

DECEMBER 28, 1940

# Commercial West

*Incorporating* NINTH DISTRICT BANKER  
MINNESOTA BANKER • MONTANA BANKER

PEACE ON EARTH, GOODWILL TOWARD MEN . . . SEE PAGE 15



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# Commercial West

*Incorporating* NINTH DISTRICT BANKER  
MINNESOTA BANKER • MONTANA BANKER

Volume 81, No. 1

December 28, 1940

## This Week

EDITORIAL . . . . . 6

### SPECIAL

Analysis of Bank Accounts: <i>by A. G. Sam</i> . . . . .	8
Defense Platform Speaks Mind of National Manufacturers . . . . .	9
Visiting Around the Northwest: <i>with the Outfielder</i> . . . . .	10
Washington All Agog Over Expected Sensational Proclamation . . . . .	12

### FEATURE

Coming Events . . . . .	4
The Bull's-Eye: <i>by the Sharpshooter</i> . . . . .	7
Banks and Bankers . . . . .	13
T A B s . . . . .	20
Insurance . . . . .	22
Stocks and Bonds . . . . .	26
Municipal Financing . . . . .	28
Twenty-five Years Ago in Commercial West . . . . .	32
Business Wants . . . . .	34

### AND BE SURE TO READ

South St. Paul Leads in November Hog Receipts . . . . .	19
This Calculating Machine Can Do Almost Everything . . . . .	31

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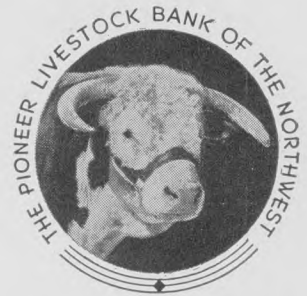
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The influence of this old-established publication thoroughly permeates the business life and home habits of the Twin Cities and the Northwest.

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

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# COMING EVENTS

## BANKING

Wisconsin Bankers Association, Mid-Winter Meeting, at Milwaukee.....	Jan. 21-22
Illinois Bankers Association, Mid-Winter Conference, at Chicago.....	Jan. 30
American Bankers Association Mid-Winter Trust Conference, at New York .....	Feb. 4-6
Minnesota Bankers Conference, at University of Minnesota, Minneapolis .....	Feb. 10-12
Independent Bankers Association, at St. Paul .....	Feb. 11-12
Group One, Iowa Bankers Association, at Sioux City.....	Feb. 12
Group One, Wisconsin Bankers Association, at Eau Claire.....	Feb. 22
American Bankers Association, Regional Conference, at New York.....	March 5-7
Central States Conference, at Excelsior Springs, Mo. ....	March 14-15
American Bankers Association, Regional Conference, at Louisville.....	March 20-21
American Bankers Association Executive Council, at Hot Springs, Va. ....	April 27-30
Illinois Bankers Association, at Chicago .....	May 26-28
American Institute of Banking, at San Francisco .....	June 2-6
Wisconsin Bankers Association, at Milwaukee .....	June 4-5
Oregon Bankers Association, at Gearhart-by-the-Sea .....	June 9-10
Minnesota Bankers Association, at St. Paul .....	June 11-13
North Dakota Bankers Association, at Bismarck .....	June 17-18
Montana Bankers Association, at Missoula .....	June 20-21
South Dakota Bankers Association, at Deadwood .....	June 26-27
American Bankers Association, at Chicago .....	Sept. 28-Oct. 2

## OTHER

Minnesota Association of Farmers Mutual Insurance Companies, at St. Paul.....	Jan. 6-11
Minnesota Implement Dealers Association, at Minneapolis.....	Jan. 7-9
Associated General Contractors of America (Central Branch), at Des Moines .....	Jan. 8-9
Associated Contractors of South Dakota, at Watertown.....	Jan. 9-10
County Commissioners Association of North Dakota, at Valley City.....	Jan. 14-16
Northwestern Lumbermens Association, at Minneapolis.....	Jan. 14-16
Minnesota Federation of County Fairs, at St. Paul.....	Jan. 15-17
Iowa Association of Painting & Decorating Contractors, at Cedar Rapids.....	Jan. 16-18

Associated General Contractors of Minnesota, at St. Paul .....	Jan. 16-18
National Automobile Dealers Association, at Pittsburgh.....	Jan. 20-23
Farm & Home Week, at University of Minnesota Farm School, St. Paul.....	Jan. 20-25
Minnesota Editorial Association, at St. Paul .....	Jan. 24-25
American Road Builders Association, at New York.....	Jan. 27-30
St. Paul Winter Carnival.....	Feb. 1-9
Twin City Fashion Week.....	Feb. 3-8
American Wood Preservers Association, at Louisville.....	Feb. 4-6
Painting & Decorating Contractors of America, at St. Paul.....	Feb. 4-7
Iowa Retail Lumbermens Association, at Des Moines .....	Feb. 5-7
Minnesota League of Building, Loan & Savings Associations, Mid-Year Meeting, at Minneapolis.....	Feb. 12
Northwest Buyers & Jobbers, Inc., at St. Paul (tentative dates).....	Feb. 15-18
Associated General Contractors of America, at Houston, Texas.....	Feb. 17-19
American Concrete Institute, at Washington .....	Feb. 18-20
Minnesota Retail Hardware Association, at St. Paul.....	Feb. 18-20
Wisconsin Retail Lumbermens Association, at Milwaukee.....	Feb. 18-20
Minnesota Well Drillers Association, at Minneapolis .....	Feb. 19-21
Minnesota Electrical Association, Minnesota Electrical Council and North Central Associated Electrical Industry, at Albert Lea.....	Feb. 20-22
Nebraska Retail Lumbermens Association, at Omaha.....	Feb. 26-28
Twin City Market Week.....	March 3-8
Minnesota Association of Insurance Agents, at St. Paul.....	March 5-6
North Dakota Retail Lumbermens Association, at Fargo.....	March 11-12
American Bowling Congress Tournament, at St. Paul.....	March 13-April 28
Northwest Builders Show, at Minneapolis .....	March 15-22
Machine & Tool Progress Exhibition, at Detroit .....	March 25-29
Midwest Power Conference, at Chicago .....	April 9-10
Master Plumbers Association of Iowa, at Marshalltown .....	April 21-22
National Association of Insurance Agents, Mid-Year Meeting, at Oakland, Calif. ....	April 21-26
Upper Peninsula Road Builders Association, at Ironwood, Mich.....	June 12-13
Minneapolis Aquatennial .....	July 12-20
Minnesota State Fair, at St. Paul .....	Aug. 23-Sept. 1

## Upped by Central Hanover

Central Hanover Bank & Trust Co., New York, announces the following appointments: Vice Presidents — G. D. Blake, John B. Henneman, C. L. Herterich, J. J. Radley, Jr., and B. W. Read.

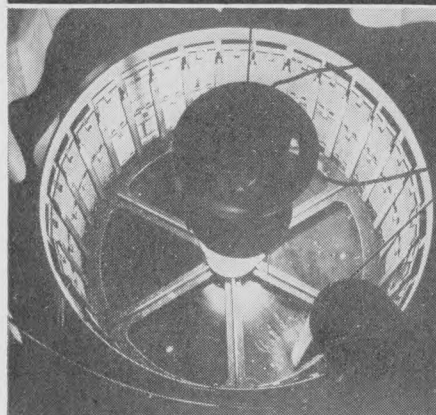
Assistant Treasurers—Robert J. Hancock and Dwight A. Horne.

Assistant Secretaries — Alfred R. Clark, Edward H. Gerry, Foster M. Hampton, Louis E. Imhof, Charles F. Maples, Grinnell Morris, G. Sealy Newell and George W. Provost, Jr.

## MORRELL DIVIDEND PAID

John Morrell & Co., meat packing house, Ottumwa, Ia., paid a dividend of 50 cents a share on its common, sending out the checks in time to reach stockholders on or just before Christmas Day.

## YEARS OF WEATHER-WEAR IN A FEW HOURS!



*The Weather-O-Meter*

*A Proving Ground for*

## NELSON'S MASTER ROOFS!

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of-the-Year Business Review and Preview Number.

Prepared in cooperation with all of these interests, this important  
issue has a ring of authority, accuracy, up-to-dateness!



*And It's Our Anniversary*

The 1941 First-of-the-Year Number will hold special  
interest. It marks the completion of 40 years of weekly  
service to the Northwest by COMMERCIAL WEST,  
and as such will mark the progress of banking and busi-  
ness in this part of the country during that long period.



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MINNESOTA BANKER • MONTANA BANKER

*Minneapolis*

*Weekly*

# EDITORIAL



## Happy New Year

AS COMMERCIAL WEST goes to press this week we have our hand on the doorknob of the New Year. We wish you all a Happy New Year, one filled with better living, better opportunity, better business.

As the 1941 picture unfolds it would appear that most of us may have this wish fulfilled.

Certainly, here in this rich Northwest Wealth Belt comprising the Twin City market, there is every prospect that we will have a good year—one of the best, perhaps, in a decade.

We have all the groundwork laid for better times, and better times in this section mean times that should continue us as the nation's bright spot. We have held that enviable position through the lean years. The augury is we will heighten it.

Seldom have we gone into winter with so excellent a prospect for crops. Fall moisture was the best in years. Early winter snows have added abundantly to that of the fall months.

From all sides come reports of better profits for business, banking, industry and all the other divisions of our economic structure. Farmers of the Northwest have had a good year, with cash income breaking previous records. The outlook is for higher prices next year and abundant production.

The defense program is speeding up employment, increasing payrolls. Demand is increasing for the products of industry outside the defense orders.

And so, we wish you a Happy New Year and believe you will have it.

★ ★ ★



## When Employer and Employee Play Ball

NOT LONG AGO COMMERCIAL WEST reported the rather unusual circumstance of the laundry drivers' union of Chicago joining with laundry owners to promote business. That is a far cry from the usual situation of employer and employe locked in the throes of destructive strikes.

But going even further than this Chicago incident is a case of employes playing ball with employers right in our own home town.

The Christmas spirit probably had something to do with the Minneapolis affair but, be that as it may, it is not impossible that there is a trend developing looking toward happier relations between owners of business and those who are paid the wages for producing their goods and service.

We refer to the holiday season entertainment program and show put on by union employes of Strutwear Knitting Co. one evening last week at which executives and stockholders of the company were invited guests. Usually it is the company which entertains the employes. And it is not so long ago that we recall there occurred the Strutwear strike that resulted in closing down of the factory for a time, removal of part of the plant elsewhere and danger at the time of the loss of the industry to Minneapolis.

This could be a good object lesson to employes and employers everywhere, particularly now while we are building our defense program.



## Banking Volunteers for Defense

BANKING has taken such an advanced step in support of the defense program, and has done it with so little lost motion, that even the most critical must now admit that banking once again has demonstrated in no uncertain terms its fealty to the public, its desire and anxiety to contribute more than its share to public well-being and to the economic progress of the nation.

No more definite expression of this attitude of banking could have been forthcoming than the unanimity of purpose and speed with which it organized itself in this section and all over the country to supply the needed loans for industry's participation in the armament and equipment of this country against the spread of the wars across the seas.

From all corners of the nation come confirming statements of this patriotic position of the banking business. President P. D. Houston of the A. B. A., the world's greatest and most influential banking organization, met with instant and total affirmation of bankers to his call for support of the defense program.

How fast the banks have worked is almost unbelievable. But here's the picture in a nutshell. Speaking before the recent A. B. A. Southwestern Regional Conference at Fort Worth, Fred F. Florence, president Republic National Bank, Dallas, said:

"America's 15,000 banks have enlisted as volunteers in the emergency of national defense and are pouring a super-abundance of capital into the manufacture of supplies and equipment demanded by our defense needs."

★ ★ ★



## Taxing Proposal for Advertising

TAXATION of advertising in magazines, newspapers and in its various other forms has not been an infrequent objective of bills in various state legislatures as well as in Congress. In times past such measures have bobbed up in the Minnesota legislature.

That the idea should make its appearance at this time in Congress in the form of the Voorhis bill introduced recently is not surprising in consideration of the fact that government will seek every possible means of bringing new taxes into support of the defense program as well as in carrying on its fast-growing regular business affairs.

While the Voorhis bill is not particularly important in itself, proposing a specific tax on outdoor advertising, it nevertheless, is an opening wedge for what may be expected as the 1941 Congress and various state legislatures assemble.

Advertising in a way has been laid open to tax attack because of the frequently heard statement that some of it is employed as a means of getting around paying excessive income taxes but, be that as it may, it has placed a formidable weapon in the hands of advertising tax proponents. It will further the arguments, supporting which they can point to the millions seemingly so lavishly spent for radio advertising.

It is apparent, therefore, that the advertising industry must gird itself for a real fight to maintain freedom from direct advertising tax attacks as well as to guard itself against laws and regulations that will hamper and cripple the industry.



## When Peace Comes

WHILE it may seem far removed from present-day thought, still it is something with which we must reckon some time—when peace comes to this presently troubled world.

We know it will come, of course. We must, therefore, be prepared for that day . . . for the reconstruction of the economic structure that will follow . . . that should be thought out before the time arrives.

We must not go blindly across the border from wartime to peacetime. That would be worse than not preparing, as we are, for the contingencies of warfare abroad that may yet come home to us.

Millions of workers will be released from war and from preparation for war. The great army we are building for training will be in line for replacement in the occupation from which the young men were taken. We will be back again to peacetime pursuits.

Our entire internal economy will have to be revised and tuned to new conditions of world affairs. They will be new, though we may say that a situation of peace is that which we have practiced for many years, that war is merely an interruption of that situation.

Business, labor, agriculture and government will have to work in unison to lessen the dangers of a post-war depression, cushion its effects should one occur. Government credit must be protected . . . There must be banking reserves of borrowing power . . . Encouragement of the use of private funds for productive facilities . . . Care that inventories are kept within bounds . . . Markets for the products of agriculture and those of our factories rebuilt on the basis of mutually agreeable trade relations.

Main assurance of the future welfare of this country lies in the potential wants of all the people and in the ability of a free enterprise and a cooperative government to provide the goods and services that will be in demand, thus creating the employment and payrolls which provide the endless chain of national happiness and contentment.

★ ★ ★



## History and Experience Speak

IF HISTORY and experience have anything to do with the attitude of banking toward support of the government's defense program then a statement by J. Stewart Baker, chairman of the board Bank of the Manhattan Co., New York city, incorporated as part of the foreword of his report to the 142nd annual meeting of stockholders, should carry a great deal of significance.

