

NOVEMBER 2, 1940

Commercial West

Incorporating NINTH DISTRICT BANKER
MINNESOTA BANKER • MONTANA BANKER

IT'S DUCK-HUNTING TIME IN THE NORTHLAND . . . SEE PAGE 16



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Commercial West

Incorporating NINTH DISTRICT BANKER
MINNESOTA BANKER • MONTANA BANKER

Volume 80, No. 19

November 2, 1940

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

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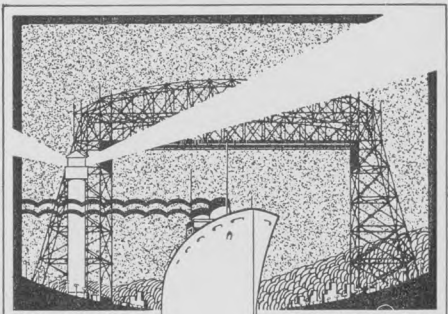
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COMING EVENTS

Next Week

- Minnesota League of Building, Loan & Savings Associations, Regional Meetings, at Fergus Falls, Mankato and Tracy.....Nov. 6
- Southeastern Minnesota Clearinghouse Association, at Spring ValleyNov. 7
- Minnesota League of Building, Loan & Savings Associations, Regional Meetings, at Crookston, Willmar, Rochester, Duluth, Minneapolis and St. Paul.....Nov. 7
- American Bankers Association, Mid-Continent Trust Conference, at Chicago.....Nov. 7-8

Later

BANKING

- Brown & Redwood Clearinghouse Association (Minn.), at New Ulm.....Nov. 12
- Blue Earth Valley Clearinghouse Association (Minn.), at Mankato (Members only; no guests).....Nov. 14
- Group Five, South Dakota Bankers Association, at Huron.....Nov. 16
- Group Four, South Dakota Bankers Association, at Aberdeen.....Nov. 18
- West Central Minnesota Clearinghouse Association, at Appleton.....Nov. 19
- Group Six, South Dakota Bankers Association, at Mobridge.....Nov. 19
- Group Seven, South Dakota Bankers Association, at Rapid City.....Nov. 20
- Group Three, South Dakota Bankers Association, at Chamberlain.....Nov. 21
- Group One, South Dakota Bankers Association, at Tyndall.....Nov. 22
- Group Two, South Dakota Bankers Association, at Sioux Falls.....Nov. 23
- American Bankers Association, Regional Conference, at Fort Worth.....Dec. 5-6
- Michigan Bank Study Conference, at University of Michigan, Ann Arbor.....Dec. 5-6
- Wisconsin Bankers Association, Mid-Winter Meeting, at Milwaukee.....Jan. 20-21, 1941
- Illinois Bankers Association, Mid-Winter Conference, at Chicago.....Jan. 30, 1941
- American Bankers Association Mid-Winter Trust Conference, at New YorkFeb. 4-6, 1941
- Minnesota Bankers Conference, at University of Minnesota, MinneapolisFeb. 10-12, 1941
- Independent Bankers Association, at St. PaulFeb. 11-12, 1941
- Group One, Iowa Bankers Association, at Sioux City.....Feb. 12, 1941
- Group One, Wisconsin Bankers Association, at Eau Claire.....Feb. 22, 1941
- American Bankers Association, Regional Conference, at New York.....March 5-7, 1941
- American Bankers Association, Regional Conference, at Louisville March 20-21, 1941

- American Institute of Banking, at San FranciscoJune 2-6, 1941
- Wisconsin Bankers Association, at MilwaukeeJune 4-5, 1941
- Oregon Bankers Association, at GearhartJune 9-10, 1941
- Minnesota Bankers Association, at St. Paul.....June 11-13, 1941
- North Dakota Bankers Association, at BismarckJune 17-18, 1941
- Montana Bankers Association, at MissoulaJune 20-21, 1941
- South Dakota Bankers Association, at DeadwoodJune 26-27, 1941

OTHER

- United States Savings & Loan League, at ChicagoNov. 11-15

- National Association of Real Estate Boards, at Philadelphia.....Nov. 11-16
- Society of Residential Appraisers, at ChicagoNov. 12
- Minnesota Automobile Dealers Association, at St. Paul.....Nov. 13-14
- Minnesota Horticultural Society, at St. PaulNov. 13-14
- Twin City Milk Producers Association, at St. Paul.....Nov. 30
- Iowa Implement Dealers Association, at Des MoinesDec. 3-5
- American Finance Conference, at ChicagoDec. 3-5
- Wisconsin Implement Dealers Association, at Milwaukee.....Dec. 9-10
- Investment Bankers Association of America, at Hollywood-by-the-Sea, Fla.Dec. 9-13

**PULLING
TOGETHER
for the
GOOD OF ALL**

Cooperation for the common good is as important between individuals as between nations. . . . Since farming is the basic activity of our country, a single improvement in operating methods often works to the advantage of hundreds of thousands of consumers. This, besides the added income realized by the farmer himself, has made American farmers attain a position in the economic world never before or anywhere else achieved by any of the world's rural populations. . . . Modern machinery is therefore the pivot around which farm prosperity revolves; and in this connection the name Minneapolis-Moline has for 75 years been a farm favorite. . . . Again in 1940 there will be thousands of farmers who want MM's new HEADLINERS, but will not have the ready cash to purchase these important modern tractors and farm machines. Here local bankers can do their bit. By extending "credit" to deserving farmers they will be increasing business for their entire community including themselves.

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To combat this ever-growing force in Public Opinion, over 500 of the leading advertising and

public relations men in the banking field are banded together in the Financial Advertisers Association. Through this non-profit organization, these men freely exchange the practices, thoughts and ideas on bank advertising, new business methods, Publicity and Public Relations, found in their daily work. This wealth of information is available to every member in the form of portfolios, leaflets and in the F.A.A. Bulletin. The membership fee is moderate.

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EDITORIAL

The Third Term Question

SINCE THE QUESTION of a third term for President Roosevelt has become so dramatic and of such vast import in the politics of this coming general election, it is interesting to know how those outside the political fold look upon it. That phase is well set forth in hearings held recently by the Senate subcommittee of the judiciary committee on the joint resolution limiting the term of a president to six years and one term.

This resolution was offered by Senator Edward R. Burke who this week supplied *COMMERCIAL WEST* with a printed extract from hearings before the subcommittee.

From this statement of testimony offered we find that approximately 50 recognized national leaders in education, religion, letters, the legal profession and other professions, opposed a third term and favored the amendment to the Constitution. Some of these were lineal descendants of such great past presidents and persons of history as Thomas Jefferson, Benjamin Franklin, Jefferson Davis, Grover Cleveland. Catholic, Hebrew and Protestant spoke for religion.

Almost unanimously the fear of dictatorship was voiced. Equally unanimously the spokesmen asserted that the spirit, if not the law, of the Constitution should be followed, as it has been for 150 years. If this spirit handed down by the framers of the Constitution and by its followers through the years, is to be changed, then it should be changed definitely and officially by the ballots of the people, voting on a Constitutional amendment prescribing exactly the number of years per term and the number of terms to which a president must be elected. That, they asserted, would then become the voice of democracy, truly speaking its will and not that of a dictated-to political convention.

★ ★ ★

Political Speeches That Please

IF ALL OUR POLITICAL SPEAKERS were as interesting, as well grounded in the matter of criticism—and as humorous—as Irvin Cobb, a great many more people would listen to them.

Mr. Cobb, of course, is gifted when it comes to tickling the risibilities, either when he talks or writes, but, withal, as a commentator he interests and evidences a comprehensive grasp of world affairs.

When Mr. Cobb's political talks are heard, the comparison with so many others is obvious. They are too much on the cut-and-dried order, enter too directly into personalities and mud-slinging, or else contain a mass of statistics no one could remember if he wished to do so. To make a long story short, they are monotonous, told with little or no color of voice or personality. No wonder most of the people shut them off and look for a dance orchestra.

Applying the Power of Advertising

BANKS have made progress, no question about that, in their advertising methods but, when compared with other lines of enterprise, they are still a considerable ways behind the procession.

True, they have no commodities to sell like a merchant, for instance, it may be argued, but they do have services to sell, they do have the earning power of their deposits to sell as loans and, in line with modern progress in advertising, they have the man's sized job on their hands of selling their institutions to the public—public relations this can be termed.

If comparisons are in order, take an outstanding example—Wrigley gum. Advertising, \$10,000,000 of dollars worth of it this year alone, of this little five-cent package has returned millions to the William Wrigley family.

Ponder the cigaret advertising. Millions spent, billions of the little smokes sold. Check up on the advertising of the large national bread baking concerns. Seven companies spent \$6,130,637 last year. This year their appropriations are on the basis of 3 per cent of their net sales.

Advertising is a growing power. Successful enterprises are in the van of its use. The Oct. 28 issue of *Advertising Age* reports that the Association of National Advertisers will enlarge their budgets for 1941.

We commend to our bankers study of the power of advertising and a following in the footsteps—out in advance would be better—of those institutions who have built their success with advertising power.

★ ★ ★

Home on the Range—It's Different Now

IT IS RATHER AMAZING, we think, when one stops to ponder the rapid advance of the dude ranch business.

Started not many years ago by Western cattle and sheep men when drouth in the early part of the 1930-40 decade—and the depression—made the going tough for them, it has become a business of nationwide scope, extending even to the effete East where people are not supposed to know a cow from a coulee and most of the cowboys they see are of the drug-store variety.

The Old West, however, typified by the cattle and sheep ranching business of Montana, Wyoming, Oregon and western sections of the Dakotas, still holds the reins on the dude ranch business, as evidenced by the fact that dude ranchers have a national organization and that it—the Dude Ranchers Association—held its annual convention Thursday through Saturday this week at Billings, Mont.

And would you believe it, the convention staged a style show for the women Friday noon! Wonder what the old cowhands thought of that.

Seriously, though, the dude ranch business has grown into an outstanding tourist enterprise. Roughing it in the cow country saddlewise and otherwise has some mighty fine health and recreation points, and vacationists of the nation have been quick to find that out. Millions of dollars have been put into the business, many Western ranches have changed hands and are now the happy hunting ground of dude ranch guests in place of being the "Home on the Range" of happy-go-lucky cowboys of years ago.

What We Could Do If Necessary

IN AN EXTREME national emergency, states the National Conference Board, the federal government could divert from national savings in banks and other thrift institutions and from so-called unessential consumption between 17 and 19 billion dollars that could be applied to functioning of the national defense program.

It is pointed out by the board that these estimates are presented "as guides toward a pay-as-you-go policy, rather than as absolute amounts that can be captured in total and used as the sole basis for preparedness or war financing."

The totals, however, do indicate that the American standard of living is such that an impressive segment of our national consumption is set aside for satisfying desires less urgent than those for basic nourishment, shelter or warmth. Insofar as these optional productive facilities can be diverted to the production of war supplies or to increase the efficiency of producers, they provide a source of supply that must be considered in any program of industrial or fiscal mobilization, says the board.

After expenditures for the general necessities of life have been deducted, the national income in 1940 would provide the 17 to 19 billion for savings and other purposes, the survey points out, whereas current needs for national defense are estimated to amount to anywhere from five billion to 15 billion. Thus, a possible excess of income now spent for the non-necessities exists of from two to 12 billion.

By practically placing the nation upon a subsistence basis, an additional sum of from five to seven billion could probably be raised out of current income. These figures are derived from a study of consumption habits in operation. In 1937, roughly 15 per cent of total income was set aside for savings, and for goods and services not directly needed by the purchasers. A further 6 per cent could be mobilized if national consumption currently should be reduced to a "practical minimum level."

Principal fields which would be most severely hit by a reorientation of consumption habits would be those of private education, recreation and automobiles. The study shows that the percentage of optional spending naturally rises as income rises, so that families earning from \$1,500-\$1,750 have only about 5 per cent of their income available for "optional" purchasing, while almost one-half of the incomes within the \$15,000-\$20,000 range is spent for the non-necessities.

★ ★ ★

Short Editorial

"MILLIONS Now Living Are Dead!" This is the title of a sermon we would like to have preached in every church in the nation next Sunday. We have many reasons for requesting that such a sermon be preached. Our best reason:

Statistics tell us there are 80,000,000 United States citizens who are eligible to vote in November, but only some 50,000,000 will exercise this right.

We are on the verge of a second world war because of the failure of political systems and the failure of the people who make up those systems.

When the majority of the people fail, one-man government, and eventually war, comes to destroy them. The righteous go down with the unrighteous.

No one is immune!—Anoka (Minn.) Herald.

The BULL'S-EYE

By The Sharpshooter

LO, THE POOR CREDIT MAN! Or shouldn't I put it that way? Maybe I should say, Lo, the king of credit. Definitely, however, there are two ways of looking at this credit man business.

First off, if it wasn't for the credit man a whole lot of our business, industrial and financial institutions would go to smash because they would get many, many debtors on their books who simply would not pay their bills and whose income situation is such that they could not be forced to pay them.

That would raise hob with the economic structure of this country and most of us would be in the bread line because there would be few enterprises in operation and no employment or payrolls to speak of.

So, let's sit down calmly and look into this credit man, see what makes him tick and why we ought to be friends with him instead of bickering with him.

To a great many people the credit man of a store or industry is a wholly unknown quantity. They know that he can shut off their credit. If they are slow pay they get vexed at letters from him. If they are deadbeats they try to circumvent him, but if they are honest people, trying to pay their debts, they will find him quite a human sort of person, after all.

For, by and large, the average credit man is not a bad sort of chap at all. He's tough if he thinks somebody is trying to work a racket on him. He's tough, too, if somebody lies to him. That's one thing the credit man won't stand for.

But, on the other hand, if you meet him half way he'll listen to you.

Times there are when the most honest of debtors is confronted by a situation that dips so deeply into his budget that he simply cannot meet his payments—sickness, hospital, some unexpected family trouble.

There is just one thing to do in such circumstances. That is to go directly to the credit man and tell him your situation. Don't wait for him to come to you. Go right up to his office, see him face to face, tell him your story. Credit men are mighty good judges of character and human nature. They can spot the prevaricator in a minute. If you hit it off with them, and if your past credit record, as revealed we will say, by the Yellow Book in Minneapolis is good, you need not worry.

The credit man will accept your promise to pay what you can each month on the account until you get on your feet again. That's the human side of him—and it's the good business for his firm's side of him. He has kept a good customer still a good friend for his house, probably a better friend.

That goes for dealers who buy of wholesalers and manufacturers just as fully as it goes for customers of the retail establishments.

If you are honestly in trouble and want to pay your bills, tell it to the credit man. Not that he hasn't a lot of troubles of his own, but you'll find him friendly, helpful and willing to help you work out your credit problem.

SOUTH ST. PAUL HAILS

Junior Livestock Show Champs

HUNDREDS of bankers from all over Minnesota were at South St. Paul Thursday bidding at premium prices for the champion livestock and poultry their home community 4-H boys and girls had carried to victory at the South St. Paul Junior Livestock Show this week.

Twin Cities bankers and captains of business and industry competed without thought of where the high price might land for the grand champion baby beef, hog, lamb and poultry.

*

Because of this splendid backing for their projects 1,000 4-H Club boys and girls of Minnesota went back home this week-end richer by some \$50,000 in awards, tired but happy, the super-champions proudly exhibiting gold watches and other awards as well as their checks, taking with them realization that upon their shoulders rests the future of agriculture and homemaking in the state.

*

Climaxing their week, next to the auction sale Thursday, was the annual banquet tendered them Wednesday evening at the Auditorium by the St. Paul Association of Commerce and the Junior Association of Commerce of St. Paul.

*

Completely filling half the vast Auditorium Arena the thousand boys and girls made the rafters ring and ring again with

their cheers and songs, and again as Governor Stassen unexpectedly strode to the platform to welcome them, encourage them, tell them that because of a situation that perils the world they must redouble their pace of achievement that a free America shall continue to stand . . . that he hopes the boys and girls of the cities can be brought into industrial achievement and work hand in hand with 4-H industry and agriculture joined in a great youth movement.

Banks Buy Champions

Banks swept the board clean on purchase of grand champions of the show at the auction Thursday afternoon. The buyers:

Stock Yards National Bank, South St. Paul—Grand champion baby beef; weight 875 pounds, price \$1.05 per pound.

First National Bank, St. Paul—Grand champion hog; weight 310 pounds, price \$1 per pound.

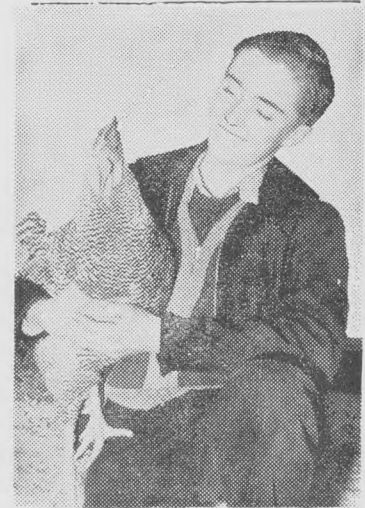
First National Bank & Trust Co., Minneapolis—Grand champion lamb; weight 85 pounds, price \$3 per pound.

