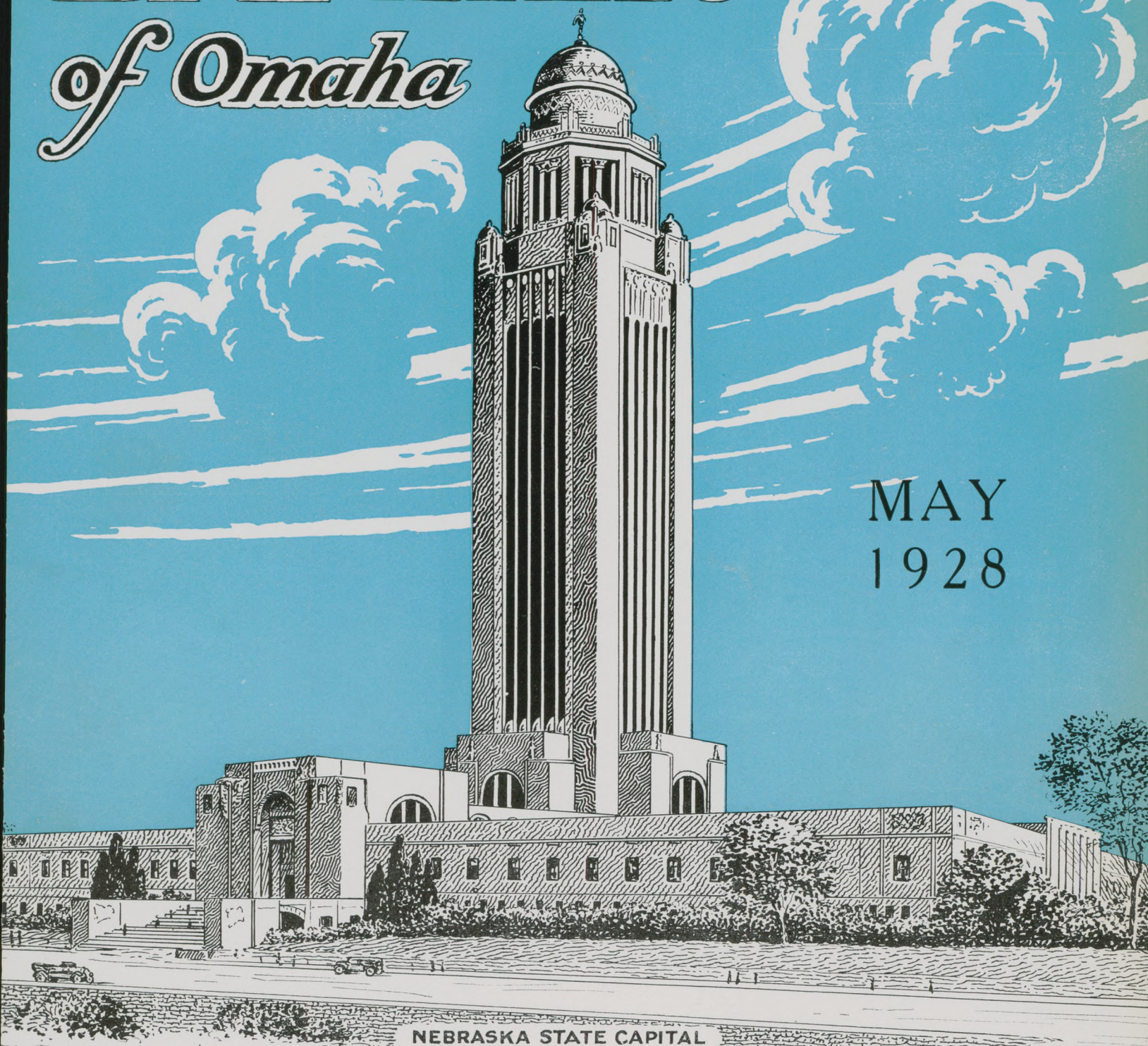


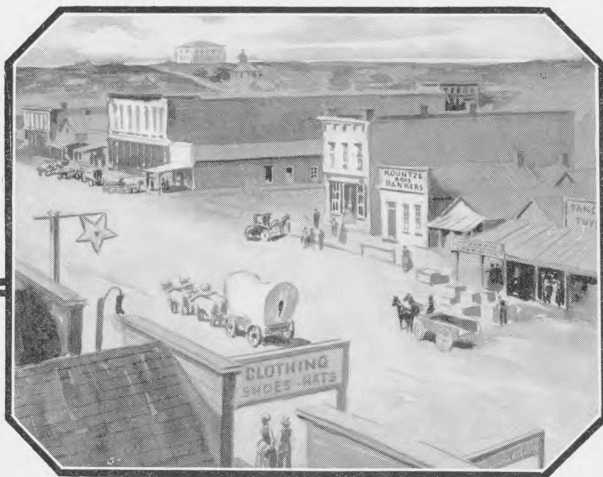
CENTRAL WESTERN BANKER *of Omaha*



MAY
1928

NEBRASKA STATE CAPITAL

Bankers of Central West Predict
Good Business Year



Farnam Street August 1st 1857

Serving Nebraska

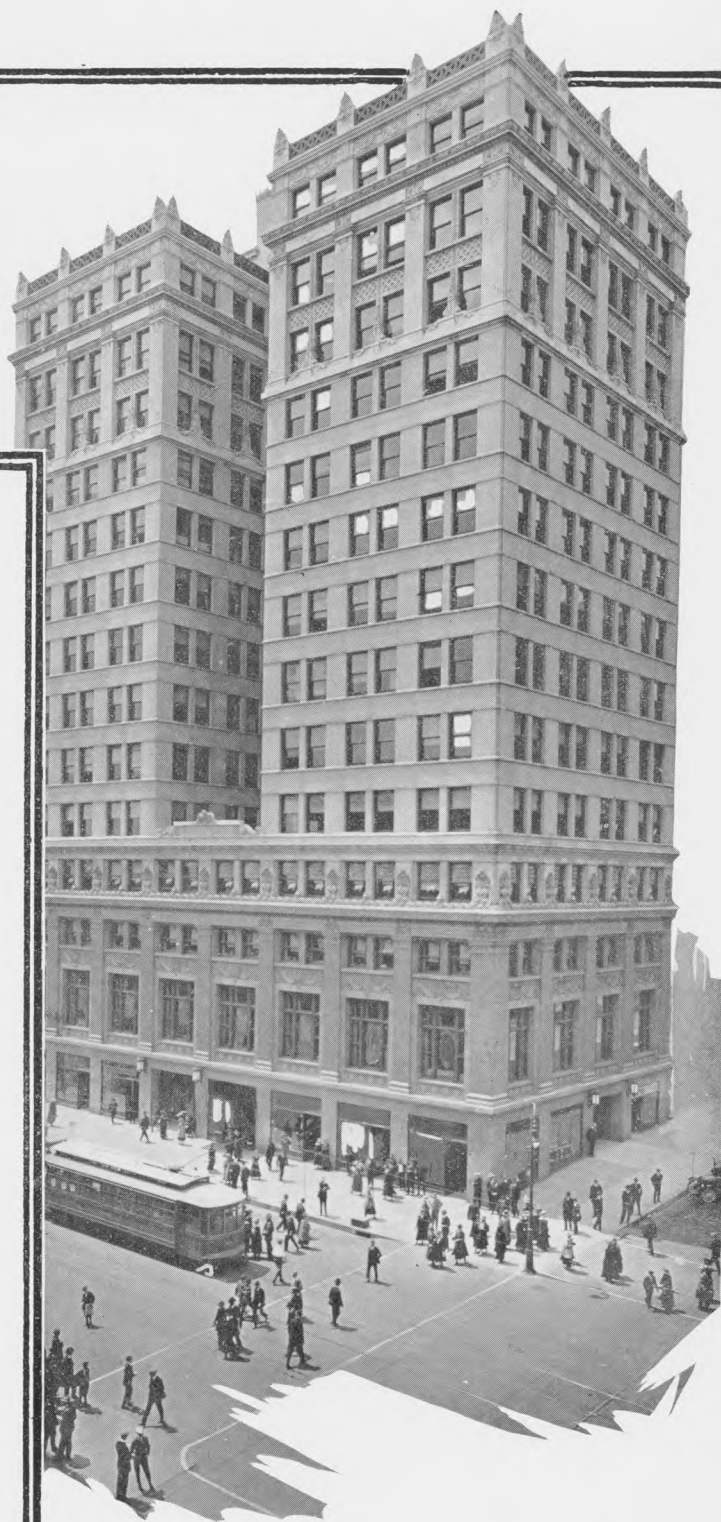
Since 1857

The First National Bank of Omaha is the oldest bank in the state of Nebraska, having been organized seventy-one years ago as Kountze Brothers.

It has the oldest national charter in the state, and is one of the oldest banks in the middlewest.

For seventy-one years it has been of service to its customers. Some of its correspondent banks have been doing business with the First National Bank of Omaha for more than half a century.

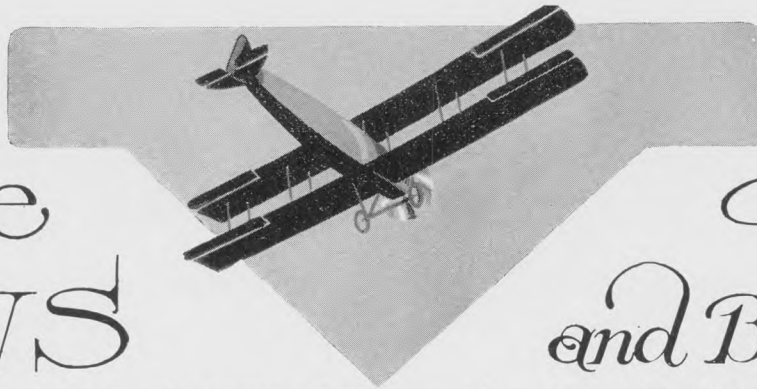
Specialized investment service and advice is offered to our correspondent banks through the First Trust Company



**First National
Bank of Omaha**

FIRST TRUST COMPANY

Last minute NEWS



of Banks and Bankers

THE South Dakota Bankers Association will hold its annual convention June 7 and 8 at Sioux Falls. Secretary George A. Starring announces, in addition to a big banquet, music, stunts, dance, theatre party, sight-seeing tours, the following speakers: Thornton Cooke of the A. B. A.; Dean Dan H. Otis, A. B. A.; Fred R. Smith, South Dakota banking superintendent; F. J. Parry, vice-president, American Surety Co.; Henry D. Baker, editor, Commercial West; and a representative of the Bureau of Aeronautics.

DALE GRAHAM, vice-president of the Mississippi Valley Trust Co., St. Louis, has been elected assistant vice-president, the National Park Bank of New York. He is a past president of the St. Louis chapter, American Institute of Banking, and was a member of the faculty at St. Louis University.

JAMES R. CONNELL, a lifelong resident of Omaha, has been appointed district representative for the bond department of the Illinois Merchants Trust company, Chicago, and has opened an office in the First National Bank building, Omaha. His territory will include western Iowa and all of Nebraska.

REUBEN A. LEWIS, Jr., has been appointed deputy manager of the A. B. A. and secretary of the Trust Company Division. He was formerly connected with the New York Journal of Commerce.

LUCIUS TETER, president of the Chicago Trust Company, has returned from a three months European trip, during which he visited England, France, and Italy.

SECRETARY John Romersa, of the Montana Bankers Association, announces that organization will henceforth pay a two thousand dollar reward for dead bank bandits. Montana bankers are convinced the only good bandit is a "dead" one.

THE Chicago Trust company celebrated its 26th anniversary. The bank now has over five hundred employes and resources exceeding forty-two million dollars.

THE expected melon cut recently by the American Telephone and Telegraph company, which voted \$185,000,000 of new stock to stockholders at \$100 a share, in a ratio of one to six, carried a value of about \$154,000,000. Small stockholders may pay for the new stock in installments.

DAN V. STEPHENS, president of the Fremont State Bank, announces the formation of the Fremont State Company, with headquarters in the rear of the Fremont State, which will make small personal loans, without collateral, on the same plan as was recently announced by the National City Bank of New York. R. A. Johnson, formerly athletic director of the Fremont High School, will be manager. Mr. Stephens is president of the new company.

MERGER plans adopted by the boards of the Bank of America National Association, the Bowery and East River National Bank, and the Commercial Exchange National Bank of New York have been approved by the stockholders of the Bank of America. A. H. Giannini, president of the Bowery and East River, and chairman of the Bank of America, will continue in those offices after the consolidation.

THE First National Bank of Chicago and affiliated institutions, the First Trust and Savings and the National Safe Deposit company, recently opened their new banking rooms and vaults. The completed 18 story structure alteration cost in excess of eight million dollars.

MAX F. ROESTI has been elected vice-president of the National Shawmut Bank of Boston. He will represent the bank in Europe.

RENEWED efforts to get favorable action on the Goodwin bill to permit taxation of national banks by states, have been made in Washington before the house committee on (Continued on Page 14)

Vol. 23 No. 5 MAY, 1928

In This Issue

	Page
Under New Management	4
Predict Good Business Year	6
Giving the World a "Great Idea"	9
Will Send Judging Champs to England	10
The Bank is Liable	11
The Oldest State Bank in Nebraska	13
The Securities Market and a Growing Nation	15
<small>By JOHN L. MOODY</small>	
What Insurance Means to Nebraska	21
<small>By HON. JOHN R. DUMONT</small>	
Nebraska News	24
News From the Yards	27
South Dakota News	29
Kansas News	30

THE CENTRAL WESTERN BANKER OF OMAHA
Published monthly at 416 Arthur Bldg., Omaha, Nebraska
Subscription, 25 cents per copy; \$2.00 per year.
Entered as second-class matter at the Omaha postoffice.

Central Western Banker Under New Management

Magazine in Its Twenty-Third Year is Purchased
by the DePuy Publishing Company

WITH this issue the CENTRAL WESTERN BANKER of Omaha is published under new management.

The magazine is now owned by the DePuy Publishing Company of which Clifford DePuy, Des Moines, is president. It was purchased this month from C. C. Jones, L. B. McBride and associates of Kansas City, Missouri. At the same time the Western Financier, a companion publication, was sold to G. D. Mathews, of Kansas City.

The CENTRAL WESTERN BANKER will be continued as a monthly publication, published and printed in Omaha, for bankers of Nebraska, Kansas, Colorado, South Dakota and adjoining states. Under the experienced management of the DePuy Publishing Company, a great many improved features will be added from month to month, including attractive new covers, a monthly legal department, a bond and investment section, insurance section, improved news service, together with a greatly enlarged feature section. Omaha offices of the CENTRAL WESTERN BANKER will remain at 416 Arthur Bldg.

THE CENTRAL WESTERN BANKER, now in its twenty-third year, has a fine historical background of service to bankers of the central west. It was originally started as the Western Banker by the late Clement Chase of Omaha, in 1905. Mr. Chase also started the Central Banker of Chicago. The two magazines were later consolidated as the CENTRAL WESTERN BANKER of Omaha.

Upon the death of Mr. Chase the magazine was purchased from the Chase estate by C. C. Jones, L. B. McBride and associates, from whom it has now been purchased by Mr. DePuy.

Mr. DePuy needs no introduction to bankers of the central west. Six-

teen years ago, at the death of his father, Emerson DePuy, he became publisher of the Northwestern Banker, Des Moines, the oldest banking publication west of the Mississippi river, now in its 33rd year. He is a past president of the Des Moines Chamber of Commerce, the Des Moines Advertising and Rotary clubs, and was recently national treasurer of Sigma Delta Chi, national journalistic fraternity. He is also publisher of the Underwriters Review, a bi-weekly insurance publication published at Des Moines, and publishes the Iowa Bank Directory in conjunction with the Northwestern Banker.

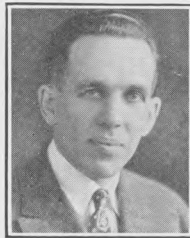
The CENTRAL WESTERN BANKER of Omaha will in no way be connected with the Northwestern Banker, but will be published and edited separately with especial emphasis on Nebraska and adjacent territory. Its editorial and business staff will consist of the following members: Associate publisher, G. A. Snider; editor, R. W.

Moorhead; associate editor, H. H. Haynes; vice-president, Wm. H. Maas, Chicago.

The new management of the CENTRAL WESTERN BANKER takes pride in the appearance and context of this, the first issue under DePuy management. The publisher is confident that the magazine is serving a very important banking field, and is now enthusiastically planning to make it of real service and inspiration to the large clientele it is now serving.

Since the announcement of the purchase of the CENTRAL WESTERN BANKER of Omaha, by the DePuy management, many letters from bankers in Nebraska and adjoining states, have been received, anticipating the benefits they expect to derive from future issues and welcoming the new publisher into their midst. "We in Omaha," says Victor B. Smith, vice-president of the Omaha National Bank, "are very much interested in the purchase of the CENTRAL WESTERN BANKER by the DePuy organization. We know what to expect from the new ownership and from our contacts with members of the organization we look forward with pleasure to the closer relationship which will necessarily come as a result of their activities in this territory."

I. R. Alter, vice president of the First National Bank of Grand Island, a former president of the Nebraska Bankers' Association, says: "Just a congratulatory work on your acquisition of the CENTRAL WESTERN BANKER of Omaha. If ever Nebraska needed the dissemination of educational, intelligent and constructive banking matter, it needs it now and a mighty good opportunity exists for you. Here are the best wishes of the First Na-



CLIFFORD DEPUY
Publisher

OUR PLEDGE!

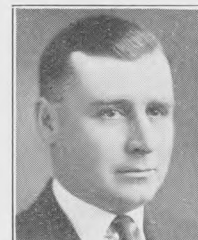
"To present timely news of banks and bankers in Nebraska and adjoining states, to offer them an opportunity to discuss in the columns of this magazine their intimate banking problems, and to render them a truly informative service at all times, will be the aim and inspiration of the new management of the CENTRAL WESTERN BANKER of Omaha."



