

MID-CONTINENT BANKER

SAINT LOUIS

IN THIS ISSUE

Assignment of Life Insurance as Collateral

By B. L. Holland

Page Seven

No Money for Cotton, But Plenty for
Cream Separators

By Paul Edwards

Page Nine

All in the Morning's Mail

By Roscoe Macy

Page Eleven

The Executive and the Auditor

By F. Lee Major

Page Thirteen

Whither Are We Drifting?

By R. S. Hecht

Page Fifteen

The Effect on Europe of Tight Money in
America

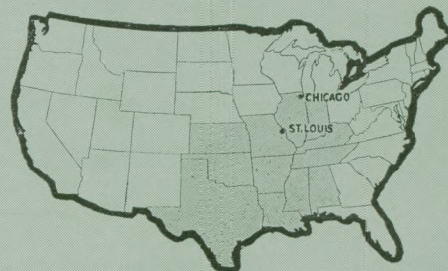
By B. M. Anderson, Jr.

Page Forty-Two

Bond and Investment Section

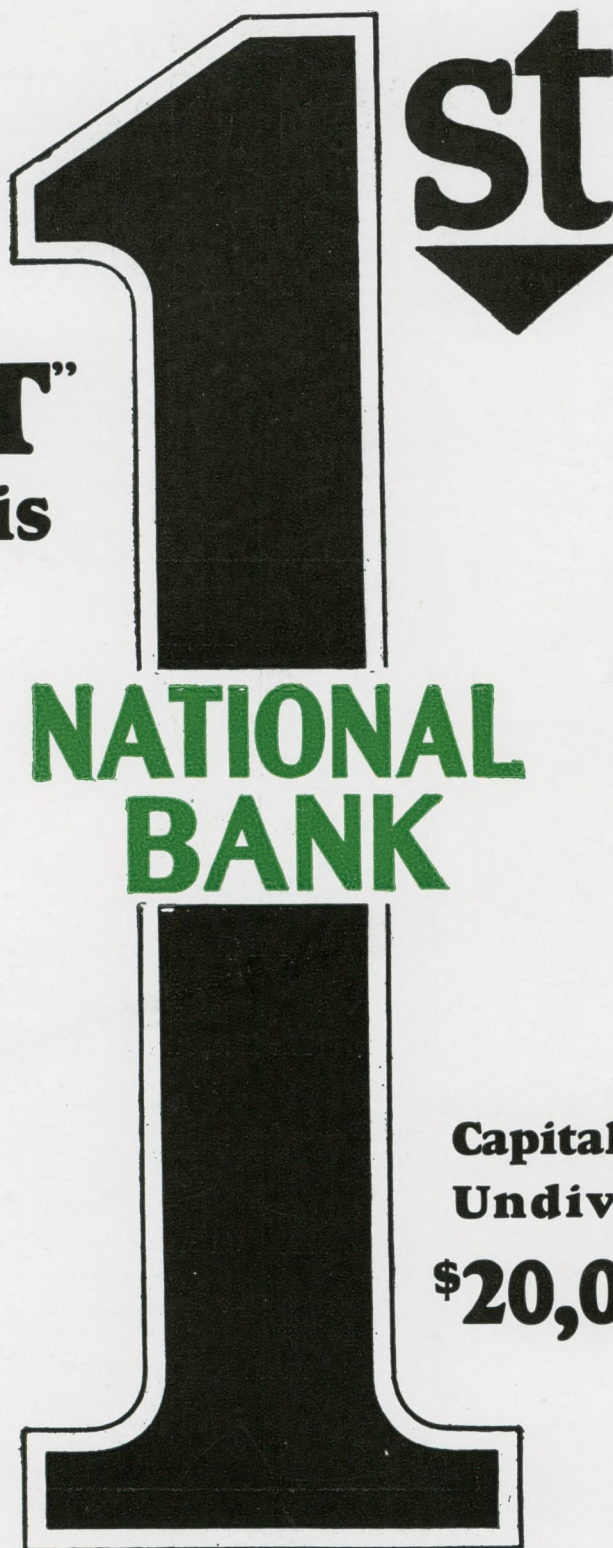
Page Thirty-One

AUGUST, 1929



The Financial Magazine of the Mississippi Valley

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Personal Comment

A banker in Love County, Oklahoma, writes us an optimistic letter which makes us feel that the adage about the worm must turn, it's a long road that has no curves or there must be a silver lining is true. At any rate, the banker tells us that during the past seven years there has been but one good crop. Another one is well on its way, now, he says, and the bankers as well as other persons in that vicinity are looking forward with real satisfaction in seeing this crop develop. In spite of six crop failures the banks of this territory show good statements. One reason for this may be seen in the fact that this section of the state has been building up its dairy and poultry industries. A crop failure, though serious, is not as disastrous as it would be if the people depended on a cotton crop almost entirely as they used to do.

W. V. Davis, cashier of the First National Bank of Monett, Missouri, attended the council of administration of the Missouri Bankers Association at Kansas City recently, being chairman of Group Eight.

One of the Mid-Continent Banker's representatives recently called on Hoyleton State and Savings Bank at Hoyleton, Illinois. H. H. Weigel, cashier of the bank, is, we believe, the youngest cashier in the state of Illinois. Mr. Weigel is only nineteen years old. Other officers of the bank are: W. E. Breuer, president; D. Rixmann, vice-president; Miss Corinne Beckmeyer, assistant cashier.

H. R. Aisthorpe, cashier of the First Bank and Trust Company, Cairo, Illinois, celebrated the end of his thirty-third year of banking service in June. Mr. Aisthorpe recently wrote to the Mid-Continent Banker: "I enjoy reading your paper and believe that I receive much good from the practical articles which you publish."

A few days ago we received a post card from D. K. Snyder of the Drivers National at Kansas City. The card was sent from New York City and brought the following message: "Here on my first real vacation in fifteen years. Having the time of my life and learning a lot. Call money surely looks like a good investment to me. New York Bankers very optimistic in regard to future business conditions."

MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley

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ST. LOUIS, AUGUST, 1929

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CONTENTS FOR AUGUST

Assignment of Life Insurance as Collateral— <i>B. L. Holland</i>	7
Foreman Banks—State Bank Merger - - - - -	8
No Money for Cotton, but Plenty for Cream Separators — <i>Paul Edwards</i> - - - - -	9
All in the Morning's Mail— <i>Roscoe Macy</i> - - - - -	11
The Executive and the Auditor— <i>F. Lee Major</i> - - - - -	13
Whither Are We Drifting?— <i>R. S. Hecht</i> - - - - -	15
News of New York and Eastern Bankers - - - - -	26
Secondary Reserve Problem of Bank Management— <i>Eugene H. Burris</i> - - - - -	31
Effect on Europe of Tight Money in America— <i>B. M. Ander- son, Jr.</i> - - - - -	42
Along La Salle Street— <i>Howard W. Clark</i> - - - - -	47
St. Louis Stock Exchange Quotations - - - - -	50
Current Quotations - - - - -	53
How Insurance Companies Invest - - - - -	63
Legal Tender Section - - - - -	76

STATE NEWS SECTION

Illinois - - - - -	54	Kentucky - - - - -	67
Texas - - - - -	58	Alabama - - - - -	68
Oklahoma - - - - -	61	Mississippi - - - - -	68
Louisiana - - - - -	64	Arkansas - - - - -	69
Indiana - - - - -	65	Kansas - - - - -	70
Tennessee - - - - -	66	Missouri - - - - -	72

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OUR AIM

It is the aim of the Mississippi Valley Merchants State Trust Company to render each correspondent every possible service, in a way that will make them feel their account is truly appreciated.

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ST. LOUIS

Mid-Continent Banker

THE FINANCIAL MAGAZINE OF THE MISSISSIPPI VALLEY

Volume Twenty - Five

ST. LOUIS, AUGUST, 1929

Number Eight

Assignment of Life Insurance Policies as Collateral

TO bankers and others who lend money the decisions of some of the courts defeating certain collateral assignments of life insurance policies are of very great importance. All courts agree that life insurance policies are assignable and their use as collateral has properly become widespread. However, some of the courts have defeated such assignments merely on the ground that in making the assignments the correct procedure has not been followed.

It is generally understood that if a life insurance policy is payable to a beneficiary, other than the insured's estate, without privilege of change, the beneficiary has a vested interest in the policy which can not be defeated without the consent of the beneficiary. However, there seems to be a popular notion that if the insured has reserved the right to change the beneficiary he is the owner of the policy and can assign it without regard for the interests of the beneficiary. Most life insurance policies issued today contain a provision which reserves to the insured the right to change the beneficiary. Such policies usually require that in order to change the beneficiary the insured shall file a written notice of the change at the home office of the insurance company together with the policy for indorsement of the change thereon by the company. The policies issued by most companies do not contain any provisions specifically giving the insured alone the right to make an assignment of the policy even though he has reserved the right to change the beneficiary.

The question, therefore, is whether the insured can assign such a life insurance policy for collateral purposes without complying with the provisions of the policy for making a change of beneficiary. The basis of the decisions of those courts which have answered this question in the negative is well

By B. L. HOLLAND

Attorney for the Phoenix Mutual Life
Insurance Company of Hartford,
Connecticut

illustrated by the case of Anderson versus Broadstreet National Bank, 90 N. J. Eq. 78, 105 A. 599, decided in 1918. In that case the policy was payable to the insured's wife if living at the death of the insured, but if not then living to the estate of the insured. The policy reserved to the insured the right to change the beneficiary. The insured made a collateral

"Anyone desiring to take an assignment of a life insurance policy as collateral is in a very precarious position unless the interests of the beneficiary have been properly disposed of."

assignment of the policy to a bank. On the death of the insured the court held that the beneficiary took the entire interest in the policy and the bank was entitled to recover nothing on its collateral assignment. The decision was based upon the theory the wife as beneficiary took an interest in the policy which could not be defeated during her lifetime without her consent unless the beneficiary was changed in accordance with the provisions of the policy. The collateral assignment did not constitute a change of beneficiary

because the policy contained the usual provision that a change of beneficiary should be made by filing a notice of change with the company at its home office together with the policy for indorsement. Consequently, since the beneficiary was living at the death of the insured and had not been changed as provided in the policy, the bank was unable to recover anything under its collateral assignment.

THE case of the Broadstreet National Bank is only illustrative of a number of cases which have reached this result. The following cases have supported this view:

- Colo. Johnson v. New York Life Ins. Co., 56 Col. 178, 138 P. 414 (1914)
- Muller v. Penn Mutual Life Ins. Co., 62 Col. 245, 161 P. 148 (1916)
- La. Douglass v. Equitable Life Assurance Society, 150 La. 519, 90 S. 834 (1921)
- N. J. Sullivan et al v. Maroney et al, 77 N. J. Eq. 565, 78 A. 150 (1910)
- Metropolitan Life Ins. Co. v. Zgliczenski, 94 N. J. Eq. 300, 119 A. 29 (1922)
- N. Y. Schoenholz v. New York Life Ins. Co. et al, 234 N. Y. 24, 136 N. E. 227 (1922)
- Mahoney v. Eaton et al, 205 N. Y. S. 707, 123 Misc. 231 (1924)
- Okla. Dictum in Third National Bank of Lawton v. Lewis et al, 73 Okla. 329, 176 P. 237 (1918)
- Pa. Barner v. Lyter, 31 Pa. Sup. Court, 435 (1906)

On the other hand the following cases have been decided that, where the insured has reserved the right to change the beneficiary, he is the owner of the policy and has the right to make an assignment without regard to the interest of the beneficiary:

- Fed. Mutual Benefit Life Ins. Co. v. Swett, 220 Fed. 200 (C. C. A. 1915)
- Rawls v. Penn Mutual Life Ins. Co., 253 Fed. 725 (C. C. A. 1918)
- Loring v. Gavan, 270 Fed. 298 (S. D. of N. Y. 1920)
- Ark. Dictum in Mente v. Townsend, 68 Ark. 391, 59 S. W. 41 (1900)
- Ga. Farmers State Bank v. Kelly, 155 Ga. 733, 118 S. E. 197 (1923)
- Merchants Bank et al v. Garrard, 158 Ga. 867, 124 S. E. 715 (1924)
- Ratteray v. Banks, 31 Ga. App. 589, 121 S. E. 516 (1924)
- Ill. Equitable Life Ins. Co. v. Mitchell, 248 Ill. App. 401 (1927)
- Mayer v. Ill. Life Insurance Company, 211 Ill. App. 285 (1918)

- Mass. Atlantic Mutual Life Ins. Co. v. Gannon et al, 179 Mass. 291, 60 N. E. 933 (1901)
- Mich. Bland v. Bland, 212 Mich. 549, 180 N. W. 445 (1920)
- Miss. Lamar Life Ins. Co. v. Moody, 122 Miss. 99, 84 S. 135 (1920)
- Bank of Belzoni v. Hadges et al, 132 Miss. 238, 96 S. 97 (1923)
- Mo. Missouri State Life Ins. Co. v. California State Bank, 202 Mo. App. 347, 216 S. W. 785 (1919)
- S. C. Antley v. New York Life Ins. Co. et al, 139 S. C. 23, 137 S. E. 199 (1926) overruling Deal v. Deal 87 S. C. 395, 69 S. E. 886 (1911) and Barron v. Liberty National Bank, 131 S. C. 443, 128 S. E. 414 (1925)
- Texas McNeill v. Chinn, 45 Texas Civ. App. 551, 101 S. W. 465 (1907)
- Dictum and Farracy v. Parry, 12 S. W. (2d) 651 (Tex.-C. C. A. 1928)
- Wash. Schade v. Western Union Life Ins. Co., 145 Wash. 200, 251 P. 251 (1923)

While the latter class of cases is quite large, nevertheless the number and standing of the courts which have refused to permit the insured alone to make an assignment of the policy without complying with the provisions of the policy for changing the beneficiary are so great that anyone desiring to take an assignment of a life insurance

policy as collateral is in a very precarious position unless the interest of the beneficiary has been properly disposed of. Accordingly, unless the life insurance policy specifically gives the insured alone the right to make the assignment, one taking an assignment of the policy should be certain that the interest of the beneficiary has been made subject to the assignment. Usually this may be done by securing the signature of the beneficiary to the assignment. However, often this can not be obtained because the beneficiary may be a minor, or will not consent. In other cases the insured's wife may be the beneficiary and may be prevented by local statutes from pledging her property for a debt of her husband. When the signature of the beneficiary can not be secured the insured should be required to change the beneficiary to his estate before the assignment is made.

Foreman Banks and State Bank of Chicago Announce Merger

A MALGAMATION of the Foreman banks and the State Bank of Chicago has been arranged to form a \$222,000,000 banking group for Chicago, the third largest in the city and representing the fifth major combination in Chicago banking circles within the last year. Arrangements for the amalgamation were completed at a joint meeting of the directors and officers of the two banks.

The two banks go into the consolidation on a share for share basis, according to the terms announced. The new Foreman National Bank which will be the principal organization of the consolidated group will issue 110,000 shares of \$100 par value, of this 60,-

000 shares will go to the present Foreman National stockholders and 50,000 shares to the State Bank stockholders. These respective amounts exactly equal the present outstanding shares of the two consolidating banks.

Resulting from the union, there will be three separate units consisting of the Foreman National Bank, the Foreman-State Bank and Trust Company and the Foreman National Corporation. Into the first named, which will have an invested capital of approximately \$25,000,000 will be concentrated the commercial and foreign business of both present banks. The trust, savings and mortgage loans business will be segregated to the Fore-

man-State Bank and Trust Company which will have an invested capital of approximately \$5,000,000. The recently formed Foreman National Corporation will be expanded to have an invested capital of \$8,000,000 and take over the entire investment business. The stock of the Foreman-State Bank and Trust Company and Foreman National Corporation will be owned or trusted for the benefit of the stockholders of the Foreman National Bank.

The combined resources of the merged banks as of the date of the last bank call, June 29, 1929, totaled \$221,780,574 with combined deposits totaling \$179,673,518.

The executive officers of the new institution will be Oscar G. Foreman, chairman of the executive committee of both banks; Harold E. Foreman, chairman of the board of both banks; Oscar H. Haugan, vice-chairman of both banks; Walter W. Head, president of both banks, and Gerhard Foreman, president of the Foreman National Corporation.

The members of both boards of directors will form the new board and the officers of both banks will continue as officers of the consolidation. All employees will be retained by the merged institutions. Leroy A. Goddard, vice-chairman of the State Bank board will continue an active interest in the new institution as a member of its board of directors.

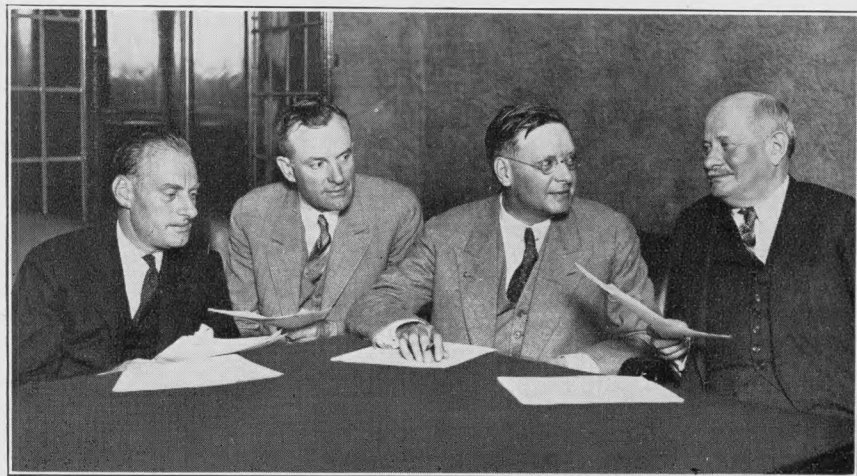
Chicago Bond House Buys Insurance for Employees

The Equitable Bond and Mortgage Company of Chicago, has announced the purchase of more than \$200,000 of group life insurance for the benefit of its employees, through contract with the Metropolitan Life Insurance Company. The program features the co-operative method of paying premiums, with employer and employees sharing the cost.

Individual life coverage is based on salary, and for the employees in the main classification covered, amounts to \$1,000, \$2,000 or \$3,000. The entire amounts are payable in monthly installments if total and permanent disability occurs before age 60.

While sick or injured, insured employees are offered the advantages of a visiting nurse service. The regular distribution of pamphlets on health conservation and disease prevention is a part of this service.

Courtesy is a natural thing—there ought to be no need of your forcing yourself to be courteous.



Left to right: Harold E. Foreman, Walter W. Head, Oscar H. Haugan and Oscar G. Foreman.

A story of what the banks of a small Missouri town have done to wake up the farmers of their community and put them on a "paying basis."

No Money for Cotton, but Plenty for Cream Separators

By PAUL EDWARDS

MORNIN', Ponder. Quite a rain we had last night. Came across the bottom this mornin' and some of it had washed quite a little.

"What I came into see you about—would like to borrow 'bout \$250 for some seed. Want to put in some cotton and thought I might try a little cane this year, too."

"Sorry, John. Darned if I know if I can do it. Seems as if you fellows stick in a little cotton and corn and cane each year and then never seem to get anywhere with it. If you'd come in and said, 'Ponder, I want to borrow \$250 to buy a couple of jerseys and some chickens,' we might have been able to find you the money.

"See what I mean, John. If you were milking a few good cows and had a few chickens you'd have a 'living' coming in each week and darned if you wouldn't about clear what you'd make off your crops.

"Now here's what I'll do, John—"

And that will give you sort of an introduction to what the banks of Doniphan, down in Ripley County, Missouri, are doing in the way of making better farmers out of the farmers of Ripley County.

No money for cotton, but lots of money for cream separators.

No money for automobiles, but lots of money for dairy cattle.

No money for corn, but lots of money for baby chicks.

Five years ago Ripley County was about like any other Missouri Ozarks

county. The farmers eked out a bare existence from the few acres of land they farmed. They planted a little cotton and corn. Sometimes they had a crop; sometimes not. If they didn't, they cut up a few ties from the hills and brought them to town to pay for their groceries. Now they bring their poultry, eggs, cream and what-not to town. They pay cash for their groceries, have a nice bank balance and live better than they ever dreamed of living before.

And here is how this has been brought about.

Five years ago, under the leadership of E. K. Ponder, cashier of the Ripley County Bank, and A. D. Shepard, editor of a local newspaper, the Doniphan Chamber of Commerce was reorganized. All the business men were called together. With them met the various farmers associations, an expert from the Missouri Pacific Railroad and another from the Sugar Creek Creamery Company. As a result of this a four year program was laid out

for Ripley County. Dairying and poultry were the only things concentrated on at first.

Pure bred bull clubs were formed and only pure bred animals were



A typical group of dairy cattle.

bought. Each bull club included the farmers in a certain territory. Service fees were charged which eventually paid for the original cost of the bull for each club. In the meantime the banks put up the money for the bulls and charged no interest on the amount.

Money was lent freely to farmers buying baby chicks and setting eggs—if they bought approved stock.

Farmers meetings were held throughout the county and the plan explained to the farmers. Somewhat skeptical at first, the farmers soon saw the advantages of the plan and set to work.

This plan under way, it was necessary to put over the idea of proper feed for the new dairy stock and poultry. The good stock could not be fed in the same way that the old scrub stock had been fed. The new county agent, with the cooperation of the State College of Agriculture, worked out the proper feed ratios for the stock and the farmers were urged to use this sort of feed. Once they started using it, they were "sold on it" for good. Soy beans and other le-



One of the many highly developed poultry farms.

gumes were introduced and the farmers were urged to grow them.

Once this program was under way, the "powers behind the movement" started in urging the farmers to set out fruit trees. Recently sheep clubs have been formed.

And have the farmers taken to this new program? Ask any of them when the Doniphan Dairy Show is in progress. They'll tell you that they "never seen nothin' like it." Most every farmer has a few good jersey cows and a flock of chickens. He raises a lot of fruit. Corn and Cotton? Sure. They raise just as much as ever, but they are not dependent on it. Come what may, they have a good living coming in every week from their cream and poultry alone.

The farmers are raising more cattle. They've found there's good money in it. Last year the prize winners in the fat lamb show topped the St. Louis market for the year by a very good margin. Here are comparative figures for the amount of cream, eggs, hogs and veal shipped out of Doniphan for the years 1924 and 1928. These figures do not include any stuff trucked out.

In 1924 there were 138,760 pounds of cream shipped out of Doniphan. In 1928 this figure reached more than a million pounds. In 1924 there were twelve cars of eggs shipped out. In 1928 this figure reached 60 cars. Twelve cars of hogs were shipped out in 1924 and in 1928 there were 110 cars. In 1924 there were 138 head of veal shipped out; in 1928 this figure reached 1,450.

As for acres of legumes planted, in 1924 there were 547 acres in the whole county. In 1928 there were 5,500 acres planted. Such has been the agricultural development of the county.

And have the banks profited by it? The spring call in 1924 showed the three banks of Doniphan to have total deposits of \$522,079.65. The spring call of 1929 showed total deposits of \$736,926.73. Bills payable and rediscounts in 1924 totalled \$121,095.56. In 1929 they had been reduced to \$14,000 and one of the banks showed none. In one month the foreign cream, poultry and dairy checks cleared by one bank averaged more than \$1,000 per day and it is estimated that the amount runs between \$35,000 and \$45,000 per

month for the whole county. Figure it out yourself.

Of course such a program as has been carried out by Ripley County has only been made possible by the utmost cooperation from all parties concerned. By carrying out their policy the banks made the farmers "see the light." The local newspapers hammered on the program in every edition. Merchants of the town lent their help at every turn. Merchants' meetings were attended by merchants and farmers alike. In the same way merchants of the town drove many miles to attend every farm meeting. Whenever a poultry, dairy or seed demonstration was held there were almost as many merchants in attendance as there were farmers. Everyone cooperated in the carrying out of the program.

Five years ago if one walked down the streets of Doniphan he wouldn't have seen much activity. Maybe a few farmers were in from the hills in their wagons for some groceries. Now one sees a busy little community. Farmers come into town in their cars and they stay to buy because they have the money. People come for miles to attend the annual dairy and poultry show. The first show was held in a tent. Now they have their own buildings where they proudly exhibit their chickens and pure-bred stock.

All of which goes to show what the banks of a community can do when united for the common good of that community, for truly the banks of Doniphan have from the beginning been the motivating power behind the development of Ripley County.

Wood Netherland Heads Federal Land Bank, St. Louis

WOOD NETHERLAND, vice-president and treasurer of the Federal Land Bank of St. Louis, formerly cashier of the First National Bank of Fort Smith, Arkansas, has been elected president of the Federal Land Bank of St. Louis. The office carries with it the presidency of the Federal Intermediate Credit Bank of St. Louis.

Mr. Netherland succeeds H. Paul Bestor, who resigned recently when he assumed the chairmanship of the Federal Farm Loan Board at Washington.

He is the son of W. R. Netherland, banker of Perry, Ralls County, Mo., and had been engaged in the banking field at Fort Smith for eighteen years before coming here last August. He also was interested in a chain of banks and had been president of the Bank of Mulberry, Ark.

Mr. Netherland also has been appointed district director by the board at Washington to fill the unexpired term of Bestor.

Other district directors of the bank are: L. M. Smith, Ozark, Illinois and A. P. Patton, Jonesboro, Arkansas; and local directors, C. E. Hopkins, Pontiac, Illinois; W. W. Martin, Doniphan, Missouri, and Oliver J. Lloyd,

director at large. A local director will be elected soon from Arkansas to fill the unexpired term of the late L. M. Burge.



WOOD NETHERLAND

Assets of the bank, according to the latest statement, total \$111,000,000 and of the Federal Intermediate Credit Bank \$5,400,000.

Board of Trade Opens Stock Exchange at Kansas City

The Kansas City Stock Exchange was recently opened as a department of the Kansas City Board of Trade. Operating with this connection the new venture will have the many advantages that this relationship can give: space and wire service, 217 eligible traders now on the Board of Trade with about fifty of them already signifying their intention of operating.

Walter R. Scott, secretary of the Board of Trade, will be manager. Other officers are: J. J. Kraettli, president; Roland A. Jeanneret, first vice-president; F. A. Theis, second vice-president.

A couple of rival but friendly shopkeepers were talking things over.

"When does your opening sale close?" asked the first.

"When our closing-out sale opens," the second replied.

All in the Morning's Mail

Upon Returning From His Vacation Roscoe Looks Over the Mail That Has Accumulated on His Desk

By ROSCOE MACY

IN the romantic and hazardous life of the busy banker, there is no occasion more highly spiced with the spirit of adventure than that day upon which he returns to his desk after a few days' absence, to find a mountainous stack of mail awaiting him there. Who knows what delightful surprise may be lurking in that pile of unopened letters? Perhaps a forgotten uncle may have perished, leaving his entire fortune to the nephew who knocked off his hat with a snowball in the winter of 1908. Long-deferred recognition may be hidden somewhere in the heap, in the form of an invitation from Washington to sit on an important governmental commission. Possibly there is a letter from the old college, asking the privilege of conferring a degree upon one of her worthiest sons.

So it is with a feeling of keen anticipation that his hand, almost trembling, slits open the first letter, and he reads:

"Dear Sir:

"Several weeks ago, we mailed you an assortment of our Reddi-Maid neckties and Neer-Silk hosiery, for which you were requested to remit us the sum of \$2.98 or to return the goods by first mail. The package has not been returned, nor have we received your remittance, although we have sent you several statements of same.

"In this transaction, we have proceeded upon the theory that we were dealing with a responsible and honorable person. Our experience with this particular shipment appears to indicate that we may have been mistaken.

"If you do not wish to take advantage of our offer, please inform us and we will send instructions for returning the package. On the other hand, if, as we believe, you are even now wearing some of these goods, you will avoid further trouble by remitting the

amount due without further delay.

"Yours very truly,
"Haberdashers, Inc."

NOT so good. Stifling a sigh of disappointment, our hero reaches for the next:

"Gentlemen: LET US

SELL YOUR BANK! We love to sell banks; it is a sort of hobby with us. Why not give us a chance at yours?

"There are plenty of buyers for banks; sta-



"Probably there is a letter from the old college asking the privilege of conferring a degree on one of her worthiest sons."

tistics indicate that there is one born every minute. Don't forget to enclose your latest statement. If you haven't one of your own, send us your neighbor's. We can't sell your bank without a statement.

"All information is confidential. Your name will not be mentioned, as you can see by examining this sample listing from our latest circular:

"No. XY2861—Largest bank in a thriving Buddhist community. Of the seven leading bootleggers in the town, five patronize this bank, and allow its officers a substantial trade discount. It will be worth your while to accept an assignment of a controlling interest in this bank, and assume the mortgage on the cashier's residence.

"Respectfully yours,

"The A. B. Company."

HIS spirits sinking, the adventurous banker slowly opens a third letter, and the following meets his eye: "Gentlemen:

"We have not yet received returns on our collection of May 27, 1927, which was sent with instructions to collect or return within ten days. Please report.

"Nickel Savings Bank."

Somewhat impatiently, our hero ruffles through the letters, and singles out an important-looking yellow envelope, which upon being opened, gives out the following information:

"Sir:

"You are hereby summoned to appear before the judge of the Superior Court on August 3rd, at 2 o'clock p. m., to answer to the charge of parking after dark without a tail-light.

"Respectfully,
D. D. Smith, Clerk."

Wearily, almost without hope, Mr. Banker scans the

next missive:

"Gentlemen:

"Will you please send us the names of 12 to 18 boys in your town, under the age of twelve, whom you consider qualified to sell our Qualitee Products? We encourage all our young salesmen to start bank accounts, and some of our boys carry checking balances as high as \$22.50 in their local banks.

"We shall be glad to reciprocate at any time—by sending you the names of 12 to 18 boys in our town.

"Cordially yours,

"Qualitee Products, Inc."

AT last, there appears a letter which would have carried just a trace of romance but for its obvious boilerplate composition:

"Dear Sirs:

"I am a poor, lone stenographer, with blue eyes and yellow hair. Mr. Jones, the man I work for, sells wall paper and paints—or he would if he could get some orders. Mr. Jones is a wonderful man to work for; he steps out with me every Tuesday and Friday nights, and really shows me as good a time as could be expected, the way the orders are coming in.

"I am writing this letter without Mr. Jones' knowledge, asking you to send me the names of all the painters and paper-hangers in your community.

After the names are all in, I will give Mr. Jones a splendid surprise by giving him these names, and I know he will like it, as he doesn't know many painters or paper-hangers.

"Then, if each one of these names will send Mr. Jones an order, he will be able to show me a better time on Tuesday and Friday evenings, and we will draw our drafts through your bank, so that you can share in our happiness, and collect your exchange from the drawee.

"Thanks; I just knew you would be

glad to help out a poor working girl.

"Sincerely yours,

"Sadie Smith."

Still hoping against waning hope, our romantic friend opens several important-looking envelopes in succession:

"Dear Sir:

"Knowing you will appreciate the opportunity to assist in the raising of the Lame Ducks' Endowment Fund, we are enclosing an order blank for five Lame Duck Memorial half-dollars at \$1.25 each, postage paid. Etc.

"Cordially yours,

"Lame Duck Memorial Ass'n."

"Gentlemen:

"Experienced bank executive, 22 years of age, desires position with progressive bank as president or cashier, with Wednesdays and Saturdays off. Speaks Sanscrit and Hog-Latin fluently. Choice of Catholic or Protestant. Unmarried, but hopeful. At present unemployed, since last directors' meeting. Will accept anything over \$8,000 as a starter.

"Western Employment Bureau."

"Gentlemen:

"Can you recommend a live salesman with a car, to sell our 'Little Beauty' gasoline engines to farmers in your vicinity? If we form a connection with a man recommended by you, and he succeeds in placing 50 orders for our engines, we shall be glad to send you, free of charge, one 30-inch collapsible rotary fly-wheel.

"Yours very truly,

"Gray Motor Company."

"Dear Sirs:

"Do you have shooting pains, fallen arches, lack of will power, or loss of sleep? Let us send you the appliance described in the enclosed circular, on 30 days free trial. Shipped in plain package; no publicity.

"Surgical Supply Co."

Need we pursue this tragedy further? Let us rather draw the veil of sympathy upon the scene, in respect for the feelings of our disconsolate friend who approached his mail with such high anticipation a few minutes ago. But wait! Why, dog-gone him, he doesn't even deserve our sympathy; hear him dictating his reply to the first letter on the list, and adding this gem to the archives of Inspirational Business Correspondence: "Gents: Yours of the 13th inst. received and contents noted. In reply beg leave to state that——!!"

The men who are lifting the world upward and onward are those who encourage more and criticize less.

Northern Trust, Chicago, Celebrates Fortieth Anniversary August Twelfth



Remodeled Building of The Northern Trust Company.

AUGUST 12 marks the fortieth anniversary of the founding of The Northern Trust Company of Chicago. This institution opened its doors for business August 12, 1889, and has served its clients with an unbroken identity for forty years.

Coincident with its fortieth anniversary and to meet the needs of growing business The Northern Trust Company has found it necessary to add two complete floors to its building and to make extensive alterations throughout.

The first floor, where are located the Savings and Investment Departments, is to be remodeled with new type of cages installed and balcony extended.

The Commercial Banking Department on the second floor is to be provided with additional facilities for ex-

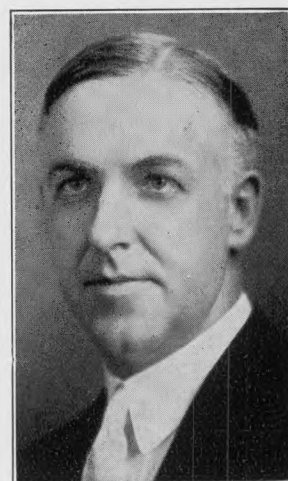
pediting the business of its customers. Cages of modern design will be extended to the north wall. The floor already has been continued to the south wall to provide an enlarged, newly furnished, officers' platform.

The third floor, containing the trust department, is to be completely rebuilt and refurnished. It will be confined solely to the reception of trust customers and to the transaction of their affairs, assuring greater comfort and increased privacy.

The fourth, fifth and sixth floors will be devoted to the mechanical details and administrative operation of the institution.

New vault facilities are being completed to provide additional accommodation for trust department use.

The EXECUTIVE and the AUDITOR



F. LEE MAJOR

THE auditing department may be one of the most important and useful of the bank or it may be almost a mere sinecure; its importance depending not solely on the personnel of the department but probably to a greater extent on the attitude of the operating executives toward it.

The auditor is expected to keep up-to-date statistics covering the bank's business, to assemble all data and prepare all regular and special reports of the activities of the various departments and the bank as a whole, whether for officers, directors or executive committees. He assists the department heads in the proper conduct of their departments and the directors in their consideration of the bank's affairs.

To intelligently direct the bank's affairs the directors and executive officers should be furnished with information that will assist them to this end and it is here that the auditor can be of great usefulness. Such assistance requires more than mere detail reports on department audits.

At the outset I wish to state that it is not my intention to discuss auditing methods and procedure, but rather I desire to discuss, in a general way, the attitude of the executive toward the auditor and the reciprocal relations between them, especially as these relations are affected by the auditor's reports on the various departments and the bank as a whole.

