


Commercial West

Incorporating NINTH DISTRICT BANKER
MINNESOTA BANKER • MONTANA BANKER

SEPTEMBER

5

1942



A. B. A. CONVENTION IN PRINT



To the Dairy Industry:

FOR DISTINGUISHED SERVICE TO AMERICA

The Dairy Industry Has Delivered!

ONE year ago, our Government called for the greatest production of Dairy Products in our Nation's history. Today, more than 350 million pounds of cheese, 40 million cases of evaporated milk, 200 million pounds of dry skim milk, have all been delivered or made available for lend-lease shipment. All in all, a goal of 125 billion pounds of milk is well in sight!

Record production has been accomplished in spite of many shortages — particularly shortages in labor and materials. But thanks to hundreds of Northwest bankers, many of whom are our correspondents, there has been no shortage of able, experienced banking help in financing many of the new processing plants, new machines — even the new herds — that have been necessary for the Dairy Industry to attain its goals!

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NORTHWESTERN NATIONAL BANK AND TRUST COMPANY

Marquette Avenue: 6th to 7th Streets
MINNEAPOLIS

Member Federal Deposit Insurance Corporation

The Financial Weekly of the West

Commercial West

NINTH DISTRICT BANKER • MINNESOTA BANKER • MONTANA BANKER

Volume 84, No. 10

September 5, 1942

This Week

EDITORIAL 6

SPECIAL

A. B. A. "Convention in Print"	10
President Roosevelt's Message	11
New Controls and More Sacrifices: <i>By Henry W. Morgenthau</i>	11
Consumer Credit Outlook: <i>By John Burgess</i>	14
Country Banker's Job: <i>By K. J. McDonald</i>	15
State Associations' Functions: <i>By William Duncan, Jr.</i>	16
Securities Commissioners Meet in St. Paul	28

FEATURE

Coming Events	4
The Bull's-Eye: <i>By the Sharpshooter</i>	8
Banks and Bankers	19
Ahead of the Market: <i>With Wall Streeter</i>	25
Municipal Financing	26
Insurance	30
Twenty-five Years Ago in Commercial West	33
Business Wants	34

AND BE SURE TO READ

A Pat on the Back	20
Minnesota Bankers' Committees	24
Northwest Committee Relieved of F & G War Bond Sales	32

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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 income and influence—in the great agricultural West.
 Advertisers and subscribers, desiring special information on Northwest activities, should address the editor.

Entered as Second Class Matter at the Minneapolis Post Office.



Correspondent Banking Service

THE AMERICAN WAY

Our facilities for Correspondent Banking Service are complete in every department.

Our Policy is one of friendly cooperation. The following Officers will be glad to offer you that personal friendly AMERICAN WAY SERVICE.

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THE AMERICAN NATIONAL BANK

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MEMBER FEDERAL DEPOSIT
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COMING EVENTS

Next Week

- Minnesota State Fair, at St. Paul,
endsSept. 7
Dairy Region Clearinghouse As-
sociation, at Owatonna (Closed
Meeting)Sept. 9
Corn Belt Clearinghouse Asso-
ciation (Minn.), at Interlachen
Park, FairmontSept. 10
Southwestern Minnesota Clear-
inghouse Association, at Tracy....Sept. 12

Later

BANKING

- Southern Minnesota Clearinghouse As-
sociation, at Austin.....Sept. 14
Blue Earth Valley Clearinghouse Asso-
ciation (Minn.), at Mankato Golf Club..Sept. 15
Iowa Junior Bankers, at Des Moines.....Oct. 25
Iowa Bankers Association, at Des Moines. Oct. 25-27

OTHER

- Association of Stock Exchange Firms,
Board of Governors, at St. Paul.....Sept. 14-15
Minnesota Photographers Association,
at St. Paul.....Sept. 21-23
National Association of Insurance
Agents, at Chicago.....Sept. 21-24
Mortgage Bankers Association of
America, at Chicago.....Sept. 30-Oct. 2
Investment Bankers Association of
America War Finance Conference at
Waldorf-Astoria hotel, New York.....Oct. 19-20
North Dakota Educational Association,
at FargoOct. 26-28
Twin City Milk Producers Association,
at St. Paul.....Nov. 28
North Dakota Winter Show, at Valley
CityMarch 8-13, 1943

—VICTORY—

**SB&L War Bond
Purchases Climb**

Savings, building and loan associations of Minnesota are piling up their purchases of Series F and G War Savings Bonds, and other federal issues to sustain the war effort, as evidenced by reports received in the past few days by John F. Scott of St. Paul, chairman of the Minnesota committee pushing the drive. On Wednesday this week Mr. Scott reported to Commercial West the following purchases in addition to \$2,246,000 published Aug. 22:

Ben Franklin Federal, St. Paul.....	\$ 25,000
First Federal, St. Paul (additional).....	25,000
Albert Lea Federal.....	20,000
Home Federal, Spring Valley (additional)	16,000
Tracy Savings & Loan.....	10,000
Hutchinson Federal	7,000
Wells Federal	5,000
Detroit Lakes Federal.....	2,500
Jackson Building & Loan.....	1,500
Olmsted County Building & Loan, Rochester	1,000
Total	\$ 113,000
Carryover from Aug. 22.....	\$2,246,000
Total to date.....	\$2,359,000

Send Your CCC Grain Loans to the MIDLAND

The Commodity Credit Corporation, 1942 Lending Program includes Soy Beans, and Grain Sorghums as well as Wheat, Rye, Barley and Flax.

There is an increase in loan values this year and a change in the maturities. Notes secured by warehouse receipts for elevator-stored grain mature April 30, 1943 and notes secured by chattel mortgages on farm-stored grain mature April 30, 1944.

Requests for these loans are coming from farmers all over the Northwest and the MIDLAND is better prepared than ever before to accept all loans which the bankers of this territory care to sell.

1. You will receive MIDLAND PROMPT SERVICE on these loans.
2. We will credit your account or remit to you for the face amount of the note PLUS accrued interest.
3. In addition we will allow a COMMISSION to banks which will be paid at the time the notes mature or are paid.

For many years the MIDLAND has made a specialty of prompt service on this kind of loans for banks and grain firms throughout the Northwest. Here is an opportunity to test MIDLAND service.

MIDLAND
National Bank and Trust Company
of Minneapolis

SECOND AVENUE SOUTH AT FOURTH STREET

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

EDITORIAL

Convention "In Print"

We call attention of our readers to a news presentation in this issue of Commercial West which probably was never before undertaken. It is an account of the annual convention of the American Bankers Association scheduled for the end of this month at Detroit—which was canceled. It is, therefore, a "convention in print."

As a result, Commercial West subscribers get the report of convention highlights at their desks in their office and in their easy chairs at home. "Registrations" of non-subscribers will be recorded for our nominal subscription fee.

The A. B. A. convention is too big and important a matter, especially in this wartime emergency, to go unrecorded. So thought the administration; so thinks Commercial West. The formal addresses have been prepared and submitted to A. B. A. as they were to be presented, routine of round table and panel discussions were arranged—all but the hustle and bustle, hand-shaking, entertainment.

It is interesting, valuable, well worth your reading time—another service of Commercial West to banking, business and industry of the Northwest.

—VICTORY—

The Business Picture

Employment in the Northwest is at the highest level in the history of the records of the Minneapolis division of employment and security index, continuing a strong upward movement that began in 1938. Although this increase had its inception in private industry and business, it has been vastly accelerated, of course, by wartime industries.

Payrolls also have reached new high levels and, in the past 18 months, have advanced more rapidly than employment, creating unusual purchasing power which, added to that of record cash farm income, has held business volume at record peaks.

Loading of revenue, freight by the railroads for the week ended Aug. 22 totaled 869,404 cars which was 30,384 under the 1941 week but 108,296 above that of 1940.

—VICTORY—

Meeting Changing Times

Like all other lines of business and most individuals, retail merchants have had to change their methods of operation in line with the changing times.

To their great credit, department stores and leading specialty stores and shops of the Twin Cities, Duluth and other large centers have been alert to the situation and are continuing to give consumers a merchandising service of high quality at, no ques-

tion, considerable sacrifice of profits plus increased burdens laid on administrative and employe staffs.

Latest evidence of the advanced position of Twin Cities merchants, worked out by the Minneapolis Retailers Association and the Retail Division of the St. Paul Association of Commerce, was institution on Monday of staggered opening and closing hours, placed in effect for convenience of the rapidly growing number of employes of war plants and as a means of rationing travel on street cars and buses to obviate the packjamming of these conveyances in early morning and late afternoon hours.

Reports to Commercial West indicate beneficial effects of this new service move on the part of the stores, civilian customers accepting in good part later opening hours on specified days, while war plant workers evidenced their appreciation of evening shopping hours by patronage which, it would appear, fully justified the change to meet changing times.

—VICTORY—

Good News for Bankers

Out of Washington this week comes good news for bankers—that the downward trend of loans may soon be halted. Unprecedented activity in war plants, Standard & Poor's advises us, coupled with delay in obtaining payment for goods delivered, plus large cash requirements when 1942 taxes fall due, are leading to a tentative staking out of credit lines by even some of the strongest of the arms and equipment producers.

While loans to consumers' goods companies will continue to shrink, it is believed, current actual borrowings by war materials concerns, together with the building up of lines of credit, indicate an upward turn in loans by the end of the year, possibly sooner.

—VICTORY—

The War and Farm Prices

It's an ill-wind that blows no one good is as true today as it was back in the early history of civilization. We all deplore the war and its terrific costs in manpower and money but, like all wars, it has its compensations.

It is creating great payrolls, skyrocketing some industries to heights of which they had never dreamed, returning again to our farmers a position where the products they sell are gaining ground close to, in some instances over the parity line between what they sell and what they buy.

Latest figures of the Department of Agriculture reveal farm prices today stand at 163 per cent of the pre-war level. Their price index as kept by the department is 32 points above that of one year ago. All groups of farm products excepting grain, cotton

and cotton seed, dairy products and fruit averaged above parity on Aug. 15. On that date prices of chickens and eggs advanced 11 points to 156 per cent of the pre-war level.

Livestock and livestock products, which with meat, corn and other grains, are major production of this section, are above parity. Wheat is close to the point where it will buy its dollar's worth of things the farmer purchases.

While these war days are golden days for the farmer still he has not sought the peaks of great profit that were his in World War I, nor is he seeking them, which is greatly to his credit. He knows full well from his experience in the other war that it is preferable to obtain fair profits now rather than to have runaway prices come his way with their subsequent precipitate drops and the general disruption of the economic structure that follow in the wake of war-inflated prices.

The farmer wants his sons to come back from the war to an economy in which they can survive.

—VICTORY—

CIO Still "Dairying"

Recently we recorded the efforts of the CIO coal miners' union to line up dairying in Minnesota and Wisconsin, citing the effective opposition being put up by the Twin City Milk Producers Association, the Minnesota Farm Bureau Federation and other dairy organizations, indications at that time being that the CIO's were not making any great headway.

Commenting on our article and upon the situation as it now exists, J. S. Jones, secretary of the Minnesota Farm Bureau Federation, headquarters St. Paul, writes us:

"The worst part of it now is that they (the CIO) are going in and lining up the employes of our creameries and getting them affiliated with their union. And the fear is that in that way they will get to the farmers."

We may be wrong, but we do not believe the progressive dairy farmers of this section will stand for CIO interference with their business. We hope we are not mistaken.

—VICTORY—

More Work for Banks?

Out of Washington Thursday morning came press dispatches hinting issuance of general ration books patterned after those of England, and intimating they will become a "second money system," indicating that our banks, as those of England are doing, will have to clear the coupons.

Well, that's just another war contribution the banks will have to shoulder—and they'll do it.

—VICTORY—

Shipping by Airplane

With war developments beginning to prove the desirability of freight transport over the oceans by airplane the question arises, is air transport to be the future method of shipping?

Leaders in aeronautics are confidently predicting just that now. That there is something more than just talk behind the idea is evidenced by the fact

*The "Bull's-Eye" will be found
this week on page 8.*

that railroad men are not closing their ears to such proposals but are quietly studying the prospect and analyzing what effect the growth of air transport could have upon their accepted present-day methods.

Right now, of course, air transport enthusiasts are proclaiming the advantages of air shipments as impervious to attacks by enemy submarines, certainly a desirable objective. But in the background they are hinting that when the war has ended great freighter airships can serve tremendously to speed up rehabilitation all over the world. Looking at the matter through their eyes it would not be a far cry to the airship freighter in regular service in all countries.

But at the same time, looking at the future from here, we do not anticipate that air transport could take over any great part of freight haulage—certainly not heavy haulage such as construction steel and so on. Again, it would not seem possible, at least for a long time, to get the cost of air freight haulage down to where it could compete with the railroads, excepting for emergency transport.

In any event we feel that it can be left safely to the railroads to work out any such problem with which they may be faced. They have competed with trucks by establishing their own trucking lines. It stands to reason that they would undertake the same broadening of their service if they have to compete with air transport.

—VICTORY—

Code for Personal Loans

In last week's issue Commercial West published an account of the issuance by the Wisconsin Bankers Association, through its consumer credit committee, of a code of principles on personal loans.

In view of the fact that bankers of this great Central Northwest Wealth Belt are face to face with a serious inroad into profits because of heavy pay-offs of farm and mercantile loans, due to the heavy and continuing cash income of farmers, personal loans are among other items that must be worked up to relieve the pressure on the commercial loans portfolio.

Outside of the larger city banks, which boast scientifically instituted and maintained personal and family loan departments, personal loan operations of some of the smaller banks have been of a more or less hit and miss nature.

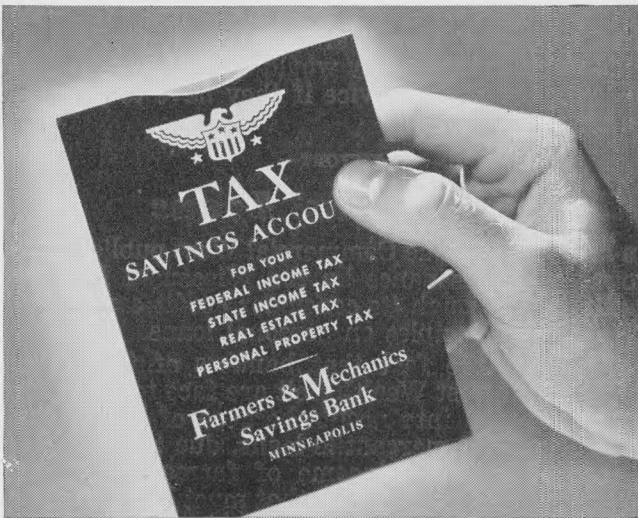
Recognizing that fact, the consumer credit committee of the Wisconsin Bankers Association, after careful study and analysis, has prepared its personal loans code. It is particularly timely because of the wartime restrictions entailed on consumer credit by Regulation "W".

