

# CENTRAL WESTERN BANKER

## *Omaha*

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OLDEST BANK IN NEBRASKA



# Personal Attention

More than seventy-three years of banking experience in Omaha and this trade area has taught us that every customer has special problems that demand the personal services of our officers.

We welcome you to this bank, for we are interested in your problems. We gladly give the personal attention you desire in the solution of your banking problems.

*The Bank of Personal Attention*

**First National  
Bank of Omaha**

A BANKING SERVICE FROM THE DAYS OF GOLD DUST

*The Hillmarks*

# CENTRAL WESTERN BANKER

410 ARTHUR BUILDING

OMAHA

CLIFFORD DEPUY, *Publisher*

GERALD A. SNIDER, *Associate Publisher*

R. W. MOORHEAD, *Editor*

L. D. VAN DORAN, *Associate Editor*

WM. H. MAAS, 1221 First National Bank Bldg., Chicago, *Vice-President*

FRANK P. SYMS, 19 West 44th Street, New York, *Vice-President*

FRANK S. LEWIS, 840 Lumber Exchange, Minneapolis

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THE ANNUAL CONVENTION of the Nebraska Bankers Association will be held this year, in the Fall, at Lincoln, Nebraska.

W. G. HASKELL, president of the Harlan County Bank, Alma, Nebraska, has been elected president of the Harlan County Bankers Association. W. B. Fowler, elected secretary, is assistant cashier of the Harlan County Bank.

IN SALINE COUNTY, the Bankers Association has elected E. H. Stech president. He is cashier of the Bank of Dorchester. The Association secretary is Ralph Doty, cashier of the Citizens State Bank, Dorchester.

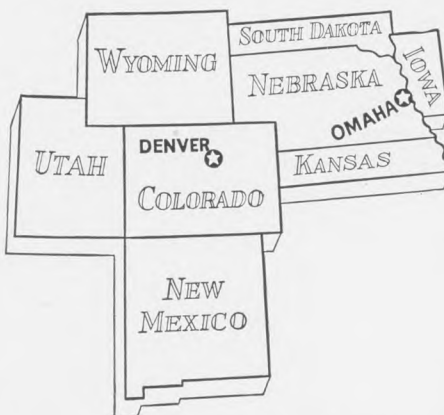
PRESIDENT GWYER YATES of the United States National Bank took a 3-weeks' trip during April, attending a meeting of the American Bankers Association executive committee in Augusta, Georgia, and a conference of reserve city bankers in Richmond, Virginia. He then went to New York before returning to Nebraska. Before his trip south and east Mr. Yates attended a meeting of the Northwest Bancorporation executive committee in Minneapolis, Minnesota.

HUGO A. WIGGENHORN, president of the Farmers and Merchants National Bank of Ashland, Nebraska, since 1904, died at an Omaha hospital in April. He had lived in Ashland since boyhood, and had been an official of the bank since it was established by his father, E. A. Wiggenhorn, in 1883. He had been mayor of Ashland and for many years a member of the school board. Mr. Wiggenhorn was 68 at the time of his death.

MISS VENA BECK, 40, teller of the Omaha National Bank, died in April.

BERT K. BAKER, 49, vice president of the Richardson County Bank at Falls City, Nebraska, is dead. He had been associated with the bank for 26 years.

DEPOSITORS of the Nebraska State Bank at West Point, Nebraska, agreed with creditors to a reorganization of the bank, under a plan for immediate payment of 50 per cent of



the deposits, followed by liquidation of the bank and organization of a new one.

MRS. HELEN LITTLEJOHN, assistant cashier of the First National Bank at Minatare, Nebraska, re-

cently caught her second forger. The man, who attempted to pass a check for \$50.00, has been sentenced to a year in the state penitentiary.

THE LIVE STOCK NATIONAL BANK of South Omaha paid their regular quarterly dividend of 1½% and a special dividend of ½% as of April 1st. Alvin Johnson, vice president of the Live Stock National, in commenting upon present business conditions and future prospects expressed the feeling that we were in far better condition comparatively speaking than other parts of the country, and were in a position to develop this territory along constructive lines whenever the readjustment of the economic factors involved in the present depression have been made.

AN INCREASE in bank deposits and decrease in loans was reported by Omaha banks March 25, 1931, as compared with the figures of March 27, 1930, the recent call by the comptroller revealed. Deposits this year were \$114,314,310 and loans \$54,298,286, as compared to deposits of \$113,209,530 and loans of \$60,479,348 the previous year. At the time of the last preceding call, December 31, 1930, deposits were \$112,232,675 and loans \$53,974,006.

The March 25 statement by the various banks follows:

### CONVENTION DATES FOR STATE ASSOCIATIONS

New Mexico	
Carlsbad	April 24-25
Kansas	
Topeka	May 21-22
Colorado	
Estes Park	June 19-20
South Dakota	
Huron	June 24, 25, 26
Wyoming	
Cheyenne	September 4-5
Nebraska	
Lincoln	Undetermined

	LOANS	DEPOSITS
Omaha National	\$18,902,533	\$36,810,805
First National	11,382,545	28,133,579
United States National	6,626,804	23,412,121
Stock Yards National	8,059,929	9,687,224
Live Stock National	2,617,005	5,227,306
State Bank of Omaha	2,020,219	3,270,351
Packers National	1,451,733	3,076,971
Union State	753,215	1,746,087
South Omaha State	882,754	1,113,003
South Omaha Savings	961,784	978,637
Farmers and Merchants	510,435	688,880
Bank of Florence	129,330	169,346

A FOURTH DIVIDEND of 8 per cent is being paid to creditors of the closed People's State Bank of Ramona, South Dakota, according to announcement by officials of the state banking department, bringing the total paid since suspension to 43 per cent.

# What the Service Charge Has Done for Our Bank

By J. M. SORENSEN

*Vice President, Stephens National Bank,  
Fremont, Nebraska*

**B**ANKS are corporations of private capital chartered by the State and authorized by law to accept deposits and make loans. However, accepting deposits and loaning money are not the only functions of a bank, and interest collected on loans is not sufficient to carry on the operating expenses, absorb losses and pay a legitimate dividend to the investor. Neither is it adequate to set up proper reserves to strengthen the bank and keep it a safe place for the people to deposit money and transact their business.

Since the inception of banking various departments have been added and a large number of miscellaneous services are being constantly rendered to the public. All of these services cost money to the bank and must be sold at a profit. Banks have set up a financial system reaching to every nook and corner of the earth. Through this system of which every bank is a working part money and credit are transferred from place to place and from one individual to another with greater speed and safety and at less expense than through any other medium. These services are necessary to the business world of today. Miscellaneous services form a large part of the bank's volume but do not pertain directly to the deposit department and their expenses cannot legitimately be absorbed by it. Accounts of business concerns as a rule are large and very active and have a large volume of float. The average account carried by individuals is small and active. This makes these accounts expensive to handle and their balances inadequate to absorb their handling costs. All accounts do not come within these classes for some of them are profitable to the bank and are exempted from any charge. These accounts should be safeguarded through sound management and the building of proper reserves to protect them.

**D**URING recent years banks have adopted the practice of levying a service charge on accounts for the purpose of carrying this expense.

Five years ago we adopted the service charge plan. At that time we had 1,453 checking accounts averaging below \$50.00—in fact the average balance was \$14.61. Thus 56 per cent of our checking accounts represented

only 2.9 per cent of the total of deposits. Forty per cent of the bank's operating expenses was chargeable to these accounts. A few months after the service charge was adopted we found that there remained only 356 accounts in this class with an average balance of \$37.75. We discovered that some accounts had been eliminated and others combined until bookkeeping costs were greatly reduced. Many of the small accounts also were increased with the result that our total deposits showed a large gain.

(Note.—The article appearing on this page was awarded Fifth Prize in the prize letter contest on the subject: "What the Service Charge Has Done for Our Bank." This is the final article in this series.)

During the year 1929 our service charge schedule, including all services formerly furnished without charge, netted over \$11,000.00 additional revenue to the bank. This is not all profit as these services are expensive to render but a part of it is profit and the whole of it is new revenue. It is a goodly sum for a bank with \$100,000.00 capital and helps to keep our stockholders satisfied. Through careful management and the enforcement of the service charge the standing of our bank has been such that its stock has never been offered for sale to anyone outside of the bank. Stock in this bank has been a good investment even when double liability has been considered. Owners of bank stock are entitled to (although they do not as a rule receive it) a larger dividend than ordinarily obtained on other stocks because of the double liability risk.

**T**HE SERVICE charge has worked out splendidly and with practically no dissatisfaction. It has reduced operating costs and has made our bank more efficient and has greatly increased its strength.

Before putting it into effect a pamphlet entitled "A Conversation Between Depositor and Banker," written by our president, was mailed to each depositor in full explanation of the charge. This colloquy asks and answers every conceivable question concerning the charge. The American Bankers Association has sold two million copies of this pamphlet to banks throughout the United States and Canada to be distributed among their customers before putting the service charge into effect.

This charge is fair both to the customer and to the bank and it helps us to sell our services more nearly on a measured basis which is the only just and business-like way of rendering bank services. Why should a few customers, who have worthwhile accounts, be penalized by having to furnish banking benefits and services to a large number of customers whose accounts are costly to handle and have a great deal of float? Benefits received from profitable accounts should be used for operating expenses and for creating reserves which will strengthen the bank and thus furnish greater protection to the depositor.

This protection is the greatest service a bank can render to its customers and should be its first consideration. We are convinced that a banker has no more right to render services at a financial loss than he has to make a loan which he knows at the time will not be paid. Nor do we believe it is fair to use the profit from profitable accounts to carry the expense of a large number of costly ones. The service charge helps to properly distribute the expense of operation where it belongs by charging the people, who require and receive these services, a reasonable price for them.

**I**T IS hoped that bankers everywhere will carefully analyze their business and determine their costs and market their services accordingly. When that day comes bank failures will be reduced to a minimum and the public will appreciate the services furnished by their banks and gladly pay for them.

I am sure that all banks having once tried the service charge practice are satisfied with its working and would not care to go back to the old way of giving away services for nothing.



ing to the point of capital depletion.

Whenever we explain a charge to a customer we do it on the basis of its cost to the bank and its value to the customer. We sell him on the ground that these services are our

stock in trade. They are what we have to sell and if the customer is in need of them he should be willing to pay us just as he would when making a purchase at a store. The trouble with most bankers is that they do not

appreciate the value of their own services.

