

OCTOBER 29, 1949

Commercial West

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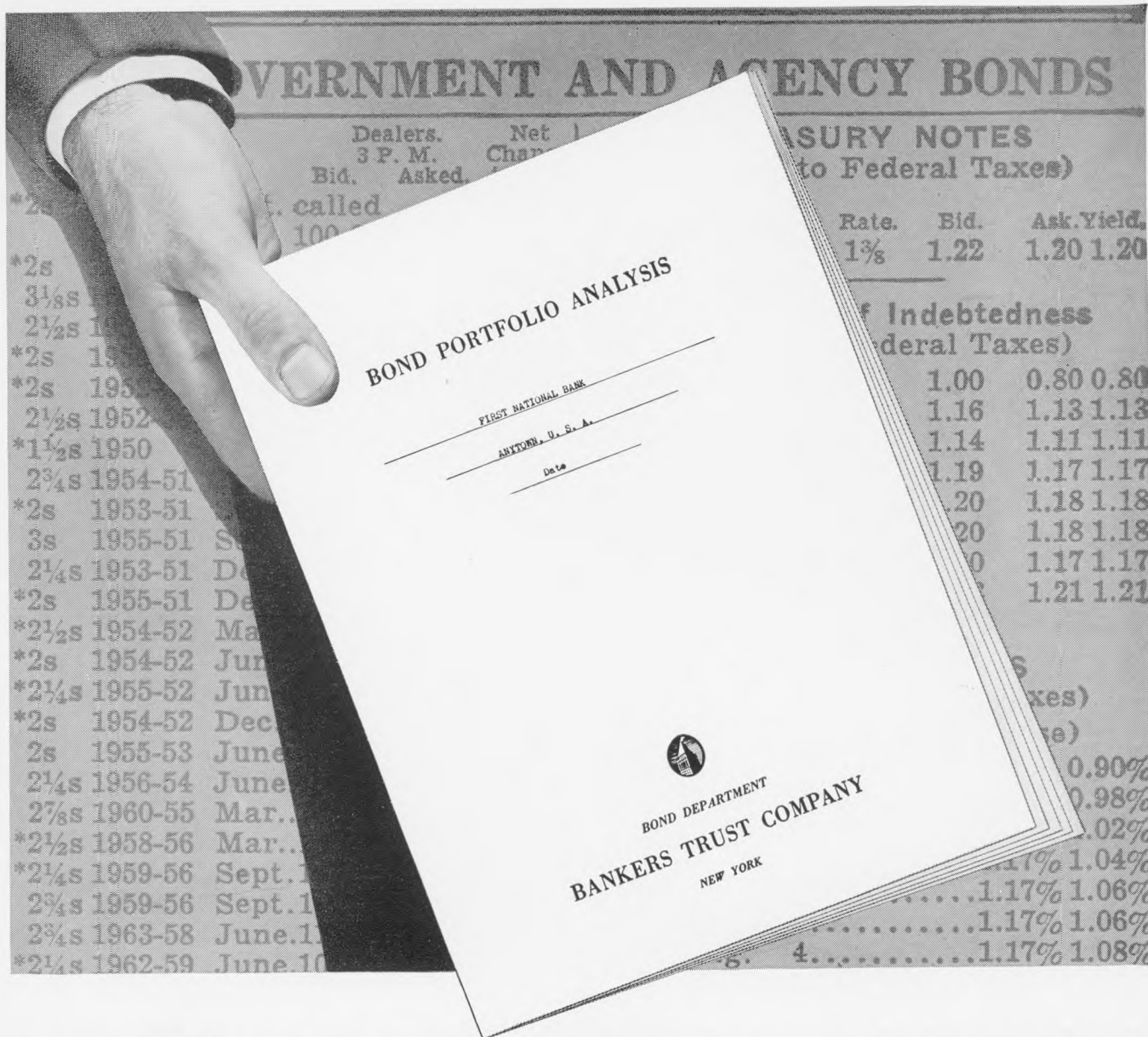
NINTH DISTRICT BANKER

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Wheeling into auctions Page 16



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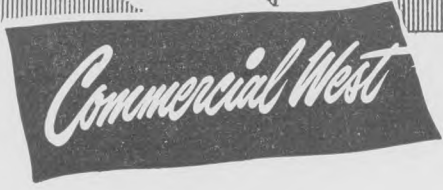
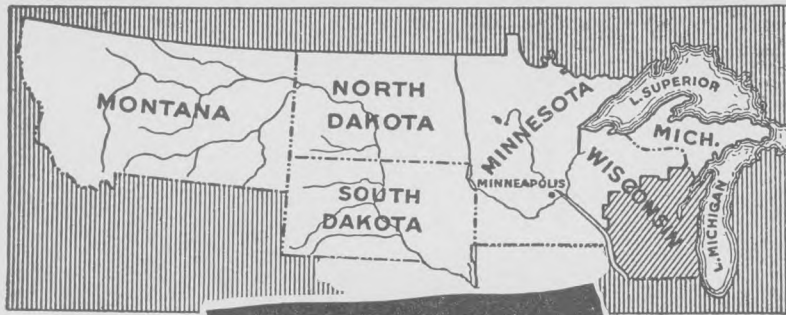
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Entered as second-class matter at the post office at Minneapolis, Minnesota, April 4, 1901, under the Act of March 3, 1879.

A Salute to -
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The INTERNATIONAL STATE BANK has been identified with the progress and development of International Falls and the surrounding territory since its organization forty-one years ago. It has established and maintained a position of financial and civic leadership by accepting responsibility as a progressive public service institution.

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Coming Events

Next Week

- AMERICAN BANKERS ASSOCIATION, 75th annual convention, San Francisco Oct. 30-Nov. 2
- SOUTHEASTERN AGENTS ASSOCIATION, annual meeting & election, Rochester Country Club Nov. 1
- INSPECTION OF Pipestone by Minnesota State Fire Prevention Association Nov. 2
- N. W. CROP IMPROVEMENT and N. W. EXTENSION SERVICE, at Hotel Nicollet, Minneapolis Nov. 1-2
- FLAX INSTITUTE OF THE U. S., Nicollet Hotel, Minneapolis Nov. 3-4
- UPPER MIDWEST SALES CONFERENCE, Radisson Hotel, Minneapolis Nov. 3
- MINNESOTA COUNCIL OF SCHOOL EXECUTIVES, Radisson Hotel, Minneapolis Nov. 4-5
- UNIVERSITY OF MINNESOTA versus IOWA, Memorial Stadium Nov. 5

Later

BANKING

- WISCONSIN INTER-COUNTY BANKERS ASSOCIATION, Fall Meeting, Thompson's Amacey Lake Resort, Bruce, at 8:00 p. m. Nov. 9
- WISCONSIN BANKERS ASSOCIATION, Conference for Junior Bankers, Pfister Hotel, Milwaukee Nov. 11
- MIDCONTINENT TRUST CONFERENCE of Trust Division of A. B. A., Drake Hotel, Chicago Dec. 1-2
- WISCONSIN BANKERS ASSOCIATION, Mid-Winter meeting, Schroeder Hotel, Milwaukee Jan. 19-20
- NORTH DAKOTA BEGINNERS' SCHOOL OF BANKING, North Dakota Agricultural College, Fargo Feb. 1950
- NATIONAL ASSOCIATION OF BANK AUDITORS & COMPTROLLERS, 15th Eastern Regional conference, Miami April 18-21
- NORTH DAKOTA BANKERS ASSOCIATION Convention, Grand Forks May 18-19
- NATIONAL ASSOCIATION OF BANK AUDITORS & COMPTROLLERS 5th Western Regional conference, Seattle May 18-20
- SOUTH DAKOTA BANKERS ASSOCIATION, annual convention, Alex Johnson Hotel, Rapid City May 26-27
- ILLINOIS BANKERS ASSOCIATION convention, Hotel Sherman, Chicago June 5-7
- MINNESOTA BANKERS ASSOCIATION CONVENTION, Duluth June 7-8
- AMERICAN INSTITUTE OF BANKING, Annual Convention, Minneapolis June 11-16
- WISCONSIN BANKERS ASSOCIATION, 54th annual convention, Schroeder Hotel, Milwaukee June 19-21
- MONTANA BANKERS ASSOCIATION, 47th annual convention, Many Glacier Hotel, Glacier National Park June 22-24
- NATIONAL ASSOCIATION OF BANK AUDITORS & COMPTROLLERS 28th annual convention, Kansas City, Mo. Oct. 23-26

INSURANCE

- INSURANCE WOMEN OF MINNEAPOLIS, Bosses' Night, Dyckman Hotel, 6:30 p. m. Nov. 7
- INSURANCE AGENTS ASSOCIATION OF ST. PAUL, quarterly meeting, Ryan Hotel Dec. 7
- MONTANA FIRE UNDERWRITERS ASSOCIATION, annual meeting, Missoula April 7
- MINNESOTA ASSOCIATION OF INSURANCE AGENTS, three-day seminar, University of Minnesota Nov. 7-9
- INSURANCE FEDERATION OF NORTH DAKOTA, first regular meeting, Bismarck Nov. 10
- RANGE ASSOCIATION OF INSURANCE AGENTS, monthly meeting, Hibbing Nov. 10

PARK REGION AGENTS ASSOCIATION, Regular annual meeting and election of officers, Moorhead Nov. 19

OTHER

- MINNESOTA BOOKKEEPERS ASSOCIATION, Curtis Hotel, Minneapolis Nov. 8-9
- UNIVERSITY OF MINNESOTA versus WISCONSIN, Memorial Stadium, Dads' Day Nov. 19
- TWIN CITY MILK PRODUCERS ASSOCIATION, Municipal Auditorium, Minneapolis Nov. 26
- NATIONAL THRIFT WEEK Jan. 17 to 23
- CREDIT POLICY COMMISSION, second National Credit Conference, Hotel Sherman, Chicago Jan. 23-25



NEWS OF THE Northwest

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- ★ SAVINGS, BLDG., LOAN
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Iowa bankers threaten to outgrow convention facilities

by Bob Wihren
Managing Editor

IOWA BANKERS are not easily satisfied!

They announced a new all-time attendance record at 10:10 a. m. Oct. 19 at their concluding session and in Commercial West's telegraphed-from-Des Moines spot news report last week, the 2,294 total was proudly reported. But before the concluding session's adjournment at 12:30 p. m., that same day, even more bankers signed the register making the new total a surprising, record-shattering 2,306.

It all proves the efficacy of Secretary Frank Warner's plan to bring bigger names and better speakers to Des Moines to bring bigger and better crowds of bankers to the city.

The "bigger and better" policy this year meant the appearance before the 2,300 Iowans of men like Gilbert T. Stephenson of the A. B. A.; Allan B. Kline, Chicago; Philip Le Boutillier, New York City; Guy E. Reed, Chicago; Franklin D. Roosevelt, Jr., Washington, D. C.; Charles Seymour, New Haven, and one woman—Sylvia F. Porter, New York City.

Those out-of-state names weren't all the attraction, by any means. To fill out this well-balanced program, the committee called on fellow Iowans C. E. Watts, Pocahontas; Noel T. Robinson, Des Moines; Carleton C. Van Dyke, Sioux City, and Governor W. S. Beardsley.

Entertainment, along with excellent speakers, helped attract about 700 wives and women bankers, reported Secretary Warner.

What entertainment it was! Expressly for women delegates, the association brought in Ilka Chase, author and speaker. She appeared Tuesday afternoon.

Entertainment started the whole convention off with a bang Sunday night, Oct. 16, when a 50-voice chorus performed in the Hotel Fort Des Moines' grand ballroom. Monday night, the KRNT theater was the scene of "A Night in the Gay 90's Era"; Tuesday night, "Hollywood on Parade," again at the KRNT theater and starring George Jessel.

Presiding throughout the convention was President Harry W. Schaller, president Citizens First National Bank, Storm Lake. New officers, as reported last week, are:

President—J. F. (Rusty) Kennedy, president First National Bank, New Hampton.

Vice Pres and Treas—Cecil K. Cullings, president Exchange State Bank, Exira.

First morning's session consisted of talks by Messrs. Watts, Robinson

and Stephenson, with speakers at the afternoon meeting being Van Dyke, Bainer and Bradt. Session theme was "Still Better Public Relations Toward Banks."

Election of Iowa's A. B. A. officers highlighted—and started—the Tuesday morning session. They are:

Executive Councilman—W. W. Blasier, president Farmers State Bank, Jessup.

Nominating Committeeman—A. T. Donhowe, vice president Central National Bank & Trust Co., Des Moines.

Alternate Nominating Committeeman—Frank C. Welch, president Peoples Bank & Trust Co., Cedar Rapids.

National Bank Vice President—V. P. Cullen, executive vice president National Bank of Burlington.

Savings Bank Vice President—Clay W. Stafford, president Ames Trust & Savings Bank.

State Bank Vice President—Grover S. Krouth, president Iowa Trust & Savings Bank, Oskaloosa.

Trust Division Vice President—Clyde H. Doolittle, vice president Iowa-Des Moines National Bank, Des Moines.

Attractive, brunette and very intelligent Sylvia F. Porter then took the rostrum, captured the eye—and ear, too—of the audience in a technical discussion on "The Status of the U. S. Government Bond Market and the Outlook for Government Securities." She is the financial editor of the New York Post.

"America Looks Ahead" was the title of the talk delivered by Gov. Beardsley while "Farming's Future" was discussed by Allan Kline of the American Farm Bureau Federation.

Harris Trust of Chicago's Guy E. Reed made a strong plea for better government in his talk, "The Importance of Law Enforcement in Maintaining High Grade Communities."

The appearance of a number of the nation's top cartoonists was another hit of the convention Tuesday afternoon. They put on an entertaining hour-long show.

Franklin D. Roosevelt, Jr., congressman from New York, told the bankers what he thought of them. Said he:

"The total volume of deposits in banks insured by the Federal Deposit Insurance Corp. is \$130 billion. The total volume of mortgages, mainly bank mortgages, insured by the federal housing administration is more than seven and one-half billion dollars.

"In view of these facts, can any banker properly oppose legislation

to guarantee a fair minimum wage for the wage earner?"

"Is any banker in a position to oppose guarantees for farmers in order to preserve their consumer purchasing power?"

Pointing to bank earnings from government bonds, Roosevelt asked the bankers if any could properly object to government action to protect labor in its right to organize and bargain collectively for a larger share of the national income.

"Government has been an instrumentation in setting up a huge social security system to aid banks in need," he commented. "We call it the federal reserve system.

"Can a banker properly object to the government setting up an effective social security system for the vast majority of the American people?"

He invited the bankers to use their special skills to aid the public welfare in a nation in which there is likely to be more and more government and in a world which must be saved for capitalism.

Bankers probably know better than anyone, he said, "that the historical trend over the next few de-

(Continued on Page 29)

In the Pictures

1. President Harry Schaller, right, shakes hands with New President J. F. Kennedy.
2. New Vice President Cullings is greeted by Past President Schaller, while Cullings "escorts" applaud.
3. Mr. and Mrs. L. F. Pingel, Sioux Rapids; Fred Conrad, Northwestern of Minneapolis; Ernie Erickson, Toy of Sioux City; Thurman Aarstad, Denison, and Phil Lyster, DeLuxe Check Printers.
4. C. H. Haesemeyer, Stanwood; Mrs. Haesemeyer; Charles Kuning, American of Chicago; Walter Armstrong, Chicago; Roy A. Lockwood, Manufacturers Trust, New York; John H. Jansen, Dubuque, and C. C. Rieger, Marquette of Minneapolis.
5. In earnest conversation—President Schaller and Secretary Frank Warner.
6. Bill Temple and Joe Grant, First of Sioux City, with William E. Brockman, vice president, and Silas Olson, assistant cashier, Midland of Minneapolis.
7. John Haas, Northern Trust, Chicago; Robert M. Moehn, Carroll; M. E. Currie, Schaller, and E. E. Manuel, George.
8. Jack Porterfield, LaMonte Paper; B. J. McCartney, U. S. Check Book; and Frank Fuchs, First of St. Louis.
9. J. H. Pullman, Sidney; G. L. Hill, Sac City; F. C. Moeller, Fort Dodge; Edward Bueneke, Scranton, and W. Dean Vogel, Live Stock of Omaha.
10. Alfred Clave, Chicago; Charles Nelson, Northern Trust of Chicago; and Fred Conrad, Northwestern of Minneapolis.
11. Ken Martin, First of Minneapolis; Leonard W. Broulik, Cedar Rapids; V. H. Reid, Hubbard; L. C. Jorgensen, Iowa Falls, and Dr. R. J. Ottman, Storm Lake.
12. The School of Banking students and alumni at luncheon meeting.

Commercial West camera at the Iowa bankers convention



Plight of the railroads is a national ponderable

by Z. G. Hopkins

... of the staff of the Public Relations Office of the Association of Western Railways, Chicago.

(Written especially for Commercial West)

FINAL decision of the Interstate Commerce Commission in the third postwar proceeding to raise freight rates appears to have set the stage for what well may prove a crucial test of the ability of our system of private ownership of railroads to survive under the accompanying policies of government regulation.

It seems to have shut the door in the face of practical expectations that any further advances in railroad operating costs will or can be covered by additional lifts in rate levels.

Stripped of statistics and speculations, the decision really boils down to a Commission determination that more traffic and improved economy in operations are the only things to be relied upon to produce adequate and satisfactory net earnings for the railroads.