We commend the Wisconsin association for its foresight and good service to its members and suggest that the code be studied by other associations of this section for possible adaptation and use by their members.

Sock!



Taxes are bound to hit you harder than ever next year. Can you take it? Yes—if you get set for the blow now. First estimate the total amount of taxes you will have to pay in 1943, remembering that your Federal Income Tax may be two or three times what you paid this year. Figure out just how much you should lay aside each month to meet *all* your taxes. Then . . .



Open a tax savings account at the Farmers & Mechanics Savings Bank, and make your first deposit. You get a special passbook for this account, but your money earns our regular high interest rate—currently 2%—and is insured by the Federal Deposit Insurance Corporation. When next March rolls around, you may not exactly enjoy the bad news, but at least it won't knock you out!

Farmers & Mechanics Savings Bank

MINNEAPOLIS, MINNESOTA

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

The BULL'S-EYE

By The Sharpshooter

A frown was gathering on the forehead of the business executive as I sat at his desk. He was reading one of the various "letters" put out by "advisers" on our markets, national economy, and what have you, purporting to lead the poor, blind business man, who has the handling of millions every year, into the pathway of financial and business success.

These "letters" stress presumed contacts with men and concerns in "authority" as sources for statements on conditions, predictions as to what should be done to carry on business and industry, what stocks and bonds should be bought, impacts of the war on banking and business, and so on.

One letter, and there are many of them, recommends one thing, another perhaps the very opposite. Put them all together, shake them up in a basket and you have a hodge-podge of predictions, ideas and suggestions. No wonder they bewilder the business man.

It was easy to see that the man whom I was visiting was bewildered. The frown grew. Suddenly he slammed the letter into the waste basket.

"I don't know why we subscribe for this stuff," he said. "They tell us one thing one time, another thing the next time a letter reaches us. They don't make sense. I have to know what's going on right here in the Northwest. Our own contacts in eastern markets give me all I need to know about the national situation. I get more real meat out of your 'Ahead of the Market' in Commercial West. You give us both the local picture and national information in which I am interested.

"Why should I take time out of a busy day to read what one man's ideas are (who is a thousand miles away from here) about finance, commerce and the nation's economy in war and, above all things, what it will be in a peace that we have yet to win.

"Look at my desk. Look at these reports I have to go through and analyze. There is enough vital information for me in these and in other papers and statements from our correspondents passing through my hands each day. They give me data enough to keep me fully posted."

This man is right. I have found in visiting eastern business and financial centers that I have had to answer more questions than I asked. Any up-on-his-toes executive anywhere in the country who is in constant touch with conditions, as he should be, needs no long-arm predictions and guesses. Of course, every business man wants and needs to keep up on what's going on but more and more, apparently and wisely, are coming to realize the importance of thinking things through for themselves. That's a healthy sign.

✓ *This current Chase advertisement publicizes a timely commercial banking service.*

A NEW WAY TO SIMPLIFY WAR CONTRACT FINANCING

★ ★ ★ ★

The Domestic Letter of Credit

★ ★ ★ ★

IF the unusual, pressing conditions of today are such that your company is transacting business with concerns which may be little known to you, you can save time, speed your war production and eliminate many troublesome credit problems by using *Domestic Letters of Credit*.

Those in the import and export trade know how vital the Commercial Letter of Credit is to the conduct of their business; its use as a domestic instrument is less understood. But this method of arranging for payment between buyer and seller has specific advantages to *both* parties when days and even hours are so important. You eliminate protracted, and often repeated, credit investigations. Transactions may be quickly consummated. Payment is made promptly by the bank when the seller delivers the required documents with the Letter of Credit. *And, to qualified concerns, a Domestic Letter of Credit offers other*

ADVANTAGES



To the Buyer

- You obtain immediate consideration from possible suppliers because they are assured of prompt payment.
- You can often buy advantageously because purchases are made on a cash basis.
- You have all the advantages of buying for cash *without* reducing your bank balance until delivery is made.
- Using a Domestic Letter of Credit is simple and the cost is moderate.



To the Seller

- You may request that buyers obtain a Domestic Letter of Credit and eliminate much checking and investigating.
- A confirmed *bank* Letter of Credit protects you against cancellation of an order.
- You have financial security, as possession of the buyer's Letter of Credit assures prompt payment.
- You strengthen your financial position with your bank if you possess a Letter of Credit prior to delivery of, and payment for, your product.

ESTABLISHED concerns are cordially invited to find out how a Domestic Letter of Credit can contribute importantly to simplifying and speeding their business operations. Sound, credit-worthy enterprises in the New York Metropolitan area may inquire directly of the Chase; out-of-town firms through Chase correspondent banks in their communities.

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

A. B. A. "Convention in Print"

A Meeting of Minds on Wartime Problems Replaces Scheduled Meeting of Persons

Conditions in a changing world have changed traditions. Things are not being done as they used to be. People are learning to sacrifice, to do away with those things which are not considered essential to the war effort. Because railroads are loaded to the guards with war freight and soldiers being moved to and fro many conventions have been cancelled or are held only in abbreviated form. Perhaps next year no conventions will be held at all.

The great A. B. A. convention, one of the largest in the nation, to have been held at Detroit, Sept. 27-Oct. 1, was cancelled, but, uniquely and different, first time in history, probably—

The A. B. A. convention is being "held in print."

In this great Central Northwest Wealth Belt region Commercial West herewith presents highlights of the "meeting."

There will be no attendance of delegates, no little groups in informal discussion, no entertainment, no politics, no hotel rooms buzzing with comment.

Instead, Commercial West brings convention highlights to bankers at their desks or in easy chairs in their homes. All the addresses had been prepared, sessions programmed, round tables arranged. You won't hear it but you can read it.

And so, the gavel of President Henry W. Koenke falls. He calls this most unusual of conventions to order, delivers his presidential address.

"Events of the past year have been the most dramatic and far-reaching in the history of the American Bankers Association," he says, as readers of this "convention in print" settle back in their chairs, light their pipes and prepare to get all there is to get out of the 80-year-old A. B. A.'s "ghost" convention.

"The A. B. A. was in a world at peace after my election," says President Koenke, citing the events that led to Pearl Harbor on Dec. 7 and the part banks of the nation have played in defense and war financing.

"We can look back with pride upon the manner in which banks have risen to every occasion. They have performed with marked success every assignment given to them. They have anticipated the needs of the nation at every step; they have initiated necessary wartime banking service. They represent the change-over from peace service to wartime service. They rep-

resent the banks at their best—alert, flexible, able to anticipate and ready to meet everything required in their area of activity.

"And they represent, too, the effectiveness of the leadership provided by the American Bankers Association and the state bankers' associations."

Citing the great war service banks have rendered from freezing of enemy alien funds to the sale of War Savings Bonds—an impressive list—President Koenke says:

"The deprivations experienced in the last war will undoubtedly be multiplied during this one. But we shall accept them, make the best of them, as we did the last time, and substitute as we can.

"In lieu of our annual convention the membership will express itself in regard to the business and policies of the association through the executive council. The executive council is the governing body next to the membership assembled in convention. It consists of 116 bankers coming from all sections of the country, most of whom are elected to the council by the state bankers associations. The executive council will meet in New York on Sept. 28-29 to consider the business of the association and give direction to its policies.

"The months ahead will call for resourcefulness. There will be problems growing out of the wartime fiscal operations of the government, the drying up of the civilian economy, rising taxes and the continued low interest rates, the loss of manpower and other things. However, they are not problems that will be insoluble to resourceful men. Already many resourceful bankers are meeting some of these difficulties by ingenious methods and practices, operating within the framework of good banking yet adapting their operations to new conditions.

Reading on in this "convention in print," bankers will find a well-rounded-out program—President Roosevelt's message, advice of Treasury Secretary Morgenthau, formal addresses by banking leaders of the Northwest, excerpts from talks by leading bankers and educators of the nation, told by Commercial West just as it would have been told by its special staff representatives, and as they have told the story in scores of past years.

President Roosevelt's Message

The White House, Washington,
July 28, 1942

My Dear Mr. Koeneke:

Please extend my hearty congratulations to the members of the American Bankers Association on this their annual convention. It is appropriate that the manner of your meeting in this year of historic decision should reflect the determination of American bankers to leave nothing undone that can in any way contribute to the object we all have in view—the defeat of our enemies. By holding this “convention in print” instead of assembling together as you have done for more than half a century, you are helping to conserve vital transportation and other facilities at a time when they are taxed to the utmost by the demands of the war.

The bankers of America have a great obligation and great opportunity to serve our beloved country in this hour of peril and they have answered the call to service joyfully and with stout hearts. For over a year they have played a dis-

tinguished role as volunteers in the promotion and sale of War Savings Bonds.

They have met unprecedented demands from industry for the expansion and conversion necessary to win the battle of production.

They have been in the forefront of the fight against inflation not only through the sale of savings bonds to the people but by putting into effect restrictions on consumer credit and combatting unnecessary expenditures of all kinds.

They have been indispensable in the freezing of foreign funds to prevent their use directly or indirectly by the enemy.

I mention all this in the past tense not because the job is done but because even now it represents a record of accomplishment of which you all may be justly proud.

But no one knows better than American bankers that we have only just begun to fight. American fighting forces are moving into battle on lines that encircle the globe. If we on the home front are to be worthy of them, we must carry

on the battle of production, wage war on inflation, combat complacency and fear with the same spirit of courage and sacrifice with which they meet the enemy on land and sea and in the air. We like they can have no other thought than to win the war. All considerations of private interest or personal comfort must give way to a single-minded devotion to that aim. As community leaders, bankers have a unique opportunity to promote that unity and teamwork which is so necessary to success.

Involved in this conflict are values too precious to be expressed in economic or financial terms. They include all those intangibles which make the name America a synonym for freedom throughout the world. Faith in freedom, in the honor and integrity of the common man, is what sustains us as a nation. United in this faith we are invincible.

With best wishes, and again congratulations,

Sincerely yours,
(Signed)

FRANKLIN D. ROOSEVELT

New Controls and More Sacrifices

By *HENRY W. MORGENTHAU*

Secretary of the Treasury
Washington

We have come through a year of stress and strain since I last had the privilege of addressing the American Bankers Association on the subject of our financial and economic problems.

When I spoke to you in Chicago last October, coming events were already casting their shadow. At that time, and in the light of our financial experiences in the former World War, I reviewed the perils of inflation facing us, and I asked you to constitute yourselves sentinels of the nation, in your own banks and your own communities, to guard against any private encroachment upon the resources of materials or of credit needed for the national effort.

If this were not a moment of such deadly seriousness for our nation and for all free men, I might be tempted to think that we had not done too badly in our

war financing in the year that has past. By “we” I mean, of course, the American people, but also, in a special sense, the Treasury, the Federal Reserve System and the bankers, working together in a new partnership which we have entered into for the duration of the war—indeed, I hope for a much longer time, for our partnership must look beyond victory to the peace we shall have to win together.

In the fiscal year that ended June 30, \$36 billion poured into the Treasury in tax revenues and in all forms of borrowing. There is no parallel in our history for this money-raising achievement, nor has the government ever been able to draw upon such a wide variety of funds. We have not only raised \$13 billion from taxes, but we have also borrowed a net amount of \$3 billion through the sale of tax anticipation notes. We

have not only resorted to the conventional forms of borrowing from the banks and regular investors, but we have also enlisted additional institutional funds by issuing new types of securities, and we have sold War Savings Bonds to some 20 million Americans to a total of \$6 billion in the fiscal year just ended.

Without wishing to seem complacent—for complacency is as dangerous as a dozen of the enemy's mechanized divisions—I think it only right to call attention to these unprecedented borrowings, so smoothly carried out that the country as a whole has hardly become aware of their magnitude. We are surrounded at this moment by economic as well as military dangers, yet it is cause for some satisfaction that inflation has been more effectively controlled to date in this war, in the face of a production and expen-

diture program of immensely greater dimensions, than in the corresponding stage of our participation in the World War of 25 years ago.

I have just seen an estimate by the Department of Commerce showing that the people's savings in the first two quarters of 1942 were twice as great as in 1941, due partly to price ceilings, credit restrictions and to the growing shortages of many kinds of consumers goods, but also in very large measure to the people's awareness of the need for saving. The estimate shows individual savings at an annual rate of \$24.4 billion in the second quarter of this year, as compared with \$19.3 billion in the first quarter and an average of \$12.8 billion in 1941.

These results would not have been possible without the voluntary cooperation of millions of Americans representing every state and section, every occupation, every national background, race and creed.

In this voluntary program the bankers of America have stood in the forefront. They have given the equivalent of 25,000 full-time employes to the sale and promotion of War Bonds, and 85 per cent of the sales made have been through the banks. They have been fighting in the front lines of our battle on the home front by carrying out the restrictions of Regulation W on consumer credit, by keeping a careful watch on all applications for non-essential loans, and by helping to freeze foreign funds which the enemy might have used to spy upon our war effort, to sabotage our production, or to demoralize our people. They have given their time and energy to this effort without thought of any compensation except the knowledge that they were helping their country in its time of greatest need.

I have said before on repeated occasions that we at the Treasury are deeply grateful to the Federal Reserve system and to every individual banker who has helped the program of war financing, and I should like to express my thanks once more for a splendid exhibition of cooperation and patriotism.

Yet we cannot afford to congratulate ourselves at this critical stage of the war. Whatever was accomplished in the past fiscal year is of little relevance when we remember the size of the financial as well as the military job ahead of us.

