

# Armstrong Cork Company

Lancaster, Pa.

March 29, 1934

The Honorable Stephen A. Budd  
The House of Representatives  
Washington, D. C.

Dear Sir:

We respectfully urge you to oppose the bill introduced in Congress entitled "National Securities Exchange Act of 1934". An examination of the bill shows that this measure, while purporting to have as its major purpose the prevention of speculation and the protection of investors, actually is destructive to the interests of the great mass of citizens who own securities issued by American corporations.

The drastic provisions of this measure go far beyond the avowed purpose of regulating stock market trading practices. It provides, in effect, for the regulation of American industry in such sweeping fashion that earning power will be impaired and recovery retarded and perhaps defeated. Under the unprecedented scope of this bill a bureaucratic governmental control will be instituted which will throttle legitimate enterprise. Absurd and burdensome requirements are placed upon corporations in specific terms and in addition the Federal Trade Commission is authorized to issue rules and regulations at its discretion in respect to corporate accounting and other details of management. The quarterly audit required by the bill (in lieu of the annual audit we now have) would cost this company \$50,000 extra per annum -- an entirely unnecessary expense.

The proposed measure will diminish the liquidity of securities, hamper the acquisition of new capital and interfere severely with the smooth functioning of the markets. Ultimately it leads directly to the nationalization of all business enterprise.

We earnestly urge you to use the power which has been entrusted to you by the people to defeat this socialistic measure.

Very truly yours,



President

HWP:bm