPING FORD  
HANDLE HIS  
MILLIONS

B U R R O U G H S



HELPING FORD HANDLE  
HIS MILLIONS





*Woodward Avenue dwindled away to a winding pathway*

# Helping Ford Handle His Millions

A ROMANCE IN  
DOLLARS AND CENTS

FIRST EDITION

THE BURROUGHS ADDING MACHINE CO.  
DETROIT, MICHIGAN  
U. S. A.

## HELPING FORD HANDLE HIS MILLIONS

A ROMANCE  
IN DOLLARS AND CENTS

*Back in the days when Henry Ford's millions were only buoyant possibilities, and Detroit was still an overgrown country town, somebody started a bank in Highland Park, now the most populous suburb of the city "Where Life is Worth Living."*

\* \* \* \* \*

I.

**I**N those days Woodward Avenue, the city's principal thoroughfare, had dwindled away to a winding pathway in the midst of a cow pasture long before it reached Highland Park. In fact, the village was just an exaggerated four corners surrounded by vacant lots and vast sweeps of level farming land.

#### HELPING FORD

There was but one industry. A fellow who had excited a good deal of talk by inventing a "horseless carriage" that would travel a mile or so without stopping, had scraped together enough money to build a factory for making his "go-devil" contrivance. His unlimited faith in a future market for the "chug-wagon," as the villagers dubbed it, appeared to be justified a little later on, when the factory got to working overtime.

Meanwhile the little bank on the corner, a stone's throw away, grew steadily on the business derived from the bi-weekly pay-rolls of the automobile factory. As the factory expanded the village population increased, and the business of the bank mounted to figures that were amazing. The institution soon became the financial hub of a little

#### HANDLE HIS MILLIONS

universe of extraordinary prosperity. With deposits soaring and the commercial department cutting up "monkey shins" with the accounting system, the clerical force was fighting off nervous prostration with a tenacity that was commendable, though utterly hopeless. It was becoming painfully evident that something must be done. Every day was bringing greater need of relief.

When the bank had been organized the systematizers thought they were starting just an ordinary every-day bank. They arranged to use a petty or adjunct ledger in the paying teller's cage, and checks were referred to this for detecting overdrafts. This made it necessary that the individual ledger should be gone over every now and then and overdrafts or close balances entered on the teller's petty ledger. Checks passed to the bookkeeper were journal-





*The old pen-and-ink way.*

#### HANDLE HIS MILLIONS

ized and posted from it to the ledger. It was a cumbersome arrangement and in spite of the care taken, overdrafts kept continually cropping up—overlooked by the bookkeeper. Usually they failed to show up until the following morning, when it was too late. There was nothing left but to look to the customer for payment. If he failed to do so, the bank was “up against” another problem.

As day by day the Ford factory across the way increased its payroll, there was a corresponding necessity in the bank for a larger force and better clerical facilities. With the exception of one adding machine, accounting was handled in the old pen-and-ink way. Ledger posting was full of “trials” and disappointments. There were about as many of one as the other; but, whatever came to pass in the meantime, the

correct balance was finally arrived at. Checks were listed on the adding machine, then entered on the ledger and balances extended mentally each day. There were always chances of errors, to be sure, and the tasks of balancing became daily ordeals of increasing vexation.

II.

THE PASS BOOK

WHILE this trouble came daily to disturb the mental equilibrium of the clerical force, there came at the end of each month something truly harrowing when recalled in all its painful details—pass book balancing. Late hours and alarm clocks seemed to work hand in hand to tantalize bookkeepers.

Leaving out of the story a detailed account of the many disappointments attending the collection of troublesome pass books—trying to forget how the teller commences to ask for them about the 25th of the month, and how they are forced on him after the end of the month—picture the “trial by ink” which comes only to a bunch of bank

clerks and bookkeepers the night of the last day of the month.

Here is about what happens: grasping a refractory pass book roughly by the back, you slap it unceremoniously on the desk; then you compare it with the ledger credits to see how many deposits have been left off. Say one has. Better look up the deposit slips to see if it has been posted to the proper account. Then you begin to add. Maybe certain entries are in the hundreds column when they should be in the tens column. Never mind; "Every little movement has a meaning all its own," so just wriggle over and include the figure in your snake-like trail up the squirming column.