It would be carrying coals to Newcastle to explain to the bankers of America the magnitude of the financial problem confronting our government this year in meeting the many and urgent demands of the war. You know that we shall have to borrow more than \$50 billion in one way or another in the present

fiscal year, even if Congress enacts a tax bill to yield \$8.7 billion of additional revenue, as we at the Treasury have urged. Without any elaboration from me you can appreciate what the borrowing of \$50 billion will entail.

The problem itself involves more than simply raising the money to pay the bills. To begin with, we have to manage our fiscal affairs so that the financial burden is distributed equitably. In achieving this, we must avoid any maneuver that threatens to hinder the maximum efficiency of our war production.

Above all, we must find the means to devote more than half of our national income this year solely to war purposes, yet without slackening the determination of the American people to win this war and win it outright. Our taxes and our borrowings must not handcuff the hands already willing to work for victory.

You would, I suppose, like me to give you some guidance as to the methods by which the Treasury proposes to raise these truly colossal sums. I wish that I could give you that guidance, but frankly, none of us can see more than a few months ahead through the murk of this most unpredictable of all wars. Besides, the decision in all cases does not rest with the Treasury alone.

I would not venture to guess, for example, what the new tax bill will yield, although I know that the American people are ready for a courageous tax program. In fact, they are ready to bear even greater burdens than the Treasury's minimum proposals of \$8.7 billions in new revenue would impose upon them. I would not hazard a guess as to the future of rationing, although I feel deeply

that we shall have to extend the scope and the severity of rationing before this year has ended.

I can, however, offer what I may call broad hints, based upon the principles which we have so far followed in our wartime financing and upon the dimensions of the task in which we are now engaged.

You may take it for granted that we shall continue to seek funds both from current and accumulated savings. In the field of taxes, we shall follow the enactment of a new revenue bill with renewed efforts to make the collection of taxes more effective. To this end we must intensify the sale of tax anticipation notes, which afford millions of taxpayers the easiest possible method of saving in advance for the taxes that will be due next spring.

In borrowing from the people directly, we intend to make every effort to reach and surpass our announced goal of \$12 billion from the sale of War Bonds and Stamps in the fiscal year that ends June 30, 1943.

As I write these lines, the sales figures for July, amounting to more than \$900 million in a month, give us real ground for encouragement. So also does the fact that the sales of Series E bonds in the smaller denominations have shown a striking increase in recent months. Most encouraging of all is the increase in the number of workers purchasing War Savings Bonds through payroll deductions.

There are now more than 110 thousand firms, employing over 25 million workers, that have a payroll savings plan in operation. In the month of July alone more than 18 million workers subscribed \$200 million out of their pay for War Bond purchases, and payroll deductions are increasing at the rate of about \$40 million per month.

We confidently expect that by the end of 1942 well over 20 million employes will be regularly investing at a rate approaching 10 per cent of their gross earnings through payroll savings. This will mean that from \$350 million to \$400 million a month would be deducted voluntarily from payrolls next year to buy War Bonds. During 1943, on this basis, nearly \$5 billion worth of War Bonds would be purchased in this way—all out of current wages and salaries, and all representing what we can regard as non-inflationary borrowing at its best.

Even if the War Bond sales realize all my expectations, we shall have to borrow increasingly and in utterly unprecedented amounts from other sources.

The members of the American Bank-



HENRY W. KOENEKE
President American Bankers Association

ers Association are acutely aware of the hazards we run if we rely more than is necessary on the sale of government securities to commercial banks. I often think, however, that the distinction between sales of government securities to commercial banks and sales to others is over-emphasized. What we are really trying to do is to sell as large a proportion of our securities as possible in such a way that their proceeds, when spent by the government, will not constitute a net addition to the total spending of the economy.

I think it worth remembering that sales of government securities to commercial banks do not add to the total spending of the economy if they are offset by decreases in the loans or other investments in banks, or if they are offset by the accumulation of balances in the banks which are genuine savings of depositors.

It is necessary, therefore, that we at the Treasury should go far deeper than the superficial distinction between sales of government securities to banks and those to others and that we should look closely at the real sources of the funds. The most desirable source of funds is, of course, money borrowed from the current savings of the country. A substantial proportion of the proceeds of all classes of government securities sold—including some of those sold to commercial banks—comes directly or indirectly from this source.

Yet inflation cannot be curbed merely by the passage of a courageous tax bill or by the successful borrowing of vast sums from current savings, or by a combination of bold and intelligent taxing and borrowing. We undoubtedly shall find it necessary to adopt more drastic control of consumer spending, in one form or another, than anything yet applied. I should not like to predict at this stage, for prediction is more than ever dangerous, but I do want you to be prepared for new controls and new sacrifices as the war moves into a new and more intense phase.

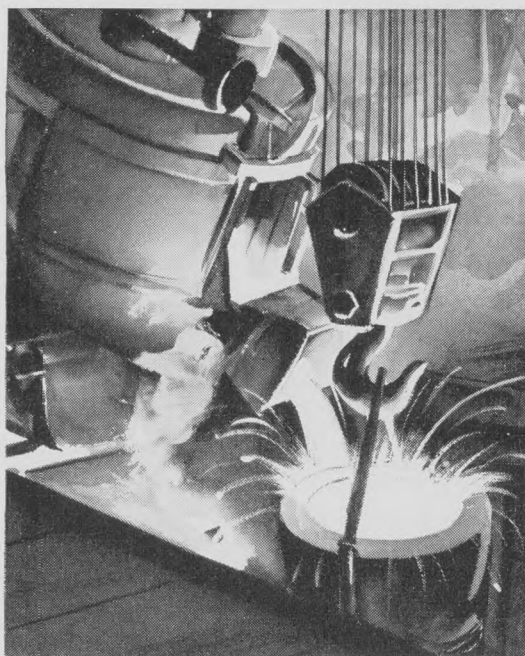
We have heard so much talk lately about the function of finance in winning this war and in checking inflation that I should like to clear the air on one point. Financial policies do not of themselves win wars. Wars are decided by battles. But the necessity for winning battles does not diminish the importance of raising the money to fight them. Nor does it lessen our responsibility for raising the money in a way that husbands the strength of the civilian economy instead of wasting it. For though wars may not be won by financial triumphs, they can be lost by financial blunders.

The successful financing of the war is, therefore, vital for victory. It is our job, and we must do it. It is our problem, and it is up to us to solve it.

As I told the Senate finance committee in July, I am convinced that the American people are ready for sacrifices greater than we imagine. I know also that American bankers as individuals and as a group are ready to put forth any effort that may be needed. Our war effort is calling upon the skill and the resources and the leadership of the American banker as never before. It demands of him a leadership and a sacrifice

above and beyond his own private interests. At the same time, its success is essential to his survival.

In another crisis that brought anxious moments and dark days to us a quarter of a century ago, Woodrow Wilson said, "America is not anything if it consists of each of us. It is something only if it consists of all of us; and it can consist of all of us only as our spirits are banded together in a common enterprise: the enterprise of liberty and justice and right." These were the words of a great American at another time when the fibre of our nation was being tested. They are a watchword for every American today.



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The Consumer Credit Outlook

By **JOHN BURGESS**

Vice President Northwestern National Bank & Trust Co.
Minneapolis

Death, taxes, sickness, insurance premiums and indigent relatives—some or all of these crises appear from time to time in our lives. The frailties of human nature and our economic system prevent universal preparedness for everything.

In a time when labor, both domestic and industrial, is scarce, mechanical aids to comfortable living and business efficiency are necessary, certainly advisable, and can be paid for on the instalment plan with substantial down payments and shortened maturities. When the boys are in the Army and the girls are in the cartridge plants, washing machines in the home and tractors in the fields become essential; when food is high and waste is criminal, scientific refrigeration becomes a safeguard to health, a help toward economy, an accessory to the purchase of War Bonds.

With critical materials going into the war effort and the consequent curtailment or elimination of the manufacture of automobiles, refrigerators, and other durable goods formerly financed to the consumer on an instalment basis, there has been of necessity a great curtailment in the volume of consumer credit. And that is all to the good in the stress of wartimes.

If we can visualize the tremendous difficulty which has been experienced in converting our national manufacturing plant into a war plant, we can also vaguely comprehend the equally tremendous difficulty which will be experienced in converting our arsenal of democracy back into a peacetime project.

When that conversion time comes, all the machinery of instalment selling and financing will be needed to take up the slack. In fact, with the increased desires, needs, and ambitions of a populace whose natural bent for improvement in living conditions has been long suppressed, there may be more instalment financing needed than existing facilities can take care of. At least, nothing should be done deliberately to destroy organization of trained personnel, mechanical and physical setup.

Also, when the national emergency has ceased, and we attempt to convert tanks and bombers into plowshares, figuratively speaking, it is more than probable that, as the result of inventive genius stimulated by war, numerous new mechanical devices will be offered the public.

Many predictions have been made as to the universal appeal a low-priced airplane will make to the next generation, and in all probability privately-owned airplanes will be in the same sales promotion and financing position that automobiles were after the close of the last war.

That there will be a great change in the methods of processing, purchasing, and holding of foods in the average household, seems inevitable. Mechanical refrigeration was really just beginning to be understood and appreciated by the public at large when the war began. It is not unlikely that the average middle-class family will purchase meat and poultry, fruit, dairy products and vegetables, in quantity at seasonably economical prices, carry them in a sharp freezer of substantial size, and use them

as they desire, at a considerable saving of money and time.

Probably we shall never go back to the days of ruthless competition and unrestrained terms as to maturities and down payments in this time payment field. Some measure of control is desirable to prevent abuses, but by and large consumer credit is here to stay in some form or another, so long as our present economic system prevails. But, as I read again the preamble and code of the American Bankers Association's consumer credit council, I am impressed with the breadth of vision which made possible the promulgation of such sound, enduring, and wise principles.

So banks should now and always (if they have the legal capacity) make loans for all necessary, worthwhile, beneficial purposes, whether they be large or small, demand, time or term, with the usual reservations as to safety. If they do not, some governmental agency will be distributing largess less carefully, less intelligently, than our privately capitalized banking system can do and is doing, on a self-liquidating basis.

In a war economy, in the best interests of the public a bank's policy, I think, should be to continue to make consumer credit loans within the framework of governmental regulations for all necessary and worthwhile purposes, refusing to make loans for foolish or unwise purposes, and endeavoring at all times to get people out of debt and to keep them out of debt, rather than urging them to go into debt.

The ultimate in prohibition of consumer credit will only lead to unlicensed, unwise, loan-shark practices.

The word "morale" has been much overworked and used as a blanket excuse for promoting everything from prize fights to aesthetic dancing. But even in a war economy, people must go on living and will doggedly continue to go on living in such comfort as is available, even though prices are high and prohibitions onerous.



JOHN BURGESS

The Country Banker's Job

By *K. J. McDONALD*

President Iowa Trust & Savings Bank
Estherville

Every red blooded American must feel a restless urge to do his part, his utmost to bring victory and peace to a war-torn world. Fortunate, indeed, are those who have a clear cut program before them, who can realize the satisfaction of concrete service. The country banker finds himself in such an enviable position today. He shares with the farmer and those others engaged in agriculture, the responsibility of producing the food which is so vital a necessity. His program of service is one of leadership and action. The outline of that program has been set forth in the American Bankers Association manual "How Banks Can Assist in the Food-for-Freedom Program."

The individual farmer has before him a four-fold responsibility:

1. To produce, produce and produce. He must use every resource at hand to

accomplish this without incurring long term obligations in the purchase of war scarce and war needed materials. Longer hours, harder work, bronzed faces and slimmer waistlines for those who had thought their days of hard work over, a brief farewell and God speed to sons who had been carrying the load, a fierce determination to carry on with increased production—our American farmers deserve tribute for what they are accomplishing.

2. Pay debts. Any man receiving a good income today, who still can't pay debts, will never be a good credit risk. Getting and keeping our own finances in good shape is very definitely a part of the war program. It is not fair, it is not constructive, it is not patriotic, to expect either our government or others to carry credit liabilities for

those who fail to recognize their own responsibility of debt repayment.

3. Create savings. Only farmers with debts and no reserves must liquidate their assets in adverse times. It is a self-evident, but never to be forgotten fact that depressions and hard times have little effect on those who can carry through without forced liquidation. Even those with long term debts, such as real estate mortgages, can protect themselves by paying principal payments in advance and creating savings to take care of interest and taxes and unforeseen contingencies.
4. Buy War Bonds. The importance of this is recognized by everyone.

These four points may be considered of equal importance. They are inter-related, and no farmer has fulfilled his en-

7

CONVENIENT
LOCATIONS



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Thousands of banks, business organizations and individuals in South Dakota and throughout the country know from experience that the Northwest Security National Bank is ever-ready and ideally equipped to furnish prompt, efficient, economical service . . . every possible banking service.

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NORTHWEST SECURITY NATIONAL BANK

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tire responsibility without accomplishing all of them.

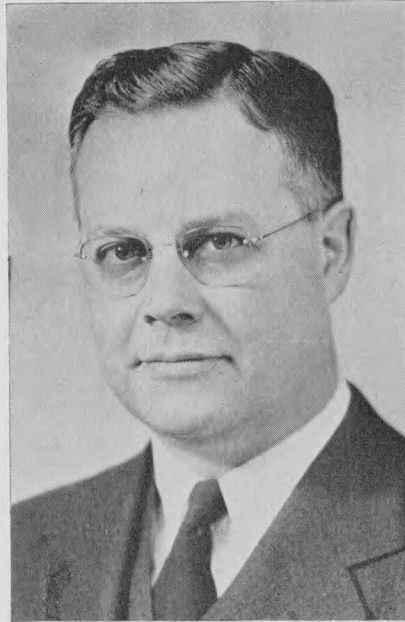
Can there be any question as to what financial agency is best equipped and prepared to help attain these goals? This war has been called a mechanized war, yet it cannot be won by machinery, by corporations or by unions. The war will be won by the united and unselfish effort of individuals—individuals in the armed forces, individuals in factories, individuals behind desks, and individuals on farms. Financing the needs of agriculture is as individualistic as the farmer himself. Every agricultural loan is a separate credit problem and possibility.

Agricultural financing requires a human approach, a human understanding. Our farmer friends are busy men these days. Higher prices, guaranteed price supports, the need for greater production, farm labor shortage, higher operating costs, have created new financial problems.