TO ascertain something of these relations I made inquiry of bank executives in a number of cities. One reply so clearly sums up all that I give it to you as the general opinion:

"It is my idea that the auditor is one of the most important key-men in any institution and his services to a bank are just as important as an executive officer of the institution. Sometimes I feel that we regard the work of the auditor as merely mechanical. By that I mean that the work of the auditor merely means to verify cash, verify control accounts, collateral notes, ledgers, outstanding items in our transit department and the like. I think, however, that the work of an auditor and his assistants should be more far reaching than this. The importance of this work cannot be questioned, but an

By F. LEE MAJOR
Vice-President, Boatmen's National Bank,
St. Louis

auditor should have constructive thoughts in his work as well as the proper preparation of reports.

"On the other hand, in the auditor's work he should really know more about the mechanical operations of the bank than any other person in it. For instance, he sees increased costs in the various departments of an institution and can really tell whether items are being handled along economical lines.

*"The Auditor
is one of
the most important
key-men
in any institution
and
his services to a bank
are just as
important as an executive
officer
of the institution"*

He can also quickly tell the efficient employes in the bank. If this be true, he should not have much trouble in suggesting betterment along the line. Proper comparative and analytical reports should be made by the auditor and his department."

The auditing department is not so concerned with the value of assets as it is in the proper custody of the assets, in seeing that all income to which the bank is entitled is received, that efficient accounting methods are employed and that opportunities for dishonesty are minimized.

The aim of every auditing department should be to keep in such close control of all branches of the bank's work that no dishonesty or error of importance can long go undiscovered.

If this is to be accomplished it is important that the auditing department be absolutely divorced from the operating end of the bank.

In many institutions proper auditing is considered of such importance that the auditor is responsible directly to the board of directors because it is felt that the auditor should feel perfectly free to call attention to any irregularity, regardless of the person or department responsible therefor.

SINCE the auditor is responsible for maintaining a suitable system of accounts and records and for making, from time to time, such changes and improvements in devices and methods as may prove desirable to simplify and clarify the work, it almost goes without saying that he should always be consulted regarding any contemplated changes in departmental accounting methods.

Coming in contact with every department of the bank, the auditor has almost countless opportunities for making suggestions on efficiency of operating methods and if unsound practices are found in any department it is his duty to report them to the proper executive for attention and correction. A proper audit control, periodic departmental audits and continual scrutiny by the auditing department tend to increase efficiency of the operating force and reduce expenses.

The auditor, no more than the executive, can accomplish the perfect handling and recording of all transactions, but if he fails to find and to report even slight deviations, just to that extent has he failed to be a good auditor. On the other hand, when these deviations are reported, the executive who fails to take prompt corrective action has also failed to "measure up."

An instance may be cited where the auditor was criticised for an apparent

interference with a strictly organization question. When auditing a certain department the auditor was alert to observe conditions in that department not strictly pertaining to his work and overheard a conversation between two clerks to the effect that they were gambling and spending considerable of their spare time in night clubs and

cabarets. Of course it is true this did not concern the auditor but he brought it to the attention of the officer in charge but nothing was done. Later the auditor heard one of these two clerks say he had lost \$800.00 the previous day playing the horses. Again this was called verbally to the attention of the vice-president in charge, but

it was too late, for a shortage was discovered a few days later when the employee suddenly became ill.

As the result of the operations of different departments and the bank as a whole, the auditor makes his analysis and reports. An intelligent report from the auditor is absolutely the best way in which an executive can ascertain whether or not his department is functioning properly.

All reports of the auditor are not equally important nor of equal interest to all executives, yet certain reports are of interest and importance to all executives. Departmental audit reports are of importance to department heads only to the extent that they are acted upon by them.

When reports are made they should be given due consideration and any necessary action taken as promptly as possible. It is not only discouraging to the auditor to have his report unacted on but it also, to a great extent, destroys the effectiveness of the auditor's work. Lack of cooperation and action by the executive in these matters are soon detected by the "force" and a large part of the usefulness of the auditing department is thus lost. The form of reports depends to a large extent on the ideas of the man writing them but must, of course, conform to the requirements of the executive for whom they are prepared.

After all, every bank is in business to make profits. Of course, the banker's first duty is to his depositors but after every precaution to protect depositors has been taken, the aim of every banker is to make the best possible return for his stockholders. With this in mind every bank executive must constantly be on the alert. The problems of increasing costs, high interest rates paid for deposits and decreasing returns from investments, with resultant decreased net earnings, have caused much concern to bankers, especially in the smaller cities and rural sections.

TO be successful the banker must be well informed about the lines of business engaged in by his customers. Without such knowledge he cannot intelligently pass on lines of credit nor can he advise with his customers about their financial problems.

The banker has given much attention to the analysis of his customers operating costs and ratios, production costs, turnover, budgets, etc., and rightfully so, for without these he would be in poor position to extend credits. He insists on audits setting out these important things. But how about the analysis of his own business? How

The New Economic Philosophy Since the Reign of Raskob and Henry

THE other day we received the following letter from one of our readers, Gibbons Poteet, cashier of the First National Bank at Roxton, Texas.

Mr. Donald H. Clark,
Editor and Everything,
MID-CONTINENT BANKER, St. Louis.
Dear Mr. Clark:

We note that you would like a news item concerning our bank. Dadgumit, we wish we could send you one—a "news item"—but we just can't do it. There is nothing new in this country except automobiles. We are down here in the "rich blackland belt" of Texas and our people used to make a living raising cotton. But since the "after-the-war readjustment" and the coming of the cars they are not making a living at anything. In the pioneer days in Texas the folks used to FARM TO MAKE A LIVING but in these latter years they have drifted unconsciously into the habit of FARMING TO BORROW MONEY. Of course it would make some of the folks mad to tell them that but they might as well get mad as not. Their intentions are good—the majority of them—but their actions are bad.

There is an old saying—"Whom the gods would destroy they first make mad." But it has now come to where in this country banking business in this neck of the woods we would have to make it read this way: "Whom we would SAVE we must first make mad." I heard of a cuss who got mad a few years ago at his credit merchant because the merchant would not agree to carry his whole year's account over into the new year and then furnish him the value of another little farm in order that he might go through the motion of making another crop. The merchant offered to furnish him about half what he called for and that to be prorated at so much a month. The farmer flew off the handle and said if he could not get what he wanted the way he wanted it he would just do without anything. The story goes that he did make his crop without anyone's assistance. A few years later his noble son came to the time to take a wife and pa fitted son up

with a nice little farm that he had paid for with his own cash, and he remarked to a neighbor that he still had some more money—and that he had not made a dadgummed debt since he got mad at his merchant that time. So, while getting mad is usually a bad thing, that was one time that it saved a man. But country bankers are usually pacific and long suffering. We want to help our customers—we like them—we want to save them, but if we were to attempt to save every one by making him mad we would likely get beat up for our pains and that would be painful indeed.

The new economic philosophy is the main cause of our trouble. Before the war and the coming of the cars and the reign of Raskob and Henry—before that our people were working along on the old Ben Franklin philosophy of thrift and economy with the result that they usually paid their debts. And for 50 or 75 years this pioneer community got ahead a little. The old philosophy taught them that it was best to produce before you spend and then not spend quite all of it. But Mr. Ford and Mr. Raskob have preached a new doctrine, the new idea to buy ahead of the game and get into debt so you will have to work harder to get out. The old doctrine was "sow before you reap"; the new to "reap before you sow" and reap off of every cuss you can. Well, it has worked pretty well for those smart boys—their system is good—don't blame them a dadgummed bit—they hold a string on the thing they sold and can jerk it back quick if the boys don't "pay the installment." But it don't work good for the "GROCER AND BAKER AND GAY UNDERTAKER"—they can't "repossess" their goods, with the result that the car boys get about all the income from our little old crops and the dealer in the old staples of life has to wait "Till Mary calls the cattle home across the sands of Dee."

Yes, yes, there's nothing new around here but cars and the new economic philosophy.

Yours truly,
GIBBONS POTEET.

(Continued on page 23)

The first remedy of banking for the present is not branch banking or chain banking, but "better" banking. It is not so much a question of system as one of management that makes banks safe.

WHITHER are we DRIFTING?

A FEW years ago, while still Secretary of Commerce, President Hoover, in an address before the United States Chamber of Commerce, remarked that we are almost unnoticed going through a revolution of our economic life, and that we are passing from a period of extremely individualistic action into an era of "associational" activities.

It is equally true that we are presently passing through a period of far-reaching changes in the financial world, changes which must inevitably affect the fundamentals as well as the destiny of our banking system. I will not say that we are passing through these changes unnoticed, but it is a fact that most of us are so thoroughly absorbed in the daily problems of running our individual banks that we really have not the time to study and analyze the daily occurrences in the financial world, especially when they do not seem to have any direct bearing on our own institutions.

It seems worth while, therefore, to stop just a little while to scan the horizon of our financial world and see if by thorough study and careful analysis of present day conditions we can determine the meaning of the trend of recent events and discover if possible whither the path we are traveling may lead.

The remarkable commercial and industrial expansion going on in all lines of business has necessarily altered in no small degree the method of carrying on the banking business. As a consequence banking ideas of 1929 are radically different from those of 1909. It seems worth while, therefore, to take stock and weigh the advantages and disadvantages which these changes have brought with them.

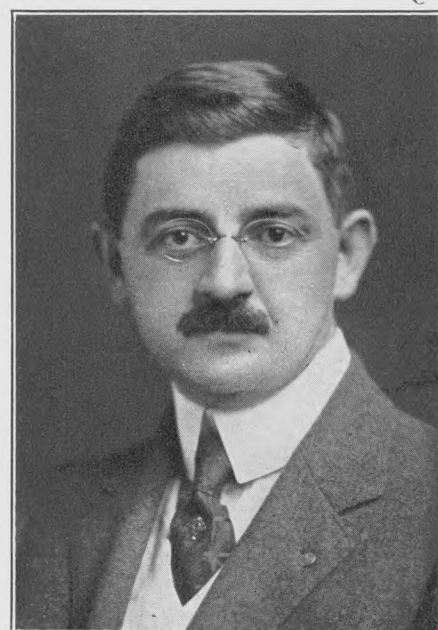
IT is certainly true that we are living in an age of mergers and combinations of all kinds, and throughout America there is a transition from the small business to the big unit. This is true in the field of production as well as in the field of distribution. It has

become a daily occurrence to see the little one-man-business disappear and a branch of some great corporation take its place. For a time this tendency towards the elimination of competition and the building up of gigantic units aroused considerable opposition and antagonism, but more recently the public has taken quite a different view and now seems to have developed a considerable degree of confidence in the soundness and economies of large scale operation.

INTERWOVEN as our banking system is with the economic and business conditions of the country, it was inevitable that this same general trend towards greater concentration should spread to the financial world. Time and space are being annihilated and goods, thoughts and people are being transported at an amazing speed. The world is becoming more closely knit together and the banker of today can no longer live in comfortable isolation but must be responsive to changed conditions, and play his proper part in the new order of things. It has been well said that banks are but the hand-maidens of business and industry and must follow their lead.

The gigantic industrial combinations which have developed require banks with immense resources to provide commensurate facilities for them. As a consequence, the movement towards bank combinations gained great momentum during the past year, and the style set by bank mergers in the recent past overshadows in magnitude anything that has been previously done by any other line of business, even in this era of enormous combinations.

Reliable statistics giving the details of all these bank mergers are not available, but we do know that during 1928 there were approximately 700 bank mergers, and the number of consolidations already announced in 1929 is about 250. But the significant fact is that about 40 of these recent mergers involved total assets well in excess of 12 billion dollars—or more than one-



By R. S. HECHT

**President, Hibernia Bank and Trust
Company, New Orleans**

sixth of all the banking resources of the country.

But even these figures do not give any adequate idea of the extent to which concentration of banking power has already developed.

The total number of banks has decreased from 30,812 in 1921 to 26,213 in 1928. In the same period the resources of all banks rose from about 45 billions to more than 71 billions. The decrease in number is in large measure due to the failure, and in some cases the orderly liquidation, of weak institutions with inadequate capital and inefficient management.

However, not an inconsiderable percentage of these banks disappeared as a result of mergers not infrequently brought about in the case of the smaller and unprofitable institutions by the pressure of the Banking Departments.

MORE recently the mergers have been between some of the largest and strongest banks in the principal cities of the country. In these cases there has usually been a double purpose. Perhaps the primary one was the desire to create larger units to keep pace with the greater demands made by the larger industrial organizations and to get the benefit of the great economies which could be accomplished

by such joining of forces. But the secondary motive was the growing desire to become what Mr. Giannini has so well described as "department stores of finance." This accounts for the fact that we have seen so many mergers of national banks with trust companies, commercial banks with investment houses, domestic institutions with those having important international connections, and banks doing all of their business in one central office with those having a large number of branches.

The only official figures in regard to the number of bank mergers are those referring solely to member banks of the Federal Reserve System which indicate a steady increase in number of combinations during the past ten years. The record shows:

Year	No. of mergers	Year	No. of mergers
1919	80	1924	124
1920	77	1925	120
1921	104	1926	164
1922	125	1927	259
1923	120	1928	185

It may be stated in this connection that the decrease in the number of banks as a result of mergers has not carried with it a decline in banking facilities, because usually the consolidated banks have continued their former head offices as branch banks, and in many cases have added a number of additional offices besides.

A few years ago this trend towards giant bank consolidations would inevitably have stirred up much popular protest, and we would have heard loud complaints to the effect that we are drifting into a state of financial feudalism and economic vassalage to a limited few. But, strange to say, instead of the sponsors of these gigantic combinations being brought before the bar of an outraged public opinion, the general attitude of the people has become quite tolerant on this subject, and far from denouncing this reduction of competition among banks as a move in the direction of a financial monopoly, it is in the most unexpected quarters being hailed with satisfaction as a step towards greater safety, calculated to accelerate industrial growth, stabilize business conditions, and strengthen the position of the investor.

In not a few instances bank examiners have publicly encouraged the movement, and have used the influence of their office to bring about such consolidations. And only last month the Comptroller of the Currency made one of the strongest arguments yet presented in favor of this tendency.

As a consequence it is but natural to expect that this trend towards

mergers and consolidations will go on unabated and at an accelerated pace, with the inevitable result that credit and financial control will be concentrated more and more in the hands of relatively few men in the banking centers of this country.

In this connection you will, I am sure, be interested in some very recent figures which I have had compiled for the 26 American cities with a population of 300,000 or more.

The number of banks in these financial centres differs greatly but in about half of these cities more than 75 per cent of the total deposits of their respective communities are held by three to five banks. These figures further disclose the interesting fact that the 256 largest banks in these 26 cities control \$20,318,000,000 out of total deposits in these same cities of \$26,827,000,000.

Inasmuch as the total deposits of all banks in the country aggregate about \$60,000,000,000, it will be seen that the 256 largest banks control over one-third of the nation's deposits, or, to put it another way, less than 1 per cent of the total number of banks (approximately 26,000) now hold over 33 1/3 per cent of all the deposits of the nation.

And around this question of the growing concentration of resources there is likely to wage during the next few years a great struggle of opposing forces, with the ultimate outcome, for the present at least, very much in doubt.

"Evolution," says one group, "makes this development in the banking world quite inevitable, because only banks with tremendous resources can render commensurate service to the gigantic twentieth century industrial organizations which have been formed, and banking must be conducted on a proportionate scale."

"Monopolistic control is un-American," comes back the strong challenge from others who fight against this record-breaking expansion, because they feel that these "associational" efforts are being overdone and that the spirit of enterprise and originality and the individual initiative of the American business man are being killed as a consequence. They argue that the benefits of collective efforts are not great enough to justify the reduction of the individual from his former high estate as an independent creator to the level of an insignificant cog in the tremendous wheel of overorganized industry and commerce.

BUT, unfortunately, the discussion does not end there, for, in addition to this growing tendency towards con-

centration of resources through actual mergers, there has of late been great activity in the formation of groups and chains of banks in practically every section of the country. And this development has in turn brought about renewed agitation in favor of state- and nation-wide branch banking, a question which has undoubtedly caused more debate and controversy in the councils of the American Bankers Association than any other banking topic ever did.

During the past twenty-five years the number of branch banks has practically doubled each five years, as may be seen from the following figures taken from a recent Federal Reserve Bulletin. The record of branch banks is given as follows:

In 1900	60
1905	166
1910	329
1915	565
1920	1052
1924	2233
1928	3230

It is not difficult to figure out how few years it would require to almost entirely eliminate unit banking if this development continued at the same rate of speed. Moreover, some of our leading bankers are of the opinion that nothing can stop nation-wide branch banking, and that it is coming much sooner than most people anticipate, the prediction being frequently made that it will require not more than five years at the most to overcome the present opposition to the plan.

IT is barely two years since the McFadden-Pepper bill became a law. Few changes in our banking law have ever been the subject of more bitter debate than this Act. It was denounced as a "branch banking bill" by one group and attacked as an "Anti-branch banking" bill by another. The advocates of branch banking were not satisfied because it did not go far enough, while the supporters of the unit banking system felt that the bill was dangerous, not only because of the privilege it gave to national banks to open additional branches with certain restrictions, but even more because of the fear that future amendments might let the barriers down still more and provide for the further extension of branch banking in a larger territory.

The McFadden-Pepper bill was designed to enable the national banks of the country to meet the competition of state chartered institutions as to branches as well as to some other details of operation, and its passage was hailed as offering definite assurance

ATWATER KENT RADIO

ALL GROUNDED ON FACTS



Now 32 acres—now doubly the largest radio factory in the world

EACH YEAR we make a national survey to find out what the public and the retailers really want in radio.

Upon the reports of this survey, supplemented by constant exchange of views with the trade, we base our manufacturing and sales policies.

Ascertained facts, thus massed behind the production of Atwater Kent

Radio, are felt by Atwater Kent dealers in large sales volume, rapid capital turnover and secure profits.

Bankers, with their appreciation of facts as distinguished from guesswork, will appreciate what this means when the financial requirements of Atwater Kent dealers come to their attention.

ATWATER KENT MANUFACTURING COMPANY

A. Atwater Kent, President

4748 Wissachickon Avenue

Philadelphia, Pa.

against the further disintegration of our national banking system.

However, this hope has not materialized, for within six months 79 national banks, with aggregate resources of nearly \$3,000,000,000, have taken out state charters, and as a result of recent mergers the national system has lost some of its oldest and proudest names. It is hardly fair, however, to attribute these defections from the national system to the question of branch banking, because all the institutions that changed their charters remained members of the Federal Reserve System, and as such will have no greater

latitude in expanding their branch offices outside of their city limits than they would have had if they had remained in the national system.

HOWEVER, Comptroller Pole, in a speech delivered before the Maryland Bankers Association recently, argues very strongly that the McFadden-Pepper bill was not intended to be a permanent settlement of the branch banking question, and that it was merely a compromise measure. He further expresses the view that the McFadden-Pepper bill permitted all branches already operated by member

banks to remain in statu quo only because Congress desired to create a situation under which this movement could be studied for a few years without permitting it to expand.

The Comptroller then pointed out "that in view of the existing situation with reference to unit banking, the curtailment of branch banking by Federal Statute, and the increasing number of bank mergers under trust company charters, the time appears to be opportune to re-examine the basic structure of our entire banking system and to formulate a new banking policy to meet present day conditions."

The Comptroller leaves no doubt that he intends before long to lay before Congress new amendments on our banking laws, but states that he will call into consultation a group of bankers and students of finance to assist him in the formation of such recommendations.

It looks very much, therefore, as if the banking fraternity will once more be drawn into a long and bitter debate as to whether the branch and chain banking system or the unit banking system is best adapted to the needs of American business and best suited to American ideals.

In any event it must be conceded that one of the predictions of the opponents of the McFadden-Pepper bill has come true very quickly. They argued at the time that the passage of that bill would drive a wedge into the independent bankers' stronghold, and that having once succeeded in putting their foot in the door the advocates of branch banking would spare no effort to open it a little wider at every opportunity.

Of course, as yet branch banking outside of city limits is largely confined to a few states, for out of 3,230 branch offices in operation at the end of June 1928, 1855, or more than half, were reported for banks located in three states—California, New York, and Michigan—and over 1,500 were operated by banks located in four cities of these three states, namely, San Francisco, Los Angeles, New York, and Detroit. California had 865 branch offices, being about two-thirds of all the banking offices in that state. New York had 607 branches and Michigan 422 branches.

Under present provisions of State Banking Codes, 10 states permit the establishment of branches in and outside of the home city of the parent bank; 12 states permit the establishment of branches only in the home city or county of the parent bank; 20 states do not permit banks to establish any branch offices either in or outside

Several European Companies Move to Limit Foreign Stock Ownership

ONE of the theories underlying our absorption of foreign securities has been that investment in bonds of industrial undertakings which gives no participation in management, would in time change its direction and become a movement toward purchase of stock issues with consequent voting control.

Commenting on this situation, the Central Union Trust Company of New York calls attention to recent developments in Great Britain and on the Continent which indicate that this theory may become fact in part only. The action of the Marconi International Marine Communications, Ltd., in ruling that foreign stock ownership shall be restricted to 25 per cent of issued shares and that directors must be natural-born British subjects, following action of an analogous nature by Imperial Airways and the General Electric Company, are definite evidence of the present trend.

The steady absorption of British public utilities in Latin America by American interests has placed the situation in high relief, and many British industrialists and exporters believe that in a comparatively short time Latin America will be a closed market to a wide variety of their products. It is argued that several of our industrial groups are engaged not merely in selling their merchandise, but in buying markets.

The German press is keenly alert to the situation and public attention is being repeatedly called to the participation in German industry by foreign, particularly American, interests, and to the danger of alienation. The discussion is especially active at the moment regarding the automobile trade. The French press manifests a

similar attitude, but the conservatism and individualistic character of French business psychology is a stubborn check to alien infiltration. Foreign domination is automatically excluded by the regime now in control in Spain, and while Italy is desirous of obtaining our aid in the upbuilding of her industries, she does not wish control of those industries to pass beyond her frontiers.

The situation would seem to be that American interests will not be permitted to exceed a certain point in their stock investment, in British or Continental enterprises, which carries voting rights, and that whereas they may have a voice in management they will not dominate. It may well be, however, that our participation will enable us to arrange favorable terms regarding foreign markets, that otherwise would not be possible.

The United States has been unsparingly criticised because our tariff regulations make difficult the payment of European debts in goods, although there is no evidence that European countries are permitting home industries to be menaced by competitive merchandise imported under low tariff schedules. Indeed the contrary is the case, and tariff barriers are one of the most serious obstacles to European reconstruction. In the matter of investment, however, the United States offers sharp contrast to the rising tide of nationalism in Europe. The world is free to buy and sell in the security markets of the United States, and to erect such industrial establishments and make such agreements, under the laws of the country, as may be deemed practical and expedient.

the home city (although 8 of these states permit the continuation of branches established prior to enactment of prohibitory legislation). In 6 states where no branches are presently operated the law is silent in regard to the matter.

THAT this subject of branch banking is one that is close to the hearts of middle western bankers is demonstrated by the important part it has had in state banking conventions during the past few years. I may be mistaken, but I believe I see signs that even in the Middle West the opposition is not as strong as it once was; at least I know that many of those who have most loudly protested against branch banking have found it to their interest to resort to group or chain banking by controlling a number of strategically located banks under the same management. In Illinois, while no branches are permitted, and Chicago banks can do business only in one office, it is nevertheless true that out of the 316 so-called outlying banks, all of which are theoretically independent institutions, a large percentage belong to various groups containing anywhere from two to sixteen banks. It is hard for me to believe that beyond this development of group banking there does not ultimately lie the next logical step, i. e. branch banking if only in a limited form to begin with.

On the other hand, I may be wrong. You may still be as strongly opposed as ever to the recent trend in banking conditions, and prefer to have the unit banking system continue undisturbed. But if so, let me tell you that you are doomed, to defeat from the start if you fail to recognize the fact that you are facing a new and bitter battle over this question, and one in which the advocates of the branch banking system have found new and powerful allies, some of them high in the administration of our Government. For at least two of the members of the Federal Reserve Board, namely, Vice-Governor Platt and Comptroller Pole, have already publicly expressed their sentiment in favor of such a change, and there is reason to believe that they are not alone in their views among the powers that be in Washington. However, in the last analysis it will be impossible to make a great deal of headway with nation-wide branch banking unless and until the various states change their laws on the subject, and in the end the battle will have to be fought out more in the legislatures of the different states than in the halls of Congress in Washington.

Personally, I am neither an advocate

of the branch banking system nor do I wish to be considered as its opponent. As chairman of the Economic Policy Commission of the American Bankers Association, it has simply fallen to my lot to become a close student of the problem, and I am striving to present the facts as I find them without prejudice on either side. However, I believe it takes no great vision to foresee that group, chain, and branch banking will continue to develop unabated and at an even more rapid rate whether such a development may be to our liking or not.

Nor do I think that we have any right to look upon the question from

a narrow and selfish standpoint. If the inexorable pressure of the times makes it necessary for our banking system to go through a period of readjustment and evolution in order to keep pace with the tendency towards large scale enterprises everywhere, we may have to yield to the change.

If on the other hand there is good reason to believe that our passage from the Unit Banking System to a more concentrated form of financial control is not in the interest of general economic welfare, and that the Nation would not benefit by the individual losses of autonomy and independence, then bankers cannot be blamed for



THE enthusiastic reception accorded Jenny Lind in 1851 was an early indication of Nashville's determination to enjoy the finer pleasures of life. Appreciative Nashville audiences have heard the world's greatest artists. And Nashville in return has sent forth many to the world's applause. Its splendid educational institutions have gained for the city a position of cultural eminence. Their influence for the betterment of the city and the refinement of community life has attracted thousands of worthwhile residents, and has aided the growth and prosperity of the city until today, Nashville is known as a city of culture as well as of substantial business interests.

One of the best illustrations of Nashville's remarkable expansion is the fact that today, the more than thirty thousand customers of the American Banks Group outnumber the entire population of Nashville at the time of Jenny Lind's visit. There is a reason for this huge patronage. Come in and let us explain what we mean by "service" and you will gain a new conception of the usefulness of a modern bank to its depositors.

Jenny Lind, the Swedish Nightingale, gave two concerts and a matinee in Nashville March 31 and April 2, 1851, under the management of P. T. Barnum. Such a musical treat had never before been experienced here. Immense preparations had been made to pack people into the Adelphi by building new galleries and utilizing space generally. Demand for seats was so keen that choice seats were auctioned, the top bid, two hundred dollars, being a startling price for those days. Other tickets, six dollars—standing-room, three dollars. The house was packed to overflowing, and everyone was filled with enthusiasm.



Lighting the Way to Future Progress
This Airways Beacon, placed atop the American Trust Building, may be seen from a distance of 40 miles.

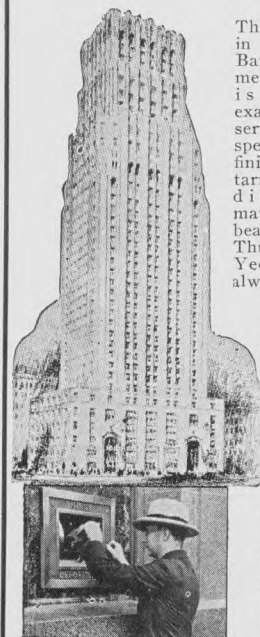
THE AMERICAN BANKS
American National Bank NASHVILLE American Trust Company
American National Company (AFFILIATED)

Yeo—The Original Rotary

A Service Feature

of this Great New Bank
is a

Yeo Rotary



The Yeo Rotary in the National Bank of Commerce at Houston is but another example of Yeo service. It is of special design and finish, in rich non-tarnishing Benedict metal, to match the bank's beautiful interior. Thus does the Yeo Rotary keep always up-to-date!

Exclusive features of the Yeo Rotary: Its rotary weighs 1,000 lbs. Cylinder walls 3 1/2" thick. Electrical protection for banks so equipped. Deposit chest is dynamite-proof, 100% watertight, 100% crook-proof, 100% burglarproof. And no up-keep!

The officers of this bank realize that, by rendering this night service to its customers, they are equipping their institution with a proven source of new accounts and larger deposits. They also know that, because the Yeo Rotary eliminates the "three o'clock line" at their windows, they will rid their staff of the expensive overtime work necessary to catch up with last-minute deposits.

Do you want to cut down your overhead and increase your deposits? Install a Yeo Rotary!

Manufactured and Installed by

Bank Vault Inspection Co.

Samuel P. Yeo, President

Offices: 5 South 18th St., Philadelphia, Pa.
Sales Engineers in All Principal Cities

Mail Coupon!

Bank Vault Inspection Co.,
5 South 18th St., Philadelphia, Pa.
(check square for information desired)

- ☐ Please send complete information on the Yeo Rotary Night Depository.
☐ Please quote on installation from attached plans.

Name
Name of Bank
Address
City State
8—MCB



using their combined influence to prevent if possible the undue spread of the chain or branch bank system and fight for the maintenance of their independent institutions.

Certain it is that the problem is becoming increasingly important, and we shall have to determine just what our attitude should be towards this ever-growing tendency of having all our financial institutions concentrate in one form or another into a few great systems. In 1820 we had but 300 banks in all the United States. One hundred years later these had multiplied more than one hundredfold to over 30,000 banks. Evolution now seems to have turned back into the opposite direction and the time may come again when we shall have an even smaller number of banks than we had in 1820.

This prediction would almost certainly come true if such a development were not likely to be at least considerably delayed if not entirely prevented by restrictive legislation existing in our various states.

WHETHER the concentration of banking resources through the affiliation of banks into groups and chains is any more desirable than branch banking is a question on which there is a great difference of opinion. I had occasion to find this out when in my capacity as chairman of the Economic Policy Commission, I recently started an investigation for the purpose of presenting if possible a national picture of this group and chain banking problem.

In our effort to get some reliable statistics on the subject, and in the hope of receiving some practical help and suggestions along that line, we addressed ourselves to all the bank commissioners in the United States, with the request that they give us their views on the subject and also advise us to what extent apparently independent banks in their respective states were actually owned and controlled by other banks, holding companies, and investment trusts.

We received the cordial assistance of these commissioners as far as they were able to give it, but most of them quite frankly confessed that they really had no means of getting at these facts, first, because their examinations never touched on the question of who owned the stock of the banks, and secondly, because even when they had reason to believe that an institution was practically owned by some other organization they found that the method of such control was often so hidden that no amount of investigation would disclose the actual situation.

We have therefore failed so far in compiling any figures which would even approximately show the total resources of apparently independent banks which are really controlled members of groups or chains. But one has but to follow the reports contained in the daily papers and the financial press to be convinced that the total membership of such groups and chains is increasing at an amazing rate.

About three years ago Dr. H. Parker Willis testified before the Senate Committee that at least one thousand so-called independent banks were included in chain systems. I think it is ultraconservative to say that this number has at least trebled since that time and that today considerably more than 10 per cent of all our banks are independent only in name but not in fact.

The diagnosticians cannot agree as to what really ails our banking system, and the doctors are inclined to prescribe a variety of remedies. It is small wonder, therefore, that there should exist such violent differences of opinion on the subject in the rank and file of our banking fraternity.

The small unit bankers faced with the possible loss of their independence naturally view this growing tendency towards concentration with suspicion and anxiety and are inclined to fight its further spread with all the weapons at their command.

In several states they have recently succeeded in having new legislation enacted to prevent the further spread of chain banking, although it is difficult to see how laws can well be devised that will effectively halt the onward march of this economic development, especially as legislation aimed merely to curb chain banking and holding corporations is apt to seriously affect other forms of investment.

Chain banking has its faults as well as its virtues, and the old saying undoubtedly applies that "No chain is stronger than its weakest link." But I doubt that we are likely to stop its growth or cure its shortcomings by such legislative restrictions.

TO me the most hopeful sign in this development is the fact that lately some of our able bankers—men of vision and courage—have come out into the open and, doing away with much of the mystery surrounding the formation of such chains in the past, have declared their purpose to engage in this modern form of banking. Thus a number of outstanding and well-managed banks in various sections of the country have definitely announced their plans for welding a large number of sound banking institutions in their re-

Yeo—The Original Rotary

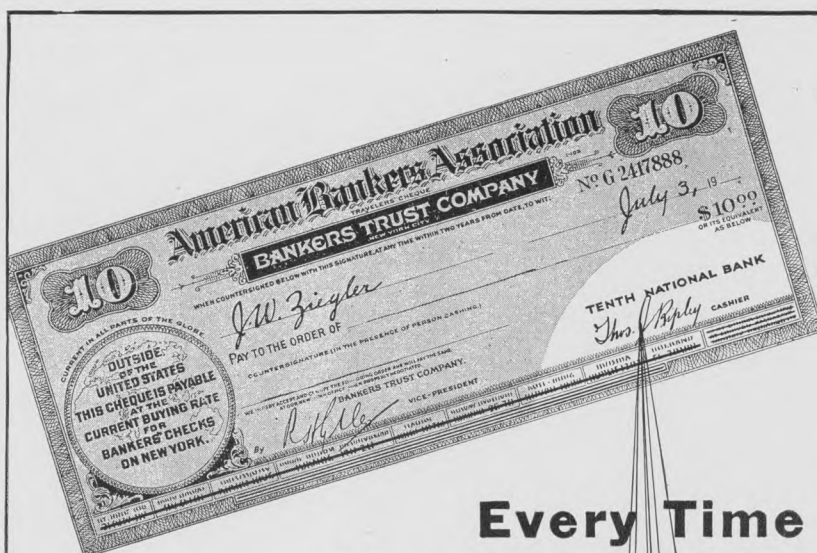
spective territories into larger and, in their judgment, more effective organizations by operating them under the group or chain system. To that extent at least the chain banking system has been improved.

But who can doubt that it is only one short and logical step from this form of chain banking to branch banking, and that the development of these groups is but the prelude to renewed efforts to obtain legislation to later convert these controlled unit banks into a nationwide system of branch offices?

Unit bankers may as well be prepared, therefore, to hear repeated once more the perennial arguments in favor of branch banking which members of the A. B. A. have so frequently listened to in the past. And bear in mind that the favorite as well as the strongest argument of those who favor branch banking is the larger number of failures we have had in the United States among the unit banks. Unfortunately, that particular criticism is well justified, and the record of the Unit banking system for the past nine years is not one to be proud of. For during the fiscal years from June 20th, 1920, to 1928, a total of 4,458 state, private and national banks have closed their doors. Of course, most of them were very small institutions, a large percentage of them with a capital of less than \$25,000 and located in agricultural districts where economic conditions had been exceptionally bad.

Most of the banks had been a factor in the development of their respective communities, but their executives overlooked the absolute need for diversification even in a small institution, and when as a result of the aftermath of the war, values of both land and products tumbled at an almost unprecedented rate, they had no secondary reserves to fall back on nor any liquid assets with which to tide over the emergency. The inevitable result was the wholesale closing of these unit banks.

