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Commercial West

NINTH DISTRICT BANKER * MINNESOTA BANKER * MONTANA BANKER

FEBRUARY 10, 1945



STILL STEAMING UP ON WAR PRODUCTION . . . SEE PAGE 4

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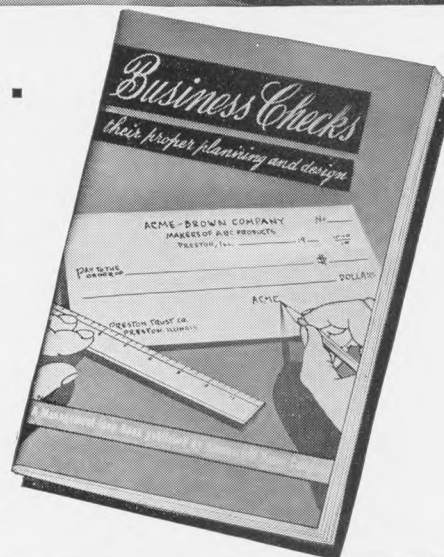
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The Financial Weekly of the West

Commercial West

NINTH DISTRICT BANKER • MINNESOTA BANKER • MONTANA BANKER

Volume 89, No. 6

February 10, 1945

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

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COMING EVENTS

Next Week

Minnesota bankers conference, University of Minnesota, Minneapolis.....Feb. 12-13
Northwest Golden Glove Boxing Tournament, Minneapolis Auditorium.....Feb. 12-14 and 19
Central Cooperative Association, St. Paul hotel, St. Paul.....Feb. 13-14
Rural Hennepin-Anoka Clearinghouse Association, Nicollet hotel, Minneapolis.....Feb. 15

Later

BANKING

Illinois Bankers Association, Jefferson hotel, St. Louis.....May 2-4
Minnesota Bankers Association, Hotel Nicollet, Minneapolis.....June 13-14
Montana Bankers Association executive council, at Helena.....June 18-19
South Dakota Bankers Association, at Rapid City.....June 22-23
Iowa Bankers Association, Fort Des Moines hotel, Des Moines.....Sept. 2-4

OTHER

Northwest Farm Managers Association, Gardner hotel, Fargo.....Feb. 20-21
Twin City Bond Traders Club, Covered Wagon, Minneapolis.....Feb. 21
Minnesota Egg, Butter & Poultry Association, Nicollet hotel, Minneapolis.....March 2-3
Northwest Salesmen's Association fashion show, Radisson hotel, Minneapolis.....March 3-7
North Dakota Winter Show, at Valley City.....March 5-9
Furniture Market Week, in Minneapolis.....March 5-10
Shrine Circus, Minneapolis Auditorium.....March 5-10
Independent Retail Lumber Dealers Association, Nicollet hotel, Minneapolis.....March 6-7
Minnesota High School Basketball Tournament, University of Minnesota fieldhouse, Minneapolis.....March 22-24
1945 Ice Follies, Minneapolis Arena.....March 22-April 10
Northwest Sportsmen's Show, Minneapolis Auditorium.....March 31-April 8
Minnesota Retail Jewelers Association, Nicollet hotel, Minneapolis.....April 22-23
Minnesota Funeral Directors Association, Lowry hotel, St. Paul.....April 24-25
Northwest Salesmen's Association fashion week, Radisson hotel, Minneapolis.....May 5-9
Associated Bakers of Minnesota, Nicollet hotel, Minneapolis.....May 8-9
American Newspaper Guild, at St. Paul.....June 24-28
Minnesota Bar Association, Lowry hotel, St. Paul.....June 28-29
Northwest Salesmen's Association fashion week, Radisson hotel, Minneapolis.....July 7-11
St. Paul Open Golf Tournament, Keller golf course.....July 19-22
Minneapolis Aquatennial.....July 20-29
Minnesota State Fair, in St. Paul.....Aug. 25-Sept. 3
Northwest Salesmen's Association fashion show, Radisson hotel, Minneapolis.....Sept. 8-12
National Association of Insurance Agents, Hotel Jefferson, St. Louis.....Sept. 17-20
Mortgage Bankers Association of America, Netherlands-Plaza hotel, Cincinnati.....Sept. 26-28
Northwest Buyers & Jobbers, Inc., Radisson hotel, Minneapolis.....Oct. 27-29
Men's and Boys' Wear Buying Week, Radisson hotel, Minneapolis.....Oct. 29-Nov. 1
Northwest Salesmen's Association fashion week, Radisson hotel, Minneapolis.....Nov. 3-7

CANCELLATIONS

Minnesota AAA Committee, at St. Paul.....Feb. 1-2
Northwest Buyers & Jobbers, Inc., Radisson hotel, Minneapolis.....Feb. 3-5

Health and Accident Conference, mid-winter meeting, at Chicago.....Feb. 5-6
Minnesota Association of County Superintendents of Schools, State Office building, St. Paul.....Feb. 5-6
Twin City Wholesale Paper Co., Lowry hotel, St. Paul.....Feb. 5-6
American Bankers Association, mid-winter trust conference, Waldorf-Astoria hotel, New York.....Feb. 6-8
Minnesota School Board Association, Municipal Auditorium and Lowry hotel, St. Paul.....Feb. 7-9
Illinois Bankers Association, mid-winter conference and dinner, Palmer House, Chicago.....Feb. 8
Group One, Iowa Bankers Association, at Sioux City.....Feb. 12
Farmers Elevator Association of Minnesota, Nicollet hotel, Minneapolis.....Feb. 12
Independent Bankers Association, Lowry hotel, St. Paul.....Feb. 12-13
Northwest Mechanical Conference, St. Paul hotel, St. Paul.....Feb. 17-19
Minnesota Optometric Association, Curtis hotel, Minneapolis.....Feb. 18-19
Coast-to-Coast Stores, Nicollet hotel, Minneapolis.....Feb. 19-20
Our-Own Hardware Stores, Hall Hardware Co., Minneapolis.....Feb. 19-21
Farmers Union Central Exchange, Lowry hotel, St. Paul.....Feb. 20-23
Group One, Wisconsin Bankers Association, Nicollet hotel, Minneapolis.....Feb. 22
Group Eleven, Iowa Bankers Association, at Burlington.....Feb. 22
Minnesota Association of Professional Engineers, Nicollet hotel, Minneapolis.....Feb. 22-24
American Savings and Loan Institute, at Cleveland.....Feb. 23-24
Minnesota Music Educators Association, in Minneapolis.....Feb. 23-24
Coast-to-Coast Stores, Andrews hotel, Minneapolis.....Feb. 25-26
Minnesota Dental Association, Municipal Auditorium and Nicollet hotel, Minneapolis.....Feb. 27-March 1
Savings conference for bankers of New York, New England and northern New Jersey, Hotel Pennsylvania, New York.....March 16
Minnesota Association of Insurance Agents, mid-year conference, Nicollet hotel, Minneapolis.....March 22-23
American Bankers Association executive council, Waldorf-Astoria hotel, New York.....April 15-18
International Lighting Exposition, at Chicago.....April 19-23
Wisconsin bankers study conference, University of Wisconsin, Madison.....In April
United States Chamber of Commerce, Waldorf-Astoria hotel, New York.....May 1-3
Missouri Bankers Association, Muehlebach hotel, Kansas City.....May 14-16
National Association of Mutual Savings Banks, at New York.....In May
American Institute of Banking, Statler hotel, Cleveland.....June 5-7
Wisconsin Bankers Association, Schroeder hotel, Milwaukee.....June 19-21
Ancient and Honorable Order of Blue Goose International, Nicollet hotel, Minneapolis.....Aug. 21-23

On the Cover

The cover picture this week, typical of any war plant these days making war equipment, well illustrates the speed-up in production that followed the Nazi break-through in the Ardennes, is urgently needed now to provide our Armed Forces for their march to Berlin, and will keep General MacArthur on the march to Tokyo.

This picture was taken in the Minneapolis-Moline Power Implement Co. plant and represents its push not only to get equipment out quickly for the Armed Forces, but to supply insofar as possible, needed power machinery for farmers so that they can produce this year another record-breaking crop.

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 ON 1944**



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1. Insurances and Annuities
 in Force.....\$842,153,947
2. New Business Placed.... 116,710,441
3. Assets..... 222,441,886
4. Liabilities 212,034,980
5. Capital, Contingency
 Reserve and Surplus 10,406,906

The Company's complete annual report will be gladly mailed upon request.

**THE GREAT-WEST LIFE
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HEAD OFFICE — WINNIPEG, CANADA

EDITORIAL

On Trading the Old for the New

We may expect, of course, that new processes and new procedures will arise out of the war, but before they are finally instituted let's be sure that they are a workable improvement over our accepted practices.

Looking at these matters from this viewpoint, we are agreed with bankers of the nation that while the Bretton Woods program has its merits, it also has its demerits, and that before it is put at work there are certain revisions and deletions that should be made, as outlined by the American Bankers Association, the Association of Reserve City Bankers and the Bankers Association for Foreign Trade.

These great units of the American banking system, in careful study and analysis of the Bretton Woods agenda, have reached no hasty conclusion when they say:

"We suggest a way of preserving and making effective the desirable features of the Bretton Woods proposals while at the same time avoiding their more serious dangers. In brief, we recommend that the plan for the International Bank for Reconstruction and Development be adopted with minor changes, but that the plan for the International Monetary Fund be not adopted, as it embodies lending methods that are unproved and impractical. In lieu of the Monetary Fund we recommend that certain of its features be incorporated into the provisions for the bank. In this way, we believe, the objectives of Bretton Woods could be achieved and the risks reduced."

—VICTORY—

Publicity Gets Deserved Credit

Advertising and news stories and the publications which provided them are given deserved and unstinted praise for the success of the Sixth War Loan which went over its \$14 billion quota to a record-breaking total of \$21,621,000,000. While, as was the case with Commercial West, a great deal of this advertising, estimated to total \$25,264,329 worth, was done free of cost to the government, plus reams of publicity in the news and editorial pages. Bankers, merchants and industrialists of the country are to be commended also for the advertising they provided with their own cash.

The lesson to be learned, as we see it, is that if a big job is to be done in enlisting the attention of the public, advertising is the only quick and sure way to bring about the desired result.

—VICTORY—

Learning Our War Lesson the Hard Way

We still have a lot to learn about war and about this World War II in particular. For that reason we are inclined to agree with "Banking," journal of the American Bankers Association, which in its current issue says, "We still have a lot of show-off in our system and the idea that we can lick anybody with one hand tied behind us is going to die hard."

All of which reminds us that we probably have been paying too much attention to what we should do post-war and too little about doing things to win the war.

Nothing should have impressed us more in this respect than the liberation in the past few days of some 5,000 civilians and Armed Force personnel who had been held prisoners by the Japs since the fall of Corregidor. We were vastly impressed by the gallant march of General MacArthur and the recapture of Manila. But we also were deeply depressed by the reports of suffering of the liberated Americans.

Right here, we find, is something to do—something in the care of these internees and war prisoners, in their restoration to physical aptitude, in returning them to their homes, that makes postwar planning look pitifully small and inept. And over in Europe we are going to have thousands more of the prisoners of the Axis to rescue and rehabilitate.

Postwar planning is all right. It should and must be done. But let's bend our energies first to winning the war and taking care of those who have suffered so terribly by means of it.

—VICTORY—

A Proposal of Merit

We are not going to expand the argument in behalf of advertising. It is well enough known as a business incentive so that it should not be necessary to advocate it in detail, excepting at certain times and on certain occasions.

But it is a tremendous leverage for promotion of enterprise of any kind. And so it is with full appreciation of their foresight that we are able to report that bankers individually and collectively are taking advantage of the power of advertising in ever-increasing numbers.

Latest evidence of the advance in advertising thought by bankers is found in the recent report of the public relations committee of the Montana Bankers Association to that body's executive council, urging the association to sponsor an advertising campaign to carry the services rendered by banking to the public of that state. Going further, the committee advised individual banks to intensify their advertising programs in their communities.

We commend this action of the M. B. A. committee and trust that the association will act favorably. The right kind of advertising should prove a most valuable ally for the work of the public relations committee. And certainly, banking can and should do a largely expanded advertising job to create more goodwill of the public.

—VICTORY—

Private Enterprise Wins Its Spurs

That private enterprise has won its spurs in war production goes without saying. Even the most grudging advocate of public ownership must grant that fact.

In instance after instance we have substantiated in the columns of Commercial West the astounding achievements of private industry in fabrication of war equipment and in its transportation and delivery to our Armed Forces. Generals on the field of battle have

been prompt to recognize and acknowledge this prodigious war effort of our factories, our railroads, our steamships and our airplanes.

It is with pleasure, therefore, that we present another of these great exploits of an individual industry, that of General Motors which, since 1940 has produced more than:

One hundred and forty million shells and shell casings, 180,000 cannon, 1,000,000 .30- and .50-caliber machine guns, 2,400,000 carbines, 180,000 airplane engines, 9,000 complete bomber and fighter planes, 31,000 tanks, tank destroyers and armored cars, 740,000 trucks, including amphibious "ducks," a major part of all the Diesel engines produced for the United States on land and sea.

This is an achievement of which all America can join in praise, one that unquestionably has served to shorten the war and save the lives of many in our Armed Forces.

—VICTORY—

Absenteeism an Ugly Problem

Absenteeism, brought down to a single war plant figure in your own community, has all the alarming intimacy of a fire in your own house instead of in the other fellow's house two blocks down the street.

Figures supplied by Minneapolis-Moline Power

Implement Co. reveal 71 men absent from their benches, on an average, every day for the last six months, not counting Saturdays and Sundays, which equals 1,785 man days lost per month in that one plant alone.

Then, add the fact that the absentee situation is even more serious over the week-ends than it is during the five-day week period and you've got some concrete idea of the ugly problem facing the nation's need of war material.

The M-M count runs higher in some departments than in others but is present in all. The answer to "how many are absent for reasons beyond their control?" is, "Nobody knows!"

It has been said that the willful absentee is more than a slacker, doing as much damage as though he actually were a saboteur.

This may well be, since absenteeism does not end at the particular bench where a particular man is absent on a particular day or hour. Production slowed down in one department results in shortages of parts in other departments all along the line, greatly multiplying the sum total of time loss and production lag.

It is obvious that when the war worker slows down, our fighting men have fewer shells, rifles, mortars, grenades, ships, tanks, planes and other weapons to hurl at the enemy in the protection of their own lives and the life of our country.

The BULL'S-EYE

By The Sharpshooter

I don't know how you feel about it, but the other day when the doctor told me I couldn't shovel snow off the sidewalks any more, that I couldn't spurt for a street car and that I couldn't even run the lawn mower next summer, it sure took the gimp out of me for a couple of days.

He also told me I had to cut down on my cigars, which reminds me of a railroad friend of mine who a couple of years ago got a similar ultimatum from his doctor. He tried it for a time but pretty soon he was smoking as many a day as ever. He told me if he couldn't smoke, he didn't care so much about how long he hung out here on this mundane sphere. Well, the doctor was right.

But this thing of not being able to shovel snow hit me right where I live. There is nothing I would rather do. I can remember back in the times of some of those snowstorms that the pioneers talk about, I used to get out with a shovel, throw out my chest and make the snow fly like it shoots out from the rotary plow of a railroad engine. It was great fun, especially if you were pitted against the neighbor in a friendly contest to see who could finish first.

And then with what pride you looked out on the clean walk, snow piled high on either side, the way looking like a small tunnel. You had done a good job and you had enjoyed doing it, and it had been good for you—the exercise, getting your lungs full of clean winter air. And, boy, if you did it before dinner, how you could tear into the food!

Well, this last week-end's snow was shoveled off by the ambitious boy who carries our newspaper route and is saving his money to put himself through college. I was glad to pay him for the work but I envied him every minute of the time he was doing the job.

I don't know about next summer's lawn mowing. I am in hopes by that time I will be able to wheedle the doctor into letting me do at least the level parts of the lawn. As a matter of fact, I found out last summer that the terraces are just a little bit too tough for me.

And then, there's another thing. I always have done a lot of hunting in the fall. The doc didn't close the gate entirely on that but he said, "Now about your hunting trips. You'll have to slow down doing a lot of hard walking through brush and tall grass. Perhaps it will be o.k. to sit in a duck blind, but don't row any boats, and don't let yourself get too excited when the ducks come in."

That don't-get-excited thing is good stuff for any duck hunter. The probabilities are, however, that I'll take the job of getting the pheasants when they fly out of the cornfield ahead of the hunters who are working it, although I sure will hate to admit that I can't do the walking.