To say the banquet was a huge success would be putting it mildly. Before each plate was a pint of milk supplied by St. Paul's leading milk companies—and how those boys and girls did clean up that milk, say nothing of the steak and the rest of the fine dinner.

*

Presiding was Frederick C. Schuldt, Jr., general chairman of the St. Paul Association's special banquet committee, and he did a good job. The boys and girls were welcomed by Mayor John J. McDonough and President Walter G. Seeger of the association. Speaking hit of the dinner, however, was that of Kermit Allen, Martin county, president Federation of State 4-H Clubs, himself just past the age of exhibiting. Speaking like a veteran, Kermit thanked the business men for their dinner, for their loyal support

Grand Champion



EUGENE ROWEKAMP swept the poultry division for top honors with his pen of five barred Plymouth Rocks. He hails from Lewiston, Winona county.

throughout the years, said the future would show their backing had not been misplaced.

*

And then came the climax of the evening, when the grand champions marched to the platform, were introduced by Leader Kittleson and each awarded a gold watch by T. D. Rishworth, president Junior Association of Commerce, patted on the back by him for their achievements, cheered to the echo by the business men guests and their 4-H Club associates.

Following the show the boys and girls were entertained by the St. Paul Figure Skating Club on the Arena ice and by the KSTP Sunrise Roundup and the Sunset Valley Barn Dance radio show.

For the first time in a couple of years the famous Mann family of sisters, brothers and cousins of Luverne did not walk off with some of the grand championships, but they did gather enough first-class victories to make them still outstanding as exhibitors, Beatrice Mann's Hereford taking top honors in that class. Her sister, Bernice Mann, was grand champion last year with a Hereford.

It was pretty much of a toss-up between the main class and the winner, at that, for the baby beef grand champion, but parading under the floodlights in the South St. Paul livestock ring, with rare showmanship, and a perfectly groomed and grown yearling Angus steer, Robert W. Anderson of Blue Earth captured the coveted grand championship of the show.

The Champions

Here are the grand champions crowned at the Junior Livestock Show:

Robert W. Anderson, Blue Earth, baby beef.

Howard Hill, Canby, hog.

Katherine Fuller, Mankato, lamb.

Eugene Rowekamp, Lewiston, poultry.

INFLATION

as a Cause of Booms and Depressions

Address Delivered Last Week Before Annual Group Meetings of the North Dakota Bankers Association
(See Report in "Banks and Bankers," This Issue)

By W. G. KAHLERT

Partner Jamieson & Co., St. Paul

IT IS ALWAYS a pleasure and an interesting experience to travel through your North Dakota farming country.

As we rode down here today, past some mighty fine farms and past some so poor it must be a struggle to dig out a living, we got to talking about the price of wheat and other farm products—how in some years these farmers have found an eager market ready to pay \$2 or \$3 per bushel for all the wheat they could grow; other years, it has seemed as if the world had stopped eating and the returns hardly paid for cutting, binding, threshing and hauling.

No wonder the farmer turns an eager ear to Henry Wallace's plan for an ever-normal granary. It would, indeed, be a great day for the farmer to be assured of a fair price, and the city people an abundance of farm products and the money with which to purchase.

*

Before that can be accomplished we must also solve several affiliated problems.

As you men well know, those who work in the forests and those who dig in the mines experience the same feast and famine of high and low prices. And our factories are harassed by great demand and high prices to be followed by ruinous prices.

Even railroads, utilities, professional men and union labor, whose rates or wages are fixed, enjoy good times and suffer hardship as the demand for their output and services fluctuates widely.

We have seen wheat at \$2 per bushel with no war on; now the whole world is involved, but American wheat would probably be 40 cents the bushel in 60-cent dollars, if the government did not support the price.

Wheat has sold at \$3 per bushel when we only had \$3,000,000,000 of gold in the country. Now we have 22 billions, but wheat is around 85 cents. The government is still storing and making loans on 1938 corn but 1940 Argentine corn is coming into this country and underselling this year's crop.

This is not intended to disparage what the government is doing for our farmers. It is intended to show that not only the farmer but all of us are inextricably

bound up in the great booms and depressions that sweep over the country.

*

This country has suffered from booms and depressions from its beginning. At first they were regarded as growing pains and nothing done about them.

Since they bothered the people, the politicians sought to make political capital out of them and were soon advancing remedies which were usually of a monetary or banking nature. Thus we had the Populist party, the Greenback movement, and William Jennings Bryan with his "free silver."

All of these proposed to solve the problem by increasing the supply of money, to hold prices up. Under Woodrow Wilson in 1914, we adopted the Federal Reserve System of banking. As its name implies, it gave the federal government pretty near complete control of banking, with all of our banks becoming loosely organized into one system. It provided a reserve of credit which could be released through our banking system to prevent or stop a decline in prices. After many years of agitation, the politicians were permitted to make great changes and given the power over money and banking which they wanted. Their sole objective was to smooth the peaks and valleys of our depressions, to give us a steady prosperity. But few realized at the time, that if we gave our politicians machinery with which to stop a boom, we were giving them the machinery to start a boom, to make one worse, or to hinder normal prosperity. The Federal Reserve System was adopted and has been in operation ever since, with several extensions of duties and powers.

*

Now it is a good idea to check back once in a while to see how our politicians are fulfilling their promises and exercising the powers entrusted to them.

You have been handed a statistical history of the United States showing what has actually taken place. It requires but a brief study to see, that, since 1914, we have had the most violent price fluctuations, the greatest booms and depressions in our history. In war times and peace times, under Democratic and Republican administrations, the farmer, the banker, the business man and labor have been

subjected to the hardships of our economic roller coaster: The commodity boom of Woodrow Wilson culminating in the crash of 1920 and leaving us with a farm problem we are still working on; the stock market boom of Calvin Coolidge winding up with the crash of 1929; and now we are experiencing a boom in the price of government bonds, under Roosevelt, which has already lasted as long and gone as far as the Wilson commodity boom or the Coolidge stock market inflation.

*

The politicians have a ready explanation for the disastrous experiences of the past 26 years.

They tell the people these booms and depressions are the result of Wall Street, the grain gamblers, the bankers and business men working to enrich themselves by impoverishing everybody else.

We must admit that this has been politically popular, judging by the amount of power centralized at Washington today. Unfortunately, it has not solved some basic problems vital to our country and the whole world. These are: Agriculture with its over-supply and low prices; urban unemployment and lack of purchasing power; break-down of international trade and widespread war, involving almost the entire world.

*

A clearer understanding of the development of these problems may be obtained by carefully studying these statistics of the past 26 years, and what is going on today, with this thought in mind: Our politicians have not the ability, the knowledge of practical business and banking, nor the freedom from political pressure to execute and administer the vast powers entrusted to them for the long-term well-being of our country.

You men are bankers and have had the politicians criticizing your operations for a good many years. But the politicians are bankers, too—the adoption of the Federal Reserve System put the government at the head of our banking system. Since 1914, Washington has guided the expansion and contraction of your loans, has supervised your collateral and determined your investments.

Interest rates, rediscount rates, excess reserves, all important decisions in Amer-

ican banking have been made at Washington for the past 26 years.

They asked for this power to smooth the peaks and valleys and give us a steady prosperity. Examine the record and see if it is not bad banking, not as practiced by you bankers, but bad banking as practiced by the politicians, which is largely to blame for our booms and depressions.

*

If you will look at your statistics you will see a normal United States in 1914—no inflation and no deflation. We had about two billions of gold against which there was outstanding \$20,788,000,000 of bank credit; a sound ratio of about 10 to one. Commodity prices were at 68, the stock market at 53, the federal debt was only 1¼ billions and the national income was almost 36 billions.

The first world war started in July, 1915, and for a little over a year we had great cash prosperity. Cash because England, France and their Allies sent their gold and our securities, which they owned, for wheat, cotton, munitions and other goods they needed.

*

In 1916, the Allies ran out of cash, they owed our large eastern banks about \$500 millions and the Germans were at the gates of Paris. What should Woodrow Wilson do? Be a cautious banker and refuse additional credit to a debtor who could not pay, or be a humanitarian and make the world safe for democracy by launching the newly organized Federal Reserve System on an extensive program of unsound banking?

He chose to be a humanitarian and loaned the Allies almost 12 billions of dollars during the three years following 1916. Had he not done so our war boom would have collapsed in 1916 and his second term, if he had been elected, might have seen the failure of many of our big banks, a panic and a depression.

Perhaps he did the right thing, but unsound banking practices, whether they are indulged in by a small town bank or by the President of the United States, have their inevitable reactions.

A great expansion in purchasing power created by inflating bank credit always generates a boom to be followed by a crash. The 12 billions loaned to the Allies to be spent in this country pushed our commodity prices from 68 to 154, expanded our bank credit from 20 billions to 41 billions and raised the national income from 35 to 73 billions.

That was a grand spree of prosperity and very popular with the voters. But look at the other side of it. Gold production fell from \$448,000,000 annually to \$320,000,000 and we arrived at an over-extended banking situation in 1920 with 41 billions of bank credit outstanding against less than three billions of gold holdings. Such a banking situation makes liquidation and a crash inevitable.

*

Perhaps it will be more interesting to consider this period in terms of your leading North Dakota commodity, wheat.

From U. S. government agricultural statistics we find that in 1914 this country harvested 55,600,000 acres of wheat. The Minneapolis price that year was \$1.20 per bushel and the farm value of the crop was \$874,000,000.

By 1919, the acreage harvested had increased to over 73,000,000, with a farm value of over two billion dollars.

That was, indeed, farm prosperity but

the aftermath has been a headache ever since.

When the war ended, Europe increased its wheat acreage from 70,000,000 to 80,000,000 acres and decreased its imports from over 610,000,000 bushels annually to around 425,000,000 bushels. With the importing nations thus reducing their takings, the exporting nations of United States, Canada, Australia and Argentina reached an acreage of 135,000,000 contrasted with 80,000,000 acres in 1914.

By the time that over-supply of wheat hit the world in 1932, your North Dakota farmer received about 20 or 30 cents per bushel and the farm value of the crop, which had been over two billion dollars in 1919, fell almost 90 per cent in 1932 to \$289,000,000.

Woodrow Wilson took the worthless IOU's of the Allies and gave them \$11,000,000,000 of our real wealth. It was actually a complete loss to this country but by capitalizing the IOU's of the Allies through the Federal Reserve System we achieved an inflated price level and a false prosperity.

In the long run it would have been far cheaper to have recognized our duty to the Allies and given them the supplies needed, rather than kid ourselves into thinking we were selling them.

Incidentally, this same question will come up at the next session of Congress when it will be proposed that we again make "loans" to England. If it is our duty, let's recognize it and give them the supplies. It will do us less damage.

*

As for our farm problem, it is apparent that the inflated commodity prices achieved by the unsound banking practices of Woodrow Wilson's administration created an over-production that is still bothering us. But have you ever heard a politician admit that fact? It is too easy to blame it on Wall Street, the bankers and the grain gamblers and use that as an excuse to embark upon another period of fictitious prosperity through unsound banking.

*

We elected conservative Calvin Coolidge in 1920 and he made Andrew Mellon, one of our great financiers and capitalists, secretary of the treasury. The fact that this combination then permitted the country to indulge in eight years of the most frenzied finance ever witnessed, indicates that our presidents do not realize that the Federal Reserve System has made them the country's head banker.

If you will look at the statistics for 1921 to 1929, you will see the results of the Coolidge-Mellon easy-money policy. Bank credit which dropped to 38 billion dollars in 1922, expanded to 58 billions in 1929. This vast excess of bank credit available at low interest rates drove the stock and security markets crazy.

Whereas, before the adoption of the Federal Reserve System, the stock market had never gone above 100, now it climbed to 380. And, of course, the national income reflected such inflation, advancing from 63 billions in 1920 to 85 billions in 1928.

And Calvin Coolidge was a very popular president. But again bank credit was over-expanded to a dangerous point in relation to gold holdings and a crash was bound to come.

*

Coolidge, just as Wilson had been, was motivated by the finest intentions. He

wanted to create prosperity and reduce the federal debt. For a while he did both. The national income rose and the federal debt was reduced from 26 to 16 billions.

But observe how inevitable is the day of reckoning. Just as Woodrow Wilson's inflated commodity prices increased production and created an over-supply that finally broke the market's back, so, too, did Calvin Coolidge's inflated stock prices.

By 1929, old stocks were being split up and new ones issued as fast as the stock certificates could be printed until, today, we have as great an over-supply of stocks as we have of farm products. There is one difference: The government is still writing the price-tags for agriculture but stocks are selling according to the law of supply and demand—and that is plenty low.

*

Again, the 1929 boom should teach us that the ambitious and humanitarian projects of the government, if they put the Federal Reserve System into an unsound state, can result in a worse condition than they endeavor to correct. Generally, they bring ruin, as to agriculture in 1919 and the stock market in 1929, to the industries they first inflate.

And observe that no one can restrain or hold out against the policy of the government. Almost everybody is caught with high-priced commodities as in 1919, and high-priced common stocks in 1929. When the crash comes, the majority of business men and bankers suffer. A small few are smart enough or lucky enough to make large speculative gains from such abnormal price fluctuations. They are held up as horrible examples by the politicians who, of course, have made no mistakes at all. Just give them additional power to tax and regulate business, to change money, to expand and contract credit, to fix prices, to spend and give away, to regulate our entire economic lives and their next attempt will surely be successful.

*

Well, in 1932 and since, we gave President Roosevelt all those powers and more. He has vest pocket authority to change the gold content of the dollar. He can print three billion dollars of unsecured paper money. He can do things with silver that William Jennings Bryan didn't even dare dream about. The people have given Franklin Delano Roosevelt every conceivable power he could ask for (and he is a pretty good asker), so that he might control our booms and depressions, make prices that would be fair to producer and consumer, and give us a steady prosperity.

*

And President Roosevelt has had far more energy and imagination than either Wilson or Coolidge in conceiving and executing far-reaching economic programs.

We must pay tribute to his fine humanitarian instincts and give him credit for the good intentions which led to initiating insurance of bank deposits, relief for the unemployed, and old-age and unemployment insurance.

But the question remains: Does Mr. Roosevelt know that through his policies dominating the Federal Reserve System he is the biggest banker in the world, today? Does he realize that, if his plans are no more soundly conceived financially than Woodrow Wilson's or Calvin

(Continued on page 19)

GOLDEN JUBILEE

Nebraska Bankers Honor Veterans at Lincoln Convention

ONE-HUNDRED SIX pioneer banks, all 50 years old or older, occupied the center of the stage at last week-end's 50th anniversary convention (its 43rd annual) of the Nebraska Bankers Association at Lincoln.

And as at previous Nebraska conventions, members of the association's "Fifty-Year Club," Cornhusker bankers who have been engaged in their profession for a half-century or more, were specially honored. There was a luncheon in their honor and they were presented to the convention at its opening session.

A compilation by the association revealed that Nebraska's oldest

banks, both dating from 1856—making them 84 years old—are the United States National Bank and the North Side Bank, both of Omaha.

The convention, which racked up an attendance mark of 747, was rated by old-timers as "one of our best." Delegates elected these officers to start the organization off on its second half-century of service to banks and business in Nebraska:

President—Carl D. Ganz, cashier Farmers & Merchants Bank, Alvo.

Chairman executive council—William N. Mitten, president Stephens National, Fremont.

Executive councilmen—Byron Dunn, executive vice president National Bank of Commerce (representing city of Lincoln); A. L. Coad, president Packers National (representing city of Omaha); R. F. Clarke, president Banking House of A. W. Clarke, Papillion (representing Group Two); E. W. Rossiter, president Bank of Hartington, and H. H. Ostenburg, president Scottsbluff National, Scottsbluff (at large).

Treasurer—L. C. Chapin, vice president First National, Lincoln.

Secretary—William B. Hughes, Omaha (re-elected).

In the president's annual address, C. C. Neumann, executive vice president Farmers & Merchants National, Oakland, retiring president, reviewed how his administration had stressed "the responsibility of banking, and the value of research and of knowing your own bank," how it had devoted much time and effort to a progressive agricultural program, Nebraska being the agricultural state that it is, a program that is practical "not for just this year, but for the next and for the years to come." Said he:

"We can't have a prosperous state unless we have a prosperous farming condition, and we can't have a prosperous farming condition unless the individual farmer is prosperous, and the individual cannot attain that prosperity by produc-

ing less of those products which the farm is able to produce.

"In our state, banking and farming go hand in hand and are closely allied, and to help solve the problems of the individual farmer in your own community, to help free him from his fixed indebtedness, if possible, is the starting point of every country banker in the state, in those sections where crop conditions make it possible to do so."

