

MID·CONTINENT BANKER

The Financial Magazine *of the* Mississippi Valley

ST. LOUIS AND CHICAGO

February, 1927

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BANK BUILDING



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6:28 pm	Lv.	St. Louis	Ar.	7:42 am
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†	Ar.	St. Joseph	Lv.	9:15 pm
7:30 am	Ar.	Omaha	Lv.	6:02 pm
8:00 am	Ar.	Lincoln	Lv.	5:30 pm

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ST. LOUIS is today a leading raw fur center of the world, the annual sales in this market approximating eighteen million dollars. This is but one of the many lines in which this city excels. St. Louis also has more than 3,500 factories, manufacturing some 211 different kinds of products.

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Today the Mercantile Trust Company serves more than 100,000 patrons.

We especially invite banks and bankers, corporations and business men to make use of our valuable knowledge of St. Louis customs and conditions.

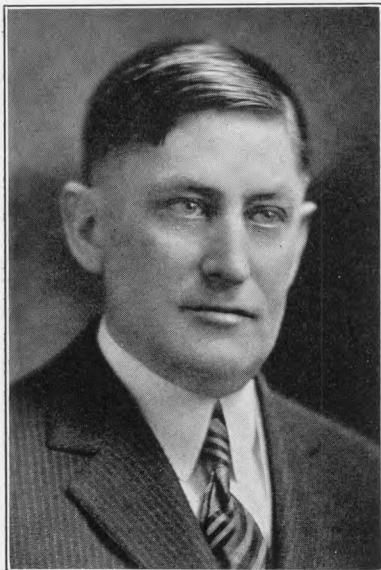
Mercantile Trust Company
Member Federal Reserve System
Capital & Surplus Ten Million Dollars
EIGHTH AND LOCUST - TO ST. CHARLES
SAINT LOUIS



E. J. Mudd Succeeds Ray McNally as Cashier

At the annual meeting of the Board of Directors of the National Bank of Commerce in St. Louis, held on January 11, E. J. Mudd, a vice-president of the bank, was elected cashier to succeed Raymond F. McNally, who resigned recently to become a vice-president and director in the National Bank of the Republic in Chicago. Mudd, who is considered an outstanding authority on credits and discounts, also was elected a member of the board. He will retain his duties as vice-president.

James M. Kurn, president of the Frisco Railroad, also was added as a director of the bank.



E. J. Mudd

Mr. Mudd, who is a graduate of St. Louis University, began his banking career as a collector twenty-five years ago. Before going to St. Louis he was with the Union Savings and First National Bank of St. Charles, Mo., his home town. His brother Charles Mudd was cashier of the First National Bank there and for many years his father, Dr. J. R. Mudd, was a director of the same institution. Mudd's rise at the National Bank of Commerce began in 1916 when he was made an assistant cashier. Two years later he was elevated to a vice-presidency. He married Miss Helen Rechtern of St. Charles. There are four children, all girls, and the family residence is at 5357 Bartmer Avenue.

Mr. Kurn, the new director, has had an interesting career in the railroad business, having started out as a messenger in 1884 and rising gradually through various posts to the presidency of the Frisco system in 1920.

The Financial Magazine of the Mississippi Valley

MID-CONTINENT BANKER

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ST. LOUIS
FEB., 1927
VOL. 23 NO. 2

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Published by the Commerce Publishing Company, 408 Olive Street, St. Louis, Mo. Clifford DePuy, President; James J. Wengert, Vice-President; Wm. H. Maas, Vice-President; Donald H. Clark, Secretary-Treasurer. Telephone Main 1342.

MEMBER AUDIT BUREAU OF CIRCULATIONS, FINANCIAL ADVERTISERS' ASSOCIATION

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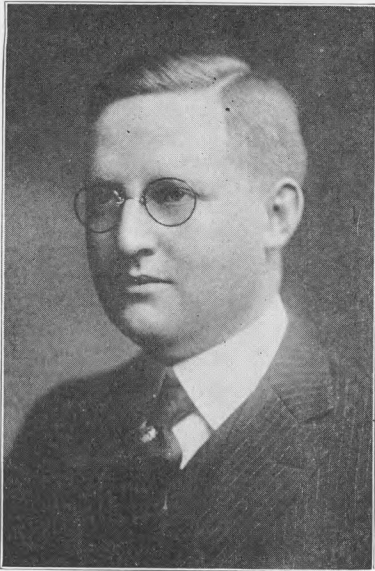


Mid-Continent Banker
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Entered as second-class matter at the St. Louis post office.
Subscription rates \$3.00 a year; 35 cents a copy

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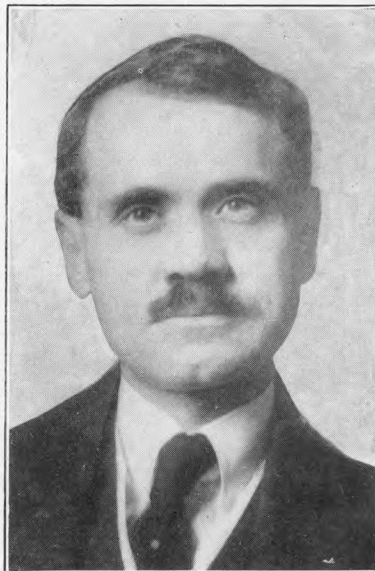


H. C. Schwitzgebel

Mr. McNally has been elected a vice-president and director of the National Bank of the Republic, Chicago. Because he was formerly vice-president and cashier of the National Bank of Commerce in St. Louis, and because he has served as president of the M. B. A., president of the Reserve City Bankers Association, and is now Chairman of the Executive Committee of the National Bank Division of the A. B. A.



Mr. Huhn, who started his banking career at the age of fourteen as a runner for the Liberty Insurance Bank of Louisville, has just been elected president of that institution. Because he is the youngest bank president in Louisville, and because his enthusiasm and sagacity have been largely responsible for the building of the Liberty Insurance Bank to a position of prominence as one of the leading banks of the South.



John E. Huhn



Henry H. Hopkins

Mr. Hopkins, together with his associates, has purchased the major part of the stock holdings of William R. Compton in the American Trust Company of St. Louis. Because he started his banking career as an office boy, and because he has been connected with the American Trust Company since its organization, serving successively as teller, cashier, assistant treasurer, vice-president and president.



What Should Be Done for the Farmer?

Former Governor Frank O. Lowden Says That a Solution Must Be Found If We Are to Preserve Our Civilization

THE farm situation—surplus of certain farm products and general low prices—has become a subject of vital importance to bankers throughout the Mid Continent territory.

Frank O. Lowden, former governor of Illinois, in a recent address at Columbia, Missouri, declared that the agricultural problem has become national in scope.

There is no doubt but that the situation is serious in many localities, but as Mark Twain remarked about the weather: "A great deal has been said about it, but nothing has been done about it."

Just what should be done is the subject for much debate. In this connection it is interesting to note what a prominent banker of central Illinois has to say on the subject.

This man, the executive vice-president of a leading bank in a city of 7,000, comments as follows:

"We must all admit that farming is out of balance with other lines of endeavor. This situation is more acute in some localities than others, and with some individual farmers more than with others.

"In this section, the grain farmers are in dire distress, due both to market and weather conditions, and the outlook for the coming year is not overly promising. On the other hand, the farmers who have diversified or who have gone in more for hogs, dairying and poultry, are doing fairly well and making headway. It would look as though our grain farmer must abandon or curtail his present line and get more and more into the three last named. The farmers of this section of the state, situated as they are in proximity to several large markets, could, it would seem, do better with such products as milk and poultry. This kind of farming would give them a steady income and would increase the fertility of the soil. Our grain farmers who have not rotated crops for a number of years, find that the yield is decreasing owing to the exhaustion of the plant-food content of the soil. The average wheat yield will run between 15 and 20 bushels to the acre. At the present cost of operating, the farmers cannot

make money on such a low yield, and certainly cannot compete with large wheat growing farmers of the West, where the yield is as high as 70 bushels to the acre and the producing cost is less.

"The value of diversification was aptly expressed by one of our customers not long ago. After complimenting him on his success as a farmer, we

"Any act passed by Congress must of necessity be so planned as to help the entire country, the entire farming industry in every section, and the farm problem, like the tariff problem, is becoming a local issue. In connection with the plan of reducing operating costs, the various state taxing bodies would be of material help if they would all work together to the end that a more equitable system of taxation be devised. As it is now, the farmer carries more than his share of the burden."

asked him how he did it. His reply was: "I make it a point never to raise very much of any one thing and as a consequence I always have something to sell."

"Does not the experience of this one farmer prove that the farmers themselves can do much to work out their own salvation? The writer has very little hope of any material benefit from national legislation. Any act passed by Congress must of necessity be so planned as to help the entire country, the entire farming industry in every section, and the farm problem, like the tariff problem, is becoming a local issue. It would seem that more real good could be accomplished by endeavoring to educate the farmer into availing himself of the facilities now offered them by the state and national governments. The U. S. Department of Agriculture expends millions of dollars annually in experimental work and different state agriculture schools are ready at all times to advise the farmer as to how best to meet his individual situation; they will analyze his soil,

telling him for what crops it is best suited; if it is deficient in a certain element, they will show him how to correct it; assist him in devising methods to increase the yield; furnish him all statistical data he needs, and work with him to reduce his cost of production. Is not the latter really one way out? Rather than legislation to increase the market price of his products, isn't it more sound to reduce costs of the product?

"We hear oft repeated the argument that the farmer is the only individual that cannot ascertain his costs in advance or know what price he can obtain on his products when marketed. This is only true relatively, for supply and demand, in the last analysis, control the price of articles produced by the manufacturer as well as the crops produced by the farmer. If the manufacturer sees that the market will not absorb his product at a price sufficient to net him a profit, he begins to devise methods to reduce costs and sell cheaper. Ways can certainly be worked out with the help of the various agricultural departments to assist the farmer to reduce costs, and this in the long run seems to be the only sound solution unless in the course of time, there is a greater demand for the main products of the farm than now obtain.

"In connection with the plan of reducing operating costs, the various state taxing bodies would be of material help if they would all work together to the end that more equitable system of taxation be devised. As it is now, the farmer carries more than his share of the tax burden."

Douglas R. Fay, president of the First National Bank of Urbana, Illinois, says:

"We hear a lot these days about the farmers being in bad shape. Many of them are; some of them are not, and a great many of them are just about breaking even. In our community the farmers who are in the most serious financial difficulties are those who borrowed too heavily to buy more land at \$400 to \$500 per acre during the high prices. Assuming that a man has a debt of \$150 per acre, which is about the average amount owed by those who

are having trouble, it is easy to realize that the interest charge, taxes and expenses will just about absorb the return from his crops at the present prices of grain.

"Inasmuch as corn and oats are the principal crops that we raise in our county, I shall deal briefly with what I consider the causes of and what might be the relief from the relatively low prices of these two commodities. Politicians make a lot of noise about what legislation should be passed to raise the grain prices, but let us consider the real basis for any price—the elements of supply and demand. Assuming that the demand is the same, the price will be higher or lower as the supply decreases or increases; likewise if the supply remains the same, the price will be higher or lower as the demand increases or decreases. In order to be a demand for anything there must exist a desire to purchase, together with the ability to purchase.

"I think that we can blame the present low prices of corn and oats on the fact that the demand has decreased,

and that this decrease can be especially blamed on three things. First, the introduction of the tractor and the automobile, the number of horses in use has very greatly decreased and naturally the demand for grain to feed them has greatly diminished. Secondly, the economic situation in Europe, together with our own high tariff, has made it impossible for those foreign countries to buy our grain in the same quantities that they did before the war. In the third place, our so-called prohibition law has done away with what was formerly a very important demand for our corn. No doubt, there are those who will take exception to this statement, but I am honest in my belief and think it is high time that some of us say what we think.

"Now let us consider what might be done to offset the effect of these three causes. In the first place the farmer might use more horses, and I think he should raise more hogs, cattle and other stock. By doing this he not only would be able to use some of his grain as feed, but also would put him-

self in a position where he would not be absolutely dependent upon the price of grain. Secondly, I firmly believe that we should lower our tariff to such a point as will permit the foreign countries to barter with us. This not only would increase the demand for our grain for export, but also should have a tendency to lower the prices of some of the articles that the farmer has to buy. In the third place, regardless of the wet and dry issue, there is no doubt in my mind that the repeal of the prohibition law and the manufacture and sale of liquor under government control would greatly increase the demand for some of our grains. I also think that the revenue derived therefrom would be large enough that taxes could be considerably reduced.

"At present the farmer should be encouraged to diversify his sources of income; he should be urged to reduce his indebtedness whenever possible, and he should not be permitted to borrow more money except in rare cases when it becomes absolutely necessary."

Former Governor Lowden in his address at Columbia pointed out that co-operative associations are progressing, and went on to explain some of the trials met by these farmer-marketing organizations.

Mr. Lowden declared that the only aid the co-operatives would need from the government under a suggested Federal farm board for the purpose of helping the farmers care for the occasional surpluses would be "that the government should distribute among all the producers of the particular commodity in which there was a surplus the cost of the co-operative of handling the surplus." This plan would allow the farm board to ask certain questions and ascertain if a surplus existed in any commodity. If the surplus existed, the co-operative organization would be directed to take control of the surplus. Neither the government nor the co-operative would "fix the price," he asserted, in any other sense than industry generally determines prices.

Embodied in Bills

He emphasized the fact that the principles discussed were embodied in bills introduced in Congress, and declared he hoped "these bills or at least some measure embodying the principles discussed would be enacted into law."

"It may be there is better solution to the problem," said Mr. Lowden. "I am not insisting upon any particular remedy. I only say there is a farm problem of the gravest importance and that a solution must be found if we would preserve our civilization."

John and Gene Compare Sparring Notes

When Gene Tunney, the world's heavyweight champion, was in St. Louis recently, he made a call on John G. Lonsdale, president of the National Bank of Commerce. Oh, nothing serious, just a friendly "howdy," because Gene still has the "jack" he took from Dempsey, and a little bit more. Tunney is an erudite champ who husbands

his resources; that's the reason he associates with bankers, or, better stated, that's the reason bankers hunt him up.

Lonsdale might not be down to form, but he certainly is up to size when it comes to stacking up against the heavyweight leader, as the picture plainly shows.



The Teller Is the Point of Contact Between the Customer and the Bank

By Geo. T. McCandless
"The Man Behind the Counter"

IF SOME worthy citizen, who had the misfortune to die fifty years ago, should be allowed to return to earth he would be filled with amazement. He would find things deemed luxuries in his day now among the common necessities. The old gray mare would be a rarity—her substitute a fleet, grey chummy-roadster easing along a paved highway at a modest 40-mile-per-hour clip and occupied by his 18-year old grandson and a little flapperette. When grandpa's boy drove around to get the girl he didn't find himself waiting in a stiff-backed chair for her to dress—he just drove up in front and honked—and if the young lady felt called upon to change her dress it wouldn't take her long to accomplish that feat in a very tiny space of time—commensurate with the fineness of her costume.

While we might enumerate many things that the old man would marvel at I think there should be mentioned the great changes in business methods he would see. Not only modern machines to keep the books, machines to count money but machines that could add a column of figures quicker than the swiftest bookkeeper could have done in his day.

I can imagine the worthy citizen aforementioned, picking up the evening edition of his morning paper at noon and seeing in it the advertisement of the bank he had patronized during his life time offering in a dignified way its facilities to the public and cordially inviting the people of every walk in life to bring in their business. During his day on earth it had been considered a very undignified thing for a BANK to advertise.

Bank advertising has become a science in itself and experts are employed to attend to this now necessary feature of the banking business. Simultaneously with this change of policy on the part of the banks the officials of the banks who had formerly concealed themselves behind mahogany and frosted glass moved their desks out almost into the lobby where the customers could actually see them. Each officer had a brass name-plate resting on his desk, to identify himself with the great public according to the office he might hold. The people like it. Banks never had so much business. The people like to be seen patronizing an up-to-date bank and the latter advertises in such a way that the invita-

tion is very appealing to a large number of people.

We are all advertisers "willie nillie." To illustrate: My little girl aged 8 was invited to an afternoon party for another little girl of about the same age. The next morning she said to me, "Daddy, did you get the morning paper?" Upon my reply in the affirmative she said, "Was my name in it?" (Thinking of the party the day before). I replied that I had not seen it and with a pout on her winsome little

"Courtesy is an asset not listed on the bank statement, but it is one of the greatest assets a bank can have. Thousands of depositors never meet an officer from one year's end to another. Their names may be familiar but no personal friendship formed. Because of this fact it should be easy to see the importance of selecting good men and gentlemen for the cages—men who are genuinely interested in the public and the welfare of the bank."

mouth she emphatically blurted out, "Well, gee whizz, don't you suppose she's going to advertise her old party?" And she wasn't far off the track at that.

Banks have something to sell and the people go where they are invited. Getting people into the bank is the object of advertising but they must be treated right when they do come.

Courtesy is an asset not listed or shown on the bank statement but it is one of the greatest assets a bank can have. The personnel officer should occasionally have tests made of the treatment the public gets at the hands of the tellers. The teller is the point of contact between the customer and the bank. Thousands of bank depositors never meet an officer from one year's end to another. Their names may be familiar but no personal friendship formed. Because of this fact it should be easy to see the importance of selecting good men and gentlemen for the cages; men who are genuinely interested in the public and the welfare of the bank. Little things often do more harm than would seem possible. I know of one instance of a depositor who withdrew his substantial balance

and took his money to another bank because the teller refused to accept a Canada quarter at 25 cents but shot back the offending coin with the flip-pant remark, "That's only worth twenty cents—shall I change your deposit or will you pay the other nickel?" Just a little diplomacy was needed here but the chance for the teller to "show off" his superior acumen was too much for the boy and he fell.

The attitude of the clerical force is often patterned after that of the official staff. If the latter is competent and affable toward the public that attitude will be reflected in the clerical forces. The window men should be selected for their wholesome interest in the public. They should be natural smilers—not the stage grimace but genuinely good natured and happy. In order to keep them sweet they should be well paid. It is the cheapest advertising a bank can get—to have pleasant and capable tellers who are willing to work a little after hours if by so doing the bank work may be expedited or improved. The teller who does this is in line for the President's chair.

All the employees should be well paid and the men should show that they are worth the money being paid them. Personally I like the idea of profit-sharing; splitting up with the men the money they have helped you make. This will renew allegiance and inspire good work that could not be stimulated in any better way. Get the idea into their heads that they are PART of the institution and they will work after hours to get business for you.

In one bank that I call to mind the profit-sharing idea was in vogue. A new boy had come to work and was placed in the transit department. It was noticed that he was rapid but that he threw rubbers and clips on the floor. One of the older boys couldn't stand for this and said to the new man, "Hey, kid, don't you know that every rubber band you waste comes out of our pockets?" The plan of the bank in sharing profits and eliminating waste was kindly explained and the youngster soon became as thrifty as his fellows.

Let us scatter cheer over the whole year instead of just a few days at Holiday time and make 1927 the best and fullest and happiest year of all—and remember that COURTESY is not a hidden asset.

"Too Much Red Tape to Veterans' Bonus Loans"—Say Bankers

Most Banks Are Making Loans However on Veterans' Certificates When Applicants Are Customers of the Bank or Known to Banker

By Donald H. Clark

THE first few weeks of 1927 saw added duties and difficulties in thousands of American banks because of the operation of the loan feature of the "adjusted service certificates," or soldiers' bonus insurance policies.

Under the law holders of some 2,883,000 certificates may obtain loans from any bank in the country, giving the certificate as security. Banks are under no legal obligation to grant loans but when they are granted the government limits the interest rate (now 6 per cent) and insists that the bank use the form of note drafted by the Veterans' Bureau. The bank may sell the note to another bank or it may be discounted with the Federal Reserve bank if the maturity does not exceed nine months.

One of the main difficulties, especially in cities, is that the bank must be certain that the borrower is the soldier named in the certificate.

The government may, at the option of the director of the Veterans' Bureau, pay the note with interest in full if it is not paid by the borrower at maturity, provided six months have elapsed since the making of the loan. According to a statement issued by the bureau it is the policy of the present director to pay all loans not cared for by the borrower. In other words, the government will guarantee payment of all notes after six months.

So many banks have objected to the work involved in making these loans—they average not more than \$50 each, yet the detail work is tremendous—that the administration at Washington has asked Congress to authorize direct loans to certificate holders from the Veterans' Bureau.

Loans are limited to a definite "loan value" stipulated in the certificate which corresponds to the loan value or reserve on an ordinary life insurance policy. The certificates do not mature in most cases until seventeen years. Death of the veteran immediately matures the certificate and note, however.

City banks were besieged by borrowers the first few days of the year. Many Chicago, St. Louis and New York banks refused to make the loans, and Louis-

ville banks announced their inability to handle such loans "for the present."

Thousands of Negroes applied for loans in St. Louis, but had to be refused by banks which had no means of identifying them and of certifying that they were the individuals named in the certificates. Most of the city banks made a rule of loaning only to customers or individuals introduced by customers.

"A savings account is not necessarily

Any incorporated bank may make the loan to any veteran upon the promissory note, secured by his Adjusted Service Certificate, if the bank is empowered to lend upon obligations for which the faith and credit of the United States are pledged.

The bank may sell the note to another bank, transferring the Certificate with it.

The bank, even if a non-member of the Federal Reserve System, may discount the note with the Federal Reserve Bank, provided the note has a maturity not exceeding nine months.

good identification," one Chicago bank pointed out. "Banks will open a savings account for anyone without requiring identification at the time the account is opened, and in fact it is well known that a great many savings accounts are opened in fictitious names for various reasons."

In the smaller cities the problems were different. In more instances the would-be borrower was known to the banker.

W. C. Brown of the Rubey Trust Co., Macon, Mo., says: "We have handled a few loans to customers. We have not advertised for this class of business, as we think the holders are better off not to borrow except in extreme cases."

F. D. Luy, cashier of the Bank of Oak Grove, Mo., reports that so far he had no applications from his customers. "I feel that it is unjust for us to have to make small loans like that at

so small a rate of interest when the banks in our state, as well as all others, are having so much grief since the war."

"Great care should be exercised in handling these loans," says G. K. Slough, president of the First State and Savings Bank, Abingdon, Ill. "We have not as yet made any loans."

W. H. Erwin at Urich, Mo., W. R. Netherland, president of the Peoples Bank of Perry, Mo., and Wm. C. Balden, cashier First National Bank of Elmhurst, Ill., also report "no loans made as yet."

E. F. Anson, assistant cashier of the First National Bank of Kewanee, Ill., says his bank has loaned \$5,000, at an average of \$75 a loan. Similar reports of loans made to a few individuals come from A. H. Lottes, cashier Bank of Altenburg, Mo.; A. W. Moore, cashier State Bank of Cowden, Ill.; A. F. Rathert, cashier First State Bank of Red Bud, Ill., and Miss Edna Thorn, cashier First National Bank of Lawrenceville, Ill.

"We are confining loans entirely to customers," says H. H. Badger, cashier of the First National Bank of Amboy. "Loans average a little over \$50. We have been advised to limit loans to 80 per cent of the loan value of the certificates."

"Too much red tape—we are not making loans," writes J. N. Vanderpoorten, cashier of the Gilman State Savings Bank, Gilman, Ill. Other bankers reporting they are making no loans are: Harold Noel, assistant cashier Union National Bank, Macomb, Ill.; Jos. V. Capel, president First Trust and Savings Bank, Harrisburg, Ill.; W. F. Phares, vice-president Farmers Trust Company, Maryville, Mo., and Harvey Jenkins, cashier Citizens Bank of Sparta, Mo.

"Since January 6 of this year, we have loaned out approximately \$3,000 on the above certificates and the loans have averaged approximately \$100," says the Home Bank and Trust Company of Chicago. "Occasionally when applicants who are not customers of our bank are identified by someone well known to us, we grant the desired loan."

(Continued on Page 66)

"In answer to those who advocate a deposit guaranty law, it is only necessary to point out the fact that there would be no need of such a law if we could enact a legislative guaranty of farmers' notes to banks, and that that sort of law would be fully as reasonable as the one they are advocating."

THE horde of reformers, who are bound they will cure the banking situation in the Middle West, are consistent in at least one thing: without exception they all overlook what seems to a banker to be a vital feature of the problem.

Where are we going to find investors willing to own stock in our banks if even a small fraction of these proposed reforms are finally adopted? There is no law on the books to compel any man to own bank stock. A judge couldn't even sentence a hardened criminal to become a bank shareholder; even if he were inclined to hand down such a sentence, there is a constitutional provision which guarantees immunity from cruel and unusual punishment.

Leaving the rights of present bank stockholders out of consideration for the moment, there are communities of considerable size in the Middle West and Southwest which do not possess banking facilities of any sort today; settlements with depositors of closed banks only await the raising of capital required under reorganization plans, and deposits are tied up until such reorganizations are effected. Investment in bank stock must be made attractive to capital before such situations as these can be relieved.

Entitled to Fair Return.

If the question is fairly put, no reformer who deserves a hearing will deny the proposition that the bank stockholder, under ordinary conditions, is entitled to a fair return upon his investment, and a fair return involves reasonable remuneration for the double liability incurred by the purchase of stock.

There is a great deal of merit in the proposal to require the deposit of securities with the state to guarantee the stockholder's liability, but such a proposition is positively absurd when mentioned in the same breath with a deposit guaranty law modeled after any plan now in existence—or, in fact, any guaranty plan which would saddle the member banks with the cost thereof.

No one knows, of course, what it would cost annually to guarantee bank deposits in any State. The cost of the Nebraska law, thus far, is said to have run from six-tenths of one per cent to

Why Make It a Crime to Own Bank Stock?

By R. M.

one and one-half per cent of daily average deposit balances.

A Simple Problem.

On the arbitrary assumption that one per cent on daily balances would cover all future losses, let us see where that brings us. Those who favor a guaranty law speak of such percentages as this as mere trifles—contributions which banks should pay gladly for commensurate benefits received. But we find that when these percentages are translated into terms of income on bank capital, the result smacks strongly of extortion.

Under average conditions, a bank should have deposits of from seven to ten times its invested capital (including surplus and undivided profits) in order to operate upon a profitable

basis, care for ordinary losses, and diversify properly the investment of its loanable funds. An assessment of one per cent on daily deposits would therefore mean from seven to ten per cent on the invested capital of the average going institution.

Furthermore, during recent years, losses have been high. These losses must be charged off as ascertained, out of current earnings, if the bank is to be maintained in healthy condition. Perhaps no arbitrary figure should be stated here as representative of the average bank, but this item is bound to remain a considerable factor for some time to come. Under a guaranty assessment plan, the earning power of each bank must be sufficient, therefore, to write off these losses as they accrue, in addition to meeting the guaranty



assessments out of current annual profits; otherwise, the result would merely amount to storing up a pack of trouble for the future.

I wonder how many of our banks, operating upon their present basis, could even charge off their unknown losses from year to year, after paying an annual assessment of seven to ten per cent on their invested capital into a guaranty fund.

Granting, however, that our remaining banks could do all this, we still have the stockholder to consider. I believe the figures, if available, would indicate that the owner of bank stock is going to have pretty "slim picking" under a guaranty law, unless some radical change is introduced to increase the earning power of banks.

A Risky Investment.

In view of the double liability feature, an investment in bank stock should be capable, under ordinary conditions, of producing a return of not less than eight or ten per cent—probably more than that—if it is to be made attractive to new capital. And it must

be made attractive to capital before the otherwise meritorious proposal to require the deposit of securities guaranteeing the stockholder's liability will ever be more than mere empty twaddle. Conditions, of course, are not normal at the present time when the average country bank in the Middle West could, while conducting a sound and healthy business, earn the income that would be required to care for guaranty fund assessments, write off current losses, and pay respectable dividends to stockholders.