Present day banking has proven beyond the question of a doubt that salesmanship is as necessary a qualification as sound credit judgment.

## A Few Comments on the American Institute of Banking

By WALDO NEWCOMER

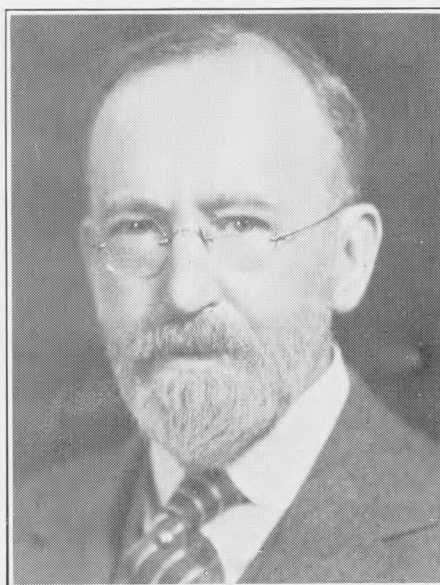
*Chairman of Executive Committee  
Baltimore Trust Company*

FOR MANY years I have been deeply interested in the work and progress of the American Institute of Banking, have cooperated with them in a number of different ways, and in talks before the local Chapter I have from time to time reiterated one reason for this interest, which is that I think any body of workers willing to use their leisure time and contribute some of their own money to an honest attempt to improve themselves and increase their efficiency, should be encouraged to the limit, and I am glad to have the opportunity of expressing my views somewhat more at length and to a larger audience, which I trust will include not only members of the Institute but bankers who at present do not appreciate what the Institute is doing.

After an experience of more than twenty-five years as a bank executive I have concluded that bank clerks as a class are an exceptional body of industrious, intelligent and honest young men and women. They must be at the bank before it opens, and when the legal hour of closing arrives they have a mass of work still to be done. If they are accurate and rapid, and the day is a normal one, they may finish their work by five o'clock, but an error on their part by which their accounts fail to balance, or an exceptionally heavy day, or the complications of a merger, may keep them almost indefinitely. I have scarcely ever had a complaint on this score and never a refusal to stay. Throughout all these hours, working even under pressure, they must be accurate, alert, on the lookout for errors, irregularities in checks, carelessness of customers, and the sharp practices of multifarious crooks. Furthermore, they must remain courteous at all times, even under provocation.

Now, after such a day, one might imagine they would all go home to a well-earned rest or else turn to some relaxation, if not actual dissipation, but what do we find? Over seventy-five thousand of them have accepted

membership in the A. I. B. and are paying dues. It is true that this number includes certain officers, and perhaps some who join more for the pleasure of contacts, dances, etc., but even these side issues are incidentally of great benefit to them, and far su-



WALDO NEWCOMER

perior to other relaxations they might adopt, but the records show that the enormous number of more than forty-five thousand are actually enrolled in classes of the A. I. B., and two thousand or more of them are enrolled in more than one class. For what purpose? To make themselves more valuable to their employers. I assert that even if I thought they were deriving no benefit whatever from these classes, I should still encourage them, on the ground that any man or woman willing to devote his leisure after a day of hard work to improving his ability in his work, and to be more valuable to his employer, should be encouraged.

ONE may take a less idealistic view and say that the real motive in their minds is to enable them to make more money. Granted. But what of the intelligence that leads them to take this method of doing so? We are all working for greater gain, some attempting to achieve it merely by working harder, some by taking odd jobs in their hours off from their regular duties, some by strikes for higher wages, and some perhaps under the stress of hunger, temptation or lack of moral fiber by dishonest methods, but these young people have voluntarily undertaken to work intelligently and cooperate to improve their own value, and to earn a deserved promotion. Our labor unions work for the advancement of their members, but they do it by strikes, restriction of hours, and restriction of the amount of work to be done per hour. Think what it would mean if bricklayers instead of agreeing to lay not more than so many bricks per day took lessons to increase the number they were able to lay, and instead of striking became so efficient that they were worth more.

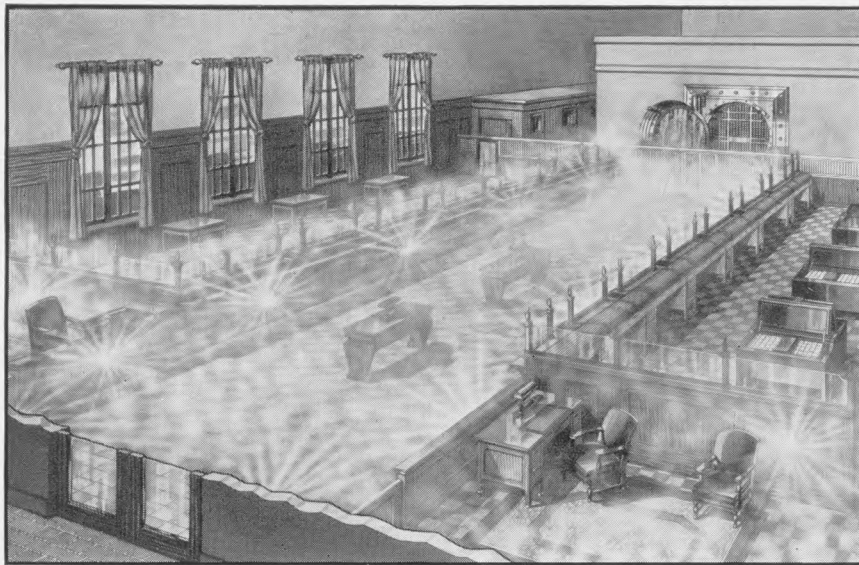
But, coming back to the clerks, I have said that they should be encouraged even if no benefit were resulting, but what is the benefit? They take courses in banking practices, commercial law, public speaking, and numerous other related subjects. They make themselves more efficient, more interested in their work, better able to perform their present duties, and better fitted for higher positions. These are not empty words. If any banker is skeptical, let him check over his clerks and select the more efficient and those who have shown the greatest improvement in the course of two or three years, and then ask how many of these have been active in the A. I. B., and taking its courses. Then let him check the least satisfactory group and ask the same question. He will be surprised.

I am not unaware of the danger expressed by the poet in the words:

"A little learning is a dangerous thing;  
Drink deep or taste not the Pierian  
Spring."

We all know the danger of having a slight knowledge of law, for instance, and thinking we can act on legal questions without a lawyer's advice, and some may feel that there is danger that a young teller, for instance, having taken a course in commercial law may feel himself competent to pass on technicalities, when he is ignorant of court decisions, changes of law, and variations in the statutes of different

states, where another without any knowledge of law, conscious of his ignorance would refer the matter to a lawyer, but in my experience with graduates of the A. I. B. in our own institution, I have never found one who was in the least conceited over his knowledge or relied upon it too fully. They all turn readily to a lawyer or to a senior officer for advice, but the advantage is that their education has taught them the technicalities to be looked out for, and which are important, where one without their knowledge would not recognize the importance of the question.



## Tears . . . without sorrow

Interior of a bank, equipped with Diebold 24-hour protection from Burglary, Fire, Banditry. Lobby, all entrances and exits are fully protected with tear gas at the instant of release.

Business at its height . . . money lying unprotected behind tellers' windows . . . the vault door open. Unannounced, bandits enter, armed to the teeth. A hold-up!

But before they can get their hands on any money — before they can start slugging and shooting — a sudden haze fills the lobby, as if someone had taken a flashlight picture of the entire scene. The bandits drop their dangerous guns. Their hands fly to eyes unexpectedly flooded with tears. Diebold-Lake Erie Tear Gas!

Depositors and employees cry, too. But their tears stop soon, the hold-up is thwarted and the helpless bandits

grope their way out of the bank, easy subjects for police attention.

Diebold-Lake Erie Electrical Tear Gas Systems are the most effective means yet devised for the prevention of daylight hold-ups with their usual atrocities.

The criminal knows and fears tear gas — it takes away his chance for a getaway . . . it endangers his liberty.

Diebold-Lake Erie Tear Gas Systems reduce insurance rates 25%. Diebold Service is available at any point in the United States within twenty-four hours — in metropolitan areas, immediately. Write for full information. By the makers of Diebold Bank Vaults and Vault Doors.

IS IT any wonder that the banks are coming more and more to encourage them in various ways? Many banks contribute liberally to the A. I. B. Many of the officers join and pay dues to encourage them, even when they have no intention of taking the courses, and they attend their banquets and public meetings and show their approval in various ways. Enthusiastic as I am I have never fully approved of having a bank pay the dues of its employes in the organization, and even question the advisability of paying them their tuition in the courses, broadly speaking. It helps their self reliance and insures their real interest to have it cost them something, and the dues are not heavy enough to be a burden on the average clerk. If tuition in the courses is paid many would enroll on the principle of getting something for nothing, which is merely human nature, and then would not attend regularly and either through lack of interest or lack of ability fail to take a certificate, and much of the money would be wasted, but a practical and unobjectionable form of assistance is to say to your employes: If you are sufficiently in earnest to pay your own way and sufficiently competent to take a certificate, the bank will feel that you are both efficient and earnest and will refund its cost. We do this, and it has worked well.

As to the courses themselves, they are very sensibly laid out, and apparently well taught. It may be that they are better in some places than others, as, of course, a certain amount must depend on the ability of the local teachers, and, of course, this depends upon the character of the supply available in a given locality, but the courses are standardized and to a great extent uniform, and speaking from my own experience with the graduates, I have found that they are extremely satisfactory.

### Storm Causes Heavy Loss

Cattle losses in western Nebraska, resulting from the severe March snow storm, are now estimated to have been between 20,000 and 30,000 head, according to the state and federal divisions of agricultural statistics.

The storm is believed to have caused heavier loss than that of 1913 and possibly was more severe than the blizzard of 1888, the report states. Radio warnings are believed to have prevented more severe losses.

Heaviest stock losses were reported from Garden, Grant, Arthur and McPherson counties. Losses for these counties were as follows: Garden, 3,820; Grant, 2,625; Arthur, 3,000; and McPherson, 1,900.