And as for the ducks, blind shooting is my favorite, anyway. You get enough exercise walking to and from the blind—and you do get the good fresh air and sunshine, which, after all, is a big part of hunting.

Flax Outlook Brightens

Minnesota Farmers Volunteer Production Acreage Increase

The flax shortage situation in the Northwest is taking on a brighter aspect for next spring's plantings. It was enhanced materially this Monday when T. L. Daniels, Minneapolis, vice president Flax Institute of the United States, attended a meeting at Fargo to discuss ceiling prices on seed flax, and last week when E. J. Mitchell, Minneapolis, secretary Flax Development Committee, discussed the whole flax situation at meetings with farmers in Central and West Central Minnesota.

The meetings began at Glencoe, then were at Renville, Olivia, Granite Falls, Montevideo, Appleton and Ortonville, all in heavy flax-growing territory of Minnesota. This week Mr. Mitchell is attending another series of similar meetings in flax-growing sections of the state.

Upon his return from Fargo Tuesday Mr. Daniels said that OPA representatives meeting with flax growers of North Dakota had gone thoroughly into the question of whether a price ceiling should be placed on seed flax. Their report will be taken up by OPA at Washington, with an announcement one way or the other expected to follow soon enough so that growers will know what to expect before the planting season arrives.

Mr. Daniels said that growers at the meeting expressed themselves favorable to increased acreage and that they placed patriotism in production of a flax war crop above money incentives provided.

To Commercial West Mr. Mitchell stated that reaction of farmers to the meetings held last week was surprising in the large attendance at each, in the interest shown and in the generally favorable reception of the plan to increase flax acreage to the 1,550,000 quota proposed for Minnesota by the War Food Administration.

These meetings were held under direction of the vocational agricultural college instructors and county agents. They held the interest of the farmers with discussion of postwar plans of agriculture, profit accruing from planting good seed treated for disease, rust, etc., and in weed control.

While good seed and treatment for diseases is highly important in the matter of flax, weed control is probably more

important in connection with that product than in the general run of grains, inasmuch as heavy weed growth not only crowds out flax and holds back its maturity, but it is difficult to separate weed seeds from the flax seed if not removed, cutting down the price received for flax when it is marketed.

Farmers were advised to plant their flax on fields which, coming down from the previous crop, would be as free from weeds as possible. They were advised also to winnow out the foul seed and to be as sure as possible that no foul seed is mixed with their seed flax when they plant it.

For his part of the program Mr. Mitchell went into the flax requirements for this year and 1946 in order that the Armed Forces and civilians may be sup-



WALTER C. STRANG has joined Olmsted & Foley, Minneapolis advertising agency as a member of the firm. He formerly was advertising manager of Northwestern Bell Telephone Co. in Minnesota, currently is vice president Advertising Club of Minneapolis, served as secretary in 1941-43, was chairman publicity committee of the Hennepin County War Finance Committee in 1941-43, has been active in other civic affairs, has been a resident of Minneapolis eight years.

plied with as nearly all their requirements of linseed oil as can be brought about. For the nation as a whole, he pointed out, this will require the planting of at least 5,000,000 acres, of which the Northwest states of Minnesota, North Dakota, South Dakota, Montana and Iowa will have to provide the major part.

At the conclusion of each meeting the farmers came forward in large numbers volunteering that they will do everything they can this year to raise the required amount of flax. Approval of the flax incentive of \$5 an acre was expressed but they were especially well pleased with the program to insure their flax against loss under the federal program, which goes hand-in-hand with the incentive plan.

In the matter of seed for this spring's flax planting, Mr. Mitchell said that he was surprised to find evidences of seed on farms and in country elevators which will go far toward solving that problem. He said also that both North Dakota and Montana have good supplies of seed and that a considerable amount probably will be available from those states; also that some will be obtained from Canada.

Following the meetings this week Mr. Mitchell will go to South Dakota for a similar series.

Annual meeting of the Minnesota Farm Managers Association, scheduled for Hotel Curtis, Minneapolis, this Friday and Saturday was expected to devote a considerable part of its time to discussion of the flax situation and to take steps to encourage increased acreage this year.

—VICTORY—

ARENA SWAMPED FOR FOLLIES

In the making at the Minneapolis Arena is a neat new record in ice show history. Last year when the famous Ice Follies hit Minneapolis, the Arena was 91 per cent sold out; this year the advance demand for reserved seats is so much greater that Arena officials are betting there won't be a single seat left by March 1. And the '45 Follies aren't due until March 22! Out-of-town sales are running as heavy, or heavier, than last year. Even though there will be 26 performances this year the Arena people are guessing that perhaps 100,000 persons will be turned away.

—VICTORY—

INTRICATE—IF TRUE

A mother who had a daughter employed in defense work in Washington wrote to ask her just what she was doing. The reply is said to have been: "I work in the data-analysis group of the aptitude-test sub-unit of the worker analysis section of the division of occupational analysis and manning tables of the bureau of labor utilization of the War Manpower Commission."

5 Essential Points

Keeping Agriculture Financially Sound

Bank's Important Part in Support of Balanced Farming Program

About 21 years ago, on March 5, 1924, to be exact, another banker-college agricultural conference was held here at the University. The presiding officer was Dean F. B. Mumford, who addressed the meeting on the subject, "An Agricultural Program for Missouri."

In pointing out that the greatest resource of the state was her soil, Dean Mumford observed that "we are no longer in the pioneer stage in this country when with cheap land and virgin fertility, we can solve our agricultural problems by moving further west . . . Improvement must now come in the land now occupied and which is of much greater value than formerly."

Prof. M. F. Miller, now dean of the College of Agriculture, was there, too, and according to the record kept by the agricultural commission which sponsored the meeting, he "gave a very interesting and important talk on soil improvement."

The home economics department demonstrated the need of variety in diet, particularly vegetables and fruit, in order to maintain health. Also, they showed how it was possible to teach women and girls on the farm to make dresses and hats that were not only attractive but economical. Apparently the bankers made no effort to influence conservative bonnet-making—for women's hats in Missouri are funny, too.

Prof. E. A. Trowbridge showed some splendid horses and told how it was possible to keep improving their quality by the use of good sires. Prof. A. C. Ragsdale pointed out that successful dairying could be developed on an average Missouri farm by carefully selecting a few foundation cows, always breeding to a good sire, and by feeding plenty of legumes.

A. J. Meyer, director of extension, proposed 4-H Club inter-county contests as a project for the bankers to undertake to stimulate the organization of boys and girls in this work. He also suggested an agricultural information service on various farm activities for the bankers of the state.

The program adopted by the committee

By A. G. BROWN

Deputy Manager
American Bankers Association

Before Missouri Bankers'
University Conference at
Columbia, Jan. 25

on agriculture and good roads in 1924 was continued in 1925 when, at the annual meeting of the committee, Chairman F. B. Brady announced that \$1,603.50 had been subscribed for boys' and girls' club work; and, further, that 85 banks, representing 55 counties, had undertaken one or more of the 10 projects adopted by the committee at the Columbia conference, which were:

1. Boys' and girls' club work.
2. More legumes.
3. Poultry.
4. Dairying.
5. Livestock improvement.
6. Orcharding.
7. Truck crops.
8. Home demonstration work.
9. Stimulation of farm accounting.
10. Agricultural information service.

Reference to this meeting of a generation ago is a reminder that the banks of Missouri have long been interested in a balanced program of farming and that the college is stressing anew the old factors that Dean Mumford and his associates discussed in one-two-three order—building and saving Missouri's soil, solving home problems, and the breeding, raising and management of better livestock.

The committee on agricultural credit of the Missouri Bankers Association has included in its outline for the coming year the promotion of a balanced farm program, with particular emphasis on soil conservation. As I read the objectives of the committee in which are pointed out the opportunities for service which the banks might render to the farmers of the state, I am impressed with the fact that this is also a program of helping to keep agriculture financially sound.

I am impressed, too, with the additional opportunity which banks will have to make sound loans to worthy farmers for the building and maintenance of their soil and for the introduction of pure-bred sires and for buying cattle for pasture and feed.

In speaking of the opportunities and responsibilities that will come to Missouri banks, Dean Miller has expressed it best when he says that they are "to assist in the development of a prosperous and contented rural citizenry following those farm operations which will provide an abundant living and at the same time conserve the natural resources of the state."

The agricultural commission of the American Bankers Association congratulates the Missouri Bankers Association and its committee on agricultural credit for accepting this challenge of service. We have long looked to Missouri for its leadership in many A. B. A. activities. On the agricultural commission of the A. B. A. one of the most aggressive and versatile members it ever had was Lee Major, who served your association as its president.

A little over a year ago another of your great leaders in agriculture passed away—Wood Netherland, who had been chairman of your committee on agricultural credit. The contribution which Wood made before committees of Congress in the fight against the socialization of credit, as was contemplated by the Jones-Wheeler bills of 1940 and the Fulmer bills of the 77th and 78th Congress, was outstanding. The analysis of his statement on PCA problems, published in 1942, was read and quoted more in and out of Congress than any other printed document on that controversial subject.

Your present chairman, Clyde D. Harris, has maintained a keen interest in these same problems. He made a splendid presentation on behalf of the country banks of America before the Cooley committee a year ago and pointed out that they are not only able but willing to take care of the demands for credit by farmers and that there is no need of

government getting into or staying in the agricultural lending field.

Since Pearl Harbor, the agricultural commission, through its food-for-freeedom committee, has stressed the need of increasing production on the farm to meet the demands of war. More than 1,500 meetings were held in 2,000 agricultural counties, where bankers were informed how they could help farmers meet their production goals. Good weather, ample credit, and a determination on the part of farmers to do the job in spite of a shortage of manpower and machinery, all contributed to a record of food production during these war years that has far surpassed the nation's fondest hopes.

The Armed Forces of our Allies and our own fighting men and women have been fed, in the main, by the farmers of America. Their production of food has kept pace with that of guns, planes, tanks and ships. They have never let down, even though some in business and industry took their eye off the ball of "fight" to talk too much about postwar planning.

In banking—country banking—we want to get back "on the beam" and gear our future action to "heads up" support of all-out production on the farm and, at the same time, help farmers to keep in a safe financial position. In Missouri, this means not only that banks must support the program of balanced farming, but that they should emphasize the five points that the agricultural commission believes are essential to every bank's plan to help keep agriculture financially sound. These points are:

1. Help farmers keep debts at a safe level.
2. Encourage farmers to build and maintain financial reserves.
3. Work to prevent a farm land boom.
4. Help "back-to-the-landers" avoid mistakes.
5. Have adequate credit files in your bank.

One of the principal functions of banks is to help keep debts at a safe level. This means cleaning up second mortgages and chattels on livestock and equipment, paying past-due bills, and getting first mortgages paid down to where they cannot cause trouble in case of lower income, sickness, or other emergency.

Encourage farmers to maintain a proper balance between making payments on mortgages and investing in War Bonds.

Urge farmers to invest in War Bonds now to assure their having the means after the war to replace buildings and equipment. Many items normally purchased for keeping up the farm plant are now off the market. Much of the increased income now being received by

farmers represents payment for the wearing-out of machinery, equipment and buildings, and for the depletion of land fertility.

Encourage farmers to save for home improvements, such as central heating plants, water systems, electrical equipment and bathrooms. Savings sufficient to cover the education of children, travel, unexpected sickness and hospital bills should also be encouraged. Every farmer should be building a general reserve against probable lower income in the years ahead.

The experience of many farmers after World War I shows it is safer to build a reserve to protect one's farm and standard of living than to enlarge present holdings beyond the size necessary for efficient operation. The possibility of speculative profit from buying farm land when prices and incomes are high is not worth the risk of losing everything because of a drop in prices.

In most parts of the United States good farms are still reasonable in price, but in the country as a whole prices of farms are going up more than 10 per cent per year, and much faster than that in some sections.

In Missouri, land prices have not gone up in the past few years as much as they have in some of the adjoining states. However, they have increased more than 40 per cent from the prices that maintained five years ago. The trends in agriculture are following the pattern of those of World War I and we may have plenty of trouble. After the shootin' stops and particularly if restraints are taken off of commodity prices, they may again reach inflationary heights as they did following World War I. The present situation is more hopeful, however, than that of 25



A. G. BROWN

years ago because bankers and farmers are aware of the dangers of a land boom and are thinking about ways and means of avoiding the bad effects of any break in prices.

Many a boy in a foxhole or on a ship at sea is dreaming about buying a farm, "to be my own boss," and for other reasons. Workers in war plants, too, include many would-be farmers. Few of these will have sufficient capital and experience to warrant buying and equipping a good farm.

The GI bill provides for a plan of loaning to returning veterans for the purchase of farms or the setting up of a farm business on a basis where the lender may be secured up to 50 per cent of the amount loaned, but not to exceed the guarantee of \$2,000.

Many will be tempted to buy what they can get—too often farms which experienced farmers have abandoned after learning they could not be operated profitably.

Banks will be under pressure to finance unsound back-to-the-land ventures. Often the greatest service which a banker can render a would-be farmer is to convince him that because of his limited experience and capital, he should start as a hired man for a successful farmer. Capable hired men who have shown that they are thrifty and trustworthy are the kind of persons that retiring farmers like to have rent their farm, or buy, even with a small down payment.

All of this would be true even if the demand for farm products were to stay up and farmers' incomes remain high. If prices and incomes fall, inexperienced farmers will be hit the hardest.

It is highly important that all banks have adequate credit information concerning their farm borrowers. This means credit and operating statements, personal data about the farmer and his family, information in important farm management factors affecting farm income, and records of repayment schedules and chattel mortgages. If this information is available in proper form, it would help to inform bank examiners as to the soundness of farm loans.

The requirement by banks of full information in support of their loans to farmers will do much to build greater confidence in this type of credit by their officers and directors and help to place it on the high standard it deserves from the record—a record of payment and liquidation that is even better than that of business and industry.

Farmers have always used credit, and during the next several years they are likely to use more, rather than less. Farm loans have paid out well, compared with other bank assets. Prospects are good in

(Continued on page 24)

\$15,000,000,000 or More!

Consumer Credit Outlook for Banks

Tremendous Postwar Opportunity Visualized
for Service and Profit

By **WALTER B. FRENCH**

Deputy Manager
American Bankers Association

Before Missouri Bankers'
University Conference at
Columbia, Jan. 24

In an attempt to survey the role of consumer credit in the postwar period, it might be well to begin by examining the volume outstanding at the outbreak of the war in December, 1941. The total outstanding at that time—which, incidentally, was the all-time high—was approximately \$9,200,000,000. Of this amount about \$4 billion represented retail instalment lending and end-of-the-month bills.

For our purposes we will consider only the balance of \$5,200,000,000, which represented credit extended to consumers on some scheduled plan of periodic payments. Of this \$5,200,000,000 banks, as one class of consumer lender, had close to \$2 billion outstanding.

When we remember that the serious interest of the great majority of banks in this credit dates only from 1934, we realize that in a period of seven years they acquired two-fifths of the total outstanding. The trend for banks in that time was upward, and the almost \$2 billion banks had outstanding in December, 1941, represented their all-time high.

It is generally agreed that Regulation W had very little to do with the subsequent contraction, but rationing and priorities did. At any rate, credit began to decline under these influences rapidly until today consumer credit loans of all lenders are down to outstandings of less than \$2 billion, and bank outstandings are less than \$550,000,000. This is a contraction for banks of about 70 per cent. In September, 1941, about 7,000 banks were actively engaged in some form of consumer lending; some only in personal loans; other only in modernization loans; still others in automobile and equipment financing; and, of course, many institutions were engaged in all forms of consumer lending.

The American Bankers Association recently conducted a survey on consumer instalment financing. Of 14,675 questionnaires mailed, 11,210 were returned, on the basis of which these results have been compiled. Ten thousand six hundred banks, or 95 per cent of those reporting, indicate that they will continue and/or expand their consumer lending operations in the postwar period.

In analyzing the results to date by class of loan, we find that 9,544 banks now make personal loans and that 9,817 intend to do so in the postwar period. Expressed in percentages, these figures represent 90 and 92 per cent of the banks reporting.

Time sales-equipment loans have attracted considerable interest. Seven thousand one hundred and twenty-eight banks indicate that they intend to make direct loans to purchasers, while 6,561 plan interest loans through dealers. These figures represent an increase of 20 per cent over the number of banks presently engaged in this type of financing.

