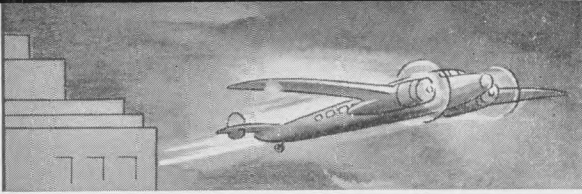
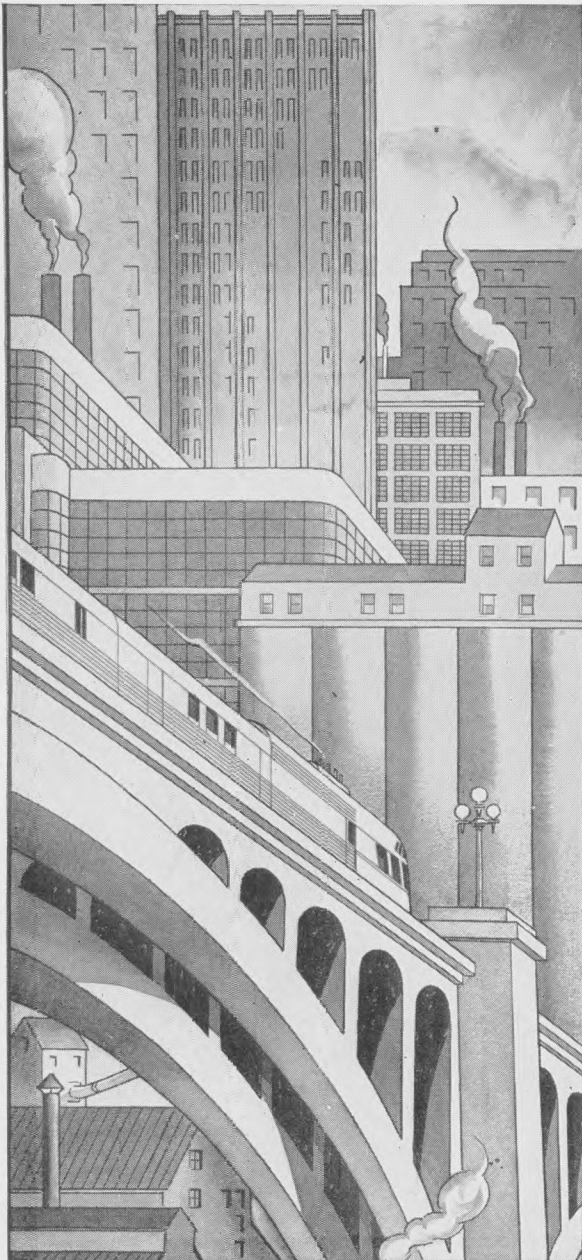


April 4, 1936



The
COMMERCIAL WEST

WEEKLY

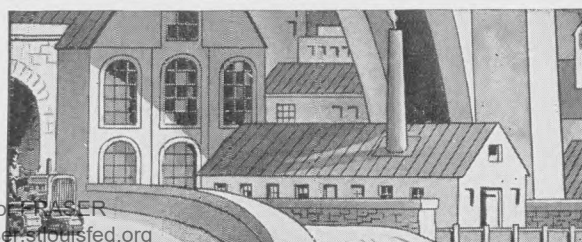


●
**Banking in Limelight at
Two Big Meetings**

●
**St. Paul to Be Insurance
Mecca Next June**

●
**Investment Banking Heads
Visit Twin Cities**

●
MINNEAPOLIS



the value of an Idea ...

“The grandest words in the English language are interrogative adverbs and pronouns. ‘Why, What, Whom, Where, When, How,’ form the key-stones in the arch of an advertising program.”

You may not agree with the eminent speaker at the 1934 convention of the Financial Advertisers Association on the *grandeur* of the words; but every experienced advertiser will endorse the substance. Merely the decision on “why and how” before “when and where” entered into the picture has saved many an advertising dollar and a lot of regrets.

You can measure the value of a money-saving idea. Check your own 1935 advertising by these words. Did your advertising rate 100 per cent by the analysis? Is there value in this idea?

For twenty-one years the Financial Advertisers Association has made advertising ideas effective through cooperation. It has met with some degree of success; has a membership of outstanding banks; is solvent; doesn't owe a past-due bill, and is looking and going forward.

While the Association has never restricted its contacts, naturally members benefit most. To those interested in financial advertising an invitation is extended to join with us in making advertising a more productive investment.

FINANCIAL ADVERTISERS ASSOCIATION

Preston E. Reed, *Executive Secretary*
231 South La Salle St., Chicago, Ill.



EVERYBODY'S HAPPY



Because

**POCKET DIRECTORY
IS OFF THE PRESS**

The
**WHO'S WHO
WHAT'S WHAT
WHERE and WHEN**
of
Banking Today
in



Just the handy, pocket-size edition you've used for years.

Pocket Directory is kept up to date by supplementary reports of new banks and changes printed in the regular weekly issues of Commercial West.

**See Inside Back Cover
for Way to Get Yours**

\$10,118,000

Primary Road Refunding Bonds

—obligations of the issuing

IOWA COUNTIES

Exempt from all present Federal Income Taxation and from Personal Property Taxation in the State of Iowa; eligible, in our opinion, as security for Postal Savings Deposits.

- \$ 221,000 BLACK HAWK (Waterloo) 1½'s, 1937-44
- 419,000 DUBUQUE (Dubuque) 1½'s, 1937-44
- 105,000 JASPER (Newton) 1½'s, 1937-43
- 721,000 LINN (Cedar Rapids) 1½'s, 1937-44
- 270,000 PAGE (Clarinda) 1½'s, 1937-42
- 223,000 APPANOOSE (Centerville) 1¾'s, 1937-44
- 586,000 AUDUBON (Audubon) 1¾'s, 1937-44
- 493,000 CLAYTON (Elkader) 1¾'s, 1937-44
- 1,026,000 DALLAS (Adel) 1¾'s, 1937-44
- 486,000 GRUNDY (Grundy Center) 1¾'s, 1937-44
- 810,000 GUTHRIE (Guthrie Center) 1¾'s, 1937-45
- 243,000 HANCOCK (Garner) 1¾'s, 1937-44
- 694,000 MARION (Knoxville) 1¾'s, 1937-45
- 540,000 MUSCATINE (Muscatine) 1¾'s, 1937-45
- 225,000 STORY (Nevada) 1¾'s, 1937-43
- 540,000 TAMA (Toledo) 1¾'s, 1937-45
- 207,000 WINNESHIEK (Decorah) 1¾'s, 1937-44
- 653,000 CRAWFORD (Denison) 2's, 1937-44
- 418,000 UNION (Creston) 2's, 1937-45
- 1,238,000 WEBSTER (Fort Dodge) 2's, 1937-45

Prices and descriptive circular will be supplied upon request

HALSEY, STUART & CO. INC.

CHICAGO, 201 South La Salle Street • NEW YORK, 35 Wall Street
AND OTHER PRINCIPAL CITIES

These bonds are offered when, as, and if issued and received by us and subject to approval of legality by Messrs. Chapman & Cutler, attorneys, whose opinion will be furnished upon delivery. Delivery of definitive bonds expected about May 1, 1936. The information contained herein has been carefully compiled from sources considered reliable, and, while not guaranteed as to completeness or accuracy, we believe it to be correct as of this date. March 30, 1936.

PICTURE THESE THINGS IN YOUR HOME

How much more modern and comfortable your home would be if you added an electric refrigerator, an electric range, and an electric water heater!

You can now enjoy these conveniences you know, at a much lower cost than ever before. The new low electric rate has drastically reduced their cost of operation.

Investigate this new low rate today. Full information gladly furnished upon request. Northern States Power Company.

Electrify YOUR HOME

Citizens Alliance Meeting

The thirty-third annual meeting and dinner of the Citizens Alliance of Minneapolis will be held Tuesday evening, April 14, in the ballroom of the Hotel Nicollet.

The guest of honor and speaker for this occasion will be Dr. Neil Carothers, director College of Business Administration, Lehigh University, an outstanding economist of the present time. He is heralded as a colorful, two-fisted speaker. His address to the Congress of American Industry in New York City last December was a forceful presentation of present day economic questions. The subject of Dr.

Carother's address will be: "The Economic Future."

The committee on arrangements for the meeting consists of Charles H. Jensen, chairman; R. W. Goodell, Charles C. Ingraham, Charles B. Jordan, Frank L. Neilson and Gordon B. Loomis.

After more than 50 years of railroad-ing, the past 29 with the Northern Pacific, Arthur V. Fabian retired on April 1 because of ill health. Since 1921, Mr. Fabian has been superintendent of the Northern Pacific general office building in St. Paul. His successor has not been named.

COMING EVENTS

National Association of Insurance Agents at Atlanta.....	April 5-11
Western Clearing House Association at Dawson	April 7
Rural Hennepin County Bankers Association at Minneapolis	April 8
Western Grain and Feed Dealers Association at Sioux City.....	April 22-23
National Lumber Manufacturers Association at Chicago.....	April 23-24
A. B. A. Spring Council Meeting at Hot Springs, Va.....	April 27-29
Chamber of Commerce of the United State at Washington.....	April 27-30
Northwest Regional Realtor Conference at Cedar Rapids.....	May 1-2
Minnesota State Bakers Association at St. Paul.....	May 12-13
National Association of Mutual Savings Banks at Atlantic City.....	May 13-15
Northwestern Retail Coal Dealers Association at Minneapolis.....	May 14-15
Realtor Secretaries Council at Indianapolis	May 28-29
Great Lakes Regional Realtors at Indianapolis	May 28-29
Tri-State Building and Loan Associations at St. Paul.....	June 4-6
Central Retail Feed Association at Milwaukee	June 8-9
Minnesota Association of Insurance Agents at St. Paul.....	June 8-9
A. I. B. at Seattle.....	June 8-13
National Association of State Insurance Commissioners at St. Paul.....	June 9-12
A. B. A. annual convention at San Francisco	Sept. 21-24
Mortgage Bankers Association of America at Memphis.....	Oct. 7-9
Grain and Feed Dealers National Association at Milwaukee.....	Oct. 12-13
National Association of Real Estate Boards at New Orleans.....	Nov. 16-21
American Farm Bureau Federation at Pasadena.....	Dec. 9-11

STATE BANKING CONVENTIONS

South Dakota at Aberdeen.....	May 20-21
Iowa at Des Moines.....	June 1-3
Wisconsin at Milwaukee	June 22-24
Michigan at Mackinac	June 26-29
Minnesota at Duluth.....	July 1-3
Montana at Yellowstone.....	July 24-25

GROUP MEETINGS

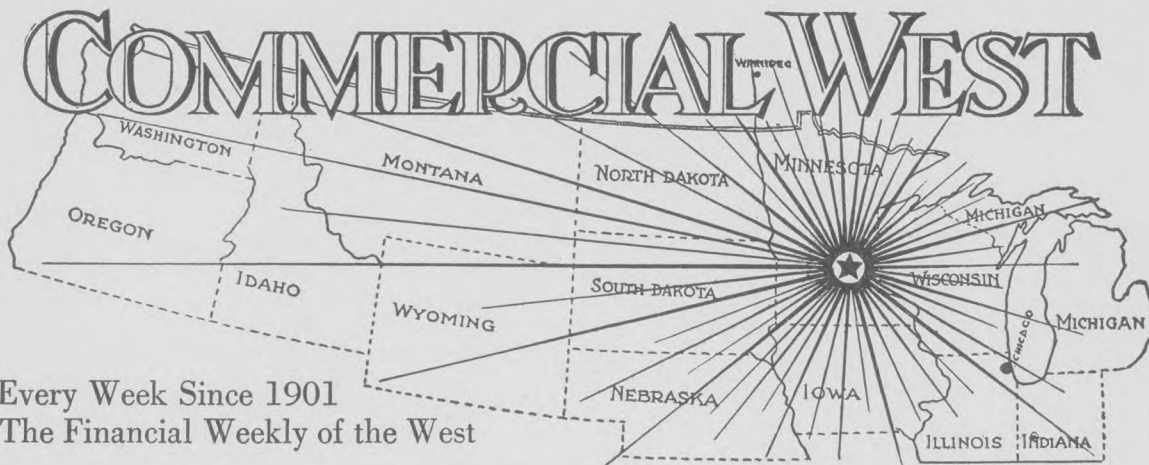
Iowa

Three and Four at Oelwein.....	May 4
Seven and Eight at Muscatine.....	May 5
Six and Ten at Ottumwa.....	May 6
Five and Nine at Atlantic.....	May 7
One and Two at Sac City.....	May 8

Wisconsin

Five at Watertown.....	May 18
Two at Wisconsin Falls.....	May 19
Seven at La Crosse.....	May 20
Six at Clintonville.....	May 21
Three at Appleton.....	May 22

Read Commercial West and keep posted.



Vol. 71—No. 14

April 4, 1936

Features in This Issue

Coming Events	4
Editorial	6
Twenty-five Years Ago.....	7
Bull's-Eye	7
Central States Conference.....	8
Central States Conference Pictures.....	9
A. B. A. Mid-West Regional Conference.....	10
Income Advances	11
Customer Relations Plus Public Relations.....	13
The Bank Lobby	14
Ticker Talk	18
I. B. A. Heads Visit Twin Cities.....	20
Along Financial Row.....	21
Municipal Financing	22
St. Paul To Be Insurance Mecca June 8-12.....	24
Grain Trade Review	28
News of Northwest Industries.....	30
Building and Loan News and Comment.....	32
Business Want Department.....	34

Published by THE COMMERCIAL WEST COMPANY Minneapolis, Minn.

THOMAS A. BORIGHT
Publisher

WILLIS L. WILLIAMS
Editor

J. P. MATTOX, JR.
Advertising Manager

Executive and Editorial Offices: 445 Rand Tower
New York Office: Robert S. Farley, 165 Broadway

Subscription price, payable in advance: One year, \$5.00 in United States and Mexico; \$6.00 in Canada; \$7.00 in Europe. Single Copies, 10 cents.

Advertising rates on request or furnished by any responsible advertising agency.

Commercial West does not assume responsibility for the writings or statements of others not directly connected with this publication.

When doing business with our advertisers please mention the Commercial West.

The influence of this old-established publication thoroughly permeates the business life and home habits of the Twin Cities and the Northwest.

Its readers are the real business leaders—the people of incomes and influence—in the great agricultural West.

Advertisers and subscribers, desiring special information on Northwest activities, should address the editor.

EDITORIAL

Bankers Strengthen Their Position

TWO BANKING MEETINGS of note were held this week, the Central States Conference at Excelsior Springs and the Regional Banking Service Conference in Chicago. Reports of these meetings by a Commercial West staff correspondent, including a couple of the addresses, will be found on other pages of this issue. They are interesting and constructive.

Banking is making sturdy progress despite the extreme handicap of the lack of demand for money. Bankers in the past few years have learned how to operate at a profit, though small. They have learned that service charges can be instituted and accepted by the public. They have learned and are learning the great value of public relations.

With their position thus strengthened and established, as demand for their piled up deposits increases, the future of banking would appear more sound and substantial, barring inimical legislation, than ever before in its history.

A Basic Investment

LIFE INSURANCE is one of the basic investments a man can make with assurance that it will do two things for him—leave his family economically secure when he dies, provide for his old age.

Money put aside toward those ends must be placed where it is as safe as human intelligence can make it. Every possible risk must be anticipated and guarded against. "Safety first—profit second" must be the guiding motto.

It is for that reason that life insurance holds so high a place in the esteem and judgment of the average forward-looking citizen. He knows the superb record of stability it has made during the worst depression in history—he realizes that in its almost limitless range of policies are contracts adapted to every conceivable financial need and condition.

Skahen's Department Doing Good Work

RECENT DEVELOPMENTS bring into the spotlight again the relentless efforts of the Securities Division of the Minnesota Commerce Commission to protect investors and the legitimate investment dealer. Never without the daily worries arising in the regular routine of the department S. Paul Skahen has had his eyes focused on three particular problems ever since taking over the commissionership in June, 1933.

One of these has had to do with fake oil royalty operations, the perpetrators of which, despite repeated warnings, appear to have reaped rich profits from unsuspecting investors in Minnesota. Successful apprehension and conviction of some of these gentry—two pleaded guilty in Hennepin county district court just a few days ago—gives promise of making Minnesota too hot a spot for such operators.

Another victory for the Securities Division has to do with liquor warehouse receipts. Months ago Com-

missioner Skahen served notice on licensed dealers and brokers that, while the liquor warehouse receipt had been ruled a commodity and not a security, the Division still was charged with the responsibility of policing the investment business; in other words, did not expect licensed dealers or brokers to do anything that might jeopardize their licenses. Now David R. Arundel, state liquor commissioner, apparently has settled the matter once for all, by announcing that a firm or individual buying or selling warehouse receipts, actually disposing of or acquiring liquor covered by the receipts, was not dealing in assignable or negotiable paper, such as mortgages or promissory notes, hence would have to obtain a wholesale liquor license costing \$2,500.

All of this follows fairly close on the heels of the case of discretionary trading. Here again the Securities Division was smack up against an attorney general's ruling that the contracts of discretionary traders were merely service contracts and not subject to supervision by the Division. Then came the Securities Exchange Commission with a test case in Minneapolis courts. It won its point. Commissioner Skahen jumped in immediately with a new ruling which has compelled so-called discretionary traders to organize corporations, sell stock instead of dealing in service contracts. Now the customer owns stock, shares in the success or failure of the entire corporation, receives a dividend if its operations are profitable, and is possessed of all the rights and privileges of a stockholder in any corporation. If he desires to invest in this class of securities he may have a voice in the affairs of the corporation to the extent of his stock ownership.

Our Wheat Seed Opportunity

BLACK RUST, dread scourge of the spring wheat raising area of the Northwest, may not be the menace a few years hence it has been—that it was last year.

South Dakota is developing a wheat seed exceptionally resistant to black stem rust and smut. Last year when there was such extensive damage to the wheat crop by black rust this variety came through, it is authentically reported to Commercial West, practically undamaged.

The new variety has been named "Hope" wheat and it is the result of a most unusual cross—between Marquis wheat and Emmer (speltz).

Marquis wheat, of course, is known as highly rust-resistant. Rust does not affect speltz. Unfortunately the new wheat lacks flour milling quality, yields less than either Ceres, also rust-resistant, or Marquis, but is particularly valuable as a parent in wheat breeding work.

From this cross it is hoped to produce a wheat with great rust-resisting qualities as well as high in yield and milling content.

So great is the hope centered in this new wheat

that the Russian government recently bought 600 pounds (10 bushels) of it for experimental purposes.

Here, it would appear, is an opportunity for those interested in the wheat growing business to take hold of this new product, help develop it, and see to it that the Northwest obtains any possible benefit from its development.

We certainly should be as progressive as the Russians.

Industry is Doing Its Share

DESPITE rather outspoken criticism from Washington charging industry with failure to build up employment we have, under date of March 27, a news dispatch from New York quoting the National Industrial Conference Board as reporting that manufacturers have absorbed more unemployed workers during the past two years than any other branch of business activity.

Unemployment in manufacturing, says the report, declined from 3,597,000 in January, 1934, to 2,824,000 in January, 1936, an increase in employment of approximately 22 per cent. In the combined fields of trade and commerce the increase is reported at approximately 15 per cent.

It is fundamental that industry must have a demand for its products before it can produce and increase its payrolls. The fact it has made so good a showing evidences not only its desire to provide employment but the improvement in the general economic situation that has made this advancement possible.