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 du Pont  
 Eastman Kodak  
 Ingersoll Rand  
 International Harvester  
 National Biscuit  
 Otis Elevator  
 United Fruit  
 United States Steel  
 Woolworth

*Railroads*

Atchison, Top. & Santa Fe  
 Illinois Central  
 Louisville & Nashville  
 New York Central  
 Pennsylvania Railroad  
 Southern Pacific  
 Union Pacific

*Oils*

Standard Oil of California  
 Standard Oil (Indiana)  
 Standard Oil (New Jersey)  
 Standard Oil of New York  
 Texas Corporation

*Utilities*

*and Quasi-Utilities*  
 American Tel. & Tel.  
 Consolidated Gas of N. Y.  
 General Electric  
 Westinghouse Electric  
 Western Union Telegraph

MOODY'S COMPOSITE PORTFOLIO RATING "A"

**T**HIS year, because of depressed business conditions, holders of Corporate Trust Shares may experience a practical, yet gratifying demonstration of the value of a cash reserve fund in a fixed investment trust.

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Holders of Corporate Trust Shares, however, have the satisfaction of knowing that they will receive the full base coupon rate of 35c per share on June 30, 1931, the next semi-annual distribution date. Should receipts from the underlying stocks fall below this base amount, the reserve fund will supply the difference. Any amounts withdrawn from the reserve fund will be later replaced from distributions in excess of the base coupon rate.

Thus Corporate Trust Shares protect the shareholder's return when he needs it most—in times of depression. And when the reserve fund is not used for this purpose, it is earning interest for the shareholder.

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# BONDS AND INVESTMENTS

## Bank Analysis and General Operative Costs

By LYALL BARNHART

*First National Bank and Trust Co.  
Oklahoma City, Okla.*

THE MANY economic changes that are resulting in decreased bulk earnings are familiar to all of us and without a doubt we are agreed that something must be done, that banking should, and must be, adjusted to meet present-day conditions. The banker does more for nothing than any other professional, and when a recent survey revealed that banks of the United States are giving away services each year that cost them over \$300,000,000.00, we can begin to understand, in part at least, why we bankers have need to complain of increased costs and decreased earnings.

During the past twenty years the gross income from deposits of all National Banks (excepting a period from 1919 to 1922) has not varied over  $\frac{1}{2}$  of 1% and that the average annual gross income has been maintained at about  $5\frac{1}{2}$ %. Deposits during this same period have increased nearly 180%. Operating expenses have increased from 2.89% to about 4% of deposits. In 1908 about 45% of gross earnings went to operating costs. In 1929 this had increased to more than 70%. Net profits have declined from 2.12% of deposits in 1910 to approximately 1.13% in 1929, or about 47%. From these figures we must assume that had the 1908 percentage of net earnings to deposits been maintained, our net earnings would have been 100% greater in 1929.

The fact that our gross income to deposits has been maintained at about the same figure during the past twenty years while our operating costs have increased approximately 50% should be sufficient proof that we bankers have given the greater portion of our time to loan and investment policies and not enough thought to the deposit and cost side of our business. After analyzing the figures our conclusion is that if we are to increase our net earn-

ings we must increase our gross earnings without a proportionate increase in expense, or we must reduce our expense without materially affecting our deposits.

Some banks have attempted to raise their earnings by increasing the rate of return from their earning assets, but this policy has not met with such success. The higher the return the greater the hazard, resulting many times in frozen assets and failed banks. The public is beginning to realize that a profitable bank is a safe bank and the best advertising that any bank can have is a reputation for conservatism and profits.

When we consider ways and means of reducing our expense without affecting our deposits we think first of our internal operating expense, but we have that item pared down to a minimum, and, therefore, cannot expect to help our earnings materially along that line.

IN ORDER to maintain fair earnings on our capital investment many of us have gone in to the "by-product" business; that is, the opening of bond departments, trust departments, personal loan departments, etc., but let us examine for the moment the real purpose of the business itself. Just what is the true mission of banking? We may operate these special department; we may draw contracts, manage properties, compete with the loan shark in our small loan departments, and what not, but after all the real purpose of banking is the accepting of deposits and the lending of funds. The fundamental law of all business is profit and if that law is not to be violated by banks in the transaction of the real business of

banking, then we must secure our deposits at a fair price and "sell" them for an increased price and the margin between must be sufficient to pay the operating expense, provide for losses, and leave a fair profit for our stockholders. If we are to continue on our present basis and depend upon our "by-products" to provide our earnings, then why not divorce ourselves from commercial banking and go into the "by-products" business altogether?

Competition is largely responsible for our increased costs due to the fact that so few of us are analyzing our business properly and, therefore, have little or no idea of the true value of much of the business that we are bidding for, or are attempting to hold, and as a result, the customer is taking advantage of the situation by demanding more and more free service. When the banker feels that he has gone his limit, the customer threatens to move his business to another bank that has been bidding for his account and the banker does not have the courage to carry out his convictions, but concedes to the customer's demands in order to retain the account and thereby enters another invisible debit against his already fast diminishing earnings account.

The administration of any successful, profitable bank of today requires knowledge, and a wise use of that knowledge—knowledge of all of the factors that determine profit or loss and not just those factors that determine sound loan and investment policies. A knowledge of the factors that determine the price paid for deposits and service and the price that must be received for those "commodities" so that the margin between will be sufficient to pay the operating expense, provide for losses, and a fair profit can be obtained only by analysis.

Cost analysis is just as essential to the banking business today as cost accounting is to the manufacturing in-



dustry. Just imagine if you can a manufacturer who would attempt to market a product without first installing a system of cost accounting. No manufacturer would even think of doing this and yet we bankers are selling our "commodities" without any idea of the cost of producing them unless we, too, apply the microscopic eye of analysis to our business, but we seem to take the attitude that so long as our profits show a fairly good net result for the year, whether they were earned from the "by-products" or from the business itself, we are inclined more or less to let the matter slide. No other successful business is conducted in this manner and it is high time that we bankers awaken to the fact that this "hit or miss" method is no more practical in our business than it is in other lines of endeavor.

**I**F WE are to determine between a profitable and an unprofitable checking account how can we possibly do so accurately and intelligently unless we know the factors that determine profit or loss of a commercial account? How can we possibly know whether our schedule of charges in our Collection Department is sufficient to compensate us for that service and return a fair profit unless we know the transaction costs of our Collection Department? As a matter of fact, the non-cash collection department in the average bank is operating at an actual loss each month and a large percentage of the checking accounts on the ledgers of the average bank today average so small in deposit balances and so high in activity that the monthly loss of carrying them, if known, would be astounding.

Our slogan not so long ago was, "It pays to advertise," but some of us at least are beginning to realize that this advertising has brought us a large amount of business that is anything but profitable and that with our ever increasing operating costs without a proportionate increase in gross income, our present slogan should be, "It pays to analyze." In my opinion, every bank regardless of size should adopt a complete analysis program, including cost analysis. This may sound absurd and impossible to many bankers, but if we are to know all of our profit and loss factors and if we are to remedy unprofitable practices wisely, then there is no other way out except by analysis. If the bank has no one in its organization capable of installing the system, then an outside accountant should be employed to install it. The accountant will furnish a complete report or outline that will con-

(Continued on Page 18)

### Heads Philadelphia Company

Frank R. Phillips was elected president of the Philadelphia Company at a meeting of the stockholders of the company held in Pittsburgh last month, it has been announced by John J. O'Brien, president of Standard Gas and Electric Company. Mr. O'Brien has been president of the Philadelphia Company since May, 1929. At that time Mr. Phillips was elected senior vice-president of the company and his election as president comes as the result of the many years during which he has been associated with the Philadelphia Company and its subsidiaries, according to Mr. O'Brien.

Commenting on Mr. Phillips' election, Mr. O'Brien said: "I am delighted that the stockholders of the Philadelphia Company have elected

Mr. Phillips as president of that company. It is a reward which he deserves as the result of his achievements as a public utility executive. It is just recognition of his untiring efforts and indicates the high esteem which is held for him not only among employes and friends but also by the stockholders of the company."

The Philadelphia Company and its subsidiary and affiliated companies is a subsidiary of the Standard Gas and Electric Company.

Mr. Phillips has been connected with utilities in Pittsburgh for the past 21 years and is a nationally known figure in the public utility industry. He went to Pittsburgh in 1909 to assist in the development of the street railways of that city. In 1910 he was made superintendent of equipment of

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## G M A C obligations

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS  
OVER \$80,000,000

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the Pittsburgh Railways Company which position he held until July, 1923, when he was made acting general manager for the receivers. Upon the lifting of the receivership in February, 1924, he was appointed mechanical and electrical engineer and also representative of the company to the Traction Conference Board. On September 1, 1926, he was elected vice president and general manager of the Duquesne Light Company and its subsidiaries and in April, 1928, was elected vice president of the Equitable Gas Company and its subsidiaries. On May 24, 1929, he became senior vice president of the Philadelphia Company and president of its affiliated corporations. He has been active in the American Electric Railway Association, having served on many important committees, is a past president of the Pennsylvania Street Railway Association, the American Electric Railways Engineering Association and the Pennsylvania Electric Association.

#### With Auto Finance Company

Announcement of interest to bankers and insurance executives throughout the Middle West has been made of the election of Colonel William L. Taylor as executive vice-president of Lewis E. Bower, Inc., and the Atlas

Securities Company, both of Chicago. Executive headquarters of the companies are located in Chicago at 55 West Wacker Drive. Col. Taylor was formerly president of the Federal Surety Company of Davenport.

In retiring from the insurance business and entering the automobile finance field, Col. Taylor advises that arrangements are being made to establish distribution through Middle Western states on the sale of collateral trust notes. The Atlas Securities Company is the selling organization for Lewis E. Bower, Inc., the latter company have been in business in Chicago for the past twenty years. The expansion program calls for an increase of capital in the Bower organization to \$1,000,000.00.

The manufacture of automobiles, according to Col. Taylor, has developed into a key industry in America, a barometer by which the welfare of the nation may be measured. "Motor traffic," he points out, "has shown a steady increase in all parts of the country. The average citizen curtails other expenses but must have his automobile. He uses it to ride to and from work, keep the youngsters in school, for recreation and numerous other uses, making it indispensable." Five branches of the Bower Company are operated in Chicago.