In all the propaganda for a deposit guaranty law, there is a subtle hint which is seldom definitely worded, but which may be summed up something after this fashion: "The banking system of the state has been tried and found wanting. Our bankers are permitting neighboring institutions to close their doors, and depositors to lose money thereby. You fellows who are left are members of this faulty system, and you must unfortunately suffer for that membership. You have been caught in bad company, and we pro-

(Continued on Page 24)

Model Farm Is Used for Bank Window Display

ARKANSAS' more or less intensive and virtually continuous campaigns for better homes, better farms and better farming methods, in all of which the banks of Arkansas play a conspicuous part, have helped, perhaps, to attract favorable attention to a clever and artistic exhibit in the First National Bank at Fordyce, Ark. A model farm home as shown in the photographic reproduction herewith, has attracted attention, not alone as an object lesson, but because of the skill and workmanship of its builder.

"Sunnybrook Farm" is the work of Neil Rhodes, an employe of the First National Bank, who is said to have devoted nine months of his spare time to its creation. It is rare that a work of this kind has been performed with greater care or attention to detail.

"Save When You Want a Home—Begin Now With the First National Bank," is the wording that surmounts the model farm. Its construction was wrought by hand and with ordinary tools, and with "scrap" lumber, such as that from goods boxes. The scen-

ery that forms the background was painted by the proprietor of a radio shop at Fordyce, Bill Caraway.

The farm is equipped throughout electrically. When the lights are turned on in the house a completely furnished bedroom is shown, with bed, chairs and other furniture, and a radio. The windmill of the Dutch type operates very slowly as if stirred by a gentle breeze, but can be made to revolve more rapidly. The house, windmill, barn and gatepost lights are all lighted by electricity, as is the screened porch, with its linoleum floor covering, at the back of the house.

Space about the farm building is made attractive by flowers in window boxes and along the walks and driveways. Vines and flowers are entwined in the lattice work on the front of the house and around the porte cochere where a miniature automobile is parked.

The house, garage and barn are roofed with genuine composition shingles, cut one inch wide and one and one-half inches long.

A striking feature is a pond of real water in which a swan appears to swim. Mr. Rhodes explains that magnets under the pond are made to revolve slowly, and as a small piece of metal is glued to the bottom of the swan it is made to swim about the pond in a lifelike manner.

Shrubbery that grows here and there adds artistry to the farm scene as a whole. Green grass about the buildings is in reality tinted sawdust. The driveway and walks are laid with fine white gravel, which makes them stand out against the grass.

The barn fence which encloses the miniature horse and mule standing near a salt lick, was cut from metal lath and has the appearance of wire fencing. The picket fence was cut from small pieces of wood, and the gate, with its latch, opens and closes.

The bird house, with its blue bird, for happiness, the U. S. mail box and the swing and bench on the lawn, are other details. The house and other buildings have glass windows, and the windows in the house are equipped with shades. All buildings are painted white with green borders.

Outside of the labor, the actual expense of the model farm home is said to have been but \$5.50. Mr. Rhodes has the reputation of being an artist at this kind of work and from time to time has constructed other and similar exhibits that have won prizes.

Fordyce is the county seat of Dallas County, and is situated in one of the progressive farming sections of south-central Arkansas.



The material for this attractive window display cost only \$5.50.

McCulloch vs. Maryland

"The states have no power, by taxation or otherwise, to retard, impede, burden or in any manner control the operations of the constitutional laws enacted by Congress to carry into execution the powers vested in the general government."

—Chief Justice Marshall.

State Taxation of National Banks

By the Legal Editor

THE decision of the Supreme Court of the United States, in the case of *McCulloch vs. The State of Maryland*, et. al., decided March 7, 1819, is perhaps one of the most important cases ever decided by that Court. It involved the question of supremacy between the State and the United States in the question of taxation. On the 10th day of April, 1816, the Congress of the United States incorporated "the subscribers to the Bank of the United States." The President, Directors, and Company of the Bank duly organized and engaged in the conduct of business. On or about May 1, 1817, the Bank established a branch or office of discount and deposit in the City of Baltimore, in the State of Maryland. On the 11th day of February, 1818, the General Assembly of Maryland enacted an Act, entitled:

"An act to impose a tax on all banks, or branches thereof, in the State of Maryland, not chartered by the Legislature."

This Act provided that no bank notes shall be issued except upon stamped paper of the following denominations: Five dollar notes shall be upon a stamp of ten cents; ten dollar notes upon a stamp of twenty cents, etc., up to one thousand dollar notes, which were required to be on a twenty dollar stamp. The paper or stamps was for sale by the treasurer for cash. In lieu of this tax the bank could pay an annual tax of fifteen thousand dollars.

The President, Cashier, or other officer of the bank violating the provisions of this Act, was subject to fine in the sum of five hundred dollars, to be recovered by an indictment, or action of debt, in the County Court where the offence was committed, one half to the informer and the other half to the use of the State. James William McCulloch, the defendant in the trial court, cashier of the branch bank, issued certain bank notes to one George Williams, in the City of Baltimore, in part payment of a promissory note of said Williams, discounted by the said branch bank, which notes were not issued on stamped paper, as required by the Act above mentioned. One, John James, who sued for himself as well as the State of Maryland, brought his action of debt against McCulloch to

recover the penalties under the Act of the Legislature of the State of Maryland herein referred to. The suit was brought originally in the County Court of Baltimore County, Maryland, and from there went to the Court of Appeals of the State of Maryland, and from there to the Supreme Court of the United States. Thus one of the greatest law suits ever tried before the Courts of this country was started.

Mr. Webster was of counsel in the

Questions of interest to bankers are discussed by the Legal Editor each month. Any subscriber has the privilege of writing for information and advice on legal subjects, and will receive a direct reply from our attorney, without fee or expense. A brief of any subject involving research in a complete law library will be furnished for \$10. In writing for information, kindly inclose a 2-cent stamp for reply, and address "Legal Editor, Mid-Continent Banker, 408 Olive Street, Saint Louis."

case representing the plaintiff in error. Mr. Pinkney was also of counsel. Mr. Hopkinson represented the defendants in error. The first bitter argument arose over the question as to whether or not Congress had the power to incorporate the Bank of the United States. Mr. Webster contending that it did and Mr. Hopkinson contending that it did not. It was asserted that the bank was necessary and a suitable instrument to assist the operations of the Government in the collection and disbursement of the revenue, in regulating the currency, etc., and that it was within the powers of Congress under the Constitution to incorporate and establish this bank. Thus was the argument of Mr. Webster. The defendant in error claimed that there was no express power granted to Congress under the Constitution authorizing the incorporation of the bank, or in fact the right to authorize the incorporation of any corporation. It was contended further that such a bank was not a necessary instrumentality of the Federal

Government. Chief Justice Marshall, in delivering the opinion of the Court, said:

"After the most deliberate consideration it is the unanimous and decided opinion of this Court, that the Act to incorporate the Bank of the United States is a law made in pursuance of the Constitution, and is a part of the supreme law of the land."

This, however, was not the vital issue in the case, and Mr. Pinkney said that this question ought not to have been forced into the argument. The vital question at issue was whether or not the State of Maryland could tax a branch of the Bank of the United States. There was much bitterness in the opposing arguments of counsel. Said Mr. Webster:

"The second question is, whether, if the bank be constitutionally created, the State governments have power to tax it? If the States may tax the bank, to what extent shall they tax it, and where shall they stop? An unlimited power to tax involves, necessarily, a power to destroy; because there is a limit beyond which no institution and no property can bear taxation."

If the State may tax, they have no limit but their discretion, and the bank, therefore, must depend upon the discretion of the State governments for its existence. This consequence is inevitable. It was said that if the State could tax the bank, that by taxation it could expel the bank from the State. If it could tax the Bank of the United States, it could tax the army, the navy, the mint, and every other instrumentality of the Federal Government, and render the Central Government entirely impotent. That the Federal Government would be prostrate at the feet of the States.

The defendants in error claimed for the bank to come into the State, and then deny its right of taxation, was to destroy its sovereignty. They said:

"Will it be tolerated, that a trading corporation, having no object but profit, shall, in the pursuit of it, tread upon the sovereignty of the State, enter it without leave; disregard its policy; overthrow its institutions and sacrifice its interests?"

(Continued on Page 24)

Building a 100,000-Account Bank

Create Something Definite to Tie to in Your Advertising—Then Advertise Continuously

WE advertise 95,000 accounts and have, in fact, over 97,000. I use the word "advertise" because it is the key to the door that has opened before us to permit thousands of depositors to march in. Good advertising has made the Liberty Bank known to every potential saver or depositor in Louisville, and widely known throughout Kentucky and the adjoining states. The Liberty Bank is 72 years old, but its big growth has been in the last ten years. In that time its deposits have increased from 6 millions to nearly 19 millions.

Recently I searched the files of our old advertisements to learn when we started the slogan, "The home of more than so many bank accounts." The first I saw was 35,000, then 40,000, and increasing by 5,000 under a spread eagle and "Another step forward."

There is a period in our history that marks the beginning of a new era. That was when we erected our new bank building, which we opened to the public on January 1, 1919.

For several years prior to that opening, however, a steady well-planned preparation was going forward, and I tell you no secret when I say that the "Home of more than 95,000 Bank Accounts" is due to the vision and pioneering of Mr. John E. Huhn. It was he who recognized the importance of a knowledge of banking among the rank and file in the city. He realized the size of an undertaking that was to acquaint the big majority of our citi-

By F. C. Dorsey
Vice-President, Liberty Insurance
Bank, Louisville, Kentucky

zens with elementary banking—the a, b, c's of depositing money and withdrawing it by check.

He started the savings habit in Louisville public schools. He made it the popular thing to do—to have a



F. C. Dorsey

savings account. He knew the business was here. He had confidence in the people of Louisville. He believed in advertising.

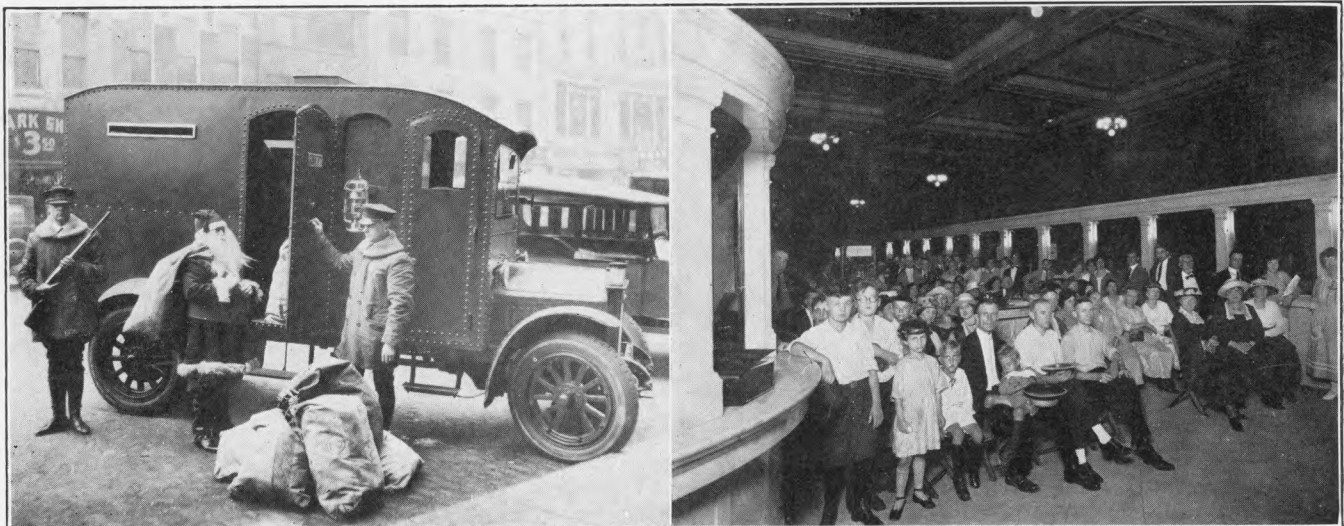
When thousands were buying Liberty

Bonds on the part payment plan, this bank spent thousands of dollars advertising its service in carrying these bonds for the people. At the time it was a patriotic duty, but the spirit of helpfulness with which the service was rendered made thousands of friends out of those thousands of new acquaintances.

Service flags and gold service pins were given every depositor in our bank. Liberty Bond buyers, through their service to Uncle Sam, became savers. I believe that taught thrift as it was never taught before.

We have always taken advantage of every opportunity to get the favorable attention of the public. When we opened our new offices on Second and Market we were able to bring within our doors people who had never before been in our bank.

To get the people acquainted with our bank, its tellers and officers, we have had dozens of flower shows. All one summer we held Educational Exhibits of Louisville Industries. That was in 1921. We have had an Educational and Health Exposition of Waverly Hills Sanatorium in our lobby—that was in 1922. Exhibitions of bird houses, of posters made by the school children, of preserves and jellies, of sewing or carpentry—all these exhibits brought not only the children, but the parents and teachers. It caused the Liberty Bank to be known to all of these. In its lobby all felt at ease and at home. Natural-



At left: Santa Claus loading the armored truck with Christmas Checks from the Liberty's Christmas Club. At right: The Liberty Lobby crowded with people listening to the first public radio concert, the opening feature of the first Radio Show held in Louisville.



PRESTIGE

THROUGH 58 years of conservative banking, in association with leading commercial and correspondent institutions, the name of the Union Trust Company has come to represent those qualities of competency and integrity which build Prestige.

FREDERICK H. RAWSON
Chairman of the Board

HARRY A. WHEELER
President

CRAIG B. HAZLEWOOD
Vice-President

UNION TRUST COMPANY CHICAGO

Offering the Seven Essentials of a Banking Home

SAFETY • SPIRIT • EXPERIENCE • CALIBER • CONVENIENCE • COMPLETENESS • PRESTIGE

ly if any banking was to be done we got our share.

We believe our garden seed made us many friends. We think our display of foreign coins was worth more than passing interest.

We have given scholarships in the Conservatory of Music; brought deposits to the bank by aeroplane when planes were novelties. Then when the radio was a curiosity we had one in the bank lobby and staged the first radio show held in Louisville. Nearly every Tuesday evening during the past four years we have had one of our representatives broadcast a thrift talk over WHAS.

Some newspaper man has said when there is no news then make news. When we want to advertise the bank we make something to advertise. We have advertised the value of milk,

cream and butter, and our advertisements tying the bank with the dairy interests have been reproduced all over the United States.

We have filled hundreds of columns with jingles to call attention to our Christmas Saving Clubs, and the jingles have proved the most popular of any ads we have ever run. We have asked for slogans and we have printed cross-word puzzles—every one of them carried a message from this bank.

Everybody knows "The Bank for the People." "No substitute for Safety." "A dollar or more, a minute or less, opens an account—no red tape." Why? Because we have kept it before the public.

We have had shooting matches on our pistol range in our basement. We have awarded medals for the best amateur swimmers and cups for agri-

cultural achievements. There is hardly a home that has not a Liberty Bell money bank on the mantel. All these are reminders of "The Bank for the People."

If you go to the theater your program connects the Liberty Bank with the play. The title of the ad runs smoothly on, and while you are in a most receptive mood the Liberty Bank makes a pleasing and lasting impression.

Now with all of this we must have a good advertising man, who knows his business, knows good copy, who is original, has constructive ideas and who is indefatigable.

He must listen attentively to hundreds of schemes presented by Get-Rich-Quick-Wallingfords, to pick the grain from the chaff. He must turn down the poster pest and the program that is seen by a score of church workers, but in a tactful pleasant way. We are getting away from the premium plan for getting new accounts and from the gifts as souvenirs. We have used the mass distribution plans, the direct by mail, the personal solicitation, and I suppose every kind of advertisement to secure our 95,000 accounts.

But we have never made comparisons—mark that. To sum up what has been the cause of our growth, I would say good advertising copy counted most, then the loyalty of our employees in their desire for new business.

We have advertised consistently and continuously, and we have tied our advertising to something definite. For our employees we have done everything possible. The bank maintains a dining room, a recreation room with billiard tables, a library, a dancing floor and the Liberty Club—an exclusive employee's club with its own officers. This club has a meeting every Thursday and there are speeches and pep talks by members and outsiders. This year the members of the club secured \$1,000,000 in new accounts in a special four months' campaign instituted at their own initiative.

The fifty-eighth annual statement of the Union Trust Company, Chicago, issued at the close of business, December 31, 1926, shows total resources of more than \$86,718,000. Capital, surplus and profits amount to more than \$7,407,000 and deposits amount to more than \$77,000,000.

"The time will come," shouted the lecturer, "when women will get men's wages."

"Yes", shouted the little guy in the last row, "next Saturday night."

THE FOREMAN BANKS

FOUNDED 1862

We seek your business on the basis of the service we can render you. A service we have perfected through 65 years of consistent growth. When Chicago was an outpost of eastern commerce—the transcontinental railroad, an idealist's dream—we were doing business here. Today our representatives will serve you in more than 114 countries.

The Foreman National Bank
The Foreman Trust and Savings Bank

La Salle and Washington Sts.
Chicago

Resources Exceed One Hundred Million Dollars

Death Ends the Career of a Distinguished Citizen



David R. Francis

Death ended the career of one of the Nation's most distinguished citizens when David R. Francis succumbed to the infirmities of old age on January 15. Mr. Francis was 77 years old.

Throughout the nation, leaders in the world of business and politics have united in paying tribute to the memory of this man who served as Mayor of St. Louis, Governor of Missouri, Ambassador to Russia and Secretary of the Interior.

In private life Governor Francis was first a grain merchant and then a banker. He founded the financial house of Francis Bro. & Co., and served as vice-president of the Merchants Laclede Bank, as director of the Mississippi Valley Trust Company and as chairman of the board of directors of the Missouri and North Arkansas Railroad. He also had served as president of the National Drainage Congress and as president of the Merchants' Exchange of St. Louis.

At one time Governor Francis was owner of the old St. Louis Republic, the leading democratic newspaper of the state, which was bought and absorbed

by the Globe-Democrat in 1919. He was a director of the United Railways Company and also was identified with two of Missouri's leading universities, the University of Missouri and Washington University.

He was chairman of the Board of Curators of the University of Missouri, until he became Ambassador to Russia and much of the credit for the regeneration of the University, while it was passing through its trying period, is given to him.

At Washington University a fountain on the campus was dedicated in his honor two years ago in his presence. He was a member of the corporation of Washington University at the time of his death. Francis Field, the athletic field, and Francis Gymnasium, both built in time for the World's Fair, are memorials to him there.

Probably one of Governor Francis' most outstanding achievements was in connection with the Louisiana Purchase Exposition held in St. Louis in 1904. Not only was he the directing head of the enterprise after the gates of the



Getting the Most Investment Value for Your Money

THERE are several hundred different bond issues which bankers consider good investments, but not all of them are good investments for you.

These issues possess in varying degree the qualities of safety, marketability, tax exemption, etc.—just as institutional and individual investors possess in varying degree the need for them.

Bond prices are affected by the degree in which they possess various qualities, and to get the most investment value for your money it is necessary that you select and hold those issues which best fit your requirements.

Hundreds of investors find First Illinois Company analysis of investment requirements and securities of value in selecting those bonds which give them the most investment value for their money.

May we be of service to you?

First Illinois Company

BONDS FOR INVESTMENT

CHICAGO
AURORA

MILWAUKEE
DAVENPORT

ST. LOUIS
Boatmen's Bank Bldg.

exposition were open, but his interest and activity played a large part in the preliminary work. His famous "Tour of Europe in Nineteen Days," at which time he interviewed crowned heads and leading statesmen, resulted in hearty co-operation from nations which had previously been more or less indifferent to the Exposition.

Governor Francis was born in Richmond, Kentucky, the son of John B. and Eliza C. Francis. He was graduated from Washington University in 1870, and the same year entered the employ of Shryock & Rowland. Seven years later he founded a commission company bearing his name and this later became the firm of D. R. Francis & Bro.

Governor Francis was a member of the National Geographic Society, and his clubs included the St. Louis, University, Country, Log Cabin, Bellerive,

Round Table, Commercial, Noon Day, Metropolitan (Washington) and the Metropolitan (New York).

Hibernia Securities Elects Five New Officers

Vacancies recently created in the official staff of the Hibernia Securities Company, Inc., have been filled by the promotion of five men, all of whom have been connected with the company practically since its organization.

George H. Nusloch, J. Albert Baudean, Willis G. Wilmot, were elected vice-presidents, A. Palmer Smith, Jr., was elected treasurer, and Kenner S. Baetjer was elected secretary.

At a meeting of the Directors of the Hibernia Mortgage Company, A. Palmer Smith, Jr., was designated as active vice-president of that company.

Mr. Nusloch is a native Orleanian, was educated at the public schools, and the Warren Easton Boys' High School. Immediately after leaving school in 1909 he entered the employ of the Hibernia Bank & Trust Company and has been in the organization ever since except for the one year during the war when he was in the army. Mr. Nusloch has been an active worker in the Investment Bankers Association. He has successively held office in that organization as secretary-treasurer, and vice-chairman of the southern group and at the last convention of that body held last December at Birmingham, he was elected chairman.

Mr. Baudean is also a native Orleanian, was educated at private schools here, receiving his A. B. at Loyola in 1905. His first employment was with

B. F. EDWARDS, President
E. A. SCHMID, Vice-President **W. M. STONE, Cashier**
L. E. DEMPER, Assistant Cashier **V. JACQUEMIN, JR., Ass't Cashier**

Condensed Statement of the Condition of

The National City Bank of St. Louis

at the Close of Business December 31, 1926

RESOURCES		LIABILITIES	
Demand Loans.....	\$ 8,404,112.85	Capital Stock	\$ 1,000,000.00
Time Loans	4,843,010.89	Surplus and Profits.....	427,854.87
Customers' Liability, Letters of Credit, etc.....	10,535.00	Reserve for Taxes.....	49,000.00
U. S. Bonds to Secure Circulation	816,000.00	Liability, Letters of Credit, etc.	10,535.00
U. S. Securities.....	492,650.00	Circulation	783,400.00
Other Securities	247,025.05	Dividends Unpaid	6,328.50
Stock in Federal Reserve Bank	36,000.00	Deposits	16,945,749.13
5% Redemption Fund.....	40,000.00		
Furniture and Fixtures.....	33,463.19		
Overdrafts	1,034.39		
Cash and Exchange.....	4,299,036.13		
	\$19,222,867.50		\$19,222,867.50

DEPOSITS

July 12, 1921 (Opening Day)	\$1,477,726.26
December 31, 1921	\$8,694,921.79
December 31, 1923	\$14,594,923.97
December 31, 1926	\$16,945,794.13

- DIRECTORS**
- | | |
|--|--|
| <p>W. P. ANDERSON,
President, Gideon-Anderson Co.</p> <p>PRESTON J. BRADSHAW,
Architect</p> <p>M. P. BURROUGHS,
President, Burroughs Glass Co.</p> <p>NORMAN B. CHAMP,
Vice-President, Champ Spring Co.</p> <p>L. E. DEMPER, Assistant Cashier</p> <p>B. F. EDWARDS, President</p> <p>F. X. HACKMANN,
President, Hackmann Real Estate Co.</p> <p>GEO. E. HACKMANN,
Asst. Mgr. Guardian Life Ins. Co. of America.</p> | <p>V. JACQUEMIN, JR., Assistant Cashier</p> <p>SAM B. JEFFRIES, Attorney</p> <p>WM. T. MELLOW,
Vice-President, Liberty Foundry Co.</p> <p>E. A. SCHMID, Vice-President</p> <p>ARTHUR E. SIMPSON,
Attorney</p> <p>JEROME A. STERNBERG,
Vice-President, Baer, Sternberg & Cohen, Inc.</p> <p>W. M. STONE, Cashier</p> <p>JOS. STRECKFUS,
Treasurer, Streckfus Steamboat Line</p> <p>SYDNEY H. THOMSON,
President, Provident Chemical Works</p> |
|--|--|

COURTESY, FAIRNESS AND EFFICIENT SERVICE

the Queen & Crescent route where he was employed from 1906 to 1917, entering the employ of the Hibernia Bank & Trust Company in the latter year. When the Hibernia Securities Company was formed in 1920 Mr. Baudean became a salesman in that organization. In July, 1922, he was appointed Assistant Secretary and one year later became Secretary and now ascends to the Vice-Presidency.

Mr. Wilmot was born in New Orleans, educated at Hills School, Pottstown, Pennsylvania, and graduated as an A. B. at Princeton University in 1920. He came directly to the Hibernia Bank & Trust Company and a little later joined the sales force of the Hibernia Securities Company, Inc. Since 1920 he has served as Assistant Secretary and now becomes Vice-President. When the Hibernia Mortgage Company was formed he was made Vice-President of that organization.

Mr. Smith is a native of Covington, Tennessee, was educated at a private school and received his A. B. at Princeton University in 1920. During the war he was a second lieutenant in the United States air service and served over seas in England, then in France. Since graduation he has been with the Hibernia bank organization, first as a clerk in the Trust Department, then as Assistant Trust Officer. In July, 1923, he was appointed Assistant Treasurer of the Hibernia Securities Company, Inc., and has held that position until now when he becomes Treasurer.

Mr. Baetjer was born in New Orleans, attended the public schools here, and graduated from the Boys' High School in 1908. He immediately entered the employ of the Hibernia Bank & Trust Company, and after occupying the usual minor positions, he became affiliated with the Bond Department. Since 1922, Mr. Baetjer has been successively Manager of the Dallas Office of the Hibernia Securities Company, Inc., Manager of the Atlanta Office, Manager of the new Chicago Office, which was established last summer, and he now becomes Secretary of the Company.

Getting the Interview.

Salesman: "I want to see the boss."

Office Girl: "Sorry, but he's in conference with the vice-president and general manager."

Salesman: "Let me in. I know a funny story, too."

Abie: "Papa, what's science?"

Papa: "Don't be dumb like, Abie, it's them things like what says, 'Keep off the grass.'"

Resources Half a Billion — and More

Back of these banking resources, outstanding in Chicago, is a volume of business that indicates satisfaction to customers

The **CONTINENTAL** *and*
COMMERCIAL
BANKS
CHICAGO

Resources—December 31, 1926—\$618,933,546

What Do You Want?

—tell us and we will help you find it. We have created this new classified ad department as a free service to subscribers. If you have something to buy or something to sell, or if you want anything, you can make it known to the bankers in the Mid-Continent territory without cost. If you are not a subscriber, your check for \$3 will pay for a year's subscription and entitle you to free use of the want ad columns.

Position Wanted by assistant cashier who desires better opportunity for advancement. Twenty-eight years of age. Four years' experience as assistant cashier. Best of references. Address V. B. M., The Mid-Continent Banker—7.

Bank for Sale: Small inland town, Southern Illinois, 600 population. Capital stock, \$15,000. Surplus, \$9,000. Undivided profits will be \$4,000 by March 1st. Deposits and loans average around \$60,000. Net earnings last year were 20%. Cashier's salary, \$2,400 per year. Small bank, but a money maker. Good reasons for sale. New management can increase business. All paper guaranteed. Price, \$200 per share, cash. If size, town, bank, location and price don't interest, please do not make inquiries, as these details should be enough information for party wanting to buy a bank. Address No. 1000, care Mid-Continent Banker.

Position Wanted as assistant cashier in medium size bank by young man twenty-eight years old. College graduate, four years banking experience. Also enrolled with the LaSalle Extension University, Chicago, in Law. Address V-12, M. C. B.—7.