The figures on automobile loans, both direct and indirect, disclose stimulated interest on the part of banks in this category. Eight thousand eight hundred and twenty-nine banks plan to make direct loans and 7,068 banks plan to purchase notes through dealers. The percentage increase in this classification is 9 per cent and 20 per cent, respectively.

Greater interest was shown in modernization loans—own plan than in FHA Title I. Seven thousand two hundred and forty-five banks plan to make direct loans and 3,047 plan to acquire the paper through dealers. This increase amounts to better than 10 per cent of present activity.

Because of the tremendous interest in the field, we have attempted to estimate the volume of consumer credit paper that might be available and how soon after the termination of hostilities the credit will be sought in any sizable volume. At the outset we must admit frankly that there are many factors necessary to an accurate estimate that cannot be gauged at this time.

To begin with, much will depend on the

duration of the war. The longer the war lasts, the greater will be the back-log of unfilled demands for consumer durable goods and services. The length of the war will determine to what extent industry has time to reconvert partially from wartime to peacetime production. Actually we are engaged in two wars, and most informed people expect the European war to terminate before the Pacific war. If that should prove to be the case, reconversion of some of our industry would probably be permitted before the close of the war with Japan. This would ease the problems of reconversion and make for a more orderly use of consumer credit.

Letters we receive from bankers indicate that it is a common belief that the demand for this credit will be immediate at the close of hostilities. At the moment it appears that such a circumstance will be quite remote. In the first place, immediately after the termination of hostilities, consumer durable goods, on which a substantial part of consumer credit is based, will be available only in limited quantities for a period of months. In fact, it may take well over a year before some commodities, such as automobiles, are produced in any number because the reconversion problems of such industries will be enormous.

We shall have a sellers' market for a long period of time because the demand for goods will be much greater than the supply.

The so-called "hot" money will have to be reckoned with—money that is lying around loose, waiting for some place to go. It is not in government bonds or in banks; it is in the hands of the consumers. This loose money was estimated to equal \$25 billion at the year-end. To the extent that this money is spent for consumer goods and services, to that extent at least the use of credit will be discouraged.

It is also estimated that on Dec. 31, 1944, savings deposits in our banks probably exceeded \$38 billion. This will represent an increase of about \$15 billion since 1934. Some of this money may be

converted into consumer goods and services.

It may very well be that individuals now investing in government bonds will convert them after the war into cash to be used for consumer purchases. As a matter of fact, the public is being encouraged to do this very thing by the Treasury.

There is also the possibility that Regulation W may be continued after the war. Although some bankers have expressed themselves in favor of continuation, most of the pressure to continue Regulation W is coming from retailers, and their only reason appears to be that they want the government to police their business. Retail interests should have foresight and courage enough to make their own adjustments within their industry and not ask for the continuation of a principle which may do a great harm to our whole economy. The control of private credit by government regulation should be discontinued as soon as possible.

There will be some offsetting factors which may appear during this period immediately after the war to influence how soon the credit may be used and in what amount.

The American people are installment-minded. Any analysis of automobile financing over the years will disclose many cases where automobiles, and for that matter many other consumer goods, were financed by people who might have paid for the merchandise in cash. Many people prefer paying out of income. The demand for a pay-as-you-go tax may undoubtedly be traced to this large group of installment-minded consumers.

There is the possibility that Regulation W may not be continued. It is now in force only as an emergency measure, and permanency would require legislation. A strong feeling persists in many quarters that there is little likelihood that this kind of regulation will ever become permanent through legislation.

There is the possibility, cited earlier, that reconversion may be partially accomplished. That would mean that goods would be available for consumer use and consumption much earlier than otherwise.

Many students believe that the \$25 billion or so of "hot" money will be spent on soft goods or remain in its present state of blissful peace. If it either remains dormant or is spent for clothes or services, it would not, to that extent, retard the use of credit in the durable goods field.

Last, the people may decide to keep their savings intact and the government may urge them to retain their bonds. Both these points would constitute good anti-inflationary doctrine in the postwar

period and encourage the use of credit which would be paid off out of income.

In spite of all of these pros and cons, some day the market for consumer credit will open up, and when it does it will be the greatest market we have ever seen. Two sources of information give us some idea of what the market will be after termination and reconversion problems have been solved and we are again adjusted to a peacetime economy and we have reached the stage where goods are flowing freely into the markets. One is the United States census of 1940, the other the survey made by the United States Chamber of Commerce last year.

The first gives an idea of how large a market was still open in this country before the war. The 1940 census disclosed that in this greatest and richest country in the world:

61 per cent of the people had no telephone;

57 per cent of the people had no mechanical refrigeration;

60 per cent of the people had no central heating system;

45 per cent of the people had no bathrooms;

17 per cent of the people had no radio;

24 per cent of the people had no electricity;

19 per cent of the people had no automobiles.

Certainly this circumstance affords a great opportunity to raise the standard of living of many families in our own country.

The Chamber of Commerce's survey was a careful cross-section test of the 35 million families of the United States as to their plans for consumer purchases after the war. Of our 35 million families,

64 per cent said they would be in the market for consumer durable goods as soon as they are available.

Over 3,600,000 said they would buy new automobiles. Two million six hundred thousand said they would buy some other consumer durable goods such as a refrigerator, a washing machine, a stove, a vacuum cleaner.

Over 1,000,000 said they would be in the market for some kind of furniture. Over 1,500,000 said they would either buy or build a home. Thirty-nine per cent of all home owners said they would make some improvement to their property from painting to putting on a new roof—from renovating bathrooms to adding new rooms.

Sixty-seven per cent of all farmers who own their own farms said they would make some kind of farm improvement from ordinary painting, to over 500,000 who said they would build new barns. These plans represent an estimated expenditure of over \$7 billion.

Another type of financing which will be available after the war is airplane financing. Manufacturers are already working out plans. While some bankers may be hesitant about this type of financing, they should remember what happened 25 years ago when somebody suggested that they interest themselves in automobile financing. They did not accept that opportunity and other agencies entered the field and made handsome profits over the years. The startling truth is that in many cases banks put up the money at low rates of interest. Remember that after the war hundreds of thousands of young men will return to civilian life who have become experienced in aviation and will expect to maintain that interest.

It might be pointed out that about 200 banks were in consumer airplane financing before the war, with excellent results. Our department in the A. B. A. is currently preparing a manual on airplane financing, which will be available soon.

When we consider the fact that durable consumer goods have not been manufactured since early in 1941 and that the over-all outstanding at that time was \$9,200,000,000, it is not impossible to estimate, under certain conditions a few years after the close of both the European and South Pacific phases of the war, a potential outstanding of \$15 billion or more.

Many factors will decide just what that potential will be, for example, the problems of termination and reconversion. Will we be faced with an unemployment problem and, if so, how serious? Will war workers attracted to war production centers find peacetime employment where

(Continued on page 34)



WALTER B. FRENCH

Another Trans-Pacific Lap



My lunch today (Jan. 18) was Salisbury steak, fried potatoes, cole slaw, fruit cocktail, pineapple juice, chocolate cake, and I ate it aft in a Navy PB2Y3 Coronado flying boat while the calm Pacific served as scenery about 6,000 feet below. The food wasn't novel, just darned well prepared, but mastication at that height is a new one for this traveler.

You move around this broad Pacific area in one of two ways, obviously; by water or air. With the first chunk of my junket made via the slower of the two, it was with no little gratification and anticipation that I greeted the news of plane transportation the remainder of the trip from Hawaii.

There were several of us in our group of A. T. C. personnel heading south from Hawaii and we had been jumpily on the alert for several days, as rumors had it we would go by air and a half-hour's notice might be the best we could expect. That isn't much time, so we lived out of the top layer of our duffel bags and hung close to the transient barracks. That is when a blackjack game suits even a novice such as I.

Money is scarce at times like this. As we were not yet arrived at our final stations and therefore were on no outfit's payroll, the best Finance could do was issue partial payments. They did it twice on this trip; I received \$15 at Seattle and \$10 at Hawaii. With \$55 in my billfold at this writing, I am convinced that beginner's luck is no idle phrase.

★

At 3:30 a. m. the charge of quarters shook us out of the sacks and said something about an hour and a half to dress, eat and be ready to pile into the plane. You can wake up fast under those conditions and I heard him add a bit derisively, "Oh, yeah, and you guys are going by Navy plane." That met with no few grumbles, which were later eaten along with the toothsome culinary efforts of our sailor chef.

Flying over land and over water are

two distinctly different things from the passengers' standpoint, as well as the pilot's and crew's. I had given it some anticipatory thought. But that first glimpse this grey, dawn-breaking a. m. of the sturdy-looking PB2Y3 with its four engines and flying boat fusilage was good enough for me. The Navy suddenly looked like one swell branch of the Service.

We weighed in again. They are unrelenting on that limit-per-man, and to keep under it means dropping by the wayside just about every piece of not-government-issue in your possession. And even the Army gets a going-over by the customs officials, a fact that surprised me no little. I managed to hang on desperately to a few well-broken-in briars and a pair of low-cut shoes that an understanding supply sergeant "overlooked" in the final clothing check-back at Sacramento.

A PB2Y3 runway is wet and deep. How deep I don't know, but to form the lights that designate the lanes for night takeoffs and landings, bulbs must be mounted atop submerged standards and the whole area looks more like an inundated Ohio country highway after the spring floods with only the telephone pole tops sticking out of the water. You'd feel more at home in a Chris Craft until the big ship swings around and the four power plants begin to drag it through the choppy water at a rate of speed that few Chris Crafts could match.

★

A PB2Y3 is no Super Fort or C-54 for speed, but for comfort you'd have to sample the Pan-American Clippers to find better. There, luckily, were only two officers among us passengers, so that left a couple of plush leather chairs unoccupied in the lounge or salon compartment. One of the Navy

crew, who had seen too many movies about sergeants and their importance in the infantry, saw the three stripes on a couple of us and we nailed the sumptuous surroundings for the rest of the trip. Nimitz couldn't travel in more luxury unless he had a shower installed.

Pacific to the right, Pacific to the left, below, ahead and behind adds up to quite a sight, even though it's monotonous except for the frequent clumps of cumulus clouds that scurry by. Although there were plenty of side windows, the best vantage spot I found was through the plexi-glass tail observation window. From there the view was, to quote the jive and jitterbug hounds, "out of this world." Hurling along through skies that were still unconquered when I was sitting in grade school and reading about a guy named Balboa who quite accidentally discovered this same Pacific while looking for a new route to China, makes even a sergeant stop and think. And that's a chore that most of us haven't been accused of very often.

★

It seemed as though I had read but a few chapters of "The Story of My Life" by Clarence Darrow and the captain sitting opposite me had interrupted only nine times to point out facts of interest in his book on "Polynesian-Hawaiian Islands" when noon chow hit the boards.

The little gob who did the honors is an ex-waiter who hails from Long Island and flies and cooks on all this PB2Y3's hops. And he's good. Space is limited but he rattles skillets back and forth from 'Frisco to Brisbane with the ease of a Gaston in some Greenwich village eatery. He gets frequent layoffs of from five to 25 days, rates flying pay with his base wages, and

claimed that Flag-Secretary Lt. Com. Harold Stassen (whom he had "hoid" of) hasn't a job to compare with his. He had the dirty dishes out of the way and was safely ensconced around a comic book about as fast as I got back to Darrow's life, so maybe Stassen has it tougher, at that.

★

Precedent is a nasty thing but I'm trying to confine this to one page, but to preclude any pacing of the floor by Commercial West readers and leave the Outfielder out above the ocean until next week when . . . a la Dick Tracy, let's drop me down on Canton Island which looks like home for awhile. A squint at the nearest globe or mercatorial map will show where it barely sticks its coral rim out of the Pacific but you have to drop down and skim the lagoon for a landing to

ever realize what "island outpost" really means.

When I've had an apprehensive peek around this Air Transport Command stronghold there should be more Outfielder double-spaced matter clogging the air-lanes. Right now my good friend, Ens. Harold "Bud" Barber, who flies a Vaught-Corsair off the deck of an Essex class carrier, deserves a letter and is going to get one. Bud has been tossing Navy flying supremacy down my ears ever since he first picked up a book in pre-flight school, and I finally submit. No A. T. C. plane has leather seats as soft as that PB2Y3!

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EDITOR'S NOTE: Ensign Barber, son of D. L. Barber of Atwood-Larson Co., Minneapolis, grain firm, was killed Jan. 31. The sad news was received by his parents only Tuesday.

"Assembly Line" Deductions Shrink the Pay Envelope

There are at least 31 different kinds of pay you can get, but 42 or more different kinds of deductions to reduce it. This conclusion stems from a study made by National Cash Register Co. concerning payrolls and payroll techniques currently in use in American industry.

Kinds of pay making up workers' wages include that for swing shift differential, advance daywork, seven-day bonus, night bonus, individual and group incentives, inventory work, vacation pay, Saturday overtime, and many others.

As for deductions, American workers not only turn over to the government part of their money for Social Security, War Bonds and withholding taxes, but they are contributing generously to such organizations as the Community Chest and National War Fund.

Among private protection deductions are those regularly taken out of workers' pay for group life and accident insurance and hospitalization, which are indirect results of improved employer-employee relationships. Other voluntary deductions include those for home loans, credit unions, employe associations, purchases in company stores, salary allotments to savings accounts, and tuition to vocational schools.

The study emphasized the complexity of today's payroll work. Not only must employers handle many different kinds of pay and scores of deductions in a single month, but they must keep highly accurate and detailed records for governmental agencies. In addition, many employers must handle payrolls in such a

way as to be able to make a quick and easy cost distribution for the early settlement of government contracts.

Foreseeing the need for a system to aid employers to cope with increasingly complex payroll problems, National Cash Register Co. product engineers started some years ago to develop the payroll machine, an improved model of which is today speeding pay work in many war plants.

Using this machine, one girl can make out up to 150 pay checks, or an equal number of pay envelope statements, in an hour, giving each employe a fully itemized record of pay and the deductions taken from it. This machine also provides complete figures for the employer's records, including payroll information required for governmental reports. One great war plant with 20,000 workers completes its employe checks within 48 hours with only 12 operators.

—VICTORY—

Hunter Bank Re-opens

Security State Bank of Hunter, N. D., "closed several months ago by a voluntary liquidation," was to re-open Thursday (Feb. 8), according to the Fargo Forum, with \$25,000 capital, \$5,000 surplus, \$5,000 undivided profits. Officials include Olaf Smerud of Fargo, president; Carl Howells of Hunter, vice president; Gust Johnson of Hunter, director; A. H. Gilbertson, formerly manager of a bank at Portland, N. D., and more recently with Federal Land Bank of St. Paul, cashier.

Letters to the Editor

FROM AN "OLD-TIMER"

Editor, Commercial West:
Shades of Methuselah! How far back does "Sharpshooter" go?

More than half a century has passed since I first went to South St. Paul, but even then there was running water (I don't mean the Mississippi) and electric lights.

Riding a bicycle long before the turn of the century, I can remember a few log houses on trips to Winona, Faribault—and a memorable one to Duluth, which involved many miles of walking ties, due to the absence of roads on which a wheel could be pushed, let alone pumped.

Far be it from me to question either "Sharpshooter's" recollection or his accuracy, since it is obvious that construction in Wisconsin was more primitive.

Anyway, I enjoy Commercial West, and read it more thoroughly than I did 25 years ago, when, according to the current issue, I was named assistant cashier in the First, Chicago—or in the intervening years.

Nice of you to mention it, though all the water over the dam has washed away much of the egotism I once may have had.

"Outfielder" was tops this week and I hope the 5,000,000 acres of flax get planted, maturing to a bumper crop.

—GUY W. COOKE,
728 Colfax St.,
Evanston, Ill.

▲ Anyhow, Mr. Cooke's letter just goes to show how everybody reads everything in Commercial West.

We grant you, Guy, that 50 or more years ago there was running water in South St. Paul (through water mains) and electric lights, such as they were, but remember, you evidently were a "city slicker," while Sharpshooter was a farm boy—and there sure was no running water or electric lights "down on the farm" when he was a kid.

We were glad to hear from you, Guy, and hope you are enjoying life thoroughly now that you have shrugged off the tough job of turning down advertising solicitors as long-time advertising manager, and so on, of Chicago's First National Bank.—EDITOR.

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"IN THE FRONT ROW"

Editor, Commercial West:
As the New Year is about to begin, I would like to extend the warm thanks of the Treasury Department for the outstanding contribution that general and farm magazines, business publications and company publications have made to War Finance during 1944.

