

FROM:
THE AMERICAN BANKERS ASSOCIATION
THE NEWS BUREAU
George J. Kelly, Director
12 East 36 St., New York 16, N. Y.
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ADDRESS OF M. MONROE KIMBREL

President, The American Bankers Association, before the 75th Annual Convention of the Mississippi Bankers Association, Buena Vista Hotel, Biloxi, Tuesday, May 21, 1963. Mr. Kimbrel is chairman of the board, First National Bank, Thomson, Ga.

The past few weeks have been rather busy ones for me as I have tried to join with bankers in several states during their annual conventions.

One of the questions that invariably comes up when I get a chance to talk to bankers at these meetings is: "How is the Centennial coming along?"

My answer, in a word, is "great." I think the Centennial has topped the goals set for it at the outset of the planning stage for the program.

As you know, the big kick-off was Feb. 25--the anniversary date of the signing of the National Currency Act. That was the signal for proclamations by Governors and Mayors all over the country which officially recognized the Centennial of the dual commercial banking system.

President Kennedy, of course, set the pace by issuing his own proclamation. In my home state of Georgia, Governor Sanders called a special session of the General Assembly to honor the occasion of banking's Centennial. His salute to the Centennial and my brief remarks were televised. Many other proclamations and special Centennial messages have been on television and radio across the country.

These activities, plus the Symposium on Economic Growth held in Washington on Feb. 25 in which the President participated, have all been effective

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in focusing public attention on the commercial banking system of this country. This, of course, is all well and good. In fact it is essential. But we should all bear in mind that these activities which have been widely publicized are only the start of the truly educational activities being sponsored during the Centennial year. For, in the last analysis, the real value of the Centennial must be weighed in terms of its permanent contribution to the public's understanding of the commercial banking industry and the role it plays in the nation's economy. At the same time, it should meet the long-range objective of increasing the public's knowledge of banking services.

It has been proven by survey after survey that the more an individual knows about an industry, the more favorable his opinion of that industry. Therefore, when all the balloons have been burst and all the posters are dog-eared, we should remember the main task or purpose of the Centennial is public education.

Consider some of these elements of more than passing interest. "Financing American Enterprise," the story of commercial banking by Professor Paul Trescott of Kenyon College in Ohio. This book about the history of banking in the United States was written by Dr. Trescott on a grant from the Centennial Commission. It has been hailed by many as an outstanding contribution to the field of banking history. Moreover, the book is written in a lively style, and the examples selected to show how banks participated in the development of many emerging industries are dramatic.

When the commission was first considering the book it decided that it would purchase about 8,000 for distribution to banks which participated in the Centennial program. However, when the book reached the final stages, the Commission decided that since it was such an excellent contribution to the field of banking literature, 15,000 copies should be ordered so it could be distributed to college teachers of money and banking. The book was also distributed to members

After 15,000 were gone, the Commission ordered another 3,000 which also went quickly. Another printing is now being considered. All of these copies distributed or sold by the A.B.A. have been to banks or professors. The book, of course, is being sold in bookstores across the country by the publisher--Harper and Row. Early figures show the sales are much better than they usually get with a book of this type.

The book, of course, is the best example of something of a lasting benefit coming from the Centennial. However, there are many other aspects of the observance that will leave lasting impressions.

The booklet--"HOW BANKS HELP"--by John Cooley, a former associate editor of Banking Magazine, has been received very enthusiastically by banks across the country. The booklet, which explains in a very readable fashion how bank services have evolved over the years, is being used as a giveaway item in bank lobbies. To date, over 400,000 copies of the booklet have been purchased by banks. The Centennial Commission is now planning on another printing of it and the commission expects the final distribution to be well over the half-million mark. The readership of such booklets, of course, is much greater than the number distributed because it is the type of thing that people show to other members of their family or to friends.

The film, "Banking in Action," is another item in the Centennial inventory that is valuable because of its educational merits. During the first three months after the film was completed, over 300 copies were sold. This, incidentally, is by far the best reception of any of the 10 films produced by the A.B.A.

It is difficult to estimate how many Americans will see the film. In addition to showings in schools, clubs, and service meetings, it is also being used on public service television across the country.

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Probably one of the most effective means of telling banking's story to the public during this Centennial year is through the use of newspaper supplements. Although the A.B.A. has not been able to get an accurate count, judging from samples received and from requests for special materials on banking subjects, the Commission estimates that 500 newspapers across the nation have published, or plan to publish, special supplements or special sections on banking during the year.

Some of you might have seen the special supplement that appeared with the April 28th edition of the New York Times. The Sunday Times has a circulation of 1.3 million across the country. The special supplement which went with it ran 24 pages--about 50 per cent of the space was devoted to stories about bank services and how they have been improved down through the years.

These supplements being published across the country will reach millions of readers. To some of them the information will be completely new. To others the articles might suggest additional services the individual could use. For some, the stories will throw light on the vital function the banking industry serves in providing the money and credit to keep the economy moving on an even keel. But for every reader who glances through the feature stories, the reward will be a better understanding--and as I mentioned earlier, a more favorable impression--of banking and bankers.