The farmer needs the financial help and counsel of an understanding friend who knows him as well as his problems. He needs that help in attaining this four-point program. Here is a challenge to the country banker. Considerable knowledge and understanding is necessary.

Someone in every country bank must have the responsibility of studying these new problems, of going into the country to visit with customers to learn more about their individual problems, of visiting with those who haven't been in the habit of coming into the bank.

Loans are being repaid. It is up to



K. J. McDONALD

every country banker to recognize that the funds in his bank which are available for lending constitute resources needed by our country in this Food-for-Freedom program. It is up to every country banker to use every effort in his power to see that all available funds are used, wisely and constructively; to see that all needs for legitimate financing are taken care of; to go further, to help his customers plan their debt repayment, to help them create savings, to sell them War Bonds.

Yes, the country banker has a definite, clear cut, duty and opportunity of service to his country and his fellowmen. Food-for-Freedom victory flags should be given to country bankers who fill this responsibility, and such a flag should fly from the top of every country bank.

No other credit agency can do this job as well. No other credit agency is equipped to give that personal attention; no other has the human understanding of the individual problems. Country banking is creating goodwill both in our respective communities and among agricultural leaders. This is, indeed, gratifying. Particularly significant is the wholehearted reaction on the part of country bankers themselves.

Food-for-Freedom is a war need. Yet, financing this need, and the procedure outlined in the manual "How Banks Can Assist in the Food-for-Freedom Program" is just good, sound agricultural banking. The problems of agricultural financing are complex. Because of this, because there is so much more we must learn for our own good as well as that of our customers, because the agricultural needs today are so urgent, we must recognize that the Food-for-Freedom manual, and our application of the principles set forth therein, is just the beginning of deeper study, of greater effort, of increased service. Financing Food-for-Freedom is the job of country bankers. It is our opportunity for service.

State Associations' Functions

By WILLIAM DUNCAN, JR.

President A. B. A. State Secretaries Section
Secretary Minnesota Bankers Association
Minneapolis

Since the declaration of war by our country, the officers of the various state bankers associations have geared their association machinery to speed up their various programs, and assist their member banks to becoming more efficient in carrying the extra burden of the war program.

Some of the associations are placing greater stress on public relations in order to acquaint the layman with the fact that the banker's responsibility, and burden of work is greater than ever before, and that the job is being done without extra compensation—regardless of the handicap caused by many staff men and em-

ployes being taken from their institutions by the war.

In the agricultural districts, the agricultural committees are assisting their farmer customers in the financing of their agricultural programs, and, in many instances, doing great service by employing experienced agricultural men to do field work in the promotion of better farm management. Many of the association officers are on War Bond committees in their respective states, which deprives the associations of their assistance in regular association activities. With this added responsibility, the office of a state association has become more

active than ever before, but is bringing about a realization on the part of bankers, generally, of the important part that state associations play in the proper functioning of our banking system in times of need.

The tremendous amount of extra work, and the added responsibility that the various associations are experiencing has created a consciousness of the necessity of cooperation between the various state associations and the American Bankers Association. This is very clearly indicated by the results obtained in the Food-for-Freedom program, and the suggestions that have come to the associa-

Excerpts From Addresses

Under the heading, "Bank Protection in Wartime," Fred C. Eggerstedt, second vice president Chase National Bank, New York, described most interestingly the program to protect the bank and its employes against air raids. "Within 10 minutes after special air raid alarm bells sound throughout the floors of the var-

ious buildings comprising our head office organization," he said, "thousands of staff members arrive in orderly fashion in their safety areas, cash and securities have been moved to vaults, lights are out, we are ready for whatever may come."

Ten fundamentals for earnings were prescribed by Herbert V. Prochnow, vice president First National Bank, Chicago, namely: Flexible and competent staff of employes; increase operating efficiency; analyze costs and services; conserve earnings and build up reserves; strengthen customer relations; urge public to save; work cooperatively through bankers' associations; examine financial and economic proposals in the light of experience and fact; promote sale of government securities to the public; use every opportunity to present proper functions of banking to the public.

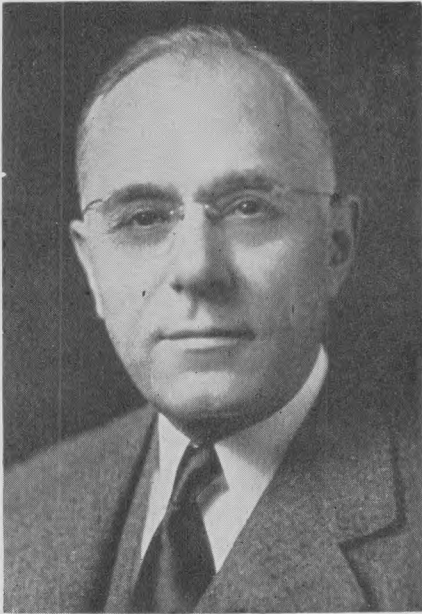
Discussing "Financing Food for Freedom," Jesse W. Tapp, vice president

Bank of America, praised bankers for the part they have played in food production, asserted bankers serving farming areas will be expected to participate to an increasing extent in the 1943 program.

Taking up effects of the war on banking, W. Randolph Burgess, vice chairman National City Bank of New York, pointed out that bankers these days are using spare moments to jot down figures on the backs of envelopes, corners of newspapers and tablecloths, trying to analyze how their banks will come through as a net result of government financing and the tax programs.

George W. Heiser, vice president Manufacturers Trust Co., New York, reporting as chairman of the A. B. A. membership committee, said that more than 600 banks had been added during the year, many with deposits of less than \$500,000; that 87 per cent of the nation's banks are now members, comprising more than 14,300 banks.

(Continued on page 28)



WILLIAM DUNCAN, JR.

tions by the American Bankers Association's Public Relations Council.

One of the outstanding jobs of the state associations has been in the co-operation that is given to the War Savings Bond staffs of the various states in getting the banks to qualify as issuing agents for War Bonds. In many states the banks have qualified 100 per cent.

The association officers have also been very helpful to the various state War Bond organizations by assisting in seeing that the War Bond quotas are subscribed for in the various communities within their state.

It is extremely difficult to point to any particular activity during the past six months as outstanding, for the reason that the Food-for-Freedom program, the public relations program, and the War Bond program, are all being stressed with equal enthusiasm.

The results of state association activities, and the success that the officers have experienced, creates a perfect mesh of the gears of association machinery, in its effort to assist in bringing this war to a successful conclusion, and that our system of free enterprise, and a sound economic structure be maintained.



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A bank loan took care of that one . . .



YOUR GOVERNMENT WILL NEED FROM COMMERCIAL BANKS ABOUT THIRTY BILLIONS OVER AND ABOVE WAR SAVINGS BOND SALES, TO FINANCE THE WAR THIS YEAR!



The Government is getting its thirty billions . . .

Quietly, behind the scenes, the banks of America are playing a vital part in America's war effort. They have handled over 85% of the War Savings Bonds sold to the public — without compensation, without profit. They are helping farmers finance the raising of more food. They are helping manufacturers and contractors finance war orders of all sorts, from buttons to battleships. Finally, the banks are today the largest single source of the money our Government itself is borrowing to finance the most expensive war in history.

Like other banks, the First National of Minneapolis is participating wholeheartedly in the war effort. It stands prepared to help any Minneapolis business or industry, either to further war production or to maintain an essential place in our civilian economy.

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BANKS and BANKERS

Minnesota Clearinghouses Further Drive Against Wartime Problems

Minnesota bankers, in their annual round of clearinghouse meetings highlighted this year, of course, by lively discussion of pertinent wartime problems, staged two more excellent meetings last week-end after Commercial West had closed its forms—at Glencoe and Alexandria. Already scheduled are two more this week-end, three next week, two the week after. You'll find the names, dates and places listed in Coming Events on page 4.

At Glencoe

The Minnesota Valley Clearinghouse Association, meeting at the Isaac Walton League cabin near Glencoe, elected the following officers:

President—J. J. Sterner, president Citizens State Bank, Winsted (advanced from vice president).

Vice Pres—William H. Grell, cashier First State Bank, New Germany (advanced from secretary-treasurer).

Sec-Treas—C. T. Olsen, cashier First National Bank, St. Peter.

Directors—H. J. Steffen, president American State Bank, Watertown; C. C. Traxler, cashier First National Bank, Le Center; E. J. Mann, president First State Bank, Brownston; Ed. C. Johannes, cashier Nicollet State Bank, Nicollet; W. J. Gatz, vice president State Bank of Belle Plaine; J. A. Kiecker, vice president and cashier Citizens State Bank, Gibbon.

At Alexandria

The Western Minnesota Clearinghouse Association, meeting at Alexandria Saturday, elected:

President—O. T. Harrison, cashier Clinton State Bank, Clinton (advanced from vice president).

Vice Pres—A. M. Nelson, cashier First National Bank, Elbow Lake (advanced from secretary-treasurer).

Sec-Treas—Stanford Ronning, cashier Union State Bank, Browns Valley.

Directors—O. W. Harrison, president Citizens State Bank, Brandon; H. J.

Malm, assistant cashier Farmers State Bank, Hoffman; E. A. Walter, vice president and cashier, Glenwood State Bank, Glenwood; Albert Skrien, cashier Morris State Bank, Morris; Sam E. Storm, vice president and cashier State Bank of Wheaton.

Oldtimers Organize

Twelve of the bankers who have received 50-year certificates from the Wisconsin Bankers Association held a reunion at the Rogers Hotel in Beaver Dam on Aug. 20 and proceeded to organize a 50-Years Bankers Club, with Clarence Hill of Port Washington, president, and A. B. Chandler of Beaver Dam, secretary-treasurer. Those in attendance, in addition to Messrs. Hill and Chandler, were A. W. Barney, Sparta; J. F. Cance, Galesville; B. P. Eldred, Sr., Beloit; W. R. Frame, Waukesha; T. R. Frenz, Oshkosh; W. S. Henry, Jefferson; L. A. Karel, Kewaunee; E. J. Perry, Fond du

Lac; John Rose, Green Bay, and John Suhr, Madison.

We know these veteran bankers will enjoy their get-togethers, and we hope that the rest of those who have received association honors will join up. Congratulations and best wishes!

For One Exam

Recently Commercial West announced that a move was on foot in Washington to "wash out" one of the two yearly examinations of national banks. Now in the hopper of Congress is H. B. 7310 which would accomplish that objective. It permits a national bank to credit one-half the amount of its annual examinations against the FDIC assessment of the following year.

The A. B. A.'s legislative committee has been working for such legislation for some time, arguing that it would equalize examination costs with those of insured state banks.

Competition

As a paper-clip conservationist William F. Kunze, vice president Marquette National Bank, Minneapolis, has keen competition.

In the popular "Banks & Bankers" department of Commercial West (Aug. 22 issue) Mr. Kunze was spotlighted for his wartime conservation of essentials in that one noon while passing in front of the Athletic Club on Second avenue south in the heart of the Minneapolis' financial district, he spied one of those familiar wire paper-clips lying on the sidewalk, picked it up, put it in his pocket and, as Commercial West said, "put it back on the active list."

Reading between the lines here was an example of patriotism which, while in itself, of course, was a minor incident of contribution to the war cause, nevertheless carried with it the spirit that must dominate this nation in carrying on to win the war. That's one reason why Commercial West took notice of the incident.

But that issue of Commercial West had not much more than hit the street when



CLARENCE HILL, Port Washington, former president Wisconsin Bankers Association, now first president of Wisconsin oldtimers' new 50-Year Bankers Club.

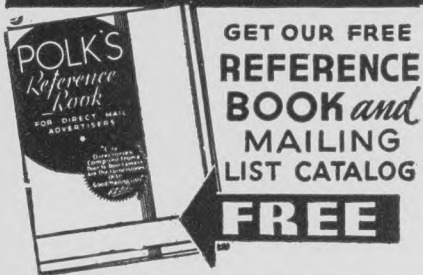
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Gives counts and prices on accurate guaranteed mailing lists of all classes of business enterprises in the U. S. Wholesalers—Retailers—Manufacturers by classification and state. Also hundreds of selections of individuals such as professional men, auto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

Write today for your copy

R. L. POLK & CO.

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

a call came in from another business subscriber who hooted a bit about it, claiming that picking up paper-clips to keep them in circulation is nothing new. Said he:

"As a matter of fact, Mr. Kunze was working my side of Second avenue. I have been picking up wire paper-clips along that block for some time. Maybe I'll have to get out a little earlier in the day now, but I'm going to keep on working that side of the street and give Mr. Kunze more competition than he probably gets in making bank loans. Anyhow, it was my observant eye which discovered that speakers at Athletic Club meetings had a habit of taking the clips off their manuscript just about the time they were reaching the club and dropping them on the walk. I should be entitled to them if for that reason only."

Just between you, Dear Reader, and Commercial West, this matter of picking wire paper-clips isn't a new idea with a lot of men. Commercial West can go back over about 40 years of its history and remember that it knows many men—some of the most outstanding leaders of this section—who made it a constant practice of picking up the clips wherever they found them (mostly on office floors) and restoring them to the receptacles employed for their daily use.

In these days of wartime priorities, however, wire paper-clips, because of the wire, are becoming mighty scarce. For that reason picking them up and restoring them to duty is not only thrifty but downright patriotic.

That goes, too, for conservaion of rubber bands, pins, pens and many other items of daily use in banks and other business offices.

By the way, the sheets of the copy paper on which this was written were pinned together with a pin the writer picked up on the sidewalk in front of the Midland National Bank.

On Job 40 Years

J. C. Miller, president First National Bank, Bertha, Minn., rounded out 40 years of active service with that institution on Aug. 31. But long before he went on the bank's active list he was president, namely, from the time it was started as a private bank in 1898 until Aug. 31, 1902. During that time he taught school, was superintendent at Canby, Plainview and Lanesboro. The bank's last statement (June 30) showed capital \$25,000, surplus \$25,000, undivided profits \$3,861, reserves \$5,000; deposits \$515,528; loans and discounts \$239,478.

A PAT

on the Back for

. . . The Kerrick State Bank, Kerrick, Minn., for its prompt and liberal reproduction of that "Men, Machines and Money" editorial from the Aug. 15 issue of Commercial West in its own advertising in the home town newspaper.