During the past year approximately 85 million people have bought War Bonds. Climaxing our joint effort was, of course, the Sixth War Loan. Although the final figures on the Sixth will not be released until next week, they will show that once again all quotas have been exceeded by substantial margins.

These are tangible results of which we can all be justly proud. You have played an indispensable part in this gigantic sales program. And, your publication belongs in the front row of those who have made possible this support.

I know you join with us in the determination to continue and even accelerate the progress of the War Bond campaign in the coming year.

—THOMAS H. LANE,
Director Advertising, Press and Radio,
Treasury Department, Washington.

—VICTORY—

CREDIT UNION CHANGES NAME

Employes Credit Union of Pillsbury Flour Mills Co., Minneapolis, has changed its name to Employes' Credit Union of Pillsbury Mills, Inc.

At Annual Meeting

MACS Expand Statewide Program for War and Peace Years

Characteristic geniality and well-informed enthusiasm for their own civic promotion programs and those of their colleagues' communities marked the annual convention of the Minnesota Association of Commercial Secretaries, Feb. 2-3, in St. Paul, with 40 registrants representing the Twin Cities and 32 smaller cities of the state.

Major portion of the MACS' two-day congress was devoted to round table discussions built around the three paramount divisions of their activities in local, state and national affairs:

1. How to help win the war, whether in production effort, blood banks, War

Bond drives, agriculture labor shortages, etc.

2. Preparation for the transition period, featuring jobs and other plans for assistance to returning veterans.

3. Long-term programs, the every-day work of every chamber of commerce in development of that community and the surrounding territory.

New officers were elected by the association, which is notable for its unity of purpose and understanding of individual and collective problems, functioning so harmoniously and efficiently with all other state groups dedicated to the general welfare of the state that organiza-

tion of a state chamber of commerce has long been considered unnecessary. They are:

President—Everett H. Woehrmann, Red Wing.

Vice Pres—J. R. Coonrod, Montevideo.

Sec-Treas—Roselle Ronning, Fergus Falls (re-elected).

Nine new directors also were elected. J. R. Medley of Cloquet is retiring president.

Legislative round-table discussion led by J. R. Pratt of Minneapolis, Northwest manager U. S. Chamber of Commerce, A. E. Eggert of St. Paul, and Walter E. Olson of Minneapolis, was absorbing to the point of adjournment beyond the scheduled hour—"evidence of a healthy state of mind in any organization."

Guest speakers pointed their subjects toward small community interpretations.

Warning his audience in advance that his statements would be at variance with information out of Washington, John W. Haw, director agricultural development, Northern Pacific Railway, St. Paul, used charts on farm loan prices and trends in U. S. agricultural import-export trade as related to population and harvested acreage to prove his points that:

1. There never has been and never can be a nice balance between supply and demand, production and consumption.

2. Current land prices do not represent a land boom.

3. New home consumer markets are more desirable than foreign trade.

"Production is outside of control," Mr. Haw pointed out, "because weather is a variant factor. High production of the past four years is not a trend because there is no way of insuring its permanence. Reasons for recent high production lie, not in a tendency toward greater and greater production, but in the providential succession of favorable planting springs, cool summers with high rainfall, no insect devastation, falls with six good weeks for harvesting, mild winters favorable to livestock.

"How much fiber and foods will be consumed is also a variant factor depending on the prosperity of the people. Rather than adopt a policy of cutting production

Officials of the MACS



From left to right: J. R. Medley, Cloquet, retiring president; Everett H. Woehrmann, Red Wing, new president; Roselle Ronning, Fergus Falls, re-elected secretary-treasurer; J. R. Coonrod, Montevideo, new vice president.

to eradicate surpluses, we must have a farm plan that will take care of average production and consumption or be at the mercy of other agricultural countries, especially at times of national crisis.

"Land prices are not going too high; they are merely recovering from the depression and drouth years to a normal price level. Minnesota and other Midwest prices are only a little higher than in 1910-14 and would have gone up, war or no war. Factors to be considered in price estimates are (1) rate of interest, (2) inflation, (3) improvements that have made rural communities more habitable. Those factors make current prices not only right, they represent a bargain, and it will be a long time to come before they are lower.

"There has been a population increase of 32,390,254 since 1920, and with more mouths to feed there is less economic danger in surpluses. New home trade in our own country via increased population is the best refutation of the so-called virtues of foreign trade. America—not the Argentine, for instance—makes the most general consumer of high grade merchandise."

Another speaker was Les Schroeder, commissioner Minnesota department of aeronautics, who presented the necessity of community enterprise in assuring local airports and other advantages of expanding air line transportation.

Interesting features of "Postwar Town Modernizing" predicated on the work ready to be put into execution at Fari-bault, Shapokee and Slayton were outlined by G. N. Magney, whose archi-

tectural firm pioneered in this division of community postwar planning that began in a small way primarily to make jobs for returning veterans and has grown into a "No. 1 community idea all over the country, with Minnesota far in advance of any other state."

Carl Hibbard, manager Veterans Administration, Fort Snelling, presented "Aids for the Returning Veteran" in both general and specific incident.

Acclaimed throughout the Northwest for his abilities as an "after-dinner speaker," the popular Stafford King, state auditor, recently returned from war duty in the Pacific area, was honor guest at the banquet session giving his highly pertinent "Experiences in the South Seas."

*

North Dakota business men, in fulfillment of a long-felt need for an organization functioning with the unity and activity of the MACS, have banded together, through their chambers of commerce, to furnish a business information service to members of the 1945 Legislature.

Named the North Dakota Business Men's Legislative Association, the group has R. H. Barry, executive vice president Fargo Chamber of Commerce, as public relations counsel and L. C. Morrison, Bismarck, as secretary-treasurer, with 11 directors.

Directors are executive officers of their respective chambers of commerce, who will act as clearing agents, not only with business men of their own town but of the surrounding area, as well.

Exchange Bill in Minnesota Is "Postponed Indefinitely"

House File 36 for an act to provide for the clearing at par of checks drawn on any bank or trust company organized under the laws of the state of Minnesota, had its third hearing Thursday before the Banking committee of the House, and was "indefinitely postponed" by a vote of 8 to 5.

Committee room 307 that Commercial West reported packed to the door for the two previous hearings—Jan. 24 when the proponents has their inning, and Jan. 31 when both sides took a hand in the discussion—this week drew a crowd that not only jampacked the room still tighter but also overflowed into the corridor.

Promptly at 9 o'clock the committee took up H.F. 292 for recodification of the state's liquidation laws relating to financial institutions under the Banking divi-

sion, heard the report of the sub-committee by Rep. A. F. Oberg, president Security State Bank, Lindstrom, then recommended it to pass.

"The next order of business," said Chairman A. M. Burnap, "is the matter you are all here for, I suppose—House File No. 36."

Those appearing against the bill, and in the order named, were Guy S. Bacon, president Empire State Bank, Cottonwood; E. W. Olson, cashier Security State Bank, Ellendale; H. M. Heneman, cashier Security State Bank, Warroad; K. O. Sattre, vice president and cashier Blue Earth State Bank; B. W. Lloyd, cashier Security State Bank, Fulda; Rep. J. W. O'Brien, Stillwater; W. C. Krog, executive vice president Farmers & Merchants State Bank, Stillwater; Charles H.

Klein, Chaska, interested in seven Minnesota banks; F. A. Amundson, state commissioner of banks; Ben DuBois, secretary Independent Bankers Association; H. C. Gildemeister, director Citizens State Bank, Gaylord; William Duncan, Jr., secretary Minnesota Bankers Association.

Questioning of the witnesses was done in the main, by Representatives Silvola of Virginia and Anthony Podgorski, St. Paul.

Rep. Hans C. Pedersen, president Farmers & Merchants State Bank, Ruth-ton, quoted from report of Leo T. Crowley, chairman FDIC, saying Congress was not on record for par clearance nor against charging of exchange by small banks.

Finally, at just about 11 o'clock, after nearly two full hours of hearing, Chairman Burnap announced that the committee would like to go into executive session. Mr. Pedersen so moved and non-members left.

In less than 20 minutes the executive session was over and on the record of the committee was the motion, moved by Mr. Pedersen and seconded by Rep. R. M. Egan, "That House File 36 be indefinitely postponed."

Fourteen of the Banking committee's 15 members were present, Rep. Wm. E. Honeycutt, Minneapolis, being in the hospital.

Chairman Burnap did not vote.

—VICTORY—

Agency's Radio Head

William S. Shepherd has been appointed director of radio of the Minneapolis office of McCann-Erickson, Inc., transferred from Chicago, where he has been a member of the agency radio department for two years.

Native of Scotland, Mr. Shepherd came to this country as a small boy, took all his elementary and secondary schooling here, returned to Scotland to complete his education, then returned to America and began an acting career. With a background of 16 years in the theatre, he began radio work six years ago as producer, then joined McCann-Erickson in April, 1943.

—VICTORY—

Although cigaret production increased about 12 per cent in 1944, to an estimated record of 329 billion, tax-paid withdrawals declined 5.7 per cent in the first 11 months, reflecting increased tax-free shipments to the Armed Forces, which probably approximated 90 billion, against 51 billion in 1943. Moreover, the military took another estimated 57 billion in this country, leaving about 55 per cent of production for civilians. Some temporary relief from this shortage is likely over the near term, says Standard & Poor's Corp.

BANKS and BANKERS . . .**Forward March of 1944 to Continue,
Say "Little Red Book" Reports**

Progress of banking in the Northwest during the past year again is sharply reflected in the reports of bankers to Commercial West for the 1945 "Little Red Book" Bank Directory of the Ninth Federal Reserve District. The huge crop of reports—with changes in names, facts and figures—is being put through the wringer as fast as the wheels will turn. From them, these developments, picked at random, are especially interesting:

Beginning with the biggest stack—Minnesota—a report from Pres. Andrew Peternell of First State Bank, Albany, says that "if permission is obtained" they expect to pay off their remaining debentures with \$10,000 they've reserved out of undivided profits . . . F. W. Striemer, for 33 years cashier Farmers & Merchants State Bank, Alpha, has been elevated to president . . . "Had a very successful year," comments C. M. Krebs, president Northwestern State Bank, Appleton . . . And at the First National Bank, Bertha, it was the "busiest year in our history," notes Pres. J. C. Miller, who adds that they're "working six days

a week and sometimes on Sunday" and that "if we followed government regulations as to time, we would never get our work done; long hours and getting work done results in good profit" . . .

First National Bank, Bovey, increased surplus to \$25,000 . . . Back from the war is Vance Weaver, assistant cashier Buffalo National Bank, Buffalo, with honorable discharge after serving almost a year . . . Farmers & Merchants State Bank, Clarkfield, reports having sold \$830,000 War Bonds during 1944 to individuals and corporations . . . "Just completed most successful year in our history," says Cashier H. L. Swanson of First State Bank, Cosmos, who further states that prospects for the year ahead are good . . . And Edward Hahn, cashier Farmers State Bank, Delavan, says simply that "1944 was a very good year" . . .

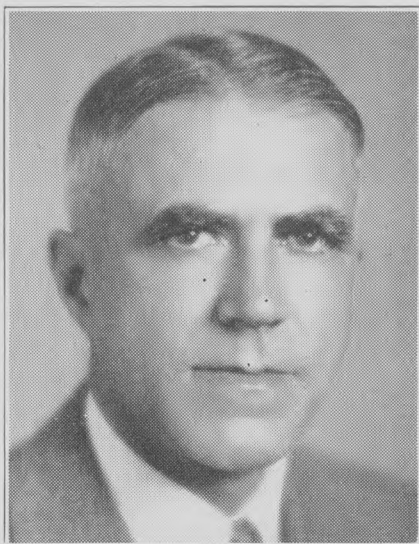
Another \$1,000 was added to surplus by the Farmers State Bank, Dorset, bringing that account up to equal footing with capital of \$10,000, according to Cashier C. R. Hewitt . . . One of its best years since opening on May 10, 1916, was experienced by Ellendale State Bank, Ellendale, says S. J. Sande, cashier; their totals increased more than \$85,000, they expect to pay regular dividends of 5 per cent, adding \$5,000 to surplus and thus bringing that total up to \$25,000; capital stock is \$10,000 . . . J. I. Laing, director of the First National Bank, Ely, since 1935, has been elected vice president; he's a retail hardware and furniture dealer . . . All directors of First National Bank, Fairfax, were re-elected, says Cashier Gertrude O. Fiss . . .

"Had a very good year, paid 8 per cent dividend," jots A. S. Funk, cashier Security State Bank, Hammond; and he reports that J. M. Meyer, vice president who died Jan. 7, has been succeeded by P. W. Wagner of Hammond . . . The sentiment is echoed by D. G. Johnson, cashier First National Bank, Hawley: "Had a very satisfactory year" . . . Capital of Farmers & Merchants State Bank, Hinckley, was raised to \$25,000, surplus to \$11,000 . . . G. J. Albrecht retired as vice president of Security National Bank, Hopkins, but remains a member of the

board . . . "Had an excellent year," says First State Bank, Isanti . . .

Here's a newsy one from O. H. Tollefson, cashier Janesville State Bank, Janesville: "We had a good year, paid a cash dividend of 10 per cent, charged off \$500 on bank building, charged off furniture and fixtures account in full, added \$8,000 to undivided profits account, increased deposits \$83,000 and loans \$81,000" . . . Citizens State Bank, Kelliher, upped its surplus by \$5,000 during the year, also paid its usual 10 per cent dividend, says Cashier O. J. Latterell . . . Enjoyed splendid growth in 1944, made a little money, increased surplus \$10,000, comments J. F. Pletz, vice president and cashier First National Bank, Lakefield . . . "Deposits up \$50,000, surplus increased \$4,000, loans up \$3,000 over last year, enjoyed a busy, prosperous year," says Cashier Floyd Breneman of State Bank of Littlefork . . .

Melrose State Bank, Melrose, is increasing common stock to \$40,000 and will pay off its \$5,000 debentures, states



RICHARD S. BANFIELD, newly elected vice president of First National Bank of Minneapolis.



L. H. ICKLER, JR., named president and director of Aberdeen (S. D.) National Bank.



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Senior Vice President
- ★ GUY E. DAILEY
Vice President
- ★ FRED J. GODE
Cashier
- ★ J. A. CAVITZEL
Asst. Vice President

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NATIONAL BANK
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MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION



H. C. Stalboerger, vice president . . . First State Bank, Meriden, which joined the Federal Reserve System on Dec. 2, paid "a good dividend" to stockholders, says Cashier W. P. Jones . . . Walter E. Benson, elected cashier of Farmers State Bank, Monterey, to fill the vacancy caused by death of E. F. Peterson, also has been elected to the board of directors . . . H. C. Laumann, vice president State Bank of Mound, chimes in to say, "Had a good year, increased surplus \$7,000 to make \$25,000, equal to capital; deposits increased \$172,000 and loans \$60,000" . . .

With one eye on the war news, D. J. Schroeder, vice president and cashier Farmers State Bank, Mountain Lake, observes: "1944 very satisfactory, and 1945 will be if we can get our boys back home" . . . Stockholders of Farmers & Merchants State Bank, New York Mills, at their annual meeting voted to extend the charter 30 years more; it would have expired Dec. 1 this year, says E. H. Buerkle, cashier . . .

Orchid Department: A. F. Johnson, executive vice president Merchants State Bank, North Branch, says, "We had the best year in our history; thanks for your interesting paper; the entire staff reads it" . . . Following the death Dec. 5 of E. N. Schoen, director Northwestern State Bank, Ortonville, two new directors were elected—Robert J. Hasslen of Ortonville and W. C. Gerhardt of Big Stone, S. D. . . . First National Bank, Pine City, has retired all its preferred stock and increased capital \$15,000 to \$65,000 and surplus from \$35,000 to \$50,000, says Cashier M. B. Baron . . . At Plainview, Cashier A. W. Wempner of First National Bank has become general manager of Plainview Produce Co., a new business, and now is an inactive officer of the bank, E. W. Harrington, president, advises . . .

Out at Raymond, H. C. Feig, president Farmers State Bank, says farmers are "in pretty good shape, in spite of wet and late spring," there's not much small grain, but corn came through as a big crop; and he expects '45 to hold about the same pace as '43 and '44 . . . "We have had the best year in our history from an earnings standpoint, as well as increase in volume," writes State Bank of Redwood Falls . . . Just this from Citizens State Bank, Roseau: "Had a good year" . . . Roseau's First National Bank goes a little further, this coming from Cashier A. E. Laufenburger: "1944 was a satisfactory year. At the annual meeting of the board of directors, surplus was increased \$4,000 and furniture and fixtures reduced to \$1, and usual dividend was declared" . . .