The credit total eventually arrived at, you are ready to total the checks returned. If there are only 600 of these you are lucky. There might have been

1200. Spare the pain of harking back to the sombre days when footings were made by mental calculation and set down with pen-and-ink. The Burroughs had lifted the clerks out of the old thralldom when it came to adding and listing, thank fortune, but there was still trouble enough due to the disfiguration of cancelled checks and the persistent refusal of debits and credits to balance. But why prolong the misery? It is now past midnight and the books are not balanced yet. You make your way home, get to sleep by one o'clock after setting the alarm clock for six. Then your thoughts wander off to realms where neither pass books, cancelled vouchers nor ledger balances break through your bower of bliss.

—Then the alarm clock rings!

## THE PASS BOOK

The bank took an important step in the improvement of its accounting system when it installed a Boston ledger. Later it was able to do away with the journal and post checks direct, placing a slip to mark accounts wherever there were debits or credits and, at the end of the day, going through the ledger and running all checks or deposits in accounts where there were slips. The bookkeepers then went through the ledger again, taking a total of the old balances from all accounts showing deposits or withdrawals. After making extensions of these accounts they ran the new balances, thus getting proof of their work for the day.



—Then the alarm clock rings!

### III.

#### PROFIT-SHARING

**A**MAZING increases in the volume of business transacted by the automobile factory near by made necessary larger and larger outlays for supplies, salaries and marketing facilities. Ford's cash surplus had been distributed among numerous Detroit banks, since no one bank was large enough to carry his commercial account alone. A check for material might call for \$10,000,000 and such a demand would overtax the most elastic of the banks.

One day Ford's profit-sharing plan was announced and the sensation it created went echoing and re-echoing throughout the business world. Already Ford and a number of officials of the Ford Motor Co. had become interested

#### PROFIT-SHARING

in the bank, and the stage was already set for taking care of the sociological side of the profit-sharing work.

No sooner had Ford's employees recovered from their surprise at getting five-dollar-a-day envelopes than the bank's deposits took another leap. Although the new profit-sharing plan provided that workmen must maintain a savings account or invest their savings in real estate, they were left free to deposit their savings where they chose. The Highland Park State bank, however, profited most, due, perhaps, to the fact that Ford himself was financially interested in it, and to the further fact that it was close to the big plant.

Still more business came to the bank when the Ford Motor Company established its present unique scheme of paying its bills. The amounts are deposited in that bank to the credit of the payee

#### HELPING FORD

and he is sent a memo informing him where the money has been placed. The bank follows this notice by sending its new depositor a pass book and a check book. He is free to draw a single check against the deposit, but many times he leaves the money in the bank a considerable period. That helps swell the list of depositors and the total deposits.

In placing the money in the Highland Park State bank the Ford Company draws one or more checks on one or more of the banks which hold portions of its \$25,000,000 surplus.

From \$2,645,135 November 1, 1913, the bank's deposits jumped to \$10,400,000 in a year and a half. The May, 1915, statement shows total resources of \$11,252,308, with surplus and undivided profits totaling \$323,915. The capital stock is \$500,000. Business is good.

#### PROFIT-SHARING

The bank now has more than 10,000 savings accounts and 3,200 commercial accounts. Deposits have been doubling about every eight or nine months.

Henry Ford is a director in the institution; James Couzens, vice-president of the Ford Motor Co., is its president; F. L. Klingensmith, secretary of the automobile company, is its vice-president; and E. D. Ford, son of Henry Ford, is a director.

IV.

