

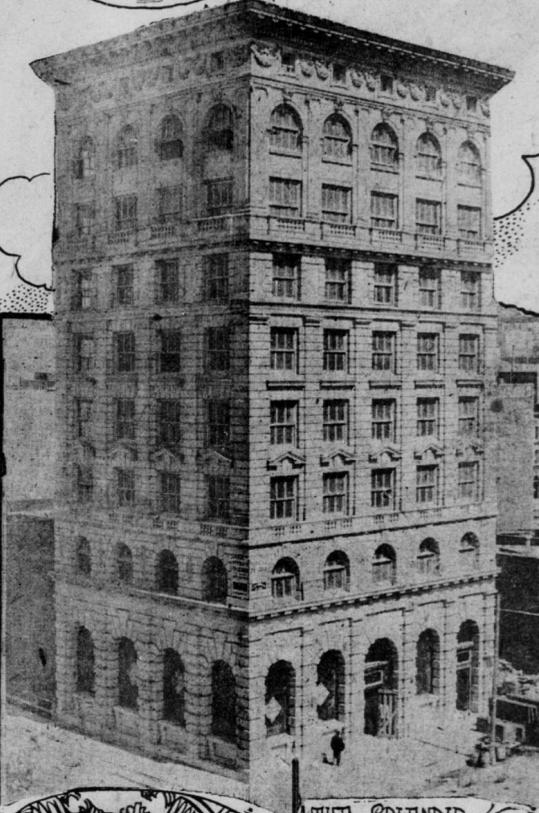
What the Bank of Italy Did for San Francisco In a Time of Need



L. SCATENA, PRESIDENT OF THE BANK OF ITALY



A. P. GIANNINI, VICE PRESIDENT AND MANAGER

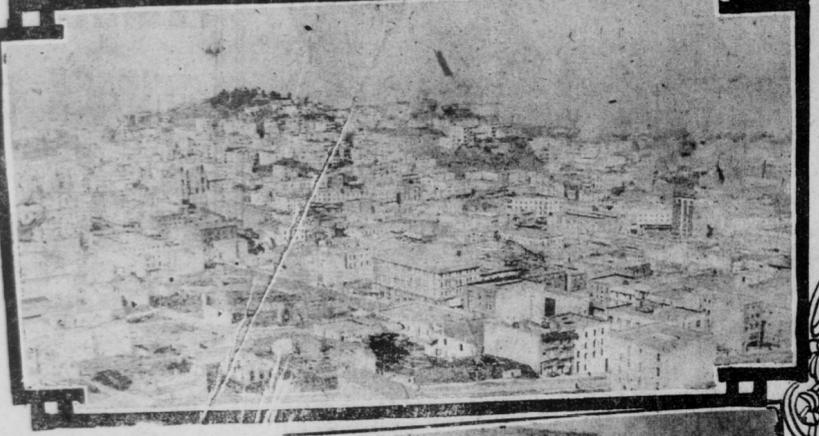
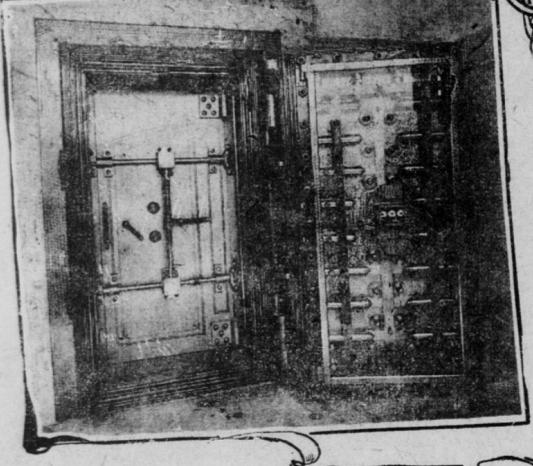


THE SPLENDID NEW BANK OF ITALY BUILDING



A. H. GIANNINI, VICE PRESIDENT

THE MIGHTY DOOR OF THE NEW VAULT



NORTH BEACH WHICH THE BANK OF ITALY HELPED TO REBUILD

WHEN a citizen of good sense, as well as good cheer, said that the upbuilding of San Francisco would depend upon the work men did as individuals rather than through organized effort, he uttered a truth that ought to be repeated wherever calamity overtakes a community. But when this truth is repeated the story of the best exemplification of its practical working out should be told also the story of the magical rebuilding of San Francisco's Latin quarter that claims for its own every block of hill and hollow long ago given the designation "North beach," as well as a significant slice of lower downtown.

This golden rule for the cure of calamities was portentous enough when it was voiced, because it brought thinking people to a realization that the organized meetings of the first days after those of horror, were, for the most part, efforts in the wrong direction. Reduced to the terms of the needs of the hour, "individual work" meant that each man had better go home, clean up his own brick pile, get a shelter to live in, another to work in, and the miracle of reconstruction would be accomplished.