G. A. SNIDER
Associate Publisher



R. W. MOORHEAD
Editor



H. H. HAYNES
Associate Editor



WM. H. MAAS
Vice-President

Central Western Banker, May, 1928

tional Bank of Grand Island for your success!"

P. R. Easterday, vice-president of the First National of Lincoln, says: "We have just learned of your purchase of the CENTRAL WESTERN BANKER of Omaha, and extend our congratulations. Your organization knows how to publish good magazines and we have no doubt of your success with the new addition to your operations."

"I want to congratulate you," says C. A. McCloud, veteran president of the First National at York, Nebraska, "on your purchase of the CENTRAL WESTERN BANKER of Omaha. You are now in an excellent position to render most valuable service to Nebraska

bankers. Here's wishing you success!"

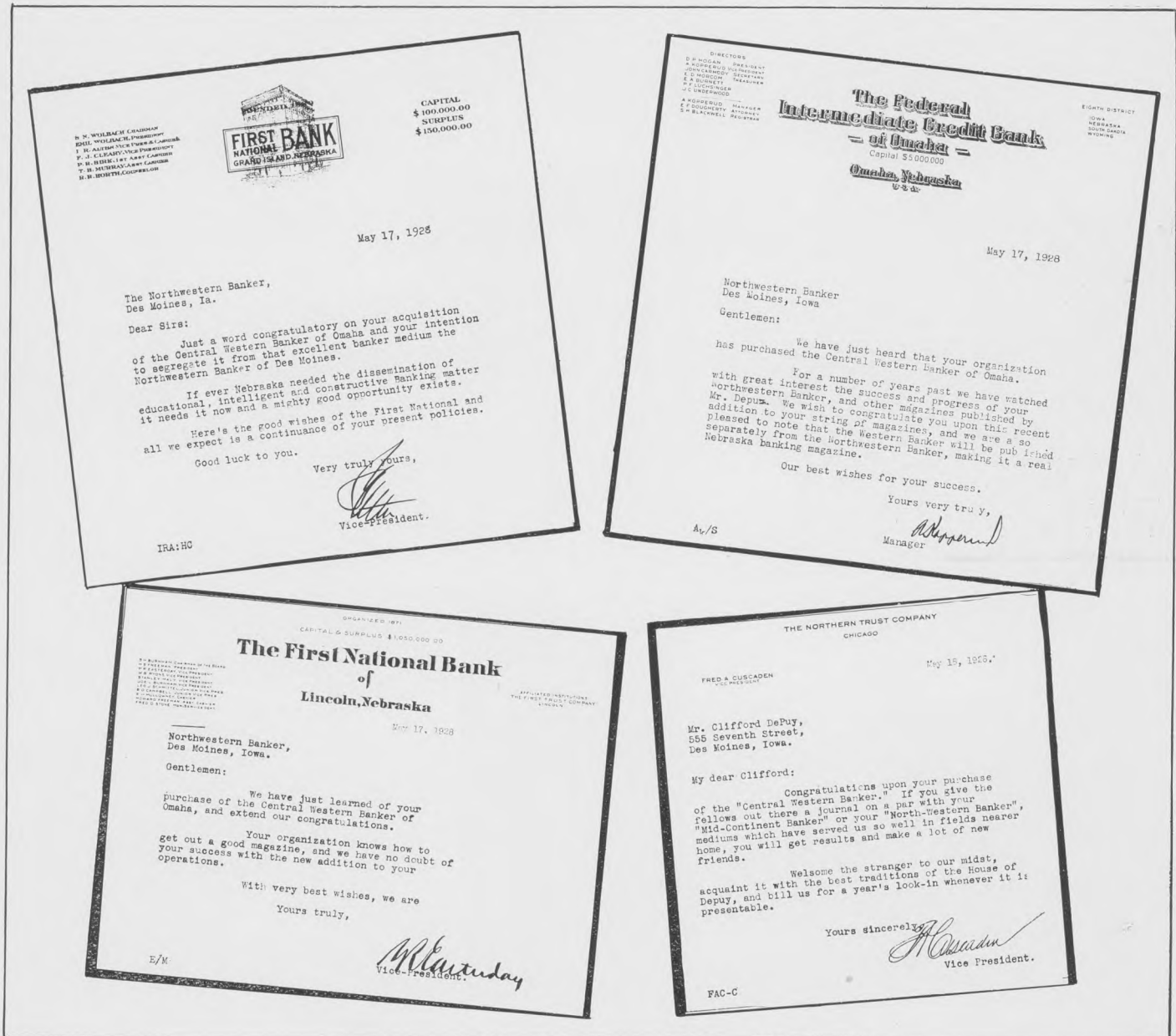
Fred W. Thomas, vice-president of the First National of Omaha, writes: "We are much pleased to learn that you have acquired the CENTRAL WESTERN BANKER of Omaha. We know from experience with your other publications that you will make the newly acquired magazine a good, live, dependable publication. The bankers of this territory have long needed such a publication and I know that the CENTRAL WESTERN BANKER, under your direction, will achieve great success."

There is a definite need in Nebraska for such a publication as is planned by the DePuy organization in

the newly acquired CENTRAL WESTERN BANKER of Omaha, in the opinion of C. J. Claassen, vice-president of the Peters National Bank of Omaha. He adds: "Those of us in Nebraska who have our noses to the grindstone to figure out what is best to do with conditions as they are (not as they used to be or ought to be) have been getting much gratification and considerable inspiration from reading a bank journal that reflects our conditions and understands our local problems. I congratulate you upon your purchase of the CENTRAL WESTERN BANNER and also the bankers of this territory whom you will serve through your new medium."

(Continued on Page 36)

What Our Readers Say



Bankers of Central West

Prospects Fine for Good Crop Year

By C. F. Anderson, Assistant to President,
State Bank of Omaha

I have your favor of May 4th, advising that in your next issue you plan an article dealing with Nebraska 1928 business outlook, and request me to give you a few words as to our viewpoint of the outlook, etc.

Last year Nebraska enjoyed abundant crops with good prices, which resulted in payment of a large amount of old indebtedness and carry-over obligations. As a whole, country banks are enjoying good deposits, are borrowing very little money and many of them have good secondary reserves. So far, prospects are good for another crop and indications are that fair prices will be obtained. Country merchants are reporting satisfactory sales and collections good.

In the city of Omaha, the same condition seems to prevail among the retail trade, however, some complain of keen competition which does not auger so well on the profit sheet. Approximately \$16,000,000.00 of new building will be erected in the city during the year—much of which is already under way. The employment situation seems to be good and wages satisfactory. I can see nothing on the horizon to indicate anything but a good year in our section.

Northeastern Nebraska Sees Another Banner Year

By E. C. Davenport, Nebraska State Bank,
Valentine, Nebr.

The spring business of the retail merchants has opened up very satisfactorily and records of the leading

Farm Conditions Are Good, Mercantile Business is Fair and There Are Indications that Nebraska and Adjoining States May Experience Another Banner Year in 1928.

merchants, compared with their records of a year ago at this time, shows a substantial increase in business. It would be safe to say that a 10 per cent increase in business has obtained in all lines of business since the first of the year, although unseasonable weather conditions, during the month of April, retarded the volume of sales which ordinarily would have been recorded under favorable weather conditions.

Spring farming operations are being conducted on a larger scale this spring, as compared with a year ago, on account of the large number of tractors which are being used in the farming operations and the favorable outlook which we have in this territory, due to an abundance of moisture from recent rains. Contracts are being made now, throughout our range country, for fall delivery of cattle to the purchaser at higher prices than held a year ago, and the range cattle are all in good condition, due to a favorable winter, with plenty of feed, and the fact that a large percentage of our cattlemen are now feeding cotton seed cake to their cattle during the winter months.

We are experiencing a better demand for money at this time, to care for the spring farming operations and to meet the demand for increased cattle loans, till liquidation may be had in marketing the cattle next fall. Northwestern Nebraska has a favor-

able outlook for another banner year, this season, and we are glad to report that the improved conditions are carrying with them a conservatism on the part of the people, which will not permit them to make a repetition of the mistakes which occurred during easy period of a few years ago.

Business on a Fair Basis

By J. Weir Dobbin, Cashier First State
Bank, Bertrand, Nebr.

Our prospects at just this time are very good, having had two very good slow rains the last month. Wheat is advancing very fast and has practically enough moisture to assure a crop. Corn planting is well started.

Our customers are not buying except as needed, hence business, while not slow, is not going big but is being done on a better basis.

If our pet project for the "Tri-County Irrigation" would only be approved, we would always have good spring prospects and good crops from the otherwise flood waters of the Platte.

Conditions Appear Very Fair

By I. R. Alter, Vice-President, First
National Bank, Grand Island, Nebr.

Spring business right here in Hall and contiguous counties is mighty backward. The recent rain—practically the first which this immediate vicinity has had for over thirty days—however, did very much to improve the psychology of the merchant and the farmer. There has been some little damage to wheat fields, but at a time which will permit of a substitution in crops.

Farm conditions might be classed as moderately satisfactory for while a few of our farmers failed to realize a profit from their hog feeding operations, a number of them did make some money in that line, while all of them who have fed cattle indicate a very satisfactory profit.

Taken as a whole and contingent on favorable weather from here on it would appear that conditions should be termed as satisfactory.

Nebraska's derogatory Banking conditions, however, while not af-



A Fine Dairy Herd and Barn in Nebraska

Central Western Banker, May, 1928

Predict Good Business Year

By the Editor
Central Western Banker

fecting this immediate vicinity, are undoubtedly beginning to be reflected in business as a whole over the entire state.

Conditions are Above Normal

By I. A. Goff, Cashier, First National Bank, Hay Springs, Nebr.

Conditions in the Hay Springs territory are opening up very nicely this spring, with prospects very good for crops. Winter wheat is looking fine with a heavy acreage mostly on newly broken land, spring grains are starting good and everything is looking good for the farmers.

Business with the local merchants is very good with a tendency on the part of the farmers to want credit.

Demands for loans is very heavy, due largely to the fact that a large number of emigrants are coming in, both buyers and renters, who need money to continue their farm operations.

On the whole conditions here are above the normal and prospects very good for the year 1928.

Farmers are Liquidating Through Marketing Livestock

By C. A. Phillips, Cashier, Cambridge State Bank, Cambridge, Nebr.

There is ample hay and feed on hand owing to a rather mild and open winter and some fewer stocker cattle on the farms. We had about the usual number of cattle on feed the past feeding season with a few still on hand for late shipment. Feeding profits have been satisfactory even though the price of hogs has been discouraging. A liberal holdover of corn is on hand. Its quality will permit holding for an almost indefinite time. The rising price has aided this some. Corn reserves tend to even the flow of business. Ours should be fairly good all summer. Local merchants report above average sales.

The marketing of cattle, hogs and crops has reduced indebtedness some. A few farms have passed into hands of owners who expect to live on them. We like that, as we believe that farms operated by the owner are better for

general development of any country.

Large numbers of cattle are fed here, making it necessary to go outside of our own community for credit assistance at times each year. Our good crop of corn in 1927 shortened the period when such assistance was required this time and we found ourselves with liberal reserves on hand early in February. We have not been able to secure a sufficient number of farm mortgages for the funds of our customers who prefer that type of investment to those of the market. Development of interest in investments in "municipals," "industrials," and other low rate market offerings has been slow. In fact there is very little money invested in such offerings by our people. We are no doubt somewhat to blame for it as we encourage farm loans and government bonds, and Federal Land Bank bonds. These are the only kind of securities bought by ourselves. Money is plentiful here and will likely continue to be so all summer.

Conditions Show Improvement

By W. R. Banning, Cashier, Bank of Union, Union, Nebr.

Business conditions in Nebraska are picking up, mercantile conditions are fair, but could stand some improvement. Farming business is in the best shape that it has been for years, and farmers in general are in

THANK YOU!

EDITOR'S NOTE: The valuable business survey on these and following pages has been gleaned from sources of letters received from accommodating readers of the CENTRAL WESTERN BANKER in Nebraska, Iowa, the Dakotas, and adjoining states. The editor is grateful for all the splendid information so furnished.

better financial condition than in the past, and have met their obligations promptly in all cases. While the price of hogs has been low, they are at the present time better, and farmers are encouraged. Prices for corn has improved, and while the greater portion of the corn has moved at lower prices, the present prices are satisfactory to the corn raiser. Demand for loans is the lowest that we have had in years, and most of the Banks are carrying a large reserve, and in some cases are buying commercial paper. Not much real estate is moving, but what land has changed hands is moving at fair prices.

Farmers Marketing Much Old Corn

By O. J. Irwin, Cashier, Genoa National Bank, Genoa, Nebr.

A two-inch rain recently has placed the soil in fine condition for corn planting. Wheat and small grain has suffered some on account of the dry spring but now promises about the usual yield with favorable weather.

Merchants have been complaining some of seasonable merchandise not moving as fast as was expected. The demand for money is light with plenty available for all legitimate needs. Considerable old corn being placed on the market lately attracted by the high prices.



Some Noisy Reasons for Optimism Regarding Nebraska's 1928 Farm Outlook

Central Western Banker, May, 1928



Nebraska Farmers Hope for Another Banner Wheat Crop in 1928.
Above, a Field of 1927.

Borrowers are Liquidating

By C. F. Roe, President Bank of Bennington, Bennington, Nebr.

Business generally in and around us is better than it has been for several years past, due to good crops last season with generally good prices. This is true both as to farming and mercantile business. Collections are fair to good, the demand for money is not heavy, the people generally are more conservative in their buying and those who are in debt seem to want to liquidate as fast as possible, most of our loans this spring are made for 90 days at request of the borrower.

Report General Prosperity

By Niels C. Andersen, Cashier, American State Bank, Kearney, Nebr.

It was with considerable hesitancy that I am attempting to write regarding conditions in this territory. We have been so swamped looking after conditions within our own four walls we have scarcely, and regretably given attention to the general trend of events. On this date in 1924 our deposits were \$202,000.00; today they are over \$700,000.00. These figures merely are to prove our assertion that we have been busy.

The trade territory contiguous to Kearney is an average fertile valley. To offset the average rainfall hazard, the progressive farmers have installed approximately two hundred irrigation wells. The banks have assisted in this program, and we believe it to be the foundation of stabilized crop income in the valley. Last season's good crop was largely applied to liquidation of debts. The purchasing power in the territory is apparently

high, judging by the increases in sales reported by our merchants. One merchant stated his sales for the first quarter this year were \$5,000.00 more than a year ago. Another merchant has shown an increase of \$1,000.00 to \$3,000.00 for each month over last year.

The demands for money indicate a conservative attitude and all legitimate needs are met by the local institutions. Splendid reserves are maintained by the banks controlled by purchases on the bond markets.

Kearney boasts a progressive population of 9,000 in the heart of "The Agricultural West"—s acclaimed by every citizen and visitor as indeed "The City Beautiful" and its resources are its friends who till the soil and pail the cows.

N. D. is Very Optimistic

By E. J. Weiser, President First National Bank, Fargo, N. D.

In reply to your inquiry of the 25th of April, I think I can fairly say that conditions in North Dakota this spring are better than they have been for many years. We are told by old farmers that the crop has never gone into the ground under such favorable conditions as it has this spring. An early and favorable seeding is a good start, at least, towards a crop, and while it is a long ways until harvest, we feel that we are on our way under better conditions than we have been for many years and that we are assured of at least a fair price for what we may raise.

The progress which the state is making in diversified farming and the raising of livestock, poultry, and dairy products is so great that we are not,

as we were some years ago, dependent upon our wheat crop, and a great many of our farmers are no longer dependent for their living and expenses upon small grain.

Business is quite satisfactory, with only a moderate demand for money, which is in plentiful supply. Deposits, particularly savings, have been gradually but constantly increasing, and the general credit situation is much improved over a few years ago.

There is beginning to be a very marked demand for farm lands, and the records of the Greater North Dakota Association indicate that 350,000 acres of North Dakota farm lands have been sold at an approximate price of \$10, 000,000 within the last four months; and we believe from the inquiries which are coming into the state, that in the neighborhood of 1,500,000 acres of land will be sold during the current year. A good many of the purchasers are coming from other states and are making very substantial payments on the farms which they are buying. Altogether, the situation in North Dakota is very much better than it has been for many years.

In Best Condition of Many Years

By G. W. Broadhurst, Cashier, Bank of Kimball, Kimball, Nebr.

We are glad to say that the outlook at the present time is very promising. We have a large acreage of winter wheat in excellent condition. The acreage has been increased over last year ten or fifteen per cent, but there is a small percentage of damage on account of the very dry winter. Present prospects are that we will have at least as much wheat as last year. The situation is about the same with regard to cattle and hogs. The numbers of these have not been decreased and they have all come through the winter in excellent condition. The acreage of potatoes for seed will be doubled and the commercial crop will be increased very largely. On account of the mild, open winter and spring, the spring crops are in good season and coming along very nicely.

Deposits in the banks have increased and loans have decreased, and on the whole, we think our territory is in much better condition than it has been for several years.

Farmers Optimistic Over the 1928 Outlook

By Vernon Rice, Cashier, Farmers State Bank, Chapman, Nebr.

Farm conditions in this territory are gradually working better, and if the progressive move continues it will

(Continued on Page 31)

The Town That Gave the World A “Great Idea”

NOT every town can give the world a “great idea.” In fact, the average hamlet can’t even present the universe with the germ of an idea.

Therefore one’s hat must be doffed to a splendid little Nebraska town, Nebraska City, by name, as the birthplace of Arbor Day, for it was in this town that J. Sterling Morton, nurseryman and lover of nature, conceived the idea of a national Arbor Day, when every good American plants a tree for future generations to enjoy.

The authenticity of this story is vouched for by R. O. Marnell, cashier of the Merchants National Bank of Nebraska City, which tells the world about it by carrying on every check and letterhead of the institution, a round trademark with an evergreen tree in the center around which is the slogan, “Nebraska City, Nebraska—the town that gave the world a Great Idea—Plant trees.”