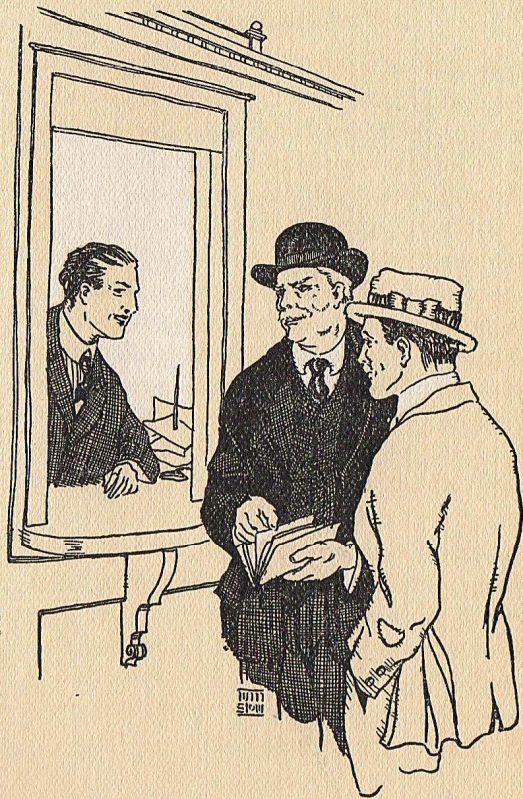
INTO THE BREACH

CO-INCIDENT with the spectacular leap in deposits when the new Ford method of paying bills was established and, again, when the profit-sharing plan went into effect, the bank's office work increased in practically as great proportion as the money handled. The greatest measure of relief was afforded when the directors installed a Burroughs Statement Machine in the accounting department. That machine sprang into the breach like a valiant soldier and took care of checks and deposits that formerly had required the attention of four bookkeepers. It brought also concise, accurate, and

INTO THE BREACH

neat forms. Instead of balancing a deluge of pass books the first of each month, the office force was able to give each of its depositors a statement of his account, including just the information he needed, in the most convenient form. Since the installation of the Burroughs Machine, statements have been kept in balance every day. The cure of pass book ills has been complete, and the patient has never had a relapse or even a suggestion of the old trouble. A customer may have a statement of his account in five minutes after he asks for it.

Better relations between the bank and its customers are maintained. The bank is not forced to ask the customer to give up the only valid receipt he has by surrendering his pass book. Pass books are kept by customers purely as receipts for their deposits.



*A customer may have a statement of his account in five minutes after he asks for it.*

#### INTO THE BREACH

Following the gratifying success with the Burroughs Statement Machine and taking into consideration the high quality of work obtained from it, the directors decided that inasmuch as it worked out satisfactorily on statements, it would do ledger posting as well. Therefore the Burroughs Company was asked to make the slight necessary changes in the machine the bank already had, and then two new ledger posting machines were bought. Now a total of twelve Burroughs Machines are used in the accounting department. Four Duplex Machines, three Ledger Posting Machines, and five straight Adding and Listing Machines comprise the equipment.

On the three Ledger Posting Machines are handled the 3,200 commercial accounts, using only three bookkeepers to run both ledgers and statements.



Five men were required to do this work before the machines were installed, and when the bank's business was much smaller than at present.

When the accounts were transferred to the posting machine, the bank installed a loose leaf ledger system in place of the Boston bound ledger previously used, and now an exceptional improvement is seen. With the new loose leaf system, much time and labor are saved. By the old system, if balances were carried forward every day—or even every third day—75 to 80 per cent. of the accounts, although they were not active, were necessarily carried forward. Again, in extending, it was necessary to follow long lines, entailing a danger of posting to the wrong account—a serious matter.

Suppose, for instance, you had a James Tanner among the list of "T's"

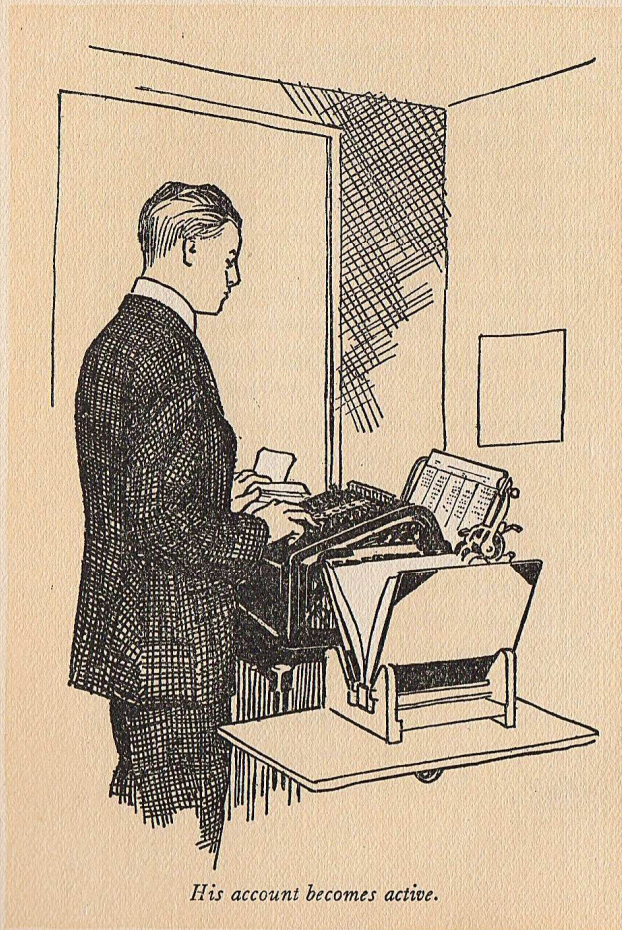
and his brother, John Tanner, opened an account. There was but one place where the new depositor's name could go in order to be strictly in alphabetic order. That place was right after James Tanner's name. If that place was occupied by another name the only way out of the difficulty was to enter the name in the blank line at the bottom of the "T's" This placed it out of alphabetic order, making it hard to find and, naturally, easy to overlook.