In allowing the railroads little more than half the amount of increase asked for the Commission estimated that the increases authorized should result in annual earnings on investment, on the basis the Commission computes it at the rate of only 4.03 per cent.

There are several "ifs" in the Commission's calculations though that all must be translated into entries on the credit side to assure the railroads as a whole earning at even that rate. Traffic must not fall below the levels at which the Commission guesses it will hold. Trends in recent months will have to be reversed to enable cashing in on that "if."

The cost of the 40-hour week for employes, which became effective Sept. 1, also must turn out to be \$70 million a year less than the estimate of the Presidential Emergency Board responsible for its establishment. In this connection, it is pertinent to note that additional revenues resulting from the Commission's final order will amount to \$87 million a year less than its guess as to the amount the 40-hour week will add to annual payroll costs.

EDITOR'S NOTE: Mr. Hopkins, in our opinion, because of his long railroad experience, is eminently qualified to discuss today's position of the railroads and what their success or failure means to the economy of the nation.

For 20 years prior to joining the Association of Western Railways in 1934, he had been connected with the Missouri-Kansas-Texas Railroad in various administrative capacities and during World War I he was assistant to the federal manager of the road.

But regardless of how these "ifs" are resolved, it must be admitted that the adequacy of earnings of only a fraction more than 4 per cent on investment for the railroads as a whole is highly questionable. Such an earning would be \$32 million a year less than the annual average in the last four years.

Capital expenditures for additions and improvements to property, for betterment of railroad service, at the average annual rate since the war, would absorb more than 90 cents out of each dollar of net railway operating income.

No one other than a starry-eyed optimist would suggest that what little would remain available to stockholders, after paying interest on bonded indebtedness and other fixed charges, would improve railroad credit or attract capital to railroad investment. And all experience has proved the necessity of continuing improvement of railroad equipment and plants if the roads are to keep in step with the country's progress.

There is weakness, too, in figuring the effect of earnings at so low a level on all of the railroads as a national system. An average return of 4 per cent for the railroads as a whole does not mean an actual earning of as much as 4 per cent for each railroad. Obviously some will earn much less. The best located lines and those with heaviest traffic density might not suffer greatly while others, equally important to the sections they serve, were falling into distress. The effects of such conditions on the railroad industry as a whole, and from the standpoints of national service and public interest, could be disastrous.

But whether the rate level the Commission now has established produces adequate revenues for the railroads or not, and whether or not all the "ifs" in the Commission's decision develop as credits, it must now be recognized that there is no practical prospect that there will be additions to revenues through further increases in rates.

Railroad spokesmen announced to the Commission some months ago that they contemplated no application for further increases if allowed what they then were seeking. Now that the roads have been allowed little more than half the increase they asked for, adherence to that announcement likely depends on whether the roads must go along with further increases in operating costs.

The Commission indicated in its report, however, that it is averse to further raises on the theory that rail rates now have reached a level at which they are "driving traffic off the rails," and stated its impression that further rate increases might prove "self-defeating" be-

cause they would tend toward additional diversion of traffic from the railroads.

Pointing out the fact that last year the railroads enjoyed more revenue from less traffic than they handled in 1947, as a result of higher rates, the Commission observed that rate increases, this far at least, "have not been self-defeating." It then was commented: "The trend is not a healthy one, either for the railroads or for the nation." Under all these circumstances, it appears clear that the Commission would look on petitions for further rate advances with little sympathy, regardless of the reasons that impelled the railroads to seek additional revenues.

All of which brings us back to the fact that if railroad net earnings are to be augmented to a level assuredly adequate to sustain them under private ownership, either more traffic or improved operating economy must produce the increase. The Commission's estimate of 4.3 per cent earned return was based on a constructive year in which it was figured the railroads would perform freight service volume one-fourth greater than in their biggest prewar year, with passenger service volume as great as it was 25 years ago.

Whether traffic will hold up to such levels next year, or in 1951, neither the Commission nor anyone else is in position to predict convincingly. Estimated results in such a constructive year as the Commission adopted as a basis for its calculations consequently are but speculation.

The situation is much the same with respect to savings in expenses through improved operating economy. In its rate decision the Commission re-directed attention to its admonition several months ago that "much more must be done to reduce the cost of railroad operations." To accomplish that objective, it also was observed, "cooperation of employes, from top to bottom, is a first essential."

Resolving the "if" with respect to savings through improved operating economy, consequently is likely to turn on the willingness of railroad employes to cooperate. Just now, through their various labor organizations, they mostly are pressing pending demands that will, if forced on the railroads, add to payroll costs.

Under current public policies it has been the experience that such demands have almost uniformly resulted in awards of part, if not all

(Continued on Page 34)



Standing—Floyd Dwight, First of Mpls.; Harry Tyson, N. W. of Mpls; Robert Towey, Midland of Mpls; Phil Nason, First of St. Paul; Carl Bahmeier, secretary S. D. B. A.; Goodrich Lowry, N. W. of Mpls; H. H. Peyton, Proctor, Minn; A. E. Dahl, Rapid City National; Dick Stebbins, N. W. of Mpls; Lloyd

Leider, First of St. Paul.

Seated—Silas Rogers, First of St. Paul; Frank Warden, Central Nat'l of Des Moines; Charles Curley, First Trust Co., St. Paul; Burns Swenson, N. W. of Mpls; J. C. Buckley, Northern Minnesota of Duluth. Not in the

picture but in attendance were: Phil Rensvold, Nat'l Bank of South Dakota, Sioux Falls; Ben Woodworth, First of Mpls; Albert E. Felsted, First of St. Paul; Ralph Spearing, Midland of Mpls; M. W. Petter, Empire of St. Paul; Harry Holtz, First Trust Co., St. Paul; Oliver S. Aas, First of Mpls.

34th F. P. R. A. convention is big success

by Tom Boright, Jr.
Associate Publisher

AFTER two years away from Chicago, while they convened in New York City (1947) and Hollywood Beach, Florida (last year) members of the Financial Public Relations Association returned to the Windy City last week for a highly successful national convention.

It was the Association's 34th annual convention and due, of course, to the more mid-continent location, drew a fine attendance from the entire country. More than 600 advertising, public relations and trust men and women attended the "working convention," as the F. P. R. A. likes to call it, and even attended evening departmentals one night, so acute seemed to be the general thirst for an interchange of ideas and practices.

As shown in the picture the Ninth Federal Reserve District was well, if not heavily, represented (a few delegates were not on hand when the picture was taken, also). Among them were several whose badges carried the "First Timer" star and these newcomers to the convention, as well as "old-timers,"

were quick to pronounce the four-day affair well worth the time and money spent.

An interesting sidelight was the "Remember Wamsutter" breakfast. Forty-two "survivors" of the 1947 special train squat at Wamsutter, Wyo., when the F. P. R. A. special was held up for eight hours behind a wrecked coal train, organized a society dedicated to this slogan to the last man or woman at the Wamsutter breakfast called at this year's convention.

Herbert J. Wills, Central National Bank, Cleveland, was named "conductor" to head the new organization. Harold Klein, Iowa-Des Moines National Bank was named "engineer," and Betty Sutton, Central Bank, Oakland, Calif., was named "fireman" to run the Wamsutter train.

Wamsutter, with the nearest roadhouse a mile away over the wastes of high Wyoming, with a slight snow

falling, created a bond of experience which about 125 F. P. R. A. members share. Plans for "Wamsutter Train" big doings at the next F. P. R. A. convention in Boston are already under way.

John N. Garver, vice president Manufacturers and Traders Trust Co., Buffalo, N. Y., was advanced from first vice president to president by unanimous election. He was installed at the banquet Friday evening to succeed Allen Crawford, vice president Bankers-Equitable Trust Co., Detroit.

Advanced in the vice presidencies were:

Philip K. Barker, to be first vice president. He is vice president Granite Trust Co., Quincy, Mass., and was previously second vice president of the Association.

Hugh J. Bernard, to be second vice president, and hitherto third vice president. He is vice president Second National Bank, Houston.

The new third vice president named is S. H. Chelsted of Pittsburgh, who is thus placed in line for presidency of the Association in

(Continued on Page 30)

South Dakota business still riding the crest of prosperity

SOUTH DAKOTA'S farming and business are still riding the crest of prosperity, although 1949 crop production is down somewhat due to lack of rain during certain critical periods of the growing season, directors of First Bank Stock Corp. were told at their Oct. 19 meeting in Minneapolis.

T. S. Harkison of Sioux Falls, president National Bank of South Dakota, reported that soil conditions are now improved, due to recent heavy rains, and the outlook for next year is good.

His report was the third in a series being given each month by presidents of key banks in the First Bank Stock system, which serves Minnesota, North Dakota, South Dakota and Montana.

Indicative of the high level of the Sunshine State's economy, Mr. Harkison stated, are the "firsts" which South Dakota currently holds among the 12 North Central states:

First in decreased farm mortgage debt for the years 1946 through 1948. It also ranks first in the nation. The total is now only \$68 million, compared with \$88 million in 1946 and \$293 million in 1930.

First in the average number of cattle and calves on farms. Cattle now number 2,556,000 compared with 2,506,000 in 1948 and 1936-46 average of 1,967,000.

First in the average number of sheep on farms. Sheep and lamb population is estimated at 961,000 for 1949.

First in the average value of all livestock on farms.

First in the average production of hay per farm. Total 1949 tonnage is estimated at 3,341,000, about 900,000 tons below 1948 but still well ahead of the 1936-45 average of 2,335,000 tons.

First in the average rye production per farm. This year's estimate is for 2,630,000 bushels, compared with 4,704,000 bushels in 1948.

First in the 12-year average of oats per farm. Total production for 1949 estimated at 60,881,000 bushels, a substantial drop from the 104,252,000 bushels raised last year but

close to the 1936-45 average of 62,789,000 bushels.

Mr. Harkison also cited South Dakota's sizable 1949 production of other crops: corn, 87,582,000 bushels; wheat, 33,418,000 bushels; barley, 14,448,000 bushels; rye, 2,630,000 bushels; and flaxseed, 5,664,000 bushels. All totals are under 1948, but corn, wheat, and flaxseed are ahead of the 1936-45 average. The flax total represents a gain of 260.3 per cent.

"All told, South Dakota's cash farm income for the first seven months of this year is estimated at \$286,131,000 excluding government payments compared with \$333,182,000 for the same period of 1948," he stated. "In 1940, even with government payments, the total was only \$138,396,000, and our state has reason aplenty to be proud of its gains.

"It must be remembered that South Dakota is primarily dependent on agriculture, and all things affecting agriculture therefore affect our whole economic picture. Our moisture situation of the past year is reflected in many phases of our economy."

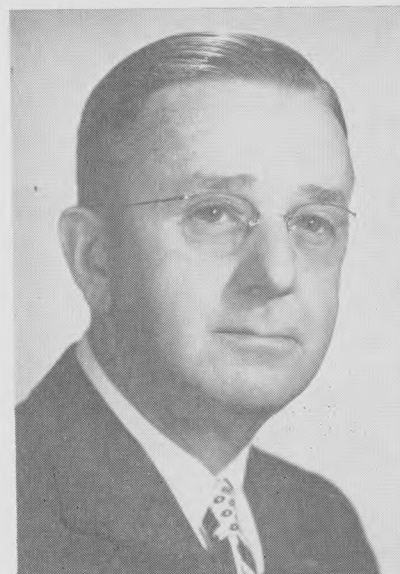
Retail sales continue high, he said, being estimated at \$623,568,000 for 1949, compared with \$663,370,000 in 1948 and \$188,501,000 in 1940. Bank debits for first eight months of 1949 were \$1,453,626,000 as compared to \$1,525,208,000 in 1948, yet above the annual average of \$1,315,914,000 for 1940-48.

During 1947 and 1948, he added, South Dakota had the nation's highest per capita average of Series E savings bond sales, with fewer bonds being cashed on a per capita basis than in any other state.

Other highlights of South Dakota's current prosperity as reported by Mr. Harkison, include:

Tourist Business—Expenditures by tourists are expected to total \$66 million this year, 20 per cent above 1948. Indications are that tourist travel within the state may level off next year.

Highways—During 1948 new grade and surfacing work totaled 317 miles, in addition to 248 miles



TOM S. HARKISON

of resurfacing. Total cost was \$9,900,000. Figures for 1949 will be even higher.

Mining—Incomplete data indicate over \$13 million production of gold in 1948 and over \$2 million in clays. Gold production this year is expected to show an increase, with other minerals very likely near the 1947-48 average.

Government Projects—Federal expenditures of the Missouri River development program, generally known as the Pick-Sloan Plan, are estimated at from \$700 million to \$1 billion for 1950 through 1955. Approximately \$60 million was spent in the 1949 fiscal year. Work is now underway on four dams in South Dakota. Distribution of power from these dams already is a controversial issue. Irrigation benefits of any size probably will not be forthcoming for another ten years.

State Finances—Financial condition of the state is good, with a treasury balance of \$40,024,000 and a net bonded indebtedness of \$8,921,000 as of the close of the fiscal year on June 30 last. Since then, however, a \$10 million Soldiers Bonus Bond issue has been added to the debt total.

Directors of State Bank of Grey Eagle, Minn., have appointed Albert Rhoda to fill the unexpired term of D. G. Fuller.

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Minnesota Mining well along in major plant expansion

AT THE END of World War II, with sales of 300 per cent over the last prewar year and with an outside research staff turning out new products at an unprecedented rate, the Minnesota Mining & Manufacturing Co., St. Paul, launched into a \$20,000,000 expansion and decentralization program.

To accomplish this, the company in 1947 sold its first 100,000 shares of preferred stock (annual dividend: \$4 per share) at \$102 and, at the same time, got another \$10,000,000 in working capital through the sale of 2¾ per cent debentures. The stockholders also authorized sale of an additional 150,000 shares of preferred if and when the directors deem it advisable.

Management was convinced that the war alone was not responsible for 3M's recent growth, and that the postwar years would open even bigger markets. This belief has been borne out. Last year, sales zoomed to \$108,000,000, 540 per cent over 1940.

All of the firm's product divisions had grown, so the types of new facilities needed were almost as diverse as 3M's line of products.

So far, a little more than \$16,000,000 has been spent in the construction of six new plants and other improvements. Another tape unit is just getting under way in St. Paul. Two of the completed branch plants are in Minnesota, two are in California, one in Arkansas and one in Pennsylvania.

Except for the urgently-needed addition to the tape plants in St. Paul, however, no further major expansion moves are contemplated in Minnesota for the present, according to William L. McKnight, 3M's chairman. Officials explain that any

future requirements will have to be considered in light of building costs and the "burdensome" Minnesota tax structure.

First of the new postwar plants to be completed was a tape converting factory in Hutchinson, Minn. Opened in February, 1947, this unit takes "jumbo" rolls of pressure-sensitive adhesive tapes from the main plant, cuts, winds, packs and ships them. This is the smallest of the group of new additions.

The roofing granules division, makers of color-fast granules for sale to manufacturers of asphalt roofing materials, has long operated a plant in Wausau, Wis. To meet increased demand for the product, and at the same time to lower shipping costs by locating strategically, 3M has opened two new granule plants since the war. One, situated in Little Rock, was completed in April, 1947. The other, near Corona, Calif., began production in June, 1948.

Late in 1947, 3M was high bidder for a former war plant in Bristol, Pa. It contained in its original form 236,000 square feet of floor space, including office area. It was necessary to do considerable remodeling and adding to convert the ex-aircraft factory for 3M. Products manufactured there include adhesives, "Underseal" protective coating, and some lines of tape. The plant has been operating since last spring.

Another adhesives factory, combined with branch office and warehouse space, was completed in the summer of 1947. Located in the central manufacturing district of Los Angeles, this unit contains about 800,000 square feet of floor space.

The biggest addition to 3M's Minnesota network is the combination plant north of Hastings. It includes the headquarters for production of "Scotchlite" reflective materials and a second factory known as the "special products" plant. Production began there about a year ago.

Newest development in the long series of 3M expansion steps is the arrangement made early this year for factory space in Cumberland, Wis. A lease was negotiated with the town of Cumberland, providing for a new, community-built plant to be used by the company as an abrasives converting branch. It will be ready for occupancy in December, and will ultimately employ about 250 persons.

In the years from 1940 to 1948, 3M sales rose from \$21,000,000 to \$108,000,000, and the number of employes from 2,600 to 8,800. The postwar growth alone has accounted for employment of nearly one-third more persons than were working for the company in the last war year.

Second quarter sales this year were \$27,667,435, an increase of nearly \$800,000 over the same period a year ago. That brings the total for the first half of 1949 to \$54,552,850, up nearly \$3,000,000 over the first half of last year. Second quarter earnings per share of common stock were \$1.53, compared to \$1.44 in 1948, and net income after taxes was up \$200,000 over last year, totaling \$3,114,978.

As for the future, Mr. McKnight warns that "in view of present conditions, it would certainly be over-optimistic to expect that sales during the last half of 1949 will approach the record levels reached during the last half of 1948."

"However," he points out, "should there be an early leveling-off in the current business down-swing, there is good reason to believe that our sales will continue at a fairly high level."

Whatever happens—and 3M's management is not pessimistic except where the tax problem is concerned—Minnesota Mining seems to be pretty well hedged. With 20 plants (including subsidiaries) and 19 branch offices and warehouses scattered throughout the country, most of the distribution headaches are cured; with the research staff constantly taking new products to market, 3M will be looking to the future instead of just trying to hold on.