Surplus account of First National Bank, St. Charles, states F. J. Thul, executive vice president, was upped by \$8,000, and the regular 7 per cent dividend was paid . . . Murray County State



F. L. DURAND, who becomes president and director of National Bank of Jamestown, N. D.

Bank, Slayton, which was played up in Commercial West last week for the aggressive "outside" program it has worked out, has added A. F. Bader to its staff, says Walter L. Voigt, president; Mr. Bader comes from Citizens National Bank, Wahpeton, N. D., where he was assistant cashier . . . Thomas Owens, vice president First National Bank, Two Harbors, recently died, and Lloyd James has been elected director . . . Surplus account of Citizens State Bank, Tyler, was increased from \$25,000 to \$30,000 during the year, says Pres. C. A. Lauritsen, and "usual dividend paid" . . .

Deposits of Northwestern State Bank, Ulen, jumped \$100,000 during '44 . . . First National Bank, Wilmont, had a good year, farmers had a good crop, "so, when corn and hogs go to market, deposits will go up" . . . Capital stock of Worthington National Bank, Worthington, as earlier reported in Commercial West, was increased to \$75,000 at the annual meeting, and undivided profits account was reduced \$25,000, and the bank reports paying a stock dividend of 50 per cent . . .

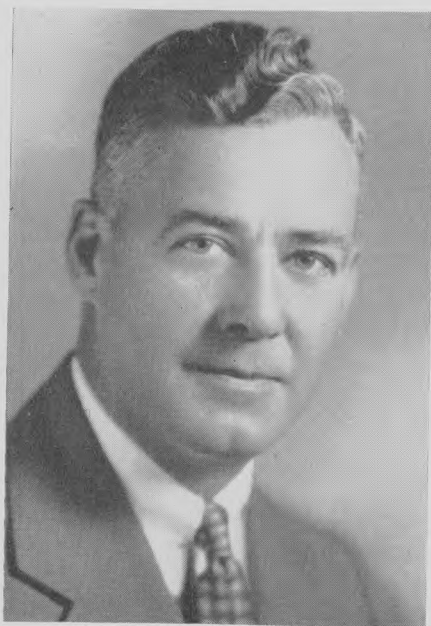
Adding a touch of Montana flavor to the batch of comments, Belt Valley Bank, Belt, comes up with word of a 5 per cent dividend and increase in surplus to \$19,000 . . .

And here's some North Dakota stuff: Northwestern Bank, Langdon, experienced "the best year we ever had" in '44; deposits increased 40 per cent, operating earnings were "very satisfactory"; agricultural conditions for Cavalier county "are very good" . . . The Women Marines recently got Ruth Sand-

ers, assistant cashier Farmers State Bank, Lisbon, and Pres. W. R. Sandager says her place hasn't been filled yet . . . It was a "very good year both from the standpoint of earnings and increase in deposits," according to V. A. Helberg, president Farmers State Bank, Minnewaukan; they retired all their RFC debentures, upped capital from \$25,000 to \$35,000 from reserves and profits, and increased surplus from \$27,500 to \$30,000 . . . Much the same story from W. A. Moen, vice president and cashier Rolette State Bank, Rolette: "We had a very good year in 1944" . . . Surplus of Scandia American Bank, Stanley, recently was increased from \$27,000 to \$35,000 . . . And G. Hochhalter, cashier First National Bank, Wilton, says, "Enjoyed one of the finest years in every way in history of this bank; crops good, prices good and a lot of money" . . .

From South Dakota: "We had a good year; worked a little harder, but made a good profit," is the claim of F. G. Grosz, vice president Bowdle State Bank, Bowdle, who further says, "Conditions are good in South Dakota; much land is moving and farmers' income was very good; there is not much demand for loans" . . . O. A. Hodson, president Blackpipe State Bank, Martin, calls attention to the fact that they have \$2,500 in reserve for dividends to be paid . . .

Wisconsin is heard from, too. Here's W. F. Kirchner, cashier American Bank, Alma: "During the past year we streamlined our fixtures, installed two coupon booths for our customers and completely redecorated the interior of the bank, also established a new station at Pepin, in-



N. P. DELANDER, vice president First National Bank of St. Paul, elected president of St. Paul Athletic Club.



From Lumber To Dairying

The story of Pine City, Minnesota, begins in 1869 with the building of the Northern Pacific Railroad link between the Twin Cities and the Twin Ports. This new route brought many settlers to the beautiful white pine forests from which Pine City got its name.

By 1881 the village had been incorporated and had grown into a fast moving lumber center. As the white pine logs were cut in great quantities and driven down the Snake River, the land around Pine City was gradually cleared. Despite the fact that the lumber industry was gradually decreasing, the population of Pine City continued to increase as the settlers turned to the rich soil for farming and livestock.

Today Pine City boasts an industrious population of 1800 busy people most of them devoting their efforts to dairying and farming. The fine job that's being done in Pine City to provide all important dairy products for the united food effort at home can stand alone as an outstanding accomplishment. Last year's dairy production alone amounted to over one and one-half million dollars.

★ THE FIRST NATIONAL BANK OF PINE CITY, Minnesota, is closely linked with all of the activities of the territory. For many years this bank has maintained a close correspondent relationship with the Midland National Bank & Trust Company of Minneapolis.

MIDLAND

NATIONAL BANK AND TRUST COMPANY

of Minneapolis

SECOND AVENUE SOUTH AT FOURTH STREET
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RISKS ON TITLE SEARCHES

Title searches include many things, but generally they include (1) the work of the abstractor and officials who certify to matters which appear of record affecting the property included in the title, and (2) the examination of matters certified and the giving of an opinion thereon.

The risks on these title searches consist of many things, of which the more important are (1) omission of matters which should be searched, (2) failure to show adequately the matters included in searches, (3) mistakes, (4) unavailability of matters which should be searched, (5) impossibility of examination in detail of all matters, including legal proceedings, affecting titles, (6) limitations on legal liability of searchers and examiners, and (7) limitations on financial responsibility. The foregoing cover risks involved in searches of records only. They do not include risks not disclosed by the record, such as forgeries, rights of parties omitted in proceedings, rights arising out of possession, use and occupancy, etc.

The risks, including those last stated, may be great or small, but whatever they may be the investor can get protection under title insurance.

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TITLE INSURANCE COMPANY OF MINNESOTA

125 South Fifth Street
Minneapolis, Minnesota

File No. 63528

IN PROBATE COURT

Order for Hearing Petition for Proof of Will, Limiting Time to File Claims and for Hearing Thereon

State of Minnesota
County of Hennepin

In Re Estate of Marie Beckos, Decedent.

Order for Hearing Petition to Prove Will

IT IS ORDERED that all persons interested show cause, if any they have, before this Court on Monday, February 19th, 1945, at 10 o'clock A. M. in the Court House in Minneapolis, Minnesota, why the petition herein filed, of Jennie Beckos, of Hennepin County, Minnesota, for the allowance of an instrument purporting to be the last Will and Testament of said Decedent and the probate thereof and for the appointment of herself as Executrix, should not be granted.

Order to File Claims and for Hearing Thereon

IT IS FURTHER ORDERED that within four months from the date hereof all creditors of said Decedent file their claims in this Court. Proofs will be heard and claims examined and adjusted before this Court on Monday, June 4th, 1945, at 10 o'clock A. M. in the Court House in Minneapolis, Minnesota.

These orders shall be published in the Commercial West and copies thereof mailed according to law.

WITNESS the HON. O. J. ANDERSON, acting Judge of Probate Court, this 25th day of January, 1945.

ERNEST P. LORENZ,
Clerk of Probate Court.

(Seal of Probate Court)
G. Halvorson
407 Wesley Temple Bldg.
Attorney.

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creased surplus \$20,000" . . . After 29 years' service, A. V. Sandberg-Hanson resigned assistant cashiership of First National Bank, Grantsburg, the first of the year . . . Cash dividend of 10 per cent was paid to stockholders by State Bank of Roberts, says Cashier H. T. Jensen . . . And First National Bank, St. Croix Falls, celebrated completion of its 25th year in business on Dec. 8.

Convention Cancellations

Many bankers' associations already have cancelled their state conventions, but Nebraska comes through this week with the first cancellation of its complete schedule of annual group meetings. They were to have been held in April.

Announcement just received from N. B. A. Pres. Edgar McBride of Blue Hill, says chief objective of the groups meetings was to have been organization for the sale of War Bonds, the making of GI loans to veterans, postwar planning, etc. He says, however, that work on these projects will not slacken, since the subjects will be handled at regular regional clearinghouse meetings which are of local character, not coming within the scope of the Byrnes order.

Missouri Bankers' annual meeting to have been held in Kansas City, May 14-16, has been definitely cancelled.

American Bankers Association's annual spring council meeting, scheduled for New York, April 15-18, was cancelled Wednesday. In order that the necessary business of the association may be carried on, Pres. W. Randolph Burgess has called a meeting of administrative committee in New York, April 15-16. There are 16 members of this committee, which has powers between meetings of the executive committee. The latter, with 124 members representing every state in the Union, is the governing body of the association.

While several states have definitely cancelled, many are still marking time, so to say, preferring to await developments in Europe. Some are said to favor going ahead with plans for a convention as usual in case the picture changes for the better and the restriction on travel is lifted; if it isn't then along in April or May they would check out. Minnesota now appears to be in this latter classification.

Jaffray Moving Office

C. T. Jaffray, pioneer Minneapolis banker and business leader, in 1924-37 president of the Soo Line, since then its chairman until its emersion from trusteeship in 1944 and reconversion to private ownership and operation as a new company, is moving his office.

He is relocating in the First National-

Soo Line building in Room 435 from offices on the 14th floor.

This move keeps Mr. Jaffray closely in touch with the Soo Line, of which he is a director and member executive committee. He also is president of Wisconsin Central and South Shore & Atlantic roads, subsidiaries.

In his new location Mr. Jaffray will be adjacent to offices of First Bank Stock Corp. and First Service Corp., operating company of First Bank Stock Corp. He is chairman of both corporations.

While Mr. Jaffray's industrial activity as head of the Soo Line brought him still further into prominence nationally as a business leader, still it was banking that always was and still is the occupation in which he is best known and in which he exercises so substantial an influence on the growth and prosperity of the Twin Cities and the Northwest.

Mr. Jaffray came to Minneapolis from Canada in 1887 and his first banking experience was with Northwestern National Bank as clerk and assistant cashier. He was a prime mover in getting the Minnesota Bankers Association established and was its second secretary in 1895-96.

Mr. Jaffray went to the First National Bank in 1895 as cashier, and became president in 1917, serving in that capacity until he was elected president of the Soo Line.

It was while Mr. Jaffray was president of the First National that his influence



P. J. SCHIRBER, president James River National Bank, Jamestown, N. D., just elected president Jamestown Chamber of Commerce. Other officers: C. V. Barkus, vice president; K. M. Moran, treasurer; J. A. Schoonover, re-elected secretary.

and experience as a banker and financier spread widely. That period marked great progress of the Northwest, and to Mr. Jaffray went wide recognition of his enterprise in promotion of the industrial and business undertakings which since have so firmly established this section agriculturally and institutionally.

Always progressive in banking thought, not only in the strict banking sense but in the beneficial effect of good and sound banking on the region, Mr. Jaffray was a leader in institution in 1929 of First Bank Stock Corp., which since has had marked influence on banking, business and industry in the Ninth Federal Reserve District.

Iowa's Ralph Bunce Dead

After a six-month illness, 51-year-old Ralph L. Bunce, popular deputy superintendent of the Iowa banking department, died Wednesday night last week. Mr. Bunce had served in the department since 1918, except for a five-year period as vice president Iowa State Trust & Savings Bank, Burlington.

Surviving are Mrs. Bunce, a son, John, and his mother, Mrs. Lyman Bunce of Washington.

Triple Play March 1

Official changes involving three banks affiliated with First Bank Stock Corp. will be effected March 1.

Richard S. Banfield, president and director Aberdeen National Bank of Aberdeen, S. D., since 1939, has been elected a vice president of First National Bank of Minneapolis. He will be succeeded by L. H. Iekler, Jr., since 1938 president and director National Bank of Jamestown, N. D., and his place there will be filled by F. L. Durand, for the past 15 years manager credit department of First Service Corp., Minneapolis, operating affiliate of First Bank Stock Corp.

Clayton Walker, cashier Aberdeen National Bank since 1939, has been named vice president of the bank, and Kent Baird, assistant cashier since 1940, succeeds him as cashier.

Montana State Banks

"Notwithstanding the small demand for loans during 1944, I am pleased to say our banks and building and loan associations had a very good year, due in a great measure to able management and cutting the cloth to fit the suit in these unusual times," said W. A. Brown, Montana superintendent of banks, to Commercial West this week in submitting his abstract of the banks' and associations' Dec. 31 reports. "Of course, our financial institutions, like those of the rest of the

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with Chase
correspondent facilities



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J. L. Rivard, Vice President

Kendall Clark, Sec'y-Treas.

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country, show an abnormal increase in deposit liability which, no doubt, will be adjusted in orderly manner, as there will be little or no demand for money for some time; this can be attributed to the fact that our livestock men and farmers now are and have been for some time, enjoying a wonderful wave of prosperity—debts paid, leaving money in the bank.

“As this is written, we in this section of Montana (Helena, Monday) are having a nice gentle spring rain.”

Trends shown in Mr. Brown's report among the state's building and loan associations are reported in this issue's "Savings and Loan" department. Here are the banking trends during 1944:

Loans and discounts down \$920,839, to \$24,842,692;

U. S. government bonds up \$38,045,423, to \$111,083,388;

Cash and due from banks up \$7,964,037, to \$62,708,176;

Banking house down \$57,890, to \$600,403;

Furniture and fixtures down \$11,999, to \$82,178;

Other real estate down \$8,815, to \$19,626;

Common capital up \$173,800, to \$3,784,000;

Preferred down \$44,800, to \$85,900;

Debentures down \$6,000, to \$49,000;

Surplus up \$253,789, to \$3,020,914;

Undivided profits up \$288,826, to \$1,709,704;

Reserves down \$273,538, to \$437,171;

Demand deposits up \$22,816,673, to \$117,581,435;

Time certificates up \$546,331, to \$4,201,997;

Savings deposits up \$6,009,409, to \$23,879,403;

Total resources up \$44,569,532, to \$203,731,823.

Wisconsin Confirmations

Wisconsin's Senate has just confirmed the following interim appointments by Governor Goodland:

☞ Arthur J. Quinn as member of the Banking Commission to serve out the term of Robert K. Henry, resigned, which expires April 1, 1947. Mr. Quinn is president Northwestern State Bank, Cumberland, and Bank of Turtle Lake, and a member of the Wisconsin Bankers Association's executive council.

☞ John E. Dickinson, West Bend business man, as a member of the Banking Review Board, to complete the term of George L. Gilkey, banker of Merrill, who resigned last summer. Mr. Dickinson also was confirmed for a full six-year term to Jan. 1, 1951.



ALFRED M. WILSON has been appointed a member of the advisory board of the Lake Street office of Northwestern National Bank of Minneapolis. He is vice president in charge of the aeronautical division of Minneapolis-Honeywell Regulator Co., member of Minneapolis Club, active in civic life as a director of the Council of Social Agencies and Children's Protective Society.

Bennett Elected President

Newly elected president of the Union State Bank, Montevideo, Minn., is Chas. O. Bennett, former vice president. He succeeds Theo. Albrecht.

Orin Samstad, cashier the past year, is now vice president and cashier. Chosen as assistant cashier, R. P. Hayes later resigned to accept a position with the Grafton National Bank of Grafton, N. D.

Chairman of the board for 1945 is Roland Aaker. Other directors are Theo. Albrecht, Minneapolis; John A. Nelson, Maynard; Chas. O. Bennett, Orin Samstad and C. D. Bense, all of Montevideo.