On the other hand, supposing an old depositor left town to be gone several months, neglecting to draw a small balance from the bank. His account was either carried forward or transferred to the "suspense" ledger until it became active.

These and many other problems have been solved by the use of the three Burroughs Ledger Posting Machines.

### INTO THE BREACH

There are no long lines now to follow. If an account is not active, it is not necessary to touch it at all. If John Tanner opens a new account, the one-account-to-the-page idea allows it to be inserted in alphabetic order immediately after the name of James Tanner, where it is readily found. If a former depositor returns, his own ledger page may be slipped back into the file and his account then becomes active.



*His account becomes active.*

## ERRORLESS WORK

**R**IGHT here, however, let it be said that the really big advantages of the Ledger Posting Machines extend far beyond the mere elimination of inconveniences. The new system marks a departure and brands the "mechanical brains" of the Burroughs as nothing short of marvelous. There is one great big fact that stands out most prominent of all.

These machines cannot make mistakes.

This is the most vital reason why they are valuable in business. The fact that they eliminate drudgery by doing away with mental calculations, entries by pen-and-ink, and extensions by hand

## ERRORLESS WORK

in ledger work, are second only to the great fact of accuracy.

Starting the work on the ledger page, the leaf is simply dropped into the carriage as in a typewriter, although far more readily. A simple pull of the injector lever brings it to printing position. Mechanical stops, once set, automatically govern the machine in its trip across the ledger page, without thought or attention from the operator. The same stops also govern the inner mechanism, causing the machine to add where it should add and subtract where it should subtract.

The operator simply depresses the proper keys on the keyboard, corresponding to the old balance, which is then printed and added in the old balance column on the left of the sheet. After this has been entered the carriage automatically moves into the column allotted to checks in detail, and at the

### HELPING FORD

same time the date mechanism is brought into play, to print the date opposite the first check. In this space the machine is automatically set to Subtract and every figure printed is subtracted.

From the check columns the carriage moves on to the column for deposits. In this space the machine will add, and as the deposit is entered the date is also printed opposite the amount. At this point the machine has subtracted the total of the checks from the previous balance, and added the day's deposits. The new balance is ready to be printed as the carriage takes the page over into the new balance column on the extreme right to print the new balance, and also sets the date opposite. It is all done in a moment and there can be no error.

The date keys are set the first thing in the morning before starting posting and require no attention from the oper-

### ERRORLESS WORK

ator during the day, as they will always print in the desired columns, being controlled entirely by the movement of the carriage.

In the case of an overdraft when the new balance is ready to be extended, a most remarkable thing happens. The machine refuses to print the balance until an extra spacing stroke is taken on the operating bar. Then the overdrawn amount is not only printed with the operator's full knowledge that it is an overdraft, but is marked in red ink with the characters "O.D." Thus the operator is not only apprised of the overdraft, but is prevented from forgetting that it is an overdraft forever after.

But here is more: next day, when the overdraft is set down as a negative (red) balance this intelligent, almost human, machine never makes the mistake of picking it up as a black balance.