W. L. MCKNIGHT
... under whose administration 3M
has had its greatest growth.

EDITOR'S NOTE: Here's another in a series of articles on Upper Midwest industries. They portray the importance of our industries as part of the nation's economy and, in turn, the part they play in the business life of this region, namely: Their appropriations for expansion, employment provided, their payrolls, purchases of raw materials, products, territory served, taxes paid, and so on.

Banks & Bankers

Wisconsin junior bankers to attend Nov. 11 conference

Wisconsin junior bankers, representatives who are "on their way up," are getting set for the third annual junior bankers conference at Milwaukee's Pfister Hotel Nov. 11.

Since the pattern of past programs has proven popular, this year's will follow the same general outline—a morning session, noon luncheon with a movie on banking, and an afternoon session. Whole affair will be over by 4 o'clock for the benefit of out-of-town attenders. The conference starts promptly at 9:30.

Wall G. Coapman, W. B. A. secretary, bulletins: "We have not laid down any rules regarding who shall attend... However, we hope you will send those officers and department heads who have not had the opportunity their seniors enjoy of attending meetings where they become acquainted with people in like capacity from all sections of the state."

James A. Musil, vice president First National Bank, Neilsville, and chairman banking education committee, will make the welcoming address. Arthur B. Adams, president Beloit State Bank, will talk on "Installation Lending—the Responsibility of the Junior Bank Executive."

"Mechanization in Banking" will be the subject of Max Rohr, Jr., assistant cashier Merchants National, Watertown, and "As a Man Thinketh," that of Boyd F. Jordan, president New American Bank, Oshkosh.

At the afternoon session, William E. Nuesse, deputy commissioner of Banks, will discuss "Banks as I See Them," and Melvin F. Lanphar, president Melvin F. Lanphar & Co., Detroit, will talk on "The Interdependence of the Banker and his



WALL G. COAPMAN

Community."

"Pay To the Order Of," motion picture produced by public relations council, American Bankers Association, will be shown after the 12:15 luncheon.

Small banks want more deposit insurance

Maple T. Harl, chairman Federal Deposit Insurance Corp., is having a detailed study made of insured bank deposits to determine what action should be taken with respect to increasing the insurance from \$5,000 per deposit to \$10,000, a move largely favored by the 12,000 smaller banks of the nation, who at the same time do not wish the assessment rate increased.

The study also will aim to determine whether such an increase could be established at the going assessment rate on banks of 1/12 of 1 per cent. Chairman Harl hopes to have the study completed and recommendations ready for early in the 1950 session of Congress.

The American Bankers Association and the Reserve Bankers Association are reported to desire a reduced assessment, or its elimination, as long as the insurance fund remains at the billion dollar level even should the insurance be

raised to \$10,000.

Among reasons advanced by the smaller banks for higher insurance are that depositors go to the present \$5,000 level then send their other deposits out of town, not realizing that they could make additional \$5,000 deposits through other members of their families; that chain stores and railroads, etc., pull down their local deposits of more than \$5,000 and send the money to metropolitan areas.

Skoglund retires at Red Wing bank

The retirement of C. L. Skoglund, from First National Bank of Red Wing, Minn., is announced by Leon J. Kaliher, president. Mr. Skoglund has been associated with Red Wing banking for 22 years. His successor has not yet been named.

Starting out with the Security State Bank & Trust Co. in 1927, he has served as cashier and assistant cashier in the 22 years that were marked by various mergers and changes of ownership.

Previous to his connection with the banking business, Mr. Skoglund operated his own harness shop for 17 years and later served as head of the Red Wing Nursery for five years.

"I have made no definite plans for the future, but will continue to make my home in Red Wing," he said.

Tomahawk, Wis., bank elects new officers

A board meeting of the Bradley Bank, Tomahawk, Wis., resulted in the election of the following officers:

E. M. MacDonald, president for the unexpired term of the late S. B. Bugge; W. I. MacFarlane, advanced to first vice president, and J. L. Extrom, elected executive vice president and cashier.

The bank's statement as of June 30 shows capital of \$60,000; surplus, \$60,000; reserves and undivided profits, \$39,847, and deposits of \$2,548,403.

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COMMERCIAL WEST

Bank assets down \$4 billion since June

Total assets of all banks in the United States as of June 30, showed a decrease of \$4,394,148,000. However, their holdings of government bonds and other bonds increased \$1,659,007,000. At the same time, capital has been increased \$102,512,000, surplus is larger by \$97,215,000, and undivided profits are greater by \$148,379,000. Capital funds, therefore, show an increase of \$348,106,000.

The decline in deposits for the entire country shows a total of \$4,694,126,000. The decrease in cash and due from banks also totals over \$4,000,000,000, and the decrease in loans and discounts amounts to \$1,508,894,000. When the increase in governments and other bonds is added and from this total is subtracted the decrease in loans and discounts, we find that there is a net gain in earning assets of \$150,113,000.

These figures are all disclosed in the final 1949 edition of The Blue Book, the Rand McNally Bankers Directory.

A recapitulation in this new Blue Book also shows a gain of 113 banking offices. This is brought about by an increase of 117 branches. National banks have added 67 new branches, and state banks and trust companies have added 50, from which is deducted a decline of four head offices. The change in number of banks includes an increase of 12 state bank and trust companies, and a decrease of eight national banks. There is also a decrease of seven private banks.

In addition to giving a complete detailed account of the assets and liabilities of every bank in America, including the Federal Reserve Bank, the new Blue Book contains a complete list of all the officers of all government banking agencies, information about money, air mail and air express, banking holidays, all bankers' associations, state bank officials and examiners, national bank examiners, and a complete list of bank transit numbers and check routing symbols with an explanation of each system, a list of clearing houses with officers, a five-year list of discontinued bank titles, directors of every bank, information about all Canadian, Mexican and South American banks and banks in all other countries, a tabulation of banking laws of all states, and a list

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New clearinghouse officers at Fargo



O. J. BOYLE

O. J. Boyle, vice president Dakota National Bank, Fargo, has been elected president Fargo Clearinghouse Association. He succeeds Clarke Bassett, president Merchants National Bank & Trust Co.

Other officers are Earl Shaw, president Fargo National, as vice president, and M. W. Loffer, cashier First National, as secretary.

Letters to the Editor

Editor:

I want to take this opportunity to express to you and your good publication our sincere thanks for the part you played in our eight clinic meetings, especially for publishing the various talks, the various pictures (one taken at every meeting) and your services in general.

You have contributed a splendid "Public Relations Job."

With kindest personal regards.

Cordially yours,

N. A. Welle,

President Minnesota Bankers Association.

★

Editor:

I'm not the kind of a fellow who normally writes letters to the editor, but after listening to Oscar Nelson's talk eight times at the Clinic meetings, I decided that it wouldn't hurt me to practice some of his golden rule philosophy.

I'd just like you to know that I, together with a lot of other bankers in the territory, consider that you folks are doing an excellent job in your magazine. We bankers get so many banking publications across our desks that it is almost impossible to thoroughly read all of them.

Your magazine, however, is primarily a news magazine and as such is read very thoroughly every week. The news coverage is excellent. Keep up the good work.

Yours truly,

Ora G. Jones, Jr.

Executive Vice President

Goodhue County National Bank,
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South Dakota Notes

by Paul Claussen

Phil Rensvold, trust officer National Bank of South Dakota, Sioux Falls, was a guest speaker at a recent meeting of the Beaver Creek, Minn., Commercial Club held at the Beaver Creek State Bank. Rensvold spoke on "Trust Services and Estate Planning."

Erling Haugo, president Sioux Valley Bank, Sioux Falls, presented a table topic of the question of increased salaries for congressmen as a speaker of the evening at the Oct. 11 meeting of the SoDak Toastmaster Club of Sioux Falls.

Miss Hazel Holcomb, bookkeeper Citizens State Bank, Arlington, resigned Oct. 1. Miss Holcomb has gone to Washington, D. C., where she will be employed.

John Hinman, cashier Northwest Security National Bank, Sioux Falls, made the "Round Robin" Column by Herb Bechtold in the Daily Argus Leader, Sioux Falls, with—"John Hinman, cashier of the Northwest Security National Bank, is a trusting soul. I guess you have to be in the banking business. He parked his car in front of the Shipley laundry near the bank at 8:30 a. m. the other day and left the motor running while he took some things into the laundry. When he came out, he forgot about the car and walked directly around the corner and into the bank. Police were eventually notified about the car. They checked their list of license holders and found that Hinman was the owner.

"Where's your car, John?" someone in the bank asked.

"It's parked right up there on Ninth street," he said without too much concern.

"And so it was. When he went to lunch at noon, he found the car still parked where he left it—and the motor still running."

James A. Robson, vice president

Security Bank & Trust Co., Madison, and John Will, vice president and manager Madison branch Northwest Security National, Sioux Falls, were on the committee which sponsored the final stag party of the Madison Golf Club for the summer season.

George C. Johnson, vice president and assistant manager, branch of First National Bank of the Black Hills, Rapid City, heads up the Belle Fourche Chamber of Commerce for 1950, which is the organization's 39th year of continuous service to town and trade territory.

Elected to the nominating committee of the Canton Chamber of Commerce to present a new slate of officers for the coming year is Merle Dean, Jr., assistant cashier Farmers State Bank, Canton.

Mrs. Tom S. Harkison (her husband is president National Bank of South Dakota), Sioux Falls, was on the committee in charge of arrangements for a tea held Oct. 27 in honor of out-of-town friends and alumni of Sioux Falls College attending a two-day laymen's convention at the college.

Mr. and Mrs. John O. Barton, board of directors Northwest Security National Bank, Sioux Falls, will spend the winter months at Clearwater, Fla. They left about Oct. 15 and will visit various points in Illinois and Michigan on the way.



With 30 study groups the goal of the Minnesota A. I. B., nine such groups already are officially on record at the national A. I. B. office in New York.

Instrumental in organizing these groups have been Emmett J. Erickson, chairman Minnesota Bankers Association A. I. B. educational committee, with the Farmers & Mechanics Savings Bank, Minneapolis, and Chris Ries, executive councilman and former chairman Minnesota Bankers A. I. B. committee, who have attended various group organizational meetings.

Most recently organized group is the one at Marshall, Minn., where 12 members are studying Fundamentals of Banking under the chairmanship of H. R. Nelson, Western State Bank, Marshall.

The Sleepy Eye group of 12 is being taught negotiable instruments.

Donald E. Schmid, State Bank of Sleepy Eye, is chairman.

Twenty-three members of the Minnesota Valley Study Group are learning Commercial Law. Chairman is E. C. Schmid, State Bank of New Prague.

At Hutchinson, the class of 24 is learning Economics I, says Wallace W. Kurth, Citizens Bank, Hutchinson, chairman.

The Rice County study group, with 14 members, also is being taught Economics I. Merlin Knauss, State Bank of Faribault, is chairman.

Negotiable instruments is the subject for the Cass County study group of seven. Chairman is C. G. Swenson, First National of Walker.

Heading the St. Cloud group of 10 is Jerry Kigin, Guaranty State Bank & Trust Co. Class subject: negotiable instruments.

Twenty-three members of the Rochester study group are studying commercial law and negotiable instruments. William Talen, Farmers State, Eyota, is chairman.

The 12-member Austin study group is studying Economics I. Chairman is R. D. Burns, First State Bank, Grand Meadow.

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COMMERCIAL WEST

Stone new president of Cold Spring, Minn., bank

Dr. A. D. Stone, formerly vice president State Bank of Cold Spring, Minn., has been elected president, succeeding the late N. C. Wenner.

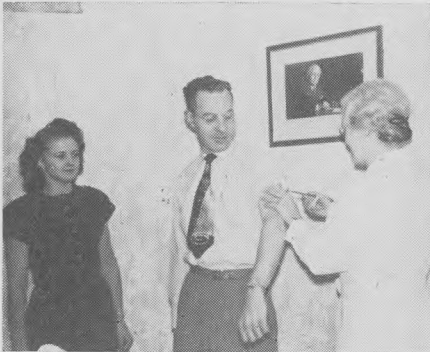
Carl Wenner, director, has been named vice president, reports N. J. Terhaar, cashier.

Montana bank sets up "flu clinic"

With the directors' room of the Montana Bank & Trust Co., Great Falls, converted into a temporary dispensary, all the employes and officers lined up one day recently and had influenza inoculations for the third consecutive year.

The program was initiated in 1947 when public health officials were warning of a serious epidemic of flu and recommended that all persons receive inoculations. C. J. Thronson, bank president, broached the subject to all those working in the bank receiving these immunizations at the bank's expense. All employes were willing to experiment. Results were so gratifying in lessened absenteeism during the winter that the program has been adopted as an annual event.

A registered nurse from a local clinic sets up her equipment in the bank and within 15 minutes is able to "shoot" all 25 officers and employes.



"Just like the Army," reminisces Lee Shockley, teller, as he is "shot" by Geraldine Grissom, registered nurse, at the Montana Bank flu clinic. Thelma Hane, stenographer, is the attractive young lady awaiting her turn at the needle.

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St. Paul, Minnesota

Otto Bremer celebrates 82nd birthday



Otto Bremer, chairman American National Bank, St. Paul, was 82 on Saturday, Oct. 22. Because the bank isn't open Saturdays the bank's directors, officers and employes dropped in Friday afternoon—part of the group pictured above by Commercial West Camera—to wish Mr. Bremer many happy returns.

Midwest women featured in A. B. W. convention

Bank women of the Upper Midwest again are playing an active part in the annual convention Oct. 27, of the Association of Bank Women, being held in San Francisco. The convention started Oct. 27 and concludes today.

A name well known in women's banking circles is that of Marion Mattson, vice president of the Association, who is chairman of today's regional vice presidents' meeting. Miss Mattson is assistant cashier Northwestern National Bank, Minneapolis.

Serving on committees are Florence V. Campbell, State Bank of Milwaukee, Wis., and Esta Conn, Security Savings Bank, Marshalltown, Iowa, on the general convention committee.

Catherine B. Cleary, First Wisconsin Trust Co., Milwaukee, is on the arrangements and entertainment committee; Jennie R. Williams, Empire National Bank & Trust Co., St. Paul, is on the hospitality committee.

Nellie Bensed, Midland National Bank, Minneapolis, and Ethel E. Mellor, Omaha (Neb.) National Bank, are on the program committee; G. Alice Catlin, Farmers & Mechanics Savings Bank, Minneapolis, publicity committee.

The Honorable Georgia Neese Clark, Treasurer of the U. S., was the guest speaker at the banquet Saturday night, Oct. 29. Mrs. Clark is well-known to the members of the Association as president of the Richland (Kansas) State Bank, was assistant cashier of her bank in 1934 and in 1937 was made president, which position she has held continuously since that time.

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Michael J. Fadell

Midway Club begins 31st year with all-time high membership

Beginning its 31st year of outstanding service to the industrial and financial interests of the Midway District in St. Paul, the Midway Club, 1931 University avenue, now has an all-time high of 1,630 members.

This was disclosed at its annual dinner meeting the evening of Oct. 19 in the club rooms at which these officers and directors were elected:

President—John L. Locke, president Locto Co., fuel oil distributor.

Vice Pres—Max O. Buetow, architect, designer of large industrial buildings in the district.

Directors—Edward C. Hampe, vice president Griggs, Cooper & Co.; Raymond A. Lee, secretary Minnesota State Fair; Walter J. Rice, treasurer Snell Sash & Door Co., retiring 1948-49 year president; Charles J. Ritt, vice president Midway National Bank, and Paul A. Schilling, president Waldorf Paper Products Co. All were elected for three-year terms.

Mr. Ritt succeeds his brother, A. L. Ritt, president Midway National Bank, on the board. A. L. Ritt has been a continuous board member since 1926, has been a past president of the club and treasurer. He has been a dominant factor in building up the Midway District and in advancing successful operation of the club.

About 300 members attended the annual meeting and dinner at which Judge Robert V. Rensch of the Ramsey county district court was the principal speaker and Douglas K. Baldwin, assistant State Fair secretary, was toastmaster. Reports on work of the club during the year were given by Retiring President Rice and Henry J. Lund, executive secretary of the club and its spark



HENRY J. LUND
... club spark plug.

plug since Dec. 1, 1933, excepting for a couple of years when he was general manager of the St. Paul Winter Carnival.

Among achievements in the past

year referred to by Mr. Rice were completion of the widening of University avenue and elimination of traffic congestion at University and Snelling avenues by rerouting cars entering and leaving the Snelling car barns.

Sales conference scheduled for Minneapolis Nov. 3

Sales training programs, salesmanship and advertising techniques required to sell in today's buyer's market will be closely studied in Minneapolis, Nov. 3, when the third annual Upper Midwest Sales Conference convenes at Hotel Radisson.

More than 800 sales and advertising executives from Upper Midwest cities are expected at the all-day conference which will feature talks by several sales management authorities.

Keyed to the theme, "Sell—Or Sell Out," this year's conference is expected to be an even greater success than 1948's successful meeting which attracted 600 Midwest executives and set a pattern for stimulating sales meetings throughout the country.

The event is sponsored jointly by Minneapolis Chamber of Commerce and Minneapolis Association of Sales Managers, the University of Minnesota school of business, St. Paul Executives' Club and National Sales Executives Inc., cooperating.