Position Wanted as cashier in good country bank or as assistant cashier in larger bank by married man, 15 years' experience. Now employed. Desire better opportunity for advancement. Best of references. Address No. 1010, The Mid-Continent Banker.

Bank Control Wanted: Country banker desires to purchase control of good bank in town of not less than 1,000; American community in Central Illinois preferred. All communications confidential. Address No. 1011, The Mid-Continent Banker.

Interest in Bank Wanted: Would like to purchase controlling interest in a good bank in a town of 2,000 to 4,000 or to purchase a minority stock interest carrying with it an official position. I have had sixteen years' experience in a state bank. Now with National Bank with resources of \$1,000,000, for three years as cashier and active manager. Address No. 105, The Mid-Continent Banker—1.

Position Wanted in bank by young man. Opportunity for advancement desired. No banking experience but good business education. Two years' college. Future prospects will be considered more than large salary to start. Best references. Can invest. Address L. E. T., The Mid-Continent Banker—6.

For Sale: Large, square door, fireproof safe with inside money chest with time lock. In good condition and priced reasonable. Address Farmers & Merchants Bank, Sterling, Okla.

For Sale: One round screw door Mosler Manganese Steel burglar-proof bank safe; one Burroughs Posting Machine; one Burroughs Listing and Adding Machine, and one Check Writer. These fixtures are in good condition, and will be

priced right. Address O. J. Watts, Napton, Missouri—2.

Banker, 39, with 20 years' experience, now owns and is Cashier of \$10,000 bank, with \$100,000 deposits in town of 500. Would trade control and position for stock and position in larger town. Address R. H. L., care Mid-Continent Banker—2.

Bank Interest for Sale: Want to sell interest carrying position of cashier with salary of \$2,400. Stock holdings, \$6,000. Bank in first-class condition, good, well-organized business. City of 1,200 population, fertile farming community. Would not sell except to experienced man. Address No. 2010, care Mid-Continent Banker.

For Sale: Large Victor bank safe (with or without Manganese Steel Screw Door Money Chest, 56 safety deposit boxes and book section and drawers). A bargain for large office or small bank. Address No. 109, Mid-Continent Banker—3.

For Sale: Controlling interest in successful National Bank with \$100,000 capital and \$900,000 totals. Located in good town of 7,500 population in good section of Illinois. All investments and loans guaranteed. One or two official positions go with stock. Do not answer unless you have the capital, age and experience to manage a good, going bank. Address I. E. S., Mid-Continent Banker—11.

Fixtures for Sale: Marble and bronze screen surrounding Lobby, 72x20 feet. Ten cages with thirteen wickets and other equipment. Special selected English vein Italian marble. Very attractive. Also several sets of money chests. Available at once. Removal to new building necessitates sale. Inquiries solicited. Price very reasonable. Address Commercial National Bank, Peoria, Ill.

Position Wanted as cashier in good country bank or assistant cashier in larger bank by married man with three years' experience as cashier in good country bank. Now employed. Desire better opportunity for advancement. Best of references. Address No. 108, Mid-Continent Banker—2.

Wanted: Excellent opportunity for banker favorably known in Missouri, Kansas and Oklahoma, or all three states with progressive Kansas City bank, well thought of throughout that territory. Would want man capable of organizing and supervising country bank department and one able to bring considerable business to bank with him. Future would depend entirely upon growth and success of department. Address No. 112, care The Mid-Continent Banker, 408 Olive Street, St. Louis.

Save Money—Buy These: Burroughs bookkeeping machine (practically new). Flat-top oak desk, Underwood typewriter No. 5, swinging desk stand for typewriter, office chair, a Writerpress duplicating machine with full equipment of type stand, trays, furniture, etc. Address A. H. Hicks, Altamont, Ill.—4.

Warren Wright, Jr., Is On Union Trust Board

Warren Wright, Jr., president of the Calumet Baking Powder Company, has been elected to the board of directors of the Union Trust Company, Chicago.

The board of directors have announced the following promotions and new additions to the present official staff: C. B. Carter, from assistant cashier to assistant vice-president; W. A. Zimmerman, M. H. Thies, C. J. Maurer, E. S. Clark and R. S. Carr, assistant cashiers.

The directors also voted to transfer \$1,000,000 from undivided earnings to



Warren Wright, Jr.

surplus, making the surplus \$4,000,000.

The Union Trust Company, according to Frederick H. Rawson, chairman of the board, has just closed its most successful year. During the past five years deposits have grown from \$42,000,000 to approximately \$75,000,000. The combined capital and surplus is now \$7,000,000.

And He Was a Traveling Man.

Mary Ann, a buxom, rosy-cheeked girl from the country, visiting some friends in the city, volunteered to look after a neighbor's boys and girls while the woman attended a meeting.

She bathed, brushed, combed and put to bed her charges. When the neighbor returned she asked:

"Well, my dear, how did you get along with the kids?"

"Not so badly," replied Mary Ann, "but I had an awful time with the oldest boy—the red-headed one. He—"

"The red-headed one!" shrieked the woman. "Why, that is my husband!"

Bond and Investment Section

Facts About Holding Company Securities

THE holding company, both in its industrial and financial aspects, is a type of business organization which is not only incident to our modern large scale industrial organization, but it is also one which, in the United States, has been greatly stimulated in its development by our type of political organization with a central government having control over certain industrial corporations and with forty-eight states exercising control over the operation of business within the borders of the particular states.

It is probably true that even if we had not had this kind of a federated system of government the holding company would have developed in the United States in as much as with a country of such vast extent and such great variety of natural resources a fertile field would have been supplied for this kind of organization.

It is not uncommonly assumed that holding companies are primarily financial organizations originated by promoters, investment bankers, and others as an agency by which additional corporation capital can be easily secured and great profits obtained for the underwriters. This view completely neglects the basic reason for the development of the holding companies

By Dr. W. F. Gephart
Vice-President, First National Bank
in St. Louis

which is to be found in the development of large scale enterprises in this country and second in what has already been stated regarding the conflicting jurisdictions of so many governments.

The holding company is an agency for securing unified control and to effect, leaving aside any financial or underwriting advantages, the economies which are associated with consolidations of a more simple character whether of the vertical or the more commonly known one of competing units. It is in the field of public utilities where the holding company has attracted most attention, but they are to be found in an increasing number in the other kinds of industrial organization. There is little doubt that, especially in the case of public utilities where many small, inefficient plants have been serving restricted communities, the consolidations of the control of these into one central holding company has brought enormous advantages to the consuming public. The laws of many states have made the holding company the only agency by which this

could be brought about in as much as the restrictions regarding the ownership or the operation of such companies has been in a number of states limited to corporations chartered in the particular state. The consolidation of these water, gas, electric, street railway and telephone companies into one central organization has made possible a decided increase in the efficiency of operation and well recognized economies in administration and with the increasing improvement in public utility regulation by the state bodies the public consumer has had in most cases adequate protection.

That the holding company form has not only advantages from the corporate, but from the public standpoint also has been abundantly demonstrated. Where criticism has been most often leveled against these companies it has been with respect to their financial operations in connection with the marketing of securities to the public. Since the assets of the holding company usually consists primarily in the ownership of common stocks of subsidiaries, the investor is usually placed at a disadvantage in endeavoring to determine the real value of the equities owned by the holding company. Where a majority of the common stock of

CAN YOU ANSWER THESE QUESTIONS CONCERNING YOUR INVESTMENTS?

1. Is my principal as safe as when invested?
2. Are my securities well diversified?
3. Is my interest return as much as it should be?
4. Am I holding high-priced, tax-exempt bonds where I derive no benefit from the exemption?
5. Are my securities likely to be called for redemption at prices lower than the present market?
6. Have I valuable rights or option warrants that will expire if not exercised before a fixed date?

Much valuable information to which we have access through various channels is not generally available. This information is of a decided value to you in checking up on your present security holdings. Our mission as investment bankers is to render every possible service to you, looking to the safe and reasonably profitable investment of your funds.

We will be pleased to give our advice and recommendations without obligation.

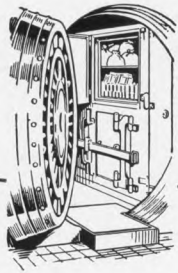
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Watch this space in the Mid-Continent Banker for suggestions that will help you answer these questions.

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THE distribution sources of an investment house are said to denote the quality of its securities. A large portion of the distribution of our securities is to banks and trust companies, which are among the most conservative of investors. Thus, the sound qualities of our offerings have won the confidence of the most exacting clientele.



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Bankers Safety Envelopes
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subsidiaries is owned there is little or no market for such securities. The only other basis for determining value is earning power. Satisfactory earning figures of subsidiary companies are seldom available to the investor except in such form as the holding company may see fit to publish. The form in which such earnings are published often does not permit a satisfactory basis for determining values of subsidiary companies' securities. The existence of this condition in the affairs of holding companies is generally regarded as unsatisfactory because of the possibilities of abuse which it contains, since the holding company, by its control over subsidiaries, can often make a good or bad showing for the parent company by increasing or decreasing depreciation and other charges of an accumulative nature. Consequently, the holding company form of organization, from the standpoint of the investor, is not as satisfactory as it might be, since the investor is compelled to place his funds in such companies almost entirely upon his judgment of the management rather than upon any other basis.

This fact would not be of so much significance if investors were thoroughly familiar with all the facts. Many, however, are not familiar and consequently often purchase a holding company obligation of an entirely different type fundamentally than they otherwise would if they understood all the facts. Consequently, to protect the investor, this form of organization should be subject to special safeguards.

The apparent solution for this situation is federal incorporation, especially of all holding companies having to do with public utility property, although almost equally as strong an argument can be made out for any such holding company, possessing property located in several states and doing an interstate business. Such federal incorporation would not involve the protection of the investing public by such elaborate regulation as is found in the case of the Interstate Commerce Commission and the railways, but, on the other hand, uniform methods of accounting could be required, and, therefore, provide a basis for a financial statement which would serve to protect an intelligent investor.

The latest statement of condition of the American Exchange, Irving Trust Company of New York, shows total resources in excess of \$740,500,000. Capital, surplus and undivided profits amount to more than \$60,800,000, and deposits are more than \$584,100,000.

St. Louis Federal Reserve Bank Elects Directors

According to announcement of William McC. Martin, chairman of the board of the Federal Reserve Bank of St. Louis, the results of the election of directors are as follows: John G. Lonsdale, president of the National Bank of Commerce in St. Louis, was re-elected by member banks in Group 1 as a Class A director of the Federal Reserve Bank of St. Louis, and LeRoy Percy, a planter, of Greenville, Mississippi, was re-elected by member banks in Group 3 as a Class B director. Each was chosen to serve for three years from January 1, 1927.

The banks in Group 2 did not participate in the election just held because the term of no director elected by that group expires this year. Group 1 consists of banks having capital and surplus in excess of \$599,000; Group 2, banks with capital and surplus of \$599,000 to \$100,000, inclusive, and Group 3, banks having capital and surplus less than \$100,000.

Mr. Martin also announced that the Federal Reserve Board has appointed Paul Dillard, of Dillard & Coffin Co., cotton factors, Memphis, Tennessee, as a Class C director of the Federal Reserve Bank of St. Louis, for the unexpired term of C. P. J. Mooney, who died on November 22, 1926.

The Board of Directors of the Federal Reserve Bank consists of nine members, divided into groups of three each, designated as Classes A, B and C. Class A directors represent the banking interests of the district, or the lenders of money, and are usually officers of banks. Class B directors represent the industrial, commercial and agricultural interests, or the borrowers of money, and cannot be officers, directors or employees of banks. Class C directors represent the Government and general public, and cannot be officers, directors, employees or stockholders of banks.

The Federal Reserve Bank of St. Louis serves District No. 8, which comprises all of Arkansas, all of Missouri except the western tier of counties, the southern portions of Illinois and Indiana, the western parts of Kentucky and Tennessee and the northern half of Mississippi. Each of these States is represented by a director on the board of the bank.

The recent statement of condition of the Guaranty Trust Company of New York shows total resources in excess of \$739,834,000. Capital, surplus and undivided profits are more than \$50,958,000, and deposits are more than \$604,960,000.

C. H. Handerson Elected to Vice-Presidency

C. H. Handerson, President of the Financial Advertisers' Association, has been elected Assistant Vice-President of the Union Trust Company, Cleveland, which he has served for a number of years as advertising manager. This election is in recognition of Mr. Handerson's work in handling the institution's advertising. Mr. Handerson has been prominent in advertising for many years, and at the last convention of the Financial Advertisers' Association he was elected to head that body. In addition to his new duties Mr. Handerson will continue to handle the advertising of the Union Trust Company.

"What character do you have in the second act?"

"I'm not supposed to have any character; I'm in the chorus."

A prominent daily newspaper in discussing the subject of bank protection, says, "The way to prevent bank failures is not to guarantee deposits, but to subject banks to frequent and thorough examination." With this statement I am in hearty accord. The first thing to make this possible, however, will have to be an additional appropriation by the various state legislatures so that the banking departments can hire more bank examiners and pay all of them better salaries. Good bank examiners after they have worked a year or so usually sell their services to city banks for a much larger remuneration than they are receiving from the banking departments.

If the states are to keep competent men as bank examiners they will have to compete in salaries with the large financial institutions.

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Birmingham Water Works Co.	
1st Mtg. $5\frac{1}{2}$ s due October, 1956	5.15%
Citizens Water Co. of Washington	
1st Mtg. $5\frac{1}{2}$ s due July, 1951	5.40
Houston Gulf Gas Co.	
1st Mtg. $6\frac{1}{2}$ s due January, 1931	7.35
Michigan Home Telephone Co.	
1st Mtg. 6s due November, 1946	5.83
New Jersey Water Co.	
1st Mtg. 5s due August, 1950	5.30
New Rochelle Water Co.	
1st Mtg. $5\frac{1}{2}$ s due November, 1951	5.40
Peoria Water Works Co.	
1st and Ref. Mtg. 5s due August, 1950	5.50
Southwestern Public Service Co.	
1st Mtg. 6s due July, 1945	6.00
Texas-Louisiana Power Co.	
1st Mtg. 6s due January, 1946	6.00
Union Gas Corporation	
1st Mtg. $6\frac{1}{2}$ s due April, 1936	6.38
Allerton Cleveland Bldg.	
1st Mtg. Leasehold $6\frac{1}{2}$ s due May, 1945	6.50
Back Bay Post Office	
1st Mtg. Fee $5\frac{1}{2}$ s due April, 1936	5.35
Bankers Bldg.	
1st Mtg. Leasehold $6\frac{1}{2}$ s due June, 1951	6.50
Broadway Motors Bldg.	
1st Mtg. Leasehold $6\frac{1}{2}$ s due February, 1948	5.95
165 Broadway Bldg.	
1st Mtg. Fee $5\frac{1}{2}$ s due August, 1951	5.50
Transportation Bldg.	
1st Mtg. Leasehold $6\frac{1}{2}$ s due November, 1941	6.45
Varick Station Post Office	
1st Mtg. Fee 6s due August, 1941	5.70
Wabash-Monroe Bldg.	
1st Mtg. Leasehold $6\frac{1}{2}$ s due September, 1949	6.30
Stevens & Thompson Paper Co.	
1st Mtg. 6s due September, 1942	6.40
Province of Mendoza, Argentine	
External Secured $7\frac{1}{2}$ s due June, 1951	7.50

Complete information regarding any of the above securities will be furnished without obligation

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ST. LOUIS, MO.

STATE TAXATION OF NATIONAL BANKS.

(Continued from Page 13)

They said this overwhelming invasion of State sovereignty is not warranted by any express clause or grant in the Constitution, and never was imagined by any State that adopted and ratified that Constitution.

Said Chief Justice Marshall:

"May the State of Maryland tax that branch, without violating the Constitution?"

"That the power to tax involves the power to destroy; that the power to destroy may defeat and render useless the power to create; that there is a plain repugnance in conferring on one government the power to destroy what the other creates, are propositions not to be denied."

In conclusion, the Chief Justice said:

"The Court has bestowed on this subject its most deliberate consideration. The result is a conviction that the States have no power, by taxation or otherwise, to retard, impede, burden or in any manner control, the operations of the Constitutional laws enacted by Congress to carry into execution the powers vested in the general government."

The Act of Maryland taxing the branch bank of the United States was then declared to be unconstitutional and void. Thus the states may not tax the bonds or other obligations of the United States, nor the instrumentalities or agencies through which it operates.

WHY MAKE IT A CRIME TO OWN BANK STOCK?

(Continued on Page 12)

pose to penalize you." An under-current of thought along this line is evident in nearly every public message from any advocate of guaranty legislation.

Is this justifiable on the facts? Is it true that we are or have been in bad company? Have bankers as a class (including those whose banks are now insolvent) been proved incompetent? I doubt it. Bank failures since 1918 represented less than ten per cent of the total bank deposits in the middle western states. There has been and will be a recovery of a respectable portion of those deposits through dividends to depositors.

A Different Picture.

Suppose, now, that all the money on deposit in these banks in 1918 had instead been invested in other tangible or intangible property—in land, or farm personalty, or in factories serving agricultural needs. Would the shrinkage in that case have been less than ten per cent? My guess is that it

would have been closer to fifty. Yet these are the industries upon which the business of midwestern banks was established—these the assets behind their bills receivable, upon which those bills depended for payment.

The plain fact is that this region has undergone an experience which is unparalleled in modern times. Few of us who are living through it realize the significance of the deflation of agricultural property in relation to other industries. Its duration, its extent, and its continued severity, all taken together, will render it one of the landmarks of economic history. It is easy to borrow the spectacles of Hindsight, and point out the past mistakes of bankers, but how many of the critics would have recognized the mistakes, as such, at the time they were made?

It is rather interesting to find one of the largest and most influential agricultural organizations in the neighboring state lined up as an official exponent of a guaranty law financed by assessments against the banks. Interesting, in view of the fact that there is hardly one closed bank today which was not brought to insolvency by trying too hard to carry its farmer customers over their slough of economic despond. We bankers know, as well as anyone does, that the majority of the farmers who have defaulted in the payment of their bank obligations have first exerted every reasonable human effort to meet their notes, and that the only reason they haven't paid is because they couldn't. Still, the proposal to guarantee deposits by grinding the life out of our banking system seems to us to come with rather poor grace from any organization of farmers.

I like to believe—what is probably the truth—that the advocacy by this group of the guaranty assessment plan was initiated by the leaders and was not demanded by the main body of the membership; to think, further, that those leaders are not reliably informed as to the inevitable effect of their proposal upon the banks of the state. In answer to their proposals, it is only necessary to point out the fact that there should be no need of deposit guaranty legislation, if we could enact a legislative guaranty of farmers' notes to banks, and that that sort of law would be fully as reasonable as the one they are advancing.

The Skeptic.

Nurse: "Do you want to see the little brother the stork brought you?"

Bobby: "Naw, I wanna see the stork."—Selected.

Philosophy is nothing but Discretion.—Selden.

Foreign Securities Show Marked Improvement

Moody's Investors' Service says in a recent issue:

"That the American investing public is beginning to appreciate the remarkable change for the better in Europe's economic, financial and political affairs is perhaps best evidenced from the steady increase of flotations of European issues in the American market, and the ready absorption of such loans at steadily declining yields. The impressive growth in the turnover in foreign securities listed and traded in on our markets is another indication of the change which has taken place in the attitude of American investors toward foreign securities."

We shall be pleased to send, on request, our latest Review of Foreign Affairs entitled "Future Opportunities in Foreign Bonds in the Light of Past Developments." This pamphlet contains sound recommendations for investments in foreign bonds.

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Short Term Paper for Bank Investment

Fletcher American Company

Affiliated with THE FLETCHER AMERICAN NATIONAL BANK of INDIANAPOLIS

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DETROIT

New High Mark for Winter Steamship Cruises

THE winter of 1926-27 will establish new high marks for steamship pleasure cruises, the number of passengers booked and the amount of money to be spent by those anxious to see the world and to obtain short respites from the wintry blasts that most of the U. S. A. is heir to, according to figures just compiled by statisticians of the American Express Company.

Frederick P. Small, president of the American Express Company, has just issued a statement showing that fifty-

seven cruises by palatial ocean liners are scheduled to leave on tours ranging from eighteen days to four months during the coming winter under the auspices of steamship and tourist companies. Six of these steamships will make world voyages, twenty-four will sail for the Mediterranean, twenty-four others will visit the West Indies and three will go to South America and South Africa.

"This is a veritable armada of pleasure ships, equal in tonnage to some of

the navies of the world," declared Mr. Small, in speaking of the elaborate plans that have been worked out during the last six months to take care of the tourists who have thus far booked. At the present rate there will be 24,100 bookings for the fifty-seven pleasure jaunts. These figures, the American Express Company's official believes, may be greatly augmented during the next few months. A conservative estimate made by experts of the American Express Company shows that approximately \$25,000,000 will be spent by tourists for accommodations. This sum is exclusive of such personal items as tips, laundry, mineral water, wines or personal expenditures of the head of the family in providing "just what is needed" for traveling.

Accountants compiling figures of the various cruises submitted their approximate totals to Mr. Small, covering all expenditures of the 24,100 globe trotters aboard the fifty-seven steamships and the grand total shows that \$75,000,000 will change hands this winter. "Looking back to 1919," said Mr. Small, "one appreciates the tremendous strides made in the winter pleasure cruising end of the steamship business. The American Express Company in conjunction with Thomas Cook & Sons, seven years ago undertook a hazardous adventure for that time, in sending the Cunarder "Caronia" to the Mediterranean on the first large cruise of its kind after the war. It was a decided success, nevertheless, and since that momentous occasion the winter cruise business has been almost fabulous, with this season exceeding all previous records.

"I am sanguine enough to predict that next year will show a still more decided increase.



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Make Reduction in Internal Public Debt of Italy

According to a cable received by the National Bank of Commerce in New York from the director general of the Italian Treasury at Rome, measures taken by Count Volpi, the minister of finance, have reduced the internal public debt of Italy from 91,309 million lire on June 30, 1926, to 89,860 million lire on July 31, 1926. Of this reduction of 1,449 million lire in a single month, 848 millions resulted from the anticipation of 4¾ per cent redeemable bonds, and the remaining 601 million lire comprised ordinary treasury bonds discounted before maturity. These transactions were accomplished through surplus funds in the budget.

Measures, not men, have always been my mark.—Goldsmith.

A PARTIAL LIST OF CURRENT OFFERINGS

Coffin, Forman & Company, Inc.

George M. Forman & Co.
Offering \$1,000,000 North American Car Corporation Ten Year 6% Sinking Fund Convertible Gold Notes. Dated December 1, 1925. Price 99½ and accrued interest to yield about 6.05%.

Aldred & Co.

Harris Trust & Savings Bank.
Bankers Trust Company, N. Y.
Minsch, Monell & Co., Inc.
First National Corporation, Boston.
Offering \$10,000,000 International Power Securities Corporation 7% Secured Gold Bonds, Series E. Dated February 1, 1927. Due February 1, 1957. Price 96% and interest, to yield 7.30%.

Bonbright & Company.

Offering \$15,000,000 Electric Bond and Share Company 6% Cumulative Preferred Stock, free from present normal Federal Income tax. Price \$107.50 per share and accrued dividends from February 1, 1927, to yield 5.58%.

Merrill, Lynch & Co.

Hemphill, Noyes & Co.
Offering \$5,000,000 McCrory Stores Corporation Convertible 6% Cumulative Preferred Stock. Par Value \$100. Price \$100 per share and accrued dividend.

Hayden, Stone & Co.

Harrison, Smith & Co.
William R. Compton Company.
Offering \$4,136,000 Georgia & Florida Railroad First Mortgage 20-Year 6% Gold Bonds, Series No. A. Dated November 1, 1926. Price 98 and interest, to yield over 6.17%.

Blair & Co., Inc.

Federal Securities Corporation.
Blyth, Witter & Co.
H. M. Byllesby & Co.
Pyncheon & Co.
West & Co.
A. B. Leach & Co., Inc.
Fletcher American Company.
John Nickerson & Co.
W. S. Hammons & Co.
Offering \$12,000,000 Indianapolis Power & Light Company 6½% Cumulative Preferred Stock. Price 98 and accrued dividend, to yield over 6.63%.

J. & W. Seligman & Co.

Hallgarten & Co.
Hayden, Stone & Co.
Chas. D. Barney & Co.
Jackson & Curtis.
Hemphill, Noyes & Co.
Knight, Dysart & Gamble.
Offering 415,000 shares Victor Talking Machine Company Common Stock (no par value). Stock offered for subscription at \$38 per share.

Speyer & Co.

J. & W. Seligman & Co.
Hallgarten & Co.
Hayden, Stone & Co.
Chas. D. Barney & Co.
Jackson & Curtis.
Hemphill, Noyes & Co.
Knight, Dysart & Gamble.
Stifle, Nicolaus & Co., Inc.
Offering \$16,500,000 Victor Talking Machine Company 7% Cumulative Prior Preference Stock. Stock offered for subscription at \$98 per share.

Blair & Co., Inc.

Hallgarten & Co.
Offering \$8,000,000 California Petroleum Corporation Twelve-Year Convertible 5% Sinking Fund Gold Debentures. Dated February 1, 1927. Convertible at option of holder into Common stock of the corporation at prices ranging from \$40 to \$50 per share according to date of conversion. Price of debentures: 96½ and interest, to yield 5.40%.

Speyer & Co.

J. & W. Seligman & Co.
Hallgarten & Co.
Hayden, Stone & Co.
Chas. D. Barney & Co.
Jackson & Curtis.
Hemphill, Noyes & Co.
Knight, Dysart & Gamble.
Offering 95,000 shares Victor Talking Machine Company \$6 Cumulative Convertible Preferred Stock. Each share of Convertible Preferred Stock will be convertible at any time after October 1, 1927, into two shares of common stock, with cash adjustment for dividends.

William R. Compton Co.

Halsey, Stuart & Co., Inc.
Offering \$750,000 St. Louis Joint Stock Land Bank 5% Bonds. Dated January 1, 1927. Optional January 1, 1937. Due January 1, 1957. Price 103.50 and interest, to yield 4.55% to optional date and 5% thereafter.

J. P. Morgan & Co.

The National City Company.
Offering \$27,000,000 Government of the Argentine Nation External Sinking Fund 6% Gold Bonds. Dated February 1, 1927. Due February 1, 1961. Offered for subscription at 98¼% and accrued interest, to yield over 6.10% to maturity.

A. C. Allyn and Company.

Offering \$1,634,000 Florida Public Service Company First Mortgage 6% Gold Bonds, Series "B." Dated April 1, 1925. Due April 1, 1955. Price 100 and accrued interest, to yield 6%.

Alex Brown & Sons.
Harris Trust & Savings Bank.
Brown Brothers & Company.
Lee, Higginson & Co.
National City Company.
Guaranty Company of N. Y.

Offering \$20,000,000 Federal Land Bank 4¼% Bonds. Dated January 1, 1927. Due January 1, 1957. Price 100¼ and interest, to yield over 4.15%.

Hallgarten & Co.

Kissel, Kinnicutt & Co.
Halsey, Stuart & Co.
Wm. R. Compton Company.

Offering \$3,000,000 Municipality of Medellin, Department of Antioquia, Republic of Columbia, Twenty-Five-Year External 7% Secured Gold Bonds of 1926. Dated December 1, 1926. Due December 1, 1951. Price 93¼ and accrued interest, to yield over 7.60%.



Offering the Oldest Form of Safe Securities



First mortgages secured by real estate existed thousands of years before the Christian era.

The oldest form of safe investment they are also the soundest. This is borne out by the fact that state laws permit banks, and other corporations that demand safety, to invest 70% of their funds in securities such as Mortgage & Securities sponsor.

Our books show that over three hundred eighty-five banks and insurance companies regularly buy our offerings.