Mr. Neumann paid tribute to the association's committeemen and officers for their tireless work during the year, and singled out particularly the organization's veteran secretary, (Continued on page 33)

Draws "Bouquets"



WILLIAM B. HUGHES

has been secretary Nebraska Bankers Association for a long time (see "25 Years Ago," this issue). His extended and faithful service occasioned praise by the association's retiring president, C. C. Neumann, at the Lincoln convention.

Gets A. B. A. Post



J. O. PECK

was elected state vice president of the A. B. A.'s national bank division by members of the Nebraska Bankers Association at their Lincoln convention. He is vice president of the host city's Continental National Bank.

BANKS and BANKERS

New A. B. A. Bulletin Explains Wage & Hour Provisions

METHODS for adapting bank operations to the new regulations issued by the administrator of the Wage & Hour Act are contained in a special bulletin just issued by the A. B. A.'s bank management commission, copies of which have been mailed to the association's entire membership.

(Administrator Fleming this week rejected A. B. A. proposal that his ruling on "administrative" employes be put on a differential basis according to population.)

Included are the new definitions of "executive," "administrative" and "professional" employes and explanations thereof; recommendations of operating procedure, such as establishment of the workweek; suggestions for determination of working hours, keeping of time records, elimination of work duplication, reduction of peak loads, and four plans for the computing of overtime—(1) regular workweek plan, (2) fluctuating workweek plan, (3) time-off plan, (4) pre-payment plan.

The bulletin points out again how the workweek does not necessarily have to be on a calendar basis from Monday to Saturday, but can be any seven consecutive days. Naturally, as the bulletin explains, once such a workweek is established, it should be maintained within the spirit of the Act.

The bulletin goes into all aspects of the law, most of which have been discussed over and over again by speakers at bankers' meetings in recent months. For instance:

"The Act takes a single workweek as its standard and permits no averaging of hours over two or more weeks.

"Overtime must be compensated at a rate not less than 1½ times the regular rate of pay at which the employe is employed. The regular rate of pay at which the employe is actually employed is not the minimum wage rate set by the Act, but the employe's regular hourly rate of pay."

The "regular" and "irregular" or "fluctuating" workweeks are the two plans "which the Wage & Hour Division has indicated as appro-

priate in the case of salaried employes," says the bulletin.

Application of the "regular" or "fluctuating" plan is illustrated by the bank employe "who, because it is the end of the month, the day after a holiday, a heavy seasonal turnover of agricultural products, must work 15 minutes longer one day, perhaps an hour longer the next—any one or all of which might cause him to work more than 40 hours a week and who conversely, in slack periods, is able to complete certain work within the periods of time which make his aggregate hours of work for the week less than 40. In short, the nature of this work makes for a fluctuating week."

Retiring Jan. 1



WILLIAM J. STEVENSON
will relinquish active duties as vice president and trust officer First National Bank & Trust Co., Minneapolis, the first of the year, but will continue in an advisory capacity. (Story in this issue.)

Meeting Wage-Hour Problem

A recently completed survey of the New York State Bankers Association through officers of county banker and clearinghouse associations, indicated that the larger proportion of the banks in New York State were not further altering their banking hours in order to eliminate the problem of overtime under the 40-hour provision of the Wage & Hour Law.

The 62 county banker, regional clearinghouse, and city associations, reported that the major methods being used by their members to eliminate the overtime problem, were:

1. Employment of additional help;
2. Experimentation with new methods and machinery, which would speed up the operations within the overloaded departments;
3. Staggering the hours of various departments;
4. Alteration of banking hours, closing or opening either one-half or one hour earlier or later, and closings of a half day during the week, usually Wednesday in Western New York State.

A number of individual methods employed by bankers in various sections of the state were brought to light by the survey. Among them were:

1. Extending the lunch hour period of employes from one to two hours.
2. One bank has employed additional help, which will aid in the immediate solution of the overtime problem and also in the event that some of their men employes are drafted.
3. Several banks are staggering the preparation and mailing of statements in order to relieve the peak load burden on the bookkeeping department.
4. A number of banks which had formerly remained open one night during the week or month to accommodate payrolls have been forced to abandon this service.
5. In several of the small communities throughout the state, banks are closing one hour at noon, usually from 12:00 to 1:00.

In general, the majority of the banks

in the state feel that they will be forced to pay overtime at various periods during the month, in order to render efficient and effective service to their customers.

Regardless of the number of new employees or increased mechanization, a number of them state that they will still be confronted by overtime operation during peak periods.

The survey also brought forth numerous protests against the inclusion of the small country banks within the scope of the Wage-Hour Law, with the expressed hope that Washington activities of the A. B. A. would bring some relief.

★ ★ ★

Merger at Monroe

At Monroe, Wis., the First National Bank and Citizens Bank have consolidated under the former title. Common capital stock is \$150,000, surplus is \$100,000.

★ ★ ★

Minnesota Regionals

Southeastern Minnesota Clearinghouse Association (Winona, Houston, Fillmore counties) has its quarterly meeting scheduled for Spring Valley (Commercial hotel) next Thursday evening, beginning with 6:30 dinner. Strictly a business meeting, the program will feature M. B. A. Secretary Duncan and three representatives of the Minnesota Safe Deposit Association discussing "Safe Deposit Boxes." Following their talks there'll be a general discussion on this important subject. The three are R. O. Thayer, vice president Fifth Northwestern National Bank, Minneapolis; George Gere, vault manager Empire National Bank & Trust Co., St. Paul, and A. S. Newcomb, vice president Bloomington-Lake National, Minneapolis. Clearinghouse officers are John Ambrosen, cashier Winona National & Savings Bank, Winona, president; John A. Frisvold, cashier Rushford State, Rushford, vice president, and L. H. Briggs, president Security State, Houston, secretary-treasurer.

*

Brown & Redwood Clearinghouse Association is scheduled for a quarterly meeting at New Ulm, Tuesday, Nov. 12, and Blue Earth Valley Clearinghouse Association (Blue Earth, Faribault counties), at Mankato, Thursday, Nov. 14.

★ ★ ★

Changes at Minot

A. D. McCannel, vice president First National Bank, Minot, N. D., is reported slated for early election to the presidency succeeding the late Robert E. Barron, with R. A. H. Brandt, executive vice president, and the addition of two, maybe three, more local business men to the board of directors.

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NORTHERN**

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NATIONAL APPLE WEEK
Oct. 24 to Nov. 1

FOR COMPLETE TRAVEL LUXURY

Enjoy scenic thrills beyond your expectations. Meet the people you'd like to know. Enjoy the menu favorites that tempt you most. Rest and relax at satin-smooth speed direct to the Pacific Northwest.

Empire Builder fame spans the continent as its friendly service spans the miles between Chicago, St. Paul, Minneapolis, Grand Forks, Fargo, Winnipeg, Spokane, Seattle, Portland, Victoria, B. C. Good connections for California, Hawaii, the Orient.

A. J. DICKINSON, Passenger Traffic Manager
Great Northern Railway, St. Paul, Minn.



Route of the
Air-Conditioned

EMPIRE BUILDER

FOR THE PORTFOLIO

A Conservative Bank Investment

COLLATERAL TRUST NOTES

3 % FOR 3 MONTHS
3 1/4 % FOR 6 MONTHS
3 1/2 % FOR 9 MONTHS

REFERENCES:

First National Bank, St. Paul
National Bank of Commerce, Mankato
National Citizens Bank, Mankato
First National Bank, Mankato

CITY INVESTMENT CORPORATION

Mankato, Minnesota



American Way Service - - - -

Country banks throughout the Northwest, where agricultural recovery this year is leading the rest of the nation, will find AMERICAN WAY correspondent service of inestimable value.

More active Northwest business means more activity for country banks and bankers—and more need of dependable city bank affiliations.

If you are not already taking advantage of this efficient AMERICAN WAY service, may we solicit your inquiry?

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JOSEPH A. CAVITZEL,
Ass't Cashier

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North Dakota Groups

Fine weather and attractive programs brought out excellent attendance at last week's group meetings of the North Dakota Bankers Association, at Devils Lake, Minot, Bismarck and Valley City. A highlight at all four was the address of William G. Kahlert, partner Jamieson & Co., St. Paul, on "Inflation as a Cause of Booms and Depressions," published in full beginning on page 9, this issue. Here are the groups' new officers:

Northeast Group

President—H. M. Nash, cashier Farmers & Merchants National, Hatton.

Vice Pres—L. E. Callahan, president First State, Munich.

Sec-Treas—C. I. Erstad, cashier Farmers State, Maddock.

Executive councilman—A. W. Omdahl, cashier Ramsey County National, Devils Lake.

Northwest Group

President—Henry T. Holtz, cashier Garrison State, Garrison.

Vice Pres—C. P. Kjelstrup, executive vice president and cashier American State, Minot.

Sec-Treas—H. M. Grant, president Union National, Minot.

Executive councilman—W. E. Tooley, cashier First National, Minot.

Southwest Group

President—H. A. Fischer, cashier Farmers Security Bank, Washburn.

Vice Pres—H. C. Bowers, cashier First State, Regent.

Secretary—F. B. Heath, president Da-

kota National Bank & Trust, Bismarck. Treasurer—G. H. Hernet, cashier McIntosh County Bank, Ashley.

Executive councilman—H. W. George, cashier Bank of Steele.

Southeast Group

President—B. A. Helland, cashier First State, Arthur.

Vice Pres—R. H. Butterwick, cashier Dakota National, Fargo.

Sec-Treas—R. M. Hougen, vice president and cashier American National, Valley City.

Executive councilman—M. G. Pederson, cashier First State, Hope.

★ ★ ★

Minneapolis Changes

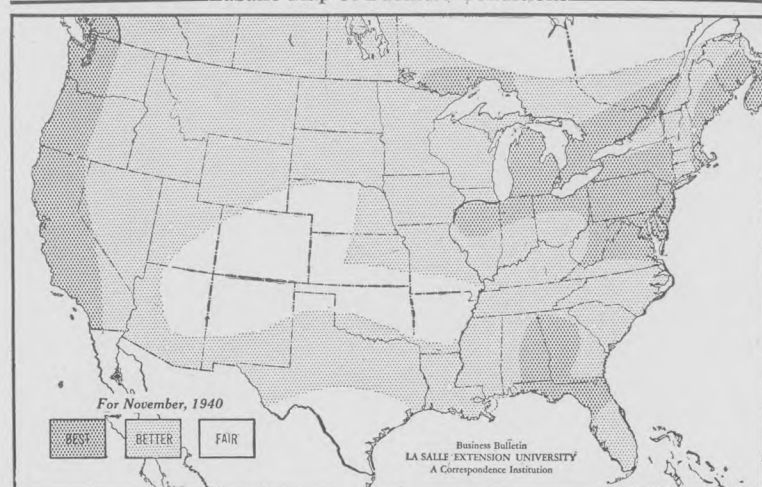
Two important staff changes, wholly unrelated, were announced this week by the First National Bank & Trust, Minneapolis:

William J. Stevenson, vice president and trust officer, has announced his intention to retire from active duties in the bank on Jan. 1. He will continue on the staff in an advisory capacity for several months. Mr. Stevenson entered the fiduciary field in 1916, when he became associated with the newly organized Wells-Dickey Trust Co. When that organization merged with the former Minneapolis Trust Co. he continued as vice president and trust officer of the resulting First Minneapolis Trust Co., and has held the same title in the bank since 1933 when the First National and its affiliated trust company consolidated.

Malcolm B. McDonald on Nov. 1 as-

Trade Rate Moves Up

LaSalle Map of Business Conditions



TOTAL VOLUME of trade and industry during the last quarter of 1940 is expected to surpass that of any previous three-month period. The surprising thing revealed by this month's map is that this upward movement is taking place quite evenly over the entire country. In only a few regions is the rising trend lagging behind the general average, and even in those cases activity is higher than it was a year ago.

sumed new duties as general counsel for the bank, having severed his connections as a member of the law partnership of Fletcher, Dorsey, Barker, Colman and Barber, Minneapolis, with which he has been associated since 1929. Mr. McDonald's services in his new capacity will be largely devoted to the work of the bank's trust department. He graduated from Carleton College, Northfield, Minn., in 1926, studied law at Harvard, was admitted to the bar in 1929. He is a member of the Hennepin County, Minnesota and American Bar Associations.

★ ★ ★

Chisholm Merger Near

Report this week was that merger at Chisholm, Minn., (Miners State with First National) was all set to go, probably would be made effective as of the close of business Nov. 9, thereby allowing ample time over the Armistice Day week-end for transfer of physical assets.

★ ★ ★

Seattle Looks Good

To three Duluthians who visited the Pacific Northwest last week the Seattle community looked awfully good, said S. R. Kirby, Jr., assistant cashier Northern National Bank, in Minneapolis this week. Other two members were S. R. Kirby, Sr., and R. D. Alworth, vice president and director.

★ ★ ★

F. A. A. Elects

For its silver anniversary convention at Hot Springs, Va., this week, the Financial Advertisers Association hung up a record attendance mark and offered its members addresses by 12 nationally known leaders in banking, advertising and public relations, including Donald D. Davis, president General Mills, Inc., Minneapolis, who led a general session on marketing and merchandising with an address on "selling the nation." New officers are:

President—Robert J. Izant, vice president Central National Bank, Cleveland (advanced from first vice president).

1st Vice Pres—Victor Cullin, assistant secretary Mississippi Valley Trust Co., St. Louis (advanced from second vice president).

2nd Vice Pres—L. E. Townsend, assistant vice president Bank of America, San Francisco (advanced from third vice president).

3rd Vice Pres—Lewis F. Gordon, assistant vice president Citizens & Southern National Bank, Atlanta.

Treasurer—Fred W. Mathison, assistant vice president National Security Bank, Chicago (re-elected).

Exec Vice Pres—Preston E. Reed, Chicago (re-elected for 17th year).

UNIVERSITY STATE BANK

. . . becomes . . .

national

With its capital recently increased to \$100,000.00, the University State Bank has been granted a national charter, effective October 21. The bank now becomes

UNIVERSITY NATIONAL BANK

Washington Ave. and Oak St.
Minneapolis

STATEMENT

At Close of Business Oct. 21, 1940

RESOURCES:		LIABILITIES:	
Loans and Discounts . . .	\$781,334.08	Deposits	\$1,340,628.87
U. S. Bonds	312,025.00	Capital Stock	100,000.00
Stock in Federal Reserve Bank	3,600.00	Surplus	20,000.00
Overdrafts	83.10	Undivided Profits	22,346.58
Cash and Due from Banks	377,589.07		
Furniture and Fixtures	8,344.20		
	\$1,482,975.45		\$1,482,975.45

Affiliated with MARQUETTE NATIONAL BANK of Minneapolis
Member of Federal Reserve System and F. D. I. C.

HOTEL EAU CLAIRE

Remodeled, Redecorated, Fireproof
AIR-CONDITIONED BALL ROOM

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The Ideal Stopping Place for
Travelers, Tourists, Everyone

EAU CLAIRE, WIS.

L. W. Reynolds
Manager

Heat Water Electrically

LOW 1¢ RATE

"For Controlled Electric Water Heating Only."

ON THE COVER . . .

BANG! And another mallard bit the dust, or, in this instance, the water.

The front cover picture this week is typical of one of the Northwest's major industries—hunting.

Sounds a bit odd, of course, to refer to hunting as an industry. Hunters will tell you it's a pleasure, part of their annual outing, a few days off to range the fields or sit in a blind. But pin some of them down and they will admit that it fits into the luxury classification and that after all, when they figure up the cost, it probably does line up as quite an industry.

Sporting goods houses, makers of guns, shells, decoys, boats, hunting togs and all the equipment of hunting, admit that the hunting business is quite an industry and that money spent on the sport in Minnesota and other nearby states, runs well into the millions each year, as the more than one-half million hunters take to the fields, lakes, streams and woods.

It's a mighty healthful business, too, for the hunters—if they are careful and don't get hurt.

His Arm O. K. Again

Guy E. Dailey, assistant vice president American National Bank, St. Paul, was back at his desk this week after a two-week vacation spent at his Bald Eagle Lake home. Mr. Dailey's right arm, which was painfully injured last June in a riding accident, is practically o.k. again. "In fact," Mr. Dailey told COMMERCIAL WEST this week, "I did quite a lot of riding during my vacation and found the arm operating in pretty good shape."

★ ★ ★

Banking Notes

Suit brought by National Surety Co. against the State Bank of Hewitt, Minn., now in liquidation, came to trial in district court at Long Prairie last Friday, was comprised Monday on basis of 50 cents on the dollar . . . Checkup on last week's decision of Northwest Bancorporation banks to clean up all remaining preferred stock shows that the necessary money has been paid in . . . Present book value of Banco stock is approximately \$23 compared with \$21.09 on Jan. 1 . . . Arrowhead Clearinghouse Association is expected to meet soon at Duluth . . . O. G. Jones has been transferred from St. Mary's hospital, Sparta, Wis., to St. Luke's hospital, St. Paul . . . A. G. Brown, deputy manager A. B. A. in charge of agricultural credit, will meet with the Minnesota Bankers Association's committee on agriculture in Minneapolis, Nov. 8.