On The Cover

S. D. bank adds comfort and conveniences to auction sales

A new "wrinkle" in bank-clerked auction sales probably best describe the "auction sale trailer" owned by the Jones County State Bank, Murdo, S. D.

This trailer, 14 feet long, was purchased by the bank about a year ago, was equipped by a local carpenter with a walnut teller's counter and window, working space, counter for customers' use and with an adding machine and other equipment. Cost of the trailer and the built-in teller's cage, reports Cashier George Parker, was \$1,500.

People like it very much, Parker says, and adds that the unit is equipped with inter-changeable

lights for either 6, 32 or 110 volt power sources, making it a completely independent unit which can function at all times.

"It's been particularly nice for us and for our customers when we clerk a sale when it is cold and/or windy," Parker went on.

Another auction innovation of the bank is its system of giving each man a list of articles purchased, the number and amount paid. Copies of the slips are then put in the bank's file on the customer and are available for reference at any time. This little idea, Parker says, has been well received, too.



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COMMERCIAL WEST

Finance Forum hears A. R. Jaqua

Insure against life's biggest hazards first, A. R. Jaqua, director of Institute of Insurance Marketing, Southern Methodist University, advised his audience at the First National Bank Women's Finance Forum this week.

In an address at the second of the series of six weekly Forum meetings, he warned against the common practice of insuring personal property to the fullest extent while overlooking the most valuable asset—the individual's earning power.

"American women now own about \$4 billion of life insurance and are increasing their ownership each year by the purchase of about \$3 1/2 billion on their own lives," he said.

"In addition they are named as beneficiaries—as wives, sisters, mothers, or daughters—on upwards of \$150 billion," he added. "If the meek shall thus inherit the earth, it would seem wise to learn something about the property to which they will fall heir."

He outlined a three point plan upon which economists generally agree for those who would attain personal economic independence:

1. A small savings fund for emergencies such as cash in the bank or Series E government bonds.

2. A life insurance program, not just a policy or two, but a planned insurance program.

3. Any remaining surplus may well be used to help finance basic industries through stocks and bonds.

"It is now possible," he said, "for a young business woman or a young married man to buy a policy which gives maximum death indemnity at minimum expense during the younger years and yet which, by contract, permits the insured, as the paycheck increases, to increase the savings in the policy until it eventually turns into an annuity for the insured himself."

Minnesota bankers ag committee



Shown here are members of the Agricultural and conservation committees of the Minnesota Bankers Association, at their meeting held at the Dyckman Hotel, Minneapolis.

Recent Deaths

RAY H. LEY, 50, cashier Farmers State Bank, Watkins, Minn., Oct. 15 after hunting pheasants near Chokio. After his graduation from St. John's University, he was employed in a St. Paul bank, in 1919 went to Watkins when his father, S. J. Ley, purchased the Farmers State Bank. He served as assistant cashier, in 1937 was promoted to cashier, the position he held at the time of his death.

CARL A. SWANSON, director Live Stock National Bank, Omaha, Oct. 8.

CALVIN NOAH, 72, vice presi-

dent Baxter (Iowa) Savings Bank, of a heart ailment at a Marshalltown hospital where he had been a patient for the past three weeks.

JAMES NUCKOLLS, 74, president Hardin County Savings Bank, Eldora, Iowa, recently at the Eldora Memorial Hospital, where he had been a patient two days.

A. L. TOLLEFSON, 73, president First National Bank, Mabel, Minn., unexpectedly, Oct. 21. Burial was at Mabel Oct. 24. Mr. Tollefson was active in civic affairs, mainly educational. Among survivors are his widow, a daughter, Mrs. Norman H. Nelson of St. Paul, and two sons, Everett H. of Clarksburg, W. Va., and Donald A. of Mabel, the latter having been associated with his father in the bank.



at the Head of the Lakes

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Mattson talks to business women

"The planning and spending of one's income may well be compared to a housewife baking a cake."

That was the interesting analogy with which Miss Marion Mattson, assistant cashier at Northwestern National Bank of Minneapolis began an address to the Uptown Business Women's Club of Minneapolis Oct. 18.

"The plan is the recipe," Miss Mattson added, "and the ingredients are shelter and housing operation, clothing, savings and investments, and the myriad of other things that go to make up what we call advancement."

"The most important thing for a person to do," Miss Mattson said, "is to sit down and analyze what they want out of life, taking into account all of their needs and desires. Many people spend their money without knowing in what direction they are going."

This done, Miss Mattson thinks a plan should be made with fixed expenses and obligations being considered first, necessities second, and then the desirable things.

"Earning money these days is a difficult sort of thing," Miss Mattson said, "and therefore it takes a plan in order to make our homes efficient and happy places in which to live."

4-H'ers get \$1,000 in dairy cattle awards

Achievements in dairy cattle breeding have won cash awards for nine Minnesota 4-H Club boys and one girl. Awards for the raising of five leading brands of dairy heifers amounting to \$1,000 were made to the 10 recently by the Minnesota Dairy Industry Committee of St. Paul and presented to them by the Committee's president, W. S. Moscrip, until recently owner and operator of one of the Upper Midwest's outstanding dairy farms at Lake

Security of Billings celebrates 33rd



Here is the remodeled and enlarged building of the Security Trust & Savings Bank, Billings, which celebrated its 33rd anniversary Oct. 10.

More than 1,000 friends and customers called on Security Trust & Savings Bank, Billings, Oct. 10 upon completion of remodeling and celebration of its 33rd anniversary.

The streamlining project provides additional lobby space, larger officers' quarters, a new ground floor location for the consumer credit department, three new conference rooms, more booths for safe deposit box customers, two additional vaults, new employees' lounge, well-lighted, air-conditioned, sound-proof workrooms, new furniture and

equipment, and a Kellogg inter-communication system.

"We are happy with the additional space and added facilities," writes O. M. Jorgenson, president.

The enlargement of its quarters has been necessary by the steady growth of the bank. Deposits totaling \$52,406 at the close of business on Oct. 9, 1916, opening day, now exceed \$24,000,000. It has grown in size from sixth place among six Billings banks to first place among the four banks of today.

Elmo, Minn., and now also president of the St. Paul Association of Commerce.

Winners of the five pure bred champion awards were Elroy Swenson, Spicer, Holstein; Richard Engwall, Winthrop, Guernsey; Lowell Flaar, Fisher, Jersey; Marlin Fritz, Stockton, Brown Swiss, and Donald Nisbit, St. Charles, Ayrshire. Grade champion awards were to Merle Bany, Plummer, Holstein; Norman Landby, Swift, Guernsey; Verdell Gieske, St. James, Jersey; Dolores Kisner, Arlington, Brown Swiss, and

Lyle Thiesse, Fairmont, Ayrshire.

A. T. Zimmerman, cashier Bank of Beulah, N. D., is the new president Southwest group of the N. D.-B. A. E. P. Daniels, cashier First State Bank, New Leipzig, is vice president; Herman Klautdt, cashier Bank of Hazelton, secretary-treasurer. C. O. Thompson, cashier First Security Bank, Underwood, is on the state association's nominating committee, and T. W. Sette, Bank of North Dakota, Bismarck, on the executive committee.



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COMMERCIAL WEST

Bank Notes



Minnesota bankers will be honored for service to agriculture during the past year at the annual convention of the American Bankers Association Oct. 30 to Nov. 2 in San Francisco. The Minnesota Bankers Association will receive for the 11th consecutive year the A. B. A. agricultural commission's "1,000-point" rating award.

A group of 50 members of the South Dakota Bankers' Association left Aberdeen Oct. 25 at 2:30 p. m. in extra pullman cars on the Milwaukee Road Columbian en route San Francisco to attend the A. B. A. national convention beginning tomorrow. Arrival in Seattle was scheduled for 7:30 a. m. Oct. 27 where the bankers will spend the day. Stopovers will be made in Portland, Ore., and on the return trip in Los Angeles and Grand Canyon, Omaha and Sioux City—due Sioux City Nov. 10. Several Minnesota bankers will be in the party which is traveling under the direction of Secretary Carl E. Bahmeier.

New officers of the Southwest division of the Minnesota Bankers Association are K. E. Sheffield, cashier First National Bank, Marshall, president; H. L. Smith, president Luverne National, secretary-treasurer; L. V. Widmark, president Farmers & Merchants National, Ivanhoe, vice president.

E. C. Williams, manager W. E. Thomas Lumber Co., Lake Crystal, Minn., and John R. Thomas, attorney, have been named directors Lake Crystal National Bank, announces Clayton Jones, cashier. They fill the vacancies caused by the deaths of George Austin and W. E. Thomas.

Credit problems to be solved during 1950 by the various segments of American industry; agriculture; and construction, production, distributing, and merchandising businesses will be discussed at the second national credit conference sponsored by the Credit Policy

Commission of the American Bankers Association at the Sherman Hotel, Chicago.

To celebrate "Gypsy Day", homecoming for Northern State (S. D.) Teachers College, employees of First National Bank of Aberdeen decorated the bank lobby and windows with multi-colored streamers and dolls. Some of the girl employees dressed in gypsy costumes.

Frank R. Scott, chairman Merchants National Bank & Trust Co., Fargo, became a 33rd degree Mason recently, the order's highest honor. The award was made in Washington, D. C.

C. E. Conradi has assumed his new duties as manager Popejoy, Iowa, office of the Farmers State Bank, Dows, announces H. W. Jansen, executive vice president. Mr. Conradi replaces Folmer Faaborg, who recently purchased a grocery store.

Southern Hills Bank, Edgemont, S. D., is planning an anniversary celebration Nov. 3, says T. L. Seppala, president.

If you received one of the early copies of last week's Commercial West with the typographical error, Rochester instead of Red Wing, in the byline of Ora Jones, Jr.'s speech on credit files—our sincere apologies to Mr. Jones and the Goodhue County National Bank—please be advised that Mr. Jones and the Goodhue County National still are in Red Wing, not Rochester.

Minneapolis Loan Agency of the RFC, of which A. W. Carlson is manager, is moving this weekend from the Metropolitan Life build-

Rural Hennepin-Anoka group elects officers

New officers of the Rural-Hennepin-Anoka division of the Minnesota Bankers Association, elected at a meeting held at Greenhaven Club, Anoka, are:

President—A. C. Stallman, cashier State Bank of Rogers.

Vice Pres—Sven Grundstrom, cashier First Robbinsdale State Bank.

Sec-Treas—Roger Hennessy, assistant cashier Minnetonka State Bank, Excelsior.

Sixty members and guests attended.

New directors also were elected. They are S. H. Severson, cashier First National Bank, Hopkins; H. C. Laumann, vice president State Bank of Mound, and C. T. Olsen, cashier Columbia Heights State Bank, retiring president.

ing to the new Minnesota Federal Savings & Loan building at Marquette ave. and Sixth street, where it will occupy some 7,700 square feet on the second floor.

Deposits of the 531 mutual savings banks of the nation increased \$57,000,000 during September to reach a total of \$19,082,000,000, says Henry S. Kingman, president National Association of Mutual Savings Banks, and president Farmers & Mechanics Savings Bank, Minneapolis. As in every month this year, except February, the gain exceeded that for the corresponding month last year. The September, 1948, gain was \$45,000,000.

W. L. McClung, cashier State Bank of Kenmare, N. D., has been elected president Northwest group of the North Dakota Bankers Association. T. A. Solheim, vice president American State Bank, Minot, is vice president. J. S. Westlake, cashier Union National, Minot, is secretary-treasurer.

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Insurance

C. W. Hall named new president of Minnesota's Federation

C. W. Hall, president Northwestern Fire & Marine Insurance Co., Minneapolis, is the new president of the Insurance Federation of Minnesota.

He was elected at the Federation's annual meeting held Oct. 24 and succeeds George W. Wells, Jr., vice president Northwestern National Life Insurance Co.

Two new vice presidents also were elected. They are Leroy D. Engberg, L. D. Engberg Agency, St. Paul, and Tom W. von Kuster, David C. Bell Investment Co., Minneapolis.

Named as new members of the board of directors were Ronald M. Hubbs, assistant to the president St. Paul Companies; Past President Wells; Jesse D. Bradley, MacGregor-Bradley, Inc., Duluth; George L. Gilpin, Gilpin Agency, Albert Lea, and E. D. Swanberg, Swanberg Agency, Worthington.

Attendance at the annual banquet, which featured the address of Carleton College's President Dr. Lawrence McKinley Gould, was 250, reports Secretary Clyde B. Helm, who was reelected.

For the first time since the Federation's silver anniversary 10 years ago, Secretary Clyde Helm reviewed the past 35 years of activity, found that things now differ only slightly from the situation that caused the Federation to be formed—and, said he, "Federation principles differ not at all."

"Hours and hours of unselfish

work (have been) given by members of the Federation to prevent our business from becoming socialized . . . Today the Federation is a voluntary group representing well over 9,000 Minnesota insurance people. . . . It has always had representatives looking after interests of the entire insurance business at every regular and special session of our Minnesota legislature. The importance of this is evident when you realize that more than 100 measures affecting insurance were introduced in the 1949 session.

"It has successfully opposed measures that would have:

"Established state funds in various lines.

"Placed additional taxes on in-

surance.

"Restricted the operation of the insurance business in numerous ways.

"Interfered with the existing investments of insurance companies.

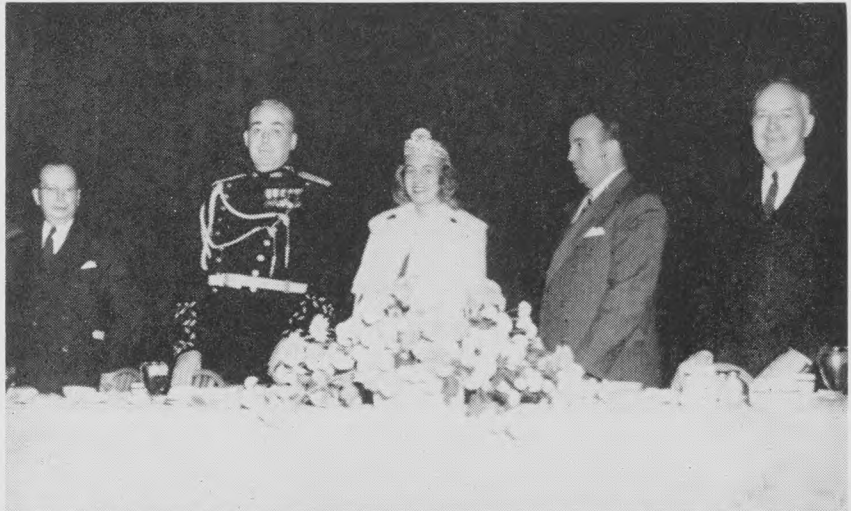
"Placed undue burdens on policyholders and those engaged in insurance underwriting.

"In addition to its legislative activities the Federation has:

"Brought about a better understanding of insurance and its problems through a proper dissemination of authentic information and through frank discussion.

Served as a clearinghouse for educational information regarding all branches of insurance. Through this medium the general public, commercial clubs, trade organizations, schools, colleges and legislative bodies have been reliably informed in regard to the business of insurance.

"Promoted harmony, cooperation and united effort between all



Two exclusive Commercial West pictures of the Federation head table. Left to right in top picture, Past President George Wells, Jr.; St. Paul's King Boreas, (C. A. Maley of American National Bank); his queen; Cy Sheehan, Compensation Insurance Board, and Secretary Clyde Helm.

Bottom, left to right, William Dickson, Marsh & McLennan, past president Minneapolis Aquatennial; Queen of the Lakes Jean Johnson (hidden); Deputy Commissioner Joe Haveson; New President C. W. Hall; Dr. Lawrence McKinley Gould; Past President Wells and King Boreas.

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branches of insurance on matters of general importance. It furnishes a common meeting ground.

"Protected the rights of all men and women engaged in the insurance business.

"Never sought special privileges for its members. It has always been ruled by the belief that what is best for the public is best for the business of insurance.

"One of the first surprises enjoyed by the early members," said Helm, "was to learn that all classes of insurance interests could work harmoniously together for a common cause."

The Federation was founded, Helm recalled, when, shortly after a law was passed in 1913 providing that all employers could insure their

200 Aetna agents discuss competition

"Competition—and how to fight it" was the unofficial theme of a unique sales conference held Oct. 24 for some 200 agents of Aetna Casualty & Surety in Minneapolis' Hotel Radisson.

Aetna branch and home office personnel presented the fast-moving program consisting of educational, inspirational and explanatory sales messages presented alternately through the use of movies and in-the-flesh speakers.

This Minneapolis program was one of a series of such conferences Aetna is holding throughout the nation.

From the home office came F. W. Potter and A. D. Bryan, field supervisors, and field representatives C. V. Sickenger, Los Angeles; M. G. Sneath, Philadelphia; R. H. Veller, St. Louis, and Robert Hart, Harrisburg.

Minneapolis manager L. C. McGee handled arrangements for the affair and introduced the home office officials.

liability (workmen's compensation) in any company admitted in Minnesota, agitation began to establish a state fund in Minnesota much like the one Ohio had.

The first meeting was held Sept. 11, 1914. President was Theodore Williams of Mankato. Four members of the original executive board still are living, although none were at the meeting Oct. 25. The four are Lane MacGregor, Duluth; Wirt Wilson, Minneapolis; C. E. Learned, Jr., St. Paul, and Byron H. Timberlake, Minneapolis.