The thrifty Italians—and there are 99 of them in every 100 Latins at North Beach—did not have to be told this great truth; they had a realizing sense of their duty to themselves, their families, their adopted city, and straightway commenced to rebuild their homes and their places of business. Their work was "individual" and today all San Francisco points with civic pride to the enterprise and good faith of the Italian colony.

The record breaking work of the Italians suggests question after question, the most insistent of which is: "How did they get the money to begin the work of rebuilding when the rest of the community, including the banks, was still dazed?" Without doubt the largest single contributing influence toward this marvelous rebuilding, this "first aid" to the stricken, was extended by the Bank of Italy, at that time the "baby bank" of San Francisco. A combination of circumstances placed this institution in a fortuitous position and it was able to cast bread upon the waters.

The history of the bank, and the way it came through the calamity and the financial crisis, make a chapter in the financial annals that will not soon be duplicated. The older banks, those whose foundations were known to be but little short of financial Gibraltar, were expected to give a good account of themselves in that time of trouble; but no one thought that the baby Bank of Italy would be the first in the field with the means toward immediate rehabilitation. But it was.

Between luck and faith, this bank managed to be doing a rushing business with its Italian clientele some time before the other banks were able to open their vaults. So it was that some of the first loads of lumber that were

hailed to North beach were paid for out of the money available from the Bank of Italy. Some of the needed amounts belonged to patrons of the bank who found it possible to draw on their accounts, but much of it came through loans negotiated within a few weeks after April 15. The loyalty and confidence and judgment of the directors of the bank and the good faith and energy of the homeless people were the elements that went into these first financial bargains after the calamity.

Just as soon as "the geological fault" had slipped and settled and the fires had broken out here, there and everywhere, the officers of the bank were on guard at its former home, the northwest corner of Montgomery avenue and Washington street. They realized that the fire would be upon them in a short time and that their vaults might not brave the holocaust. They had one comfort in knowing that the several hundred thousand dollars on deposit with some of the most substantial financial institutions in the world was entirely safe, but there was a wagonload of money and securities in the bank proper and another of books and various records. It was not an easy matter in those hours of dire confusion to move a large quantity of money and valuables. At the most troubled meeting that the directors of this bank will ever hold a plan was decided upon.

It was fortunate for the bank and its depositors that the president, L. Scatena, was also the head of a large commission business and so had available two large teams. Arrangements for this important removal of coin and securities were made by A. P. Giannini, the bank's vice president and manager, while A. Pedrini, the present cashier, stood guard over the bank, reinforced by two soldiers assigned for duty by the military authorities already in charge of the burning city. The wagons secured, the sacks of coin, the bundles of paper money, the securities, the books, the odds and ends necessary for the conduct of business, were carefully piled into them. Under such circumstances most men would have been satisfied with getting the coin and valuables to places of safety, but the enterprising men of this bank carefully included in the "odds and ends" a quantity of all sorts of stationery that would be required to resume business in an orderly fashion.

But getting all these things into a wagon did not solve the troublesome problem in hand. What was to be done with these perishable things belonging to people who had entrusted them to the bank for safe keeping? Oakland was over the water, with a fiercely burning district between the treasure and the ferry; the Presidio was some miles away. With fire and disaster on every hand it seemed the part of wisdom to haul the money and valuables

and then stand guard over the calamity grave. With this idea in mind the "treasure train" started, but as it threaded its way through the maze of misery there was time for the consideration of other plans for safety, and so the money that started out to be buried found its way down the peninsula to San Mateo, where Vice President A. P. Giannini had his country home, known as "Seven Oaks."

It was a curious and motley procession of stricken people that left the burning city that day, but no one who saw it thought for a moment that the two big Scatena wagons were banks on wheels. There were anxious days at the Giannini home while it housed the available possessions of the Bank of Italy, but there was an element of safety in the fact that none but the trusted employees of the bank knew of their presence there.

The fire was absolutely extinguished the Saturday after it began. Sunday found Mr. Giannini and a force of his assistants writing letters to the bank's depositors, telling them that it would be possible for them to draw proportionate amounts, and also that the bank stood ready to lend money for rebuilding. It is not difficult to see what a powerful combination was immediately formed by this bank willing to lend money immediately, and the Italians who could not get it too quickly. It meant a splendid faith in the city that was to be, as well as in the men who were to make it.