North Dakota State Banks

Abstract of report of the condition of North Dakota state banks as of Dec. 30, just released by J. A. Graham, state examiner, shows these changes in the preceding 12-month period:

Loans and discounts up \$2,427,263, to \$29,555,831;

United States government issues up \$41,732,429, to \$134,829,196;

Banking house, furniture and fixtures down \$60,727, to \$446,206;

Other real estate down \$36,004, to \$42,998;

Cash on hand up \$440,082, to \$2,197,713;

Capital stock paid in up \$165,900, to \$4,757,500;

Preferred stock and debentures down \$96,800, to \$369,550;

Surplus fund up \$283,080, to \$2,074,655;

Undivided profits and reserves up \$855,926, to \$4,312,788;

Deposits subject to check up \$27,454,593, to \$156,134,974;

Time certificates and savings deposits up \$11,859,003, to \$50,569,551;

Total deposits up \$39,105,686 (22.72 per cent), to \$211,160,037;

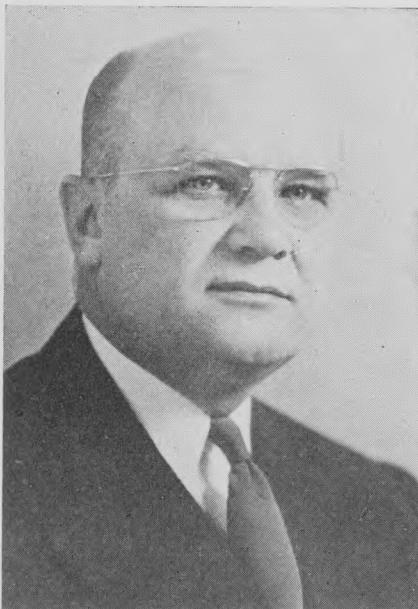
Total resources up \$40,336,822, to \$223,063,529;

Total reserves available, \$50,040,738, against requirement of \$18,587,526.

Negaunee Stock Dividend

Directors and officers of the First National Bank, Negaunee, Mich., all were re-elected at recent annual meetings of stockholders and directors, and shareholders ordered a change in capitalization whereby a stock dividend of \$50,000 was declared. That gives the bank \$150,000 capital, \$150,000 surplus and \$59,554 undivided profits, for total capital structure of \$359,554.

Directors are Joseph H. Winter, A. P. Johnson, R. S. Archibald, S. R. Elliott and G. Sherman Collins, and officers are Mr. Winter, president; Mr. Collins, vice president and cashier; John J. Beldo and John Bath, Jr., assistant cashiers.



HARRY E. KERN, vice president First National Bank of St. Paul, re-elected treasurer of St. Paul Athletic Club.

TO EXECUTIVE OFFICERS

It is seldom we address ourselves to executive officers of banks thru an advertising medium, but we do so now in support of a remark made to us by the head of the Bookkeeping Department in a medium sized bank concerning the sorting and filing of checks.

He said, "Our senior officers are aware of the difficulty we have with illegible signatures but they are somewhat removed from actual contact with the problem as it exists today and, therefore, they do not actively support our contention that customers *must* be sold on the idea of having their names printed on their checks."

Perhaps this is true. When you top men sorted checks years ago maybe you *knew* signatures, but today the youngsters have to *read* them, so why

not run a test today and see just how many they *can't* read. See how much time they waste getting them *right*. Determine how much their work could be lightened if they could look at printed names instead of scrawls.

If you will do this you can't help but lend your enthusiastic support to the Personalized Check program. You will find it pays off in time saved and in more accurate operations, and you will find, too, that the customers are receptive. The program won't click unless *you* get behind it, but if you give it that first push it will keep rolling. We also can help by furnishing your people with counter signs, lobby posters, statement enclosures and a top notch check package. Have your "sales manager" write us for complete information.



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North Dakota Changes

State banking board of North Dakota at its recent meeting in Bismarck approved increase in capital of Farmers State Bank of Minnewaukan from \$25,000 to \$35,000, and Pioneer State Bank, Towner, from \$15,000 to \$25,000. It also considered and approved the application of Casselton State Bank, Casselton, for renewal of its corporate existence for 25 years from Jan. 15, 1945.

F. & M. Now 29th

Public willingness to save instead of to spend is reflected in year-end reports of the National Association of Mutual Savings Banks, which show new record levels — \$13,331,810,630 — an unparalleled increase for a year, of \$1,624,785,582. Assets of mutual savings banks kept balance with deposits, amounting to \$14,812,651,197 on Dec. 31, up \$1,769,819,529 for the year, also a new record gain and new high mark.

A compilation by the association of the 100 largest mutual savings banks has Minneapolis' Farmers & Mechanics Savings Bank in 29th place, with deposits of \$104,729,144.

Bank Notes

Capital stock of Northwestern State Bank, Duluth, has been increased from \$50,000 to \$100,000.

★

Directors of the State Bank of Cokato, Minn., have advanced R. M. Peterson from vice president to president to succeed the late N. F. Johnson.

★

Corporate title of the H. C. McLachlin & Co. State Bank, Petersburg, Mich.,

has been changed to Petersburg State Bank, and that of the Barber State Bank of Vermontville, Mich., to Barber State Bank.

★

A. E. Arntzen, president Farmers & Merchants State Bank, Appleton, Minn., now in Fairview hospital, Minneapolis, is coming along nicely, expects to go home again most any day.

★

Rock County (Minn.) Sportsmen's Club has just named as one of three new directors, Henry C. Wuertz, president Rock County Bank, Luverne, for a three-year term.

★

New president of State Bank of Chandler, Minn., replacing the late Robert Fitzpatrick, is J. G. McGlashen, cashier since 1919.

★

Farmers & Merchants State Bank of Lambertton, Minn., has been authorized to increase its capital stock from \$20,000 to \$25,000.

★

Horace G. Parker, teller and bookkeeper at Columbia Heights State Bank, Minneapolis, since last summer, this week was elected assistant cashier. He formerly was assistant examiner in the Iowa banking department, before that had seven years' experience in banks at Thornton and Clear Lake, Iowa.

—VICTORY—

AGRICULTURE

(Continued from page 10)

this field for bankers who know what they are doing.

In closing, I want to commend the

banks of Missouri for the fine contribution they have made to the record of the business of banking; and for helping to show that independent chartered banking can be depended upon to look after the credit needs of its farm people. In 1943, 175,810 Missouri farmers were financed by the 600 banks of your state; of these, 109,902 borrowed \$300 or less.

That is real evidence of the interest which your banks have in the small farmer and disproves for Missouri the contention that was made by the governor of the Farm Credit Administration before the Cooley committee of Congress a year ago, that subsidy support should continue to be given to farmers' cooperative credit agencies because banks generally are not interested in the small farmer.

This is the first opportunity that has been given the agricultural commission to congratulate the Missouri bankers publicly for selecting one who is particularly qualified to lead the country bankers and to keep their minds on the public relations job of giving improved financial service to the 256,000 farmers of your state.

Bob Hill, your newly appointed secretary, a graduate of the College of Agriculture of the University of Missouri and himself a farmer, is in position to provide that type of leadership where emphasis on the part of the state association can be placed on helping the country banker to keep agriculture financially sound and to do a better job in the farm field. The country bankers of America have a right to expect great things from Missouri.

BANK SHARES

Our annual comparative analysis of a group of 38 banks of national importance will be released this week.

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

In 1941, the public was bearish on the railroads, because the war would ruin them. But the railroads have paid better dividends and enjoyed a greater rise during the war than any other basic industry.

At that time, Commercial West constantly pointed out the merits of the railroads and recommended them as the best buy.

Now the public is bearish on the railroads because the war may end. But the railroads are still cheaper in relation to earnings, assets and dividends than any other major industry. As for railroad traffic and earnings after the war, the following two facts are enough for this writer:

1. THE GOVERNMENT WILL BE IN DEBT TO THE EXTENT OF ABOUT \$300,000,000,000.

2. IT HAS PROMISED 60,000,000 JOBS.

Add to that the fact that we are operating with irredeemable paper money, and a boom after the war appears inescapable.

We should have freight and passenger traffic after the war exceeding anything experienced during the war.

With the vast purchasing power already created and more coming, we may have a boom lasting two years, or very good times lasting 20 years.

If labor will cooperate on freezing wages at a high level and doing a good day's work for them, the danger of uncontrollable inflation will be averted.

Then individual income taxes should be kept so high that labor isn't used in building mansions and ocean-going yachts.

Business taxes should be low enough that the building of homes, railroads, highways, food, clothing, autos, radios, bathtubs, hospitals and the production of all things needed for a wholesome middleclass existence is stimulated.

With a vast business activity the government can secure enough from taxes to service the debt and engage

in a considerable program of public works.

Our monetary setup is such as to preclude a depression. Labor and all of us either produce the goods and services to exchange for our purchasing power at a reasonable price and wage level and enjoy a long period of good times, or we push wages up, and prices must follow, and a stampede to get rid of paper money and bank deposits will develop. Wages and goods produced for them is the key to the future with encouragement to capital and management a close second. They must find ways and means to pay the highest wages ever seen and produce in great enough volume to avert runaway prices. But a boom it will be—either short or long.

For those who prefer more concise reasoning in estimating postwar rail earnings, attention is directed to a very excellent advisory service called the Value Line, published by Arnold Bernhard Co., 350 Madison avenue, New York. In graphic form, the Value Line shows the price range of a security compared with its appraised true value, the latter being based on assets, earnings and trend of earnings. In bull periods, the public will push prices above values, and in bear periods, prices will fall below values. Right now many railroads show a wide spread with prices below values. High-grade investment rails are selling above their value line, as are many other high-grade investment issues due to current low interest rates.

The Value Line also gives earnings and balance sheet items and has another timely and important feature—it estimates postwar earnings according to the national income and presuming a return to normal corporate taxes. Here are some of the railroads covered in the Jan. 15 issue and items which tend to confirm this writer's bullish attitude and optimistic forecast:

ATCHISON

Current price 77, dividend \$6, book value \$293 per share. Earnings were

\$27.79 per share for 1942, \$21.11 for 1943 and are estimated at \$18.20 for '44 and \$17.30 for '45.

Postwar earnings are estimated as follows: If the national income should be \$135 billions, \$16.11 per share; if \$120 billion, \$12.07 per share; if \$100 billion, \$8.41 per share. Earnings up to about \$14 per share are taxed at the normal plus surtax rate, 40 per cent; above that, 85.5 per cent.

Value Line appraises Atchison at 150 on current earnings and gives it a price of 100 as a normal relationship to a postwar national income of \$100 billion.

ILLINOIS CENTRAL

This is one of the more speculative issues selling at a wide discount from its value line. Current price is around 21, compared to its value line of around 130. Its normal price in relation to a postwar income of \$100 billion would be about 70. The book value is \$151 per share. Earnings: \$6.95 in '41, \$17.52 in '42, \$17.68 in '43, and estimated at \$12.10 in '44 and \$11.30 in 1945. On a postwar income of \$135 billion, Illinois Central should earn \$12 per share.

NORTHERN PACIFIC

The stock sells around 18 and its book value is \$195 per share. The Value Line appraises it at 60 and figures it should earn \$3 per share with postwar national income of \$100 billion and should earn \$6 per share with a \$135 billion income. Earnings: \$3.13 in '41, \$6.57 in '42, \$10.29 in '43 and estimated at \$5.40 for '44 and '45.

SOUTHERN PACIFIC

This stock, at 40, is at a wide discount from its value line of 110, and from its book value of \$210 per share. It is paying \$3 and earned \$12.61 in '41, \$23.42 in '42, \$15.81 in '43 and estimated at \$13 in '44 and '45. Earnings should be \$14.30 with a postwar national income of \$135 billion, \$10.30 on \$120 billion, and \$6 on \$100 billion. Value Line figures its normal price

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should be around 90 with a postwar income of \$120 billion.

UNION PACIFIC

This fine investment stock is selling at 112, paying \$6, Value Line appraises it at 150, and its book value is \$219 per share. It has earned and paid \$6 per share right through the depression and formerly paid \$10. Its earnings were \$11.19 in '41, \$26.14 in '42, \$18.58 in '43, and estimated at \$15 in '44 and '45. Value Line estimates that U. P. should earn \$21.80 on a postwar national income of \$135 billion, \$16 on \$120 billion and \$12.75 on \$100 billion. It figures U. P. should be worth around 140 with a postwar income of \$100 billion.

★

Whether one studies the railroad industry factually or attempts to appraise it in the light of basic economic and monetary conditions, its securities appear to offer investors more for their money than any other industry. In the long run, earnings and assets determine prices, and these factors should cause much higher prices for railroad stocks and bonds over the coming years.

Along Financial Row

Ed Prescott of E. J. Prescott & Co., Minneapolis, is spending several weeks at Las Cruces, N. M.

★

On an extended eastern business trip is Clarence E. Hill, vice president Northwestern National Bank of Minneapolis.

★

V. F. Rotering, vice president First National Bank of Minneapolis, has returned from New York, where he attended a directors' meeting of the Minneapolis & St. Louis Railroad Co.

★

Chicago visitor earlier in the week was W. W. Wittenberg, Minneapolis manager for Blyth & Co.

★

Arrangements are proceeding for the annual winter party of Twin City Bond Traders Club at Minneapolis' Covered Wagon on Wednesday, Feb. 21.

★

Merrill Gibbs, formerly with the bond department of Northwestern National Bank of Minneapolis, now is associated with O. B. McClintock Co.

★

Back from a month's visit in California is D. W. Griffiths, of the Minneapolis office of Paine, Webber, Jackson & Curtis.

★

Bill Lau, formerly with Frank & Belden, Minneapolis, now is with the Gopher Ordnance Works.

(Continued on page 34)

INSURANCE . . .

States Are Planning to Banish Obsolete Mortality Table

Minnesota is on the way to joining 27 other states of the nation in adoption of legislation legalizing institution of a new mortality table for use of life insurance companies, to supersede one in effect since 1869 that has become definitely obsolete. Insurance Commissioner Newell R. Johnson has approved of bills now in the Minnesota Legislature for the purpose.

Procedure for remodeling of the 75-year-old mortality table was initiated by actuaries of several state insurance departments, has been largely approved by life insurance companies, now is in the laws of 16 states, has been approved of by regulation of insurance departments in 11 states. It does not become effective, however, until 1948, by which time it is anticipated practically all states will have adopted it and insurance companies will have had time to adjust their affairs to effect of the changes.

Ratings of life expectancy in the new table, based on prolongation of life through improved medicine, surgery and health methods may, in their net effect, reduce premium rates somewhat on young people, but on older persons the rate will be about the same. Barring reduced premium costs, even for young persons, perhaps, is the fact that life insurance companies in these days are forced to operate on such low interest rate returns on their investments while at the same time finding their overhead and incidental expenses increasing heavily.

Discussing the new mortality table for

Commercial West, O. J. Arnold, president Northwestern National Life, Minneapolis, who has given the matter a great deal of study, agreed that the old table, is obsolete. The new table, Mr. Arnold said, will be known as the "commissioners' standard table of mortality," and is the result of intensive study over the past five years.

"Because of the fact that life insurance companies do business in several states outside their home office state, it would be necessary for the new mortality rate to become effective in practically all states before the companies could employ it," said Mr. Arnold. "That, I expect will be done, inasmuch as it is my opinion that most of the insurance departments of the various states approve of it and many of them now are working on legislation for adoption of the new table, as in Minnesota."

New Iowa Mutual Manager

R. S. Edison is the new manager of Iowa Mutual Liability Insurance Co.'s office at 910 Baker building, Minneapolis.

Mr. Edison joined the company's home office staff at Cedar Rapids some seven years ago upon graduation from law school, spent four years (1938-42) in the Minneapolis office as claim adjuster, went to Omaha as manager, then back to the home office until this new assignment as manager at Minneapolis.

Supreme Court Case

An interesting angle to the supreme court opinion of last June holding insurance interstate commerce, broke last week when the Department of Justice is reported from Washington as having stated that it will drop its criminal proceedings against the Southeastern Underwriters Association and institute instead a civil action, to be brought, it is understood, in the federal district court at Atlanta, where the original action was tried.

Meanwhile, the McCarran-Ferguson bill which, as reported last week by Commercial West, has passed the Senate, is being given thorough study in the House by a subcommittee of the judiciary committee.

The McCarran-Ferguson bill, which

represents the accord of a large part of the insurance industry regarding legislation necessary to assure state regulation and taxation of the business, will give the states time to revise their laws in accordance with the supreme court ruling of June 5, 1944, and to perfect their own means of regulation and taxation within state limits.

Blue Goose Meet Postponed

Meeting in Minneapolis the evening of Feb. 5 officials representing the Honorable Order of the Blue Goose, International, voted to postpone the annual grand nest (convention) that was to have been held Aug. 21-23 in Minneapolis. At the same time the meeting was "frozen" for Minneapolis and it will be held there when conditions loosen up sufficiently so that the ODT "no large meetings" order is withdrawn.