Mr. Morton, by the way, was secretary of agriculture in Cleveland’s administration and died some ten years ago. He came to Nebraska in 1854 and lived there during the greater part of his life.

Nebraska City is ideally located in the midst of a great apple and cherry growing section, according to A. E. Stocker, cashier of the Otoe County National bank. It is a great cherry

canning city, and most of the apples grown there are sold direct for commercial use. The Joy Morton Orchard Company, one of the greatest concerns of its kind, is located at Nebraska City, and has almost 300 acres of orchards, mostly apples. Both climate and soil are ideal for fruit growing. The soil is the famous Loess soil, such as is found in very few places, with unlimited fertility.

In addition, a great deal of wheat and corn is grown near Nebraska City, according to Mr. Stocker. Hogs and cattle add to the farmers’ scheme of diversification. Mr. Stocker is a great friend of the cattle feeder, although admitting that the cattle business has had terrific ups and downs the past ten years. He predicts a general shortage of cattle for the next half decade, although hesitating to urge farmers to buy cattle at their present high prices.

Some land sales near Nebraska city are reported by Mr. Stocker. Nebraska city bank deposits are in excess of three million dollars and one building and loan association there has over a million dollars. There is not a single vacant store or house in the city, a remarkable feature in a town of 7,500 population. “Our deposits, which are now a little more than \$717,000, show steady growth,” says

Mr. Stocker. He reports little demand for bonds from customers, although reporting that farm mortgages are a popular type of investment there. There is no service charge at Nebraska City, most of the bankers there favoring it but no one has taken the initiative to install it. The banks are paying three per cent on deposits. Mr. Stocker also reports that his bank does a substantial amount of “foreign” business, one girl devoting her entire time to out of town items. Nebraska City has a trading radius of about fifty miles.

Greatly diversified farm production, combined with the fertility of the soil in the vicinity of Nebraska City, has contributed to the community’s consistent prosperity, in the opinion of J. R. Stevenson, cashier of the Farmers Bank, who stresses the production of wheat, corn, oats, alfalfa, fruit, etc. Incidentally, J. H. Catron, president of the latter bank, is an extensive fruit grower, making that his hobby. Mr. Catron has 900 apple trees and 5,000 new trees, both apple and cherry. Nebraska City boasts a large canning factory, the Otoe Food Products company, a year-round concern, employing from fifty to three hundred people constantly. Their products include corn, hominy, fruit, pork and beans, etc.



Scenes in Nebraska City, the “town that gave the world a Great Idea.”

The Farmers Bank, according to Mr. Stevenson, was established in 1884 by J. H. Catron, Sr. Mr. Catron, Jr., has been its president since 1914. Mr. Stevenson, born in Nebraska City, has been with the bank since his return from service in the navy in 1919. The Farmers Bank, by the way, with footings of \$1,288,061, according to a recent statement, has cash or its equivalent of more than a million dollars, or 87% of its deposits which are slightly over \$1,200,000.

"Bob" Marnell's bank, the Merchants' National, has footings of more

than \$775,000, with deposits of around \$613,000. It is an honor roll bank, with capital of \$50,000 and surplus and undivided profits of more than \$63,000. "Of course," observes Cashier Marnell, "I'm just a young man in the banking business—started in the bank in 1886, along with F. J. Homeyer, a director, who was wise enough to quit banking and go into the shoe business after fifteen years in the bank."

"However," adds Mr. Marnell, "it's not so bad to be a banker in a town that 'Gave the world a great idea,' like Nebraska City."



The Merchants National Bank of Nebraska City, carries the above "trade mark" on checks and letter-heads.

Will Send Judging Champs to England

AMERICA'S 4-H club champion dairy cattle judging team, who live at Albion, Nebr., will be sent to the International dairy judging contest at Wye, Kent, England, this summer if the money can possibly be raised to send them across the water, it was decided at a conference at Lincoln recently.

It will take about \$3,000 to finance the trip, it is estimated. Much of the amount will be raised in Nebraska, although some has been promised from national organizations outside the state. Various dairy and business interests and the boys and girls 4-H clubs of the state will be asked to contribute to the fund.

L. H. Daft, president of the Nebraska state dairymen's association, A. W. Lamb, vice-president of the state board of agriculture, and T. A. Leadley, managing editor of the Nebraska Farmer, have been chosen as the committee to handle the organiza-

tion supporting the trip. Mr. Leadley will act as treasurer.

Jesse Bilyeu, Joe King, and Russell Hughes of Albion are the three boys on the team which won their county contest, then the state fair contest, and then the national contest at Memphis, Tenn., last year. They have been coached by C. C. Girardot, their local club leader and Smith-Hughes, instructor of Albion, and by M. L. Flack of the agricultural college extension service.

Mr. Bilyeu won the high individual honors at the national contest also. He brought home most of the ribbons and medals awards for individual excellence. Mr. King is an old-timer in club work of Boone county, starting at the age of seven and completing 18 different club projects at the close of 1927. Russell Hughes is a young farmer living near Albion who has been in dairy and pig clubs for the past three years.

The team will leave on June 22 and enter the contest on July 5. America has won five of the seven contests there, but the English teams have kept the gold cup at home each of the last two years. This means that the Albion boys will have stiff competition for the highest honors in their line in the world.

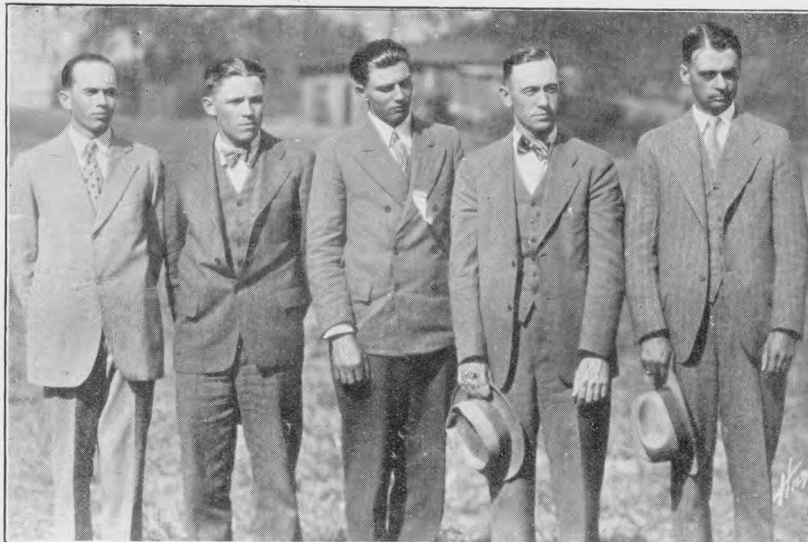
"The entire state of Nebraska should be behind the efforts to send the team over," the committee states. An opportunity of this kind to advertise the dairy excellence of the state comes only a few times in a lifetime. No other state has failed to send its team to the international contest, it is said.

Makes Regular Report

The regular report of the financial condition of the 777 state banks of Nebraska made public by Clarence Bliss, head of the department of trade and commerce the last of April was the occasion for considerable optimistic feeling among bankers. The highest average cash reserve shown by banks in years, 22 per cent, was shown, having grown from 18 per cent in December, to 22 per cent on March 10th.

The March statement shows loans and discounts of 189 million dollars, in comparison with deposits of 270 million dollars. For the quarter payments to the state guaranty fund totaled 251 thousand dollars. Capital stock, surplus, undivided profits and unpaid dividends totaled 30 million dollars.

The report is in line with the recent statement made by Secretary Bliss that "the disastrous bank failures experienced are now past and losses from now on will be small."



Left to right, club members: Jesse Bilyeu; Joe King; Russell Hughes; C. C. Girardot; and M. L. Flack, of the State Agricultural college.

Central Western Banker, May, 1928

The Bank Is Liable!

EVERY day banks in all parts of the United States receive deposits from their customers by means of the bank's regular deposit slips. Often times, a deposit includes a check drawn on an out of town bank.

If the out of town bank collecting this check fails before its check is paid, can the depositor recover the amount of the check from his bank?

A transaction which would result in this question arising can occur as follows:

Details of Transaction

The Rotex Mfg. Company received a check for \$800.00 from Dix, one of their customers, drawn upon the Exchange Bank in payment of manufactured goods purchased from the firm by Dix. The Rotex Company who had, for over five years been a depositor in the First National Bank, deposited the check received from Dix endorsed in blank by the company with this National Bank, the amount of which was immediately passed to the credit of the deposit account of the Rotex Company. The deposit was made by means of the bank's regular deposit slip, upon which was printed in small type, at the foot of the slip, the following:

"Items payable out of town, whether credited upon receipt or not, are received and collected only at risk of the depositor. We are not responsible for losses in the mail and do not guarantee the banks to which we send such items, and in collecting them this bank acts only as your agent, and the responsibility for such must remain with the depositor until this bank has received final payment of check sent us in return for same."

The National bank promptly transmitted the check for collection and remittance to the Bank of Nippon, a different bank from the Exchange bank, the drawee bank.

The Bank of Nippon received the check in due course, presented it to the drawee bank, the Exchange Bank, received the cash for it, and, in remitting the proceeds to the First National Bank used its own check or draft upon the Continental Trust Company. The depository bank then forwarded the check or draft of the collecting bank on the Continental Trust Company for collection, but before the collection could be made the collecting bank failed, and its check or draft was dishonored by the Continental Trust Company. The First National Bank

The Bank is Liable!

"The bank receiving a draft for collection is liable for neglect of duty occurring in its collection, whether arising from default of its own officers or from that of correspondent, in the absence of any express or implied contract varying such liability, since it is presumed to act as depositor's agent and to be responsible for injurious act of the sub-agent, the collecting bank!"

at once charged back the amount of the check which it had received from the Rotex Company to the Rotex Company's account.

Legal action was brought in Court by the Rotex Company claiming that the depository bank had received the amount of the check through its agent, the collecting bank, and had no right to charge the amount of it back to the plaintiff's account, in other words, that the collecting bank was the agent of the depository bank, which latter bank should be liable for the failure of the collecting bank to make proper returns of the collection, admittedly made by it; that the loss was the result of the negligence of the depository bank in the selection of a collecting agent, which was at the time heavily indebted to the depository bank, and that the depository bank, familiar with the affairs of the collecting bank, knew or should have known that it was an unsafe agency to intrust with the collection of the check.

One defense of the First National Bank was, that under the stipulation or notice contained in the deposit slip, the depository bank was relieved of all responsibility under the circumstances, in the absence of an allegation of negligence in the selection of the collecting bank as the agency of collection.

The Main Question

The main question considered by the Court upon the facts presented was whether the depositor was bound by the printed notice upon the deposit slip, the effect of which is that the depository bank received the item "payable out of town," passed to the

credit of the depositor or not, for collection, "only at the risk of the depositor"; that it did not become liable for the loss of the item in the mails; that it did not guarantee the bank to which the item might be forwarded for collection; that in collecting, the depository bank acted only as the agent of the depositor; that all responsibility for its action remained upon the depositor until the depository bank "received final actual payment of check sent in return for same."

This printed notice upon the deposit slips is as strong apparently as it could be drawn to establish the relation between the depositor and the depository bank as that of principal and agent, and not of indorser and indorsee, seller, and purchaser, and to relieve the depository bank of all possible responsibility for loss not due to its own negligence. Viewing the transaction as largely a matter of convenience to the depositor, in which the bank ordinarily receives no compensation beyond the general deposit account of the depositor, which, however, is a sufficient consideration for the undertaking of the bank, it does not appear to be an unreasonable precaution for the bank to take, limiting its undertaking by such a stipulation, provided that it has become a matter of convention between the bank and the depositor.

In 1884, the Supreme Court of the United States rendered the decision that "a bank receiving a draft or bill of exchange for collection is liable for neglect of duty occurring in its collection, whether arising from the default of its own officers, or from that of its correspondent . . . in the absence of any express or implied contract varying such liability."

There is no evidence in the facts presented to establish an express assent of the Rotex Company to the stipulation printed on the deposit slip, and the question is, Does the stipulation alone conclusively establish his implied assent?

It is presumed to have acted as the agent of the depositor and to have become responsible for the injurious acts of its subagent, the collecting bank. The effect of the stipulation, if assented to by the depositor, completely reverses the established law; it makes the depository bank simply a forwarder of the check for collection to the collecting bank, as the agent of the depositor, and relieves the depository

bank of all responsibility in connection with the collection or its remittance.

The stipulation authorizes the depository bank to accept the check of the collecting bank in remittance of the collection, when under ordinary conditions, it is not authorized to accept anything but money.

There can be no question as to the correctness of the principle that, if the parties agreed to the stipulation altering the prevailing rule, they will be bound thereby.

One Court that had a similar matter presented to it for consideration, stated that: "There is no reason, so far as we know, why a depositor may not make such an agreement if he deliberately chooses to do so, unreasonable as it is. But it is evident that . . . before such statement can be given effect as a contract binding upon the depositor and changing in a substantial particular the relation which presumably he thought he was entering into, it must appear affirmatively that he consented and agreed to it

either by being required to sign it or by having his attention particularly called to it."

A comparative stipulation of this nature exists where a passenger on a railroad, who paid full fare for a general ticket, is not bound by limitations printed thereon, unless his attention has been especially called to them and he has assented thereto. The contract is in fact made when the ticket is purchased, and, if it is different from what the law would imply, it must be so stated and assented to when the ticket is delivered.

A Simple Matter

It would be a simple matter, as is frequently done by some banks, to obtain the express assent of the depositor to such a stipulation. If it does not do that, it makes the chance of establishing before a jury, the depositor's implied assent to a stipulation which reverses the incidents of the relation between the parties established by law.

The decision of the Court in this matter was that the stipulation on a

deposit slip that collection of drafts were at depositor's risk held insufficient to show as matter of law that such agreement was entered into with depositor, and question of implied assent to stipulation was for jury, since it is presumed that depositor acted under established law, making the bank liable for neglect of duty.

It is not unreasonable precaution for bank collecting for depositor check drawn on out of town bank to limit its undertaking by stipulation that collection is at depositor's risk, provided that such limitation has become matter of convention between bank and depositor.

Bank receiving draft for collection is liable for neglect of duty occurring in its collection, whether arising from default of its own officers or from that of correspondent, in absence of any express or implied contract varying such liability, since it is presumed to act as depositor's agent and to be responsible for injurious act of sub-agent, the collecting bank.

Schuyler Business Prospering

"**B**USINESS in and near Schuyler is fairly good," says R. O. Brownell, cashier of the Schuyler State Bank and the Schuyler Savings Bank of Schuyler, Nebr. Combined resources and liabilities of the two institutions are \$1,267,321, with deposits of \$1,187,623, according to a recent statement of condition.

Mr. Brownell adds that the late spring has damaged the wheat and oats to a certain extent, but possibly not more than the damage by winds blowing dirt on these two crops. Farmers there are in fairly good shape, he

says, with considerable dairying and cattle feeding to aid diversification.

He reports some land sales, at around two hundred dollars an acre, mostly purchased by permanent owners.

The two banks have a strong bond account, almost \$300,000. Of this, \$70,000 is in government securities, and remainder in good general bonds, of a conservative type. "Most of our bonds show some appreciation," says Mr. Brownell. The banks do not have a bond department, but he reports considerable demand for bonds among his customers.

There is no great demand for local loans, says Cashier Brownell. "Our merchants are pretty well capitalized and are doing fairly well."

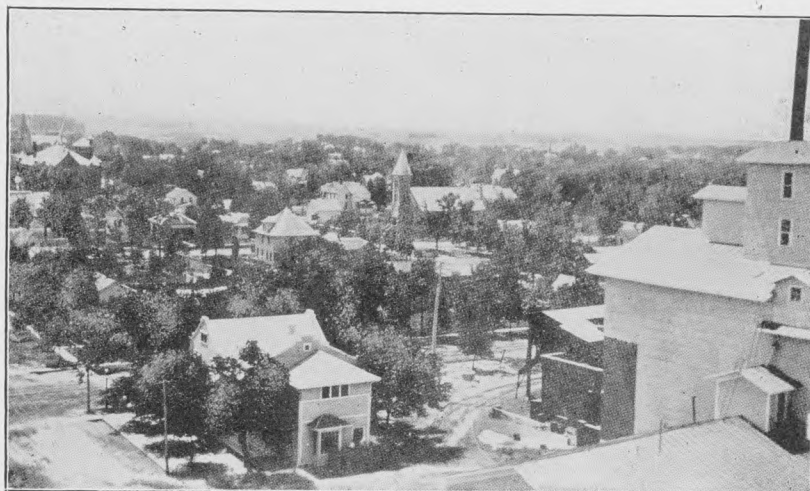
There is no service charge at Schuyler, bankers there being unable to get together on this proposition. They are paying four per cent on deposits, but in Mr. Brownell's estimation, would like to go to 3½. Most of the loans there are made at 8%.

The Schuyler State Bank is one of the veteran banks of the state. It was organized in 1874 as a private bank. It was made a state bank in 1916. "Our deposits are about normal and we feel that we are experiencing a rather steady and consistent growth," says Mr. Brownell.

Officers of the banks include: President, Frank Krejci; vice-president, F. W. Shonka; cashier, R. O. Brownell; assistant cashiers, F. W. Shonka, Jr., Jos. M. Rogers and John A. Dworak.

In Auto Wreck

John Changstrom, assistant cashier of the Omaha National Bank, had an exciting and not altogether pleasant experience recently. Enroute to Atlantic, Iowa, to attend the Iowa group meeting, he was in an automobile crash near Atlantic, in which neither the occupants of his own or the other car were injured, fortunately.