Recent Deaths

T. Melvin Lee, 60, Valley City, N. D., banker, financier and farm operator, was killed outright late Monday in a collision near St. Joseph, Minn., on U. S. Highway No. 52. The United Press reports that he was alone in his car which, authorities say, was on the wrong side of the road in rounding a curve. Driver of the other car also was killed and his four companions injured.

Mr. Lee was one of North Dakota's leading exponents of diversified farming, and had been associated with the late Col. Frank White for a number of years in banking and insurance enterprises at Valley City. A native of Barnes county (N. D.), he is survived by the widow, five daughters, three brothers and two sisters.

*

Edwin A. Weiseth, 55, prominent in business circles in Moody county (S. D.), former banker at Colman, S. D., died at his home there Monday after a lingering illness. Survivors are the widow, two sons and a daughter.

★ ★ ★

"Faith, Service"

That the Northwest Security National, Sioux Falls, and its branches at Brookings, Chamberlain, Dell Rapids, Huron, Gregory and Madison, all in South Dakota, have faith in those communities, is evidenced by the bank's fine record of having made 15,868 loans and renewals in the first six months of this year. The loans totaled \$6,593,679.84.

Minnesota's Itasca

At its recent annual meeting at Grand Rapids, addressed by M. B. A. Secretary William Duncan, Jr., Minnesota's Itasca County Bankers Association elected these new officers:

President—H. I. Bastien, assistant cashier First National, Grand Rapids (advanced from vice president).

Vice Pres—C. C. Wilcox, cashier Grand Rapids State, Grand Rapids (advanced from treasurer).

Treasurer—F. V. Wakkinen, cashier First National, Keewatin (advanced from secretary).

Secretary—C. E. Thomas, First National, Deer River.

★ ★ ★

A. B. A. Member Hunt

Minnesota officials of the American Bankers Association put the well-known finetooth comb to work last Friday evening in a huddle at the Nicollet hotel, Minneapolis, combing on paper the non-member banks of the state before sallying forth in person to definitely sign them up. Head huddlers this year were Duluth's B. Murray Peyton, national treasurer; Wells' Martin E. Kalton, member national membership committee, and St. Charles' Frank J. Thul, state vice president. Their job it is to keep Minnesota's 1940-41 record up to the high level and standard attained the last couple of years.

★ ★ ★

Chippewa Valley Club

"Bond Account," the digest for portfolio managers, published by the Dealers Digest Publishing Co., 50 Pine St., New York, in its Oct. 28 issue, features an article on "The Chippewa Valley Club—Country Bank Investment Plan" by G. O. Thorpe, vice president and cashier First & Lumbermens National Bank, Chippewa Falls, Wis. Bond Account calls it noteworthy among numerous plans devised from time to time for the banding together of banks, in a compact, geographical area, for cooperative analysis of bond account problems.

★ ★ ★

Duluthian Upped on Coast

C. H. Harris, who spent most of his early years in Duluth, has been appointed assistant vice president of the Anglo California National Bank, San Francisco. He attended the Wharton School of Commerce and Finance of the University of Pennsylvania and graduated from the law school of that university. Following service in the Navy during the World War and with Standard Oil Co. of New York, he joined the staff of the Anglo California National Bank in 1935, since that time has been a member of its public relations department.

Elected Vice President



B. M. WHEELOCK

succeeds the late Delko Bloem as vice president Security National Bank, Sioux City, in charge of its correspondent bank division. He has resigned as vice president and cashier First State Bank, Mapleton, Iowa, and assumed his new duties on Nov. 1. Before his association with the Mapleton bank nine years ago, Mr. Wheelock was assistant cashier Union National, Ames, Iowa. At the same time, directors of the Security National have elected Otis P. Garrison, Sioux City livestock man, to the board.

Nebraska Regionals

Northeast Nebraska Regional Clearinghouse Association in its annual meeting the other day at Wayne, elected these officers:

President—G. E. Barks, cashier First National, Belden (advanced from vice president).

Vice Pres—A. L. Pospisil, president Wakefield National, Wakefield.

Sec-Treas—Edgar M. Hoar, cashier Bank of Hartington (re-elected).

Directors—F. S. Stegge (Cedar county), R. E. Marek (Wayne), D. G. Evans (Dakota), L. E. Bare (Stanton), F. R. Kingsbury (Dixon), H. J. Bornholdt (Knox), Paul Zutz (Madison), E. G. Schellpeper (Pierce).

★ ★ ★

100 P. C. Dividend

Minnesota's Sturgeon Lake State Bank is now debentureless, thanks to a 100 per cent dividend, making new capital structure \$20,000 and \$5,000, Cashier Kenneth Gay, former football star, carrying the ball.

Guaranty Trust Company of New York

140 Broadway Fifth Ave. at 44th St. Madison Ave. at 60th St.
LONDON PARIS BRUSSELS LIVERPOOL HAVRE VICHY ANTWERP

Condensed Statement of Condition, September 30, 1940

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$ 1,031,937,049.23
U. S. Government Obligations	1,045,273,926.86
Public Securities	64,658,785.56
Stock of the Federal Reserve Bank	7,800,000.00
Other Securities and Obligations	21,843,044.42
Loans and Bills Purchased	381,819,597.22
Credits Granted on Acceptances	5,466,683.46
Items in Transit with Foreign Branches and Net Difference in Balances Between Various Offices Due to Different Statement Dates of Some Foreign Branches	236,659.08
Accrued Interest and Accounts Receivable	9,001,476.25
Real Estate Bonds and Mortgages	3,901,877.39
	<u>2,571,939,099.47</u>
Bank Buildings	11,344,866.69
Other Real Estate	1,458,931.89
Total Resources	<u>\$2,584,742,898.05</u>

LIABILITIES

Deposits	\$2,277,839,697.10
Checks Outstanding	13,171,789.30
	<u>\$2,291,011,486.40</u>
Acceptances	\$11,881,677.24
Less: Own Acceptances Held for Investment	6,414,993.78
	<u>5,466,683.46</u>
Liability as Endorser on Acceptances and Foreign Bills	1,477,673.00
Agreements to Repurchase Securities Sold	454,632.00
Foreign Funds Borrowed	328,932.00
Dividend Payable October 1, 1940	2,700,000.00
Miscellaneous Accounts Payable, Accrued Taxes, etc.	7,507,534.26
	<u>2,308,946,941.12</u>
Capital	\$ 90,000,000.00
Surplus Fund	170,000,000.00
Undivided Profits	15,795,956.93
Total Capital Funds	<u>275,795,956.93</u>
Total Liabilities	<u>\$2,584,742,898.05</u>

Securities carried at \$20,556,180.53 in the above Statement are pledged to qualify for fiduciary powers, to secure public monies as required by law, and for other purposes.

This Statement includes the assets and liabilities of London, Liverpool and Paris Branches as of September 30, 1940; Brussels and Antwerp Branches as of August 31, 1940; and Havre Branch as of June 30, 1940.

Member Federal Deposit Insurance Corporation

Heat Water Electrically
LOW 1¢ RATE

"For Controlled Electric Water Heating Only."

New Job for Amundson

F. A. Amundson, Minnesota's commissioner of banks, has just been appointed a member (representing the Ninth Federal Reserve District) of the executive committee of the National Association of Supervisors of State Banks for 1940-41 term. Before his recent appointment as bank commissioner Mr. Amundson was an active worker in the National Association of Building & Loan Supervisors, its president in 1938-39.

★ ★ ★

Banking in Overalls

Probably lots of bankers, lots of times the last few years, have felt like wearing overalls but none of those reasons was the reason why Frank J. Thul, vice president First National Bank, St. Charles, Minn., wore them on his bank job last week, with sweater in place of customary white collar. It was to be in step with the local farm celebration.

★ ★ ★

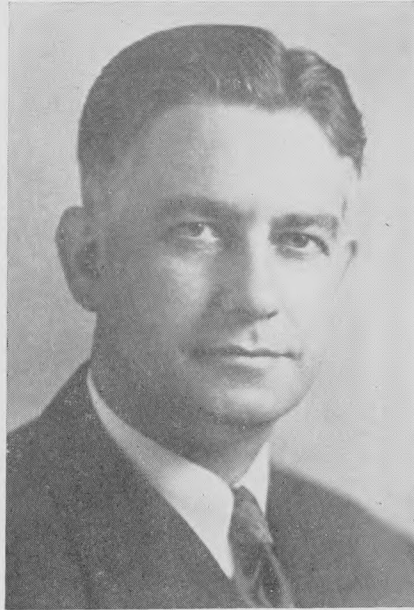
Giannini on "Whose Money?"

In a recent address to the state-wide staff of his Bank of America, San Francisco, President A. P. Giannini said:

"Well, whose money is it? Who puts money in the bank? You; your friends; your neighbors. It's not bankers' money at all. It is money put into the bank for safekeeping and for convenience . . . and when the owners of that money want it back it must be available to them. It is the bankers' responsibility to care for that money, to hold it ready to return to its owners on demand, and meanwhile to put some of it to work where it will aid all the functions of business and then return safely to the bank.

"To the banker this is elementary. But we must not keep this knowledge to ourselves. If we do, we will go on being misunderstood. The only thing a sound banker needs to fear is ignorance."

Named Bank Counsel



MALCOLM B. McDONALD has been appointed general counsel by First National Bank & Trust Co., Minneapolis. (Story in this issue.)

Los Angeles Changes

Arch W. Anderson, president California Bank, Los Angeles, announces the following changes: Appointment of Ben Chaffey to manager of Hollywood-Vine office, promotion of J. Magoffin from assistant manager to manager of Sixth and Grand office, and assignment of B. A. Beckham, manager, to Vermont and Jefferson office.

Banker Ole on Bonds

In the COMMERCIAL WEST Wealth Belt there are hundreds, more properly thousands, of bankers of Scandinavian extraction. One of them received an inquiry the other day from a Twin Cities investment dealer about where he was buying his bonds now-a-days, said dealer (being on his toes) having noted a recent increase in the bank's securities. Here's what the banker (names deleted on purpose) wrote right back on the dealer's letter of inquiry:

"Ve ente baen buying any bonds. Yust buy \$7,000.00. Village of Certs. of Indebtedness and some of them Roosevelt bonds vat don't draw much interest. Yau see vie are fraid of Income Tax and vie tank de be reglar Cleveland Panic if it var not now for the armament shot in the arm. Some people tank Roosevelt still is good Moses, so dat it is hard to tell how many eggs Willkie got to use before price come up. I tell Delano to go cash and carry. Val he say, who are those two old people?"

★ ★ ★

Windom Improvements

First National, Windom, Minn., is receiving plenty of favorable comments from its customers on the improvements recently completed on its building. The bank removed the old caging, making for much more light at the working counter, also took down the old grills. Fluorescent lighting was installed, too. All in all, the bank has a fine, "new," modern home in line with similar improvements being made quite generally by banks.

From present indications the Twin Cities and Northwest will be well represented, as usual, at the annual convention of the U. S. Savings & Loan League, to be held Nov. 13-15 at the Palmer House, Chicago.

KING MIDAS FLOUR MILLS

DIVISION OF
VAN DUSEN HARRINGTON CO.
MINNEAPOLIS, MINN.

. . . Daily Capacity 6500 Barrels . . .

Manufacturers of

SPRING WHEAT FLOURS
DURUM PRODUCTS
RYE FLOURS



INFLATION

(Continued from page 10)

Coolidge's, his reforms and improvements are hollow political promises and he may be the worst friend that the farmer, labor and the poor man have ever had?

Our statistics clearly showed the inflation of commodities in 1919 and the coming collapse, they showed the inflation of stocks in 1929 and coming crash, examine them now as to the developments since 1932.

*

Gold has increased from \$3,800,000,000 in 1932 to the prodigious sum of \$22,000,000,000 at the present time. This is largely due to the change in price of gold, Roosevelt paying \$35 per ounce against the former price of \$20.

This has also increased world gold production enormously, most of it coming to this country.

At first thought we may feel pleased to see so much of the world's precious metal accumulated here; as bankers it must cause us a good deal of worry. Congress raised the price of silver so that China could buy more from us. As the bankers warned Congress it would do, our high price of silver drew all the silver out of China and bankrupted that country in 90 days.

After the Civil War, a few private speculators started cornering the supply of gold in this country and a panic ensued. The United States government broke that corner, branded those men as traitors and a menace to the country.

Over the past eight years the U. S. government has done that same thing to the whole world. It has cornered the world's gold supply. The result has been a break-down of world trade.

Just as small gold supplies in 1919 and 1929 brought on liquidation, so will large gold supplies encourage expansion and inflation. If the inflation should become commensurate with our gold holdings, owners of government bonds and other fixed income would lose up to 80 per cent of their purchasing power. After the rise in prices, gold would leave the country and we would be in for a crash that would make 1919 and 1929 seem like a Sunday school picnic.

*

The next column, loans and investments of all banks, shows a remarkable paradox.

With such tremendous gold holdings, low interest rates and large excess reserves, bank credit has only expanded 10 billion dollars during Roosevelt's two terms and is several billions short of 1929 high.

Under Woodrow Wilson bank credit expanded 20 billions into a new all-time high, and under Coolidge it expanded 20 billions, from the 1922 low point, into another all-time high.

We do business with bank checks, so bank credit and its use measures our national income.

Under Roosevelt, the results have been unsatisfactory; this year's income, getting up to 74 billions is about where it was in 1923 and 11 billions below the income for the years 1926, '27, '28, and '29.

The difficulties our presidents have in being the nation's head banker is indi-

cated by the results. Coolidge was a "down-east" Yankee and conservative to his finger-tips, yet his administration developed into the wildest period of inflation modern America has seen.

Roosevelt promised "reflation" and a return to the 1926 price-level, yet his administration has seen the continued deflation of everything except the national debt and the price of government bonds. The stock market as measured by the Dow-Jones industrial average is between hay and grass, neither very high nor low. The railroads and utilities, which have been most affected by government policy, are down near panic prices. Government bonds, and here is the key to Roosevelt's banking theories, are at the highest price in history.

Measured by decline in yield government bonds have experienced as great an inflation as commodities in 1919, or stocks in 1929. This has been accomplished by: First, setting up a tremendous machine of banking and monetary inflation; second, discouraging the flow of funds into private business by policies of taxation, reforms and government competition. This has forced funds into government bonds and the tax-exempt feature has given them a great and unfair advantage over private issues.

*

You bankers know that in your business you have three outlets for deposits; they are commercial loans, collateral loans and investments.

The President of the United States has the same problem in controlling the bank credit of the nation. Woodrow Wilson's commodity inflation was financed through an expansion of commercial loans of the entire banking system. Coolidge's stock market boom was made possible by dangerously over-expanded collateral loans. Roosevelt's government bond market boom has been accomplished through continued growth and expansion of the nation's banks' investment account.

The Federal Reserve System as a whole has about as much bank credit tied up today in government bonds as it had in collateral loans on securities in 1929 and commercial loans in 1919.

Some of you bankers may be startled if you check your own banks. In many cases the same proportions are true for the individual bank.

On page 193 of the Federal Reserve Bulletin for March, 1940, is a graph showing that loans of member banks increased \$10,000,000,000 during the stock market boom. These have contracted 12 billion dollars since 1929 and are now lower than they were in 1921.

Meanwhile, from 1929 to 1940, member bank investments have expanded 11 billion dollars. As bank credit has come out of an inflated stock market it has gone into inflating the government bond market.

That is bad banking and we have suffered part of the consequences as we went along.

A financial policy which causes high prices for government bonds mathematically and mechanically causes low commodity prices, poor business and unemployment. If business is good and com-

modities rising no one wants government bonds. If, after taking us off the gold standard, Roosevelt had permitted a reflation of prices as he promised, and had opened up international trade, I believe we would have had better business, less unemployment and higher farm prices over the last seven years, and without increasing the federal debt.

That would have required the expansion of private business, prevented vast humanitarian experiments and kept millions of voters off of this administration's payrolls.

*

But the real troubles resulting from this latest adventure in political banking are just arising and will continue to develop more seriously in the future.

*

For example: How are we going to pay for our armament program?

This year, Congress is spending 15 billion dollars, eight billion dollars for armament and seven billion dollars for other purposes. But the government's income will be less than seven billion dollars, despite higher taxes. Complete armament will cost 50 or 60 billions. Active participation in the war would mean expenditures of 100 to 150 billions.

In 1916, we had a federal debt of one billion. In three years it jumped to 26 billions and with that small debt, government bonds dropped in price until they yielded 6 per cent.

Prudent nations will reduce their national debt in peace times to insure success and safety when war comes. What good has been done over the past seven years by increasing the debt, is more than offset by the burden of such a load as we face this emergency.

*

What will this mountain of national debt do to the reforms, in which the New Dealers take such pride, and which we all hope may be made practical and workable?