Write for our current list of offerings.

Mortgage & Securities Co.

New Orleans - Saint Louis

Liberty Central Trust Company.
Chicago Trust Company.
John Nickerson & Co.

Offering \$500,000 Louisiana Ice and Utilities, Inc., First Mortgage Gold Bonds Convertible 6% Series A. Dated April 1, 1926. Due April 1, 1946. Price 98 and accrued interest, to yield about 6.20%.

Bitting & Co.
Lafayette-South Side Bank.

Offering \$550,000 Crazy Water Hotel Company, Mineral Wells, Texas, First Mortgage 6% Serial Bonds. Dated May 1, 1926. Prices to yield 5% to 6% according to maturity.

Caldwell & Company.
W. S. Aagaard & Company.

Mark C. Steinberg & Co.

Offering 2,701 shares Southern Surety Company, Des Moines, Iowa, Capital Stock.

Halsey, Stuart & Co.
Minnesota Loan & Trust Co.

Offering \$2,000,000 National Pole & Treating Co. Five-Year 6% Gold Notes (closed issue). Due December 1, 1931. Price 99 and interest, yielding about 6.25%.

First National Bank, N. Y.
Halsey, Stuart & Co.

Offering \$14,500,000 City of Detroit, Michigan, various 4½% and 4¼% bonds. Due serially January 1, 1928-57, inclusive. Priced to yield 4% to 4.15% according to maturity.

Liberty Central Trust Company.
G. L. Ohrstrom & Co.

Offering \$6,500,000 Peoples Light and Power Corporation First Lien 5½% Gold Bonds, Series of 1941. Dated July 1, 1926. Price 97 and interest to yield over 5.80%.

Chemical National Elects Two New Directors

At the annual meeting of the shareholders of the Chemical National Bank, held January 11, Robert Goelet and Lamot DuPont were added to the Board.

Robert Goelet is a prominent real estate owner and operator of New York

City. Members of the Goelet family were active in the early development of the bank. He is the fourth of his family to serve on the Board. His cousin, Robert Walton Goelet, is a member of the Board at the present time.

Lamot DuPont is president of E. I. DuPont De Nemours & Co. The DuPont family have been customers of the Chemical Bank continuously for 100 years.

This makes a total of 36 directors that have served the Chemical Bank during its career of 102 years.

Frederic W. Stevens begins his 56th consecutive year of service as a member of the Board of Directors of the Chemical Bank. It is believed he holds the record among bank directors for length of service.

The shareholders ratified the \$500,000 stock dividend recommended by the Board, which brings the total capital of the bank to \$5,000,000. Surplus and undivided profits are \$19,000,000.

Announce Organization of Norwine & Company

Announcement has been made of the organization of W. H. Norwine & Co., Inc., dealers in investment bonds, with offices in the Planters building, St. Louis.

W. H. Norwine, formerly St. Louis manager for the Commonwealth Bond Corporation, and more recently associated with the sales organization of Caldwell & Co., is president of the new company, and A. D. Jenkins, formerly St. Louis manager for the American Bond and Mortgage Company, is secretary-treasurer.

The new company will deal exclusively in the underwritings of old established bond houses, offering municipal, industrial and public utility bonds. The company will also maintain a real estate bond department through which it will offer collateral trust and first mortgage real estate bonds, unconditionally guaranteed as to principal and interest by the United States Fidelity and Guaranty Co., the largest indemnity company in America.

Hawes Is Named Chairman of Clearing House Committee

Richard S. Hawes, Vice-President of the First National Bank in St. Louis, was re-elected chairman of the Committee on Management of the St. Louis Clearing House Association at a recent election held by the association. Mr. Hawes was also elected vice-president of the association.

Neither rhyme nor reason.—Shakespeare.

As Business "Speeds Up"

Here are important facts:

1. Today, in this country with its 17,000,000 telephones, there are 70,000,000 telephone conversations daily. A large part of these deal with business matters.
2. It takes only about thirty seconds, on an average, to establish business contacts by telephone.

This tremendous number of calls, with the rapidity of their completion, is not only an indication of the way modern business has "speeded up", but is also a reflection of the part played by the telephone in the speeding up process.

Gathering speed, American business has required speed from the agencies which serve it, and help to make it great. The telephone has kept—if indeed it has not set—the pace.

This nation-wide service and the facilities that make it possible underlie Bell System Securities.



"The People's Messenger"

This investment stock can be bought in the open market to yield a good return. Write for booklet, "Some Financial Facts."



BELL TELEPHONE SECURITIES CO. Inc.

D.F. Houston, President
105 Broadway NEW YORK

Along La Salle Street

By Wm. H. Maas

Acknowledgement is hereby made of the friendly comment anent the inauguration of this column last month by bond men and bankers along the street. The good words were sent in by letter, telephone and personal calls. For all "them kind words" we are sincerely grateful.

William McKinley Edens is a chip off the old block. Colonel William Grant Edens, vice-president, Central Trust, may well be proud of the young man. He spent the holiday season in Chicago, returning a few days ago to resume his studies in finance at the Harvard School of Business Administration. He was formerly affiliated with the National Bank Examiner's Office, working out of Chicago.

George Woodruff made another master stroke last month when he enlisted the services of Ray McNally, the most popular young banker in Missouri, who has since been elected a vice-president and director of the National Bank of The Republic. Ray's achievements would more than fill this column and he will make a most valuable acquisition to the City of Go.

As a matter of fact, this bit of news is a co-incidence in view of reference made here last month concerning a group of stars in the banking district of St. Louis who have moved to Chicago during the past several years.

These changes, together with other activities, are all tending to bring the two big cities of the Middle West even closer together. Only a short while ago, the railroads clipped off a lot of time in their schedules until now the distance is made in six and one-half hours. The Illinois Bell Telephone Company have also announced that their new cable, joining Chicago and St. Louis, is opened. It was constructed over a period of two years. It makes possible more than 250 telephone circuits and the sending of 500 or more telegraph messages while conversations are going on.

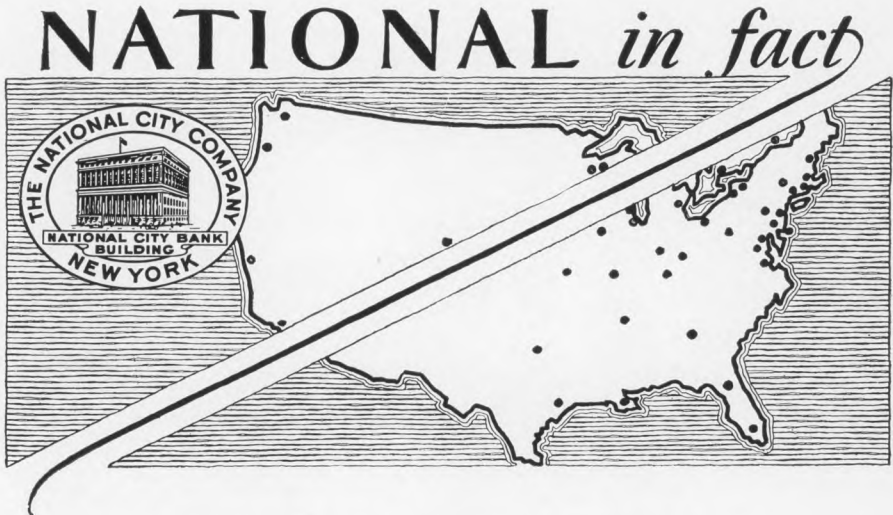
Walter Crawford, president of the Illinois Bankers Association, thinks that every normal person should become rich. Speaking during National Thrift Week, Walter asserted that measured by the standards of 200 years ago, the ordinary people are rich right now.

St. Louis and Chicago bankers ARE the best of friends, socially as well as financially. When Festus J. Wade, Jr., was married a few days ago, an interesting group of Chicagoans were in attendance at the wedding at the St. Louis Country Club. Stuart Otis of the Central Trust was one of the ushers.

New honors have a way of showering down on successful men in meritorious fashion. Charles Glore, of Marshall Field, Glore, Ward & Co., is now the youngest member of that galaxy of

successes on the directorate of the Continental & Commercial Banks, the election taking place in January. P. D. Armour, the packer, and George Getz have also been elected to the board. To classify the latter gentleman, it is necessary to explain that he has the largest private zoo in the world, that he is a close friend of Al Smith of New York, and in business is a most successful coal man.

What does a bank robber look like? Ask W. E. (Bill) Rowens, Jr., assistant manager of the Protective Department, Illinois Bankers Association. Bill makes regular visits to the state penal institutions at Pontiac, Joliet and Chester, specializing in a study of the boys who tried to make big hauls from some



The following list of National City investment offices gives in fewest possible words our conception of nationwide service. Current bond quotations, investment advice, investigated offerings—these are available at the office nearest you.

- | | | |
|--------------------|-----------------|---------------|
| ALBANY | KANSAS CITY | SAN DIEGO |
| ATLANTA | LOS ANGELES | SAN FRANCISCO |
| ATLANTIC CITY | LOUISVILLE, KY. | SEATTLE |
| BALTIMORE | MEMPHIS | ST. LOUIS |
| BOSTON | MIAMI, FLA. | SAINT PAUL |
| BUFFALO | MILWAUKEE | TOLEDO |
| CHICAGO | MINNEAPOLIS | WASHINGTON |
| CINCINNATI | NEWARK | WILKES-BARRE |
| CLEVELAND | NEW ORLEANS | MONTREAL |
| DALLAS | OAKLAND, CAL. | TORONTO |
| DAVENPORT | OMAHA | LONDON |
| DENVER | PHILADELPHIA | AMSTERDAM |
| DETROIT | PITTSBURGH | COPENHAGEN |
| HARTFORD | PORTLAND, ME. | GENEVA |
| HOUSTON | PORTLAND, ORE. | TOKIO |
| INDIANAPOLIS | PROVIDENCE | SHANGHAI |
| JACKSONVILLE, FLA. | ROCHESTER | |

The National City Company

National City Bank Building, New York

BONDS · SHORT TERM NOTES · ACCEPTANCES

of your institutions at the point of a gun. He has had heart-to-heart talks with about forty of this type of criminal during the past six months.

With the annihilation of distance and long trips being figured these days in terms of minutes rather than miles, busy bankers think nothing of a brief holiday even on foreign shores. A. K. O. Cochrane, Union Trust Company, Chicago, is back on the job after a fortnight in London. Mrs. Cochrane remained for a more extended sojourn.

La Salle Street was about to stage

an impromptu Douglas Fairbanks welcome last week. It was found, however, that the agile actor was apparently still in Hollywood and that the Chicago visitor who is his "double" was none other than Sam A. Zeigler, the well known prexy of the Albion, Ill., National Bank, who came on to attend the Illinois Bankers Association mid-winter dinner at the Palmer House.

The Chatham Phenix National of New York have appointed a very capable representative in the Middle West in the person of Frank J. Denison, assistant vice-president, whose

acquaintance we acknowledge since his arrival in the Chicago territory.

Tribute is herewith paid to the memory of a former employer, the late Honorable David R. Francis, St. Louis, who passed on to the Great Beyond a few days ago. His fine old investment banking house of Francis, Bro. & Co. is entering its golden jubilee of service, having been founded in 1877. Banker, diplomat and statesman, his long and enviable career included being mayor of his city, governor of his state, chairman of the World's Fair board and ambassador to Russia.

Announce Organization of Gatch Bros. & Co.

Announcement has been made of the organization of Gatch Bros. & Co., dealers in investment securities with offices in the Planters building, St. Louis.

Members of the firm include Calvin F. Gatch, who for the past seven years has been associated with William R. Compton & Co., and Nelson B. Gatch, who has lived in New York for the past ten years, where he has recently been associated with Hemphill, Noyes & Co. Prior to his connection with Hemphill, Noyes & Co., Nelson B. Gatch was assistant vice-president of the Chicago Pneumatic Tool Co.

The new company will handle a general line of high grade securities, both stocks and bonds.

Chemical National Elects Six New Officers

Charles E. Meek, formerly assistant vice-president of the American Exchange National Bank, was elected assistant vice-president of the Chemical National Bank at a recent meeting of the board of directors of the latter institution. Meredith Wood, formerly assistant cashier of the Chemical National, was elected assistant vice-president.

Gilbert Yates, Gilbert H. Perkins, and Wandell M. Mooney were elected assistant cashiers of the Chemical, and R. A. Coile was elected assistant manager of the Madison Avenue office.

Directors of the Division State Bank, Chicago, Ill., have declared an extra dividend of 4 per cent payable January 1 to stockholders of record December 15. This in addition to the regular dividend of 6 per cent paid this year makes a total distribution of 10 per cent for 1926.

To scorn philosophy is truly to philosophize.—Pescal.

GENERAL MOTORS ACCEPTANCE CORPORATION

Executive Offices:
250 West 57th Street, New York City

THE obligations of this institution are selected as appropriate and sound mediums for short term investment by a large banking clientele. They may be obtained in convenient denominations and suitable maturities.

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- Curtis C. Cooper . . . *President*
- Albert L. Deane . . . *Vice President*
- Pierre S. duPont . . . *Chairman, General Motors Corporation and E. I. duPont de Nemours & Co.*
- Lammot duPont . . . *Finance Committee, General Motors Corporation.*
- O. H. P. LaFarge . . . *General Motors Corporation*
- Seward Prosser . . . *Chairman, Bankers Trust Company New York*
- John J. Raskob . . . *Chairman, Finance Committee, General Motors Corporation*
- Alfred P. Sloan, Jr. *President, General Motors Corporation*
- John J. Schumann, Jr. *Vice President*
- Donald M. Spaidal. *Vice President*

Statement Envelopes
HECO—CHICAGO

Safety Pay Envelopes
HECO—CHICAGO

Olive Street Notes

Tom Dysart of Knight, Dysart & Gamble and John Longmire, vice-president and bond officer of the Mississippi Valley Trust Company, spent a few days during the forepart of last month as guests of S. Davies Warfield, president of the Seaboard Air Line Railroad, aboard the "Orange Blossom Special," which made a trip from New York to Florida, traversing the new extensions of the road from Miami and Fort Myers to Naples on the West Coast. J. Hugh Powers, vice-president of the Mercantile Trust Company, was also an invited guest, but at last accounts was unable to accept the invitation.

Theis & Diestelkamp Investment Co., with offices in the La Salle Building, have announced the change of the firm name to Albert Theis & Sons, Inc. Mr. Diestelkamp was obliged to retire from the firm about a year ago, due to ill health, and he has not been interested in it financially since that time.

Figures announced by the St. Louis Clearing House substantiate the general impression "business as usual." Clearings last year amounted to \$7,631,800,000 compared with \$7,626,600,000 in 1925 and \$7,174,033,847,000 in 1924.

Calvin F. Gatch and Nelson B. Gatch have announced the organization of Gatch Bros. & Co., investment security dealers with offices in the Planters building. Calvin was formerly with William R. Compton & Co., and Nelson was formerly with Hemphill, Noyes & Co.

Frank Hamilton, Jr., is now secretary of Aid & Company. His promotion came at the first of the month and he has been busy receiving congratulations from his many friends since that time. Frank is a familiar figure at Missouri group meetings and conventions and has a host of friends throughout the Mid-Continent territory. He spent a number of years traveling for investment houses in Missouri, Illinois, Arkansas, Kansas, Texas, Louisiana and the southwest territory.

W. H. Norwine, formerly with Caldwell & Company, and A. D. Jenkins, formerly manager of the St. Louis office of the American Bond & Mortgage Company, have announced the organization of W. H. Norwine & Co., Inc., dealers in investment bonds. Offices of

the new company are in the Planters building.

William R. Compton Company have announced the opening of an office in Atlanta, Georgia, under the management of Marshall J. Wellborn and John D. Wellborn.

William C. Morehead has been elected a member of the firm of Smith, Moore

& Co. Mr. Morehead has been connected with Smith, Moore & Co. in an executive capacity for the past two years. At one time he was associated with the late Henry C. Scott in the development of his power enterprises. After the death of Mr. Scott he moved to Milwaukee, where he became president of a boat building concern, in which capacity he remained until he returned to St. Louis two years ago.

George B. Groves is now associated with the sales organization of William R. Compton Co. Mr. Groves has been connected with the sales organization

Complete Equipment for Investment Service

A Diversified List of Offerings

—the securities which we offer have been purchased for our own account after most careful consideration of their safety and necessary marketability.

An Experienced Personnel

—seasoned by practice over many years and in many changing markets.

Outstanding Industrial and Financial Advisors

—our directors, whose industrial and financial activities are nation-wide, afford us the finest sources of information and advice.

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—a private wire service that reaches everywhere through 36 centers gives close contact with the principal markets and provides unexcelled service in the execution of orders for both listed and unlisted securities.

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Director, Northern Trust Co.,
Chicago

WM. V. KELLY
President, Miehle Printing Press
and Mfg. Co.

Director, Continental &
Commercial National Bank

ROBERT P. LAMONT
President,
American Steel Foundries
Director,
International Harvester Co.
Director,
Montgomery Ward & Co.
Director,
First National Bank, Chicago

CLIFFORD M. LEONARD
President,
Leonard Construction Co.
Director,
First National Bank, Chicago

GEORGE A. RANNEY
Vice-President and Treasurer,
International Harvester Co.
Director,
Union Trust Co., Chicago

A. A. SPRAGUE
Chairman,
Sprague, Warner & Co.
Director,
Illinois Merchants Trust Co.

ROBERT W. STEWART
Chairman,
Standard Oil Co. of Indiana
Director, Continental &
Commercial National Bank
Director,
National City Bank, New York

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Sixty Days to Six Years

Because of their marketability, safety of principal and early maturity, high-grade short term securities are especially adapted to the needs of many banks.

Caldwell & Company are able to offer such institutions a widely diversified list of short term bonds—municipal, corporation and first mortgage.

With maturities ranging from sixty days to six years, with safety of principal and interest assured, and with a nation-wide investment house providing easy marketability, these securities furnish banks an excellent means of employing advantageously any temporarily idle funds.

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will bring our selected listings.*

Caldwell & Company

Southern Securities

117 North Fourth Street St. Louis, Missouri

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Lawrence Stern and Company

231 South La Salle Street • Chicago

BOARD OF DIRECTORS

WILLIAM WRIGLEY, JR., Chairman of the Board of William Wrigley Jr. Company	JOHN HERTZ, Chairman of the Board of Yellow Truck & Coach Manufacturing Co.
JOHN R. THOMPSON, Chairman of the Board of John R. Thompson Company	HERBERT L. STERN, President of Balaban & Katz Corporation
ALBERT D. LASKER, Chairman of the Board of Lord & Thomas and Logan	ALFRED ETTLINGER, Vice President
STUYVESANT PEABODY, President of the Peabody Coal Company	JOSEPH J. RICE, Vice President
CHARLES A. McCULLOCH, President of Parmelee Company	LAWRENCE STERN, President



This company conducts a general securities business, originating and participating in high-grade investment issues and devoting special attention to first mortgage real estate bonds.

of William R. Compton Co. in the past, but recently has been connected with the securities department of Henry L. Doherty & Co.

J. A. Pondrom, Jr., has been admitted to partnership in the firm of Bitting & Co.

Charles L. Kuhlman has been elected assistant treasurer of Taussig, Day, Fairbank & Co., Inc. He was formerly connected with William R. Compton Co.

The sale of the Louisiana Pulp and Paper Company to Bond & Goodwin, New York bankers, at a reported price of more than \$8,000,000 cash, represents one of the largest financial transactions handled in St. Louis in recent years. J. L. Johnston, former president of the Liberty Central Trust Company and now a partner in Bond & Goodwin, purchased the stock and outstanding securities of the paper company for the New York banking firm. Mr. Johnston said that the paper company would probably be resold to the International Paper Company of New York.

Seats on the New York Stock Exchange, limited to 1,100, now have an estimated value of more than \$200,000,000. The last sale of a seat on the Exchange involved a consideration of \$185,000 and it is forecast that the next sale will involve a sum approximating \$200,000. Those in St. Louis owning seats on the exchange are: I. M. Simon & Co., Mark C. Steinberg, Albert N. Edwards, G. H. Walker, Harry F. Knight, J. D. Perry Francis, Paul Brown and Oliver J. Anderson.

Pliny Jewell, president of the Investment Bankers Association; Alden H. Little, executive secretary of the association, and Harry Rascovar, publicity representative, made a short visit to St. Louis recently to attend a meeting of the Mississippi Valley Group of the Investment Bankers Association of America. Mr. Little said that it seemed right good to step along the sidewalks of Olive street and visit with his friends.

Announcement has been made that the partnership of Francis, Bro. & Co., as heretofore conducted, will be continued by the following as partners: J. D. P. Francis, D. R. Francis, Jr., Talton T. Francis, Thomas H. Francis, C. Henry Hiemenz and John E. Riley.

Philosophy triumphs easily over past evils and future evils, but present evils triumph over it.—La Rochefoucauld.

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BANKERS and
BROKERS**

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for listed bond quotations
FAST THROUGH WIRES
to New York and every
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MONTHLY QUOTATION SHEET
to list markets on many inactive stocks and bonds
Your inquiries invited

**Mark C.
Steinberg
& Co.**



Olive 4600
Boatmen's Bank Bldg. Hotel Jefferson
ST. LOUIS
Members New York Stock Exchange
Members St. Louis Stock Exchange

**Hamilton Now Secretary of
Aid & Company, Inc.**

Aid & Co., Inc., investment bankers with offices in the Security building, St. Louis, have announced the election of Frank H. Hamilton, Jr., as secretary of the company.

Mr. Hamilton, who has been in the investment business in St. Louis since 1915, is well known to the bankers in the Mid-Continent territory. He was born in St. Louis and received his education at Smith Academy.

He entered the investment business in 1915, and, prior to his connection with Aid & Co., he was associated with



Frank H. Hamilton, Jr.

A. G. Becker & Co., and later with Geo. H. Burr & Co., traveling for these two companies in Missouri, Illinois, Arkansas, Kansas, Texas, Louisiana, Alabama, Mississippi, Tennessee and Kentucky.

Mr. Hamilton is a member of the Racquet Club and of the Sunset Hill Country Club.

**Chase National Resources
Total \$968,967,312**

The Chase National Bank of the City of New York in its statement of condition as of December 31, 1926, shows total assets of \$968,967,312, which is an increase of \$37,316,598, compared with resources of \$931,650,714 reported on June 30, 1926. Deposits on December 31 amounted to \$852,456,114, an increase of \$39,030,245, compared to deposits of \$813,425,869 on June 30, 1926. Capital and surplus were reported as \$40,000,000 and \$25,000,000, respectively, and undivided profits increased to \$13,204,473 as of December 31, against \$11,764,112 on June 30, 1926.

A great empire and little minds go ill together.—Burke.



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180 W. Washington Bldg.

Chicago, Illinois, First Mortgage Leasehold 6 1/2% Serial Sinking Fund Bonds secured by leasehold estate and office building appraised at 164% of loan. Write for circular. Legal Investment for National Banks.

**Equitable
BOND & MORTGAGE CO.**
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Knight, Dysart & Gamble

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BONDS

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GA rfield 7790

MEMBERS
NEW YORK STOCK EXCHANGE
ST. LOUIS STOCK EXCHANGE

*We take pleasure in announcing
that*

Mr. Frank H. Hamilton, Jr.

has been elected

*Secretary of this Company,
effective January 1st, 1927*

Aid & Company, Inc.

Security Building :-: St. Louis, Mo.

HIGH RATES

*Short Term Bank Paper
Motor Lien Participating Certificates*

Maturities 30 Days to 12 Months
Discount Rates $6\frac{3}{4}\%$ to $7\frac{1}{2}\%$
Payable, New York, New Orleans, Dallas, St. Louis

Guaranteed by Two Companies with Net
Assets Over \$1,900,000

Ask for Circular M. B. for Full Particulars

PALM BEACH GUARANTY COMPANY

Net Assets Over \$1,300,000

Guaranty Building West Palm Beach, Fla.

Purchase Largest Group Life Insurance Policy

Alfred P. Sloan, Jr., president of General Motors, announces the purchase from the Metropolitan Life Insurance Company of the largest group life insurance policy ever issued in point of number of lives insured. General Motors has more than 100,000 employees who have been on the pay roll three months or more, and are thereby covered by this policy, each for \$1,000. Thus the original amount of insurance will exceed \$100,000,000.

The insurance is payable at death to a designated beneficiary, or in event of total and permanent disability before age 60 to the insured in twenty equal monthly installments.

The plan will be co-operative, the employes and General Motors sharing the cost.

Anakin Company Announces New Micro-Larm

Before a burglar enters a home to rob it he often slips a pair of heavy socks on over his shoes to muffle his footsteps.

There is no way, however, for him to muffle the sounds made by his attack on the walls or door of a bank vault so that they will not immediately function the Micro-larm made by the Anakin Lock and Alarm Company, Chicago, Ill.

This invention employs a special Microphone inside the vault which picks up any sound made by attackers of the vault, and converts that sound into a signal which actuates a loud sounding gong on the outside of the bank and simultaneously another signal in the nearest police station, and other points if desired.

Original and radical developments have been incorporated into this system which we believe will at once win the approbation of bankers everywhere.

The gong housing is constructed wholly of bronze and copper—metals which will defy time and the elements, and which will not mar the front of the finest bank building with rust or corrosion streaks.

Many other exclusively Anakin features are embodied in its construction, all of which combined, the manufacturers assert, will make this a trouble-proof and positively reliable and durable system.

The World War left us with a trend toward the literature of gloom, despair, vulgarity and sex, but how grateful we are today to know that this stuff is going out of style!—The Silent Partner.

The Danger Line in Real Estate Bonds

By H. J. Kenner

General Manager, Better Business Bureau of New York City, Inc.

BOTH the financial world and the investing public are alert now to ills which have for a number of years affected the creation and distribution of real estate mortgage bonds.

The public is alarmed, even, and has, temporarily at least, reduced its purchases. This is due largely to recent disclosures resulting from the G. L. Miller & Co. failure which revealed that company's practices. The Miller company had attained a volume of sales approximating \$15,000,000 annually and was a large user of advertising space in national mediums in which it featured the slogan, "No investor ever lost a dollar in Miller Bonds." The advertising also claimed "four distinguishing marks" for Miller bonds; independent appraisals, bank certification, moderate size loans and full interest. Investigation has shown that the claims for independent appraisals and moderate size loans could not be substantiated.

The total of real estate security offerings has grown rapidly. With the rush of building to catch up with the wartime shortage and attractive rates of interest, a large investor demand was found. Large selling organizations grew up to handle the business. Construction was stimulated, whether needed or not, to provide issues which the public would absorb. This has continued with increasing momentum.

In this period, popular belief attributed to all real estate mortgage bonds about the same safety as the mort-

gage of the individual home-owner or "other borrower on real estate" whose experience had been gained in financing his own needs with home-town bankers or loan associations. Skillful advertising promoted sales easily by repetition of the safety theme, yet the average

purchaser was unaware of the large element of speculative risk often possessed by the bonds so advertised.

The term bond, unless qualified, has always implied to the public a first mortgage lien on physical property with large equity serving as a margin of safety for holders of such bonds should default of interest payments make foreclosure necessary. But when the meaning of this term was stretched by realty bond underwriters to cover issues which included second mortgage risks,

and sometimes left no appreciable equity, the danger line was crossed.

For the past several years, the Better Business Bureau has been studying abuses in this field. The Bureau has investigated individual companies and developed facts which have been used to bring about correction of specific practices through the Bureau's recommendations to the subject company; information has been made available to investors, and facts have been presented to State and Federal authorities to bring about punitive or restraining action. Over a year ago, the Bureau placed specific facts before the Attorney General of New York State on which he subsequently acted.