TWENTY-FIVE YEARS AGO

—from the Commercial West of April 8, 1911

International Harvester Co., Milwaukee, Wis., has obtained a building permit for the erection of a model six-story factory building. The cost will be approximately \$200,000.

The National Bank of Preston, Minn., has liquidated.

C. L. Knapp has sold his interest in the State Bank, Ogilvie, Minn., to C. M. Wall, who succeeds Mr. Knapp as cashier.

The Security State Bank, Hibbing, Minn., has opened with C. A. Remington as president and W. A. Spensley, cashier.

P. O. Unumb is president and Frank Buscher, cashier, new \$15,000 Farmers State of Hoffman, Minn.

N. R. Olson, formerly Security Bank, Atwater, Minn., has succeeded E. O. Randkev as cashier First State of Winger, Minn.

W. M. Denton has been elected vice president State Bank of Seneca, S. D.

The Farmers State & Savings Bank, Wessington Springs, S. D., has been incorporated with a capital of \$30,000.

New officers of the State Bank, Esmond, S. D., are H. I. Olson, president; A. Kopperud, vice president, and C. R. Bond, cashier.

The First National, Miles City, Mont., is erecting a new building.

The National Briquetting Co., Minneapolis, has taken over the Smith coal mine at Kenmare, N. D., with all buildings and equipment. At the same time it bought the Kenmare Light & Power Co.

New officers of the Union Bank & Trust Co., Helena, are S. McKennan, president; A. P. Curtin and Frank Bogard, vice presidents; R. O. Kaufman, cashier and secretary, and C. B. Pieffer, assistant cashier.

New officers of the Milwaukee Chamber of Commerce are W. P. Bishop, president; M. G. Rankin, vice president; P. P. Donahue, second vice president; and H. A. Plum, secretary and treasurer.

THE BULL'S EYE

By the Sharpshooter

THERE ARE SEVERAL large Twin City manufacturing establishments, also some small ones, that have had no strike trouble in recent years. I happen to know, too, that plenty of work has been done by "traveling radical agitators" in an effort to bring about strikes in some of them.

There is one sound reason back of the freedom of some of our institutions from strikes. It lies in a human relationship between employer and employe—the outstanding factor of employe relations.

We are hearing a great deal these days about employe relations. As I said a couple of weeks ago in this column industry and business these days are much taken up with the study and application of public relations, customer relations and employe relations. They all are part of the striving for a better rounded out, more perfect economic structure in which there shall be a clearer interpretation of the relationship of the public as a whole to our progress as a nation.

But employe relations must not be the cold-blooded affair some employers practice if it is to succeed. It is not enough to establish old-age pension funds, put in rest rooms, even to pay possibly better than the going wage scale.

There must be a human understanding and relationship.

James J. Hill, builder of the Great Northern Railway, knew the value of employe relations, although he probably didn't think of it in that term. It was the natural thing for him to do. I doubt if there was a section gang foreman between here and the Pacific Coast who didn't call him Jim Hill, relate his troubles and problems to him and, in turn, get the advice or help he wanted. Same way with engineers, conductors, brakemen and telegraph operators. Hill knew them all, they all knew him—and could talk to him just as they would talk to each other.

That's why the Great Northern got off so easily during the great A. R. U. (American Railway Union) strike of the '90's.

Fortunately the Twin Cities have several men with the same understanding that Mr. Hill had.

Only the other day I was privileged to go through one of the largest of the Twin Cities' manufacturing plants accompanied by the president of the institution—a man who sits on many business and civic boards, whose name is as well known in London, Paris, Melbourne and Shanghai as it is in the Northwest.

It took us more than two hours to go through the plant simply because every few feet the president stopped to talk to an overall-clad employe about something relating to his work or to the institution as a whole, or some employe hailed him for the same purpose. And it was not Mr. ——— on the part of either. It was Bill and John. They knew each other—knew they could trust each other.

That is the kind of employe relations that gets somewhere.

Central States Conference Doctors Diagnose Banking Business From Head to Foot

By Commercial West Staff Correspondent

Excelsior Springs, Mo.—Most people who spend three days in this justly famous resort city—they call it “America’s Haven of Health”—do so for the express purpose of resting, relaxing and rejuvenating their own constitutions. Not so the members of the Central States Conference which is made up of officers of 15 state bankers’ associations. (It was only 14 until Monday when they admitted Texas.) Close onto one hundred of these undeniably serious-minded doctors of banking (plus guests of course) were here Sunday, Monday and Tuesday for a clinic as sincere and serious as you ever heard tell of. The patient was Banking itself, and they diagnosed it from head to foot. In fact, they took it apart and put it together again. Back in their own bailiwicks now they are as competent and qualified, as they always are, eager to answer all questions, consult and counsel their members, prescribe the greatest good for the greatest number of bankers.

Having been privileged to sit in at the several general conferences the same as he has at scads of state, national, group and county meetings, this correspondent, first to report on the Conference, admonishes bankers of 15 central states to sit up, listen and practice what their conference-inspired leaders preach. They know what they are talking about.

Banking, as we all realize only too well now, has been subjected to a lamentable overdose of amateurish diagnosing, too much prescribing by financial quacks. In spite of it, the Conference concluded that banking today presents a picture of returning health, a body well recovered from a major operation, more in need of wholesome food, sunshine, exercise and hard work than prolonged pestering with pills, especially political pills.

In reaching this conclusion the Conference this year had before it the expert testimony of no less than ten A.B.A. leaders, on-the-firing-line men who reported freely and frankly on developments along the broader national front. This data, added to that already gathered by their own investigations and efforts, gave the Conference a cross-section as complete as it was valuable.

The five founders of the Central States Conference, banding themselves and their states together for mutual protection (in Minneapolis a quarter of a century ago) could not have foreseen how far the movement would go nor how effective and influential it would become. State after state was taken in until now it represents far more than half the banks in the United States. Its deliberations and de-

NEW OFFICERS

President—C. C. Wattam, Fargo.

1st Vice Pres.—Don E. Warrick, Indianapolis.

2nd Vice Pres.—William Duncan, Jr., Minneapolis.

Sec.-Treas.—Ray O. Brundage, Lansing.

isions attract nation-wide attention and consideration just as its meetings now attract national leaders. This year, fresh from the Memphis regional conference of Southern States, came the A.B.A.’s president, Robert V. Fleming of Washington, its first vice president, Tom K. Smith of St. Louis, its second vice president, Orval W. Adams of Salt Lake City, seven of its senior staff officers, several commissioners and nationally prominent bank insurance men, all anxious to assist, all willing to be cross-questioned.

What an opportunity to get at the root of things! There in their midst the very men who are “in” on every timely phase of banking development, perhaps most important of all banking’s contact men at Washington, invariably ready with an intelligent answer to every bothersome question. And how the conferees did seize upon the golden opportunity!

For a clear picture of how this Con-



C. C. WATTAM
The New President

ference works—probably no other trade or profession boasts such an efficient or effective unit—just imagine these enthusiastic fact-finding leaders in a vigorous round table, the very kind that every secretary urges and pleads for. Thus, again, they practice what they preach.

Monday morning, sharp at 9:30, in the lobby of the Elms Hotel, the bass voice of the secretary-treasurer (Minnesota’s William Duncan, Jr.,) boomed out the call to work. Forthwith the president (Secretary Fred Bowman of Kansas) set the first general session in motion. Missouri’s president (C. W. Allendoerfer of Kansas City) extended formal greetings, Illinois’ secretary (Mrs. Olive S. Jennings of Chicago), responded, then with Mr. Duncan calling the roll of states each secretary introduced his officers and guests. President’s address and treasurer’s balanced-budget report completed the opening formalities.

By unanimous vote the Texas Bankers Association was accepted into the fold. “We are very happy to be with you,” said Secretary W. A. Philpott of Dallas.

Launching into a major problem Chairman Bowman turned the meeting over to Wisconsin’s Secretary Wall G. Coapman to read a paper on “Insurance Coverage and Rates—Banditry Prevention” who directed a very interesting discussion. Here it was, from R. A. Algire, vice president National Surety Co., and L. A. Sawyer of the National Bureau of Casualty and Surety Underwriters, that the Conferees got a very definite impression that ere long (maybe only two weeks) they would have the pleasure of calling their members’ attention to a long-hoped-for reduction in so-called Bureau rates. It wasn’t a promise because Bureau rates are fixed by “experience” and all 1935 reports were not in, said Messrs. Algire and Sawyer. However, they left this thought: “If the reduction is forthcoming as last year’s decreased attacks and losses seem to indicate it will, don’t let your bankers be lulled to sleep again by a few good years, for we may land right back where we were in 1932. . . . If we can keep losses down we can keep rates down.”

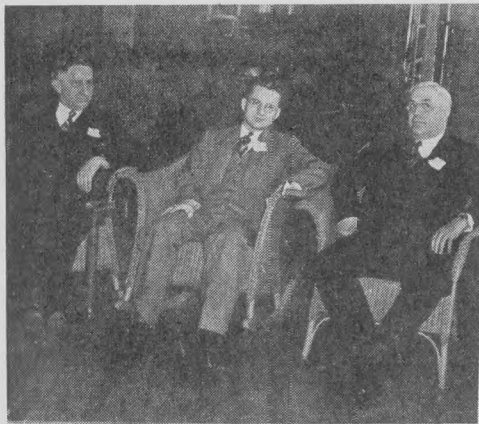
Mr. Coapman stressed “Prevention Within; Apprehension Without.” Mr. Duncan said “responsibility rests on the bankers’ own shoulders.” J. E. Baum, secretary A.B.A. insurance committee, discussed forthcoming policy changes upon which his organization has been working for several years.

Illness prevented Wisconsin’s Commissioner of banks (S. N. Schafer) from being present Monday afternoon. His ad-

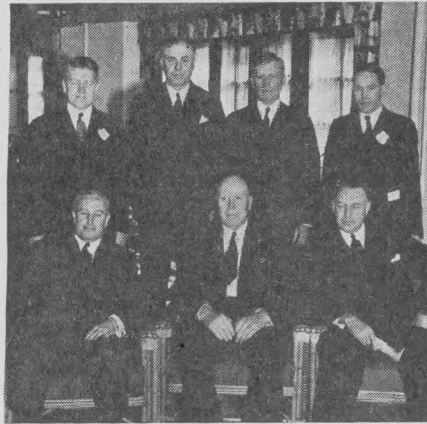
(Continued on page 10)

CENTRAL FIGURES AT CENTRAL STATES CONFERENCE

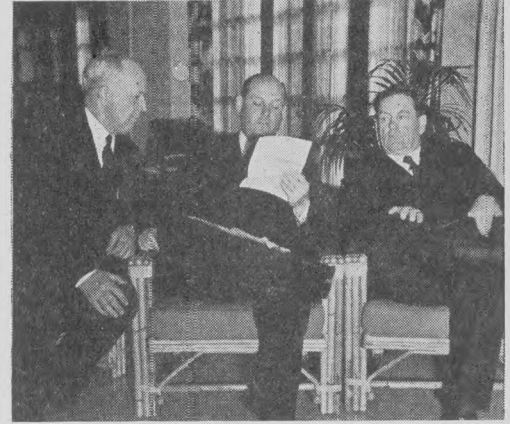
—Pictures by Commercial West Camera



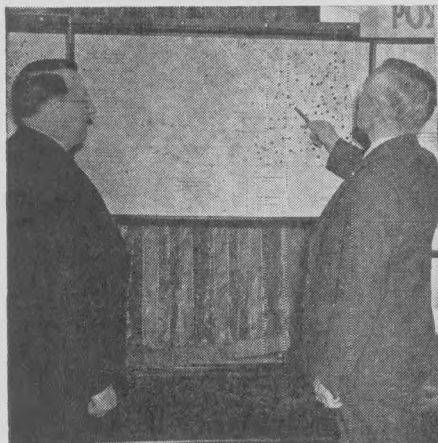
South Dakota's Delegation. Left to right, father and son: George A. Starring, executive manager and George M. Starring, assistant secretary; W. B. Penfold, vice president South Dakota Bankers Assn., Belle Fourche.



A. B. A. Staff Officers. Back row, left to right, J. R. Dunkerly, Fred N. Shepherd, W. Espey Albig, Thomas Paton. Front row, James E. Baum, F. W. Simmonds, Harold Stonier.



Big Three of A. B. A. Left to right, Tom K. Smith, first vice president, St. Louis; Robert V. Fleming, president, Washington, D. C.; Orval W. Adams, second vice president, Salt Lake City.



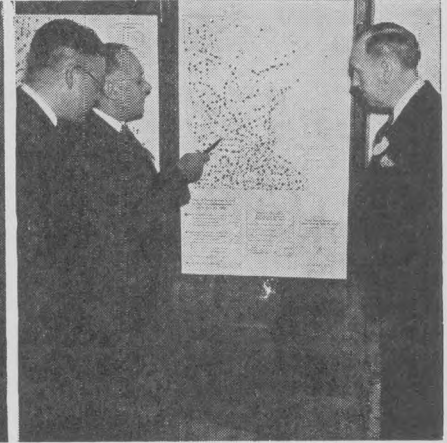
Left to right, C. C. Wattam (president-elect) and Guy Cook study Postal Savings map of their state, North Dakota.



Left to right, Frank W. Simmonds, deputy manager, A. B. A. and William Duncan, Jr., Minneapolis.



Left to right, Chairman Fred Bowman of Kansas welcomes W. A. Philpott of Texas.



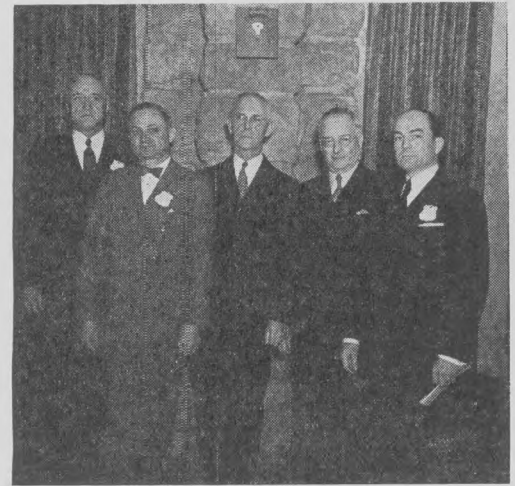
Minnesotans Study Their Postal Savings Map. Left to right, Wm. N. Johnson, Minneapolis; William Duncan, Jr., Minneapolis; and Oluf Gandrud, Benson, Minnesota Bankers Association.



From Michigan. Left to right, H. G. Diekelmann (in tux); E. L. Pearce, Marquette; Walter F. Truettner, Detroit and Ray O. Brundage, Lansing.



From Wisconsin. Left to right, Secretary Wall G. Coapman, Milwaukee; President James J. Brooks, Milwaukee and Vice President R. L. Banks, Superior.



From Nebraska and Iowa. Nebraska, left to right, Wm. B. Hughes, Omaha, secretary; Otto Kotouc, Humboldt, past president, Iowa, George C. Swiler, Burlington, vice president; D. W. Bates, superintendent of banks, and Frank Warner, Des Moines, secretary.

Chicago Regional Conference Finds Northwest Bankers Right On the Job

By Commercial West Staff Correspondent

Chicago—Bankers of the Northwest were in Chicago this week Thursday and Friday vigorously batting out home runs for better banking in the A. B. A. Midwest Conference on Banking Service.

Wielding the bats were no less than 11 Northwest bankers representing Iowa, Minnesota, Michigan, Montana, Nebraska, North Dakota, South Dakota and Wisconsin. Their subjects ran the gamut of good banking practice as it is known today.

Minneapolis alone had three—Ralph W. Manuel, president Marquette National; W. E. Brockman, assistant secretary Northwest Bancorporation; Henry S. Kingman, treasurer Farmers & Mechanics Savings Bank.

Mr. Manuel's subject was "Income Advances," his address closing the Friday afternoon program of the Commercial Banking Forum.

Mr. Brockman's address (published in full beginning on page 13 of this issue) was given as part of the Friday afternoon Advertising and Publicity Forum. His subject was "Customer Relations Plus Public Relations."

Mr. Kingman closed the Savings Forum

Friday afternoon, with an address on "Interest Rates on Savings."

On the program from Milwaukee were Albert S. Puelicher and A. R. Gruenwald, respectively president and advertising manager of the Marshall & Ilsley Bank.

Mr. Puelicher's address on the "Constructive Customer Relations Conferences and Our Banks" was given as part of the Constructive Customer Relations Forum Thursday evening.

Mr. Gruenwald opened the Friday afternoon Advertising and Publicity Forum with an address entitled "What People Expect of the Banks."

Another Wisconsin banker batting for better banking was A. C. Kingston, president Oshkosh National, who presided over the Facilitating Farm Credit Forum. Mr. Kingston is a former president of the Wisconsin Bankers Association. Northwest bankers also scheduled for addresses on this Forum were F. N. Aldrich, president Farmers and State Bank, Concord, Mich., on "Farm Management and Farm Credit" and J. M. Sorensen, vice president Stephens National Bank, Fremont, and president Nebraska Bankers Association, on "Government and Farm Credit: Extent of Cooperation with Bankers."

South Dakota's home run hitter at the Conference was O. V. Meyhaus, president Corn Exchange Savings Bank, Sioux Falls, who went to bat with an address on, "A State Association Program to Beat Bank Banditry," in which he revealed the very effective plan placed in effect by bankers of his state.

Keynoting to healthy attendance Thursday morning A.B.A. President Fleming said that while some legislation is needed to correct certain conditions and bad practices which developed since the World War legislation cannot serve as a cure-all for our troubles.

"It seems to me," he said, "that what America needs most to bring back prosperity is that business men and bankers be given the opportunity to resume that type of leadership which played such an important part in the growth and development of our country and in which they should have support of the government. I am hopeful that we may be able to demonstrate that we are truly doing our part in bringing back to this nation the leadership which contributed so much to its development."

Mr. Fleming called upon bankers to explain to customers and others the spe-

(Continued on page 25)

Central States Conference

(Continued from page 8)

dress was ably read by H. G. Dieckmann of Horicon.

Leader of the all-important session on legislation was Illinois' executive vice president, M. A. Graettinger, also chairman of the Central States Conference's committee on legislation. His report, in the main, detailed Washington activities, high-spotted present and possible future legislation, gave secretaries a picture so vital to the banking business as to merit the attention of every person engaged in it.

It was at this stage of the program that A.B.A. President Fleming made his appearance. Naturally, he contributed very materially with first hand reports on last minute doings at the National Capitol. "While we haven't any banking act now," he said, "we do have the making of regulations and regulations very often make laws." He urged state banking association officials to do everything in their power to stimulate banks to a realization of the paramount importance of making banking better understood. "If we don't make banking clear we shall slip back."

Third and last major subject Monday was postal savings. Speaker was First vice president Tom K. Smith, also chairman of the A.B.A. economic studies commission. He explained their new nationwide survey (results to date illustrated by maps on the wall), urged tardy banks to answer the A.B.A. questionnaire at once, said data seemed to indicate postal savings system not such a competitor of banks as hitherto supposed. More needed, he and other seems to think, was reduction in rate paid on postal savings.