However, neither chain nor branch banking is necessarily a panacea for such conditions. Over expansion and frozen credits can occur under one system as well as another. This is best illustrated by the fact that within the same period covered by the above statistics we had failures such as the Bankers Trust Co. chain of Atlanta, which a few years ago caused 83 apparently independent banks in two states to close their doors within 48 hours, the failure of the Home Bank of Canada with 78 branches, and the practical failure and forced absorption



Every Time Your Customers Cash an A. B. A. Cheque

Every time your customers cash an A.B.A. Cheque they see the name of your bank and the signature of one of your officers. Throughout the trip they are thus frequently reminded of your bank and the completeness of your banking service. Why not take advantage of this opportunity to build good-will by recommending A. B. A. Cheques to your customers?

A.B.A. Cheques are the official travel cheques of the American Bankers Association. Certified by Bankers Trust Company of New York, A.B.A. Cheques are accepted throughout the world. The fact that more than 60,000,000 cheques have been negotiated during the last 20 years attests to the degree of their acceptance.

A.B.A. cheques are convenient to carry, afford complete protection against loss or theft, and abroad command the favorable exchange rate of bankers' paper.

Your bank's name on A.B.A. Cheques creates a favorable impression on your customers.

A. B. A. CHEQUES

ACCEPTED EVERYWHERE



CALIFORNIA GROWS CLOSER to the REST of the COUNTRY



AIR MAIL and air passenger service, faster train service, improved transit service through the Federal Reserve System, a great movement of population here from all over the Atlantic and Middle Western States—all these have made Southern California closer, more familiar and more important to the rest of the United States.

SECURITY-FIRST NATIONAL BANK OF LOS ANGELES

Resources over 600 million dollars

The great regional bank of the southern part of California, with a Branch system in principal cities from Fresno and San Luis Obispo south to the Mexican boundary.

24-HOUR TRANSIT service with speeded-up communications over the bank's system.

The logical Southern California Banking Connection.



SECURITY-FIRST NATIONAL COMPANY

An Investment Company, identical in ownership with Security-First National Bank. The many offices and branches of the Bank, through which Security-First National Company reaches the investing public, give it extraordinary facilities for the sale of high-class investment securities.

of the Merchants Bank of Canada with 400 branches.

AFTER all good banking is not a matter of size. A properly conducted small country bank can be as safe as a large city institution with many branches. Success in the banking field depends on good management, whether the unit be large or small. It cannot be denied, of course, that larger institutions can and usually employ more capable men with greater experience and sounder judgment than can the average small unit bank. They also have on the whole better facilities for standardizing their business, keeping themselves properly informed, and thus escaping many losses resulting from actual operations as well as from poor credits.

However we have reached a point in our profession where most of the deficiencies of the small town bankers can be supplied, not necessarily by making any fundamental changes in our banking system or by giving up any of the unit bankers' independence, but merely by bringing about a better spirit of co-operation and mutual helpfulness.

The time has passed when a banker can afford to "go it alone" and ignore what his neighbors around him are doing. Individualism in banking must in a large measure give way to co-operation, though not necessarily to combination. We need to develop a new spirit of mutual respect and confidence in each other, and to realize that only through combined efforts and concerted action can we hope to meet the changed conditions and avoid serious financial troubles in the future.

WE should strive to get better and more uniform banking laws and closer supervision by proper authorities. We should co-operate to curb the undue increase in the number of banks, especially those of a capitalization of less than \$50,000. At the recent Los Angeles convention, Mr. Bone, then bank commissioner of Kansas, in an address in which he discussed the troubles of the banking departments, stated that what our unit banking system is suffering from is "too many banks and too few bankers." This is very well expressed.

Some years ago there was a perfect mania for starting new small banks throughout the country, and too often these were established not because of "public convenience or necessity," but because someone wanted to enjoy the dignified standing of being the banker of his community. There is no doubt

that the danger of bank failures would be greatly reduced if we could stop this unnecessary multiplication of the number of small new banks. The main reason for our troubles in the past has been that so many banks were poorly managed by so-called bankers whose previous knowledge of credits and finance was practically nil, and who, with the best intentions to do otherwise, permitted their banks through lack of experience and shortsighted policies to get into such a weak and unsound condition that they were utterly unable to withstand the effects of the deflation period, and went down in the first financial storm that came along.

BUT the first remedy for that condition is not branch banking or chain banking, but "better" banking. It is not so much a question of the system as it is one of management that makes for the safety of the banks. No new laws, no matter how carefully devised, can ever be regarded as a substitute for sound policies of administration. The unit system is on trial and must vindicate itself. It depends on the unit bankers themselves whether the system shall continue to live or be ultimately swept away by the rising tide of branch and chain banking.

However, I can see no good reason why any of us should take a pessimistic view of the situation, nor display any undue anxiety for the future, for after all an intelligent and alert banker can operate a safe and sound institution under almost any kind of a law.

But it behooves us to put our house in order and take the initiative in correcting the evils from which the unit banks have suffered. For the final test will be what system really renders the best service. In other words, it will in the end be a question of the survival of the fittest. If unit banks are properly and profitably run by experienced executives, if they observe sound banking principles, if they get together and formulate effective plans of co-operation, and if the public interest and public welfare are always their prime consideration, there can be no doubt of the ultimate outcome. We have come to the crossroads of our financial future, the choice lies between improved banking practices among the unit banks or ultimate absorption by a centralized system. The answer is largely in our own hands and notwithstanding the inroads being made by the branch and chain banking system, I believe that our unit banking system will live at least for many years to come.

The Executive and the Auditor

(Continued from page 14)

carefully does the banker scrutinize his own costs? Has he, through careful investigation, analyzed his own business so that he knows where profits are being made and losses sustained and if so what steps are being taken to stop the losses?

These matters of costs and analyses are now having attention in most banks, but there is yet much to be accomplished.

In 1927 the Committee on Bank Costs of the New York Bankers Association reported to that body. This report is the result of much work and study and is deserving of the attention of every bank executive and auditor. Far too little has been done in this direction. Why should there not be some standardization of expenses and costs by which every bank, no matter what the size or where located, will be able to measure its own operations.

It would be difficult to formulate a system of accounting universally adaptable to all banks for no one institution is so precisely like another that the same procedure would be exactly applicable, but this would in no wise affect the working out of a standardization of expenses and costs.

There is no uniformity of practice regarding auditors' reports but each institution uses such reports as are best fitted to its requirements. I shall, therefore, not set out any specific report forms for they would probably be adaptable only to the bank using them, but I will mention some of the general reports in which the executives should be interested.

Daily Statement—This statement to be in condensed form, showing resources and liabilities and so prepared that it will indicate the liquidity of its resources, the amount of its reserve and the paper that is eligible for rediscount with the Federal Reserve Bank.

A comparative statement with previous week, previous month and previous years is of interest.

Overdrafts—Statements showing the amount of overdrafts on the books at the opening of business each day.

Past Due Paper—Statement showing the amount of paper that was not paid at maturity. This statement to be prepared weekly or monthly.

New and Closed Accounts—Statement showing names and amounts of



Guaranty Trust Company of New York

140 Broadway

London Paris Brussels Liverpool Havre Antwerp

Condensed Statement, June 29, 1929

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$253,834,141.63
U. S. Government Bonds and Certificates	124,157,315.00
Public Securities	24,120,465.13
Other Securities	31,978,017.26
Loans and Bills Purchased.....	976,334,538.09
Real Estate Bonds and Mortgages.....	404,039.99
Items in Transit with Foreign Branches	6,299,154.41
Credits Granted on Acceptances.....	110,542,967.14
Real Estate	13,627,237.75
Accrued Interest and Accounts Receivable	14,713,083.93
	<u>\$1,556,010,960.33</u>

LIABILITIES

Capital	\$70,000,000.00
Surplus	90,000,000.00
Undivided Profits	26,418,067.72
	<u>\$186,418,067.72</u>
Outstanding Bills	375,840.00
Bills Payable	84,000,000.00
Accrued Interest, Reserve for Taxes, etc.	18,627,319.18
Agreements to Repurchase United States Securities Sold	1,296,188.20
Acceptances	110,542,967.14
Liability as Endorser on Acceptances and Foreign Bills	112,841,314.99
Deposits	\$981,193,799.47
Outstanding Checks	60,715,463.63
	<u>1,041,909,263.10</u>
	<u>\$1,556,010,960.33</u>

new accounts opened and accounts closed with balances withdrawn.

Investments—Statement to be prepared at least once a month showing in detail the amount of securities on hand at a certain date, with the interest rate at which they are being carried.

Earning Statement—This statement to be made up at the close of business the last day of each month and to show the gross earnings and expenses in detail. Every three months the statement should also include the gross earnings and expenses for the quarter, to be compared with the earnings and expenses of the previous year, and a final

statement drawn up at the end of the year showing the gross earnings and expenses for the year and the figures of the previous year for comparison.

Statement Showing Various Rates at Which Investments, Loans, Etc., Are Carried and Rates of Interest Paid on Deposits—This statement to be prepared the end of each month and the figures arrived at compared with previous month which will indicate the rise or fall in the return being received on the earning assets of the bank.

Run-Down Accounts—Each month a statement showing accounts whose previous monthly balance is considerably

below the average balance heretofore. With this information the customers can be approached and it can be determined whether the drop of the balance is due to dissatisfaction or other causes.

Statement of Large Accounts Showing Balances Over Certain Amounts—It is desirable to have this statement prepared each week, showing the balances of large accounts and the amount of their borrowings.

Loans Against Average Balances—This statement to be prepared once a month showing average balances against the average loans. This will show whether the borrowing customers are maintaining proper balances in proportion to their loans.

Continuous Loans—This statement to be prepared every six months, not less than once a year, and to show loans which have been running continuously for more than one year.

Balances and Loans Separated as to States—Balances and loans assembled in this way and grouped according to sections will show the amount of deposits from each section and the amount loaned in each section.

These are some of the more important and useful general reports which, of course, may be supplemented by such others as may be required by the executives of each institution.

AUDITS of the various departments throughout the bank should be made at irregular intervals. As a departmental audit is completed a report should be prepared showing the condition of the department as viewed by the auditor. This detailed report should go to the officer in charge of bank operations, together with a summary, calling his attention to any discrepancies or other criticisms of importance. A copy of the report also should go to the manager of the department audited.

The head of each department is of course interested in the operating results of his department. Comparative reports are interesting and useful. These reports should be clear and concise and deal mainly with facts rather than opinions. Graphs, when properly designed, add materially to the effectiveness of such reports.

I believe if more graphs were used in reports they would more vividly portray the salient comparative points.

Probably one reason so many reports die a sudden death when they reach the executive is that they are not prepared in such a way that they are readily digested. In other words—the officer must “dig in” and read columns and

Stopover Privileges

To the summer tourist the attractive feature of his “Circle Tour” is the time he may spend at each point of interest on the way.

But why send your collection items on vacation?—a day in one bank, a night in another, with innumerable side trips into Post Office boxes at your expense.

Take advantage of our continuously operating direct collection service.

All items received at par.

... THE ... PHILADELPHIA NATIONAL BANK

Incorporated 1863

PHILADELPHIA, PA.

Capital and Surplus \$50,000,000

sometimes volumes of figures to get the facts in which he is interested.

To summarize, the auditor should prepare reports which reveal the greatest possible amount of information to assist the executives in forming proper policies. When these reports have been prepared they should have careful consideration by the executives. Only through close cooperation of the executives and auditor can proper supervision be maintained and departments function to the highest degree. And unless every department is functioning to the highest degree the bank, as a whole, has not reached that efficiency whereby maximum returns are available for stockholders.

Biggs Is Vice-President St. Louis Union Trust

Davis Biggs, for the past five years trust officer of the National Bank of Commerce, has been elected vice-president of the St. Louis Union Trust Com-



JUDGE DAVIS BIGGS

pany, it was announced by Isaac H. Orr, president of the trust company.

Judge Biggs is considered an authority on probate and fiduciary matters. He was born in Pike County and practiced law in St. Louis with his father, Judge William H. Biggs, who was Judge of the St. Louis Court of Appeals for twelve years.

During the late war, Judge Biggs was appointed legal adviser of the Ordnance Department of the United States Department of the United States Army for the St. Louis District. He served as commissioner of the Court of Appeals for five years following the war.

He is a graduate of the University of Virginia and Washington University Law School.

Statement of Hibernia Bank Shows Increase

The semi-annual statement of the Hibernia Bank and Trust Company of New Orleans as of June 30, 1929, showed total resources of \$62,700,000 as compared to \$54,600,000 one year ago. Deposits this year are \$50,200,000 which is an increase from \$48,200,000 as of June 30, 1928.

The capital account, which includes surplus, undivided profits and reserves, totals this year \$6,520,000 while the amount last year was \$4,940,000. This increase is accounted for by a new capital stock issue authorized by the stockholders for the purpose of taking care of the growing business of the bank.

The regular quarterly dividend of 5 per cent was distributed to stockholders on July 1st and the usual quarterly dividend on salaries divided among the employees, this distribution being based on salaries and length of service.

Bye-Bye

He was a slick-haired sheik and he was superbly conscious of all his manifold physical attractions as he drew his car up beside a solitary girl hiker on a lonely road.

"How about a ride, girlie?" he smirked.

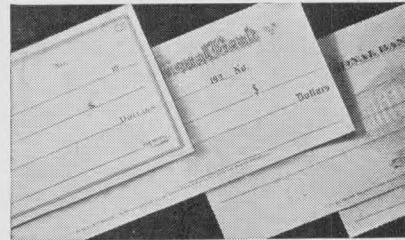
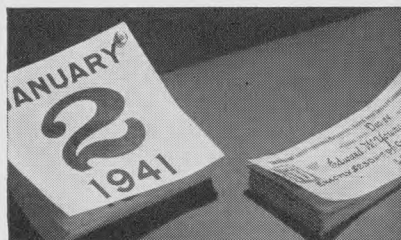
"Are you going east?" she asked.

"Yes," he replied, preening himself.

"Look out for the ocean."

THE NEW SUPER-SAFETY PAPER

is
**SEVEN TIMES
MORE DURABLE**



A CHECK is a very important financial document, often one that should remain for many years a permanent, usable record. With this consideration the new Super-Safety Check Paper was conceived. It is a superior kind of paper designed *only* for check use—a strong, tough, light paper with a life at least seven times longer than that of the usual check paper.

This remarkable new, genuine check paper remains fresh and strong for many, many years, with no tendency to become brittle or to crack and crumble.

And long life is only one of its features. The new Super-Safety Paper has an extraordinary ability to resist sharp folding. It has a delightful silky writing surface on which ink instantly "takes" without blurring or blotting. Its strength is phenomenal—the natural result of long, tough fiber and the minimum sizing used in its making.

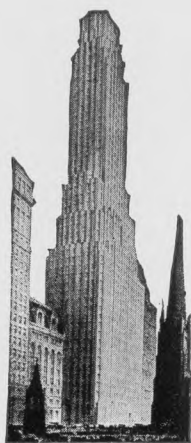
The new Super-Safety Checks are among the most distinctive and most beautiful checks ever offered to banks. They carry a "service of protection" for depositors by exposing immediately with a glaring spot any attempt to alter them. These new checks are never sold in blank sheets. They

are made only to individual order, and to prevent counterfeiting their manufacture is guarded as the government guards bank-note paper. The superior quality of these fine new checks is immediately evident in their unusual durability and strength as well as in their velvety writing surface and beautiful tints.

Super-Safety Checks are surprisingly low-priced. They provide a dignified means of advertising your service. Let us send you samples. Return the coupon today. Bankers' Supply Division, The Todd Company. (Established 1899.) Rochester, Chicago, New York, St. Paul, Denver, Dallas, Birmingham, Buffalo.

Bankers' Supply Division THE TODD COMPANY 1151 University Ave., Rochester, N. Y.	8-29
Send me more information about Super-Safety Checks made of the new Super-Safety Paper.	
Name of Bank _____	
Name of Officer _____	
Street _____	
Town _____ State _____	

DISTINGUISH YOUR SERVICE WITH SUPER-SAFETY CHECKS ON THE NEW CHECK PAPER



Irving Trust Company Building
now being erected at
One Wall Street, New York

Tested Banking Service

"Our business relations with you have been extremely pleasant and most satisfactory."

"Our connection with your bank has been a long and pleasant one. We feel that you have treated our various affiliated corporations liberally and have granted them accommodations within reason at all times."

THESE statements by customers, one of whom opened an account with us in 1890, the other in 1908, were prompted by the competent service which Irving Trust Company has given them for many years.

This Company's Out-of-Town Office, which is a complete banking unit devoted solely to handling the business of out-of-town correspondents and their customers, offers tested service developed through many years of wide experience.

This Company's resources of over \$650,000,000 are sufficient to meet every seasonal demand.

OUT-OF-TOWN OFFICE

**IRVING
TRUST COMPANY**

Woolworth Building, New York

About New York and Eastern Bankers

James N. Chrystie has been appointed assistant manager of the foreign department, and John Thompson, assistant secretary of the London offices of the board of the Guaranty Trust Company of New York.

R. P. Stevens has been elected a director of the Commercial National Corporation, the securities affiliate of the Commercial National Bank and Trust Company of New York.

Irving H. Eckstein and Edgar H. Hall have been appointed assistant vice-presidents of the Interstate Trust Company of New York.

Russell C. Irish, assistant vice-president of the Bank of Manhattan Company, New York, has resigned to become second vice-president of the Chase National Bank, in charge of the bank's Hamilton Trust Branch.

Pierpont V. Davis, vice-president of the National City Company, New York, was recently elected president of the the Bond Club. Other officers elected

were: George M. Lindsay, Bancamerica-Blair Corporation, vice-president; Milton S. Harrison, Field, Glore & Company, secretary; John W. Cutler, Edward B. Smith & Company, treasurer.

J. D. Harrison, F. L. Moore, and F. P. Sheppard, vice-presidents, and F. C. Van Cloef, second vice-president, were appointed at a recent meeting of the executive committee of the board of the Guaranty Company of New York.

William A. B. Ditto, F. Rogers Par-kin & Cornelius J. Murray, assistant vice-presidents, have been appointed vice-presidents of the Seaboard Bank of the City of New York.

Benjamin Strong has been elected assistant vice-president of the International Acceptance Bank, Inc., of New York.

James F. Cavagnaro, vice-president of the Bank of America, N. A., has been elected a director of the Italian Savings Bank of New York.

Need of Cooperation Between Banks, Trust and Insurance Companies

CLOSE cooperation between banks, trust companies and life insurance companies was stressed in an address recently by Julian S. Myrick, president of the New York State Life Underwriters' Association, before the officers and personnel of the Central Union Trust Company of New York. Mr. Myrick stated that some \$750,000,000 of life insurance was now covered by trust agreements held by American banks and trust companies, and that the figures would mount up to billions before many years.

"It has been of tremendous value for life insurance to have banks and trust companies take up so actively the idea of trusteeing the proceeds of life insurance policies," Mr. Myrick said. "During coming years this idea will grow and will strengthen the character and value of life insurance as well as greatly expand the usefulness of banks and trust companies. For one of the great problems has been to conserve the proceeds of policies left to dependent beneficiaries and prevent their dissipation, thus making effective the very purpose of the policyholder in taking out the insurance.

"In 1928, approximately \$1,700,-

000,000 were paid out to life insurance policyholders and beneficiaries, and we care not whether the insured conserves his insurance estate through life insurance companies or through trust companies or banks, so long as he does it. There should be no competition between the two institutions. They should work together and supplement each other's efforts by the closest sort of cooperation. Under certain conditions results can best be obtained by trusteeing the proceeds through a bank or trust company, while in other cases the proceeds of the policy may best be handled by the insurance company. Then again it may be best to have both the insurance company and the financial institution handle the situation."

The speaker called attention to the need of developing a carefully trained personnel for this work. Advertising alone is inadequate. Results of a constructive sort from the standpoint of the insurance company, the bank or trust company and the public, can only be achieved by developing well considered sales practice in the approach to regular customers of the bank or trust company, the general public or the insurance underwriters.

Union Planters, Memphis, Gets National Charter

Effective July 10, the Union Planters National Bank and Trust Co. of Memphis, Tennessee, began operating under its new national charter, rounding out the program of broader banking facilities for Memphis inaugurated last January when the Union and Planters and the Manhattan Savings Bank and Trust Company came under joint management.

As a result of this completed program, these two associated banks give Memphis and the Tri-State Region every banking service under both state and national law, together with higher capitalization and greater lending power. The set-up of the two banks is strikingly parallel to that of the National City Bank and the Farmers Loan and Trust Company of New York, two of the nation's great financial institutions—one a national bank, the other a state bank and trust company.

Under this new charter the Union Planters National is the largest bank of any kind in Tennessee. With its invested capital of \$8,750,000 it is the second most highly capitalized national bank in the South. It and its associate, the Manhattan Savings Bank and Trust Company, with combined capital funds of \$11,200,000 comprise the second largest banking group in the South in point of capital assets.

The investment, stock and bond business hitherto conducted by the bond department of the old Union and Planters will be continued by the Union and Planters Company, owned by the stockholders of the Union Planters National.

Caldwell Announces Insurance Holding Company

Organization of a \$20,000,000 holding company to acquire controlling interests in some of the leading life insurance companies of the southern states has been announced by Caldwell & Company, investment bankers of Nashville, who will finance the move to bring the separate companies into one cooperative group.

The holding company, to be known as Associated Life Companies, Incorporated, will begin with a paid-in capital of approximately \$6,000,000 and with substantial stock interests in the Inter-Southern Life Insurance Company of Louisville, Kentucky, and the Southeastern Life Insurance Company of Greenville, S. C. Other southern life insurance companies, according to the plan of organization, will be in-

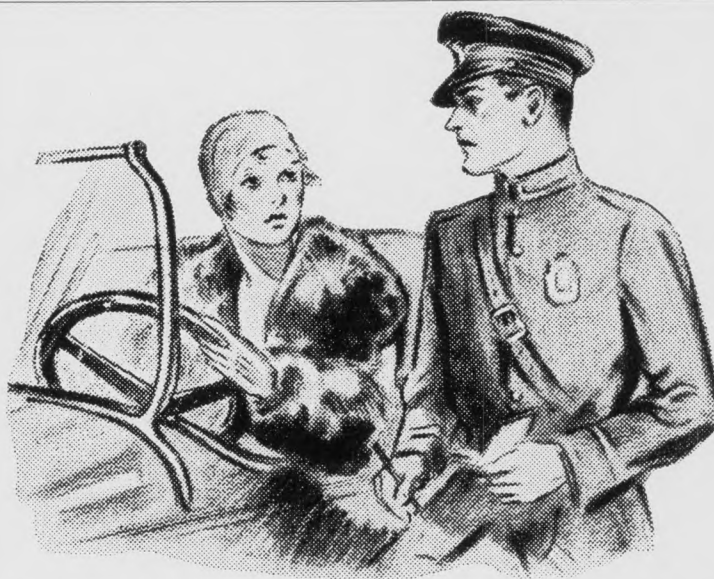
cluded in the group from time to time as its operations are developed.

Each company in the group will retain its identity in every respect, with the same officers and directors and the same scope of operations as before. Through close cooperation with each other, however, the separate companies will be able to effect large economies in various departments of their business and to give greater protection and broader service to their policyholders. The entire resources of the holding company will in effect be back of each company.

Association of Bank Women to Meet in California

For the second time in three years the Association of Bank Women is to hold its annual convention in California. This year their slogan is "On to San Francisco" where they will meet in conjunction with the American Bankers Association from September 30th to October 3rd.

Their official and registration headquarters will be the Sir Francis Hotel with residential headquarters at the Western Women's Club.



"But, Officer, no other train will do. I must catch the Wabash—"

"Banner Blue Limited"
Between

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and
CHICAGO

Leaves St. Louis 12:20 noon. Arrives Chicago 6:50 p. m.

Leaves Chicago 11:30 a. m. Arrives St. Louis 6:00 p. m.

Fast Wabash Trains Between St. Louis and Chicago

From St. Louis
8:47 MORNING
Ar. Chicago 3:45 p. m.
12:20 NOON
Ar. Chicago 6:50 p. m.
9:52 NIGHT*
Ar. Chicago 7:05 a. m.
12:05 MIDNIGHT
Ar. Chicago 7:35 a. m.



From Chicago
11:30 MORNING*
Ar. St. Louis 6:00 p. m.
3:00 AFTERNOON*
Ar. St. Louis 10:00 p. m.
9:55 NIGHT*
Ar. St. Louis 7:03 a. m.
11:30 MIDNIGHT
Ar. St. Louis 7:27 a. m.

*Stops at Delmar Boulevard Station or St. Louis

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H. E. Watts, Passenger Traffic Manager, St. Louis

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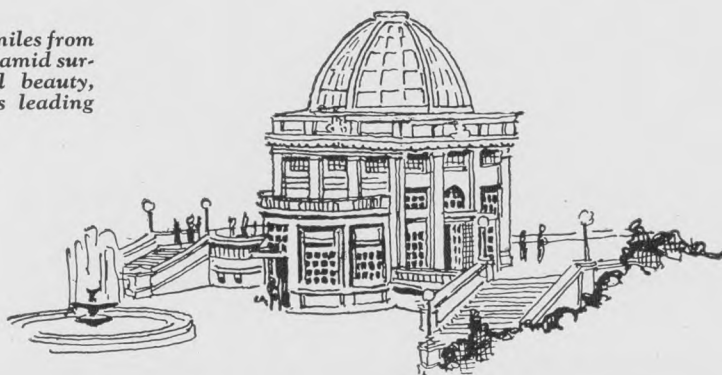


Where you can drink of Nature's Greatest Health Waters *Amid Surroundings of Unsurpassed Comfort and Elegance!*

Visitors to this finely appointed, luxurious hotel acclaim it one of the very finest resort hotels in America. Refurnished, redecorated and equipped with unsurpassed elegance, The Elms will appeal to the most fastidious or most critical guest.

Here you can tone up your system, regain your health with our world famous mineral waters and baths and if you wish, enjoy all the pleasures of resort life, golfing, swimming, horse-back riding, boating, tennis, etc. For reservations or beautifully done book, fully illustrating the beauties of The Elms and Excelsior Springs, write, wire or phone F. F. Hagel, Managing Director.

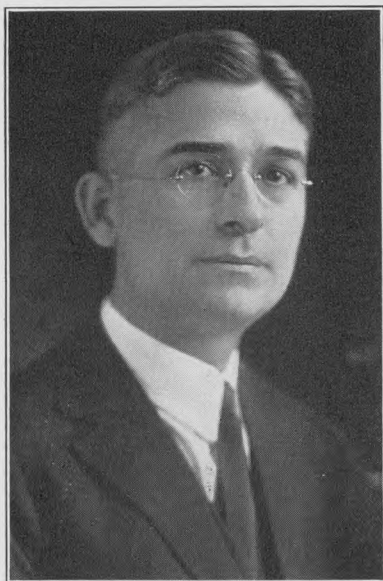
The Elms is only 28 miles from Kansas City, nestling amid surroundings of natural beauty, with paved highways leading in all directions.



One of the World's Most Famous Mineral Springs Resorts

McCarthy Is Advanced by Mercantile-Commerce

J. A. McCarthy, former assistant trust officer of the newly consolidated Mercantile-Commerce Bank and Trust Company, St. Louis, has been advanced to the position of associate trust officer of the institution. He also recently succeeded Davis Biggs as vice-president and trust officer of the National Bank of Commerce in St. Louis, the corporate existence of which



J. A. McCARTHY

has been continued for the purpose of caring for its trust business.

Mr. McCarthy has been engaged in various phases of trust work for twenty-two years, having been an assistant trust officer at the National Bank of Commerce for eleven years. At the same time he served as secretary of

the Federal Commerce Trust Company from the time of its organization.

A few years ago Mr. McCarthy was active in work of the American Institute of Banking and was among the first in St. Louis to hold a graduate certificate from that organization. His activities gave him a wide acquaintance in banking circles.

Licklider Heads St. Louis Advertising Club

Joseph P. Licklider, director of publicity and sales research for the Missouri State Life Insurance Company, has been elected president of the Advertising Club of St. Louis, Missouri.

His election, which took place at a recent meeting of the board of governors, became effective July 1. The St. Louis Advertising Club, with close to a thousand members, is the second largest organization of its kind in the United States.

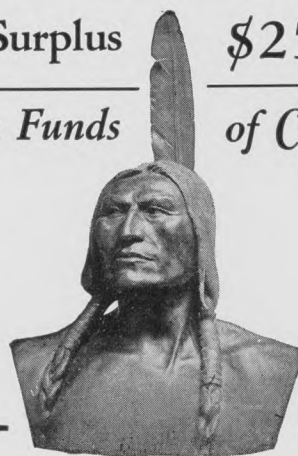
Mr. Licklider has been prominently identified in advertising circles for many years. In recent years he has been especially active in the insurance advertising field, and is well known as an authority on this particular subject. He has been associated with the St. Louis Advertising Club in various ways, having served as first vice-president during the last year.

Capital and Surplus

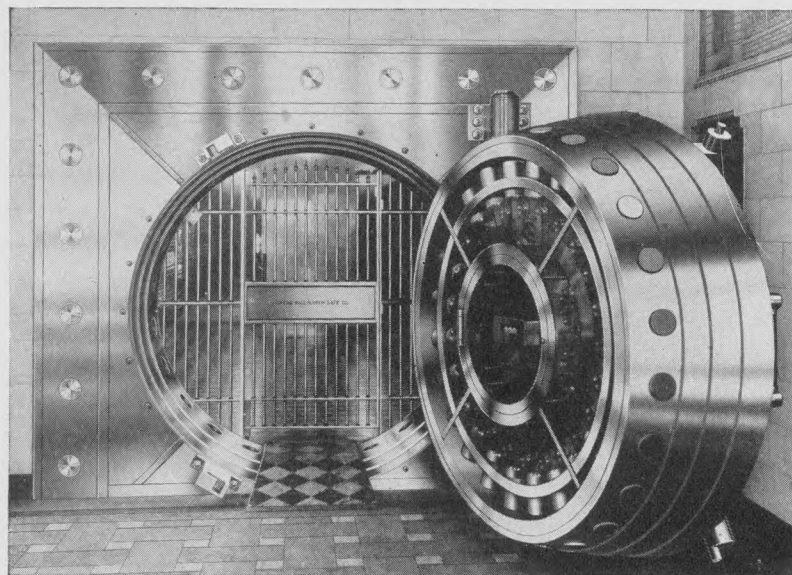
\$25,000,000

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The ownership by a bank of a Herring-Hall-Marvin vault denotes not alone security, but also complete satisfaction in the possession of the product of a master builder. Outstanding superiority of design, construction and finish is coupled with service whose fidelity and completeness are beyond question.

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The Secondary Reserve Problem of Bank Management

DURING the period since the war there has been an increase of about 50 per cent in operating costs of banks, particularly in the costs of salaries, rent or building expenses, light, heat, stationery, etc. Service functions have multiplied without compensatory returns to the banks. Competition itself creates new costs. These are the natural concomitants of the higher plane to which banking has evolved.

There is a further important factor operating to increase the cost of bank management—interest on deposits. This has come into increased importance as a result of our changed economic status as a nation. Of course it is apparent that the prosperity which has developed in this country in the past fifteen years has naturally reflected itself in the increased total deposits of member banks

By **EUGENE H. BURRIS**

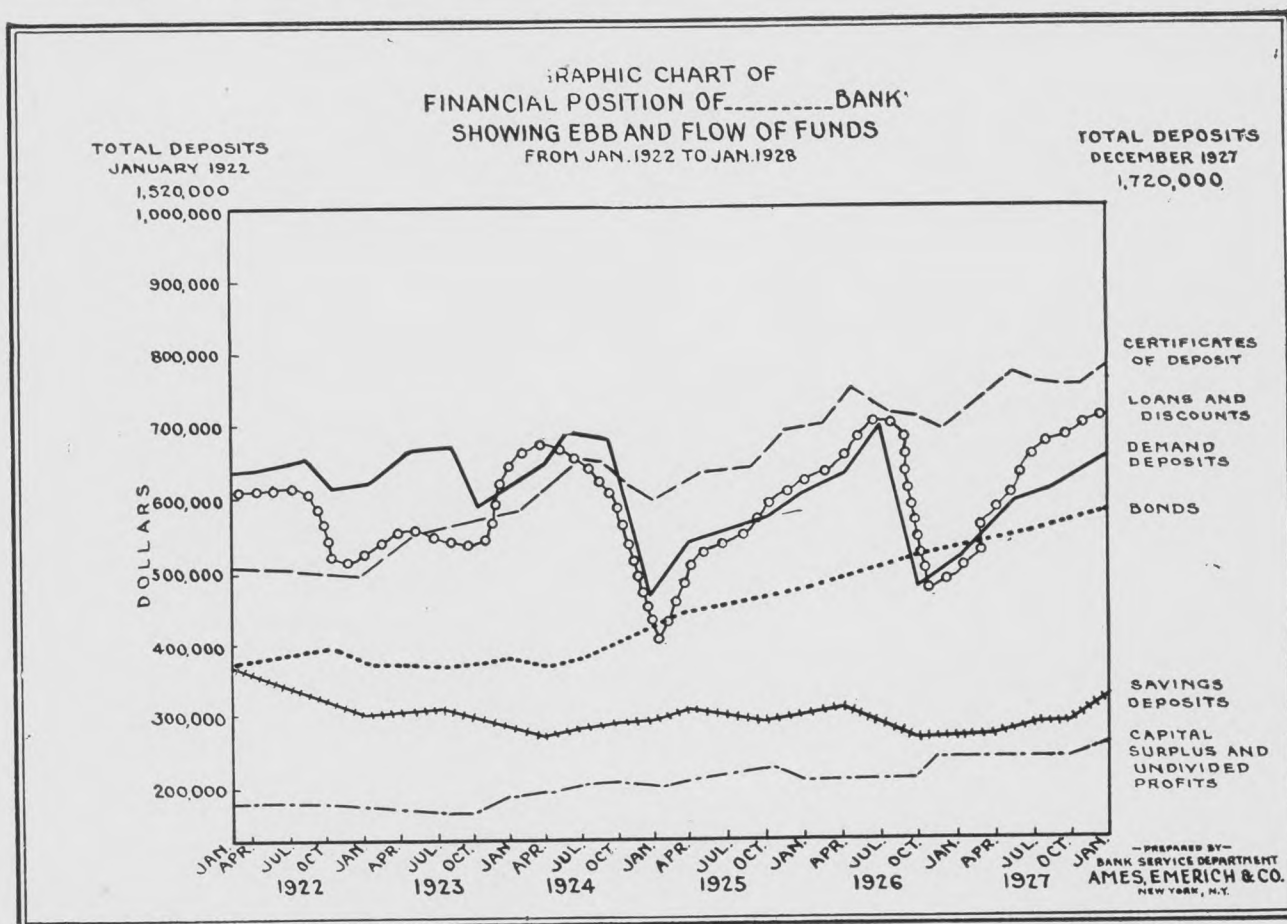
Ames, Emerich & Co., Inc.

of the Federal Reserve System from \$6,429,000,000 in 1914 to \$32,605,000,000 as of June 13, 1928.