"In the financing of our armament program," Mr. Baker said, "and the strengthening of our national economy, honest differences of opinion may arise. It is our duty to take an active interest in solving our problems. While we should not hesitate to urge those measures which we believe are sound and will accomplish the results desired, once decisions are made we should cooperate wholeheartedly in carrying them out. Your directors and officers know that you want your company to take an important and helpful part in meeting the emergency which faces the United States today, just as it has in every crisis during the past one hundred and forty-two years. This will be their aim."

# The BULL'S-EYE

By The Sharpshooter



THE WAYS AND WILES of those who seek devious means of making money are many. It has often been said that if some (smart while they lasted) criminals had employed their brains and applied themselves to honest pursuits with as much energy they would have been business and industrial leaders of the nation instead of leading the lockstep.

A recent case in point is that of a bank teller in a not far distant state who devised an ingenious device to hide peculations that financed a new home and a trip to Florida before bank examiners and the law caught up with him.

He sawed lengths of brass pipe to represent rolls of wrapped coin, filled the pipes with buckshot to give them the right weight, got away with the deception for quite a while.

But always the law catches up. Called from his window for something, a rush-time substitute teller tried to use one of the phoney rolls. That was the finish.

Back years ago in my palmy days on the "police run" of a daily newspaper, I ran into some pretty nifty schemes to defraud business and the public.

I remember one fellow who blew into town with a letter (perfect forgery) from an established and reputable Eastern house authorizing him to establish a branch office. This bird was good. He put up at the best hotel, was plenty high hat, ordered mahogany furniture, opened a checking account with the big bank of the town and made a sizeable deposit.

The Chamber of Commerce opened its arms, gave him a dinner attended by the town's business leaders. He signed up for membership in the exclusive club, got into a couple of swagger social events.

Building this front took him about a month. Then came the payoff. He deposited a check on a Friday for \$10,000 from his "firm." Along with it he showed a letter authorizing him to buy property for a branch plant. The bank and everybody else took hook, line and singer. Saturday morning he advised the bank he had found a site but it belonged to a woman of foreign extraction who would take nothing but cash and he had to close the deal immediately. So the bank obligingly cashed his check for \$8,500. That was the last seen of him until the law caught up with him about a year later.

Banks are more cautious now. They wouldn't have paid until they had collected on the \$10,000 check. But that was in the good old days when everybody was making money, money was easy to get and people were not as suspicious as they are now. He would have a tough job now even getting started.

It is remarkable how far some men will go to get "hot" money for an easy living.

But the law always gets them eventually no matter how elaborate the scheme or how carefully tracks are covered.



# Analysis of BANK ACCOUNTS

By A. G. SAM

Vice President First National Bank, Sioux City



MR. SAM

**A**NALYSIS of bank accounts for many years has occupied the attention of the banking fraternity and business organizations supplying systems and supplies to banks.

The objective, of course, is to work

## Unsatisfactory ANALYSIS OF ACCOUNT

Month of \_\_\_\_\_

Total Ledger Balance		
Less 25% Reserve	?	
Net Loanable Balance		
Outstanding Items (Float) (Included here merely for memorandum)	?	

### INCOME

Earning Power on Loanable Balance	@	%	
Miscellaneous Income, If Any			
Total Income			

### COST

Handling Cost Out-of-Town Items	@	3c	
Handling Cost C. H. Items	@	1½c	
Handling Cost Return Items	@	5c	
Activity on Checks Written on Us	@	3c	
Collections for Immediate Credit, per Item	@	10c	
Cash In or Out—Per M	@	20c	
Float Charge		?	
Grouped Items	@	1½c	
Cream Checks, per Item	@	¾c	
Deposits (in excess of two per day)	@	5c	
Miscellaneous (including maintenance cost, if any)			
TOTAL COST			
NET PROFIT OR LOSS			

out a formula of procedure for arrival at a fair cost schedule and earning power of an account, as well as reasonable compensation to the bank for services above actual cost, as shown by analysis.

\*

The results of such efforts to date reflect a wide divergence in the schools of thought on this subject, evidencing a multiplicity of theories and methods.

\*

After all, what banks all are seeking is a simple, understandable method of analyzing the activity of a checking account which will give due credit to satisfactory balances and exact a fair service charge where activity outdistances the earning power of a small balance.

Illustrative of the variance referred to, here's a good example:

\*

A certain city clearinghouse association, in connection with its research work, recently sent out four specimen accounts to 20 widely scattered points, to be analyzed according to their formula in practice.

## APROPOS,

says Mr. Sam, of this whole subject is this paragraph from Prudden's Digest, Dec. 10, 1940:

"One of the best known bank consultants said to me the other day:

"It takes time for bankers to become accustomed to any new idea. In fact, by the time any considerable number of bankers become accustomed to any idea it is no longer new. I think that the so-called service charges well illustrate this. They are still fussing and fuming around with a thousand different ways, when they have had the necessity for a uniformity of method preached to them from platforms and the pages of their periodicals for over 10 years."

From these various points, the results on one account reflected a range from a profit of \$424.41 in one city to a loss of \$4.33 in another, to say nothing of wide variations at other points on the same accounts.

(Continued on page 33)

## Suggested ANALYSIS OF ACCOUNT

Month of \_\_\_\_\_

Average Ledger Balance		
Outstanding Items (Float)		
Actual Balance		
Less Reserve	7%	
Loanable Balance		

### INCOME

Earning Power on Loanable Balance	@	7½%	
Miscellaneous Income			
Total Income			

### COST

Handling Cost Out of Town Items	@	3c	
Handling Cost C. H. Items	@	1½c	
Handling Cost Return Items	@	5c	
Ledger Entries	@	3c	
Collections	@	10c	
Cash In or Out—Per M	@	20c	
Grouped Items	@	1½c	
Cream Checks	@	¾	
Miscellaneous			
Maintenance Charge		?	
TOTAL COST			
NET PROFIT OR LOSS			

## **IDEALS SET HIGH**

# Defense Platform Speaks the Mind of National Manufacturers

**T**HE Future of America! That was the thought and background of action which animated the 45th annual Congress of American Industry of the National Association of Manufacturers, held a few days ago at New York city.

Representative of leading industries of the nation, the National Association of Manufacturers is the largest and most powerful industrial organization of the country.

The Northwest is represented by Harry A. Bullis, executive vice president General Mills, Inc., Minneapolis, as regional vice president and director, and by memberships of principal industries of this section.

Considering the magnitude of this organization, therefore, and the tremendous influence it wields, the "Platform of American Industry" it adopted is of vast importance to the financial and business interests served by COMMERCIAL WEST.

\*

Citing the dangers confronting the U. S. in a world torn by war and revolution, the Platform of American Industry, defining industry says, "It is the American people themselves who make industry. They provide the capital, furnish the labor, consume the output. All have a vital stake in the process."

Industry's responsibility is set forth as, "Well-supported churches, well-equipped schools, comfortable homes, busy stores and offices, all depending upon busy farms, mines, and factories. . . . It is upon industry that the people must depend if the goods and services for both of these purposes are to be produced. It is to the free enterprise system that the people must look if the nation's defenses are to be provided in a manner which will preserve, and not destroy, the way of life they are designed to defend. . . ."

\*

"We Americans intend to remain a free nation of free men and women. We have faith in constitutional representative democracy, in private enterprise, and in civil and religious liberty as the inseparable fundamentals of our freedom.

"Among the fundamental conditions necessary to this end are the following:

\*

"1. An equitable relationship between the prices of agricultural products and the prices of other commodities.

"2. Opportunity for industrial management and labor to operate efficiently and effectively in the processes of production and distribution.

"3. Taxation carefully and intelligently adjusted to meet at least non-defense expenditures, and designed to facilitate the flow of private capital and remove uneconomic barriers to the production and distribution of needed goods and services.

"4. Avoidance of production by government of goods which private enterprise can furnish.

"5. Recognition of the value of the profit motive as a powerful incentive to

productive effort, and of the economic need for profits in industry sufficient to maintain and expand productive enterprise.

"6. Maintenance of such equitable wage rates and conditions of employment as will promote increased production and employment and a higher actual income to workers.

"7. Encouragement of the investment of private capital in production, research, and continued economic venture.

"8. Preservation of competition as the best assurance to the consumer of reasonable prices and high and improving quality of product.

"9. Maintenance of the buying power of consumers by all possible improvements and economies which will reduce costs of production and distribution."

\*

And to the end that the foregoing vital essentials may be maintained, the Congress adopted the following pledge:

\*

"To continue to defend against attack from any source the American concept of freedom — constitutional representative democracy; private enterprise; and civil and religious liberty, including freedom of speech and freedom of the press.

"Exert its utmost effort in cooperation with the government to carry out the program of national defense with all possible speed and efficiency.

"Maintain at the same time, as far as possible, production of goods and services to meet normal needs.

"To its full part to prevent or cushion a threatened post-war economic depression, by supporting and following practices which will contribute to the maintenance of a healthy economic life.

"Continue to promote, within industry, recognition and fulfillment of the economic and social responsibilities which industrial management shares with other groups for the improvement and advancement of the general welfare."

### *For the Northwest*



HARRY A. BULLIS

# Visiting Around . . .

## In the Fargo-Moorhead Area at End of Another Good Year

### With Commercial West Outfielder

**C**ONGRATULATIONS and thanks to the Fargo Forum and Mark Connolly for the timely picture story last Sunday morning of the trials and tribulations of setting up the family Christmas tree!

This was a public service, reminding all and sundry of just one of the battles the average bread-winner has to go through on his "leisure time."

The Outfielder had almost the same thing in mind last Saturday night when similar scenes took place at his home! Doubtless the same was true in every home in the world.

The photos showed Mark Connolly, of the Greater North Dakota Association, Fargo, from the time he started home with the tree—and an assortment of packages—till Mrs. Connolly and other members of the family went to the rescue and finished the job.

John, 8; Kathleen, 7, and Martha, 3, all put in their 3 cents' worth, of course, but the "story" had a happy ending . . . as where didn't it?

\*

As for Fargo, and North Dakota generally, the Outfielder last week-end found business and banking winding up 1940 on a happy note, in line with most other sections of the Wealth Belt.

Springlike weather in recent days brought great crowds of shoppers to the Fargo-Moorhead district and stores and streets were jammed.

Most merchants reported Christmas trade this year will run about equal to last year's, which was good, but this, frankly, occasioned some disappointment. As one store manager said:

"I guess we had our aim too high. We heard about streets being packed in some eastern cities which are feeling the full effect of the gigantic defense program, and had been anticipating business here this year to soar to all-time high records.

**"BUSINESS HAS BEEN GOOD,  
BUT NOT QUITE UP TO WHAT  
SOME OF US HAD ANTICIPATED.**

"The bad weather some weeks ago cut down advance Christmas buying, and while we have been doing an enormous business since the fine weather set in, we have to do a lot to offset the losses then."

\*

Actually, though, as far as we could determine, nobody's kicking. This has been a very good year and optimism is the by-word at Fargo.

\*

One good sign is increased buying of new cars and trucks by North Dakotans. Commercial Service Co., Bismarck, reports that during November passenger car sales were 1,421, up sharply from 1,023 in the same month last year, bringing the 11-month total to 11,706, against 9,415 in the same stretch a year ago. New truck sales hit 342, compared with only 236 in November last year, for an 11-month total of 3,729, against 2,579. Cass county (Fargo) led in both divisions.

Contributing to North Dakota prosperity, too, are the turkeys which most of us had on our tables at Thanksgiving and Christmas, and maybe will have on New Year's.

Produce houses at Fargo-Moorhead have shipped out 95 carloads—about 152,000 birds—this season. Dealers say the birds average around 12½ to 13 pounds. On that basis they'll bring the producer an average of about 20 cents a pound, or about \$2.50 per bird.

Farmers of the area received \$380,000 from turkeys marketed through Fargo-Moorhead houses.

\*

In addition, produce buyers at Devils Lake moved more than 500,000 pounds of dressed turkeys this season, and dealers at Lisbon handled some 85 tons (170,000 pounds). Have some white meat?

Air-minded Fargoans, and there are many among top-flight business men there, are happy over the fact that \$300,000 has been allotted by the CAA airport program for improvements at Hector airport. That will pave three runways, each 100 by 3,500 feet, and do some other work.

At the same time, the Bismarck airport got \$50,000 and Grand Forks, \$11,000.

\*

Some time back, COMMERCIAL WEST referred to the probability that mustard would become important in the Red River Valley crop picture, thanks to efforts of Greater North Dakota Association to interest farmers in its potentialities.

In Fargo last week we learned from B. E. Groom, G. N. D. A. secretary, that the seed from which mustard flour is ground, formerly imported largely from Holland, Denmark and Germany, is no longer obtainable from those countries and that brokers are turning to North Dakota and Montana as possible supply sources.

Mr. Groom investigated the matter when he was in Chicago recently putting North Dakota over again at the International Livestock Show.

\*

"We use an average of about 30,000,000 pounds in the U. S.," said Mr. Groom, "and unless we can produce large additional quantities it's going to be a real problem.

"Commercial mustard has been grown in Montana and North Dakota. Montana grew about 6,000 acres last year, and produced about 6,000,000 pounds of seed.

"Yields run from about 10 to 20 bushels to the acre and it weighs 60 pounds to the bushel. Producers have been paying 6 to 7 cents a pound for the imported seed and the price has been advancing.

"It requires no special machinery, can



be seeded broadcast and harvested with ordinary grain binders and threshers or combined."

\*

Mr. Groom says they want contracts with growers who will agree to seed at least 100 acres, which they figure will result in a yield of about a carload. Mustard grows best in areas that get 8 inches or more rainfall, and it is thought the Red River Valley offers ideal opportunities.

\*

At the Chicago show, Mr. Groom told us, there were 13,562 head of livestock on exhibit, and more than 5,000 entries of grain seeds and corn. During the 10 days of the show, 562,000 people thronged the turnstiles, and educational exhibits were lined up for half a mile. North Dakota came in for lots of attention, of course.

Here's a hand to Fargo's Powers brothers for the fine job they've done in modernizing and streamlining the popular old Gardner hotel.

Tom Powers, manager of the Gardner, told us their restaurant business has more than doubled since completion of the new coffee shop. This room is fast becoming the city's most popular cafe. **YOU SEE EVERYBODY THERE.**

Lunching with Frank R. Scott, president, and F. L. Dwight, vice president and trust officer Merchants National Bank & Trust Co., we saw President F. A. Irish and Vice Presidents G. H. Nesbit and H. D. Crosby of the First National Bank & Trust Co., at the next table, and William Stern, president Dakota National Bank, at still another.

All four Fargo and both Moorhead banks told us this was a good year. Deposits are up, loans are up, total footings are up. Officers of all institutions were enthusiastic over the continued bright outlook.