Staples inspection is considered success

Another Minnesota city was "inspected" by the Minnesota State Fire Prevention Association last week. The city: Staples. The date: Oct. 18.

Fifteen inspectors, assisted by 20 Staples boy scouts and volunteer firemen conducted the inspection, which was sponsored by Staples Chamber of Commerce.

Fire prevention films were shown at grade and high schools and talks were given by Jerry Dirkers and H. W. Houd to approximately 850 school children.

At the concluding banquet held that night at 6:30, approximately 125 Staples citizens attended. Paul Olinger, president Minnesota Fire Underwriters Association, was principal speaker.

Blue Goose members learn about M Club

"There's more to being a member of the 'M' Club than getting good seats at Minnesota football games," Cliff Sommer, vice president Midland National Bank of Minneapolis and 'M' Club president, told members of the Minnesota Pond of the Blue Goose Oct. 24 at the Minneapolis Athletic Club.

The meeting, well-attended, was the regular October meeting of the group.

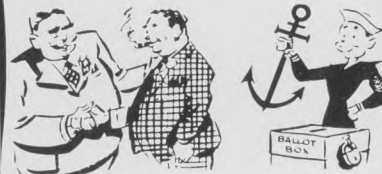
Sommer explained activities of the Club, talked some about the U's athletic program and discussed scholastic and athletic scholarships.

Minneapolis insurance women will hold their annual "Bosses' Night" Nov. 7 at the Dyckman Hotel. Festivities start at 6:30. Attendance is limited this night to club members and their bosses.

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ANCHOR CASUALTY COMPANY

SAINT PAUL 4, MINNESOTA

Mutual agents witnessed historic events while at Chicago conclave

by Gene S. Wilson

Mutual agents at the 18th annual convention of National Association of Mutual Insurance Agents, held Oct. 10-12, witnessed an historic event at Chicago's Congress Hotel.

The world-shaking event was an actual interview by President Hugh H. Murray, Jr., of Raleigh, N. C., with a descendant of Mrs. O'Leary's famed cow, in which Murray endeavored to settle, once and for all time, the true facts about how the great Chicago Fire of 1871 actually started. The event was broadcast over Chicago radio stations.

"Did your ancestor actually kick over the lantern, to start the fire," Murray asked the aged cow, "or did Ferdinand the Bull cause the trouble . . . or was it sparks from Mrs. O'Leary's corncob pipe?"

Bossy's brown eyes, now faded a pale tan with age, rolled thoughtfully, then she replied in clear but weak tones, "'Twas Mrs. O'Leary's carelessness that caused the fire and humans should be ashamed because they could prevent 60 per cent of all the fires that happen," Bossy assert-

ed. Then she added, shyly: "I recollect, I was giving hot milk shakes for two months!"

The famed cow, with horns bent and her steaks hanging low, was located in an Old Bovine Home near the Chicago stockyards, and the interview with Murray was arranged and broadcast in observance of Fire Prevention Week, proclaimed by President Truman for Oct. 9-15, and was arranged as part of N. A. M. I.-A.'s Convention "special events."

Sunday, Oct. 9, was spent in pre-convention committee meetings, so that comprehensive reports on the year's work might be made to the Board of Directors, and members, in executive session.

The Agents' Qualification Laws committee, H. C. Fenno, chairman, reported much progress between agents and companies on agreement for agents' qualification laws. Benj. G. Sager, special projects committee chairman, reported on the favorable action taken on an all-risk dwelling policy. J. Wayne Barker's advertising and public relations committee presented extensive advertising material available for purchase by the agents. Special emphasis in these items are on Building Agency Prestige.

Other subjects that receive just attention included the recent insurance action of the American Red Cross; the School Fire Safety Patrol System; a report on retiring President Hugh Murray's "common sense" approach to national health programs, before House and Senate subcommittees conducting hearings.

The convention program was built around the theme "In the Public Interest." This, incidentally, has been the underlying thought in all Association activities during the past year. A wonderful impetus was given the convention at the first formal luncheon with the address, "The Insurance Man and the Atom," by Lynn A. Williams, Jr., vice president in charge of promotion, University of Chicago. This lay interpretation of recent atomic research on "the chain reaction" proved informative and inspiring.

"Whiskered Expressions," an expose of the average insurance agent's letters, proved helpful and amusing, as presented by that human dynamo, Herbert E. Clarkson, an instructor in business letters and business English at Northwestern University.

"Modern Trends in Selling and Merchandising," was informative, as presented by Richard R. Fowler of

Toledo, Ohio.

Tuesday's program subjects placed particular emphasis on the theme, "In the Public Interest." These, in rapid succession, included:

"Office Efficiency" by Walter Taylor, successful mutual agent of Rochester, N. Y.

"Diversified Selling," by Frederick Meyer, live-wired mutual agent of Rochester, N. Y.

"In the Public Interest," by Hugh Murray, Jr., of Raleigh, N. C., National Association president.

"Selling and the Shorter Work Week," by Richard J. Rountree, vice president Peirce Wire Recorder Corp., Evanston, Ill.

"A Factual Case for Mutual Insurance," by Dr. George D. Haskell, economist American Mutual Alliance, Chicago.

"Selling Insurance the Hard Way," by Fred W. Lahr of Indianapolis, advertising expert.

Wednesday morning sessions included:

"Are You Causing Your Own Dollar Shortage," by Professor Robert Miller of Drake University.

"Why Sell?," by John Adam, Jr., of Boston, Mass., resident secretary of Central Manufacturers' Mutual Insurance Co., a recognized sales expert.

Then came what was easily an unforgettable highlight. Dr. William Dern, American humorist and Rector of St. Paul's Episcopal Church, Newport, Kentucky, suffering from a severe gall bladder attack, and with a doctor in attendance in the audience, thrilled the convention with "A Parson Takes A Gander." He left us cheering him to the echo, as he was taken to the hospital for an operation.

Special entertainment for the ladies, included, among many fea-

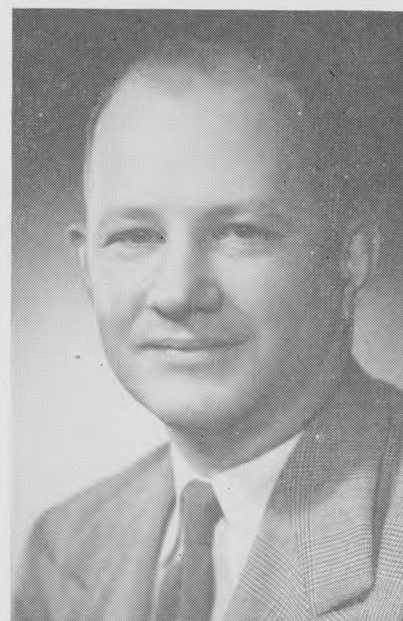


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... national vice president.

COMMERCIAL WEST

tures, a sight-seeing trip of Chicago, courtesy of Lumbermens Mutual Casualty Co., and a luncheon as guests of the Lumbermens Mutual Insurance Company of Mansfield, Ohio.

National association officers for the year 1949-1950 include:

President—Corey Hunter, Moravia, N. Y.

Vice Pres—1. Henry D. Bean, Haddonfield, N. J.; 2. Claude P. Coates, Fort Worth, Tex.; 3. R. E. Hill, Chattanooga, Tenn.; 4. H. C. Fenno, Philadelphia; and 5. Gene S. Wilson, Minneapolis.

Secretary—Wm. M. Ritter, Fayetteville, Ark.

Treasurer—John Kroll, Washington, D. C.

Fielding Tips

National Board of Fire Underwriters says fire losses during September are estimated at \$49½ million, a decrease of .5 per cent from a year ago.

Systematic prevention work offers the possibility of greatly reducing windstorm losses on farms in as successful a fashion as farm fire losses have been curbed, Henry Giese, Iowa State College professor, told mutual companies recently. Present-day asphalt shingles present a wind hazard 18.1 times greater than wood and a hail hazard 8 times greater, he said.

State fund automobile liability insurance is in the discussion stages in North Dakota, it is reported. A legislative research committee is holding meetings throughout the state to determine if the state should enter the field. A visit will be made to Saskatchewan, Can., to study such a plan in effect there.

A hearing has been set for Nov. 2 on a 4.1 per cent proposed cut in Minnesota's workmen's compensation rates filed by the companies. This surprise action followed a 6.1 per cent increase granted in June.

Strong opposition to the suggested instalment payment plan for term fire policies is expressed by National Association of Mutual Agents in an announcement released after the group's 18th convention at Chicago.

Minneapolis life men active in association

Two Minneapolis insurance executives had prominent parts at the three-day annual meeting of Life Insurance Advertisers Association held in Chicago Oct. 27-29.

Alan M. Kennedy, director of public relations for Northwestern National Life Insurance Co., is president of the LAA and delivered the keynote address on the opening day.

James E. Scholefield, vice president of North American Life & Casualty Co. was among the judges who selected award winners from 240 exhibits of advertising and sales promotion material.

More than 300 advertising and sales promotion representatives from 150 American and Canadian life insurance companies attended the LAA sessions.

Agents ready for Insurance seminar

Minnesota insurance men, who acclaimed last year's insurance seminar at the University of Minnesota, this week are "buttoning things up" at their desks throughout the state in preparation for the second annual seminar, to be held Nov. 7-9.

Like the first one, this seminar will be held at the Center for Continuation Study and will offer two subjects—time element coverages and inland marine. Registrants will be expected to enroll in and complete one of the two subjects. A final examination will be held and the University will issue a certificate of attendance.

The seminar is open to all licensed agents or persons in the property and casualty business with sufficient experience.

Co-sponsors are the U of M School of Business; Minnesota Association of Insurance Agents and national agents' association.

Riders

Southeastern Agents Association will hold its monthly meeting and annual election at Rochester Country Club Nov. 1.

Minnesota Insurance Speakers Club will hold its first meeting of

the season Oct. 31 at 404 Plymouth building. The meeting starts at 4:30 p. m. Instructor again is Albert Fulton, University of Minnesota professor.

Next week, Commercial West will present the complete text of Commissioner Armand Harris' talk given Oct. 18 before Duluth Underwriters Association on "Minnesota's Rating Laws."

Minnesota Association of Mutual Insurance Companies held its annual meeting Oct. 28 at Minneapolis' Radisson Hotel. (See next week's issue for report.)

Gopher 1752 Club, composed of mutual field men, conducted its first mutual insurance clinic of the 1949-50 season this week—Oct. 27—at Crookston. Commercial West will present an "on-the-spot" report next week.

West Bend (Wis.) Mutual Fire Insurance Co. has been licensed in Iowa. The company is also licensed in Michigan, Illinois, Indiana and Minnesota, as well as its home state.

New president of Montana Fire Underwriters is Wilbur Wolfe, Home. Del Cawley is vice president, and L. A. Panger, St. Paul F & M, is secretary-treasurer.

Four new companies have been licensed in Minnesota. They are Electric Mutual Liability, Lynn, Mass.; Eagles National Life, Cincinnati; First Catholic Slovak Union of the United State of America, Cleveland, and Illinois Bankers Life Assurance, Monmouth, Ill.

Monthly benefit payments under the federal old age and survivors insurance program of the Social Security Act were being made to 12,852 residents of Hennepin County as of June 30, and totalled \$277,081, or approximately \$3,325,000 per annum, says E. M. Zwickel, manager Minneapolis office. This is a record high since the act went into effect.

Wisconsin Association of Insurance Agents was holding its 50th annual convention this week at Schroeder Hotel, Milwaukee.

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Investment

AHEAD OF THE MARKET

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During the depression years of the "30's" a deficit of several billion dollars in the federal budget was sufficient to cause considerable alarm. Bitter attacks were made on such a loose and dangerous fiscal policy. At the time the Federal debt was not much more than \$30 billion and each increase resulting from deficit operations brought forth new warnings that a continuance would lead to serious inflationary consequences. And it should be recalled that the extraordinary high rate of peacetime government spending aimed at lifting the nation from its most severe depression in history was not without some justification.

However, the intervening years have seen deficits piled up to unbelievable proportions and the accumulation of a national debt of \$255 billion. From many indications the public is less perturbed now when the government again reverts to deficit spending than it was 10 and 15 years ago when the debt was but a small percentage of its present total.

The fact that money supplies have increased three times over in a little more than 10 years is a welcome development, especially to the individual who has obtained his proportionate share. Despite the resentment against high prices the public seems to find the over-all inflationary consequences pretty much to its liking.

Around 58 or 59 million people are able to find employment, wages have more than kept pace with prices, working hours are shorter and the farmer and the business man are making good profits. Last year's election results could be interpreted as approval and reward for the administration and policies that have brought this all about.

A large part of the public must feel pretty much as the villagers did in that old story of the shepherd boy who were fooled by the boy's cries of "wolf" when the wolf wasn't there. But if a new government deficit incurred during a period of relatively high prosperity and piled on top of a debt so big it is almost beyond comprehension, is not a real and dangerous inflationary "wolf," then all the lessons of financial history are a fable.

Devaluation of currencies throughout the world and the ease with which the government has reverted to its long-favored policy of operating on borrowed funds, lends encouragement to the contention that devaluation of the dollar is in early prospect. Chances are that these anticipations are ahead of time but the mere fact that a recession of moderate proportions would swing the federal budget into the red gives some idea of what would happen in the event of a serious business slump.

Under such circumstances dollar devaluation would improve the nation's foreign trade, spur the internal exchange of paper currency for goods and materials of all kinds, and create a renewed demand for the production of industry.

After the experience of the past 18 years the public could probably be easily sold on the idea and another big stride would have been taken along the same path that France has been following since the first World War.

The alternative to such a course of events is a concentrated effort to keep trade and production at a high level. Only through substantial corporate profits and a high national income can the government collect enough taxes to balance its expenditures. Completely reversing its policies of the past several years the administration through its credit and monetary controls has encour-



aged a policy of business expansion.

The stock market for its psychological effect on business sentiment and its direct support to increased equity financing appears to be in line for a better future.

Denver & Rio Grande Western should be a familiar name to readers of this column. Repeatedly since the reorganization of this railroad, both the common and preferred stocks have been recommended for purchase. Recent strength in these issues is worthy of special attention. For the past several years this road has had a threat of a heavy tax assessment on income for the years 1942 through 1946, hanging over its head.

This government claim approximating a grand total of \$24 million was recently denied and instead the Denver & Rio Grande was awarded a rebate of \$3.6 million in taxes previously paid. Not only was the company a direct gainer in this amount but the tax decision permitted the release for general corporate purposes of a tax reserve of nearly \$4 million additional.

It can readily be appreciated that this windfall of about \$8 million is of considerable importance to a railroad with a funded debt of only \$86 million and an already strong working capital position. Operating results for the first eight months of 1949 should also be conducive to confidence for the future.

Contrary to the trend for most railroads the total operating revenues show a gain for the period. However, maintenance charges were about \$2.5 million more than in the same period in 1948. An effort to get as much work done as possible before the Sept. 1 deadline of a shorter work week and higher costs is responsible for the boost in these charges. Naturally, the net for the

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common has been cut sharply, but for the full year Standard & Poor's estimate earnings of \$6.00 a share or a generous coverage for the \$2.00 dividend rate now in effect.

An increase in the rate would not be surprising and the recent price of 27 is an extremely moderate appraisal of this road's prospects. Denver preferred trading around 47 pays \$5.00 to yield over 10 per cent. This preferred is cumulative to the extent earned and payment on 1949 earnings should be forth coming next March. The income bonds, 4½'s of 2018 also are definitely attractive for investment purposes. Currently trading at 64 to provide a yield of slightly more than 7 per cent, these bonds should eventually sell considerably higher.

Northern Pacific, another long term favorite in this column, has also demonstrated consistent signs of strength during the past several weeks. The stock is trading around 17 compared to a year low of 11½. Much of this strength is due to the announcement that a well drilled by Texas Co. on N. P. land in Montana has shown oil and gas on a drill stem test. No estimates have been made but prospects for a commercial production are believed to be favorable.

Also contributing to increased interest in these shares is the general expectation that improved earnings over the balance of the year will be sufficient to permit a repeat of the \$1.50 dividend paid last February.

Despite unusually heavy maintenance deductions during the first half of the year, earnings estimates range from \$3.00 to \$3.50 a share for the full 12-month period.

Investment trusts whoop sales, assets

The National Association of Investment Companies announces that sales of shares of 87 open-end or "mutual" funds amounted to \$259,676,000 for the first nine months of 1949, compared with \$198,503,000 for the same period in 1948. Net sales after redemptions were \$192,740,000, as against \$105,716,000 a year ago.

For the third quarter of 1949, sales of shares were \$99,159,000, compared with \$81,719,000 for the second quarter and \$59,173,000 for the third quarter of 1948. Net sales after redemptions were \$77,930,000, as against \$60,362,000 for the previous quarter and \$33,136,000 for the third quarter last year. The shares of these "mutual" funds, the Association points out, are redeemable at the option of the holder.

Total net assets of 87 open-end funds amounted to \$1,755,160,000 on Sept. 30, an increase of \$218,927,000 since June 30, 1949 and \$249,398,000 since Dec. 31, 1948.

The report covers substantially all the open-end or "mutual" funds which are members of the National Association of Investment Companies, but does not include the closed-end investment companies, which are not continuously offering shares to the public and whose shares are not redeemable at the option of the holder. The closed-end statistics are compiled semi-annually.

With most of the conventions, etc., done with bankers can take time to profit by what they have learned.