The significance, however, is not to be derived from these figures, in the mass, but when we look at the segregation between demand and time deposits, we note some interesting facts. Demand deposits have shown a net increase from \$5,196,000,000 to \$19,166,000,000, it is true, but it is an increase of not quite four times. There is a great contrast apparent when we note that time deposits have increased from \$1,233,000,000 to \$13,438,000,000, or thirteen times over the same period.

TIME deposits, which in 1914 were only 19% of the total deposits of the member banks of the Federal Reserve System, now represent 41% of the total deposits. As you know, time deposits are relatively twice as costly as demand deposits in the fixed interest charge paid on respective balances.

Of course, it is impossible for banks of their own accord to escape the rising costs of management; but they can offset them. However, our research has discovered the fact that member banks in 1928 failed to earn \$40,000,000 because they did not align their investment policies with their changing requirements for liquidity. This failure to offset the rising costs of management justifies a closer scrutiny. It is obvious



that emphasis is shifting from demand deposits toward time deposits.

When we consider the situation existing as of June 13, 1928, we find that many banks are carrying the same proportion in liquid assets against their total deposits as they were accustomed to in 1914, namely 30%. This means that they have failed to adjust the proportions of liquidity in their assets, to take into consideration the shift in the types of their deposits. To apply the formula just referred to, 35% of demand deposits and 10% of time deposits, to the condition as of June 13, 1928, we find that the total reserve necessary to comply with this approach to recognized proportions would be about 24% of the total deposits of June 13, 1928.

The difference between 30% and 24% of the total deposits is about \$2,000,000,000 which was carried by these member banks in excess of their requirements for liquidity because no consideration was given to the fact that the major increase in their deposits had been from the time deposits which do not require such great liquidity behind them. Under normal conditions, 4% is about the return from liquid assets satisfactory for secondary reserve and 6% is ordinarily the return on investments which have ample safety, but which are not so necessarily and readily convertible into cash as to qualify them for secondary reserve purposes. This difference in the potential income which the member banks of the Federal Reserve System might have realized in

1928—2% on \$2,000,000,000 amounts to about \$40,000,000 which member banks of the Federal Reserve System could have earned for 1928, but which they allowed to escape them. Do you believe that management costs for the member banks of the Federal Reserve System for 1928 exceeded their management costs for 1927 by as much as \$40,000,000? Surely, herein lies the answer for the problem of increased cost of management.

THE second problem which confronts the banking field today arises from the fact that there have been as yet no established standards of operation to guide individual bankers in the operation of their banks. In this connection, Craig B. Hazelwood, president of the American Bankers Association, recently conducted a survey among a large number of banks in various sections of the country. Replies to this survey made it obvious that there was complete lack of agreement as the management policies and some of the specific results will prove interesting to you, I believe, as an indication of the lack of uniformity which exists in the banking field in this respect.

According to the various answers relating to the individual banks' resources:

Cash reserves varied from 5 to 72%
Secondary Reserves varied from 0% to 75%

Customers loans from 0% to 90%
Other bonds and stocks from 0% to 48%

Local mortgages from 0% to 71%
The percentages of the banks' capital and surplus in fixed assets varied from 0% to 100%.

Particular attention should be directed to the fact that of the number of banks which answered the questionnaire, 9% had no secondary reserves whatsoever, and 51% had 15% or less of their resources invested in liquid Secondary Reserves. In other words, over half of the banks in the United States were frozen because, according to the American Bankers Association, the minimum reserve which a bank should have for adequate protection is 20%.

In the matter of whether banks concerned in the survey by Mr. Hazelwood followed a definite policy with respect to the investment of their funds, over 74% admitted that they had established no definite policy. When three-quarters of the banks are not sufficiently liquid, and the other half according to our experience are penalizing their stockholders by carrying more liquid, low income producing assets than they

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need, surely there is a great field for scientific research into these banking problems.

BUT, I believe that there is another answer to this problem. To clarify the discussion which follows, may I make three definitions:

Primary Reserve consists of those funds which are immediately available to meet the demands for cash made upon the bank. Cash in vaults, demand deposits with other banks, and deposits with the Federal Reserve Bank, comprise this reserve.

Secondary Reserve is composed of those income-producing assets from which funds may be quickly and easily obtained whenever the primary reserve has been rendered inadequate for any reason to such an extent that it becomes necessary to replenish it. Assets which fall under this classification are call loans, bankers acceptances, commercial paper, rediscountable loans and discounts, and securities whose marketability is immediate and which have in addition price stability. The short term bonds are most effective in this last consideration.

Investment Reserve consists of all other assets of the bank's resources. It is in this portion of the assets that there is reflected the service which the bank provides to its community. The assets here include real estate bonds and mortgages which are fixed term investments with relatively high return; loans and discounts which provide a relatively high return and are generally of short term, ostensibly, but the experience unfortunately is that all too often loans and discounts are not paid when due, but are renewed. The third element in the investment reserve is composed of investment securities selected with safety of principal as the first consideration and profitable return rather than the immediate marketability with price stability as in the case of Secondary Reserve items.

NOW with these definitions established, I want to make the point very clear that a study of general figures, averages, etc., as a basis for establishing a policy of management for an individual and independent unit bank is dangerous. Each community where a bank may operate represents a certain set of economic conditions, dependent upon agriculture, business, and industrial enterprises which may be operating there and the particular requirements of such a specific community are reflected in the experience of the bank, or banks, which serve that community. Therefore the solution of

the problem of scientific bank management lies in determining what are the requirements of a particular bank for liquidity as reflected in a study of its past history. To illustrate this, let us consider this graphic chart of the financial position of (—) Bank, showing ebb and flow of funds over a period of years.

The principal factor in the liabilities of this bank which concerns requirements for liquidity is demand deposits. It is obvious that over the period of six years considered here, in the fluctuation of the total demand deposits, there are seen to be withdrawals to the amount of \$200,000 in the maximum, which occurred twice within the period. This pretty conclusively demonstrates

the fact that, barring unforeseen contingencies, the maximum expectancy of withdrawals which determines this bank's requirements for liquidity, was \$200,000. In the analysis of this bank's assets, we found liquid assets to meet this requirement of \$200,000, in the amount of \$400,000—twice as much as they had ever needed in their experience. Of course, there must be some buffer to provide against unforeseen contingencies, but to be twice as liquid as necessary, inflicts a penalty on the bank which it might be embarrassing to explain to intelligent stockholders. Wouldn't it be amply conservative to have a pad of 50% in excess of their maximum withdrawal experience? When you liberate \$100,000, for invest-

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The National City Company

National City Bank Building, New York

BONDS • SHORT TERM NOTES • ACCEPTANCES

ment, not at 4%, but at 6%, the increased income of \$2,000 realized in this bank represents 2% earned on their capital stock. This, of course, was accomplished without any additional expense and was available for an extra dividend, or an additional payment into surplus, or could have been used as a bonus to employees.

Let me recall the \$40,000,000 which member banks of the Federal Reserve System failed to earn in the year 1928 because they had not adjusted their assets to meet the shift in their type of deposits. A similar situation exists in this small bank where an increase of total deposits from \$1,520,000 to \$1,720,000 was accomplished entirely through the increase of certificates of deposit at a cost to the bank of 4% for interest.

I shall not go into the details of this bank's experience further, but I do want to indicate the method of tying in proportions of liquidity held or carried in the assets, with the determined requirements for liquidity. Considering the established requirements for liquidity, this phase of the analysis crystallizes the actuality existing in their assets with regard to liquid Secondary Reserve items — their requirements for liquidity having been cared for by means of call loans, commercial paper, bankers acceptances, and short-term securities. The rest of the assets could then be considered for the purpose of securing the maximum return, and, most effectively serving the requirements of the community for financing.

IN the investment reserve the mortgages and loans and discounts are the means whereby the bank finances its customers. I should like to point out this one fact. Real estate mortgages, by their very nature, are frozen assets. Loans and discounts we have found from our analytical work, and as you no doubt have found from your operating experience, are somewhat mythically liquid. At any rate, beyond establishing standards of quality as to these commitments, the banker cannot arbitrarily determine the degree of liquidity which will exist in these portfolios, but can only take what his community has to offer. In his bond account, however, he finds an adjustable medium to create the proper balance in liquidity between his requirements and his assets, for he can buy either liquid securities or less liquid securities, the latter having the higher income.

For the purpose of crystallizing the degree of liquidity which exists in the bond account, it is constructive to consider the securities from the point of view of marketability and quality, for these two factors determine the liquidity and price stability represented by the bonds. Then, to tie in these findings with the secondary reserve and investment reserve structure, is to put into operation scientific principles of bank management.

BECAUSE there is nothing so constant as change, it is vital to prepare against changes within the bond portfolio effecting the securities themselves, and stabilization can be secured through scientific diversification. Therefore, the third consideration of our analysis has to do with the type of borrower represented in the bond portfolio, and to bring this consideration down to a finer point, the diversification factors appearing within the type are brought to the surface by a more minute break-down.

In discussing the secondary reserve qualifications of bonds with bankers at this present time, when nearly everyone is appalled to look into his bond account and see the market depreciation which stares at him, regardless of the quality which may be reflected by the securities he holds, this solution which I have been presenting here has quite often naturally been ridiculed.

However, the fault does not lie in the bonds as such, but in the lack of scientific principles which should be used in the construction of the bond account. Perhaps I can make that clear with the aid of an illustration which shows the efficiency of a revolving fund of short-term maturities to protect the liquid



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have increased many fold the earnings of Southern properties; providing, at the same time, safe investment opportunities at attractive interest return for those with funds to invest.

Let us give you more detailed information regarding this type of Southern investment. Allow us to send you a description of one of our offerings. Banks and insurance companies purchase these securities in volume of many millions annually. They invest in them because they are safe.

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position of the bank's secondary reserve in bonds. Here is a bond account constructed to meet the requirements of this same bank, where their maximum of expectancy of demand withdrawals was \$200,000. In this account is found \$100,000, plus \$90,000, plus \$80,000, or a total of \$270,000 worth of securities maturing within the three next succeeding years. In first line of liquid reserve in this portfolio, there has been experienced relatively little market depreciation even under the excessive pressure imposed on the bond market in general by the prevailing high money rates. Because the constantly recurring maturities of these bonds provide their principal amount at par, always imminently available, the market price of these securities has not declined as has the market price of the long term, underlying railroad bonds, for example, which fell off an average of about 3½%, as a class, over the year 1928. By this means, liquidity in the bond account is assured from two points of view. The ready marketability of these short term bonds is possible with price stability close to par, and in addition, as the first year elapses, there comes into the bank, through maturities, \$100,000 in cash for current requirements, or this amount can be plowed back into the succeeding immediate years in order to make this liquidity factor perennial.

St. Louis Bankers Prominent in Development of Aviation

Well-known bankers who have figured prominently in St. Louis' rapid aeronautical development are: Harold Bixby, vice-president of the State National Bank, Walter W. Smith, president of the First National Bank, and Marvin E. Holderness, vice-president of the First National Bank. Mr. Bixby has been interested in aviation for a number of years, and was instrumen-

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tal in the formation of the Air Board of the St. Louis Chamber of Commerce. He was one of the original backers of Lindbergh's flight. Walter Smith and Mr. Holderness are both serving on the Chamber's Air Board, and Mr. Holderness is also a member of the Air Port Commission which will have supervisory powers in the development of the city's new \$2,000,000 air port, recently authorized by a bond issue.

Recommendation has been made for the establishment of a new and direct transcontinental air mail line operating from Kansas City, Missouri, via St.

Louis to New York. This line would afford more expeditious mail service to the East and would be the eastern leg of a proposed second transcontinental air mail route operating between New York and Los Angeles. From Kansas City it is subsequently planned to have the line run through Oklahoma City, Tulsa, Phoenix, Arizona, into Los Angeles.

In addition to initiating a movement that has already given St. Louis two air mail lines operating over regularly constituted routes, the Air Board of the Chamber has under consideration plans for a new line to the

Southwest to be operated as a spur from the proposed new transcontinental line. The spur line would connect with the Transcontinental at Springfield, Missouri, and would end at Dallas and Fort Worth. Tentative plans are also under consideration for a direct route from Memphis to New Orleans from this city. In addition to these routes, however, St. Louis will be one of the principal centers of the new Transcontinental Air Rail Line to be operated from New York City to Los Angeles by the Transcontinental Air Transport, Inc., in conjunction with the Pennsylvania Railroad.

The natural advantages of St. Louis as an aviation center have attracted virtually three million dollars worth of aviation construction activities to the airport since the beginning of 1928. Among the companies now in operation are the Curtiss-Robertson Co. and the B. F. Mahoney Co., builders of the famous "Spirit of St. Louis." In addition, the Parks Air Lines, Inc., are now erecting a plant on their airport just south of East St. Louis for the production of planes on a commercial scale, while the Cardinal Aircraft Company was recently formed as a subsidiary to the St. Louis Car Company for the production of commercial planes. Three flying schools also are located in St. Louis. The Robertson Air Craft Corp., the Von Hoffman Aircraft Co., and the Parks Air Lines, Inc.

St. Louis' most recent forward step has been the approval of the \$2,000,000 bond issue to provide an airport that will be the equal of any field in the United States or Europe. This new flying field is comprised of 693 acres—more than a square mile and will have 8 hard surface runways. Incorporated in the plans is a terminal building with a 200 feet span large enough to accommodate the largest multi-motored craft now being constructed either in this country or abroad.

The New Five and Ten.

There was great excitement in Punkville. A new 5 and 10-cent store had been opened by a man named Cohen. A woman came in one day and selected a top for which she handed the proprietor a dime.

"Excuse, lady," said Cohen, "but these toys are 15 cents."

"But I thought this was a 5 and 10-cent store," protested the customer.

"Vell, I leave it to you," came the reply, "how much is it five and ten cents?"

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1103 BOATMEN'S BANK BLDG.

First National and Tulsa National Merge

The recent merger of the First National Bank and Trust Company of Tulsa and the Tulsa National Bank, Tulsa's oldest and youngest banks, resulted in the creation of an institution with a capital structure of \$5,000,000 and combined resources in excess of \$45,000,000.

Waite Phillips was continued as chairman of the board, R. Otis McClintock and A. E. Bradshaw were reelected president and executive vice-president respectively, and Fred L. Dunn, president of the Tulsa National Bank, was elected vice-president in the merger, which took place on June 22, 1929.

The name of the new bank is the First National Bank and Trust Company and it is quartered in the First National Bank Building.

The tremendous growth of the oil industry and the increasing size of its transactions, has made necessary the creation within the immediate oil country of strong financial institutions with important connections in the money centers to insure the handling of immense deals here. Tulsa is the recognized capital of the oil industry and is rapidly making a name for itself as a financial center for oil transactions.

Minnie A. Buzbee Speaks on Bank Advertising

Miss Minnie A. Buzbee, Manager Business Extension and Advertising Department, American Southern Trust Company, Little Rock, gave an illustrated talk on bank advertising at the recent convention of the Arkansas Press Association, held at Fayetteville, Arkansas.

Miss Buzbee spoke of the growth and improvement of bank advertising during the past 10 or 15 years, and reminded the editors that good advertising by good banks raised the character of their paper and made a good talking point for the solicitation of other advertising and subscriptions.

Gabbert and Michaels Join H. M. Byllesby & Co.

Benton S. Gabbert and Harold U. Michaels have joined the sales organization of the St. Louis office of H. M. Byllesby & Co., of which J. D. McCutcheon is manager.

Mr. Gabbert, upon graduating from the University of Missouri became associated with the First National Company, St. Louis, in the municipal bond buying department. Later he joined

the sales force of that institution. Mr. Gabbert will travel in Missouri for H. M. Byllesby & Co.

Mr. Michaels, upon graduating from Washington University in St. Louis, joined the sales force of the First National Company. He will devote his efforts to the development of local St. Louis business for H. M. Byllesby & Co.

Fenner & Beane Issues Bulletin on St. Louis

Before opening their new branch office at 324 North Fourth Street, St.

Louis, Fenner & Beane, investment bankers, caused a careful economic study to be made of St. Louis.

A summary of the results of their study is contained in their bulletin on philosophy of empire building, "Why American Cities Grow—St. Louis."

This summary will later be used as a chapter introduction in a volume to be entitled "Philosophy of Empire Building," and to be published for general circulation.

Meanwhile, these summaries are used as bulletins, and are given wide international circulation.



Bonds Are Still the Medium of Stability

BEING strictly a promise to pay, bonds are an evidence of indebtedness and the bondholder a creditor. The security for the loan is specifically stated.

The investor receives, through bonds, security for his capital, a steady income, a stable investment. Because of their fixed security and fixed return, bond prices move slowly marketwise.

Economists have pointed out that after the late war the fixed return from bonds, as expressed in purchasing power, was reduced by the rising cost of living. Now, since commodity prices have turned downward, bond interest is buying more and more. This operates as no small factor in the bondholder's favor.

With money rates mounting to high figures, fixed-interest-rate securities have been neglected in recent months until an exceptional opportunity is presented for investment in bonds at this time.

Our current list of offerings will be mailed upon request.

Caldwell & Company Southern Securities

117 North Fourth Street

St. Louis, Missouri

Offices in Principal Cities

Board of Governors, I. B. A. Adopt New Resolutions

At a recent meeting of the Board of Governors of the Investment Bankers Association, based on the recommendation of the Sub-committee on Distribution, the board adopted the following resolution:

Resolved, that it is the opinion of the Board of Governors of the Investment Bankers Association of America that the present employer of a salesman should be notified before another house discusses with such salesman the question of employment, and that the use of blind advertisements for salesmen is disapproved.

Based on the further recommenda-

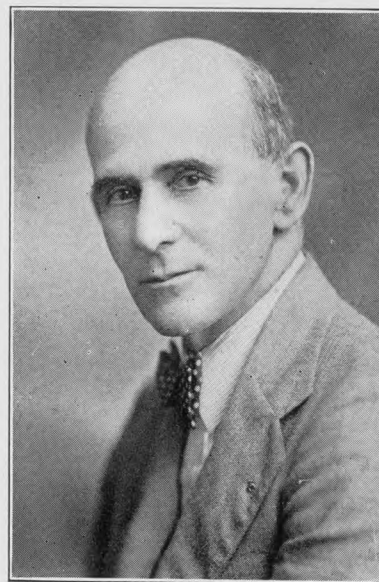
tion of the Sub-committee on Distribution at the same meeting, the Board of Governors adopted the following resolution:

Resolved, that it is the opinion of the Board of Governors of the Investment Bankers Association of America that the phrases used in many advertisements, such as "All these bonds have been sold" or "This issue has been sold and this advertisement appears as a matter of record only" are often misleading and should be abolished except in such cases wherein the issue has actually been over-subscribed by the investor and the securities advertised are not available for sale by the advertising houses.

Bernhardt Joins Secretary's Staff, I. B. A.

Jack Bernhardt, formerly engaged in promotion publicity work for the Arkansas Bankers Association, on August 1 joined the Illinois Bankers Association in a similar capacity.

Mr. Bernhardt has been connected with the National Bank of Commerce,



JACK BERNHARDT

St. Louis, now merged with Mercantile Trust Company as the Mercantile-Commerce Bank and Trust Company, and the Cotton Belt Savings and Trust Company of Pine Bluff, Arkansas.

While active in the banking business, Mr. Bernhardt took a great interest in his state association, having served as chairman of his group and as treasurer of the association. For ten years he was a member of the State Board of Education of Arkansas.

New Educational Committee of M. B. A. Announced

F. B. Brady, vice-president of the Commerce Trust Company of Kansas City, Mo., and newly elected president of the Missouri Bankers Association, has announced the following committee to conduct the educational work of the association during his administration:

G. V. Kenton, assistant advertising manager Mercantile-Commerce Bank and Trust Company of St. Louis, as chairman; C. E. Linville, assistant cashier, Bank of Skidmore, Skidmore; C. W. Moody, cashier, McDaniel National Bank, Springfield; H. H. Mohler, vice-president, St. Joseph Stock Yards Bank, St. Joseph; Fred Wightman, cashier, First National Bank, Braymer, Mo.

Why Do Investors Prefer This Security?

FIRST mortgage real estate bonds present one of the most satisfactory forms of investment when they are secured by high grade, well-located city property producing ample and continuous earnings. Real Estate Bonds appeal to many investors because the security is easily seen and easily understood. But the careful investor selects only those bonds whose fundamental safety is assured and investment stability apparent.

Such stability is found in the First Mortgage Real Estate Bonds of Robert S. Strauss & Company. The security is permanent because real estate values in the city of Chicago are steadily increasing, and because the bonds mature year by year, thereby decreasing the loan and increasing the margin of safety.

Please send for full information and list of current offerings yielding 6½%.

ROBERT S. STRAUSS & Co.

Investment Bonds—First Mortgages

CHICAGO

NEW YORK

Offices in Other Cities

Mail This
Coupon

ROBERT S. STRAUSS & CO.
105 W. Monroe St., Chicago, Ill.
Gentlemen: Please send me without obligation
full investment information and current offerings.

Name.....

Address.....

City..... State..... E

W. H. Young & Bros. Now Has Twenty-Five Offices

W. H. Young & Bros., Inc., St. Louis, announces the installation of four new branch offices during the past thirty days, giving them a total of twenty-five offices in Missouri, Kansas and Nebraska.

Offices have also been opened at 150 Broadway, New York City, under the supervision of Paul M. O'Neill. The primary purpose of this office is to take care of the Eastern wholesale connections of W. H. Young & Bros. Mr. O'Neill is a man of years of experience in the wholesale end of investment banking.

This house has grown more rapidly, perhaps, than any other investment brokerage concern in the Central West during the past three years and is continuing its policy to open new territory as rapidly as suitable men can be found and trained in the policy of the company and prepared to assume charge of the new offices.

The policy of this house is to accept orders for any stocks or bonds in any market but, as underwriters and dealers in specialties, they maintain a department for research and the investigation of investment opportunities, under the management of M. L. Barrett, an industrial engineer of wide experience in this work, who has been very successful in his former connection with the Wurdack Securities Company of St. Louis and other Wurdack enterprises and in his own developments. They endeavor to maintain a diversified list of stocks and bonds which are calculated to serve the investment needs of the various classes of investors and give the diversification necessary for well-balanced holdings.

The house of W. H. Young & Bros., Inc., has adopted a policy generally of becoming interested in the issues it features and the management is endeavoring to remain interested in those issues for the purpose of protecting the interests of its clients, as well as for the purpose of investment.

Lonsdale Makes Plea for Reduction of Taxes

Speaking at Swampscott, Massachusetts, in the outskirts of Boston, where Americans 156 years ago registered their first organized objection to taxation by dumping three shiploads of tea into the harbor, John G. Lonsdale, president of the Mercantile-Commerce Bank and Trust Company of St. Louis and first vice-president of the American Bankers Association, criticised

present-day taxation methods and made a plea for the reduction of levies on the income of corporations and individuals.

The gathering which heard Mr. Lonsdale's address was composed of bankers' groups from all the New England states.

Comparing the conduct of business with the science of navigation, the speaker warned: "Have a lookout in your business, or look out!"

"At no time in the history of American business," he continued, "has there been cause for keener outlook, for deeper perception, for more judicial judgment of the specks on the horizon that may become mountains of obstruction, on the way to greater business success."

Stressing the fact that taxes in-

crease as population multiplies, he pointed out the growing need on the part of bankers and business men to conduct careful investigations to see that tax moneys are being expended wisely.

"The income tax on corporations is too high and siphons out revenue which should belong to industry," he said. "This unjust discrimination against the corporate form of doing business should be removed in the interest of a plan of taxation more adapted to the uncertainties of the future. Here is an obvious responsibility of business men and bankers.

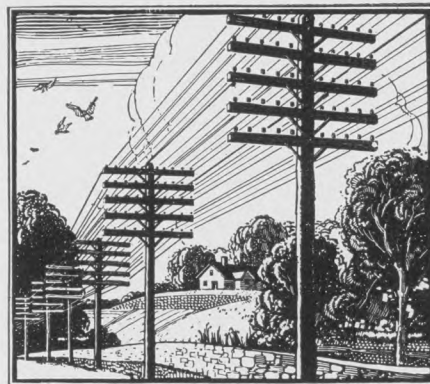
"The tax on earned incomes, too, should be reduced, because in its present status it imposes a penalty on thrift."

Copper highways

THE copper highways of the Bell System reach out to the most isolated places. 19,500,000 telephones—68,000,000 miles of copper wire—are making America one vast community. There are more than 2,500,000 telephones on American farms, practically all of which connect with the Bell System's nation-wide network of wires and cables. And eight times as much wire as is seen is tucked away in underground and aerial cables.

Vital Facts for Investors about American Telephone and Telegraph Company Stock

Back of this stock is a capital investment of more than three and a half billion dollars. In 1928 ninety-five million dollars was expended by the Bell System for central office equipment, one hundred and eighty-five million for aerial and underground lines, and another hundred



million for subscribers' telephone equipment and private branch exchanges. The growth of the Bell System is increasing in rapidity. Between 1912 and 1917 over 3,083,000 telephones were added to it; between 1917 and 1922 some 3,511,000 telephones; between 1922 and 1927 more than 4,315,000 telephones. And in 1929 this growth is continuing at the rate of more than 2,000 telephones a day.

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

BELL TELEPHONE SECURITIES CO. Inc.

195 Broadway



New York City

Foreman National Corporation Is New Name of Company

OFFICIAL announcement has been made of the change in the name of the Foreman Securities Company, securities affiliate of the Foreman National Bank, Chicago, to the Foreman National Corporation, and of an increase in capitalization from \$500,000 to \$5,000,000. The Foreman National Corporation will begin business with a paid in capital and surplus of \$6,000,000, which is trusted for the benefit of Foreman National Bank stockholders.

This change in name, it is thought,

will more definitely identify the company with the Foreman National Bank, and is in line with an expansion policy that is expected to make the Foreman National Corporation an important factor among the underwriting and distributing houses in the middle west.

Executive direction of the Foreman National Corporation will be in the hands of Robert B. Whiting, Edwin M. Stark and Harold W. Wood, vice-presidents.

The Foreman National Corporation

will occupy the entire sixth floor of the new Foreman National Bank Building at 33 North La Salle Street, Chicago. A branch office will be opened soon in New York.

D. T. Richardson, for nine years associated with the municipal bond house of A. T. Bell & Co., the last two of which he was manager of both the buying and sales departments, has been appointed manager of the municipal department of the Foreman National Corporation, securities organization of the Foreman National Bank of Chicago.

Tennessee Companies Sell Tennessee Bond Issue

Ready acceptance of the state of Tennessee's \$21,000,000 bond and note issue was reported by the bankers who undertook the distribution of these securities.

A group of Tennessee banks, headed by Caldwell & Company and the American National Company, both of Nashville, bought the bonds from the state and distributed them through a banking syndicate composed of some of the leading investment institutions of the country.

Of the total issue of \$21,000,000, the sum of \$7,500,000 is in 4¾% Bridge Bonds, due June 1, 1944, for payment of which the state has pledged the tolls collected for the use of the bridges to be constructed out of the bond proceeds. Likewise all funds accruing to the University of Tennessee from the proceeds from the state tobacco tax are pledged for the payment of the \$500,000 4½% University Building Bonds, which are included in this issue.

The remainder of the total issue is made up of \$12,500,000 of 4½% Highway Notes due February 15, 1939, and \$500,000 of 4½% Highway Notes due April 29, 1932. All of these bonds and notes are general obligations of the state of Tennessee and are legal investments for savings banks and trust funds in New York and other states. They are exempt from all federal income taxes and from all state, county and city taxes in Tennessee.

Capt. Mahaffey Is Director of First National, St. Louis

F. O. Watts, chairman of the board of the First National Bank in St. Louis, announced that Capt. Birch O. Mahaffey, president of the McBride Oil Company, has been elected a director of the First National Bank to fill the vacancy on the bank's board, caused by the recent death of Eugene H. Angert.

What Is a Bank Investment Account?

- What is its purpose?*
- How large should it be?*
- Should it include bonds?*
- Should it be composed partly of bonds and partly of other assets?*
- What kinds of bonds should be included therein?*
- Should it contain short term or long term bonds?*
- What is its utility to a bank?*
- Of what should it be composed?*
- Should it have no bonds?*



These and other similar questions are discussed in a brochure prepared by our economist, Dr. Paul M. Atkins, entitled: **Bank Secondary Reserves and Investments.** We shall be glad to send any bank a copy upon request.

Ames, Emerich & Co.

105 South La Salle Street, Chicago

509 Olive Street, St. Louis

First Wisconsin Nat'l Bank Bldg., Milwaukee

New York

Philadelphia

San Francisco

Los Angeles

R. N. Sims Submits Report Showing Figures on State Banks of U. S.

R. N. SIMS, secretary-treasurer of the National Association of Supervisors of State Banks, and vice-president of the Hibernia Bank and Trust Company, New Orleans, has submitted to the association a statement which shows in detail by states the capital, surplus and undivided profits, deposits, loans and discounts, stocks, bonds and securities, and total resources of all state banking institutions of the continental United States, together with totals of these items of the national banks, and all covering as of March 27, 1929.

The report of Secretary Sims covers the only available accurate and detailed data of the state banking institutions comparable with the report of the Comptroller of the Currency which covers the national banks.

Mr. Sims said: "The figures given are very gratifying and reflect, as a whole, a healthy condition of the banking institutions of our country.

"The capital, the deposits, and the total resources of our banks are larger than ever before.

"On March 27, 1929, there was a total of 25,932 banks of which 18,357 were state banks and 7,575 national banks, and in round numbers a total capital, surplus and undivided profits of \$9,274,242,341, total deposits of \$58,610,581,757, and total resources of \$72,666,752,001. Total deposits of all banks were \$1,896,064,896 above the previous high record of February 28, 1928, and total resources \$3,227,280,777 above resources of that date.

"On March 27, 1929, in round numbers the capital, surplus and undivided profits of the state banks were \$5,573,901,341, and of the national banks \$3,700,341,000 showing the capital resources of the state banks to be 50 per cent in excess of the national banks. The deposits of the state banks were \$35,737,701,757, and of the national banks \$22,872,880,000 showing the deposits of the state banks 56 per cent in excess of the national banks. The total resources of the state banks were \$43,644,840,001, and of the national banks \$29,021,912,000, showing the resources of the state banks 50 per cent in excess of the national banks.

"Between March 27, 1929 and February 28, 1928, deposits of the state banks increased \$1,302,266,896, and deposits of the national banks increased \$593,798,000. During the same period total resources of the state banks in-

creased \$1,779,055,776, and total resources of the national banks increased \$1,448,225,000.

"Since June 30, 1919, which was the date of my first complete statement, capital, surplus and undivided profits of the state banks have increased \$2,674,238,664, and the national banks \$1,336,863,000. The deposits of state banks have increased \$14,104,879,745, and the national banks \$6,948,015,000. Resources of the state banks increased \$17,679,164,165, and the national banks

\$8,222,362,000. The decrease in the number of state banks totals 2,671. The decrease in the number of national banks totals 210.

"This makes a total increase in all banks of the United States since June 30, 1919 as follows:

Capital, surplus and undivided profits\$4,011,101,664 or 76%
Deposits\$21,052,894,745 or 56%
Resources\$25,901,526,165 or 55%
Number of institutions 2,881 (decrease)

"Both classes of banks perform equally useful and necessary functions and I do not make comparisons for the purpose of disparagement, but to emphasize the colossal size of the two great banking systems.

Forces Governing Price Movements of Securities

What these forces are and how the successful investor uses them to reap financial rewards by anticipating changing conditions and new developments are clearly set forth in a set of graphs which have just been prepared by our Department of Economics and Surveys.

Federal Reserve Ratio, Call Money Rates, Commercial Paper Rates, Commodity Prices and their relationship to fixed interest bearing securities are shown on these graphs and explained in language that will easily be understood by all classes of investors.

These graphs will be of special interest to bankers and their corporation customers.

We shall be very glad to mail this instructive folder on request.

Send for AH-8

A.C. ALLYN AND COMPANY

INCORPORATED

Investment Securities

418 Olive Street, St. Louis

Chicago
Detroit

New York
Milwaukee

Boston
Minneapolis

Philadelphia
San Francisco

The Effect on Europe of Tight Money in America

THE ever growing demands of the American stock market for loan funds, with progressively higher rates of interest in the United States, have had a far-reaching effect upon the money markets of almost the entire world. Our high rates of interest have operated to tighten money in the world outside in two main ways: First, by reducing very sharply the placing of foreign bonds in our market; and second, by attracting foreign money to be loaned on call to our stock market.

In Europe, the result has been to create a very definite financial strain. The lending countries of Europe have ceased to be ready lenders to the borrowing countries, and, in some cases, have withdrawn funds previously lent. The borrowing countries of Europe, which for several years had adjusted their economic life to a large inflow of foreign funds, have found themselves suddenly pulled up short, with the necessity of paying rather than borrowing.

A borrowing country is an importing country. It brings in the proceeds of foreign loans in the form of goods primarily. Domestic demand is strong, resisting the export of domestic goods and attracting foreign goods. But when loans cease and repayment must be made, the scene shifts. The borrowing country must develop an excess of exports over imports. When a transition of this sort must be suddenly made, it is almost inevitable that there should be a period of depression during which labor and resources shift from production for the domestic markets to production for export, and during which prices are reduced to permit more effective competition in the export trade.

The lending countries of Europe in the past few years have been England, The Netherlands, Sweden, Switzerland, and, more recently, France. London appears to have little leeway for further loans to the continent at present. The Netherlands have been withdrawing funds from other countries, especially from Germany. Sweden has ceased to be a ready lender. Switzerland and Belgium could spare funds for investment abroad on a moderate scale. But the only European coun-

By BENJ. M. ANDERSON, Jr., Ph.D.
Economist of the Chase National Bank,
New York

try which is in a position to make foreign loans on a great scale is France.

Position of Germany

The tightening of the money markets of the world, with the sharp reduction of foreign loans to Germany, came at a time when Germany was under the necessity of increasing her payments under the Dawes Plan from 1,750,000,000 marks per year to 2,500,000,000 marks. Germany has made

"Our high rates of interest have operated to tighten money in the outside world in two main ways: First, by reducing very sharply the placing of foreign bonds in our market; and second, by attracting foreign money to be loaned on call in our market."

these payments, and continues to make them. But the difficulties have been real, the German money market has been very tight, and Germany has been very short of cash.

An acutely critical situation arose when the negotiations which culminated in the Young Plan appeared late in April and at the very beginning of May in danger of being broken off. With memories of the collapse of the mark in mind, a great deal of nervousness manifested itself in Germany, and a quiet but very substantial movement of funds out of Germany began, which greatly intensified an already difficult situation.

But the Reichsbank held the situation vigorously in hand, and the German banks held together loyally. New York, and possibly some other foreign

money markets, lent the necessary temporary assistance. Confidence is now restored, German funds are returning home, and the Reichsbank's reserve ratio, which had gone to around 40 per cent, rose to 51.5 per cent by June 22.

But the essential difficulties remain. Germany, if unable to get large foreign loans, must reverse the direction of her industrial and trade activities, reducing long-time construction and domestic consumption and increasing production for export.