\*

January's annual meetings are expected to result in a couple of major changes in the personnel of Fargo's banks. We're not at liberty to say more than that until the changes are officially made.

\*

Officers of the various banks continue to take leading roles in local business and civic affairs.

For instance, C. H. Olson, cashier of the Merchants, has just been elected president of the Fargo-Moorhead Association of Credit Men, a branch of the national organization.

For another, Ralph Butterwick, cashier Dakota National, recently was named chancellor of the Scottish Rite Dakota Consistory, and will be installed on Jan. 8.

For still another, Earl L. Shaw, vice president Fargo National, now is orator of the same organization.

\*

And so it goes. This trio comprises only some of the "outside" jobs Fargo bankers contribute time and effort to, when not running their institutions.

\*

Among others is C. C. Wattam, secretary North Dakota Bankers Association, who, as you know, is Fargo city attorney, member of one of the town's leading law firms. He's also a member of the legislative committee of the League of North Dakota Municipalities.

When we dropped into Mr. Wattam's office for a chat, we found him going over some important business with J. L. Tschida, cashier First State Bank, Golva, 'way out in Golden Valley county on the state's western border.

\*

We never talk to the First National's Mr. Irish without wondering how any one man could possibly be endowed with the 100 per cent enthusiasm for so many different works and projects and ideas that this gentleman always displays. He's a veritable bundle of energy, and is "North Dakota" clear through.

\*

Over at the Merchants, Vice President Clarke Bassett and Assistant Cashier R. H. Barry had just turned from a business trip into the country, and we found S. R. Finger, formerly of the First National, Mankato, Minn., and First Service Corp., Minneapolis, very happy indeed over living in Fargo, which he says is one of

(Continued on page 30)

## Western Mutual Life's Agents



WHEN Western Mutual Life Insurance Co., Fargo, opened its new home last summer (see accompanying story), its state-wide agent force gathered to take part in the festivities, and this photo was made on that occasion. Note the light clothes, rolled-up sleeves, etc.—"in the good old summertime." Otto Haakenstad, executive secretary, frowned on the photographer's suggestion to wear coats, etc., said this way it looked like everybody was ready to go to work! Included in the picture are President A. R. Bergesen, Fargo; Mr. Haakenstad; Otto Isaak, Fargo, vice president and agency director; Dr. T. H. Lewis, Fargo, vice president and medical director; O. S. Granner, Fargo; C. E. Cavett, Lisbon; A. F. Fir, Nome; H. C. Bowers, Regent; L. Claude Mensing, Hettinger; G. A. Wentland, Grand Forks; Charles Askegaard, Fargo; W. C. Arntz, Bismarck; R. A. Swanson, Mandan; F. Gordon Rutten, Minot; L. H. Newport, Dickinson; L. R. Alison, Mott; A. M. Berget, Jamestown; Roland Brandt, Casselton; A. C. Staak, Bismarck; H. N. Weydahl, Killdeer; A. A. Halvorson, Northwood; Jess Hougen, Dickinson; G. M. Iszler, Streeter; A. E. Weisman, Fargo, and Dean Cavett, Lisbon.

# Washington All Agog Over Expected Sensational Proclamation

Commercial West Special Correspondence

**W**ASHINGTON — Pretty tense! That's the situation around halls of Congress, in bureaus, among boards and commissions, as the closing days of 1940 are being torn off the calendar pad.

Remember what Chairman Eccles of the Reserve Board said (in confidence) at a recent closed session of the National Industrial Conference Board? How interest rates should be raised, excess reserves of banks cut, and so on, to head off defense program industrial and business expansion inflation? (C. W., Dec. 14).

Well, a lot of deep-down, cover-nailed-on, don't-breath-it-to-a-soul conferring has been going on to put what Mr. Eccles said into effect.

## Where Eccles Stands—

In a letter to COMMERCIAL WEST under date of Dec. 19, Chairman Marriner S. Eccles of the Federal Reserve Board states his position with regard to slowing down possible inflation. In part he says:

"Your report (Dec. 14 issue) fairly summarizes by quotation the substance of the address—the headline, like most headlines, leaving something to be desired from my standpoint. Technically it is correct, in that I favor a firming of short-term rates, but as I endeavored to point out, I think it unlikely that with the great volume of funds already in existence, there would be much change otherwise, and some rates, particularly in the home and farm mortgage field, are still relatively too high.

"You recognize, I am sure, that the banking community cannot reasonably expect a return to levels prevailing in former days, or to anything like 'tight money' when we still have large unemployment and the government is obliged to finance deficits.

"What I favor, to put it in general terms, is a rate structure adapted to conditions as they develop. Excessively 'easy money,' I have never favored, and at this time I think it important to put the banking, monetary and fiscal machinery in better order to meet prospective conditions."

In fact, one of the most startling statements to come out of the nation's capital providing ways and means of effectuating the Eccles idea has been prepared by one of the country's groups closely associated with banking and monetary control agencies in Washington. It has been held up temporarily because one or two tops here wanted time in which to analyze it and all its possible policy angles. It may, however, be released to the public before this is printed.

\*

I know the details but I am pledged to absolute secrecy. Suffice to say, however, that it will be more welcome to the ears of bankers than it will be to those of the New Deal. I can say that Eccles and Morgenthau are pretty much in accord on terms of the statement, that House and Senate leaders approve of it, and that it will be a sensation, compared to which the statement of Chairman Eccles before the Conference Board was just a mild summer breeze.

\*

Outside of that there isn't so much on today's memo tab for banking.

The Wagner committee's study of banking and the monetary situation isn't scheduled for daylight soon, despite some of the "service letter" advices that it will break in February. There's too much hanging fire. Answers of the A. B. A. and Reserve City Bankers haven't come through yet, though that of the Reserve City group was presented at the recent Chicago session. It had to be revised in some respects.

FDIC and the National Association of State Bank Commissioners have completed their questionnaires but I do not understand they have been submitted yet.

Federal Reserve bank members have not yet turned in all their questionnaires.

\*

All these questionnaires and answers

will have to be analyzed and worked into shape for consideration by the committee, so it can be assumed that, because of this situation, actual action by the Wagner committee is still a considerable ways off—surely not by February, despite the fact that this Congress will work right up to Jan. 3 when the new Congress will step in and take off.

## RAILROADERS SING

Christmas music to cheer homeward bound travelers, arriving or leaving Minneapolis, was provided Dec. 20 in the Milwaukee passenger station, Minneapolis, by the Milwaukee Road Choral Club of Chicago. A mixed chorus of 60 voices, the club is composed entirely of employes of the railroad. Thirty minute program were given all day and at 11 p. m. the choristers left for Milwaukee where they sang in the road's station on Dec. 21.

## Board Chairman



M. S. ECCLES



# BANKS and BANKERS

## And Now It's Time for Annual Statements and Usual Staff Changes

**Y**EAR-END statements and first-of-the-year meetings probably are the "biggest" things on bankers' minds in this final week of the year.

By the middle of next week — New Year's—the first of the statements will be coming through. They are expected to show healthy growth of deposits, loans and total resources, and will be particularly interesting in view of the fact that there was no call for reports in October, as is customary, hence will reflect an entire half-year's progress.

As suggested before in these columns, it is likely that banks in the Northwest will have quite a crop of personnel changes to report right after the annual meetings in mid-January.

★ ★ ★

### North Dakota Conversion

J. A. Graham, North Dakota state examiner, advises COMMERCIAL WEST that the Northwestern State Bank, Hillsboro, received its charter and opened for business on Monday, Dec. 16. The bank succeeds the First National of Hillsboro, which has gone into voluntary liquidation.

★ ★ ★

### F. & M. All Set

Board of trustees of the Farmers & Mechanics Savings Bank, Minneapolis, has authorized construction of the new building at Marquette and Sixth, a site acquired early last year. The building will consist of a principal banking room having main entrance on Sixth, and extending through to a five-story unit adjoining the wall of the Federal Reserve Bank. The five-story building will have an entrance on Marquette, as well as from the main banking room, and will house several departments, including a large mortgage department and the school savings department.

Exterior will be of stone, with granite base and trim around the entrances, and the design will be in modernized, classic style.

Nineteen-forty-one marks the 125th anniversary of mutual savings banks in the U. S., and also the 67th anniversary

of the Farmers & Mechanics, only mutual savings bank in Minnesota.

\*

For nearly 50 years the bank has been housed in its present building at 115 South Fourth. During this time not only have deposits increased nearly 15 times to a total of nearly \$68,000,000, but also the banking operations have steadily expanded. This necessitated enlargement of the present building in 1908, and the leasing of still additional space in the adjoining Hodgson building during the last 11 years.

\*

The board of trustees determined some time ago that the need for further expansion will continue and for that reason the new building in a more centralized location was approved. Thus, the board not only shows continuing faith in the growth of Minneapolis, but also recog-

nizes the increasing economic importance of thrift as carried on by this type of institution. It is further realized that construction of the building at this time will act as a stimulus to employment and business in the city.

Local firms have been selected wherever possible. Madsen Construction Co., Minneapolis, got the general contract for slightly under \$550,000.

★ ★ ★

### Bremer Bankers' Party

The annual year-end conference of executive officers of Bremer banks will be held in St. Paul Dec. 27-28, topped off the evening of the second day (Saturday) with dinner at the Minnesota Club. More than 75 persons are expected to attend the meeting this year, including Otto Bremer himself who will be toastmaster at the dinner. Last year, much to everyone's disappointment, he could not attend because he was in the hospital recovering from his accident. Reports of the Bremer banks are expected to show good progress again this year.

★ ★ ★

### Nebraska's New Chief

Wade R. Martin, who, according to announcement of Governor-Elect Dwight Griswold, will become superintendent of Nebraska's state banking department, is president Commercial Bank, Stratton. He will succeed Ben N. Saunders, superintendent since 1935, who recently purchased a substantial interest in the Fort Kearney State Bank, Kearney, in which he will be active after the first of the year. Mr. Martin is 49 years old, son of Grant G. Martin, a graduate of the University of Nebraska, a member of the old state Supreme Court Commission and a former attorney general, a member of the state advertising commission, and at the time of the Republican valley flood in 1935 he served as president of the Southwest Nebraska Rehabilitation Association. . . . John J. Collins, treasurer of Hitchcock county the last six years, has resigned, effective Jan. 1, to accept a position in Mr. Martin's bank at Stratton.

### Speaks in California



ADAM S. BENNION

has been addressing bank employees under auspices of the California Bankers Association (story on page 15).





## American Way Service - - -

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GUY E. DAILEY,  
*Ass't Vice-President*

P. A. F. SMITH,  
*Cashier*

JOSEPH A. CAVITZEL,  
*Ass't Cashier*

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### Duluth Bank Party

Northland Country Club was the scene Tuesday evening last week of the annual Christmas party of the First & American National Bank, Duluth. More than 100 officers and employes were in attendance. After dinner there was a program of entertainment, including Christmas carols by a chorus directed by Erling Sande, and including Katherine Ash, Catherine Young, Dorothy Peterson, Anne Larson, Thomas Whittaker and F. Rudolph Jacobson. General chairman of the event was Assistant Vice President S. T. Strain, and his assistants included: Program committee — Vern Falgren, Earle Andree, Willard Ario, Steve Brody, Morris Knutsen, Joseph Jorgenson, Marie Cranmer, Jean Miller, Muriel Ames; decorations—Mae Ecker, Vera Duval, Helen Macrae, Marie Cranmer, Rose Moritz; transportation—Ray Campbell.

★ ★ ★

### Vital to the Community

The local community needs its own little bank even as the great city needs its big banks. If small banks disappear from the picture, the little towns are going to suffer—the local banker knows local conditions, and is in a position to give his town the best possible service. He always has been a vital factor in community development. — Hugh C. Gresham.

### Minnesota Regionals

Southwestern Minnesota Clearinghouse Association (Lincoln, Lyon, Pipestone, Murray, Rock, Nobles counties), at its quarterly meeting the other night at Worthington, had some 80 delegates from 27 of its 36 banks. W. R. Lange, secretary-treasurer, cashier Pipestone National, Pipestone, reports that under President F. A. Timm's chairmanship (he's president Farmers & Merchants State, Balaton) they had a very interesting meeting. John Davis, history teacher of Pipestone high school, spoke on trade relations with South America, and movies of Worthington's Turkey Day celebration were shown.

★ ★ ★

### LeSueur Enjoys Money

The people of LeSueur, Minn., thanks to their State Bank and the Chase National Bank of New York, got a kick out of viewing the famous Chase Exhibit of Moneys of the World. Taking hold of the matter in earnest President J. T. Peterson advertised the exhibit in the local paper, invited one and all to come see the rare collection, even phoned clubs, societies and schools. Says he: "We were surprised at the interest shown . . . about 2,500 persons viewed it."

## Trust Conference Stars



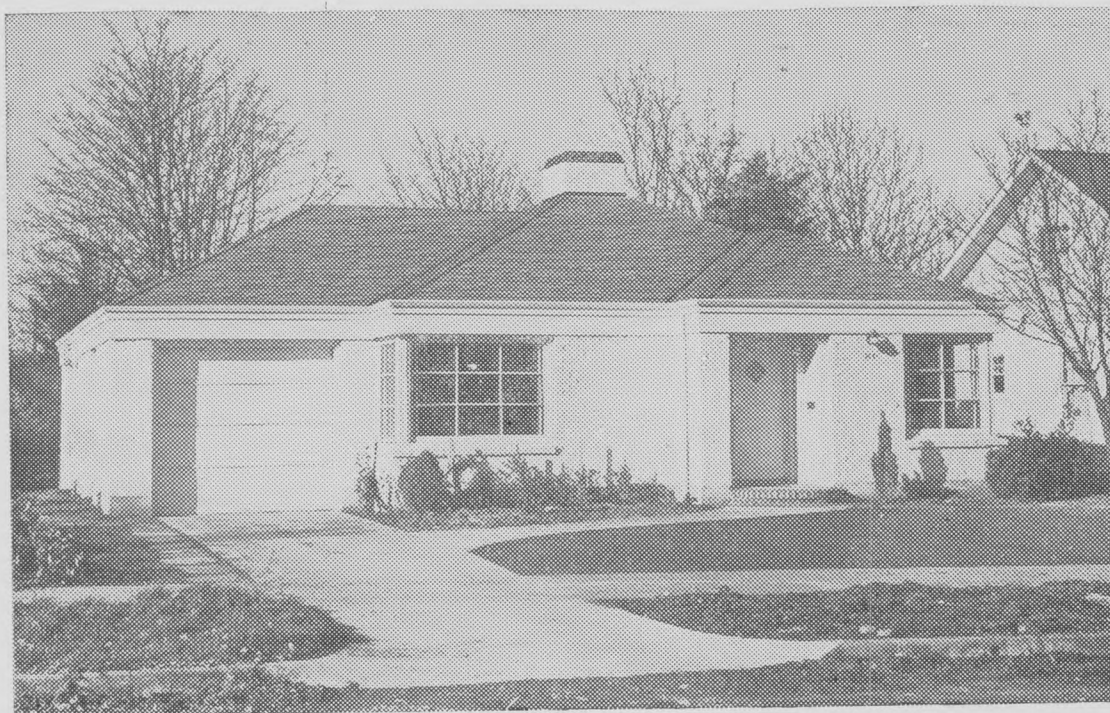
O. PAUL DECKER



SAMUEL C. WAUGH

At the A. B. A.'s mid-winter trust conference in New York, Feb. 4-6 (story in this issue), Mr. Decker, vice president American National Bank & Trust Co., Chicago, will discuss trust investments, and Mr. Waugh, executive vice president First Trust Co., Lincoln, Neb., will handle questions and answers.