. . . The State Bank of Long Lake, Minn., for its 3-column ad in the Minnetonka Herald's "Service Men's Edition" Aug. 27. Text matter of the ad: M. B. A. Secretary Duncan's recent radio address on War Savings bonds.

Michigan Queries

Group chairmen and secretaries of the Michigan Bankers Association are being queried this week to find out what action they want to take for their groups relative to the regular fall group meetings which should occur the last of September or the first of October. "It will be for these fellows to decide whether these meetings will be held in the fall of 1942," says Executive Manager Ray O. Brundage. "Naturally President Collins is anxious to have group meetings, but who is going to know whether there will be rationing of gasoline around the first of October."

On the other hand, says Mr. Brundage, "the Bank Study Conference Committee is giving a lot of consideration right now to the annual Bank and Trust Study Conference for Dec. 9 and 10, at the Michigan Union, Ann Arbor, Mich." Mark these dates down on your calendar pad.

For Higher Charges

The bank management committee of the Wisconsin Bankers Association is urging county associations to give immediate attention to the revision of service charges. A study by the committee has revealed that many banks are operating on the original schedules approved by the Banking Department in 1936. Due to changed conditions, most of these schedules are now held entirely inadequate and the committee feels that the county associations can spend several profitable meetings revising these schedules upward. The committee points out these two specific recommendations as examples for the need of these revisions:

First—the credit allowed for earnings on balances in the analysis of checking

accounts. The average rate is now 3 per cent and some banks are allowing as high as 4 per cent. The committee is of the opinion that in no case should the rate exceed that allowed on savings deposits; banks that do not pay savings interest should compute earnings at a rate not exceeding that received on prime commercial paper.

Second—the charge being made on the collection of government coupons. The same amount of work is entailed in collecting these coupons as other coupons, hence a similar charge should be made, the committee thinks.

The committee is definitely convinced that banks can and should increase their revenue by a system of higher schedules of service charges, and offers its assistance to any county association that may need help in this work. Members of the committee are S. N. Schafer, chairman, Fort Atkinson; E. J. Haumerson, Janesville; M. M. Barlow, Bloomer; B. J. Bleakley, Racine; R. J. Lawless, Milwaukee; H. H. Martin, Rhinelander; R. J. Morrison, Boscobel; J. A. Musil, Neillsville; A. J. Whitford, Marinette.

Byron Anderson Wed

Lieut. Byron S. Anderson, formerly cashier Kanabec State Bank, Mora, son of Henry Anderson, cashier State Bank of Hanska, and Miss Patricia Graven of St. Cloud were quietly married at the First Cumberland Presbyterian Church parish house, Chattanooga, Tenn., Aug. 15. Lieut. Anderson is attending Provost Marshal General school center at Fort Oglethorpe, Ga. The bride is a St. Cloud girl, a graduate of the Teachers College of St. Cloud and teacher in the Mora Public School.

Servicing Workers

Washington, D. C., banks are staying open until 6 p. m., on government pay days, twice a month, to accommodate and convenience some quarter of a million government employees.

Manual on Charges

A special committee of the Oklahoma Bankers Association, after considerable study and work, is about ready to furnish member banks with a new and complete service charge manual. "They are making a very thorough research," says Secretary Eugene P. Gum, "in order that our banks regardless of size, may find that this suggested service charge will apply to them and that it will be fair, adequate, reasonable and more or less uniform."



Wartime Travel Suggestion

Make Pullman reservations as far in advance as possible. Large numbers of sleeping cars have been diverted for troop movements, so the exact accommodations you want may not be available at the last moment.

Burlington Route

FIVE TRAINS DAILY TO CHICAGO

MORNING ZEPHYR		AFTERNOON ZEPHYR	
Lv. Minneapolis	8:00 am	Lv. Minneapolis	4:00 pm
Lv. St. Paul	8:25 am	Lv. St. Paul	4:30 pm
Ar. Chicago	2:40 pm	Ar. Chicago	10:45 pm
BLACK HAWK		EMPIRE BUILDER	
Lv. Minneapolis	9:45 pm	Lv. Minneapolis	10:05 pm
Lv. St. Paul	10:20 pm	Lv. St. Paul	10:55 pm
Ar. Chicago	7:30 am	Ar. Chicago	8:40 am
NORTH COAST LIMITED			
Lv. Minneapolis	10:20 pm	Lv. St. Paul	11:00 pm
Lv. St. Paul	11:00 pm	Ar. Chicago	8:45 am

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Sixth and Robert Streets
ST. PAUL

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Whitehall State Bank, Whitehall, Montana



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WITH PRIVATE BATH
MODERATE RATES

HOTEL LINCOLN ★ **HOTEL EDISON**

44th TO 45th AT 8th AVE. 46th TO 47th AT BROADWAY

OWNERSHIP MANAGEMENT
MARIA KRAMER, President

JOHN L. HORGAN **HUGH J. CONNOR**
General Manager Manager

And in the Nation's Capitol . . . **ROOSEVELT HOTEL** . . . Washington, D. C.

Wisconsin Groups

Annual group meetings of the Wisconsin Bankers Association have been scheduled as follows:

Oct. 7—Group 6 at Marshfield.

Oct. 8—Group 3 at Green Bay.

Oct. 9—5 and 8 at Waukesha.

Oct. 12—2 and 7 at Dell View Hotel, between Baraboo and Wisconsin Dells.

Urging large attendance at this year's meeting Secretary Wall G. Coapman says:

"The 1942 group meetings are important ones and should be attended by as

many directors, as well as officers, as possible."

The annual gathering of county association officers, held in Milwaukee last month, brought together 43 men from 38 counties, plus W. B. A. officers and committee chairmen—"a very good turnout considering the times," says Secretary Coapman. The two business sessions were strictly business affairs. A report, containing the gist of recommendations made by chairmen of our committees, has been mailed to presidents, vice presidents and secretaries of all the local associations. They cannot do

a good job without the cooperation of individual member banks.

The three major goals of county associations are: (1) A closely knit, smooth functioning unit; (2) united action in all phases of sound local bank management; (3) 100 per cent cooperation in furthering every government effort to finance and win the war.

Kanabec Credit Co.

No news was bigger news last week to all the people of Minnesota's Kanabec County than the timely news broadcast in the advertising columns of Editor Henry Rines' well-known Kanabec County Times. For instance, in addition to the regular run of business and bank advertising there was a heap of political appeals, an invitation to attend the State Fair, the new Mora Salvage Co.'s bid for scrap iron, steel, rubber and other waste material, four fat auction sale notices, three credit company offers to lend money to farmers.

Of the four advertised auction sales, Aug. 28 and 31 and Sept. 3 and 4, three were clerked by the Kanabec State Bank, one by the Farmers & Merchants State Bank of Hinckley.

Two of the three credit company bids for farm loan business were sponsored respectively by Cambridge Credit Co. and Agricultural Credit Co. of Cambridge, the latter represented in Mora by Former Banker George Newbert. But the third was biggest news to Times' readers, no doubt, because it announced a newcomer in the field, a strictly hometown institution—the Kanabec Credit Co.—with its office in the Kanabec State Bank. Reporting its debut in its news columns the Times said:

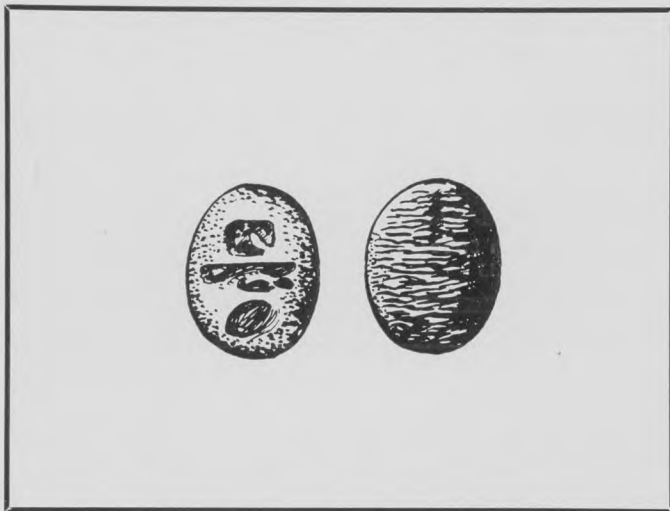
The Kanabec Credit Co. has been organized by a group of local farmers and business men for the purpose of making it possible to loan money to farmers at a low rate of interest to finance any of their regular farming operations such as purchase of livestock, equipment or re-financing present loans.

Its capital stock of \$12,000 has been paid in and the company is ready for business. Authority has been secured to rediscount its paper with the Federal Intermediate Credit Bank of St. Paul.

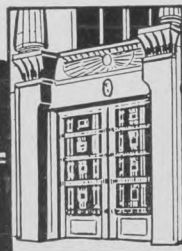
The officers and directors of the Kanabec State Bank decided to organize this company primarily for the purpose of providing additional facilities for the making of loans to farmers as an aid to and in the extending of their farming operations and as an agency for promoting the development of the agricultural resources of this trade territory. Under its financing plan borrowers will not be required to buy stock as is re-

OLD, OLD THINGS ABOUT MONEY

. . . Older Than "OLD MARQUETTE"



Lydian electrum coin of the time of Gyges (687-652 B. C.). This is the earliest known coin.



MARQUETTE NATIONAL BANK

OF MINNEAPOLIS

Member Federal Deposit Insurance Corporation

Out-of-Town Banks Are Cordially Invited to Use Our Correspondent Facilities

quired in some other loaning agencies operating on a somewhat similar basis.

The company's board of directors are John G. Dahlman, Elmer W. Gotfredson, Harold W. Hanson, K. E. McIlhargey, Frank P. Powers and A. C. Rentz. The officers of the company are Frank P. Powers, president; Harold W. Hanson, vice president, and V. W. Peterson, secretary-treasurer.

Mills Moving South

On the way back home, not even time enough between trains to allow a visit to the Commercial West office, but paid his respects over the phone, Charles B. Mills, pioneer Minnesota and Iowa banker, passed through Minneapolis Saturday forenoon headed for Moline, to which Illinois city he transferred his activity after having headed Midland National of Minneapolis for many years as president.

Mr. Mills had just returned from a three weeks' vacation in Northern Minnesota, said he caught all the fish he wanted to catch, had a fine rest and enjoyed to the utmost getting back to Minnesota. On the way up he visited with son, Carl, with RFC in Minneapolis, hopes soon to see son, Miles, captain in the Armed Forces.

After visiting in Moline for a while Mr. Mills will go to Birmingham, Ala., where he is residing permanently now with a married daughter.

Brotherhood Quits

Press dispatches from St. Louis on Tuesday stated that the Telegraphers National Bank was transferring its deposits to the United Bank & Trust Co. of St. Louis and quitting business. Reason given by V. O. Gardner, president, was inability to negotiate a lease on its present quarters.

The bank was founded in 1923 by the International Order of Railway Telegraphers. It was one of several established about that time by railway union brotherhoods, one, it will be remembered, having been launched in Minneapolis.

Like some other cooperative and union-owned banks those of the brotherhoods gradually faded out of the picture, the St. Louis bank being one of only a very few left in the nation.

Free Par Checks

After several months of study of service charges, and in line with similar action at Chicago and other important cities, Minneapolis Clearinghouse Association banks enclosed the following notice with their Sept. 1 depositors' statements:

"On Oct. 1, 1942, the member banks

WARNING!

It has come to our attention that payment for overtime, based on salaries with workweeks in fluctuating number of hours, under Interpretative Bulletin No. 4, is now being wrongly computed by banks in several cases where certain misleading calculators or charts are used. Some of these computations from such charts result in payments short of the minimum amount due the employees, thereby violating this Wage and Hour Law with dire consequences.

OUR APPROVED WAGE AND HOUR CALCULATOR

Overtime Payments Verified and Simplified

Under Interpretative Bulletin No. 4

AND

WAGE-HOUR AND SOCIAL SECURITY RECORDS

To Comply With Regulations of September 15, 1941

Which Repeals and Supersedes All Others

Don't Take Chances

BANKERS CERTIFIED SERVICE, INC.

St. Cloud, Minn.

J. L. Rivard, Vice President

GOOD LIGHTING is a DEFENSE PRODUCTION TOOL!

● **Lighting is one of the most important necessities of the day. It accelerates production, safeguards materials, prevents waste and maintains morale.**

It should be used wisely and well because good lighting is a recognized defense production tool . . . just as essential as good machinery and quality tools.

However, modern industrial lighting is highly specialized. It requires the services of a highly trained lighting engineer.

If you have any lighting problem, feel free to call on us for help. A phone call or card will bring you the assistance of one of our industrial lighting representatives. There is no charge, no obligation. This is a part of your electric service . . . use it.

Lighting Department

NORTHERN STATES

PHONE: MAIN 6251



POWER COMPANY

EXTENSION 433




Complete banking facilities for prompt and efficient handling of accounts in Duluth.

We welcome the opportunity of serving you.



FIRST AND AMERICAN NATIONAL BANK

DULUTH'S LARGEST AND OLDEST BANK
Member Federal Deposit Insurance Corporation



A TRIAL WORKOUT
Without Obligation

Will Convince You That

VIKING HEALTH SYSTEMS INC
McKnight Bldg. (Ground Floor)
Minneapolis

"Has a Way"

Call BRidgeport 5177—Ask for Fritz Moe

of the Minneapolis Clearinghouse Association will discontinue the present fixed schedule of charges for the collection of out-of-town checks.

"On and after that date out-of-town checks which are collectible through the Federal Reserve Bank at par, and checks drawn 'with exchange,' which are so recognized by the drawee bank, will be handled without an exchange charge.

"In order to reimburse the banks for the exchange cost on out-of-town checks which are not collectible at par, such checks will be subject to a reduced charge of 10 cents (formerly 15 cents) per \$100, or fraction thereof, with a minimum charge of 10 cents each. On non-par checks over \$1,000 customers will be given the benefit of any concession in

rate which may be accorded by the paying bank.

"All checking accounts will be analyzed to determine the cost of services provided, and losses, if any, will be charged to accounts. Checking accounts with average balances under \$300, subject to the present metered service charges, will be affected in only a minor degree by this change."

New Directors

Two new directors were appointed last week by the First National Bank, Fairfax, Minn., to replace vacancies created by the deaths of H. F. Dickmeyer and Herman Schmechel. The two men selected are K. H. Dickmeyer and H. O. Fullerton.