What would a decline in the price of government bonds to a 6 per cent yield basis do to them? I have seen figures which claim that a decline of just 10 per cent in the price would not only bankrupt our insurance companies and banks but would bankrupt the Federal Deposit Insurance Corp., which insures our bank deposits. I have never seen that statement denied but it has been answered many times with the assurance that government bonds cannot go below par.

*

How would you like to be President of the United States when several million of present day workers come for their old age and unemployment insurance? With the debt so large it is difficult to pay the interest, with taxes so heavy the people are rebelling, where would you get the money to make good that social reform?

How would you like to be running Henry Wallace's ever-normal granary when the government can no longer borrow? By that time every school and church will probably be filled with farm products stored by the government, while our former customers buy from our competitors.

*

The New Dealers have one solution to all these problems. It is this: The price of government bonds can never go below

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TO FIT
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COMPANY, INC.

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NORTH DAKOTA
State and Municipal Bonds

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Federal
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Insurance Funds. Financial Statement
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Every Week!

THE NEWS WHILE

IT IS NEWS

COMMERCIAL WEST

par because our banking and monetary system has been changed so that the government can pay off all bonds at par as fast as they are presented. Since we are off the gold standard that means U. S. government bonds are redeemable in paper money. And since there is no limit to the amount of paper money that can be printed there is no limit to the amount of bonds which may be issued.

After the experiences of 1919 and 1929, it is easy to see what is happening. Just as Wilson created a war boom with Federal Reserve System credit against commodities at inflated prices; just as Coolidge accomplished a peace-time boom with bank credit issued against common stocks at inflated prices, Roosevelt is using our banking system to inflate government bonds and thus finance his program.

Our objection to the New Deal should not be that it is different, but because it is the same type of unsound banking as followed by Wilson and Coolidge. Roosevelt's inflation machine is larger and streamlined, higher powered, with the headlights, horn and brakes removed.

And we can foretell the ending of New Deal inflation by what happened in 1919 and 1929.

Just as inflated commodity prices created an over-supply that broke the market; just as inflated stock prices smashed Wall Street, so will inflated government credit someday see such an over-supply of government bonds that a stampede from them will ensue.

When that day comes, New Deal reforms will be just as good as the paper money in which they are redeemed.

When governments control capital, private business slows down. Unemployment and low farm prices lead to armament programs to keep the people busy; and armament programs generally lead to war.

There is only one solution to unemployment, low farm prices and wars. As the use of labor-saving machinery makes it easier for fewer people to produce our foodstuffs and raw materials, we must expand old industries and invent new ones to keep our people busy and to keep the standard of living moving upward.

We must do that for ourselves and join with other nations so that world-wide prosperity insures universal peace. In this great task central banking, controlled by the governments, cooperating with other governments, encouraging the private operation of industry and agriculture must play the leading role. If such vast billions can be raised the world over by central banking for war purposes, think of the paradise that could be created through international cooperation and the financing of peace-time pursuits on such a vast scale.

In this country our Federal Reserve System is a good type of organization of central banking. It is operated by men of character and ability. Our presidents have been the finest types available but they must use the vast resources of our central banking system, not for sensational results during their own administration, but for the long-term good of the country, with an appreciation of international repercussions.

They should have the benefit, and use, the experience of our ablest bankers.

The history of the past 26 years suggests the need of a banking commission, non-political, ably staffed, amply financed; to study world and domestic conditions, advise the people and steer the president.

We have the Interstate Commerce Commission to do that for one industry alone, transportation.

Should we not have such a commission for banking, upon which production, transportation, processing, utilization and international trade depend?

Sound banking is the basis of sane and peaceful living.

We, and the whole world, need it.

New Airline Service South

Mid-Continent Airlines, Inc., started its new route flight, Twin Cities to St. Louis and Kansas City via Des Moines, Friday this week with round trip daily service. Split service is operated from Des Moines, one leg being to Kansas City, the other to St. Louis. Ship leaves Minneapolis Wold-Chamberlain Airport at 8:20 a. m. daily, arriving Rochester 8:53; Des Moines, 10:14; Ottumwa, 11:07, and St. Louis, 12:25 p. m. Time on the Kansas City leg is the same out of Minneapolis and to Des Moines, with arrival Kansas City at 12:12 p. m.

Elapsed sailing time Minneapolis to St. Louis is four hours, five minutes, to Kansas City three hours 53 minutes. Route from Minneapolis to Des Moines is via Rochester. Later, when airports are completed, Mason City and Quincy will be added to the routes.

Ships are the "Lockheed Lodestars," part of a new fleet put on about two months ago. They carry 14 passengers each, have two pilots and a flight steward. Service includes passengers, mail and express.

This flight approval is the first a major line service has been granted by Civil Aeronautics Board in the past year and provides Mid-Continent now with wide-spread Mid-West service.

Goodwill Tours

Members of the Minneapolis Civic & Commerce Association are being lined up for more one-day trips to industries in nearby cities. Present plans include Chaska, American Beet Sugar Co.; Mankato, Carney Co.; Faribault, woolen mill; Northfield, Milk Products Co.; Red Wing, potteries plant.

Wirt Wilson of Wirt Wilson & Co.'s general agency in Minneapolis, says business is being held up by the elections, "but the boys are plugging along and we are hoping for the best."

. TABS .

STYLE NOTE: British stylist David Kidd, in Hollywood, predicts that World War II is going to return women's clothes to short skirts, full tunics and frills of World War I.

*

The *Annalist*, weekly financial publication of the New York Times Co., has been sold to McGraw-Hill Publishing Co., New York, and will be combined with *Business Week*, beginning with the Nov. 2 issue.

*

Stewart-Warner Corp. stresses the fact that refrigerators no longer can be rated as a seasonable item, is launching a new advertising and merchandising campaign that includes a finance plan.

*

Custer County Bank, Custer, S. D., has joined the Federal Reserve System.

*

Catherine Niehaus, Andover, S. D., has become bookkeeper at the Farmers State Bank, Richardson, N. D., succeeding Bernell A. Forster, who has accepted a position as assistant postmaster at Richardton.

*

Oregon Bankers Association's 1941 convention will be held at Gearhart, June 9-10.

*

That Chicago bank employe who was accused of embezzling some \$40,000 in August, and who was arrested when he called for his pet dog at a kennel near Minneapolis, has pleaded guilty.

*

The Bank of the Manhattan Company of New York has appointed Walter P. Andrews, assistant cashier, as its representative in the South Atlantic states. He will be associated with Graham B. Blaine, vice president. Mr. Andrews has been one of the bank's Mid-West representatives.

*

Harvey D. Gibson, chairman of the New York Worlds' Fair of 1940 is authority for the statement that the Fair has a net operating profit of \$4,150,792, not including advance sale of tickets or interest on debentures. In addition, the trustees hold \$1,635,651 for the retirement of the debentures. He predicts that total attendance this year will be between 17,000,000 and 18,000,000.

*

Guaranty Trust Co., New York, has appointed Walter E. Eitner and Edward

Donlan, Jr., second vice presidents. The former was assistant secretary, the latter assistant trust officer.

*

New president of the North Dakota Association of Welfare Boards is Mrs. Earl Shaw, wife of the vice president of the Fargo National Bank, Fargo.

*

For bum luck at hunting we nominate W. F. Beck, vice president and general manager City Investment Corp., Mankato, Minn., who got nary a bird on a trip made with friends the other week-end. Not so, though, his friend, F. A. Buscher, executive vice president and cashier National Bank of Commerce, who, in another party, got the limit.

*

Emil Schram, RFC chairman from Washington, was speaker at a luncheon at Lowry hotel, St. Paul, Thursday, broadcast over KSTP in the evening.

*

L. A. Hill, acting director Minneapolis region Wage and Hour Division, announces payment by Red River National Bank, Grand Forks, of \$1,330.50 back pay to 23 employes.

*

"With a few more brands of dog food pushing their way into an already crowded market, the poor pup that can't read is going to find himself at an awful disadvantage."—Advertising Age.

*

Total unemployment in the U. S. was reported at end of August by the National Industrial Conference Board as 7,657,000. The 1937 low was 5,066,000.

*

Dan B. Noble, Lewistown, Mont., has been appointed agricultural agent for the Milwaukee Railroad in Idaho and Washington, and Evan W. Hall, Aberdeen, has been named to the same position for Montana. Mr. Noble's headquarters will be at Spokane and Mr. Hall's at Lewistown. Both are experienced agriculturalists and each has served several years in similar capacities with the Milwaukee.

*

Savings effected chiefly through low contract prices, obtained by highly competitive bidding on work and materials, have enabled the Minnesota State Highway Department to improve, by maintenance operations, over 500 more miles

5194

LAND TITLE SUMMONS

STATE OF MINNESOTA
COUNTY OF HENNEPIN—ss.

District Court, Fourth Judicial District.
In the matter of the application of Florence E. Street to register the title to the following described real estate situated in Hennepin County, Minnesota, namely:

Lots ten (10), eleven (11), twelve (12), thirteen (13), fourteen (14), fifteen (15), thirty (30), thirty-one (31), thirty-two (32), thirty-three (33), thirty-four (34), thirty-five (35) and thirty-six (36), Block seven (7), "Replat Blocks 1, East 1/2 of 2, 7 and 8 of City of Attraction Addition, Osseo, Minnesota," according to the plat thereof on file or of record in the office of the Register of Deeds in and for said county of Hennepin;

Applicant,
vs.
Arnold C. Hewitt, Lila C. Hewitt, Harry A. Martin, Alyce Martin, Charles H. Oswald, Tina Oswald, The Farmers and Mechanics Savings Bank of Minneapolis, Lindsay Bros. Company, Jacob W. Chaffee, Mary E. Savage, and all other persons or parties unknown, claiming any right, title, estate, lien or interest in the real estate described in the application herein,
Defendants.

The State of Minnesota to the above named defendants:

You are hereby summoned and required to answer the application of the applicant in the above entitled proceeding and to file your answer to the said application in the office of the clerk of said court, in said county, within twenty (20) days after the service of this summons upon you, exclusive of the day of such service, and, if you fail to answer the application within the time aforesaid, the applicant in this proceeding will apply to the court for the relief demanded therein.

WITNESS, GEO. H. HEMPERLEY, Clerk of said court, and the seal thereof, at Minneapolis, in said county, this 12th day of October, A. D. 1940.
(SEAL)

GEO. H. HEMPERLEY, Clerk,
By E. J. STOCKDALE, Deputy.

BLEECKER & BABCOCK,
Attorneys for Applicant
934 McKnight Bldg.
Minneapolis, Minn.

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J. R. Colbeck V. P. & Tr. Off.
J. E. Brown Cashier
J. C. Buckley Assistant Cashier

Member Federal Deposit Insurance Corporation

No. 14440.

Treasury Department

Office of Comptroller of the Currency

Washington, D. C., October 19, 1940.

Whereas, satisfactory evidence has been presented to the Comptroller of the Currency that University State Bank of Minneapolis, Minneapolis, County of Hennepin, State of Minnesota, has complied with all the provisions of the Statutes of the United States required to be complied with before being authorized to commence the business of Banking as a National Banking Association;

Now, therefore, I, C. B. Upham, Acting Comptroller of the Currency, do hereby certify that the said University State Bank of Minneapolis, having complied with the requirements of the Statutes of the United States as aforesaid, is authorized to commence the business of Banking as a National Banking Association, under the title "University National Bank of Minneapolis."

In testimony whereof, witness my hand and Seal of office this 19th day of October, 1940.

(Seal)

(Signed) C. B. Upham,
Acting Comptroller of
the Currency.

of state trunk highways this season than were programmed at the beginning of the year.

*

William A. Reed, vice president Central Hanover Bank & Trust Co., New York, in charge of the personal trust department has gone to Washington to serve in the Navy department.

*

Hold your hats, boys, Jack Rivard is just about ready to pop that big surprise of his!

*

Press night is another of Osseo's (Minn.) year-round string of feature events. Date this year is Nov. 14.

*

Banker named to Washington post: Wayne C. Tayler, Chicago, former assistant secretary of the Treasury, nominated this week by President Roosevelt to be under-secretary of commerce.

*

There's talk of a bank merger in South Dakota.

*

Elwain H. Greenwood, secretary Oregon Bankers Association, is reported in the field in the interest of the November ballot measure proposing a constitutional amendment eliminating double liability requirements for stockholders of state-chartered banks.

*

C. H. Banning, advertising manager Minneapolis division Standard Oil Co. of Indiana, admits that he has made a good start toward a football team. That's because a third son was born to the Banning family last Saturday—and he gives promise of being just as husky an individual as his two brothers.

*

On June 29 last COMMERCIAL WEST featured the presentation to the bread-baking industry by General Mills, Inc., Minneapolis, of a white bread flour containing all the essential vitamins of whole wheat. Its trade name is Vibic flour. At the same time General Mills, Inc., offered to the bakers Vibic concentrates, also containing the vitamins, to be added to any standard white bread. Now the nation's flour milling industry as a whole will see what can be done about doing the same thing. Under direction of the Millers National Federation meetings have just been held in Minneapolis, at Kansas City, Seattle and Louisville to work out a standardization of complete vitamin content white flour.

*

Roycraft Co., Northwest distributors for Philco radios, now owns its own home, having bought the former Fawkes auto sales building it now occupies at 1625 Hennepin avenue. Some \$5,000 will be spent on remodeling, advises L. W. Cohen, president.

As readers of COMMERCIAL WEST know from seeing his clever advertising in these columns some time ago—he signed himself "the tongue-tied peddler" which is just what he isn't—L. B. Fink, the F. & E. Check Writer manager of this far-flung Minneapolis territory, is a versatile fellow. Next time he breaks out with an advertising campaign it's pretty likely to run heavily a la Chinese, at least that's our hunch after hearing that while down East lately he had tea, then next day, lunch, at the Chinese embassy in Washington. Mr. Fink and Dr. Hu Shih, the Chinese ambassador, were students together at Cornell.

*

Bill Duncan reports the following sign in window of harness and leather store next door to Art Eddy's bank in Hinckley, Minn.:

"WE DO NO BUSINESS ON
CREDIT AND DAMNED LITTLE
FOR CASH."

*

The cab driver who reported taking 20 minutes to drive from the Nicollet hotel to the Curtis in Minneapolis' terrific rain-induced traffic jam Monday at the dinner hour, didn't know how well off he was! Our street car took 40 minutes to go from Sixth street and Second avenue south to Eighth and Hennepin—seven blocks!

*

Since 1923, \$9,000,000,000 have been spent by the railroads for improvements, of which 45 per cent was for equipment and 55 per cent for roadway and structures.

*

In the Fargo Forum's series of "Notables of Fargo and Moorhead," pen-and-ink sketches including portraits and "scenes" of the subjects' careers, C. C. Wattam, secretary North Dakota Bankers Association, was featured the other day.

*

Discontinued as Postal Savings depository is the First National Bank, Hampton, Iowa.

*

Expansion of activities of its mortgage division having required the addition of another officer to the home office staff, Investors Syndicate has transferred Donald E. Ryan, vice president and director, to Minneapolis from New York.

*

All employes of Pillsbury Flour Mills Co., Minneapolis, who are drafted or who volunteer for military service will be given one month's pay, or earnings, states Philip W. Pillsbury, president. "We feel this will help some draftees who may have current bills or expenses which they will not wish to leave unpaid," said Mr. Pillsbury.




IN MINNEAPOLIS
Famous dance bands play nightly...Three
Air Conditioned restaurants...600 rooms
with bath...New Drive-in-Garage.

HOTEL NICOLLET
NEIL R. MESSICK, Manager

Since 1858

MAILING LISTS



POLK'S
Reference Book
FOR DIRECT MAIL
ADVERTISERS

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.

INSURANCE . . .

Good Will of Public is Prime Objective

INSURANCE, should the present administration be returned to power next Tuesday, has been considering pretty seriously what will happen to it.

Stalking constantly before the eyes of insurance is the spectre of federal insurance—and there are good grounds for this apprehension.

*

The questionnaires sent out by SEC to obtain a lineup on the practices of life insurance, for information of the committees of Congress, led by inference so directly toward government operation of the insurance business that 150 or more of the life companies of the nation felt it of vital importance to file with Congress a brief for insurance.

*

Even more pointed were the questions hurled at insurance men who testified at hearings. Returning from these hearings insurance men said the questions were so wholly directed to discrediting the insurance business as to leave little doubt in their minds as to the underlying reason back of them—taking over by the government of the insurance business.

*

Right now, right here in the Twin Cities, ask the head of any insurance business, be it company or agency, how the insurance business is going, and he will tell you:

"We are putting in most of our time wondering what will happen after election. There is little doubt in the minds of most of us what the trend will be, should present conditions remain in effect. It will be toward further development of public sentiment for government insurance. The life men have facing them government insurance for the draftees being called to the colors. Fire, casualty, fidelity and the other lines of property-protection insurance, need not think they will be exempt. There is evidence on all sides of government encroachment in various lines of business, and insurance need not try to do any hopeful wishing that it will not be included.