## Making Owning a Home More Attractive



HERE is a garage-built-in bungalow-type home described as both livable and harmonious in appearance. Plans provide for a good-sized living room, two bedrooms, kitchen and dining annex. FHA insured a mortgage of \$3,500 on this home.

### What Ohio Banks Pay

Latest data on interest rates paid by Ohio banks is found in a survey made by David M. Auch, secretary Ohio Bankers Association. It shows 353 of 694 Ohio banks paying 2 per cent, 67 paying 2½ per cent, and two (not members of FDIC) 3 per cent. Approximately 150 banks have established flat rates of less than 2 per cent. Of these 116 are paying 1½ per cent on all time and savings deposits, while 33 are on a 1 per cent basis. Officers of these banks invariably testify that their experience in reductions of such rates has been entirely favorable. Eleven Ohio banks which operate on a commercial basis pay no interest on any type of deposits. These range in size from some of the smallest banks to a metropolitan city institution with many millions of dollars of deposits.

★ ★ ★

### "Loaned Bankers"

Raymond Griffith, "loaned" by American Trust Co., San Francisco, to the Bank of American Samoa at Pago Pago in the South Seas, is back in this country after two years as assistant cashier of this only bank in American Samoa. The assistant cashier in this government-owned bank is the chief operating of-

ficier, the rest of the working staff being composed of half-blooded Samoans.

The bank's correspondent, American Trust Co., is relied upon to send a man to be assistant cashier for two-year periods. Next "loanee" is George Shelton of American Trust's San Jose office and past president of San Jose Chapter, A. I. B.

### On the Cover . . .

Christmas carols seemed more fervent this year, were listened to with more serious thought because, perhaps, Christmas come to war-torn nations across the seas warned of a possibly similar fate for this nation.

More people stopped to hear the carols this Christmas week. That was evidenced by the crowd that each noon listened to the mixed chorus of 42 voices singing in the lobby of the First National Bank & Trust Co., Minneapolis, portrayed by this week's Commercial West front cover picture. This entire chorus is comprised of employes of the bank, with Leonard A. Dubay of the accounting department as leader.

### Public Relations

Committee on public relations of the Oregon Bankers Association met at Portland recently, with chairman W. L. J. Davies, vice president United States National Bank, Portland, handling the gavel. At the meeting an eight-point program was adopted and a public relations representative appointed in each bank in the state to work in connection with this committee. The O. B. A. contemplates doing considerable public relations work this year by making numerous appearances before civic clubs, high school assemblies, and other groups.

★ ★ ★

### California Acts

California is rallying to the cause of democracy, private enterprise, and a banking service manned by men fully aware of the perils looming on the American horizon. Proof of this is given the country, when in a series of meetings, sponsored by the public relations committee of the California Bankers Association, thousands of bank employes have been converging in the leading cities to learn the part they must play in the fight. The man chosen to do the talking at these meetings is Adam S. Bennion, assistant to the president of Utah Power



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& Light Co., Salt Lake City, a non-banker, but a man well known to bankers and business men for his foresight and understanding of human relations problems.

Mr. Bennion's message has already been heard and applauded by bank personnel in Oakland, San Francisco, Feresno, Los Angeles, and San Diego, next on the itinerary, the San Francisco rally attracting 1,500.

The question put to bankers of all ranks by "Teacher" Bennion is: "Whose responsibility is it to perpetuate democracy and all the blessings that go with it? We need to point out that America cannot become a nation half democratic and half totalitarian. Once this government takes over its business institutions, democracy shall have become a memory."

Bank employes, said Mr. Bennion, have a unique responsibility—a three-fold responsibility.

1. "They owe a responsibility to themselves to come to know the fundamentals of banking—thoroughly," this, because to every person he meets, the bank employe is the bank.

2. "They have a responsibility to make clear to customers the nature of the problems now before us as a nation. More than any other business group in America, bank employes should be able to explain to the people the ruinous burden of national debt, the enormous centralization of government responsibility, and the entry of the government into more and more phases of business."

The third responsibility is to preserve the American system of government by calling a halt to these perilous tendencies. "This new kind of patriotism allows business men a real opportunity . . . Many people don't conceive the place American business occupies in a real democracy. We need to remind the government of the dangers of governmental control."

\*

J. E. Drew, C. B. A. director of public relations, accompanied Mr. Bennion on his tour, spoke at several meetings, emphasized the threats to American democracy, discussed the association's public speaking contest and banker encouragement of young farmers throughout the Future Farmers of America and 4-H Clubs.

★ ★ ★

**100% Record**

Pasadena is a city without a single bank failure. The perfect record is completed with the payment of 2 per cent interest on participation certificates issued to cover the last of the now liquidated assets of the old Pasadena Na-



tional Bank which upon reorganization in 1934 became Pasadena-First National.

Through the efforts of Trustees William T. Nolting, president, Pasadena-First National; Ernest F. Nolting, executive vice president, and S. L. Bierbauer, the more than 3,800 depositors in the old bank have been paid 100 per cent on their deposits, and now the 2 per cent interest on the portion of the funds under trusteeship which were finally liquidated in Feb., 1939. Since remaining assets are to be liquidated for the benefit of the stockholders of the old bank and saving them an assessment, this bank reorganization is one of the best in the country.

This is not the only perfect record in depositor protection for William T. Nolting. His action averted the failure of several banks in the Philippine Islands and earned the gratitude of Henry L. Stimson, now Secretary of War, then Governor General in the Philippines.

The substantial growth of the Pasadena-First National is cited by Mr. Nolting, when he reports that loans have increased 421 per cent and total assets 255 per cent since the reorganization in 1934. Deposits are 338 per cent above the 1934 level. Loss on loans during this period have been negligible, he said.

★ ★ ★

### Trust Conference Features

Short talks, question periods and panel discussions will feature the 22nd mid-winter trust conference of the American Bankers Association, at New York,

Feb. 4-6, announces Philadelphia's Carl W. Fenninger, president A. B. A. trust division.

One full session will be devoted to a question box period under the direction of Samuel C. Waugh, executive vice president First Trust Co., Lincoln, Neb., former president of the division.



LOUIS S. HEADLEY

A new feature this year will be a full session given over entirely to discussion of problems of small trust departments. Another session for larger trust institutions will discuss corporate trust business and common trust funds.

Featured speakers at general sessions will be P. D. Houston, president A. B. A.; Dr. John J. Gibson, vice president and general manager Chartered Trust & Executor Co., Toronto; John B. Gage, mayor of Kansas City, Mo.; Carl E. Wahlstrom, judge of probate for Worcester county, Worcester, Mass.; J. E. Drew, director of public relations California Bankers Association, San Francisco; Mayo A. Shattuck of the law firm of Haussermann, Davison & Shattuck, Boston.

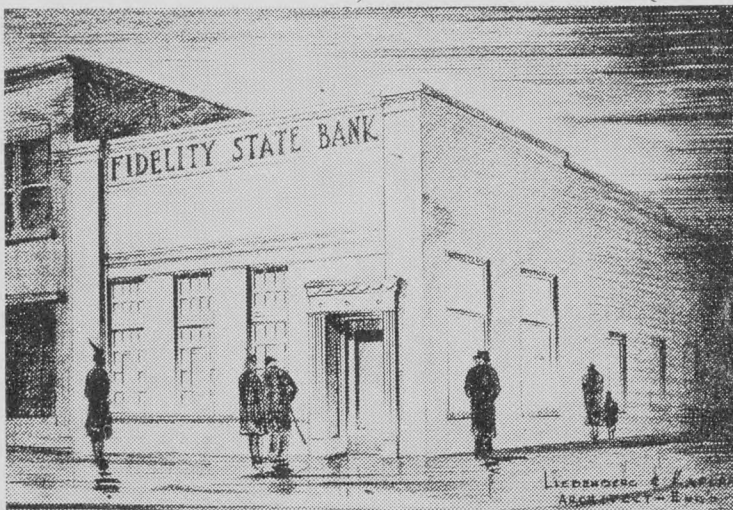
The conference is expected to attract 1,000 trust executives from all parts of the country. The 30th annual banquet of



JACOB SCHMIDT BREWING CO.

SAINT PAUL, MINN.

## Reconstruction Planned



RAPIDLY increasing business and faith in the future have prompted officials of the Fidelity State Bank, Minneapolis, to arrange for complete reconstruction and modernization of the bank building. This architect's sketch shows how it will look upon completion. V. E. Mikkelson is president.

### Human Interest Story

Tune in on WCTN Every Sat. at 7 P. M.  
Minneapolis Artificial Limb Co.

RAY TRAUTMAN & SON, Owners  
(Menders of Men)

410 Sixth Avenue South  
Minneapolis Phone MAin 2339

### H. A. ROGERS CO.

PHOTOSTATING  
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ATlantic 2247  
911 MARQUETTE AVE. MINNEAPOLIS

**HOT SPRINGS NATIONAL PARK - ARKANSAS**

**THE IDEAL PLAYGROUND WITH TWO BEAUTIFUL LAKES**

*Lake Hamilton      Lake Catherine*

Hot Springs invites you, to the most wonderful days of rest, relaxation and recreation you have ever had! Two beautiful lakes - Catherine and Hamilton! All outdoor sports are year 'round features! . . . Picnics and chicken fries are frequent gala events at the Lodge on Lake Hamilton! Stop at the stately Eastman Hotel, where delightful rooms and suites are available at rates from \$2.00 daily. Located in its own private park, like some beautiful country estate. For health and pep; government supervised bathhouse in the hotel.

*Stop at The*

**EASTMAN HOTEL AND BATHS**

WALTER E. DAVIS  
Manager

LODGE ON LAKE

Direction  
Southwest Hotels Inc. Mrs. H. Grady Manning, Chairman - R. E. McEachin, Gen'l. Mgr.

**SHALL WE SEND A SAMPLE COPY TO A FRIEND OF YOURS?**

Many of our subscribers send us, when the occasion arises, the name and address of a friend or associate whom they believe will be interested in the Commercial West. If you wish to do so, use this handy form.

Name \_\_\_\_\_

Bank or Firm \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

At suggestion of (Subscriber's name here) Your Name \_\_\_\_\_

Address \_\_\_\_\_

**Heat Water Electrically**

**LOW 1¢ RATE**

"For Controlled Electric Water Heating Only."

the trust division will be the concluding feature. Dr. William Lyon Phelps of Yale University will be guest speaker. Harvey D. Gibson, president Manufacturers Trust Co., New York, is chairman banquet committee.

Louis S. Headley, vice president First Trust Co., St. Paul, will preside at the third general session on Feb. 5.

★ ★ ★

**Detroiters Elect**

"The United States has but one course, and that is to save the remaining democracies, for our own sake," was the message of Carroll Binder, foreign editor Chicago Daily News, to 500 members and guests of the Bankers Club of Detroit at its 43rd anniversary dinner the other evening. Thirteen new members were admitted at the meeting, bringing total membership to 346. Election of officers resulted like this:

President—Joseph M. Dodge, president Detroit Bank.

Vice Pres.—Henry H. Sanger, president Manufacturers National.

Sec.-Treas.—Kenneth M. Burns, cashier Detroit Bank (re-elected for seventh year).

★ ★ ★

**Sioux Falls Bonus**

Employees of the First National Bank & Trust Co., Sioux Falls, were presented with a Christmas bonus amounting to half of a month's salary. In announcing the gifts, directors said they were "in appreciation of their loyalty and service during the last year. This is the 56th Christmas anniversary of Sioux Falls' oldest bank and it is interesting to note that the total of the gifts this year is approximately as large as the entire yearly salary of all employes in 1885, the year the bank was organized."

★ ★ ★

**Other Real Estate**

When state bank supervisors and FDIC officials focus their attention on other real estate it's a pretty sure sign that bankers over the country may expect soon to hear more about other real estate. Down in Washington the other day they, meaning Supervisors' executive committee, FDIC Chairman Crowley, et al, devoted considerable time to discussion of this important item. Some states, it was shown, let their banks carry real estate indefinitely, without charge-off or restriction of dividend privilege. One state's state banks have \$34,000,000 tied up in real estate. Some states, like Minnesota, insist upon a 10 per cent charge-off of other real estate per year. Consensus of opinion of the supervisory officials seems to be that if other real estate is not disposed of within the next two years it may prove embarrassing.



# FIRST IN HOGS!

## South St. Paul Leads Chicago in November Receipts FOR FIRST TIME

SOUTH ST. PAUL led all livestock markets of the nation (including Chicago, heretofore first) in salable hog receipts during November, figures just released by the U. S. Agricultural Marketing Service reveal.

**THIS IS THE FIRST TIME THE SOUTH ST. PAUL MARKET HAS STOOD FIRST IN HOGS UNDER THE SALABLE SUPPLY LISTING OF THE UNITED STATES.**

In sheep the South St. Paul market frequently stands first and it has been first in calf receipts for several years, the market being noted for calf sales.

Compared with the big Mid-West markets for hogs, the South St. Paul market showed an increase in sales for November of 56.1 per cent against 10 per cent.

\*

Herewith are the U. S. figures for the South St. Paul and Chicago markets on November hog and sheep sales:

	South St. Paul	Chicago
Hogs .....	335,170	331,270
Sheep .....	167,866	102,406

\*

The "salable supply" yardstick now being employed by the U. S. is a new system placed in effect a year ago. It measures the actual salable numbers of slaughter livestock received rather than the total of receipts in which many numbers are not salable as meat supplies to packing houses.

Business at the South St. Paul stockyards this year has been very good. It is expected now, in view of tentative figures, that the Jan. 11 First-of-the-Year COMMERCIAL WEST review of receipts at the yards will show a substantial increase over the 1939 figures.