Position of Hungary

The sharp cessation of foreign loans to Hungary found her, from one point of view, better prepared than Germany was. There had not been such intense activity in Hungary as in Germany. Her financial position was better liquidated, and the immediate shock was not so severe. On the other hand, Germany has carried much further than Hungary her industrial rehabilitation, and can much more readily begin an early development of an increased export trade. Germany's plans are largely carried through. Hungary's are in the half-way stage. If Hungary does not get adequate foreign credits in the near future, she will be obliged to cut short various half completed plans. This will not mean a financial break. The exchange rates will hold. The national bank will dominate the money market and protect the currency. But the standard of life of the people will be reduced, and there may be even a pathetic emigration of part of the dense population.

The Position of London

The British banks, in their effort to revive British trade by extending bank credit, have allowed the percentage of their "advances," i. e., customers' loans and overdrafts, to rise to over 56 per cent of their deposits, whereas 50 per cent is looked upon as the normal upper limit. In addition, the drains upon the gold reserve of the Bank of England, particularly those of June and early July, have reduced the reserve ratio of the banking department from 55.8 per cent on May 22 to 41.9 per cent on July 10. Britain's capacity to extend loans to the rest of

These bonds are legal for the investment of Life Insurance Companies and are acceptable collateral for State Funds in the State of Missouri

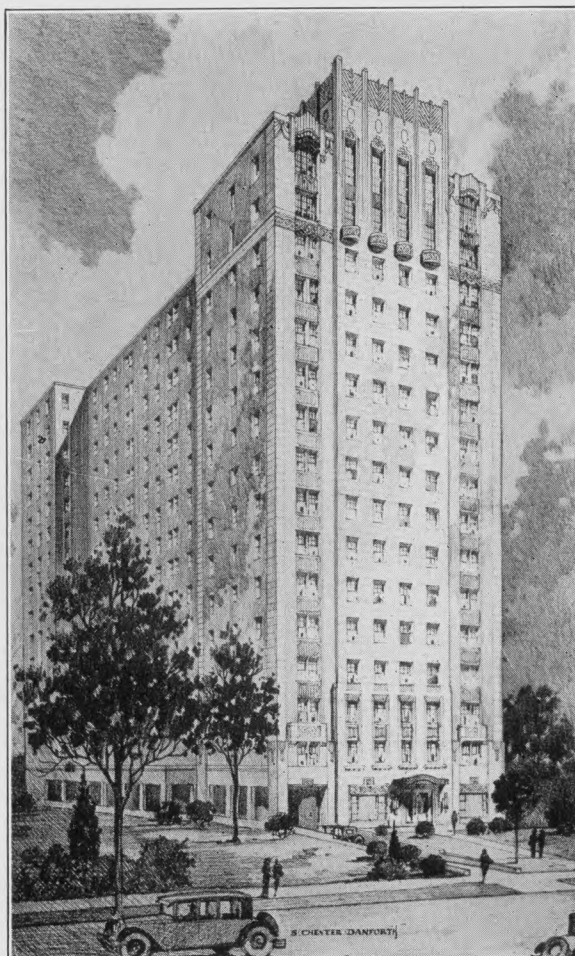
A New Issue of 6% Insured First Mortgage Bonds
\$650,000.00

The Pierre Chouteau

4440 LINDELL BLVD.

ST. LOUIS, MO.

Pierre Chouteau bonds are jointly and unconditionally guaranteed by the Federal Surety Company and the New Jersey Fidelity and Plate Glass Insurance Company, both of whom have been approved by the United States Treasury Department as sureties on Federal bonds. Their joint guaranty, binding on either or both companies, runs directly to the bond holder, is uncancellable, and is a binding contract on the part of the surety companies that insures prompt payment of principal and interest.



The Pierre Chouteau Apartments are located on Lindell Boulevard, in the City of St. Louis. Lindell Boulevard is one of the best known residential streets in the United States, and is the best location in St. Louis for a building of this type.

Bonds dated July 1, 1929, maturing semi-annually from January 1, 1932 to July 1, 1939.

Denominations of \$1,000, \$500 and \$100.

PROVIDENT STATE SECURITIES CO.

134 North La Salle Street

CHICAGO, ILLINOIS

Europe is evidently greatly reduced, and new issues in London have not been going very well.

Concern lest our high rates should pull in a great deal of gold from England was a restraining factor in Federal Reserve policy during the whole of 1928. The rise in the discount rate of the Bank of England from $4\frac{1}{2}$ per cent to $5\frac{1}{2}$ per cent early this year relieved the situation for a time. But the pressure on sterling continued. One contributing factor is presumably the very large holdings by the Bank of France of sterling exchange. The opinion is expressed in London that

whenever sterling shows any strength, there is French selling.

But a further very important factor in the persistent weakness in sterling and loss of gold by England has, of course, been the cessation of American loans to Europe, and the steady flow of funds from Europe to New York attracted by the high rates at the New York Stock Exchange. The drain on England's gold has begun much earlier this year than last year.

The foregoing does not mean, of course, that Britain's position is fundamentally weak. Basically, Britain has immense financial strength. If the

Bank of England chose to use its discount rate in accordance with pre-war policy, she could undoubtedly protect her position quickly and effectively, just as The Netherlands Bank, by raising its discount rate in the spring, converted an outflow of funds into an inflow of funds. Incidentally, the best Dutch financial opinion in May was that the increased rates of interest in The Netherlands had not interfered with business in The Netherlands.

Position of France

The French money market is the one money market which has immense strength and great capacity to expand credit. The Bank of France has a gold reserve of 44 per cent against demand liabilities, which is not high, since 40 per cent is looked upon by the financial authorities as the point below which they would not wish to go. But the Bank of France has, in addition, over a billion dollars of gold exchange, the major part of which is probably held in London, though a large part is also in New York.

France has a natural and justifiable desire to convert her foreign exchange into gold. As a first-rate financial center, she is unwilling to carry permanently her reserves in foreign countries. Moreover, France sees clearly the dangers of unsound credit expansion throughout the world when great countries employ the gold-exchange standard rather than the strict gold standard.

But France can bring in gold only by taking it away from other countries, chiefly England, but also the United States. In the present situation, France is moving slowly, cautiously and with special consideration for all the interests involved. She took gold from London in 1927 and 1928, and she took 310 million dollars of gold from New York in these years. Even in 1929, France has been able to add about 182 millions dollars to her gold reserves, but she has obtained much of this from Germany, while Germany in turn has taken the gold from London.

France has no wish to disturb the international money market. But those who look forward to very easy money in the near future will do well to have in mind that easy money, in all probability, would be an immediate signal to France to bring gold from New York and London, with a tightening of rates in New York and London.

Is Money Getting Easier?

In gauging the position of the American money market, we must take a world-wide view, and we must have a

Buy Bonds, Too

The recent popularity of the stock market has withdrawn a certain amount of attention from the general list of bonds, depressing prices and developing many opportunities for excellent purchases.

Do not forget that one of the cardinal principles of investment is diversification. Build your financial structure on a firm foundation of sound bonds.

We will be glad to discuss the situation with you and assist in finding the proper bonds to suit your needs.

Lorenzo E. Anderson & Co.

Central 3000 ST. LOUIS 711 St. Charles St.

Members New York Stock Exchange

certain perspective in time—at least enough to allow for seasonal variations. If we compare our position in June and July of 1929 with the same period of last year, it is clear that money is decisively higher than it was a year ago, although we thought then that it was very high.

The "high" for call money in July of last year was 10 per cent as against 15 per cent this year. On July 5 of last year, call money "renewed" at 6 per cent, and the renewal rate stood at $5\frac{1}{2}$ and 6 per cent down to July 11. This year, the renewal rate was 7 per cent on July 5. It rose to 9 per cent on July 9, at which figure it remained unchanged down to July 15. Time money at the New York Stock Exchange was $5\frac{3}{4}$ to 6 per cent in late June and in early July in 1928, whereas it has ranged from $7\frac{1}{2}$ to 8 per cent in the same period in 1929. Commercial paper stood at $4\frac{3}{4}$ to $5\frac{1}{4}$ per cent in this period of 1928 as against a straight 6 per cent in late June and early July in 1929. Acceptances, despite the easing in July of this year, still stand a full 1 per cent above last year's quotations at the same time.

And if we look at the position of the world at large, it is clear that money is far tighter than it was a year ago, and the financial strain is greater than it was a year ago.—Taken from a recent address before the Montana Bankers Association.

Tremble Resigns as Officer of Fidelity National

George T. Tremble, senior vice-president of the Fidelity National Bank and Trust Company, Kansas City, Mo., resigned July 1.

Mr. Tremble has been contemplating this step for the last several years, but has been hesitant to leave the Fidelity and at one or two previous suggested dates of resignation has been persuaded to stay by the directors and management of the bank. He is leaving because he feels that his private interests should receive his complete attention and the devotion of his full time.

Mr. Tremble has been a vice-president of the Fidelity since September 5, 1916, coming to the Kansas City bank from a bank of which he was at that time, and still is, president—the Central National Bank of Ellsworth, Kansas. Mr. Tremble is heavily interested in a number of Kansas banks, in addition to large ranch and cattle interests in that portion of the state near Salina and Ellsworth.

Sound Bonds and Selected Investment Stocks



HOAGLAND, ALLUM & Co.

INCORPORATED

14 S. La Salle St.
CHICAGO

34 Pine St.
NEW YORK

Love, Bryan & Co.

Members { New York Stock Exchange
{ New York Curb Exchange (Associate)

400 Pine Street, St. Louis

announce the opening of a

New York Office
at
50 Broadway

for the transaction of a general investment and Stock Exchange business.

Telephone WHI tehall 3853

JOHN A. LOVE
P. TAYLOR BRYAN, JR.
WILBUR I. CHRISTOPHER
JOHN J. LITTLE
LOUIS W. OCHS
WILLIAM D. STEWART, JR.

Member New York Stock Exchange

July 16, 1929

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ALONG LA SALLE STREET

By Howard W. Clark, Vice-President, Mid-Continent Banker, Chicago

Gene Burke, formerly a leading banker-citizen of Champaign, Ill., has become a resident of Chicago. This announcement caused no little regret in his home town but a hearty welcome awaited him in Chicago banking circles as he took over the reins as president of the new Upper Avenue Bank on North Michigan Boulevard.

Eugene I. Burke, was formerly vice-president and cashier of the Citizens State Bank of Champaign, with which institution he had been affiliated 29 years. The Burkes are an interesting family. Mrs. Burke is an accomplished musician. A son, E. I., Jr., is assistant bank examiner for Illinois, stands 6 foot two and weighs 200 pounds.

Opening of a Chicago office at 208 South La Salle Street, under the management of James E. Cairns, resident partner, was announced by E. W. Clucas & Company. The company also has offices in New York, Philadelphia and Jersey City.

George W. Meyer, president of the Bank of Edwardsville, Ill., writes this department advising that his good looking young son recently left for California in a \$40.00, 1921 Dodge car. The young explorer expects to be gone about eight weeks.

Wilbur A. Gorman, formerly manager of the bond department of Packer, Cooke & Company, has become associated with Guibord, White & Company, Inc., 105 West Adams Street. He will be in charge of their wholesale department.

Hale, Waters & Company, Boston and New York, have opened a Chicago office at 120 South La Salle Street. The Chicago territory will be in charge of Louis V. Francoeur, formerly with Peabody-Houghteling & Company.

John J. O'Brien, formerly advertising manager for Brokaw & Company, has joined the staff of Prince & Whiteley, 208 S. La Salle Street, where he will be in charge of the statistical department.

Warren Crawford & Alfred J. Dyer announce the formation of Crawford-Dyer & Co. to underwrite and distribute general market securities with offices at 231 South La Salle Street and also in the Dwight Building, Kansas City.

"The half year just ended has not only witnessed a continuance of the very prosperous conditions that existed in 1928, but generally speaking a marked improvement has been shown in most lines," according to an analysis made by Babcock, Rushton & Co.

"While there are still a few industries that have not shared in the widespread prosperity, the outlook generally for the near future appears exceedingly favorable."

Steuben Securities Corporation of 105 West Adams Street, today announced that the business heretofore conducted under that name will be known in the future as Minter & Company. The announcement was made by Stephen Minter, president. Other

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officers of the company are W. E. Seaberg, vice-president and Emil Horween, secretary-treasurer. Members of the board of directors, in addition to officers, are R. L. Redheffer, Charles Y. Clark and A. F. Spitzglass.

Mr. Crawford formerly was connected with E. H. Rollins & Sons and Lee, Higginson & Co., and Mr. Dyer until recently was secretary and treasurer of L. L. Davis Co.



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Love Bryan and Co. Enlarges St. Louis Office and Opens One in New York

ON July 1 Love, Bryan & Co., St. Louis investment house, became a member of the New York Stock Exchange, and on July 11, an associate member of the New York Curb Exchange. A partnership has been formed which includes John A. Love, P. Taylor Bryan, Jr., W. I. Christopher, John J. Little, Louis A. Ochs and William D. Stewart, Jr., the latter of New York and a new member of the organization.

On July 16 announcement was made of the opening of a New York office at 50 Broadway, which is to be in charge of Mr. Love, with Mr. Stewart as floor member.

On July 31, W. Arthur Stickney, resident partner in St. Louis of Richards & Company, was admitted to membership. With Mr. Stickney's resignation from Richards & Company, that company will close their St. Louis office and Love, Bryan & Co. has agreed to extend their services to include Richards & Company's clients in St. Louis. Mr. Stickney will be manager of Love, Bryan & Co.'s Stock Exchange Department.

The banking rooms formerly occupied by the State National Bank at Fourth and Locust Streets have been leased and when the extensive alterations now in progress are completed Love, Bryan & Co. will be equipped to render a complete investment banking service. The bond department and real estate loan department will be continued and a board room and direct wire connections to New York and

other principal cities will be added to their facilities.

The new offices will probably be opened early in September and in the meantime prompt trading service with New York and principal cities is offered.

St. Louis Office, Folds, Buck & Co. Doing Well

The St. Louis office of Folds, Buck & Company, which opened May 1 in the Boatmen's Bank Building under the management of Irwin K. Cozzens and Charles L. Stone, Jr., has built up a remarkable clientele in its first three months, according to those in charge.

Folds, Buck & Company, with headquarters in New York, Chicago and Milwaukee, handles both bond and stock issues. The St. Louis office will serve St. Louis and the surrounding territory.

Among the issues which Mr. Cozzens and Mr. Stone have been pushing since opening the office are: American Commercial Alcohol, common and preferred; Bulova Watch Company, common and preferred; General Independent Alcohol, 6½ convertible bonds, General Theaters Equipment Incorporated 6 per cent convertible debentures; and General Theater common.

Before coming here Mr. Cozzens and Mr. Stone were connected with the Chicago office of Folds, Buck & Company. Both men are St. Louisans, having been born here and having attended Washington University.

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SHORT TERM NOTES
LIBERTY BONDS

Bond Quotation Record

JUNE ISSUE

This booklet gives the following information on bonds listed on the New York Stock Exchange, the New York Curb, as well as on active unlisted issue.

- 1—1925 and 1926 PRICE RANGE
- 2—INTEREST DATES—MATURITY
- 3—CALL PRICE—IF ANY
- 4—INCOME AT CURRENT PRICES
- 5—YIELD—IF HELD TO MATURITY

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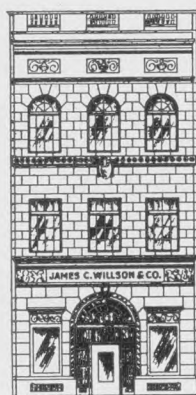
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St. Louis Stock Exchange

	Par Value	June 20 to July 20 Sale Price	Month's Range Price Low High	Sales for Month
Boatmen's Nat'l Bank.....	100	.....	220 225	81
First National Bank.....	100	.....	436 440	152
Mercantile-Commerce.....	100	294½	290 300	783
Franklin-American Trust.....	100	.....	252 255	81
Mississippi Valley Merchants, Etc..	100	305	300 312	133
St. Louis Union Trust.....	100	.....	530 535	24
A. S. Aloe Co., Pfd.....	100	.....	102 102	25
A. S. Aloe Co., Com.....	20	35¾	35 35¾	1265
Alligator, Com.....	No Par	.....	23½ 26¾	1125
Amer. Inv. "B".....	.....	.....	3 5	967
Baer, Sternberg & Cohen, Com.....	No Par	.....	10 12½	255
Bentley Chain Stores, Com.....	No Par	.....	18 21	1001
Michigan-Davis Co.....	No Par	.....	25 25	20
Boyd-Welsh Shoe.....	No Par	.....	37½ 37½	150
Brown Shoe, Com.....	100	48½	42 48¾	9527
Burkart Mfg., Pref.....	No Par	.....	14 15	324
Burkart Mfg., Com.....	No Par	.....	5 6½	102
Boyd-Richardson, Pfd.....	100	.....	110½ 110½	97
Century Electric Co.....	100	.....	100 115	23
Chicago Ry. Equip., Com.....	25	.....	6½ 7½	261
Chicago Ry. Equip., Pfd.....	25	.....	18¾ 19	74
Coca-Cola Bottling, Sec.....	1	56¾	56¾ 62	1830
Consolidated Coal.....	100	.....	20 25	20
Consolidated Lead & Zinc, "A".....	No Par	11	11 14	852
Corno Mills Co.....	No Par	.....	40 40	35
Elder Mfg., 1st Pfd.....	100	.....	108 108	20
Elder Mfg. "A".....	100	.....	80 81	237
Elder Mfg., Com.....	No Par	.....	31½ 32	270
Emerson Electric, Pfd.....	100	100	99 100	105
Ely & Walker Dry Goods, 2nd Pfd..	100	.....	86 87	55
Ely & Walker Dry Goods, Com.....	25	.....	30½ 31	1085
Fred Medart Mfg., Com.....	No Par	.....	20 21	60
Fulton Iron Works, Pfd.....	100	.....	37 39¾	30
Fulton Iron Works, Com.....	No Par	.....	4 4	125
Globe-Democrat, Pfd.....	100	.....	65c 90c	750
Hamilton-Brown Shoe.....	25	.....	13½ 15	820
Hussmann Refr., Com.....	No Par	26	26 28	2378
Huttig S. & D., Com.....	No Par	.....	15 17	65
Hydraulic Press Brick, Com.....	100	.....	2¾ 2¾	40
Independent Brew. 1st, Pfd.....	.....	\$1	\$1 \$1	218
Independent Packing, Com.....	No Par	.....	10¾ 12	67
International Shoe, Pfd.....	100	.....	105½ 107	205
International Shoe, Com.....	No Par	.....	71 74¾	8638
Johansen Shoe.....	No Par	.....	38 38	55
Johnson-S. & S. Shoe.....	No Par	.....	61 67½	3124
Key Boiler Equip.....	No Par	60¼	60 61½	1328
Knapp Monarch, Pfd.....	No Par	.....	37½ 37¾	42
Knapp Monarch, Com.....	No Par	33	32 33	212
Laclede-Christy Clay Prod., Pfd....	100	.....	107½ 107½	28
Laclede-Christy Clay Prod., Com....	100	.....	63 115	278
Laclede Gas Light, Pfd.....	100	.....	100 100	52
Laclede Steel Co.....	20	49	48½ 51	923
Landis Machine, Com.....	25	76¾	70½ 80	6627
Moloney Electric "A".....	No Par	.....	57 61¾	2992
Mo. Portland Cement.....	25	.....	40 43	2823
Meyer Blanke, Com.....	.....	.....	17 17	25
Nat. Bearing-Metals, Pfd.....	100	.....	100 102	453
Nat. Bearing Metals, Com.....	No Par	.....	95 119	850
Nat. Candy, 1st Pfd.....	100	.....	105 106½	95
Nat. Candy, 2nd Pfd.....	100	.....	96 97½	114
Nat. Candy, Com.....	No Par	33	29¾ 34½	21505
Nicholas Beazley.....	5	19¾	19 20½	1537
Pedigo-Weber Shoe.....	No Par	.....	27½ 28	230
Pickrel Walnut.....	No Par	.....	22 22½	625
Rice-Stix Dry Goods, 1st Pfd.....	100	.....	103 104¾	54
Rice-Stix Dry Goods, Com.....	No Par	19	18½ 19¼	3214
Scruggs-V. B. D. G., 1st Pfd.....	100	75	75 75	175
Scruggs-V. B. D. G., 2nd Pfd.....	100	75	75 76	302
Scruggs-V. B. D. G., Com.....	25	15¾	15¾ 16	344
Scullyn Steel, Pfd.....	No Par	32¾	30 32¾	3407
Securities Inv., Com.....	No Par	.....	33 38½	565
Southwestern Bell Tel., Pfd.....	100	.....	116¾ 118	863
Stix, Baer & Fuller, Com.....	No Par	.....	33½ 35½	1055
St. Louis Car, Com.....	10	.....	20 20	75
St. Louis Public Serv., Pfd. "A"....	No Par	75	75 76	132
St. Louis Pub. Serv., Com.....	No Par	.....	16½ 19	645
St. Louis Screw & Bolt, Com.....	25	.....	26 26	20
Steinberg Drugs, Pfd.....	No Par	.....	49½ 50	1240
Wagner Electric, Com.....	No Par	45½	43½ 47¼	10868
Wagner Electric, Pfd.....	100	105 105½	169

RICHARDS & COMPANY

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Mercantile-Commerce Adopts Monthly Dividend Policy

Stockholders of the recently consolidated Mercantile-Commerce Bank and Trust Company of St. Louis on July 1 received an initial monthly dividend of one per cent on their holdings. A statement accompanying the dividend and signed by the president, John G. Lonsdale, stated:

"The policy of one per cent monthly dividends has been adopted after careful deliberation. The conservatism of this program will appeal to you, I feel sure. After a definite earning record has been established another study of the subject will be made, so that the stockholders may feel that every consideration will be given to the increase in the income to the stockholders whenever it may be consistent with conservative business judgment.

"It gives me pleasure to advise you that the merger has been carried out with very little inconvenience to our customers, and all of our departments are functioning splendidly."

The new bank resulted from a merger of the Mercantile Trust Company and the National Bank of Commerce in St. Louis.

San Francisco Makes Ready for A. B. A. Convention

With the convention period for the American Bankers Association set for September 30 to October 3, the San Francisco committee in charge of local preparations announces that already most of the details of the convention have been arranged.

This is the first year that the convention has been held in San Francisco and elaborate plans are being laid by that city.

"During your stay the city will be literally yours and everything will be done to make your visit a memorable one. We hope that your plans will make it possible to come early and stay over after the convention," declared the committee in a letter to bankers.

The convention this year marks a half century of progressive achievement for the American Bankers Association.

Continental Passes Hundred Million Mark

Announcement has been made by President Ed Mays that the Continental Life Insurance Company, the home offices of which are in St. Louis, Mo., has passed the hundred million mark

of life insurance in force, the exact amount of business on the books as of June 30, 1929, being \$100,107,095.

This is a goal for which the company has been striving for some time and its achievement was the occasion of an impromptu celebration at the home office when the news became known.

The company's written business for the month of June was \$2,610,557, or a gain of 30.2 per cent over the same month of last year.

Stark Is Director Brooklyn National Corporation

Edwin M. Stark, vice-president and director of the Foreman Securities Company, Chicago, has been elected to the board of directors of the Brooklyn National Corporation, affiliated with the Brooklyn National Bank, of which W. C. Redfield, former secretary of commerce, is president.

He recently resigned from the board of directors of Woods Brothers Corporation in which he represented Redmond & Co., on the directorate.

I am not so lost in lexicography as to forget that words are the daughters of earth, and that things are the sons of heaven.—Samuel Johnson.

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305 Commerce Bldg., Pittsburg, Kansas.	411 E. Promenade, Mexico, Mo.
Exchange Natl. Bk. Bldg., Columbia, Mo.	518 W. Reed Ave., Moberly, Mo.
Morgan Bldg., Hutchinson, Kansas.	124½ South Wood St., Neosho, Mo.
Central Trust Bldg., Jefferson City, Mo.	107 W. 5th St., Newton, Kansas.
202 Joplin Natl. Bank Bldg., Joplin, Mo.	150 Broadway, New York City, N. Y.
601 Huron Bldg., Kansas City, Kansas	313 Corby Bldg., St. Joseph, Mo.
109 W. McPherson, Kirksville, Mo.	415 Natl. Bk. of Amer. Bldg., Salina, Kansas.
No. 7 Traders Bank Bldg., Lexington, Mo.	420½ Court St., Savannah, Mo.
227 Stuart Bldg., Lincoln, Nebr.	Hotel Bothwell, Sedalia, Mo.
209 Kresge Bldg., Topeka, Kansas.	1028 Landers Bldg., Springfield, Mo.
	505 First Natl. Bank Bldg., Wichita, Kansas.

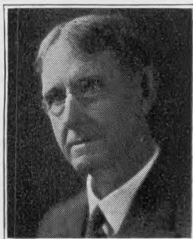
CURRENT QUOTATIONS

On a representative list of HIGH GRADE RAILROAD, PUBLIC UTILITY, INDUSTRIAL, CANADIAN and FOREIGN BONDS

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Security	Bid	Asked	Security	Bid	Asked	Security	Bid	Asked
Alabama Pr. Co., 5s, 1951.....	99	99 1/4	Danish Con. Mun. Loan, 5 1/2s, 1955	97 3/4	97 3/4	N. Orleans Term. Co., 4s, 1953.....	87	87 1/2
Alberta, (Canada), 4 1/2s, 1956.....	90 1/4	91	Delaware & Hudson Co., 4s, 1943..	91 7/8	92	New South Wales, 5s, 1958.....	91 3/8	91 1/2
Amer. Chain Co., 6s, 1933.....	96 7/8	97	Denmark, 5 1/2s, 1955.....	99 3/8	99 1/2	N. Y. Cent. Lines, 4 1/2s, 2013.....	94 5/8	94 3/4
American Radiator, 4 1/2s, 1947.....	99 3/8	99 1/2	Denmark, King of, 6s, 1942.....	103 1/4	103 3/4	New York Edison Co., 5s, 1944.....	102	102 1/2
Amer. Roll. Mills Co., 5s, 1948.....	95 3/4	95 7/8	Denver G. & E. Lt. Co., 5s, 1951..	98 7/8	99	New York Pr. & Lt. Co., 4 1/2s, 1967	90 5/8	90 3/4
Amer. Smelt. & Refg. Co., 5s, 1947..	99 3/8	99 1/2	Det. City Gas Co., 5s, 1950.....	98	98 1/8	N. Y. Tel. Co., 4 1/2s, 1939.....	97 3/8	97 1/2
Amer. Sugar Refg. Co., 6s, 1937.....	103 3/8	103 1/2	Detroit Edison Co., 5s, 1949.....	100 5/8	100 3/4	Niagara Falls Pr. Co., 5s, 1932.....	100	100 1/2
Amer. Tel. & Tel., 4 1/2s, 1933.....	97 7/8	98	Dominican Republic, 5 1/2s, 1942..	95 7/8	96	Nor. Ind. Pub. Service Co., 5s, 1966	98	98 1/4
Amer. Tel. & Tel. Co., 5s, 1960.....	102 3/8	102 1/2	Duquesne Lt. Co., 4 1/2s, 1967.....	96 3/4	96 7/8	Nor. Pac. Ry. Co., 4s, 1997.....	86 1/8	86 1/4
Amer. Tobacco Co., 4s, 1951.....	84 3/4	85 1/4	Dutch East Indies, 6s, 1947.....	102 3/8	102 1/2	Nor. States Pr. Co., 5s, 1941.....	99 1/8	99 1/4
Amer. Wtr. Wks. & Elec., 5s, 1934	98 3/8	98 1/2	Edison Elec. Illum., 4 1/2s, 1930..	98 1/2	99	Norway, Kingdom of, 5 1/2s, 1965..	99 7/8	100
Appalachian Elec. Pr. Co., 5s, 1956	95 3/4	95 7/8	Elec. Pr. Corp. (Germany) 6 1/2s 1950	91 3/8	91 1/2	Nuremberg, City of, 6s, 1952.....	86 3/8	86 1/2
Appalachian Pr. Co., 5s, 1941.....	99 1/4	99 1/2	Finland, Rep. of, 6s, 1945.....	92 1/4	92 3/4	Ohio Pr. Co., 5s, 1952.....	99 5/8	99 3/4
Argentina, 6s, 1958.....	99 1/8	99 1/4	Fla. Pr. & Lt. Co., 1st, 5s, 1954.....	86 3/8	86 1/2	Ohio Riv. Edison Co., 5s, 1951.....	96 3/8	96 1/2
Associated Oil Co., 6s, 1935.....	100 7/8	101	Ft. Worth Pr. & Lt. Co., 5s, 1931..	99	99 1/2	Ontario, Prov. of, 4 1/2s, 1931.....	96 1/4	97 1/2
Atch. Top. & S. Fe. Ry., 4 1/2, 1962..	95 7/8	96	France, 7s, 1949.....	109 1/2	109 5/8	Ontario Power Co., 5s, 1943.....	101	101 1/8
Atl. Coast Line R. R., 4s, 1952.....	89 5/8	89 3/4	General Elec. Co., 3 1/2s, 1942.....	94 1/2	94 5/8	Oreg. Wash. R.R. & Nav. Co. 4s 1961	85	85 1/2
Australia, 5s, 1955.....	95 3/8	95 1/2	Gen. Motors Acc. Corp., 5s, 1930..	98 1/2	99	Oslo, Norway, 5 1/2s, 1946.....	96 1/4	96 3/8
Austrian, 7s, 1943.....	103 3/8	103 1/4	General Pet. Corp., 5s, 1940.....	101 3/8	101 1/2	Pacif. Coast Pr. Co., 5s, 1940.....	98 1/4	98 1/2
Baden Consol. Mun., 7s, 1951.....	92 1/4	92 1/2	Ga. & Alabama Ry., 5s, 1945.....	85 7/8	86	Pacif. Gas & Elec. Co., 5s, 1942.....	100 3/8	100 1/4
Bald. Loco. Wks., 5s, 1940.....	106 3/8	106 1/2	Georgia P. Co., 5s, 1967.....	95 7/8	96	Pacif. Tel. & Tel. Co., 5s, 1952.....	102 3/8	102 1/2
B. & O. R. R., 5s, 2000.....	100 5/8	100 3/4	Georgia Ry. & El. Co., 5s, 1932.....	98 3/4	99 1/4	Panama, 5 1/2s, 1953.....	98	98 1/8
B. & O. R. R., 4 1/2s, 1933.....	97 3/8	97 1/2	German, 7s, 1949.....	105 7/8	106	Penn. Central Lt. & Pr., 4 1/2s, 1977	89 1/4	89 1/2
Batavian Pet. Co., 4 1/2s, 1942.....	92 1/4	92 1/2	German Cen. Agr. Bank, 7s, 1950..	96 3/8	96 1/2	Penn. R. R. Co., 5s, 1964.....	101 7/8	102
Bavaria, Germany, 6 1/2s, 1945.....	94 7/8	95	German Con. Mun. Loan, 7s, 1947..	94 5/8	94 3/4	Penn., Ohio & Det. R. R. 4 1/2s, 1977	94 3/8	94 1/2
Belgium, 6s, 1955.....	100 7/8	101	German Ge. Elec. Co., 6 1/2s, 1940..	122 7/8	123	Penn. Pr. & Lt. Co., 5s, 1953.....	100	100 1/8
Bell Tel. Co., Canada, 5s, 1955.....	99 3/8	99 1/2	Goodyear T. & R., 5s, 1957.....	91 3/8	92	Peoples Gas Lt. & Coke Co., 5s, 1947	101 5/8	101 1/4
Bell Tel. Co., Penn., 5s, 1948.....	103 3/8	103 1/2	Grand Trunk West. Ry., 6s, 1936..	103 7/8	104	Pere Marquette Ry., 5s, 1956.....	100 3/8	100 1/2
Berlin (Germany), 6 1/2s, 1950.....	95 3/8	95 1/4	Grt. Nor. Ry. Co., 4 1/2s, 1976.....	93 7/8	94	Peru, 6s, 1960.....	85 3/8	85 1/2
Berlin E. E. & Und. Rys., 6 1/2s, 1956	90 3/8	90 1/2	Great Western Pr. Co., 5s, 1946..	99 1/2	99 3/4	Phila. Elec. Co. (Pa.), 4 1/2s, 1967..	96 1/2	96 5/8
Beth. Steel Corp., 5s, 1936.....	99 1/8	99 1/4	Greek Gov't, 7s, 1964.....	96 3/8	96 1/2	Pillsbury Flour Mills Co., 6s, 1943	104 1/2	104 5/8
Bolivia, Rep. of, 7s, 1969.....	87 1/8	87 1/4	Gulf Oil Corp., Pa., 5s, 1947.....	99 3/4	99 1/2	Potomac Edison Co., 5s, 1956.....	94 3/4	94 1/2
Boston Cons. Gas Co., 5s, 1947.....	100 3/4	100 3/8	Haiti, Republic, 6s, 1952.....	96 3/8	96 1/2	Pressed Steel Car Co., 5s, 1933.....	90 7/8	91
Brazil, 6 1/2s, 1957.....	91 3/8	91 1/2	Hamburg, Germany, 6s, 1946.....	94 5/8	94 3/4	Prussia (Germany), 6 1/2s, 1951.....	92 3/4	92 1/2
Bremen (Germany), 7s, 1935.....	100 1/4	100 3/8	Hocking Valley R. R., 4 1/2s, 1999..	94 7/8	95	Pub. Service Elec. & Gas 4 1/2s, 1967	96 3/4	96 3/8
Brisbane, Australia, 5s, 1957.....	89 3/8	89 1/2	Hudson County Gas Co., 5s, 1949..	99 1/2	99 5/8	Queensland (Australia), 7s, 1941.....	106 7/8	107
British Columbia, 4 1/2s, 1951.....	91 1/4	92	Humble Oil & Refg. Co., 5 1/2s, 1932	100 1/2	100 5/8	Republic Iron & Steel, 5s, 1940.....	100 3/8	100 1/2
Brooklyn Borough Gas, 5s, 1967.....	100 3/4	100 3/8	Hungary, Kingdom, 7 1/2s, 1944.....	99 7/8	100	Rhine-West. Elec. Pr., 7s, 1950.....	101 7/8	102
Brooklyn Edison, 5s, 1949.....	102 7/8	103	Hungary Municipal, 7 1/2s, 1945.....	94 7/8	95	Rio Grande do Sul, 7s, 1966.....	94 7/8	95
Brooklyn Union Gas, 6s, 1947.....	114 3/4	115	Idaho Power Co., 5s, 1947.....	98	98 1/4	Rio de Janeiro, 8s, 1946.....	105 1/8	105 1/4
Buenos Aires, 6 1/2s, 1955.....	101 7/8	102	Ill. Bell Tel. Co., 5s, 1956.....	102 3/4	102 7/8	Rotterdam, (Holland), 6s, 1964.....	103 3/8	103 1/4
Buenos Aires, Prov., 7s, 1952.....	101 1/8	101 1/4	Ill. Cent. Ry., 4 3/4s, 1966.....	98 3/8	98 1/2	St. L., Ir. Mt. & So. Ry., 5s, 1931..	98 3/4	98 7/8
Buffalo Gen. Elec. Co., 5s, 1939.....	101 1/4	101 1/2	Ill. Pr. & Lt. Co., 5s, 1956.....	92 3/8	92 3/4	St. Paul Gas Lt. Co., 5s, 1944.....	98 1/2	98 3/4
Bush Terminal Bldg., 5s, 1960.....	98 3/8	98 3/4	Ill. Steel Co., 4 1/2s, 1940.....	97 3/8	97 3/4	St. Paul Union Strk. Yds. Co., 5s, 1946	98	98 1/4
Butte Electric Pr. Co., 5s, 1951.....	100 1/4	100 1/2	Ind. Mich. Elec. Co., 5s, 1957.....	100 1/4	100 1/2	Salvador, 8s, 1948.....	108 3/8	108 1/2
Calif. G. & E. Co., 5s, 1937.....	99 7/8	100	Ind. Pr. & Lt. Co., 5s, 1957.....	97 7/8	98	San Joaquin, Lt. & Pr., 5s, 1957.....	97 1/2	97 3/4
Calif. Pet. Corp., 5 1/2s, 1938.....	99 3/8	99 1/2	Inland Steel Co., 4 1/2s, 1978.....	90 1/4	90 3/8	San Paulo, City, 8s, 1952.....	108 1/2	108 3/8
Canada, 4 1/2s, 1936.....	96 3/8	96 1/2	Internat. Paper Co., 5s, 1947.....	86 3/4	87	San Paulo, State, 8s, 1936.....	104 3/8	104 1/2
Canad. Nat'l Ry. Co., 4 1/2s, 1957.....	93 1/4	93 1/2	Internat'l Ry. C. A., 6 1/2s, 1947..	94 7/8	95	Saskatchewan, Prov., 5s, 1943.....	97 1/2	98 1/4
Canad. Pacific Rys., 4 1/2s, 1946.....	95 7/8	96	Interstate Pr. Co., 5s, 1957.....	89 7/8	90	Sauda Falls Co., 5s, 1955.....	100 7/8	101
Carolina Pr. & Lt. Co., 5s, 1956.....	97 7/8	98	Iowa Pub. Serv. Co., 5s, 1957.....	94 1/4	94 1/2	Saxon Pub. Wks., 7s, 1945.....	96 3/8	96 1/2
Cauca Valley, Dept. of, 7s, 1948.....	88 7/8	89	Italy, 7s, 1951.....	95	95 1/8	Shawinigan Wtr. & Pr. Co., 4 1/2s, 1967	91 3/4	91 7/8
Cent. of Ga. Ry., 5s, 1945.....	98 7/8	99	Japanese Gov't, 6 1/2s, 1954.....	99 7/8	100	Shell Union Oil, 5s, 1947.....	95 3/8	95 1/2
Cent. Ill. Lt. Co., 5s, 1943.....	99 1/4	99 1/2	K. C. Pr. & Lt. Co., 5s, 1952.....	101 5/8	101 3/4	Sherman Hotel Co., 5 1/2s, 1930.....	98 1/4	98 1/2
Cent. Ill. Pub. Serv., 5s, 1956.....	95 3/4	96	K. C. Southern Ry. Co., 5s, 1950..	97 3/8	97 1/4	Siemens & Halske, A. G., 7s, 1936	102 3/4	102 1/2
Cent. New Eng. Ry., 4s, 1961.....	75 7/8	76	K. C. Term. Ry. Co., 4s, 1960.....	87 3/8	87 1/2	Sinclair Pipe, 5s, 1942.....	93 3/8	93 1/4
Cent. Pacific Ry., 5s, 1960.....	100 7/8	101	Kansas Pr. Co., 5s, 1947.....	89 1/2	90	Sixty-one Broadway Bldg., 5 1/2s, 1950	96 1/2	97
Cent. Pr. & Lt. Co., 5s, 1956.....	91	91 1/4	Laclede Gas Lt. Co., 5s, 1934.....	99	99 1/2	Solvay Amer. Inv., 5s, 1942.....	95 7/8	96
C. & O. Ry. Co., 5s, 1939.....	101 3/4	101 7/8	Lehigh Valley R. R., 4 1/2s, 2003..	95 3/8	95 1/2	Southern Bell Tel. & Tel. Co. 5s 1941	100 3/8	100 1/4
C. B. & O. R. R., 4s, 1949.....	89	89 1/8	Ligg. & Myers Tob. Co., 5s, 1951..	99 3/8	99 1/2	Southern Calif. Edison Co., 5s, 1951	99 3/8	99 1/4
Chgo. Mem. & Gulf R. R., 5s, 1940	95 1/2	95 3/4	Lorillard Co., 5s, 1951.....	81 3/4	81 7/8	So. Pac. Ry., 4 1/2s, 1968.....	92 3/8	92 1/4
C. Mil. & St. P. Ry. Co., 4s, 1989..	81 7/8	82	L. & N. R. R. Co., 4s, 1940.....	91 3/8	91 1/4	Southern Ry. Co., 4s, 1956.....	85 3/4	85 3/8
C. & Nor. Wes. Ry., 4 1/2s, 2037.....	93 3/8	93 1/2	Louisville C. & E. Co., 5s, 1952..	100 1/2	100 5/8	Southwest Bell Tel., 5s, 1954.....	102 1/2	102 1/4
C. R. I. & P. R. R., 4s, 1934.....	93 3/8	93 1/4	Louisville Lighting Co., 5s, 1953..	99 1/2	99 3/4	Stand. Oil Co. N. Y., 4 1/2s, 1951..	94 7/8	95
Chgo. Union Stat., 4 1/2s, 1963.....	95 3/8	95 1/4	Lyons, City of, 6s, 1934.....	99 7/8	100	Stand. Mill. Co., 5 1/2s, 1945.....	99 7/8	100
Chile, 6s, 1960.....	92 1/4	92 1/2	Maine Cent. R. R., 4 1/2s, 1935.....	93 1/2	93 3/4	Sun Oil Co., 5 1/2s, 1939.....	99 7/8	100
Chile Mtge. Bank of, 6 1/2s, 1957.....	96 1/2	96 5/8	Manitoba Power Co., 5 1/2s, 1951..	98 1/4	98 3/8	Swedish Gov't, 5 1/2s, 1954.....	103 1/2	103 1/4
Cincinnati St. Ry., 5 1/2s, 1952.....	94 3/8	94 1/2	Mass. Gas Co., 4 1/2s, 1931.....	98	98 1/4	Swift & Co., 5s, 1944.....	101	101 1/4
Cities Service Co., 5s, 1966.....	84 7/8	84 1/4	Mich. Cent. R. Co., 5s, 1931.....	99 7/8	100	Swiss Gov't, 5 1/2s, 1946.....	102 3/8	102 1/4
C. C. C. & St. L. R. R., 4s, 1993.....	85	85 1/8	Mid. Steel & Ord. Co., 5s, 1936.....	98 5/8	98 3/4	Texas Pr. & Lt. Co., 5s, 1937.....	98	98 1/4
C. C. C. & St. L. R. R., 4 1/2s, 1977	92 7/8	93	Milwaukee Gas Lt. Co., 4 1/2s, 1967	95 7/8	96	Toronto, Canada, 5s, 1934.....	96 3/4	97 1/2
C. C. C. & St. L. R. R., 5s, 1963.....	101 5/8	101 3/4	Minnesota Pr. & Lt. Co., 5s, 1955	98 3/4	99	Union Oil Co., Calif., 5s, 1935.....	97 3/8	97 1/2
Clev. Union Term., 5s, 1973.....	102 7/8	103	Minn. St. P. & S. M. Ry., 4s, 1938	86 1/8	86 1/4	Union Pac. R. R., 4s, 1947.....	92 3/8	92 1/4
Cologne (Germany), 6 1/2s, 1950.....	93 1/2	93 1/4	Miss. Riv. Pr. Co., 5s, 1951.....	98 1/2	99	U. K. Gt. Br., 5 1/2s, 1937.....	102 1/4	102 3/8
Colombia, Rep. of, 6s, 1961.....	85 1/4	85 1/2	Mo., Kans. & T. R. R., 4s, 1990..	83 3/8	83 1/2	United Steel Wks., 6 1/2s,		