Looking south at Schuyler, Nebraska

Central Western Banker, May, 1928

A Visit to the Oldest State Bank in Nebraska

Nebraska state history is replete with the romance of man's eternal pioneering spirit, and his success against great odds. To a visitor from the old world it might be hard to realize that the now thickly settled Nebraska landscape with its magnificent wheat field, its waving corn, its lowing herds, was preceded not over half a century ago by covered wagons, homesteaders—and Indians.

In the history of the Cornhusker state, the development of the country near Columbus has been closely interwoven with the history of Nebraska's oldest state bank, the Columbus State Bank. In this institution are two or three men who have witnessed the swift transition of the state from an unsettled to prosperous commonwealth.

The Columbus State, according to President M. Brugger, and Vice-President H. A. Clarke, veteran bankers, was originally started by Gerard and Reed, as a private bank, in 1871. M. Leander Gerard was the first member of the firm and the father of C. L. Gerard, vice-president of the Columbus State, who died recently at the age of 56 years. In 1872 Turner and Hulst founded another private bank at Columbus and the following year the two private banks were consolidated under the name of the Columbus State Bank, now ranking as the oldest state bank in Nebraska, with Charter No. 97. There were some few older banks in the state, according to Mr. Clarke, but they have either gone out of existence or become nationalized.

In the early seventies, say Columbus State officers, their business was done with the homesteaders, who would bring their wheat to Columbus from distances of 60 or 70 miles. They tell of seeing strings of wagons, half a mile long, drawn by oxen and loaded with wheat. Interest on loans was very high—usually two per cent per month, and sometimes much more.



The home of the "Oldest State Bank in Nebraska"

The bank had no large deposits and conducted mainly a loaning business, the bank practically loaning its capital.

The Indians were troublesome and the homesteaders had to build their houses and barns together for protection. It was not safe to leave the women and children behind when taking their wheat to market.

Among the early discouraging features of Nebraska was the grasshopper scourge. Mr. Clarke was not in Nebraska during the grasshopper days, but can recall seeing the apparatus that had been used by the homesteaders in a futile attempt to curb them. The apparatus consisted of galvanized iron tanks, containing tar, in which the grasshoppers were supposed to collect. The grasshopper years were 1874-76.

The early settlers near Columbus were Irish, German and Swiss. The

Germans and Swiss were particularly thrifty. One township, Bismark township, in Platte county, is reported to be the wealthiest per capita in the country, according to Mr. Clarke, who says this of the early settlers there: "The Irish in the early day were strong for 'sales.' After a few free-for-all fights among themselves, they would come to town and literally fight to go on each other's notes. Eventually this type of good fellowship put them in hot water and many of them lost their farms." (Mr. Clarke adds that the custom of fighting to go on the other man's note is no longer so popular in that community.)

The Pawnee Indian reservation was just west of Columbus, and the Indians were gradually won over to amiability. In fact, Pawnee scouts were used to protect the workmen when the Union Pacific railroad was built through the state.

"The oldest state bank in Nebraska" is now more than a million dollar bank, with deposits of a million. Farm conditions are

very good. There was little inflation of farm values during the boom days of a few years ago. Columbus banks have deposits of four million dollars and building and loan associations there have another two and a half million. Mr. Clarke says there is merely the ordinary demand for local loans, with the prevalent interest rate at seven per cent. Some of the smaller banks of the country charge eight. All are paying four on deposits, which, in Mr. Clarke's estimation, is too much. He is an advocate of a uniform three per cent rate, and says he will try to get such legislation through the Nebraska legislature at its next session. He points out the average cost of doing business for Nebraska state banks is 2.25%, although national banks may run lighter.

Columbus banks have a service charge on accounts averaging less than fifty dollars per monthly balance.

Central Western Banker, May, 1928

Last Minute News

(Continued on Page 3)

banking and currency. Senator Geo. H. Sullivan of Minnesota, chairman of the Minnesota interim committee, appeared before the committee, asking for action on the bill.

LESTER J. SHARP, trust officer of the Security National Bank of Sioux Falls, died recently, in that city.

CRAIG B. HAZELWOOD, Chicago, vice-president of the A. B. A., was a speaker at the Oklahoma bankers convention. He said the great banking problem now is not to establish more banks, but to organize

and efficiently operate the ones we now have.

THE American Bankers Association 1928 convention committee is now at work on plans for the convention to be held in Philadelphia, October 1 to 4. The executive committee consists of chairman, Joseph Wayne, Jr., president of Philadelphia National; vice-chairman, Harry J. Haas, vice-president First National of Philadelphia; Chas. S. Caldwell, president Corn Exchange National; Thos. S. Gates, of Drexel & Co., Herbert W. Goodall, president Guarantee Trust and Safe Deposit Company; Arthur V. Morton, the Pennsylvania Company for Insurance on Lives and

Granting Annuities; secretary, Francis J. Rue, vice-president Philadelphia National Bank.

CONSOLIDATION of the Detroit Trust Co. and the Security Trust Co. into the Detroit and Security Trust Company was approved by the boards of directors of the two institutions at meetings held recently. This merger will give to Detroit the largest trust company in the United States from the standpoint of invested capital, doing exclusively a trust business. The consolidation will result in an institution with a total capital fund of more than \$13,000,000, consisting of capital of \$3,000,000, surplus of \$7,000,000 and undivided profits in excess of \$3,000,000.



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BONDS • SHORT TERM NOTES • ACCEPTANCES

Will Remodel.

The First National Bank of Lincoln plans to remodel its home at once, giving the institution additional lobby space. The transient department is to be moved to the second floor of the building, thus giving the entire lobby over to bank customers. The work will require about thirty days' time.

This expansion is necessary since the City National Bank of Lincoln was recently consolidated with the First National, making it a fifteen million dollar institution.

HE GOT THE MONEY!

A customer went into a bank and asked the cashier for a loan of \$500. The cashier said he thought that would be OK, but since the directors were in session in the back room it might be a good idea for him to talk the matter over with them. After the usual questions one of the directors said, "And who will sign this note with you?" The customer got sore, said he had done business with the bank for a long time and had always paid his debts and expected to pay this one. "Yes," said the director, "but suppose you die, then what?" "Well, if I die and go to heaven I'll send you the money. If I go to hell, I'll just hand it to you." He got the five hundred.

On Trade Tour

R. H. Kroeger, cashier of the Livestock National Bank of Omaha, spent a week on the Omaha Trade Excursion Tour.



BONDS AND INVESTMENTS

The Securities Market and a Growing Nation

John L. Moody Says We May Have Our Recessions But the Market Trend is Upward.

"ALL types of securities, the highest grade securities, the second grade, third and fourth grade securities, have recorded an almost constant climb from 1920 up to the present time," declared John Moody, of Moody's Investors Service, in an address last month before the Nebraska Investment Bankers' Association.

After giving considerable time to discussing the various banking eras prior to 1920, Mr. Moody made the following comment, in part, by way of explaining this supposed phenomena:

"Since 1920 this nation has been paying taxes such as it never dreamed of paying before the war. The whole world has been turned upside down. Europe is still suffering. All the world is still carrying the effects of the Great War, and struggling under the weight of the disaster which occurred at that time, and yet we have had nothing but constructive trends in the security markets practically, with very brief interruptions, since 1920. Why is it that that turn came about at that time and has been maintained ever since.

"Well, in the first place, this is not the same world that we lived in 1920, and the United States of America are not the same nation, that is, in relationship to the rest of the world, that we were occupying before the war. Our relationship to the rest of the civilized world has been exactly reversed. In those earlier days we were always a debtor nation. We were also doing business to a large extent with foreign capital. The whole country had been developed for a hundred years largely with the aid of foreign capital. Our great railroad systems prior to 1920 had been completed largely with foreign capital. Our Civil War debt was largely financed by foreign capital. And for-

foreign countries had held investments in America in many forms, and taking profits out of America in many ways for many years. That is the condition of any new nation. Any new people, before they have developed their own resources and built up their wealth and resources to a position where they can completely pay their debts, must be a debtor nation. We were always in debt to others, but the war changed all that. We suddenly turned around in a few years to a position which we probably would not have reached for twenty years, but we would have reached it for twenty years if it had not been for the war. Foreigners liquidated their investments in America, and began to finance foreigners. We did an enormous amount of the war financing, as we all know, and after the war we continued to finance Europe and other parts of the world. And from that day to this we have been continually increasing our investments in foreign lands until today we have something like fifteen billions of capital invested in various nations of the world outside of the United States itself. That is a changed relationship. That has placed the United States in a position of stability, and credit, and resourcefulness that it could not have had otherwise. That is one of the factors that brought this about.

"One of the other outstanding factors that we did not have before the war is a sound banking system. It is the first thing that a modern nation needs to have. A modern civilized nation needs to have a sound banking system. Now, in 1913 we were fortunate enough, in one of those disastrous Democratic administrations, to put through in this country the most constructive banking bill that had ever been seen in the United States or possibly in any other country of the

world. So after all, the poor Democrats did something wonderful for America when they created the Federal Reserve Law. Now, that banking law, after a few years began to function and have its effect, and since the conclusion of the war it has had an enormous effect. It has been the most far-reaching thing possible for the stabilization of industry, for the maintenance of and development of confidence and faith in the country. In the world generally, and in humanity, and in modern methods of wealth production, at the basis of the whole thing there should be a sound, effective modern banking reserve system such as we have today.

The Biggest Factor

"Now, that accounts more than any other factor probably for the period that we have had since 1920 of constructive credit and prosperity and stability in the United States. It is the biggest factor of all in making the average thinking man look confidentially into the future of this country. That we have nowadays a thoroughly tested out banking system, which is not the football of politics and which is functioning and being managed and controlled sanely and safely and properly in the interests of the great and growing credit civilization in which we live, is a big factor.

"And then another factor which people generally overlook is this: We all agree nowadays and have agreed ever since we got into the war that whatever happened in a foreign country is more important to us than it was in the days before the war, that the world has grown so much smaller, that the interdependence of the nations has increased and will increase as the world grows smaller and smaller. Therefore, since we have become a credit nation, and have been obligated to invest our funds in foreign

countries, what happens in other parts of the world reacts more and more directly upon our own affairs. Now, a great many people in this country have taken the view, (most superficially, I think, at different times) in the first place that it did not make any difference to us what happened in Europe, or if they thought it made a difference to us they jumped to the conclusion that the war had ruined Europe and that Europe could not possibly come back, that she was a back number in the world, that her civilization would never be restored to its former condition, and that the only thing we could look forward to was the possibility that as soon as the European countries were able to function at all again they would have another quarrel prob-

ably and get into another war which would be just as disastrous as the last one. That is the view of a lot of people who have not studied the situation or given it much reflection.

"Now, one of the constructive factors which has affected us and had a great deal to do with the long period of prosperity and stability that we have had in the United States since 1923 is the fact that Europe has been steadily coming back since 1923. I have been going to Europe at least once a year since 1921. I have been in every capital of Europe. I know a great many people over there, and I have talked to a great many people, bankers, politicians, and ordinary people, and tried to absorb the atmosphere and get a fair view of the situa-

tion without prejudice; and every time I have come home I have felt more optimistic and have felt that every country practically was making progress in returning to a more normal condition; whereas, some countries were making remarkable strides in getting away from the war. And the most striking thing that I have noticed in Europe year after year is the attitude of European people, especially in eastern Europe, toward the idea of war. I do not believe you can find any militarists, so-called, of the old fashioned type, except a few cranks that we always have, and which we have in this country too. They are more anxious to have peace, and permanent peace, than we are anxious to have it in this country. Now, that applies not merely to the British, who are somewhat like ourselves, but it applies to the Belgian and the French and the German and the Austrian and the Hungarian, as far as I have been able to come in contact with them since the war days, and especially does it apply to the Germans and to the French. Now, as they go along in Europe, and live down the effects of the war, and are getting their countries stabilized, and their currency stabilized, and slowly but surely restoring their credit, they are getting more and more away from the idea of war, and revenge, or anything of that kind; and I have been more and more impressed with that every year. They are all coming back. I think any sane man who will view the European situation without prejudice and think it through will be strongly inclined to feel that there is little danger but that the next generation in Europe, at least, will be a people of unrestricted peace, given over to the wiping out of old animosities, the adjusting of differences, to the building up of wealth and production, and to the raising of the standard of living of the people. They are all burdened with tremendous taxes. They are all burdened with things that we do not know anything about. Now, that is a factor that works for confidence in America. More so even than it was before, because our relationships with Europe are so much closer than they were in the old days.

Other Reasons

"Now, those are the big outstanding reasons why they have this constructive period since 1920. Why, with the stabilized credit and growing confidence, and growing faith in our civilization, with more and more people willing to trust the future and, therefore, more people who have money to invest or money to put in

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Central Western Banker, May, 1928

business enterprises and into industry and development and everything, and more and more appearing on the horizon all the time the fact that the risk is getting less and less to invest their money in long term securities and in good securities—all of these factors have tended to maintain this upward trend in security values which we have seen going on in the past eight years.

“Well now, I have given the story of what has happened in its mere outlines. Now, I want to, for a little while, give my view, at least, of what ought to happen, what I expect to happen during the coming years, whether it is three years, five years, ten years, makes no difference. It is just the general trend that I see ahead and my reasons for why I think that I am right. I do not look forward to any reversal of this recent trend I have been describing in the United States. I do not look forward to any real reversal of it for many years to come, five years, ten years, perhaps longer. There may be interruptions. We all know that everything in life is uncertain. We have things happen that we cannot foresee at all. It is a rash man who guarantees the future at all. I am just reasoning from cause to effect, telling you what, from things we know, ought to happen during the next few years. I think that insofar as securities are concerned, the item we are so directly interested in, that its turn in the trend of bond prices, for instance, has not anywhere near reached its culmination. I believe five years hence it is entirely possible that men who today are satisfied with getting five per cent or four and a half per cent on the best security will be trying to invest their money with equal security at four per cent or three and three-fourths per cent. I believe the men who are buying good bonds and securities and accepting what they can get on their coupons in return, whether it be four and a half or five per cent, are the far seeing wise men, who, half a dozen years hence will look back and realize that they were very far seeing and shrewd when they invested their money at those prices, just as do the people today who were wise enough in 1923 to invest their money, we will say, in French Government eight per cent bonds at 90 cents on the dollar, or in French Government seven and a half per cent bonds at 87 cents on the dollar, or the Denmark six per cent bonds at 91 cents on the dollar, or Swiss eight per cent bonds at 96 cents on the dollar, or one of the typical American railroad, public utility, or industrial bonds, or South American Bonds in such coun-

tries as Argentina and Chile. Just think what a laugh they have on their neighbors who told them that they were crazy, who told them that they were taking a risk in buying any European bonds at any price. I believe that that thing is going to repeat itself. When it comes to the question of values, and when it comes to the question of, well, are these bonds that are selling on a four per cent basis really worth that, can it be possible that they can raise any higher? Why should not they raise higher? If New York Central three and a half could sell at 114 in 1902, when this

country had not anything like the industries that it has today, when its system was not as well organized, when we had no sound banking system, when we had all sorts of corruption in industry as well as in politics (we always have had corruption in politics, it is not limited to this by any means, but almost from the beginning of time, possibly), when the earning power of the New York Central was not half what it is today, why should not they rise higher? They are selling at 92 or 93, or whatever they are selling at, in spite of the fact that the individual investor of large income



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still has a substantial tax to pay on the income. Certainly that difference is not covered entirely by the difference in taxation, and we all feel that we are living in a time now when we hope that somewhere in our lifetime we will see taxes reduced to some extent. If we are looking for long term investments for our children and grandchildren, I think I may say that at least our grandchildren can see some income tax reduction from what we have to meet today.

"So I take the view, we are still in a constructive period in this country. We are not likely to have a return to

the kind of conditions that we had before the war in commerce, industry and finance; and we are not likely to have financial panics of the type we had in the old days because we have eliminated the chief panic breeder. We are likely to have reactions, depressions in business. The so-called business cycle has some truth in it, but the great extreme fluctuations which were characteristic of the period before the war, between the Civil War and the Great World War, particularly in the United States, are not likely to return again. We will have our recessions. We had one last year.

Some people have not known of it because some of you have been tremendously prosperous, but some of us in the East have felt during the past year, since last spring, that there has been a business depression in our part of the country, but it has not been an extreme depression. It has been a slowing up, and already there are signs that it is at an end, and we will go into a further period of expansion again. And I think that is the type of thing that is going to happen with the upward trend and the enlarged trend, because after all as the country grows in the diversion of wealth, and the wealth of its population goes into the development of its resources, it is undisturbed by radical political changes. If it is undisturbed by any normal events or developments, there is really no reason why we should not go on along the path we are following for a great many years to come.

Trend Will be Upward

"Now, those are the great fundamental factors in the situation which I think justifies the same common sense man for having confidence in the future and for believing that the trend of security prices is going to be upward. The past trend which we have witnessed in the last seven or eight years in decline in the interest rate and the decline in commodity prices is going to continue for a long time to come.

"There is a new tendency which has been functioning for a long time now, in the United States especially; it is a tendency toward development of efficiency and production; efficiency in industry, or adoption of new and modern methods of cutting out the waste—waste of effort, waste of duplicating effort, waste of time; the elimination of all this has had its effect on wealth production in this country. This is the primary reason probably why the United States has forged ahead in so many things much more readily, much more rapidly, than some of the older civilizations have.

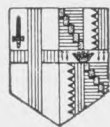
"Now, in Europe, if you study conditions in Europe, especially business, agricultural, and commercial conditions in Europe, you will soon see why it is that they progress slower than the American people are progressing. That is, making full allowance for their financial, political and other handicaps, the European has not as yet adopted what we call modern methods in large scale production to any great extent. He has been slower in adopting them. True, in Germany they are beginning now and do almost everything the American way. If you give the Germans five or ten

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years, they will probably astound the world. The French are making progress. The Belgians and Scandinavians are adopting all kinds of machine methods of doing business. The English are just thinking over the question of whether they will adopt the American method. They are very much slower. They are a very bright people, but at the same time they have not learned yet how to cut out waste of time.