Local Unlisted Stocks

MINNEAPOLIS-ST. PAUL STOCK EXCHANGE

October 26, 1949

	Bid	Asked	Previous Week's Bid
First Bank Stock	18¾	19½	18⅞
N. W. Banco	25	25¼	24½
Mpls. Brewing	16¾	16⅞	16¼

The following bid and asked prices are obtained from the National Association of Securities Dealers, Inc., and other sources. They do not represent actual transactions; they are intended as a guide to the approximate range within which these securities could have been sold (indicated by the "bid") or bought (indicated by the "asked") at the time of compilation.

October 26, 1949

	Bid	Asked	Previous Week's Bid
Alden Wanderall			1%
Bank Shares "A"	14½		14½
Bank Shares "B"	7		7
Fibert Corporation	9		9
Flour City Orna Iron com.	3¾		3¾
Forman Ford	1¾	1¾	1¾
Franklin Coop Cry com.	45		45
Griggs Cooper 5% pfd		95	
Kahler Corp. com.	33		33
Lavoris Co. com.	68		68
Mc Quay, Inc., com.	2	2¾	2
Mankato Brewing Co. com.	1		1
Marshall Wells com.	175	185	174
Marshall Wells Co. 6% pfd.	105		105
Mpls. Gas com.	14%	15%	14¾
Mpls. Gas Light Co. 6% pfd	105		105
Mpls. Gas Light Co. 5½% pfd	106		106
Mpls. Gas Light 5.10% pfd.	105		105
Mpls. Gas Light Co. 5% pfd	104		104
Minn. & Ont. Paper com.	13¾	15	15
Minn. Power & Light com.	27½	29½	28
Minn. Power & Light 7% pfd	99	103	99
Minn. Valley Canning Co. com	18		17½
Minn. Valley Can Co. 5% pfd.	103		103
Mont.-Dak. Util. Co. 5% pfd	78	82	78
Murphy, A. A. & Co., 5% pfd	47	50	47
North Greyhound 3¾% pfd	84		84
North Greyhound com.	60		
N W Fire & Marine com.	21	22½	21
N W Nat. Life com.	18	19½	18
Ottertail Power 3.60% pfd	85	88	85
Ottertail Power com.	18¾	20¼	18¾
Pioneer Eng. Works pfd	52		52
Pioneer Eng. Works com.	5¼		5¼
Red Owl	10	11	9½
Red Owl pfd	92		91
Russell Miller Milling pfd	90		90
Russell Miller Milling com.	21¾	23¾	21¾
St. Paul Fire & Marine	95	98½	94½
St. Paul Stockyards com.	14¾	16¼	14¾
Title Insurance Co. com.	61		61
Toro Manufacturing Corp.	12½	14	12½
Twin City Fire Ins. Co. com.	17		17
Weyerhaeuser Timber Co. com.	66	69	66

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MEMBERS
MINNEAPOLIS - ST. PAUL STOCK EXCHANGE

OCTOBER 29, 1949

Municipal Financing

The local municipal market is currently in one of the most quiet periods of the year and the coming-up sale calendar almost non-existent as very few new offerings are appearing with practically all issues of the small variety. As a consequence Twin City dealer inventories are at a low point. Any municipality in the area contemplating a bond issue would do well to bring it to market at this time since dealers are looking for bidding material.

In the meantime those governmental units fortunate to be selling bonds today are receiving extremely favorable interest rates. Murray County, Minn., (Slayton) recently had up for sale \$170,000 hospital bonds due one to 10 years and received a bid of \$782 for 1½'s equal to a net interest cost of 1.428 per cent. The issue was awarded to Northwestern National Bank of Minneapolis in a fast field of seven bidders. Three bidders named a 1½ per cent coupon so competition was close.

Heron Lake, Minn., a community of approximately 1,000 population located about 12 miles southwest of Windom, had equally good success in the offering of an \$85,000 hospital issue with a longer maturity spread running out to 1967 when an extremely good price of 1¾'s for the 1951 through 1961 maturities and a 2 per cent coupon for 1962-67 bonds plus a \$25.00 premium figured out the splendid net interest cost of 1.8879 per cent.

The municipal fraternity took cognizance of President Truman's recent forecast of higher taxes due to the continuance in federal deficit spending. Rumors heard on the

street indicate the Administration may present the next Congress with a request for a 50 per cent tax rate on corporate profits, an increase in individual surtaxes, gift and estate taxes. Any development along these lines would be a potent force in the tax exempt price structure and make municipals more attractive as investment media.

A good portion of those 45-50 year long State of New York housing authority bonds carrying a 2.20 per cent yield but offered at deep dollar price discounts from 72.96 to 71.29 found their way into the portfolios of savings banks.

Deposits of savings banks gained \$31,670,000 in September to raise the total increase for the year to \$504,648,000 according to figures of the Savings Banks Association of New York. New accounts showed an increase of 10,523 last month to bring this year's total increase to 159,466.

All this has a significant development because even though not all of such funds ultimately reach into municipals, it does influence tax exemptions to a degree and we do know in the case of some issues that savings banks are directly interested.

★

As commercial bank loans are expanding at a greater rate than the monetary authorities anticipated last August when one year certificates were adjusted to a 1½ per cent coupon, banks now are using some of the funds which might have gone into short term government paper and this may be one reason the Treasury may not be thinking currently in terms of a 1 per cent



by Stanley R. Manske

Secretary - Treasurer Northwestern Municipal Association

certificate rate for January refunding. Best information available at this time indicates the 1½ per cent coupon may be continued for the present and that if business contin-

LEGAL NOTICE

NOTICE OF SALE OF \$90,000 HOSPITAL BONDS LAKEFIELD, MINN.

NOTICE IS HEREBY GIVEN that the Village Council of the Village of Lakefield, Jackson County, Minnesota, will meet at the Council Rooms in said Village on November 9, 1949, at 7:30 o'clock P. M., for the purpose of opening, receiving and considering sealed bids for and awarding the sale of \$90,000 negotiable coupon general obligation bonds of said Village to be issued for the purpose of providing funds for constructing a public hospital to be owned and operated by the Village. Said bonds will be dated November 1, 1949, each in the denomination of \$1000, will bear interest at a rate or rates to be specified by the successful bidder, expressed in an integral multiple of ¼ or 1/10 of 1% per annum, payable July 1, 1950 and semiannually thereafter on January 1 and July 1 of each year, and will mature serially in the amount of \$9000 on January 1 in each of the years 1951 through 1960, all without option of prior payment. Principal and interest will be made payable at any suitable banking institution in the United States designated by the successful bidder. The Village will furnish, without cost to the purchaser and within forty days after award of sale the printed and executed bonds and the approving legal opinion of Messrs. Dorsey, Colman, Barker, Scott & Barber, of Minneapolis, Minnesota. Delivery will be made at Lakefield, Minneapolis, or St. Paul, Minnesota without cost to the purchaser, or elsewhere at the purchaser's expense.

Sealed bids marked "Bid for \$90,000 Bonds" may be mailed or delivered to the undersigned and must be received prior to the date of said meeting. Oral auction bids will not be considered. Each bid must be unconditional except as to legality, which may be conditioned upon the opinion of the above attorneys, and must be accompanied by a cashier's or certified check in the amount of \$1800 payable to the Village Treasurer to be forfeited as liquidated damages in case the bid be accepted and the bidder shall fail to comply therewith. Bids will be preferred according to lowest net interest cost. No bid of less than par and accrued interest will be considered, and the Council reserves the right to reject any and all bids.

Dated October 25, 1949.

BY ORDER OF THE VILLAGE COUNCIL
ROBERT SCHOENING, Village Clerk
Lakefield, Minnesota.

Published in Commercial West Oct. 29, 1949.

HERE IS WHAT WE CAN OFFER YOU FOR THE SAFE INVESTMENT OF YOUR MONEY

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SOUTH DAKOTA Municipal Bonds

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COMMERCIAL WEST

ues to expand a return to the 1 1/4 rate would not be out of line as a possibility in 1950.

★
Barron, Wis., School District recently defeated by a vote of 328 for, to 332 against, a building bond issue of \$124,000. This is the same

LEGAL NOTICE

OFFICIAL PUBLICATION

Of the Notice of Sale by the Board of Estimate and Taxation of the City of Minneapolis of \$127,000.00 LIBRARY BONDS OF THE CITY OF MINNEAPOLIS, MINNESOTA

On Wednesday, the ninth day of November, 1949, at 2:00 o'clock P. M., (Central Standard Time) in Council Committee Room No. 321 on the third floor of the Municipal Building in the City of Minneapolis, Minnesota, the Board of Estimate and Taxation of the City of Minneapolis, Minnesota, will offer for sale, by sealed bids:

\$127,000.00 Library Bonds

Said bonds will be in denominations at the option of the purchaser, but not less than \$25,000.00 each, in typewritten certificate form, will be dated December 1, 1949, and will be due and payable in amounts of \$77,000.00 on June 1, 1950 and \$50,000.00 on December 1, 1950.

Purchasers will be required to pay accrued interest on said bonds to the date of delivery. Delivery will be made in Minneapolis, Chicago, or New York City at a national bank acceptable to the purchasers, any charge made by such bank for delivery services to be paid by the purchasers.

The bonds will bear interest payable at the date of maturity thereof, at a single rate per annum, any such rate to be a multiple of one-fourth or one-tenth of one per cent, but not to exceed six per cent (6%); and will be sold to the bidder or bidders submitting a bid or bids complying with the terms of this sale and deemed most favorable, subject to the provision that the Board of Estimate and Taxation reserves the right to reject any or all bids. Sealed bids will be received until 2:00 o'clock P. M. of the date of sale.

Bids offering an amount of less than par cannot be accepted.

Each proposal is to be accompanied by a certified or bank cashier's check payable to Gladys E. Miller, City Treasurer, for an amount equal to 2% of the amount of the bonds bid for, to be forfeited to the City in case the purchaser refuses to pay for such bonds when ready for delivery.

Any bid for these bonds is subject to the following exception: the enactment, at any time subsequent to the submission and acceptance of the bid and prior to the delivery of the bonds, of Federal legislation which in terms, by the repeal or omission of exemptions or otherwise, subjects to a Federal income tax the interest on bonds of a class or character which involves these bonds, will, at the election of the purchaser, relieve the purchaser from his obligations under the terms of the contract of sale and entitle the purchaser to the return of the amount deposited with his bid.

The City will furnish the approving legal opinion of Messrs. Wood, King & Dawson of New York City or of Messrs. Dorsey, Colman, Barker, Scott & Barber of Minneapolis, at the option of the purchasers, the cost of such legal opinion to be paid by the City of Minneapolis.

Further information and forms on which to submit bids will be furnished on request.

By order of the Board of Estimate and Taxation at a meeting thereof held October 26, 1949.

BOARD OF ESTIMATE AND TAXATION
By RICHARD D. WELCH, Secretary,
345 City Hall,
Minneapolis, Minnesota

Published in Commercial West Oct. 29, 1949.

bond issue which earlier in the year had been approved by the voters and subsequently sold in mid-summer at a favorable interest rate to the District only to find out later that delivery of the bonds could not be made because of a legal defect in the original election proceedings which prevented the district from obtaining a recognized, marketable legal opinion approving the issue.

What had happened in the interval between the first election and the second to change the minds of the electorate? One explanation is that the school board had decided to purchase a school site in one part of the city under the assumption that funds from the sale of bonds would be forthcoming. Now the district is reported to have a site but evidently the voters were not wholly satisfied with the location so found it convenient to turn the issue down. In the meantime the school board is faced with the problem of a third election to secure necessary funds or to abandon the project.

The case serves to illustrate that any municipality in any state could find itself in a similar predicament and that problems evolving around bond issuing powers call for very careful treatment and a measure of professional scrutiny.

★
In the national market this week one of the largest offerings consisted of \$15 million Chicago Park District improvement bonds due 1950 through 1969 sold to a Chicago bank group managed by Harris Trust & Savings Bank. Reoffering prices ranged from .90 per cent for the May 1, 1950, maturity to a dollar price of 98 1/2 for 1969 bonds.

Halsey Stuart & Co., Inc. headed the successful account buying \$6,500,000 Allegheny County, Pa. (Pittsburgh) various purpose bonds maturing Oct. 1, 1950 through 1979, at 100.689 for 2's. The issue is priced for reoffering to yield .70 per cent for Oct. 1, 1950, to a dollar price of 97 1/4 for 1979.

★
November bond elections in several states will take over the spotlight soon. The \$500 million Pennsylvania bonus issue heads an imposing list followed closely by \$450 million State of New York for slum clearance and hospital construction in New York City, \$250 million California school bonds and \$230 million State of New Jersey for bonus, housing and institutional purposes.

★
U. S. National Bank of Red Lodge and Yellowstone Bank of Laurel purchased \$30,000 Red Lodge, Mont., civic center bonds due \$1,500 each year Dec. 1, 1950 through 1969, as 2 1/2's plus a \$50 premium equal to a net interest cost of 2.48 per cent.

★
Madelia, Minn., school district will hold an election Nov. 1, on \$50,000 school bonds according to T. G. Evensen of Minneapolis who also reports Aberdeen, S. D., defeated \$295,000 bonds for library purposes at the Oct. 25 election.

Lakefield, Minn., has scheduled a sale of \$90,000 general obligation hospital bonds for sale Nov. 9 with maturities of \$9,000 each year from Jan. 1, 1951 to 1960.

CALENDAR OF COMING NORTHWEST MUNICIPAL BOND SALES

Nov. 4—8 p. m., Austin, Minn., \$60,000 recreation bonds dated Nov.

\$124,000

CITY OF BERESFORD, SOUTH DAKOTA

ELECTRIC REVENUE BONDS

Notice Is Hereby Given that the City of Beresford, Union and Lincoln Counties, South Dakota, will offer for sale on November 7, 1949 at 7:30 p. m. \$124,000 Electric Revenue Bonds to be dated September 1, 1949, each in the denomination of \$1,000, with interest not to exceed the rate of 3 1/2 per cent per annum. Interest is to be payable semi-annually March 1 and September 1 and said bonds are to mature serially \$8,000 September 1, 1951 to September 1, 1964, inclusive, and \$12,000 on September 1, 1965, said issue being callable September 1, 1955 or any interest date thereafter at par. The city will furnish the printed bonds and legal opinion of Messrs. Dorsey, Colman, Barker, Scott & Barber of Minneapolis without cost to the successful purchaser. A cashier's check for \$2,500 payable to the order of the city treasurer must accompany each bid and should be mailed to Mamie Toomey, City Auditor, Beresford, South Dakota.

Further information on this sale may be obtained from the city auditor or Fred Gefke, 105 South Main, Sioux Falls, South Dakota, acting as agent for the City of Beresford, South Dakota.

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1, 1949, due \$4,000 each year Jan. 1, 1951 through 1965.

Nov. 5—1:30 p. m., **Taylor Falls, Minn.**, \$14,000 funding bonds dated Oct. 1, 1949, and will mature serially on Feb. 1, in the amount of \$1,000 in each of the years 1951 to 1964, both dates inclusive.

Nov. 7—7:30 p. m., **Beresford, S. D.**, \$124,000 electric revenue bonds dated Sept. 1, 1949, due Sept. 1, 1951 through 1965, callable Sept. 1, 1955, at par.

Nov. 8—11 a. m., **Fargo, N. D.**, \$122,000 street lighting warrants maturing Nov. 1, 1951 through 1955.


Nov. 8—2 p. m., **Jackson County, Minn.**, (Jackson) \$20,000 general obligation drainage bonds dated Oct. 1, 1949, due serially Jan. 1, 1951 through 1960.

Nov. 9—2 p. m., **Minneapolis, Minn.**, \$127,000 library bonds dated Dec. 1, 1949, due \$77,000 on June 1, 1950, and \$50,000 on Dec. 1, 1950.

Nov. 9—7:30 p. m., **Lakefield, Minn.**, \$90,000 general obligation

hospital bonds dated Nov. 1, 1949, due Jan. 1, 1951 through 1960.

Nov. 18—1 p. m., **Town of Stowe Prairie, Todd County, Minn.**, \$17,000 road and bridge funding bonds dated Oct. 1, 1949 due April 1, 1951 through 1959.



CHANGES
for your
"Little Red Book"

Correct your 1949 Commercial West Directory for a continuous, up-to-date record of Ninth District banks and bankers.

MICHIGAN

STAMBAUGH—Commercial Bank—Charles A. Nelson, president, deceased.

MINNESOTA

ANNANDALE—Annandale State Bank—Arthur H. Lofstrom, vice president, deceased.

BEARDSLEY—Security State Bank—J. L. Gunhus elected cashier.

CANBY—National Citizens Bank—Howard W. Reiter elected executive vice president.

GOOD THUNDER—First National Bank—Richard L. Myers, president, now chairman; H. E. Glaeser, executive vice president and cashier, now president.

LANESBORO—Lanesboro State Bank—Mabel E. Sorum, assistant cashier, should be Mrs. Mabel E. Olson.

MAPLETON—First National Bank—J. L. Gunhus, assistant cashier, resigned to go to Security State Bank, Beardsley, Minn., as cashier; J. R. Starkey elected assistant cashier.

SANBORN—Sanborn State Bank—Charles Goehring, president, deceased.

SOUTH ST. PAUL—Drovers Exchange State Bank—C. A. Robertson, vice president, deceased.