With hog marketings reaching record numbers, the estimated production of pork in November was the largest on record for that month, and about 21 per cent greater than during the same month last year, the American Meat Institute points out in a review of the

livestock and meat trade during the past month.

In advance of the availability of official figures, the Institute estimates that production of pork in November was about 19 per cent greater than during the preceding month and the largest amount ever produced in any November. Pork production in November was apparently about 36 per cent greater than the average for November during the five-year period, 1929-33.

### Home for Christmas

Returning for the holidays a group of 150 members of the Minnesota Society of Washington, D. C., composed of former residents of the state, arrived in Minnesota last Sunday afternoon on board a Milwaukee Road special train from Chicago.

The society, which has membership of 2,500, was organized more than 20 years ago to promote social activity among Minnesotans residing or visiting in the nation's capital. It arranges dances and other activities that give members opportunity to become acquainted and to further common interests.

During the football season members meet to hear broadcasts of Minnesota games. Christmas excursions to Minnesota are conducted to enable friends to travel together and take advantage of reduced rail fares offered groups.

Officers of the club include President Rowland E. Dobbins, of the U. S. Department of Agriculture, Minneapolis; Vice President Charles W. Curran, Bureau of Internal Revenue, Minneapolis; Secretary (Miss) Bernadine Geary, Department of Labor, St. Paul; and Treasurer Frank C. Jude, insurance business, Maple Lake.

America's Biggest  
**HEALTH · REST  
& RECREATION**  
Value  
*Excelsior Springs*  
MISSOURI

**FAR MORE TO OFFER BUT  
FAR FROM BEING EXPENSIVE**

Opportunities for all sports and recreations. Curative mineral waters. Air conditioned sleeping rooms... Write for information or reservations.



**THE ELMS HOTEL**

**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

**DAHMS PHOTO PRINT CO.**

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# • TABS •

BACK in the "dark ages" when people pulled down their window shades, there was no rug-cutting by jitterbugs, and most of the stuff we bought came by the yard, or was sold in bulk it was O. K., probably, that packages were opaque, done up in heavy wrapping paper, products kept in wooden boxes and barrels.

But all that is changed now along with everything else that marks this advanced age, rapid transportation and the other marvels of the present day.

Even though it's wrapped you can see what you are buying now. Cellophane, etc., is the answer, and press advice is that the American Management Association has in view for the American public the placing in an even more dominant position the transparent packaging of foods and many other products found on the shelves and counters of the stores.

In other words, from now hence you'll be able to see most everything you buy, even though it is a wrapped package.

\*

You might just as well wait and let a rabbit cross the road if the occasion arises, William Fisher, Alexandria, Minn., found out last week. Trying to beat the rabbit to the intersection or something, Fisher had the surprise of his life when Peter crashed through the windshield on the hop, stunned but still kicking.

\*

Federal Cartridge Corp. has put itself over with the population of Anoka, Minn., in a big way each Christmas, and this year is no exception. A huge party, show and toys for about 1,100 kids, largest group so far, was the usual success this week. Anoka youngsters ought to know what kind of bullets to use in their guns when they get around to the hunting age.

\*

A coffee advertiser out in the wide open spaces is reported to be using a Bible offer on the radio with great success. By and large, though, it's the silk stocking deal that gets 'em. . . . There are plenty of women who love to read the Bible and other great literature to improve their minds, but the great majority of the gals are still more interested in improving their legs.—Advertising Age.

\*

Here's news for shavers. A new dry shaver called Vestpok which is "as small as a book of matches" and requires no

electricity, no water, no brush and no soap is being introduced by Vestpok, Inc., of Lynn, Mass. It is priced at \$1.75, new blades 10 cents apiece, guaranteed for life, is recommended for emergency use, to clean up stubble before an evening engagement, while in the office or while traveling, is rubbed up and down the face like an eraser.

\*

The William Duncans are spending Christmas with their daughter, son-in-law and grandson at Salt Lake City, Utah.

\*

Ward F. Senn, president Hennepin County Safety Council, on Monday warned householders to sand icy steps leading to entrances of their homes to avoid dangerous falls. Mr. Senn is president American Mutual Life Insurance Co., and owner Pioneer Insurance Agency, Minneapolis.

\*

Mankato Builders Exchange has elected E. P. Mullen president; Al J. Johnson and Floyd Jones first and second vice presidents; E. V. Nyquist, secretary, and W. G. Zeno, treasurer.

Safety division, Minnesota Highway Department, this week warned autoists that "Death Takes No Holiday," urging careful driving over the holiday week ends.

\*

Can you visualize 450,000,000,000 tons of water? That was what fell on the U. S. as rain and snow in November, three times as much as in the same 1939 month. It would make a big lake.

\*

In his current December issue Editor T. R. Shaw of the Cargill Crop Bulletin, advises that it completes the 15th year of that service to farmers and business interests of the Northwest.

\*

A public address system and radio reaching every section of the train are among features new and different of the "City of Miami," streamlined deluxe day coach train, Chicago to Florida, put in service Dec. 18 by the Illinois Central System.

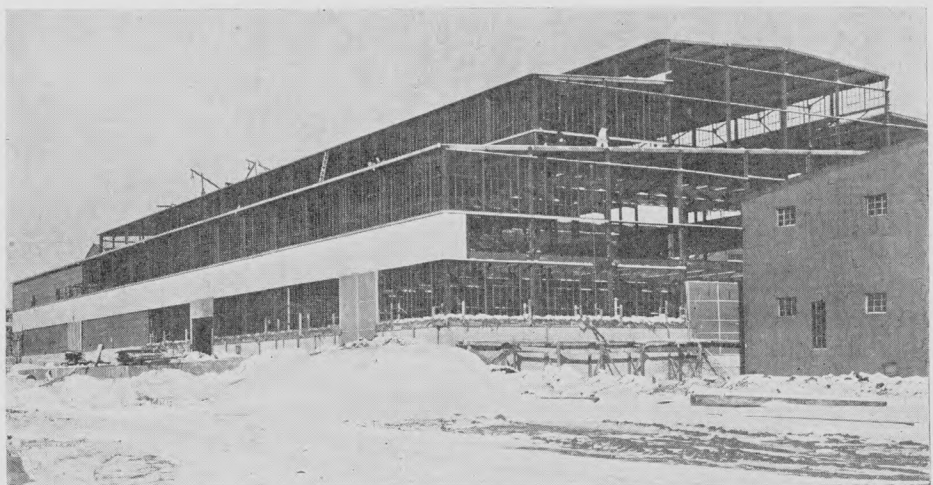
\*

From Washington comes press advice that three New Deal groups are working on plans NOW for post-war control over American business and finance. And we thought, maybe, business might be given a chance for its white alley again if it did a good job on the defense program.

\*

Harry G. Barnes, until recently president Motor Power Equipment Co., St.

## Minneapolis-Moline Expands



THE Minneapolis-Moline Power Implement Co. now has nearing completion at its Hopkins, Minn., plant a new large factory building, portrayed above, to take the place of that destroyed by fire last summer. The new building, all modern fire-proof construction, is three stories in height and will cost approximately \$300,000. It will house the assembly of combines, threshing machines, corn harvester machines, sheet metal fabrication operations and the hammer mills. It is located directly back of the main plant.

Paul, has been elected vice president National Battery Co., St. Paul, and will leave after the holidays to take charge of the Depew, N. Y., plant of the battery company. Mr. Barnes has been succeeded as Motor Power Equipment president by Paul J. Schmitt, who for several years has operated the Industrial Credit Co., which has financed Power Equipment sales.

\*

Attention Charley McCarthy fans! Sponsor Standard Brands is reported to have renewed its radio schedule in toto and expects to continue, even expand, its magazine and newspaper advertising. That means the addition of several more stations to the NBC hookup featuring the McCarthy program. Standard Brands' advertising expenditure in '38 and '39 was between \$4,000,000 and \$5,000,000, this year not so large due to retrenchment.

\*

Couponed mail-order copy may be expected to produce from one to five replies per 10,000 of circulation, reports Victor Schwab. Pick a number from one to ten, but be glad to settle for the average. . . . Mr. Schwab says mail-order advertisers live in constant fear that a big news story will break on the day their advertising appears. At present, then, they must be practically terror-stricken.—Advertising Age.

\*

G. L. Bliss is resigning as president of the Federal Home Loan Bank of New York to become president of the Railroad Federal Savings & Loan Association.

\*

It is not enough to be busy; so are the ants. The question is: What are we busy about?—Thoreou.

\*

Weyerhaeuser Sales Co., St. Paul, has received an Army order of \$144,133 for lumber to be used in cantonments.

\*

Northern Pacific Railway Co. has just placed an order for 2,500 new freight cars costing \$7,000,000, advises President C. E. Denney. This brings total cost of rolling stock bought by the road this year to more than \$10,000,000, \$3,000,000 worth of Diesel-electric switch engines having been bought, among other equipment, late in November.

### Detroit Lakes Dividend

A dividend of 4 per cent per annum was declared recently by the Detroit Lakes Federal Savings & Loan Association, Detroit Lakes, Minn., to be credited to all shareholders at the close of the semi-annual period ending Dec. 31.



FRITZ MOE

### HERE'S THE MAN TO SEE

for that **BULGING** waistline  
or run-down, tired feeling

*Have a trial workout - No obligation*

### VIKING HEALTH SYSTEMS Inc.

McKNIGHT BLDG. (Ground Floor) MINNEAPOLIS

*The "Viking" Has a Way*

Call BR idgeport 5177 and ask for FRITZ MOE, Physical Director

## HOTEL EAU CLAIRE

Remodeled, Redecorated, Fireproof  
AIR-CONDITIONED BALL ROOM

### Streamlined for Conventions

The Ideal Stopping Place for  
Travelers, Tourists, Everyone

**EAU CLAIRE, WIS.**

*L. W. Reynolds*  
Manager

## Bankers Certified Service, Inc.

*"For Modern Bank Management"*

**Fred Schilplin**, President      **J. L. Rivard**, Vice President  
**Kendall Clark**, Sec'y-Treas.

ST. CLOUD, MINN.

THE GRANITE CITY

## Custom-Tailored Suits and Overcoats, as low as \$27<sup>50</sup>

*Designed and Made by Henry Wessner*

### MINNEAPOLIS TAILORING CO.

608 First Ave. N., Second Floor


Minneapolis

## Commercial West Advertising Pays

Twenty-seven years of  
successful

**AUTOMOBILE  
INSURANCE  
UNDERWRITING**

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



**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**



**INDEMNITY COMPANY**

OF SAINT PAUL  
ST. PAUL, MINN.

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

**INSURANCE . . .**

**Defense Program Opens Door  
for More '41 Business**

INSURANCE has found a brand new field in the defense program for expansion of its business.

Contractors handling defense construction and manufacturing need bonds, casualty coverage, fire insurance, even business lapse insurance.

Many of the young men going into their year's training are good prospects for life and accident insurance.

Up - on - their - toes companies and agencies are going after the business and it gives promise of adding substantially to the 1941 volume, say nothing of increasing the commission earning of sales representatives.

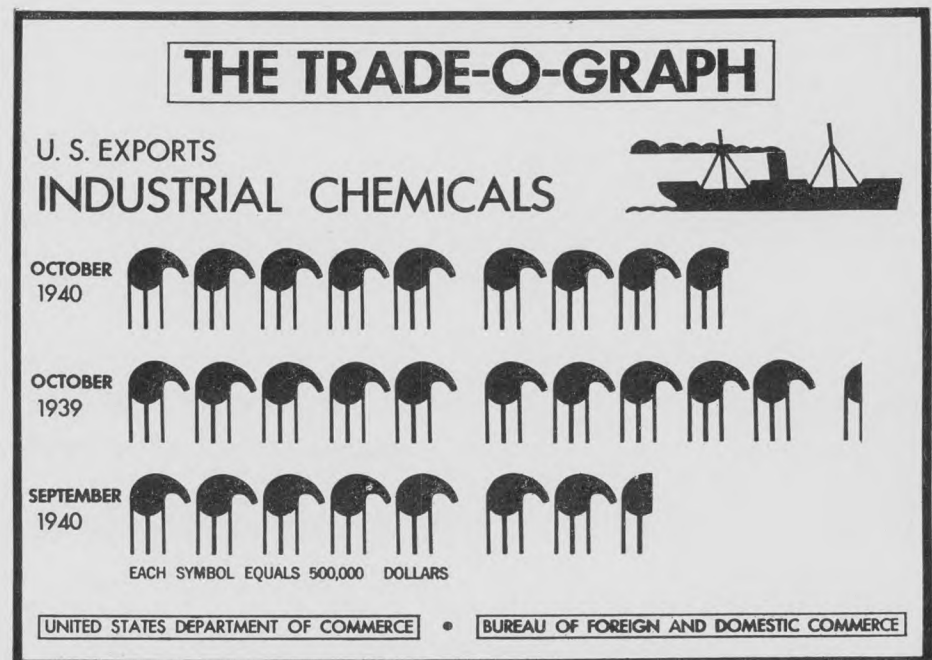
In the fire line especially there should be room for considerable increase in volume. New plants, expansion of present plant capacity prospects for insurance are just beginning to make their appearance. Opportunity here as the defense program grows should reveal a tremendous field.

**American Mutual Life**

American Mutual Life, Des Moines, has shown an increase over last year every month this year and on Monday this week its December business was over that of the whole 1939 month. As a result plans are being laid for one of the finest and largest annual conventions of the Presidents' Club ever to be held. Next year's gathering will be at the Broadmoor, Colorado Springs, early in July.

As matters stood this week there is keen rivalry between the Des Moines Agency, that of the Minneapolis branch under J. D. Sherrill, and the Frank S. Rogers Agency in St. Paul as tops for the No. 1 producer for the year. Each agency has to qualify on a certain quota to be eligible for the annual convention. Joseph A. Rogers is the topnotch producer in the St. Paul agency.

While he isn't divulging what it will be, President Ward F. Senn of American Mutual advises COMMERCIAL WEST that



WITH chemicals so important in warfare and in the U. S. defense program, this graph of U. S. exports is not only timely but enlightening. It reveals that total exports in October aggregated \$4,400,000, compared with \$5,150,000 in October last year and \$3,800,000 in September this year.



he and Vice President John J. Moriarity are planning a program for the Colorado Springs event that will be the peak of anything that has marked such gatherings of the past.

★ ★ ★

### Trade School Rackets

Northwestern National Life, Minneapolis, is out this week with a timely warning against trade school rackets. They are springing up all over the U. S., says advice of the company to COMMERCIAL WEST, to take advantage of the anxiety of young men to obtain quick training for defense jobs.

