

CENTRAL WESTERN BANKER

Omaha

How Officers and Directors
Can Obtain New Business

Page 5

A Tribute to the American Banker

Page 6

What Financial Advertisers
Are Thinking About

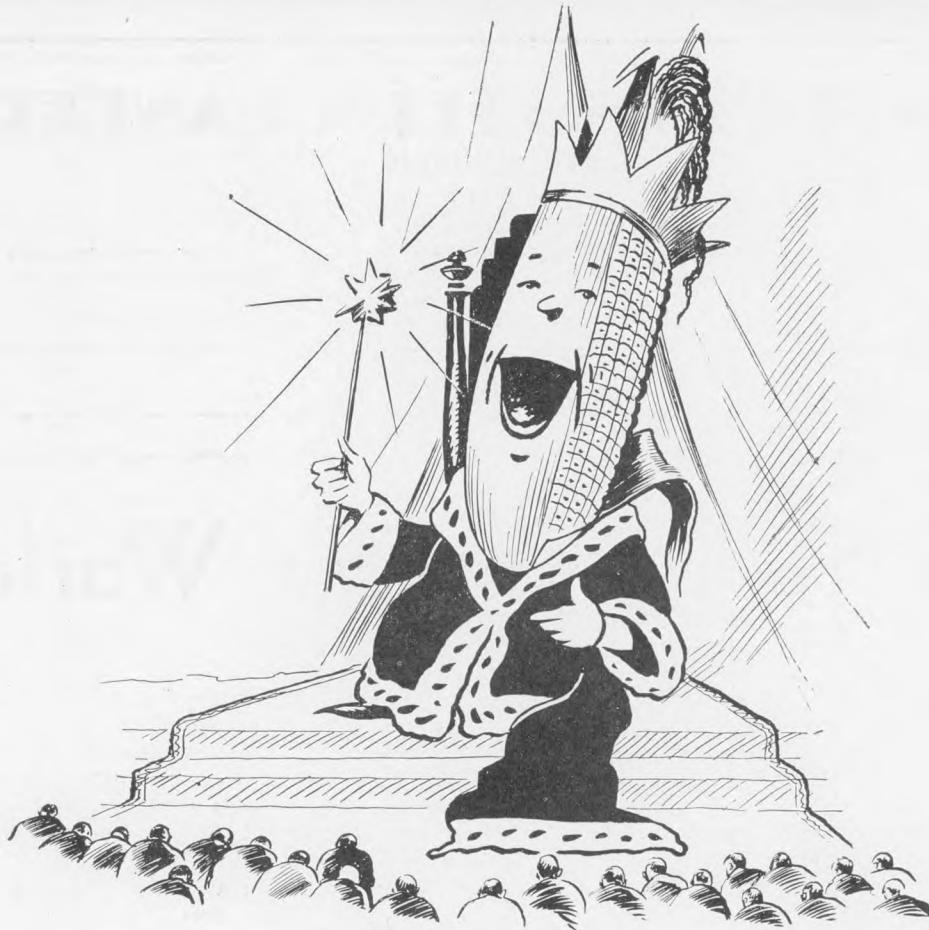
Page 7

What Shall We Do
With Our *Bond Accounts?*

Page 11

October

1932



CORN IS KING!

You are always welcome at this bank regardless of whether or not you are a depositor.

Corn is to be crowned King in Nebraska again this year, according to the estimate by federal statisticians.

The estimate for this year is 249,435,000 bushels, or 75,000,000 bushels above the 5-year average in Nebraska. And although this bumper crop will not yield to the Nebraska farmers as many dollars as other crops because of lower prices this year, yet it represents millions of dollars.

First National Bank of Omaha

MEMBER FEDERAL RESERVE SYSTEM

CENTRAL WESTERN BANKER

410 ARTHUR BUILDING

OMAHA

CLIFFORD DEPUY, *Publisher*

R. W. MOORHEAD, *Associate Publisher*

H. H. HAYNES, *Editor*

H. E. O'CONNOR, *Field Representative*

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

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

FRANK S. LEWIS, 840 Lumber Exchange, Minneapolis

Subscription, 25 cents per copy; \$2.00 per year. Entered as second-class matter at the Omaha postoffice.

VOLUME 27

OCTOBER, 1932

NUMBER 10

The Teller Tells the World

By C. W. FISHBAUGH

IN A CONVERSATION with the hired man in the bank the other day I accidentally mentioned the mythical Pan. "Who is this fellow Pan?" asked Oscar. "Why, he was half man and half goat," I explained. "Oh, I see — he was a bookkeeper, too," said our needle-witted Oscar.



PUBLISHERS frequently suggest certain books for bankers to read, and now I offer my suggestion. I believe every banker should read that excellent story: "Acres of Diamonds." It teaches a lot, and one thing it teaches is to be satisfied with your own lot. If you can remember back a few years there was a popular song, "You'll find your happiness lies right under your eyes right in your own back yard," and that is what "Acres of Diamonds" suggests.



IT IS claimed that Schopenhauer, the great German philosopher, never paid a bill that had his name spelled incorrectly. It seems like a lot of people are still following the same custom. What gets me is how I happen to misspell Smith and Jones so much!



AT GROUP meeting Number Five in Iowa one suggestion was made that has stuck with me. "Ask every borrower how and when he can pay his note." That's sound business and while it has been done more or less there is still a great chance of using it yet.



THE PRESENT high rates on holdup insurance (which are justified) reminds me of the story I heard about the risks in civilized America compared to wild South America. It seems a freight car loaded with three and a half million dollars worth of \$20 gold pieces was shipped from La Paz, Bolivia, to the small seacoast town of Arica, about 300 miles distance. When the *Santa Maria* with a Captain Parker in command arrived he was met by a representa-

tive of the steamship company, who mentioned that the shipment of gold had arrived from La Paz to be loaded aboard the ship. Parker asked where the guards were. The agent replied: "We don't need any guards. The shipment came to us in a freight car with only one guard for the entire 300 miles."

When the shipment arrived in New York it was greeted by one fleet of armored trucks and a small sized army of armed guards.



THESE times of stress and troubles bring back the story about the butcher. The butcher was before the banker and the banker was asking him to pay his loan. The butcher asked: "Have you ever been in the meat business?" The banker answered that he had not. So the butcher calmly said: "Well, you will be tomorrow."



A NEW idea offered to me was to balance the cages once a week instead of every night. The advantage of this seems to be a savings in time — instead of being off balance six days in the week one would only be off once a week. The motto for this system seems to be: "Be off balance in a big way."



RETURNS from the bank check tax in Iowa for the last 10 days of July were \$25,590.47. Officials computed that at this rate the check duty in Iowa alone will net a million dollars a year. Some of the other taxes netted the following in Iowa: Stamp tax on real estate and stock transfers, \$8,552.34; admissions and club dues, \$7,972.58; manufacturers' excise taxes, \$5,620.55. The total collected was \$51,342.19.

With the bank check tax making up one-half of the tax collected it doesn't look like the check tax has any chance of being repealed. The best we can hope for is that the manner of collecting the tax be changed to a stamp tax. It's certainly nice for Uncle Samuel, a million dollars a year revenue from one state, and the banks do all the work.

(Continued on Next Page)

TELLING a depositor that he is not supposed to write checks on the account until his deposit checks have cleared and then giving him a deposit ticket with direct credit to his account reminds me of this anecdote: The mother was addressing her child: "Now Elmer, you must be a good little man for the next two or three days because papa has hurt his hand, and if you are naughty he won't be able to whip you." Well, Elmer wasn't a good boy; neither was the customer.

IF YOU examine all the U. S. bank notes you come across you'll fail to find any with the portrait of a living person on it. I don't know the reason for this, unless it can be blamed on the old saying: "Dead men tell no tales."

IN THIS political year we're hearing all kinds of slogans to gather votes. One of the old standpats being: "The full dinner pail." Oscar, the hired man in the bank, has one he wishes to offer: "The full dinner hour, sixty minutes for every lunch." He says the candidate who adopts that slogan is going to get the support of the whole bank force.

MOST everyone has heard the story of the two men who met on the bathing beach. I'll tell it anyway. Two men accidentally met at the bathing beach and enjoyed a swim together. When they had finished their plunge they agreed on eating lunch together. They met at the appointed time and ordered their lunch, then got to discussing business and then they found out they were both vice-presidents of National City Bank of New York!

TOWNS must have some kind of money, and here's proof of it. This is taken from a recent paper in regard to the "Oyster Money" of Raymond, Washington: "We enclose herewith a \$1 bill of our 'oyster money.' When our two merged banks failed we decided to issue our own money. The holder of bank certificates assigns his claim to our organization and oyster money for 10 per cent of his claim is given him. When the first bank dividend is declared, we will redeem the money."

BRIGHT LIGHTS: "Every month since March the number of new and reopened banks has been greater than in the same months a year ago."

SOME farmers take special pride in doing things in a big way. Take the case of an Eastern farmer who

moved to Iowa. He heard that one of his neighbors grew unusually large potatoes. So he sent his hired man over to buy a hundred pounds. The neighbor was peeved: "Go right back and tell your boss that I won't cut a potato for any man."

THINGS there ought to be a law "agin": Hooking my best pencil . . . balancing pass books that have only two checks . . . and for that matter any pass book . . . the 4 o'clock customer . . . bringing change in unwrapped . . . writing checks that are hard to read . . . trying to get notary work done free . . . someone saying: "You have it easy — from 9 to 4 — plenty easy" . . . trying to get out of paying the service charge . . . making small notes . . . losing keys to safe deposit boxes. Oh, well, it's all in the banking racket, so it's oke by me.

HERE'S one for your scrap book. The estate of the dancer, Anna Pavlova, is almost double the initial estimates, according to a New York report. The administrator failed to find one worthless stock certificate or bond in her estate. It looks like her footwork amounted to a lot more than a lot of banker's head work.

But back of the fact that all her bonds were good looms the fact that someone advised her to buy the bonds

she did. And who would that be but her banker? So don't turn gigolo yet.

ALL TWO dollar bills aren't unlucky (in fact, give me a lot of 'em). Recently a woman offered one at a county treasurer's office for the payment of taxes. He told her it was issued in 1831 by one of the old "wild-cat" banks and was not legal tender. But shifting from his official duty to private citizen, the county treasurer offered the lady five dollars for the bill to add to his collection. She accepted it and applied it on her taxes. Everyone was satisfied, including the county treasurer.

THE SIGNS to be used on bank doors when observing a holiday are narrowing down. Can't use "closed," "not open" or anything that looks suspicious. Now comes the latest blow. We can't use the word "holiday" or the public will get the idea that the bank is observing a ten day holiday for waivers. I reckon we'll have to use Oscar's idea yet: "We ain't here; gone fishin'."

THE TELLER has been telling the world for a year now. And what a change that year has brought. But confidently I believe we've just about reached the building that has that often mentioned corner on it. Is everyone ready for the corner? "Well, I'll tell the World."

Assumes Duties as Director

Ford Hovey, president of the Stock Yards National Bank of South



FORD E. HOVEY

Omaha, assumed his duties recently as director of the chain of federal agricultural credit corporations which the Reconstruction Finance corporation set up last month.

Mr. Hovey's headquarters are in the old Commerce Department building, where the finance corporation is located. He expects to be in Washington most of the time, at least for the present.

His appointment is for an indefinite period and is subject to no limitations of law. His salary will not be made public until the corporation submits its next quarterly report to congress.