#### Pioneer Banker Dies

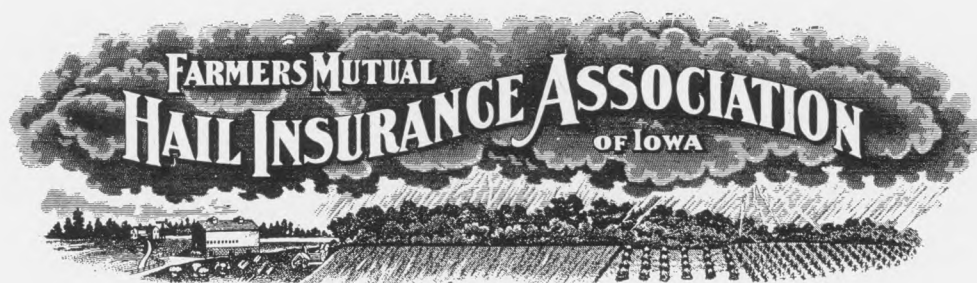
Edwin J. Bent, a pioneer of the San Juan region and widely known in Colorado banking circles, died last month at Grand Junction, Colorado. He was 68 years old, and had been ill several months from a stomach ailment.

He was born in Louisiana, Pike county, Missouri, and educated in the Denver public schools. In 1883 he moved to Lake City, Colorado, where he was connected with the Thatcher brothers in the Miners & Merchants bank.

From 1888 to 1917 he was cashier of the Miners & Merchants bank at Ouray, Colorado. He resigned and retired from active business in 1917. Mr. Bent was a distant relative of Gen. William Bent, after whom Bent county was named.

#### Superintendent of Service Life

B. R. Bays, president of the Service Life Insurance Company of Lincoln, announces the appointment of Pete Elderson as superintendent of agents for the Service Life. Mr. Elderson was formerly a district superintendent of agents for this company.



\$1,235,354.58 Cash Surplus

**H**AS PAID Nebraska farmers \$876,934.55.

Writes hail protection in eastern Nebraska.

Full coverage automobile insurance—Fire, Theft, Liability, Collision, Property, Wind, Hail, Transportation.

A most attractive policy at a price all can afford.

Agents needed in every town in Eastern Nebraska.

Farmers Mutual Hail Insurance Association of Iowa, 722 Sixth Ave., Des Moines, Iowa.



# INSURANCE

*Its Application to the Banking Fraternity*

## Defalcation --- Detection --- Prevention

WHEN stocks were selling at thirty times their earnings, Rolls Royces were at everybody's doorstep, and every new deal in order to be sold had to have "romance" attached to it, some of the folks called it a new era and it was then that suggestion whispered in the ears of many that they, too, could get rich—over night—with the result that many defaulters are today paying the penalty for their folly. Over 65 per cent of the losses sustained by banks in this country are by way of embezzlement, according to a report from the American Bankers Association; therefore, this is a rather important subject both to the banker and to the insurance company.

To expose every known method or trick used by embezzlers in banks, and to work out a program of prevention, is the duty of every bankhead. Why bank employes attempt to defraud their institution is always a mystery, for eventually the cleverest of schemes is uncovered. There seems to exist a false sense of shame amongst bank officials regarding unfortunate defalcations within their own shop and there is a great tendency to cover up any story, yet each loss has its own peculiar method and how can a recurrence be prevented in other banks unless the banker knows of the defaulter's method. If this column can be made a medium for the frank exposure of methods of bank embezzlement, a real service will have been rendered to the banker.

The defaulter usually goes through three stages—First, the delusion that his stealing will not be discovered and that the money will answer all of his desires (which it never does); then the awakening to the fact that he had been deluded by this mental reasoning; and finally the realization that he must pay a penalty. If that penalty is not imposed by a court sentence, it most certainly is important to both banker and dishonest employe that the punishment is sufficient to cause an awakening within the employe's conscience that thieving is an unprofitable investment.

A MOST disturbing type of loss has occurred recently which should be brought before the exec-

By HY SCARBOROUGH, JR.

utive heads of banks with the idea of preventing such a situation within their own institutions. A trust officer empowered with the authority to make various kinds of trusts with customers thought that he was clever enough to get away with the following plan:

Certain trusts which came to him were of the cumulative nature, and had securities which he could easily

**"Let him that stole steal no more, but rather let him labor, working with his hands the thing which is good, that he may have to give to him that needeth!"**

—Ephesians, 4-28

dispose of at a later date. He drew up the trust papers, gave the bank's letter of receipt to the customers and placed the securities, together with a copy of the receipt, in his own pocket. Several thousand dollars worth of securities were obtained in this manner which he subsequently sold in the open market for his own benefit until his little scheme was uncovered.

It is to be suggested that when trust funds are brought into the bank, the officer handling such accounts should be instructed to accompany the customer to the proper cage where the teller gives a receipt to the customer for the money or securities which are to be left in the trust.

Excess collateral should be frequently checked by others than those having constant charge of it, and most assuredly at certain periods the bank should verify with their customers the collateral held. Experience points out that the checking of excess collateral will prevent many large embezzlements.

The savings department in a bank should be safe-guarded by every possible check. Inactive savings accounts—that is, accounts in which there are no deposits or withdrawals within a twelve months period—should be under lock and key, and a bank official should himself make periodic checkups by waiting on customers

within the savings cage. Where possible, savings tellers should not have to post the books. Vigilance ever constant should be uppermost in the minds of the management of this department.

The apparatus known as the LIE DETECTOR is being used most successfully to detect embezzlements both petty and large within banking institutions. This apparatus has proven itself to be most positive in its ability to detect and eliminate the employe who has stolen monies, and with this machine in popular usage, the employe is going to think twice before he succumbs to that influence which suggests to him that he can take the money and bring it back tomorrow.

EVERY defaulter will admit starting in a small way—taking just a dollar or two. Something within him seems to weaken and his moral fibre disintegrates, and having gotten away with the small peculation he goes deeper and deeper in dishonest acts. The LIE DETECTOR is capable of detecting the slightest theft, and the greatest favor that can befall the individual who has stolen his first money is to be discovered in this early stage and be punished for his seemingly insignificant theft. Somehow there seems to be no reformation without punishment and it is the duty of bank heads to remove the employe who is too weak to resist the temptation of taking money. Bankers are inclined to be sympathetic with young employes who have gone wrong, even to the extent of recommending the employe to their brother bankers, not desiring to ruin the career of the young thief. This covering-up process has been disastrous to the young man who has not straightened himself out because in his own mind he has gotten away with something, and it is disastrous to both banker and the insurance company. We predict that the LIE DETECTOR will be as useful in the prevention of bank defalcations as it is in detecting the loss that has already occurred.

The present situation is not hitting the surety companies quite as hard as the earlier losses which were more

numerous, as most of the present embezzlements are so staggeringly large that the institutions suffering them are usually far from being adequately insured. A recent embezzlement in an Illinois bank, announced in the papers, amounting to over \$1,000,000 caused a run upon the bank, and only by the immediate action of a Chicago bank which furnished currency by airplane was the run stopped. This was all in the newspapers but the interesting unpublished item was the fact that the bank had a 10,000 fidelity bond on the defaulting employe. This brings

up the question — What is an adequate insurance program?

There is being worked out at the moment a method to measure the amount of insurance a bank should carry, using several factors, principally total resources, in determining the program.

Too many banks have bought their insurance thinking first of how much they were going to spend and not of what they had at risk. A bank officer has not only his directors and his stockholders but his depositors to consider in arranging his protection program and the subject deserves far

more thought and study than most officials are inclined to give it, and after the program has been worked out as to amounts of insurance to be carried, the executive head should just add fifty per cent for good measure.

### Farmers Mutual Hail

Admitted assets of the Farmers Mutual Hail Insurance Association, Des Moines, as of December 30, 1930, reached the comfortable total of \$1,379,312, a fine increase over last year. The company is now in its 39th year of operations.

Paid in losses for last year reached a total of \$490,866. Insurance in force as of December 30, 1930, was \$52,298,326.

The Farmers Mutual Hail is writing a full coverage automobile policy, including fire, theft, wind, hail, transportation, property, collision, and liability. In addition this year the company has brought out a new horticultural policy.

According to Secretary W. A. Rutledge, last year was the best in the company's history and the company anticipates increasingly fine development during the current year.

### Banks Organize

The banks of Hitchcock County recently perfected an organization at a meeting held in Trenton, Nebraska, naming G. G. Eisenhart of Culbertson president, and A. Thuman of Trenton as secretary.

Business of special importance to bankers was considered and one important ruling was made affecting the patrons of the bank. It is that all banks in the county will after April 1st put into effect a service charge of 50 cents per month on all checking accounts under \$50.00, if more than three checks are written in any one month.

### Group Two Holds Meeting

Earl C. Burdic, vice president of the Plateau State bank of Herman, Nebraska, was elected president of group two, Nebraska Bankers association, at the district organization's 33rd annual meeting held in Fremont. Mr. Burdic succeeds D. V. Blatter of Albion.

Norman Shaffer, cashier of the First National bank of Hooper, was chosen vice president and Herman Meyer, cashier of the Farmer's State bank of Scribner, secretary. More than 200 bankers from 110 member banks in 10 counties attended.

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CAN PLACE MEN IN  
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UNDER ENERGETIC COMPETENT  
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Will give General Agent's Contract  
in certain parts of Iowa or Kansas

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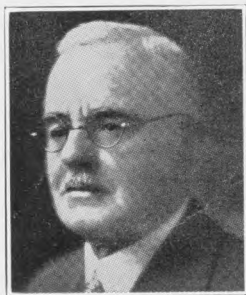
CHICAGO

### *Insurance Counselors to Banks*

A most important subject is the bank's own insurance, and the program to fit the particular case should be planned by those who know.

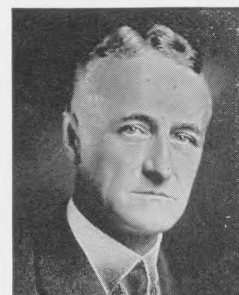
*Write to us about your insurance problem*





**J. G. LOWE,**  
President, Nebraska Bankers Association

# Nebraska News



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

## Adopt Service Charge

At a meeting of the Dakota County Bankers' Association, held in Dakota City, Nebraska, all of the banks of Dakota County adopted a schedule of charges for services rendered similar to the one now used by the Sioux City banks. The Omaha and Lincoln banks have had such a schedule of charges in operation for some time, and the Nebraska Bankers Association has worked out a schedule of charges, with the aid of a firm of expert accountants, and has recommended that all Nebraska banks adopt this schedule or a similar one, and almost all Nebraska banks are now using such a service charge schedule, not with the idea of deriving a profit from it, but to meet the expenses incurred in taking care of the detail work of their customers' accounts and business, and in order that they may be in a position to render the best type of service to their patrons, and the Banks of Dakota County decided that it would add to the standard of their business to adopt methods that have been tried and approved by the efficiently operated larger banks. While the banks of Dakota County have been contemplating the adoption of such a schedule of charges for some time, their decision to put this schedule in effect at this time was made necessary by the action of the Sioux City banks putting their charges in effect March 1st, 1931.