"We hear a lot of talk these days about public relations. It is a worthy promotion. If insurance wants to hold its well-earned position as private enterprise it will have to step out and do some mighty forceful and convincing public

relations work. It will have to win the public over to its side to the point where sentiment of the people for insurance will be strong enough to warn the federal government and members of Congress that insurance is one service they will not permit to be socialized.

"Our organization has not been much of an advertiser in the past. It has thought little about public relations advertising—selling ourselves and the insurance business at the same time—but from now on, believe me, we are going to spend some money for public relations advertising. And it behooves every company and every general agency to go out and do likewise.

"Winning the public to our side of the insurance business is the only way we can offset the propaganda that we see every day in the magazines and newspapers for government insurance."

* * *

Skoglund Week Banquet

More than 50 agents of North American Life & Casualty, Minneapolis, together with their wives, attended a banquet in Grand Forks, N. D., Tuesday evening, to meet H. P. Skoglund, president. The meeting was conducted in the Flickertail room of Hotel Dacotah, with Sig Bjornson, Grand Forks general agent, representing Northern and Eastern North Dakota and Northwestern Minnesota counties, in charge of arrangements.

Occasion was the conclusion of "President Skoglund Week" being celebrated by the various agents. Harold D. Shaft, North Dakota attorney, spoke on "Insurance from the Public's Point of View." George Ulseth, Grand Forks, played a saxophone solo, and Loyde Thompson led community singing. President Skoglund made a brief talk expressing his thanks to the agents for their work during the past year, which has seen an increase in the general business of the firm.

* * *

Provide for Forums

Provision for a forum to discuss problems which are of common concern to companies engaged in the writing of fidelity and surety contracts was voted at the annual meeting of the Surety Association of America, held Thursday last

Twenty-seven years of
successful

**AUTOMOBILE
INSURANCE
UNDERWRITING**

*A truly MINNESOTA Company
with a speedy, Nation-Wide
Claim Service*

Underwriters at  *of Minneapolis*

**HOME OFFICE
McKnight Building**

Minneapolis

Minnesota

★ Average Yearly Increase in
Premium Writings Last 3 Years 36%
**NORTH AMERICAN LIFE
and CASUALTY COMPANY**
MINNEAPOLIS "Since 1896" MINNESOTA
Life — Accident — Health — Hospitalization

COUNSELORS TO BANKS INSURANCE

BLANKET BONDS

One Policy covering Fidelity, Burglary,
Robbery, Messenger, Forgery, and other
important coverages.

**SAFE DEPOSIT . . . REGISTERED
MAIL . . . ALL OTHER LINES**

Inquiries Invited

**L. R. MOELLER
Executive State Agent**

Saint Paul  *Mercury*
INDEMNITY COMPANY
OF SAINT PAUL
ST. PAUL, MINN.

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

YOUR OPPORTUNITY!

OUR SYSTEM HAS DOUBLED THE SIZE
OF THIS COMPANY IN PAST 5 YEARS

A Limited number of District Agency Contracts
open at selected points in Montana, North
and South Dakota, Nebraska, and Minnesota.

POLICYHOLDER'S NATIONAL LIFE INSURANCE COMPANY

Old Line Legal Reserve

Sioux Falls, South Dakota

PIONEER INSURANCE AGENCY

WARD F. SENN, Pres.

Skilled Underwriting and Unexcelled Service
All General Insurance Coverages

754 MIDLAND BANK BLDG. PHONE: MAin 0434 MINNEAPOLIS

SINCE 1891

FIRE . . . CASUALTY . . . LIFE

"The House of Insurance"

FRED L. GRAY COMPANY

300 Midland Bank Bldg.

Minneapolis

Heat Water Electrically

LOW 1^c RATE

"For Controlled Electric Water Heating Only."

week, in the office of the association, New York City.

The vote came in response to a proposal by M. A. Craig, of the Globe Indemnity Co., who presided, for an amendment to the constitution of the association to provide for the forum. As a result, association officials said, surety executives will be encouraged to meet for discussion of general insurance problems and it is expected that eventually a series of regular forum sessions may be held.

Since its inception in 1909, the Surety association has been a clearinghouse for specific problems in the surety field, but the new step will broaden the base of discussion, company officials believe.

Arthur F. Lafrentz, president American Surety Co., was re-elected chairman of the executive committee. Three other members of the committee whose terms of office expired this year were re-elected. These members, and the companies they represent, are: Wilmot M. Smith, Aetna Casualty & Surety; Frank A. Bach, Fidelity & Deposit; T. H. Marshall, U. S. Fidelity & Guaranty. All are vice presidents of their respective companies.

★ ★ ★

Agents' Meetings

Next Thursday at the Nicollet hotel, Minneapolis, officers, committee chairmen, officers of local boards, district board chairmen and other state insurance leaders of the Minnesota Association of Insurance Agents, about 60 in number, will gather for an all-day session to organize work for the year, the session broken only for short time-out for lunch. Reports will be received from all chairmen on their plans for the year and objectives of men in the field.

*

This general meeting was preceded Tuesday this week by another all-day session at the Minneapolis Athletic Club of the rural agents committee of the state agents' association, for the purpose of studying farm insurance with the idea of simplifying various forms, broadening coverage and modernizing the rate structure, especially in Northern Minnesota, where little change has been made for a number of years. Attending were Guy E. Rolien, Milaca, committee chairman, who presided; Eugene Billeadeau, Grand Rapids, secretary; Francis McGovern, Rochester; Ray Ostrander, Albert Lea; George Parkos, New Prague, and the association officers—A. A. Hirman, Rochester, president; Roy Engberg, St. Paul, executive committee chairman, and Frank S. Preston, Minneapolis, executive secretary.

Insurance Riders

Ernest Palmer, director Illinois Insurance Department, which is the same as state insurance commissioner in most states, has tendered his resignation to John Stelle, newly-elected governor, who succeeded the late Governor Henry Horner. Mr. Palmer, it appears, was on the wrong side of the fence in the election, but as yet his resignation has not been accepted. Most insurance men in this section feel that his resignation would be a serious loss, not only to insurance but to the public. Mr. Palmer bears an enviable reputation as a commissioner, having been instrumental in obtaining some very important laws for protection of the public as well as in the general interests of the insurance business.

Western Life, Helena, Montana's own insurance company, has been making some mighty fine progress in recent years, but the largest business for any one month in the past decade of the company's history came in September to commemorate the 30th anniversary of the company. The fine September job, the company reports, "cinches" definitely a volume of \$50,000,000 in force at the close of this year.

Annual meeting of the Surety Associa-

tion of America was held the other day at the association's conference room in New York City. M. A. Craig, Globe Indemnity, was chairman of the meeting. Agenda included election of four executive committee members, reports from officers and sub-divisions in charge of agency, contract and financial guaranty bonds, fidelity, bankers' blanket bonds, court and judicial, depository, public official and forgery bonds and claims.

Edward C. Anderson, educational director Connecticut Mutual Life, Hartford, told members of the Paul K. Adams agency, Minneapolis, the other day at an agency meeting that in the first nine months of this year business had shown an increase of better than \$6,500,000 over 1939, more than \$75,800,000 of life insurance protection having been put on the company's books since Jan. 1.

William H. Laird, manager engineering department Marsh & McLennan, Minneapolis, was featured speaker at the first fall meeting Oct. 15 at Hotel Radisson of the Insurance Buyers Association of Minnesota. His subject was "Fire Insurance Rates and Fire Insurance Protection," in the course of which he emphasized advantages of analyzed and full protection programs.

Oscar J. Eastman of Northwestern Fire & Marine and Twin City Fire, Minneapolis, says most of his business week-ends lately has been trying to take care of the boys from country sections who want to see the football games. Oscar, by the way, went to Chicago this week to close

up some deals that have been in the suspense file.

Frank Preston, White-Preston agency, Minneapolis, executive secretary Minnesota Association of Insurance Agents, has just put out a bulletin announcing that the association is now starting its new fiscal year with the largest membership in its history. For all of which Secretary Preston gives unqualified credit to the membership committee and some mighty fine hustling by various members of the association.

H. P. Skoglund, president North American Life & Casualty Co., Minneapolis, announces that his company will arrange to suspend health and accident or hospitalization insurance in his company during the one-year period of service draftees. Upon return to civilian life the policies will be reinstated without penalty or loss of privilege.

Edward C. Huhnke, newly appointed Minneapolis manager for Maryland Casualty Co., expects to take over the management in Minneapolis about Nov. 18. At present he is arranging his agency affairs in Duluth so that the change-over can be made with as little disturbance as possible to his Duluth and Northern Minnesota business. Mr. Huhnke is a member of the MacGregor, Bradley & Huhnke Agency, Duluth, and is a past president of the Minnesota Association of Insurance Agents, in which organization he has consistently taken an active part.

Home Office
Near the Falls of Minnehaha
On the Mississippi River

"ALL-IN-ONE" POLICY

BODILY INJURY **PROPERTY DAMAGE**
LOSS OF OR DAMAGE TO AUTOMOBILES
(Comprehensive coverage including collision and upset.)

Unlike the usual deductible forms of collision insurance, our deductible amount may be used up through payment by the insured of several smaller losses (reported to the company) or through payment of the deductible amount in connection with a single larger loss; thereafter the policy becomes a full coverage contract and all losses resulting from accidental collision or upset will be paid in full.

THE COST IS SURPRISINGLY LOW

ANCHOR CASUALTY COMPANY

SAINT PAUL
MINNESOTA



STOCKS & BONDS

New Issue

\$2,600,000

ST. LOUIS COUNTY,
MISSOURI

3¾%

Toll Bridge Revenue Bonds

Due October 1, 1965

Price 101

•
Circular on request

•
**ALLISON-WILLIAMS
COMPANY**

NORTHWESTERN BANK BUILDING
MINNEAPOLIS
ATLANTIC 3475

M. PLIN BEEBE

*South and North Dakota bonds,
warrants and refundings.*

Ipswich, S. D.

JAMIESON & COMPANY

Stocks & Cotton
Bonds & Butter
Grain & Eggs

Commodity Brokers

•
Members

New York Stock Exchange
and Other Principal Exchanges

•
ST. PAUL—MINNEAPOLIS

•
Government — Municipal
Corporation Bonds

•
CHARLES C. RIEGER
Manager

Bond Department
Minneapolis—Atlantic 8235

RIGHT in the same old low-volume no activity rut, trades all professional, the securities markets this week traced just about the same pattern they have followed for seven straight weeks now—waiting.

Waiting until after the election when a short-term spurt may be looked for no matter which way the election goes. Waiting to get a line on war moves in Europe; waiting for the public to get into the markets.

Bonds, as has been the case, were more active than stocks although that isn't saying much for them. Governments show good tone with plenty of resistance on the down side.

•
Business keeps stepping along in this Northwest Wealth Belt, and if the rest of the country were as active, securities markets would have to be much higher in averages.

Member bank commercial and agricultural loans in the Ninth Federal Reserve District at \$210,000,000 are up \$19,000,000 from the June 29 figure; deposits \$602,000,000 against \$584,000,000 . . . Minneapolis Reserve Bank as of Oct. 28 reports business volume in the Northwest during September at the highest point in any recent year . . . Chief cities for the week ended Oct. 23 reported bank debits \$174,376,000 against \$157,960,000 in the same week last year . . . Twin Cities residential construction was approximately 26 per cent over the first nine months last year.

•
Nationally, the Far West, states the Bank of America, has been gaining steadily in industrial employment, payroll volume and consumer business . . . Mid-West for the week ended Oct. 23 had bank debits totaling \$1,365,796,000 compared with \$1,124,222,000 in the same 1939 week . . . Carloadings for the week ended Oct. 19 totaled 813,909 cars, 4.9 per cent under the same week last year, but 15.4 per cent over the 1938 week.

• • •

Expands Municipal Business

The Fenner & Beane brokerage and investment house has taken a strong forward step in expansion of its municipal bond business. Heretofore operated from its New York City headquarters, Fenner & Beane now has programmed institution of municipal bond departments under individual management in Chicago, New Orleans, Miami, Oklahoma City, Dallas and Houston, cities in which the house has brokerage and investment offices. These will be in addition to the New York

City department. Objective of establishing the departments in the foregoing cities (among the many in which the firm has offices throughout the U. S.) is to "spot" them in locations where a large volume of municipal bond issues originates.

•

This expansion of the municipal bond business of Fenner & Beane is in line with the definite trend of investment toward municipal and government bonds. Experience over the past several months has indicated clearly that banks and other investors are favoring those types of issues, both from the safety viewpoint and because of the fact that they are almost wholly tax exempt. Fenner & Beane, it would appear, were quick to realize this trend and prompt in preparing for it.

•

The Chicago office, under direction of Joshua J. D. Derry, resident partner, is in operation with Sam Austin of the Fenner & Beane office at Houston, Tex., as manager, and expected to be in full swing this Friday. Mr. Austin is well and favorably known in the Twin Cities and Northwest by banks, insurance companies and municipal men, and his appointment was welcomed by them. He will cooperate with the Minneapolis office of Fenner & Beane of which Vincent McLane is manager and J. Lowell Driscoll is assistant manager, specializing in municipals.

This expansion of Fenner & Beane's municipal bond business, of course, will in no way interfere with continuation on a broad national scale of the brokerage business of this old established house, but is in addition to that line and its general investment business.

• • •

Big Municipal Deal

One of the principal offerings of the week in municipal circles was a \$2,600,000 St. Louis County (Mo.) toll bridge revenue 3¾ per cent issue, made by a syndicate including Allison-Williams Co., Minneapolis. The bonds, due Oct. 1, 1965, were priced at 101.

Purpose of the issue is to provide funds for construction of Jefferson Barracks bridge about three miles south of St. Louis, near the southern boundary of Jefferson Barracks, military reservation, said by engineers to be the final link in a belt line around the greater St. Louis metropolitan district. The project is being undertaken with the cooperation and assistance of the Missouri and Illinois highway departments.

It is estimated that the first year's traffic will run around 802,660 vehicles,

with estimated gross revenue for that year of \$200,665. Net revenue is expected to be sufficient to retire this entire bond issue by 1958, seven years before maturity.

★ ★ ★

Automobile Business Trend

Visiting around in the St. Paul Midway District this week, a COMMERCIAL WEST Outfielder dropped in on the Midway Chevrolet Co., 1389 University avenue, still operating the largest used car lot in the world, still ranking tops among Chevrolet dealers of the nation . . . Found President R. R. Kriesel and Vice President Nick Dalsen up to their ears in such things as handling increased business in 1940, estimating, like all live business men, prospects for '41, figuring out, or trying to, rather, how their business is going to come out under pressure of the new national defense taxes . . . Said Mr. Kriesel, "From here it looks like a pretty tough job ahead to work out something for net income after a business house pays all its regular taxes and the new defense taxes . . . Considering the automobile business, we look for higher prices in '41, based it would appear, on probable reduced production due mainly to manufacturers' trouble getting steel and other materials going into war equipment manufacturing, and this situation, no doubt, will be still further aggravated, as war orders are stepped up. Then, too, many of the larger manufacturers like General Motors, at least, will be called upon to manufacture war equipment." From the used car side of the situation, Mr. Dalsen said that the indications are for higher prices . . . Outside of the ultra conservative dealers, trade-in valuations have swung up pretty sharply and as I see the picture they will continue on the higher level until the peak is reached next April . . . As matters stand our new car commitments since introduction of new models in September are about double those of last year at this time."

★ ★ ★

Municipal Financing

MINNESOTA

ADRIAN — Voted — Oct. 21, \$20,000 light plant bonds by 139-47.

BUFFALO LAKE — Voted — Oct. 15, \$8,000 water main bonds by 124-12.

CAMBRIDGE — Offered — Nov. 1 at 11 a. m., \$50,000 refunding bonds for Isanti county. Denom. \$1,000. Interest 2½ p.c. C.c. \$1,500.

CROOKSTON — Awarded — \$6,416.55 water main warrants to Polk County State Bank, Crookston, as 4s.

DETROIT LAKES — Proposed — \$50,-

WHEAT
and Other Grains
By the
Truck-Load
Car-Load
Boat-Load
Any Where
Any Time

COAST TO COAST GRAIN SERVICE

CARGILL
Incorporated

Minneapolis and All Principal Markets
For Crop News, Read the Cargill Crop Bulletin

GREENMAN & COOK, INC.

INVESTMENT SECURITIES

First National Bank Building
St. Paul

WOODARD, ELWOOD & CO.

INVESTMENT SECURITIES

RAND TOWER
MINNEAPOLIS

Established 1885

H. C. SPEER & SONS CO.

MUNICIPAL, COUNTY AND SCHOOL BONDS

135 So. LaSalle St.

Chicago

NORTHERN FINANCE CORPORATION

Established 1912

Minneapolis, Minn.