"Let me illustrate something to show you what is the difference between the British method and the American method of doing something constructive. Now, downtown in New York City there is being built for the Chase National Bank a thirty-six story modern building, and it covers a whole city block. They began to demolish the old buildings on the site just about a year ago, and on the 1st of May, last year, they began to build the building. It is thirty-six stories high, covering the entire block. The Chase National Bank is going to move into that building the 1st of May of this year. There is one year consumed in building a thirty-six story sky scraper of the modern type in every possible respect. Now, as contrasted to that let me tell you about a building that is being erected in London. Lloyd's Bank which is one of the oldest banks in the world is building a new bank building in the Mart called Cornhill in downtown London. In November, 1925, I opened a small office just across the way. At that time that site was covered with some old three-story buildings, and there was a sign up stating that these buildings will be demolished for the New Lloyd's Bank Building. In June of 1926, I went to London again. I found that this old building was demolished, but they had not as yet gotten the foundation of the new building laid. In June, 1927, I was there again. They had the foundation in, but they were not up to the street level with the steel frame. In November, 1927, the manager of my London office was in my office and I asked him how the Lloyd's Bank Building was progressing. He said, "They are just above the street now, and they have a sign up stating that the building will be finished sometime in 1930." It is eight stories high and it is a fine building, but it has taken them three or four years to build it. That is one of the reasons why they have a long way to go to do things the way Americans do. They have not yet learned to cut out the waste.

"Now, we have learned to cut out that waste, and we have learned it all

through the United States, and business everywhere, production, distribution and everything is being developed along more scientific lines. We are developing these enormous chain store systems, which we did not have as an important factor ten years ago. There are great steel plants, electrical plants, and every other kind of

manufacturing plant adopting more and more efficient methods of development, and devising new ways of cutting out waste, and turning losses into profits; and because business is going into such large units, so the great organizations, the great purchasing organizations, the combination of hundreds of millions of capital, with

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great resources and great equipment, their experts can study out and spend millions and millions of dollars in studying out new and better ways of doing things, and more economical ways. And that factor is working out from Maine to California as a far-reaching factor in stabilizing the civilization in which we live.

In Charge of Omaha Office

J. D. D. Marcellus, who for five years has held an important position with the Garard Trust Company, well known investment bankers of Chicago, has recently taken charge of the company's Omaha office at 314 Union State Bank Building.

Mr. Marcellus spent twenty years of the early part of his life in Ne-

braska and is therefore at home in Omaha. He was educated in Crete High School, Peru State Normal and University of Nebraska. Leaving Lincoln in 1916, he entered business in Indianapolis. Eight months later he joined the First Officers Training Camp. Coming to Chicago immediately after his army service, he entered the investment banking business, to which he has since devoted himself exclusively.

A man of fine personality, of high moral integrity and keen analytical mind, thoroughly conversant with every phase of the investment banking business, Mr. Marcellus was chosen to represent Garard Trust Co. in the Omaha district in the expectation that he will extend the com-

pany's business not only in Nebraska, but in western Iowa.

Associated with Mr. Marcellus in the sale of Garard securities in Omaha, is H. A. Manning. Mr. Manning has been connected with Garard Trust



J. D. D. MARCELLUS

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pany for some time and previously was a special representative of the Marine Trust Company of Buffalo, New York, one of the twenty-five largest companies in the United States.

Garard Trust Company is an originating house and has a wide patronage among investors of the conservative type, who give preference to securities which combine safety of principal with dependable and attractive income. Its loan department is composed of men who have had long experience in originating bond issues, and includes statisticians, engineers, architects and lawyers, as well as men prominent in the banking world.

During the past fifteen years the company has distributed securities aggregating many millions of dollars, consisting of public utility, municipal, industrial and first mortgage real estate bonds, which have been purchased not only by individual investors, but by banks, insurance and trust companies as well.

Columbus Banker Dies

Clarence L. Gerrard, 57, member of a prominent family of Columbus pioneers, died at an Omaha hospital recently, result of nephritis, a malady from which he had suffered for several months. He was born February 4, 1871, in Lincoln while his father, Leonard Gerrard, was serving in the state legislature. He received his early education in the Columbus schools, graduating in the class of 1887, and also Nebraska University.

When men are friends, there is no need of justice; but when they are just, they still need friendship.

—Aristotle.

What Insurance Means to the State of Nebraska

Few People Realize Its Magnitude or the Benefits It Renders to Humanity

INSURANCE in its many branches and numerous ramifications, has crept into the dealings of man so quietly and unobtrusively that few people fully realize its significance or importance to the public institutions, financial enterprises and ordinary every-day movements of the entire citizenry—in fact, it has become so universally accepted that insurance is now taken for granted by most people.

Much mystery has surrounded the institution of insurance in the past, much more, I believe, than reasonably should have. Possibly the fault lies with the companies and agents in not explaining the contracts of indemnity when these were sold. Fundamentally, insurance is merely a contract devised to save or indemnify a person from possible loss up to the amounts stated in the contract. The definition given in Section 7743, Compiled Statutes of Nebraska, is so simple that anyone should easily understand it. I quote from the same as follows:

“Insurance’ is a contract whereby one party called the ‘insurer,’ for a consideration, undertakes to pay money or its equivalent, or to do an act valuable to another party called the ‘insured’ or to his ‘beneficiary’ upon the happening of the hazard or peril insured against, whereby the party insured or his beneficiary suffer loss or injury.”

No matter how large the project, or important the institution or individual, or no matter how small and insignificant, none can do without some form of protection. When those in charge of our banks, trust companies, bond houses, factories or mercantile establishments, stop to consider, they must realize that little credit would ever be extended in these days were there no opportunity to obtain the guarantee of insurance in one form or another.

Few Vision Magnitude

Few of our citizens have any real conception of the marvelous growth that insurance has made in such a comparatively few years nor can they visualize the present magnitude of this business. To illustrate, I will cite

*By Hon. John R. Dumont
Nebraska Insurance Commissioner.*

some figures from the last annual report of the Nebraska Insurance Department. These, I believe, will give some idea of the place which insurance has taken in the realm of business in the United States, and especially in the State of Nebraska.

At the close of the year 1926, there were 564 insurance companies of all kinds licensed to transact life, fire, tornado, automobile, casualty, plate glass, health and accident, fidelity, surety and the many other lines of



HON. JOHN R. DUMONT

insurance business in the State of Nebraska. This group of companies was divided as follows: 133 were Nebraska corporations and 431 foreign companies. The domestic companies composed 23½ per cent of the total number. The admitted assets of all totalled over 15 billion dollars, the Nebraska companies having 1 3/10 per cent of this total, or 194 million dollars.

Capital and surplus of these insurance companies amounted to the tidy sum of nearly two billion dollars, the

domestic institutions controlling 6 6/10 per cent, or approximately 126 million dollars. The net premiums collected in the state by all insurance companies for the year 1926 exceeded 48 million dollars, of which Nebraska companies secured over 26 per cent, or nearly 13 million dollars. Premium taxes and fees paid to the State of Nebraska by these companies totalled approximately one million dollars. Insurance in force in Nebraska on all lines which can be computed totalled approximately four billion dollars, of which the Nebraska companies carried one billion, four hundred million dollars, or 34 per cent.

No estimate can be made as to the amount of liability of these companies for such coverages as accident and health, workmen's compensation, fidelity or surety, because of the nature of the contracts which do not have a stated principal sum. The figures given cover, therefore, only the life, fire, tornado, and hail business.

Totally Stupendous.

The data submitted so far applies only to Nebraska risks. One may go farther afield and take into consideration the entire United States. The totals are stupendous. Take only Nebraska domestic companies and it is found that business in force in the United States as limited by what can be actually ascertained reached more than two and one-half billions and premiums collected by these Nebraska companies amounted in the year 1926, to 45 and one-half millions. The total insurance in force, on the same basis, of all companies operating in the state, reached the huge sum of 260 billion dollars at the close of 1926 and the premium income amounted to over four billions for that year. I always hesitate to quote figures, but there seems to be no better way to bring before business men the picture of the insurance business.

Considering that the premium income is only part of the total income of these companies, as the interest from billions of dollars of reserves

must be also added, it is hardly possible for the average person to visualize the vastness of this business.

Financial men can at once see the importance of the constant turn-over of these funds. What would happen to the country, should such a business suddenly start liquidating? By the very nature of the business, a large amount of the premiums collected and interest earned must be invested and be held as reserves for future contingencies. The laws of the various states, while quite different, are all very stringent and limit the class of securities which may be purchased and carried as admitted assets by insurance companies.

In Nebraska, the funds are largely invested in farm mortgages, city, county and school bonds, irrigation bonds, warrants and securities of the United States or District of Columbia or any of the states of the United States, and in fact, practically any public improvement bonds. These funds have enabled the communities to grow and make necessary improvements. Where would all of these improvement bonds have been disposed of and how could the farm, dwelling and city real estate mortgages have the number and amount of personal insurance funds? Can you imagine the number and amount of personal real estate loans which would be handled without the aid of these and real estate loans which would have been defaulted had these not been protected by insurance contracts of one kind or another?

What of the expense to the community for the care of widows and orphans and aged persons, were the life insurance contracts unavailable?

Must be Properly Controlled

Such institutions which are dealing with the savings of the public, naturally must be properly controlled. The public is entitled to protection against unscrupulous parties and also the companies are entitled to like protection; consequently, many specific laws have been enacted for this purpose. The state has set up a law enforcement department commonly known as the State Insurance Department. This department has general supervision control and regulation of insurance companies, associations and societies and the business of insurance in Nebraska, including companies in the process of organization. The department makes periodical examinations of these companies, issues licenses, passes on policy forms, holds hearings and consultations, computes reserves, makes valuations, collects taxes and

generally supervises all insurance business in this state.

The business of insurance is growing rapidly in the State of Nebraska and statistics prove that it is one of the most outstanding and important branches of business in this state. Thirty companies have home offices in the city of Lincoln and thirty-five in Omaha. These sixty-five companies at the end of 1926 showed capital and surplus of 124 million dollars, admitted assets of approximately 192 mil-

lion dollars and insurance in force amounting to two billion three hundred million dollars. No one can dispute the fact that insurance has become a great benefactor in many ways to the State of Nebraska and to its entire citizenry. The insurance business has stood the test of time, contending against mud slinging, slander, vicious attacks from many sources and through all this, has gained the confidence and respect which it deserves.

Absorbs Conservative Life

A merger of interest in the insurance field has been revealed in the announcement by J. J. Shambaugh, president of the Des Moines Life and Annuity Company that his company has absorbed the Conservative Life In-

Saxton, president of the Conservative Life will become associated with the Des Moines Life and Annuity in an executive capacity, and the Conservative Life agency force will be continued as a part of the Des Moines Life and Annuity organization.

Mr. Shambaugh, when announcing the merger, expressed himself as well pleased with business and the prospects for the future. He said "this consolidation gives us more high class business and additional splendid agents in a productive part of our territory. Our agents under the direction of H. B. Bossert are giving us a nice volume of direct business. March was one of our best months. Conditions in this rich agricultural territory are rapidly adjusting themselves, and there should be an increasing amount of good business written. We intend to get our share." Officers of the Des Moines Life and Annuity Company are:

J. J. Shambaugh, president; George Cosson, vice-president and counsel; F. J. McCormick, vice-president; L. O. Shaffer, vice-president; E. L. Shinnick, secretary actuary; R. J. Bannister, counsel; L. M. Barlow, treasurer, Dr. Frank W. Chase, medical director; H. B. Bossert, agency supervisor.



J. J. SHAMBAUGH

surance Company of Sioux City, which was organized in 1919. This is the most recent of a number of progressive development steps taken by the Des Moines Life & Annuity since April, 1914, when the Preferred Risk Life and the Des Moines Life and Annuity were consolidated and Mr. Shambaugh became chief executive officer. The effective date of reinsurance was as of May 1. The total assets of the Conservative Life as of January 1, 1928, were \$115,997 with insurance in force of \$1,838,000. Figures for the combined companies reveal two impressive totals in business in force of \$32,250,000 and admitted assets of over \$4,500,000. Burton E.

Convicted of Fraud

Louis Stopa was convicted in the Federal Court in Kansas City, Mo., recently on a charge of using the mails to defraud in connection with a plot to get about \$40,000 from life insurance along with two others, who were found not guilty. The case originated on the complaints of several insurance policies on a certain Pete Glumicich, who died about two years ago. It was charged that a group of people of which Mr. Stopa was one had taken out life insurance on Glumicich with the American National Reserve Life, American Insurance Union and Mutual Life of Baltimore, when they knew he had only a short

time to live. They substituted others who appeared for physical examinations under the name of Glumicich. It was the discrepancy in the appearance of these persons that led the insurance companies to become suspicious.

The charge of using the mails to defraud was in connection with the mailing of an affidavit claiming the money on a policy with the National Reserve Life of Topeka. The sentence was three years.

Tornado Damage in Nebraska

Damage totaling \$150,000 resulted from a tornado that struck Clarks, Nebraska, and vicinity on the evening of May 3. Eight business houses were partly or wholly wrecked, 24 houses were blown down and a number of others badly damaged. All windows in houses and stores were broken. Many houses escaped only with roofs gone. Several farms in the vicinity were denuded of buildings and at the small town of Havens about \$5,000 damage was done by the wind. Very few persons were injured.

Enters Iowa

The first Iowa office of the Union Pacific Assurance of Omaha has been opened in Sioux City by William

Baron. He will cover northwestern Iowa and northeastern Nebraska.

The company has been licensed in Iowa, and will organize agencies in all large cities in that state. The Union Pacific Assurance, while operating only seven months of 1927 and being the youngest company, wound up the year as 21st in the production of business in Nebraska, passing 96 companies in the state.

Lincoln Agent Head

John Carr, 65, who had been engaged in the general insurance and real estate business in Lincoln for the last 35 years, died at his home there May 4. Mr. Carr retired from business two years ago because of ill health.

Inspects Tekamah

In cooperation with the Lions Club, the Nebraska State Fire Prevention association made an inspection of Tekamah, May 22. Arrangements was being made to have the school children assemble in the afternoon at local theater, where a short talk was made by a member of the association and a fire prevention film was shown.

Ask Ruling

Commissioner Baker of Kansas has asked the attorney general for a rul-

ing on who is to receive the registration fees for life insurance policies in Kansas. Under the new insurance code those life companies domiciled in the state may register their policies with the secretary of state or the insurance department. If with the insurance department there is no fee and if with the register of deeds the fee is 5 cents a policy. A transcript of the registration is forwarded the insurance department.

The register of deeds in the two large counties with insurance companies are keeping the fees for their personal use. The counties think the fees ought to go to the county treasury.

The insurance department believes the law ought to be repealed and that all registrations should be exclusively with the department. There have been several instances where there have been duplicate registrations, substitutions of policies and other changes made and the department had no way of checking this information from the transcript sent in.

To be ignorant of one's ignorance is the malady of the ignorant.

Eloquence shows the power and possibility of man.—Emerson.



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ORDINARY LIFE
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Guarantee Fund Life *Protection Plus* Accumulation Endowment policies have non-forfeitable Cash Values beginning with the second year which, in event of death, are paid to the beneficiary *in addition* to the face of the policy.

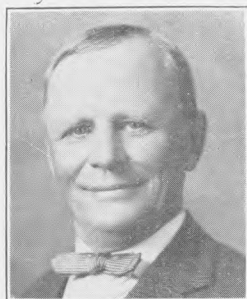
Under this unique insurance plan, the policyholder may withdraw his cash accumulations and retain his insurance protection by paying the Ordinary Life rate.

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C. A. SMITH, President
Nebraska Bankers Association



W. M. B. HUGHES, Secretary
Nebraska Bankers Association

The Illinois Merchants Trust Company of Chicago has appointed **James R. Connell** representative of its bond department, with an office in the First National Bank building of Omaha. His territory includes the western part of Iowa and all of the state of Nebraska.

Mr. Connell, for the previous six months, was connected with the Illinois Merchants Trust Company in Chicago, studying the bank's methods and policies in connection with the purchase and sale of investment securities. His appointment was announced by T. J. Bryce, vice-president of the bank in charge of the bond department. Mr. Connell, a lifelong resident of Omaha, a graduate of Yale University, was formerly in the real estate business.

Murlin F. Brock, former cashier of the Citizens State Bank of Giltner, Neb., now closed, has been appointed head of the insurance department and assistant chairman of the farm loan department of the First Trust Company of Aurora, Neb.

The Bank of Cedar Bluffs, Neb., after being operated for a time by the state department of trade and commerce, has been turned back again to the stockholders. They levied a 200 per cent assessment on themselves, paying into the bank \$40,000 in cash which was used for the purpose of taking out slow and frozen assets of the bank which had been criticized by the examiner. The bank has approximately \$400,000 in deposits, and, ac-

Central Western Banker, May, 1928

Nebraska News

ording to Secretary Bliss of the department of trade and commerce, at no time was suffering for lack of reserve.

The **Omaha chapter** of the National Conference of Bank Auditors has elected its officers for the coming year, as follows:

L. M. Brown, United States National Bank of Omaha, president; E. H. Spetman of the Council Bluffs Savings Bank of Council Bluffs, Ia., first vice-president; T. G. Boggs, of the Stock Yards National Bank of Omaha, second vice-president; John Kelsen of the State Savings Bank of Council Bluffs, secretary; W. J. Sellner, of the First National Bank of Omaha, treasurer.

Van E. Peterson, secretary of the state guaranty fund commission, has announced the payment of \$278,323.83 to depositors in seven banks which are being operated by the commission. All of the money paid to the depositors was derived from collections on the assets of the banks. No money was drawn from the guaranty fund. The payments were:

State Bank of Wolbach, Wolbach, \$35,938.55; Farmers State Bank, Petersburg, \$44,179.26; Citizens State Bank, Petersburg, \$47,812.77; Strang State Bank, Strang, \$17,375.23; Farmers State Bank, Hazard, \$23,887.20; Mitchell State Bank, Mitchell, \$69,558.59; First State Bank, Pawnee City, \$39,572.23.