Means were found to get these emergency letters to their destinations; the answers came promptly, and important business was soon under way. In exactly nine days after the calamity—April 27—the Bank of Italy had established itself in temporary quarters at 2745 Van Ness avenue, at the home of Dr. A. H. Giannini, who is also a vice president of the bank. Because the records of the bank were kept in places of safety, a calamity day book—a simple affair—was opened, and now that is a treasured possession of the officials. It shows that by May 1 there was almost as much money coming in as going out of the bank. The entries increased with the days. By May 21 the directors had secured quarters in the old Montgomery block, one of the few buildings in this city that had a magic circle drawn around it when the fire claimed it for destruction. It is a coincidence that this same Montgomery block belongs to some prominent men of the Italian colony who call themselves "The Montgomery Block Real Estate Associates."

The Bank of Italy has been marching on to success, a fact which has found expression in the magnificent new

building which is architecturally an ornament to the city and particularly to the lower blocks of Montgomery street.

No Losses From Loans

For the last two years, in crowded little offices, the Bank of Italy has been making history. In telling of this period, Vice President Giannini says: "In lending money for much of the rebuilding of North beach, our confidence has been well placed. Not in a single instance have the local Italians with whom we have been doing business failed to live up to their agreements. They have done far better than we had any reason to expect. Not only has all interest been paid promptly, but loans have been decreased by substantial sums. Our customers having loans have been keeping savings accounts with us and have been reducing their obligations hundreds of dollars at a time.

"You can see how surprisingly business has gone on with the Italians since the calamity when this bank was able to go through the recent crisis without ever calling for a clearing house certificate. We handled them because our people received them. Through all those weeks of flurry and financial stringency we carried on the business of the Bank of Italy upon a strictly cash basis. We did not require our depositors to serve notice on us when they wanted money.

"When this bank was organized, October 17, 1904, the personnel of the directorate was somewhat out of the ordinary, and to that reason it is fair to attribute a measure of our phenomenal success. When a new bank is started anywhere the confidence of the people is secured by the appointment of a board of directors known to them through years of business integrity. 'Young men rule not apply.' The time honored rule was broken when the Bank of Italy was established and several men of the younger generation were taken into full counsel and

responsibility with those of years and ripe experience. The combination of the wisdom and the sagacity of the trained men and the hustle and hope of the younger ones has been productive of the best results. The men of years have had no reason to regret the confidence placed in the energy and enthusiasm of youth."

Verified reports of the Bank of Italy tell officially and in numbers this story of success. They show that notwithstanding the calamity and the financial stringency the stock holders have received regularly 5 per cent on their investments, except during the first two and one-half months, when business was being established. In addition to this, the accounts show that in the middle of June, 1907, the bank was holding over \$51,000 of surplus and undivided profits. Two months after its organization the Bank of Italy had assets amounting to \$255,436.97. Within a year that amount had grown to \$1,021,290.80. On December 31, 1906, after the calamity, the assets were \$1,899,947.28, and in December, 1907, they were \$2,221,347.35. During the six months ending June 30, 1908, a most trying period for saving institutions, the assets passed the \$2,300,000 mark, a remarkable increase under existing conditions. The bank has an authorized capital of \$1,000,000 and a paid up capital of \$500,000.

For the convenience of Italians and other customers living in the suburbs, the Bank of Italy has this year opened a branch at 3334 Mission street, under the management of Victor A. Cagliero. The present personnel of the officers and directors of the bank is as follows: L. Scatena, president; A. P. Giannini, vice president; C. E. Musto, vice president; Dr. A. H. Giannini, vice president; A. Pedrini, cashier; A. J. Ferragiaro, assistant cashier; Victor A. Cagliero, manager Mission branch. Directors—L. Scatena, A. P. Giannini, Chas. F. Grondonia, Dr. L. D. Bacigalupi, Jos. F. Cavagnaro, Dr. Guido E. Cagliero, G. Costa, G. Iaccheri, C. E. Musto, George J. Giannini, J. J. Fagan.

All the men connected with the Bank of Italy take a really active interest in its affairs, but Vice President A. P. Giannini has enthusiasm enough to manage several such institutions.

The Splendid New Home

It was in the early reconstruction days that the directors of the Bank of Italy placed its order for a class A banking and office building and now, because of their foresight and faith in the future of San Francisco, they are among the first of the financiers to be located permanently in their own place. Monumental in design, this building is likewise monumental in its significance.

It typifies the energy, the loyalty and the far-sightedness of the Italians in this state. It also reflects the artistic appreciation of these people. Fittingly, the building is Italian in the full meaning of the word, its beautiful development having been entrusted to Frank T. Shea and John O. Lofquist, architects. They found their inspiration for this stately edifice in the monuments in the wondrous renaissance period of Italian history that has given Florence in the Valley of the Arno its lasting charm.

Strictly Italian in feeling, this structure rises nine stories without a jarring note in its well studied composition. The material used in its construction has been carefully selected. The first two stories are of California granite and the remaining seven of New Bedford (Indiana) limestone, used for the first time in this city. The harmonious blending of the tones of granite and limestone is especially good. The soft lined shadows secured have enhanced the effect of the general design.