Illinois Bank News



LYON KARR
President

OFFICERS ILLINOIS BANKERS ASSOCIATION: Lyon Karr, president, First State Bank, Wenona, president; W. R. McGaughey, vice-president, Citizens National Bank Decatur, vice-president; Ervin T. Geist, president, Joliet Trust and Savings Bank, Joliet, treasurer; M. A. Graettinger, Chicago, secretary; Olive S. Jennings, Chicago, assistant secretary.

GROUP CHAIRMEN: 1. H. F. Strickler, cashier, Commercial Trust and Savings Bank, Lomax; 2. M. O. Williamson, president, Peoples Trust and Savings Bank, Galesburg; 3. John Bruce, vice-president, First National Bank, Freeport; 4. N. L. Johnson, vice-president, Batavia National Bank; 5. S. J. Marshall, assistant cashier, Peru State Bank; 6. Frank Page, president, Hughes State Bank, Hume; 7. W. R. Camp, president, First National Bank, Bement; 8. S. E. Pierson, cashier, Greene County State Bank, Carrollton; 9. Louis Kuhrz, cashier, Buena Vista State Bank, Chester; 10. G. R. Corlis, cashier, Anna National Bank; 11. E. A. Hintz, cashier, The Peoples Trust and Savings Bank, Chicago.

GROUP SECRETARIES: 1. Raus Cooper, cashier, First State Bank, Oquawka; 2. J. B. Fleming, cashier, Bank of Peoria; 3. F. C. Baker, vice-president, Stillman Valley Bank; 4. A. R. Blackburn, assistant cashier, Joliet Trust and Savings Bank; 5. T. E. McNamara, assistant cashier, Union National Bank, Streator; 6. F. W. Claar, cashier, The National Trust Bank, Charleston; 7. R. A. McKinney, assistant cashier, The Moore State Bank, Monticello; 8. J. L. Thomas, president, Quincy-Ricker National Bank and Trust Company, Quincy; 9. Rufus Grant, cashier, Third National Bank, Mount Vernon; 10. H. H. Nooner, cashier, Elkville State Bank; 11. T. F. Chamberlain, president, Austin National Bank, Chicago.



M. A. GRAETTINGER
Secretary

The next annual meeting of the Illinois Bankers Association will be held at Peoria.

The Morrisonville State Bank has total resources in excess of \$430,000, deposits of more than \$360,000 and capital of \$50,000, as shown by statement of condition as of June 29.

The recent statement of condition of the First Bank and Trust Company of Cairo shows total resources in excess of \$2,799,000, deposits of more than \$2,350,000 and capital of \$250,000. Officers of the bank are: Reed Green, president; W. H. Wood, O. B. Hastings and H. E. Halliday, vice-presidents; H. R. Aisthorpe, cashier and secretary; H. C. Steinel, H. E. Emerson and V. M. Brown, assistant cashiers.

V. W. Spann has resigned as cashier of the First State Bank of Thebes.

The Citizens State Bank of Keithsburg has installed a vault ventilator in its vault.

Dr. H. L. Patterson has been elected president of the Citizens State Bank of Creal Springs, succeeding the late W. S. Brim.

Recent statements of condition of the six banks of Aurora show the six banks to have total deposits in excess of \$15,400,000.

The Second Northwestern State Bank of Chicago recently celebrated its tenth birthday.

Henry C. Schumacher, president of the Elmhurst State Bank, recently celebrated the completion of his thirty-fifth year of service to that institution.

The Citizens National Bank of Chicago Heights recently opened for business with a capital of \$200,000.

The recent statement of condition of the State Trust and Savings Bank of Peoria shows total resources in excess of \$2,700,000, and deposits of more than \$2,140,000.

The newly organized Main State Bank of Chicago recently held formal opening of that institution.

A. W. Moore, of Cowden, has been elected president of the Shelby County Bankers Association.

G. C. Kiest, for more than 20 years assistant cashier of the Lincoln State Bank of Lincoln, has resigned. He is succeeded by Albert Schweikert.

The Citizens State Bank of Park Ridge recently held formal opening of that institution.

William H. Engbring, president of the Effingham State Bank, recently celebrated the end of his fiftieth year in the banking business.

The Edwardsville National Bank and the Citizens State and Trust Bank of Edwardsville have been merged under the name of the Edwardsville National Bank and Trust Company, with a capital stock of \$200,000 and a surplus of \$100,000. The combined resources of the two institutions total more than \$4,000,000.

Lester Wilhelm has been elected cashier of the Dixon National Bank, succeeding the late Mahlon Forsyth. Howard G. Byers has been elected assistant cashier to succeed Mr. Wilhelm.

The First National Bank of Marissa has installed a fire-resisting and burglar-proof vault.

The statement of condition as of June 29 of the Farmers State Bank of Medora shows total resources in ex-

cess of \$379,000, deposits of more than \$324,000 and capital of \$25,000. Since surplus and undivided profits of more than \$27,000 exceed the capital it is an honor roll bank. Officers of the bank are: J. L. Tober, president; E. B. Simmons and F. E. Whitfield, vice-presidents; H. L. Warner, cashier; W. D. Patton, assistant cashier.

The State Bank and the First National Bank, both of Bement, have been merged.

The Home Bank and Trust Company and the Hatterman and Glantz State Bank, Chicago, have been merged under the name of the Home Bank and Trust Company.

The bank force of the Dime Savings Bank of Carthage recently gave a surprise party for Fred Salm, cashier of the bank, the occasion being Mr. Salm's birthday.

The building of the First National Bank of Libertyville is being remodeled and enlarged.

Dunbar W. Vollor, assistant cashier of the Home Banks of Elgin, and oldest employe of the bank from point of service, having recently completed his thirty-ninth year with that institution, died recently at his home in that city.

A. Korning, cashier of the First State Bank of Westmont, has resigned.

The capital stock of the Union State Bank of South Chicago has been increased from \$200,000 to \$250,000.

The recent statement of condition of the Bethalto State Bank shows total resources in excess of \$217,000, deposits of more than \$179,000 and capital of \$25,000. Officers of the bank are: J. M. Olin, president; R. E. Marshall, vice-president; H. E. Kelsey,

cashier; L. C. Bowman, assistant cashier.

The Plymouth Exchange Bank recently celebrated its thirty-third anniversary.

The building of the Fox Lake State Bank has been remodeled.

The First State Bank of Princeville has opened for business, succeeding the defunct Home State Bank of that city.

The First National Bank of Barrington recently held formal opening of its new banking home.

Officers of the recently formed Group Ten Clearing House Association are: F. Guy Hitt, Zeigler, president; John B. Lee, Harrisburg, vice-president; Kenneth E. Cook, Zeigler, secretary-treasurer. A full line of service charges have been installed by the member banks.

The Lemont National Bank, Lemont, has recently equipped its banking floor with "Platt" bandit and bullet proof equipment. This is the second bank at Lemont which has been equipped with this protective installation by the J. H. Wise Company of St. Louis.

New officers of the Marshfield Trust and Savings Bank of Chicago are: Henry F. Hawkins, president; Andrew Theil and J. A. Ross, vice-presidents; Edward Umbrecht, cashier; G. M. Jacobs, assistant cashier.

The Drovers State Bank of Vienna has total resources in excess of \$260,000, deposits of more than \$200,000 and capital of \$50,000, according to its recent statement of condition.

The recent statement of the First National Bank of Christopher shows total resources in excess of \$1,400,000, deposits of more than \$1,300,000 and capital of \$60,000.

The Farmers State Bank of Hoffman, according to its recent statement of condition, has total resources in excess of \$124,000, deposits of more than \$100,000 and capital of \$15,000.

The City National Bank of Harrisburg has total resources in excess of \$1,380,000, deposits in excess of \$1,100,000 and capital of \$100,000, according to its recent statement of condition.

William Stevenson, president of the First State Bank of Tilden, is on a vacation in California.

Leo Engert, assistant cashier, First National Bank, Murphysboro, has re-

signed to accept a position in Evansville, Indiana.

The recent statement of condition of the First National Bank of Annapolis shows total resources in excess of \$200,000, deposits of more than \$150,000 and capital of \$25,000.

The recent statement of the First National Bank of Livingston shows total resources in excess of \$440,000, deposits of more than \$370,000 and capital of \$25,000.

The Martinsville State Bank, according to its recent statement of condition has total resources in excess of \$475,-

000, deposits of more than \$400,000 and capital of \$50,000.

Total resources of the Gillespie National Bank are more than \$1,500,000 and time deposits are approximately \$850,000. Since surplus and profits exceed the capital of \$50,000 by \$25,000 it is an honor roll bank.

Emil G. Winter, Commerce Guardian Trust and Savings Bank, Toledo, Ohio, recently visited his father, cashier of the Lenzburg State Bank.

The recent statement of condition of the First National Bank of Nashville shows total resources in excess of \$1,-



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THE NORTHERN TRUST COMPANY

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CHICAGO

NORTHWEST CORNER LA SALLE AND MONROE STREETS

120,000, deposits of more than \$730,000 and capital of \$75,000.

The First National Bank of Columbia, according to its recent statement of condition, has total resources in excess of \$1,180,000, deposits of more than \$1,000,000 and capital of \$50,000. Since surplus and profits of \$66,000 exceed the capital it is an honor roll bank.

The recent statement of condition of the First National Bank of Vienna shows total resources in excess of \$580,000, deposits of more than \$360,000 and capital of \$60,000.

The First National Bank of West Frankfort has total resources in excess of \$1,800,000, deposits of more

than \$1,680,000 and capital of \$25,000. Since surplus and profits exceed the capital it is an honor roll bank.

The recent statement of condition of the First State Bank of Olmstead shows total resources in excess of \$127,000, deposits of more than \$100,000 and capital of \$20,000.

The First National Bank of Raymond and the Raymond State Bank have merged.

Paul Zimmerman, president of the Oak Park Trust and Savings Bank, delivered an address before a recent meeting of Melrose Park Chamber of Commerce.

New officers of the St. Clair County Bankers Association are: W. E. Can-

nady, First National Bank, East St. Louis, president; D. L. Schaefer, president, Summerfield State Bank, vice-president; George B. Gieser, assistant secretary, First National Bank, O'Fallon, secretary; Cyrus Thompson, First National Bank, Belleville, treasurer.

J. E. Easterday, cashier, Ramsey National Bank, Ramsey, has been elected president and C. A. Griffith, of Brownstown, has been elected secretary of the Fayette County Bankers Association.

The building of the State Bank of East Moline has been remodeled.

The new officers of the Stephenson County Bankers Federation are: Geo. L. Baldwin, Lena State Bank, chairman; W. C. Pfender, State Bank of Freeport, vice-chairman; K. H. Knowlton, Knowlton State Bank, Freeport, secretary-treasurer.

The recent statement of condition of the State Bank of Colusa shows total resources in excess of \$139,800, deposits of over \$104,900 and capital of \$25,000. Officers of the bank are: Geo. W. Singleton, president; Jesse Lionberger, vice-president; Everett Dorothy, cashier. Mr. Dorothy has been cashier of the bank since last November and succeeded O. T. Pettet, who went to the State Bank of Nauvoo as cashier.

Lloyd Borngasser has resigned as assistant cashier of the Fairbury Bank at Fairbury.

New officers of the Henry County Bankers Association are: Frank Tapper, Woodhall, president; Walker W. Kerr, Orion, vice-president; Harold Fischer, Kewanee, secretary-treasurer.

Henry Struble has been elected president of the River Forest State Bank.

Reed Bridgford, Farmers Bank of Joy, has been elected chairman of the Mercer County Bankers Federation.

The building of the State Bank of Hoiles & Sons, Greenville, has been remodeled and enlarged.

E. P. Hull and F. J. Reu have been elected directors of the State Bank of Burnside. Mr. Reu was formerly cashier of the bank and is now president of the Hancock County National Bank of Carthage. George W. Singleton has been elected a vice-president of the bank.

Smart people find out your secret—and keep it to themselves.

Those who are often pickled are not usually well preserved.



Co-operation

WILLINGNESS and the ability to perform any service are the prime requisites of a bank. Our unlimited facilities, here and abroad, equip us to serve you. A friendly bank where it's a pleasure to do business.

The Foreman National Bank
The Foreman Trust And Savings Bank

La Salle and Washington Streets, Chicago

RESOURCES EXCEED 125 MILLION DOLLARS

Special Train Will Carry Bankers Over Northern Route from A. B. A. Meeting

AN opportunity for bankers to see the scenic areas of the Northwest will be provided by a special train which will traverse the scenic northern route from San Francisco to Chicago after the close of the A. B. A. convention.

The special will leave San Francisco the evening of October 3 and proceed northward through Portland and Seattle. From Portland the trip east will be made over the Northern Pacific Railway. By this route a large part of the most famous scenery in America may be viewed, the Shasta Mountains, the distant Coast Range, the Cascades and the Rockies.

Standard Northern Pacific equipment will provide enjoyable travel comforts for this trip. There will be open section, compartment, and drawing room sleepers, dining cars, baggage car and observation library car. "Famously good" meals en route will feature delicious foodstuffs produced in the Northwest.

Stops will be made at Portland, Longview, Tacoma and Seattle for auto trips and sightseeing at the large Pacific Northwest lumber mills, docks, etc. A short ocean sidetrip will be taken from Seattle to Victoria, B. C. and return, occupying one day, October 7. Leaving Seattle that evening, the train will cross the Cascade Range, the first of a procession of 28 mighty mountain ranges which come within view of Northern Pacific train windows during the transcontinental journey.

The next morning a stop will be made at Yakima, Washington, for a trip through the apple producing area which supplies apples not only to American markets but to foreign countries. Spokane will be viewed by an auto tour which will include the great power projects and the Falls of the Spokane River and the party will entrain again after a dinner dance at the Hotel Davenport.

Superlative Rocky Mountain scenery will be the next day's treat in the "Land of Sparkling Water" and green forests. Much of the journey across the mountains and plains traces the trail Lewis and Clark blazed in 1805.

Montana Bankers Association will be host at Helena. Eastward from that point the train crosses the Old Indian and cattle country, following for miles the weirdly beautiful Yellowstone River, a portion of the 1,406 miles of rivers along the way between Seattle and Chicago.

Western North Dakota presents the

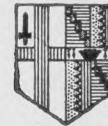
spectacle of the Bad Lands. For thirty miles the train passes weird and grotesquely shaped buttes, hills and mounds into which color was burned by great lignite fires of past ages. In this region Roosevelt once ranched. The broad ex-

panses of North Dakota farm lands are next visible until night veils the view.

Minneapolis and St. Paul are reached the following morning, October 11, and here the party will be guests of the Minnesota Bankers Association on a trip about the Twin Cities. The special will arrive in Chicago the morning of October 12. Members of the party who are from St. Louis or Kansas City territory may go direct to these points from St. Paul.



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BANK OF NEW SOUTH WALES, AUSTRALIA

ESTABLISHED 1817

With which is amalgamated THE WESTERN AUSTRALIAN BANK



Paid-Up Capital...\$ 37,500,000
 Reserve fund..... 29,500,000
 Reserve Liability of
 Proprietors 37,500,000

\$104,500,000

Aggregate Assets Sept. 30, 1928 **\$444,912,925**

General Manager, **ALFRED CHARLES DAVIDSON.**

HEAD OFFICE, George Street, Sydney, New South Wales.

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549 BRANCHES AND AGENCIES in the Australian States, Federal Territory, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London.
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AUSTRALIA

Population, 6,300,000; Area, 2,974,581 square miles; Sheep, 104,267,100; Cattle, 11,964,000; Horses, 2,123,000; Imports, \$740,024,445; Exports, \$143,055,559.

Annual Value of Australia's Products

Agriculture, \$491,475,000; Pastoral, \$596,860,000; Dairying, \$234,899,800; Mining, \$120,037,000; Manufacturing, \$2,043,465,000; Total, \$3,486,736,800

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**

TEXAS NOTES

The Citizens National Bank of Brownwood is remodeling its building.

N. W. Murphy, Jr., was recently appointed assistant cashier of the Guarantee National Bank of Houston.

C. D. Towery recently became a director of the Crockett State Bank. He fills a vacancy left by the resignation of J. M. Ellis.

The Security State Bank of Hedley

is now the owner of the First State Bank of Hedley. The merged institution is operating in the Security State Bank building.

The officers of the Ellis County Bankers Association for the coming year are: President, L. B. Griffith; first vice-president, W. A. Canon; second vice-president, D. H. Moyers; secretary and treasurer, H. F. Huffaker.

A recent statement of the First National Bank of Iowa Park shows resources of more than \$1,125,000. Deposits are over a million dollars.

The First State Bank of Petersburg

shows resources of \$161,914 in its last statement. The bank has deposits of more than \$140,000. It is capitalized at \$15,000.

Bryan Harrell, assistant cashier of the First National Bank of Bishop has gone to Robstown where he is to be connected with the Gouger National Bank of that place.

The Farmers State Bank of Center has just moved into its new \$40,000 banking home.

The last statement of the Continental National Bank of Houston revealed resources of more than \$11,000,000. Deposits of the bank amount to nearly \$10,000,000. Capital stock of the bank is \$750,000. Surplus and undivided profits are more than \$430,000.

Under the managership of H. E. James, cashier of the First State Bank of Pendleton, that bank has continued a steady growth since Mr. James came three years ago. The directors declared a semi-annual dividend of 6 per cent in June.

Officers for the Panhandle Bankers Association for the coming year are: J. C. Anderson, president; J. M. Crews, first vice-president; Holman Kennelly, second vice-president; L. B. Steele, secretary; and C. A. Gibner, treasurer. Amarillo has been selected as the next meeting place.

T. E. Harrison and George W. Coats are the new assistant cashiers of the First State Bank of Stamford.

F. L. Pelton has assumed his duties as cashier of the Stockyards National Bank of Fort Worth.

The statement of the First National Bank of Cincinnati, as of June 29, shows total resources in excess of \$58,000,000, deposits of more than \$42,000, capital stock of \$6,000,000, surplus of \$3,000,000 and undivided profits of more than \$2,000,000.

The statement of the Birmingham Trust and Savings Company of Birmingham, Alabama, as of June 29, shows total resources in excess of \$21,900,000, deposits of more than \$18,000,000, capital of \$1,000,000, surplus of \$1,200,000 and undivided profits of more than \$260,000.

The combined statement of condition of the Bank of Manhattan Company, New York, as of July 1, shows total resources in excess of \$675,000,000, deposits and due to banks and customers of more than \$519,000,000, capital of \$22,250,000, surplus of \$30,000,000 and



GATESWORTH APARTMENT HOTEL

At the Union Boulevard Entrance to Forest Park.
St. Louis, Mo.

The Gatesworth affords the most ideal living conditions for both permanent and transient guests. Accommodations range from Hotel Rooms and Suites, to completely furnished and serviced Apartments.

The Gatesworth is ready and equipped to serve you for any length of time from a day to a year.

Daily Rates from \$3.50.

Apartments \$115.00 to \$300.00 per month.

undivided profits of more than \$13,200,000.

The statement of the First National Bank of Philadelphia as of June 29 shows total resources in excess of \$70,000,000, deposits of more than \$57,000,000, capital of \$2,500,000, surplus of \$5,500,000 and undivided profits in excess of \$1,590,000.

The statement of the Fourth National Bank of Atlanta, Georgia, as of June 29, shows total resources in excess of \$42,500,000, deposits of \$36,500,000, capital of \$1,400,000, surplus of \$1,800,000 and undivided profits of more than \$1,000,000.

The recent statement of condition of the Angleton State Bank of Angleton shows total resources in excess of \$770,000, deposits of more than \$720,000 and capital of \$25,000. Officers of the bank are: Louis J. Wilson, president; E. L. Boston, vice-president; E. L. Lehman, cashier; Mrs. T. J. Bennett, assistant cashier. The Angleton State Bank recently completed the remodeling of their bank building and the installation of marble fixtures.

L. M. Pollan has been elected active vice-president of the recently reorganized First State Bank of Rice.

The recent statement of condition of the Continental National Bank of Fort Worth shows total resources in excess of \$11,400,000, deposits of more than \$10,300,000 and capital of \$750,000.

The recent statement of condition of the First National Bank of Eldorado shows total resources in excess of \$527,000, deposits of more than \$36,000 and capital of \$75,000. Officers of the bank are: J. N. Christian, president; R. P. Hinyard and J. E. Hill, vice-presidents; W. O. Alexander, cashier; L. L. Baker, assistant cashier.

The recent statement of condition of the Swenson National Bank of Swenson shows total resources in excess of \$140,000, deposits of more than \$93,000 and capital of \$25,000. Officers of the bank are: R. S. Ward, president; J. D. Patterson and T. Houston Ward, vice-presidents; Miss Willie Stafford, cashier.

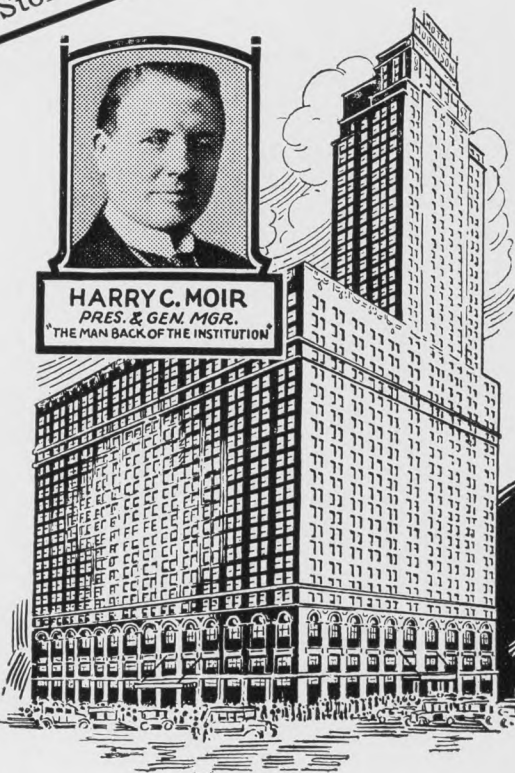
The recent statement of condition of the First National Bank of Gordon shows total resources in excess of \$230,000, deposits of more than \$160,000 and capital of \$50,000. Robt. M. Barton is cashier of the bank.

The recent statement of condition of the First National Bank of Midland shows total resources of more than \$1,-

The Tallest Hotel
in the World
Forty-Six Stories High



HARRY C. MOIR
PRES. & GEN. MGR.
"THE MAN BACK OF THE INSTITUTION"



The New Morrison, when completed, will be the world's largest and tallest hotel—46 stories high, with 3,400 rooms

Chicago's MORRISON HOTEL

Corner Madison and Clark Streets

1,944 Rooms \$2.50 Up

Every room is outside, with bath, circulating ice water, bed-head reading lamp, telephone and Servidor, which assures privacy by means of its "grille" feature (exclusive with the Morrison). A housekeeper is assigned to each floor, and all guests enjoy garage privileges.

Write or Wire for Reservations

Home of the
**TERRACE
GARDEN**

Chicago's
Famous
Dine-and-Dance
Restaurant

Closest in the City to Stores,
Offices, Theaters and
Railroad Stations

498,000, deposits in excess of \$1,200,000 and capital of \$100,000. Since surplus and profits of \$164,000 exceed the capital it is an honor roll bank. Officers of the bank are: Clarence Scharbauer, president; E. P. Cowden and W. H. Cowden, Jr., vice-presidents; M. C. Ulmer, cashier; Jno. P. Butler and Bert Ross, assistant cashiers.

The recent statement of condition of the Oakwood State Bank shows total resources in excess of \$318,000, deposits of more than \$289,000 and capital of \$25,000. Officers of the bank are: O. Wiley, Jr., president; R. R. Wiley, vice-president and cashier; L. L. Haley and Miss Stacy Keller, assistant cashiers.

The recent statement of condition of the First National Bank of Franklin shows total resources in excess of \$500,000, deposits of more than \$349,000 and capital of \$50,000. Since surplus and profits of \$57,000 exceed the capital it is an honor roll bank.

The recent statement of condition of the First National Bank of Baird shows total resources in excess of \$1,000,000, deposits of more than \$980,000 and capital of \$50,000. Officers of the bank are: Tom Windham, president; Henry James, Ace Hickman and A. R. Kelton, vice-presidents; W. S. Hinds, active vice-president; Bob Nor-

rell, cashier; Howard E. Farmer, assistant cashier.

The recent statement of condition of Peoples State Bank of Hallettsville shows total resources in excess of \$234,000, deposits of more than \$194,000 and capital of \$40,000. Officers of the bank are: Dr. C. T. Dufner, president; W. D. Timm, vice-president; M. I. Bozka, cashier; H. J. Schornack, assistant cashier.

Orin W. Whitley has been elected cashier and a director of the First National Bank of Robstown. J. E. Garrett is president of the bank and F. M. Stubbs is vice-president. The capital of the bank is \$50,000, surplus and undivided profits \$10,000 and deposits \$250,000.

The recent statement of condition of the Irving State Bank of Irving shows total resources in excess of \$159,000, deposits of more than \$134,000 and capital of \$20,000. Officers of the bank are: D. W. Gilbert, president; E. O. Terry, vice-president; A. P. Mauk, cashier.

The recent statement of condition of the Grapeland State Bank of Grapeland shows total resources of more than \$217,000, deposits in excess of \$152,000 and capital of \$20,000. H. A. Layne is cashier of the bank.


The recent statement of condition of

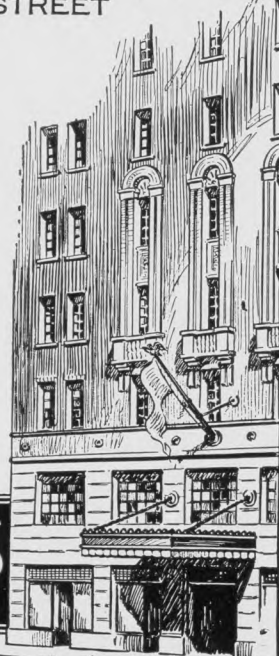
the Muenster State Bank shows total resources in excess of \$165,000, deposits of more than \$120,000 and capital of \$17,500. J. M. Weinzapfel is cashier.

The recent statement of condition of the First National Bank of Troup shows total resources in excess of \$295,000, deposits of more than \$206,000 and capital of \$25,000. Since surplus and undivided profits of \$63,000 exceed the capital it is an honor roll bank. Officers of the bank are: J. H. Sharp, president; S. Jarvis, vice-president; John Walton Pace, cashier; Newman F. White, Miss Edna Marwilsky and Max A. Jarvis, assistant cashiers.

The recent statement of condition of the First State Bank of Carthage shows resources in excess of \$450,000, deposits of more than \$400,000 and capital of \$25,000. Officers of the bank are: B. F. Payne, Jr., president; Horace R. Allison, cashier; R. L. Oden, vice-president.

The recent statement of condition of First National Bank of Mesquite shows total resources in excess of \$296,000, deposits of more than \$218,000 and capital of \$50,000. Officers of the bank are: Chas. A. Tosch, president; Bedford Galloway and J. D. Bruton, vice-presidents; N. E. Shands, cashier. Last March this bank took over the First State Bank of Kleburg.

