

is strikingly shown in the following table of licensed warehouse capacity for different products at different periods:—

PROGRESS UNDER UNITED STATES WAREHOUSE ACT—INCREASE IN LICENSED CAPACITY.

Date.	Cotton.	Grain.	Wool.	Tobacco.	Peanuts.
	Bales.	Bushels.	lb.	lb.	Tons.
April 1, 1920	40,050	136,000	None.	None.	None.
April 1, 1921	429,975	2,108,400	24,375,000	None.	None.
May 1, 1922	1,209,695	14,441,080	27,500,000	68,395,000	None.
May 1, 1923	1,903,979	15,699,547	32,351,250	240,255,000	None.
Dec. 31, 1923	2,566,104	33,819,983	25,645,000	348,399,000	2,385

The benefits which the patrons of these licensed warehouses received became quite apparent, with the result that the producers of other commodities which enter into storage demanded that the Warehouse Act be amended so as to apply to products other than those originally specified by the law. On the 23rd February, 1923, in answer to this demand, Congress removed the limitations by making the law applicable to the storage of "agricultural products" without specifying any particular commodities, thereby leaving it with the Secretary of Agriculture to determine what products might be properly stored.

Purposes of United States Warehouse Act.

The Warehouse Act was passed by Congress in the hope that it would accomplish several purposes: First, that it would encourage the farmer to store his products and thus avoid the terrific losses sustained each year through lack of proper storage of harvested crops. Another purpose was to create a uniform system of warehousing throughout the country for agricultural products. But the big consideration was to get a form of warehouse receipt which would possess real loan value. This last purpose, it was thought, could be accomplished by providing a system of licensing warehousemen and by the Government supervising their operations.

The law does not put the Government into business. The Government does not build warehouses under this law. It does not operate them. It merely supervises them. The law, being Federal in nature, has the same application to a warehouseman in the east as to a warehouseman in the south, and in every other part of the country. It aims to break up evil practices in warehousing. The law and the regulations promulgated thereunder by the Secretary clearly specify the duties of the warehouseman, and absolutely prohibit such practices as issuing warehouse receipts before the commodities are received into storage or delivering the commodities before the receipts are surrendered—practices which in the administration of the law the Department has found are quite common in some sections. It aims also to improve practices in warehousing in the light of the Department's experience, and sound business, and to develop uniformity throughout the country.

A Receipt with some Real Information.

It requires that certain information shall be stated in every receipt issued by licensed warehousemen. Among the outstanding features which must be stated on warehouse receipt issued under this law are—

- (1) The license number of the warehouseman.
- (2) The name of the warehouse and location.
- (3) The name of the licensee and post-office address.
- (4) Whether a receipt is negotiable or non-negotiable.
- (5) That the warehouseman is licensed and bonded under the United States Warehouse Act.
- (6) A number which corresponds to the number assigned to the package of the commodity in storage.
- (7) The name and address of the person from whom the commodity was received for storage.
- (8) Whether or not the commodity is insured, and to what extent.
- (9) The period for which the commodity is accepted for storage, and the terms and conditions under which a new receipt may be issued.
- (10) The marks, the weight or quantity, the grade, and the condition of the commodity at the time it enters storage.
- (11) Whether the weight, grade, and condition were determined by weighers, classifiers, and inspectors licensed under the law.
- (12) The standards according to which the grades were determined.
- (13) The amount of liens and charges claimed by the warehouseman.
- (14) The date of issuance of the receipt.
- (15) The signature of the warehouseman or his authorized agent.
- (16) If the warehouseman has an interest in the commodity represented by the receipt, the extent of that interest shown on the face of the receipt.
- (17) A statement on the reverse side showing ownership of and any encumbrances or liens other than the warehouseman's liens which may be on the commodity.

The grade of the commodity must appear on all receipts unless the depositor requests that it be omitted; and, regardless of the wishes of the depositor, when the product is so stored that its identity will be lost upon entering storage, then the grade must be stated by the warehouseman. In all instances the weight or quantity of the product must appear on the warehouse receipt, and also the condition of the product.