#### HELPING FORD

Oh no, it promptly subtracts it from the new deposit. An illuminating little sidelight on overdrafts is furnished by the May, 1915, statement of this bank, which shows that of more than \$10,000,000 in deposits, there were no overdrafts.

What the Burroughs Ledger Posting Machine has done for the Highland Park State bank it has done for others. Truly it has taken the "numb" out of numbers and the "trial" out of trial balance. It has turned into a pleasure what was once nerve-exhausting drudgery. True to the testimonials of other bankers, it has demonstrated already that it is a 100 per cent. investment. But not alone has it brought contentment, it has brought a well-arranged smoothly operating, systematic manner of accounting.

*For interesting information about the Burroughs Ledger Posting  
and Depositors' Statement Machine, tear off and mail this card*

*Date* \_\_\_\_\_

Next time one of your representatives is in this vicinity the  
writer would like to talk with him about Ledger and Statement  
posting. This is not to obligate us in any way

*Name* \_\_\_\_\_

*Bank* \_\_\_\_\_

*City* \_\_\_\_\_ *County* \_\_\_\_\_ *State* \_\_\_\_\_

*Prefer that the call be made about* \_\_\_\_\_









**M**ACHINE-posted ledger page (actual size 11 x 11). Handling the work is very simple—the sheet is dropped into printing position with one stroke of a small lever. The Old Balance is picked up and added; Checks are dated and subtracted; Deposits are dated and added; as the carriage moves automatically from column to column. The machine computes the New Balance, which is dated and printed in the last column by simply pressing down the Total Key. Overdrafts are computed also, and marked with the OD sign, in red.

SHEET NO		NAME									
		ADDRESS									
FORM 5-283											
OLD BALANCE	DATE	CHECKS IN DETAIL				DATE	DEPOSITS	DATE	NEW BALANCE		
		BALANCE BROUGHT FORWARD #				JAN 31	500.00				
500.00	FEB 1	100.00						FEB 1	400.00	*	
400.00	FEB 2						500.00	FEB 2	900.00	*	
900.00	FEB 3	200.00	-	100.00	-	50.00		FEB 3			
	FEB 3	500.00	-	40.00	-	200.00		FEB 3	500.00	*	
481.00	FEB 4 L	634.55	-					FEB 4	481.00	*	
1,535.50	FEB 5							FEB 4	1,535.50	*	
3,464.50	FEB 6	363.40	-	534.50	-	655.60		FEB 5	3,464.50	*	
	FEB 6	634.50	-	533.50	-	533.50					
	FEB 6	630.40	-	533.50	-	423.40					
1,145.70	FEB 6						2,523.50	FEB 6	1,145.70	*	
3,145.70	FEB 6 CC	500.00	-	150.00	-		2,000.00	FEB 7	3,145.70	*	
2,495.70	FEB 9 DM	250.00	-				267.5	FEB 8	2,495.70	*	
4,695.90	FEB 9	252.40	-	534.50	-	434.40	2,423.45	FEB 9	4,695.90	*	
	FEB 9	522.40	-	533.00	-						
2,898.90	FEB 1 R	257.6	-					FEB 9	2,898.90	*	
3,148.54	FEB 1 L	252.40	-				2,754.00	FEB 11	3,148.54	*	
5,625.09	FEB 1 S	252.40	-	545.00	-	545.00	5,000.00	FEB 13	5,625.09	*	
	FEB 1 S	623.40	-	820.30	-	630.46					
	FEB 1 S	633.00	-	530.40	-		63.45	FEB 15	1,422.48	*	
1,422.48	FEB 16	35.00	-	50.00	-		5.50	FEB 15	1,337.48	*	
1,337.48	FEB 16	25.00	-	40.00	-	3.00		FEB 16			
	FEB 16	534.00	-					FEB 16	708.48	*	
708.48	FEB 19 EC	500.00	-	25.00	-	252.30	500.00	FEB 18	1,208.48	*	
1,208.48	FEB 20	24.00	-	45.00	-	50.00		FEB 19	431.18	*	
431.18	FEB 20	634.00	-	533.30	-	434.00	1,523.00	FEB 20	233.88	*	
	FEB 20	350.00	-	45.00	-	434.00		FEB 20			
233.88	FEB 23	633.40	-	534.00	-	403.34	6,224.45	FEB 23	405.859	*	
	FEB 23	2,500.00	-	1,500.00	-	58.59		FEB 24	0.00	*	
4,058.59	FEB 24						5,000.00	FEB 25	5,000.00	*	
5,000.00	FEB 26	253.40	-	545.00	-	60.00		FEB 26	5,430.70	*	
5,430.70	FEB 26	634.40	-	545.00	-	545.00					
	FEB 27	250.00	-	300.00	-	250.00		FEB 26	5,430.70	*	
	FEB 27	350.00	-				2.15	FEB 27	5,803.35	*	
	FEB 27						1,520.50	FEB 27			