SHORT TERM NOTES

PIPER, JAFFRAY & HOPWOOD, Distributors
MINNEAPOLIS

KALMAN & COMPANY

MINNEAPOLIS
McKNIGHT BUILDING
ATLANTIC 5313

Investment
Securities

ST. PAUL
ENDICOTT BUILDING
GARFIELD 3307

Commercial West Advertising Pays

Northwest Stocks

Minneapolis-St. Paul Stock Exchange

October 31

	Bid	Asked
First Bank Stock.....	11 ³ / ₄	11 ³ / ₈
N W Banco.....	11 ³ / ₈	11 ¹ / ₄
Mpls Brewing	7 ³ / ₄	7 ⁵ / ₈
Minn Min & Mfg.....	51 ¹ / ₂	53
W H Barber com.....	17	19
Brandtjen	No Trade	
Clary Hills Mines com.....	1 ⁵ / ₈	2
Diamond Iron Works.....	5 ³ / ₄	10
Emporium pfd	1	2 ¹ / ₂
Emporium com	12c	1
Yoerg Brewing	15c	35c
T C Rapid Trans com.....	1 ¹ / ₂	

Twin City Bond Traders Club

October 31

	Bid	Asked
Bank Shares A.....	12	
Bank Shares B.....	1	
Bur of Engrav 8 pfd.....	7	
Bur of Engrav com.....	1	
Filbert Corp	16.55	
Flour City Orn Iron com.....	4 ³ / ₄	5 ¹ / ₄
Franklin Coop Cry com.....	35	
Gamble-Robinson 1st pfd.....	50	
Gam-Skogmo 7 pfd.....	104	
Gam-Skogmo com	68	
Griggs Cooper 7 pfd.....	97	
Investors Synd com class A.....	4 ³ / ₄	6 ¹ / ₄
Lavoris com	40	45
Marshall-Wells 6 pfd.....	35	40
Mpls Gas Light 6 pfd.....	104	
Mpls Gas Light 5 ¹ / ₂ pfd.....	105	
Mpls Gas Light 5.10 pfd.....	101 ¹ / ₂	
Mpls Gas Light 5 pfd.....	100	
Mpls Gas Light units.....	98	
Minn Pwr & Lt 7 pfd.....	90	94
Minn Pwr & Lt 6 pfd.....	81	85
Minn Valley Can 7 pfd.....	99	
Minn Valley Can com.....	22	
Minn Valley Can tr ctf.....	3	
Mont-Dak Util 6 pfd.....	95	100
Mont-Dak Util 5 pfd.....	86	91
Mont-Dak Util com.....	7	8 ¹ / ₂
Natl Battery vot com.....	35	38
Natl Battery com (non-vot).....	31	
Natl Pole & Treat com.....	1 ¹ / ₂	2 ³ / ₄
New Eng Furn units.....	13	
Nicollet Hotel 1st pfd.....	5 ¹ / ₂	7 ¹ / ₂
Nor Sts Pwr (Del) 7 pfd.....	83	88
Nor Sts Pwr (Del) 6 pfd.....	74 ³ / ₄	79 ³ / ₄
Nor Grey Lines \$6.50 pfd.....	106	
Nor Grey Lines com.....	29	
N W Airlines com.....	13	14 ¹ / ₂
N W Fire & Mar com.....	23	
N W Natl Life Ins com.....	10 ³ / ₄	12 ¹ / ₄
N W Pub Serv 7 pfd.....	92	96
N W Pub Serv 6 pfd.....	84 ¹ / ₂	88 ¹ / ₂
Otter Tail Pwr \$4.50 pfd.....	99	
Otter Tail Pwr spec com.....	145	
Pioneer Grav & Eq pfd.....	37	
Pioneer Grav & Eq com.....	1 ¹ / ₂	
Russ-Mill Mill pfd.....	102	
Russ-Mill Mill com.....	70	75
St P Fire & Mar com.....	240	250
St P Union Stkyds com.....	29	32
Title Ins com.....	48 ¹ / ₂	
Toro Mfg com.....	6	9
Truax Traer Coal Co 5 ¹ / ₂ pfd.....	68 ¹ / ₂	
Twin City Fire Ins com.....	17	
Union Pub Ser 7 pfd.....	79 ¹ / ₂	
Union Pub Ser 6 pfd.....	73 ¹ / ₂	
Weyerhaeuser Tim com.....	32	35

000 sewage disposal plant bonds.

DODGE CENTER—Election—Nov. 5, \$15,000 funding bonds.

DUNNELL—Voted—Oct. 8, \$3,000 community building bonds by 55-19.

MINNEAPOLIS—Proposed — \$5,000 bonds to finance purchase of site for playground for Morris Park school.

MONTICELLO—Awarded — \$10,000 general bonds to J. M. Dain & Co., Minneapolis, as 2s.

MORRIS—Awarded — \$6,000 certificates of indebtedness to Citizens Bank, Morris.

PEQUOT LAKES—Awarded—\$50,000 school refunding bonds to Allison-Williams Co., Minneapolis, and associates, as 3¹/₂s.

PLAINVIEW — Awarded — \$46,000 sewer district No. 1 general obligations, to Northwestern National Bank & Trust Co., Minneapolis, and Mannheimer-Caldwell, Inc., St. Paul, as 1³/₄s.

REDWOOD FALLS — Offering—Nov. 4 at 8:45 p. m., \$3,500 certificates of indebtedness. Denom. \$350.

ST. JAMES—Awarded—\$30,000 street improvement certificates, to Northwestern National Bank & Trust Co., Minneapolis, as 1¹/₂s.

ST. LOUIS PARK—Offering—Nov. 12 at 8 p. m., \$7,850 sewer warrants. Denom. \$350, \$500 and \$1,000. Interest 5 p.c.

ST. PAUL—Proposed—\$360,000 relief bonds for Ramsey county.

VIRGINIA—Awarded — \$70,000 water, light and heat plant bonds to Northern National Bank, Duluth. Interest 1³/₄ p.c. Prem. \$440.50.

MONTANA

BIGFORK — Awarded — \$5,649.81 refunding bonds to State Board of Land Commissioners, as 3s.

BIG TIMBER — Defeated — \$36,000 county high school bonds for county high school district, Sweet Grass county.

EMIGRANT—Election—Nov. 5, \$40,000 bridge bonds.

GREAT FALLS — Election — Nov. 5, \$850,000 state college building bonds.

MISSOULA—Offering—Dec. 4 at 10 a. m., \$105,696.77 refunding bonds. Interest 3³/₄ p.c.

WINNETT—Awarded — \$15,000 gymnasium bonds for school district No. 159, Petroleum county, to State Board of Land Commissioners, as 2⁵/₈s.

NORTH DAKOTA

MANDAN — Election — Nov. 12, \$24,500 armory building bonds and \$14,000 swimming pool bonds.

NORTHWOOD — Awarded — \$12,000 street improvement bonds to E. J. Prescott & Co., Minneapolis.

PARK RIVER—Election—Nov. 5, \$3,000 water bonds.

ROLLA—Awarded—\$5,000 certificates of indebtedness for Maryland school dis-

Calendar of Bond Sales

MONDAY, NOV. 4

Redwood Falls, Minn.—At 8:45 p. m., \$3,500 certificates of indebtedness. Denom. \$350.

Columbia Heights, Minn.—At 8 p. m., \$55,000 refunding bonds of independent school district No. 65. Denom. \$1,000. Interest 3¹/₂ p.c. C.c. \$1,000.

Little Falls, Minn.—At 8 p. m., \$14,000 certificates of indebtedness. Denom. \$1,000. Interest 4 p.c. C.c. 5 p.c.

THURSDAY NOV. 7

Franklin, Minn.—At 8 p. m., \$19,000 sewer system bonds. Interest 3 p.c.

TUESDAY, NOV. 12

St. Louis Park, Minn.—At 8 p. m., \$7,850 sewer warrants. Denom. \$350, \$500 and \$1,000. Interest 5 p.c.

SATURDAY, NOV. 16

Mitchell, S. D.—\$50,000 funding bonds for Davison county. Denom. \$1,000. Interest 2 p.c. C.c. \$1,000.

TUESDAY, NOV. 19

Three Forks, Mont.—At 2 p. m., \$13,500 refunding bonds for joint school district No. 24, Gallatin and Broadwater counties. Interest 4 p.c. C.c. \$1,500.

WEDNESDAY, NOV. 20

Missoula, Mont.—Sale of \$105,696.77 refunding bonds postponed from Sept. 12.

WEDNESDAY, DEC. 4

Missoula, Mont.—At 10 a. m., \$105,696.77 refunding bonds. Interest 3³/₄ p.c.

trict No. 10, Rolette county, to Jesse Long, Rolla, as 7s.

WAHPETON — Awarded — \$3,000 township bonds for Ibsen township to George B. Keenan, Minneapolis, as 3³/₄s.

SOUTH DAKOTA

WHITE RIVER — Election — Oct. 21, \$5,000 general obligation waterworks bonds.

WISCONSIN

KENOSHA — Awarded — \$61,000 refunding bonds to Halsey, Stuart & Co., as 1³/₈s.

MADISON—Awarded—\$390,000 highway improvement bonds for Dane county, to Harris Trust & Savings Bank, Chicago; Marine National Exchange Bank, and Marshall & Ilsley Bank, both of Milwaukee, as .70s.

ONTARIO — Defeated—\$43,000 water treatment plant and sewer bonds.

The Great U. S. Gold Mystery

LIGHT on a DARK Subject

By EDWIN MEAD

Chevy Chase, Maryland
Former Minneapolis Publisher

THE September issue of the Federal Reserve Board Bulletin carries an explanation of the operation of the gold purchased by the Treasury Department and also answers some inquiries from a curious public. When the figures are published each week of the "monetary gold stocks" held by the Treasury, now over 21 billions of dollars, many people have wondered why some of this gold is not used to finance the national defense program and other large outlays. The Reserve Board explains this as follows:

"As fast as Treasury purchases of gold are made gold certificates are issued for like amount to the Federal Reserve Banks," so "gold is kept in use, much as though it was coined and put in circulation. There is no increase in the public debt, as the Treasury recovers its purchases of gold by the issuing of gold certificates, getting credit on its account with the Federal Reserve banks, as these certificates are deposited with the banks."

Such is the explanation by the Reserve Board in answer to letters it has received. It states further that, "under the law, title to all the monetary gold in the United States is vested in the federal government."

Some students of monetary matters, after reading that the Federal Reserve banks, according to their weekly statements, hold 18 billions of gold certificates, have wondered if legal title to that amount of gold, the 18 billions represented by the certificates, was not transferred to the banks. To the lay mind the "monetary gold stocks," or "assets" reported by the Treasury and the "gold assets" in the Reserve Banks' reports seem to be the two sides of the same "pot of gold."

Last July the Saturday Evening Post carried two articles on the "Danger in Our Gold Situation" by Harry Scherman. These articles are now to be had in book form, published by Simon & Schuster. Mr. Scherman discussed many features of the unusual gold situation, under which this country has come into possession of about two-thirds of the gold

stocks of the entire world. Most of this vast accumulation has, of course, been due to the boost in the price of gold from \$20 to \$35 an ounce, put in effect several years ago and still in force.

Since the present war in Europe started, much additional gold has arrived here that is ear-marked and held for safe keeping, but is no part of our Treasury purchases.

Mr. Scherman calls attention to the adverse effects of the "gold prohibition law" which has been in force since 1934 and which makes it unlawful for any individual to hold monetary gold, or gold certificates. The only other great nations having such a law are Russia, Germany and Italy, all dictator-ruled countries. We seem to be listed in that class, by reason of our gold policy.

Everybody knows why the dollar was devalued from 100 cents to 59 cents. It was an effort to raise the general level of prices. It was soon admitted by its sponsors that the plan failed to accomplish that result.

Just what was the objective of raising the price of gold to \$35 an ounce, eliminating the "gold clause" in government bonds and prohibiting the circulation of gold, or even its possession, is still a mystery to most people. This September number of the Reserve Board Bulletin does not touch on that topic. Maybe the Board is waiting for some specific inquiry, or possibly the Board would prefer to pass such question along to the White House, to Governor Eccles of the Board, or to some higher authority on monetary science.

As Hamlet was wont to say—"Everybody has a business such as it is." So everybody has, not only one reason but two, for all his actions—"A fairly plausible reason and the real reason." Was it Confucius who said that, or Ben Franklin

Anyway, maybe some of the campaigners, who are now busy in all sections of the country, will get around to this gold mystery before Nov. 5 and shed some light on that dark spot.

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WEEKLY AND MONTHLY RATES
AT. 5232 L. E. Hahn, Manager

In Remodeled, Enlarged Quarters



THESE COMMERCIAL WEST Camera pictures show how Northwestern Federal Savings & Loan Association, Minneapolis, looked after its offices at 823 Marquette, ground floor Foshay Tower, had been doubled in size and completely remodeled and refurnished.

In the top picture, starting with John E. Koch, secretary-manager, in the foreground and reading toward the rear of the room, are Mr. Koch, John Kirkland, in charge of insurance; Miss Esther Johnson, assistant treasurer; John Reid, appraiser, and J. L. Gretzinger, director and appraiser.

In the lower picture, behind the counter, are Miss Johnson again, Laura Dahlquist, bookkeeper, Mr. Kirkland again, and at the front desk with the big bouquet of flowers in front of it, Mrs. D. E. Crary Mudd, assistant to Mr. Koch and in charge of public relations and new business. The house warming Wednesday and Thursday last week was a great success, hundreds of friends and customers inspecting the newly fixed-up home of Northwestern Federal.

★ ★ ★

S B & L in Minnesota

Beginning the ninth year of the Federal Home Loan Bank system, nearly 125,000 citizens of Minnesota are using the facilities of the thrift associations which belong to this credit reserve—either as investors in local associations or as members of families who have outstanding home loans from them.

This estimate was made by R. J. Richardson, president Federal Home Loan

Bank, Des Moines, serving as the central credit reservoir savings, building and loan associations, in Iowa, Minnesota, Missouri, North Dakota and South Dakota.

*

"That figure suggests the greater future usefulness of these home finance institutions to the people of Minnesota," said Mr. Richardson. "Our 41 member units in that state are located in 30 cities and towns,

so their services are available to the population of most of the non-farm area of the state. Their assets reached \$59,325,000 at the end of August, an increase of \$14,636,000 since June 30, 1939."

*

An index of the activity of associations in Minnesota during the first eight months of this year shows that savings and loan associations recorded 8,702 home loans, totaling \$22,003,000, equal to 40.1 per cent of the number and 40.7 per cent of the dollar amount of all mortgages recorded in the state.

★ ★ ★

S & L in Montana

Montana's eight federally insured savings and loan associations made home loans numbering 901 and amounting to \$2,019,080 in the first nine months of 1940 against 713 loans aggregating \$1,555,500 in 1939.

The eight institutions had home mortgage loans amounting to \$7,506,000 on their books. From January through September, the 11,155 investors in the associations placed \$1,524,750 in new savings in the institutions, and their total savings amounted to \$7,913,000 on Oct. 1. On the same date a year ago the total was \$7,450,000.

★ ★ ★

S B & L Pickups

J. C. Enright, pioneer St. Paul flour miller, first vice president and a director Minnesota Federal, of which he was an organizer, aged 76, died Thursday, Oct. 17, at his home, 457 Holly avenue. He had been ill several months.

*

Minnesota League has picked Feb. 12, Lincoln's birthday, for its Mid-Winter Conference. It will be held at the Curtis hotel, Minneapolis.

*

John F. Scott, president Minnesota Federal, as treasurer of the memorial committee will participate at Hastings, Nov. 6, in the unveiling of a memorial to the late Larry Hodgson, native son of Hastings, former mayor of St. Paul, newspaperman and philosopher.

*

Mrs. D. E. Crary Mudd of Northwestern Federal not only had her hands full last week with the reception for their enlarged and remodeled quarters, but was about as busy as she could be as general chairman and publicity chairman of the conference of North Central Regional Clubs of International Soropotimists, an organization of business women. The conference is to be held Nov. 2-3 at the Nicollet hotel.

Everything's Good at Osseo ... and "Habitant is 'Appee"

By JOE BEDORE

Osseo, Minn.,
26 Octobre 1940.

Dear M'sieu
West:

Sapree, de news
be scarce de
worse you nevaire
see.

Ev'rybodee com'
pret' scare de
odder night w'en
de yong Joe La
Brie get marry
wit' shot gun. De
Ol' Pascal LaBlanc com' to Joe's 'ouse
an' was walk behine wit' hee's granfod-
der's ol' Papineau gun. By Gar! Shee's
a beeg wan. Me, I'm can't told you ev'ry-
ting. H'anyway I'm t'ink ev'ryting com'
out tres bien.



THE AUTHOR

Hee's got beeg chew an' w'en hee's shave
you, hee's wait til hee's got beeg mout'
full an' den hee's turn an' let 'er go rite
in spittoon. Hee's nevaire miss an' dat ol'
iron spittoon ring lak bell. Lots de peep
get shave dere jus' to see de ol' man
speat.

Ev'ryting be good way down on top
of Ol' Osseo an' de habitant be ver'
'appee.

Au revoir.

—JOE BEDORE.