Naturally, the more that is said and read, the more the educational process is effective. That was why the Centennial Kit, which was sent to all banks, contained a set of six speeches about the history of banking and the wide range of services offered by banks today. These speeches are being adapted to local conditions and being given in service clubs and local meetings all over the country. The repetitive effect--similar to the philosophy behind advertising--should be useful in helping people to retain more information about banking.

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In August the A.B.A. will make its second big Centennial mailing to the nation's banks. This mailing will be a kit for use by banks in their school relations programs. The kit will contain six items:

1. THE STORY OF COMMERCIAL BANKING, the first item, is a 45-page booklet for senior high schools telling how banking developed in the United States and describing its contribution to the growth of the economy.

2. THE STORY OF THE DOLLAR. A cartoon booklet, designed for the junior high school level, describes what the dollar is and how our currency and coinage developed over the past 160 years.

3. VINNY AND BILLY is the name of a 20-page cartoon story on thrift designed for use in the third grade.

4. A consumer credit booklet, published by the Public Affairs Committee, Inc. which tells about the sources and uses of instalment credit. It also discusses how consumers can use credit wisely. This book can be used in schools or by civic groups.

5. USING BANK SERVICES, a booklet for both junior and senior high schools which describes the various services performed by commercial banks for consumers, business, government, and the farmer. It also explains such fundamentals as how to write a check, how to use safe deposit boxes, how to borrow money and many other basic procedures associated with bank services.

The sixth item in the kit will be a copy of the booklet--TOMORROW'S CUSTOMERS TODAY--which is a 35-page how-to-do-it manual on bank-school relations.

These booklets, if put to use in the schools, can make lasting impressions on the young people because in most cases this literature represents their first exposure to banking.

Another lasting benefit resulting from the Centennial is the stimulation it has provided for bank employees to learn more about their own institutions and their own industry.

As my remarks have indicated, I am firmly convinced that the Centennial observance is providing the banking industry with the best opportunity it has ever had to get its story before a wide range of audiences in a variety of ways.

But in addition to the Centennial providing some permanent educational value for the public, it has made another important contribution to banking. I know for a fact that many banks, which did not have organized public relations programs prior to the Centennial, will continue to exert efforts in this direction long after the Centennial comes to a close in Washington next September.

Many bankers had shied away from any publicity programs. Some thought such programs were too costly. Others didn't think they had the right personnel to do the job. The Centennial provided the motivation for them to take the first step. Now that they have tried it, I know they will make this function an integral part of their organizations. I wish I could have brought some of the letters with me to back up these statements. Some of the letters to the Centennial commission included stacks of clippings of local publicity generated by various Centennial activities. They registered amazement at the amount of publicity the Centennial and their banks received. Moreover, they freely admitted that it wasn't as difficult or as expensive as they had imagined.

In short, I believe that if the Centennial does nothing more than encourage 100 banks to launch public relations programs of their own, the entire cost of the Centennial observance would be money well spent.

But it goes much further than that. Many of the practices and projects undertaken by banks and bankers associations are of such a nature that, with minor adaptations, they can be used for years and years.

I am sure that most of you have read about the two trailers which were fitted out with educational displays and literature about banking by the Washington Bankers Association. They are being taken all over the state during the Centennial year. The association will make the Bankmobiles a permanent part of its public relations program.

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Consider some of the display material that has been put together for bank lobbies and windows. Some banks are using such exhibits on a rotating basis from one branch to the next. This process could go on for a couple of years with new material being substituted along the way.

On the lighter side, two bankers in a small town in the Midwest who hadn't spoken to each other for years, finally broke down the barriers and joined forces to participate in the Centennial program.

Those of you who have seen the film know that it is not dated. It can be used for several years in school programs or even at local service club meetings.

By way of summing up, I would like to make two points. First, the work done so far on the Centennial has gone a long way toward taking full advantage of the best opportunity we have ever had to tell the story of commercial banking to the public. The Centennial has proven to be an excellent vehicle by which the banking industry can contribute a significant amount of lasting knowledge to the public which we serve. The program is well under way. With the school kit, which you will receive in August, you will be able to do much more to further the public understanding of banking.

My second and final point is this. Public relations is a relatively new venture for most banks. Before World War II, few banks had any type of organized public relations programs. Since the war, as the character of banking changed to meet the increasing demands of consumers as well as business, banks started to realize that the public had to know more about banking in order to take full advantage of bank services. Since then, more and more banks have recognized the fact that in the retail banking business it is absolutely necessary to let the individuals know as much as possible about banking and bank services. Moreover, bankers have had to merchandise their services more widely than they did before. Public relations has therefore become an essential function in banking.

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Looking ahead, the road signs clearly indicate that the most promising area of growth for the commercial banking industry lies in service to consumers. Since this is the case, the importance of public relations and public education will take on added meaning as we progress into the 60's.

The Centennial could not have come at a more opportune time. We have been getting the story of banking services before the public--a public which is using more of these services every day. Also, as a result of the Centennial we have gained added experience which will put our programs on a solid foundation and will give each of us that extra assurance as we expand these programs in the years ahead. By these measures, I am sure that the final appraisal will show the Centennial to have been a solid success.

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