Like most rackets, the "gyp" job-training school is flourishing on a wave of popular enthusiasm for something legitimate, and is "muscling in" among the many legitimate schools for trade and vocational training, the report points out.

The job of separating the good schools from the bad is complicated for the ambitious young job seeker by the fact that some new trade schools are entirely legitimate and have been established due to the act that many older schools are already crowded to capacity and have long waiting lists.

High pressure salesmen or the "gyp" schools have already filched the savings and secured the contract signatures of thousands of ambitious young job seekers by "guaranteeing" jobs with airplane plants and other defense production industries, the report says, and by representing that their schools have "deals" with such companies to supply them with trained employees.

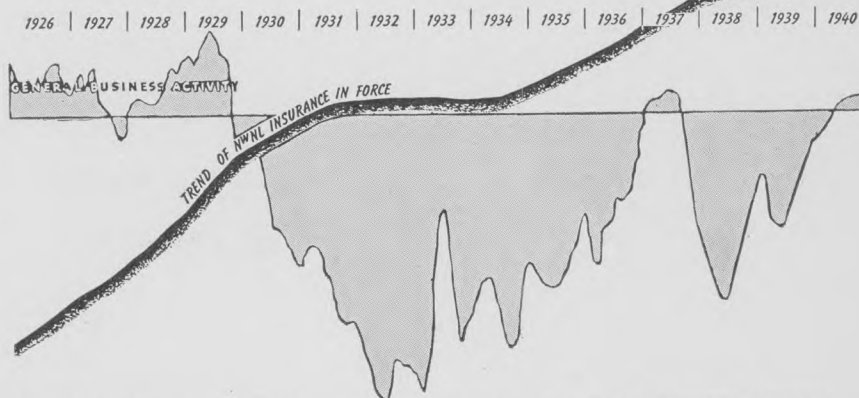
The situation has gotten so bad that major aircraft companies have been flooded with inquiries and complaints regarding "guaranteed placements" promised by such salesmen. The Minneapolis Better Business Bureau has been forced by the volume of such inquiries to stop furnishing data on individual schools, the report states, but furnishes general advice to the prospective student so that he can check up on the legitimacy of the school himself. Several California companies have issued warning bulletins to the effect that they had authorized no such agreements, understandings, or guarantees. Chambers of commerce in various defense industry centers are issuing warnings on the subject.

★ ★ ★

### Compulsory Auto Insurance

Insurance Brokers Association of New York has come out flatfooted against compulsory automobile insurance and cites the New Hampshire financial responsibility law as the most logical legislation to aid in curtailment of automobile traffic accidents and property loss. Having

# PROFILE of a successful business institution . . .



#### A RECORD OF PROGRESS Through Boom and Depression

**1926**—Special persistency awards for agents introduced. Stress on acquiring persisting business had prompt effect.

**1928**—Introduction of non-participating policies, supplementing participating policies. An important factor in NWNL's subsequent growth.

**1930**—Introduction of "Doorway to Life Underwriting," an early step in the intensified sales education and training program with which NWNL met depression's onslaught.

**1931**—Unique GPR (Guaranteed Premium Reduction) policies introduced. They found immediate public favor.

Even in **1932**, despite heaviest cash demands in history, NWNL's cash income during the year exceeded cash demands by over 50 per cent.

**1933**—"NWNL Guide to Successful Life Underwriting" published. Based on actual field research, the Guide was another forward step in program of selling to fit buyer's needs.

Persistency Forecast introduced to help

agents select better persisting business, with resulting savings to policyholders.

**1934**—Sales research and personal field instruction program inaugurated, stressing individualized training of agents to develop maximum sales and service capacities.

"Need selling" given further impetus by introduction of Visual Sales Portfolio and now famous Chart Plan.

"Selective Agency Recruiting" study, later refined and improved, evolved first statistical scale for gauging a prospective agent's aptitude for the business.

**1937**—Revised Persistency Forecast introduced, based on research into 5,000 policies—another forward step in war on lapses.

**1939**—Introduction of Arnold System of Renewal Commissions, linking agent's compensation directly to quality of service he gives, marks new epoch for NWNL, perhaps for life insurance business.

● And always NWNL has anticipated changing economic conditions by developing policy forms specially designed—and timed—to meet the needs and pocketbooks of large segments of the public.

## NORTHWESTERN *National* LIFE INSURANCE COMPANY

O. J. ARNOLD • PRESIDENT



MINNEAPOLIS • MINNESOTA

### BUY AMERICAN MUTUAL LIFE INSURANCE COMPANY MODERNIZED CONTRACTS

A FINE INVESTMENT FOR YOU AND YOUR FAMILY

WARD F. SENN, Pres.  
J. D. SERRILL, Manager

1345 Northwestern Bank Bldg.

Minneapolis

made a thorough study of the matter through work of committees the association reaches conclusions which **COMMERCIAL WEST** reproduces, because the 1941 Minnesota legislature will consider a compulsory insurance law again, and, it is stated, the bill will have more support than it has ever had before:

\*

"In the first place, no compulsory automobile insurance law can be devised that will compel everyone in a particular state to carry automobile liability insurance. Despite the compulsory law in Massachusetts, between 30 per cent and 50 per cent of the cars remain uninsured. This percentage includes those motor vehicles which are owned or operated by residents of other states or cars owned by federal, state and municipal authorities and motor vehicles which are operated without the owner's permission. It is astonishing how few persons who argue for a compulsory measure fully appreciate this very important and unavoidable shortcoming.

"Second: Our committee cannot approve compulsory automobile insurance because it does not promote safety; on the contrary it tends to develop an attitude of carelessness and indifference due to the assumption that all motor vehicles are insured.

"Third: We are opposed to compulsory automobile insurance because we believe that it places an unfair burden upon some classes of our citizens; such as farmers, workmen going back and forth to their employment, and people who only use their cars infrequently for recreation.

This is not a progressive step towards social betterment.

"Finally, the cost of compulsory automobile insurance in this state, if enacted, has been estimated at \$50,000,000 for those car-owners now uninsured. We are unable to reconcile any such huge cost as being in any way justified."

## **Insurance Riders**

Midyear Conference of the Minnesota Association of Insurance Agents will be held March 5-6 at the Hotel St. Paul in St. Paul, advises Conference Chairman Edgar F. Westrum, Albert Lea, Chairman Westrum's long experience as a local agent and in organizing and arranging programs for local and regional boards, assures two days that will be well-filled with subjects of real worth to agents. Serving with Mr. Westrum on the committee are Guy E. Rolien, Milaca; William Dahl and L. E. Hatlestad, Minneapolis; Roy Mitchell, South St. Paul; Francis McGovern, Rochester, and Henry L. Orme, president Insurance Exchange, St. Paul, St. Paul Fire & Marine will sponsor one of the luncheons, and it is possible that National President Payne H. Midyette will be on the speaking program.

N. J. Nesheim has been appointed field supervisor for the Fred L. Gray Co. general agency, Minneapolis. He entered the insurance business in 1920, more recently had been connected with the Cullen & Crowther agency.

\*

Ralph J. Coursolle, who has succeeded P. H. Ware as manager Minneapolis Underwriters Association, has removed the office to 312 Foshay Tower. It had been a part of the Ware Insurance Agency office.

\*

Edward C. Moulton, Winnebago, Minn., still active at 78, has just celebrated the 40th anniversary of the establishment of his insurance agency at Winnebago. He still represents 15 of the original companies with which his agency started in business.

\*

Plaudits are being heaped upon C. R. Hewitt, Dorset, Minn., for having passed the \$17,000 mark this year in business . . . Dorset has a population of 56 families. His business in 1939 was \$12,000. Mr. Hewitt is cashier Farmers State Bank, Dorset.

\*

Theodore J. Gronewald, veteran St. Paul agent, has recovered from a slight stroke and is back on the job.

\*

William R. Spinney, resigned trust adviser Anglo California National Bank, San Francisco, has accepted a position on the staffs of the Title Insurance & Trust Co. of Los Angeles, and the Union Title Insurance & Trust Co. San Diego.

### Home Office

Near the Falls of Minnehaha  
On the Mississippi River



**ANCHOR CASUALTY COMPANY**  
SAINT PAUL  
MINNESOTA

★  
**SEASON'S GREETINGS**  
*to You and Yours*  
★



He founded the California Association of Life Underwriters.

\*

Arthur A. Fider, 75, died suddenly at his home in Duluth Dec. 15. He had been prominent in real estate and insurance circles.

\*

All agents handling sealed grain insurance, advises Guy Rolien, Milaca, chairman Minnesota rural agents' committee, must furnish the county committee with their names and addresses, name of company and the rate per \$100 of insurance. Also if the loan is to run beyond Nov. 1, 1942, the insurance must cover until Nov. 1, 1943.

\*

"Wheat" Williams, Fred L. Gray Co. (Minneapolis) vice president, has just concluded a series of "Speed" and "Joe" letters for the "Social Agent" that have not only been very popular but have demonstrated again that men and women like to read those "correspondence fictions" that delve into the depths of a business yet in a manner that makes them interesting and entertaining reading.

\*

Western Life News, bulletin of Montana's Western Life Insurance Co., in its current issue proposes seven points of profit in 1941, namely: Number of lives . . . Consistent production . . . Larger average size policies . . . Writing consistently larger average size policies . . . Writing participating business . . . Specific purpose applications . . . Above average persistency.

\*

At its annual Christmas party, Life Managers Association, Sioux City, elected C. W. Nottingham, president; A. H. Doty, vice president, and A. H. Wilsdon, secretary-treasurer.

\*

Some agent who has a delving-into-history hobby has found that insurance had its beginning in the year 3000 B. C. in Babylonia, when, for a fee, feudal lords guaranteed safe passage through their domains to merchants, travelers, traders and others.

\*

Death of Robert J. Jordan, Minneapolis, Monday took from insurance an outstanding agent and organization member, as well as one of the nation's World War I heroes, he having been cited for unusual bravery in crawling out in "No-man's Land" to rescue a wounded soldier. He was state agent for Great American Insurance Co.

**SINCE 1891**

**FIRE . . . CASUALTY . . . LIFE**

*"The House of Insurance"*

**FRED L. GRAY COMPANY**

300 Midland Bank Bldg.

Minneapolis

**PIONEER INSURANCE AGENCY**

WARD F. SENN, Pres.

Skilled Underwriting and Unexcelled Service  
All General Insurance Coverages

754 MIDLAND BANK BLDG.

PHONE: MAin 0434

MINNEAPOLIS

**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

**Heat Water Electrically**  
**LOW 1¢ RATE**

"For Controlled Electric Water Heating Only."



**JAMIESON  
&  
COMPANY**

Stocks & Cotton  
Bonds & Butter  
Grain & Eggs  
Commodity Brokers

Members  
New York Stock Exchange  
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ST. PAUL—MINNEAPOLIS  
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**CHARLES C. RIEGER**  
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*South and North Dakota bonds,  
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MINNEAPOLIS  
ATLANTIC 3475

**STOCKS & BONDS . . .**

# SEC Swings a Heavy Cudgel for Odd-Lot Dealers

THERE was a more optimistic trend in the securities markets when they opened Thursday after the Christmas holiday, but that was about all that could be said about them. Neither had any pep. Trading in stocks promised another low-volume day, bonds were just about so-so, with governments, municipals and some of the blue chip liens holding prices, demand still strong for municipals and governments. With year-

end tax selling practically closed, traders were anticipating some improvement in velocity and some strengthening in prices.

★ ★ ★

## Odd-Lot Hearing?

SEC has formally requested the New York Stock Exchange not to prevent any member from acting as an odd-lot dealer, or specialist, or otherwise dealing upon any other exchange outside New York city of which he is a member. Should the Exchange refuse to change its rules as requested SEC warns a public hearing will be called to go into the matter.

★ ★ ★

## N. P. Improves Position

Northern Pacific Railway Co. improved its net operating income position in the period Jan. 1-Dec. 1 this year by showing an increase of \$3,050,572 over the same 1939 period. Total for the 11 months was \$11,992,329.

★ ★ ★

## Missoula Issue

Indicating the eagerness with which investors are seeking good municipals, the \$270,000 Missoula (Mont.) high school bonds were grabbed up almost as soon as they were offered. They were bought by Kalman & Co., St. Paul, Northwestern National Bank & Trust Co., Minneapolis, and Edward L. Burton & Co., and First Securities Trust Co., Salt Lake City, as 3¼s and premium of \$745.

★ ★ ★

## Montana-Dakota Utilities

The \$10,000,000 refinancing program of Montana-Dakota Utilities Co., Minneapolis, which will be offered to the public about Jan. 7 is expected to have ready acceptance. In fact, some of the large insurance companies and other similar investors are said to be all primed to take down some large blocks as soon as the offering is made. Wells-Dickey Co., Thrall West Co., Minneapolis, and Kalman & Co., St. Paul, are in the syndicate handling the issue, of which Blyth & Co. is manager.

Position of Montana-Dakota is excellent, according to statements heretofore

*At South St. Paul*



**THOMAS E. GOOD**

retired on Thursday last week as president of the St. Paul Union Stockyards Co. and from all business connections excepting as a director of Minnesota Federal Savings & Loan Association, St. Paul. Mr. Good had been president of the stockyards company since 1919, was also president St. Paul Bridge & Terminal Co. and Union Stockyards Co., Fargo, began his career with Swift & Co. in 1899, representing that firm at New York, Chicago and other important markets, was president Toronto Union Stockyards four years. He was active in civic and club affairs and in various business enterprises, belonged to leading St. Paul clubs, was a big factor in development of the South St. Paul livestock market. Mr. Good and Mrs. Good have gone to Bradenton, Fla., where he owns an all-year home and will reside there.

published by COMMERCIAL WEST this year. F. R. Gamble, assistant secretary, who is negotiating the refinancing deal, advised COMMERCIAL WEST this week that the company will have a very good year to report.

\*

The issue is divided into two parts. One of \$2,500,000 will be 2½ per cent serial mortgage bonds due May 1, 1942-49. The other will be \$7,500,000 3½ per cent first mortgage bonds due Jan. 1, 1961. Proceeds will be employed to refund outstanding 4½ per cent first mortgage sinking fund bonds due 1954 and 1956. The new bonds will be redeemable at option of the company on any date after May 1, 1941.

\*

Montana-Dakota Utilities owns or controls a large acreage in the Baker natural gas field of Montana, in Western North and South Dakota and in other sections of Montana. It serves by pipe line several cities in Montana, North and South Dakota and has in projection in conjunction with a North Dakota operating company a pipe line to the western boundary of Minnesota, serving cities through the north central section of the state. Pro-

posed Minnesota terminus for the present would be Crookston, although it is not improbable the line might eventually be extended to the iron ore fields of Northern Minnesota for ore reduction purposes and possibly to the Twin Cities.