## Installs More Safety Boxes

The First National Bank of Chadron, Nebraska, announces the addition of 146 new safety deposit boxes to their vault equipment. The new boxes were installed during the past few days and are now ready for use. Mr. Webster, cashier at the bank, states that many of them have already been rented by customers of the bank.

Weight of the new equipment totaled four tons. The First National bank now has 598 safety deposit boxes weighing 16 tons altogether.

## Group Three at Norfolk

An address by S. D. Thornton, Jr., president of the Security State bank

### NEBRASKA GROUP MEETINGS

The remaining Nebraska Group Meetings (Groups Two and Three having met April 22nd) will be held as follows:

Group 1—Beatrice.....May 19  
Group 4—Hastings.....June 2  
Group 5—North Platte.....June 3  
Group 7—Hyannis.....June 4  
Group 6—Chadron.....June 5

Arrangements are being made for a special pullman car to make the last four of the above meetings in one trip.

This car will start from Omaha at 10:15 Monday night, June 1st, returning to Omaha Saturday morning, June 6th, at 10:45.

of Neligh, Nebraska, was the main feature of the opening session of group three of the Nebraska Bankers association, held in the ball-room of Hotel Norfolk. Mr. Thornton's talk was on "Cost Analysis" and he explained the basis for the charging of service fees.

The convention, scheduled to open at 10 o'clock, was not called to order by President Rollie W. Ley of Wayne until almost an hour later. The session was opened with an invocation by the Rev. Chester Minton, rector of Trinity Episcopal church, after which Frederick M. Deutsch, president of the Norfolk Chamber of Commerce, gave a brief welcoming ad-

dress and P. A. Sullivan, Wynot, responded for the bankers.

E. H. Luikart, formerly of the Lincoln National bank, and now with the state department of trade and commerce, spoke briefly. He commented on the agreeable surprise it had been to him to find the number of strong banks and capable bankers in Nebraska in his work as a banking examiner. He said the picture of depression in Nebraska usually painted by pessimists is greatly overdrawn.

Committees appointed by President Ley were: Resolutions, C. A. Smith of Tilden, C. H. Randall of Randolph, Woods Cones of Pierce, A. H. Schmale of Winside and C. H. Hertert of Hartington; nominating, H. D. Moller of Stanton, R. B. Genaways of Neligh, R. G. Rohrke of Hoskins, B. N. Saunders of Plainview and O. G. Evans of Homer.

## Seven Banks Pay Dividends

Dividends for the month of March on seven Nebraska banks, paid by the receivership division of the department of trade and commerce, were announced by Governor Bryan. The First State Bank of Alliance paid \$62,919.61, a 10 per cent dividend; Ralston State Bank, \$12,200.96, a 7 per cent dividend; Security State Bank of Wakefield, \$27,292.62, a 7 per cent dividend; Farmers & Mechanics Bank of Havelock, \$10,492.77, an 8 per cent dividend; Farmers & Merchants Bank of Ulysses, \$7,060.19, a 4 per cent dividend; First State Bank of Ulysses, \$8,747.71, a 3 per cent dividend, and the State Bank of Minatare, \$26,205.77, a 14 per cent dividend. A total dividend of \$154,919.63 was paid by the banks in the state operating under the receivership division for the month of March.

## To Reorganize

Depositors committee of the Nebraska State Bank of West Point plans to call a meeting of depositors to organize preparatory to opening a

new bank. Directors elected include Reppert, J. A. Jerman, and W. T. G. T. Collins, Gerhard Stalp, Earl Knievel.

# United States National Bank

OMAHA

*"An Unbroken Record of Seventy Years  
is a Guarantee of Safe and  
Satisfactory Service"*

### OFFICERS :

W. B. T. BELT, Chairman of the Board

R. P. MORSMAN, Chairman Executive Committee

G. H. YATES, President

S. S. FORD, Vice President

H. M. BUSHNELL, Vice President and  
Trust Officer

J. C. McCLURE, Vice President

T. F. MURPHY, Vice President

P. B. HENDRICKS, Vice President

C. F. BRINKMAN, Assistant Vice Pres.

V. B. CALDWELL, Assistant Vice Pres.

R. R. RAINEY, Cashier

H. E. ROGERS, Assistant Cashier

A. L. VICKERY, Assistant Cashier

H. W. YATES, Assistant Trust Officer

J. F. RINGLAND, Assistant Cashier

### New Bank Building

Work on a new home for the Bank of Rulo, Nebraska, to replace the structure destroyed by fire several weeks ago began last month.

It will be a one-story building with a front of red face brick. It will have a front footage of 25 feet and will be 50 feet deep.

For a time there was some talk of making it a two-story affair to give quarters above the bank for the Odd Fellows lodge, but that plan had to be given up.

### Sloan Elected President

The office of president of the Geneva State Bank, Geneva, Nebraska, left vacant by the death of Edward I. Dempster, was filled when Charles H. Sloan, vice president, was elected to the presidency. Cashier Earl H. Wilkins was made vice president. Assistant cashier Carl E. Schneider was elected cashier to succeed Mr. Wilkins, and Melvin L. Ralston was elected assistant cashier. Frank O. Edgcombe was elected director.

### Bank Reorganizes

Announcement is made of the reorganization of the Commercial State Bank of Grand Island, Nebraska, and the changing of the name to the Commercial Bank of Grand Island. Outside capital is being brought in in the sum of \$135,000 by Edward Huwaldt, formerly of Omaha, and who during the years of 1914-15, was a member of the Grand Island high school faculty. Mr. Huwaldt will be one of the active heads of the new organization, being elected to the office of vice president. David Kaufman is the president of the new company.

### Falls City Banker Dies

Bert K. Baker, 49, an important financial figure in southeast Nebraska, died suddenly at his home in Falls City, Nebraska, last month of heart disease. He was vice president of the Richardson County Bank.

### Reorganizes Bank Force

The Farmers and Merchants National Bank of Ashland, Nebraska, of which the late Hugo A. Wiggenhorn was the president, has reorganized the staff of bank officers made necessary by the death of Mr. Wiggenhorn. Ernest Wiggenhorn, formerly vice president of the bank, has been named as president to succeed his late brother in the office while Mrs. Edwin A. Fricke, daughter of the late Mr. Wiggenhorn, has been named as director of the bank. Other officers named were W. E. Harnsberger, vice president, Arthur Pancoast, director,

# The Continental National Bank

LINCOLN, NEBRASKA

*"A Bank for Bankers"*

Our consistent growth and progress, contributed to largely by our correspondents throughout Nebraska, is indicative of the careful service and prompt attention rendered them.

We solicit the accounts of Banks and Bankers, offering every facility and service.

### OFFICERS

CHAS. T. KNAPP, Chairman of the Board.

EDWIN N. VAN HORNE, President

T. B. STRAIN, Vice-President

EDWARD A. BECKER, Cashier

W. S. BATTEY, Asst. Vice-Pres.

RAY C. JOHNSON, Asst. Vice-Pres.

WHEATON BATTEY, Asst. Cashier.

## Central Typewriter Exchange, Inc.

(EST. 1903)

TYPEWRITERS, ADDING MACHINES, CHECK WRITERS

LATEST MODELS AT BIG DISCOUNT

ASK TO SEE

**ALLEN-WALES** THE FINEST "HEAVY DUTY"  
ADDING MACHINE MADE

1912 Farnam St.

Omaha, Nebraska



while Edwin A. Fricke, formerly of Plattsmouth, has been named as cashier of the bank.

### File Suits

Two suits asking injunction to prevent payment of money to the depositors final settlement fund in Nebraska, were filed in the district court of Lancaster County in the middle of April.

William G. Barber filed one suit on behalf of the depositors in the Bank of Florence at Omaha. William F. Kuhr filed the second on behalf of the depositors of the Home State Bank at Kennard, Nebraska.

Governor Bryan and the secretary of the Department of Trade and Commerce are the defendants in the suit.

Both banks in the suit were reorganized under the statute enacted by the legislature two years ago whereby the depositors permit their deposits to be scaled down. The depositors complain that the money for the settlement fund should be paid by the stockholders instead of taken from depositors.

The settlement fund is that for which the special session of legislature, in 1929 when it repealed the bank guaranty law, provided a ten-year levy on the average deposits of the state banks, the proceeds to go into the fund for repaying, as far as possible, the depositors in failed banks under the guaranty law.

### Heads Group Two

Earle C. Burdic, vice president of the Plateau State Bank of Herman, Nebraska, was elected president of Group No. 2, of the Nebraska Bankers Association, at the annual meeting, held as usual, on Arbor day, April 22, at Fremont.

He succeeds D. V. Blatter, Albion, Nebraska.

The other officers of the Group are Norman Shaffer, who is cashier of the First National Bank of Hooper, vice president; Herman Meyers, cashier of the Farmers State Bank of Scribner, secretary.

More than two hundred bankers of the 110 member banks in the ten counties of the group attended the meeting.

After an invocation by Rev. H. P. Schenck, Mayor Rohmof, Fremont, welcomed the bankers as the convention opened at the Pathfinder Hotel. Mr. Burdic responded to the welcome address.

In his annual report President Blatter reviewed the banking problems of the year. The secretary's report was also read.

T. B. Strain, vice president of the Continental National Bank of Lincoln, Nebraska, talked on "Depression: Its causes and Remedies."

He discussed business crises of the past, similar to those of the present time. He said legislation on un-economic lines could not cure depression.

"The bank failures," said Mr. Strain, "would probably have occurred in any event, due to unsound

banking practices and giving too much credit in times of thriving business."

John S. McGurk, president of the South Omaha State Bank, conducted a question box, taking the place of E. F. Folda, who for years has conducted question boxes at bankers' gatherings in Nebraska.

Others on the program were Professor H. C. Folly of the State University College of Agriculture; J. M. Sorensen of Fremont, and Ed Polley of Lincoln. Dale Milliken was banquet toastmaster. Dr. Charles Durdan of Omaha spoke.

# Experience

*that only years can bring*



THE FIRST NATIONAL BANK  
AND  
THE FIRST TRUST COMPANY  
OF  
LINCOLN, NEBRASKA

"Since 1871"

### State Banks in Fine Condition

The nine state banks of Lincoln county, Nebraska, were called upon to render a statement of their condition at the close of business on April 11. The total capital stock of the nine banks is \$245,000 which is just the same as a year ago. The total surplus is \$55,500 which compares well with \$51,000 a year ago. The undivided profits is \$42,046.96 while a year ago this amounted to \$35,385.00. The total deposits in these nine banks is \$2,176,560.76. These figures do not include any but state banks.