The corporation for the Omaha area, at Sioux City, will be among the earliest where loans can be made. Like the seven other regional corporations, it will start with three million dollars capital as a minimum, paid in by the Reconstruction Finance corporation.

The corporations have sufficient authority to make loans not only for seed and crop production, but for virtually all agricultural purposes.

Employing a Few Old, Time-Tested Principles of Salesmanship

A Trust Officer Tells---

How Officers and Directors Can Obtain New Business

By ERNEST L. ANDERSON
*Rhode Island Hospital Trust Company
Providence*

OUR SUCCESS in securing new business does not depend upon the activities of our new business and advertising departments alone, but on the combined efforts and co-operation of everyone within the bank as well as the way in which the bank serves its customers. The goodwill created by the administrative departments of our banks is not always in our control, but it is our job to see that as many people of means as possible are informed about the services we have to offer. This means that some organized effort should be developed between the new business department and the officers, directors and employees, to locate these people and obtain an opportunity to present our ideas.

It will be found that officers and directors are not particularly sales-minded and it is important that they be convinced that through the advancement of our services to their friends and customers, they will themselves be benefited. It is obvious that as the bank prospers, so shall everyone connected with it prosper.

We should tell them that we of the new business department are merely tools to help them and that we cannot play a lone hand in the production of more business.

Question of Salesmanship

Don't you all feel that if a man is convinced that he and his family will be benefited by the use of our trust services he will be more enthusiastic about passing these benefits on to others? It is certainly, then, our first job to sell the individuals whose co-operation we seek.

We have secured the best results in this connection by assigning some one representative to certain officers and directors. By frequently conferring with these men individually, the representative is able to learn their personal reactions to the various trust department services. Incidentally, it will be found that these officers and directors themselves constitute a good class of prospects for life insurance trusts and wills. They will be impressed by the qualifications of the representative and the constructive

manner in which he presents the story of the bank's services. As they observe his dignified and helpful attitude, they will admit a feeling of confidence in his ability which will break down our greatest handicap in securing their help. This handicap has been due to the fact that most officers have had the feeling that our representatives might employ dangerous, high-pressure methods in their anxiety to secure the business.

We have found after talking with an officer or director and asking him for criticism and counsel regarding

"It will be found that officers and directors are not particularly sales-minded and it is important that they be convinced that through the advancement of bank services to their friends and customers the bank will be benefited and will prosper."

our manner of presenting the story, or where we have failed to emphasize the more important points of the sale, that he invariably has responded with some very helpful advice. And in going to him, he is made to feel that he is taking a real part in the development of new business for his bank.

A Sales Demonstration

Another effective method of acquainting the officers and employees with the "Trust Idea" is to put on sales demonstrations before groups of officers, trust committees and contact employees. The best results have been obtained by having the trust representatives plan and rehearse sales talks on some one service, such as a trust will, insurance trust or living trust and then put on the demonstration.

In putting on such a demonstration, we have found it best to prepare the audience in advance by discussing with them the sale to be made, telling them that we hope for their criticism and advice and requesting them to observe the various points in the sale,

such as the approach, little sales, trial closes, the manner in which objections are met, the development of the plan and the close.

If the job is well done, you will find those present more interested and anxious to co-operate with your new business department men than ever before.

We do not feel that demonstrations before the directors are advisable because they are all real prospects and should be sold individually for their personal business. If you succeed in assisting them with their own estate problems, you will find them most enthusiastic about having you help their friends and relatives.

Being stockholders, and vitally interested in the earnings of their bank, they will all agree that every good piece of business secured will help to produce better earnings on their stock. We find many officers and directors who are particularly pleased with the plans which they have worked out for their own affairs with the help of a representative and who are glad to assist in making appointments, and allowing their names to be used and often furnishing letters of introduction.

However, any inference that the representative is acting as an errand boy for them should be carefully avoided. The officer (or director) can help immensely in making such introduction by taking occasion to build up the prestige of the trust department representative in the mind of the prospect. We prefer to have appointments made by telephone or when the prospect is at the officer's desk. The sale is made easier by their introduction and support.

It is interesting to note that the class of prospects furnished by this group is almost always the best to be found in your community and generally the hardest to reach in any other way.

Why They Hesitate

Now, it isn't always easy for the officer to make these introductions which are so helpful to the representative. For certain of them, it is frequently a real task, and often officers hesitate to pass on the names of

friends and customers for the bank representatives to call on, for these reasons:

1. All officers are not sales-minded.
2. Never having practiced, they are unable to present in an interesting manner the benefits and advantages to be gained.
3. They may lack the knowledge of the mechanics of trust administration and be fearful of being drawn into a technical discussion.
4. They are anxious to avoid any reference to such personal matters as a man's will or the disposal of his property, for fear the customer may think him presuming and take offense.
5. If they are not familiar with the representative's manner of presentation and approach, they will naturally hesitate to suggest an interview.
6. Loaning officers, who do not know when they will be obliged to turn down a request for or an extension of a loan may feel that if they suggest a call by a representative they might be placing themselves under obligation. They are inclined to be a little jealous of their customers and dislike to allow anyone else to enter their perfect picture.

How It Is Done

If any of these problems exist, you may find it helpful to suggest to the officers some such approach as the following:

(1) Mr. Jones is seated at the officer's desk and the officer says, "You'd be interested in the way many men have arranged their insurance and will to save money. Have you ever talked with a trust officer about this?"

One of our customers was in a few days ago and very enthusiastically told me of a talk he had had with our Mr. Graham. He said Graham showed him how he could very nearly cut in half the expenses that would be incurred in his present will and the surprising thing was that this 50 per cent saving would not in any way change the things he wanted to do. You are usually in your office at 3:00 in the afternoon, aren't you? I'll ask him to stop in this afternoon."

(2) "Have you ever met our Mr. Kendall? (Wait for reply.) This man Kendall is a specialist in planning estates and it is interesting to see how much money he has been able to save some of our customers. He spends his whole time on this work. I'd like to send him over to see you. You're usually in at 4 o'clock aren't you? Good! I'll ask him to stop in this afternoon (or tomorrow)."

(3) "Hello, Mr. J. I've been thinking about you for the past two or three days. We've got a man by the name of Reynolds, who has been saving some of our customers thousands of dollars. You know it's surprising the way taxes, fees and other expenses eat into a man's estate when it passes to his family. Have you talked these problems over with a trust officer? Reynolds is a specialist in this line and I know you'll be interested in talking with him. Could you see him at about 4:00 this afternoon?"

If officers are really interested in improving their technique in making appointments for representatives, it might be suggested that they practice

these little sales talks in their own group meetings.

It is of great importance that proper credit and recognition be given for any business which results from a lead from your officers or directors.

Summary

Let it be known in your organization that the new business department is really only helping everyone else in the bank to help themselves.

Sell the benefits and advantages of trust services to individuals in the bank, assigning certain officers and directors to particular representatives. This will build up the prestige of the representative with his group and break down any feeling that the prospect might be offended at what may be said to him.

Ask officers and directors for criticism of approach and procedure. They will be made to feel a part of new business endeavor.

Through the use of sales demonstrations, educate groups in your bank to the benefits of trust services.

Don't expect too much from your officers. If they arrange for introductions, they have really done their part. Remember that they have other work to do.

Develop some plan of recognition of good business secured through the help of your co-workers.

Furnish suggestions of easy approaches for officers to use in making appointments.

Let it be known that in the experience of the leading trust companies, the highest type of prospects result from officer leads.

A Tribute to the American Banker

I WOULD be untrue to myself, and to those I represent, if I did not offer my sincere tribute to this man who is known as a *banker*.

In some 19,000 banks which have weathered the most devastating financial storm of rumors, runs and riots since the days of the civil war, the American banker has come through this period with credit unimpeached and character unstained.

The American people with that disease rightly called "American Madness" have closed more financial institutions in the last three years than have been closed by all the bad loans, all the frozen assets, and all the defalcations and mismanagement of the last decade.

So while we remember the valiant sacrifices which have been made by those bankers who fought a good fight against tremendous odds but were

By CLIFFORD DEPUY

*Publisher
DePuy Banking Publications
Des Moines*

From an address given by Mr. De Puy before the recent convention of the Financial Advertisers Association, in Chicago

finally swept under by the whirlpool of whispering campaigns and recurrent rumors; let us at the same time salute those bankers who from coast to coast are still operating their financial institutions along the highways of business and commerce. These are the men, who with faith and courage have kept their institutions open, have kept their note cases unblemished, and who are today the custodians of 50 billions of dollars of deposits. Money entrusted to the banker because individ-

uals and corporations have believed in their downright honesty, business ability, and financial liquidity.

You and I know there are many, many successful bankers who are the real leaders in their community. They are maintaining the good will and reestablishing the confidence in banks which may have been destroyed. These are the bankers who have been purged in the fires of adversity. They have been tried and tested and have not been found wanting.

I know hundreds of these bankers from personal contact. I know men who as captains of their financial ships have ridden through the storm. They are not only receptive to suggestions for better banking methods, but they are actually asking and inquiring about them. Because I know this courage, steadfastness, progressive-ness, I salute the American banker!

What FINANCIAL ADVERTISERS Are THINKING About

Members of the Financial Advertisers Association
Hold Successful Meeting in Chicago

HOW TO better obtain new business, trends toward the elimination of many so-called "free" services to customers and concentration on those showing a profit, public psychology, looking toward the job ahead—these and many others were subjects up for discussion at the recent annual convention of the Financial Advertisers Association, held last month in Chicago. Between three and four hundred serious minded individuals, from the four corners of America, sat around a mutual table and sought a solution to the many problems presented during this period of reconstruction.

Out of their findings came much of value to every bank and banker in this great country of ours—ideas which can be applied to any banking business regardless of size or location. We present here a highlight or two from several of the talks made.

JAMES L. WALSH, executive vice-president of the Guardian Detroit Union Group, Inc., was assigned the subject "The Job Ahead."

"It seems to me that the job ahead for bankers is to assert in economic affairs the leadership which is rightfully theirs and which, in the final analysis, they cannot delegate to any other group. Consequently, it is the job of financial advertising men to broaden their viewpoint to include the whole economic horizon; to translate economic truths into language that is readily understood and believed by the man on the street; to preach the gospel that the growth of a bank is wholly dependent upon the prosperity of the community it was organized to serve; to demonstrate by facts and figures that the progress of all classes, all groups, all industries and all sections, is directly dependent upon the progress of the nation as a whole; to hammer home the fundamental fact that nations engaged in international trade are *inter-dependent*. Give us a new 'Declaration of *Inter-dependence*.'

"Our difficulties today are economic—yet we are trying to cure them principally by political remedies. Bankers know that we will make progress along the road to prosperity in exact ratio, and only in exact ratio, as sound economic principles gain ascendancy over political quack nostrums.

"Let us face facts. A manufacturer may make a mistake with one model and retrieve his position the next year. But there is only one model for a bank and that is a permanent one—

the model of sound fundamentals, adherence to the finest traditions of sound banking, fair dealing with its customers at all times, constructive service to its community over the years. That is the main thing. We are entitled to leadership—but we will never win that leadership simply by claiming it. The best written advertisement in the world cannot make a leader. Claims must be justified, leadership must be won, must be deserved. We have the foundations, we have cleared away most of the debris of the alleged new economic era. The banking structure of the country as it exists today is inoculated against hard times. We have changed from fatalism to a fortitude containing little illusion. The system is inured to shock and by this time has enough poise to meet any condition. But let us never forget that mutual confidence is a prerequisite to future success."