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The HOTEL
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CLINTON
OPPOSITE PENNSYLVANIA R. R. STATION
New York's new hotel truly expressive of the greatest city. 1200 pleasant rooms each with Servidor, bath, circulating ice water and radio provisions.
Rooms from \$3.00
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31ST STREET **7TH AVENUE**

HOTEL LOCKERBIE
121 SOUTH ILLINOIS STREET
Newest and Most Modern Hotel in the City ~ Conveniently Located just 2 Blocks from Monument Circle
~ ~ ~
ALL ROOMS OUTSIDE AND EACH WITH BATH
\$3⁵⁰ AND UP DOUBLE
\$2⁰⁰ AND UP SINGLE
ARTHUR ZINK
Managing Director

INDIANAPOLIS
INDIANA

OKLAHOMA NOTES

Darwin E. Wells has succeeded **G. L. Thompson** as cashier of the Bank of Hunter.

A late statement of the State National Bank of Weleetka shows resources of \$421,593, deposits of \$382,994, and surplus and undivided profits of \$13,599. Its capital stock is \$25,000.

The Security National Bank of Lawton has become a bank and trust company operating under state charter.

The Oklahoma National Bank of Chickasha is considering constructing a new six-story office building.

Harold Mullins has been elected director of the Morris National Bank. He takes the place of **William N. Moore** who died recently.

The Farmers and Merchants National Bank of Fairview, with a capital of \$25,000, shows resources of more than \$329,000. Deposits are \$282,663. Surplus and undivided profits amount to nearly \$8,000.

The Prague National Bank has added a saving department to its service.

Harry H. Rogers, president of the Exchange National Bank of Tulsa, has been elected a director of the First National Bank of Guthrie.

The statement of the First State Bank of Tuskahoma on June 29 shows resources of \$115,778. Its deposits are \$96,000.

The First National Bank of Antlers shows in a recent statement resources of \$847,624. Its deposits are \$669,395, surplus and undivided profits amount to \$37,000. The capital stock of the bank is \$100,000.

The last statement for the First National Bank and Trust Company of Tulsa shows resources of more than \$42,000,000. Deposits are in excess of \$38,000,000. The bank is capitalized at \$2,500,000, and shows surplus and undivided profits of more than \$1,157,000. **Waite Phillips** is chairman of the board of directors. **R. Otis McClintock** is president.

The new home of the Security National Bank of Clinton which is now being built will cost nearly \$100,000 and will be a model of its kind.

The combined statement of the Exchange National Bank and the Exchange Trust Company of Tulsa shows

deposits of more than \$62,000,000. The combined surplus, undivided profits, and capital stock of both banks amount to \$6,428,676.

Frank A. Sewell, president of the First National Bank of Texhoma has been connected with the bank since its organization in 1906. **Arthur Littell**, vice-president, has been with the bank for nineteen years, and **E. Lee Nichols**, cashier, is serving his seventeenth year. All of the officers are active in the management of the bank.

Total resources of the First Bank of Roosevelt, according to its last statement, are \$572,877. Deposits amount to more than \$475,000. The bank has a surplus of \$25,000 which equals its capital stock. Its undivided profits are \$12,985, thus making it an honor roll bank.

The last statement of the Oklahoma State Bank of Mulhall shows resources of more than \$384,000. The bank has more than \$11,000 in surplus and undivided profits. Deposits exceed \$350,000.

J. M. Berry, of Tulsa, who has retired as chairman of the board of the Tulsa National Bank, which has since merged with the First National Bank and Trust Company of Tulsa, of which

The Chase National Bank of the City of New York

Pine Street corner of Nassau

Capital	- - - -	\$61,000,000.00
Surplus and Profits	- -	\$81,851,142.28
Deposits (June 29, 1929)	-	\$827,322,943.88

OFFICERS

ALBERT H. WIGGIN

Chairman of the Board

JOHN McHUGH

Chairman of the Executive Committee

ROBERT L. CLARKSON

President

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Reeve Schley
Henry Ollesheimer
James T. Lee
Sherrill Smith
Alfred C. Andrews
Robert I. Barr
George E. Warren
George D. Graves
Frank O. Roe
Harry H. Pond
Samuel S. Campbell
William E. Lake

Charles A. Sackett
Hugh N. Kirkland
James H. Gannon
William E. Purdy
George H. Saylor
M. Hadden Howell
Joseph C. Rovensky
Ruel W. Poor
Edwin A. Lee
Leon H. Johnston
William H. Moorhead
Horace F. Poor
Edward E. Watts

J. Sperry Kane

Vice-President and Cashier

WILLIAM P. HOLLY

SECOND VICE-PRESIDENTS

Frederick W. Gehle
Alfred W. Hudson
James L. Miller
Joseph Pulvermacher
Franklin H. Gates
Arthur M. Aiken
S. Frederick Telleen
Otis Everett
Harold L. VanKleeck

T. Arthur Pyterman
Ambrose E. Impey
Robert J. Kiesling
Lynde Selden
Thomas B. Nichols
George S. Schaeffer
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George G. Milne, Jr.
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Foreign and Trust Department Facilities



\$3.00

Per Day
and Up

800

Rooms
800 Baths

**Old Fashioned Hospitality
in a Modern Setting**

In the Grand Central Section, 10 minutes
from Penn. Station, near Times Square,
Fifth Avenue shops and important com-
mercial centres and theatres.

Radio in Every Room

Single Rooms \$3 to \$5 per day
Double Rooms \$4 to \$6 per day

S. Gregory Taylor, President Oscar W. Richards, Manager

HOTEL MONTCLAIR

49th to 50th Sts.
AND LEXINGTON AVE.

NEW YORK CITY

he is a director, was recently presented a handsome platinum watch by the directors, officers, and employees of the bank, commemorating the forty-eight years he has spent in the banking business.

Total resources of the First National Bank and Trust Company of Watonga are in excess of \$750,000 according to the recent statement of the bank's condition. Deposits are more than \$675,000. The bank has nearly \$20,000 in surplus and undivided profits.

The Bank of Gotebo has recently remodeled part of its building. It has

installed a new vault and safety deposit boxes. The Bank of Gotebo consolidated with the First National Bank of Gotebo about the first of the year and since then has been using the building formerly occupied by the First National Bank. The consolidated bank had deposits of \$380,000 at the last call for statement.

John R. Holmden, who has been connected with the First National Bank of Nash for three and a half years, recently had to give up his position on account of his health.

The Wilburton State Bank, which

opened for business April 25, 1928, has gained steadily in deposits since its organization. On April 25, 1929 it had deposits of \$153,409. On June 6, it had deposits of more than \$195,000. The bank has earned ten per cent since its founding, and it now is building a new home. P. S. Coleman is president of the bank. R. C. Smallwood is cashier.

The Hopeton State Bank celebrated its tenth anniversary on July 19, by giving a party for its customers and friends. John Mackey is president of the bank; J. R. Warwick and Dr. D. B. Ensor, vice-presidents; J. F. Fielder, cashier, and O. D. Cook, assistant cashier.

The Washita County bankers were hosts to the bankers of Kiowa and Custer Counties at a general get-together recently. Part of the program consisted of the unveiling of the Ben Kiehm memorial at Bessie. The granite monument was erected by the Oklahoma Bankers Association as a memorial to Mr. Kiehm who lost his life while defending his bank against bandits.

The First National Bank of Cordell in its last statement shows resources of more than \$375,000. Its deposits are in excess of \$335,000.

H. L. Mullins, who was made an assistant cashier of the Morris National Bank, has now been made a director of that institution. George M. Reeves, cashier of the same bank, has made an admirable record as liquidating agent for the closed Security State Bank of Morris. The bank closed on January 12, 1929 and since that time it has paid seventy per cent. The bank is expected to pay out in full.

The Sallisaw State Bank in its recent statement shows resources of \$241,698. Deposits of the bank are more than \$241,000.

The First State Bank of Wister holds a record of having paid in its twenty-one years, forty-two dividends each averaging ten per cent. Its capital has been increased from \$10,000 to \$20,000.

The First National Bank of Snyder shows resources of \$336,298 in its recent statement. Deposits are over \$300,000. Surplus and undivided profits are more than \$8,000. The bank is capitalized at \$25,000.

Harry Owens has been added to the staff of the Bank of McAlester as assistant cashier.



Good food, cheerful rooms, restful comfort and superior service will make your stay at The New Bismarck linger as a pleasant memory long after your departure.

European hospitality, American conveniences, Reasonable rates.

All our dining rooms are air-cooled and delightfully comfortable even in mid-summer.

All Outside Rooms, \$2.50 up.
With Bath, \$3.50 up.

NEW
BISMARCK
HOTEL CHICAGO
RANDOLPH AT LA SALLE

How Insurance Companies Invest

LIFE insurance assets have increased during 1928 by about \$1,600,000,000 and again during the year the investment activities of the companies were characterized by a strong emphasis upon mortgage loans, according to Meredith C. Laffey, treasurer of the Equitable Life Assurance Society. The growth of the country in business, and in urban population, has necessitated a gigantic program of building and rebuilding, he points out.

In a statement for the Chicago "Journal of Commerce" Mr. Laffey said:

Here and there occasionally one finds some overbuilding, but in the main the real estate situation remains sound and justifies the pouring, by the life insurance companies, of hundreds of millions of dollars into a field which is both safe and remunerative. The increase in loans of this type is about \$500,000,000, producing a total of \$4,278,000,000. Because of the exceptionally high investment standards imposed upon life insurance companies by the nature of the funds they are handling, special purpose buildings seldom form the basis for their loans. Such buildings, necessary as they are, frequently introduce a more or less speculative element, and, their financing is therefore left to more appropriate sources of capital.

Farm loans occupied a most important position in life insurance portfolios, and while they are still bought in volume, relative to other classes of real estate mortgages their acquisitions have declined. This tendency is in no sense a reflection upon their investment desirability, but is rather an indication that other sources of supply, chiefly the Federal Land Bank and the Joint Stock Land Banks, with their ability to issue bonds, the income on which is free from federal income tax, have to some extent supplanted the life companies in this field. Mortgage money at moderate rates is available in quantities to the good agricultural districts and their economic needs, once largely dependent upon the support of life insurance money, are provided for by these other sources.

The life companies have been fairly steady buyers of railroad bonds throughout the year, but their aggregate purchases have not loomed large. There has been comparatively little new railroad financing (\$161,000,000 during the first ten months of 1928),

and despite the set-back in bond prices during the summer, the yields on the best issues remain low.

Public utility bonds, which only a few years ago were a negligible factor, have loomed larger than the rails in life company purchases, particularly during the last few months of the year. The year's increase in such holdings is about \$250,000,000. Quality for quality, utility securities afford a little better return than do the

rails, which are held up in price by the limited supply, their old established position as prime investments and by their exclusion until recently from the list of investments eligible for savings bank investment in such important states as Massachusetts and New York. The public utilities have been making enviable records and their well secured obligations are not surpassed in desirability by any form of corporate securities.

Louisville Bank to Hold \$1,000 Yard and Garden Contest

A THOUSAND Dollar Yard and Garden Contest has been announced by the Liberty Bank and Trust Company, Louisville, Kentucky, and the Courier-Journal and Louisville Times in cooperation with a group of leading nurserymen, merchants and manufacturers of that city. Cash prizes totalling \$400; garden stock prizes totalling \$300; and miscellaneous garden prizes totalling more than \$300 will be offered.

The object of the contest, according to J. E. Huhn, president of the Liberty Bank and Trust Company, is to stimulate a city-wide interest in beautifying home grounds. Louisville is already known throughout the nation as a city of beautiful homes. Improving home grounds by artistic planting will enhance this enviable reputation which the city has earned.

Real estate appraisers attest the fact that a good lawn, trees and shrubbery increase the value of residential property at least 10 per cent. Thus the slogan of \$1,000 Yard and Garden Contest, "You Win If You Lose" is proved correct.

Fred D. Diehl, vice-president of the Liberty Fire Insurance Company, and chairman of the presale committee of the National Flower Show held in Louisville last year, will be chairman of the committee handling the details of the Yard and Garden Contest. The judges in the contest and the complete list of prizes will be announced later.

Rules of the contest follow:

1. The contest is open to all. There is no entrance fee, or cost or obligation of any kind.

2. There will be four classes as indicated below in coupon. Entries will compete only against other entries in the same class.

3. To enter the contest simply sign the coupon below, indicating the class in which you wish to enter and mail to the Yard and Garden Contest Department, Liberty Bank and Trust Company. Main Office, Market at Second.

4. All those entering must send snapshots or photos of home grounds taken between January 1, 1929 and April 1, 1929. These photographs must be in our hands by April 15, 1929. These photographs are necessary so that, in judging, improvement may be noted.

5. Gardens will be judged by a committee of garden experts to be announced later, judging to take place in early part of August.

Bank Vault Inspection Co. Opens New York Office

The Bank Vault Inspection Company, Philadelphia, makers of the Yeo Rotary night depository for banks, have opened a branch office at 175 Fifth Avenue, New York City, with E. S. King as manager. Associated with Mr. King is J. Herbert Rooke.

This location will make possible better service to customers and prospects, and will effectively take care of the greatly increased night depository business in the New York territory.

Going Fishin'

Two elderly men, both extremely deaf, met on a country road. "Dave" had a fishing pole in his wagon. When he saw his friend "Jim" he stopped the horse.

"Goin' fishin'?" shouted Jim.

"No," Dave replied. "I'm goin' fishin'."

"Oh," said Jim, "I though mebbe you was going fishin'."

LOUISIANA NOTES

The recent statement of condition of the Canal Bank and Trust Company of New Orleans shows total resources in excess of \$125,000,000, deposits of more than \$93,000,000 and capital of \$6,000,000. Capital, surplus and undivided profits total more than \$10,500,000.

Construction is under way for the new branch bank of the Hibernia Bank and Trust Company of New Orleans, to be located at Broadmoor.

The capital of the Bank of Commerce at St. Francisville has been increased from \$30,000 to \$50,000 and the name of the institution has been changed to the Bank of Commerce and Trust Company.

The Bank of Commerce and Trust Company at Mansfield, according to its statement of June 29, has total resources in excess of \$2,875,000, deposits of more than \$2,000,000 and capital of \$200,000. Officers of the bank are: E. T. Robinson, chairman; Ben Johnson, president; R. T. Moore, G. F. Provost, Frank Hunter and Ned W. Jenkins, vice-presidents; W. F. Moore, cashier; J. C. Coyle and Hall Peyton, assistant cashiers.

A charter has been issued to the Lafourche National Bank of Thibodaux. Capital stock is \$50,000.

The only reason a great many American families don't own an elephant is that they have never been offered an elephant for a dollar down and easy weekly payments.—Nashville Banner.

New Orleans Debating Team Wins Trophy at Tulsa

The New Orleans Chapter, American Institute of Banking Debating Team, won the national championship at the A. I. B. convention in Tulsa, Oklahoma, where they defeated the Philadelphia Chapter's team on the subject, Resolved: "That appointment to official position in a bank should in the future be conditioned by law upon the successful passing of educational, technical and moral tests by the proposed appointee." New Orleans upheld the negative.

The members of the team were: Mark Bartlett, captain, Hibernia Bank and Trust Company, D. R. Hanemann, Canal Bank and Trust Company, A. E. Romershauser, Whitney Central National Bank, and P. J. Thibodeaux, alternate, Whitney Central Trust and Savings Bank.

The New Orleans Chapter, by virtue of their victory will have possession of the John H. Pulicher Debating Trophy for one year.



Left to right: Mark Bartlett, D. R. Hanemann, A. E. Romershauser and P. J. Thibodeaux.

New Orleans'
Oldest Bank

Established 1831



Welcomes the Opportunity
to serve banks and their
customers at the port of
New Orleans

The **CANAL**
BANK AND TRUST Co.
of New Orleans



INDIANA NOTES

The Indiana National Bank of Indianapolis has total resources in excess of \$32,900,000, deposits of more than \$27,700,000 and capital of \$2,000,000, as shown by its statement of June 29. Since surplus and undivided profits of more than \$2,500,000 exceed the capital of \$2,000,000 it is an honor roll bank.

John H. Cox, 86, president of the American State Bank of Sheridan, died recently at the home of his son in Richmond.

The Farmers National Bank of Shelbyville has absorbed the Union State Bank of Flat Rock.

The banking rooms of the St. Joseph Valley Bank at Elkhart have been redecorated.

A new bank is to be established at West Harrison.

An addition is being built to the building of the Floyd County Bank at New Albany.

Resources of the Bank of Gary now total more than \$26,000 and deposits are in excess of \$20,000,000, as shown by their recent statements of condition.

An addition is being built to the building of the Peoples Bank of Whitestown.

The Sullivan State Bank is behind a selling plan for the sale of jersey milk cows for that community.

Formal opening of the remodeled rooms of the Irvington State Bank was held recently.

New fixtures are being installed in the Citizens Bank of Anderson.

A new home for the Greensburg National Bank at Greensburg is to be erected.

The Brownstown Loan and Trust Company recently held formal opening of its new banking home.

Indiana Bankers to Meet at Evansville, September 11-12

The thirty-third annual convention of the Indiana Bankers Association will be held at Hotel McCurdy, Evansville, Indiana on Wednesday and Thursday, September 11 and 12.

Registration begins Tuesday evening, September 10. Arrangements have made for a trip down the beautiful Ohio

River on Wednesday evening on the Steamer Washington. Supper will be served on the boat and there will be dancing.

Marcus S. Sonntage, of Evansville, is the general convention chairman.

Announce Dates of Fifth Trust Conference

The Fifth Mid-Continent Trust Conference will be held in Detroit, Michigan, November 7 and 8 under the auspices of the Trust Company and National Bank Divisions of the American Bankers Association. Robert O. Lord,

president of the Guardian Trust Company of Detroit, will serve as general chairman of the conference.

Trust companies and banks doing a trust business in the states of Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma, South Dakota, Texas and Wisconsin will participate in its sessions. The meeting will be devoted to the consideration of the problems of extending trust service.

To stumble twice against the same stone is a proverbial disgrace.—Cicero.

Condensed Statement of the Commercial National Bank Shreveport, Louisiana

AS MADE AT THE CLOSE OF BUSINESS
JUNE 29, 1929

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$12,999,497.55	Deposits	\$16,219,086.73
Overdrafts	1,375.06	Capital ...	\$1,000,000.00
U. S. Consols, City of Shreveport, School Bonds and Other Securities.....	2,087,068.49	Surplus ...	500,000.00
Other U. S. Government Securities	460,041.54	Undivided Profits	352,069.74
Banking House, Real Estate, Furniture & Fixtures	1,067,240.18	Unearned Interest Collected	91,260.75
Cash in Vault, with Banks and in U. S. Treasury....	2,707,069.01	Reserved for Interest, Taxes, etc.....	228,529.78
Interest Earned But Not Collected	29,775.00	Dividends Unpaid.....	619.83
Customers' Liability Account, Letters of Credit...	39,500.00	Circulation	1,000,000.00
Total	\$19,391,566.83	Total	\$19,391,566.83

Combined Capital Responsibility

COMMERCIAL NATIONAL BANK	
Capital	\$1,000,000.00
Surplus	500,000.00
Undivided Profits	352,069.74

COMMERCIAL NATIONAL COMPANY, Inc.	
Capital	100,000.00
Undivided Profits	208,609.79
\$2,160,679.53	

Active United States Depository

Established 1886

42 Years of Continuous Service

TENNESSEE NOTES

J. T. Brownlee, of Knoxville, president of the Commonwealth Trust Company and chairman of the board of the Appalachian Mills Company, is in Russia with a delegation of business men from New York.

The Security National Bank of Jackson recently moved into its new banking home.

The Bank of Colteawah recently filed an amendment increasing its capital stock from \$10,000 to \$20,000.

The Phoenix National Bank of Nashville has taken control of the Columbia Bank and Trust Company. The merged banks have capital stock of \$250,000 and deposits of \$1,500,000.

The Citizens Bank and Trust Company of Rutledge has recently installed a new modern burglar alarm system.

After forty years as president of the First Citizens National Bank of Dyersburg, J. N. Parker has retired. John M. Tarrant was elected to succeed Mr. Parker as president.

Clarence Thomas was recently elected president of the Bank of McKenzie. He fills a vacancy caused by the death of R. B. Moore.

Application has been made for a charter for the Sweetwater Bank and Trust Company. It is to be capitalized at \$75,000.

Joseph Toy Howell, a pioneer leader in Nashville financial development and vice-president of the American National Bank of Nashville, died at his home June 15.

The First National Bank of Chattanooga in its last statement shows resources of more than \$30,000,000. Its deposits are \$24,206,635. The bank is capitalized at \$2,500,000 and has a surplus of \$1,500,000 with undivided profits of more than \$775,000.

Combined resources of the American Banks of Nashville are now over \$36,000,000 according to the last statement. Deposits are nearly \$28,000,000. Capital Stock amounts to \$3,000,000. Surplus and profits are \$2,560,885.

The Southern Industrial Banking Corporation was recently capitalized at \$1,000,000.

The fiftieth anniversary of the Gibson County Bank of Trenton was passed recently. T. K. Happel is president of the institution.

E. T. Murray, formerly connected with the Fourth National Bank of Atlanta, Ga., has been made manager of the Main Street branch of the First National Bank in Chattanooga. He succeeds F. L. Gardener who resigned.

A recent statement of the Hamilton National Bank of Chattanooga reveals resources in excess of \$26,500,000. The bank has deposits of \$21,017,567. The bank is capitalized at \$2,000,000. Surplus and undivided profits amount to \$1,393,988.

Two of a Kind.

A soldier went to his colonel and asked for leave to go home to help his wife with her spring cleaning.

"I don't like to refuse you," said the colonel, "but I've just received a letter from your wife saying that you are no use around the house."

The soldier saluted and turned to go. At the door he stopped, turned and remarked:

"Colonel, there are two persons in this regiment who handle the truth loosely, and I'm one of them. I'm not married."

Reintroducing an Old Friend

Now—a National bank, with the second largest capital structure among all National banks in the South.



Now—the largest National bank in Tennessee.

Now—with its associate, the Manhattan Savings Bank and Trust Company, the second most highly capitalized banking group in the South.

Now—in its 60th Anniversary Year.

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MEMPHIS, TENN.

Associated With

Manhattan Savings Bank & Trust Company

COMBINED CAPITAL FUNDS **\$11,200,000.00**

Forward with Memphis—Since '69

Kentucky Bank News

The statement of the Hawesville Deposit Bank shows total resources in excess of \$750,000. Surplus and undivided profits exceed the capital by nearly \$60,000, making it an honor roll bank.

Claude Slater, 49, a director of the Citizens Bank of Erlanger, died recently at his home in that city.

The Commercial Bank of Liberty recently declared its sixty-sixth dividend.

Plans are being made to start a new bank at Sunrise.

Frank A. MacNeill has been elected an assistant cashier of the Norwood-Hyde Park Bank and Trust Company of Covington.

George Rue has resigned as cashier of the Farmers National Bank of Danville and James Robinson has been elected to succeed him. J. Fleece Robinson has been made chairman of the board and executive vice-president of that institution.

The Bank of Pembroke has a dairy loan department which has done a

great deal in helping the farmers of that community build up their dairy herds.

C. N. Manning, president of the Kentucky Joint Stock Land Bank, Lexington, has announced that Robert R. Hays has been chosen as counsel for the bank.

Montgomery County bankers are constructing a limeshed at Mt. Sterling in order that farmers may have an available supply of limestone.

The recent statement of condition of the Bank of Pembroke shows total resources in excess of \$150,000, deposits of more than \$127,000 and capital of \$20,000. Douglas Graham is president of the bank and Chas. W. Johnston is the cashier.

Leo F. Keller has been elected a director of the City National Bank of Paducah.

The Bank of Marshall County at Benton, according to its recent statement of condition, has total resources in excess of \$550,000, deposits of more than \$510,000 and capital of \$20,000.

Surplus and undivided profits total more than \$22,000 and exceed the capital, making it an honor roll bank. Officers of the bank are: Joe L. Price, president; Tullus Black, vice-president; B. L. Trevathan, cashier; J. E. Cross, assistant cashier.

Directors of the Shelbyville Deposit Bank, which opened for business July 1, are: Burnett Wallace, H. D. Martin, D. I. Cooper, Roy D. Ratcliffe and Hart Wallace.

C. J. P. Carver, cashier of the Citizens National Bank of Somerset, has been elected president of the Somerset Chamber of Commerce.

Andrew J. Gerrein has been elected president of the Bank of Dayton, succeeding the late Frank C. Vogelback.

T. B. Stephens has been elected cashier of the First National Bank of Latonia.

J. W. Hodge has resigned as cashier of the Citizens Bank of Morehead and has been succeeded by Allen H. Points.

The Peoples National Bank of Paducah has total resources of approximately \$760,000, deposits of more than \$510,000 and capital of \$100,000, according to its recent statement. Officers of the bank are: W. A. Blackburn, president; D. A. Yeiser, Jr. and

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The Fletcher American National Bank
Largest Bank in Indiana

DETROIT

INDIANAPOLIS

LOUISVILLE

W. E. Cochran, vice-presidents; J. R. Vallandingham, cashier.

Resources of the First National Bank of Paducah total more than \$4,000,000, deposits in excess of \$3,600,000 and capital of \$150,000, according to its recent statement of condition. Since surplus and undivided profits are in excess of capital it is an honor roll bank.

The recent statement of condition of the Citizens Savings Bank of Paducah shows total resources of more than \$2,800,000, deposits in excess of \$2,500,000 and capital of \$100,000. Surplus and undivided profits total more than \$137,000, making it an honor roll bank.

The City National Bank of Paducah has total resources of more than \$5,000,000, deposits in excess of \$4,000,000 and capital of \$300,000, according to its recent statement.

ALABAMA NOTES

Harry C. Landman, for several years assistant cashier of the First National Bank of Huntsville, has been elected cashier of that institution following the resignation of Raphael Semmes.

J. B. Haslam, credit analyst for the

Birmingham Trust and Savings Bank, has been elected president of the Birmingham Chapter, American Institute of Banking.

Henry A. Carpenter has been elected assistant cashier of the First National Bank of Jacksonville.

The Peoples Bank of Jemison has been granted a charter and the bank has been opened with a capital of \$25,000. H. G. Boyd, president of the Peoples Savings Bank of Clanton, is president.

The East Gadsden Bank, Gadsden, has been organized with a capital of \$25,000 and surplus of \$5,000.

MISSISSIPPI NOTES

The recent statement of condition of the Columbus National Bank of Columbus shows total resources in excess of \$1,900,000, deposits of more than \$1,600,000 and capital of \$100,000. Officers of the bank are: Jno. W. Slaughter, president; Geo. P. Waller, vice-president and cashier; E. R. Hopkins, trust officer; H. V. Wingfield and T. E. Patton, assistant cashiers.

The Kosciusko Bank at Kosciusko, as shown by its statement of condition

as of June 29, has total resources in excess of \$1,000,000, deposits of more than \$890,000 and capital of \$50,000. Officers of the bank are: F. Z. Jackson, president; E. L. Ray, vice-president; J. H. Cain, cashier; W. H. Cain and C. M. Jackson, assistant cashiers.

Mercantile-Commerce Co. Finances Many Churches

A booklet just issued by the Mercantile-Commerce Company of St. Louis shows that it, or its predecessors, financed churches for a total of \$2,317,000; hospitals, \$9,230,000; and institutional buildings, \$10,894,000.

The Mercantile-Commerce Company is the investment unit of the newly-consolidated Mercantile-Commerce Bank and Trust Company and has taken over the business formerly handled by the real estate loan and bond departments of the old Mercantile Trust Company and the Federal Commerce Trust Company. The latter institution was the investment division of the old National Bank of Commerce.

The booklet lists each project and points out that for more than a quarter of a century a financing service has been extended to churches, schools, hospitals, convents and allied buildings, throughout the United States.

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Norfolk, Neb.....	Hotel Norfolk
Sioux City, Ia.....	Hotel Martin
Marshalltown, Ia.....	Hotel Tallcorn
Council Bluffs, Ia.....	Hotel Chieftain
Cedar Rapids, Ia.....	Hotel Montrose
Sioux Falls, S. D.....	Hotel Carpenter
	Hotel Cataract

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EPPLEY HOTELS COMPANY
E. C. EPPLEY, PRESIDENT
EXECUTIVE OFFICES ~ OMAHA

ARKANSAS NOTES

The seven banks of Arkansas County have installed a charge on all checks returned because of insufficient funds.

The McIlroy Bank and Trust Company of Fayetteville has passed the million dollar mark in deposits.

J. D. Block, president of the National Bank of Commerce, Paragould, and a director of the Cross County Bank at Wynne, died recently.

The recent statement of the Bank of Searcy shows total resources in excess of \$730,000, deposits of more than \$630,000 and capital of \$50,000. Since surplus and undivided profits of \$51,000 exceed the capital it is an honor roll bank. Officers of the bank are: Thos. A. Watkins, president; Wyatt Sanford and Otho King, vice-presidents; H. K. Wood, cashier; Guy J. Ellis, assistant cashier.

The Bank of Eastern Arkansas at Forrest City has recently installed a large, new vault.

The statement of the Simmons National Bank at Pine Bluff, as of the last call, shows total resources in excess of \$7,000,000, deposits of more than \$6,000,000 and capital of \$200,000. Since surplus and undivided profits of \$530,000 exceed the capital it is an honor roll bank.

J. W. Hawkins, president of the First National Bank of Lamar and vice-president of the First National Bank of Clarksville, has been appointed a national bank examiner for the Eleventh Federal Reserve District.

The three banks of Stuttgart have combined deposits of more than \$2,000,000 and combined assets in excess of \$2,400,000, as shown by their recent statements.

A. C. Bridewell, cashier, and Walter Allen, assistant cashier, have been elected directors of the Bank of Eastern Arkansas at Forrest City.

The statement of the Bank of Bauxite, as of June 29, shows total resources in excess of \$166,000, deposits of more than \$143,000 and capital of \$20,000. Officers of the bank are: A. B. Banks, president; Robert F. Lambeth, vice-president; W. A. Jennings, cashier; Lucy Young, assistant cashier.

The Citizens National Bank of Harrison has been converted into a state bank and is now known as the Citizens Bank and Trust Company.

Charles A. Gordon, cashier of the Simmons National Bank at Pine Bluff, has been elected president of the Pine Bluff Clearing House Association.

The Planters Bank and Trust Company of Forrest City has purchased new quarters which are being remodeled prior to the moving of the bank.

The Community Bank and Trust Company of Hot Springs National Park has total resources in excess of \$1,000,000, deposits of more than \$900,000 and capital of \$100,000, as shown by its statement of June 29. Officers of the bank are: Hamp Williams, pres-

ident; J. N. Coppock, vice-president; J. O. Langley, cashier and trust officer; Herman Gillham, assistant cashier.

Fount Earl, vice-president of the First National Bank of Fayetteville, has been elected cashier of that institution, succeeding K. C. Key.

Thos. C. McRae, Jr., has been elected president of the Bank of Prescott, succeeding Ex-Governor McRae, who died recently.

The ignorant can never adjust themselves to the unaccustomed.—Ibsen.



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On your next trip to St. Louis make the Hotel Chase your home. 500 large outside rooms—each with its own bath.



HOTEL CHASE

Lindell at Forest Park

C. C. BUTLER, *Managing Director*

KANSAS NOTES

The Farmers State Bank of Scottsville has been opened for business. Officers are: B. C. Culp, president; Ira Keller, vice-president; Lester Shamburg, cashier.

The First National Bank of Burlingame is planning to open a savings department.

Riley Burcham, formerly assistant cashier of the American National Bank, Baxter Springs, has been elected first assistant cashier of the Baxter State Bank. C. Fred Weiss and Howard G. Lumbley have also been elected assistant cashiers of the Baxter State Bank.

A. R. Cochran, for the past six years cashier of the Rock State Bank, Rock, has resigned and has been succeeded by E. L. Cobel.

The building of the Prairie State Bank of Augusta is to be remodeled.

A new building is to be built to house the First State Bank of Mullinsville, replacing the building recently destroyed by fire.

The First State Bank of Cherokee and the First National Bank of that city have been merged.

The Union National Bank and the

First National Bank, both of Neodosha, have been merged.

T. J. Rhodes, of Frankfort, has been elected assistant state bank commissioner and Dale R. Ainsworth has been elected first special assistant.

O. C. Neiswender has been elected a director of the Fidelity State Bank of Topeka, succeeding the late John E. Griest.

The oldest banker active in business in Kansas is the title enjoyed by W. C. Robinson, chairman of the board of the Security National Bank of Arkansas City.

J. D. Cannon has been elected president of the First National Bank of Toronto to succeed the late R. Sample.

Union Trust of Cleveland Appoints Two Managers

Herbert E. Zdara and Harry Black, of the Union Trust Company of Cleveland, have been appointed managers of the two new offices of the bank which were completed last month.

Harry Black, who will manage the office at East 185th, and Landseer Road, began his banking experience with the Citizens Savings and Trust Company in 1910, and remained with the organization when it became a part of the Union Trust Company. Since

1925, he has been assistant manager of the Cedar-Lee office.

Mr. Zdara who will manage the Corlett-E. 116th office, has had 14 years of banking experience, beginning with the old Broadway Savings and Trust Company. For the last 6 years he has been employed at the Kinsman-140th office of the Union Trust Company. He is an attorney-at-law and a member of the American Institute of Banking.

Arthur Johnson will be assistant manager of the Landseer-E. 185th office, and Edward Kubeck will assist Zdara at the Corlett-E. 116th office.

\$4.50 Stolen Forty Years Ago Returned

A letter containing two \$20 bills and one \$10 bill was received by Rolla Wells, chairman of the board of directors of the Federal Reserve Bank of St. Louis, from a man who identified himself as a former employee wishing to return \$4.50 with 6% interest that he had taken when employed by Mr. Wells. Figures show that it takes more than 40 years for \$4.50 at 6% interest to amount to \$50. The letter was apparently written with an aged and shaky hand.

Mr. Wells started a savings account with the money at the Boatmen's National Bank for his first great grandchild.

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18th and PINE - Opened Mar. 1928 - 250 Rooms

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13th & WYANDOTTE - In the heart of America - 200 Rooms

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for the
past twenty-five years

Group Eight Regional Clearinghouse Association Put in Operation

W. V. DAVIS, cashier of the First National Bank at Monett, Missouri, has sent the MID-CONTINENT BANKER the following account of the organization of the Regional Clearinghouse Association of Group Eight, Missouri Bankers Association.

"At a recent meeting the permanent executive committee and officers of the clearinghouse were elected. Since the group meeting last fall an organization committee composed of two men from each county and headed by W. V. Davis has been at work on the details.

"The first step in this organization is in the nature of a credit bureau which is patterned directly after the Jasper County Bureau which has been in operation for several years. The Group Eight clearinghouse is the first of these organizations to be formed in the state and has been sponsored by S. L. Cantley, commissioner of finance. It is Mr. Cantley's idea to have the examiner in charge of the district make use of the credit information and in any other way possible make use of the organization.