(Continued on page 34)

Minnesota Bankers' Committees

New committees of the Minnesota Bankers Association were announced this week by President L. O. Olson, vice president Midland National Bank & Trust Co., Minneapolis. They are:

AGRICULTURAL COMMITTEE

E. W. Kane (chairman), Worthington National Bank; D. W. Broadwater, Farmers & Merchants State Bank, Preston; D. E. Crowley, Northwestern National Bank & Trust Co., Minneapolis; C. B. Dahlquist, Citizens State Bank, Roseau; A. A. Habedank, Ada National Bank; Oscar L. Johnson, Farmers & Merchants State Bank, Tracy; K. T. Martin, First National Bank & Trust Co., Minneapolis; Colin McDonald, Annandale State Bank; Leo Nikolai, Kline National Bank, Madison; Alden Pearson, Becker County National Bank, Detroit Lakes; F. E. Pieschel, Farmers & Merchants State Bank, Springfield; Tollef Sanderson, Harmony State Bank; Carl H. Sommer, State Bank of Rush City; A. O. Stromseth, Atwater State Bank.

A. I. B. EDUCATIONAL COMMITTEE

Robert C. Rutherford (chairman), 250 McKnight Bldg., Minneapolis; Lubin G. Boehme, Northwestern National Bank & Trust Co., Minneapolis; Ray Campbell, First & American National Bank, Duluth; S. J. Kryszko, Winona National and Savings Bank; Roy Overman, First Trust Company, St. Paul.

BANK MANAGEMENT COMMITTEE

Martin Kalton (chairman), Peoples State Bank, Wells; R. H. Bezoier, First National Bank, Rochester; Wm. A. Gray, City National Bank, Duluth; P. R. Kenefick, National Citizens Bank, Mankato; Lawrence Paulson, Farmers State Bank,

Rothsay; S. H. Wisniewski, State Bank of Foley.

GOVERNMENT LENDING AGENCIES COMMITTEE

O. M. Alme (chairman), American State Bank, Moorhead; Guy S. Bacon, Empire State Bank, Cottonwood; E. J. Feldman, First National Bank, Pipestone; A. P. Garnatz, Farmers State Bank, Lyle; John Gunderson, Peoples State Bank, Cambridge; R. M. Storlie, Santiago State Bank.

LEGISLATIVE COMMITTEE

Legislative committee consists of officers and council of administration.

MEMBERSHIP COMMITTEE

Jesse Olson (chairman), State Bank of Redwood Falls; Wm. T. Estrem, First State Bank, Murdock; Edward Hahn, Farmers State Bank, Delavan; C. T. Olsen, First National Bank, St. Peter; A. J. Reichmuth, Chokio State Bank; A. G. Sirek, State Bank of New Prague; H. G. Swanson, Drivers Exchange State Bank, South St. Paul; J. Forrest Yetter, First National Bank, Stephen.

UNIT OR INDEPENDENT BANKING COMMITTEE

R. H. Welle (chairman), First National Bank, Bemidji; L. H. Briggs, Security State Bank, Houston; D. Fay Case, Security State Bank, Cannon Falls; Joseph J. Doll, State Bank of Richmond; E. A. Gandrud, Pope County State Bank, Glenwood; O. T. Harrison, Clinton State Bank; W. P. Jones, First State Bank, Meriden; Ray G. Kern, State Bank of Lake Elmo; Arthur J. Peterson, Triumph State Bank; I. M. Thompson, Peoples State Bank, Milan; C. C. Traxler, First National Bank, LeCenter.

INVESTMENTS . . .**AHEAD OF THE MARKET***With* **WALL STREETER**

When a condition of unusual prices exist in Wall Street, every effort should be made to learn the reason for it.

In 1929, the Dow-Jones Industrials were at 380 compared with the 1919 war bull market and previous all-time peak of less than 120. Thus we had prices three times their previous peak. People were paying 12 per cent interest on loans to buy stocks that yielded 3 per cent and less. Those who looked behind the prices and found that the people had borrowed 12 billions of dollars to go on a stock market spree knew what the end would be. That was priceless information to have had in 1929—and it was available to all.

Today, we have two sets of most unusual prices in the stock market. The first is the high prices of some stocks in relation to earnings and assets, and the other is the low prices of some stocks in relation to earnings and assets. Here are some of these contrasts:

General Electric earning \$1.65, paying \$1.40 in dividends and selling at 27 . . . Pacific Mills earns over \$6, pays \$2 and sells for less than 16 . . . General Motors earns a little over \$2, pays \$2 and sells at 38 . . . Erie Railroad preferred earns over \$20, pays \$5 and also sells at 38 . . . DuPont earns \$4.75, pays \$4 and sells at 113 . . . American Car & Foundry earns over \$12 and sells at 24 . . . Westinghouse Electric earns \$5, pays \$3 and sells at 69 . . . American Woolen preferred earns twice as much and pays twice as much but sells at 58.

There are many other stocks selling very high in relation to current earnings and dividends. Many of them are selling two or three times the book value of their shares. Many other companies sell very low in relation to earnings and assets. Most of these could give their land, buildings and machinery away, and their current assets alone, or working capital, would exceed the price of their stocks.

These low-priced stocks (in relation to earnings and assets) are generally the railroads, railroad equipment, the textile, paper, fertilizers, steels, shipbuilding, aircraft manufacturers, etc.—the war babies. These are probably low because their earnings were poor before the war started, and the public hasn't been buying enough stocks to push their prices up. If the war ends soon, their earnings would decline.

That seems logical, but the mystery lies in the General Motors, DuPont, General Electric, Westinghouse, Chrysler, Eastman Kodak, Johns-Manville, American Can, etc., group. Notice these are all the old common stock investment favorites. They are owned and sponsored by the biggest, richest, shrewdest financiers in America. It is not their habit to support a stock above what they believe to be its intrinsic worth; especially when the public is in a pessimistic mood and inclined to sell to them instead of buying stock from them. They are not betting on an early end to the war; they do not take long chances.

Perhaps we can get a clue to their action by remembering what Andrew Mellon said in 1929. When asked what he thought of conditions, he remarked that he thought bonds were a good buy. Tax-exempt governments were selling to yield over 4 per cent while stocks were at 380 yielding less than 3 per cent. No doubt, shrewd Andrew Mellon was looking behind the scenes and wondering what was going to happen to those 12 billion of UNSECURED collateral loans.

Today, the big financiers must again be looking behind the scenes. What they see there must be the mountain of purchasing power piling up which SOME DAY will go out and try to buy something, anything in exchange for the 100 or 200 billions they will have in bank deposits, paper money, low-yielding bonds, or other paper.

In 1929, the public borrowed 12 bil-

lions, some of it at 12 per cent, to buy stocks at the highest prices in history which yielded less than 3 per cent. Some day those loans had to be liquidated and stock prices come down. It was as physical and mathematically certain as ripe apples falling from a tree.

Washington experts say the public will have 15 billions of excess money this year and next year 30 billions. It is just as mathematically certain that the public will some day try to spend some of those billions. When they do, they will get the surprise of their lives. They will find it as hard to get rid of billions of paper money for good properties as it was to pay their unsound loans in 1929. Prices will run away from that avalanche of buying power as they declined before 1929 panicky liquidation.

When that times comes, the big financiers will have no more trouble selling to the public at high prices than in buying from them at low prices in 1932. There will be enough "money" in this country before this war ends to finance a stock market twice as high as 1929. That is why the high-priced stocks stay up there, despite bearish recommendations and attempts of professional speculators and short sellers to knock them down.

We are experiencing one of the worst over-supplies of money the world has ever seen. Don't hoard it. Get rid of some of it in exchange for some of the finest businesses anywhere—those upon which we depend for wartime efficiency and peacetime prosperity.

SELL TOBACCOS; BUY LIQUORS

Better earnings and dividends and larger assets are available at lower prices in the liquor industry than in the tobacco industry. Both of these are "habit" industries, and if you will observe the bridge parties, or the college parties, or the business men at their clubs, you will be convinced that there is just as brilliant a future for whisky as for cigars. The medical

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NORTH DAKOTA State and Municipal Bonds

H. E. MUELLER

Hazen

North Dakota



PHOTOSTATS
PLANOGRAPH

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CALL FOR PAYMENT OF FUNDING BONDS

TO ALL WHOM IT MAY CONCERN:

The undersigned County Treasurer of Codington County, South Dakota, has called in, and does hereby call in, for payment and cancellation on October 1, 1942, the entire issue of Funding bonds issued by said Codington County, South Dakota, dated October 1, 1937, each for \$1,000.00, payable to bearer at the main office of Northwestern National Bank & Trust Company of Minneapolis, Minneapolis, Minnesota.

Notice is hereby given that after October 1, 1942, all interest on such bonds shall cease.

Dated at Watertown, South Dakota on this 20th day of August, 1942.

ROY B. UHRICH
County Treasurer of Codington
County, South Dakota

profession feels that a moderate use of cocktails and highballs would be less damaging than the "chain-smoking" of cigarets. Both are apparently going to increase in popularity. Observe the opportunity of improving one's position.

American Tobacco "B" is selling at 43, paying \$3 to yield 7 per cent, and is rated "Average to Below" by Standard Statistics. Earnings are expected to be \$3.25 per share for this year so that the \$3 dividend is not assured. Book value is \$24.76 per share. There is \$100,926,000 of funded debt and \$52,699,000 of preferred stock ahead of the 1,560,000 shares of common.

It appears to be a good switch to sell that \$24 of cigaret-making assets for \$43 and buy \$25 of liquor-making assets at 24, which is the price of National Distillers common. Selling at 24, National Distillers pay \$2 to yield \$8 per cent and carries Standard Statistics highest rating—"Buy." Earnings are expected to be \$3.47 per share. Book value is \$25.10 per share. There is \$35,192,000 of funded debt, but no preferred, ahead of 2,045,000 shares of common.

Both companies are outstanding in their industries and invaluable goodwill is part of their assets. The liquor companies will be using the major part of their plants in the production of alcohol for the war which will insure no over-supply of their product during the war and heavy production schedules after the war.

SELL R. J. REYNOLDS
BUY DISTILLERS CORP.-
SEAGRAMS

In R. J. Reynolds, common, \$15 of book value in the tobacco industry is selling for \$24. In Distillers Corp.-Seagrams, almost \$27 of book value is selling for 19½. R. J. Reynolds pays \$1.40 to yield \$5.9 per cent. Distillers Corp.-Seagrams pays \$1.70 to yield over 9 per cent. R. J. Reynolds is rated "Average to Below," Distillers Corp.-Seagrams is rated "Above Average." R. J. Reynolds' earnings are expected to decline to around \$1.90 per share for this year. Distillers Corp.-Seagrams is expected to be over \$4 per share.

SELL LORILLARD
BUY SCHENLEY

Lorillard is selling at 15, paying \$1 to yield 6½ per cent. It is rated "Average to Below." Earnings are expected to drop to around \$1 per share so that the dividend is not safe. Schenley is earning around \$5 per share and is selling at 17½. It has paid 50c so far this year but will prob-

Calendar of Bond Sales

Friday, Sept. 11

Minneapolis, Minn.—At 9:30 a. m., \$395,000 refunding bonds. Interest 5 p.c. C.c. 2 p.c.

Minneapolis, Minn.—At 10 a. m., \$349,444.73 special street improvement bonds. Interest 5 p.c. Denom. \$1,000. C.c. 2 p.c.

Minneapolis, Minn.—At 10:30 a. m., \$55,000 work relief bonds. Interest 6 p.c. Denom. \$1,000. C.c. 2 p.c.

Municipal Financing

Minnesota

Elbow Lake—Voted—Aug. 18, \$10,000 bonds by 73-4. Interest 3 p.c.

Isle—Election—Sept. 9, \$5,000 school bonds. Interest 3 p.c.

Proctor—Awarded — \$49,000 funding bonds for independent school district No. 1, St. Louis county, to Northern National Bank, Duluth, and Bigelow, Webb & Co., St. Paul.

South Dakota

Lake Andes—Offered—Sept. 1, \$13,000 refunding bonds. Interest 3 p.c.

Rutland—Offered — Sept. 3, \$54,000 refunding bonds for school district No. 3, Lake county. Interest 4 and 3 p.c.

Wisconsin

La Crosse—Election—Sept. 15, \$150,000 airport bonds.

Wauwatosa—Awarded—\$75,000 funding bonds to The Milwaukee Co., Milwaukee, as 1s.

ably pay at least \$1 per year. Two dollars would be a modest dividend in relation to earnings. Lorillard has a book value of about \$19 per share and Schenley above \$38 per share. Schenley carries a "Buy" rating.

Along Financial Row

Andy C. Luscher, for the past seven years with Lehman Brothers, investment bankers, and well known in Middle Western financial circles, has joined the financial department of the Barnes Duluth Shipbuilding Co., Duluth. During the World War he served as a commissioned officer in the naval reserve, following the

I.B.A. to Hold War Finance Meeting

A day and a half "war finance conference" in New York City on Oct. 19 and 20 will take the place this year of the usual five-day annual convention of the Investment Bankers Association of America.

Treasury officials are scheduled to participate in the conference together with representatives of the 12 Federal Reserve District Victory Fund committees through which the securities dealers and commercial bankers are working to promote the nation-wide sale of government bonds. Forums this year will center attention on the task of raising billions for war and on ways of combatting inflation.

New York was chosen as the place of the meeting in order to hold travel of those attending to an absolute minimum, it is explained, since a substantial majority of association members are located in the large financial centers on the eastern seaboard, and delegates from other sections of the country will be urged to combine the trip with one of their regular periodical business visits to the East.

It will be the first time the association has held its annual meeting in New York since the initial meeting in November, 1912.

war was with the Continental Illinois National Bank & Trust Co., Chicago, for 12 years.

*

Of course it isn't as bad as that, but this is the latest story circulated this week along Financial Row in Minneapolis: Scene, 24th floor of an office building on Wall Street largely inhabited by investment men, brokers, and so on. Two investment men are talking about conditions, how SEC has them pretty close to the end of their rope. One says: The way things are going I suppose if I jumped out of the window I would only break my back and have to live.