THE PRESENT state of unrest, the present condition of rapid change of opinion on the part of the public mind in all sorts of matters, may actually prove to be a valuable opportunity to inject into the public mind new and correct concepts of banking," stated Allard Smith, executive vice-president of the Union Trust Company, Cleveland. "Let us so conduct our banks henceforth that a customer will by his own observation and contact, find there a business-like institution engaged in the function of banking, devoid of frills, extravagances, and free services. In his business and in his personal affairs, our customer is back to work. Let us have our bank there, too. We are then on common ground, and can better understand each other's problems and desires. Very soon, then, the great public—customers and prospective customers—will begin to think bankers are just plain folks like themselves. The superhuman will have left. Banking will be down to bed rock, confidence will be reassured, and a sympathetic and cordial relationship will be established. Then, surely, much of the bad psychology will disappear."

BANK service, which in the past few years has covered everything

from holding the baby to walking the dog, was discussed by C. Delano Ames, advertising manager of the Maryland Trust Company of Baltimore. Mr. Ames urged his listeners to concentrate their advertising on profitable services, and said in part:

"It is my opinion that the average well balanced and well managed institution, which confines its activity to the legitimate fields of financial service, does not offer to the public any feature of that service which can be really characterized as unprofitable, provided that all features of the service are properly co-related and seen in a right perspective. They can be made unprofitable, yes, by a loss of perspective and the resulting over emphasis of one or another of them in our advertising. But then it is we ourselves who make them unprofitable by our own failure to balance them in their right proportions.

"Some years ago, in the halcyon days before the deluge, it became a fad with many banks to render all kinds of free services which, more often than not, had no more connection with the institution's proper and charter functions than would a circulating library or a matrimonial bureau. You cannot deliberately train people to expect something for nothing without having it come back sooner or later and deliver a swift and well directed kick at some point of the anatomy where it will hurt."

IT HAS been many years since the advertiser could buy as much with his dollar as he can get at the present time," said T. J. Kiphart, manager of the publicity department of the Fifth Third Union Trust Company of Cincinnati, whose subject was "The New Buying Power of the Advertising Dollar."

"Some newspapers have changed their general advertising rate schedules from a flat to a sliding scale basis, offering from seven to ten per cent reductions from the former flat rate, which continues as a base, for larger than normal schedules.

"The lack of competition with a great mass of other advertising, for the attention of the reader, tends to strengthen the ability of the advertiser

to get the maximum return on his advertising dollar. The reduction in space rate, to my mind, concisely gives the story of the trend of costs in the advertising printing field, and the relationship of the purchasing power of the advertising dollar to the so-called 'normal' period."

PAUL P. PULLEN, of the Chicago Title & Trust Company, spoke on "Training the Trust Representative." He said the method of instruction depends on two factors—the size of the staff maintained, and the educational facilities to be obtained locally.

"For the large institution, doing trust solicitation in a big way and hiring a number of representatives at one time, a lecture course conducted by the manager of the business development department or some other capable person will probably be found best. Such a course should be supplemented by text-book study. A number of such text books are available through the Trust Division of the American Bankers Association. Prentice-Hall and Commerce Clearing House have excellent services, with which you are familiar. The lecture course itself should be given two or three times a week, preferably in the evening so that it will not interfere

with the usual routine of business. Sixteen or eighteen lectures are recommended, with an occasional quiz so that the lecturer can determine whether and to what extent the representatives are benefiting.

"For the smaller institution, or for the larger one hiring an occasional representative to fill up its ranks, an elaborate and formal lecture course may not be practical. To supplant it, the manager of the department may draw up a course of self-study to be followed by the individual, with occasional conferences between the two to give the student-representative encouragement and impetus. Text books and the different trust services should also be made use of, of course."

Had Two Reasons

She followed her husband down the stairs and seated herself opposite him at the breakfast table.

"I hope you weren't annoyed because I sharpened a pencil with your razor, darling?" she innocently asked.

"Yes, I was—twice," he replied patiently.

"Twice, darling?" she echoed.

"Yes, after I had given up trying to shave I tried to write with the pencil," he returned.—*Answers, London.*

Holder of Common Stock Increase

Nearly a *quarter of a million* additional stockholder were added to the lists of owners of securities in fourteen leading American corporations during the first half of 1932, the increase in numbers of shareholders exceeding the rate of 1931, and nearly equaling that of 1930 when public buying of stocks after the 1929 break was at its greatest volume. The companies listed below total an *increase of*

235,848 stockholders, or 7.97% during the first six months of 1932;

439,466 stockholders, or 17.46% during 1931; and

579,844 stockholders, or 29.95% during 1930; for a total increase of

1,255,158 stockholders since the end of 1929.

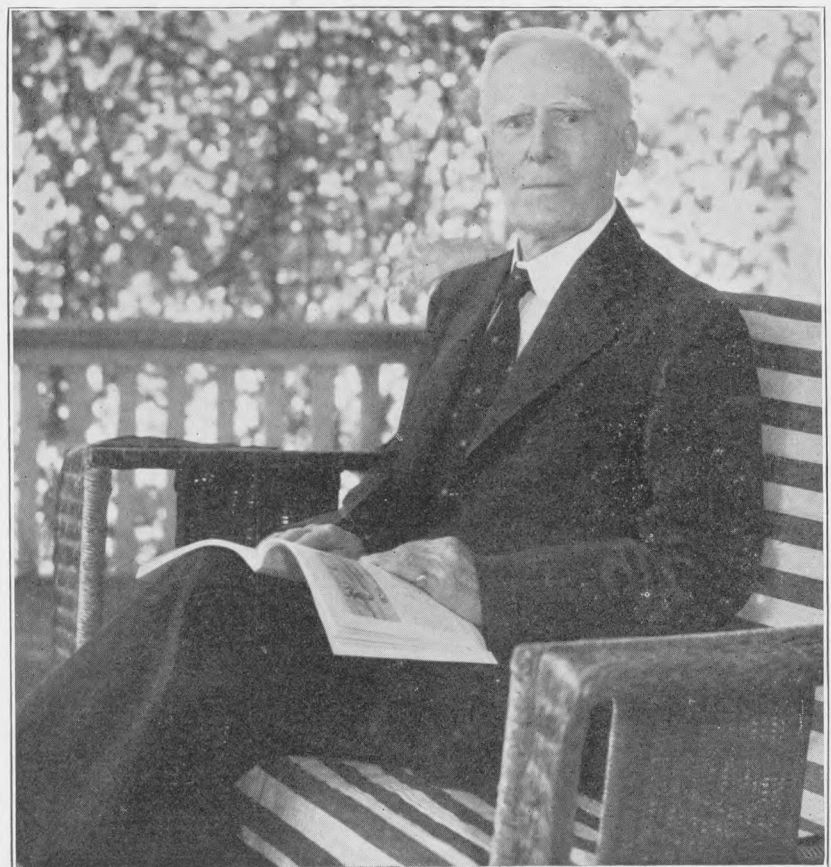
While the rate of growth in percentage seems slightly smaller because of the larger numbers, it should be noted that during 1931 and thus far in 1932, the increase is 26.84%, and that from the close of 1929 to June 30th this year, the gain has amounted to 64.82%, making present figures top all previous records, thus it would ap-

Retires After Fifty Years of Service

AFTER MORE than fifty years of banking service in Council Bluffs, Iowa, Henry W. Hazelton, assistant cashier of the Council Bluffs Savings Bank, has retired at the age of eighty-one.

It was in 1882 that Mr. Hazelton entered the service of the bank as teller, coming to Iowa from the East. He served as teller for thirty years, and has been an assistant cashier since 1915. During his years in the bank, Mr. Hazelton has served under four presidents.

The annual picnic of the employees of the Council Bluffs Savings Bank was held not long ago, and, of course, Mr. Hazelton was the guest of honor. Many letters congratulating him on his years of service have been received by him.



pear that far from being driven away from stocks by the crash, the stock-owning public constantly has added to its numbers.

The point of it all is that a lot of people had to have some money to cause this result. The same conclusion inevitably follows from the life insurance paid product which has held up remarkably during the last several years.

The purchase of these stocks and the acquiring of life insurance is not unrelated. Whether a man buys stocks in an effort to recoup losses, or whether he "picks the low" to go in, which most men do not, it is necessary in the great majority of cases that he *must live to win*, that he must live to see his cherished hopes come through, if they are going to have any chance to materialize at all. Certainly the widow and minor children of a decedent of limited means—and an increase in numbers of stockholders of such sizable proportion means that a big percentage of those shareholders are men of decidedly limited means holding small to odd lots—have no business having any part of their small resources exposed to the hazards of the stock market. In that his dependents will *have* to get out when *he* is eliminated, often at the *wrong* time, then the man who is holding stocks should cover at least the appreciation he feels sometime will come. Otherwise he is making a double gamble of his investment as the case may be.

Unemployment Averages

Statistical averages can tell more lies than the average man can invent. One of the latest illustrations of the way in which arithmetically accurate averages can be employed to produce wrong impressions is found in the general averages relating to unemployment in Europe and the United States. According to figures published by the Department of Commerce for twenty European countries (registered unemployed eligible for relief) there were at the end of June nearly 11,400,000 persons unemployed out of a total population estimated to amount to about 310,000,000.

Taking these figures as they stand, the unemployed constitute about 3.6 per cent of the people of these European countries. This seems to be an extraordinarily favorable showing when contrasted with estimates for the United States which indicate that between 9 and 10 per cent of our workers are at present unemployed. The misleading character of such comparisons, which naturally would lead to the conclusion that our condition is in-

initely worse than that of the industrial countries of Europe, is revealed after looking at the unemployment data for Germany and the United Kingdom. These two highly industrialized nations, with a combined population of slightly over 100,000,000, reported over 8,400,000 unemployed at the end of June, a figure which produces a percentage of unemployed which does not fall far below the mere guess that is the best estimate available for the United States.

Inclusion in the general European average of France and of lesser agricultural states in which the percentage of average employment affords no measure of the extent of industrial

distress merely distorts the actual facts and tends to make our undoubtedly unenviable position appear to be relatively much worse than it actually is. —*New York Journal of Commerce.*

Explain Forest Resources

Speaking on the value and use of forest resources, H. N. Wheeler, chief lecturer for the United States Forest Service, will appear in eleven Nebraska towns and cities in October, according to a schedule released from the college of agriculture extension service.

The forest lecturer will deliver his talks to farmers, school children, business men and others interested. Each

Through The Years

For more than fifty years the history of Central Hanover has been closely, helpfully and loyally identified with the progress of leading banks all over the United States.

CENTRAL HANOVER BANK AND TRUST COMPANY NEW YORK



NO SECURITIES FOR SALE

Representatives in LONDON, PARIS, BERLIN AND BUENOS AIRES

lecture will be illustrated. County farm bureaus, civic clubs and public schools are cooperating in bringing the noted lecturer to Nebraska. In each community, local committees have already been appointed to cooperate with the extension service in holding the meetings. They are inviting the general public to attend some of the meetings.

Wheeler will open his schedule at Lincoln on October 4, when he speaks before the Rotary club. The Otoe county farm bureau and the Nebraska City Chamber of Commerce are sponsoring the meeting at Nebraska City on October 5, while the garden clubs in Hastings are arranging for the

meeting there on October 6. The Douglas county farm bureau and the Omaha garden clubs have charge of the meeting scheduled to be held in Omaha on October 7. Two meetings are scheduled to be held on October 10. The mid-afternoon meeting will be held at the Curtis school of agriculture, while the evening meeting is to be held in Elsie.