Tuesday forenoon's session was another topnotcher. Kansas' President H. A. Bryant from Parsons handled "Bank Management Activities" and had Second Vice President Orval W. Adams to support him. The other big subject was "Public and Customer Relations Activities" with Ohio's former newspaperman—Secretary (David M. Auch) leading and very ably assisted by Harold Stonier of New York, A.B.A. educational director. "Our American banking system," said Mr. Stonier, "is an evolution, an outgrowth of people's ideas, needs, hopes and aspirations. If it was wrong then the people were wrong. . . . We have no more right to be ashamed of American banking than

we have to be ashamed of America as a whole. People should be taught to be proud of it. . . . Explain it first to all the people who work right in the shop on the first hand, to fortify them to withstand attack and, second, to enable them to go forth to inform the public."

Tuesday afternoon the Conference split into three separate meetings (1) secretaries, (2) presidents and vice presidents, (3) state bank supervisors. Reunited in joint session about 4 P.M. they adopted resolutions, elected officers, heard a stirring talk on "Prosperity and the Pursuit of Happiness" by Dr. J. Duncan Spaeth of Princeton U, president-elect of the University of Kansas City.

As a fitting climax Tuesday evening there was the banquet, Mr. Fleming as speaker, some 75 Kansas City bankers as guests. Later in the evening most of the Conference delegates as well as A.B.A. officials entrained for the regional conference in Chicago.

President-elect Wattam, after formally accepting the gavel from Fred Bowman, called for invitations for next year's meeting. Wm. N. Johnson promptly invited the Conference to Minneapolis. Oklahoma and Arkansas also put in bids. Decision was left with the officers.

Income Advances as Part of a Bank's Business

An Address Before Mid-West Banking Conference, Chicago, April 3

By RALPH W. MANUEL

President Marquette National Bank, Minneapolis

The limitations of a 15 minute period preclude any academic discussion of the broad and sound foundation for bank credit that is to be found in the steady and dependable incomes of our great and growing body of men and women who work for wages, salaries and fees. I must content myself, therefore, with remarking that these current adventures in monetizing claims against the near future incomes of salaried and professional persons are creating a body of truly self-liquidating loans. The small loan movement, therefore, runs counter to the prevailing tendency of our banking system to monetize a continually larger proportion of claims against fixed assets.

Instead of discussing this very interesting phase, I am expected to tell you, as briefly as I can, our own limited experience in this field. This is the experience of a comparatively small bank (\$500,000 of capital funds and \$4,000,000 of deposits) located in a city of 500,000 people. This bank was a pioneer, in a very small way, in making co-maker loans, beginning more than a dozen years ago. The losses on these loans have been negligible from the first, but we have never succeeded in developing a satisfactory volume of them. Perhaps our failure to secure volume is due to the fact that we are requiring the borrower to measure up to standards that should entitle him to borrow without co-makers.

When FHA announced its Title I program in August, 1934, we thought we saw an opportunity to develop a volume of this type of business, thereby helping worthy families to prevent undue depreciation of their properties, providing increased employment in the community, and finding profitable use for some part of the bank's idle funds. It was thought, too, that conspicuous effort to obtain those loans might be a rather dramatic and effective answer to the popular charge that banks are unwilling to make loans.

We offered a liberal interest rate and sought applications diligently. The response exceeded our expectation, and resulted in financing the improvement of more than 1,500 homes in Minneapolis and creating employment for some six hundred odd thousand dollars that otherwise would have been virtually idle.

Among all of these loans thus far we have had but one serious delinquency.

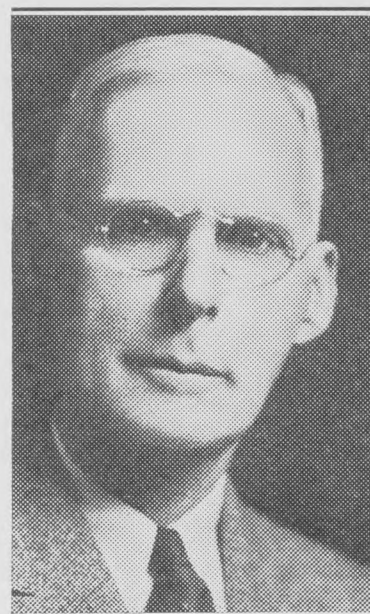
This borrower, in a moment of artificially stimulated hilarity, incurred the displeasure of the court and became an unwilling house guest of the city for 40 days and 40 nights. He has returned to the ways of private life, however, and resumed his payments. Two borrowers have died, but both loans have been paid promptly. One borrower filed a petition in bankruptcy several months ago, but even this has not prevented him making his payments on the dot.

When we had observed, for six months or so, the splendid way in which the payments on these loans were made we concluded that monthly payment loans made to the same type of borrowers for the purchase of automobiles probably would be paid in a similar manner, and that mortgages on new, popular priced cars would serve the same purpose as FHA insurance. This conclusion appears to have been justified. At the end of a year we have made about 500 of these loans and have had very few delinquencies, and none of a serious nature.

When we had observed the perfect payment record on these automobile loans for a half year, and on the FHA unsecured and unendorsed loans for a year, it was not difficult for us to believe that loans made to approximately the same type of borrowers for other purposes would be paid in the same way. In June, 1935, therefore, the bank began making monthly payment loans, without security and without co-makers, to persons with satisfactory credit records and adequate incomes. More than 400 of these loans, limited in amount to 10 per cent of the borrower's annual income, have been made.

Here the payment record has not been quite so good. Two loans with balances of \$29 and \$78, respectively, are now delinquent. The borrowers have lost their jobs and are experiencing difficulty in finding new ones. Both of these loans, however, were made during the first few days of the operation of the plan and before our criteria and technique were well established.

Each applicant fills out and signs a brief and ample application form. The applicant's employment and income are verified by the bank, and his paying record checked with the Retail Credit Association and with sources shown in his application. The additional information is



RALPH W. MANUEL
Conference Speaker

filed with the application, and is available to auditors and examiners.

There are two features of our practice that are somewhat unique and, therefore, perhaps interesting. One has to do with the name which is applied to these loans, and the other with the rate of interest that the borrower pays.

Marquette has adopted the term "income advances" to designate these transactions, because that is what they are. Good understandings make and maintain good personal and business relationships, and misunderstandings destroy these good relationships. Moreover, good understandings are promoted, and misunderstandings are prevented by calling things by their right names.

I am firmly convinced that the term "character loan" does not correctly describe any extension of credit that a bank is justified in making, and that the use of this inappropriate term has been the cause of much misunderstanding on the part of the public. Good character, of course, is an essential foundation for credit and, fortunately, most persons possess good character. There are many men and women of the highest character, however, who are not eligible applicants for bank loans. Bank loans are not paid out of character; they are paid out of income. Almost everybody will pay his just debts if he can, but only those who have adequate incomes can pay.

What a bank may properly do in this field, of course, is to advance to honest men and women income which will be coming to them within a reasonable period, and will not be required for current living cost. The use of the accurately descriptive term "income advances" in the bank's advertising tends to prevent ineligible applicants coming to the bank,

only to be disappointed. The use of this term also makes it possible to decline, without serious offense, the applications of those ineligible applicants who do come.

When the bank advertises its desire to make character loans almost everybody considers himself eligible and, if his application is declined, tends to think that his character has been attacked. If, on the other hand, the bank offers to make income advances, persons without income will seldom apply, and the occasional ineligible person who does apply will usually understand quite well why the advance cannot be made, when his attention is called to the fact that his income is not sufficient, or is not sufficiently dependable, to meet the reasonable standards that have been established by the bank.

Even if the loan must be declined because of an unsatisfactory credit record, the applicant will not be offended if a tactful officer calls his attention to the fact that apparently, in the past, his income has proved insufficient, at times, to enable him to meet his obligations as promptly as he would have liked to do.

Calling these advances by their right name continuously emphasises the true nature of the transactions, and tends to promote good understanding and cordial relationship between the bank and the public.

I approach the matter of interest rates and service charges with considerable timidity because I am quite sure that many bankers will think our charges inadequate. We are now seeking to develop a well rounded scheme of income advances at practically uniform rates. These advances quite naturally fall into five groups:

(1) Income advances for modernization under FHA.

(2) Income advances secured by automobiles (usually, but not necessarily, made for the purpose of financing the purchase of a car).

(3) Income advances to executives for miscellaneous purposes. (The term "executive" is used to include corporation officers, owners of businesses, department heads, super-

visors, foremen, public officials, and professional men and women with steady incomes of \$2,000 a year or more.)

(4) Income advances to senior employes with dependable incomes of \$1,500 a year or more.

(5) Income advances with co-makers. (These are designed to provide for persons whose credit records or present incomes do not afford sufficient assurance that the payments will be made promptly.)

The interest rate on all of these income advances is 3 per cent per annum on the net sum received by the borrower, reckoned for the entire period of payment. There is no other charge to borrowers who carry checking accounts with the bank. All other borrowers pay an investigation fee of \$5, except under Title I, FHA, where no service fee is charged to any borrower.

A 3 per cent per annum charge on the whole amount of a monthly payment advance for the entire period is equal to about 6 per cent per annum on the net reducing balances. On an advance of \$1,000, which is our maximum unsecured advance to a borrower with a \$5,000 annual income, the \$5 fee adds $\frac{1}{2}$ of 1 per cent of the amount of the advance, or approximately 1 per cent per annum on the net reducing balances, giving us a rate of about 7 per cent per annum, which I imagine is considerably more than you would charge such a borrower now for an ordinary 90-day loan. On our average automobile advance of \$400 for a year and a quarter the \$5 fee adds 1 per cent per annum gross, or almost 2 per cent per annum on the net reducing balances, and gives us a total net rate of about 8 per cent per annum.

The average of our advances to senior employes, and of our co-maker advances, is about \$150, and they all run for one year. Here the \$5 charge adds more than 3 per cent gross, and gives us a net rate of 12 per cent per annum on the net reducing balances.

The naked interest charge that we make to our own checking account customers, without any service fee, is a very

low rate, of course, for a monthly payment advance. We justify the rate in two ways:

First: By the fact that these small checking account customers are already paying the bank a fairly generous service charge (\$1 a month if the average balance is less than \$100, 75 cents a month if it is between \$100 and \$200, 50 cents a month if it is between \$200 and \$300, and 4 cents a check for all checks in excess of 25 paid by the bank in a single month).

Second: By the fact that prevailing interest rates are very low and satisfactory outlets very scarce. It is perhaps better to put these funds into productive employment, even at a very low rate, than to have them entirely idle. When prevailing interest rates go up our rate of our income advances will go up also.

Ten per cent of the interest income on unsecured income advances without co-makers is covered into a special loss reserve fund each month, and this interest is also included with other interest income when our 10 per cent loss reserve is set up at the end of each half year. This creates total reserves against these high interest rates go up our rate on our interest income thereon.

We are very happy over our adventure in this field, and look forward, with enthusiasm, to its further development. It must be remembered, however, that we are operating under conditions that are peculiarly favorable for intelligent selection of risks. The man who has kept his paying record good during this debacle, and has his income still intact, is quite unlikely to default upon his payments in the near future. When we approach the peak of the next boom, and look forward to the next disaster, it will be necessary to scrutinize these risks with the greatest care. The same thing, however, may be said of all other risks.

HEADS CLINIC COMMITTEE

Dunlap C. Clark, president American National Bank of Kalamazoo, was named by FHA as chairman of its general sponsoring committee for its clinic recently held in Kalamazoo. Some \$800,000 of new financing under Title II was estimated to be the result of the six-day conference, which reached its climax at a banquet of 500 in one of the local hotels, the largest gathering ever served by the management. As members of the committee, Mr. Clark appointed to represent the other two qualified Kalamazoo banks Frank E. McAllister, president Home Savings Bank, and Earl H. Shepherd, executive vice president First National Bank & Trust Co. For the bankers' conference held prior to the banquet, he named as chairman B. P. Taggart, vice president and cashier Citizens State Bank, Sturgis, and as a committee member, Harold G. Vincent, cashier State Savings Bank, Otsego.

TOM WALKER, INC.

Collateral Trust (90 day) Notes

secured by obligations of the Commonwealth of Pennsylvania

AVAILABLE IN LIMITED AMOUNTS UPON REQUEST

M. H. BISHOP & CO.

Exclusive Distributors
Minnesota and Western Wisconsin

230-234 Frontenac Bldg.

Minneapolis, Minn.

Customer Relations Plus Public Relations

An Address Before Mid-West Banking Conference, Chicago, April 3

By W. E. BROCKMAN

Assistant Secretary Northwest Bancorporation, Minneapolis

"Public acceptance" is a term familiar to the channels of trade and commerce everywhere. Before a new product is ready to be launched on the market, it is the task of research bureaus and advertising agencies to determine the potential market and plan a selling program that will build up public demand. In the mercantile, as in other fields, these markets undergo changes as they are influenced by new inventions, science, and advertising that affect living conditions and the habits of the people. As customs, styles, and habits change, markets change; and the business that does not recognize these transitions in time may find itself in an embarrassing position.

During the past few years, the country has been going through social and economic upheavals that have had a dominant influence on government and the buying habits of millions of people. The ostentatious display of wealth, the extravagance of the rich, are interesting events of the gilded age that exists no more. The well-to-do business man who once rode to his office in his chauffeur-driven car now whirled down to work in his Ford V-8. This fact you can verify by consulting the current record of new car sales. High income taxes and depletion of capital do not entirely account for this change. It simply is not popular to appear too prosperous. There is no need to go any further with illustrations. We all are cognizant of present-day trends.

Now, what happened to banking all this time? A change in the public attitude toward banks and bankers. It is this public attitude that concerns us today. The present generation of bankers is not alone responsible for the popular conception of banking today. Misinformation regarding bank operations has been allowed to remain in the public mind ever since the days of pioneer banking. We find a trace of it in early American fiction and drama which deal with heroic efforts to pay off a mortgage and save the old homestead. Just as Uncle Tom's Cabin built up an erroneous opinion of slavery in the South, so has fiction given to banking a traditional unsavory flavor. Impressions gained in such a dramatic fashion are apt to be lasting unless we, as bankers, are constantly on guard.

We have seen the power of public opinion expressed very forcibly in the Bank Holiday of 1933; we have experienced and still are conscious of the aftermath;

we have seen banks made political footballs and suffer financial losses as a result of the antagonism thus created. There is little doubt in my mind that bankers in general are conscious of the position which banks have occupied in the minds of the public and their customers during recent years. As a result, we now are thoroughly awake to the necessity for a long-time program for the cultivation of the good will of our present customers and the public as a whole. In this respect, much excellent work has been done by individual banks, state associations, the Financial Advertisers Association, and the American Bankers Association. It is a healthy state of mind in which to be. We no longer are floundering around with a lot of talk; today, the banker knows what his problem is and is working to master it. During the past two years, aside from normal operations—usual problems—banks have worked strenuously to improve their asset positions, revamp their capital structures where necessary, hold down operating costs, and increase earnings. A study of the operating statements of large enterprises shows a remarkable reduction in miscellaneous expenses and excellent increase in "other earnings." From an operating standpoint, everyone knows that the real problem today is excess reserves and low interest rates. The present easy-money market holds little promise for better rates, but banks are digging in with all earnestness to expand their loans.

What has this to do with Public Relations? Everything! Much of the antagonism toward banks has grown up around loan policies and a woeful lack of under-



W. E. BROCKMAN
On Chicago Program

standing which the public has of the basis for sound credit. A customer comes into the bank, he is refused a loan, and, in many cases, he begins a tirade against banks and bank officers which spreads among his friends and associates, building up antagonism. Much of this can be avoided—is being avoided—through a sound program of customer relations. President Fleming has said, "When it is impossible to grant a customer's request (for credit accommodations), he is entitled to a clear explanation. * * * You may spend thousands of dollars on advertising, and one or two discourteous tellers (and I might add 'officers') can nullify its effect."

Added to these and other problems, banks are faced at all times with possible legislation of a restrictive nature, often inspired by general discontent and the temper of the masses. As time passes on and changes occur in the business world, it is natural that new legislation applying

(Continued on page 26)

COMPLETE BANK INVESTMENT SERVICE

State of South Dakota and other
State and Municipal Bonds.

Industrial -- Railroad -- Utility
and

Canadian Government and Province Bonds

Direct private wire system to principal financial markets enabling us to give prompt, accurate quotations on all listed and unlisted securities.

The C. W. Britton Company, Inc.

Security Bank Bldg.—Tel. 633
Sioux Falls, S. D.

Security Building—Tel. 5-8978
Sioux City, Iowa

• The Bank Lobby •

These are busy days for bankers all over the Northwest. Spring seeding has commenced in southern sections, in the central areas preparations are under way, in the northern parts farmers are counting the days and hoping for warmer weather so that they can get started.

Meanwhile bankers are working right along with the farmers, helping them on seed loans, taking care of financing on their purchases of new farm machinery and other equipment, cooperating fully in the great work of getting the Northwest's crops under way.

It is a big job, this, of starting the spring planting season. It is a good thing for everybody concerned that bankers are and always have been in position to finance preparation of fields, provide funds for fertilizers and seed and in many other ways contribute to the production of the great Northwest grain crop.

This spring the job is larger than usual due to the black rust damage of last summer and the need of providing good seed, especially spring wheat seed. As matters stand reports to Commercial West indicate that a fair proportion of farmers have good wheat seed. Quite a number, however, have failed to heed all advice and are sowing or planning to sow, seed from their rust-damaged wheat of last

year. If there is a good growing season they probably will come out all right, but it is an established fact that weak seed will not produce an abundant harvest if there should be a drouth of consequence, or should black rust again infest the fields.

• • •

St. Paul Bankers on Wing

Richard C. Lilly, president First National, was expected home this week from a couple of months' vacation. . . . M. F. (Marty) Ernst, vice president Midway National, and Western National, serving the Midway district, has departed for a month's visit in Mexico. . . . G. J. Johnson, Empire National's executive vice president, has gone East on a business trip.

• • •

Lawyer New Cashier

B. F. Lawyer was elected cashier of the First National Bank of Bismarck, N. D., at its fifty-seventh annual meeting March 19. He succeeds the late Frank Shepard, the position having been open since Mr. Shepard's death last September. Mr. Lawyer's first steps in banking were taken in 1919 in Baldwin, N. D., where he was appointed assistant cashier of the Baldwin State Bank. He later served as cashier of banks at Wing and McKenzie. In 1923 he accepted a position with his present employer and the following year was appointed assistant cashier, which position he held until his recent election to the cashiership. R. H. Barry, who joined the institution in 1934, was appointed assistant cashier. Prior to taking his residence in Bismarck Mr. Barry was a resident of Minneapolis, where for seven years he was in the employ of the First National Bank & Trust Co. Members of the board of directors are: C. B. Little, F. L. Conklin, P. J. Meyer, E. T. McCanna, E. D. Hughes and O. N. Dunham. The First National was chartered in 1879 and is the second oldest bank in the state. Col. C. B. Little is president and the oldest member of the staff, having joined the institution in his present official capacity in 1895. The bank is an affiliate of the First Bank Stock Corp.

• • •

Postcards From Miami

Guy C. Smith, cashier First National, Cloquet, is on native soil again, after an enjoyable trip South and visit to Havana. He postcards from Miami: "Just got back from Havana last night. Tried to get passage on one of the Clippers, but would have had to make reservation a week ahead. Great country; hate to think of bucking snow again."



KENNETH M. BOLLUM
For Change of Town's Name

Mr. Bollum, cashier State Bank of Long Lake, Minn., near Minneapolis, is president of the Business Men's Club of Long Lake Township, which will sponsor a contest to choose a new name for the community—too many Long Lakes in the state. C. A. Hehl is vice president and E. Walsh, secretary.