*

Due to ill health, Clyde C. Needham closed down the investment business on Tuesday of Needham & Co., Inc., Rand Tower, Minneapolis, which has been in operation about 12 years. Mr. Needham has not been active for about two months, having suffered an infection which has kept him hospitalized. Minnesota Commerce Commission, at Mr. Needham's request, has canceled the firm's license.

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Minneapolis, Minn.

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Cedar Rapids, Iowa

A Full Legal Reserve Non-Assessable Company
"THE AGENCY MUTUAL SINCE 1909"

Commercial West Advertising Pays

"Blue Sky" Officials Stage War Against Wartime Swindlers

Last year, Sept. 24-27, the National Association of Supervisors of State Banks held their 40th annual convention in St. Paul with Minnesota's Commissioner F. A. Amundson as general chairman, St. Paul banks, the Minnesota Bankers Association and the Federal Reserve Bank of Minneapolis assisting in the entertainment, many government officials present, several on the program. Banking under defense-time and possible, even probable, wartime conditions was given a thorough going over.

This year, this week Wednesday, Thursday and Friday, the National Association of Securities Commissioners held their 25th, silver anniversary, convention in St. Paul with Minnesota's Commissioner Robert L. Smith as general chairman, St. Paul banks and Twin Cities investment dealers assisting in the entertainment, many government officials present and on the program. Going over of the securities business was, definitely and strictly, on a wartime basis.

State commissioners, not unmindful of state's rights, of course, invited federal officials because, this year more than ever before, they recognized the need for and benefits to be obtained from state-federal cooperation in protecting America's capitalistic system through elimination of the fraudulent promoter and wild-cat operator. The Securities and Exchange Commission, now of Philadelphia instead of Washington, sent a veritable retinue of high ranking officials headed by Chairman Ganson Purcell.

It was admitted on all sides and from all sections, just as pointed out in Walter H. Hull's article in Commercial West, June 20, abundance of wartime funds is bound to produce a bumper crop of wartime swindles and swindlers—he called it "The Coming Raid in the Rural Districts" but it was clearly evident from this week's free, frank and friendly talks, discussions and deliberations that "blue sky" policemen, both state and federal, are going to be on the alert, ready and eager to go all out in defense of the investor, to save him from swindle, fraud and loss and, at the same time, make available more funds for legitimate investment in sound war bonds and other securities so vital to winning the war.

And because this was the big, outstanding and all-important objective of this year's meeting just as it is and should be the job, first, last and always, of securities commissioners the silver anniversary in St. Paul rates as highly con-

structive and successful. At the same time and contributing no little to the success were the fine weather, golf, sightseeing, excellent entertainment, a host of prominent speakers, meaty reports and large attendance including investment dealers and representatives of investment trusts from Chicago and the East as well as state and federal commissioners.

Because of the presence of Canada's assistant under secretary of state, W. P. J. O'Meara, who spoke on "Blue Skies Above the Clouds" and joined heartily in the discussion, the meeting took on international as well as national color. It developed, too, that certain questionable goings on across the border hereafter may expect joint action by Canadian and American commissioners.

Also highly constructive and promising far-reaching benefit to business as well as commissioners were the cooperative efforts of state and federal officials toward simplification and uniformity of financial reports, registration and other forms. Definite decision on these, like election of officers and other details, were not available when Commercial West went to press. But dealers, like the commissioners themselves, hailed the prospect of less detail work when so

much more of their time is required by the war effort and so much greater effort needed to maintain their shops under wartime conditions.

By many a word and deed, both on and off the record, state and federal commissioners alike, expressed a greater realization of the importance of the legitimate investment dealer and broker, and the necessity of them making fair and adequate profit, to safely maintain the capitalistic system upon which America has come so far in such a short time.

SEC Chairman Purcell, in his Thursday luncheon talk, stressing conservation and economy, said corporate management has often been inclined to forget its responsibility to its stockholders. Said he, in part: "We see more and more today instances of management feathering its nest at the expense of its stockholders, as well as that of the government . . . The result of this kind of practice is to reduce the return to the stockholders and, at the same time, to fail to build up the financial reserve which will become increasingly important to the ability of the corporation to ride out the economic storms ahead."

Investment Bankers Association's president, John S. Fleek, declared that state and federal authorities, working jointly, had given the investment bankers of the country "a definite manifestation of a helpful attitude of promoting the legitimate securities business while protecting it as well as the investing public from the crooks who constantly try to attach themselves to our fringe."

Round Table Features

(Convention in Print continued from page 17)

Round tables and panel discussion, of course, featured "grassroots" problems of the convention "in print."

In the round table devoted to the trust side of banking, Louis A. Headley, vice president First Trust Co. of St. Paul State Bank was the only Northwest participant. "There is nothing more important in trust administration," he said, "than a grant of adequate investment powers. When reliance upon the rule of prudence has become as general as it is today it is desirable that it be embodied in the law, leaving the exceptional case to special treatment."

Two bankers from this section took part in the round table on competition for farm loans. John N. Thomson, vice president and cashier Bank of Centerville, S. D., pointed out that practically every bank in the nation is particularly interested at this time in competition of the production credit associations. Where

banks are not doing the job they should, or there is no bank, then, Mr. Thomson asserted, operations of the PCA's might be condoned. "On the other hand," he said, "it does seem that these government agencies who are paying no taxes, have unlimited funds from which to draw, and who have no responsibility to depositors, should at least be required in fairness to banks who have withstood bad times as well as good, to be limited to supplemental loans rather than going all-out for bank loans." E. C. Amann, executive vice president Farmers & Merchants State Bank, Wisconsin Dells, said, "We find that the average farmer would rather do his borrowing from his home bank, if the banker is fair-minded and willing to loan the farmer on as good terms and conditions as the government agencies, but in my opinion too many bankers want to make 90-day loans to farmers when they need 12 or 24 months to liquidate a debt."

Harvest . . .

The flow of golden grain has started



*How many millions?
Who gets the money?*



Harvest News . . . it's the news of the hour . . . crops being shipped and marketed . . . prices . . . millions of surplus cash to spend in this great Central Northwest Wealth Belt . . . banks bulging with funds, government, industrial and municipal bonds, studying how to be of still greater help in war effort . . . keeping Northwest economy on an even keel . . . Every week this important, timely and vital news appears in Commercial West . . . Fifty-two issues for a modest \$5.00—less than 10 cents a week. . . A rich exclusive field for advertisers.

South Dakota is harvesting one of the greatest crops of finest quality wheat since 1932 . . . hurrying the fine crop to market . . . rushing it into elevators . . . seeking additional storage space.

North Dakota has another hefty harvest . . . much wheat to go into storage . . . golden grain and shining dollars . . . paying debts . . . buying new equipment and farms . . . has the harvest and the money.

Montana again harvesting champion crops from 50,000-acre farms . . . most livestock and wool in years . . . lush range land . . . industries thriving . . . gold, lead, silver, copper, chrome mines booming . . . new aviation schools and war industries.

Minnesota harvesting more soybeans, flax, bread wheat, barley than in many years . . . larger pig and beef production . . . increased dairy products bringing new dollars rolling in . . . 120-car freight trains speeding east with food, west with war materials . . . war plants working day and night . . . so are the grain markets.

Wisconsin continues to break crop records . . . at top speed in food canning factories . . . new tops in cheese and other dairy products . . . industrial income at record levels . . . spending money on tap at record-breaking figure.

Iowa out in front again in hogs, corn, grain, hay . . . headed for cash farm income of a half billion . . . huge surplus funds to spend, invest or bank.

Commercial West
NINTH DISTRICT BANKER • MINNESOTA BANKER • MONTANA BANKER

KEY BUSINESS EXECUTIVES READ COMMERCIAL WEST EACH WEEK

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COMPANY
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Service . . . Maintaining an intimate, personalized relationship with its policyholders and agents.

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Stability . . . Twenty-six years of conservative growth based on sound financial principles.

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JOE PERKO ELY, MINN.

INSURANCE . . .

**Room Open House Blacked Out
at National Convention**

R. W. Forshay, Anita, Ia., president National Association of Insurance Agents, is "agin" wide-open room entertainment by insurance companies of delegates to the annual meeting of the association, scheduled for Sept. 21-24 at Chicago.

In a statement this week President Forshay emphasized the gravity of the war emergency under which the convention will be held, stating that officers of the association feel that all extraneous convention activity should be canceled if it does not contribute directly to the business at hand.

In expressing these views, President Forshay said that he did not feel it was necessary to set forth any arbitrary stipulations for the guidance of companies. Company men have been expressly invited to the convention, he said, and their participation in the open discussions will be appreciated.

It is also recognized, Mr. Forshay said, that the convention offers a desirable opportunity for company executives and fieldmen to get together with their agent representatives for a discussion of com-

mon problems, and that the establishment of modest company headquarters no doubt facilitates these conferences.

It was Mr. Forshay's belief, however, that all companies represented at the Chicago convention could be depended upon to observe the serious spirit of the meeting and that without exception, they would refrain from any entertainment activities that would in any way reflect on the earnest motives which impelled the agents to meet at this time.

Fall Meeting

First fall dinner meeting of the St. Paul Association of Insurance Women will be held next Tuesday evening beginning at 5:30 in the Women's City Club.

Announcement of the meeting sent Commercial West says, "No speakers. We shall discuss amending the by-laws and changing our fiscal year to correspond with that of the National association. All convention reports will be made along with a showing of the Dean Perry pictures of the convention."

Convention reports and the picture refer to the annual convention of the National Association of Insurance Women, held early in the summer at St. Paul.

Blue Goose

The 36th annual convention of the Honorable Order of the Blue Goose, International at Toronto last week-end is over, and it was a grand success. The next convention in August, 1943, will be at Denver.

There are more than 7,700 members in the U. S. and Canada, and more than 600 of them are now in the service of their countries. New officers elected at Toronto are

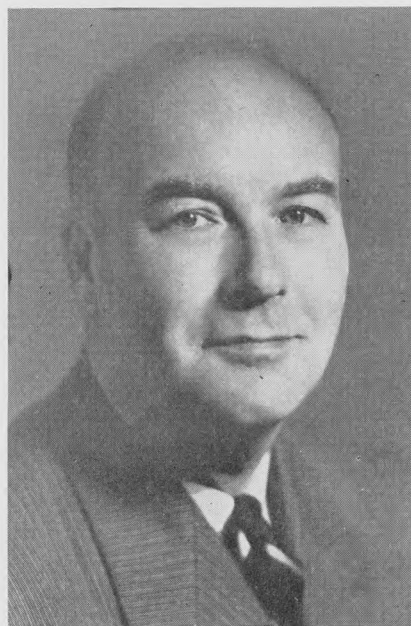
Most Loyal Grand Gander—Howard A. Reynolds, San Francisco.

Grand Supervisor of the Flock—Thomas G. Linnell, Minneapolis.

Grand Custodian of the Goslings—P. M. Winchester, Newark.

Grand Guardian of the Nest—George E. Edmondson, Tampa.

Grand Keeper of the Golden Goose



R. W. FORSHAY, president National Association of Insurance Agents, puts up bars against room entertainment by insurance companies.



THOMAS G. LINNELL, elected to second chair in Honorable Order of the Blue Goose, International.

Egg—E. J. Beauvais, Quebec, newly-elected member of the Grand Nest.

Grand Wielder of the Goose Quill—R. A. Kenzel, Milwaukee.

A war activities committee of the Grand Nest was formed to advise and assist the 48 Ponds in doing war work of various kinds as best suited to their local conditions and situations.

About 250 ganders and their ladies were in attendance.

George Maxwell, Home Insurance Co.,

and Thomas G. Linnell, of the Thomas G. Linnell General Insurance Agency, represented Minneapolis and the Minnesota Pond at the convention.

Thomas G. Linnell, who was elected second ranking officer at the Toronto convention, will head the order next year.

In Canada

Life insurance business in Canada is making excellent progress. Not only is

the volume up over the same months of last year but the average policy has increased from \$1,749 in 1941 to \$1,912 this year.

In line with the general situation, Sun Life Assurance Co. of Canada's assets now top one billion dollars, while business in force is in excess of \$3 billion. Increase in the first six months this year is 13 per cent greater than it was in the first six months of last year.

It Pays to Represent

FRED L. GRAY COMPANY

"The House of Insurance"

816 Second Ave. So. Minneapolis

For Example:

- Farmers' Cars (Pleasure Type)
- \$10,000/\$20,000 Public Liability
- \$5,000 Property Damage
- Six Months' Policy, \$7.75 Premium

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... The Bankers' Company ...

POLICYHOLDER'S

NATIONAL LIFE INSURANCE COMPANY

SIOUX FALLS, (Old Line Legal Reserve) SOUTH DAKOTA

Home Office
Near the Falls of Minnehaha
On the Mississippi River



ANCHOR CASUALTY COMPANY
SAINT PAUL
MINNESOTA

GREETINGS TO THE A. B. A.
On the occasion of its "Convention in Print"

Anchor Casualty Company, as a component of the economical structure of the Northwest, extends its appreciation of the constructive program of the American Bankers Association in behalf of banking and business in general.



Twenty-nine years of
successful

**AUTOMOBILE
INSURANCE
UNDERWRITING**

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



HOME OFFICE
McKnight Building

Minneapolis Minnesota

COMMERCIAL WEST
52 Times a Year

Don't Forget!



*... LABOR DAY ends
the straw hat season*

*... Stop in and see our
Famous CAVANAGH hats
in the new Fall Styles*

*Sold exclusively
by*



Minneapolis

Stripped

Falling into line with war conditions, the Wisconsin Association of Insurance Agents has stripped its convention program of all activity not directly concerned with business.

Scheduled for Milwaukee at the Schroeder Hotel, Sept. 17-18, President August Lutze, states that among chief matters coming up for discussion and consideration will be adoption of an educational program, similar to that taken up recently by the Minnesota association, to be handled by Grover Miller, executive committee chairman, and presented to the convention by Roy A. Duffus, member of the advisory committee

of the National association's educational division.

Another objective of the convention will be an analysis of the local agent's part in civilian activities.

Resigns

Jarvis Woolverton Mason has resigned as manager of the advertising department of National Fire Group of Hartford, effective this Monday. He joined National Fire Group some five years ago, was its first advertising manager and established the department. Prior to his connection with National Fire, Mr. Mason was advertising manager of London Assurance in New York, states that he has no immediate plans for the future.