In connection with its natural gas pipe line service in the Dakotas and Montana the company also owns and operates several power and light plants in cities along the routes of its pipe lines.

\* \* \*

## November Financing

Effective registrations with SEC during November totaled \$161,748,000, compared with \$287,456,000 in October and \$114,924,000 in November, 1939, according to an analysis prepared by the research and statistics section of the trading and exchange division of SEC. Securities proposed for sale by issuers amounted to \$107,197,000 in November, compared with \$256,125,000 in October and \$112,153,000 in November, 1939.

Most of the net proceeds to be realized from the sale of securities registered during November were to be used for repayment of indebtedness and retirement

of stock. A total of \$79,933,000, or 77.8 per cent, was designated for that purpose, including \$69,825,000, or 68 per cent, for repayment of bonds and notes, \$9,427,000, or 9.2 per cent, for retirement of preferred stock and \$681,000, or 0.6 per cent, for repayment of other debt. All new money purposes combined accounted for \$9,309,000 or 9.1 per cent of the total. Of this amount \$5,705,000 was to be used for working capital, \$3,342,000 for plant and equipment and \$262,000 for other new money purposes. Funds to be used for the purchase of securities amounted to \$13,463,000, or 13.1 per cent of the total.

\*

November registrations consisted largely of bond issues which aggregated \$72,373,000, or 67.5 per cent of the total. Of this amount \$70,607,000 represented secured bonds. Common stock aggregated \$16,655,000, or 15.5 per cent of the total, certificates of participation \$10,016,000, or 9.4 per cent, and preferred stock \$8,149,000, or 7.6 per cent.

The largest total for any industry group was shown for electric, gas and water utility companies, which registered \$59,418,000 of securities, or 55.4 per cent

## Twin City Bond Club Nominees



**C. H. LOOMIS**  
First National Bank, St. Paul  
For President



**R. C. MEES**  
Paine, Webber & Co., Minneapolis  
For Vice President



**G. M. PHILLIPS**  
Caldwell, Phillips Co., St. Paul  
For Secretary-Treasurer

Voting will take place at the club's annual meeting at the University Club, St. Paul, this Saturday, Dec. 28. Also to be elected are three new Minneapolis members of the board of governors for two-year terms, from the following: Walter Bartlett, Allison-Williams Co.; C. D. Mahoney, C. D. Mahoney

& Co.; Milo Meier, C. S. Ashmun Co.; H. G. Nordberg, E. H. Rollins & Sons; George Schaust, First National Bank & Trust Co.; O. Jack Talbot, Northwestern National Bank & Trust Co.; C. Myron Webster, Kalman & Co.; H. H. Wylie, Wells-Dickey Co.



# Northwest Stocks

## Minneapolis-St. Paul Stock Exchange

December 26

	Bid	Asked
First Bank Stock.....	11¼	11½
N W Banco.....	12	12¼
Mpls Brewing.....	6	6¾
Minn Min & Mfg.....	50	52
W H Barber com.....	14½	18
Brandtjen.....	No Trade	
Cleary Hills Mines com.....	1¾	2¾
Diamond Iron Works.....	6	10
Emporium pfd.....	½	1½
Emporium com.....	10c	
Yoerg Brewing.....	5c	15c
T C Rapid Trans com.....	1	

## Twin City Bond Traders Club

December 26

	Bid	Asked
Bank Shares A.....	12	
Bank Shares B.....	1½	
Bur of Engrav 8 pfd.....	8	
Bur of Engrav com.....	1	
Filbert Corp.....	16.65	
Flour City Orn Iron com.....	4¾	5¾
Franklin Coop Cry com.....	35	
Gamble-Robinson 1st pfd.....	53	
Gam-Skogmo 7 pfd.....	105	
Gam-Skogmo com.....	63XD	
Griggs Cooper 7 pfd.....	98	
Investors Synd com class A.....	4	6
Lavoris com.....	43	
Marshall-Wells 6 pfd.....	42½	
Mpls Gas Light 6 pfd.....	104	
Mpls Gas Light 5½ pfd.....	106	
Mpls Gas Light 5.10 pfd.....	101½	
Mpls Gas Light 5 pfd.....	100	
Mpls Gas Light units.....	98	
Minn Pwr & Lt 7 pfd.....	90¾	94½
Minn Pwr & Lt 6 pfd.....	83½	87½
Minn Valley Can 7 pfd.....	100	
Minn Valley Can com.....	25	
Minn Valley Can tr ctf.....	4½	
Mont-Dak Util 6 pfd.....	97½	102½
Mont-Dak Util 5 pfd.....	88	93
Mont-Dak Util com.....	8¾	10¼
Natl Battery vot com.....	34½	37½
Natl Battery com (non-vot).....	30	33
Natl Pole & Treat com.....	1¾	2¾
New Eng Furn units.....	14	
Nicollet Hotel 1st pfd.....	5¾	7¼
Nor Sts Pwr (Del) 7 pfd.....	83¾	88¾
Nor Sts Pwr (Del) 6 pfd.....	73¾	78¾
Nor Grey Lines \$6.50 pfd.....	107	
Nor Grey Lines com.....	29	
N W Airlines com.....	11½	13½
N W Fire & Mar com.....	24	
N W Natl Life Ins com.....	10	11½
N W Pub Serv 7 pfd.....	96	100
N W Pub Serv 6 pfd.....	86	90
Otter Tail Pwr \$4.50 pfd.....	100	
Otter Tail Pwr spec com.....	147	
Pioneer Grav & Eq pfd.....	37	
Pioneer Grav & Eq com.....	1¾	
Russ-Mill Mill pfd.....	101½	
Russ-Mill Mill com.....	69	74
St P Fire & Mar com.....	244	254
St P Union Stkyds com.....	28½	30½
Title Ins com.....	47XD	
Toro Mfg com.....	5½	7½
Truax Traer Coal Co 5½ pfd.....	73	
Twin City Fire Ins com.....	19	
Union Pub Ser 7 pfd.....	80	
Union Pub Ser 6 pfd.....	74	
Weyerhaeuser Tim com.....		

of the total. Most of this was accounted for by a single large issue, the 2¼ per cent bonds of Boston Edison Co. totaling \$55,650,000. Next in importance were financial and investment companies with \$21,814,000, or 20.4 per cent, including \$13,989,000 of securities of investment companies. Manufacturing companies registered securities in the aggregate amount of \$16,126,000, or 15 per cent.

\*

Securities offered through underwriters equaled \$85,427,000, or 79.7 per cent. Issues to be offered through agents totaled \$19,425,000, or 18.1 per cent, and securities to be offered directly by issuers equaled \$2,345,000, or 2.2 per cent. Virtually all of the issues were to be offered to the general public, this group accounting for \$101,647,000, or 94.8 per cent of the total.

Underwriters and agents were to receive a total of \$3,747,000, or 3.5 per cent, while expenses as reported by registrants equaled \$695,000, or 0.6 per cent. Total cost of flotation, therefore, was 4.1 per cent.

★ ★ ★

## Arms-Length Bidding

Twin Cities investment dealers are in receipt of letters sent out a few days ago by SEC asking for comment and suggestions as to a proposed ruling that would require competitive bidding (arms-length bargaining) on offerings of public utility holding companies and their subsidiaries. Local houses were cautious in discussing the matter with COMMERCIAL WEST, but in general, the viewpoint was held that such a ruling would complicate distribution and add materially to the cost of handling the issues, inasmuch as each house would have to make thorough analysis of the concern putting out the issue, even before deciding to bid. Objective of SEC, of course, is to prevent deals direct between holding companies and groups of insurance companies, banks and investment dealers, SEC asserting in its letter to dealers that, "Competitive bidding may be expected to remove the threat (and actuality) of banker domination of utility financial policies."

★ ★ ★

## Along Financial Row

Revenue freight loading for the week ended Dec. 14 aggregated 736,332 cars, up 58,200, or 8.6 per cent over the 1939 week, and 130,329 over the 1938 week. Total for the year to Dec. 14 was 35,110,547 against 32,712,042 in '39, and 29,383,425 in '38.

\*

Leaving its gloomy financial past far behind, the Stevens hotel, Chicago, sur-

# Calendar of Bond Sales

## MONDAY, DEC. 30

St. Louis Park, Minn.—At 8 p. m., \$5,000 street improvement orders. Denom. \$250. Interest 5 p.c.

Milaca, Minn.—At 11 a. m., \$150,000 funding bonds for Mille Lacs county. Denom. \$1,000. C.c. \$3,000.

Hawley, Minn.—At 8 p. m., \$15,000 building bonds. Denom. \$1,000. Interest 3 p.c. C.c. \$1,500. Anna K. Hammerstrom, village clerk.

## FRIDAY, JAN. 3

Marinette, Wis.—At 2 p. m., \$75,000 hospital coupon bonds for Marinette county. Denom. \$5,000. Interest 3 p.c. C.c. \$1,000.

## TUESDAY, JAN. 7

Grand Forks, N. D.—At 5 p. m., \$25,000 swimming pool bonds of the park district. Interest 4 p.c. Denom. \$1,000. C.c. 2 p.c.

prised its 4,500 stockholders Christmas week by advising them of a possible 5 per cent dividend to be voted right after Jan. 1.

\*

Flour City Ornamental Iron Co., Minneapolis, after a lapse of several years, agreeably surprised its stockholders with a Christmas dividend of 25 cents a share on its common stock.

\*

C. O. Kalman, chairman of the Board, Kalman & Co., St. Paul, home for the holidays and to attend year-end meetings, expects to return to his island winter home just off the coast of Florida shortly after the first of the year.

★ ★ ★

# Municipal Financing

## MINNESOTA

HINCKLEY — Voted — \$30,000 high school building bonds of independent school district No. 2, by 71-33.

LINDSTROM—Offered—Dec. 21 at 7 p. m., \$3,500 street improvement orders. Denom. \$500. Interest 6 p.c.

LITTLE FALLS — Proposed — \$6,000 revenue fund bonds.

ST. LOUIS PARK—Offering—Dec. 30



at 8 p. m., \$5,000 street improvement orders. Denom. \$250. Interest 5 p.c.

**WANAMINGO — Voted —** \$34,000 school and gymnasium building bonds, by 174-41.

**MONTANA**

**KALISPELL — Proposed —** \$15,000 armory site bonds.

**SOUTH DAKOTA**

**ELK POINT—Voted —** \$27,500 power plant bonds by 229-33.

**MARION—Election —** Jan. 3, \$17,500 building completion bonds for independent school district No. 3.

**WISCONSIN**

**LADYSMITH — Election —** April 1, \$400,000 paving bonds for Rusk county.

**MARINETTE—Offering—**Jan. 3 at 2 p. m., \$75,000 hospital coupon bonds for Marinette county. Denom. \$5,000. Interest 3 p.c. C.c. \$1,000.

**RICHLAND CENTER — Proposed —** \$20,000 fire and police station bonds in connection with a WPA project.

*Elected*



**LAWRENCE B. WOODARD,** partner of Woodard-Elwood & Co., Minneapolis, elected to the board of governors of the National Association of Securities Dealers, representing Minnesota, Montana, North Dakota and South Dakota. Elected to membership on the district committee: Stanley Gates, Stanley Gates & Co., St. Paul; A. A. Greenman, Greenman & Cook, Inc., St. Paul; E. L. Williams, Allison-Williams Co., Minneapolis.

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# VISITING AROUND

(Continued from page 11)

the busiest towns he's ever seen anywhere. Mr. Finger has moved his family there now and everybody's happy.

At the Fargo National, Vice President T. D. Hughes of Minneapolis was in town for the monthly directors' and stockholders' meetings, and Mr. Shaw and Cashier L. E. Smith were literally swamped with customers.

\*

That's another thing about Fargo's banks we've always noted—the four lobbies usually have long lines of busy customers, evidencing, we should think, that the city's business and civilian populations are prosperous.

\*

The Fargo National recently added to its staff in the person of Ward Dwight, younger brother of the Merchants' F. L. Dwight, who had been employed at the First State Bank, Cando, N. D.

The Dakota National Bank saw deposits shoot up some \$200,000—about 8 per cent—during 1940, and loans have grown correspondingly. The bank has a fine volume of FHA Title I loans.

Across the river in Minnesota, we found O. B. Rusness, executive vice president First National, Moorhead, just back at his desk after a several days' siege with the flu, and still pretty "rocky," though much better. Mr. Rusness and Cashier Lawrence Mauritson followed suit as to their happy sizeup of local business conditions.

O. M. Alme, cashier American State, Moorhead, told us he's in love with his job (he took it only a few months ago, you'll remember), and deposits have gained about \$150,000 this year.

\*

Running with this story is a photo of the new offices of Gate City Building & Loan Association, Fargo. The offices are just as nice as this picture indicates, and apparently have contributed substantially to the organization's fine growth this year.

H. A. Thompson, secretary and manager, told us that assets of this 17-year-old association have passed the \$1,800,000 mark, making it the second largest association in North Dakota. In its lifetime it has loaned several million dollars to home owners on first mortgage loans and has paid to investors more than \$500,000 as dividends.

\*

Another fine year was reported to us by officials of Northwestern Mutual Savings & Loan Association, too.

Deposits are up, loans are up, and its 5,689 investors are getting a 3 per cent per annum dividend on Dec. 31. Founded in 1893, the association has gradually built up its own reserve fund to \$300,000.

President H. H. Woledge, recently elected a director of the Federal Home Loan Bank of Des Moines, said 1940 has been one of their very best years. A. M. Cornwall, vice president and secretary, and James McGuigan, vice president and treasurer, chimed in with their good word, too.

\*

Western Mutual Life Insurance Co. is just rounding out a decade of progress. Founded in 1930, the firm reports insurance in force has jumped to more than \$7,600,000, and assets have increased from \$1,995 on Dec. 31, 1930, to more than \$480,000.

This company, too, is nicely located now in its own building, a fine big modernized building overlooking a big park. Furniture and fixtures are brand new, and Executive Secretary Otto Haakstad told us the new arrangement is working out wonderfully all around. Soundly established and conservatively managed, Western Mutual Life has a large state-wide crew of good agents,

including a number of well-known bankers (see photo with this story)

\*

We couldn't leave town without a visit to the new plant of the Pierce Co., one of the largest printing and stationery firms in the Northwest. President L. W. Hamm and Vice President A. W. Schilla said their business has been very good and gives promise of getting better. They do lots of work for banks, savings and loan associations, etc., in Fargo and throughout the whole territory. Thanks to Mr. Schilla, we enjoyed a trip through the plant.