Complainants Slow to Appear.

There have been no criminal prosecutions in this field. Where fraud has been indicated, injured complainants have been lacking until recently. The individual investor has not known when he has been deceived. If individual bonds which he held were issued on an over-valued building or became in default, he seldom knew it until too late to protect himself.

In September, 1925, the Better Business Bureau presented to the annual convention of State Securities Commissioners an outline of the conditions existing. As a result, special attention was given to preventive action by several states and a number of specific cases were acted upon. A real estate securities committee was appointed which reported at the annual conven-

The article on this page is reprinted from a recent issue of "The Industrial Digest," which commented editorially as follows: "Real estate security sales have increased 15 times over since the war—from \$50,000,000 a year to \$750,000,000. They absorbed well over \$10 out of every \$100 put into regularly issued securities in 1925, when one-eighth the national income went into new buildings."

If You Can Answer These Questions

—and answer them correctly your investment profits will show immediate improvement.

- (1) Is the trend of stock prices up— or down?
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tion of the commissioners last September in New York City, at which wrong practices in the real estate mortgage bond field were the chief topic.

For several years this question has been made the subject of intelligent and valuable annual reports of the real estate securities committee of the Investment Bankers' Association of America. An especially important report was made to the 1926 convention of the Association held at Quebec. These reports have been of sound and constructive influence in shaping the course of business practice among conservative and high-minded houses of issue. They have not reached the general public, however, and have not been in form for public information.

It is not possible in an article of limited scope to do more than indicate the extent of this problem, the solution of which is perplexing and vexatious. The situation calls for clear-headed and thoughtful action on the part of the business groups affected in order that right business conduct may be plainly defined and leadership be exerted to put proper standards into full effect. Further, there is needed a simple and constructive set of cautionary principles which the public can apply in considering the purchase of real estate securities. Sustained sales resistance should be set up against misrepresented

or unsound issues, but reduced with respect to issues worthy of confidence. This is a large order, but it is the right approach to the problem.

Whether new legislation and regulation by government can and should be enacted to cope with existing abuses is an open question. For the present, existing laws should be vigorously and promptly applied when their violation becomes apparent. Further resort should be made to the case work system by which specific acts of particular companies are given attention, as distinguished from sweeping generalizations.

The Better Business Bureaus have followed this course, finding facts and proceeding quietly to help stimulate correction by business, government or the public. This is not a time for hasty action and hysteria engendered by fear of future calamity. Ill-considered measures are not likely to prove a real remedy. There is no short cut.

Getting down to simple elements, the first consideration is the investor. His conception of a modern real estate bond is vague. He looks to the organization which sells him the bonds rather than to the facts about the particular property. He may be unable to see the forest because of the trees. He sometimes is unaware of his actual position as a lender, of his rights and of his

risks. More often than not he may purchase someone's promise to pay on the reputation of the vendor organization—a reputation achieved perhaps by marketing skill rather than by the development of safety factors and strength in performance for the public interest.

The average investor in this class of security has thus been uniformed about the signs of insecurity in the field. He has not been taught to safeguard himself against undue hazards and has followed a course of least resistance. Because he has not been cautious, some vendors have passed the safety signals to reach large profits more quickly.

Enumeration of all the pitfalls is neither possible nor necessary here. The principal sources of trouble, however, seem to arise from construction loans where bonds are sold to the public before buildings have been built. Factors of value and net earnings from the operation of properties are in such cases a matter of the future and, therefore, only estimates and conjectures which vary with business judgment and conscience.

What Is Needed.

There are so many factors essential to the success of a building venture that, as one New York leader in the real estate securities field recently said: "There is no man or group of men smart enough to predict the real

The Chase National Bank of the City of New York

57 BROADWAY

Capital \$ 40,000,000.00
Surplus and Profits 38,204,473.58
Deposits (December 31, 1926) 852,456,114.24

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1927

Bank Advertising Rises to New Standards of Excellence Each Year.

—What will *Your Bank* do during 1927 to establish its *Leadership* in this as in other respects?

—The day when *one* bank could create an advertising campaign of *leadership* is dead:—but *Your Bank* can still control the leading campaign for its entire trading territory.

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400 Rooms with Baths
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3 New Features: 26.6% greater size—6 more painters—50% more color—all at the old price in Reed's Mass-magazine Plan for 1927.

See it for yourself.

value of a building until it is constructed and in actual operation." Factors of management, general business conditions and trends of community development enter into the success of the project and into the basic security of the loan which the bondholder has made on the property.

Fundamentals in the consideration of construction loans include:

- 1—The need or demand for the particular type of building proposed to be erected.
- 2—Appraisal of values.
- 3—The amount of actual investment (cash or property) made by the borrower.
- 4—The status of the land, i. e., leasehold or ownership.
- 5—The standing and integrity of the issuing house.
- 6—Trusteeship of funds.

Plainly, the major element in the success of any building project is its rentability at profitable rates stabilized by actual need for that particular type of building in a community. A hotel erected in a city too small to support it will prove unprofitable and lead to default in interest payments.

Appraisal is necessarily opinion. To be of value, opinion must be based upon sound knowledge and unbiased judgment. Appraisals have not infrequently been made in order to justify large loans arranged before buildings have been started and before all basic facts were available. The issuing house, deriving its profits from a percentage of the total loan, has been tempted to make the loan a high figure, sometimes as much as 100 per cent of a conservative valuation of the property.

"You get the land, we'll do the rest," is too often the principle. Valuable land put into the project in fee ownership furnishes a sound start, but should land of small value or a leasehold be negotiated on condition that a construction loan will finance a building on the site, the borrower may be found to have too small a stake to make it safe. Real protection for the bondholder is a positive provision that the borrower have a real, tangible investment in the project. All too often a leasehold is figured in the value of the building as an asset. Whether it is an asset or a liability is wholly dependent upon the amount of ground rent required under the leasehold.

When Land Rent Comes First.

It is a common practice in large cities for owners of land to retain their ownership and to lease the land for a long period conditional upon income-producing property being erected on it. The owner of the land has the superior position on a building so erected. The rental for the ground takes prece-



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 February
 List**

of sound, well-secured bonds is suited to the requirements of conservative investors whose main considerations in buying are safety of principal and a steady, dependable income.

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Three entirely new features in Reed's Mass-magazine Plan for 1927

See them for yourself.

Safety Pay Envelopes
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dence over interest payments to holders of mortgage bonds; if the rental is in default, the landowner may come into possession of the building. The investor in bonds issued on such a building may not have the means of knowing when his investment is jeopardized.

The standing and integrity of an issuing house should be determined by its care in safeguarding investors as well as by its financial resources. An underwriting company may have reputation, but it may lack character; it may see fit to withhold facts about individual issues, especially when construction loans turn out to be unsuccessful.

It has become a common practice for underwriting houses to deduct from bond sales proceeds the interest accruable on them during the construction period. The average bond purchaser (the lender) assumes that this money goes into the actual value of the building. In many cases it is used as a factor determining the cost of the building upon which the loan is predicated. The borrower should rightfully assume this item of cost and this portion of the lenders' money should be transposed into tangible property rather than be paid back to him as interest. Such an item amounted to \$69,000 on an \$880,000 bond issue examined not long ago by the Better Business Bureau.

Full protection for the investor requires—on construction loans—the segregation of the proceeds of the sale of each bond issue; the underwriter should pay that particular money, less reasonable financing costs, toward the erection of that one building. Should he not do this, and should such funds be mixed with the proceeds from the sale of other issues, and an underwriter encounter financial difficulty, the interest of the investor becomes jeopardized, despite the fact that the particular issue into which he has made his purchase, may have been sound.

Adequate protection for the investor requires an independent trustee to administer sums paid to meet amortization requirements and regular payments of interest. And it should be provided that the interest earned on funds in the hands of the trustee be equitably applied.

The investor can help meet this situation by submitting sound questions to the vendor of real estate securities, to be answered in writing, before a bond purchase is made. Such procedure would work no hardship on the issuing house since such questions could be answered in advance in circulars advertising each issue.

The Bank of America Now Occupies New Home

The Bank of America, one of New York's oldest banks, has officially opened the doors of its new twenty-three story building at the corner of Wall and William streets. There were receptions to the officers of correspondent banks, friends of the bank and the general public, and guests were given an opportunity to see all the departments of the bank.

The new building, which was begun in the Spring of 1924, enjoys the very unique distinction of being the fourth home which the Bank of America has had on this same Wall and William site since the bank was granted its charter in 1812. The structure is built in American colonial style, a type of architecture chosen because of its appropriate historical character and because of its excellent adaptation to new zoning law requirements.

An appearance of great beauty and dignity has been obtained in the main banking room through close adherence to Colonial architectural detail. A double row of Doric columns runs the length of this room, which is two stories in height, covering the entire lot 55 by 162 feet and containing a gallery, bank screen and space for officers.

A simple and harmonious effect has been achieved by the use of gray marble for columns, walls and bank screens, with a panelled ceiling decorated in blue and gold. No other decoration features the main banking room other than portraits of past presidents which are hung on the gallery wall.

The Colonial style has been carried out in detail in the president's office, director's and conference rooms, and museum on the third floor. Here, dark walnut furniture of Colonial design, low ceilings and walls finished in old American and Colonial design combine to give an effect of great simplicity and warmth.

Placed on exhibition in the museum are several historical treasures connected with the earliest history of the bank. There is a note of J. Fenimore Cooper, who owned 25 shares of the bank stock; the petition for charter presented at Albany in 1812, a strong box for specie, said to have been captured by the British forces in the war of 1812; the first ledger used in the bank, a bible, tablecloth, director's table and ballot box all used at board meetings more than a hundred years ago.

The Bank of America occupies four floors in the new building in addition to the main banking floor and five sub-basements.

PARAPHRASED PROVERBS

A Bank Is Known by the Business Interests it Serves

We are proud to number among our correspondents the leading banks and bankers both here and abroad.

Every important national industry is represented on our books—some for more than a century.

We are thus in position to render you a service based on a long and diversified experience, a service that keeps you in touch with representative and profitable business.



THE PHILADELPHIA - GIRARD NATIONAL BANK

PHILADELPHIA, PA.

Capital, Surplus and Profits . . . \$28,300,000

BANK OF NEW SOUTH WALES, AUSTRALIA

Paid-Up Capital \$30,000,000.00
Reserve Fund - 23,750,000.00
Reserve Liability of Proprietors - 30,000,000.00
\$83,750,000.00

Aggregate Assets } \$410,975,720.00
30th Sept., 1926 }

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431 Branches and Agencies in all Australian States, New Zeland, Fiji, Papua, Mandated Territory of New Guinea and London

Australia

Population, 6,000,000; Area, 2,974,581 square miles; Sheep, 80,110,000; Cattle, 14,350,000; Horses, 2,400,000; Imports, \$785,500,000; Exports, \$805,600,000.

Annual Value of Australia's Products

Agricultural, \$405,625,000; Pastoral, \$514,215,000; Dairying, \$210,559,000; Mining, \$111,159,500; Manufacturing, \$1,742,888,000; Total, \$2,984,446,500.

FOREIGN BILLS COLLECTED—Cable remittances made to, and Drafts drawn on Foreign places DIRECT. Circular Notes issued, NEGOTIABLE THROUGHOUT THE WORLD.

St. Louis Agents: NATIONAL BANK OF COMMERCE

Federal Surety Figures Show Continued Gain

THE stockholders of the Federal Surety Company of Davenport have ratified the recommendation made by the company's directorate board authorizing an adjustment of capital and surplus so that the company's underwriting activities need not be curtailed.

The plan calls for a transfer of three-eighths of the \$1,160,000 capital into surplus, thereby adding \$435,000 to the surplus account and placing the company in a position to take care of a steadily increasing volume of business. This will leave a capital of \$725,000—ample for the company's present premium volume.

W. L. Taylor, vice-president and general manager, in announcing the company's plans, indicated that the company's capital through the sale of stock would be reincreased to a million dollars and would, by selling the stock at a substantial premium, build a million dollar surplus.

Federal Surety figures as of September 30, 1926, show a 35 per cent increase in volume—\$1,254,083 net gross premiums as compared with \$928,374 for the same period in 1925. Operation expenses have been reduced, including commissions, which show an average of less than 22 per cent.

In Twenty-three States.

The Federal Surety is doing business in twenty-three states through 1500 agents and branch offices in Denver, Des Moines, Minneapolis, Chicago, Detroit, Dallas and Washington, D. C. Mr. Taylor expects the organization to produce a premium volume of approximately \$2,500,000 during 1927, which will mark a very substantial progress since July 1, 1920, the date the company was licensed to do business and the company's business, as pointed out by Mr. Taylor, has been placed on the books by Federal agents, the company never having reinsured any other company.

General Manager Taylor, since taking active management of the Federal's affairs has laid special emphasis on conservative underwriting with the result that this Iowa company doing a national business is able to show "experience figures" comparable to any in the business.

Allied in the management of the Federal Surety is a strong board of directors, composed of individuals prominent in finance and industry.

The directors are—Messrs. C. W. Borg, founder of Borg & Beck; M. H. Calderwood, banker, ex-president of the Iowa Bankers Association; George E. Decker, director and president of the Register Life; Charles Grilk, attorney, general counsel of the Register Life; H. C. Kahl, vice-president Walsh Construction Company, railroad contractor and director in banking and hotel companies and owner of the Kahl buildings, Davenport; Charles Shuler, coal operator, director and president of the Iowa National Bank of Davenport; Frank B. Yetter, director Register Life Insurance Company, director and active vice-president of the Iowa National and an ex-president of the Iowa Bankers Association; W. L. Taylor, vice-president and general manager.



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MELVIN A. TRAYLOR
President

Combined Resources Exceed \$450,000,000

Consolidations at Tremont and at Chandlerville

The Tremont National Bank and the First National Bank of Tremont, Ill., have consolidated under the name of the First National Bank. Officers and directors represent both institutions.

The two state banks at Chandlerville have also merged. Officers of the Chandlerville State Bank include Dr. J. G. Franken, president; V. P. Ainsworth, vice-president, and C. W. Ainsworth, cashier. The other institution in the merger is the People's Bank, which was headed by Dr. Howard B. Boone, with Henry Leeper, vice-president, and W. T. Pratt, cashier.



News & Views of The Banking World



By Clifford De Puy
Publisher De Puy Banking Publications

According to statistics, the number of banks which fail in the United States due to fraudulent banking are very few in proportion to the total number which are closed because of other reasons. Yet the public is quite willing many times to lay the blame for closed banks upon the supposed unscrupulous methods employed by the officers of the closed institutions.

This recalls to my mind a stanza in the poem entitled "The Men I Know" and I give it here as my testimony to hundreds of bankers throughout the United States who are personal friends of mine and who I know are upright, honest, conscientious individuals, doing their full share in helping to serve their community through their banks.

"This I'll say for the men I know;
Most of them want to be clean
and true;
In spite of the selfish things
they do,
Most of them try, as they come
and go,
To leave some glory for man to
view.
A few turned traitor to God and
state.
But most of the men I know
walk straight."

—\$—

George E. Roberts in referring to present business conditions says, "1927 opens with good prospects for the continuance of prosperity. The past year has been one of the most prosperous in the history of the country, but it closes without signs of either price or credit inflation."

If this general prosperity is to continue, and we feel sure that it is, agricultural sections will have to enjoy a larger share of prosperity than they have for the past few years.

—\$—

Henry S. Nollen points out "that more death has been caused by the automobile within the period of the last two years in the United States, than occurred in accidents on the battle front in the Great War among the American troops."

This is the appalling price that we pay for our carelessness and our utter disregard for human life. Mr. Nollen further points out that an analysis of statistics of New York state shows that 77 per cent of automobile accidents occurred in clear weather and

50 per cent on straight, level roads. Isn't it time for us to slow down in our reckless killing of human beings with automobiles?

—\$—

The per capita savings deposits of the United States are now \$211, which is the highest record so far recorded in this country.

—\$—

E. H. Rees, vice-president of the Citi-

zens' National Bank of Emporia, Kansas, believes in spending money on his banking institution, and if it is wisely spent he believes it will increase business.

"Any money," says Mr. Rees, "a banking institution spends in increasing the cordiality of relations to its clientele and building up the confidence of that clientele, whether it means actual dollars and cents on the books or not, is money well invested; paying big dividends."

The trouble with some bankers is that they have lost sight of this fact. Many bankers today should be increasing their advertising appropriations and use this money to increase the confidence of their customers, and thus in

The Chemical Policy is to
seek growth in its deposits
by aiding legitimate growth
among its depositors.

WE WANT YOUR ACCOUNT IN ORDER
TO CONTRIBUTE TO ITS GROWTH.

THE
CHEMICAL
NATIONAL
BANK
OF NEW YORK

B'WAY at CHAMBERS, FACING CITY HALL
FIFTH AVENUE at TWENTY-NINTH STREET
MADISON AVENUE at FORTY-SIXTH STREET

Guaranty Trust Company of New York

140 Broadway

LONDON PARIS BRUSSELS LIVERPOOL HAVRE ANTWERP

Condensed Statement, December 31, 1926

RESOURCES

Cash on Hand, in Federal Reserve Bank and Due from Banks and Bankers.....	\$168,736,406.58
U. S. Government Bonds and Certificates.....	32,454,363.83
Public Securities	16,120,214.43
Other Securities	28,070,076.49
Loans and Bills Purchased.....	421,315,108.91
Real Estate Bonds and Mortgages.....	3,289,225.00
Items in Transit with Foreign Branches.....	10,180,623.79
Credits Granted on Acceptances.....	45,412,465.40
Real Estate	8,008,186.04
Accrued Interest and Accounts Receivable.....	6,248,294.72
	\$739,834,965.19

LIABILITIES

Capital	\$ 25,000,000.00
Surplus Fund	20,000,000.00
Undivided Profits	5,958,981.13
	\$ 50,958,981.13
Accrued Interest, Reserve for Taxes, etc.....	4,101,750.57
Acceptances	45,412,465.40
Outstanding Treasurer's Checks.....	34,401,561.36
Deposits	604,960,206.73
	\$739,834,965.19

turn increase the business of the bank and the dividends, and then use a part of these dividends to increase the service of their bank to their customers.

Money so invested is an endless chain, which goes clear around the circle and back again to the bank, with excellent results if properly expended.

—\$—

As a nation, we are still strong believers in life insurance, as the figures for the first eleven months of 1926 indicate that life insurance sales amounted to \$10,117,140,000, or 6.6 per cent more than in the corresponding period of the previous year.

—\$—

Governor Hammill of Iowa, in his inaugural address, recommended the adoption of the Chicago Clearing House method for the banks of Iowa.

This plan has worked successfully in Chicago for many years without the loss of a single dollar to any depositor. Approximately fifty employes are kept busy in the Chicago Association checking banks and maintaining credit information regarding bank borrowers.

The Governor's plan is to organize the state into districts and have the Clearing House Association keep in close touch with the banks in these various districts, eliminating duplicate borrowers and maintaining a closer supervision over the banks in general.

The idea is a sound one and should be put into operation at once.

—\$—

Another testimony of the efficiency of American business organizations is indicated by the fact that F. W. Woolworth & Company made net earnings of 1926 of approximately \$28,000,000. To show how efficiently the company's business is conducted, the figures show that the sales gained 6.11 per cent over 1925, while the net profit increased 14½ per cent.

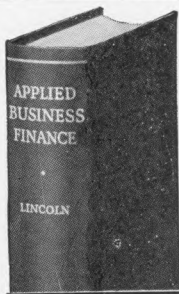
Again we come back to the question, "Why do some farmers succeed and others fail? Why do some bankers succeed and others fail?" The answer is the same—efficient management spells success; inefficient management spells failure.

—\$—

If you owned stock in any of the eight leading motor companies during the past year you had a good return on your investment because these organizations increased their earnings \$52,000,000 over the previous year.

—\$—

The United States Government estimates the total value of the principal farm crops for 1927 based upon prices as of December 1 last at over \$7,800,000,000, in comparison with \$8,949,000,000 in 1925.



"Applied Business Finance"

By E. E. LINCOLN, Chief Statistician, Western Electric Company, Inc.

HERE, at last, is a manual that really tells the best methods of calculating capital requirements and exactly how to secure sufficient long time capital for working purposes; points out the safe ways to borrow and on what terms; how quickly loans should be paid back; and when to distribute earnings. Methods of temporary financing are analyzed for the good and bad points. Tells the logical ways to establish maximum credit and how far to extend credit to others. Relations with the banker—the specific requirements are explained. Takes up the handling of the funds within the business; how to finance production and sales; how to prevent "frozen" capital, increase the rate of turnover. 772 pages. Well illustrated with charts and forms.

Book Dept., Mid-Continent Banker, 408 Olive St., St. Louis, Mo.

Please send me, on approval, E. E. Lincoln's "Applied Business Finance," Executive Edition, buckram binding, gold stamped. Within five days after its receipt I'll send you \$6, plus few cents for mailing charge, or return the book. MCB

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STREET & NO. _____

CITY & STATE _____ BUSINESS _____

(Canada and foreign, 10% additional, cash with order.)

This figure does not include, however, the live stock, dairy products, poultry and eggs, etc.

In estimating the farmers' income in the agricultural territory it is well to take in every source of income. In Iowa, for example, if the price of corn is low, there are many who feel that the farmer will be badly affected, and to a considerable extent this is true, yet in 1925 the grain crops represented a total income to Iowa farmers of \$712,000,000, and yet only \$65,000,000 of that was money which came from the sale of corn.

It must be remembered, however, that the man who buys cheap corn and sells it on the market in the shape of high-priced hogs is reaping a very handsome return on his low-priced corn.

—\$—

The ability of the American public to absorb new securities is again shown in the figures for the twelve months ending November 30, 1926, which indicate that during that time the flotation of new capital in this country amounted to over \$7,491,000,000, of which \$1,049,000,000 was for refunding purposes, and the balance, or \$6,441,000,000, represented new capital.

—\$—

Chicago gained a good man and St. Louis lost one, when Ray F. McNally became a vice-president and director of the National Bank of the Republic last month.

For the past nine years Mr. McNally has been the vice-president and cashier of the National Bank of Commerce in St. Louis and is well known throughout the United States by hundreds of bankers.

—\$—

M. E. Holderness, vice-president of the First National Bank of St. Louis, and chairman of the Public Relations Committee of the American Bankers Association, in making a recent report of his committee, says: "The consensus of opinion from all sections of the country is to the effect that the question of the State Guaranty of Deposits is passing into eclipse so far as the extension of the idea is concerned, for, notwithstanding the fact that State Guarantee laws were recommended last year by the Governors of two states and were introduced in several other states, all such proposals were defeated. In general, the tendency regarding State Guarantee laws appeared distinctly retrogressive, several states looking toward the repeal of this legislation."

When the time comes that we pass legislation which will guarantee that every borrower pay his loans when

due, there will be no need to guarantee the deposits of any bank.

—\$—

E. W. Decker, President of the Northwestern National Bank of Minneapolis, in analyzing why some bankers fail, said, "No doubt many farmers have failed to succeed because of short crops and adverse conditions over which they have no control, and no doubt many have failed because of the lack of either industry or efficiency of management. The same can be said of banking—no doubt many banks have failed due to poor crops and adverse conditions, and no doubt many more have failed because of poor management, due perhaps to lack of proper equipment. The banking situation can be improved materially, in my judgment, by requiring larger capital and closer and more frequent supervision."

As a result of the present economic period through which we are passing we will have fewer banks, but we will have better ones, and as Mr. Decker points out, both the farm and the bank will be better managed.

—\$—

R. F. Hawes, vice-president of the First National Bank of St. Louis, explains that the principal expense in operating a bank today is the interest on deposits, which now consumes over one-third of every dollar of bank income.

Mr. Hawes proposes to remedy this by deducting the reserve requirements from deposit items before calculating interest payment.

Mr. Hawes points out that "it appears that a logical step for the bankers to take would be to apply the same rule to the demand deposits of their customers that the banking laws of the country require of them, namely, to deduct from net deposits before interest is paid the reserve balance that they must carry with the Federal Reserve. While it is true that the same ultimate result will be accomplished by a general lowering of interest rates paid on deposits, such a change would soon leave the banker in a position technically at least of paying interest on funds not actually available for investment."

—\$—

Archibald F. Maxwell, who was recently elected a vice-president of the Guaranty Trust Company of New York, is a native of Davenport, Iowa, and a graduate of Cornell College at Mt. Vernon. Mr. Maxwell was formerly president of the Central National Bank of New York and recently left that position to join the Guaranty Trust Com-

American Exchange Irving Trust Company

NEW YORK

Statement of Condition, Dec. 31, 1926

RESOURCES

Cash on Hand and Due from Banks	\$146,626,608.15
Exchanges for Clearing House	98,821,518.59
Call Loans, Commercial Paper and Loans eligible for Rediscount with Federal Reserve Bank	141,461,958.27
United States Obligations	37,399,366.81
Short Term Securities	46,057,921.18
Loans due on demand and within 30 days	96,153,554.65
Loans due 30 to 90 days	62,020,438.87
Loans due 90 to 180 days	39,366,825.66
Loans due after 180 days	5,126,110.89
Customers' Liability for Acceptances (anticipated \$3,560,870.40)	42,268,837.71
Bonds and Other Securities	14,184,468.93
New York City Mortgages	7,556,540.73
Bank Buildings	3,509,566.19
	<u>\$740,553,716.63</u>

LIABILITIES

Deposits	\$584,164,121.59
Official Checks	44,722,749.72
Acceptances (including Acceptances to Create Dollar Exchange)	45,829,708.11
Discount Collected but not Earned	1,313,658.04
Reserve for Taxes, Interest, etc.	2,588,095.65
Dividend Payable January 3, 1927	1,120,000.00
Capital Stock	32,000,000.00
Surplus and Undivided Profits	28,815,383.52
	<u>\$740,553,716.63</u>

A. E. Cotteril, vice-president of the Iowa Farmers Union, speaks very complimentary (?) of the banking business when he says: "It would be hard to conceive of anyone making any worse mess than the bankers themselves have made of the business so far as the public is concerned, from the head of the Federal Reserve System down, excepting that the big fellows were very careful to protect themselves and let the small bankers get out as best they could, causing some to commit suicide, while others have landed in the penitentiary."

Mr. Cotteril's remarks were caused

by a statement made by a gentleman who said: "Banking conditions should be regulated by bankers, not by agitators."

—\$—

P. M. Reed, with his associates, says that whenever he goes to New York accompanied by his charming wife, that the following conversation always takes place in front of the Waldorf Astoria:

"Are you Hungary?"

"Yes Siam."

"Well, come along and I'll Fiji."

—\$—

Arthur D. Welton wrote a very in-

spiring poem for his New Year's greeting, and it is so appropriate and so beautifully written that I am reproducing it here:

"Bright Is the Road Ahead—

Behind them the desert lay baked and bare,
But bright was the road ahead;
The thirsty sands sucked in their prayer,
As their camels onward sped;
And bright was the night as the glowing day,
As the wise man hastened along the way.

Their hungered eyes on the gleam afar,
That guided them over the strand,
The light of a single golden star,
Charging with hope a hopeless land.
And ever since it has been the light
That shows the way in the darkest night."

**"Chute the Chutes" for
Deposits After Hours**

The Hinsdale State Bank of Hinsdale, Ill., opened its fine new bank building on the twenty-fifth anniversary of the founding of the institution. The building is of brick with terra cotta trim, and an unusually well arranged interior.

A unique feature of the bank is an arrangement for taking care of deposits after banking hours. Depositors, contemplating such a necessity, will be provided with small sacks, somewhat similar to mail sacks in design, in which deposits may be placed and locked. These sacks may then be placed in a chute which extends to the outside of the building, the door to which is unlocked by a special key with which the customer is provided, and which automatically locks after he closes the door. The sack goes into a burglar proof vault and is at the depositor's disposal on the opening of the bank next morning.