### New Bank at West Point

The Farmers' and Merchants' bank is the name of the new bank which

opened its doors. It has taken over 50 per cent of the deposits of the old Nebraska State bank and starts business with a sound financial standing as seen by the following statement: assets, loans and discounts, \$49,105.59; banking house and fixtures; cash, \$130,796.13. Total \$193,401.72. Liabilities, capital, \$50,000; surplus, \$10,000; deposits, \$133,401.72. Total \$193,401.72.

G. I. Collins is president, Gerhard Stalp, vice president; W. T. Kneival, cashier; Dorthea Reppert, assistant cashier.

The board of directors is G. J. Collins, Gerhard Stalp, Earl Reppert, Joseph A. Jensen, and W. T. Kneival.

### Bank Merger at Gresham

The First National Bank of Gresham, Nebraska, merged with the Gresham State Bank last month. The officers and directors of both banks thinking that the consolidation of these two good banks would be for the best financial interest in this community and could in this way better serve the patrons of both banks. The bank will operate under the name of Gresham State Bank with the following officers.

Robert Heineke, Chairman of Board; David Yung, president; H. K. Diers, vice president; Arthur Walford, cashier; Arnold Irmer, assistant cashier.

### Retires from Bank

Edward Huwaldt of Carroll, Nebraska, has announced his retirement from his duties as an active officer of the Carroll State Bank. Mr. Huwaldt has been vice president and manager of this bank for a number of years and has placed the institution on a sound financial foundation and on a dividend-paying basis. Mr. Huwaldt has not made known his future plans beyond the fact that he continues to have a stock interest and will retain a personal interest in the bank and its welfare. He continues as vice president and director, but not in a managing capacity.

A. R. Cochran of Sterling, Colorado, a practical banker of experience, has acquired a substantial interest in the Carroll bank and will manage its affairs, assisted by N. M. Patton, also of Sterling, and previously associated with Mr. Cochran as cashier. Vaughn G. Williams continues as assistant cashier.

### Dies on Pacific Coast

J. C. Bassett, 65, pioneer South Dakotan, chairman of the board of the Aberdeen (S. D.) National Bank and Trust company and a director of the Ninth District Federal Reserve bank and the First Bank Stock corporation, died in a hospital in Los Angeles, last month.

Stricken with an abdominal ailment while spending the winter in California, Mr. Bassett had been ill several months.

Surviving are his widow, a son, Clarke of Aberdeen; and three daughters, Mrs. Dale Goldthwaite of Yankton, S. D., Mrs. Clarence Boteler of Huron, S. D., and Mrs. Earl Wilkinson of Oak Park, Ill.



## In step with a quick-step age



The modern world won't wait. It is hungry for speed. With the telephone it gets speed — actually miles per second.

The telephone is in step with the age. Its use has grown steadily, and with it Bell System facilities. Plant investment in 1900 was \$181,000,000; today it is more than \$4,000,000,000.

The urge for speed is being answered by improved telephone

apparatus and operating methods, and by the development of special services such as overseas, ship to shore, teletypewriting and telephotography.

Progressive response to the trends of the day is one reason why the Bell System has been able to make dividend payments without interruption.

*May we send you a copy of our booklet "Some Financial Facts"?*

## BELL TELEPHONE SECURITIES CO. Inc.

195 Broadway, New York City





# News of the Omaha Stock Yards

## Calf Crop Normal

The spring calf crop in the eastern end of the Sandhills of Nebraska is not only of usual proportions this year, but the calves as a whole are heavier and stronger than usual, according to the ranchmen in that area. As one drives through the cow herds he can see that the little fellows are an unusually sturdy lot and that weak calves are the exception. Ranchers believe that the mildness of the winter was responsible for this.

The size of crop in numbers will be right around normal in the eastern part of Cherry county where the recent blizzard was not severe. Although some lost no calves in the storm, most of the ranchers lost a few head, but not enough to materially decrease the total number. The heaviest losses seemed to be among the yearling cattle and the older cows. Most of the calves killed were those that were born during the storm.

When the ranchers were asked what they intended to do about the selling of their cattle this year, a variety of answers were given. Many intend to follow their policy of recent years and sell the calves. Others thought they would winter the calves themselves if they have a good hay crop this year. And in many cases the men said that they intended to hold back more of their heifer calves than usual as they had been selling too many of their best heifer calves the last year or two, at the expense of their cow herds.

The hay crop last year was just about right size to fill the winter's needs. Some of the ranches will have a small carryover. In other places the cattle were skimmed through the last week or two or else hay had to be purchased. The meadows are making a good early growth and many of them are being pastured at the present and are furnishing a lot of good early feed. The hill pastures, however, have not advanced so rapidly and a good warm rain would be beneficial.

## South Dakota Using More Horses

It is estimated that tractor and horse-power in farming operations in the west river district of South Dakota is on a 50-50 basis this season, whereas last year tractor power was in the lead. Reduced prices of grain and resulting necessity of repossession of numerous tractors by companies is given as the reason.

This calls for an increase in the number of horses used in farming operations, as well as a decrease in acreages farmed.

In the Presho county, however, extensive tractor operations are being carried on by J. E. Stanley, who has increased the number of tractors used on his farm. He has more than 1,000 acres of winter wheat which has come through in fine shape. He has put in several hundred acres of spring wheat and will break up 600 acres of land for flax. He will plant 460 acres of corn.

## Cattlemen to Meet at Alliance

Secretary - Treasurer Frank M. Broome of Alliance has sent out a prospectus of the Forty-first annual convention of the Nebraska Stock Growers' association to be held in that city Wednesday, Thursday and Friday, June 10, 11 and 12.

Alliance has always been the headquarters for the Nebraska cattlemen and most of the association's meetings have been held there, but North Platte in 1924, Broken Bow in 1926, Ogalala in 1928, Valentine in 1929, and Chadron in 1930 demonstrated that other places also welcome the association conventions. The Alliance peo-

ple, however, are always glad to have the stockmen there and will see that that they have a good time.

The tentative program arranged by President Robert Graham and Secretary-treasurer Broome is a most comprehensive one showing the many and varied interests in which the modern stock grower is concerned. Producing high grade cattle for the Corn Belt feeders and the meat packers is only one of the activities occupying the thoughts of the cattlemen of Nebraska.

Included in the addresses scheduled to be delivered by outstanding speakers will be papers on transportation, stock yards, markets, banking stock inspection, market reporting, veterinary matters, meat packing, breeding, feeding and care of cattle, prospects for profits in 1931 and a number of related subjects in which every stockman has a vital interest.

As usual, ample provision has been made for the entertainment of the visiting stockmen and their ladies, the banquet in the Roof Garden, Thursday evening at which Harry Coffee of Chadron will preside, being an event always looked forward to at stock meetings. The forty-first annual convention at Alliance in June promises to be a most important as well as enjoyable affair for the stockmen of the state.



## OFFICERS

FORD E. HOVEY, President	L. K. MOORE, Asst. to Pres.
JAS. B. OWEN, Vice-Pres.	H. C. MILLER, Asst. Cashier
F. J. ENERSON, Vice-Pres.	C. L. OWEN, Asst. Cashier
W. H. DRESSLER, Cashier	HENRY A. HOVEY, Asst. Cash.
T. G. BOGGS, Auditor	

**S**TOCK YARDS NATIONAL SERVICE has a significance which is best realized by the many correspondents who have availed themselves of it.

We would appreciate an opportunity to demonstrate it to you.

## Stock Yards National Bank of South Omaha

Affiliated with the Northwest Bancorporation



**The Only Bank in the Union Stock Yards**

**BANK ANALYSIS AND GENERAL OPERATIVE COSTS**

(Continued from Page 9)

tain a comprehensive picture of the business as a whole. It will show by comparison with other banks the operating expense of each department, the item and transaction costs and the earnings and expense of the various fund groups and revenue-producing departments. The outside accountant need be employed for only one such survey, however, as future surveys can be made by any competent em-

ploye who is familiar with banking detail by using the accountant's report as a guide.

**T**HE benefits that can be derived from analyses are many. Cost analysis, the most essential of all, will, as I stated before, furnish a complete picture of our departmental expense and thereby aid us in keeping that expense at a minimum. It will furnish accurately our item and transaction costs and the necessary information to arrive at the actual earning and expense of each fund group and rev-

enue-producing department of our bank. It will furnish the basic figures for comprehensive and worth while account analysis, for an equitable and profitable service charge on small accounts. Analysis will reveal accurately the cost of producing our service or cost that we are paying for our deposits and thereby enable us to arrive at a fair and profitable "selling" price for these commodities. All of these things will naturally result in increased earnings, either by effecting a reduction in costs or an increase in gross revenue, or both.



*Condensed Statement March 25, 1931*

RESOURCES

Loans and Discounts . . . . .	\$2,617,005.94
Marketable Bonds and Securities . . . . .	522,347.09
U. S. Government Securities . . . . .	987,302.28
Stock in Federal Reserve Bank . . . . .	16,500.00
Banking House and Fixtures . . . . .	59,000.00
Other Real Estate . . . . .	1.00
Cash and Sight Exchange . . . . .	1,751,105.14
	<hr/>
	\$5,953,261.45

LIABILITIES

Capital . . . . .	\$ 450,000.00
Surplus . . . . .	100,000.00
Undivided Profits, Net . . . . .	82,923.88
Unearned Discount . . . . .	29,372.33
Reserved for Taxes, Interest, etc. . . . .	54,658.90
Reserved for Dividend Payable March 31, 1931 . . . . .	9,000.00
Deposits . . . . .	<hr/>
	5,227,306.34
	<hr/>
	\$5,953,261.45

**LIVE STOCK NATIONAL BANK OF SOUTH OMAHA  
UNION STOCK YARDS — OMAHA**

All Collections Handled Promptly

OFFICERS

W. P. ADKINS, *President*      ALVIN E. JOHNSON, *V. President*      HOWARD O. WILSON, *Cashier*  
R. H. KROEGER, *Asst. Cashier*      L. V. PULLIAM, *Asst. Cashier*  
W. S. HOGUE, *Asst. Cashier*

**AUSTRALIA  
BANK OF NEW SOUTH WALES**

ESTABLISHED 1817

(With which is amalgamated THE WESTERN AUSTRALIAN BANK)

PAID-UP CAPITAL-----	\$37,500,000
RESERVE FUND-----	30,750,000
RESERVE LIABILITY OF PROPRIETORS--	37,500,000
	<hr/>
	\$105,750,000



Aggregate Assets 30th September, 1929, \$454,031,485

AGENTS—FIRST NATIONAL BANK, OMAHA, NEBRASKA      GENERAL MANAGER, ALFRED CHARLES DAVIDSON

HEAD OFFICE, GEORGE ST., SYDNEY      LON DON OFFICE, 29 THREADNEEDLE ST., E. C. 2

588 Branches and Agencies in all Australian States, Federal Territory, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London.