WATERTOWN—American State Bank—L. O. Wallin, assistant cashier, resigned to go to Citizens State Bank, Brandon, Minn., as president.

MONTANA

BILLINGS—Security Trust & Savings Bank—Warren F. Vaughn, assistant vice president, should be Vaughan.

MISSOULA—First National Bank—L. J. Stock elected vice president.

ROUNDUP—Miners and Merchants Bank—Paris W. Robert, assistant cashier, elected vice president.

SOMERS—State Bank of Somers—NEW SETUP. W. D. Woods elected president; William L. Shryock elected vice president; Leland Tansel continues as cashier; Allan Milne continues as assistant cashier.

NORTH DAKOTA

BELFIELD—First National Bank—P. G. Schroeder elected assistant cashier.

GILBY—First State Bank of Gilby—Member Federal Reserve System effective Oct. 1.

HEBRON—Security Bank of Hebron—E. M. Dahlen elected cashier and executive officer.

MINTO—Bank of Minto—Capital increased from \$15,000 to \$25,000.

New Grain Exchange heads take office

Taking office Oct. 17 were newly-elected officers of the Minneapolis Grain Exchange chosen by the membership at the recent 68th annual meeting. They are:

President—J. A. Bolton, president Atwood-Larson Co., who will be the 56th president of the Exchange.

First vice pres.—R. C. Woodworth, Cargill, Inc., advanced from second vice president.

Second vice pres.—A. G. Hessburg, Hiawatha Grain Co.

E. C. Hillweg is full-time secretary-treasurer.

Allan Q. Moore, Pillsbury Mills, Inc., was elected a director. Re-elected directors are Ben C. McCabe, A. M. Howard, J. F. Mullin, R. G. Cargill and G. W. P. Heffelfinger.

PARK RIVER—First State Bank—John D. Banker elected assistant cashier.

UNDERWOOD—First Security Bank—Capital increased from \$35,000 to \$50,000.

SOUTH DAKOTA

EMERY—Security State Bank—Doris M. Miner, assistant cashier, resigned.

KADOKA—Office, Belvidere State Bank—R. D. Smith, cashier Belvidere State Bank, now manager of Kadoka Office in lieu of J. E. Pier, manager.

WATERTOWN—Farmers & Merchants Bank—R. T. Matz, elected assistant vice president.

WISCONSIN

HAMMOND—Hammond State Bank—F. L. Anderson, cashier, resigned to go to River Falls (Wis.) State Bank, as cashier; Clarence R. Nelson elected cashier, executive officer.

PIGEON FALLS—Pigeon Falls State Bank—Mrs. Basil Olsen, elected assistant cashier.

RIVER FALLS—River Falls State Bank—Opened for business effective Oct. 3, 1949; L. J. Kay, president; Otto Kulstad, vice president; Frank L. Anderson, cashier; E. S. Davison elected assistant cashier.

TOMAHAWK—Bradley Bank—E. M. MacDonald, vice president, elected president; J. L. Exstrom, cashier, elected vice president and cashier.

WHITEHALL—John O. Melby & Co. Bank—William D. Mitchell elected assistant cashier.

LEGAL NOTICE

NOTICE OF BOND SALE

VILLAGE OF COKATO, MINNESOTA

NOTICE is hereby given that the village council of the Village of Cokato, Minnesota, will meet at the council rooms in the village hall in said village on Tuesday, the 15th day of November, 1949, at 8 o'clock P. M., for the purpose of receiving and considering sealed bids for the purchase of \$40,000 Funding Bonds of said village, dated December 1, 1949, said bonds to be in the denomination of \$1,000 each, to bear interest at the rate or rates designated by the successful bidder, payable semiannually, and to mature serially on December 1st in the amount of \$4,000 in each of the years 1950 to 1959, both inclusive, all without option of prior payment.

The village will furnish printed bonds and the approving legal opinion of Messrs. Faegre & Benson, 1260 Northwestern Bank Building, Minneapolis, Minnesota, both without cost to the purchaser.

Bids may be submitted stating one or more interest rates in multiples of one-quarter or one-tenth of one percent and the council will accept the bid providing the lowest net interest cost computed on each bond to date of payment. Sealed bids must be received by the undersigned prior to the time of said meeting, accompanied by a bank draft, certified check or cashier's check in the amount of at least \$1,000 payable to the order of the village, to be forfeited as liquidated damages in case the bid is accepted and the bidder shall fail to comply therewith. The bonds will be made payable at any suitable bank or trust company designated by the bidder and will be delivered at said place of payment or at the purchaser's office within thirty days after date of sale. The council reserves the right to reject any or all bids and to adjourn the sale if deemed expedient.

BY ORDER OF THE VILLAGE COUNCIL,
H. L. JOHNSON
Village Clerk
Village of Cokato, Minnesota

CLIFFORD E. OLSON
Village Attorney
Cokato, Minnesota

Published in Commercial West Oct. 29, 1949.

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Conditions in Europe as seen by a Minneapolis Banker

Arnulf Ueland, president Midland National Bank, Minneapolis, was home Oct. 24 from a several weeks' tour of eight European countries. Accompanied by Mrs. Ueland, he sailed from New York Aug. 11 and arrived back in New York on the Queen Elizabeth Oct. 20.

The countries they visited were England, Norway, Sweden, Denmark, Holland, Belgium, Switzerland and France.

"It was simply a visit to those countries," Mr. Ueland told Commercial West. "I made no effort at analysis of conditions and situations but, of course, did make some observations concerning them." As related by Mr. Ueland these included:

Informed people in England did not seem to expect that the next election would show any marked weakening in labor party strength.

Communist party strength is waning in the Scandinavian countries; its vote is growing less and less at each election.

Banking, according to several leaders, is heavily in savings institutions. Commercial banking is pretty strictly in the line of lending, personal use of checks as we know it in this country not being employed to any extent. Rather, the people, while they do not have more money, carry more in their pockets for current purchases.

Norway, hardest hit of the Scandinavian countries by the war, is making lots of progress. While some food and clothing items still are rationed, as in England, the shortages are not very great and there seem to be plenty of dairy products for visitors. Meats and fruits are the most lacking and still being rationed are coffee, vegetable fats, soap, etc. But the situation of the people now is much improved over what it was immediately after the war. The people are cheerful, optimistic, working hard and confident.

Sweden, of course, not having been entangled in the war, had a very high degree of prosperity right through the war. At present though, it would appear that business in Sweden is beginning to level off.

All Scandinavian countries are worried somewhat over the lower prices of pulp for paper manufac-



ARNULF UELAND
... U. S. looks good to him.

ture, which provides them with a considerable part of their business.

All countries visited are receptive to travelers and encouraging the tourist trade. A handicap to traveling was the currency exchange situation but this should be simplified by the recent money devaluations.

There was little or no evidence of black markets, the official level and free markets appearing to be coming together, excepting in England, and many did not appear to be conscious of shortages of soap, camera film and so on, but prices still are quite high.

Like most Americans traveling Europe these days, Mr. and Mrs. Ueland were glad to set foot on American soil again, "where," Mr. Ueland said, "we have freedom from the various complications now extant in the Old World."

While in Norway the Uelands spent several days visiting his ancestral home on Ueland farms in a fertile valley in Rogaland division of Southwest Norway, including a visit to the house his grandfather built and in which his father was born.

Bankers and insurance men attend short course

Bankers and insurance men together comprised the majority of "students" represented at the regular annual Farm Income Tax short course, held again this year by the University of Minnesota and Min-

nesota Bankers Association.

Total attendance was 522. Here's the occupational breakdown of bank officers and insurance men:

Presidents	11
Vice presidents	13
Cashiers	54
Assistant cashiers	18
Tellers	2
Insurance men	67

IOWA

(Continued from Page 6)

cedes will be toward more governmental activities on behalf of the people rather than less—such as a broader social security program, unemployment insurance and ultimately, some type of health insurance—not socialized medicine.

"As this trend develops, we have more and more need of men such as the men in this audience, who are devoted to the idea of things being done economically and efficiently," he said.

He told bankers that they have a responsibility to destroy the image of the supposedly unsympathetic banker which he said is hampering progress.

"And you can do it, constructively, sensibly, making a tremendous contribution by joining the team, as it were," he urged.

Roosevelt's remarks about increased government paternalism were in direct conflict with those made just before by one of the nation's most intelligent, widely-known and highly respected educators, Charles Seymour, president of Yale University.

Seymour said, "Our institutions in this country are threatened from within by the infiltration of social and political philosophies which if unchecked would undermine our essential conception of the American way of life."

"The direct challenge of Communism is only a minor aspect of our danger. Much more sinister is the growing tendency to lay all of our troubles in the lap of government..."

"We already have accepted a degree of interference by, and asked for an amount of assistance from our federal government that would have shocked our forefathers."

"Let us not forget that we pay a high price for every new step in governmental intervention and government assistance—not merely in the increase in our tax bill but in the softening of the moral fiber of our citizenry."

Iowa bankers were talking, after hearing Roosevelt's speech, about his quick skipping from one "challenge" to the next without stopping long enough to present a more thorough, learned approach to each one.

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DES MOINES 9, IOWA

Bank installs foreign currency market



Northwestern National Bank of Minneapolis now maintains a foreign currency market where currencies of foreign nations are traded at a discount in comparison with rates established abroad.

Located in the main banking floor of the bank, it is operated in conjunction with the foreign banking department.

The daily trading of Dutch guilders, Swedish kroners and English pounds began a year ago at the bank when the demands of many travelers revealed the need for such a service.

Clarence A. Wisby, assistant cashier in charge of Northwestern's foreign department, said, "Foreign currency purchased here is limited in use in that it may be bought and used only to satisfy travel needs and for the purchase of articles abroad which a traveler may wish to bring back as personal baggage."

According to the bank's foreign department, one cannot use English pounds purchased in Minneapolis for settlement of merchandise imported to this country for resale. Export trade to the United States is transacted chiefly in American dollars.

"When the 29 nations devalued their currencies," a spokesman for the bank said, "the new rate adapted was very near the so-called free market rate. For example, the pound sterling sold officially at \$4.03 before devaluation, while it was selling for \$2.80 to \$3.20 in the free market. The new value of sterling

is now officially \$2.80 as sold on today's market in Minneapolis.

"The foreign banking department of Northwestern National Bank was instituted mainly to render service. The bank is happy to assist in foreign financing and documentation. It is equipped to secure credit information from abroad and to advise on matters of foreign regulations as they effect foreign transactions."

F. P. R. A.

(Continued from Page 9)

1952. Mr. Chelsted is vice president of the Peoples First National Bank, Pittsburgh, and a leader in personnel relations work in banking, as well as public relations director of his bank.

Renamed for treasurer of the Association is Harve H. Page, second vice president Northern Trust Co., Chicago.

The board of directors of the F. P. R. A. consists of 19 members, the retiring president, ex officio, and three groups of six named for three year terms.

Among new directors named and those already working are: Rod Maclean, assistant vice president Union Bank & Trust Co., Los Angeles, who has been serving as a director under election by the

board; Horace F. Conklin, president Security National Bank, Battle Creek, Mich.; Craig R. Smith, assistant vice president Central Hanover Bank & Trust Co., New York City; J. J. Lawlor, advertising department National City Bank, New York City; John L. Chapman, trust officer City National Bank & Trust Co., Chicago, and Frank R. Warden, vice president Central National Bank, Des Moines, Iowa.

For Preston Reed, genial and efficient executive vice president of the F. P. R. A. the convention was his 25th anniversary on the job. He will, of course, continue by board appointment, as will Miss Lucy David, secretary.

Banco dividend

J. Cameron Thomson, president Northwest Bancorporation announces a regular quarterly dividend of 25 cents per share, payable Nov. 25, to the stockholders of record Nov. 10, on 1,547,767 shares of stock outstanding. This will make a total of \$1.20 per share in dividends for 1949, compared to \$1.00 in 1948. A regular quarterly dividend of 25 cents per share plus a special dividend of 20 cents was paid Feb. 25. Quarterly dividends of 25 cents per share also were paid May 25 and Aug. 25.

MAKERS OF MINNESOTA

Sponsored by the Minnesota Historical Society

Cushman K. Davis

7th GOVERNOR OF MINN. 1874-1876
U.S. SENATOR 1887-1900



IN JUNE, 1873, SWARMS OF ROCKY MOUNTAIN LOCUSTS CAME ACROSS THE DAKOTA BORDER AND INVADED 13 SOUTHWESTERN COUNTIES. BY 1874 THE REGION WAS ALMOST LAID BARE. GOV. DAVIS REQUESTED COUNTY BOARDS TO RAISE MONEY; \$19,000 WAS RAISED FOR THE PEOPLE OF THE DEVASTATED AREA.



HE PRACTICED LAW IN ST. PAUL, AND WAS ONE OF THE ABLEST AND MOST PROMINENT MEMBERS OF THE BAR.

DURING THE SPANISH AMERICAN WAR HE WAS THE CHAIRMAN OF THE SENATE COMMITTEE ON FOREIGN RELATIONS. IN 1898 HE WAS APPOINTED ONE OF THE U.S. COMMISSIONERS TO NEGOTIATE THE TREATY OF PEACE WITH SPAIN.

1849 Minnesota Territorial Centennial 1949

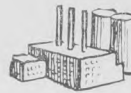
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KERN

BANKS Bought and Sold

Confidentially and with becoming dignity
BANK EMPLOYEES PLACED

45 Years of Satisfactory Service
CHARLES E. WALTERS CO.
OMAHA, NEBRASKA



Fall activity is beginning to make its presence evident by increasing production of Upper Midwest industries, additions to employment rolls and increasing payrolls.

Inventories were kept well in hand by factories and jobbers while business was shading down in early months of the year and these now are being built up.

Further evidence of resurgent enterprise is seen in a moderate increase of factory loans by commercial banks for expansion, purchase of raw materials, and so on.

Brown & Bigelow

Biggest September business in the company's history, said Charles A. Ward, president and general manager of Brown & Bigelow, St. Paul, in announcing sales spurt of 23 per cent over September, 1948, to hit \$3,557,483, and jump in orders of 37 per cent for total of 31,849. Uniform boosts in each of the company's 50 sales districts accounted for the increase, Mr. Ward said, adding that the gain was general in the company's six main lines of calendars, metal and plastic specialties, playing cards, leather, engraving, and direct mail. Outlook for the balance of the year is "extremely favorable," he said.

Archer-Daniels-Midland

First entrance of the Archer-Daniels-Midland Co. into the edible oil market will come Oct. 30 when its new soybean oil refinery swings into action at Decatur, Ill. These new edible lines will be named Super-soy "S" and Super-soy "C", states T. L. Daniels, A-D-M's president, Minneapolis. They are intended to be used in salad dressings, mayonnaise, potato chips, popcorn and in canned sardines and tuna fish. Also Mr. Daniels announced that a new pilot plant will be constructed in Minneapolis to be in operation by next spring for development and evaluation of production methods of other new products to come out of the company's factories.

Northern Pacific Railway

Northern Pacific Railway Co. has moved its Minneapolis freight traffic office from the Rand Tower to the new Minnesota Federal Savings & Loan building, Sixth and Mar-

quette, where it will be located on the second floor. J. P. Roddy is assistant general freight agent in charge of the Minneapolis office.

Russell-Miller Milling Co.

Russell-Miller Milling Co., (Minneapolis) stockholders at the annual meeting Oct. 20, elected Rowley Miller treasurer. He had been assistant treasurer. He is a son of L. F. Miller, president of the company, and represents the fourth generation of the Miller family in the company, his great grandfather, John Russell, and his grandfather, Arthur Miller, having founded the company in 1882 at Valley City, N. D. Paul Christopherson, a partner in the Minneapolis law firm of Faegre & Benson, was elected a new director. A dividend of 30 cents a share on common stock was declared, payable Nov. 1 to stockholders of record Oct. 26.

Transportation Forum

A national transportation forum, first of its kind ever held anywhere, was presented at Omaha Oct. 28 to discuss how the transportation system can do a better job for the people of the Central West. National authorities representing all forms of transportation appeared on the platform together, along with outstanding experts representing users and investors. Representing the Upper Midwest as user was Earl B. Smith, vice president and director of traffic, General Mills, Inc., Minneapolis.

Among sponsors of the program are W. Dale Clark, chairman Omaha National Bank; H. L. Horton, president Iowa-Des Moines National Bank, and James D. Milliken, president Fremont (Neb.) National Bank. Lloyd H. Mattson, Industrial Chemical Laboratories, Omaha, was general chairman of the forum.

Employers Association

At the recent annual election of Minnesota Employers Association in St. Paul, C. I. McNair, Northwest Paper Co., Cloquet, was elected president. Other officers were re-elected including D. B. Botkin, vice president; W. F. Davidson, secretary, both of St. Paul, and R. F. Sturley, cashier First National Bank, St. Paul, treasurer.



JOHN MOSLER

Mosler Safe Co.

John Mosler and Martin S. Coleman have been elected directors of Mosler Safe Co., it is announced by Edwin H. Mosler, president. John Mosler, who also has been appointed director of sales, is the fourth generation of the family in the business. He attended Exeter and Princeton University.

Mr. Coleman, a graduate of the School of Accounting at New York University, is controller of the company.