The Eddyville community club is sponsoring the meeting in their town on October 11, while two meetings will be held the following day at Scottsbluff and Alliance. People in the vicinity of Gordon will hear Wheeler on October 13 and the Squaw Mound

community, Dawes county, has the lecturer on October 14.

Lending Too Much Money

Lending by government of too much money on farms is responsible for the farm loan "falling from grace" as a high grade investment security, Thomas C. Hennings, President Trust Division, American Bankers Association, Vice President Mercantile-Commerce Bank and Trust Company, St. Louis, declared at the division meeting at the convention of the Association.

"We have learned that, when any industry or undertaking is subsidized by cheap credit, tariffs and unwise borrowing privileges, we must scrutinize the industry, undertaking and security with the greatest care," Mr. Hennings said. "We have witnessed the breakdown in the farm loan as a high grade investment security. Years ago the farm mortgage was considered the best investment by the fiduciary organizations of the world, life insurance companies and savings banks. We readily understand why the farm mortgage has fallen from grace. It is because the government has entered the farm loan business and has lent too much money on farms and made repayment requirements which, although amortized over a long period of years, are nevertheless in these sad times beyond the ability of the farmer to pay.

"The opportunity for what the farmer considered cheap money caused him to over-extend and assume greater obligations than either he or his family could handle. To make matters worse, under the Federal Farm Loan Act, the government has permitted the farmer to borrow against his crops through the Federal Intermediate Credit System, and now the government is going farther and lending the farmers' money through cooperatives, to hold grain for higher prices. It seems that the easier money becomes available to the farmer the worse position he is in.

"If the experience of the Federal Land Bank is any criterion of the future experience of the Home Loan Banks' cheap money campaign it may result in a breakdown in the residence loan as a safe investment for fiduciary organizations. Subsidies, credits and tariffs coupled with a general invitation to the public, from Washington, to come and get money and not be timid about it, may delay the return of normal conditions rather than otherwise."

"The only excuse for the extensive use of credit at this time is the hope that it is a temporary expedient," Mr. Hennings said.



SALMON P. CHASE - Secretary of the Treasury under LINCOLN

THE
CHASE NATIONAL BANK
of the City of New York

Capital \$148,000,000
Surplus 100,000,000
Deposits (June 30, 1932) 1,302,000,000

ALBERT H. WIGGIN <i>Chairman Governing Board</i>	CHARLES S. McCAIN <i>Chairman Board of Directors</i>
WINTHROP W. ALDRICH <i>Vice Chairman Governing Board and President</i>	JOHN McHUGH <i>Chairman Executive Committee</i>

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



BONDS AND INVESTMENTS

Speaking before the 1932 Convention of the Montana Bankers Association, Glenn O. Hoffhines of Moody's Investment Service, Answers the Question of

What Shall We Do With Our Bond Accounts?

THE BOND account of a bank is a means to an end and not an end in itself. Primarily every bank is in the banking business and the bond account should be administered in a way that contributes to the position of the institution as a bank. Too many bond accounts have been viewed as an end in themselves irrespective of any constructive contribution to the condition of the bank other than earnings. This emphasis on earnings has inevitably led to the assumption of undue risks which ultimately result in losses. Therefore, the only sound approach to the bond account is through the bank's detail statement of condition to determine what the nature of the banking business being done calls for in the way of bond account. This fundamental approach if followed would probably reveal the fact that the bond accounts of many banks are but remotely related to present operating problems and are not making much if any contribution to their solution. As a matter of fact, the bond accounts of many banks are the cause of their present difficulties.

Look for Weak Points

The founder of a great investment banking concern of the middle west advanced the following doctrine, which is my second fundamental. When considering the stability of a given bond for the bank's account, look for the weak points of the issue, the strong points will stand out by themselves. It is unquestionably sound and the failure to observe it brings dire penalties. It is the rule that guides the cold blooded analyst and which might well be adopted and followed rigorously by every buyer. I venture

to say that many bonds have been bought in the past and many exchanges are being made with less relative care than a judicious individual would exercise in purchasing a \$50 suit of clothes. Of prime consideration is the suitability of the bonds in question for the purposes of the bank. The bonds may have strong features, and not be suitable for the bank at the moment.

The point which I want to make is that the weakness of an issue may not be in the issue itself, but in the purpose for which it is being purchased. It is not always true that bonds are purchased for income and payment at maturity since the demands of your business may force their disposal for any of several reasons.

Safety and Income

The next fundamental is quality. By quality, we mean safety of principal and income. In times of prosperity as well as in times of depression the relationship between price, coupon rate, and payment at maturity must never be forgotten. The high premiums of 1929 were spoken of as "profits," which implies speculation and those same high profits are today spoken of as "losses," which is the well known, yet frequently forgotten twin of "profits," both the offspring of speculation. How many of us would today give a handsome price for a bond account with no rating less than "A"? If all the items were rated "A" the average depreciation would be about 40 per cent of par; if all were rated "Aa" the average depreciation would be about 25½ per cent of par, and if "Aaa" approximately 12 per cent of par. To some it may seem worthless to sell when an issue loses its "A" classification, and to be sure it can not

and should not be done in all cases, but such action on a wider scale would have saved the banks of this country many million of existing depreciation.

Diversification

The next essential consideration in the management of a bank's investment account is that of diversification. We all know that a fund of \$25,000 should not be entirely invested in five situations. On the other hand, it is wrong to invest such a fund in 250 situations because beyond a certain point the risk is actually multiplied by having more individual securities than can be properly and safely watched.

I'd like to point out the next fundamental by asking a question. Why don't you appraise a bond with the same deliberation and good judgment that is used in making a local loan? In striking contrast to the good judgment used by bankers throughout the country in making local loans stands the rather careless superficial way in which they purchase bonds.

Can't Forget Them

When an investment has been selected for the bank's portfolio it should not be put away and forgotten. If it is, in all probability we will be surprised to find that some of the bonds will soon be in the same condition as the old gray mare, they "ain't what they used to be."

Perhaps our process of giving bonds a maturity twenty, thirty, or forty years hence has led us into a false sense of security that there was nothing further to worry about until the bond came due. Permit me to point out that any bond due in more than

one year represents, in all probability, a capital loan which commercial banks are not supposed to make.

Depreciation

A good rule to follow in connection with depreciation is that it is better to take a small loss than be forced to take a big one. This rule strikes at perhaps one of the greatest weaknesses of the investment philosophy of American business men and bankers. We all hate to take losses because we are optimists and have so much faith in the return of values. However, when we face a period of economic recession, small losses, if not taken out of the accumulated profits of prosperity, widen into the staggering losses of the depression. You may say that if every one sold at once the market would be glutted and you would be unable to find buyers. We don't have to worry about that, however, for we have not reached that stage of economic knowledge wherein all investors act simultaneously. When we do reach it, all will refuse to buy unsound issues when they are offered. Too much water has gone over the dam to talk about selling bonds at early 1931 prices when losses were smaller, but even today if it were recommended to some that a bond be sold at 90, because adverse factors were gaining the upper hand, they would probably take the same attitude now that was taken in 1930 and 1931. As a result a ten point loss widens into a depreciation of 50 or 60 points and then the loss is too great to be taken.

Secondary Assets

Our experience has shown that every bond account should have in it some secondary assets. Unfortunately, the viewpoint was established that all bonds were secondary reserve assets. With even "Aa" bonds now selling at 75 per cent of par and at times even bonds of our own government, surely entitled to an "Aaa" rating, selling at 83 per cent of par it should be evident that nothing short of "Aa" investments qualify for true secondary reserves. Because coupon rates and maturities are important elements in bond prices, an even further restriction must be imposed, namely, that the "Aa" quality of bonds must be due in less than five years. Occasionally a longer maturity "A" issue will qualify if it has a high coupon rate and a restrictive call feature. That eminent banker, Mr. Fred Ellsworth, of New Orleans, told the American Bankers Association last October "that those who have the opportunity to examine and analyze the portfolios of failed banks during the past several years have discovered that in altogether too many instances the portfolio of secondary reserves carried too large a percentage of perfectly good bonds that enjoy a restricted market or no market at all." We would be inclined to observe that those looking at the closed banks were mistaken in classifying such assets as "secondary reserve assets." They were investment assets, pure and simple, with none of

the necessary characteristics of a "secondary reserve asset."

Shrinking deposits have caused almost all banks serious concern during the past two years. When the deposits begin shrinking reduce the bond account and loan and discount account proportionately. The reduction being in proportion to the shrinkage.

Unfortunately, when it is necessary to raise funds, there is a strong tendency to sell bonds showing the least loss which definitely weakens the bond account and brings certain trouble later if deposits continue to shrink. Because loans can be made against the bond account easily, it is our opinion that such a means of raising money should be reserved as an emergency measure. Temporary borrowing may provide sufficient time in which to reduce loans and discounts, but unless vigorously followed such a policy ties up the bond assets leaving very little further provision for emergencies.

The bond account represents in some cases as much as one third of the total working assets of the bank, and our experience shows that many accounts have been allowed to shift for themselves and many have gone all to pieces before the officers knew what was going on. It may be safe to disregard one-third of the bank's assets part of the time, but constant supervision is the only known way to avoid the risk of fundamental changes that may impair the safety of both principal and interest.

Business and Financial Conditions

THE CURRENT month has brought some tangible improvement to support the rather vague optimism that has accompanied the recent advance in security and commodity prices, states the Guaranty Trust Company of New York in the current issue of *The Guaranty Survey* its monthly review of business and financial conditions in the United States and abroad, published recently.

"Thus far, the most that can be said is that business activity seems to be responding to the seasonal influences making for expansion," *The Survey* continues. "To conclude that this response marks definite progress toward recovery would be premature, although the present trend certainly contrasts very favorably with the almost complete absence of seasonal revival at the beginning of the autumn season a year and two years ago. Such encouraging implications as may be drawn from this situation are

From "THE GUARANTY SURVEY"

strengthened by the further improvement that has occurred in financial conditions.

Sentiment Improved

"Recent signs of business expansion and financial recovery, together with the strong rally in security and commodity markets following the downward reaction in the middle of the month, have further improved business sentiment. While it is admitted that the trade revival, as far as can now be discerned, is very moderate, the absence of a more emphatic upturn is not regarded as an indication that the price advance is unsound. The consensus of opinion seems to be that both security and commodity values had sunk to levels that were wholly unwarranted by actual conditions, even when the business outlook was at its worst, and that the upward

movement was a sound and logical reaction, quite apart from any improvement either in the industrial or the financial situation."

"On the whole, therefore, the events of the last few weeks have confirmed, rather than discredited, the optimism that has arisen as a result of the unexpectedly favorable developments of the summer. There is, of course, very little tendency to anticipate swift and spectacular progress toward high business levels. It is almost universally conceded that recovery must be a gradual and irregular process. But the significant fact is that it is the outlook for recovery, rather than the fear of utter disaster, that now occupies attention.

Indications of Upturn

"The upturn in business activity is indicated by numerous reports, some of which are considerably more convincing than others. There has unquestionably been a great improvement in

all the leading branches of the textile and apparel industries. The increase in foreign trade last month, while not large, is encouraging, particularly the substantial rise in the value of imports. Recent increases in car loadings seem to be larger than might have been expected as a result of purely seasonal influences. Bituminous coal production has increased materially from the low levels of midsummer. A slight expansion has taken place in construction contracts, and lumber production has gained. The increase in factory employment last month suggests a revival of rather broad scope, though of small magnitude, in the rate of industrial production. In these and certain other directions, current data seem to support the view that the improvement consists of something more substantial than a rise in prices and a more cheerful sentiment.