• • •

Footings Climb \$800,000

E. J. Young, cashier State Bank of Rice Lake, Wis., writes: "Our footings have climbed \$800,000 and we now are the second largest bank in Barron county. We also are the largest independent bank in a much greater area. We have built our surplus up to \$15,000 from \$5,000 a year ago. We started from scratch five and one-half years ago, and we feel that we are justified in being proud of our achievement." (Commercial West agrees that this is a noteworthy achievement.)

• • •

Thirty-five Years Healthy

In a communication published in the March 23 issue of the Fergus Falls Daily Journal J. S. Ulland, president Fergus Falls National Bank & Trust Co., says:

"It was my privilege to witness the final basketball games in the state tournament at the auditorium in Minneapolis

ARE YOU INTERESTED IN INCREAS-

ing average balances, finding desirable loans, getting more income from service charges? Let us show you how it can be done.

CRADDICK SERVICE... MINNEAPOLIS

"7 Reasons Why You Should Buy These Bank Stocks Today"

Send for your copy of this new booklet (it's free) which gives "the 7 reasons" and analyzes "these" banks. . . . Do it now!

D. D. SCHROEDER & CO.
500 N. W. Bank Bldg. Minneapolis

CARR'S
FASHIONS FOR MEN

6th at Nicollet Minneapolis

THOS. HEATH and CRAFTON CLOTHES

NUNN BUSH Ankle Fashioned OXFORDS

BORSALINO and STYLE PARK HATS

Carefully SELECTED HABERDASHERY

Saturday evening, in which Bemidji won the state championship, but I feel certain that if they had been pitted against Fergus Falls our local team would have been the victors.

"By the way, I think Fergus Falls is about as healthy a place in which to live as can be found in this country. It was 35 years yesterday since I started working in our old bank and during that time I have not missed a day on account of illness (I am knocking on wood)."

An Easter Message

Going considerably beyond the average in bank statements President Frank P. Powers, Kanabec State, Mora, includes an optimistic and cheering Easter message in the March 4 statement in which he says, in part:

"After experiencing a most severe winter with lots of snow, this territory enters the spring of 1936 with a splendid outlook for a good crop. Having had plenty of moisture during 1935 and lots of snow during the past winter, conditions are excellent, and with the much better prices now being secured by the farmers for their products the outlook is certainly very encouraging."

Independent Board Meets

The board of directors of the Independent Bankers Association held in St. Paul last Saturday afternoon one of a series of meetings it is holding to discuss matters affecting interests of members. President A. B. Larson, Faribault, presided at the meeting at which all but three directors attended, including the North Dakota and South Dakota representatives. The Wisconsin director was unable to attend on account of illness that had taken him to Rochester. "There was general discussion of competition by some of the government loaning agencies," said Secretary Ben F. DuBois, Sauk Centre, "and some plan may be worked out to offset it."

Makes Good Report

The Citizens Bank & Trust Co., Vermillion, S. D., which changed hands February 17 (C. W., Feb. 22), President M. J. Chaney and associates selling their interests to a group headed by Robert Peterson, lieutenant governor of South Dakota, makes an excellent showing in its March 4 statement, just received by Commercial West. Its footings are given as \$498,181, with cash on hand and due from banks of \$192,355, loans and discounts of \$152,110 and deposits of \$410,337.

Developing a New Wheat

In response to an inquiry from Commercial West President D. J. Hull, Reclamation State Bank, Newell, S. D., advises that a new wheat has been developed near Redfield (see editorial on page 6) which is rust resistant. Mr. Hull encloses a letter from Sam H. Bober of Newell, seed grower, who explains that

WE ARE PLEASED TO ANNOUNCE THAT

EUGENE M. STEVENS

FORMERLY CHAIRMAN OF
THE FEDERAL RESERVE BANK OF CHICAGO,
HAS BECOME ASSOCIATED WITH OUR FIRM
AND HAS BEEN ELECTED VICE CHAIRMAN
OF THE BOARD. HIS HEADQUARTERS
WILL BE IN OUR CHICAGO OFFICE

BLYTH & Co., Inc.

APRIL 1, 1936.

GEO. C. JONES AGENCY, INC.

Bonds for Bank Investment

Geo. C. Jones J. R. Miller John L. McCoy E. W. Hall Wm. E. Bina

A. T. & T. Teletype Minneapolis 71

637 N. W. Bank Bldg. Minneapolis Telephone BRidgeport 4131

The Marquette National Bank

517 Marquette Avenue

MINNEAPOLIS

*Accounts of
Banks
Solicited*

OFFICERS

RALPH W. MANUEL, *President*

WILLIAM F. KUNZE
Vice President

FREDERICK F. ZANDER
Vice President

O. H. ODIN
Vice President and Trust Officer

GORDON E. LARKIN
Cashier

EDMUND S. JONES
Vice President

MERTH E. MORTENSON
Assistant Cashier

MALVERN H. MANUEL
Vice President

EARL D. CARDLE
Assistant Trust Officer

Member Federal Deposit Insurance Corporation

"Legal License"

One of the grounds set forth in a recent claim that certain foreclosure proceedings were wrongful and illegal is that the corporate mortgagee had no "legal license" in the state.

Title insurance eliminates loss from title difficulties.

(Next week — another actual difficulty.)

Title Insurance Company of Minnesota

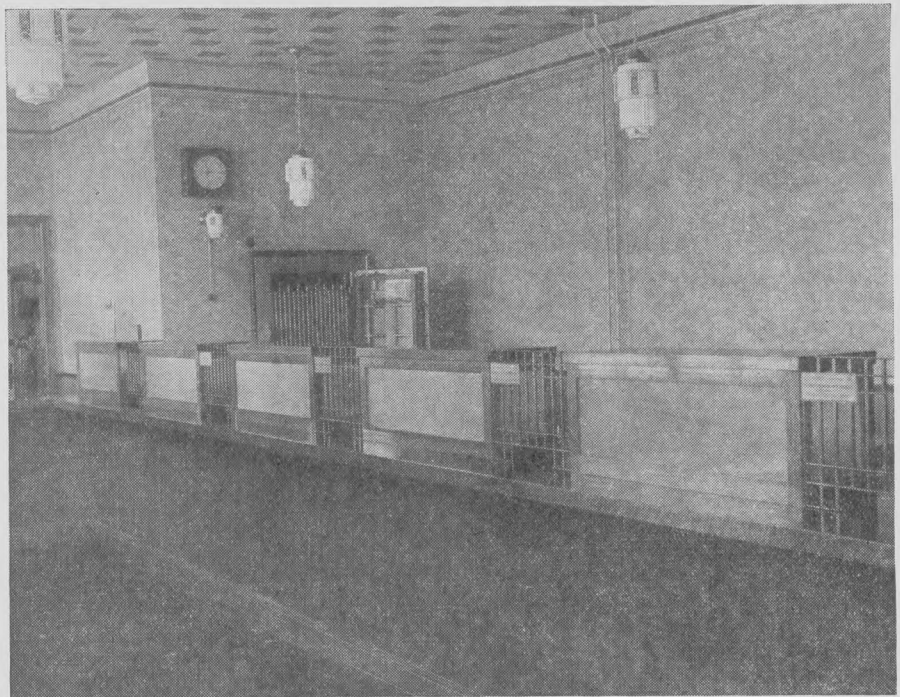
125 South Fifth Street
MINNEAPOLIS

The Minnesota National
offers every protection
and facility desired in
a correspondent bank.



OFFICERS

B. MURRAY PEYTON - - President
CAVOUR HARTLEY - Vice President
WILBUR F. McLEAN - Vice President
J. R. COLBECK - V. P. & Tr. Off.
H. S. PEYTON - Asst. V. P. & Tr. Off.
J. E. BROWN - - - - - Cashier
J. C. BUCKLEY - - Assistant Cashier
Member Federal Deposit Insurance Corporation



Low, friendly counters are a feature of the new banking room of the Grafton National Bank of Grafton, N. D., a Northwest Bancorporation affiliate. The bank recently moved into the building formerly occupied by the Scandinavian American Bank after extensive alterations and modernization work had been completed. Note the modern lighting equipment, decorated ceilings, and rich woodwork.

the new wheat is a cross between Marquis wheat and Emmer, or speltz, as it is known commonly. It is called "Hope" wheat, Mr. Bober says:

"Hope wheat is the result of an unusual cross, Marquis and Emmer (speltz). It is exceptionally resistant to stem rust and smut and last year when there was such extensive damage to the wheat crop this variety came through the stem rust epidemic practically undamaged. It yields less in normal seasons than either Ceres or Marquis and has proved a disappointment to all except those who are using it as a parent in plant breeding work. It is not a desirable variety for commercial production. There will be an increase of it this year on account of last year's escape from rust damage, but I see no reason for growing it commercially, because it lacks yielding ability and milling quality and is therefore not desirable."

The Russian government has just recently purchased 10 bushels (600 pounds) of the seed from Mr. Bober for experimental purposes.

Farm Outlook Good

Speaking before the annual meeting of Federal Land Bank presidents at Oakland, Calif., March 27, Roy Nelson, president of the St. Paul Land Bank, said he expected to make only about \$40,000,000 loans in the Northwest district this year compared with \$100,000,000 last year. Dairymen are optimistic, he said, and are paying off their debts, as are other farmers. All presidents agreed that 1936 agricultural returns should be good. The Omaha Land Bank reported advance pay-

ments of \$544,350 on \$1,614,340 interest maturities due March 1.

Reward Award Law Attacked

The supreme court of Iowa was asked on March 27 to declare unconstitutional an Iowa law under which a district court decision held the finder of \$100,500 in money entitled to a reward of \$10,050. The money had been stolen from the City National Bank of Clinton, Iowa, by bandits. The bank and bonding companies have appealed the decision on the ground the law took property without due process and that the national bank is a federal agency and not subject to Iowa law.

Iowa Convention Committees

President Grant McPherrin of the Des Moines Clearing House Association, general chairman of arrangements for the fiftieth annual convention of the Iowa Bankers Association to be held in Des Moines, June 1-3, has appointed the following convention committees:

Automobile—Harry G. Wilson, cashier Iowa-Des Moines National Bank & Trust Co., chairman; J. Roy Capps, cashier Central National Bank & Trust Co.

Badge—George W. Richter, vice president Capital City State Bank, chairman; C. H. Stephenson, cashier Bankers Trust Co.; Arthur T. Donhowe, assistant vice president Central National Bank & Trust Co.

Entertainment—R. R. Rollins, assistant cashier Bankers Trust Co., chairman; Arthur Keyes, assistant cashier

Iowa-Des Moines National Bank & Trust Co.; Frank Warden, vice president Central National Bank & Trust Co.; C. T. Cole, Jr., vice president Valley Savings Bank.

Golf—Clarence Diehl, vice president Iowa-Des Moines National Bank & Trust Co., chairman; C. T. Cole, Jr., vice president Valley Savings Bank; S. C. Pidgeon, vice president Bankers Trust Co.; E. F. Buckley, vice president Central National Bank & Trust Co.

Hotel—R. L. Chase, Jr., assistant vice president Iowa-Des Moines National Bank & Trust Co., chairman; James Burson, assistant cashier Iowa-Des Moines National Bank & Trust Co.

Registration—C. W. Mesmer, vice president Bankers Trust Co., chairman; H. C. Stieglitz, cashier Home Savings Bank; F. C. Davis, auditor Iowa-Des Moines National Bank & Trust Co.; J. Roy Capps, cashier Central National Bank & Trust Co.; L. F. Clampitt, assistant cashier, Valley Savings Bank.

Ladies' Committee—Mrs. George A. Peak, Des Moines, general chairman.

Now World's Greatest Bank

With deposits of \$3,254,054,000, the Federal Reserve Bank of New York is the largest bank in the English-speaking world, leading the Midland Bank of London, second largest, by more than \$1,000,000,000, according to the tenth annual edition of the brochure, "The Deposit Liabilities of One Hundred and Fifty of the Largest American, British, Colonial and Dominion Banks," compiled and just released by California Bank, Los Angeles.

The Midland Bank, largest British bank, with deposits of \$2,180,024,299, is followed by nine other billion dollar banks:

Chase National, New York.....	\$2,075,121,091
Barclays Bank, Ltd., London.....	1,999,086,770
Lloyds Bank, Ltd., London.....	1,974,324,415
National City Bank, New York.....	1,652,366,244
Westminster Bank, Ltd., London...	1,591,192,987
Guaranty Trust Co., New York.....	1,513,931,163
Nat'l Provincial Bank, Ltd., London.	1,492,708,326
Bank of America, National Trust & Savings Association, San Francisco	1,155,265,465
Continental Illinois National Bank & Trust Co., Chicago.....	1,021,313,904

Combined total deposits of \$51,091,850,993 for all banks in the brochure exceeds by more than 12 per cent the former all-time peak of \$45,374,547,607 reached last year. Of these 150 banks, 94 with deposits of \$30,347,149,966 are American and 56 with deposits of \$20,744,701,027 are British.

There has been a very noticeable growth in the size of the banks during the past year. The average American bank in the new listing, with deposits of \$322,-

- OTTO BREMER, Chairman
- L. H. ICKLER, President
- H. B. HUMASON, Exec. Vice-President
- G. J. JOHNSON, Vice-President
- GUY E. DAILEY, Ass't Vice-President
- P. A. F. SMITH, Cashier
- L. DORAN, Assistant Cashier



A truly correspondent bank that offers both loyalty and service to its many customers and friends.

We would welcome an opportunity to serve any banking institution or industry seeking a Twin City connection.



AMERICAN NATIONAL BANK
ST. PAUL, MINN.

842,021, has increased 17 per cent over the average of \$275,777,896 a year ago and the average British bank, with deposits of \$370,441,089, increased 8 per cent over last year's average of \$343,707,779.

Shows Deposit Gain

In reporting deposits of Milwaukee banks as of the March 4 call those of the Marshall & Ilsley Bank were given as \$39,733,923 for the year previous in comparison with \$39,264,030 March 4, last. The correct figure for March 4, 1935, should have been \$37,619,384.

Sells Interest at Lakeville

J. D. Rempel, cashier First National, Lakeville, has sold his interest and re-

signed as cashier. Writing Commercial West Mr. Rempel says: "For the time being I am going to take a short, well earned rest and then I am going to begin to look about for a bank. I have been in the banking business for 22 years and now that I think the business is again coming back into a place in business where one can make something and be a bit more comfortable than we have been in the past depression years, I am going to look for an executive interest in a good bank, because I have and still do thoroughly enjoy bank work."

FDIC Report for 1935

Figures just released by FDIC show 14,121 insured commercial banks as of (Continued on page 33)

KALMAN & COMPANY

MINNEAPOLIS
McKNIGHT BUILDING
ATLANTIC 5313

Investment
Securities

ST. PAUL
ENDICOTT BUILDING
GARFIELD 3307

**BONDS FOR BANK INVESTMENT SOLD BY
ALBERT WICKSTROM AND A. F. JOHNSON**

REPRESENTING

J. P. ARMS & CO.
INVESTMENT SECURITIES

RAND TOWER

MINNEAPOLIS

TICKER TALK

By *The Marketeer*

As we go to press, the industrial list has broken out of its narrow range and recorded a new high close for the bull market at 160.41. Should the railroad group confirm this action the indications would be distinctly favorable for further upside progress.

To the casual observer the stock market appears to have reached a condition of stalemate, and speculative activity to have died out completely. And, indeed, in the sense that the market is badly in need of a new stimulus, this is the case.

However, the establishment of the present narrow trading range, or "line," is far from being devoid of meaning, nor does it by any means indicate a prolonged period of the present desultory action of prices. Emergence from this confined area by both the industrial and railroad averages, especially if accompanied by a pick-up in the volume of trading, should provide an important clue as to the next decisive move of the market.

For 15 trading days, since the market shook off the European war scare, the industrial average has not closed above 157.88, nor below 153.25. The corresponding limits in the rail group have been 47.92 and 46.72. Whether the forces of accumulation or of distribution have been at work during the period, only the subsequent action of the market itself can answer.

Such reasoning may appear to be both technical and academic, but it has a decided element of value in view of the unusual conditions surrounding the present level of stock prices. Stocks have been advancing for over a year without material reaction, and the question of whether or not the market has over-discounted near-term earnings prospects is very much a two-sided affair from the standpoint of statistical analysis. Because of SEC control, the stock market is unquestionably selling "ex" the over-extended public interest invariably present during the last stage of advances in former years. For this reason it may well be that the four minor declines of the past year have been sufficient to "correct" the advance.

But by the same token, should a de-

cline now develop with intensity enough to sweep aside the heretofore unflinching support at the 150 level of the industrial average, its force could only come from outright liquidation of securely held stocks. In such an event the decline could easily develop into the most serious reversal of the upward trend in over a year.

During the month of February, the market was turning over heavily while accomplishing very little forward progress. This condition was noted in this column at the time. Undoubtedly many wary speculators recognized the signs and materially lightened their holdings. It is entirely understandable that they should be loathe to reinstate these positions until the market itself evinces a resumption of the type of buying which prevailed during last fall and early winter.

Oil Stock Possibility

During the course of an unquestioned major bull trend in business and stock prices, the enterprising speculator, anxious though he maybe to avoid the periodic and inevitable secondary declines, frequently encounters a stock so priced in relation to its potentialities that he is willing to take a conservative position therein, even though the market itself may at the time be in somewhat debatable territory. Instead of liquidating his long position entirely in anticipation of an extensive secondary reaction, he may by this means "hedge" himself against the heavy margin of error always attendant upon efforts to capitalize on these elusive intermediate trends.

Such a general market situation is at hand and such an individual stock is to be found in Mid-Continent Petroleum Corp. at its present price of 21½. Some weeks ago this column indulged in a discussion of the Douglas Aircraft Co. with special reference to the market-wise possibilities of the common stock. Not even as often as once in every bull market is there to be found a stock with the background and speculative appeal of Douglas, and this writer cannot repeat too often nor emphasize too strongly the

qualities of a potential bull market lender possessed by this issue. But a distinction must be drawn between this situation and that of Mid-Continent. The latter stock possesses few inherent qualities making for sensational market action. It is, however, an attractive and reasonably priced unit in a favorably situated industry.

For years the oil industry has operated under an unstable price structure and has been beset with price cutting wars because of unrestrained production. As a result, and despite the fact that as a whole these companies possess more equity value per share of common stock than almost any other group, their earnings have lagged and the market performance of their stocks has tried the patience of holders. Recently, however, the statistical position of the industry has been materially improved. Not only have efforts to control production met

Bank Stocks

March 25, 1936

	Bid	Asked
MINNEAPOLIS		
First Bank Stock.....	14½	14½
N. W. Banco.....	11½	11½
NEW YORK		
Bankers Trust.....	63	65
Chase.....	40	41½
First National.....	2000	2030
Guaranty Trust Co.....	289	294
National City.....	36	38
CHICAGO		
Central Republic.....	23½	24½
City National.....	119	123
Continental Illinois.....	172	174
First National.....	297	301
Harris Trust & Savings.....	360	375
Northern Trust.....	820	840

Commodity Prices

	April 1	March 25
Butter (lb.)	\$0.31¼	\$0.32¼
Eggs (doz.) .....	.20½	.21
(Butter and egg prices are New York wholesale market on "firsts.")		
Hogs (cwt.)	10.35	10.50
Cattle (cwt.)	8.00	8.25
Lambs (cwt.)	10.10	10.00
(Livestock prices are South St. Paul quotations for top sales.)		
Potatoes (cwt.)	1.25	1.25
Potatoes (cwt.)	1.10	1.10
(Potato prices are those paid growers in carlots. Higher price for Minneapolis district, lower for shipments from northern part of state.)		