The grand nest has been brought to Minneapolis not only because it had been "sold" to Blue Goose members as a wonderful mid-summer convention city with its many nearby outing and fishing attractions, but also because of the fact that this year's most loyal grand gander, chief officer of the International, is Thomas G. Linnell of Minneapolis, operating his own general agency, and because of the great work in presenting the invitation at last year's grand nest meeting of Mr. Linnell and of John E. Jackson of the Weeks & Jackson Agency, state agents for the Home Insurance Co. and other companies, who is general chairman of the convention as it was scheduled for Minneapolis.

Insurance Club

Insurance Commissioner Newell R. Johnson has been obtained as speaker for the joint luncheon Feb. 19 at the Athletic Club of the Insurance Club of Minneapolis and the Blue Goose Pond of Minnesota, sponsored by Wirt Wilson & Co. general agency. The commissioner is expected to discuss status of the bills in Congress with reference to the supreme court decision making insurance interstate commerce, and legislation now pending in the Minnesota Legislature.

Gaylord Veteran Honored

S. J. Maurer, Gaylord, Minn., who recently resigned as president Citizens State Bank of Gaylord (C. W., Feb. 3), was guest of honor at a dinner in Minneapolis, Jan. 29, tendered by the Minneapolis general agency of Weeks & Jackson, state agents for Home fire of New York and other companies.

The occasion was to commemorate 40

New Mortality Table

Under the new mortality table the death rate per thousand of the various age groups is compared with those of the old table, now in effect:

Age group	New Table	Old Table
15	2.15	7.63
20	2.43	7.81
30	3.56	8.43
35	4.59	8.95
40	6.18	9.79
45	8.61	11.16
50	12.32	13.78
65	39.64	40.13

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years of representation by Mr. Maurer of the Home company. Guests also were I. M. Nelson, who was elected president of the bank to succeed Mr. Maurer, and John Estenson, who was elected the bank's vice president.

John E. Jackson of the agency presided at the dinner, and assisting in the ceremonies were Walter Hanson and David White, special agents.

Blue Goose Men Honored

At the annual meeting Feb. 5 of Minnesota pond, Blue Goose, 22 members received buttons in recognition of having been members of the pond for 25 years. In addition, by request of the Manitoba pond, a button was awarded to C. F. Codere, president St. Paul Fire & Marine Insurance Co., St. Paul, for having completed 25 years of membership in the Manitoba pond. New officers elected are:

Most Loyal Gander—Leonard E. Zell, state agent Hanover Fire.

Supervisor of the Flock—N. Dekker, state agent America Fore Group.

Custodian of the Goslings—C. H. Mitchell, Fire Underwriters Inspection Bureau.

Guardian of the Pond—Paul B. Olinger, state agent Connecticut Fire.

Keeper of the Golden Goose Egg—Charles E. Mehagan, manager Minneapolis office, Western Adjustment Bureau.

Wielder of the Quill—Warren H. Foster, state agent Aetna Fire.

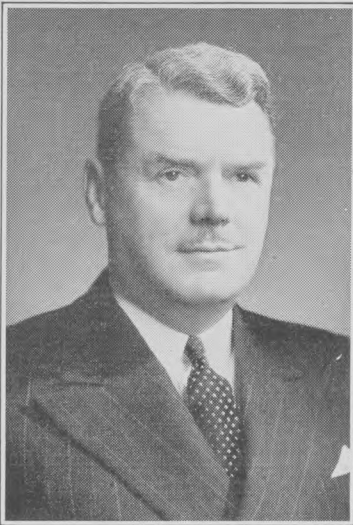
Fred J. Dorman, state agent for Crumm & Forster, retiring most loyal gander, presided at the annual meeting. The business session was followed by an appetizing Dutch lunch.

Great-West Life Record

The most successful results ever achieved by the Great-West Life Assurance Co. were reported by W. P. Riley, president, and H. W. Manning, vice president and managing director, at the 53rd annual general meeting held at the company's head office in Winnipeg, Feb. 6.

Mr. Manning told the meeting that new life insurance and annuities amounted to \$116,700,000 on the lives of 33,000 people, while business in force increased by more than \$83,000,000, to reach a total of \$842,000,000. Both are the largest totals ever recorded in the company's 53-year history.

He pointed out that development and expansion of business in the United States have continued and accelerated until almost 50 per cent of all the com-



H. W. MANNING, vice president and managing director Great-West Life Assurance Co., reported a most satisfactory year to the company's annual meeting held at Winnipeg, Feb. 6.

pany's new business now originates in the 11 states in which it does business.

Total resources of the company now measure \$222,442,000. These are held in trust for the fulfillment of the guarantees to the company's 260,000 policyholders. Investments are well diversified, the outstanding feature in recent years having been the increase in government bond holdings, marking the heavy participation in Victory Loan and War Bond issues. In every year since 1941 these subscriptions have exceeded the total premium income—and in 1944 amounted to \$24,000,000. Also conspicuous has been the rapid repayment of mortgage loans and the virtual elimination of real estate held for sale. Total liabilities now are \$212,000,000, made up almost entirely of amounts specifically allocated for future payments to policyholders. Capital and surplus funds afford added protection of over \$10,000,000 after providing for continuance of the same scale of dividends to policyholders that has been paid since before the war.

During the year, \$15,600,000 was paid to policyholders, \$6,000,000 of this being paid to beneficiaries of deceased policyholders and \$9,600,000 being paid to living policyholders. Deaths due to war increased over former years but produced only a moderate rise in the total mortality.

Results achieved in group insurance and accident and health insurance demonstrated that both these types of protection are meeting with an especially favorable public response. In particular,

great interest is being shown among employers in obtaining complete insurance coverage for their employees.

Mr. Riley said that confidence in ultimate victory, prevailing during five years of war, had been superseded by the certainty that defeat of our enemies can surely not be far in the future. He felt that the close of hostilities must find everyone adequately prepared to take up the tasks of reconstruction and rehabilitation. He pointed out that the life insurance industry, through policyholders' savings, could supply funds for rebuilding a peacetime world, providing the capital to construct homes and to keep the wheels of industry turning. Aware of its responsibilities, life insurance administration is making proper preparations to throw its full weight into the tasks which lie ahead, when the time comes for millions of Canadians and Americans, now in the Armed Forces, to return to civilian life.

Max Creer Dies

Death Feb. 1 at Swedish Hospital of W. Max Creer, 44, manager Minneapolis office of American Surety Co., came as a shock to his many friends in the Twin Cities among both insurance men and the public. Immediate cause of death was coronary thrombosis, from which he had suffered a first attack last June 11 and another Dec. 21 from which he did not recover and since when he had been in the hospital.

Mr. Creer was a native of Utah and prior to taking over the management in Minneapolis for American Surety on May 1, 1939, had represented the company in Salt Lake City as special agent and assistant manager.

He is survived by his widow, a daughter Patricia, son Bryce, a lieutenant in the Army Air Force now in India, a grandchild and three sisters and a brother. Interment was at Salt Lake City. He was this year's president of the

North Dakota Move

In the North Dakota Legislature Senator Franklin Page of Hamilton, Pembina county, cashier Bank of Hamilton, has introduced three bills, purpose of which is to transfer to the industrial commission from the insurance department jurisdiction over the state-operated fire and tornado and bond and hail funds.

Senator Page in introducing the measures is quoted as stating that "a regulatory department has no business running industries in competition with those it is trying to regulate."

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SAVINGS and LOAN**North Dakota League Spends 2
Busy Days at Bismarck**

It was a business-minded group of men and women that sat in attentively Monday and Tuesday at business sessions of the annual meeting of the North Dakota League of Savings, Building & Loan Associations, at Bismarck. Ten of the state's 13 associations were represented. The agenda was concerned principally, of course, with wartime developments and postwar prospects, and delegates participated in spirited discussions of a variety of subjects of immediate, direct interest to the industry.

Opening Monday evening at 8, the first business session ran well toward midnight, and they were right back on the job first thing next morning, that period extending from 9:30 till past noon.

Speakers included:

¶ Fred B. Bourland of Chicago, special representative Federal Home Loan Bank administration, centering his attention on the GI Bill of Rights, going into detail as to its provisions and ramifications.

¶ Walter H. Lohman, vice president and treasurer Federal Home Loan Bank of Des Moines, presenting facts and figures and statistics of the industry and comparisons of North Dakota totals and

percentages with those of the Eighth District as a whole.

¶ State Sen. W. H. Shure of Fargo, discussing legal aspects of the GI Bill of Rights' loan program.

¶ Speaker of the House A. R. Bergesen of Fargo, on current state legislation affecting financial institutions. Mr. Bergesen, an attorney and a director of the Gate City Building & Loan Association, succeeded L. L. Twichell, who died last year, as Speaker of the House. His address dealt especially with taxation, pertaining particularly to the state educational system.

Reports on the national war conference of the United States League at Chicago last November were given by W. F. Schutt, secretary First Federal Savings & Loan Association, Grafton, and L. A. Rulien, secretary Grand Forks Building & Loan Association, Grand Forks.

Final event on the two-day program was Tuesday's luncheon tendered by the two host organizations—Bismarck Building & Loan Association and First Federal Savings & Loan Association. Gov. Fred G. Aandahl occupied the spotlight on that occasion, in his first appearance before league members since assuming office. He offered a very fine summary of legislative and administrative developments at the capitol, and was given a big ovation.

In the chair at all sessions was Sen. J. B. Bridston, secretary First Federal Savings & Loan Association, Grand Forks, retiring president. Luncheon toastmaster was former Gov. George F. Schafer.

New officers are:

President—H. H. Woledge, president Northwestern Mutual Savings & Loan Association, Fargo.

1st Vice Pres—Maurice Jones, executive vice president Metropolitan Building & Loan Association, Fargo.

2nd Vice Pres—Ethel M. Newberry, secretary First Federal Savings & Loan Association, Jamestown.

Sec-Treas—A. M. Cornwall, vice president and secretary Northwestern Mutual, Fargo (re-elected).

Executive committeemen—The four officers and Fred Maser, president Dickinson Building & Loan Association, Dickinson; C. A. Williams, vice president First Fed-

eral Savings & Loan Association, Fargo; H. A. Jones, secretary-treasurer Bismarck Building & Loan Association, Bismarck, and Senator Bridston.

Business sessions were conducted at the home office of Provident Life Insurance Co., and Tuesday's luncheon was at the Prince hotel. Luncheon arrangements were expertly handled by Bismarck Building & Loan Association's H. A. Jones and H. G. Hansen, secretary First Federal of Bismarck.

Mid-Winter Conference Off

There will be no mid-winter conference of the Minnesota Savings & Loan League this year in compliance with the request of the Office of War Mobilization, says Vernon S. Welch, executive vice president. There was some talk of a meeting of the legislative committee to take its place, but Mr. Welch feels it will not be necessary, as the legislative committee has already made its recommendations and it is the work of the board to pass on them.

Montana's Report In

Abstract of the reports of Montana's 16 building and loan associations as of Dec. 31, released this week by W. A. Brown, superintendent of banks, shows these comparisons with Dec. 31, 1943:

Real estate loans down \$420,584, to \$7,788,630;

Real estate contracts down \$174,797, to \$602,767;

Real estate owned down \$8,579, to \$11,206;

Office building, furniture and fixtures down \$9,853, to \$201,016;

Stock loans down \$2,116, to \$29,365;



H. H. WOLEDGE
Heads North Dakota League.



A. M. CORNWALL
Re-elected Secretary-Treasurer.

Bonds and warrants up \$2,755,693, to \$5,457,863;

Cash and due from banks down \$725,279, to \$575,859;

Stock in Federal Home Loan Bank up \$36,000, to \$143,000;

Instalment stock up \$810,278, to \$6,484,946;

Prepaid stock up \$71,539, to \$1,278,016;

Full-paid stock up \$161,308, to \$5,317,183;

Bills payable up \$280,141, to \$325,541;

Due borrowers up \$54,861, to \$78,402;

Contingent fund up \$22,754, to \$594,546;

Reserves and undivided profits up \$70,204, to \$673,893;

Total resources up \$1,450,081, to \$14,814,581.

FEDERAL HOME LOAN BANK OF DES MOINES DES MOINES, IOWA

Statement of Condition, January 31, 1945

RESOURCES	
Cash	\$ 1,269,019.75
U. S. Government Obligations and Securities fully guaranteed by U. S.	13,268,339.00
Advances to Members	8,200,602.38
Accrued Interest Receivable	89,361.33
Deferred Charges and Other Assets	29,574.44
Furniture and Equipment (Cost \$10,361.06)	1.00
	\$22,856,897.90
LIABILITIES AND CAPITAL	
Deposits—Members	\$ 1,316,491.44
Accrued Interest Payable	3,524.48
Accounts Payable	777.55
*Debentures Outstanding	8,500,000.00
Capital Stock Subscriptions	11,704,600.00
Surplus:	
Reserves	\$795,600.63
Undivided Profits	535,903.80
	1,331,504.43
	\$22,856,897.90

**Participation in \$50,000,000 Consolidated Federal Home Loan Bank Debentures outstanding, which are the joint and several obligations of the twelve Federal Home Loan Banks.*

119th Consecutive Dividend

Rock County Building & Loan Association, Luverne, Minn., paid and credited dividends amounting to \$5,386 in 1944, states a report presented at the recent annual meeting.

E. H. Moreland and W. L. Krug were re-elected directors for a period of three years. Steps were taken to meet possible demands of the returning Service men on the GI Bill of Rights program.

Officers are: George V. Carstens, president; W. L. Krug, vice president; J. E. Treat, secretary-treasurer.

W. P. Christian Dies

William Peter Christian, 69, director Minneapolis Savings & Loan Association and one of the founders of Hennepin County Tuberculosis Association, died late Monday afternoon at his home in Minneapolis after an illness of several months.

Civic leader and philanthropist, he was director, treasurer and member of the executive committee of the tuberculosis association, director and treasurer Union City Mission, Breck School for Boys and former Citizens' Aid Society.

His first job following graduation from Central High School at the age of 16 was with the old Minnesota Loan & Trust Co.

After serving as a sergeant in the Spanish-American war, Mr. Christian worked a year in the First National Bank before joining his uncle, George Henry Christian, at the Hardwood Manufacturing Co. This company later became Northern Bag Co., which he served as a director.

The Citizens Club, founded and endowed by his uncle for boys of South

Minneapolis, was one of his hobbies. He served as its treasurer, director and executive committee member for nearly 30 years.

Mr. Christian is survived by a widow and three sons. Funeral services were held on Thursday at the Cathedral Church of St. Mark.

Home Debts Lowered

Down-payments on homes purchased in 1944 through savings and loan associations' mortgage loans plus the monthly reductions in debt after the purchase had been made, are estimated to be approxi-

mately \$365,000,000. These extra dollars came from 320,000 families throughout the United States and were thus withheld from the inflationary stream of cash exerting pressure on prices of short-time consumers' goods.

Henry P. Irr, chairman of the U. S. League's home building and home owning committee, reports that each family put an average of about \$1,150 into this durable process which has always represented the principal wealth of the average American family.

Some \$350,000,000 in cash was paid in down-payments on savings and loan financing of 1944 home purchases and

FINANCIAL STATEMENT

As at close of business December 31, 1944

ASSETS	
Real Estate Loans	\$1,875,001.59
Real Estate Sold on Contract and Lease with Option	115,103.71
Real Estate Owned	40,561.32
Real Estate Subject to Redemption	6,363.94
Stock in Federal Home Loan Bank	80,000.00
U. S. Government Bonds	1,617,540.00
Other Assets	29.00
Furniture and Fixtures	3,500.00
Office Building—Leasehold	22,000.00
Cash and Due from Banks	296,304.64
	\$4,056,404.20
LIABILITIES	
Investment Share Accounts	\$3,576,637.29
Advances from Federal Home Loan Bank	300,000.00
Accounts Payable	3,006.59
Due Borrowers on Loans in Process	8,710.42
Reserve for Uncollected Interest	9,137.97
Undivided Profits (After Deducting Dividends)	10,182.00
Reserve Funds	148,729.93
	\$4,056,404.20

GATE CITY BUILDING and LOAN ASSOCIATION

Corner 1st Ave. & Broadway

Fargo, N. D.