"At other points, there is little or nothing to offer in confirmation of the general belief that a real upturn has occurred. Steel-mill activity has shown no more than a seasonal gain. The monthly report of the Federal Reserve Board on sales of department stores shows an increase from July to August of somewhat less than the estimated seasonal amount. Automobile production declined in August and appears to have remained virtually stationary this month. Bank debits fail to indicate any significant increase in the volume of check payments. Electric power output, after rising for several weeks, has declined sharply.

Recovery Hampered

"The persistent demand for further veterans' bonus legislation is unquestionably hampering business recovery, particularly in view of the continuing deficit indicated by the Treasury statements for the first two months of the fiscal year. With a certainty that requirements for unemployment relief will be very heavy throughout the winter and with a distinct possibility that the coming session of Congress may be obliged to resort to further tax increases in order to balance the Federal budget, the continued agitation for immediate cash payment of the bonus is far from favorable in its effects on business confidence, in so far as the latter is related to the outlook for Government finances.

"While reports from abroad indicate that some progress has been made toward economic improvement, political developments have been less reassuring. The rebellion in Brazil, hostilities between Bolivia and Paraguay, the parliamentary crisis in Germany, continued unsettlement in the Far East, and the more dubious outlook for the disarmament conference re-

sulting from the German request for release from the limitations on armament imposed by the Versailles treaty have clouded the prospects not only for arms reduction but for much needed international cooperation along economic lines.

Financial Situation Improved

"The financial situation has improved further, with comparatively few bank failures, a continued inflow of gold, and a decline in the amount of money in circulation, indicating, presumably, greater public confidence in the banks and a decrease in hoarding. There has even been an increase in the amount of bank credit out-

standing, although this has taken the form of a rise in investments, rather than in loans, and thus is less significant than it might be as an indication of increased business activity. While the liquidation of loans is still under way, it is worthy of note that the rate of contraction has diminished perceptibly in the last few weeks. Moreover, the increase in investments appears to reflect a marked lessening of the pressure that had previously forced banks to throw their security holdings on the market in an effort to enhance their liquidity. Bank failures last month numbered only 85, as against 131 in July and 151 in June.

OUR OFFERING LIST
WILL BE MAILED REGULARLY UPON REQUEST

G M A C NOTES

are a standard medium for short term investment. Based on highly liquid assets, they provide a sound instrument for the temporary employment of surplus funds. GMAC obligations are in country-wide demand for the security portfolios of individuals, institutions and thousands of banks.

*available in convenient maturities and
denominations at current discount rates*

GENERAL MOTORS ACCEPTANCE CORPORATION

OFFICES IN PRINCIPAL CITIES

Executive Office - BROADWAY at 57TH STREET - New York City

CAPITAL AND SURPLUS - SEVENTY MILLION DOLLARS

Twenty banks reopened with aggregate deposits almost equal to those of the banks that closed.

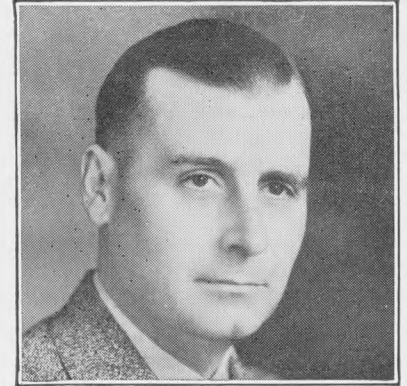
"The Federal Reserve banks have continued to maintain their holdings of Government securities at a virtually unchanged level. With rediscounts still decreasing, the total amount of Reserve credit in use has tended to decline, rather than advance, in recent weeks. The increase in gold holdings and the decline in note circulation have combined to strengthen the reserve position of the banks."

Nothing resembles pride so much as courage.—Amiel.

Central Western Banker Staff Promotions



R. W. MOORHEAD



H. H. HAYNES

CLIFFORD DEPUY, publisher of the *Central Western Banker* and other De Puy Publications, announces that Ralph W. Moorhead, for the past ten years editor of the De Puy Publications, has become associate publisher, and Henry H. Haynes, for several years associate editor and circulation manager, has been made editor.

The sale of the *Mid-Western Banker* of Milwaukee, one of the group of De Puy Banking and Insurance Publications to Donald H. Clark of St. Louis, is also announced.

In addition to the *Central Western Banker*, the De Puy Publications now include the *Northwestern Banker*, *The Iowa Bank Directory*, and the *Underwriters Review*, Des Moines.

Mr. Moorhead, a native of Iowa, was a student at both the University of Iowa and Grinnell College, graduating from the latter institution in 1920. He served in the World War in the engineers, with one year of foreign service. While in college he specialized in journalism and had two years' experience in the country newspaper field.

Following his graduation he became affiliated with the De Puy Publications, and became associate editor and circulation manager. He was made editor in 1924. Mr. Moorhead is a member of Sigma Delta Chi, journalistic fraternity.

Mr. Haynes, originally from Illinois, graduated from the University of Illinois in 1914. He was connected with the Crowell Publishing Company for several years. He came with the *Central Western Banker* and other De Puy Publications in 1925, as associate editor and circulation manager. He is a member of Sigma Nu fraternity.

In 1929 Mr. Haynes left the Des Moines office of the De Puy Publications to become editor and manager of the *Mid-Western Banker* of Milwaukee, purchased a short time before by

Mr. De Puy and associates. Following the recent sale of that publication Mr. Haynes returned to Des Moines to his present position as editor of the De Puy Publications.

Lowest Since 1917

Compared with the 1926 dollar, today's dollar bill will purchase \$1.55 worth of goods, according to the latest in the series of Consumer studies being conducted by Investors Syndicate of Minneapolis.

The decline in prices, the study finds, has brought about interesting changes in the family budget. The result is that living costs, expressed in dollars, are the lowest since 1917. Food costs about the same as in 1913, clothing sells for 1916 prices and rents are down to 1919 levels.

Thus, for consumers who have been living on a fixed income during this period, such as government employees, people living on trust funds or income from good investments, the decline in prices has really increased the purchasing power of their incomes by more than one-half since the depression began.

Medical Insurance Firm Approved

The General Medical Service company of Omaha, organized to insure medical, surgical and dental care to Nebraska families, obtained approval of its articles of incorporation last month.

State Insurance Commissioner Lee Herdman said the company's organization had been approved by himself and by Governor Bryan. The company will operate on the assessment plan. It must obtain a specified number of applications before a license is issued.

Members of the board of directors of the company are L. P. Seward, James W. Williams, L. H. Miller, Charles W. Keller and J. P. Keller, all of Omaha.

North American
TRUST SHARES

are known the world over. Diversified selected common stocks of outstanding corporations acquired daily at current market levels and placed in trust with a great bank, acting as Trustee for trust shareholders.

DISTRIBUTORS GROUP,
INCORPORATED

63 WALL STREET
NEW YORK CITY

INSURANCE

Its Application to the Banking Fraternity

Life Insurance--The Sustainer

By HUGH S. BELL

General Agent
Equitable Life Insurance Co. of Iowa
Seattle

IN ANCIENT times, the ordinary man did not count for very much. He accumulated no property and was easily replaced since he did little more than support himself. Human life was cheap. To steal a horse or cow was a more serious crime than to murder a human being. Pestilence and famine wiped out millions annually and wars were waged constantly. Under such conditions, none but the largest land-owners and rulers were worth much economically.

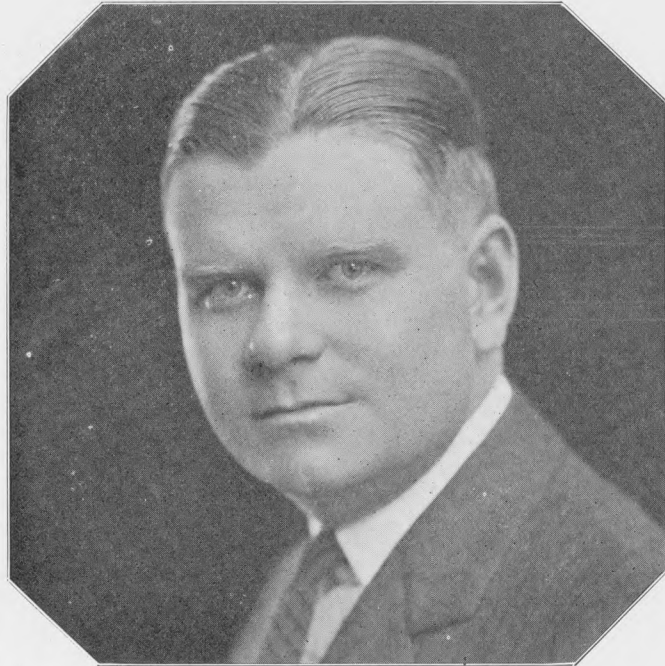
In modern civilization, however, the life of the individual has a definite money value. Society suffers a distinct loss when this "life value" is destroyed by death or impaired by disability or old age. Since it is impossible for the average man to individually accumulate enough capital to offset such losses, the great cooperative institution of life insurance has grown by leaps and bounds. During the last half century it has made its greatest progress and has passed through periods of stress and strain, standing as a tower of strength and stability.

The marvelous benefits of life insurance may be observed from three standpoints: the benefits to the individual, the promoting of the nation's business and commerce, and the welfare of society in general.

In the experience of the average family, there are four occasions when prompt financial help may be needed.

First of all, there is the occasional need of immediate ready cash; the emergency when a few dollars will save the home from foreclosure—when a trip to Arizona will cure mother's cough—when expert medical care will save Bobby's life—or when \$1,000 will give Dad his great business opportunity. Where could the average man turn during the past two years for this money except to his life insurance policy?

Then comes the sad day when father passes on to his reward. What sustains the little family left behind?



HUGH S. BELL

Few men indeed create an estate worthy of the name without the aid of life insurance. And in a time of depression, instead of securities or property worth a fraction of their former value, a life insurance company pays *cash*, worth possibly twice its value in normal times.

Or perhaps the living death of total disability may rear its ugly head and strike down the bread winner. What then? His life insurance company will sustain him! The deposits on his policy will be paid for him and all the values kept intact. A cash income in addition may be guaranteed also.

And finally, in the Sunset Days when Dad's earning power is gone, he reaps the reward for his years of faithful saving and on the first day of every month, receives a check from his insurance company. Painless, systematic, modest savings through his productive years guarantee this for him. While he may not meet a financial emergency early in life, he is certain to grow old or die and in either case, life insurance sustains him and those he loves.

Life Insurance is truly the haven of refuge of the American family—it is a shelter in time of storm—a consolation in the hour of grief!

Life insurance is the hand-maiden of commerce and the great stabilizing force in modern business. The great reservoir of money accumulated by the insurance companies for millions of depositors flows out again to finance the erection of homes and buildings, to develop farms, build public utility plants, foster industry and transportation, and to aid cities, states, and even nations in public works. It has sustained businesses and banks in their emergencies by supplying cash on demand, thus saving millions of men and women their jobs and positions and hence their earning power. It is the miracle of modern finance.