BONDS FOR BANK INVESTMENT

WELLS-DICKEY COMPANY

ESTABLISHED 1878

ST. PAUL

MINNEAPOLIS

DULUTH

I. B. A. Heads Bring Good Cheer in Twin Cities Visit

The visit of I. B. A. executives, Orrin G. Wood and Alden H. Little, last Saturday was the occasion for the rallying of investment men in the Twin Cities. Approximately 125, including insurance men, bankers, and other business leaders, attended a noon luncheon at the Minnesota Club in St. Paul, while a smaller group participated in a dinner tendered by Minnesota Group, I. B. A., Saturday evening at the Minneapolis Club.

Mr. Wood, I. B. A. president and partner in the house of Estabrook & Co., Boston, was principal speaker at both affairs. Mr. Little, I. B. A. executive vice president, Chicago, spoke briefly also at both gatherings.

At the Minnesota Club luncheon Rollin G. Andrews, Wells-Dickey Co., presided as vice president of the Minnesota Group,

President H. A. Abernethy, Kalman & Co., St. Paul, being unable to attend on account of illness. When it came time to introduce Mr. Wood that honor was accorded Lester Bigelow, Bigelow, Webb & Co., by Mr. Andrews.

Mr. Wood brought a message of good cheer to the Twin Cities. He said inflation is not as obvious as some might think, that money rates may be expected to continue low for some time to come. On the whole, his observations led him to believe the country is recovering substantially from the lean era. He counselled investment men to do what they always have done—advise clients when they have money they want to invest to buy good bonds and good stocks.

There are three roads along which inflation may come, Mr. Wood pointed out:

Direct currency expansion, to which the President and his advisers appear opposed.

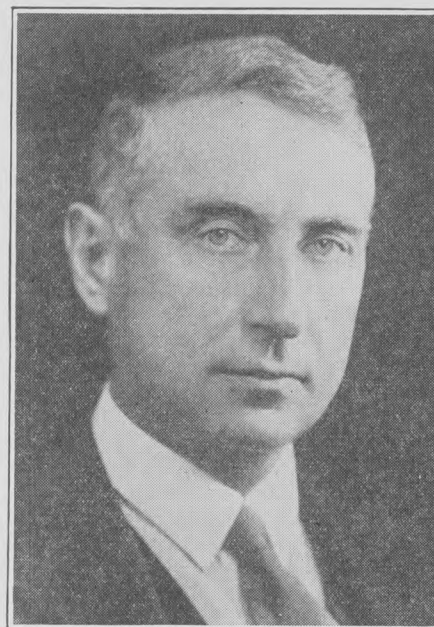
Credit expansion, with three chief lanes opening to it—industrial expansion disproportionate to its needs, speculation, uncontrolled government expenditures.

Mr. Wood said he felt SEC and the Federal Reserve Board, as evidenced by the recent action of the latter in raising the loan margin to 55 per cent, indicated they intend to control speculative inflation. He did not look for it down the road of industrial expansion, either, believing industry will be cautious in its advances. If credit inflation does come, Mr. Wood believed it would be down the lane of governmental expenditures and an unbalanced budget. He felt heartened, however, by the President's demand for new taxes.

Disclaiming any ability to read the future, Mr. Wood said he had a strong feeling that the business cycle was following its normal course, and that, regardless of some political actions which may have been helpful and some which may have been harmful, natural economic factors appear to be making for a definitely upward swing in business.

"Looking backwards," said Mr. Wood, "the low point of depression came in the year 1932. Since then the course has been slowly upward with intermittent recessions, such as that caused by the bank holiday and, on certain occasions, by the uncertainty of political action. Given, therefore, no great and unforeseen disturbing event or the long continuance in unsound governmental policies, I look for a continued improvement in the economic progress of the country. Last fall after the adjournment of Congress business improved at a rapid rate, and my belief is that its momentum will carry it forward.

"Today, as compared with last year,



ORRIN G. WOOD
Visiting I. B. A. President

power consumption, railroad loadings, steel operations and other factors point to a year of business activity. Personally, I am not of the school that feels that this country has seen the peak of its prosperity. Blessed with large natural resources, with an industrious and ingenious population, only causes which will dampen the initiative of our people will prevent our forward progress. I am not, however, a believer that we can suddenly attain the millenium by a series of miracles. Only hard work with a real incentive to do it makes for progress."

W. Hubert Kennedy, Wells-Dickey Co., Minnesota Group member of the I. B. A. Board of Governors, presided at the Saturday evening dinner, attended by 42 members of the Group. It was a wholly informal affair, Mr. Wood sitting at table as he talked informally of progress of the investment banking business, discussed internal matters of interest and so on. Despite its informality it was a very delightful and interesting talk, thoroughly enjoyed by all present.

GENERAL MILLS DIVIDEND

General Mills, Inc., has announced the declaration of the regular quarterly dividend of 75 cents per share on the common stock of the company, payable on May 1 to all common stockholders of record at the close of business April 10. Checks will be mailed. This is the thirty-first consecutive dividend on General Mills' common.

GREYHOUND SPLIT-UP

Greyhound Corp. stockholders have approved a recommendation of directors that the common stock be split four for one, and that authorized 1,000,000 shares of \$5 par common stock be increased to 3,500,000 no par shares.

RUDOLPH S. JURAN

Government and Municipal Bonds

Associated with

JUSTUS F. LOWE COMPANY

First National-Soo Line Bldg., Minneapolis

Our Current

Investment Review

discusses

Present and
Prospective
Federal Corporate
Income Taxes

A copy will be sent you on request.

**Haine, Webber
& Company**

Established 1880

Rand Tower—Minneapolis
Pioneer Bldg.—St. Paul

Members New York, Boston, Chicago,
Minneapolis-St. Paul Stock
Exchanges

New York Chicago Boston

ALONG FINANCIAL ROW

W. A. Simonton, vice president Thrall West Company, was back at his desk this week after several weeks' vacation in and around Galveston, Tex. Tanned by the friendly Texas sun Mr. Simonton was the picture of good health and stated he has fully recuperated from an attack of the influenza, suffered early last winter.

"Feeling fine," Mr. Simonton told Commercial West Thursday while trying to catch up on an accumulation of business. "The Southwest appears to be coming along fine and Texas, of course, is expecting great things from its Centennial celebration this year.

"Municipal financing has taken on a better tone, nationally speaking, with back taxes being paid up and definite and near defaults being well on the road to satisfactory adjustment."

Governments Strong

E. C. Kibbee, manager Saloman Bros. & Hutzler's Minneapolis office, reports business heavy in governments, with prices strong.



ROLLIN G. ANDREWS
Presides at Luncheon

Mr. Andrews, Wells-Dickey Co., was chairman of the Minnesota Club luncheon in St. Paul for Messrs. Orrin G. Wood and Alden H. Little, I. B. A. executives.

Investment Briefs

Minneapolis-Moline common scored an advance to 12¼ Thursday on the New York Stock Exchange.

Oliver Farm Equipment Co. and subsidiaries report for 1935 shows net loss \$482,006 against net loss \$7,383,986, including special charges of \$5,057,879 for 1934.

Minneapolis-Honeywell Regulator Co. common stock will be ex-stock dividend on April 8, according to the committee on securities of the New York Stock Exchange ruling.

Department of Agriculture's farm price index dropped from 109 to 104 during the month ended March 15. Larger than seasonal declines in the prices of dairy products, veal, calves, tobacco, and truck crops were largely responsible.

Personally Speaking

Miss Grace Cotton, cashier for I. H. Overman, Inc., has returned from Arizona where she has been on a Dude Ranch for a month. Miss Ruth Cranston of Piper, Jaffray & Hopwood accompanied her.

John Webb of Bigelow, Webb & Co. is expected home from Los Angeles this week.

Al Greenman of Greenman, McGuire & Driscoll, St. Paul, returned from the Southland Wednesday morning.

H. H. Bishop, First National Bank & Trust Co., Minneapolis, is in Florida and is expected back shortly.

C. H. Babcock of Piper, Jaffray & Hopwood is handling trading for his firm in St. Paul for a few days.

Don Goodman of Brown, Harriman was a recent Chicago visitor.

Henry Thrall, who was on the sick list last week, is back on the job again.

Jim MacRae of Blyth & Co. spent Tuesday and Wednesday in Duluth.

River Capt. I. H. Overman left Wednesday for Chicago, where he spent Thursday and Friday.

Bob Hotchkiss of the First & American National Bank, Duluth, attended the I. B. A. dinner in Minneapolis last Saturday.

WHEN YOU WANT TO BUY A BANK, SELL A BANK

Or employ an experienced, qualified and carefully investigated bank clerk or executive, consult
THE CHARLES E. WALTERS CO.
1313 First Nat'l Bank Bldg.
OMAHA, NEBRASKA
All Correspondence Confidential

We Offer

Securities To Fit Your Bank Account

CHREST & COMPANY, INC.

INVESTMENT SECURITIES

735 Rand Tower - Minneapolis
BRidgeport 4154

Country Representatives
RALPH WEBBER
FRED LEUZINGER
ANDREW ENGBERG

Bonds

Investment Stocks

Commercial Paper

A. G. Becker & Co.

Established 1893

1st National-Soo Line Bldg.
Minneapolis
Phone Atlantic 2307

A. G. Scheidel & Co.

High Grade Securities for Bank Investment

LaSalle Bldg. Mankato, Minn.

RIEGER, JENSEN & CO.

Conservative Investments

1212 First Nat'l-Soo Line Bldg.

Minneapolis

M. PLIN BEEBE

Specializing in Bonds and Warrants of South Dakota and North Dakota

Ipswich, S. D.

Phone No. 25

March 11th.
Dear Ethel
My trip to
Minneapolis would
have been worthwhile
if only to enjoy the
hospitality of the
Radisson
Since

ROOMS with BATH
from \$2.50

GOOD FOOD at
Moderate Prices

HOTEL RADISSON
In Downtown Minneapolis R. A. Hood, Gen. Mgr.

The
Trade Paper
of the
Municipal Bond
Business

Daily and Weekly Editions

THE BOND BUYER

Since 1891

"The Authority on Municipal Bonds"

67 Pearl St., New York, N. Y.

MUNICIPAL FINANCING

County officials and others interested are invited to report promptly all news for this department.

Halsey, Stuart & Co., this week offered \$10,118,000 Iowa primary road refunding bonds, (C. W. March 14) running 1½'s, 1¾'s and 2's with maturities 1937 to 1944-45. All are obligations of the issuing counties exempt from all present federal income taxation and from property taxation in Iowa. Because of the high grade, early maturities and general desirability these bonds are considered excellent banking paper and were expected to find ready sale in Iowa, other states of the Northwest and Mid-West. (See page 3 for announcement.)

The market continues strong, high-priced, scarce. Allison-Williams Co. reports Minnesota's, North Dakota's and South Dakota's in big demand, few to be had and prices high, ranging in some instances highest they have ever been. This firm bought Wednesday and offered Thursday \$92,000 PWA Grafton, N. D., school 4's, bought through RFC sale.

PROPOSED ISSUES

Keosauqua, Iowa—Plans are under way for issuance of \$5,000 street paving bonds. Total cost of project, \$14,000; WPA grant, \$9,000. James G. Russell, city clerk.

Mason City, Iowa—Plans are under way for sale of \$40,000 school refunding bonds. R. L. James, secretary Board of Education.

Tama, Iowa—Petitions are being circulated calling for election on issuance of \$20,000 hospital building bonds. C. E. Davis, city clerk.

Valentine, Neb.—Plans are under way for issuance of \$70,000 refunding bonds. Maynard Richards, city clerk.

Minneapolis—The Board of Education has requested the Board of Estimate and Taxation to issue \$81,121 bonds for purchase of material for 12 new WPA projects. Federal grant, \$413,296, will be applied for. George M. Link, secretary Board of Estimate and Taxation.

COMING ELECTIONS**April 7**

North Platte, Neb.—On issuance of viaduct building bonds. Clyde Trump, city clerk.

April 10

Cherokee, Iowa (Cherokee county)—On issuance of highway improvement bonds. H. M. Montgomery, county auditor.

April 14

Franklin, Neb. (Franklin county)—On issuance of \$40,000 refunding bonds. R. S. Douglas, county clerk.

April 21

Aberdeen, S. D.—On issuance of \$11,500 armory building bonds. Lydia W. Kohlhoff, city auditor.

No Date Set

Chisholm, Minn. (Balkan township)—

Election will be held in near future on issuance of \$150,000 refunding bonds. Frank Lahti, township clerk.

Brookings, S. D.—Election will be held in near future on issuance of \$21,000 swimming pool bonds. C. B. Herreman, city auditor.

ISSUES VOTED

Edgeley, N. D.—\$22,000 school building bonds for Golden Glen school district. Henry Roscoe, LaMoure county superintendent of schools.

Fairfield, Iowa—\$6,500 city park bonds. P. H. Spence, city clerk.

Great Falls, Mont.—\$140,570.61 refunding bonds. W. H. Harrison, city clerk.

Red Lodge, Mont.—\$37,000 refunding bonds. Care of city clerk.

BIDS CALLED FOR**April 4**

Mazomanie, Wis.—At 10 a. m. on \$16,000 refunding bonds for Mazomanie graded school, joint district No. 2, town and village of Mazomanie, and part of Black Earth. Denom., \$1,000 and \$500. Karl Schumann, district clerk.

April 15

Sioux Falls, S. D.—At 10 a. m. on \$59,000 city hall building bonds. Denom., \$1,000. Int., 3½ per cent. Andrew Norstad, city auditor.

AWARDS

Montevideo, Minn.—\$10,000 park improvement bonds to Union State Bank of Montevideo.

Minneapolis—\$1,000,000 certificates of indebtedness. Prem., \$250. Int., ¼ per cent, to Salomon Bros. & Hutzler of Minneapolis.

ENGLISH MONEY MARKET

Says Barclay's Bank, Ltd., London, in its March review:

"Supplies of credit in the short loan market remained abundant during February and very easy conditions have prevailed. A somewhat better demand for accommodation was in evidence about the middle of the month, but difficulty has frequently been experienced by lenders in finding full employment for floating balances. Substantial interest payments on government securities were distributed on February 1 and market resources were further increased during the month owing to the excess of Treasury bill maturities over payments for new bills. Consequently, the heavy tax collections usual at this time of the year have not produced any stringency in monetary supplies, nor did the call which fell due on February 6, of £20,000,000 on the new 2½ per cent funding loan, cause any noticeable change in conditions in the money market."

In these stirring recovery days—read Commercial West.

Great Northern Report

Highlights of the Great Northern Railway's annual report, just made public, are:

Increased traffic for 1936 is forecast.

Arrangements completed for refinancing \$100,000,000 of railroad's funded debt at saving of \$3,433,234 or more annually in interest charges.

Funded debt and notes payable reduced \$8,883,340 from earnings last year.

Freight traffic in 1935 increased 20.11 per cent in tonnage and 16.3 per cent in revenue, with increase of only 3.37 per cent in train miles.

General pick-up and delivery service established early this year to compete with highway transportation.

Revived confidence in land and farms is evidenced by substantial increases in farm population.

Last year's crops in Great Northern territory, reports W. P. Kenney, president, were better than any of the previous four years, despite an estimated damage of 50 per cent by the heat wave in midsummer.

Total operating revenues were \$81,188,858, of which \$70,211,977 was freight, an increase of \$9,863,704 over 1934, and \$4,416,108 passenger revenue, an increase of \$195,537. Operating expenses were \$50,061,214. Net railway operating income was \$23,483,854 as compared with \$14,101,650 in 1934. Income from other sources totaled \$3,816,309, of which \$1,660,358 was dividends from the Burlington, as compared with \$2,490,537 received in 1934, and \$725,000 from the Spokane, Portland & Seattle Railway as interest on that company's bonds, as compared with \$500,000 received the year before. Total income was \$27,300,163. Interest, miscellaneous appropriations, and other deductions amounted to \$20,190,296, leaving a balance available for other corporate purposes of \$7,109,867.

The ratio of operating expenses to operating revenues was reduced from 68.70 per cent in 1934 to 61.66 per cent in 1935.

Taxes for 1935 were \$6,216,821, an increase of \$35,710 over 1934.

SALES RESIST DECLINES

Despite unfavorable natural influences during March, wholesale collection and sales conditions in 94 cities of the country reveal a resistance to declines, according to the March survey released this morning by the National Association of Credit Men. In contrast to 37 cities reporting "good" collections and 40 reporting "good" sales in the previous month's study, the current survey has 32 cities noting "good" collections and 34 cities reporting "good" sales. "Fair" collections were scored by 48 cities both this month and last month, while "fair" sales increased from 47 to 52 cities in the present analysis.

PIPER, JAFFRAY & HOPWOOD

STOCKS • BONDS • COMMERCIAL
PAPER • GRAIN • MUNICIPAL
AND CORPORATION SECURITIES

LISTED AND UNLISTED SECURITIES LOCAL TO THE
TWIN CITIES AND THE NORTHWEST

MEMBERS OF

NEW YORK STOCK EXCHANGE AND OTHER PRINCIPAL EXCHANGES
MINNEAPOLIS SAINT PAUL
529 SECOND AVE. SO. 122 FIRST NAT. BANK BLDG.
'PHONE BRIDGEPORT 4141 'PHONE GARFIELD 2821

J. M. DAIN & COMPANY

Represented by

FRANK G. HINZE

*Specializing in High Grade Securities
Suitable for Bank Investment*

RAND TOWER GENEVA 1374 MINNEAPOLIS

Chas. E. Lewis & Co.

Established 1888

MEMBERS

Chicago Board of Trade
Minneapolis Chamber of Commerce

New York Stock Exchange

Winnipeg Grain Exchange
Chicago Curb Exchange

New York Curb Exch. (Assoc.)

11 Wall Street
New York City

Lewis Building
MAin 5561
Minneapolis, Minn.

1st Nat'l Bank Bldg.
 Fargo, N. D.

WOODARD ELWOOD & CO.

840 RAND TOWER

MINNEAPOLIS

BONDS

STOCKS

MEMBERS OF
MINNEAPOLIS-ST. PAUL STOCK EXCHANGE

Established 1885

H. C. SPEER & SONS CO.
MUNICIPAL, COUNTY AND SCHOOL BONDS

First National Bank Building

Chicago

St. Paul to Be Insurance Mecca Week of June 8-12

St. Paul will be the insurance Mecca of the Northwest the week of June 8-12 when no less than three great insurance organizations are scheduled to hold their annual conventions in the Sainly City. They are:

National Association of Insurance Commissioners, June 8-12.

Minnesota Association of Insurance Agents, June 8-9.

Insurance Federation of Minnesota, June 9.

All told, these organizations will bring about 1,000 insurance men and their families to St. Paul for all or part of the week.

The National Association of Insurance Commissioners gives promise of an attendance upwards of 500 with commissioners or their deputies present from all states of the Union. Minnesota's insurance commissioner, Frank Yetka, is in contact with various members almost constantly, answering questions, preparing for the great insurance conclave.

George W. Wells, Jr., secretary Northwestern National Life Insurance Co., Minneapolis, is chairman of a general arrangements committee which will prepare for the convention. This committee already has done some tentative work and will meet soon, maybe next week, to take up further preliminary research.