P. R. Williams of Los Angeles, Cal., national president of the American Institute of Banking, was a guest of the Omaha chapter at its annual meeting at the Blackstone Hotel, May 4, when two hundred attended.

"In our educational work among adults," Mr. Williams said in an address, "no university or college can point the finger of disdain at us. We feel that we are providing the finest courses in banking that it is possible to offer.

"Times have changed—financial institutions have established credit departments, unheard of a quarter of a century ago. But we have kept pace with the times. Today, before a student can graduate from us, we require 210 hours of lectures, and this standard has recently been changed, requiring 336 hours of lectures, gradually to become effective within the next five years."

The **Omaha** chapter of the American Institute of Banking elected four members to the board of governors recently, as follows:

Arthur D. Anderson, United States National Bank; Clarence R. Anderson, Federal Reserve Bank; Karl Kalde, First National Bank; G. F. Kroeger, Peters Trust Company.

The defeated candidates were: William Derr, Live Stock National Bank; E. J. Horacek, Union State Bank; H. C. Miller, Occidental Building and Loan Association; Thomas Walsh, Packers National Bank.

Mrs. Herman Kountze, widow of Herman Kountze, pioneer Omaha banker, died, at the age of 75, May 8, in Omaha. Mr. Kountze died in 1906.

W. D. Longyear, treasurer of the American Bankers Association, and Grant McPherrin, president of the Central State Bank of Des Moines, Ia., were passengers on the giant trimotored Fokker airplane that made a transcontinental flight to the Pacific coast, to be put in passenger service between Los Angeles and San Francisco.

E. D. Morcom, treasurer of the Federal Land Bank, returned to his duties the first of the month after an absence of six weeks because of illness, part of this time being spent at Excelsior Springs, Mo.

Samuel Burns, senior member of the firm of Burns-Potter & Company, brokers and investment bankers, died at Roosevelt Hospital, New York City, April 28th, after an illness of several weeks.

A group of **Omaha and Nebraska** bankers who are members of the Executive Council of the American Bankers' Association left Omaha April 12th to attend the annual "spring tonic" meeting of the Council held at Augusta, Ga. In the delegation were Andrew Kopperud, manager of the Omaha Federal Intermediate Credit Bank; Gwyer H. Yates, vice-president United States National Bank; James F. O'Donnell, cashier Nebraska State Bank of O'Neill, and John M. Flannigan, president Citizens Bank of Stuart, Neb., who is a member of the agricultural committee.

Through arrangements made by **Walter Head**, president of the Oma-

ha National Bank, a compromise agreement was reached last month whereby Omaha banks will pay 2 per cent on deposits of county funds, and the county will pay the premiums on surety bonds, which heretofore have been paid by the banks. This compromise settles a disagreement which came about January 1st when the banks announced they would pay only 1½ per cent on county deposits, but the decision is virtually a victory for the banks inasmuch as the premiums on surety bonds ordinarily amount to about ½ per cent on the deposits.

Bank clearings in **Omaha** for April were \$12,069,701 more than April, 1927, according to figures compiled by the Omaha Clearing House, the totals for this year being \$177,891,427.

Frederick H. Davis, president of the First National Bank of Omaha, left in May, for a trip to Europe. He plans to spend three months abroad. Mr. Davis' wife and daughters will accompany him on the trip, which becomes an annual vacation for him.

Omaha bankers were prominent among the business man who toured northeastern Nebraska, and the Rosebud country in South Dakota, on the annual Omaha Chamber of Commerce trade excursion, May 14 to 19. The representatives of the various banks, who renewed acquaintance with country correspondents on the tour, were as follows:

First National Bank: Denman Kountze, E. F. Jepsen.

Omaha National Bank: John A. Changstrom.

United States National Bank: Perry B. Hendricks.

Stock Yards National Bank: C. L. Owen.

Live Stock National Bank: R. H. Kroeger.

Burns, Potter & Co.: Guy Hoffer.

After an absence of five weeks, due to an injured knee, hurt when he was playing handball, **Gwyer Yates**, vice-president of the United States National Bank of Omaha, is again at his desk.

The department of Trade and Commerce, according to an announcement by **Secretary Clarence Bliss**, has issued a charter for a new bank at Burchard, Neb. The State Bank of Burchard begins business with a capital stock of \$25,000.

T. H. Wake, president of the Jones National Bank of Seward, Neb., was

elected president of Group One of the Nebraska Bankers Association, at the meeting in Lincoln May 17. Carl D. Ganz, cashier of the Farmers and Merchants Bank of Alvo, was made vice-president; and J. O. Peck, assistant cashier of the Dawson Bank, Dawson, was made secretary.

The principal topic for discussion was the problem of agriculture, and

the group adopted a resolution frowning upon direct buying of livestock on the farm, by the packers, and advocating the passage by Congress of legislation which would preserve for farmers and stockmen the continuance of competition in the open market.

P. H. Stewart, agronomist at the State College of Agriculture, discussed

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In the
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Stock
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ELIMINATE THE WORRY

resulting from delays in the collection of your live stock proceeds, by delegating that authority to a bank that specializes in this line.

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OF SOUTH OMAHA

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JAS. B. OWEN, Vice-Pres.	L. K. MOORE, Asst. to Pres.
F. J. ENERSON, Vice-Pres.	H. C. MILLER, Asst. to Cash.
W. L. PIER, Vice-Pres.	C. L. OWEN, Asst. Cash.
W. H. DRESSLER, Cashier	T. G. BOGGS, Auditor

U.S. National Bank U.S. Trust Company

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*"An Unbroken Record of Seventy Years
is a Guarantee of Safe and
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OFFICERS:

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the problems of corn growing and told the result of soil and cultivation experiments on crops in various areas of the state.

G. Smrha, president of the Farmers and Merchants Bank of Milligan, gave a talk on "Tooting Your Own Horn."

"There are but two professions left that do not advertise," he said, "the doctors and the bankers, and as a result the unethical doctor gets business that he should not get, through his advertising. The business will not come to you. You have to go after it and the only way you can do this is by effective advertising."

Mr. Smrha advertised the publication of a detailed report of the bank's standing, showing every bond and paper held.

T. B. Strain, vice-president of the First Trust Company of Lincoln, Neb., spoke on "Bonds as a Bank Investment." E. F. Folda, manager of the bond department of the Stock Yards National Bank of Omaha, conducted a round table.

"The Beef Cattle Business in Eastern Nebraska" was discussed by H. J. Gramlich, chairman of animal husbandry of the state university.

President C. A. Smith of the state association warned the bankers of the

approaching legislature, and urged them to forget petty differences.

Van E. Peterson, secretary of the of the Nebraska guaranty fund commission since its organization in 1923, is not to be a candidate for re-election to the commission when his term expires in July, he has announced. The decision, however, is not expected to affect his status as secretary of the commission, which does not need to engage a secretary from among its own members. Mr. Peterson's salary as secretary, is \$7,500 a year.

His reason for deciding not to be a candidate for the commission he gives as follows:

"The appointment is to be made for a three-year term, and I do not wish to continue my service on the commission as long as that."

W. B. Hughes, the secretary of the Nebraska Bankers Association, who recently was in Oakland, Calif., chose the airplane to make the return trip to Omaha. The trip was entirely without incident until the plane reached Nebraska, when heavy fog was encountered east of North Platte, and a landing was made at Grand Island for an hour, until weather conditions cleared.

J. F. Coad, of the Packers National Bank of Omaha, is encouraging the formation in Omaha and in Nebraska, of savings clubs by American Legion members who wish to attend the national convention of the Legion at San Antonio, Texas, October 8 to 12. Mr. Coad is a director of the national "Save-to-Travel" association.

Future **group meetings** of the Nebraska Bankers Association have been fixed as follows: June 5, Hastings, Neb.; June 6, Cozad; June 7, Cozad; June 8, Chadron.

The short term of H. C. Peterson of Chappell, on the state guaranty fund commission, is to be filled by election at Scottsbluff; and the successor to J. C. Hill, will be named at the meeting at Chadron.

The **Merchants National Bank** of Nebraska City, Neb., celebrated its seventy-first anniversary, Sunday, May 13. It is said to be the oldest bank in Nebraska, in continuous service. It was organized in 1857.

Practical success in art must come from every-day ambition and experiment.—*Siedman*.



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News From the Yards

FACES PIG SHORTAGE

The middle west has prospects for a bumper corn crop and a shortage of pigs, in the estimation of W. J. Kennedy, live stock authority of St. Joseph, who said in a recent interview:

"We have just completed a rather careful and fairly complete survey of the 1928 pig crop. We have been gathering this information each spring for over 15 years, and have been very close to actual conditions.

"These figures are gathered through our branches, county farm bureaus, state departments, large dealers and from my own personal contact with the farmers.

"Everything indicates a rather marked shortage of pigs this year. As compared to the 1927 figures, Nebraska has an increase of 15 per cent, Kansas an increase of 10 per cent, and South Dakota about the same. But these are the exceptions.

"Minnesota has a 10 per cent decrease, Iowa over 10 per cent decrease, Illinois, Indiana, and Ohio from 20 to 25 per cent decrease.

"The acreage of corn will be much larger due to frozen out wheat, alfalfa, clover and oats. This will mean, if weather conditions are favorable, one of the largest corn crops in years.

"With a hog shortage and lots of corn, hogs will be on a very profitable basis for October, 1928, throughout the entire year of 1929.

"It is too bad that farmers are rushing out of hogs just because the corn market has been higher than the hogs market during the past few months. The man who stays by the hog will win in the end."

New Trucking Record

Another trucking record was set this month at the Omaha yards when 2,088 head of cattle and calves reached the yards "on rubber." This is 210 head more than the former high mark of cattle receipts made in February of this year.

Meet June 21-22

Omaha will be host to the National Live Stock and Meat board when its members assemble for their annual

meeting on Thursday and Friday, June 21 and 22.

This meeting will bring to Omaha leaders in the principal cattle, swine and sheep growers' association, as well as representatives of the packers, retailers and commission men. They come from 11 states, embracing a territory from Ohio west to Wyoming and Utah, and from Nebraska south to Texas.

Half a Million People

According to a recent survey made by the Omaha Chamber of Commerce, there are 516,000 persons in Omaha's retail trade territory. This covers a radius of 50 miles in all directions.

Farms in the 50-mile radius represent an investment of \$973,267,000, the report stated and average value of farms is \$27,731, compared to \$12,084 for the country as a whole. Average bank deposits are \$1,963 per family and there is one automobile for each 4.2 inhabitants. There are but eight towns with populations above 5,000 in the district but 443,356 of the inhabitants live in cities or towns, including 211,000 in Omaha. The district has 253 banks with total deposits of \$235,539,000. Of the farms, 88 per cent have telephones and are served by eighteen newspapers. Omaha's wholesale trade territory has a population of 6,325,000, according to the chamber's estimates.

"Will Win in the End"

Professor W. J. Kennedy has always been something of an authority on hog marketing as well as on hog diseases. He has made a careful survey of conditions and prospects in the corn belt and figures that there is a prospective increase in corn acreage. "With a hog shortage and lots of corn, hogs will be on a very profitable basis for October, 1928, throughout the entire year of 1929," concludes the professor. "It is too bad that farmers are rushing out of hogs just because the corn market has been higher than the hog market during the past few months. The man who stays by the hog deal will win in the end."—*Editorial, Omaha Daily Stock Journal.*

The Live Stock Trader

The National Live Stock Traders' Exchange held its thirteenth annual convention in St. Louis last Friday and Saturday with delegates present from ten market centers. Sometimes the trader, as he functions at the live stock market, is not understood and given the proper recognition as an important functionary in the great marketing scheme, says the St. Joseph Stock Yards Journal. His presence in the market increases competition and helps to stabilize prices. The trader matches his skill and experience against the uncertainties of the trade and thus helps to create a demand for the shippers' stock. Plus all this he has voluntarily bound himself under stringent rules for the protection of all interests that have dealings with him. And just now the Traders' Exchanges are lined up and fighting with the Live Stock Exchanges and their patrons—the live stock shippers and feeders—for the preservation of the open market.—*Editorial Omaha Daily Journal-Stockman.*

Hot Weather Precautions

With a few hot days registered in May, Omaha shippers and live stock men were passing out to shippers hot weather loading precautions.

In the first three days of this week, 29 hogs reached market dead in the cars, as compared with 19 head for the same days a week ago, and 12 head in the corresponding days three weeks ago. Veterinarians here attribute the increase mortality in shipment to the rise in temperature. Cattle and sheep were not affected so much by the hot weather, and losses were no heavier this week than they have been.

For the past several years stockmen in the territory tributary to Omaha have demonstrated that stock can be shipped safely in the hottest weather if the proper precautions are taken. The loading rules are simple and easily followed. Here are the most important steps for the shipper to guard against summer shipping losses, as outlined by Dr. C. H. Hoekstra, chief veterinarian at Omaha for the Western Weighing and Inspection Bureau:

1. Do not over-load any kind of stock.

Central Western Banker, May, 1928

2. Load stock in clean, newly sanded cars.

3. Hogs should be wet down, and if possible the cars in which they are shipped should be iced.

4. Do not load stock in cars with an accumulation of heavy winter bedding.

Simple, isn't it? And the saving of just one hog is worth more than the expense and time required to ice several cars.

Club Members Active.

More than 1,200 baby beeves are now on feed and being cared for by boys and girls club members of Nebraska. This is by far the largest number that have ever been fed in the state, according to C. S. Maddox, assistant extension agent of club work.

The calves belong to over 800 members in 77 clubs scattered over practically every county of the state where any cattle are fed. Most of the members will exhibit their calves this fall at the Nebraska State Fair, the new Ak-Sar-Ben stock show at Omaha, and the Sioux City and St. Joseph shows.

Many of the calves went on feed last fall and all the baby beeves that will be exhibited at the state fair were on feed by January 15. Fat heifers for the state fair show were

on feed by March 1. Baby beeves for the Omaha show went on feed before March 15 and fat heifers for that show were started before May 1.

With less than half the enrollments in the office for the pig clubs of 1928, 925 members have started in 123 clubs. It is expected that more than 2,000 boys and girls will be in this club this year. Hog prices have not been as encouraging as they might be during the past year, but the market forecasters say the slump is over and the boys and girls can look for better prices when their pigs are ready to sell next fall.

It is thought that these forecasts will tend to keep the pig club enrollment at about normal this year in spite of past low prices. Low market prices has kept the prices of good breeding stock down to a point where boys and girls wanting a good start with purebred stock have been able to invest in the best breeding at very reasonable prices. This condition should have benefited the youngsters and helped them start a good foundation for their future herds.

Most of the pigs are exhibited at local and county fairs. Only about 400 are shown each year at the state fair, and a good share of them come from Lancaster and adjoining counties. Most of the members raise

breeding hogs rather than market hogs, so their show does not exactly compare with the baby beef and auction sale. A new fat barrow show at Omaha this fall is already creating a lot of interest, however.

An Honest Man!

Go to Diogenes and tell him to cast his lantern beam on Minnesota. For there lives an honest man.

Discovery of this honest man was made recently by Harry W. Kavel, general agent of the Aetna Life Insurance Company at Minneapolis. As evidence, Mr. Kavel cites the following letter, sent to him by Hans B. Kromann, honest man:

"I am returning herewith check of March 31st which I, according to our contract, feel that I am not fully entitled to, due to the fact that I have been doing some work part of the past month, although I have not been able to work in the open in cold weather, and according to my doctor's advice must be careful and avoid exposure to cold wind as much as possible, wherefor I have had to hire extra help to do the work in the open.

"If, under such circumstances, I should be entitled to part disability, I would consider that with appreciation."

At the
Nebraska Group Meetings

Lincoln, May 17
Hastings, June 6th
Cozad, June 7th

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South Dakota News

County Bankers Meet

A meeting of the Day County Bankers' Association was held recently in Webster, South Dakota. Bankers present included C. B. Knott and Albert Lundeen of Bristol; J. Schad of Roslyn; J. A. Anderson of Peirpont; Edwin Carlson of Holmquist; Andrew Hedman, E. M. Hanse and W. B. Stevens of Webster.

Andrew Hedman of Webster was elected president, and J. A. Anderson of Pierpont, secretary and treasurer for the ensuing year.

The association plans to hold regular monthly meetings, which will probably be held in the evening, preceded by a dinner.

First Foreclosure

The Menno State Bank of Menno, South Dakota, which has been doing business in Hutchinson county for the past thirty-two years, has loaned millions of dollars on real estate in that section of the state, reports that this spring it was forced to make the first foreclosure ever made on a loan in that institution. The foreclosure was made on account of conflicting claims against the land.

Meet in Dell Rapids

Bankers of Dell Rapids, South Dakota, gathered recently for the annual convention of group No. 2, South Dakota Bankers association, which was held in the park pavilion.

The program consisted of an address of welcome by Mayor L. K. Larson; response by Ira A. Moore, Sioux Falls, president; address by George A. Starring, secretary of the state association, on "Public Relations and Advertising"; addressed by M. I. Orms, Sioux Falls, on "The Service Charge and Analysis of Accounts"; address by Harry Yaeger, deputy governor, federal reserve bank, Minneapolis, on "The Future of Branch Banking;" remarks by Harry M. Griffith, president of the state association; and a question box conducted by J. L. Mitchell, president of the First National bank of Sioux City.

There was a dinner meeting at 6:30 with Mr. Moore acting as toastmaster.

Group Nine Meets

The Seventh annual meeting of Group Nine of the South Dakota Bankers' Association was held re-

cently at Bonesteel. John H. Meyhaus, president of the Dakota State Bank of Bonesteel presided, and R. J. Taylor, vice-president of the Dakota State Bank acted as secretary.