Life Insurance wages a constant battle against disease, death, poverty, and unhappiness. During the past half century, the average age of man has increased about 35 per cent. The program of education promoted by the life insurance companies in the matter of sanitation, prevention of disease,

attention to the individual's physical welfare, and the care of children, has played a major part in this progress. The terror of uncertainty of the future which was the curse of primitive man, has been eliminated from the life of the man who puts his faith in life insurance. He has an interest in the nation's welfare and is a better citizen! Hence, the whole social fabric of the nation is strengthened. Millions in this country own the best property on earth—life insurance—and are therefore immune to the ratings and ravings of the terrorists and "reds" who would wreck our government. Thus, the institution of life insurance strengthens and sustains not only the individual and business, but our very civilization.

Shows Upturn

A revived interest in housing was shown by the public during the last few weeks, according to the regular monthly Consumer study by Investors Syndicate of Minneapolis.

Although the total volume of residential construction is necessarily far below last year's totals at this time, the current sharp upturn in home building is considered as a favorable index that, here and there, families who were forced to double up because of the depression, are gradually returning to more normal living conditions.

This is one of the most favorable developments of recent months, the survey concludes.

With W. F. Schilder & Co.

B. F. Herron, formerly connected with the Wisconsin Inspection Company at Milwaukee, is now associated with the W. F. Schilder & Co., general agency at Omaha, and is in charge of their service department.

Mr. Herron has had many years of experience in rating and servicing multiple occupancy lines and will devote most of his time promoting this branch of the agency.

"I Have Enough!"

Says a successful producer: "I meet all my prospects with the idea first in mind that they are carrying all the life insurance they can at the present time; for this is invariably the prospect's excuse. I then ask the prospect if he can save \$10 (more or less, according to the prospect's appearance) a week from his present income. I then cut this in half.

"I next ask the prospect if he is certain that he can save \$5 each week. He answers positively, 'Yes!' I then ask him if he would consider an attractive investment for that \$5 per week.

"He asks for particulars, from which point (and I keep hammering on his admission that he can save \$5 a week) I sell him a savings contract in terms of an endowment policy that \$5 a week will buy. Most of my business is written in this manner.

"After obtaining his acknowledgment that he *can* save a given amount, usually his pride, if nothing else, will close the case successfully, providing his admission is kept before him."—*West Coast Pioneer.*

Is New General Agent

A. C. Dean has been appointed general agent at Marshalltown, Iowa, for the Bankers Life Insurance Company of Nebraska. He has for several years been connected with the Penn Mutual, prior to which he was in the banking business. As a part time agent for the Penn Mutual, while in the banking business, Mr. Dean had a production of around \$125,000 yearly and after the bank in which he was interested merged with another, Mr. Dean, on a full time basis, made the Penn Mutual Leaders Club.

New Manual

After six months of preparation a new manual for liability insurance has been issued by the National Bureau of Casualty and Surety Underwriters. It is the first completely revised and rewritten manual to be issued since 1925, and represents more than two years of study and research on the part of the company and bureau experts under the direction of Manager Milton Acker of the compensation and liability department of the bureau. The new manual became effective August 15.

New State Manager

A recent appointment announced by the Guarantee Mutual Life is that of M. L. Minnig of Omaha, who has been given a state manager's contract covering eastern North Dakota, with headquarters at Fargo. Mr. Minnig has had ten years' experience as a successful industrial agent.

The Seven Mistakes of Man

"There are seven mistakes of life that many of us make," said a famous writer, and then he gave the following list:

1. The delusion that individual advancement is made by crushing others down.
2. The tendency to worry about things that cannot be changed or corrected.
3. Insisting that a thing is impossible because we ourselves cannot accomplish it.
4. Refusing to set aside trivial preferences, in order that important things may be accomplished.
5. Neglecting development and refinement of the mind by not acquiring the habit of reading.
6. Attempting to compel other persons to believe and live as we do.
7. The failure to establish the habit of saving money.

"Wa'al," drawled the native reflectively, "I wouldn't exactly say he'd go to hell for a nickel, but he'd fish around for one until he fell in."

Attractive Part-Time Contracts and Managers' Contracts

available in

NEBRASKA, IOWA, MISSOURI and COLORADO

to Firms and Individuals Financially Responsible
with Top "General Agents'" First Year Commissions
and Liberal Renewals

For information write

1445 N Street, Lincoln, Nebr.

THE SERVICE LIFE INSURANCE COMPANY



**E. N. VAN HORNE, President
Nebraska Bankers Association**

Nebraska News



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

Fire Damage

The Union National Bank building, Fremont's largest office building, was badly damaged by fire recently.

The flames, confined to an elevator shaft, broke through the roof above the fifth floor. Firemen were hampered for a short time by insufficient water pressure, but the fire was quickly extinguished when the pressure was increased.

Offices on the front of the building were badly damaged by water. The Union National Bank on the ground floor received some water damage also. The elevator was said to be a total loss.

Sells Bank Stock

Sidney Moore, executive vice-president of the Douglas County Bank at Benson, has sold his stock to E. L. Cook of West Plains, Missouri, who will replace him in that post. Mr. Moore is to become vice-president of a bank near his home town in Oklahoma.

The stock of James Hampl and Jack Kneedler, cashier and assistant cashier, has been purchased by W. F. Ruzicka, who will become cashier.

The directorate of the bank remains unchanged save for the replacement of Mr. Moore by Mr. Cook. Clement L. Waldron remains as president.

Dies in Fairfield

Charles L. Lewis, 74, veteran banker of Fairfield, died at his home recently. He had been a resident of Nebraska 51 years. His widow, three daughters and a son survive.

Rob Foster Bank

The Farmers' and Merchants' State Bank of Foster was held up recently and robbed of between five and six hundred dollars.

The robbery was accomplished in quick time by a young man about 25 years of age who entered the bank and pointing an automatic revolver at

Vice-President B. J. Inhelder and a customer, Charles Christensen, ordered them to stand with their backs to the wall. Just then Cashier D. L. Story entered and the robber ordered the three into the vault and locked the door.

The imprisoned men were able to unlock the door from the inside and came out to find the robber had escaped in a green coupe which had been standing at the bank door while the robbery was in progress. There was a man in the car but the bankers were unable to get a description of him.

The last seen of the car it was headed north toward highway No. 20. It bore an Antelope county license number 26-4319.

Re-opens

The Nebraska banking department has announced the Farmers State Bank of Sargent reopened. Stock-

holders and depositors reorganized the institution. The department said 35 per cent of the deposits will be released to depositors now, and the balance on monthly installments, with expectation of ultimate payment in full.

The bank reopens with 25 thousand dollars paid capital, five thousand dollars surplus, and \$92,432 in deposits. The new officers are: R. L. Sweet, president; Z. D. Amos, vice-president, and E. T. Latson, cashier.

Omaha A. I. B.

The 1932-33 educational program of Omaha chapter, American Institute of Banking, was discussed by chapter member representatives from all of the financial institutions of the city at a recent dinner at the Elks club.

Beginning September 12, the institute offers to officers, directors and employes of banks courses in banking fundamentals and allied subjects.

Sound Banking

WHILE these institutions are among the most progressive in the country, yet they have always been managed in the most conservative and careful manner. Safety is our first consideration in the handling of your account because we believe that is the basic formation of sound banking. . . .

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

"Since 1871"

The following courses are offered: money and banking, Oliver P. Cordill, instructor; commercial law, George C. Pardee; trust functions, Daniel J. Monen; business forecasting, Ellsworth Moser; business English and letter writing, Ira O. Jones, and public speaking and debate, John L. White.

Speakers at the banquet were the instructors, and Jess E. Billings, chapter president, and R. Wallace Johnston, vice-president.

Open Dalton Bank

The Dalton State Bank has reopened just 10 months after it was taken over by the state banking department. Officers say it will have 75 cents cash for every dollar on deposit and that depositors will lose only a small percentage of their accounts.

New officers are J. A. Walford, president; A. W. Friede, vice president; R. F. Buchanan, cashier; F. J. Jennett, assistant cashier. The stockholders have instituted the policy of having every loan proposal submitted to a five man committee.

Paid in Full

The second anniversary of the country's largest bank robbery, the holdup of the Lincoln National Bank and Trust company September 17, 1930, will find the institution's debts paid.

Two men, Thomas O'Connor and Howard Lee, both of East St. Louis, Illinois, have been convicted of the robbery and each is serving a 25-year prison sentence. Another man identi-

fied as one of the robbers, Phil Bailey, was sent to the Kansas penitentiary for a long term in connection with a Fort Scott bank robbery.

Most of the bonds stolen from the Lincoln bank were recovered following the release of Gus Winkler of Chicago, who assisted in tracing the loot.

New Building

The contract was made recently for the razing of the old Farmers and Merchants Bank building of Elm-creek, wrecked by fire last winter. A new building will be immediately begun, the plans for which are not mature, and may hinge somewhat on the material recoverable from the old building.

Tenth District

Nebraska has been assigned to District No. 10 with Kansas, Oklahoma and Colorado under one regional bank established by the new home loan bank law. Assigned capital for the district bank will total \$7,500,000 and available mortgages of institutions eligible to loans from the home bank will be \$400,000,000. Banks, building and loan associations and other institutions will receive loans from this central bank.

Dies in O'Neill

Thomas F. Birmingham, seventy-six, vice president and director of banks at Emmet, Atkinson and O'Neill, died recently after a month's illness. He came from Galena, Illinois, about 1880. His wife died sev-

eral years ago, and one son, Hugh, of O'Neill, survives him.

Monthly Meeting

Directors of the Omaha Federal Land Bank held their monthly meeting recently with Directors J. C. Underwood of Underwood, Wyo.; A. M. Haskell of Huron, S. D., and Chancellor E. A. Burnett of Nebraska university in attendance. Director P. F. Luchsinger of Columbus was on a vacation in Switzerland.

Vice President J. C. Carmody presided in the absence of D. P. Hogan, president, who was in Washington, D. C., on business.

25th Anniversary

Friday, September 9, was the twenty-fifth anniversary of the opening of the Herman State Bank. Starting with a capital stock of \$15,000, its growth has been healthy and continuous until now its capital and surplus is \$56,500 and it is classed as one of the safest financial institutions in the state.

The incorporators of the bank were the late Gurdon W. Wattles, at that time president of the United States National Bank of Omaha and president of the Omaha & Council Bluffs Street Railway; E. P. Hanson, president of the Herman State Bank; C. L. Alleman, vice president of the Standard Oil Company of Nebraska; the late E. A. Hanson, president of the First National Bank of Decatur; Mrs. O. A. Wilson of Los Angeles.

Subject to Tax

Crete banks have been advised by A. B. Allen, collector of internal revenue, that electric light, water and telephone bills, lodge dues, etc., collected by banks, are subject to the two-cent revenue tax, to be charged to the account of depositor, as in the case of checks.

Mr. Allen had previously expressed the opinion that such items were not taxable. However, the commissioner has ruled that such payments charged direct to the customer's account, by the bank, upon instructions from the depositors to so charge, are subject to tax.

Remove Restrictions

W. B. Hughes, manager of the Omaha Clearing House association, filed a written request with the city clerk recently asking that the Omaha charter be amended so that national banks may pledge their assets as security for deposits of public monies.

Hughes said, in his letter, that the federal statutes and the state laws permitted banks to pledge their assets instead of giving bond but that the

GEARED TO HELP YOU

OUR STAFF is equipped to work in close co-operation with your staff. As your correspondent bank we offer you a wide, authoritative knowledge of Lincoln and Nebraska. We know this territory intimately. We have been doing business here a good many years.

We would welcome an opportunity to show you just how efficiently we handle your transactions.