The Minnesota Association of Insurance Agents expects about 200 at its state convention which will be held all day and evening Monday, June 8, and the forenoon of June 9, reports R. M. Thompson, executive secretary. Two outstanding speakers have been obtained for the annual banquet, which will be held Monday evening, June 8. They are Walter H. Bennett, secretary-counsel National Association of Insurance Agents, New York City, and Ernest Palmer, director insurance department, state of Illinois.

Clarence O. Brown, Rochester, president of the Minnesota association, and S. C. Aldridge, president of the Insurance

Exchange of St. Paul, are in charge of general arrangements for the convention on behalf of the state association.

The committee on general arrangements for the agents' convention is comprised of members of the Insurance Exchange of St. Paul, which, as an organization, will see to it that the agents are properly entertained while in St. Paul. George Radcliffe is chairman of the committee on arrangements. Assisting him are John McGee, S. C. Aldridge, Robert Burns and Leo A. Ritt.

The Insurance Federation of Minnesota will hold its annual meeting in St. Paul at the Hotel St. Paul Tuesday afternoon, June 9, beginning with the annual luncheon at noon, advises Clyde B. Helm, secretary-treasurer. This group expects to have an attendance upwards of 200 from all sections of Minnesota, with guests from the Federations of North and South Dakota, Iowa and Wisconsin.

With the return last week-end to the city of Alexander Campbell, resident vice president Marsh & McLennan, who has been spending a couple of months on the West Coast and in Mexico, a meeting of the Federation executive committee was to be held this Thursday to begin mapping a program and making other tentative plans for the meeting, including naming of special committees on arrangements. While no speakers have been obtained as yet it is expected a couple of big eastern Home Office men will be lined up for luncheon addresses.

Both big hotels in St. Paul—the Hotel St. Paul and the Lowry—will be headquarters for the insurance gatherings. The National Association of Insurance Commissioners will utilize both hotels, while the agents and the Federation will hold their meetings at St. Paul.

Weeks Home From Hospital

Jay A. Weeks of the Weeks & Jackson Insurance Agency, Minneapolis, was home again last week-end after having gone through the ordeal of an appendicitis



GEORGE W. WELLS, Jr.
Convention Committee Chairman

operation at Swedish hospital. Mr. Weeks does not expect to be able to get down to the office for a few days yet, reports Mr. Jackson.

Hits Bootleg Insurance

Commissioner Frank Yetka, Bert Costello, chairman House committee on insurance, Minnesota legislature, and Clyde Helm, Insurance Federation secretary, were guests at the March quarterly meeting of the Insurance Exchange of St. Paul. Commissioner Yetka, in an address, recommended reciprocal legislation to control the evil of bootleg (mail order) insurance and stressed the need of a new and improved state insurance code.

Insurors Join in Meeting

Rochester Insurors Association joined with Kiwanis Club, Commonwealth Club, Underwriters, and the Chamber of Commerce to sponsor the appearance of De Loss Walker, associate editor of Liberty Magazine, at the school auditorium Thursday, March 19. The sponsors defrayed all expenses, admitting the public without charge.

FRED L. GRAY COMPANY

Northwest Managers, State Managers and General Agents

INSURANCE

Life - Casualty - Liability - Bonds - Fire - Automobile - Marine

In Quality Companies Only

300 SECURITY BLDG.

MINNEAPOLIS

"Loyal to Local Agents Since 1891"

Northwest Managers
STANDARD ACCIDENT INSURANCE CO., Detroit

State Manager
CENTRAL LIFE ASSURANCE SOCIETY, Des Moines

General Agents
United Firemen's Insurance Company
Royal Exchange Assurance
Sentinel Fire Insurance Co.
Appleton & Cox, Inc. (Marine Insurance)
Equitable Fire & Marine Ins. Co. (Inland Marine)

Chicago Conference

(Continued from page 10)

cial conditions under which banks must operate as compared with other businesses. Said he, "I believe bankers are better equipped than ever before to render adequate and constructive service to the people of this nation." He expressed belief that passage of the Banking Act of 1935 settled for the present that question of major banking legislation and that bankers can now turn their attention more to problems of how to develop and extend the scope of banking service. During the period of legislative change bankers' attention was concentrated upon problems created by proposed legislation. Hence these regional conferences to afford opportunity now for study, analysis and better understanding of changes in law, and rules and regulations also provide opportunity for discussion of the all-important question of better public relations to the end that there will be greater cooperation and understanding between the banker and his customers.

Mr. Fleming said, "Continuation of government competition in those fields in which commercial banks can soundly and safely function is in conflict with the constructive program undertaken by government to strengthen the capital structure of banks of the nation."

Discussing Federal Reserve rules and regulations, Harold Amberg said he believed dissatisfaction of bankers was due to subconscious resentment at the bulk and rigidity of regulations, aggravated by impatience at the delay in getting them out and consequent piling up of clerical and mechanical work and readjustment. He predicted this feeling would diminish as bankers and bank routine became more familiar with regulations.

"Our suggestion is that the Board of Governors confine its exercise of discretionary powers to general regulations, on the reasonable assumption that banks will live within the spirit of that regulation in the light of local practice."

Attendance was swelled steadily Thursday forenoon. Snow and late trains had delayed many delegates. Official registration at noon was 900 with scads more pouring in. In addition to four general sessions and six departmental forums there were many other meetings, banquets, luncheons and conferences to keep delegates busy.

Chicago banks held open house before the main banquet Friday evening at which James M. Barker declared: "The one thing sure about the future is that it will be different than the present and the past and success can be the lot of him who sees cause and effect just a little bit more clearly than the rest."

Financial Advertisers Association of Chicago held a reception for visiting publicity and advertising men Thursday evening. There was a generous attendance from the Northwest.

The 51st Annual Statement of NORTHWESTERN NATIONAL LIFE

of Minneapolis

December 31, 1935

RESOURCES

Cash	(7.1%)	\$ 3,909,651.87
U. S. Government Securities.....	(21.3%)	11,642,190.96
Bonds Fully Guaranteed by the U. S.....	(7.4%)	4,022,782.34
Canadian Government Securities.....	(.9%)	468,719.49
Other Bonds:		
State, County, and Municipal.....	(6.8%)	3,730,999.23
Railroad Mortgage Bonds.....	(8.9%)	4,853,567.72
Railroad Equipments	(3.8%)	2,101,584.82
Public Utility	(6.9%)	3,760,647.77
Industrial	(.5%)	268,734.00
Miscellaneous	(.6%)	321,608.12
First Mortgage Loans:		
Farm Loans	(2.7%)	1,468,927.71
City Loans	(6.8%)	3,741,360.22
Policy Loans	(17.0%)	9,336,478.26
Real Estate (Including Home Office Building).....	(4.9%)	2,678,145.97
Real Estate Sold Under Contract.....	(.2%)	97,677.47
Premiums, Due and Deferred.....	(3.2%)	1,769,879.00
Interest Due and Accrued and Other Assets.....	(1.0%)	556,572.51
TOTAL	(100%)	\$54,729,527.46

LIABILITIES

Reserve on Policies.....	\$42,056,773.00
Death Claims Due and Unpaid.....	None
Claims Reported but Proofs Not Received.....	97,673.44
Reserve for Claims Unreported.....	75,000.00
Present Value of Death, Disability, and other Claims	
Payable in Instalments.....	2,611,281.00
Premiums and Interest Paid in Advance.....	321,847.42
Reserve for Taxes Payable in 1936.....	326,514.03
Other Reserves	1,568,175.92
Profits for Distribution to Policyholders.....	1,849,690.35
Unassigned Funds, Contingency Reserves and Capital:	
Miscellaneous Contingency Reserves.....	\$1,713,439.45
General Contingency Reserve.....	1,000,000.00
Surplus to Policyholders (including	
\$1,100,000.00 Paid-in Capital).....	3,109,132.85
TOTAL	\$54,729,527.46

New Paid-for Business in 1935—\$70,752,340

Insurance in Force—\$378,538,605



NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT

STRONG ~ Minneapolis, Minn. ~ LIBERAL

—Farmers' and Town Car Rates Reduced—

By

OLDEST AND LARGEST EXCLUSIVE AUTOMOBILE INSURERS

FARMERS' RATES

PUBLIC LIABILITY AND \$5000 PROPERTY DAMAGE RATES

Symbol W	Chevrolet 4 & 6,	Symbol X	Graham, Buick (Std.),	Symbol Y	
5000 10000	12 00 Terraplane, Ford	5000 10000	15 00 Hudson Light, Dodge,	5000 10000	20 00
7500 10000	12 56 4 & 8, Overland,	7500 10000	15 70 DeSoto, Essex 6 & 8,	7500 10000	20 98
7500 15000	12 88 Plymouth 4 & 6	7500 15000	16 10 Nash Light 6 & 8,	7500 15000	21 54
10000 20000	13 20 and most other 4	10000 20000	16 10 Oakland, Pontiac,	10000 20000	22 10
15000 30000	13 68 cylinder cars.	15000 30000	16 50 Reo, Studebaker and	15000 30000	22 94
25000 50000	14 16	25000 50000	17 10 all other light 6's &	25000 50000	23 78
			17 70 8's.		

15% Under Regular Town Car Rates If Car Is Not Used For Business

IF YOU ARE INTERESTED IN REPRESENTING US, WRITE OR CALL

American Automobile Insurance Company

OF ST. LOUIS

25 YEARS OLD

STATE MANAGERS

ASSETS, \$10,767,828.64

Hamm Bldg.

Except St. Louis and Hennepin Counties

St. Paul, Minn.

QUALITY

Safety and security
through conservative
management marks
Lloyds as outstanding
in its ability to offer
agents and assureds the
best in automobile in-
surance.



HOME OFFICE

McKnight Building
Minneapolis, Minn.

BANKERS BLANKET BONDS

Inquiries Invited

L. R. MOELLER
Special Agent



Owned, operated and controlled by the
St. Paul Fire & Marine Insurance Co.

NORTH DAKOTA State and Municipal Bonds

Bought, Sold, Exchanged

H. E. MUELLER
Hazen North Dakota

Customer Relations Plus Public Relations

(Continued from page 13)

to banks becomes desirable, but what we have to watch out for is legislation inspired because of misinformation or for some selfish purpose.

Senator Glass of Virginia (incidentally, my home state) has expressed in no uncertain terms his contempt for this sort of thing. In a speech made in the Senate July 25, 1935, he said:

"When you wreck the banking institutions of this country you wreck the business of this country, because the credits afforded by the banking institutions touch every home, every fireside, every business in the country. For that reason I have always entertained an unutterable contempt for any man who would bring politics into the consideration of banking legislation."

Now, public relations departments are not maintained to color or curb fair legislation, but it is our job to see that the great American public, including our customers, receive correct and accurate information as to banking operations and the problems incident thereto, the basis for loans, the responsibility of a bank to its depositors and stockholders. Aside from unfair and restrictive legislation, a sound and aggressive program of public relations is necessary to build up new business and hold that which we have. R. L. Stone, vice president of the First Wisconsin National Bank, writing in the current issue of the Burroughs Clearing House, says that "the function of public relations is twofold: to interpret banking to the public and to secure new business." Part of the job can be done through a program of customer relations, part through public relations.

In the current issue of Trust Companies, there appears a very timely editorial which is appropriate for this discussion. In speaking of the public aspect of trusteeship, the editorial says:

"Public relations cannot be considered simply as a new catch-word for customer relations. The extent to which corporate fiduciaries receive desirable new business and are able to administer and protect it profitably and without invasion by impassioned encroachment on wealth depends not on the few who come in contact with actual bank and trust company activities and officers but on the many whose knowledge or impression come from Dame

Rumor, or other sources. A surprising amount of trust business doubtless originates or is jeopardized at the bridge table, or on the golf course. It is the uninformed or the misinformed public which permits attacks, or even encourages subversive laws, regulations, and investigations."

Assuming that all bankers are fully cognizant of their responsibilities, their problems, the question may rightfully be asked as to what is the logical line of procedure. The answer is to do everything you can to get the following facts over to the public, starting with the kindergarten:

1. That banking operations are essential to the conduct of modern-day business; that banks are the vehicles of business—the arteries through which trade and commerce flow and not the cornerstone to business. The after-dinner speaker who first visualized banking as a stone arch holding up industry or as a keystone to business prosperity probably has passed on to the next world. If alive today, he would realize the fallacy of his concept, which, in some measure, has been responsible for this dangerous, erroneous idea that has been passed down from generation to generation. It is our job to halt such impressions unless, out of the goodness of our hearts, we want to take the entire blame for the next world depression. The last one is fresh enough in our minds to remind us of the cost.

2. That banks are made possible through the investment of private capital; that, first of all, there must be capable management; that, as deposits grow, a proper ratio between capital and deposits must be maintained in order that adequate protection is afforded to the depositors; that the stockholders are entitled to a fair return on their investment.

3. That the money on deposit is the property of the depositor—in the nature of a trust fund—that must not be loaned out or invested in speculative ventures; that the margin of profit is low and out of it must come expenses, dividends, losses, and additions to capital account; that a bank cannot, in propriety, make promiscuous loans or provide capital for private enterprise "just to help business along, or hasten the return of prosperity." As Paul Mallon said in his Washington column the other day: "The first duty of a banker is to his depositors, next to his stockholders, and last to his borrowers." Unfortunately, the public at large always has had this order of responsibility.

FIDELITY ACCEPTANCE CORPORATION

90 to 270 day Collateral Trust Notes on a discount basis
Secured solely by automobile paper
NORTHWESTERN NATIONAL BANK AND TRUST COMPANY, TRUSTEE

M. H. BISHOP & CO.

230-234 Frontenac Building

Exclusive Distributors

Minneapolis, Minnesota

ity reversed. Such facts as these the borrower must be shown—the American public must be told again and again.

4. That bankers as individuals, from time immemorial, have been among the leaders in the development of their communities.

With these facts inculcated in the minds of the youth of the country, many present-day problems never would have arisen. There is nothing mysterious about public relations. Translated, it simply means "education." The country banker can solve his local problems by visiting around among the people, talking before youth groups such as schools, 4-H clubs, Parent-Teacher associations, etc. Time will not permit the discussion of the proper mechanics for a public relations department in a large bank. The first asset is a good man with knowledge of the business and an understanding of mass psychology. For, today, we are concerned with the masses. The political campaigns will be hot, and we can depend upon unscrupulous politicians, of which there are many, aligning themselves with whatever crusade seems to meet popular approval. Personally, I believe that the sound-minded people of the country are fed up on crusades and attacks on big business, and I believe that the candidate who has the courage to step out this year in defense of sound business operated on a fair basis, whether banking or otherwise, will incur the favor of the good citizen who just wants to be let alone so that he can attend to his business and provide for his family. There is at least one candidate for a high office who publicly has challenged the good radio Father to "drive the money changers from the temple."

It would not be fair to close this discussion without recognition of the part newspapers play, or can play, in the orderly conduct of the banking business—of all business. We may agree, or disagree, with their editorial policies, or politics, but the history of this country shows that, in every great emergency, the newspapers of the country rise to the occasion and render outstanding, signal service. The public long will remember their work in connection with the Bank Holiday of 1933. At times, they may not measure up to the standards we set for them, but it is often because they do not receive intelligent and frank cooperation. No one can dispute the fact that, as sources of information, as molders of public opinion, they have no equal; therefore, in our crusade for a better informed, more sympathetic public, we will find in the news and advertising columns of the newspapers the logical place for our message.

In 1932, there appeared in the Wall Street Journal, over my signature, a statement on advertising policy. On March 4, a year before the bank holiday, this statement was displayed by the same paper in three full columns. I will read it to you:

"In pursuing a policy of reducing ex-

GMAC

GENERAL MOTORS ACCEPTANCE CORPORATION

is engaged primarily in facilitating wholesale distribution and retail sales of the following products of General Motors Corporation and its world-wide affiliates: CADILLAC, LA SALLE, BUICK, OLDSMOBILE, PONTIAC, CHEVROLET automobiles; FRIGIDAIRE appliances for refrigeration and air conditioning; DELCO lighting, power and heating equipment; GMC trucks; BEDFORD, VAUXHALL, OPEL, BLITZ—foreign made automotive vehicles.



The business consists of investments in self-liquidating credits, widely diversified as to region and enterprise. Capital employed is in excess of \$80,000,000, supplemented principally by short term borrowings.

In obtaining such short term accommodation, GMAC issues one standard form of note. This obligation it offers to banks and institutions, in convenient maturities and denominations at current discount rates.

These NOTES are available, in limited amounts, upon request.

EXECUTIVE OFFICE NEW YORK BRANCHES IN PRINCIPAL CITIES

penditures, there has been a tendency with banks to curtail advertising and publicity expenses without proper consideration of present conditions. The people of the country are looking anxiously for leadership that will bolster up their confidence in the banking structure of the country and give them courage to go forward with plans for the development of individual business enterprises.

"This is not a time for extravagance, but it is time for judicious expenditures of advertising and publicity money that will restore the confidential relationship which has existed between banks and the public in the past. By eliminating from advertising expense unprofitable forms of advertising, banks can make substantial savings and, at the same time, keep the main channels of publicity open.

"A steady and vigorous program of institutional advertising is the need of today."

Today, four years later, this admonition still holds good, and I repeat again that

"A constant and vigorous program of public and customer relations is the need of today."

RICH S. D. GOLD STRIKE

Gold ore so rich that the gold appears like thin frosting on a cake is being displayed at Rapid City in the Black Hills by H. Alex Johnson, president and general manager of the Empire Gold Mines. A vein 22 inches wide has been uncovered in the old Golden Slipper ledge in the Empire group near Hill City, Mr. Johnson said. He quoted J. A. Armstrong, Montana School of Mines graduate and assayer for the company, as believing that this vein would yield better than \$50,000 a ton.

If You Sell

Fire, tornado, hail, automobile or tractor insurance and you would like to represent a small company giving real service on these lines, write to

TWIN CITY FIRE INSURANCE CO.

JOHN H. GRIFFIN, *Vice President and Manager*

MINNEAPOLIS

MINNESOTA

THE QUAKER OATS COMPANY

Buyers of Oats Corn Wheat Barley

Mills at Cedar Rapids, Ia. St. Joseph, Mo. Akron, Ohio

Address: Chicago, Ill. Grain Dept.

May Wheat Price Dips Under \$1 Influenced by Good Crop News

May wheat in the Minneapolis market dipped under \$1 again Thursday, standing at 99¼ at 11 a. m., July, 95½; September, 85%. Chicago cash wheat was less than 4 cents away with May at 95½, July, 85, and September 83%.

Decline believed due to general impression there is to be a good wheat crop this year. Snow in Nebraska, light snow in Kansas Wednesday helped moisture conditions.

April 1 private estimates on winter wheat averaged 536,000,000 bushels against March 1, 523,000,000.

World Wheat News

Prospects for winter wheat remain only fair with the crop making slow growth in the Ohio Valley where fields were greening in many areas, but with crop in poor condition in some sections. Rain is needed generally in Missouri, Kansas, Oklahoma, and Texas.

Winter wheat in other countries is making generally favorable progress, although conditions are well below those of a year ago on a slightly smaller acreage. Europe has decreased seeding of winter wheat with estimates from 14 countries comprising more than three-fourths of the total European acreage totaling around 69,200,000 acres, as compared with 71,800,000 for the same countries a year ago. A reduction of more than 1,000,000 acres in the normally deficit areas is attributed to unfavorable conditions last autumn when excessive rains and wet fields hindered field work.

Among deficit European countries only Germany and Italy are reported to have maintained last year's acreage, while in Spain and France substantial decreases have occurred with slight reductions in other countries.