Another feature is a large storage vault in the basement, where, under the most modern safeguards, trunks, silverware, household valuables and other articles may be stored for long or short periods.

The Hinsdale State Bank was founded in 1902. Its original capitalization was for \$25,000 with a surplus of \$8,333.33. The capital is now \$100,000 and the surplus is \$25,000. The bank has deposits well over a million dollars.

Officers are: President, Lawrence P. Conover; vice-presidents, John C. Wood and Charles E. Raymond; cashier, Albert P. Lytle; assistant cashiers, Bertha W. Irvine and Raleigh E. Klein; and directors Edward A. Amacker, Frederic T. Binder, Walter Davidson, John C. Fetzer, Wade Fetzer and Fred H. McElhone.



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Death of Ernest A. Hamill

Ernest A. Hamill, chairman of the board of the Illinois Merchants Trust Company, and a pioneer Chicagoan widely known in civic and philanthropic as well as financial circles, died on Friday, January 14, 1927, at his home, 2450 Lake View avenue, Chicago, at the age of 75 years. Although he had been ill for about ten days with a cold which developed into influenza, the end came suddenly as he was sleeping.

Mr. Hamill's death produced sadness among his many friends and associates in the LaSalle street district, where for years he had been an influential figure. Upon receipt of the news John J. Mitchell, president of the bank, said this of his confrere:

"Mr. Hamill's death comes to all of us in our bank as a great shock. He has been a close and intimate friend for many years, a man of fine character and respected by all who knew him. He has been known for many years as one of our most conservative bankers and his counsel in our boisterous financial times of the past has been of great assistance. He will be missed in our banking circles by a host of friends. His death, as that of J. B. Forgan's, reminds me of the passing of the old guard of bankers that served as a bulwark in the past."

Continental and Commercial Has New Board Members

Charles F. Glore, member of the firm of Marshall Field, Glore Ward & Co., was added to the directorate of the Continental and Commercial National Bank of Chicago, at the annual stockholders meeting. Mr. Glore is a director of the following companies: Illinois Power and Light Company, North American Light and Power Company, Bucyrus Company, American Multigraph Company, Adams Royalty Company, National Air Transport, Inc.

J. Ogden Armour resigned from the boards of the Continental and Commercial Banks and his place is filled by the election of Philip D. Armour, first vice-president of Armour & Co.

The board of directors of the Continental and Commercial National Bank elected Carl A. Birdsall, assistant cashier, to the office of second vice-president, and E. Mansfield Jones was made comptroller.

At the meeting of the stockholders of the Continental and Commercial Trust and Savings Bank, Philip D. Armour and George F. Getz, were elected to the directorate.

The directors elected William P. Kopf, secretary, to the office of vice-president; Everett R. McFadden, assistant secretary, was made secretary,

and Harold P. Smith, L. C. Davis and R. M. Kimball were promoted to the positions of assistant secretary of the trust department of the Continental and Commercial Trust and Savings Bank.

Philip D. Armour was elected to the board of the Continental and Commercial Company and the following official changes were made at a meeting of the board of directors: Howard D. Whitehouse was promoted from the position of secretary to that of second vice-president; Edward Schranz, Jr., manager, Municipal Department, was also

elected second vice-president; Walter J. Engle, treasurer, was made secretary and treasurer; C. H. Nourse and C. H. Merry were elected assistant managers of sales; Anthony Von Wening was elected assistant secretary and assistant treasurer.

Age is a tyrant who forbids at the penalty of life all the pleasures of youth.—La Rochefoucauld.

The nations seem more inclined to plant than to bury hatchets.—Norfolk Virginian-Pilot.

Special services performed by The Equitable in disbursing extra dividends on short notice

On many occasions our dividend disbursing department is asked to perform unusual services.

But volume of work and haste do not alter the various checkings and listings which insure absolute accuracy and protection to the corporation paying the dividend.

Regardless of the time available and the number of payments to be made, each check is drawn and prepared for mailing by the various steps described below.

- 1 The amount of the stock transferred is posted.
- 2 The proof is taken from the ledger.
- 3 Lists are prepared by stencil.
- 4 Amounts are then entered.
- 5 Lists are compared with ledger.
- 6 Lists are figured.
- 7 Proof is taken from lists as to the amount to disburse.
- 8 Checks are stenciled.
- 9 Checks are drawn.
- 10 Checks are compared against the dividend lists.
- 11 Proof is taken from checks.
- 12 Checks are signed twice, once by an officer and once by a transfer clerk.
- 13 Sheets of checks are cut into single checks.
- 14 Checks are inserted in envelopes and mailed.

Send for our booklet, *The Equitable Trust Company of New York, Transfer Agent* or, without incurring any obligation, consult the nearest office of The Equitable with regard to any of the services rendered by our Corporate Trust Department.



**20,000
certificates
in twenty-four hours**

A corporation for which The Equitable acts as transfer agent declared a stock dividend of record one day, payable the next. This corporation wanted twenty thousand certificates issued and mailed within twenty-four hours. It couldn't be done, they were told.

But The Equitable was asked to do the job, and did do it—with absolute accuracy and complete protection to the corporation which paid the dividend.

The corporate trust services of The Equitable are available to local banks wishing to amplify their own services for the benefit of their customers.

Read the column at the left.

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W. B. Crawford, Pres.

Illinois Bank News



M. A. Graettinger, Sec'y

OFFICERS ILLINOIS BANKERS ASSOCIATION: W. B. Crawford, West Frankfort, President; J. M. Appel, Highland Court, Vice-President; M. A. Graettinger, Chicago, Secretary; Olive S. Jennings, Chicago, Assistant Secretary; W. H. Drewel, Charleston, Treasurer.

GROUP CHAIRMEN: I—E. F. Anson, Kewanee; II—G. K. Slough, Abingdon; III—H. H. Badger, Amboy; IV—A. K. Foreman, Chicago; V—C. A. Mueller, Kankakee; VI—E. E. Core, Robinson; VII—E. B. Appleton, Litchfield; VIII—J. C. Whitefield, Quincy; IX—L. G. Gee, Lawrenceville; X—Earl Karraker, Mound City.

GROUP SECRETARIES: I—C. D. DePauw, Kewanee; II—John B. Fleming, Peoria; III—F. P. Baker, Stillman Valley; IV—W. M. Givler, Naperville; V—W. D. Kitchell, Danvers; VI—G. H. Baker, Urbana; VII—J. E. McDavid, Raymond; VIII—George Dyson, Rushville; IX—Henry Eversman, Effingham; X—B. G. Gullledge, Marion.

Mid-Winter I. B. A. Dinner Attracts 760 Bankers

By William H. Maas.

Seven hundred and sixty bankers, representing institutions from every county in Illinois, and approximating an attendance record of more than 40 per cent of the total membership of the Illinois Bankers Association, attended the annual midwinter dinner of the organization at the Palmer House in Chicago on January 20th. The banquet followed executive sessions of the officers and group chairmen earlier in the day.

Taking as his theme "Present Day Problems," Congressman Fred S. Purnell of Indiana, stressed the necessity for restoring the farmer to an equality with the prosperity of industry. Forward steps along this line should be taken, he asserted, even though such legislation should contain some undesirable features.

"More than 20,000 bills are now in the hopper at Washington before the House," he pointed out. "There are in existence today more than 2,000,000 laws, and this number is being increased at the rate of 200,000 every year. If a policeman started in to read all of these laws, working eight hours a day, it would take him 900 years."

He pointed out that in Washington there are more than 200 organizations propagandizing Congressmen, ostensibly in behalf of worthy causes. Less than 25 per cent, he said, are honest and legitimate organizations.

George E. Allen, nephew of the late "Private" John Allen of Mississippi, gave a humorous talk under the guise of "Einstein's Theory of Relativity As Applied to Banking." Walter B. Crawford, president of the association, was toastmaster.

Wm. D. Kitchell Elected to Directorate.

William D. Kitchell, cashier of the Farmers State Bank of Danvers, Ill., has been elected to the board of directors of that institution. Mr. Kitchell is secretary of Group Five of the Illi-

nois Bankers Association. The Farmers State Bank had a very satisfactory year and made substantial additions to its reserve funds.

Mr. Kitchell reports that the McLean County Credit Bureau is now in operation and is rapidly being perfected.

The annual meeting of Group Five will be held in Pontiac and tentative plans have already been worked out.

Bledsoe Is Cashier St. Elmo State Bank.

Geo. W. Bledsoe of Altamont has been re-elected cashier of the St. Elmo State Bank, St. Elmo, Ill., succeeding Elza Grider, who has moved to Vandalia to become county treasurer of Fayette County. Mr. Bledsoe was formerly cashier of the St. Elmo State, but resigned to take a position with the Johnston-Hicks Mill Co. three years ago.

Tubbs Heads National Bank of Monmouth.

J. A. Tubbs has been elected president of the National Bank of Monmouth to succeed D. E. Gayer, who resigned because of ill health after having been identified with Monmouth banks for thirty-three years.

In December, 1893, Mr. Gayer entered the National Bank of Monmouth as a clerk and was promoted to teller in 1903. The year following he was named first assistant cashier and in 1907 he was elected cashier. From 1907 to 1921 Mr. Gayer served as cashier of the institution, and after the death of W. C. Tubbs, Mr. Gayer was elected president. At the time Mr. Gayer entered the employ of the National Bank of Monmouth the capital, surplus and undivided profits were \$258,742.02 and the deposits were \$193,419.22. On March 28, 1921, a special dividend of \$100,000 was paid to the stockholders in one lump sum, and in addition dividends have been paid regularly for many years past. At the present time the capital, surplus and undivided profits of the bank amount to \$377,732.68. The deposits at this

time are approximately \$1,935,000.

Mr. Tubbs has been with the bank for twenty-four years, during the last period of which he has been cashier of the institution. He is well known not only in Monmouth, but in banking circles throughout the state.

John E. Zimmer, assistant cashier, was advanced to the position of cashier. Although he is the youngest bank cashier in Monmouth he has been with the bank for twenty-two years.

Other officers of the bank include F. A. Martin, first vice-president; O. S. French, second vice-president; W. B. Zimmer, assistant cashier, and L. F. Boyer, assistant cashier. Directors are: F. A. Martin, chairman of the board; Myra T. Ricketts, F. O. Johnson, J. D. Duffenbaugh, W. K. Stewart, A. R. Tubbs, O. S. French, J. A. Tubbs, D. C. Frantz, J. F. Schweitzer, Henry L. Jewell and R. E. White.

First National of Chicago Has Prosperous Year.

The annual statement of the First National Bank of Chicago shows total deposits of \$258,305,000, an increase of four and a half million in the past year. Combined earnings of the First National and the First Trust and Savings Bank for the year were \$5,196,000. The banks declared \$3,300,000 in dividends and added the balance to undivided profits.

"Banking, like all other branches of business, has had a prosperous year," comments President Melvin A. Traylor. "Money rates on the whole have been low, but, on the other hand, the volume of business has been great, and losses have been relatively few. Banking, like other businesses, is best off when the turnover is large, even if the average profit is small.

"The trend of business during this last year has shown the impossibility of forecasting with accuracy the future. Most observers a year ago expected that by the end of the year we should be in a time of marked depression. Fortunately, these predictions did not come true, but it shows how easily even the most expert economist

may be misled. Again we are hearing that for one reason or another, largely owing to the situation in the automobile and the building industries, we shall be face to face with a recession next year. This may be so, but as long as credit remains as plentiful as at present, and stocks as low as they are now, there is no reason to anticipate anything resembling a crisis in our affairs—given fair crops and no untoward happenings in the world outside of our own boundaries."

First National, Belleville, Re-elects Officers.

Officers of the First National Bank of Belleville have been re-elected for the ensuing year. They are: George B. M. Rogers, president; Adolph Knobloch and Cyrus Thompson, vice-presidents; Philip Gass, cashier and trust officer; Ernest H. Gass, assistant cashier, and C. A. Heiligenstein, assistant trust officer.

Members of the Board of Directors are: George B. M. Rogers, David Baer, George E. Baker, W. J. Fischer, Philip Gass, Victor Gauss, William Kloess, Ad. Knobloch, Dr. Charles H. Starkel, Cyrus Thompson and J. J. Weingaertner.

Kimbell Trust and Savings Has Officers' Bonus.

The Kimbell Trust and Savings Bank of Chicago awarded a bonus to its officers and employes of five per cent of their annual salary. The regular quarterly dividend of 2½ per cent was paid stockholders. The annual dinner to stockholders was held in the lobby of the bank January 10.

Farmers State Bank Of Medora Statement.

The Farmers State Bank of Medora, Ill., now has deposits of \$284,200, with resources more than \$350,000. J. L. Tober is president of the institution, with E. B. Simmons and F. E. Whitfield vice-presidents; H. L. Warner, cashier, and W. D. Patton, assistant cashier.

Aurora National Bank Building Nearly Completed.

The office portion of the new building of the Aurora National Bank, Aurora, Ill., is completed and occupied by tenants. The bank portion will be ready in early spring. The building is completely fireproof and one of the best designed in the state.

St. Clair National Has New Board Members.

Officers for the ensuing year have been elected by the Board of Directors of the St. Clair National Bank of Belle-

ville, Ill. W. J. Reichert was named president; Frank Gundlach and William A. Hough, vice-presidents; Arthur Eidman, cashier, and William Schmidt, Jr., assistant cashier.

Former State Senator R. E. Duvall retired from the board. Three new members were admitted to the directorate. They are: J. Edward Yoch, Hugo Ehret and Ed P. Petri. Other directors are: W. J. Reichert, Arthur Eidman, F. J. Tecklenburg, Arthur Buesch, Dr. William A. Bahrenburg, H. F. Fix, Frank Gundlach, William A. Hough, Dr. Henry Reis, Louis Wolfert and Dr. J. K. Conroy.

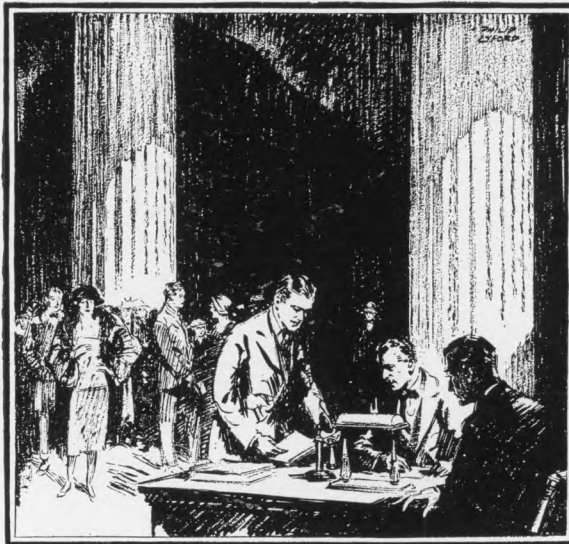
Fox is Vice-President Hyde Park State Bank.

At the annual meeting of the Hyde

Park State Bank, Chicago, Charles E. Fox, member of the board of directors, was elected a vice-president. Directors include M. A. Harmon, W. O. Nance, C. E. Fox, L. J. Burke, F. W. Howes, J. A. Carroll, W. J. Pringle, M. J. Oliver, T. A. Collins.

Newman National Bank Has Half Million Deposits.

Deposits of the Newman National Bank of Newman, Ill., are now \$509,600, with resources \$685,200. Scott Burgett is president, Jay T. Burgett, vice-president, Geo. O. Moore, cashier, and S. R. Burgett and Chas. C. Burgett, assistant cashiers. Directors include Scott Burgett, Geo. O. Moore, F. L. White, J. B. McCown and W. M. Young.



Conservative Traditions in Modern Banking

In the Illinois Merchants Trust Company, the traditions of a half century of conservative banking stand back of each transaction. ¶With its large financial resources, its highly developed and specialized facilities and organization, its intimate business and governmental contacts at home and abroad, this institution is today one of this country's leading banks—a logical choice for banks or commercial concerns establishing a Chicago banking connection. ¶Personal attention to inquiries concerning our specialized services will gladly be given by our officers.

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Such distinction is accorded to the banks listed on this page. By careful banking and sound management they have achieved this enviable position.

These banks will be especially glad to handle any collections, special credit reports or other business in their communities which you may entrust to them.

Correspondence is invited.

City	Bank	Capital	Surplus and Profits
Abington	First National	\$ 75,000	\$ 175,000
Alexander	Alexander State	25,000	50,000
Assumption	Illinois State	25,000	65,000
Beardstown	First State	100,000	180,000
Berwick	Farmers State	30,000	35,000
Bloomington	American State	100,000	336,000
Bloomington	Corn Belt State	100,000	255,000
Canton	Canton National	125,000	175,000
Chapin	Chapin State	25,000	56,000
Chicago	Central Mfg. District	500,000	670,000
Chicago	Cont. & Com. Tr. & Svg.	5,000,000	11,377,000
Chicago	Drovers Tr. and Svg.	250,000	517,000
Chicago	First Tr. and Svg.	6,250,000	10,534,000
Chicago	First National	12,500,000	17,956,000
Chicago	Foreman National	4,000,000	4,588,000
Chicago	Harris Tr. and Svg.	3,000,000	4,874,000
Chicago	Illinois Merchants	15,000,000	35,231,000
Chicago	Northern Trust Co.	2,000,000	5,347,000
Chicago	State Bank of Chicago	2,500,000	6,563,000
Chicago	Union Trust Company	3,000,000	3,923,000
De Kalb	First National	100,000	160,000
Dixon	City National	100,000	200,000
Flora	First National	50,000	75,000
Freeport	First National	150,000	430,000
Grand Ridge	First National	25,000	33,000
Greenfield	Farmers State	25,000	30,000
Joliet	First National	400,000	600,000
Joliet	Joliet National	150,000	650,000
Joliet	Joliet Trust and Savings Bank	100,000	119,633
La Salle	La Salle National Bank	200,000	330,000
Murphysboro	City National	50,000	62,000
Mt. Vernon	Third National	125,000	200,000
New Athens	State Bank of New Athens	25,000	45,000
Rushville	Rushville State	100,000	105,000
Tiskilwa	First State	25,000	30,000
Urbana	First National	50,000	60,000
Warren	State Bank	75,000	95,000

First National Elects Two New Vice-Presidents

James P. McManus and Alfred B. Johnston were elected vice-presidents of the First National Bank of Chicago at the Meeting of the board of directors following the annual meeting of stockholders, on January 11. Both are promotions from assistant vice-president and both are members of the bank's Quarter-Century Club. Mr. McManus is in the Banks and Bankers division and is well known throughout the middle West, having been consistent in attendance at conventions for many years. Mr. Johnston is at the head of the personnel division of the bank.

Carl E. Schiffner, who served a long apprenticeship in the Advertising and New Business department, was made assistant cashier in one of the loaning divisions. He has a large acquaintance among men who write financial copy and has been active in the promotion of better bank display windows.

In the First Trust and Savings Bank, Austin Jenner was appointed assistant cashier and John D. Pollock was made assistant manager of the Real Estate Loan department. Roy R. Marquardt was promoted from assistant cashier to assistant vice-president. All officers of both banks were re-elected and there were no changes in the boards of directors.

State Bank of River Grove Opens.

The State Bank of River Grove, River Grove, Ill., had 450 accounts on opening day last month, with \$25,000 in deposits. Herbert E. Schnadt is cashier. W. H. Schewe, cashier of the Franklin Park State Bank, is president of the River Grove bank.

Charles J. Schuetz Heads First State Bank.

The First State Bank of O'Fallon, Ill., has elected officers for the year. Charles J. Schuetz, who has served as president of the First State Bank since the death last May of George E. Crosby, has been elected to the office. Other officers are: F. J. Reiss, first vice-president; M. Schwarz, second vice-president; Thomas T. Gordon, cashier, and H. E. Fischer, assistant cashier. Directors elected are: Charles J. Schuetz, Thomas T. Gordon, M. Schwarz, Charles D. Schafer, F. J. Reiss, Henry E. Fischer and Henry Wachter.

Congressman E. M. Irwin Heads Belleville Bank.

Congressman E. M. Irwin has been elected president of the Belleville Bank

and Trust Company of Belleville, Ill. Other officers are: Jacob H. Mueller, first vice-president and trust officer; C. A. Feickert, second vice-president; George Niess, third vice-president; Nic Wuller, cashier.

The Board of Directors consists of the officers and William Eckhardt, Joseph B. Reis, Hugo L. Heinemann, George E. Wuller, J. F. Engelke, B. E. Twitchell, Louis Klingel and William M. Hoppe.

**Election of Officers at
First National, O'Fallon.**

E. H. Smiley has been elected president of the First National Bank of O'Fallon, Ill. Other officers are: Geo. W. Tiedemann, first vice-president; Dr. H. T. Bechtold, second vice-president; W. R. Dorris, cashier, and G. B. Gieser and A. E. Tiedemann, assistant cashiers. Directors chosen are: E. H. Smiley, George W. Tiedemann, Dr. H. T. Bechtold, W. R. Dorris, Charles T. Smiley, C. E. Tiedemann, H. E. Tiedemann and Julius A. Schalter.

**County Judge Made Bank
Director in Greenville.**

County Judge John D. Biggs has been elected a director of the State Bank of Hoiles & Sons at Greenville, Ill., succeeding W. G. Kaeser, who recently removed to Madison, Wisconsin.

Other directors of the Greenville institution are: J. M. Daniels, Guy B. Hoiles, G. J. McCune, George V. Wiese, U. S. De Moulin, Will C. Carson, Dr. A. M. Keith and C. E. Hoiles.

Officers follow: C. E. Hoiles, president; J. M. Daniels, vice-president and cashier, and G. J. McCune, J. F. Smith and F. E. Martin, assistant cashiers.

**Mark Smith Now With
Rochelle Trust and Savings.**

Mark Smith, cashier of the Esmond State Bank, Esmond, Ill., has joined the Rochelle Trust and Savings Bank of Rochelle.

**Herget National Has
Deposits of \$1,251,700.**

The Herget National Bank of Pekin, Ill., now has deposits of \$1,251,700 and resources of \$1,918,000. W. P. Herget is president, with H. G. Herget and George Ehrlicher, vice-presidents; Louis J. Albertsen, cashier, and W. A. Stockert, assistant cashier. Directors include H. G. Herget, Henry Birkenbusch, George Ehrlicher, C. G. Herget, D. D. Velde, Louis C. Moschel and W. P. Herget.

**New Building for
Addison Trust, Chicago.**

Plans have been drawn for a new home of the Addison Trust and Sav-



Strength supplemented by friendly, understanding service, has for almost sixty years drawn the patronage of banks from all over the country to this institution. We invite your account.

**THE STOCK YARDS NATIONAL BANK
AND
THE STOCK YARDS TRUST & SAVINGS BANK
of CHICAGO**

**BANK CHECKS ~ LETTERHEADS
STOCK CERTIFICATES AND BONDS
OF QUALITY AND DISTINCTION**

*Service...
the biggest thing we have,
and most cheerfully
given*

NORTHERN BANK NOTE COMPANY
Founded in 1877 by S. W. Earle
CHICAGO

ings Bank at Addison and Southport, Chicago. The building will be completed by April. Officers of the bank are M. J. Schmidt, president, and W. H. Bolton, secretary and treasurer.

**L. W. Corboy Leaves
Central Trust Company.**

L. W. Corboy, advertising manager of the Central Trust Company of Illinois, Chicago, for the past four years, has left the bank to become associated with the M. J. Corboy Company, plumbing contractors, Chicago.

**First Bank and Trust
of Cairo Has \$2,427,000.**

Deposits of the First Bank and Trust Company of Cairo, Ill., are now \$2,427,000. Resources are \$2,828,296. Officers include Reed Green, president; W. P. Halliday, vice-president; W. H. Wood, vice-president; O. B. Hastings, vice-president; H. R. Aisthorpe, cashier and secretary; H. C. Steinel, H. E. Emerson and V. M. Brown, assistant cashiers.

The Illinois State Bank of Evanston, Ill., has been opened for business with capital of \$100,000.00 and surplus of \$15,000.00. John H. Taft is president and Bruce E. Hakes cashier.

**PERSONAL NOTES OF
ILLINOIS BANKERS**

A. A. R. Nelson has been made vice-president and cashier of the Berwyn Trust and Savings Bank, Berwyn, Ill.

M. J. Schmidt has been elected president of the Addison Trust and Savings Bank of Chicago.

G. A. Barton, formerly cashier, has been elected president of the Bluford State Bank, Bluford, Ill. J. E. Pepple resigned as president and has sold his stock interests.

E. C. Roe has resigned as cashier of the Farmers' National Bank of Princeton, Ill., and has gone to Florida with Mrs. Roe to spend the winter.

Vernon Wallace has been elected director of the First National Bank of Chicago Heights to succeed Frederick Wilkening, Sr., president of the Chicago Heights Real Estate Exchange, who has resigned to devote all his time to the real estate business.

William A. Dyche, chairman of the board, gave the principal address at the laying of the cornerstone for the

State Bank and Trust Co., of Evanston. F. J. Scheidenhelm, president of the bank, was in charge of the ceremony.

H. A. Champion, cashier of the Lovington Bank, Ill., died last month at the age of 60.

Robert D. Mathias, vice-president of the Depositors' State Bank, Chicago, for a long time identified with the activities of the Financial Advertisers' Association in Chicago, was elected vice-chairman of his bank's board of directors at the annual meeting of stockholders.

Harry H. Hall, has resigned as assistant cashier of the First Trust and Savings Bank of Bloomington to enter the real estate and farm management business. He is the son of Senator-elect Homer W. Hall.

J. L. Brummerstedt, cashier of the Triangle State Bank of Chicago, was in Effingham on business last month. He was one of the organizers of the First National Bank of Altamont and was formerly cashier of that institution.

Gurney Lindley of Neoga bought the Neoga National Bank building at the receiver's sale for \$2,641. Fixtures were sold to several individuals.

*Our Old
Customers*

are well pleased with the way we handle their transactions, and we believe that we could number many more banks among our customers if we had the opportunity of discussing the matter of a St. Louis correspondent with them.

E. C. Adams, *President*

Leo G. Desobry, *Vice-President* Leopold Grossberg, *Vice-President*
H. L. Rogers, *Vice-President* H. F. Hoener, *Secretary-Treasurer*
F. Hoffman, *Assistant-Secretary*

**BROADWAY TRUST
COMPANY**

of ST. LOUIS

**BANK ~
STRUCTURES.**



**BUILT BY
SPECIALISTS**

who confine their efforts to this one line should be the most suited to the needs of the banker and to the comfort of his customers.

**LET US TELL YOU ABOUT
OUR SERVICE**

L. D. LACY COMPANY
SYNDICATE TRUST BUILDING
ST. LOUIS, MO.

H. I. Bloomberg, assistant cashier of the Woodhull State Bank, Woodhull, Ill., has resigned to accept a position in a bank in Evanston, Ill.

Paul Lansford, formerly with Emery, Peck & Rockwood, is now associated with the bond department, municipal division, of the Chicago Trust Company, Chicago, Ill.

John F. Phillips, assistant secretary of the Foreman Trust and Savings Bank, Chicago, Ill., has been promoted to the position of vice-president; John W. Ogden to assistant manager of the bond department; Lambert W. Mullin to assistant cashier, and Lewis C. Coyner to assistant trust officer.

Glen M. Ruckrigel, assistant cashier of the Farmers' State Bank of Clifton, Ill., for the past three years, has been made cashier of the State Bank of Kempton, Ill.