M. & St. L. fruit house

M. & St. L. Railway, Minneapolis, will erect in 1950 a large and modern fruit house in the commission house district just north of the loop, on former public market property which it has owned for four years and recently was used as a parking lot, states L. C. Sprague, M. & St. L.'s president. The site is 330 feet long and 165 wide and was bought from Walker family interests. The entire tract will be used for spur tracks, truck loading platforms and construction of a large perishable fruit and vegetable warming house into which cars can be run directly for unloading. Only two blocks from downtown stores the new fruit house will provide fast and efficient handling of perishable foods for wholesale and retail establishments, Mr. Sprague says.

M. & O. Paper

Minnesota & Ontario Paper Co., headquarters Minneapolis, has innovated an advance in detailed information for stockholders by pro-

viding them in its third quarter and nine months report with detailed information about its financial progress and important facts of its operations. The report accompanied third quarter dividend checks to shareholders.

This is in addition to similarly applied detail presented in the annual report.

Donald D. Davis, M. & O. president, in signing the report, stated: "It is presently planned to forward to our shareholders a report such as this on the results of the first, second and third quarters of each calendar year. The report for the fourth quarter will be included in the annual report."

Including the third quarter the consolidated report for nine months, including the U. S. and Canadian companies, shows net earnings of \$2,449,366, equivalent to \$1.90 a share compared with \$4,742,685 in 1948 and \$3.69 a share. Current assets are given as \$17,611,431 while current liabilities are stated as \$5,183,378, a ratio of more than 3 to 1 in assets over liabilities.

M. & St. L. Railway



Irene Rieke

Irene Rieke of Minneapolis, assistant secretary of the M. & St. L. Ry. law department staff, was unanimously elected president of National Association of Railroad Women at the closing session of its 1949 annual meeting in Quebec.

The organization, comprising women officials and employes in railroad offices, has chapters in the Twin Cities and throughout the United States and Canada.

Miss Rieke and Hazel R. Williams, special representative of the M. & St. L. traffic department, were among a group of several delegates from the Minneapolis-St. Paul Chapter at the Quebec convention.

U. S. Steel Corp.

Minnesota was honored nationally Oct. 23 when the U. S. Steel Corp. broadcast its weekly Sunday evening program, "The Theater Guild On The Air," from Northrup Memorial auditorium on the University of Minnesota's campus. This was the program's first visit to the state.

The hour program, usually broadcast from New York, starred Van Heflin and Celeste Holm, was entitled "The Thunderbolt."

Rudolph T. Elstad, president Oliver Iron Mining Co., Duluth, U. S.

Steel's Minnesota subsidiary, and host for the affair, spoke before "on-the-air" time and conveyed the message of Irving S. Olds, U. S. S. chairman, who was unavoidably detained because of strike difficulties.

Dreng Bjornaraa, St. Paul, Oliver Iron Mining's Twin Cities public relations man, handled program arrangements in detail efficiency.

The broadcast was to assist in celebrating Minnesota's territorial centennial.

Fadell Co.



EBEN M. GRUNDY

Eben M. Grundy has been named director of production of the Fadell Co., advertising and public relations agency with offices in the Northwestern Bank building, it is announced by Michael J. Fadell, general manager.

Grundy started in the advertising business in Chicago 24 years ago, came to Fadell early in 1949 with a background of experience in banking and food accounts. For 12 years he was advertising and promotion manager for Fairway Food Stores, and has also been account executive with McCann-Erickson and Knox Reeves advertising agencies.

In his new position Grundy will supervise production of newspaper, magazine, billboard and display advertising for Fadell Co. clients and is account executive for the Marquette National Bank, Minneapolis.

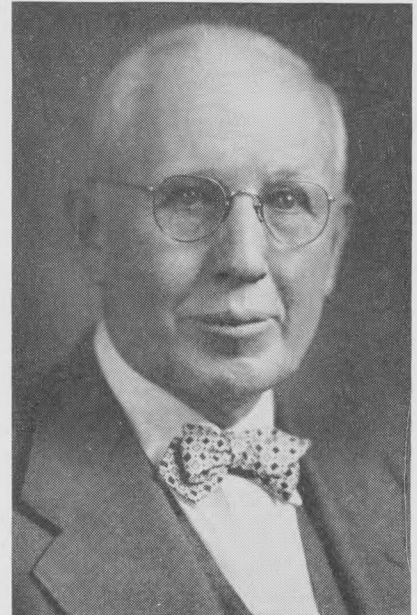
Minneapolis-Moline Co.

Minneapolis-Moline Co. directors on Oct. 11 declared cash dividends of \$1.375 a share on the \$5.50 cumulative convertible first preferred stock, \$375 a share on the \$1.50 cumulative convertible preferred and .30 a share on the common, all

payable Nov. 15 to shareholders of record Oct. 24. Dividends also at the new rates will be paid on unexchanged shares of the old Minneapolis-Moline Power Implement Co., both preferred and common, except in the case of holders who effectively dissented from the merger of the old company with the new Minneapolis-Moline Co.

"From Adam to Atom" is the intriguing title of a series of addresses to farm and civic groups being made in Minneapolis-Moline Co. trade territory by Bon D. Grussing, advertising and sales promotion manager of the company. Citing private enterprise as the key to the nation's economic progress, Mr. Grussing takes his hearers down the years from the time of Adam to the day of the atom bomb which changed world concepts of the machines of war. Presenting agriculture as the world's greatest industry, Mr. Grussing warned against the depletion of the earth's rich six to 12 inches of food-producing soil and urged its conservation by every possible means to hold the land in trust for future generations.

Schmidt Brewing Co.



LAWRENCE A. CARR

... general manager of the Jacob Schmidt Brewing Co., who has been elected a director of American National Bank, St. Paul. Mr. Carr, also secretary-treasurer North American Creameries, Inc., is a native of Minneapolis, from 1920 to 1943 was in tax accounting practice. Mr. Carr resides with his family at 4501 Arden avenue, Minneapolis, is a member of various civic and social organizations, among them the Minneapolis Club and Minikahda Club.

25 Years Ago

FROM COMMERCIAL WEST NOV. 1, 1924

James B. Forgan, dean of the Chicago banking fraternity, chairman of the board of both the First National Bank and First Trust & Savings Bank, died at Presbyterian Hospital, Chicago, Oct. 27. He came to Minneapolis in 1885 to manage a branch of the Bank of British Columbia and in 1888 became cashier and managing officer of the Northwestern National Bank of Minneapolis. While in that capacity Lyman J. Gage, president First National Bank of Chicago, offered him the post of vice president in 1892 which he accepted, becoming president in 1900 and chairman in 1916. As one of the banking authorities of the U. S., Mr. Forgan played a large part in formation of the Federal Reserve System.

FROM THE EDITORIALS: That the Northwest has entered upon a new era of prosperity is evident to anyone who will take the time to analyze the present situation. It is due to Mother Nature's gift of good crops and not to legislation either national or state, nor by any cooperative effort on the part of man.

Total value of the wheat crop in the Province of Alberta, Canada, in 1924, based on the Winnipeg price Oct. 1, of \$1.35 a bushel, was more than \$120,000,000.

George H. Richards, secretary of the Minnesota Bankers Association, attended a dinner given by the Jackson County Bankers Association at Heron Lake Oct. 22. J. J. Maloney, cashier of the Farmers State Bank of Heron Lake, acted as toastmaster and about 30 bankers attended.

Eugene M. Stevens, vice president of the Illinois Merchants Trust Co., is slated for the presidency of the Bankers Club of Chicago when the annual meeting is held in December.

Olmsted County Bankers Association, in session recently, voted to give \$200 for cash prizes at the Junior Livestock Show to be held at Rochester, Minn., this week.

C. T. Jaffray, president of the Soo Line and chairman of the Agricultural Credit Corp., was the principal speaker before members of the Minneapolis Chapter of the American Institute of Banking at a dinner in Dayton's Tea Rooms Wednesday evening, Oct. 28. "We shall have a sounder business on a better basis next year than we have had for four or five years past," Mr. Jaffray said.

San Francisco's five national banks had deposits of \$266,564,000 at time of the Oct. 10 national bank call. This total compares with \$209,735,000 when the June 30 call was issued.

Harry W. Goodwin, president Bank of Hartland, Hartland, Wis., died Oct. 13 at a hospital in Milwaukee after a short illness. He was 64 years old.

H. J. Coleman of Eveleth, Minn., has purchased the controlling interest in the Mountain Iron First State Bank from the Mountain Iron Store Co., and has been elected vice president.

State Bank of Langdon, Langdon, N. D., is open for business with capital of \$25,000. Neill Power is president.

C. A. Gray has been advanced from assistant cashier to cashier of Superior (Wis.) State Bank, succeeding O. H. Whittaker who resigned because of ill health.

R. L. Ohman has purchased an interest in the Clarinda (Iowa) National Bank and has been elected vice president.

W. N. Purdy, cashier Security Bank & Trust Co., Bozeman, Mont., has resigned to devote his time to his interests in the Gallatin Valley Seed Co., of which he is treasurer.

Aggregate deposits of Minneapolis banks as of the Oct. 10 national bank call were \$319,225,000, previous high record having been \$272,492,000 at the time of the March 31 call this year. It is the first time the \$300,000,000 mark has been chalked up in this city.

Iron ore shipped from the mines of Northern Minnesota in 1923 totaled 44,348,296 tons compared with 28,768,960 in 1922.

Mineral production of Ontario, Canada, in the first six months of last year totaled \$37,997,776 while that for the whole year of 1893 was only \$6,120,753.

Everett A. Baker, auditor Hennepin County Savings Bank of Minneapolis, was the honored guest Oct. 27 at a party tendered by the force of the bank. He had been with the bank 15 years and was leaving to return to his former home in the East.

WANT ADS

RATES IN THIS DEPARTMENT are ten (10) cents per word, fifteen (15) cents in capital letters or bold face type.

FOR SALE

Used O. B. McClintock steel and bullet proof glass fixtures 20' in length with three teller windows and one door. Bargain if taken at once.

State Bank of Arthur
Arthur, Illinois

Grade A Burglar Alarm, Microphone suitable for large vault, nearly new, all complete, half price. Box 917 Commercial West.

Established Exchange and Insurance Agency located in central North Dakota. Brick bank building complete with vault, safe and safety deposit boxes. It is the only depositing facility in 25 mile radius, also large volume of insurance on books, 4½ room apartment included. Wise investment for a future-minded man. Box 920 Commercial West. 10-29

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All Negotiations Confidential
25 Years Experience
HENRY H. BYERS, PRESIDENT
BANKERS SERVICE Co.
DES MOINES 9, IOWA

BANKS WANTED

We have several clients who are interested in purchasing minority or controlling interests in banks in Minnesota and surrounding states. If you are interested in selling your bank, we will appreciate hearing from you. All correspondence is treated in a strictly confidential manner.

W. R. OLSON COMPANY

Fergus Falls, Minn.

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Confidentially and with becoming dignity
BANK EMPLOYEES PLACED

45 Years of Satisfactory Service
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Wheelchairs
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RAILROADS

(Continued from Page 8)

that had been asked for, except in instances where more was secured than had been asked for. So long as such public policies are continued, railroad management will have no more control over payroll costs than it has been able to exercise in recent years. That means, next to none.

Without taking into consideration the additions resulting from the establishment of the 40-hour week, annual payroll costs now amount to about a billion dollars more than they were in the peak war year, when the railroads were performing almost 50 per cent greater freight service volume than they now are, and more than twice as great passenger service volume.

With payroll costs representing more than two-thirds of railroad operating costs, it is perfectly obvious that progress toward reduction in operating cost is contingent on the cooperation of employes encouraging improvements in equipment, tools and plant that will be productive of operating savings. In recent experience such cooperation has been lacking. Instead, it has been the habit, encouraged by public policies, to insist that the advantages of all such savings be absorbed for the benefit of employes.

Perhaps the most significant thing in connection with the present situation in the railroad industry is the fact that wages of railroad employes have advanced so much more than railroad rates. Up to September, increases in freight rates since the end of the war, estimated by the Interstate Commerce Commission to have aggregated more than 50 per cent, had added less than 27 per cent to average railroad revenue for hauling a ton of freight a mile.

In the same period average hourly wages of employes went up considerably more than 40 per cent. The price of the principle product the railroads sell, and the rate at which they must pay for the most costly element in its productions, both are influenced more by government policies than by anything else.

Under these conditions if private ownership is unable to withstand the test it now appears it may shortly

face, public regulation must accept its share of the responsibility.

National City bank promotes two

The National City Bank of New York has promoted Clifford D. Rahmer and Highland C. Moore from assistant vice presidents to vice presidents.

Mr. Rahmer succeeds Louis P. Sperry, vice president at head office supervising the bank's activities in Pennsylvania, New Jersey, Delaware, West Virginia and Kentucky. He was until 1945 manager of the bank's 57th Street Branch and was transferred to the midwestern district at head office to become better acquainted with the accounts of the domestic division outside New York City. Recently he has been associated with Mr. Sperry in handling the latter's eastern state section.

Mr. Sperry relinquishes his duties in district work to become associated with Vice President Hobart M. McPherson in the management of the 5th Avenue branch which will open in its new quarters at 5th Avenue and 51st Street about Dec. 12. This National City unit is being transferred to 57th Avenue from its present location at 9 West 51st Street to one of the finest and most modernly appointed bank quarters in New York City. It serves some of the country's greatest industries having headquarters or branch affiliations in uptown New York.

Mr. Moore will continue to be identified with the 42nd St. and Madison avenue branch.

The Hoppers (Iowa) Savings Bank has increased its capital from \$25,000 to \$50,000.

Turkey losses in the Oct. 10 wind-storm were small, reports Farm Owners Mutual Insurance Co., St. Paul. Most liability ends Oct. 31, and the company says loss ratios have been about 15 per cent so far this year.

Is Your Town Big Enough?

. . . to support a good Swedish masseur, we mean. Probably not, but you can enjoy a rejuvenating steam bath and expert massage as often as you are in Minneapolis. Just stop in and see Fritz at

Moe Health Studio

Builders Exchange

609 Second Ave. So.



You already know how U. S. Savings Bonds are building future security for each Bond holder. You know that at maturity each Bond will return \$4 for every \$3 he invests.

But have you realized how much you can help to assure the future security of your company by vigorously promoting your Payroll Savings Plan?

IT WORKS TWO WAYS

First—by boosting employee-participation in the Plan, you increase the security, stability, and effectiveness of your personnel group. More than 20,000 companies with Payroll Savings know that corporate success is tied directly to the security of its individual employees. Your workers who invest in Bonds as a hedge against their own personal financial contingencies will enjoy greater peace of mind—will be more contented, more careful, and more productive on the job. Your company will benefit from the resulting decrease in absenteeism, labor turnover, and accidents.

Secondly—you help to strengthen the national economy from which your company must continue to draw its profits. Bond dollars represent a tremendous backlog of deferred purchasing power—dollars that will buy your products in the years to come!

Furthermore, Savings Bond sales spread our national debt.

FIVE STEPS THAT BUILD SECURITY

1. See that a top management man sponsors the Plan.
2. Secure the help of the employee organizations in promoting it.
3. Adequately use posters and leaflets and run stories and editorials in company publications to inform employees of the Plan's benefits to them.
4. Make a person-to-person canvass once a year, to sign up participants.

These first four steps should win you 40-60% participation. Normal employee turnover necessitates one more step:

5. Urge each new employee, at the time he is hired, to sign up.

The experience of companies throughout the nation indicates that at least half of your employees can be persuaded to join—without high-pressure selling. All the help you need is available from your State Director, U. S. Treasury Department, Savings Bonds Division. He is listed in your phone book.

The Treasury Department acknowledges with appreciation the publication of this message by

Commercial West

This is an official U.S. Treasury advertisement prepared under the auspices of the Treasury Department and the Advertising Council





Reproduced from an original painting by the South American artist, F. Molina Campos

FIRST DAY OF THE MONTH

The gauchos flock to the store—their banking institution—where they exchange their “vales” or pay checks.

After paying their bills, with what is left, some can afford a demijohn of wine to take home. Another prefers to have his fun right there with the bottle. Another, not so well off, takes to music—the accordion. The elder man listens to the music; that's plenty for him. The one at the bar is negotiating for credit. He'll pay, all right, he tells the proprietor when the next check comes along . . . if he gets a job.

* * *

Some of these gauchos were a carefree lot—spending their money gaily with no special regard for their future security. Fortunately, these colorful gauchos are not typical of the hard-working men who till the soil everywhere. The farmer of today knows it is important to plan for the future . . . to use modern machines and modern methods . . . to produce good yields of food and fiber now . . . to protect the soil and maintain its fertility and productivity.



Minneapolis-Moline is working closely with the farmer to help guard his future and the future of his land. By providing modern machines built to do the work faster and better, MM is making the farmer's work easier and more productive. MM's **Modern Machines** are designed to aid conservation of the soil and to help the farmer work the land scientifically . . . to help increase the fertility of the soil to adequately feed this generation and the generations to follow.

MM **Modern Machines**, **Visionlined Tractors** and **Power Units** are quality built, carefully engineered and ruggedly constructed . . . **designed to deliver** utmost service every season of the year. MM is helping **stabilize the agricultural industry** wherever the soil is tilled by modern methods and modern machinery!

Bankers who advise the progressive farmer know that MM **Modern Machines** are a secure investment for the farmer's future . . . the future of agriculture . . . the future of men everywhere who depend on the food, fiber and edible oils from the soil.

MINNEAPOLIS-MOLINE

MINNEAPOLIS 1, MINNESOTA, U. S. A.

Quality Modern Machines Built
To Do The Work