The statement form is practically a duplicate of the ledger sheet, except that the right and left margins containing old and new balances, are perforated, and torn off before statement is mailed out.

**HIGHLAND PARK STATE BANK**  
 IN ACCOUNT WITH  
 HIGHLAND PARK, MICHIGAN  
 Statement of your account in close of business.  
 CHECKS IN DETAIL

OLD BALANCE	DATE	CHECKS IN DETAIL				DATE	DEPOSITS	DATE	NEW BALANCE		
500.00	FEB 1	100.00						JAN 31			
400.00	FEB 2						500.00	FEB 2	400.00	*	
900.00	FEB 3	200.00	-	100.00	-	50.00		FEB 2	900.00	*	
481.00	FEB 3	500.00	-	40.00	-	200.00		FEB 3	500.00	*	
1,535.50	FEB 4 L	634.55	-					FEB 4	481.00	*	
3,464.50	FEB 5							FEB 4	1,535.50	*	
	FEB 6	363.40	-	534.50	-	655.60		FEB 5	3,464.50	*	
	FEB 6	634.50	-	533.50	-	533.50					
	FEB 6	630.40	-	533.50	-	423.40					
1,145.70	FEB 6						2,523.50	FEB 6	1,145.70	*	
3,145.70	FEB 6 CC	500.00	-	150.00	-		2,000.00	FEB 7	3,145.70	*	
2,495.70	FEB 9 DM	250.00	-				267.5	FEB 8	2,495.70	*	
4,695.90	FEB 9	252.40	-	534.50	-	434.40	2,423.45	FEB 9	4,695.90	*	
	FEB 9	522.40	-	533.00	-						
2,898.90	FEB 1 R	257.6	-					FEB 9	2,898.90	*	
3,148.54	FEB 1 L	252.40	-				2,754.00	FEB 11	3,148.54	*	
5,625.09	FEB 1 S	252.40	-	545.00	-	545.00	5,000.00	FEB 13	5,625.09	*	
	FEB 1 S	623.40	-	820.30	-	630.46					
	FEB 1 S	633.00	-	530.40	-		63.45	FEB 15	1,422.48	*	
1,422.48	FEB 16	35.00	-	50.00	-		5.50	FEB 15	1,337.48	*	
1,337.48	FEB 16	25.00	-	40.00	-	3.00		FEB 16	708.48	*	
708.48	FEB 19 EC	500.00	-	25.00	-	252.30	500.00	FEB 18	1,208.48	*	
1,208.48	FEB 20	24.00	-	45.00	-	50.00		FEB 19	431.18	*	
431.18	FEB 20	634.00	-	533.30	-	434.00	1,523.00	FEB 20	233.88	*	
	FEB 20	350.00	-	45.00	-	434.00		FEB 20			
233.88	FEB 23	633.40	-	534.00	-	403.34	6,224.45	FEB 23	405.859	*	
	FEB 23	2,500.00	-	1,500.00	-	58.59		FEB 24	0.00	*	
4,058.59	FEB 24						5,000.00	FEB 25	5,000.00	*	
5,000.00	FEB 26	253.40	-	545.00	-	60.00		FEB 26	5,430.70	*	
5,430.70	FEB 26	634.40	-	545.00	-	545.00		FEB 26			
	FEB 27	250.00	-	300.00	-	250.00		FEB 27	5,803.35	*	
	FEB 27	350.00	-				2.15	FEB 27			
	FEB 27						1,520.50	FEB 27			

BALANCE 5,803.35

This statement is furnished you for the purpose of bringing your pass book up to date and will not be valid for the purpose of settling your account. These statements will be furnished to you only if you have your pass book with you when making deposits.