J. H. Hopson, 59, president of the Stillwell State Bank at Stillwell, Ill., died October 30th.

H. Frank Ricker, 70, for years cashier of the Ricker National Bank, Quincy, Ill., died recently.

Indiana Notes

Two Bourbon Banks Consolidate.

The Bourbon Banking Company and the First State Bank, Bourbon, Ind., have been merged under the name of the First State Bank of Bourbon. The bank is to be housed in the present building of the First State Bank. C. M. Parks, who has been cashier of the Bourbon Banking Company, will be one of the officials of the new bank.

Open New Bank Building.

The American Trust and Savings Bank, Hobart, Ind., opened their new bank building January 8th. While the building was remodeled, it was practically rebuilt. New outside walls were put in, with granite and stone pillars around the front; terrazzo floors; new fixtures, and it was newly decorated throughout. The cost of the improvements was about \$35,000.00.

E. A. Wilson has been elected president of the First State Bank of Porter, Ind. Harry L. Arnold, president of the Gary Trust and Savings Bank, was named chairman of the board.

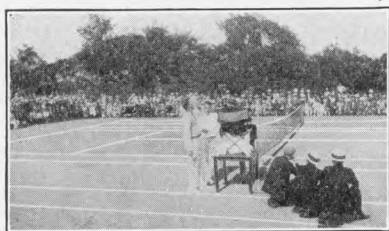
W. F. Gephart Elected Cashier.

William F. Gephart has succeeded his brother, Charles, as cashier of the First State Bank of Galveston, Indiana. Mr.



William F. Gephart

Gephart began his banking experience at the Liberty Central Deposit Bank, Liberty Center, Ind., in 1913, and continued there until 1917, when he enlisted in the service. He spent a year



A "Midsummer Day" in April

New Orleans XXV Tennis

Tennis is only one of the many year 'round sports enjoyed in New Orleans. The courts at the tennis clubs, public parks, country clubs, playgrounds, schools and colleges provide the devotees of the game with ample facilities for its full enjoyment. The photograph (above) shows Tilden and Chapin resting between sets during their exhibition match on the New Orleans Country Club courts April 12th, 1925.

Hibernia Bank & Trust Co.
New Orleans, U. S. A.



Correspondent banks having no foreign exchange facilities are offered a comprehensive service on import, export and travel items.

THE NORTHERN TRUST COMPANY

Capital, Surplus and Undivided Profits Over \$7,500,000

Northwest Corner LaSalle and Monroe Sts.
CHICAGO

THE BANKER

The Banker, published in London by Eyre & Spottiswoode, Limited, Printers to the King's Most Excellent Majesty, is one of the most distinguished financial journals in the world. Its contributors and correspondents include such eminent authorities as Sir Robert Horne, M. P., late Chancellor of the Exchequer; the Right Hon. Philip Snowden (a former Chancellor of the Exchequer in the Government of Great Britain); Joseph Caillaux, formerly Prime Minister and Minister of Finance in the Government of France; Count Volpi, Minister of Finance in Italy, etc.

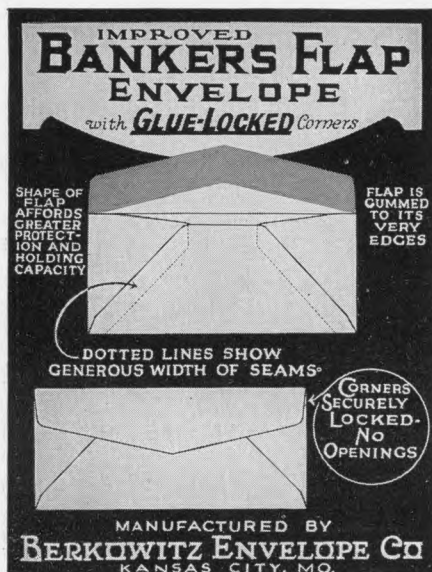
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Each issue contains a comprehensive article on banking affairs in the United States, and special advertisement positions are available facing this section.

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Mid-Continent Banker

in France, and upon his return accepted a position with the Anderson Loan Company at Anderson, Ind. He has had a broad experience in financial and economic conditions, both in the United States and abroad.

Charles Gephart has accepted a position as assistant cashier of the Studebaker Bank at Bluffton, Ind.

More than seventeen hundred people visited the banking rooms of the First National Bank and the First Savings and Trust Company, Batesville, Ind., during the formal opening of the First Savings and Trust Company.

Charles H. Smith has been elected vice-president of the Lagrange State Bank, Lagrange, Ind., succeeding the late Charles S. Nichols. He also succeeds Mr. Nichols on the board of directors.

Charles Owens, cashier of the Farmers and Merchants Bank, Waynetown, Ind., died recently.

Aaron S. Berger has been elected cashier of the Akron State Bank, Akron, Ind., succeeding John McCullough, who has retired on account of ill health.

The Grabill State Bank, Grabill, Ind., has been chartered with capital of \$30,000.00. David Klopfenstein is president and Albert Egeley, cashier.

John H. Jeffries, who has been connected with the Roachdale Bank, Roachdale, Ind., since its organization, died recently.

William T. Hindman, age seventy-eight, president of the Burlington State Bank, Burlington, Ind., died recently.

C. E. Kelly has been elected president of the Irvington Bank of Indianapolis.

S. L. May has been elected president of the Citizens National Bank, Evansville, Ind., succeeding W. W. Gray.

A state charter has been granted to the Arlington State Bank, Arlington, Ind., to take over the business of the Arlington Bank. It is capitalized at \$25,000.00.

Harry W. Bye has been appointed assistant cashier of the First National Bank, Milltown, Ind.

B. F. Adams, vice-president of the Bloomington National Bank, Bloomington, Ind., died recently.

Kentucky Notes

Douglas Graham Now President.

At the January meeting of the board of the Bank of Pembroke, Kentucky, Douglas Graham, cashier of the bank for the past twenty-four years, was promoted to the position of president, succeeding M. L. Levy, who was appointed chairman of the board. Charles W. Johnston, formerly assistant cashier, was promoted to the position of cashier and Judge Douglas Bell of Hopkinsville was elected vice-president and attorney for the bank.

New Bank At Elizabethtown.

The Union National Bank of Elizabethtown, Kentucky, has been chartered with capital of \$50,000.00 and surplus of \$5,000.00. It is a conversion of the Union Bank and Trust Company. H. L. Igleheart is president; Claud Brown, vice-president; J. A. Gardner, cashier, and Susie Hagan and Mrs. Conley Owen, assistant cashiers.

Complete New Bank Building.

The G. W. Davidson & Co., bankers of Auburn, Ky., has completed the

erection of a splendid new home. The building is constructed of stone and brick and is modern in every respect. A modern fire and burglar proof vault with safety deposit boxes has been installed.

Two Walton Banks Consolidate.

The Walton Bank and Trust Company and the Equitable Bank and Trust Company, Walton, Kentucky, have been consolidated under the name of the Walton Equitable Bank. Officers of the new bank are: R. C. Green, president; and John C. Miller, cashier. The merged bank will erect a new \$40,000.00 building.

W. A. Wickliffe Is Dead.

W. A. Wickliffe, chairman of the board of the First National Bank, Greenville, Ky., died January 1st. C. E. Martin, formerly vice-president, was elected to chairman of the board. John T. Reynolds is president of the bank.

Paducah Bank Opens New Home.

Several hundred people attended the formal opening of the People's National Bank, Paducah, Ky., Kentucky's newest banking house. A reception open to the public was given in the after-

noon and an opportunity was given in the evening for everyone to inspect the building.

The new bank is established in a handsome new brick building on Broadway between Sixth and Seventh streets. The building is finished in Tennessee pink marble with interior fixtures of mahogany and bronze.

Officers and directors of the new firm are: W. A. Blackburn, president; Nolan W. Van Culin, vice-president, and chairman of the board of directors; A. B. Thomson, vice-president and cashier.

Add Trust Department to Bank.

The bank of J. Amsden & Co., Lexington, Ky., under the authority of the state banking department, has added a trust department and will hereafter do a general trust business.

Howard Blankenkemper, 75, president of the Citizens Bank of Erlanger, Ky., and said to be the largest land owner in Boone County, died recently.

Charles S. Weakley has succeeded of the Farmers and Traders' Bank, Shelbyville, Ky.

George K. Graves, vice-president of

Complete Financial Service

We Solicit Your
St. Louis Account



*Correspondence
Invited*



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MEMBER FEDERAL RESERVE SYSTEM
ST. LOUIS

Serving the Fourth Generation

A complete up-to-the-
minute bank, offering
every modern banking
service

LIBERTY INSURANCE BANK

LOUISVILLE
RESOURCES OVER \$28,000,000

the Security Trust Co., Lexington, Ky., has been elected to the City Board of Education.

James David Middleton, 79 years old, cashier of the Farmers and Traders Bank, Shelbyville, Ky., and one of the oldest and most widely-known bankers of the State, died November 18th.

Joseph A. Manning, 60 years old, vice-president of the National Deposit Bank of Owensboro, Ky., died recently.

Sterling Wills has been promoted from cashier to vice-president of the First Hardin Bank, Elizabethtown, Ky.

William Dean has been elected cash-

ier of the Wallins Creek National Bank, Wallins Creek, Ky.

Hamlet S. Sharp, cashier of the State National Bank, Maysville, Ky., died recently.

Green B. Turley, 59, assistant cashier of the State Bank and Trust Co., Richmond, Ky., died December 5th.

Willis H. Johnson, vice-president of the Gratz Deposit Bank, Gratz, Ky., died recently of pneumonia.

Plans have been made by the stockholders of the Florence Deposit Bank of Florence, Ky., to increase the capital stock from \$15,000.00 to \$35,000.00

Ben Grogan has been elected vice-president of the Bank of Murray, Kentucky.

The Bank of New Castle, Ky., has been chartered with capital of \$20,000.00.

Ben J. Metcalfe, formerly vice-president and cashier of the Louisville National Bank, Louisville, Ky., has been made vice-president. J. Wm. Watkins, assistant cashier, has been promoted to the position of cashier.

M. A. Cooper has been elected vice-president of the Union National Bank, Elizabethtown, Ky.

T. A. Pardue has been elected assistant cashier of the Farmers National Bank, Scottsville, Ky.

A. H. Bowman has been elected president of the Morris Plan Industrial Bank, Louisville, Kentucky.

Judge C. W. Goodpastor has been elected president of the Farmers Bank, Maysville, Ky., to fill the vacancy caused by the death of Mr. Goodpastor.

Harold Redd has succeeded David Eastin as cashier of the Union Bank and Trust Company, Lexington, Ky.

The Citizens Bank of Grayson, Ky., was reorganized recently as the Citizens National Bank.

Read not to contradict and confute, nor to believe and take for granted, nor to find talk and discourse, but to weigh and consider. Some books are to be tasted, others to be swallowed, and some few to be chewed and digested; that is, some books are to be read only in parts, others to be read, but not curiously, and some few to be read wholly and with diligence and attention.—Bacon.

Better Bank Buildings
THE J. H. WISE CONSTRUCTION COMPANY
 Manufacturers of Complete Interior Equipment
Engineers : Designers : Constructors
 SYNDICATE TRUST BUILDING ST. LOUIS, MISSOURI


THE
Hanover National Bank
OF THE CITY OF NEW YORK
 Corner Nassau and Pine Streets
 ESTABLISHED 1851

Capital	\$5,000,000
Surplus and Profits	\$26,000,000

WILLIAM HAYWARD, President
E. HAYWARD FERRY, Vice-President

HENRY P. TURNBULL, Vice-President SAMUEL WOOLVERTON, Vice-President JOSEPH BYRNE, Vice-President JOSEPH S. LOVERING, Vice-President JAMES P. GARDNER, Vice-President GORDON H. BALCH, Vice-President WILLIAM E. CABLE, Jr., Cashier J. NIEMANN, Ass't Cashier GEORGE E. LEWIS, Ass't Cashier	FREDERICK A. THOMAS, Ass't Cashier WALTER G. NELSON, Ass't Cashier CHARLES B. CAMPBELL, Ass't Cashier WILLIAM B. SMITH, Ass't Cashier WILLIAM H. ALLEN, Ass't Cashier WILLIAM J. LOGAN, Ass't Cashier FRANK WOOLLEY, Ass't Cashier ELTON E. OGG, Trust Manager
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FOREIGN DEPARTMENT
WILLIAM H. SUYDAM, Vice-President and Manager
ROBERT NEILLEY, Ass't Manager
FREDERIC A. BUCK, Ass't Manager



Do business with this strong company, which has gained a country-wide reputation as a "National Institution of Service."

The Federal Surety Company is managed by experienced underwriters, and has from its conception built for STRENGTH rather than size.

Backed by Federal Service, these lines are written—Accident and Health, Automobile, Burglary, Plate Glass, Public Liability and Workmen's Compensation Insurance, and Surety Bonds.

FEDERAL SURETY COMPANY
CASUALTY INSURANCE SURETY BONDS
 W. L. TAYLOR, Vice-President and General Manager
HOME OFFICE DAVENPORT, IOWA

Oklahoma Notes

H. L. Johnson Now President.

H. F. Johnson has retired as president of the First State Bank, Boise City, Okla. He has been succeeded by Homer L. Johnson. John C. Johnson is active vice-president; E. B. McMahan, vice-president, and Lester Montgomery, cashier.

F. R. Peterson Now at Okmulgee.

F. R. Peterson, national bank examiner and experienced banker, has been elected active vice-president and cashier of the Citizens' National Bank of Okmulgee, Okla., succeeding Crittenden Smith as vice-president, and L. W. McLean as cashier.

New Bank At Madill.

The First National Bank of Madill, Okla., has been opened for business with capital of \$50,000.00 and surplus of \$10,000.00. The new bank takes over the assets of the First National Bank and the Marshall County National Bank. D. B. Taliaferro is president; W. H. Colby and P. A. Norris, vice presidents; Joe Hannan, cashier, and Joe P. Rierdon and Hugh Halsell, directors.

Blanchard Bank Plans New Home.

The First State Bank, Blanchard, Okla., has let the contract and work has begun on the new building on the corner of Main and Broadway. The present building will be torn down as soon as it is vacated and a building twenty-five feet wide and one hundred forty feet long will be built.

Clarence Cooley Elected Cashier.

Following the resignation of F. C. Shidler, who has been cashier of the National Bank of Kaw City, Okla., for the past eight years, Clarence Cooley, former Kaw City man, who has been connected with the Home National Bank at Arkansas City, purchased Mr. Shidler's interests and has begun active duties at the bank.

Two Henryetta Banks Are Merged.

Two Henryetta, Okla., banks have completed a merger and opened for business under the name of the American Exchange Bank. J. S. Lucas and associates of the American Exchange Bank bought the assets and liabilities of the Peoples' National Bank. K. Z.

Lucas is cashier of the new organization and C. C. Calvin is active vice-president.

Sells Interest In Cordell Bank.

E. A. Buckley, president of the Farmers' National Bank, Cordell, Okla., has sold his interests in that institu-

tion to A. H. and A. E. Symcox. Mr. Buckley is now assistant to the chief national bank examiner.

At a meeting of the board of directors of the National Bank of Okeene, Okla., G. F. Roetzel was elected vice-president and S. G. Fox, cashier. The other officers were re-elected.

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Quality Park Envelope Co.

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Service

Capital
Surplus
Undivided
Profits
\$3,500,000

Faithfully serving the needs of Industrial St. Louis for the past 65 years, qualifies this bank to extend its depositors experienced financial co-operation.

The Merchants Laclede National Bank of St. Louis



A Royal Welcome Awaits You

The Rogers Park Hotel is 22 minutes removed from the dirt and din of "downtown" Chicago. In the heart of the beautiful North Shore District, on one of the world's most famous boulevards, it offers you:

Light, airy outside suites of 1, 2, 3 and 4 rooms (many with kitchens) —the comforts and refinements that assure absolute guest-satisfaction.

Service at the Rogers Park is efficient, intelligently rendered and unobtrusive, in keeping with the splendid reputation that this hotel enjoys.

Dining-room meals are of savory goodness.

Attractively low rates prevail. Single rooms as low as \$3.00 per day; two-room kitchenettes, for two people, \$5.00 and up.

Write or wire for further information.

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Sheridan Road and Pratt Blvd.
CHICAGO, ILLINOIS

Send for beautifully illustrated booklet showing map of Chicago's famous Park and Boulevard System, location of Golf Links, points of interest and how to reach them.

Louisiana



Travis Oliver, President

OFFICERS LOUISIANA BANKERS ASSOCIATION: President—Travis Oliver, Monroe; Vice-President—W. F. Connell, Baton Rouge; Secretary—J. C. Barry, Lafayette; Treasurer—W. J. Mitchell, New Orleans.

EXECUTIVE COMMITTEE: L. O. Broussard, Chairman, Abbeville; Leon Haas, Opelousas; A. W. Watson, Natchitoches, G. F. Provost, Mansfield; W. P. O'Neal, New Orleans; T. J. Labbe, St. Martinville; Travis Oliver, Monroe; W. D. Haas, Alexandria.

GROUP CHAIRMEN: "A" J. P. Sealy, Shreveport; "B" Jas. A. Christian, Pineville; "C" E. E. Soulier, Lafayette; "D" E. G. Davis, Baton Rouge.



J. C. Barry, Sec'y

Lapeyre Now Assistant Trust Officer

At a recent meeting of the Board of Directors of the Hibernia Bank & Trust Company, New Orleans, A. C. Lapeyre, who for several years has been associated with the Trust Department of the bank, was appointed Assistant Trust Officer.

Mr. Lapeyre was born in New Orleans and received his early education at Jesuit's College from which he graduated in 1915. He then entered Loyola University, where he remained until 1918 serving as one of their students in the S. A. T. C. during the war. After leaving college he joined the Hibernia in 1918 but later in that year he went to Houma, where he accepted a position with H. C. Minor estate at Southdown Plantation. He left H. C. Minor and was successively employed by J. L. Onorato, Realtor and the Celotex Company at Gretna. In 1922 he returned to the Hibernia and was engaged first in the Foreign Department and later by the Trust Department.

Mr. Lapeyre has been active in club work and was for three years a mem-

ber of the Executive Committee of the Hibernia Bank Club. He has also served as treasurer of that body.

Deposits Now Over \$2,000,000.

The Bank of Commerce and Trust Company, Mansfield, La., has deposits of over \$2,000,000.00, according to their statement of December 31st. Ben Johnson is president of the bank; R. T. Moore, vice-president; G. F. Provost, vice-president and cashier, and J. C. Coyle, Hall Peyton and W. F. Moore, assistant cashiers.

J. J. Ferguson Elected Director.

At the annual meeting of the stockholders of the Interstate Trust and Banking Company, New Orleans, held January 10, the directors who served the company during 1926 were unanimously re-elected to serve during the year 1927, with the addition of J. J. Ferguson, a prominent business man of New Orleans, president of the Wilcox Mercantile Agency, and a director of the St. Bernard Bank and Trust Company, Arabi, La.

Hibernia Bank

Re-Elects Officers.

All officers of the Hibernia Bank and Trust Company of New Orleans were re-elected at the recent annual organization meeting of the board of directors. The growth of the bank during the past year is indicated by the annual statement, which shows deposits of more than \$52,000,000, and total resources of \$62,000,000.

The Vidalia Bank and Trust Company, Vidalia, La., has changed its name to the Concordia Bank and Trust Company.

Oswell Patout has been promoted from cashier to active vice-president of the First National Bank of Neanerette, La.

Contract has been awarded for the construction of banking quarters for the Richland State Bank, Rayville, La., to cost \$60,000.00.

Arthur Kahn, vice-president of the Commercial National Bank, Shreveport, La., died recently.

The December 31st statement of the Algiers Trust and Savings Bank, Algiers, La., shows total resources of \$1,462,182.00, with deposits of \$1,115,495.86.

The December 31st statement of the Richland State Bank, Raysville, La., shows total resources of \$975,498.79, with deposits of \$825,319.74.

If a man empties his purse into his head, no man can take it away from him; an investment in knowledge always pays the best interest.—Franklin.

L. M. POOL, President
J. A. BANDI, Vice-President
W. T. MARFIELD, Vice-President
JOHN DANE, Vice-President
FRED BRENCHLEY, Vice-President
W. P. O'NEAL, Vice-President



W. J. PILLOW, Cashier
A. J. CROZAT, Assistant Cashier
G. J. FRUTHALER, Assistant Cashier
W. N. LOUQUE, Assistant Cashier
W. D. KINGSTON, Trust Officer
R. W. BRADY, Ass't-Mgr. Foreign Dept.

The Marine Bank & Trust Company

NEW ORLEANS, LA.

Resources Over Thirty Million Dollars

ACCOUNTS OF BANKS AND BANKERS INVITED
YOUR INTERESTS WILL RECEIVE PERSONAL ATTENTION OF OUR OFFICERS

Mississippi Notes

The December 31st statement of the Peoples Bank & Trust Company, Tupelo, Miss., shows total resources of \$3,311,469.43, with deposits of approximately \$3,000,000.00. S. J. High is president of the bank; M. E. Leake, J. M. Thomas and C. H. Dabbs, vice-presidents; V. S. Whitesides, cashier, and W. H. Patton and R. H. Shuff, assistant cashiers.

The banks in Starkville, Miss., report continued evidence of marked prosperity as reflected in the large deposits being made in the various banking institutions.

The Planters Bank of Tunica, Miss., has taken over the business of the Citizens' Bank of Tunica.

J. Blake Lowe has been elected vice-president of the Capital National Bank, Jackson, Miss., to succeed J. C. McGee.

Edwin Harrison, formerly of Tulsa, Okla., has been elected cashier of the Bank of Greenfield, Mississippi. He succeeds John M. Adams.

The DeSoto County Bank and the Hernando Bank, Hernando, Miss., have been consolidated. The banks have combined deposits of more than \$1,000,000.00.

Equitable Trust Appoints Scranton Representative

The Equitable Trust Company of New York announces the extension of its service and facilities to Wilkes-Barre, Scranton and the surrounding territory through Joseph A. Bedner, who has been appointed as its correspondent in this district.

Mr. Bedner has had about thirteen years' banking experience and is well acquainted in Central Pennsylvania, having been reared in Wilkes-Barre. He is a graduate of Wyoming Seminary and for three years attended evening classes at the University of Pennsylvania.

For about ten years Mr. Bedner was connected with the Luzerne County National Bank, which later merged with the Miners Bank. He was assistant cashier of the Luzerne Bank for five years and for the past three years has been cashier of the Reading Liberty Bank, Reading, Pa.

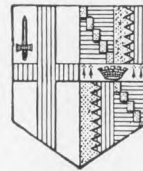
Millions for defense, but not one cent for tribute.—Pinckney.

The Whitney-Central Banks

New Orleans, La.

We invite correspondence regarding the far-reaching service we have to offer.

Capital and Surplus, \$6,603,000.00



A Complete Banking Service

The Midland Bank offers exceptional facilities for the transaction of banking business of every description. Together with its affiliations it operates 2,250 branches in Great Britain and Northern Ireland, and has agents and correspondents in all parts of the world. The Bank has offices in the Atlantic Liners *Aquitania*, *Berengaria* and *Mauretania*, and a foreign branch office at 196 Piccadilly, London, specially equipped for the use and convenience of visitors in London.

MIDLAND BANK

LIMITED

HEAD OFFICE: 5 THREADNEEDLE STREET, LONDON, E.C. 2

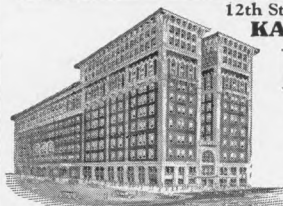
Affiliated Banks: Belfast Banking Co. Ltd., Northern Ireland; The Clydesdale Bank Ltd., and North of Scotland Bank Ltd., Scotland.

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Chairman

JOSEPH REICHL,
V.P. and Gen. Mgr.



500 ROOMS

William S. Mitchell, Res. Mgr., Hotel Baltimore

500 ROOMS

Arkansas Notes

Eagle Street Now Cashier.

T. C. Justus, cashier of the Bank of Cave City, Ark., for the past eight years, has sold his interest in the institution. He has been succeeded as cashier by Eagle Street, who has been assistant cashier of the bank for the last seven years. Olaf Pinkston is the new assistant cashier.

Stuart Wilson Now President.

Stuart Wilson, formerly vice-president, has been elected president of the

State National Bank, Texarkana, Ark., succeeding E. A. Frost, who was made chairman of the board. F. E. Pharr has been elected vice-president of the institution and F. L. Kenney, auditor.

Emmet Morris Elected President.

Gordon N. Peay, president of the W. P. Worthen Company, Bankers, Little Rock, Ark., has been elected chairman of the board of directors. Emmet Morris has been promoted from vice-president and cashier to the position of president. Mr. Morris was formerly associated with the Lasker Morris Bank, which was merged with the Worthen Company.

J. M. Lowe Now President.

J. M. Lowe, cashier of the First National Bank, Paragould, Ark., since 1905, has been elected president, succeeding the late A. Bertig. Cecil Mitchell, formerly assistant cashier, is the new cashier and Everett Rogers has been appointed assistant cashier.

J. W. Stroud Succeeds E. G. Sharp.

John W. Stroud, for many years secretary of the Ozark Fruit Growers' Association, has been chosen cashier of the Farmers State Bank, Rogers, Ark., to fill the vacancy caused by the resignation of E. G. Sharp. Mr. Sharp has also resigned as president of the Farmers Trust Company.

E. C. Whittington has been elected cashier of the Bank of Biggers, Ark., succeeding W. W. Davidson.

W. L. Pope and George Promberger have been elected vice-presidents of the Randolph County Bank, Walnut Ridge, Ark., filling the vacancy caused by the death of Dr. H. L. Throgmorton.

J. I. Matthews, cashier of the Bank of Holly Grove, Ark., died recently.

Roland Judd has resigned as assistant cashier of the Farmers State Bank, Rogers, Ark.

Miss Amy Odom has been elected assistant cashier of the First National Bank, Lamar, Ark.

William W. Cate, president of the American Trust Company, Jonesboro, Ark., died recently.

The Bank of Marion, Ark., has been organized with capital of \$15,000.00 and surplus of \$1,500.00.

The Bank of Marion, Ark., has been chartered with capital of \$15,000.00. Sheriff Claude Cooper is president and W. B. Rhodes, cashier.

Alfred J. Kahn, president of the Little Rock Chamber of Commerce, has been elected vice-president of the Union Trust Company, Little Rock.

A. F. Rawlings has resigned as cashier of the First State Bank, Stuttgart, Ark.

M. P. Welsh has been elected president of the American Trust Company, Jonesboro, Ark.

In Nashville— The Best Bank for You

Is one that keeps pace with the ever changing condition of business and finance and, with a thorough understanding of what conditions involve, gears its facilities for the most efficient service.

The American is such a bank and, as such, invites your business.

Another reason why
you should bank here

"A Greater Bank for Greater Nashville"

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Sixth of a Series

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Commercial and Travelers' Credit issued; Correspondents in all principal Cities in the World. Foreign Exchange bought and sold. Corporate and Personal Trusts; Safekeeping of Securities; Collection of Income. Investment Service for Customers. Safes in our Safe-Deposit Vaults at moderate rental.

Capital, Surplus and Undivided Profits \$34,000,000

Tennessee Notes

American National Elects New Officers.

P. D. Houston, formerly president of the American National Bank, Nashville, Tennessee, has been elected chairman of the board of directors of that institution, and Paul M. Davis, formerly vice-president of the institution, has been elected president to succeed Mr. Houston.

T. K. Happel Elected President.

T. K. Happel has been promoted to the position of president of the Gibson County Bank, Trenton, Tenn. Mr. Happel was formerly vice-president and succeeds Albert S. Elder, who resigned to engage in farming. Mr. Elder has been made chairman of the board.