# South Dakota News

## Prepare Group Programs

The programs for the South Dakota Group Meetings which will start on May 9th at Huron and end on May 18th at Belle Fourche, promise many interesting features for the South Dakota Bankers and others who are fortunate enough to attend this series of meetings.

The committee in charge of the meeting of Group 3 to be held in Mitchell, has reversed the order of holding their meeting by having all preliminaries out of the way on the afternoon of May 14th and holding the main portion of their program in the evening.

The important events of each of the programs so far received are as follows:

### MEETING OF GROUP 3, MITCHELL, S. D., MAY 14, 1931

- 2:00 P.M.—Golf
- 4:00 P.M.—Registration at Country Club House
- 4:15 P.M.—Business Meeting and Smoker Appointment of Committees  
Special entertainment for the ladies at 4:15 P.M., Metropolitan Theatre
- 6:30 P.M.—Banquet—Masonic Temple—Eastern Star Ladies  
Music—McDonald String Trio—Helen, McDonald, Carroll Whitcomb, Lucille McDonald  
Address—Chairman, W. H. Shaw, President, Hutchinson County Bank, Parkston, S. D.  
Male Quartet—Dakota Wesleyan University  
Address—Mr. A. B. Cahalan, President, South Dakota Bankers Association, Miller, S. D.  
Address—Mr. Harry Yaeger, Deputy Governor, Federal Reserve Bank, Minneapolis  
Address—Mr. B. V. Moore, Vice President, First Minneapolis Trust Company  
Report of Committees  
Election of Officers

### MEETING OF GROUP 4, MILBANK, S. D., AUDITORIUM, MAY 12, 1931

- 9:00 A.M.—Registration—Appointment of Committees
- 9:00 to 12:00—Golf tournament
- 1:30 P.M.—Music  
Invocation—Rev. Arthur Mayer
- 1:45 P.M.—Address of Welcome—Robert Bull, president of Milbank Commerce and Community Club  
Response—D. H. Lightner, Aberdeen, S. D.
- 2:00 P.M.—Remarks—A. B. Cahalan, Miller, President, South Dakota Bankers Association
- 2:15 P.M.—Announcements—Geo. A. Starring, Huron, Secretary South Dakota Bankers Association
- 2:30 P.M.—“Float Charges”—F. B. Stiles, Watertown  
Music

- 2:45 P.M.—“Loan Policies”—L. A. Jacobsen, Bryant
- 3:00 P.M.—“Analysis of Accounts and Per Item and Service Charges” by Don W. DeVey, Westport
- 3:20 P.M.—“Interest Rates on Deposits”—by Charles Carpenter, Clark  
Discussion invited on each subject above
- 3:40 P.M.—“Our State Coal Mine”—J. W. Parmley, Ipswich, Commissioner of South Dakota Coal Mine Commission
- 3:50 P.M.—Selection of 1932 meeting place
- 6:30 P.M.—Banquet—Milbank Auditorium—J. H. Kissinger, Hecla, Toastmaster  
Music and entertainment for the evening by artists from Watertown School of Music

### SOUTH DAKOTA GROUP MEETINGS

Group	Place	Date
Five	Huron	May 9
Six	Mobridge	May 11
Four	Milbank	May 12
Two	Madison	May 13
Three	Mitchell	May 14
One	Wagner	May 15
Seven	Belle Fourche	May 18

- Address—“Agriculture in Russia and in the Northern Great Plains of America”  
Reading—“The Last Two Per Cent”—Ruth Hunter, Milbank  
Address by South Dakota’s Will Rogers—“Andy” Palm, Huron  
Address—E. A. Ruden, Pierre, State Superintendent of Banks  
Report of Committees and election of officers

### MEETING OF GROUP 5, HURON, MAY 9, 1931, MARVIN HUGHITT HOTEL

- 5:00 to 6:00 P.M.—Registration and appointment of Committees
- 6:30—Banquet at Elks Hall, Marvin Hughitt Hotel  
Invocation—Rev. F. E. Lockridge, Pastor, First M. E. Church, Huron  
Address of Welcome—B. F. Patton, President Huron Chamber of Commerce  
Response—Russell Bard, President, Group 5, Miller, S. D.  
Coal in South Dakota—J. W. Parmley, Commissioner South Dakota Coal Mining Commission, Ipswich  
Violin Solo—Elaine Larson, Lake Preston  
“Laws”—I. A. Churchill, Attorney for South Dakota Bankers Association, Music—Courtesy of Huron College  
“Reminiscences of a Pioneer Banker”—A. Kopperud, V. P., Federal Land Bank, Omaha, Neb.  
Dance—Irish Sisters, Huron  
“The American Ideals”—L. G. Troth, Secretary of Agriculture, Pierre  
Open Forum, report of committees, election of officers

10:00 P.M.—Adjournment for dancing, Hotel Ball Room

### GROUP 6 AT MOBRIDGE, MAY 11, 1931

- 10:00 AM. to 1:00 P.M.—Registration at Brown Palace Hotel
- 1:30 P.M.—Meeting at Odd Fellows Hall  
Address of Welcome—Julius Skang, President of Mobridge Commercial Club  
Response—Jacob Jelm, Java  
“Agricultural Outlook for South Dakota”—Dr. T. E. Dinwoodie, Editor, *Dakota Farmer*, Aberdeen  
“South Dakota Coal”—Hon. J. W. Parmlee, Ipswich  
“General Bank Conditions”—M. Plin Beebe, Ipswich  
“World Wheat Market”—C. W. Cross, Aberdeen  
“Float and Service Charges”—Wm. O. Anderson  
Association Report—A. B. Cahalan, Miller, President South Dakota Bankers Association  
Round Table Discussion  
Report of Committees  
Election of Officers  
6:30 P.M.—Banquet at Brown Palace Hotel, C. H. Belknap, Toastmaster

### Complete Program for State Association

George A. Starring, secretary of the South Dakota Bankers Association, in a bulletin mailed on April 17th has given the members of the South Dakota Bankers Association the complete program for the state convention to be held in Huron, June 24th, and 26th. He urges all members to make their reservations early in order that they may be assured suitable hotel accommodations.

The list of speakers is practically completed and includes the following: Warren E. Green, Governor of South Dakota; James E. Clark, editor American Bankers Association Journal; Theodore Christianson, O. B. McClintock Company; Herbert V Prochnow, vice president, First Na-Wood, vice president, Foreman-State Corporation, Chicago; L. G. Troth, South Dakota Secretary of Agriculture; Bruce Barnes, South Dakota State Sheriff; E. A. Ruden, South Dakota Superintendent of Banks.

The program as outlined by Mr. Starring is as follows:

#### Wednesday, June 24

10:00 a. m. Golf Tournament—Huron Country Club.

#### Thursday, June 25

10:00 a. m. Morning session, Marvin Hughitt Hotel.

1:30 p. m. Afternoon session, Marvin Hughitt Hotel.

7:30 p. m. Evening session, Marvin Hughitt Hotel.

10:00 p. m. Dance, Huron Country Club.

#### Friday, June 26

10:00 a. m. Final session, Marvin Hughitt Hotel.

Noon Adjournment.

# Colorado News

## Organize Clearing House

Organization of the Boulder Clearing House, with all 11 banks in the county as members, was completed at a meeting in Longmont, Colorado, at which representatives from the various financial institutions were present.

Robert W. Joslyn, of the Mercantile Bank, Boulder, was elected president; W. E. Letford, First National Bank of Longmont, vice president, and J. Harrison Gibson, First National Bank of Boulder, secretary-treasurer.

An executive committee is to be appointed, to consist of one representative of all 11 banks.

State Senator Theodore Lashby, of Boulder, gave an address at the meeting, setting forth the necessity for a new "Blue Sky" banking law in Colorado.

"The Boulder County Clearing House banks will co-operate in aiding customers, and to protect their funds," President Joslyn said.

It was decided that the annual meeting of the newly-formed body

would be held on the second Saturday of every April.

The organization will meet, in the meantime, subject to the call of the president.

It was reported that all the bankers expressed approval of the Saturday afternoon closing of the institutions. They may put it into effect this summer. The Boulder banks are closed on Saturday afternoons throughout the year.

## Pioneer Banker Dies

Frank G. Bloom, 83 years old, for forty-three years vice president of the First National Bank of Trinidad, Colorado, and one of the pioneer residents of southern Colorado, died recently after a long illness.

## Salida Banks Merge

The Commercial National Bank, of Salida, Colorado, with a capitalization of \$50,000 and deposits of \$480,000, was merged with the First National Bank, which has a capitalization of \$100,000 and deposits of one and one-quarter million dollars.

Horatio Preston, brother of Orlando Preston of the First National Bank in Denver, is president of the First National Bank. Aylmer Reeves is cashier.

The merger, bank officials said, is in line with the present national tendency toward bank mergers. State bank examiners indorsed the deal.

## Building New Bank Vault

The Farmers State Bank of Yuma, Colorado, has installed a new vault at the rear of the bank building. Construction is of reinforced concrete and the walls are of such width as to safeguard contents from fire or other hazard. The room is 7x10 feet in size and will be used as a safety deposit vault.

## Bank Debits Decline

Colorado Springs is the only city in the tenth federal reserve bank district whose bank debits show an increase in March, it is shown in the report of the Kansas City governor. There are 29 cities reporting in the district, and of this number 29 showed declines, Colorado Springs being the only exception. The increase here was 1.9 per cent.