Crop conditions throughout most of continental Europe are varied, but generally under those of a year ago. The lower Danubian countries reduced seedings over 1,000,000 acres with Hungary the only country of this group registering a gain. The condition of the crop is generally satisfactory with vigorous growth and strong healthy development. Local areas have suffered damage, but no substantial losses from winter killing are apparent.

Marketings of spring wheat were large last week with a total of 627 cars re-

ceived at Minneapolis and 94 cars at Duluth. Demand lacked force, however, and premiums were barely steady. High protein lots sold readily as did also wheat with medium test weight. The protein of the wheat tested averaged 14.77 per cent.

Marketings of winter wheat dropped off materially with 794 cars received at the principal winter wheat markets compared with 927 cars for the previous week. The moderate offerings, however, were sufficient for trade needs since milling inquiry was slow because of the quiet trade in flour. Local elevators provided the principal outlet at Kansas City and storage stocks held about unchanged.

Flax Receipts Moderate

"Cash receipts of flaxseed at northwestern markets have continued very moderate, with premiums unchanged and a good demand for the choice offerings," reports Archer-Daniels-Midland Co.

"Argentine prices have remained within a very narrow range at approximately the pegged price of 14 pesos.

"During the past 10 days Argentina has received showers and heavy rains, which will replenish the subsoil moisture shortage and prepare the land for seeding next year's flax crop. The high minimum price of 14 pesos is expected to stimulate seeding.

"Broomhall reports that shipments from the Argentine last week showed a substantial improvement and totaled 388,000 bushels compared with 44,000 the previous week.

"Indian seed offers are steady and there is a fairly good demand for this variety in the United Kingdom, and it is reported that the United States is bidding for some. Crop estimates are maintained, with indications that perhaps 10,000,000 bushels will be available for export next season if prices are satisfactory to both the buyer and the seller. Total exports this season were only 6,000,000 and a year ago 9,000,000 bushels. The crop may total 17,600,000 bushels, or 1,000,000 bushels more than a year ago; home requirements are about 7,000,000 bushels. The acreage this season was 2,630,000 compared with 2,525,000 in 1935.

"The building prospect reports show that good news continues to come from the construction industry. The awards in February were \$142,050,000, as against \$75,047,000 for 1935."

Grain Price Range

	March 25	April 1
WHEAT—		
May	\$1.02½	\$1.01½
July .....	.97¾	.96½
Sept. ....	.87¾	.86¼
OATS—		
May .....	.23½	.23½
July .....	.24%	.24%
Sept. ....	.....	.24%
RYE—		
May .....	.46¼	.46¼
July .....	.46¼	.47½
BARLEY—		
May .....	.34%	.34¼
July .....	.35¼	.35
FLAXSEED—		
May	1.71	1.66
July	1.71¼	1.66½

Farmers' Cash Income

Cash income from the sale of farm products in February is estimated at \$469,000,000, compared with the revised estimate of \$558,000,000 in January and \$402,000,000 in February, 1935, reports the United States Department of Agriculture. The decline in income from farm marketings from January to February, this year, was greater than usual, and after adjusting for the difference in the length of the month and other seasonal factors, income in February was 66.0 per cent of the 1924-1929 monthly average, compared with 68.0 per cent in January and 57.5 per cent in February, 1935.

There were no rental and benefit payments during February and only \$1,000,000 in January. Total cash income, including government payments, amounted to \$559,000,000 for January and \$454,000,000 for February, 1935. For the first two months of 1936 the cash income of farmers was \$1,027,000,000, of which only \$1,000,000 was received as rental and benefit payments. During the first two months of 1935 the farmers' cash income totaled \$974,000,000, of which \$122,000,000 were received as rental and benefit payments.

The more than seasonal decline in the February cash income was chiefly due to a marked curtailment in the marketings of hogs, eggs, and wheat and a slightly more than usual reduction in the volume of marketings of cattle and cotton.

Advertising pays in Commercial West.

Eugene M. Stevens Now is New Blyth & Co. Executive

By Commercial West Staff Correspondent

Chicago—Wednesday, April 1, was a busy as well as big day for Minnesota-born Eugene M. Stevens. Friends and flowers fairly swamped him. It was his first day on his new job as vice chairman of the board of Blyth & Co., which makes him one of the three head men of the company, each in direct charge of an important headquarters. Others are Mr. Blyth at San Francisco and Charles E. Mitchell at New York. This is a distinctive feature of the Blyth & Co. organization. Also, the move across the street from chairmanship of the Federal Reserve—he only resigned Tuesday evening—landed Mr. Stevens back in his first-love business, investment banking.

"I started in investment banking and have been connected with it directly or indirectly almost ever since," he told the writer. "I like investment banking best of all, have always had a yen to get back in it, can't imagine a better way of doing it than just as I have. I am exceedingly happy."

And he looked and acted the part!

"Of course, I will get back to Minnesota occasionally," he replied in answer to my query.

He stated also that without any move on his part he had been offered many propositions.

In joining the executive staff of Blyth & Co., Inc., Mr. Stevens becomes associated with a firm which ranked among the first four last year in the underwriting and distribution of securities, having participated in the flotation of more than \$1,166,000,000 of security issues.

The firm's principal offices are in New York, Chicago and San Francisco, with branch offices in 20 other leading cities throughout the country.

Mr. Stevens brings to his new connection an experience of many years in investment and commercial banking in the mid-west. Before becoming chairman of the Federal Reserve Bank of Chicago and federal reserve agent on January 1, 1931, he was president of Chicago's largest banking institution, the Continental Illinois National Bank & Trust Co. He went to that position from the presidency of the Illinois Merchants Trust Co., which was merged with Continental National Bank & Trust Co. in 1929.

During the period 1917-1927, Mr. Stevens served as vice president of the Illinois Merchants Trust Co. and was instrumental in building up its bond department into one of the largest security underwriting and distributing organizations in the Mid-West.

Born in Preston, Minn., in 1871, Mr. Stevens began his business career with the Winona (Minn.) Wagon Co. in 1887



EUGENE M. STEVENS
Back in Investment Business

and later was associated with F. H. Peavey & Co., Minneapolis grain merchants. In 1901 he established his own investment banking firm in Minneapolis under the name of Eugene M. Stevens & Co., which later became Stevens, Chapman & Co. He withdrew from this firm to join the Illinois Merchants Trust Co. in 1917.

Mr. Stevens is president of the John Crerar Library, trustee and member of the finance committee of the University of Chicago and the Chicago Memorial Hospital, trustee of Carleton College at Northfield, Minn., and a trustee of the endowment fund of the American Library Association. He is a member of the Chicago Club, Commercial Club, Glen View Club, and Old Elm Club. He has been a director of a number of large corporations, including the Guaranty Trust Co. of New York, the Diamond Match Co., Texas Corporation, Wilson & Co., Inc., Marshall Field & Co., and trustee of the Century of Progress.

"THAT Tired FEELING"

• Do you tire easily? Are you all in, after a day's work? Does a night of good sleep fail to refresh you completely?

Dr. Stanley Reinhart, noted health expert, says that fatigue is a manifestation of poisoning.

• The best antidote for a tired brain is light, scientific, individually planned exercise. This proven health building service corrects existing deficiencies quickly yet at an unusually low cost.

• Whether your need is weight reduction, body building or just physical conditioning to give you that vitality and zest for living so desired by everyone, phone us today. Better yet, stop in.

• Be our guest—at absolutely no cost or obligation to you. Learn why so many Twin City business and professional men, and women too, are our staunch boosters.

• Good Health is Good Business!
Call

HAISLET HEALTH SYSTEM

E. L. Haislet, Director
McKnight Building (ground floor) Br. 2355

MAILING LISTS



GET OUR FREE REFERENCE BOOK and MAILING LIST CATALOG FREE

Gives counts and prices on accurate guaranteed mailing lists of all classes of business enterprises in the U. S. Wholesalers—Retailers—Manufacturers by classification and state. Also hundreds of selections of individuals such as professional men, auto owners, income lists, etc.

Write today for your copy

R. L. POLK & CO.

Polk Bldg.—Detroit, Mich.
Branches in Principal Cities
World's Largest City Directory Publishers
Mailing List Compilers. Business Statistics. Producers of Direct Mail Advertising.

CARGILL

MINNEAPOLIS

COUNTRY OFFICES

Fairmont, Minn. Lincoln, Neb. Cedar Rapids, Ia.
Devils Lake, N. D. Marshall, Minn. Hastings, Neb.
Sioux Falls, S. D. Williston, N. D.

TERMINAL OFFICES

Duluth Chicago Albany
Milwaukee Toledo Boston
Green Bay Buffalo Winnipeg, Man.
Omaha New York Montreal, Que.

INDUSTRIAL RESEARCH Co.*Manufacturing and Process Surveys*

ENGINEERS FOR BETTER
MATERIALS
EQUIPMENT
METHODS

PHONE, WRITE OR WIRE

829 Plymouth Bldg. GENEVA 5353
Minneapolis

HOTEL SPALDING

DULUTH, MINN.

OFFICIAL  HOTEL*Famous for Its Hospitality**Fixed Reasonable Rates***SPALDING GRILL***Finest Wines and Liquors***GOOD PRINTING**

at
REASONABLE
PRICES

Specializing in
Advertising Literature
Office Forms and Stationery
Bookkeeping Machine Sheets
for Financial Institutions

Geneva 6223

The FINANCIAL PRESS

513 Fourth Ave. So. Minneapolis

News of NORTHWEST INDUSTRIES

A four-way attack upon water conservation, reclamation and irrigation in western North Dakota is being promulgated by the newly organized Western North Dakota Reclamation and Conservation Association. The cooperation of the Greater North Dakota Association is asked. The four-fold program involves:

Requests for engineering surveys by the United States Reclamation Bureau of the irrigable areas lying within the water-sheds of the Heart, Knife, Missouri, Little Missouri, Cannonball, Yellowstone, Grand and other streams. Sending a delegation to Washington to attempt to have one or more of the most feasible water projects included in the national rivers and harbors bill, or the national flood control bill, both of which are soon to be drawn.

Attempts to have the Resettlement Administration establish several small experimental pumping stations along the main stem of the Missouri to ascertain the possibility for economical irrigation in the bottomlands of that stream, and to determine the resettlement program in the central part of the state.

Cooperation of Resettlement, WPA, CCC, and state planning board in setting up work programs which might care for

at least a part of the labor involved in the construction of flood control, irrigation and recreational features along these streams.

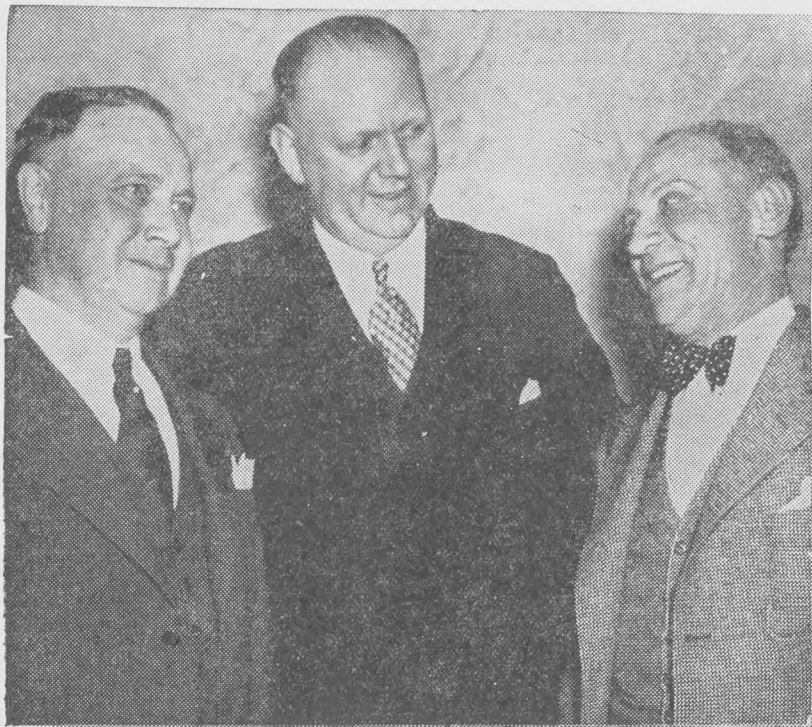
Meeting in Bismarck recently, the association named Jacob Krier, Gladstone, president. Other officers named include:

S. W. Corwin, Bismarck, first vice president; Frank P. Whitney, Dickinson, second vice president; R. E. Trousdale, Mott, treasurer; and M. O. Ryan, Fargo, secretary of G. N. D. A., secretary. The executive committee consists of the above named officers, and includes D. J. Beakey, Williston. Cooperating with the agencies named is State Engineer E. J. Thomas.

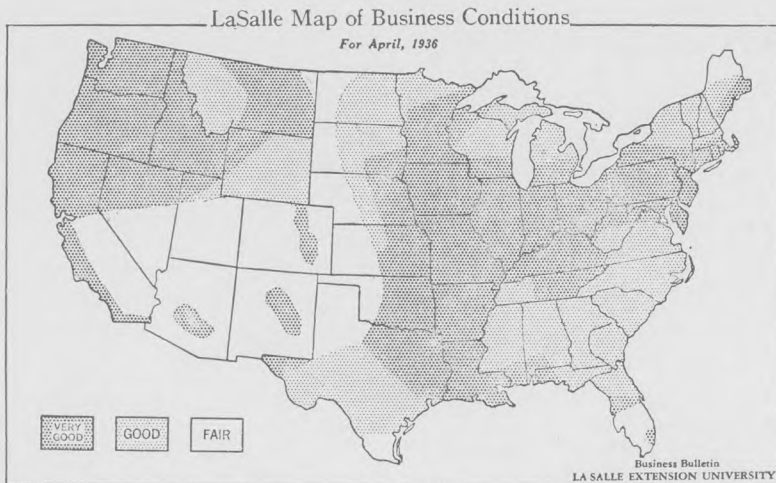
Twenty western North Dakota counties were regarded as immediately eligible, with membership privileges open to other counties possessing feasible conservation projects.

Foresees Big Travel Year

Unsettled European conditions notwithstanding, D. W. Thomas of the D. W. Thomas travel bureau tells the Commercial West that 1936 gives every indication of being the best travel year since 1931. Cunard's new "Queen Mary" and the French Line's Normandie are constantly



St. Anthony Commercial Club executive who arranged the dinner meeting program Monday evening for members of the Northwest Manufacturers Association who were the Club's guests. Left to right, Donald B. Howard, toastmaster; F. A. Davies, president; L. J. Blumberg, athletic committee chairman. Guest speaker was Rudyard Porter, Pittsburgh metallurgist. Approximately 300 Minneapolis manufacturers attended.



This April Business Map shows advances over last year of about 10 per cent in most lines. The very good area now includes Iowa, North Dakota and the north half of South Dakota and upper part of Minnesota now are in the good shading. Led by activity in construction and steel heavy industries continue their upswing at an increasing pace. Retail goods trade and consumers' goods are about 10 per cent above last year's records.

booked to capacity, he reports, and smaller ships continue to carry pay loads.

While the Ethiopian war curtailed Mediterranean travel this traffic merely shifted to other sections, says Mr. Thomas—South America, Guatemala, the Caribbean group, and the Hawaiian Islands all getting a good play.

Domestic travel is the best in many years, with trailer trips, motor tours, and short train and airplane trips popular. With better conditions in Europe, said Mr. Thomas, May, June and July should equal or exceed pre-depression highs.

Oil Field Expansion

The most extensive gas and oil drilling program in the history of Alberta in recent years will be undertaken by the Canadian Western Natural Gas, Light, Heat and Power Co., and the Imperial Oil Co. in the near future as a result of the issuance by the provincial government of permits for the development of 39,000 acres of potential oil and gas lands, it is officially announced by the Department of Lands and Mines.

New Knitting Mill

Articles of incorporation for the American Knitting Mills, Inc., Menasha, have been filed. The new company is to manufacture, sell and deal in knit goods and clothing. Incorporators are Howard W. Nussbicker, Appleton, and William Krause and Clement Sokolowski, Menasha.

Potato Shipments Heavy

If shipments of potatoes from Minnesota so far this year are any criterion, the populace of the country is again turning to the tubers as a favorite food. The Red River Valley, one of the Northwest's richest farming areas, up to March

18 had shipped out 12,117 carloads of potatoes, as compared to 7,965 in the corresponding period of a year ago. The

potatoes, graded as U. S. No. 1, were for the most part sold at \$1 a hundredweight. A year ago the same grade brought only 50 cents.

Farm Loan Groups Merge

Six farm loan associations in central Minnesota will consolidate into a \$9,000,000 unit following a meeting at St. Cloud, Tuesday, of 35 directors.

R. C. Niels of St. Cloud was elected secretary-treasurer for the amalgamation which is the largest of its kind between the Twin Cities and Winnipeg.

The Avon, West Benton, East Benton, Sherburne, Sauk Center, and Sauk Rapids associations joined in the merger. The Brooten association decided to continue independent operation.

The setup will be completely organized in six weeks and at that time consent for its formation is expected from Washington.

The group will carry out the usual association business, dispersing loans and collecting interest and payments the same as any association, except on a much larger scale.

CHOOSE THE 7 STOP HOTEL

in Hot Springs
NATIONAL PARK · ARKANSAS

No hotel can carry a finer badge of distinction than the "7 Stop" insignia—proof that guests return again and again. When you feel the need of a rest—when vitality lags—when the outdoors calls—come to Hot Springs, Arkansas and stop at the 7 Stop hotel—Majestic

FIND NEW HEALTH AND VIGOR

The 46 famous Springs of Americas favorite Spa bring relief from a host of ailments including high blood-pressure, neuritis, rheumatism, etc. Every sport—golf, riding, hiking—at its best

REVISED RATES ARE LOW...
Rooms from \$1.50—Apartments, 2, 3 and 4 rooms; cottages located on the same grounds. BRUCE E. WALLACE, Manager.

HOTEL MAJESTIC
BATH HOUSE & APARTMENTS
H. GRADY MANNING, President

Every Southwest Hotel is a 7 Stop Hotel

IMPORTANT

NO DANGER
Of Ocean or Tropical Storms at Hot Springs.
THE WEATHER IS UNUSUALLY MILD AND THE ATMOSPHERE ALWAYS PLEASING.

B&L League Leaders Confer on Big Tri-State Convention

Plans are progressing a-pace for the big Tri-State building and loan convention scheduled for St. Paul, June 4-6. Furthering this work President Louis H. Kelley, Minnesota League, went to St. Cloud Thursday for a conference with Mrs. D. E. Crary, secretary-treasurer. While all work on the program thus far, of course, is tentative, feelers are being placed out for some top-notch speakers with indications good that they will be lined up. As heretofore announced in Commercial West this convention will be the second to be held by the state Leagues of Minnesota, North Dakota and South Dakota. The first was held last summer at St. Cloud and proved so successful that it was determined to repeat this year.

Property Sales Active

Reporting on the general building and loan outlook Mr. Kelley, who handles the destinies of the Hennepin Federal Savings and Loan Association, states there is quite noticeable activity in real estate sales by associations of the Twin Cities. Since March 18, states Mr. Kelley, our association alone has disposed of 12 pieces of real estate at satisfactory prices, considering the realty market of today.

Will Get Certificates

Certificates of efficiency in appraisal, accounting for savings, building and loan associations, fundamental operations and administration of the associations, real estate law and other phases of the work of a home financier, will be awarded by the American Savings and Loan Institute to executives who successfully complete examinations in the subjects.