The address of welcome was given by P. J. Donohue of Bonesteel, and the response made by R. E. Montgomery, cashier of the Tripp County State Bank of Colome.

Addresses were made by Guy C. Kiddoo, vice-president of the Omaha National Bank, and A. B. Beck, judge in the Ninth judicial circuit.

Officers elected for the coming year were Robert Jones of Winner, president; H. E. McKee of Gregory, vice-president; and Lloyd Mengle of Winner, secretary.

The Group chose Winner as the meeting place for next year.

In Watertown

Bankers of Group Two of the South Dakota Bankers Association met recently in Watertown, and elected the following officers for the ensuing year; C. H. Lockhart of Watertown, president; J. A. McGillivary, of Clark, vice-president; and E. R. Johnson of Brookings, secretary.

The gathering decided to hold the meeting next year at Brookings.

Heads Group Three

L. M. Larson, Wessington Springs, was elected president of group three of the South Dakota Bankers Association at the closing of the group's annual meeting in Mitchell recently. Mr. Larson succeeds J. S. Smiley of Alexandria. E. A. Loomer of Mitchell was elected vice-president, and D. V. Smith of Mitchell, secretary-treasurer.

The executive committee comprises a banker from each county in the group and includes: G. Gerhart, Aurora; F. S. Stowell, Brule; J. M. Newell, Davison; W. S. Hille, Hanson; Roy Klatt, Hutchinson; K. T. Aisenbrey, Jerauld; C. E. Lange, Jones; Thomas McMuggan, Lyman, and T. M. Brisbane, Sanborn.

Pioneer Dies

Frank H. Johnson, long associated with South Dakota banking activities, died recently at Hot Springs, South Dakota. His death was thought to have been caused by heart trouble. In the past he had been associated with banks at Armour, Geddes and Sioux Falls.

Expects a Good Year

By Carl E. Voigt, cashier, National Bank of Huron, South Dakota

The outlook for Huron, S. D., and its trade territory is very promising. In spite of the coldest April weather which has ever been recorded by the local weather bureau, the farmers have not been delayed to any extent in their spring work. The latter part of March was ideal from an agricultural standpoint, giving the wheat growers an opportunity to do their seeding early. Nearly all the spring wheat seeding was finished by April 10th, followed by the seeding of oats and barley. Due to the extreme cold weather which caused considerable freezing during the month of April, it is estimated that the small grain has been delayed from a week to ten days, but inasmuch as the soil and moisture conditions are promising, the crop should make rapid advancement with a little warm weather.

The present estimates are, that there is about an average acreage of wheat, oats and barley. If any change, it is possible that there is a



CARL VOIGT

little more barley, due to the better price. A few scattered reports state that some of the early oats has been hurt by the continued freezing, and that these fields are being seeded to barley. This, however, effects only a small percentage and no cause for alarm. There is very little rye and winter wheat in this section. The

(Continued on Next Page)

Central Western Banker, May, 1928

Kansas News

To Promote Safety

The Clearing House Association of Kansas City, Kansas, recently promoted a campaign for the use of safety deposit boxes, calling special attention to the fact that during the summer, while persons are away on vacations, it is especially dangerous to leave valuable in the vacant house. A safety deposit box is a very simple solution.

Contest Shoot

The banks of Coffey county, Kans., will hold their vigilante contest shoot sometime in August. The winner of this contest will attend the state meet next fall, where he will compete with the winners from other counties throughout the state.

Buy Machine Gun

The Merchants National Bank of Topeka, Kansas, has recently purchased a machine gun as a further protection from bank bandits. The outfit is the same style as that in regular use in the U. S. Army, and also by the Kansas National Guard.

Heads County Bankers

At a recent meeting of the Butler county, Kansas, Bankers' Association,

J. A. Middlekauf of Douglas, was elected president. W. S. Marshall of Leon becomes vice-president, and Jay Thomson of Eldorado, secretary.

New Vault

The Columbus State Bank of Columbus, Kansas, has recently installed a new vault of the very latest type in efficiency and safety. The complete vault weighs more than twenty-eight tons.

Succeeds Father

Ames P. Rogers is the newly elected president of the Abilene National Bank of Abilene, Kansas. He succeeds his father, the late G. A. Rogers. A. P. Rogers was formerly vice-president of the bank.

In Marysville

Marysville, Kansas, was the recent meeting place of the Marshall county Bankers' Association. W. J. Burr, cashier of the State Bank of Blue Rapids, was elected president, and O. Deibert of the Winifred State Bank, secretary.

Reorganized

The Caldwell State Bank of Caldwell, Kansas, has been reorganized

with a capital of \$35,000. The bank is now controlled by John T. Stewart of Wellington, who is the new president. A. E. Bower of Wellington is vice-president, and F. Wynn of Caldwell is the new cashier.

Greenwood Bankers Meet

The Greenwood County Bankers' Association held their recent annual meeting in Eureka, Kansas. A Eureka banker, G. F. Akright, was chosen as president for the ensuing year, and John T. Marshall, of the same town, becomes secretary.

Elected to Board

Charles Casswell succeeds Jess Morrell as a member of the board of directors of the Kanopolis State Bank of Kanopolis, Kansas. Mr. Morrell was formerly cashier of the institution.

Expects Good Year

(Continued from Page 29)

corn acreage will probably be about the same as last year.

Producing More Corn

This community is producing more and better corn each year, which is evidenced by the fact that this county is nearly in the center of the corn belt of this state. Most of the farmers have ample corn to take care of their present needs, and some of them are fortunate enough to have a surplus and are taking advantage of the advance in price, which is better than 90c per bushel at this time. Available reports show that South Dakota shipped 500 per cent more grain from August, 1927 to March 31, 1928 than during the same period for the previous year. It is also estimated that there is about 400 per cent less grain on the farms at this time than a year ago, and about 200 per cent more in the elevators. This is attributed to the short 1926 crop, and to the fact that farmers a year ago were short of feed and seed and were not disposing of their grain. The farmers have a vision of duplicating their last year's record, providing they have continued favorable weather conditions.

Many farmers are taking advantage of the fact that the swine industry is passing through the period of a hog price cycle and are stocking up with feeders and brood sows. Government figures show that as a whole there was an increase of hogs of six to eight per cent in 1927 over those raised in 1926; local conditions likewise show an increase. Therefore, it is quite probable that the 1928 crop

(Continued on Page 37)



Above, Governor Ben S. Paulen of Kansas, photographed at Grove Park Inn, Asheville, North Carolina during a recent visit he paid the "Land of the Sky" in company with members of the American Bankers' Association. Left to right, Mrs. M. H. Malott of Abilene, Kansas, Mrs. Ben S. Paulen and Governor Paulen.

Central Western Banker, May, 1928

Predict Good Business Year

(Continued from Page 8)

not be long until the deflation period will be forgotten. I do not know of any pending foreclosures, and the heavily involved are few and far between. The local mercantile condition is very good, but the merchants are proceeding cautiously.

The demand for money has been very meager this spring, even though we had a short crop last year, farmers are not anxious to increase their indebtedness. The crop outlook for this year has been somewhat hampered by the recent high winds and dry weather and no little damage was done to the small grain. However, recent rains have put things in very good shape and believe that in a few weeks time the majority of the damage will not be noticeable, provided favorable weather prevails. The farm work has progressed well and the farmers are very optimistic over the outlook.

Spring Work in Good Shape

By R. C. Peters, Farmers State Bank, Glenvil, Nebr.

Spring business in this section is opening up in fine shape. The ground is in excellent condition for corn planting and we expect many to start planting at once.

The demand for money here is rather light. We believe this is due to the results of a good crop last year a little of which has been held over by most farmers and is now being marketed at good prices.

Bank Deposits are on Increase

By Geo. J. Kunze, Cashier, Citizens State Bank, Lewis, Ia.

Conditions in this section of the state are much improved as compared with those of the past few years.

Ours is strictly an agricultural community and the unusually cold spring has delayed farm work so that crops are about two weeks behind normal. But even with this discouraging condition, there is a decided feeling of optimism among our folks which is refreshing after the period of depression from which we sincerely believe we are emerging. And it is this changed mental attitude and spirit that is one of the outstanding signs of the times.

Land is slowly coming back into its own and is again being considered an asset rather more than a liability. There are very few land mortgage foreclosures. The prosperity of our merchants depends on that of our

farmers and most lines report a very good trade with collections good.

Demand for money has been less than usual this spring and banks have enjoyed a very substantial increase in deposits.

We have a justified faith in Iowa, her land, her institutions, and her people, and are glad of the privilege of being a part of the great commonwealth.

Minnesota Conditions Fair to Good

By A. V. A. Peterson, Vice-President, Farmers and Merchants State Bank, Austin, Minn.

Spring work has been somewhat delayed because of the unusual weather conditions, but it appears that the early crop that was sown before the snow and cold weather that followed, has not been injured except in low places. Most of our small grain crops are now in, and work is commencing in preparing the soil for the corn.

Generally speaking, farm conditions are about the same as they were a year ago, except that a demand for feed money has developed in a small way. The soil is in a very good condition for a crop, and if warm weather will set in the lateness of the season will not affect the crop materially.

Business conditions hereabouts are fair to good. Credits are being taken care of in the ordinary course, and demand for money is about as usual. Speaking in a larger way, agriculturally and commercially, Austin and its tributary country is about normal, and movement of land has manifested itself in a small way, but at prices higher and better than maintained a

year ago. The Federal Land Bank has little or no delinquency of interest in this county, and where business has been handled in a conservative manner, credits are well taken care of.

Farmers Hesitate to Buy Cattle

By E. L. Johnson, Cashier, Peoples State Bank, Wolbach, Nebr.

Conditions in this part of the country are very favorable at the present time. We had quite a long dry spell which kept the grass back, and also the alfalfa, and damaged some of the wheat, but we had a good rain four or five days ago and as far as any damage to the crops, we think there is very little.

There is very little demand for money. People seem to be afraid to take hold of cattle at the going prices. There is no demand for farm loans, or very little. Most farmers seem to expect a lower rate of interest.

Are Anticipating Average Crop

By W. R. Pettee, Cashier, Farmers and Traders Bank, Waco, Nebr.

Spring wheat has been set backward somewhat on account of the cold, dry weather and high winds which we had all the month of April. However, since the first of May we have had an inch of rain which has made a big difference in the fields. With favorable conditions from now on, we can look for an average crop of wheat in this community.

Money is easy here. The demand is not heavy as yet and we have a good surplus on hand. There is still quite a lot of old corn on hand and also wheat, which the farmers are holding for higher prices. There is also quite a number of car loads of cattle and hogs just about ready to go to market. The farmers here are not complaining of hard times. Most



Nebraska is rapidly developing its dairy herd industry. Above, a fine Nebraska herd.

Central Western Banker, May, 1928

of them are doing well in spite of the fact that politicians are trying to make them believe that they are not having a fair deal.

Farmers Learning to Smile

By Geo. F. Smith, Vice-President, Waterbury State Bank, Waterbury, Nebr.

The spring prospect for fairly good business is more flattering than it was one year ago.

Farmers are much farther ahead with their work and prospects for a good crop are promising.

Plowing is all done and corn planting is now under way—the click of the planter is heard in all the land. Ample and timely rains guarantee a good hay crop and pasture.

If we get through without another frost we are assured a big fruit yield. In view of all this, therefore, the farmers comes to town with a smile that seems to be contagious.

Credit, however, is not expansive. The banks have been hard hit and obliged to call for the liquidation of some of their loans. Deposits have been withdrawn, apparently to finance business and farming operations, but not to any great extent. These withdrawals from the banks have been due to normal conditions only and not to any nervous tension on the part of depositors.

While some of the banks have been taken over by the Banking Department of the state, yet this does not seem to have created a lack of confidence on the part of our depositors. There is plenty of work and everyone seems to have a job and are apparently working at it. People are more careful about buying than they were formerly, usually confining their purchases to necessities.

Business men are generally optimistic concerning the outlook for them. They are more careful about

extending credit and more vigorous in the matter of collections.

I am advised by the lumber and hardware men and building contractors, that very little building is contemplated as yet for the coming season. This, however, is not an indication of fear or nervousness or lack of hope. It is simply a precaution, farmers not being inclined to give orders for building material until the coming season indicates what it will do for them; and the necessities of the business people in town are already provided for so far as new improvements are concerned. Money is not particularly plentiful, although there has been sufficient in this immediate locality to finance all necessary requirements.

On the whole, we are optimistic here, we are hopeful, we are looking forward to better conditions. Our people are of those who are ever ready to roll up their sleeves, face the battle and take the shots as they come, and in the meantime do the best they can.

The Outlook in Northeastern Nebr.

By J. H. Welch, Cashier, Elkhorn Valley State Bank, Stanton, Nebr.

Northeastern Nebraska is looking forward to 1928 with a good bit of optimism with respect to the business outlook. The good crops of last year, together with fair prices, have enabled the farmers to reduce their indebtedness to such a point that they can safely operate for another year and with the prospect of having something to spend other than for their debts. The present high prices for products will bring considerable money into this region as large quantities of corn and live stock are still to be marketed. Of course this money will come to the more independent class of farmers but at that it will help the financial situation greatly as it

will assure the banks of funds to loan to those who are in need of credit and who are worthy of it.

It is too early to forecast much with reference to this year's crop. The winter wheat, which goes to market early and relieves the mid-season strain when the crop is normal, has largely been killed out and a high percentage of the acreage will be put into corn. Oats will be thin on account of the late frosts, but on the whole the crop is quite satisfactory. The soil is in excellent shape for the planting and listing of corn and this phase of the farm work is being pushed at this time. Much alfalfa has been winter killed and this will add to the corn acreage in these parts.

Farmers, on the whole, are hopeful of better times. More improvements in the way of repairs and painting of farm buildings are being made than have been undertaken for some years. Many new automobiles are being sold and farm machinery is being freely bought.

The retail business is not flourishing in some localities, especially in the small towns. This seems to be due to the tendency of people to trade in the larger towns and cities. Mail order houses are doing a good business. Chain stores are affecting the small town merchant and with higher overhead and increased cost of doing business it would appear that fewer stores per capita will be able to live as time goes on. Success will probably come to the merchant who can make a big turn over at a small profit. Competition will not allow an undue profit in most localities.

Banking conditions are sound, there is plenty of money to take care of the legitimate needs of the community and it appears at this time that 1928 will be a normal year in every way and possibly somewhat above the last few years have been.

This community needs above everything else a revival of the belief that a farm is one of the best possessions a man can have, especially if he is able to live on it and make it his home. With better prices for his products and more remunerative returns for his labor in every way the farmer is soon going to want these lands again and when he does there will be a great improvement in all lines of business.

Farmers Are Buying Liberally

By T. M. Johnson, Cashier, Chappell State Bank, Chappell, Nebr.

The past winter was unusually mild and open, but very little snow or



Near Beatrice, Nebraska, "Beatrice on the Blue" river.

Central Western Banker, May, 1928

moisture of any kind, and some wheat killed out, whether from dry weather or freezing, no one is able to say definitely. We probably lost 20 per cent from this cause, but the wheat that is left looks well and with the increased acreage over last year Deuel county should produce as much wheat as she did last year when we marketed more than two million bushels. We have had close to two inches of rain the past week, so with the exception of wheat being about ten days to two weeks late, I would say that conditions were ideal at this time.

This is distinctly a wheat country and the condition of our wheat crop reflects the general business outlook. Our farmers are buying liberally and are placing orders for new and improved harvesting machinery, our merchants are stocking up to take care of the trade and placing orders for their harvest needs.

We are not having a building boom but two new business buildings and a number of new and substantial residences are under construction at this time and more are contemplated.

Our Antiquated Tax System

By J. G. Hohl, Cashier, Farmers and Merchants Bank, Prague, Nebr.

Farm conditions in our community are very satisfactory. Wheat is doing fine and corn planting is now in full swing. Farm loans are being liquidated very rapidly and demand for new money is very slow.

I believe farm values have reached bottom and will soon be on the increase.

The farmer who can shape situations to his liking is succeeding; the farmer who is the victim of circumstances fails.

The one real danger to the farmer is our antiquated tax system of property taxes. The plain fact remains that real estate—the visible portion of property—pays over 80 per cent of all property tax. Here is where the farmer gets his, because all he has is in sight. We call ourselves progressive, but in the matter of taxation we are far behind.

Conditions Seem Quite Normal

By F. W. Wenke, Cashier, Pender State Bank, Pender, Nebr.

In our community business generally, and farming conditions as a whole, are very much like the past several years. Probably 80 to 90 per cent of the people here are in a position where they need not worry about debts any more than they had to years ago, when times were supposed to be normal. In fact our people are realizing that times now are

normal and those who are heavily in debt are resigned to the fact that they will have to work their way out under continuing conditions as they are now. There are still some people who will have to lose their land—the same as in most communities, and land prices are still lagging somewhat.

There is plenty of demand for money locally at country banks and the people are going ahead with their operations in a wholehearted and optimistic manner. Retail mercantile business is also satisfactory and as near normal as one can imagine.

It is our belief that local conditions in rural communities depend largely upon the banking situation in that particular community. For that reason conditions in Nebraska are some-

what spotted and will continue that way for a while.

Outlook for 1928 is Very Good

By F. D. Burgess, Jr., President, Farmers State Bank, Kern, Nebr.

We have about an average of fat cattle in the feed lots, and while bought at a seemingly high price during the fall, practically all of our feeders should make a fair net profit if the cattle prices are maintained at the present level.

The fat hogs are mostly sold at a figure which left a very narrow margin of profit to the farmer. However, the new pig crop is coming along fine and from reports is about normal.

The first four months have been dry and as a result leaves us with

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about a 50 per cent wheat crop in sight.

Oats were hurt but seem to be making good progress since the inch and a half of rain during the first week in May. This rain put the ground in ideal condition for corn planting and nearly all of our farmers started to plant on May 7.

The present outlook for a good corn crop is fine.

Our Merchants have found a good spring trade in nearly all lines, and have had medium good collections.