97th Semi-Annual Statement

NORTHWESTERN Mutual Savings and Loan Association

of

FARGO, NORTH DAKOTA

..... Founded 1893

★

103rd Semi-Annual Statement
December 30, 1944

RESOURCES:

First Mortgage Monthly Reducing Loans	\$2,628,739.05
Office Building	25,000.00
United States Government War Bonds	1,750,000.00
Bank Quality Corporation Bonds	750,000.00
Federal Home Loan Bank Stock	150,000.00
Cash on Hand and in Banks..	273,733.65
	\$5,577,472.70

LIABILITIES:

Savings and Investment Accounts	\$5,152,472.70
Safety Reserve Fund.....	425,000.00
	\$5,577,472.70

★

Member of
FEDERAL HOME LOAN BANK

OFFICERS:

H. H. Woledge - - - - President
A. M. Cornwall - Vice Pres. and Secretary
James McGuigan - Vice Pres. and Treas.
I. O. Nordhaug - - - - Asst. Secretary
L. F. Mische - - - - Asst. Treasurer
*H. H. Woledge, Jr. - Asst. Treasurer
*Now U. S. Infantry Rifleman, European War Theatre.

an additional \$15,000,000 in debt was paid off on these homes during the year.

Says Mr. Irr: "This form of saving money has to be counted in with the rest of the savings with which the American people have been piling up a record, since a debt-free home has always been reckoned an island of economic safety in the midst of any kind of stresses which may lie ahead."

10th Anniversary

Founded in 1935, Worthington Federal Savings & Loan Association, Worthington, Minn., recently held its 10th annual meeting. It has made 345 loans amounting to \$781,000 and has paid \$84,335 in dividends, reported H. M. Tripp, secretary-treasurer.

Sponsored by the Worthington Civic & Commerce Association, the institution's 74 original members signed up for 426 shares of stock in less than five hours on Jan. 17, 1935.

Hutchinson Elects Director

Henry Haima was elected director of Hutchinson Federal Savings & Loan Association, Hutchinson, Minn., at its annual meeting to fill a vacancy on the board. Mr. Haima is secretary and director of Stearns Lumber Co. and manager of that company's Hutchinson yard.

Dec. 30 statement of the association shows total assets to be \$836,574, with



C. A. WILLIAMS, executive vice president First Federal Savings & Loan Association, Fargo, is the newly elected chairman of Cass County Chapter, American Red Cross. Elected treasurer of the organization is Lester Smith, cashier Fargo National Bank, and re-elected to the board of directors for another year is H. D. Crosby, vice president and trust officer First National Bank & Trust Co., Fargo.

government bonds of \$394,588 and mortgage loans of \$351,441 making up part of this figure.

Officers and directors are: Frank J. Zila, president; Emanuel C. Ditlevson, vice president; J. Harold Beytien, secretary-treasurer; Otto A. Bretzke, Henry Haima, Harry R. Hanson, Helmuth R. Kurth, Lars M. Lerberg and Spencer Stearns, directors.

New Nebraska Limit

Passage of L. B. 22 by Senators Cullingham, Lee and Wood by the Nebraska Legislature this week ups the amount savings and loan associations in that state can loan to three-quarters of the "reasonable normal cash value" of a piece of improved real estate. The old law limited loans to two-thirds value.

Loans above the 75 per cent level will be permitted under the new bill if the amount above that figure is in accord with the Servicemen's Readjustment Act.

—VICTORY—



RICHARD N. GARDNER, new director Minnesota Federal Savings & Loan Association (C. W., Jan. 27). Formerly a state senator, Mr. Gardner is president Staples State Bank, Staples, Minn., counsel for Independent Bankers Association, and St. Paul referee in bankruptcy.

Lack of freight cars to move it to market threatens eastern South Dakota farmers with heavy loss on their corn crop, largest in the section's history. Chief danger is of spoilage in storage because of the heavy moisture content of last year's corn.

25 YEARS AGO

From Commercial West, February 14, 1920

The Minnesota law of 1919 requiring approval of the state securities commission on state bank charter applications is held constitutional in a decision by the state supreme court on the appeal of C. B. Carlson and others in mandamus proceedings against F. E. Pearson, state superintendent of banks. The court affirms the Ramsey county district court judgment from which the appeal was taken. Mr. Carlson and his associates early in 1919 began proceedings to incorporate the Farmers State Bank of Paynesville, and on March 19 the state superintendent of banks approved the proposed certificate of incorporation. Three days later the law requiring approval of the securities commission for new state bank projects was passed, and the state superintendent insisted upon compliance with it. Mandamus to compel the superintendent to issue the charter followed.

★

Largest industrial construction plan in Minneapolis' history is under way—the \$3,000,000 Northwestern Terminal development in the northeast section of the city.

★

With Charles H. MacNider as chairman of its board of directors, the First National Co. of Mason City, Iowa, is entering the investment banking business with \$1,000,000 capitalization. It is the aim of its organizers to furnish the community with an institution which can properly finance its growth and activities. Officers comprise the officials of the First National Bank of Mason City, which has just rounded out half a century of service with deposits of \$6,000,000. Hanford MacNider is president of the company, with Fred E. Keeler, W. G. C. Bagley and C. A. Parker as vice presidents, and R. P. Smith as secretary-treasurer.

★

Elston & Co., Chicago investment firm with branches at Cincinnati and Milwaukee, has opened a Minneapolis office in the McKnight building under management of Wallace Maher. The firm is a member of the Investment Bankers Association of America and the Wisconsin Bankers Association.

★

One of the best turnouts in its history was registered by Group Three, Wisconsin Bankers Association, at its recent Green Bay meeting.

★

Warren Hussey, 83-year-old former Montana, Utah and Washington banker, died Feb. 6 at Spokane.

★

A warning against blue sky operations has been sounded by John Hirning, South Dakota superintendent of banks, who recently requested the resignations of two state bank officers said to have engaged in exchanging certificates of deposit for notes given to stock selling concerns.

★

Officers of the recently organized American National Bank, Naskwauk, Minn., are Erick Johnson, president; John A. Carlson and V. A. Batzner, vice presidents, and L. Van Brunt, cashier.

★

Application of N. F. Banfield and Herbert L. Banfield for charter for the Security State Bank, Brownsdale, Minn., has been denied.

B. A. Balerud has been elected assistant cashier of the Union National Bank, Minot, N. D., to succeed A. C. Tompkins, resigned.

★

At Centerville, S. D., the recently organized Farmers Security Bank will open about March 1 under these officers: C. J. Johnson, president; F. M. Cope, vice president; P. J. Hegness, cashier.

★

New president of the Kandiyohi County Bank, Willmar, Minn., is P. B. Hong, advanced from cashier to succeed J. F. Millard, resigned. George H. Otteness was elected cashier.

★

Cashier C. W. Machaelson of the Security State Bank, Sandstone, Minn., has resigned to accept a similar post with the Security State Bank, Moose Lake.

★

Newly elected officers of the Union Farmers State Bank, New Salem, N. D., are O. C. Gaebe, president; Christ Kaelberer and A. E. Pool, vice presidents; W. J. Rick, cashier, and J. P. Schafer, assistant cashier.

★

The Peoples State Bank, Forest Lake, Minn., will be converted into the First National Bank with capital of \$25,000.

★

George H. Vermilyea has been promoted from assistant cashier to cashier of the First National Bank, Plainview, Minn., succeeding Matt T. Duerre.

★

Omaha National Bank, Omaha, has advanced W. W. Head from vice president to president, J. H. Millard becoming chairman of the board.

★

G. G. Kimpel has been elected president of the State Bank of New Germany, Minn., succeeding A. J. Schnobrich, and of the State Bank of Lester Prairie, succeeding Herman Engler.

★

Capital stock of the Continental National Bank, Sioux City, has been increased from \$200,000 to \$250,000.

★

Open discussion will feature the mid-winter conference of the trust company section of the American Bankers Association at New York next Friday.

★

Controlling interest in the First National Bank, Lake Park, Minn., has been purchased by C. H. Kelson, who has been elected president. Other officers are John Patterson, vice president; George O. Kelson, cashier, and E. M. Nylander, assistant cashier.

★

Directors of the Stock Yards National Bank of Omaha have elected these officers: H. C. Bostwick, chairman of the board; Ford E. Hovey, president; J. C. French, vice president; J. B. Owen, vice president and cashier; H. C. Miller, W. H. Dressler and C. L. Owen, assistant cashiers.

★

Charles Doffing and N. P. Gores are among those interested in the proposed Farmers & Merchants State Bank, Hampton, Minn.

★

The Second National Bank, Beloit, Wis., has purchased a site on which it will erect a new building.

BUSINESS WANTS

Let This Department
Do The Job For You

HELP WANTED

VACANCIES

BANK EXECUTIVE—Minn.—\$300.
ASST. CASHIER—Ins. exp.—\$200.
TELLERS—(Lady)—Several—\$125.
ASST. CASHIER—West. Mont.—\$200.
CASHIER—East. Montana—\$250.
EXECUTIVE—Iowa—Pop. 5,000—\$300.

NORTHWESTERN PLACEMENT BUREAU

Brokers & Placement Service
Minneapolis, Minnesota

WANTED

Young lady as bookkeeper and stenographer in small bank close to Twin Cities. Typewriting and shorthand required. Experience desirable, but will take beginner. Address Box 988, care of Commercial West.

HELP WANTED

Lady Bkpr., S. W. Minn., small town, \$100.
Lady Bkpr., Oregon, \$2,000,000 Bank...\$150.
Lady Bkpr., Wyo., Near Yellowstone...\$150.
Lady Sten.-Bkpr., Cent. Iowa, no exp., \$125.
Lady Steno., Iowa, College town, 10,000, \$115.
Lady Teller-Bkpr., Eastern So. Dakota, \$125.
Lady Teller-Bkpr., N. E. Neb., Co. Seat, \$150.
Asst. Cash., So. Minn., County Seat....\$200.
Cashier, Montana, County Seat, no inv., \$250.
THE CHARLES E. WALTERS COMPANY
1313 First Nat'l Bank Bldg., Omaha, Nebraska

SITUATIONS WANTED

Position wanted as assistant cashier in town of 1,500 or more. Discharged veteran, 20 years banking and credit experience. Southern Minnesota, Iowa or Wisconsin preferred. Address Box 990, care of Commercial West.

NORTHERN MINNESOTA BANK

We can offer a control in a fine bank located in a good town in northern Minnesota. Tremendous territory from which to draw business. An aggressive man can enlarge the insurance business and do considerable real estate. Many beautiful lakes in surrounding territory. Fine hunting and fishing. Requires investment of around \$37,000. File No. B625.

W. R. OLSON COMPANY
Fergus Falls, Minn. Phone 2458

ADVERTISING RATES IN THIS DEPARTMENT:

Four (4) cents per word, each insertion. Words displayed in capital letters, 8 cents each. Initials, name, address, location, abbreviations count as one word each. Copy paragraphed, 28 cents per line. "Blind" address counts as four additional words. Check or postage stamps must accompany all orders. All answers to advertisements under key numbers must be accompanied by a 3-cent stamp.

COMMERCIAL WEST

52 Times a Year



DONALD D. DAVIS, executive vice president Minnesota & Ontario Paper Co., elected president of War Chest of Minneapolis and Hennepin county.

CREDIT

(Continued from page 12)

they are now located, or will it be necessary for them to return to their home territory and adjust themselves to smaller incomes?

Of one thing we are certain, unless and until the psychology of the great mass of people is such that they will either spend money or commit themselves to debt, we cannot anticipate anything exceptional in the outstandings of this credit. People must have confidence in the future or they will hedge against it, and hedging is not conducive to an abundant economy.

Remember your responsibility to the consumer as well as to banking. It was not so long ago that banking was not too popular as a business. I know of nothing that would revive that attitude faster than to abuse the consumer in any way—either by urging him to borrow too much for him to carry or by indulging in unfair practices ourselves or condoning bad practices indirectly through others.

Go out and do your business on a fair and legitimate basis. Let us beware of rate and term fights. We are in business to do a job and we can do a job right only when we make a decent profit. Let us remember always that we represent the one consumer credit lender who in many other phases of the banking business acts as adviser—a high responsibility. The reputation of banking in gen-

eral and of our own institution in particular is always at stake. Do the job right and we will bring great credit to banking and reasonable profit to ourselves.

—VICTORY—

INVESTMENTS

(Continued from page 26)

River Captain Overman spent a day at Stillwater recently, overseeing extensive improvements being made on his houseboat, the Wigwam.

★

Justus Lowe of Justus F. Lowe & Co. was elected a governor of the Minneapolis Club at its recent annual election.

★

Major Dick Egan, formerly vice president Mannheimer-Caldwell, Inc., has been discharged from Service and now is at home in St. Paul.

★

Leo Quist of H. E. Wood & Co., St. Paul, was a recent Kansas City visitor.

★

Dividend payments by Chicago Stock Exchange listed corporations in January amounted to \$66,648,048.10, compared with \$69,346,277.18 in that month a year ago.

—VICTORY—

North Dakota in Word and Picture

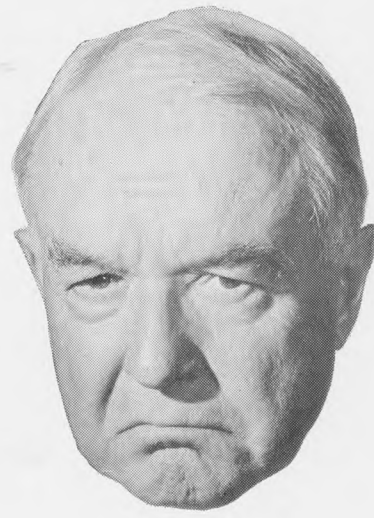
"North Dakota at a Glance" is the title of the "vignette of a fast-growing state" published and distributed by the Greater North Dakota Association and "addressed" to the "not too casual visitor."

Referred to in the booklet as "the land of the long furrow" and "a young state (1889) which is going places," North Dakota's development of its many diversified industries and cultural enterprises is interestingly described in the well-illustrated brochure.

Stressing the state's store of lignite coal and other natural resources, its vast and fertile agricultural areas from which mass production of food grains and livestock is secured through modern mechanized methods, the review also calls attention to the state's sections of sylvan beauty, its variety of upland birds and water fowl, making it a hunter's paradise, and the world's first international "Peace Garden" built across "the border without a bayonet," one-half in North Dakota, the other in the Province of Manitoba.



“I’ll tell you GOOD
TIMES ARE COMING!”



“I’ll tell you
BAD TIMES AHEAD!”

What’s it to you?—PLENTY!

OKAY! Maybe the optimists are right. There’ll be good times after the war.

OKAY! Maybe the pessimists are right. We’ll have another depression.

What’s it to you? PLENTY! It’s largely in *your* hands as to which we’ll have.

The one way to make it *good times* is to do your share to help keep prices down now!

That means *buying only what you really need*. It means *paying off your debts, saving your money*.

And here’s where you’re lucky.

The same program that helps insure prosperity is also the best possible way to get yourself in shape to take another depression if one does come. So what? *You’re right both ways*—if you save your money. *You lose both ways*—if you splurge right now.

Think it over, fella. Then get in there and fight. Read—and observe—the four rules to head off inflation. The war isn’t over yet. And the war against *inflation* isn’t over yet—by a long shot. Remember World War I? The cost of living rose twice as fast *after* the war as it did during the war itself.

4 THINGS TO DO to keep prices down and help avoid another depression

1. Buy only what you really need.
2. When you buy, pay no more than ceiling prices. Pay your ration points in full.
3. Keep your *own* prices down. Don’t take advantage of war conditions to ask more for your labor, your services, or the goods you sell.
4. *Save*. Buy and hold all the War Bonds you can afford—to help pay for the war and insure your future. Keep up your insurance.

**HELP
US
KEEP**

PRICES DOWN



WEATHER-PROOF 365 Days



Through snow, rain, sleet—year round schedules are consistently maintained, carrying the nation's freight and passengers. Years of experience with severe storms give us the "know how" for dealing with emergencies.

If you had seen it go through yesterday, ice-sheathed from pilot to tender, wouldn't you have felt like giving a cheer for this monarch of sub-zero weather? Following along behind were car after car of those products of your farm or

factory, far as the eye could see. And you'd know that they'd *get there* ready to do a wartime job.

Mass-production and mass-movement, when tied to American ingenuity, are tools of victory, both here and over the seas. Prompt and safe handling has always been a watchword with men of the Soo Line—one of America's railroads united in the war effort. *For assistance in solving your travel or shipping problems, see your nearest Soo Line representative.*

AN INTERNATIONAL TRANSPORTATION SYSTEM