General Mills Conference Set

Next Wednesday at 4 p. m., Nicollet
hotel, James F. Bell, chairman of the
board General Mills, Inc., Minneapolis,
will hold the second of a series of good-
will conferences with General Mills
stockholders who reside in and near the
Twin Cities.

Having found these gatherings, first
instituted last year, of prime value in
acquainting stockholders with the aims
and objectives of General Mills, they are
being carried out again this year.

Four of these conferences have been
held already—at San Francisco, Los An-
geles, Chicago and Detroit. Minneapolis
is next in order, with one at Boston fol-
lowing on Nov. 12. That at Washington,
D. C., will be Nov. 14 and they will be
concluded at New York City, Nov. 19.

Feature of the conferences is presen-
tation of a moving picture, "The Year's
Work," which visualizes various phases
of the nation-wide General Mills, Inc.,
four milling and cereal producing opera-
tions.

Chief objective of the conferences, of
course, is to evidence to stockholders
how their interests, those of the public
in general, and those of General Mills
management are interrelated for the mu-
tual benefit of all concerned. These con-
ferences are part of the practical and
outstanding public relations program of
General Mills and have been found very
constructive as well as instructive.

5156

LAND TITLE SUMMONS

STATE OF MINNESOTA
COUNTY OF HENNEPIN—ss.

District Court, Fourth Judicial District.

In the matter of the application of Margaret
E. Kirk to register the title to the following
described real estate situated in Hennepin
county, Minnesota, namely:

That part of the Southwest Quarter (SW $\frac{1}{4}$)
of Section Six (6), Township One Hundred
Twenty (120), Range Twenty-two (22),
described as follows:

Commencing at a point Four Hundred
Ninety-eight and Three-tenths (498.3)
feet South from Northeast corner of said
Southwest Quarter; thence South Six
Hundred Thirteen and Two-tenths (613.2)
feet; thence West to center line of County
Road No. Thirteen (13); thence North-
easterly along same to a point distant
Four Hundred Ninety-eight and Three-
tenths (498.3) feet South from North line
of said Southwest Quarter; thence East to
beginning;

Also that part of Southwest Quarter
(SW $\frac{1}{4}$) of Section Six (6), Township One
Hundred Twenty (120), Range Twenty-
two (22), described as follows:

Commencing at a point in West line of
said Southwest Quarter, distant One
Thousand Forty-five (1045) feet North
along said line from the center line of
County Road No. Thirteen (13); thence
East to center line of said road; thence
Northerly along same to North line of
Southwest Quarter; thence West to North-
west corner thereof; thence South to be-
ginning;

Also North Two Hundred Thirty-two
(232) feet of that part of Southeast Quar-
ter (SE $\frac{1}{4}$) lying East of Crow River, Sec-
tion One (1), Township One Hundred
Twenty (120), Range Twenty-three (23);

Applicant,

vs.

J. Fred Larson; Ione McNeil; John McLean;
William Kirk; Walter Kirk; Lloyd H. Kirk;
Mary F. Kirk; Lester Kirk; Annie Rogers;
Eliza Bobndrier; Unknown Heirs of Kate
DeMars, deceased; George E. Marray; John
Ayd or John K. Ayd; Unknown Heirs of
John Ayd or John K. Ayd, deceased; Mary
Hurlbut; and all other persons or parties un-
known, claiming any right, title, estate, lien
or interest in the real estate described in the
application herein,
Defendants.

The State of Minnesota to the above named
defendants:

You are hereby summoned and required to
answer the application of the applicant in the
above entitled proceeding and to file your
answer to the said application in the office of
the clerk of said court, in said county, within
twenty (20) days after the service of this
summons upon you, exclusive of the day of
such service, and, if you fail to answer the
application within the time aforesaid, the
applicant in this proceeding will apply to the
court for the relief demanded therein.

WITNESS, GEO. H. HEMPERLEY, Clerk
of said court, and the seal thereof, at Minne-
apolis, in said county, this 12th day of October,
A. D. 1940.

(SEAL) GEO. H. HEMPERLEY, Clerk,
By E. J. STOCKDALE, Deputy.

BLEECKER & BABCOCK,
Attorneys for Applicant
934 McKnight Bldg.
Minneapolis, Minn.

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25 YEARS AGO

From Commercial West, November 6, 1915

AN EDITORIAL this week in COMMERCIAL WEST referring to the recent successful wireless communications between Washington and Paris and Washington and Honolulu, compares scientific triumphs of that kind with the usual blunderings of politicians the world over. It says, "The European powers are now giving the most stupendous exhibition of governmental stupidity . . . in the world's history. Piling up 20 billions or more of debt to burden the backs of many generations yet unborn, and at the cost of many millions of the best citizens, stands out as the most colossal failure in the management of governments in all time . . . Politicians who pose as statesmen, run the governmental machine at high speed regardless of the most simple, natural laws, and plunge the world in the fiery furnace that today is destroying all of Europe."

*
State bank deposits in Minnesota now total \$206,447,000, reports Superintendent of Banks A. H. Turrutin. There are 940 state banks in the state.

*
George B. Lane & Co., Minneapolis commercial paper brokers, has moved from the Security building into new offices on the eighth floor of the First National-Soo Line Building.

*
Some 800 members of the Nebraska Bankers Association met at Omaha this week for their annual convention, setting an all-time attendance record. Speakers included Jesse C. McNish, Wisner, retiring president; W. B. Harrison, secretary Oklahoma Bankers Association; John J. Arnold, vice president First National Bank, Chicago; Joseph French Johnson, dean school of commerce, New York University; W. A. Taylor, Hastings, and John Clay, Chicago livestock commission man. Past presidents were honored at a special session and awarded pins by Milton Barlow, Omaha. Another convention feature was a memorial hour for the late Henry T. Yates, Omaha banker. Officers elected are: Thomas Murray, Dunbar, president; W. B. Ryons, Lincoln, vice president; J. F. Coad, Omaha, and E. R. Gurney, Fremont, executive committeemen; William B. Hughes, Omaha, secretary (re-elected).

*
Joseph B. Thompson, deposed cashier Osseo State Bank, Osseo, Minn., was sentenced this week to 30 years' imprisonment at Stillwater.

*
Application has been filed to convert the Pine City State Bank, Pine City, Minn., into the First National, with \$25,000 capital.

*
Valued at \$125,000, insured for \$50,000, the municipal electric light plant at Rochester, Minn., burned last Saturday causing a loss of thousands of dollars and practically crippling every industry in the city.

*
Test cases instituted by four national banks of Sioux Falls in behalf of the South Dakota Bankers Association in an attempt to permanently enjoin Superintendent of Banks J. L. Wingfield from putting into effect an order requiring state banks to keep 50 per cent of their reserve deposits in state banks in reserve centers within the state, have come under advisement by the courts. The suits were brought severally by the Minnehaha National, Security National, Sioux Falls National and Scandinavian-American National Banks.

*
Building operations will be begun shortly by the recently organized Faribault Packing & Provision Co., Faribault, Minn., capitalized at \$500,000. Directors are C. W. Glotfelter, Waterville; George M. Flynn, Medford; M. E. Brooks, Charles S. Batchelder, W. T. Mollison and Alson Blodgett, Jr., all of Faribault; Carl E. Kester, Northfield, and H. E. Hanson, Cannon Falls. Mr. Blodgett is president; Mr. Glotfelter, vice president; Mr. Batchelder, secretary; Mr. Brooks, treasurer.

*
J. H. Spieker has been elected cashier of the Security State Bank, Melrose, Minn.

*
Charter has been granted the First National Bank, Durand, Wis., which succeeds the Durand State Bank. Capital is \$35,000.

NEBRASKA

(Continued from page 11)

William B. Hughes of Omaha, praising his long term of invaluable service.

In an eloquent appeal for continuation of "the American way of life," Mr. Neumann declared:

"Free enterprise and the American system of banking are inseparable; they grew up side by side, and with the one goes the other.

"Those that would destroy this system declare that our economy is completed and has reached its maturity; therefore, the State must take over the functions of business in banking; in short, a planned economy, and gradually, step by step, we are drifting in that direction, and we should take heed of these trends BEFORE IT IS TOO LATE.

"Governmental competition in business is not the American way . . .

"The huge and ever-increasing governmental debt, deficit spending as a permanent fiscal policy and unnecessary extravagance in government, should be the grave concern of all thinking people.

"We should stop and ponder how far these false premises have taken us down the wrong road, a road that is leading us into the blind alley of despair, from which painfully and sorrowfully we must eventually retrace our steps . . .

"IF OUR FREE INSTITUTIONS ARE TO SURVIVE, WE SHOULD PONDER WELL THE TREND OF OUR TIMES."

In another featured address, Fred C. Wiegman, president Midland College, Fremont, Neb., discussed "My Banker and I," explaining that "there are really four I's:"

1. The "INSTITUTION" of banking; Mr. Wiegman said, "The commerce and the government of the world depend in large measure upon the bankers," and he quoted the elder Rothschild: "My sons, aspire to no political position. They who govern are secondary; the power of rule rests in the hands of him who controls the money of the world";

2. "INTEGRITY" of character;

3. "INTERDEPENDENCE" of activity, pointing out particularly the purposes and values of bankers' organizations;

4. "INITIATIVE;" he said, "My banker is my expert on money. I expect him to know enough of the internal and international situation to advise and direct my investments. He should know my home town well, its opportunities and limitations."

Other speakers, all of whom received splendid receptions, were Dr. Paul F.

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Wanted, cashier or assistant cashiership in country bank. Nineteen years of banking and credit experience. Can invest. Minnesota or Wisconsin preferred. Address Box 757, care Commercial West.

Wanted—Position as bookkeeper or assistant cashier in county bank. Have eight years' experience as assistant cashier; Norwegian Lutheran; age 39; married. Address Box 762, care Commercial West.

Experienced banker on liquidation work, desires to locate in live bank. References, Invest. Personal call. Address Box 754, care Commercial West.

Man 44 years old, 29 years banking, open for cashier, assistant cashiership or teller in country bank. Available on short notice. Address Box 755, care Commercial West.

Experienced banker, employed, desires to locate in Minnesota. Address Box 758, care Commercial West.

Young man with ten years' experience as bank executive and with a thorough knowledge of general insurance (and with ten years' experience as salesman and salesmanager in life insurance) wishes to affiliate with reliable firm or reliable bank. Address Box 759, care Commercial West.

MISCELLANEOUS

Wanted—To buy control of a bank in Southern Minnesota. Address Box 761, care Commercial West.

If you are interested in starting a bank of your own you may find just the opening you are looking for in our Western Minnesota town. Population over 500 and we have a dandy farming territory. Good bank building available. Address H. H. Lukken, Sec., Boyd Booster Club, Boyd, Minn.

Bank opening in Western Minnesota town. Five hundred population. Large territory. Building and equipment available. Good opportunity to move, or start new bank. State full information. Address Box 756, care Commercial West.

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1940 Football

Nov. 2

Minnesota vs. Northwestern, at Evanston
Wisconsin vs. Illinois, at Madison
Ohio State vs. Indiana, at Columbus
Iowa vs. Purdue, at Lafayette
Notre Dame vs. Army, at New York

Nov. 9

Minnesota vs. Michigan, at Minneapolis
Northwestern vs. Illinois, at Evanston
Wisconsin vs. Columbia, at New York
Iowa vs. Nebraska, at Lincoln
Indiana vs. Michigan State, at Bloomington
Purdue vs. Fordham, at New York
Notre Dame vs. Navy, at Baltimore

Nov. 16

Minnesota vs. Purdue, at Minneapolis
Michigan vs. Northwestern, at Ann Arbor
Wisconsin vs. Indiana, at Madison
Ohio State vs. Illinois, at Urbana
Iowa vs. Notre Dame, at South Bend

Nov. 23

Minnesota vs. Wisconsin, at Madison
Michigan vs. Ohio State, at Columbus
Iowa vs. Illinois, at Iowa City
Indiana vs. Purdue, at Lafayette
Northwestern vs. Notre Dame, at Evanston

Cadman, economist A. B. A., New York, on "Economic and Social Significance of the Defense Program"; Dr. Melchior Palyi, Chicago, "The Turning Point of the War"; W. J. Cameron, Ford Motor Co., Detroit, who addressed a public session of the convention on the first evening; H. A. Bryant, president Parsons Commercial Bank, Parsons, Kan., "Will the American System of Banking Survive?" and Bess Gearhart Morrison, who addressed the banquet "From a Woman's Viewpoint."

*

Local committees were praised for their smooth arrangements and top-notch entertainment program, both for ladies and men.

*

Nebraska members of the A. B. A. chose these officers at their own meeting during the convention:

Vice president state bank division—E. W. Rossiter, president Bank of Hartington.

Vice president national bank division—J. O. Peck, vice president Continental National, Lincoln.

Vice president savings bank division—Henry A. Hovey, president South Omaha Savings Bank, Omaha.

Vice president trust division—David F. Davis, trust officer Omaha National, Omaha.

Member nominating committee—Henry A. Schneider, president Plattsmouth State, Plattsmouth; alternate—C. C. Neumann, executive vice president Farmers & Merchants National, Oakland.

MINNESOTA CREDIT UNIONS

Glencoe Co-Op Credit Union, Glencoe, Minn., has received final certificate of liquidation and paid out 115 per cent.

NEW NORTHWEST PATENTS

The following patents were issued Oct. 22, 1940, to Minnesota and Dakota inventors, as reported by Williamson & Williamson, patent attorneys, 925 Metropolitan Life building, Minneapolis:

Victor N. Albertson, St. Louis Park, Minn., and J. Henningsen, Minneapolis, tractor; William B. A. Cooper, Canistota, S. D., plow attachment for tractors; Frank A. Donaldson, St. Paul, backfire oil trap; Addington W. Gerber, St. Louis Park, Minn., grain distribution; Addington W. Gerber, St. Louis Park, Minn., joint for flexible spouting; Ralph W. Hanson, Minneapolis, cleaning and re-oiling device for air cleaners; Clark W. Hirleman, Minneapolis, incubator; Anton E. Johnson, Minneapolis, variable speed control for the transmission of power; Cleopatra Marcos, St. Paul, carpet weaving frame; John J. Marthaler, St. Paul, chair base; Leon H. Norby, Minneapolis, radiator shutter; Francis G. Okie, St. Paul, sheet abrasive and making the same; Francis G. Okie, Dellwood, Minn., sheet abrasive.

George F. Williamson

Ralph E. Williamson

Robt. E. Burlingame

WILLIAMSON & WILLIAMSON

TRADE
MARKS

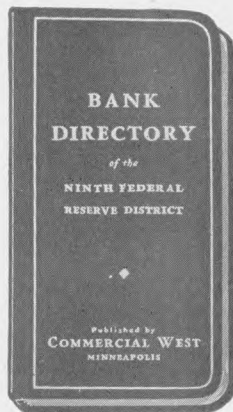
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Commercial West alone \$5.00
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AN *Old Customer . . .*

The State Bank of Sleepy Eye



FOR nearly a year after leaving his native city, Orange, New Jersey, Frank H. Dyckman worked as a clerk in a Lanesboro, Minnesota, bank. In the Autumn of 1879, however, he became so convinced of the bright future of the southwestern Minnesota settlement of Ish-Tak-Ha-Ba, or Sleepy Eye, that he determined to open his own banking house there. His scanty capital of \$500 soon proved inadequate to the growing town's financial needs; after a few months Mr. Dyckman admitted S. D. Scudder as a partner. Four years later in 1884, Hans Mo and O. W. Hagen joined resources with Mr. Dyckman to establish the Bank of Sleepy Eye. In 1891, this enterprise was incorporated as a state bank, with a capital of \$25,000. Mr. Dyckman was president, Mr. Mo vice president, and Mr. Hagen cashier.

In 1904 Mr. Dyckman died, and Hans Mo became president. Mr. Mo held this office until 1924, and continues to take an active interest in the progress of the bank. After his resignation from the presidency in 1924, he

was succeeded by George Berkner, later by H. H. Offermann, and in 1933 by E. H. Snow, the present president. Successors to Mr. Hagen, the first cashier, have been J. A. Herzog, A. D. Bertrand, and Mrs. Mary A. Wooldrik. Mrs. Wooldrik, the present cashier, is the only woman banker in her county, and plays an important role in the direction of the State Bank of Sleepy Eye. Present directors, in addition to Mr. Snow and Mrs. Wooldrik, are: Arnold Hillesheim, A. R. Kelm, Frank F. Romberg, A. A. Seidl, and John G. Wooldrik.

To President E. H. Snow, Vice President Frank Romberg, Cashier Wooldrik, and Assistant Cashier A. A. Manderfeld, "The First in Saint Paul" extends congratulations on the fine progress their institution is making . . . evidenced by present deposits of \$640,245, total resources of more than \$731,798, and a capital structure of \$91,553.55. The first entries in our correspondent account with the State Bank of Sleepy Eye were penned in our ledgers fifty years ago, in 1890.

THE FIRST NATIONAL BANK OF SAINT PAUL



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