## Heads Realtors

Taking over the reins of leadership from L. T. Chalgren, Charles P. Wilkinson will direct activities of the Minneapolis Real Estate Board during 1941 as its president, having been elected at the annual meeting Dec. 18.

Other officials, all elected unanimously, who will serve the organization during the coming year:

C. Elmer Keefe, vice president.  
Franklin B. Knoblauch, treasurer.  
Arthur D. Strong, secretary.  
Bernard G. Rice, executive secretary.

Mr. Wilkinson has served the board as a member of the board of directors for the last six years and was its vice president in 1938. He is president Wilkinson Home Finance Corp.

## Gate City's New Home



THE LAST WORD in design and appointment is this new office of Fargo's Gate City Building & Loan Association (see accompanying story).



**SWIFT SAYS:*****This Calculating Machine  
Can Do Almost Everything*****... AND FAST!**

"DID you know that you can multiply, divide, add or subtract almost instantaneously on the new silent speed Marchant calculator?"

That's the first question you're apt to have shot at you if you run into Harry Swift these days.

Mr. Swift recently arrived in Minneapolis (C. W., Nov. 9) to take charge of the Marchant Calculating Machine Co.'s affairs in Minnesota and Western Wisconsin. Until a short time ago he represented the same company in Europe, with offices in London, from where he supervised Marchant distributors throughout the Scandinavian countries, continental Europe, the Balkans and the Mediterranean.

\*

To COMMERCIAL WEST this week Mr. Swift had this to say:

"For more than 150 years European countries have manufactured rotary type calculators. In fact, there are 40 or 50 manufacturers there. The Marchant is the oldest rotary type calculator manufactured in this country, first produced and sold in 1910. The company has enjoyed an ever-increasing business, because it is constantly working for the improvement of the 'art.' The new silent speed model, on the market since 1934, embodies the first major improvement in principle in the 'art' since 1875. This improvement in principle minimizes noise and wear and tear, eliminates the shock of constantly stopping and starting, permits each and every dial to perform its proper function because of complete capacity carry-over and, in addition, produces unprecedented silent speed."

\*

Mr. Swift says he foresees tremendous business possibilities in Europe in the future. Reason: "The very struggle going on there now is similar to competition as we know it in America, in a more violent form. Competition enhances man's courage, perspicacity, and keeps him constantly active and alert. It is only under a system of private enterprise and competition that these qualities are developed in man."

Getting back to his favorite subject—Marchant—Mr. Swift reports that the last balance sheet showed over \$1,000,000 cash on hand, and total current assets, after providing generous reserves, of \$2,700,000, against current liabilities, including accruals and federal income tax, of only \$445,000.

Current ratio, he says, is about 6½ to 1. And, he adds, the company has no bank loans, bonds or preferred stock. Net profits, Mr. Swift says, for 1939 amounted to \$675,000, and 1940 net should be upwards of \$750,000.

\*

Marchant Calculating Machine Co. employs more than 1,000 persons and has offices throughout the world, according to Mr. Swift. All offices in the United States and Canada are directed by highly trained specialists—all "career men" with Marchant. All service is maintained and operated directly by the factory, even to the remotest corners of the North American continent.

Says Mr. Swift: "Every activity in selling and servicing is continuously being studied, and all development work is produced under the policy embodied in Saint Paul's wise counsel to the Thessalonians: 'PROVE ALL THINGS; HOLD FAST THAT WHICH IS GOOD.'"

**WAGNER-LOGAN BILL DEAD**

The House of Congress on Dec. 18 upheld the President's veto of the Wagner-Logan bill which would have given courts right to review regulations by various Washington bureaus affecting industry, business and finance. President's veto message said law would cause chaos in carrying out defense program.

**BILLIONS SUBSCRIBED**

Recent Treasury offering of ¾ per cent \$500,000,000 defense bonds brought in \$4,073,000,000 in subscriptions. Only 13 per cent of subscriptions was allotted.

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EVERYTHING points to an active investment market in the early part of 1916. January disbursements are estimated at over \$263,000,000, increase of \$20,000,000 over last year. The railroads may test out the market for long-time securities early in the year, and we may see various offerings of this line of securities. With favorable action recently taken by the Interstate Commerce Commission on both freight and passenger rates for Western lines, railroad bonds again should receive favorable consideration from the investor.

C. O. Kalman & Co., St. Paul, dealers in investment securities, has changed its firm name to Kalman, Matteson & Wood. C. O. Kalman is well known in St. Paul financial circles where he has been active for over 10 years. H. B. Wood, Minneapolis member of the firm, has been a resident of the city for the past 10 years, identified with a Minneapolis financial institution during most of this period as director and manager of its municipal bond department. M. W. Matteson also is well known in St. Paul financial circles. He has been a partner of the firm since its organization.

National Bank of Commerce, St. Paul, this week went on a dividend basis. Directors declared a semi-annual dividend of 3 per cent on capital stock of \$400,000. The bank, only two years old, already has deposits of \$2,376,000.

Continental Land Co., St. Paul, will open offices in the Merchants Bank building on Jan. 1. It will take over the business of Crandall, Flynn & Tuttle Land Co., members of which become identified with the new company. Branch offices are already established at Wahpeton, Colfax, and Fairmount, N. D., and an office will be opened at Thief River Falls, Minn. Capital is \$100,000.

New York is the largest city in the world! London, by reason of losses occasioned in the War and over-estimation by officials, must now admit that the American metropolis is the bigger by about a quarter of a million people. It is four years now since the last census of London was taken, but the official figures have only just been made public. Exact total, according to these figures, is 4,521,358, whereas New York has 4,766,883.

Cal E. Stone has been appointed traffic passenger manager of the Great Northern Railroad and will succeed Howard A. Noble, general passenger agent. Mr. Noble has been named manager of the Glacier National Park Hotel Co. Change will become effective before the end of March.

Curtis B. Kellar, president First National Bank, Albert Lea, Minn., died last Sunday after a short illness. Mr. Kellar was the oldest banker in the state in point of service. He had been employed continually from bookkeeper to president since organization of the First National.

Thomas L. Shevlin, 32, one of the most prominent business men of the younger generation in the Northwest and formerly a noted Yale athlete, died at his home in Minneapolis Wednesday. Mr. Shevlin was president Shevlin Co., a holding company controlling several subsidiary companies known in business circles as the Shevlin-Carpenter-Clarke lumber interests. He was a director First & Security National Bank, Minneapolis.

Public office holders and members of political party committees are made ineligible for election as officers or directors of Federal Reserve banks by a resolution adopted unanimously last week by the Federal Reserve Board. The resolution, offered by Secretary McAdoo, also informs member banks of the system that such persons henceforward should not act as officials or directors of the reserve banks.

Farmers State Bank, Moose Lake, Minn., will open for business Jan. 4. F. S. Graham will be president; P. D. Early, vice president; Wilford Westholm, cashier.

# BANK ANALYSES

(Continued from page 8)

Such results, one may say, border on the ridiculous, and point the way for real missionary work which should be taken up by the American Bankers Association and state bankers associations.

It will be granted that not always should the individual item charge basis be the same, due to local conditions and varying circumstances, but it does seem reasonable that a uniformly sound formula could be worked out and adopted.

\*

On the one hand, a bank customer, where an expense charge is involved, usually is on the defensive as to cost, and is analytically inquisitive.

On the other hand, where it is necessary for a bank, with a desirable account, to iron out any difference of opinion or lack of understanding concerning analysis charges, it should be a simpler matter to defend the bank's position.

\*

There is a certain customer psychology which goes with bank charges, sometimes misunderstood by banks.

"Oh well," says the customer, "the bank tells me this charge is according to clearinghouse rules and regulations." He shrugs his shoulders. "Mebbe it's all right; I don't understand it, but there's nothing to do about it."

He is passively tolerant but not entirely satisfied.

\*

The practice in some cities (and there are few left) to include a float charge of 4 to 6 per cent in the cost of handling an account and make a reserve deduction from the gross balance, is an example of a formula which is unsound and difficult to explain to a depositor.

"Why should I pay a 6 per cent interest charge on my outstanding float if I don't use it?"

Answer that one—I can't.

Also, what does a reserve deduction from the gross balance mean, with items in process of collection?

\*

Herewith is a simple formula, in my opinion, in which the method of calculation is so set up as to be sound and understandable.

This formula is worthwhile experimenting with in your own shop, and your results will be interesting.

\*

Partial or complete analysis can be

## MAKE YOUR HOLIDAY TRIP A PLEASURE

Travel to Winnipeg is just an overnight trip of complete enjoyment. The Winnipegger—an air-conditioned modern train—leaves the Twin Cities in mid-evening, late enough to dine at home if you prefer, or early enough to dine on the train.

For reservations, drop in or phone downtown ticket offices.



**THE WINNIPEGER** \$100 DINE

**SCHEDULE**

Leave St. Paul.....7:45 each evening  
 Leave Minneapolis.....8:20 each evening  
 Arrive Winnipeg.....8:45 each morning

**RESERVATIONS**

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 ST. PAUL — Fourth and St. Peter

**American Citizens DO NOT REQUIRE PASSPORTS**

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# BUSINESS WANTS

## Let This Department Do The Job For You

### SITUATIONS WANTED

AVAILABLE: Farm Financial-personnel manager for insurance or loan business. College graduate; married; can go anywhere. Address Box 809, 300 B Street S. E., Washington, D. C.

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.

Young woman with all-round office experience looking for advancement. Excellent references. Address Box 763, 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, 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.

### BANKING OPPORTUNITY

Opportunity for experienced banker in new bank. Must be able to make good-sized investment. Address Box 751, 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.

### MISCELLANEOUS

For Sale:  
 Burroughs machines.  
 1 listing machine.  
 6 posting machines  
 1 transit machine.  
 1 country bank machine.  
 All motor driven.  
 Address Box 767, care Commercial West.

This client desires to purchase the controlling interest in a fair sized bank located in a good farming community in one of our Northwestern states. File No. 602.

Banker with many years of specialized experience in agricultural credit will buy minority interest in sound bank in which he can assume an executive position. File No. 609.

Controlling interest wanted in sound bank located in good town in West Central or Southwestern Minnesota. File No. 617.

A confidential service for sale of minority and controlling interests in banks. Correspondence is invited.

W. R. OLSON COMPANY  
 Fergus Falls, Minnesota

## You Will Be Heard At 4 Cents a Word

Rates for advertisements in this department are 4 cents per word each insertion. Words displayed in capitals, 8 cents per word. Initials, name, address, location and abbreviations count as one word each. Copy paragraphed, 28 cents per line. Check or postage stamps must accompany all orders. All answers to advertisements under key numbers must be accompanied by a three-cent stamp.

MR. BANKER, are you tied up with mis-handled newspaper property that you would like to see in the hands of a "no booze," capable and experienced man? Address Box 766, care Commercial West.

Wanted—Information about duck hunting passes in Minnesota not more than 150 miles from Twin Cities which will be open for leasing during the 1941 season. These must be dry-land passes good for early-season shooting as well as for northern flight bluebills. Give details of location, type of adjoining lakes, how close of main highway, type of roads leading to pass, accommodations for hunters. Address Box 764, care Commercial West.

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applied as circumstances warrant under this formula, and it gives credit to compensating large balances and exacts handling costs where activity outdistances earning power of smaller balances.

It broadens the base on smaller accounts fairly, and as a whole has the effect of increasing the total revenue from analysis of accounts.

### New Iowa Bank

Just organized is the Iowa State Bank, East Des Moines, with \$100,000 capital, \$10,000 surplus, \$15,000 undivided profits. It has applied for FDIC membership.

G. A. Frampton, vice president Union Bank, Lincoln Neb., is president. Incorporators include Mr. Frampton and George O'Dea, Hugh N. Gallagher, William Broquist and A. E. Sargent.

### Will Pay 20%

Stockholders of Central National Bank & Trust Co., Des Moines, will receive a 20 per cent stock dividend and a semi-annual cash dividend of \$2 a share on the expanded stock.

Capital remains at \$1,000,000, inasmuch as the increase in common capital from \$550,000 to \$660,000 will be counter-balanced by a reduction in preferred from \$450,000 to \$340,000. Deposits are about \$28,000,000.

Canadian National Railways show an increase over the same 1939 period of \$21,653,056 to a total of \$38,733,861 in net revenue for 11 months of 1940.

Paine, Webber & Co., in its December review prophecies that physical volume of industrial production this year may exceed that of the 1929 boom year by about 11 per cent.

### NEW NORTHWEST PATENTS

The following patents were issued Dec. 20, 1940, to Minnesota and Dakota inventors, as reported by Williamson & Williamson, patent attorneys, 925 Metropolitan Life building, Minneapolis:

Albert Andrews, Rapid City, centrifugal engine governing mechanism; Christian B. Jensen, St. Paul, snowplow; Christian B. Jensen, St. Paul, snowplow; William A. Kelsey, Minneapolis, measuring instrument; Robert S. Kinkead, St. Paul, mower; James R. Lapham and F. S. Holida, Minneapolis, machine for washing cream separator disks; Clark A. McElevy, Minneapolis, housing for buffing wheels and the like; Henry L. Mills, Minneapolis, device for producing current pulses; Guy L. Pugh, Minneapolis, battery tester; Arthur L. Waugh, Duluth, detergent germicide.

George F. Williamson

Ralph E. Williamson

Robt. E. Burlingame

## WILLIAMSON & WILLIAMSON

TRADE  
 MARKS

PATENTS

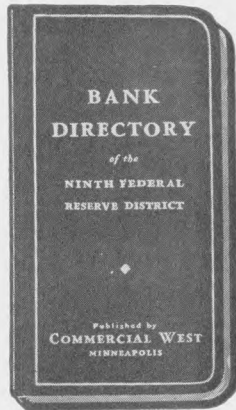
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Attached is our (my) check for \$7.50 for which send the **COMMERCIAL WEST** for one year (52 issues) and one copy of your 1940 Bank Directory of the Ninth Federal Reserve District.

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The Directory alone . . . . 5.00

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

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# Again, Greetings to Each of You . . .



*Merry Christmas,  
and Happy New Year  
from all of us*

## From All of Us . . . *A Happy and Prosperous New Year!*

And once again we print hereon a group picture of President O. B. McClintock and the office folks who keep busy directing the service of McClintock products in your bank and the many thousands of other institutions all over the United States.

We have enjoyed working for each of our many customers during 1940, and we trust that our services have satisfied everyone.

Naturally, we want to extend our sphere of influence and add many new names to our list of customers in 1941.

Your good will and support to that end will be much appreciated.

So with thanks and best wishes, permit us to sign,

**O. B. McCLINTOCK COMPANY**

Its Local Sales, Service and Executive Personnel

MINNEAPOLIS

MINNESOTA