Continental National Bank
LINCOLN, NEBRASKA

Affiliated with NORTHWEST BANCORPORATION

Omaha charter prevented that being done. He asked the city commissioners to submit a charter amendment to the voters on November 8.

According to T. J. O'Brien, assistant city attorney, the charter requires each bank to give a bond of double the amount of the deposit of city funds as protection against loss.

With Illinois Bank

William T. Graham, former first vice-president of the First Trust company and a director in the First National Bank of Omaha, has accepted an offer of the vice-presidency of the Farmers' National Bank of Aledo, Ill.

Mr. Graham was president of the First National Bank of Laurel, Neb., for 18 years, later taking up his connection with the Omaha bank, from which positions he retired about three years ago. Since that time he has occupied himself with private business.

Advise Trading Policy

In a special bulletin issued to clients, last month, Neill-Tyson, Inc., investment counselors, state that common stocks at present levels should not be looked upon as long pull investments. "Consider them as speculations, pure and simple," the firm adds, "until the road ahead is clear. Above all, be prepared to dispose of all common stocks if it becomes apparent that trends in security prices are likely to revolve in short cycles.

"Thinking traders both large and small should impress themselves with the importance of quiet, unhurried thinking if they would avoid serious mistakes which enthusiasm for common stocks may well cause in coming months. For there still remains a vast divergence of opinion of what the outcome of the present campaign for bigger and better business may bring.

"We must not forget that this depression resulted largely from debts. More debts contracted now for materials and commodities not actually needed in the course of business demands cannot be looked upon with favor. There are altogether too many experiments now being conducted in governmental financing, credit inflation, commodity inflation and other artificial respirators to warrant one in asserting dogmatically that any particular panacea will turn the tide."

A Profit

The Kelly-Springfield Tire Company reports for the six months ended June 30, 1932, net profit after taxes, depreciation and other charges of \$57,101, against a net loss of \$281,436 for the corresponding period a year ago.

News of the Omaha Stock Yards

To Benefit by Loans

"I believe the agricultural loans being made by the Reconstruction Finance corporation are going to prove of great benefit to the entire live stock industry," remarked former Governor B. B. Brooks of Wyoming, who was on the Omaha market recently.

"As I understand the plan," continued the veteran stock grower and banker, "the grower is not to participate in the loans very extensively but the federal aid is to be extended to the farmers and feeders in the Corn Belt. This will enable the feeders to purchase our grass cattle and sheep and in this way the stock growers will receive their share of the help.

viewing the experimental work completed during the current year at the Nebraska Experiment station, as well as at the substation at North Platte.

Business Better

Omaha's four national packing plants announced an increase of 450 men on their payrolls recently. The increased employment is due to increased live stock receipts at the local markets, officials of the companies said. Armour & Company led the list with 225 men, and Swift & Company was second with 205. Cudahy's and Dold's reported only a few extra men had been taken on, but that hours of work had increased for all permanent employes considerably.

Rooters' Day

An intensely practical program, arranged in an effort to throw light on some of the many problems now confronting hog growers, is planned for the annual Rooters' Day, to be held at the Nebraska University college of agriculture on Friday, October 21. The program will commence promptly at 9:15 A.M.

According to Professor W. J. Loeffel, of the animal husbandry department of the college, the program will be largely a home-talent affair, re-

Ready for Business

Six of the twelve agencies established by the agricultural credit corporation, branch of the R.F.C., will start at once to take applications for loans on live stock, Ford E. Hovey, Omaha, chief of the corporation, announced recently. The six agencies are at Sioux City, Spokane, Minneapolis, Fort Worth, Salt Lake City and Wichita. Each of the 12 agencies will have \$3,000,000 at its disposal.

Managers of all the regional agencies held a conference in Wash-

??

WE LIKE TO ANSWER QUESTIONS about the livestock industry?

OUR OFFICERS don't pretend to be authorities on the livestock industry. But they do understand most of its problems. And they know its banking requirements.

Our many years of experience in handling livestock transactions is one of the advantages you get when you ask us to become your correspondent bank in South Omaha.



STOCK YARDS NATIONAL BANK
SOUTH OMAHA, NEBRASKA
Affiliated with NORTHWEST BANCORPORATION

??

ington for the purpose of co-ordinating their activities and it is expected that all the details will be arranged so that the actual putting out of money on farm and live stock loans will begin within a short time.

It is thought that the Omaha branch may be located at the Yards, presumably in the Live Stock Exchange building, but this matter is up to the local committee in charge.

Big Corn Crop

Corn improved over part of Nebraska during the past six weeks and a production of 271,125,000 bushels is estimated by the State and Federal Division of Agricultural Statistics. Most of the oats and barley are good and are meeting previous expectations. Alfalfa, forage crops and pastures have improved, but potatoes deteriorated. Conditions are favorable for the preparation of land for wheat.

The forecast for corn is 271,125,000 bushels as compared with 170,714,000 bushels last year and the 1926-30 average of 224,658,000 bushels. Most of the corn recovered from the drouth much better than expected. The eastern third of the state with few exceptions has a very good corn crop. The central third is spotted, but the yields will be up to the average. Corn is very spotted in the western third of the state with considerable injury especially in southwestern Nebraska. The average yield is estimated at 25 bushels.

Oats are meeting previous expectations with a probable yield of 29.5 bushels and a production of 72,753,000 bushels as compared with 49,686,000 bushels and the 1926-30 average of 67,398,000 bushels. Oats are a good crop except in the western third of the state.

Larger Ak-Sar-Ben

Despite a general falling off at fairs and live stock shows this year, the Ak-Sar-Ben Live Stock Show, Horse Show and Rodeo gives promise of continuing the remarkable growth which has marked the four years of its existence.

Figures released by W. H. Schellberg, president of the Ak-Sar-Ben Exposition company and chairman of the executive committee of the stock show, reveals that last year's entry of cattle, swine and sheep was more than 50 per cent greater than the first year of the show, just four years previously.

In 1928, entries of registered stock totaled 1,520; in 1929, they increased to 1,731; in 1930, to 2,153, and last year they reached the new high of 2,334.

These entries do not include the carlot exhibits of cattle nor do they include the entries of 4-H club boys and girls, which alone totaled 642 last year.

The horse show and rodeo, which will be staged in conjunction with the stock show October 29 to November 4, are also expected to establish new marks for attendance, which last year broke records. On several evenings, hundreds were turned away.

Honors for J. C. Rovensky

Joseph C. Rovensky, vice-president of the foreign department of the Chase National Bank, has been decorated, by order of the King of Italy, with the rank of Knight Commander of the Order of the Crown of Italy. The presentation was made in New York City recently through the Italian Embassy at a dinner which was attended by friends of Mr. Rovensky and which included a number of prominent officials of Italian-American interests.

Advertising Firms to Merge

Announcement has been made of the consolidation, subject to the approval of stockholders, of Albert Frank & Co. and Rudolph Guenther-Russell Law, Inc., two of Wall Street's largest advertising agencies.

Maytag Company

The Maytag Company reports for the six months ended June 30 net profits, after taxes and all charges, of \$22,187 as compared with \$470,993 for the first six months of 1931. Net sales for the six months were \$3,005,518 as compared with \$5,479,345 for the first six months of 1931. On June 30 cash and marketable securities at market value amounted to \$2,711,252, and total current assets were \$4,258,694, compared with current liabilities of \$342,243.

Mixed

The absent-minded professor called his biology class to order shortly after the lunch hour. "Our special work this afternoon," he said, "will be cutting up and inspecting the inward workings of a frog. I have a frog in my pocket here to be used as a specimen."

He reached into his pocket and pulled out a paper sack, shook its contents on the table, and out rolled a nice looking sandwich. The professor looked at it, perplexed, scratched his head and muttered: "That's funny, I distinctly remember eating my lunch."

Yes, Who?

She: Henry, dear, we have been going together now for more than ten years. Don't you think we ought to get married?

He: Yes, I guess you're right—but who'll have us?

New Mexico News

Attend Group Meeting

Tucumcari bankers, their wives, some of the directors and employes spent Labor Day in Clovis attending the meeting of the district clearing house group five of the New Mexico State Bankers' association of which W. A. Foyil, president of the American National, and D. H. Henry, cashier of the First National, are president and secretary respectively.

Those attending the meeting were: W. A. Foyil and wife, H. B. Jones and wife, Glenn Hauser, cashier of the American National, and Clyde Kirkwood, Vice President Earl George, Cashier D. H. Henry, Wilbur Jones and Ralph Isbell of the First National.

They report that the bankers are expecting a considerable pick-up in business during the fall months.

Tax Delegate

E. M. Brickley of the First National Bank of Carrizozo was appointed a delegate to the National Tax Commission meeting which was held at Columbus, Ohio, in the early part of September. The appointment was made by Gov. Seligman.

Colorado News

Resigns

A notable change in a Louisville business house is the retirement of Mrs. Annie Varley from her position in the First State Bank. She has held the place for eight years and has become among the best known of the town's business people. She has been assistant cashier of the bank.

Appointed Manager

George A. Gribble recently was appointed manager of the Denver branch of the ninth district agricultural credit corporation.

Gribble is assistant manager of the Reconstruction Finance Corporation

office. He came to Denver from Sterling, Colo., where he was vice president and cashier of the State Bank of Sterling.

The Denver branch of the new credit corporation will have the same loaning power as the main offices, and will be operated by Gribble and a loan committee.

Home Loan Bank

A branch office of the home loan bank of the tenth district will be established in Denver to handle loans on mortgages to institutions in Colorado, according to plans announced by the board of directors in Washington, D. C.

The regional bank is to have a capitalization of 7 million dollars. Building and loan associations, savings banks and insurance companies will subscribe half of the capital and the federal government will furnish the remainder. Colorado institutions will be eligible to subscribe one-half million dollars of the capital stock.

County Meeting

The Delta County Bankers association entertained the Montrose and Mesa County Bankers associations recently at the Alexander hotel in Grand Mesa. The banquet was served by Mr. and Mrs. Cannon and 92 guests were seated.

P. K. Yonge, cashier of the First National Bank of Cedaredge, was toastmaster and had charge of all arrangements. The program consisted of a very complete and most entertaining report of the Olympic games as seen by Prof. Ross of the Delta schools.

The main talk of the evening was given by Charles J. Moynihan of Montrose on the new Reconstruction Finance program which was of special interest to all bankers of western Colorado. The evening ended with a dance.

Wyoming News

Heads State Bankers

George A. Bible, vice president of the First National Bank of Rawlins, was elected president of the Wyoming Bankers' Association at the close of the annual two-day session. Mr. Bible, who is one of the outstanding men in banking circles in Wyoming, will serve the association as its head for the ensuing year.

Other officers, who were elected to office, were: B. H. McCarthy of Gillette, vice president; G. C. Muirhead of Worland, treasurer; and Miss

Kathleen Snyder of Casper, re-elected secretary. The executive committee will meet sometime within the next few months to select the convention city for 1933.

The two-day annual convention of the state bankers was one of the most interesting and instructive sessions held in many years. Approximately 75 members of the association and members of their families came to Rawlins for the convention.

Attend Convention

A. H. Marble, president of the Stock Growers National Bank; Don H. Wageman, vice president, and E. W. Adolphson, assistant cashier of the American National, all of Cheyenne, attended the annual convention of the Wyoming State Bankers Association at Rawlins.

Granted Trust Powers

Some time ago the Rawlins National Bank was granted the right to act as executor of wills and administrator and guardian of estates, and it

is now capably serving in that capacity in many estates.