	4 Wks. End.	Pct.
	Mar. 4, 1931	Chg.
Albuquerque, N. M.	\$ 10,391,000	-11.0
Atchison, Kan.	4,420,000	-24.3
Bartlesville, Okla.	17,838,000	-13.7
Casper, Wyo.	4,698,000	-23.2
Cheyenne, Wyo.	5,042,000	- 8.6
Colorado Springs, Colo.	12,954,000	1.9
Denver, Colo.	127,323,000	-19.4
Enid, Okla.	9,633,000	-23.7
Fremont, Nebr.	3,125,000	-21.4
Grand Junction, Colo.	2,360,000	-14.3
Guthrie, Okla.	2,097,000	-34.4
Hutchinson, Kan.	14,476,000	-29.7
Independence, Kan.	7,274,000	-42.6
Joplin, Mo.	7,394,000	-32.1
Kansas City, Kan.	13,594,000	-24.5
Kansas City, Mo.	298,032,000	-21.6
Lawrence, Kan.	4,175,000	-13.1
Lincoln, Nebr.	27,717,000	-13.1
Muskogee, Okla.	7,544,000	-24.8
Oklahoma City, Okla.	90,354,000	-22.4
Okmulgee, Okla.	3,286,000	-43.6
Omaha, Nebr.	162,346,000	-21.9
Pittsburg, Kan.	4,498,000	-19.5
Pueblo, Colo.	14,300,000	-13.3
Salina, Kan.	10,097,000	-11.0
St. Joseph, Mo.	36,166,000	-25.3
Topeka, Kan.	18,215,000	- 7.2
Tulsa, Okla.	99,590,000	-26.8
Wichita, Kan.	47,139,000	-34.8
Total 29 cities 4 weeks	\$1,066,078,000	-22.3
Total 29 cities 9 weeks	2,535,186,000	-19.6

## Denver Gets 1932 Convention

Denver was selected as the 1932 meeting place of the Association of Reserve City Banks, at the closing session of its annual convention at Richmond, Virginia.

Clark G. Mitchell, vice president of the Denver National bank, was elected association treasurer.

The association is a subsidiary of the American Bankers association and its membership is composed of bankers designated by the federal reserve bank at reserve cities.

**THE**  
**CHASE NATIONAL BANK**  
*of the City of New York*

PINE STREET CORNER OF NASSAU

»«

Capital . . . \$ 148,000,000  
 Surplus and Profits 211,000,000  
 Deposits . . . 1,883,000,000

The Chase National Bank invites the accounts of banks, bankers, corporations, firms and individuals.

»«

General Banking · Trust Department  
 Foreign Department



# Wyoming News

## Wyoming Banks Stronger

Despite a slight decrease in deposits, Wyoming state banks are in a stronger position today than they were a year ago, John A. Reed, state bank examiner, said in his quarterly report.

The reserve assets of the fifty-seven state banks in Wyoming showed a total reserve of \$27,622,317 on March 25. While it was a net decrease of \$2,391,649, it was also a 1 per cent increase in reserve position or in the ratio between deposits and reserve.

The reserve is now 21 per cent and the ratio between surplus and deposits is now sixteen to one. The decrease in deposits since Dec. 31, 1930, was \$2,103,715.

Twenty-five national banks in the state reported a total reserve of \$39,897,995. This is a decrease of \$1,359,092 from a year ago.

The total reserve of all Wyoming banks is \$67,520,312.

## Honored by Bankers

George A. Bible, cashier of the First National Bank of Rawlins, Wyoming, was appointed to the executive committee of group No. 1 of the Wyoming Bankers Association at a meeting in Cheyenne last month.

It was an organization meeting of the group formed as a more closely-knit sub-division of the state association. The group organization is confined to the 18 banks in the five southeastern counties of Wyoming, which, geographically and economically, have similar interests and industries.

In addition to Mr. Bible, R. A. Logan, Homer France, and N. R. Greenfield attended the meeting from Rawlins; Fred Healey from Saratoga; S. D. Briggs from Hanna; and R. R. Finkbiner from Medicine Bow. Don Wageman of Cheyenne was elected president of the group, which will hold its annual meetings in conjunction with the state organization.

## Loans Decline

Banks of Utah continued to decrease loans and build up their reserves during the past quarter, it is shown in the consolidated statement of 81 state banks, made public by State Bank Commissioner, W. H. Hadlock.

Loans were reduced more than \$8,000,000 as compared with the same period last year, and secondary reserves were increased more than \$2,-

200,000. Cash in banks was increased more than \$2,000,000, evidence that the banks are making their condition much safer than ever before.

Total resources fell off during the period more than \$4,000,000. This was due to the failure of four banks and the withdrawal of deposits subject to check. This decrease was from \$29,-

023,432 in 1930 as compared with \$24,221,420 this year. While deposits subject to check decreased, time certificates and savings deposits increased more than \$1,000,000. Bills payable and rediscounts were reduced by more than \$600,000.

Total resources at the close of business March 25 were \$130,360,060, as compared with \$134,380,144 for the same period last year.

Loans and discounts amounted to \$81,273,695 in 1931 and \$89,364,228 in 1930. Stocks, bonds and securities jumped from \$22,275,846 in 1930 to \$24,453,199 in 1931.

*The Morrison is the tallest hotel in the world—46 stories high—with 1,950 rooms.*



*When completed, the Morrison will be the world's largest hotel, with 3,450 rooms.*

Chicago's

# MORRISON HOTEL

*Tallest Hotel in the World  
46 Stories High*

**1,950 Rooms -- \$2.50 Up**  
**500 Rooms Being Added**

Every guest room is outside, with bath, running ice water, bed-head lamp and Servidor. Each floor has its own house-keeper and the hotel's garage has extensive facilities for car storage. Rates are extremely moderate — \$2.50 up — because valuable subleases at this location pay all the ground rent and the saving is passed on to the guests.

*Closest in the City to Stores, Offices,  
Theatres and Railroad Stations*

## Bankers Wants

This Bankers Wants Department is for the free use of Central Western Banker subscribers. To all others a charge of five cents per word per insertion will be made. We reserve the right to edit all copy or to reject such advertisements that we deem unsuitable. Address all communications to the Bankers Wants Department, Central Western Banker, Omaha, Nebraska.

**Position wanted.** Married man, 40 years old, with 15 years' practical experience in country banks, seeks employment with bank in Nebraska. Can furnish the best of references. Address Box 1002, Central Western Banker.



### HOTEL FONTENELLE

OMAHA'S WELCOME  
TO THE WORLD  
400 Rooms  
with Bath from

**\$2.50**

100 Rooms Priced  
From \$3 DOWN!  
150 Rooms Priced  
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Luxurious Accommodations

Popular Dining Rooms

OPERATED BY EPPLEY  
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**IN OMAHA**

**IN LINCOLN---**

**HOTEL LINCOLN  
HOTEL CAPITAL**

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**HOTEL NORFOLK**

*Maximum Comfort at  
a Minimum Rate*

# Kansas News

## Elected Cashier

A. T. McNutt, assistant cashier of the Home State Bank of Lewis, Kansas, one of the strongest and largest banks of Edwards county, was elected cashier at a meeting of the board of directors. The action was due to the death of L. W. Hilbish, cashier for 26 years, who died unexpectedly while on duty at the bank.

Mr. McNutt came to Lewis June 1, 1928 from Haviland where he had a wide experience in banking.

Carl D. Fitch was named assistant cashier.

## In Merger

Merger of the Reserve State Bank with the Planters State Bank of Salina, Kansas, became effective last month. The plan was completely checked by the state banking department and approved by the department.

The consolidation does not in any way effect the capital structure of the Planters State Bank, which remains the same. Officers of the Planters bank are unchanged. But from the Reserve State come to the Planters Martin Ahlstedt as assistant cashier, and Miss Anna Bengtson.

The merger of the two institutions gives Salina the largest bank in central and northwestern Kansas.

Franklin D. Adams, president of the Reserve State, retains his office in the Reserve bank location, Watson building. He is president of the R.S.B. Investment company.

## Elect Two Bank Directors

Judge James A. McClure and Dr. D. R. Paine were elected to the board of directors of the State Savings Bank of Topeka, Kansas, at the regular quarterly meeting of directors.

The regular 1½ per cent dividend was declared by the directors at their meeting. Satisfactory progress in all branches of the bank was reported and the outlook for the future is most optimistic, the directors were informed.

Officers of the bank are: William Macferran, Jr., president; J. D. Gossett, vice president and cashier; E. L. Copeland, vice president; Bennett T. Hornsby, assistant cashier. Directors are: F. M. Stahl, O. C. Neiswender, Warren M. Crosby, Jr., A. J. Stout, Dr. C. F. Menninger, Mr. Macferran, Mr. Copeland, Mr. Gossett, Judge McClure and Doctor Paine.

## New Bank at Soldier

Opening of a new bank, the Soldier's State Bank, Soldier, Kansas, has been announced by W. H. Koencke, state bank commissioner.

Capitalized at \$20,000, the bank assumed the liabilities of and replaced the State Bank of Soldier, which also had a capitalization of \$20,000.

The directors, all of whom were directors of the liquidated institution, are:

Jacob Mack, J. W. Crawley, J. A. Sproul, of Soldier; P. H. Reed, T. L. Reed, of Circleville, and J. W. Lynn and J. H. Riley, of Holton.

Mr. Mack was president and Mr. Sproul cashier of the discontinued bank.

## STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912

Of CENTRAL WESTERN BANKER published monthly at Omaha, Nebraska, for April 1, 1931.

State of Iowa, County of Polk, ss.

Before me, a Notary Public, in and for the State and County aforesaid, personally appeared L. D. Van Doran, who, having been duly sworn according to law, deposes and says that he is the Associate Editor of the CENTRAL WESTERN BANKER, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Clifford De Puy, Des Moines, Iowa; Editor, R. W. Moorhead, Des Moines, Iowa; Associate Editor, L. D. Van Doran, Des Moines, Iowa; Business Manager, Gerald A. Snider, Des Moines, Iowa.

2. That the owner is: De Puy Publishing Company, Des Moines, Iowa, Clifford De Puy, Des Moines, Iowa, Gerald A. Snider, Des Moines, Iowa, Wm. H. Maas, Chicago, Illinois.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

L. D. VAN DORAN,  
(Signature of Associate Editor)

Sworn to and subscribed before me this 26th day of March, 1931.

EARL S. LINN,  
(My commission expires July 4, 1933.)



To Speed  
Transit Items



**CONTINENTAL ILLINOIS  
BANK AND TRUST  
COMPANY**  
CHICAGO

INVESTED CAPITAL 150 MILLION DOLLARS

# The Omaha National Bank



ALWAYS  
AT YOUR SERVICE