There were some interesting problems to solve in the construction of the Bank of Italy. The nature of the soil demanded a descent from the line of the street curb of 32 feet and necessitated the introduction of a complex system of heavy steel girders, reinforced concrete slab and cantilever construction, covering the entire area of the lot, including the sidewalk space and resolving the slab into one great unit, for the uniform distribution of the entire load or weight of the superstructure. In fact, down in the water, the level of which is three feet above the basement floor, these foundations were placed effectively.

The water level standing perpetually at a line three feet above the basement floor presented a difficulty rarely perfectly overcome in building in the water district of San Francisco. A new system of water proofing, the result of much experimentation and expense, was employed. It involved the reinforcing and water proofing of the great concrete slabs and walls with an efficient core of metal, felt and asphalt. This combination proved so eminently satisfactory that it was possible to construct below the street line one of the most spacious and secure sub-surface vaults in this city.

This safe deposit department contains a vault 20 feet in width by 40 feet in depth, constructed of reinforced concrete, steel framed, with quadrupled chrome steel lining throughout. This vault is entered from two sides through openings protected by doubled vestibule vault doors, 15 inches in thickness. In every particular it represents the most advanced type of construction. With its interior furnishings of 5,000 metal boxes, bronze grills, gates and special jewel safes it cost \$45,000 to install.

All the walls, floors and staircases of

the safe deposit department are beautifully laid and incased with selected marbles from Pavanossa and Carrara and other quarries of Italy. Bronze gates and ornamental grills, products of California shops, guard the approaches to the vaults. Everything needed in furnishing—the counting stalls, doors, desks, chairs, are constructed entirely of heavy steel, plate, to harmonize with the surrounding decorations. An interesting fact about this safe deposit department is that it is the first one built in America for the convenience of the Italian people.

Furnished Without Wood

The crowning feature of this building is the magnificent banking room on the ground floor. It consumes all the floor space, which is really the full size of the lot, with the exception of the entrance to the upper part of the building. This allotment of space makes a room 50 feet square, lighted by great windows on both the Montgomery and Clay street frontages. This room is 23 feet in height and to the last detail has been intelligently arranged for its purposes. The walls, to window heights, the counters, vaults, facings, together with the public desks and comfortable settees, and including the grand stairway to the safe deposit vaults, are all constructed of chaste carved and tastefully matched Pavanossa marble. The floors are laid in strong patterned Italian marble. The great entrance doors, the frames, the window trim, railings, and highly ornamental counter grills, are all delicately and artistically wrought in bronze. All the furnishings back of the counter, including desks, cases, trays, gratings, chairs, clothes closets, racks, etc., are made of steel, highly finished in mahogany plating, providing a room absolutely destitute of woodwork. The great wall surfaces in the banking room are subdivided. Special plastic features, architecturally correct and well set, add greatly to the attractiveness of the room. They connect the arched windows and wall panel treatment and draw the entire space into harmonious union.

The entrance arch and main vault front are particularly well emphasized by symbolic groups, masterfully modeled. The one in the arch represents the gifts of man and woman to the world, the other, typifying time, surrounds the dial of the clock which forms the central feature on the marble vault opposite the main entrance. A singularly beautiful part of this room is the ceiling decoration. It is a study in Italian renaissance, charmingly arranged panels of varied size and forms of great depth and broad, plain surfaces for future decoration, surrounded with ornamental frames. Supporting this fine ceiling are strong, ornate and graceful columns that seem like sentinels guarding the outer portals. The vault, which has been given the central part of the room, is equal in every particular to the safe deposit vaults below. They both afford unequalled security.

All told, the home for the Bank of Italy, with its rich, rare marbles, its glistening doors, grills and candelabras of bronze, its exquisite furnishings, will be one of the most beautiful as well as one of the most complete banks in the country.

All the floors above the banking rooms have been arranged for offices. They are commodious and light and provided with every convenience. They are reached by rapid electric elevators and auxiliary marble and bronze stairways. The halls are lined full height with marble and have floors of the same, paved with mosaic. All the window frames, doors and sash are of polished copper. All wood has been eliminated. The window frames and sash are of metal and the glass is wired. There is a perfect system of heating and ventilation and a vacuum system for sanitation, besides all the means for alarm, mail and telephone service. All the rooms are lined with battleshop cork flooring.

Starting on this new era in its existence, the Bank of Italy has the confidence of the people, a confidence born of the splendid accounting it made in the days of calamity and financial stress. Its ambition is to be the bank of the home making people—the best life of a community. It has no speculative loans to make and considers only improved property as security. Its business code is short, straightforward and easily told.

And so, when the conditions are analyzed that shall have made for the complete rebuilding of San Francisco one of the best deductions will tell the Italians who wanted to remake their home without delay, and of the Bank of Italy, that helped so many of them to do this splendid thing.