Recently it has been granted additional trust powers, with the right to act as receiver, assignee for the benefit of creditors, and in any other fiduciary capacity, under regulations prescribed by the Federal Reserve Board.

Awarded Branch

Cheyenne is to be the location of a branch of the Regional Agricultural Credit Corporation of the Eighth Land Bank District. The Regional Agricultural Credit Corporation is the agency through which the Reconstruction Finance Corporation will place loans for relief of agriculture.

Selection of Cheyenne as the location of one of the two branch agencies in the Eighth Land Bank District, the headquarters of which will be at Sioux City, Iowa, was announced by Senator Robert D. Carey. The other branch agency in the district will be at Omaha, Neb. The eighth district includes the states of Iowa, Nebraska, South Dakota and Wyoming.

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

OMAHA . . .

AK - SAR - BEN

Stock Show---Horse Show---Rodeo

October 29th to November 4th

NEBRASKA BANKERS'

CONVENTION

November 3rd and 4th

You are invited to make this Bank your Headquarters



LIVE STOCK NATIONAL BANK

UNION STOCK YARDS OMAHA

To Head Bank

John A. Reed, Wyoming state bank examiner, may resign shortly to become president of the First National Bank of Kemmerer, it was reported.

Reed, who has been state examiner for the past four years, would also become western financial representative of John L. Kemmerer of New York, chief stockholder in the Kemmerer First National, the report said.

It is understood that Reed would resign November 1 but would remain in his present office until January 1, 1933, the closing date of the present administration.

Consolidated

The Kansas banking department has announced the merger of the Farmers State Bank of Tescott with the Bank of Tescott. The Farmers bank's last statement to the department listed \$15,000 capital; \$11,000 surplus, \$69,000 loans, \$64,000 deposits and \$69,000 assets.

New Safe Boxes

The First State Bank of Larned is installing a new tier of Mosler safety deposit boxes for the use of its customers. The new tier of boxes which is of chrome nickel steel, weighs 2,450 pounds, and the tier contains 151 boxes, each twenty-four inches in length. With the safety deposit boxes already in use, the bank will have a total of approximately 300 boxes.

County Meeting

Following the custom of many years the Caldwell County Bankers' Association met in annual session in Hamilton.

Every bank in the county was represented and an interesting meeting is reported.

The sessions were held in the Methodist church in the afternoon, followed by a banquet at 6 o'clock in the basement of the church, served by the ladies of the church.

The following officers were elected for the ensuing year: J. P. Jones, Kingston, president; J. G. Withers, Polo, vice-president; S. K. VanTrump, Cowgil, secretary; D. L. Farrar, Braymer, treasurer.

Breckenridge was represented by Walter O. Hart and Mrs. Hart.

Hold Shoot

T. O. Moeller and Arthur H. Moorman of the Galena National Bank attended the Cherokee County Vigilantes' shoot held in Columbus recently. The state shoot was held at Fort Riley, September 12.

Fred Nichols of Baxter Springs

finished first with a score of 37 out of 50. H. C. Hamlet of Columbus was second with 36 and Walter Hartley of Baxter Springs and Charles Head of Columbus tied for third with a score of 30.

The Cherokee County Bankers association at its quarterly meeting in Baxter Springs made plans for a group meeting of southeast Kansas bankers to be held in Columbus, November 11.

Gas Protection

Should anyone try to make bank officials and employes in the Garden Plain Bank weep by forcibly taking money and securities from either of the banks in the future they also will weep. Recently the State Bank of Garden Plain installed tear gas protection devices in their bank.

Group Meeting

Columbus will be host to a distinguished group of men when a group meeting of the Kansas Bankers Association is held there, Armistice day, Friday, November 11.

C. W. VanZandt said that at least 500 bankers from the nine counties of southeast Kansas and surrounding states are expected to attend the meeting.

Prominent bankers also will be present from the banks of Kansas City, St. Louis, St. Joseph, Wichita, Tulsa, Oklahoma City, Chicago and New York City.

Condensed Statement

W. W. Bowman, secretary of the Kansas Bankers' association, issued a condensed statement recently of the 658 state banks and twenty-two national banks in Kansas as of June 30.

The statement shows: total deposits, \$285,764,043; loans and discounts, \$177,968,847; cash and sight exchange, \$60,320,868; bonds, stocks and securities, \$97,781,410; total resources, \$369,486,288.

Kansas News

Joins Bank Staff

J. A. Mermis, president of the First National Bank of Hays, announces that "Jack" Nicholson, son of J. W. Nicholson of the Ellis State Bank, had been added to the personnel of the Hays banking institution following a meeting of the board of directors.

Jack Nicholson, 21 years old, is a graduate of the school of business of the University of Kansas. He has had six years of experience working with his father, one of the most widely known of western Kansas bankers.

Sell Bank Stock

Sale of stock in the Topeka Home Loan Bank has been started. Office space for persons in charge of the sale is donated by the Chamber of Commerce. The stock sale is to continue until October 15. Stock remaining unsold on that date is to be purchased by the Reconstruction Finance Corporation.

The bank is capitalized for \$7,500,000 and it will serve the states of Kansas, Colorado, Nebraska and Oklahoma.

AUSTRALIA
BANK OF NEW SOUTH WALES

ESTABLISHED 1817

(With which are amalgamated THE WESTERN AUSTRALIAN BANK and THE AUSTRALIAN BANK OF COMMERCE Ltd.)

PAID-UP CAPITAL	£s 8,780,000
RESERVE FUND	6,150,000
RESERVE LIABILITY OF PROPRIETORS	8,780,000
	£s 23,710,000

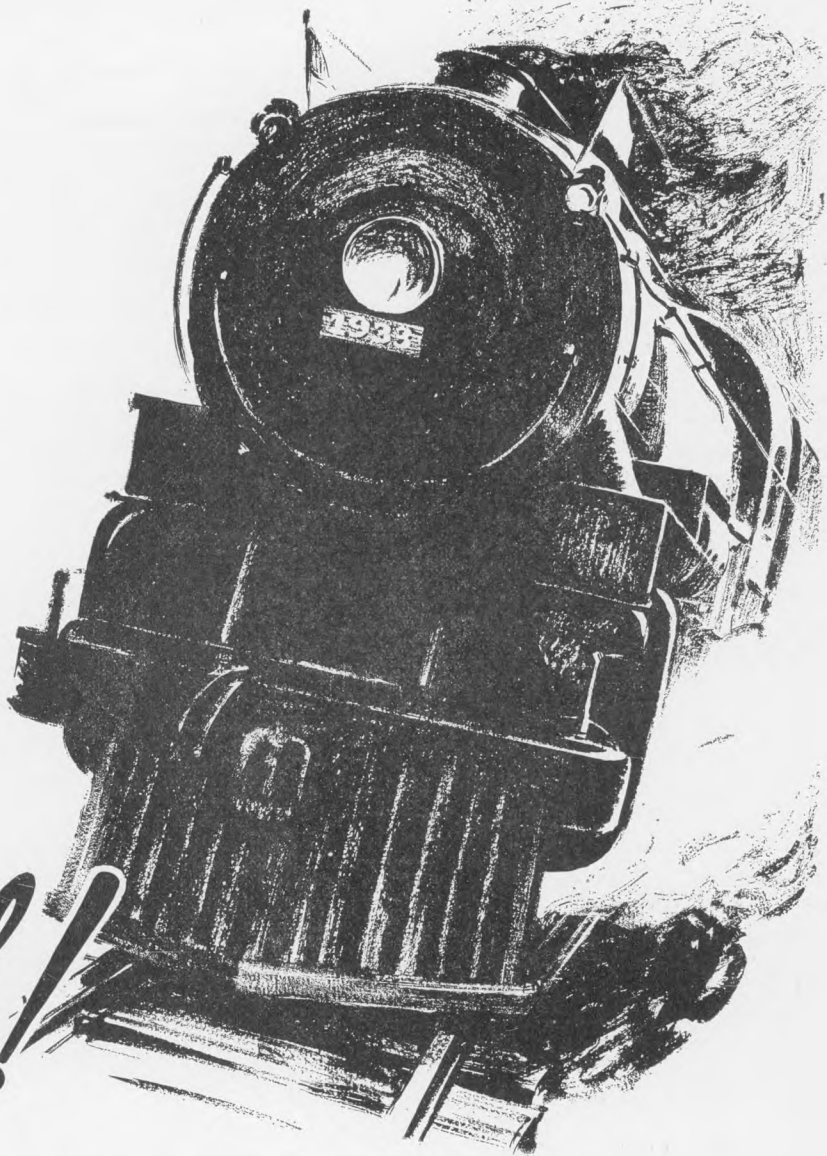
Aggregate Assets 30th September, 1931, £s 90,111,427

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

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

694 Branches and Agencies in All Australian States, Federal Territory, New Zealand, Fiji, Papua, Mandated Territory of New Guinea and London

FULL STEAM *Ahead!*



INTO A BUSY FALL AND WINTER

BUSINESS IS TIRED of loafing down the track. Renewed vigor and activity is sending the general trend of business upward for the first time in many months.

We have no desire to sound a note of false optimism.

But here are significant developments which have taken place in the states of Minnesota, the Dakotas and Montana in the last few months.

A rise in livestock prices from June 15 to August 15 has added \$13,093,500 to the value of hogs and cattle expected to be sold by the first of the year. Livestock represents 34.8% of cash farm income in these states.

Rising prices of butterfat have put an additional value of \$2,550,000 on the estimated fall tonnage of butter in Minnesota alone. Butter and milk products are 27.8% of cash farm income in this state.

★ ★ ★
Grain crops in the four states are about up to five year averages in nearly all cases. While prices continue unsatisfactory, growers at least have crops to sell and feed, whereas last year yields

were distressingly low. Wheat in Montana, for instance, is four times the 1931 crop—in North Dakota, three and a half times. Wheat alone provides 21.8% of farm cash income in the four states.

★ ★ ★

All these facts do not imply a magical return of prosperity. They *are* important rifts in the clouds, which show which way the wind is blowing.

Add to the farm picture the spectacle of inventories so low in many lines of business that buyers must wait for their orders to be manufactured. Consider the Industrial Rehabilitation Committees now at work all over the country to speed up manufacturing and subsequent employment, which means that more people will have more money to buy and consume more farm products at better prices.

To those who have the courage and determination to press on, bearing these united movements in mind, fall and winter will be a busy season. All industry and agriculture can build on the combined strength of rising trends in farm prices and employment.

Ready to Loan Money

We repeat our statement of last March. We of the Northwest Bancorporation and its affiliates stand ready and willing—even anxious—to lend money to those who are conducting sound, well-managed enterprises.

★ ★ ★

There is coal and water in the tender. The boiler is fired. The train is waiting. Let's stoke up and go.

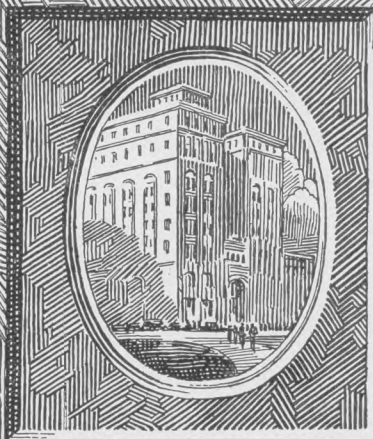


NORTHWEST BANCORPORATION

MINNEAPOLIS, MINNESOTA

BancNorthwest Company — Investment Securities

The Omaha National Bank



ALWAYS
AT YOUR SERVICE