Northwest Committee Relieved of F&G War Bond Sales

The Ninth Federal Reserve Bank Victory Fund Committee was relieved Tuesday by executive order of Treasury Secretary Morgenthau from further participation in the drive to sell Series F and G War Savings Bonds.

Under the Secretary's instructions the committee from now on will devote its energies to sales of the so-called tap government issue, certificates, notes and bills.

Sales of War Savings Bonds throughout the nation in July moved up to \$900,900,000, an increase of almost \$270,000,000 above the June total, and the highest monthly figure since first reaction to Pearl Harbor spurred January sales above a billion, Commercial West is advised by the Treasury Department.

Of the July total, sales of Series E bonds to the value of \$508,100,000 represented more than 56 per cent. Increasingly wide distribution of War Savings Bonds is indicated by the fact that the Series E bonds, offered in small denominations for individual investment have, for the past eight months, accounted for well over half the value of total War Bond sales.

More than 20,000,000 Americans now own War Savings Bonds. This figure, of course, does not include a large number of people who, although they have not yet bought their first bond, have accumulated through some form of systematic savings plan a part of the money for its purchase.

Combined sales of F and G bonds dur-

ing July (when the ceiling was increased to \$100,000) amounted to \$392,700,000, an increase of \$192,000,000 over the value of June sales.

Payroll savings plans for the systematic purchase of War Savings Bonds have now been introduced in 99 per cent of the 485 largest commercial and industrial organizations in the country, each of which employs 5,000 or more workers; in 83 per cent of the organizations which employ between 500 and 4,999 workers; and in 79 per cent of those which employ between 100 and 499 workers.

There has been a steady increase in the number of small organizations—those with fewer than 100 employees. The total of these now stands at more than 97,000.

Of an estimated total of nearly 35,000,000 people employed in private firms and governmental agencies, 71 per cent have been given an opportunity to invest in War Savings Bonds through the introduction in the employer organization, of systematic savings plans.

Two million more workers in American organizations pledged part of their pay for War Savings Bonds during July, bringing the total of participants in payroll savings plans up to 18,000,000.

These workers in July set aside almost \$200,000,000 for war bond buying compared with approximately \$150,000,000 in June.

25 YEARS AGO

From Commercial West, September 8, 1917

Never before has the Northwest produced so valuable a crop as the one now being harvested. There have been larger wheat crops in bushels, but none in value. A similar situation exists in other grains and in potatoes. A year ago the slogan was adopted, "The Northwest is Prosperous—Keep It So." This year the Northwest has a greater degree of prosperity and the problem has become an investment problem. Bank balances throughout the Northwest will be bigger than ever this fall. This section of the country is being urged to do its full share in investment in the second Liberty Loan.

Guaranty Trust Co., New York, has appointed John A. Terrace assistant manager of the foreign department. Only 34 years old, Mr. Terrace has been with the bank since March, 1916.

Col. Percy H. Johnston, vice president Citizens National Bank, Louisville, has been elected first vice president and director of the Chemical National Bank, New York. Colonel Johnston was a national bank examiner before he became vice president of the Louisville bank. He organized the banking department of the state of Kentucky some years ago and refused to accept compensation for the work. The governor, however, induced him to accept the appointment of colonel on his staff.

Death came this week to J. N. Bensen, vice president Merchants National Bank, St. Cloud, Minn.

Alex Highland, vice president Aberdeen National Bank, Aberdeen, S. D., addressed the weekly meeting of the local Rotary Club this week on the Federal Reserve System, called it "one of the biggest pieces of constructive work ever done by the United States."

There is danger of physical suffering in the Northwest this winter from lack of coal, and warnings are being issued to avoid waste and reduce requirements to a minimum.

W. G. Edens of the Central Trust Co., Chicago, delivered the principal address this week on the occasion of the unveiling at Galesburg, Ill., of a memorial to P. H. Morrissey, for many years chief of the Brotherhood of Railway Firemen, in which organization he once was an associate of Mr. Edens.

On the matter of paid advertising by the government in connection with the offering of the second Liberty Loan, Secretary McAdoo of the Treasury Department this week said that the government did not apply for free advertising in the first Liberty Loan campaign, that the country's publishers had been most generous in their support of the drive and deserve "great praise" for their service of patriotism, but that "the question of paid advertising presents a serious problem."

At Bemidji, Minn., the First State Bank has opened for business in a new building erected at cost of \$6,000. Officers are H. R. Gillette, president; Edward W. Paulson, vice president; J. LeRoy Elwell, cashier.

Charter has been issued to the First National Bank, Kulm, N. D., with \$25,000 capital.

Consolidation of the Security State Bank and Bonesteel State Bank has been effected at Bonesteel, S. D. B. H. Huigens, cashier of the Security, has been elected to that position in the new institution.

Application to increase the capital stock of the Sioux Falls National Bank, Sioux Falls, from \$100,000 to \$150,000 has been approved.

J. P. Foote, president Scandia-American Bank, Crookston, Minn., died Monday.

The Trade Paper of the Municipal Bond Business

Daily and Weekly Editions

THE BOND BUYER

Since 1891

"The Authority on Municipal Bonds"

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

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Since 1919

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in Commercial West

In down-town Chicago.
Convenient to the
financial district.

450 ROOMS
from \$225
WITH BATH

HOTEL ATLANTIC
Chicago

4 DINING ROOMS
CLARK AT JACKSON

Write for Booklet telling of Coming Events
in Chicago.

No Parking Worries—Our Own Garage

BUSINESS WANTS

Let This Department Do The Job For You

SITUATIONS WANTED

Country bank manager 13 years. Age 44. Married, two children. Real estate, insurance and credit experience. Financially responsible and no bad habits. Available. Address Box 870, care Commercial West.

Emergency Man, ready to go. Experienced S. Minn. country banker, just fifty, available. Clean record. Take over anywhere. Especially capable with farmers and farm loans. Desires permanent connections. Will take stock. Can call in person. Write Box 7, St. Peter, Minn.

Experienced bank executive available, familiar with commercial as well as farm credits, also experienced in farm management. Can invest. Now employed but desire a change. Draft exempt. Address Box 866, care Commercial West.

Experienced banker, employed, not subject to draft, desires position in country bank. Good references. Address Box 867, care Commercial West.

Wanted: Permanent banking connection. Cashier or assistant cashier. Prefer country bank. Ten years' cashier and insurance experience. Draft exempt. Can invest. Address Box 868, care Commercial West.

Capable woman desires bank position. Fourteen years' experience bookkeeper and teller. References. Address Box 865, care Commercial West.

Bank experienced, assistant cashier, teller. Age 49, married, Norwegian Lutheran, active in church, civic organizations and American Legion. Address Box 862, care Commercial West.

Experienced man available as multiple farm supervisor, manager farm loan department, bank executive, or cashier country bank. Also have accountant's training. Age 46. Address Box 863, care Commercial West.

Wanted: Assistant cashiership or permanent banking position. Married. 3A classification. Fourteen years city and country banking experience. Address Box 860, care Commercial West.

Capable banker, above draft age, available for bank position. Thirty years' experience including nine years with banking department. Excellent references. Address Box 854, care Commercial West.

HELP WANTED

VACANCIES

CONTROL—Small S. Minn. bank—looks kood
CONTROL—N. Minn.—substantial deal
ASST CASHIER—W. Minn.—exempt—at once
TELLER (Lady)—Previous experience
BKPRS.—STENOS.—Can place several
STENO.—SECRETARY—Very capable—immed.
CASHIER—Some investment required
CASHIERSHIP—90 shares—W. Minn.

NORTHWESTERN PLACEMENT BUREAU

Brokers & Placement Service
Minneapolis, Minnesota

Experienced teller and bookkeeper wanted at once by Minnesota bank. Address Box 864, care Commercial West.

Unusual opportunity open immediately for two experienced tellers in one of Montana's largest banks. Must be draft exempt. Please state qualifications and furnish references. Address Box 869, care Commercial West.

Old-established insurance general agency covering the State of Montana located in Helena wishes to employ a young woman, or man not subject to draft, for accounting position. Insurance experience essential. Write Taylor, Tipling & Co., Box 237, Helena, Montana.

Teller Wanted: A genuine opportunity for exceptionally capable young man, draft exempt, with rapidly growing bank in city of over 100,000. W. R. Olson Company, Fergus Falls, Minn.

LADY BANK TELLERS

Bookkeepers, clerks and stenographers wanted for banks in Western Oregon and Washington. Mostly large towns and cities including Portland and Seattle. Starting salaries up to \$150 per month. Ideal climate. Many positions also open in central states. Write for application blank.

THE CHARLES E. WALTERS COMPANY
"The National Clearing House for experienced bank help"
P. O. Box 1313, Omaha, Nebraska

BANKING OPPORTUNITY

Cashier—Iowa bank. Small town in rich farming community. Predominantly German. Invest \$6,000. Cashier's income about \$3,500. File No. B562.

Manager—Insurance Department for bank with resources of \$1,500,000. Salary open. File BP901.

Teller—Bank in Minnesota city of 5,000. Young man draft exempt. Salary open. File BP905.

Assistant Cashier—Northern Minnesota. Insurance experience. \$150. File BP910.

Teller-Bookkeeper—capable young woman. Several openings, \$80 to \$125.

W. R. OLSON COMPANY,
FERGUS FALLS, MINN.

Wanted: Cashier for Western Minnesota bank by August 1st. Some investment. Address Box 859, care Commercial West.

Am interested in purchasing interest in good bank in Iowa, Minnesota, Wisconsin or South Dakota. Prefer control but will consider minority interest with executive position. Can invest \$25,000. Confidential. Address Box 853, care Commercial West.

Banks confidentially bought and sold.
American Security Co., Fargo, N. D.

MISCELLANEOUS

For Sale: Controlling interest in Central Minnesota bank. About \$40,000 will handle it. Clean in every respect. Address Box 871, care Commercial West.

FOR SALE: 500 bank safety deposit boxes in very good condition. R. J. Lyons, Madison, South Dakota.

For Sale: Mosler money safe, time lock serviced. Farmers State Bank, Eyota, Minn.

Wanted: Used dictaphone or ediphone machine. Address Box 861, care Commercial West.

BANKS AND BANKERS

(Continued from page 24)

Fun at the Fair

Laying aside, for a moment, the more serious side of banking, Michigan Bankers' executive manager, Ray O. Brundage, in his current bulletin to members, has a word or two of advice about attending your fair or any fair. Says he:

"You bankers and trust men who don't often get away from your desk could well afford to take a day off and go to the fair. It will do you good to see how the other half of the world lives and has its fun."

Open Labor Day

In line with the recommendation of the Arkansas Bankers Association, the Little Rock Branch of the Federal Reserve Bank of St. Louis and the five banks in Little Rock will be open for business on Labor Day. After securing the opinions and preferences of some 70 Arkansas banks, large and small and well scattered over the state, President Kahn, in behalf of the Arkansas Bankers Association, recommended that during the war, in justice to the public and the banks, Arkansas banks observe by closing only four of the so-called legal and public holidays, namely, New Year's Day, Independence Day, Thanksgiving Day and Christmas. Little Rock Clearinghouse adopted this schedule.

—VICTORY—

United States Steel Corp. advised Commercial West this week that the name of its new subsidiary, Tubular Products, Inc., has been changed to Tubular Alloy Steel Corp. Tubular Products, Inc., early this year acquired the existing plant of National Tube Co. in the Chicago district at Gary, Ind., to produce seamless tubing of alloy and stainless steel essential to the war effort.

—VICTORY—

Add look-alikes: Kenneth T. Martin of First National Bank & Trust Co., Minneapolis, and Maestro Wayne King.

—VICTORY—

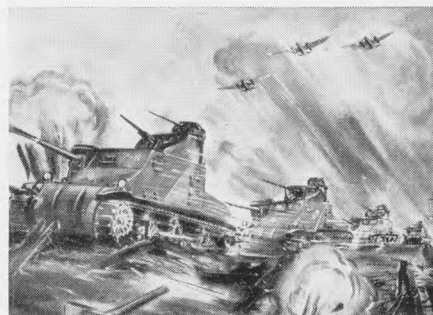
U. S. Civil Service Commission is making a drive to obtain wartime civilian service of qualified personnel directors, salaries running from \$2,600 to \$6,500.

ADVERTISING RATES IN THIS DEPARTMENT:

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ON the land, by sea, and in the air, the armed forces of the United States are showing their power to strike quickly and vigorously. They are mastering the new requirements of new warfare.

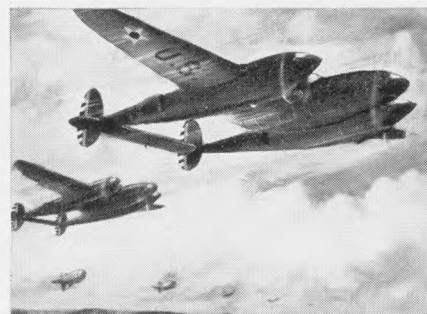


American industry is making the change-over from peace to war production with amazing speed. American railroads are meeting the extraordinary new demands upon them. Farmers are achieving new goals in type and volume of output.



America's banks also are not fighting trench warfare, but have thrown their strength forward in aggressive action. They are making new kinds of loans. They lead the way in the sale of war bonds.

They have pledged their own resources. Along with the armed forces and industry and agriculture they are showing that democracy can be mobile.



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We are helping our business and banking friends make the change-over to new kinds of operations

THE NATIONAL CITY BANK OF NEW YORK

Head Office:
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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Dawn patrol

Spend a day with Joe and you'll discover what makes him tick. A morning chore for Dad, an errand for Mom, then play...lots of it.

Joe thinks this is a great place. He goes to a public school, a free church. He likes the youngsters next door, the double-dip cones at the corner store, the sizzling hamburgers at the county Fair.

He likes the way his Dad can hold up his head and speak his mind. And when Joe looks to the horizon he sees new things to come, new progress for tomorrow.

These are the things worth fighting for, worth keeping for him.

We, the 8200 men and women of General Mills, have a stake in the Joes of America... a responsibility to see that the food he gets is as good as the science of nutrition can make it. To this end we devote our resources, our energies and the skill of our laboratories.



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