As to Long-Term Loans

"The needs of the home owner and home builder, which properly require accommodations of a long-term nature, are not compatible with good bank manage-

ment. From a bank viewpoint, short maturities are necessary." This is the gist of an article on real estate in finance by Oscar Lasdon, New York City, in the March issue of "Savings and Loans," the publication of the American Savings and Loan Institute.

Association Moves

Northwestern Federal Savings and Loan Association, Minneapolis, has moved its offices from 124 9th street south to new and larger quarters at 823 Marquette avenue. The space is adjacent to the Foshay Tower. W. L. Kullberg is president of the association.

Many Homes Reconditioned

Some 940,000 one-and-two family urban homes have been done over with the use of credit in the past year and a half during which special emphasis and special loan arrangements have been used to supplement established sources of funds for remaking homes. About one out of every 14 non-farm residences in the country has thus been reconditioned.

This estimate comes from the United States Building and Loan League, which lists three main sources of the \$365,000,000 of credit making possible this "better homes movement" among the property owners, and the attendant building trades employment.

Morton Bodfish, executive vice president of the League, the national organization of the savings, building and loan business, in explaining this study, stresses the fact that only structural repairs and improvements have been included in the estimate, and the FHA modernization loan figures have thus been adjusted for inclusion in this estimate.

"We do not count every family which installed a new heating system or a new refrigerator as having reconditioned its homes," he pointed out. "In these 940,000 odd houses which we estimate to have been the object of some expenditure on the part of the family since September, 1934, the roof, cellar, outside walls, inside walls, floors or ceilings, attics or some non-detachable part of the house has been replaced or repaired."

The three sources of credit listed as providing for these repair and reconstruction endeavors are the savings, building and loan associations and cooperative banks; the banks and finance companies using the FHA modernization credit plan; and the reconditioning division of the Home Owners Loan Corp.

"The 11,000 savings, building and loan associations under both federal and state charter have provided funds for the making over of some 160,000 homes. Their

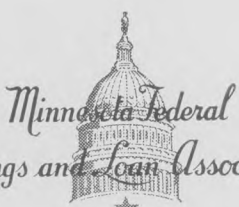
average loan is around \$930, demonstrating that the reconditioning which has to do with the structure of the house, the enlargement of the home by the addition of rooms, and similar job-making activities which call for longer-term real estate credit of the type customarily provided by these associations, is still being financed by them. Close to \$150,000,000 in such reconstruction loans have been placed on the associations' books in the past year and a half."

Cost Goes Up

During the last quarter of last year the average cost of the new one-family homes built went up nearly \$300, and the average for the last six months of 1935 was \$4,222 as contrasted with \$4,074 for the homes built the first six months. These figures derived from the Department of Labor statistics on building permits are all the more significant in view of the fact that nearly three times as many homes were built from July through December, as for the previous six months.

Recent study given to these facts by the Home Building and Home Owning Committee of the United States Building and Loan League led to some optimistic conclusions which the committee, headed by H. T. Donaldson, Lansing, Mich., sent to the League's 4,300 member associations this week.

Chief among the conclusions drawn is that the country may expect the average cost per new home built to go down during the last half of 1936 when the family of small means enters the market unless an unwarranted rise in building costs thwarts the embryonic interest of such families in new homes. The average cost will continue to rise slightly during the first half of this year, it is believed. January and February residential building averaged nearly \$4,600 per family unit, even including multi-family dwellings where the average cost per family unit is ordinarily \$1,000 less than in the single-family home. Mr. Donaldson points out that the man with a \$2,000 a year income has to be much more conservative in his outlook and investments than a \$4,000 to \$10,000 a year man, and that while the latter may build at the very beginning of the upturn in realty prices



*Minnesota Federal
Savings and Loan Association*

**Robert at Fifth 129 So. 7th St.
St. Paul Minneapolis**

**Money to Loan on
Owner Occupied Homes**

**FIRST FEDERAL SAVINGS
AND LOAN ASSOCIATION OF MINNEAPOLIS**

517 Marquette Ave.

and rents, the former will wait considerably longer in order to be quite sure that the upturn is really at hand.

"Since the real upturn in home building actually began in the latter half of 1935, we will have by June of 1936 a full year's expanding activity in the field to convince the hesitant families that increased real estate activity and a genuine market for homes are really here," Mr. Donaldson said. Recalling that the savings, building and loan industry is always particularly interested in the cost of new homes being built, because these institutions seek as the best risks the lower cost homes, and because they have always felt that the country stands in need of suiting its home building activities to the low-salaried market for their consumption, the League's committee waives any fears which might arise from the figures on the advancing average cost of today's new homes.

fact that in that state, 1,115 bankers attended agricultural meetings during the year; 494 of them engaged in special agricultural activities, such as addressing agricultural meetings, accompanying farmers to banker-farmer meetings, awarding prizes, etc.; and 495 farm people were listed as being encouraged or influenced by bankers to undertake definite projects or demonstration work for improving farm practice. In addition a planning conference was held and a key banker, representing the agricultural committee, was appointed in each county in the state. As a result of this showing, South Dakota will be awarded a certificate of honor at the spring meeting of the A. B. A. executive council at Hot Springs, Va., April 27. The certificate will be received by W. S. Given, president First National Bank, Aberdeen, chairman of the state's agricultural committee, and George A. Starring, executive

HOME LOANS
 REFINANCING
 REMODELING
 BUILDING
Long Term—Low Rate
**Twin City Building
 and Loan Assn.**
 Fourth at Minnesota—St. Paul

RAY ROSE
Northwest's Finest
ENTERTAINING ACCORDIONIST
Will Go Anywhere Any Time
 OFFICIAL ACCORDIONIST BANKERS'
 CONVENTIONS
 1401 Yale Place At. 9940 Minneapolis

The Bank Lobby

(Continued from page 17)

December 31, 1935. Total assets were \$51,000,000,000, an increase of 10 per cent in the year. About 26 per cent of total assets were invested in United States bonds and those guaranteed by the federal government, while 6 per cent were invested in state, county, municipal and foreign nation's obligations. Total deposits exceeded \$44,000,000,000, an increase of 13 per cent over 1934.



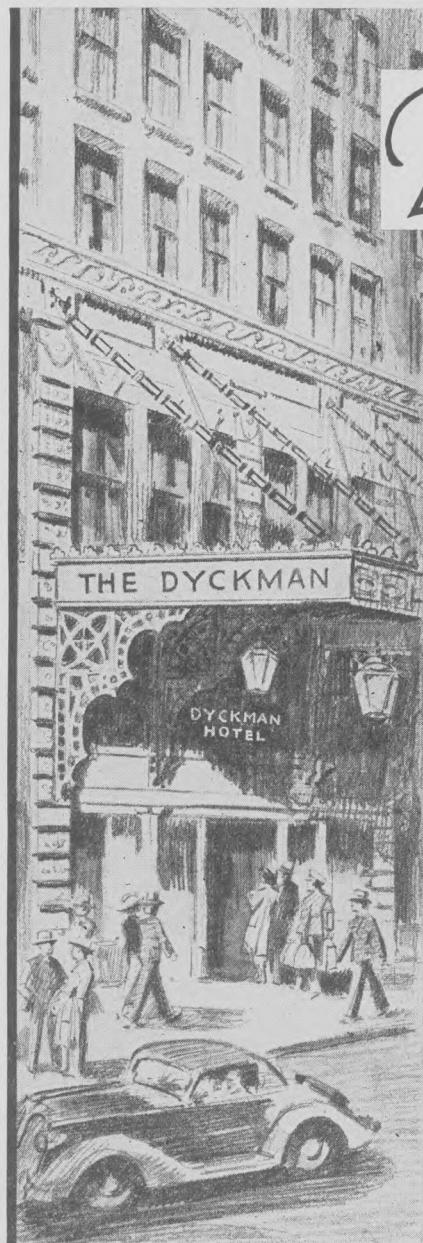
Michigan's Group One, June 6

The next big meeting—they are always big and successful—of Michigan's Group One (upper Peninsula) will be held at Blainey Park, June 6. That means a virtual repetition of last summer's happy gathering. The big Three of the Michigan association, down at Excelsior Springs, Mo., this week, told the Commercial West representative it was not hard to make the decision, because Group One boys and guests had such an all around successful meeting at Blainey Park last year that they insisted upon going right back again. "Dates and places of other Michigan Group meetings will be decided upon as soon as we get home," said Executive Manager Brundage.



S. D. Wins Award

South Dakota has joined the ranks of those states receiving a perfect score in bankers' agricultural activities for 1935, it was announced at Madison, Wis., Wednesday, by the A. B. A. Agricultural Commission. Five other states, Oregon, Georgia, North Dakota, California, and Washington, have repeated their performances of previous years in piling up perfect scores. The commission based the perfect rating of South Dakota on the



The HOTEL
Dyckman
 MINNEAPOLIS

OFFERS
 COMFORT . . . ECONOMY . . . SERVICE

Entirely rehabilitated throughout, with every possible thought given to our guests' comfort. Ideally located in the heart of the Minneapolis business, shopping and theatrical district.

The Elizabethan Room—The Grill Bar—Where your Favorite Foods and Drinks are served at prices most reasonable.

Professional and business men from all over the Northwest return again and again to

THE DYCKMAN
 CHAS. F. KNAPP
 Manager

300 Rooms, Each With
 Bath, \$2.00 and Up.



Direction of
 American Hotels Corp.
 J. LESLIE KINCAID, Pres.

SOUTH SIXTH STREET BETWEEN NICOLLET AND HENNEPIN

BUSINESS WANT DEPARTMENT

SERVICE COMPANIES

ALL KINDS OF SIGN WORK expertly done. From the smallest window card to the largest billboard, we will cooperate and give you fair estimates. Window lettering a specialty. Call or write JOHN GEMLO SIGN CO., 1226 Washington Ave. N., Minneapolis, Phone Ma. 3882.

RE-UPHOLSTERING OR REFINISHING furniture for the home or office our specialty. One piece or suite at prices that merit your consideration. Will deliver free anywhere in the Twin Cities. Write or phone A C FURNITURE CO., 3705 Nicollet Ave., Minneapolis, Phone Re. 7865.

LET HARFF PAINT 'EM—AUTO PAINTING that has won the approval of hundreds of automobile owners. Our satisfied customers our best ad. We want more of them. Estimates will be cheerfully given. L. H. Harff, 15 North 12th St. Phone Main 4896.

TRUCK OWNER has one truck—capacity 3½ tons—available for long or local hauling. Would like to make connection with Minneapolis or St. Paul industry shipping to any part of Minnesota. Address HENRY POTHEN, 406 E. 18th Street, Minneapolis. Phone: Bridgeport 4442.

HEAR YE! HEAR YE!

Let WOODWARD STUDIOS figure your next job on SCREEN PROCESS PRODUCTION. Display Cards, Posters, Signs. All work expertly done and at reasonable prices. Write or phone WOODWARD STUDIOS, 1226 Washington Ave. No., Minneapolis, Phone Atlantic 4646.

MISCELLANEOUS

Sale of minority and controlling interests in banks. Confidentially negotiated. Correspondence invited. W. R. Olson Company, Fergus Falls, Minn.

HELP WANTED

Established firm of bank brokers wants capable man with banking experience to call on bankers in Minnesota. Must have good personality and the skillful negotiator. Give detailed information in regard to past experience and references. Strictly confidential. Address Box 588, Care Commercial West.

manager South Dakota Bankers Association.

• • •

Point For Chase National

The general attorney of the Cuban supreme court has recommended that body drop charges against the Chase National Bank and former President Machado and his associates, in connection with the flotation of the Cuban public works loan. If his suggestion is heeded, as would seem a certainty, the way will be cleared of any obstacle hindering an equitable settlement of this debt.

Keep in touch with what's going on in the Northwest by reading Commercial West.

Spring Time is Want Ad Time

Use these inexpensive ads to:

Buy or Sell Farm Equipment

“ “ “ Banks

“ “ “ Farm Lands

“ “ “ City Property

“ “ “ Used Cars

“ “ “ Office Equipment

Secure a position.

These suggestions and any number of other jobs expertly taken care of by Commercial West's Want Ad Department.

Address all correspondence to:

COMMERCIAL WEST
Rand Tower Minneapolis

FURNITURE AND FIXTURES

1 Cummins Electric Indorsing Machine, 1 Check Cancelor, 1 Meilicke Interest Calculating Machine, 1 Brandt Money Changer, 1 Burroughs Electric Motor Return Bank Posting Machine. Address C. A. Doyle, Box 422, Eau Claire, Wis.

WANTED—BANK INTEREST

Our client, a successful experienced banker, is interested in purchasing a minority or controlling interest in a sound bank. Prefer town with population of one thousand or more. W. R. Olson Company, Fergus Falls, Minn.

SITUATIONS WANTED

NO CHARGE TO EMPLOYER

If in need of Bank Help, we suggest you communicate with this office. Fifteen years serving Banks and Bankers.

Northwestern Placement Bureau
734 Metropolitan Life Bldg., Minneapolis

Wanted Bank Cashiership. Can Invest. Address Box 590, care Commercial West.

Position wanted by experienced banker, age 43. 20 years as cashier, assistant cashier and bookkeeper. References furnished. Address Box 591, care of Commercial West.

Assistant cashiership or cashiership wanted by experienced young banker. Can invest. Address Box 587, care Commercial West.

Can invest up to \$20,000 in established bank or will organize new bank. Address Box 582, care Commercial West.

Executive position, either banking or credit, wanted by man; 14 years banking or credit, 10 years, credit manager; 3 years with liquidation division, State Banking Department. Address Box 586, care Commercial West.

Bank position wanted by young man with several years banking experience—German Catholic—Address Box 585, care Commercial West.

BANK FOR SALE

Control Offered in a Minnesota State Bank within 60 miles of Minneapolis. Institution in fine condition. References required with application for purchase. Cherokee Realty & Investment Company, 607 South Smith Street, St. Paul, Minn.

VETERANS' BONDS RECEIVED

Minneapolis Federal Reserve Bank this week received a first shipment of \$10,000,000 veterans' bonus bonds in preparation for the June 15 payments.

NEW NORTHWESTERN PATENTS

The following patents were issued as of March 24 to Minnesota and Dakota inventors, as reported by Williamson & Williamson, patent attorneys, 925 Metropolitan Life building, Minneapolis: J. T. Gondek, St. Paul, cutting device; N. H. Nelson, Minneapolis, wheeled toy; Ole Olson, Langford, S. D., cream separating disk indenting tool; N. Reiner, Gladstone, N. D., grasshopper exterminator; E. H. Smith, Minneapolis, beverage dispensing faucet.

LEGAL DECISIONS

The complete opinion in any case noted in this department and reported in the National Reporter System, can be obtained from the West Publishing Company on receipt of twenty-five cents.

WEST PUBLISHING CO.
ST. PAUL, MINN.

George F. Williamson

Ralph F. Williamson

Robt. E. Burlingame

WILLIAMSON & WILLIAMSON

TRADE
MARKS

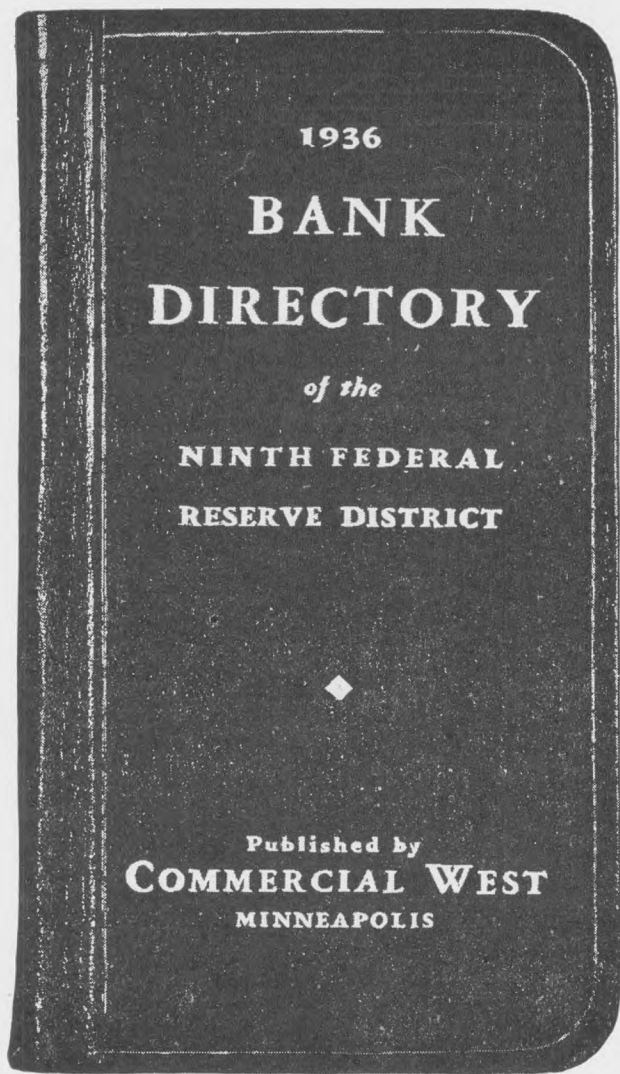
PATENTS

COPY
RIGHTS

Business Established 1885

935 Met. Life Building

Minneapolis



Actual Size in Genuine Leather Binding

YOUR COPY IS READY

Get It

HOT OFF THE PRESS

... that indispensable little red (pocket and desk) authority on banks, bankers and banking in the Ninth Federal Reserve District—Minnesota, Montana, North Dakota, South Dakota, Upper Michigan and Northwestern Wisconsin.

... the directory used by bankers and all others needing accurate information about banks and bankers in the country's brightest, more favored territory.

ORDER NOW!

COMMERCIAL WEST,
 Minneapolis, Minn.

Attached is our (my) check for \$7.50 for which send the COMMERCIAL WEST for one year (52 issues) and one copy of your 1936 Bank Directory of the Ninth Federal Reserve District.

Commercial West alone \$5.00
 The Directory alone.... 5.00

Total\$10.00
 Save \$2.50 by ordering them together now at only..... 7.50

The Directory alone to regular Commercial West subscribers..... 2.50

only the channel

REPEATEDLY, from high sources and low, have come charges to the effect that the return of prosperity to this prosperity-hungry country is being impeded by the stubborn refusal of bankers to release in the form of loans the deposits they are hoarding. The notion that banks and bankers have it in their power to control commerce, originate industry and produce prosperity or depression at will is flattering, but false.

Banking is not "the heart" of our economic life or of anything else. It is not commerce or the stream of commerce. It is a channel through which the stream of commerce flows. If there were no commerce there would be no banking. Banks render to commerce many useful and important services, among them the extension of credit. But bank loans do not create business. Rather, business creates bank loans. Business borrows when it can make a profit on borrowed money and confidently foresees how the money is going to be paid back when it is due.

Right now nobody is as eager as the banker to see bank deposits employed in good, constructive loans. We have demonstrated to our own satisfaction, however, that under existing conditions neither low interest rates nor invitations to the public to borrow money will or can increase materially the volume of loan applications from desirable borrowers.

Cursing the banks for damming the stream of commerce is a waste of time, as futile as cursing the dry stream bed for having no water in it. It will be more profitable to seek and remove the fundamental obstacles to the free flow of commerce. The banks are doing and will continue to do their full share to assist that flow.



FIRST NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS

Member Federal Deposit Insurance Corporation



Affiliated with FIRST BANK STOCK CORPORATION