W. B. Cleveland, 49 years old, vice-president of the Liberty Savings Bank and Trust Co., Memphis, Tenn., died January 5th.

Newt Cannon, cashier of the Harpeth National Bank, Franklin, Tenn., has resigned. He has been succeeded by John A. Jordan.

N. J. Johnson has been elected president of the Citizens Bank and Trust Company, Rutledge, Tenn., to succeed J. G. Waller.

Karl H. Warren has been elected president of the People's Bank, Martin, Tenn., to succeed T. H. Farmer, who resigned.

R. D. Kerr has been elected assistant cashier of the Old National Bank, Union City, Tenn.

The First National Bank, Selmer, Tenn., has total resources of \$533,532.33 and deposits of \$450,678.13, according to its December 31st statement.

The Hamilton National Bank and the Hamilton Trust and Savings Bank, Chattanooga, Tenn., has combined resources of over \$24,416,929.03 and combined deposits of \$19,756,259.14, according to the recent statement of condition.

W. B. Cleveland, 49, vice-president of the Liberty Savings Bank and Trust Company, Memphis, Tenn., died recently.

Morris Companies Will Move to Graybar Building

The group of companies headed by Arthur J. Morris, founder of the Morris plan system of industrial banking, will move in the latter part of April to the Graybar building adjoining New York's Grand Central Terminal on the East. This building is being erected on the block bounded by Forty-third and Forty-fourth streets, Lexington avenue and Depew place, and will be the largest office building above ground in the world.

The group of companies includes the

following: Industrial Finance Corporation, Industrial Acceptance Corporation, Morris Plan Corporation of America, Morris Plan Mortgage Corporation, Morris Plan Securities Corporation, General Bond and Share Corporation, Puritan Corporation, Realty Acceptance Corporation and the Stuyvesant Corporation.

The Graybar Building will have a forty foot concourse which will lead right into the Grand Central Terminal and serve as its principal eastern entrance, only two hundred feet from the information booth and the outgoing "Twentieth Century Limited."



A Good Machine Runs Smooth

The correspondent service made available to you by the banks in the Tri-State Region is like a good machine.

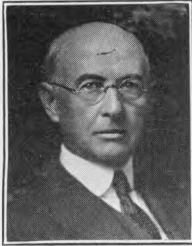
All the parts are "broken in" by years of experience. Every unit fits nicely in place. There is plenty of power. And some one is always on the alert to keep the wheels moving.

You can get in gear with this smoothly functioning machine through the U & P.

UNION & PLANTERS BANK & TRUST COMPANY

Forward with Memphis—Since '69

MEMPHIS, TENNESSEE



W. W. Pollock, Pres.

Missouri Bank News



W. F. Keyser, Secretary

OFFICERS MISSOURI BANKERS ASSOCIATION: President, W. W. Pollock, Mexico; Vice-President, Edward Buder, St. Louis; Secretary, W. F. Keyser, Sedalia; Treasurer, E. B. Jacobs, Carthage.

GROUP CHAIRMEN: 1—W. C. Brown, Macon; 2—O. H. Moberly, Harris; 3—G. L. Wilfley, Maryville; 4—W. H. Erwin, Ulrich; 5—C. A. Eaton, St. Louis; 6—Henry Stocks, Malden; 7—C. W. Moody, Springfield; 8—W. H. Waters, Jr., Jasper.

GROUP SECRETARIES: 1—Gus Delaney, Hurdland; 2—G. P. Allen, Powersville; 3—R. W. Holt, Craig; 4—F. W. Pendleton, Independence; 5—A. A. Speer, Jefferson City; 6—G. U. Shelby, Charleston; 7—C. H. White, Seymour; 8—E. C. Williams, Noel.

John G. Lonsdale Now Heads St. Louis Clearing House

John G. Lonsdale, president of the National Bank of Commerce in St. Louis, has been elected to head the St. Louis Clearing House Association for the ensuing year.

Mr. Lonsdale has recently been re-elected Class A director of the St. Louis Federal Reserve Board.

Other officers elected for the clearing house association were: R. B. Hawes, vice-president of the First National Bank, vice-president; R. R. Tilley, secretary, and the following Board of Managers: R. S. Hawes, chairman; George E. Hoffman of the Merchants-Laclede National Bank; Henry Hopkins of the American Trust Company; A. C. F. Meyer of the Lafayette South Side Bank, and E. B. Pryor of the State National Bank.

Drovers National Shows Good Gain.

Directors of the Drovers National Bank, Stock Yards Station, Kansas City, Mo., placed the bank on a regular 6 per cent dividend basis at the last regular meeting. The bank has been enjoying a splendid growth and now has deposits in excess of \$9,000,000. Capital stock is \$600,000. Surplus and undivided profits amount to \$250,000.

Lafayette-South Side Bank Elects Officers.

William J. Jones, formerly assistant cashier and auditor of the Lafayette-South Side Bank of St. Louis, has been elected a vice-president of the bank, and Oscar L. Kupferer, formerly assistant cashier, has been made cashier. George R. Hunsche, formerly vice-president of the Title Guaranty Trust Company of St. Louis, has been elected a vice-president in charge of the Real Estate Loan Department.

Lindell Trust Elects Officers.

The following were elected officers of the Lindell Trust Company, St. Louis, at a recent meeting of the directors of the company: C. H. Peters, president;

F. A. Brickenkamp and F. W. Peters vice-president; A. W. Dahldorf, secretary-treasurer; H. Graef, Jr., assistant secretary; F. A. Kaiser, assistant treasurer, and W. T. Jones, counsel.

H. B. Offenbacher Now Vice-President.

At the annual election of officers of the Telegraphers National Bank of St. Louis, H. B. Offenbacher was elected vice-president of that institution. All other officers were re-elected.

Offenbacher has been connected with the bank since its organization in 1923. He has risen progressively with the bank's consistent growth in deposits from \$1,300,000 the opening day to more than \$6,250,000 at the close of 1926.

W. S. McLucas Enjoys Vacation.

W. S. McLucas, chairman of the Board of Commerce Trust Company, Kansas City, and Mrs. McLucas departed January 14th for a few weeks outing in Florida and Cuba. They will return by way of New York, where Mr. McLucas will attend the conference of the Trust Companies' Division of the American Bankers' Association, of which Mr. McLucas is president.

Brady Attends Council Meeting.

Fred B. Brady, vice-president of the Commerce Trust Company, Kansas City, and chairman of the Agricultural Committee of the Missouri Bankers' Association attended a council meeting in Sedalia on January 19.

Leo B. Donnewald Now With Broadway Trust Company

Leo B. Donnewald, who has been connected with the Federal Reserve Bank of St. Louis for the past eight and a half years, goes to the Broadway Trust Company of St. Louis, effective February 1, to work for his old "chief," Earl Adams, who is now president of the Broadway Trust.

Mr. Donnewald was born and raised in St. Louis. He is a graduate of St.

Louis University, and was connected with the old St. Louis Union Trust Company for eleven years before going with the Federal Reserve Bank as traveling representative in Arkansas, Mississippi, Tennessee and Missouri.

Mr. Donnewald will represent the Broadway Trust in the Mid-Continent territory, and his many banker friends wish him every success.

C. La Moine Mott, representative of the Federal Reserve Bank in Kentucky, will succeed Mr. Donnewald as Arkansas representative for the bank.

Sells Interest In Cassville Bank.

Mrs. M. C. Allen, who has held the controlling interest in the Barry County Bank, Cassville, Mo., for several years, has sold her stock. The new officers of the bank are: Chas. K. Chancellor, president; D. Dinger, vice-president; P. E. Horine, cashier and Miss Alene Jeffries, assistant cashier.

Hal Lemon Presides at Meeting.

Hal Y. Lemon, vice-president of the Commerce Trust Company, Kansas City and president of the Association of Reserve City Bankers presided at the meeting of the association in Pittsburg, January 22nd.

Troy Bank Elects New Officers.

C. A. Copher, who has been connected with the Farmers & Mechanics Savings Bank, Troy, Mo., for nearly twenty-five years as assistant cashier and later as cashier, has resigned on account of ill health and has established an insurance agency. The officers of the bank now, are: D. M. Ellis, president; S. R. McKay, vice-president; E. C. Dickenhorst, cashier; Fred Harrison and R. E. Copher, assistant cashiers.

A. H. Kinyon has been elected president of the Kirkwood Bank, Kirkwood, Mo., succeeding John H. Dieter, who has resigned and is moving to Texas. Charles Juengel succeeds Mr. Dieter on the board of directors.

T. A. McAllister has succeeded **J. W. Smith** as vice-president of the First National Bank, Sweet Springs, Mo., and **Floyd Ripley** has been elected to succeed **Cecil Owen** as assistant cashier.

P. M. Masters has resigned as assistant cashier of the New England National Bank and Trust Company, Kansas City, Mo., to take charge of the Kansas City office of **Lorenzo E. Anderson & Company**, one of the oldest investment security houses in St. Louis.

George E. Crow, assistant cashier of the Ralls County Bank, New London, Mo., has been promoted to the position of cashier to succeed the late **J. E. Me-gown**. **W. E. Conn** has been named assistant cashier.

Geo. W. Clark, vice-president, has been elected president of the First National Bank, Appleton, City, Mo. **M. D. Grider** is vice-president; **J. E. Herrman**, cashier, and **M. Peeler**, assistant cashier.

Charles Riley has accepted a position as assistant cashier at the Commercial Bank, Excelsior Springs, Mo.

Frank P. Downey has been elected vice-president of the Mechanics State Bank, St. Joseph, Mo.

R. L. West has been elected assistant cashier of the Bank of Palmyra, Mo.

The **Citizens State Bank of Edger-ton, Mo.**, has been absorbed by the Bank of Edgerton, Mo.

Miss Winifred Haines, for twenty-seven years secretary to **E. F. Swinney**, president of the First National Bank, Kansas City, Mo., has been elected cashier of that institution.

The **First National Bank, Cassville, Mo.**, has elected **Miss Fredaline Bennington** cashier.

Hobert Wells has been elected assistant cashier of the First National Bank, Steele, Mo.

L. C. Corley has resigned as assistant cashier of the Sedalia National Bank, Sedalia, Mo.

Frederick Godber, president of the **Roxana Petroleum Corporation**, has been elected a director of the **Mercan-tile Trust Company, St. Louis**.

Willard B. Dunnegan, vice-president of the **Polk County Bank, Springfield, Mo.**, died recently.

Ray McNally Now With the National Bank of Republic

At the annual meeting of the directors of the National Bank of the Republic of Chicago, **Raymond F. McNally**, formerly vice-president and cashier of the National Bank of Commerce, St. Louis, was elected vice-president and a director; **William R. Schuster** and **William H. Miller**, formerly assistant cashiers, were advanced to assistant vice-presidents, and **David M. Sweet**, formerly assistant manager of

the credit department, was elected assistant cashier and manager of the credit department.

In addition to the foregoing changes in the official staff, **Robert Helander** was elected assistant controller; **W. E. Harrison** and **H. B. Noyes**, assistant auditors; **H. R. Hulseberg**, manager of the collection department; **Robert D. West**, assistant manager of the collection department; **Wynnett McIllvaine**, manager of the transit department, and **Peter Rocco**, assistant manager of the transit department.



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*The breadth of contact
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 a most helpful St.
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"ROLL of HONOR" BANKS in MISSOURI

It is an honor to be listed among the Honor Roll banks. It indicates that the bank has surplus and undivided profits equal to or greater than its capital. Such distinction is accorded to the banks listed on this page. By careful management and sound banking they have achieved this enviable position.

The banks will be especially glad to handle any collections, special credit reports or other business in their communities which you may entrust to them. Correspondence is invited.

City	Bank	Capital	Surplus and Profits
Agency	Farmers Bank	\$ 10,000	\$ 10,000
Augusta	Bank of Augusta	20,000	26,000
Bigelow	Bank of Bigelow	10,000	12,000
Buffalo	O'Bannon Banking Co.	25,000	31,667
Cameron	First National	50,000	55,000
Columbia	Boone County Trust Co.	75,000	200,000
Concordia	Concordia Savings	50,000	52,000
Dalton	Bank of Dalton	10,000	20,000
Everton	Bank of Everton	25,000	55,000
Farmington	Bank of Farmington	50,000	125,000
Gilman City	Gilman Bank	25,000	30,000
Hardin	Bank of Hardin	75,000	87,000
Hayti	Bank of Hayti	20,000	26,471.82
Ironton	Iron County Bank	10,000	21,000
Joplin	Miners Bank	100,000	175,000
Kansas City	First National	1,000,000	3,470,000
Lebanon	State Bank	30,000	35,000
Maitland	Peoples Bank	20,000	35,000
Neosho	First National	50,000	85,000
Odessa	Bank of Odessa	50,000	75,000
Perry	Peoples Bank	25,000	50,000
Raymore	Bank of Raymore	10,000	27,000
St. Joseph	First Trust Co.	100,000	143,334
St. Louis	Jefferson Bank	200,000	252,000
St. Louis	Mercantile Trust Co.	3,000,000	8,096,642
Sedalia	Citizens National	100,000	290,000
South Gifford	Bank of Gifford	10,000	14,900
Sullivan	Bank of Sullivan	10,000	82,000
Steelville	First National	25,000	30,000
Stover	Stover Bank	15,000	22,000
Tarkio	Farmers Bank	20,000	32,000
Troy	Peoples Bank	50,000	115,000
Union	Bank of Union	15,000	42,000
Walker	Farmers Bank	10,000	12,000
Wellston	First National	100,000	146,900
Windsor	Citizens Bank	40,000	60,000

Broadway Trust Company Elects Officers

At the recent annual meeting of the stockholders of the Broadway Trust Company of St. Louis, William R. Rogers, Frank B. Young and Joseph A. Hafner were elected directors of the institution, in addition to E. C. Adams, Leo G. Desobry, Leopold Grossberg, H. F. Hoener, H. L. Rogers and John R. Baldwin, who are already directors.

The directors re-elected E. C. Adams as president and Leo G. Desobry as first vice-president. H. L. Rogers and Leopold Grossberg were elected vice-presidents; H. F. Hoener, secretary and treasurer, and Fred H. Hoffman, assistant secretary.

W. R. Rogers is president of the Rogers-Schmitt Wire and Iron Company, St. Louis, and Frank B. Young is general manager of the Farmers' Live Stock Commission Company, National Stockyards, Illinois, and a former officer of the National Stock Yards National Bank and of the old Illinois State Bank.

Seaboard National Bank Elects New Officers

At a recent meeting of the Board of Directors of the Seaboard National Bank of the City of New York, William A. B. Ditto was appointed assistant vice-president. Mr. Ditto entered the Seaboard as a junior clerk and after working his way through the various departments was appointed assistant cashier in 1920, associated with the loan department. He was born in Hancock, Maryland, and was connected with the Hancock bank prior to his affiliation with the Seaboard. He has taken an active interest in banking and Institute affairs, having been a member of the American Institute of Banking for a number of years.

Frank E. Frazier was also elected an assistant vice-president, and Willard Schenck, G. Kellogg Rose, Jr., Wyllys P. Ames and Charles C. Fagg were appointed assistant cashiers. Egbert V. Nelson, formerly assistant trust officer, was elected trust officer succeeding John A. Burns, now vice-president.

Elmer L. Pigg, for 20 years with the Missouri City Bank, at Missouri City, has moved to Liberty, Mo., to become vice-president of the Citizens Bank.

W. E. Todd, president of the First National Bank, Brookfield, Mo., has sold his stock to Herman Craig, who has been elected cashier. J. D. Freund, former cashier, succeeds Mr. Todd as president.

Kansas Notes

Two Edna

Banks Consolidate.

The Citizens State Bank and the First National Bank, Edna, Kansas, have been consolidated under the name of the First National Bank, with capital of \$25,000.00 and surplus of \$5,000.00. W. L. Conneway is president of the merged bank.

New Bank at Abilene.

The United Trust Company, Abilene, Kansas, has been granted a charter with capital of \$500,000.00. C. L. Brown is president, and A. D. Jellison, vice-president. The assets of the Jellison Trust Company will be taken over by the new company.

The Union State Bank, Neodesha, Kansas, has been converted into a national bank and is now being operated as the Union National Bank of Neodesha, with capital of \$50,000.00.

Dr. J. A. Jones, vice-president of the Brotherhood State Bank, Kansas City, Kansas, since its organization two years ago, has been promoted to the position of president. He succeeded Joseph Flynn, who resigned on account of ill health. W. J. Brown has been elected vice-president.

The Republic State Bank and the Citizens State Bank, Republic City, Kansas, have been merged under the name of the Citizens State Bank. A. B. Evans is president and J. N. Werts cashier of the consolidated institution, which has resources of \$434,000.00.

The Thayer State Bank, Thayer, Kansas, has increased its capital from \$10,000.00 to \$15,000.00.

Raymond Jones, assistant cashier of the State Bank of Dodge City, Kansas, has resigned.

W. H. Miller, vice-president of the Elmond State Bank, Logan, Kansas, died recently.

The Glade State Bank, Glade, Kansas, has been merged with the First National Bank, Phillipsburg, Kansas.

Chris Mann, of Junction City, Kansas, has been elected cashier of the Citizens State Bank, Woodbine, Kansas, to succeed C. F. Moore.

Claude Pack, cashier of the Home

One Minute from Commerce Trust Company to ANYWHERE in the United States



A Western Union operator sits at his key in the offices of Commerce Trust Company, in touch with the seaboard, the west coast, the Lakes, the gulf—at a minute's notice. Speed is of the very essence of banking. Our wire facilities save hours.



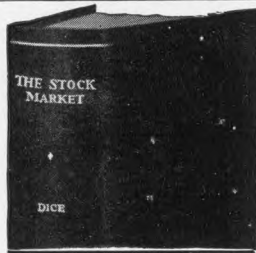
Commerce Trust Company

KANSAS CITY

50% more color in Reed's Mass-magazine Plan for 1927; printed in full-color gravure.
See it for yourself.

26.6% greater size in Reed's Mass-magazine Plan for 1927, but no increase in price.
See it for yourself.

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"The Stock Market"

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Professor of Business Organization, College of Commerce and Journalism, Ohio State University; and
Consultant on Investment and Financial Problems

Shows You How to Profit with the Up and Down Swings of the Market

If you want to know how operators work; if you want successful pointers on averaging, pyramiding, double tops and bottoms; if you are puzzled when the market is technically strong but fundamentally weak; if you want to know the *whys* of bear and bull movements—here you can find instantly the facts that you need.

Convertible stocks, the computation of conversion factors, stock pools, corners, current stock price indexes, methods of forecasting major trends; the fundamental factors in rating—the principles that run the market—all are made vividly clear.

Use This Book to Guide You When You Raise Capital, Trade, or Invest

You are told how the exchanges govern themselves; you are shown how stocks are transferred. Manipulation of prices is explained; business barometers are analyzed; you are told how money conditions affect the market. Practical pointers for the short seller are given; stop loss orders, margins, listing, and scores of suggestions that pay are simply discussed.

Stock price averages; a lucid commentary on the Dow Theory; a description of the different systems of forecasting stock prices, trends, and a thoroughgoing discussion of methods employed in rating securities, make this a handbook that will be of value to every one who is interested in, or affected by, the "ups" and "downs" of the stock market. Replete with charts, tables, and graphs, this book quickly makes clear the natural laws that run the market.

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(Please print plainly)
Street & No.
(Please print plainly)
City & State
Firm
(Canada and foreign, 10% additional, cash with order.)

State Bank, Kansas City, Kansas, has been elected president of the Kansas City Clearing House Association.

H. M. Thomas, of Peoria, has been named cashier of the LeLoup State Bank, Ottawa, Kansas, to succeed Bert Anderson, who has resigned.

Edward E. Dix, vice-president of the Peoples State Bank, Fort Scott, Kansas, died recently.

At the annual meeting of the Peoples State Bank, Wichita, Kansas, S. J. Gardner was elected cashier to succeed S. O. Nofztger, who is now president.

Winston Wheeler has been elected vice-president of the Wheeler Kelly Hagny Trust Company, Wichita, Kansas.

The Hardtner State Bank and the Farmers State Bank, of Hardtner, Kansas, have been merged under the name of the Farmers State Bank.

Charles Rayle has been elected president of the State Bank of Kingman, Kansas, to fill the vacancy caused by the resignation of David Walter. Walter Sample was elected vice-president.

Miller Beckett has been elected cashier of the Patrons Bank, Clathe, Kansas, for the ensuing year.

The Security State Bank, Kansas City, Kansas, has increased its capital from \$10,000.00 to \$50,000.00.

Curley Fahler has resigned as assistant cashier in the Citizens State Bank, Edna, Kansas, and has gone to Tulsa, Okla., to work in a bank there.

The Farmers' State Bank, Gretna, Kansas, has merged with the First State Bank, Agra.

H. E. Wristen, president of the First State Bank of Hudson, Kansas, died recently.

J. L. Dignan has been elected cashier of the Kelly State Bank, Kelly, Kansas, to succeed the late W. G. Rucker.

J. B. Traylor, cashier of the American National Bank, Baxter Springs, Kansas, died recently

A generation ago there were a thousand men to every opportunity, while today there are a thousand opportunities for every man.—Henry Ford.

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Bankers Dislike Red Tape of Bonus Loans

(Continued from Page 10)

S. W. Gee, president of the Farmers State Bank of Lawrenceville, Ill., reports: "We have made a few loans and have several applications on file. Doubtless within the next few months we will make many additional loans."

C. A. Mueller, cashier of the City Trust and Savings Bank, Kankakee, Ill., says: "We find that our loans average more than \$50, and we are attempting to loan only to our own customers and to those who we believe are in real need of the money by their financial circumstances. In other words, if a man is married and has a family and the family is in urgent need of the money, we will make the loan. However, if a young unmarried man applies to us for such a loan and we think that he simply wants the money to spend, we do not make the loan. As these loans can be made at our own discretion, we will make them as above stated."

"We have had numerous applications from parties that we did not know, and for that reason we have refused up to the present time to make any advances to these applicants," says J. F. Lilly, vice president and cashier, Sturdivant Bank, Cape Girardeau, Mo. "However,

it looks to me that should any of our own customers apply to us, that we ought to accommodate them, and my idea would be that we would not loan over sixty to seventy-five per cent of the loan value, and of course, the loans have to be made at a rate not in excess of six per cent so long as our Federal Reserve discount rate remains at the present figure."

"We have had very few applications so far from ex-service men wishing loans on bonus certificates. In each instance, after a talk with the applicant, we found he really did not need to borrow money on the certificate," explains E. B. Appleton, vice-president Litchfield Bank and Trust Co., Litchfield, Ill.

"In our opinion, the loan value of the certificates will not average much above \$50, and we do not take kindly to the plan of loaning on them at the rate specified in the government regulation, that is, 2 per cent above the Federal Reserve discount rate. Our experience shows us that it costs \$1.91 to manufacture a loan, and if we are allowed to charge only the rate specified in the regulations, we would be losing money on each loan.

"It is our opinion that if any of our ex-service men need financial assistance, they can give their banks ac-

ceptable security other than hypothe- cating their bonus certificates, there- by obviating both themselves and the banks a lot of red tape."

C. W. Moody, cashier of the McDaniel National Bank, Springfield, Mo., says: "We have made a few loans on these certificates, but are not making any at the present time. Our experi- ence is that these veterans apply for the full amount available in almost every instance. We are limiting the loans strictly to our customers, and to friends of our very best customers; make a rate at this time of 2 per cent over the Federal Reserve rate, or a rate to us of 6 per cent. It has been our experience that 95 per cent of the veterans holding these certificates have sought loans on them, which makes it practically impossible for the banks to absorb them in a short time, and at the rate offered. We will therefore make but very few."

The highest reward that God gives us for good work is the ability to do better work.—Elbert Hubbard.

A wise man will always be a Chris- tian, because the perfection of wisdom is to know where lies tranquility of mind, and how to attain it, which Chris- tianity teaches.—Landon.

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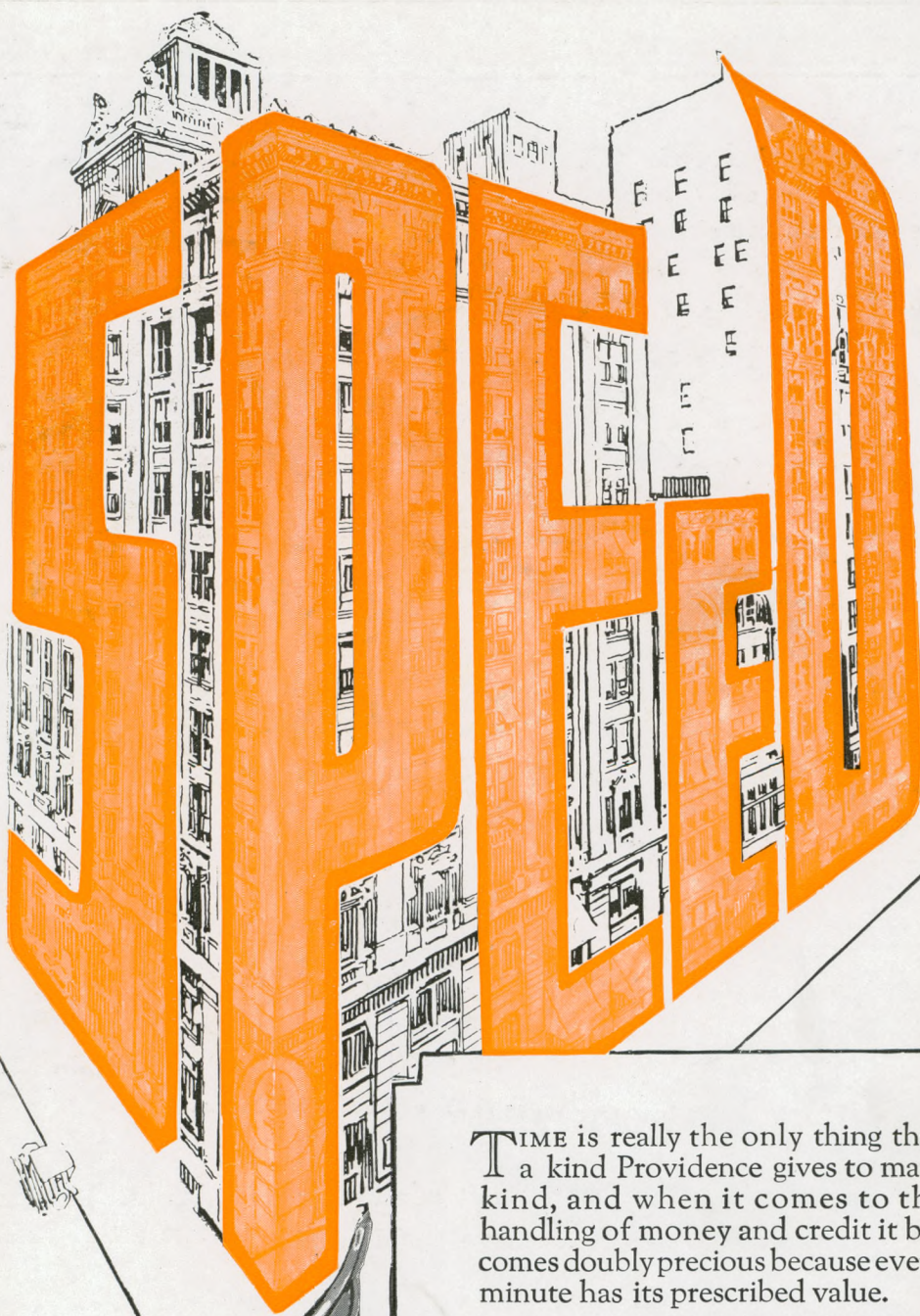
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