As our farmers are principally in the business of raising corn, hogs, and cattle, the 1928 business outlook is exceptionally good at this time.

Good Spring for Farm Work

By H. R. Dressler, Cashier, Bank of Nemaha, Nemaha, Nebr.

This community has experienced an exceptional spring for getting farm work in shape. While there has been sufficient moisture to put the ground in excellent shape for spring planting, there has been but very few days during the entire spring that the fields could not be worked. The winter wheat looks good. Much of the corn has been planted and alfalfa will soon be ready for the first crop. A large per cent of the oats was frozen after it came through the ground and it looks very doubtful if it will make

much of a crop. Most of the tree fruits have been at least partially killed by late freezes, although there will be a very fair crop of grapes and small fruits. In general we should see a very prosperous year, I believe.

I have been very much interested in your letters received as to what makes up good farm loans. To me it seems that a well managed country bank should demand security that will be ample to pay the loan should the bank desire to liquidate the loan, or sufficient to meet the requirements of the city correspondent, should it desire to sell the paper. I can see no reason why a crop mortgage loan is not good security. I can see every reason why it would not be in a country where the crop failure is expected every few years.

Need Moisture at Western

By Geo. F. Sawyer, President, Saline County Bank, Western, Nebr.

I have lived in this county fifty-eight years. The year 1926 was unusually dry. Farmers had to buy feed and seed with which to commence the 1927 crop. The 1927 crop was unusually good and prices were satisfactory, but farmers are holding back, fearing another dry year. Have had but little moisture since October, 1927.

Business in consequence is slow and I think will continue so until another crop is assured.

Little Demand for "Farm Relief"

By A. J. Jorgenson, President, American Bank, Sidney, Nebr.

Winter wheat is our principal crop. Feed crops, such as barley, oats, rye, and corn make up less than half of our total crop.

Our winter wheat shows a present loss due to dry winter, of about 25 per cent. Moisture supply at present is sufficient and wheat is making good progress. Partly as a result of the injury to winter wheat, feed crop planting has been increased over last year. As this territory is well supplied with good breeding stock in the way of hogs, sheep and cows, I believe any loss we may suffer due to a smaller wheat harvest, will be more than made up by live stock feeding and dairy products.

Merchants are lightly stocked and report business slower than a year ago. That is especially true in lines that would not be termed "necessities," such as musical instruments, automobiles, etc. Implement lines have enjoyed a very good spring business.

This territory is well supplied with credit facilities and bank loans are about 20 per cent lower than a year

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ago. Deposits show 15 to 20 per cent increase over a year ago.

On the whole, business men and farmers are pretty well satisfied with present conditions and prospects for the season, and there is very little "demand" for "farm relief" among farmers and business men. Both classes, however, look hopefully for lower prices on manufactured articles and lower taxes.

Mercantile Business Seems to be Only Fair

By E. M. Black, Cashier, First National Bank, Fullerton, Nebr.

Mercantile business has been rather slow with the retail merchant in this as well as surrounding towns, the trade seems to not have the money to spend, being the reason that most store men have for the condition of business.

The spring here has been very dry and cold and until the third of this month we have had no spring moisture to start the pastures, alfalfa and spring sown grains. However, since a good rain on the third everything has come out in nice shape and with the present nice weather the pastures, etc., will be up to normal for this time of the year.

This community has a large number of dairy cows through it, and it is very noticeable that as soon as dry weather effects the pastures it has a tendency to slow up the mercantile business.

The demand for money has not been unusual, just the ordinary demand for the spring season in getting the crops sown, on account of the dry weather, the demand for money to purchase automobiles, etc., has been very light.

Better Prices Pleasing to Farmers

By Howard Johnson, Cashier, Farmers State Bank, Hendley, Nebr.

Our farmers generally are well pleased with prices of grain and live stock the past few months.

Good moisture late in the winter made the outlook good the fore part of the year. But our dry, cold and freezing in April made things look doubtful until the past week when our section of the country was favored with a fine, two-inch rain which gave us about a normal prospect up to this time for the season.

Farmers seem to be cautious this season and our demand for money is light. We have a strong cash reserve and are unable to build up our loans on a discount basis that will offset the cost of our time money. We think our neighboring banks are experiencing the same condition.

Business Seems to be Improving

By H. G. Pratt, President, State Bank of Hastings, Hastings, Nebr.

The retail business has been rather slow this spring and there has been very little building.

However, business is picking up a little and there is a prospect for a very fair amount of new building this spring.

After about six weeks of very dry weather we experienced a fine rain and conditions are generally favorable at this time. The winter wheat is backward but apparently in good condition and should make a fair crop. The ground is in an excellent condition for corn planting.

Customers are Optimistic Over 1928 Outlook

By M. E. Isaacson, Cashier, First National Bank, Marquette, Nebr.

Although we have had a very dry spring, which has possibly hurt the wheat crop a little, we received an inch and a quarter of rain last week, which is very beneficial to our wheat crop. The ground is in very good condition and with a few rains between now and harvest, we should have a fair wheat crop. We have had no demand for money this spring whatever. The farmers as a whole, liquidated their debts to a great extent, out of the 1927 crop.

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Farmers Must Become Business Men

By Leo Ryan, Cashier, Hazard State Bank, Hazard, Nebr.

Trade seems to be dull in all lines of business up this way. Not much demand for money. People seem to be hard up in a way. Seems as though their earning capacity barely makes the modern-day living expenses. The margin of excess security on the average farmer's note has decreased and in our section, it was because of the small returns from hog raising this past season. We received a nice rain lately and prospects for crops are average for this section. Present arrangements indicate that only the farmer who is saving, who arranges his business so that he has a cream and egg income and uses his head in buying and selling at favorable periods, is the farmer who is going to stay in the game. In other words, it has come to the point where they must be as efficient in their line as the business man needs to be in his.

Farmers Liquidating Indebtedness

By H. H. Peters, Cashier, Bank of Yutan, Yutan, Nebr.

The trend of conditions in this county is toward an abundance of money and farmers who know their business and were not too heavily involved, are liquidating their indebtedness. Our deposits were higher and loans lower the past winter than for some years past and additional money is coming every day. About forty thousand bushels of dollar corn is being delivered at this time, many farmers having had two crops on hand. Our feeders have made money this year and optimism prevails. We believe our policy of insisting on conservatism has been a real benefit to the community, for nearly all have been able to weather the ordinary price fluctuations in the past and this spring, many of our customers, whom we have carried for years, have been able to liquidate entirely.

The general mercantile situation is optimistic, although not as much so as the farming industry, the small town, as a rule, being over-supplied with small retail establishments, and clothing and other trade going to the larger towns.

Good rains recently have also brightened the prospect for a good 1928 crop.

Conditions Near Norfolk Are Very Good

By Jabe B. Gibson, President, Nebraska State Bank, Norfolk, Nebr.

Conditions in and about Norfolk are very good. Alfalfa and oats look

Central Western Banker, May, 1928

fine, and the corn ground is in excellent condition for planting. All the large stores report an increase in business for the month of March and April over a year ago. This is due to two things; first, the roads have been passable every day and second, we had a good crop over this entire territory in '27, while in '26 we had a short crop.

There is very little demand for money, in fact, less than 20 per cent of our deposits are local loans. The condition of the banker was never better as there is not much wild speculation and not much money is borrowed now unless the borrower knows how to pay it back.

Backward Season But Outlook is Good

By C. A. McCloud, President, First National Bank, York, Nebr.

February and March were very mild months. We had April and May weather in these two months, with only a fair degree of moisture. April was a very dry month with us; very little moisture fell during the month of April; however, the farmers were busy in putting in their spring crops and preparing the corn ground.

The season has been rather backward and cold, especially the last 30 days. However, the farmers are well advanced with their work, more than half the corn is in the ground and that has been in for the past few days is germinating in fine shape, as the weather has moderated and last week we had about a two inch rainfall which pleases everyone and we feel in fine spirits and look forward to a normal crop.

The cattle feeders, most of them, have disposed of the cattle they put in the pens last October and have all, so far as reported, had a fine game and a good product. The hog men have not fared so well.

Business conditions locally are better than normal since the first of January. Our city of York is making the best growth that it has made for years. At least \$500,000 worth of business houses and dwellings have been contracted since January 1st. Money matters are easy, all the banks have a surplus lot of money. No business failures among our merchants during the last year. While some of them have not been overly prosperous, still they have been in a position to meet their bills.

The wheat crop is about 90 per cent of what it was last year. Oats notwithstanding the dry and freezing weather, are showing up fine, and we look forward to a good year for 1928.

Under New Management

(Continued from Page 5)

Andrew J. Kopperud, manager of the Federal Intermediate Credit Bank of Omaha, adds his congratulations to the new management, saying, "We have just heard that the DePuy organization has purchased the CENTRAL WESTERN BANKER of Omaha. For the past several years, we have watched the success and progress of your organization and wish to congratulate you on your most recent move. We are also happy to learn that you will publish the CENTRAL WESTERN BANKER as a separate and distinct banking magazine, with particular emphasis on Nebraska territory."

E. C. Davenport, president of the Nebraska State Bank of Valentine, offers his congratulations. "I have just learned that your organization has purchased the CENTRAL WESTERN BANKER of Omaha and wish to extend to you my congratulations and best wishes for success in your publication of this magazine. This will permit you to take a very intensive interest in the banking affairs of Nebraska and render a real service to bankers of the state. The close personal contact which you maintain with your banker friends and the interest you arouse in their everyday problems, together with the energetic direction of your business, will make the CENTRAL WESTERN BANKER a publication of which we shall all be proud."

From Alvin E. Johnson, vice-president of the Live Stock National Bank of Omaha, comes the following friendly word: "We are delighted at the news that you and your associates have purchased the CENTRAL WESTERN BANKER of Omaha and will

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publish it as a separate and distinct magazine. Having watched the progress of other DePuy publications for many years, we are all much pleased that our local magazine has come into your hands. We wish you success and if we can serve you at any time, please feel free to call upon us."

Expects Good Year

(Continued from Page 30)

will show a decrease generally, due to low prices and an over-production. In view of this it is quite possible that farmers will receive a better price for hogs this summer and fall. While the ratio of prices for hogs and corn have not been favorable, nevertheless, due to the ample supply of corn, farmers have made some money and with a slight adjustment of prices, which I feel is coming, will make feeding profitable.

The dairy industry in this community has shown a very marked improvement, and all indications are that the coming year will lead to some interesting figures. With practically three crop failures in the past four years, the farmers in this community realize more and more the importance of diversification and the dairy cow. While available figures are not at hand, there is a good percentage of increase in dairy cows this year. This statement is corroborated by the increase in business that the dairies and cream station are enjoying. Considering the fact that there is an ample supply of feed and roughage and dairy products at a good price, dairying is proving very profitable.

Conditions Satisfactory

Business conditions in the city of Huron and its trade area has been very satisfactory. A conservative esti-

mate shows that business has increased better than 10 per cent for the first three months of this year over the same period last year. This increase is contributed entirely to volume and not price, as prices are approximately the same as a year ago. The business has been well in advance of the seasons and the merchants are very optimistic of the coming year. Bank deposits show about a 20 per cent increase the past year with the favorable prospects that they will no doubt continue in their growth. There has been very little demand for money this spring in comparison with a year ago. Last spring many farmers needed money for seed, feed and taxes. This year, the majority of them were able to care for their own needs. The few who were not, were able to get assistance from their local banks. Another indication of better times and reason for optimism is due to the fact that there are very few unemployed and the waiting lists are practically without applicants. There is a fine building program underway with building permits showing a big increase over former years. Many new homes are being built and vacant houses are at a premium.

The automobile industry has shown a big percentage of increase over the same period a year ago, which no doubt is an indication that people have a little more money and that money conditions are a little easier.

Taking into consideration that agricultural, dairying, business, banking, building and labor all show marked improvements and prospects favorable, I cannot help but feel optimistic over the coming year.

URGES KEEPING STEP WITH THE TIMES

Guy C. Kiddo, vice-president of the Omaha National Bank, spoke at the group meetings at Norfolk, on April 23rd, and at Bonesteel on May 9th. The general theme of his remarks was the importance of bankers keeping abreast of new developments, and adjusting their practices to conform to the new problems and changing conditions which confront them.

He suggested that the banker who hopes to invest his secondary reserve intelligently must know something of the investment possibilities and relative merits of foreign securities, which have been sold in such volume in this country in recent years.

He mentioned also a number of striking changes which are taking place in business and industry, such as the growth in chain stores, improved methods of communication and transportation, and the tendency toward eliminating the middleman, all of which the banker must have in mind in analyzing the business of his community.

He urged that bankers should continue to give constant and earnest



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study to new developments and problems concerning agriculture, such as transportation costs, the possible benefits of the Great Lakes-St. Lawrence Canal and river transportation, various proposals for marketing of the farm surplus, and the effects of direct buying of hogs by the large packers.

He also touched upon some recent tendencies and new problems in banking which are worthy of serious study, such as the growth of branch and chain banking.

Well informed opinion was quoted to the effect that over a period of years interest rates will probably decline, resulting in lower gross revenues for banks. In order to obtain fair net earnings, without which no bank can hope to grow and serve the banking needs of its community, new sources of revenue, through service charges and a careful analysis of accounts, must be found; and interest paid on time deposits must be reduced. It was suggested that cutting the interest rate on time money might possibly, in many communities, result in an indirect benefit to the bank through stimulating the purchases of land.

Mention was made of the regional clearing house plan as a means for reducing losses and securing more effective co-operation among banks.

In closing Mr. Kiddo said, "I believe banking conditions in this western agricultural territory are steadily improving and the banks which have survived the deflation period now have the opportunity to develop a substantial and profitable business if careful study is given present day problems."

Mr. Kiddo will also appear on the programs for Group Five at Cozad, Nebraska, on June 6th, and Group Seven at Scottsbluff, Nebraska, on June 7th.

Hold Spring Meeting

The regular annual spring meeting of the Executive Council of the Nebraska Banker's association was held recently in Omaha at the office of Secretary Hughes. Plans were discussed for the forthcoming convention of the Association in the fall and Omaha was chosen as the meeting place, the date and further details to be decided later. Every member of the Council was present as well as several committee chairmen and others not members. The Secretary's report

showed only 17 non-members of the Association in the state. Considerable discussion centered on the matter of taxation and resolutions were adopted protesting against the movement now being brought about by the introduction of certain bills in the legislature tending toward the discriminatory taxation of money invested in the banking business.

The Council expressed itself in favor of the policy of refusing charters to new banks where banking facilities are adequate

Assumes New Position

Raymond A. Bauer came from Paris May 15, to assume his new duties as vice-president of the Omaha National Bank and the Omaha Trust company. Mr. Bauer for nearly six years has represented the Sinclair Refining Company in Paris.



RAYMOND A. BAUR

The new vice president of the Omaha National Bank is 31 years old. Raised in his childhood in the middle west, he went abroad when his parents moved to France from the United States in 1910. He is a graduate of the University of Lausanne, Switzerland, and during the world war he served in the ambulance corps and in the navy.

Mrs. Baur is the former Vernelle Head, daughter of Walter W. Head.

Thank ou, Mr. Stephens!

*The DePuy Publishing Co.,
Des Moines, Ia.*

Gentlemen:

"I have read with a great deal of interest the announcement of your expansion through the absorption of the Central Western Banker and the new plans that you have for the future of the magazine.

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"I extend to you our best wishes for a successful realization of your ambition and assure you of our cordial support.

*"With kind regards, I am,
Your friend,*

FREMONT STATE BANK,
Dan V. Stephens."

Is Reorganized

The Seven Valley State bank of Callaway, Nebr., has been reorganized with the following officers in charge: S. C. Waldron, chairman of the board of directors; J. I. Christiansen, president; M. Weil, vice-president; E. R. Logan, cashier; Joseph Boyer, assistant cashier, and Wm. C. Schaper, attorney and director. The above men are all known to the community with the exception of Mr. Logan, who comes from Oberlin, Kans., previous to his location there having been the cashier of the Max State bank of Max, Nebr. S. C. Waldron, the new chairman, has been president of the bank for the past year, and M. Weil, who is well known as president of the National bank of Commerce of Lincoln, succeeds Dr. R. D. Bryson as vice-president.

Love, beauty, joy, and worship are forever building, unbuilding and rebuilding in each man's soul.

—Plotinus

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416 Arthur Bldg., Omaha, Nebraska

CLIFFORD DEPUY, Publisher

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PBB—70 shares of stock offered at \$120.00 in bank having deposits of about 90,000.00. Located in small eastern Kansas town having electric lights, high school, good surrounding territory, paved road to splendid city.

HSA—\$10,000.00 will purchase 25 shares carrying position of cashier of only bank in small, western Missouri town. Bank has over one hundred thousand dollars in deposits and earned 38 per cent last year. Stock offered at substantially invoice value.

HPB—147 shares of stock are offered at book value. Southern Kansas town of 400 population. Bank has

capital of \$25,000.00, surplus and profits of \$13,500.00, deposits about \$190,000.00.

KOB—A \$20,000.00 state bank in small, one bank, eastern Kansas town. Deposits around \$200,000.00. Minimum earnings for any calendar year during present decade, 19¾%. Earned last year 27.9%. 104 shares, carrying management, offered with residence of cashier at \$24,500.00.

EBE—A national bank with \$25,000.00 capital and about \$240,000.00 deposits in good southern Iowa town of 500 population. 130 to 150 shares of stock, carrying position of president, can be bought at approximately book value. Attractive salary and "side line" earnings.

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3 Essentials of Banking Service

Experience—62 years active participation in the development of Industry, Trade and Commerce in this territory.

Resources—Total assets of over \$50,000,000 available for the requirements of our customers.

Desire—A Willingness and a Readiness to devote energy, time and resources to the further advancement of its customers, and its community.



The Omaha National Bank
The Omaha Trust Company

Farnam at 17th Street

Omaha, Nebraska