"Although it was not expected that a large percentage of the banks of the group would pioneer on this organization, the night of the meeting at which the bureau was set in operation found 40 banks signed up and the assurance that within a short time over 50 per cent of the banks of the group would be signed up. Of course it is only possible to obtain 100 per cent efficiency when all of the banks are members. As usual,

in such a move we find a great number expressing themselves favorably but wanting to see their neighbors in the organization before they come in. We hope within a very short time to have all of these in the organizations and to make the membership as nearly 100 per cent as possible."

The officers of the Group Eight Clearinghouse Association are: C. R. Chinn, Jr., Webb City, president; A. G. Cofer, Joplin, vice-president; W. E. Carter, Carthage, secretary-treasurer.

The executive committee consists of the officers and one representative from each county as follows: E. C. Williams, Noel; J. J. Jack, Ritchey; C. L. Bollinger, Carthage; W. V. Davis, Monett; M. T. Easley, Aurora; B. H. Hart, Milo; G. L. Kolterman, Golden City; O. H. Keran, Lockwood; W. F. Rhodes, El Dorado Springs.

Industrial Corporations Show Large Earnings

A comparison of quarterly earnings of 169 industrial corporations in the United States for the past five years shows that in the first quarter of 1929 no fewer than 26 companies, or 15 per cent of the total, reported the largest earnings of any of the 17 quarters in the 1925-1929 period, according to the Midland Bank, Cleveland. The record of the entire 169 corporations combined was almost as good, their first quarter earnings being exceeded only by the third quarter of last year.

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PRINCIPLES of MONEY and BANKING

By RUSSELL D. KILBORNE

Professor of Banking and Finance, The Amos Tuck School of Administration and Finance, Dartmouth College.

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One of the most widely used books on money and banking ever published in this country. A book explaining the factors that lie back of the politico-economic forces in business today. It explains the laws and nature of money; the machinery of foreign exchange; its effect on business; the intricacies of the Federal Reserve System; the functions of commercial and Federal Farm Loan Banks. These, and a host of others, are thoroughly analyzed in the light of developments since the war.

Sections of the Book

1. Money
2. Foreign Exchange.
3. Commercial Banking and the Federal Reserve System.
4. Non-Commercial Banking.

In this revised edition there is a new chapter on banking operations and the bank statement and there is much new material in the chapter on brokers' loans. The provisions of the McFadden Act are explained and other important additions have been made. Emphasis in this book is on essentials—upon principles rather than upon structure. Because of their current importance, more space than is usual has been devoted to money and foreign exchange.

Covers such topics as:

- Bank Credit and the Price Level
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- Bank Supervision
- Commercial Paper Houses
- The Defects of the Old National Banking System
- The Fundamentals of the Federal Reserve System
- The Operations of the Federal Reserve System

PART IV

Non-Commercial Banking

- Trust Companies
- Saving Banks
- Investment Bankers
- Investment Trusts
- The Federal Farm Loan System
- The Federal Intermediate Audit System Index

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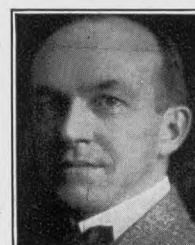


F. B. BRADY
President

OFFICERS MISSOURI BANKERS ASSOCIATION: President, F. B. Brady, vice-president Commerce Trust Company, Kansas City; vice-president, R. W. Holt, president, Heaton Bank, Craig; treasurer, Chas. B. Mudd, cashier, First National Bank, St. Charles; secretary, W. F. Keyser, Sedalia; assistant secretary, E. P. Neef, Sedalia.

GROUP CHAIRMEN: 1. V. J. Howell, cashier, Kirksville Savings Bank, Kirksville; 2. J. M. Smith, cashier, Osgood Banking Company, Osgood; 3. J. E. Barnes, cashier, Round Prairie Bank, Fillmore; 4. J. E. Hurley, cashier, Sedalia National Bank, Sedalia; 5. J. J. Bowman, president, Peoples Bank, Bonne Terre; 6. J. M. Himmelberger, assistant secretary, Morehouse Trust Company, Morehouse; 7. W. S. Pettit, vice-president, Union National Bank, Springfield; 8. O. H. Keran, cashier, Farmers State Bank, Lockwood.

GROUP SECRETARIES: 1. J. E. Deaver, president, Paris National Bank, Paris; 2. E. R. Hauser, assistant cashier, Farmers Bank, Polo; 3. L. C. Ringle, cashier, Farmers Bank, Dearborn; 4. J. L. Mann, vice-president, secretary-treasurer, Lexington Savings Trust Company, Lexington; 5. Frank C. Hunt, vice-president, First National Bank, St. Louis; 6. W. O. Bowman, vice-president, First National Bank, Cape Girardeau; 7. Irene Young, cashier, Bank of Salem, Salem; 8. W. V. Davis, cashier, First National Bank, Monett.



W. F. KEYSER
Secretary

J. H. Black, president of the Farmers Bank at Hurdland, died at his home recently.

The recent statement of the Citizens Bank of Clinton shows resources in excess of \$425,000. Surplus and undivided profits of \$31,000 exceed capital by \$6,000, thus making it an honor roll bank.

The Washington County Bank, Potosi, has had its banking room equipped with bullet proof glass and the "Platt" devices, which is a protection making the bank immune to daylight hold-ups. The equipment was installed by the J. H. Wise Company of St. Louis.

Final plans have been made for the new six-story building to house the First National Bank of Independence.

Howard C. Murphy has been elected president of the Miners Bank of Joplin. He was formerly chairman of the board of directors. Victor L. Young and W. H. Landreth were elected vice-presidents and Virgil H. Board, cashier.

The Bank of Poplar Bluff is reconstructing its building.

At a recent meeting of the board of directors, Louis C. Muencks was elected to succeed C. Reinenmer as president of the Overland State Bank.

A new building for the Farmers and Traders Bank of California is in the process of construction.

A. L. Gosch is the new cashier of the Malta Bend Bank.

The combined statements of the "First" Banks of St. Joseph as of June 29, show resources in excess of \$9,919,000 and surplus and undivided profits of more than \$694,000. Their capital stock is \$700,000. Deposits are \$8,454,610.

The recent statement of condition

of the Cole County Bank of Jefferson City shows total resources in excess of \$1,000,000, deposits of more than \$900,000 and capital of \$50,000. Otto J. Busch is cashier of the bank.

The Farmers and Merchants Bank of Linneus, according to its recent statement of condition, has total resources in excess of \$250,000, deposits of more than \$198,000 and capital of \$30,000, of which \$20,000 has been earned. F. L. Fitch is president of the bank and J. N. Carter is cashier.

The recent statement of condition of the Atlanta State Bank shows total resources in excess of \$330,000, deposits of more than \$280,000 and capital of \$25,000. Since surplus and profits are more than \$31,000 it is an honor roll bank. W. J. Dearing is president of the bank and Paul L. Jones, cashier.

The Bank of Spickardville has total resources of more than \$167,000, deposits in excess of \$140,000 and capital of \$15,000, according to its recent statement of condition. Officers of the bank are: W. Fred Wolz, president; G. M. Wolz, vice-president; C. O. Minter, cashier.

The recent statement of condition of the Exchange National Bank of Jef-

erson City shows total resources in excess of \$2,370,000, deposits of more than \$2,000,000 and capital of \$100,000.

The Boone County Trust Company, Columbia, has total resources in excess of \$2,460,000, deposits of more than \$1,290,000 and capital of \$75,000. Since surplus and undivided profits of \$194,000 exceed the capital it is an honor roll bank.

Officers of the First State Bank of Lathrop are: W. C. Young, president; H. C. Sheppard and C. B. Fagin, vice-president; Joe T. Doherty, cashier; J. B. Nicholas and Anna Andrews, assistant cashiers.

The recent statement of condition of the Ray County Savings Bank of Richmond shows total resources in excess of \$390,000, deposits of more than \$316,000 and capital of \$50,000. Officers of the bank are: G. E. Higdon, president; T. B. Fowler, vice-president; B. W. Dunn, cashier; M. H. Hauser, assistant cashier.

The statement of the First National Bank of Sweet Springs shows total resources in excess of \$200,000, deposits of more than \$150,000 and capital of \$50,000. Floyd Ripley is cashier of the bank.

Missouri Group Meetings

FIRST SERIES

Group I.....	Paris	October 15
II.....	Chillicothe	October 16
III.....	St. Joseph (Joint meeting with Group I of Kansas)	October 17
IV.....	Independence	October 18

SECOND SERIES

Group VIII.....	El Dorado Springs.....	October 22
VII.....	Springfield	October 23
V.....	St. Louis	October 24
VI.....	Sikeston	October 25

The Bank of St. James has total resources in excess of \$550,000, deposits of more than \$475,000 and capital of \$50,000. G. A. Muller is cashier of the bank.

The recent statement of condition of the Columbia Savings Bank at Columbia shows total resources in excess of \$746,000, deposits of more than \$600,000 and capital of \$100,000. H. H. Banks is president of the bank and B. C. Hunt is cashier.

The First National Bank of Cowgill, as of June 29, had total resources of \$320,000, deposits in excess of \$165,000 and capital of \$35,000. Since surplus and profits of \$40,000 exceed the capital it is an honor roll bank.

The Commercial Trust Company of Fayette, according to its recent statement of condition, has total resources in excess of \$420,000, deposits of more than \$300,000 and capital of \$50,000. Officers of the bank are: L. W. Jacobs, president; W. E. Miller, vice-president; L. W. Jacobs, cashier.

The Bank of Westphalia has total resources in excess of \$385,000, deposits of more than \$339,000 and capital of \$30,000.

The recent statement of condition of the Peoples Bank of Sumner shows total resources in excess of \$111,000, deposits of more than \$79,000 and capital of \$20,000.

G. I. Taylor has been president of the Sumner Exchange Bank for twenty-five years, J. T. McCormick, cashier for sixteen years and C. E. Wana-maker, assistant cashier for thirty-six years.

The recent statement of condition of the Bank of Brunswick shows total resources in excess of \$370,000, deposits of more than \$300,000 and capital of \$20,000. Since surplus and undivided profits exceed the capital it is an honor roll bank.

The Farmers and Merchants Bank of Chillicothe has total resources of more than \$440,000, deposits in excess of \$395,000 and capital of \$30,000.

J. H. Cusick has been connected with the Mooresville Savings Bank for the past twenty-five years, since organization of that bank, and has served twenty years of this time as cashier.

The recent statement of the Wood and Huston Bank at Marshall has total resources in excess of \$1,900,000, deposits of more than \$1,500,000 and capital of \$100,000. Since surplus and undivided profits of \$222,000 exceed

The Boatmen's National Bank of St. Louis

A BROAD, sound, well rounded banking service plus a warm personal relationship characterizes the association at Boatmen's.

For more than eighty years, Boatmen's has rendered experienced banking assistance to great business and individuals and during this period Boatmen's has been a potent factor in the growth and progress of St. Louis and the Southwest.

In all departments of its business, Savings, Commercial and Individual Banking, Safe Deposit Vaults and Trust Service you will always find that same personal warmth and sympathetic understanding which has been associated with Boatmen's for more than three quarters of a century.

Through Boatmen's National Company, a thoroughly experienced and well qualified Investment Service is provided to assist in the sound investment of funds of any size.

Oldest Bank in Missouri

OFFICERS

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Vice-President

F. LEE MAJOR
Vice-President

RUDOLPH FELSCH
Assistant Cashier

C. C. HAMMERSTEIN
Assistant Cashier

OLIVER W. KNIPPENBERG
Assistant Cashier

H. ALFRED BRIDGES
Assistant Cashier

H. F. HARRINGTON
Auditor

TRUST DEPARTMENT

EDGAR L. TAYLOR
Vice-President and Trust Officer

J. HUGO GRIMM
Vice-President and Counsel



Capital\$2,000,000.00
Surplus 750,000.00



July 10, 1899, the Fidelity opened its doors to offer a complete financial service to Kansas City and the Southwest.

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Fidelity National Bank and Trust Company

CAPITAL AND SURPLUS
\$4,000,000.00

Fidelity National Company

CAPITAL AND SURPLUS
\$1,750,000.00

"UNDER THE OLD TOWN CLOCK"

Kansas City, Missouri

the capital it is an honor roll bank. Officers of the bank are: L. D. Murrell, president; F. C. Barnhill, vice-president; Cary Huston, cashier; J. C. Lamkin and J. P. Huston, assistant cashiers.

The Bank of Hardin, according to its recent statement of condition, has total resources in excess of \$460,000, deposits of more than \$320,000 and capital of \$75,000.

The Farmers Trust Company of Braymer, according to its recent statement of condition has total resources in excess of \$230,000, deposits of more than \$130,000 and capital of \$50,000.

The First National Bank of Stewartsville, according to its recent statement of condition, has total resources in excess of more than \$300,000, deposits in excess of \$168,000 and capital of \$50,000.

The Farmers Bank of New Boston has total resources in excess of \$113,000, deposits of more than \$80,000 and capital of \$15,000, according to its recent statement of condition.

The recent statement of condition of the First National Bank of Chillicothe shows total resources in excess of \$1,200,000, deposits of more than \$800,000 and capital of \$100,000.

The First National Bank of Cowgill is one of the two banks in Caldwell County that is an honor roll bank, having surplus and profits equal or in excess of capital. The First National was founded in 1887 by James Cowgill and Sid F. Thomson, cashier, has been connected with the bank for over twenty years.

The statement of the First National Bank of Washington as of June 29 shows total resources in excess of \$1,000,000, deposits of more than \$930,000 and capital stock of \$25,000. Surplus and undivided profits of more than \$54,000 are in excess of capital making it an honor roll bank. Officers of the bank are: G. F. Kahmann, president; E. H. Otto and Emil E. Backer, vice-presidents; W. H. Kahmann, cashier; Edwin H. Thias, assistant cashier.

The Treloar Savings Bank has total resources in excess of \$197,000, deposits of more than \$150,000 and capital of \$25,000. Frank E. Hoelscher is president and A. J. Koewing is cashier.

The recent statement of the Peoples Bank of Hermann shows total resources in excess of \$1,000,000, deposits of more than \$900,000 and capital of \$25,000. Since surplus and undivided



When a bank grows there must be a reason.

We like to think that our assets have quadrupled in twelve years because of our courteously efficient service.

Capital, Surplus, Profits
\$380,000.00

Resources
\$5,200,000.00



**Largest Bank in Rural
Missouri**

profits of \$38,000 are in excess of capital it is an honor roll bank.

The Bank of Union, according to its recent statement, has total resources in excess of \$720,000, deposits of more than \$600,000 and capital of \$15,000. Since surplus and undivided profits of \$61,000 are in excess of capital it is an honor roll bank. L. C. Allersmeyer is president of the bank and F. H. Muenstermann is cashier.

The Farmers Bank of Treloar, according to its recent statement, has total resources in excess of \$480,000, deposits of more than \$400,000 and capital of \$40,000. Theo. F. Koch is president of the bank and A. L. Wessel is assistant cashier.

The recent statement of condition of the Bank of Washington shows total resources in excess of \$1,900,000, deposits of more than \$1,700,000 and capital of \$100,000. O. W. Arcularius is president of the bank and A. C. Rumpelt is cashier.

The Hermann Savings Bank has total resources of \$1,017,000, deposits of more than \$880,000 and capital of \$60,000. Since surplus and profits of \$72,000 exceed the capital it is an honor roll bank. John H. Helmers is president of the bank and E. F. Rippstein is cashier.

H. J. Baker has been elected cashier of the Bank of Palmyra, succeeding H. J. Smith, who was dismissed from service because of misuse of the bank's funds. Mr. Baker had previously been connected with the bank.

According to J. C. Brown, president of the Bank of Wentzville, the building of the bank is being remodeled throughout.

According to the recent statement of condition of the Central Missouri Trust Company of Jefferson City that bank has total resources in excess of \$2,700,000, deposits of more than \$2,498,000 and capital of \$150,000. Officers of the bank are: Sam B. Cook, president; Howard Cook and Cletus V. Zuber, vice-presidents; Paul A. Schaefer, secretary; L. W. Weiler, trust officer.

\$1,847,000 resources, \$1,465,000 deposits and \$200,000 capital is shown by the recent statement of the Farmers Trust Company of Maryville. Officers of the bank are: G. L. Wilfley, president; W. C. Pierce, W. F. Phares and G. R. Ellison, vice-presidents; A. K. Frank, cashier and secretary; M. S. Hamilton, assistant cashier; H. D. Snyder and W. H. Allen, assistant secretaries.



AS CONVENIENT to the financing of the wheat crop as box cars are to its transportation—such are the facilities of the Commerce Trust Company for the collection of Grain Drafts through 24 hour Transit Service.



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KANSAS CITY, MISSOURI

LEGAL TENDER

Official Publication of the St. Louis Chapter
AMERICAN INSTITUTE of BANKING

VOLUME 14 August, 1929 NUMBER 8

L. K. ARTHUR, Editor, Federal Reserve Bank. A. L. GORDON, President, Federal Reserve Bank. A. C. RIEDELL, Executive Secretary, 324 Merchants Laclede Bldg.

Notices intended for publication should be in the hands of the Editor the fifteenth of each month. Write on only one side of paper and double space. **Chapter Headquarters, 316-324 Merchants Laclede Bldg. Chestnut 9280.**

LEGAL TENDER is published to promote good fellowship among Chapter members, to record the activities of the Chapter generally, and to maintain the high ideals of the American Institute of Banking along educational lines of endeavor.

American Institute of Banking **Membership 1929-30**

Two thousand A. I. B. members for the St. Louis Chapter for the ensuing year.

The local membership has been close to the one thousand mark for the past several years, and should be doubled in comparison to the ratio of educational enrollments.

Five hundred students were enrolled in classes last year and with the augmented curriculum, and increased facilities for the accommodation of the members, the total enrollment is expected to reach the eight hundred mark.

With this expectancy practically assured, no barrier or delay should keep any banker or bankerette from becoming an A. I. B. member, and one of the 2,000.

Other large cities in our national A. I. B. organization are increasing their membership each year so much that it leaves St. Louis with an actual quota of 1,960 members due for 1929-30.

This is our year—St. Louis.

Mr. John G. Lonsdale, president of Mercantile-Commerce Bank and Trust Company takes the office of President of the American Bankers Association (the highest bank office in the United States). The American Bankers Association is the parent organization of the American Institute of Banking; with this incentive and with Colman Mockler representing St. Louis on the National Executive Committee of the A. I. B., we ought to show enough local pride to put St. Louis on the map in a big A. I. B. way and get that 2,000 membership.

Consuls and committees have been appointed in each bank and wait to serve you in signing your membership application.

Bank employees \$3.00 per annum.

Bank officers \$5.00 per annum.

Other features of interest are afforded the A. I. B. member in addition to the educational opportunities.

A program will be sent to each prospect directly, and the outline ought to be sufficient to engage your active interest.

The American Institute of Banking is the answer to the present day problem of success—opportunity through study—and practical daily application.

Let us help you to help yourself!

Be one of the 2,000!

Denver in 1930

With the annual A. I. B. Convention scheduled to be held next summer in the delightful city of Denver, what better opportunity is offered to experience the inspirational activities of an A. I. B. Convention and at the same time enjoy a vacation in the land of wonders, memories of which will never be forgotten? The size of the Rockies, if you have never seen them, will overawe you, and the gorgeous works of nature will stir the imagination of the most skeptical.

Mr. Ben Aley, of the Denver Chapter, came to St. Louis directly after the close of the A. I. B. Convention at Tulsa. While here Mr. Aley spoke in part of what sounded like a very inviting entertainment program. You may be sure that with Mr. Aley playing the part of host nothing will be too good for the entertainment of his guests.

So decide now to attend the 1930 A. I. B. Convention, and you will have no reason to regret it. In fact, it may be wise to start accumulating a fund for that Denver Trip.

Awards for Highest Grades

The St. Louis Chapter of the American Institute of Banking has always sought to encourage a high standard of scholarship in its courses of study.

As an added stimulus to intensive study, it has been our custom to award a prize of \$5.00 to the students who make the highest grades in the various subjects.

These prizes are earned in the face of a high order of competition, as is attested by the fact that a grade ranging in the upper nineties is usually necessary to win. One can not do a great deal of catching up on sleep in class, nor can he be sparing of the midnight oil if he is to achieve a mark such as that. It is not argued that a small cash prize is adequate recognition of such work; that must come from the added good will that is accorded the winner by his fellows. There is also a vast satisfaction in the consciousness of work well done.

Following is a list of names of the winners. They are deserving of our sincere good wishes.

Accounting I: C. F. Stevens, Federal Reserve Bank; Accounting II: E. Sibille, Boatmen's National Bank; Banking Fundamentals: Helen G. Rose, Alton National Bank; Business Forecasting: W. L. Gregory, Federal Reserve Bank; Commercial Law: Alden W. Blank, Belleville Savings Bank; Credits: Bert Zaehring, First National Bank, Belleville; Economics: David L. Colby, Boatmen's National Bank; Public Speaking: W. L. Gregory, Federal Reserve Bank; Income Tax: Lawrence K. Arthur, Federal Reserve Bank; Investments: I. A. Long, Mercantile-Commerce Bank and Trust Co.; Negotiable Instruments: Leslie Bloom, First National Bank; Standard Banking: David L. Colby, Boatmen's National Bank; Trust Functions: Hazel Hurst, Northwestern Trust Co.

Our Graduates

Just a few days ago, we received from the national office in New York, a number of very handsome certificates bearing the names of those of our

LEGAL TENDER

members who have completed the Pre-Standard, Standard and Special Courses of the American Institute of Banking.

Although the list of graduates is not so great as might be desired, we are happy to report that a great many of our members, by means of work completed in the past year, have placed themselves in such position that they can easily earn their certificates in the year that is now just around the corner.

Those who are to receive the Pre-Standard Certificate are to be congratulated for the reason that they have acquired a considerable store of knowledge that will stand them in good stead in their daily work, but, more than this, they have now an excellent foundation on which to build for the future. The Standard Certificate should be their next objective, with the Special Courses as the ultimate goal.

The graduates in the Standard Course are now fully prepared to do effective work in the Special Courses such as Credits, Trust Functions, Investments, Business Forecasting, Statement Analysis, Income Tax, Accounting and Public Speaking. Here is to be had a body of specialized banking knowledge so necessary to a lasting success in the present time. We can not afford to rest on our laurels, else we shall be left behind by the constantly moving procession.

Those who have earned certificates in the past year are as follows:

STANDARD CERTIFICATE

Earl H. Chapin	Herbert L. Lucks
David L. Colby	Walter Nentwig
Roy H. Irwin	Harvey Obenhaus
Lester C. Jost	L. C. Phillips
Walter L. Kaltwasser	Elmer F. Schachsieck
Nova B. Kiergan	Elmer H. Tonsing
H. H. Kranefuss	

PRE-STANDARD CERTIFICATE

Alden W. Blank	Harry H. Holekamp
Robert A. Brennecke	Lester C. Moore
Dorothy O. Brown	Edward L. Sanders
L. Gregory Dowling	Raymond Schmitt
Raymond A. Ehret	Charles W. Shute
Beatrice Geminden	Ernst R. Stein
Lura O. Grady	Norman Vogel
Norman B. Hacker	Winifred C. Whitney

SPECIAL CERTIFICATE IN TRUST

BANKING

(Trust Functions and Investments)
Edwin W. Hudspeth
John J. Lackey
Alexander B. Landgraf

Examination Papers Are Returned

As a number of our students expressed a desire to have their examination papers returned to them, we asked the national office to send all

papers back after official credit had been given.

These papers are now in the local office and it is urged that those who are interested call for them as soon as possible. Because of their bulk, it was considered inadvisable to send them out by mail. The papers will be held in the office until October 1, at which time all that have not been called for will be destroyed.

There is no doubt that the student may profit by a careful review of his paper, as he is thus enabled to determine the points in which he is weak to remedy the fault by means of a reading or two of the topic in question.

Call for your examination papers at the earliest opportunity.

Our New Editor

Many of our readers will have noticed that Mr. Lawrence K. Arthur is the new editor of Legal Tender. He is indeed well qualified for the position, as he is an Institute graduate and has been a member of St. Louis Chapter for a number of years. His wide acquaintance among Institute members, local and national, will stand him in good stead in the work of our chapter publication.

Let us all give him a little help. If you have a news item concerning your bank, send it in as it is only in this way that we can be assured of the best results possible. Address all communications to Lawrence K. Arthur, Federal Reserve Bank. We can make Legal Tender a better and newer chapter paper.

Edward G. Grubb

It is with sorrow that we record the death of Edward G. Grubb, our instructor in Trust Functions. Mr. Grubb was trust officer of the St. Louis Union Trust Co., having been connected with that company since his graduation from Washington University Law School ten years ago. He died of a brain abscess in a hospital at Utica, N. Y., on June 27, while en route to consult a specialist in Washington.

Mr. Grubb had been a patient at Barnes Hospital, St. Louis, since March 1, having to give up his class shortly before that time, and it was our hope that he would soon recover and resume his teaching. He had a keen

knowledge of the subject of Trust Functions and brought a wealth of experience that has set a high standard for the class. His personal charm and sincerity of manner impressed all and he was held in great esteem by his associates. It is with deep regret that we have to give him up.

Our sincere sympathies are extended to his wife, daughter, and mother in their hour of bereavement.

The First Party of the Year

The first A. I. B. dance of the season is to be held on the roof of the Boatmen's National Bank Building on Thursday evening, September 5, 8:30 p. m.

The roof-garden of the Boatmen's Building is well suited to our purpose. A good floor for dancing and a free sweep for the cool breezes. What more could we ask? There will be excellent music and some punch for the thirsty. No charge for admittance. All members of the Chapter and all employees of banks within the district served by our Chapter are cordially invited to attend.

Do not forget the date, for you may not receive another notice. Thursday, September 5, 8:30 p. m. Come up and spend a pleasant evening with your friends.

Promotions at Mississippi Valley Merchants State Trust

We are pleased to announce that O. A. Rowland, credit manager of the Mississippi Valley Merchants State Trust Company, has been made a vice-president of that institution. F. W. Krieger and E. J. Walter have been made assistant secretaries. These men are Institute members of long standing and they have the good wishes of the chapter.

What Are You Doing About It?

By A. S. BROOKS

Chairman, Educational Committee

Would you like to go back to the good old days of candle light, horse and wagon, no telephone, uncertain water supply and homespun? Positively no. Those days are gone forever. But stop a moment. What made all our modern conveniences pos-

LEGAL TENDER

sible—brain power, knowledge acquired by sacrifice and diligent application. Oh, how much easier is it today to become informed; to get the knowledge necessary for success. What are you doing about it?

The A. I. B., fostered by the American Bankers Association, supported by the Clearing House Association and other banks in the community, is offering, for little or nothing, an opportunity to help yourself; to obtain sound banking fundamentals, the knowledge of which will be of benefit to you throughout your business career. It does not seem possible that anyone can afford to pass up a proposition like this. What are you doing about it?

The Clearing House Association and the other banks in the community have a motive in contributing to the support of this enterprise, namely the raising the caliber of their employees. But what are you doing about it?

The American Bankers Association is realizing more and more the need of some means to determine ability and qualifications of bank men and women. It is not a far cry to say that A. I. B. certificates will be generally recognized by the American Bankers Association members and holders thereof will be sought out, and rightly so because the A. I. B. educational supervision and instruction staff is on a par with any educational institution. What are you doing about it?

Although registration for 1929-30 classes is some weeks off, it is well that you give thought to this most important subject. Within a day or so you will receive a copy of our educational program. You are urged to read it thoroughly and determine what class or classes you will attend during the 1929-30 term. By giving yourself sufficient time for deliberation or consulting your consul, board members or chapter officers you avoid making a last minute decision, which may not prove satisfactory. Do it now.

Committee Chairmen for 1929-30

Educational—Al. S. Brooks, Asst. Cashier, First National Bank.
Public Speaking and Debate—Fred W. Schulte, Boatmen's National Bank.
Membership—John J. Lackey, Mercantile-Commerce Bank and Trust Co.

Publicity—Laurence K. Arthur, Federal Reserve Bank.

Public Affairs—Frank Ryan, Mississippi Valley Merchants State Trust Co.

Entertainment—Oliver W. Knippenberg, Asst. Cashier, Boatmen's National Bank.

Finance—Herman H. Reinhard, Vice-President, Mercantile-Commerce Bank and Trust Co.

Supervisor Public Education—Dan D. Goodell, Asst. Secretary, First National Bank, East St. Louis, Ill.

Women's—Miss Hazel Hurst, Northwestern Trust Co.

Alice Davis Represents St.

Louis in European Tour

Miss Alice Davis, of the Advertising Department, Mercantile-Commerce



MISS ALICE DAVIS

Bank and Trust Company, St. Louis, will represent St. Louis on a Good Will Tour to Europe, conducted by the Federation of Business and Professional Women's Clubs. She will also attend the International Advertising Convention in Berlin in August.

The first good will tour by business and professional women was made last year, and as a result of their encouragement there has been established in Rotterdam, Holland, a bank operated entirely by women, for women. Miss C. M. Meyers is at the head of this unique institution and will be one of the hostesses to the group this year. The bank does a general banking busi-

ness although it specializes in the requirements of women, and accepts no men clients. The offices are comfortable, attractive and homelike.

The purpose of the Good Will Tour is to encourage an international federation of business and professional women, in order that women of all nations may work together more actively to promote world peace. This group, which includes 100 representative women from America, will be received by prominent women leaders in the large cities of Europe, and audiences will be arranged through the Department of Commerce, with many people prominent in European political affairs.

Cleveland Bank Opens Two New Offices

The Union Trust Company of Cleveland has opened two new offices, making the total number of offices of the Union Trust Company now twenty-three.

The East 185th-Landseer office, which was opened June 22, is managed by Harry W. Black, formerly of the Cedar-Lee office of the Union Trust Company. The East 116th-Corlett office, opened June 29th, is headed by Herbert E. Zdara, formerly of the Kinsman-140th office.

The two new banks are of colonial design, and mark a new departure for neighborhood banks in Cleveland. Each bank is completely equipped with seven tellers' cages and a large safe-deposit vault. The design of the fixtures and furniture is in keeping with the spirit of the colonial architecture.

Lonsdale Again Heads C. of C. Committee

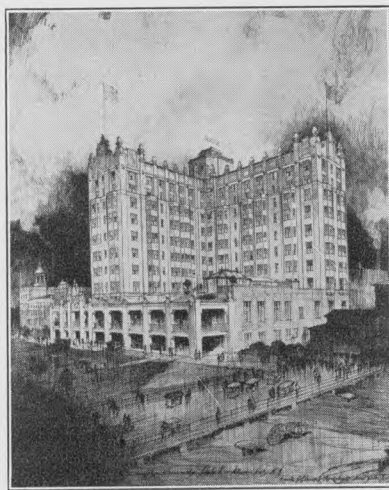
John G. Lonsdale, president of the Mercantile-Commerce Bank and Trust Company, has been reappointed as chairman of the Finance Department, United States Chamber of Commerce, for 1929-30. He has served in the same capacity since 1925.

Other bankers and business men who will serve on the committee are: Vice-chairman, Felix M. McWhirter, president, Peoples State Bank, Indianapolis; William J. Filbert, comptroller, United States Steel Corporation, New York; J. H. Frost, president, Frost National Bank, San Antonio, Texas;

W. F. Gephart, vice-president, First National Bank in St. Louis, St. Louis; George J. Gruen, Gruen Watch Manufacturing Co., Cincinnati; George W. Holmes, president, First National Bank, Lincoln, Nebraska; Fred I. Kent, financier, New York; Thomas W. Lamont (ex-officio), J. P. Morgan & Co., New York; Walter Lichtenstein, executive secretary, First National Bank, Chicago; E. E. Lincoln, economist, International Telephone and Telegraph Corp., New York; W. S. McLucas, chairman of board, Commerce Trust Company, Kansas City; Prof. O. M. W. Sprague, Harvard Graduate School of Business Administration, Cambridge, Mass.; Oscar Wells, president, First National Bank of Birmingham; Rollin A. Wilbur, president, Investment Bankers Association, the Herriek Company, Cleveland; Theodore Wold, vice-president, Northwestern National Bank, Minneapolis.

New Seaside Hotel Opens at Atlantic City

Cook's Sons Corporation have recently announced the opening of their



Seaside Hotel, Atlantic City

new hotel, the Seaside Hotel, at Atlantic City. The first Seaside Hotel was first built in 1873.

A particularly home-like atmosphere is to be found in a visit to this hotel. The new lobby resembles a great Spanish lounge.

The Seaside is centrally located at the end of Pennsylvania Avenue, between the Steel Pier and the Steeplechase Pier.

Eugene P. Gum Addresses Colorado Bankers

Eugene P. Gum, secretary of the Oklahoma Bankers Association, spoke before the recent meeting of the Colo-

rado State Bankers Association on "Bank Banditry and Its Contribution to the Crime Wave."

Mr. Gum as secretary of the Oklahoma Bankers Association has had many years of combatting bank bandits, and has had a prominent part in unraveling the Lamar bank robbery of more than a year ago.

Frazier Jelke Writes on Future of Aviation

"Ultimately, it seems to me, the aviation industry has an enormous future market, and the answer to the question: Who will buy airplanes? will be found among thousands of private individuals as well as among the regular transport companies," says Frazier Jelke, of Frazier Jelke & Co., New York investment bankers, in a re-

cent issue of The Spur. Last year the number of persons receiving pilot licenses increased from 1,500 to more than 11,000. During the year the Department of Commerce listed nearly 5,000 planes as either licensed or with license pending, and of that number approximately 3,000 were privately owned.

"Undoubtedly the market is there; it is a question of who is going to capture it. As in any new industry, there are a large number of small and weakly financed companies in aviation accounting for a limited and spattered production. Many of these will be absorbed or will drop out of existence, and the investor in aviation securities should consider very carefully the character, the backing and the prospects of the company with which he is thinking of placing his funds."

My Bank and Me

By J. W. BURNS

I LIKE my Bank in a general way
But most of it's hazy to me,
There are a lot of questions I'd like
to ask
If I could just feel that free,
But all I can see is locks and bars
Adding machines and books,
A serious bunch of busy folks
At least that's the way it looks.

I NOTICE young fellows out on the
street
Who pause and curiously stare,
And I can tell by the way they gaze
They really don't know if they dare
Go in and see what it's all about
But how would they be received?
Maybe some one would order them out
Nor would my Banker believe

IF I was to tell him what I know
About folks as they really are
And how many more accounts he'd get
If the Bank was not so far
Above the heads of the younger men,
Struggling to get their start,
And how it could be a help to them
In fighting life's busy marts.

NOW if I owned a Bank I'd put a
sign
In the window and print it plain:
"Come in and ask for Tom P. Jones,
It's a part of his job to explain
Just what this Bank can do for you
And to answer your questions frank,
You will find a hearty welcome here
'Cause it's really a friendly Bank."

AND Tom would keep a reference
book
Concerning these calls each day
For me to read and devise a plan
To add new accounts, and say!
I'd specialize on Savings Accounts,
I'm looking away ahead,
'Cause youngsters are changing from
colt to horse
Not waiting 'till Daddy's dead.

THEY want to make a start them-
selves
Yet don't know how to begin,
And that would be Tom's job and mine
To explain how they can win,
By saving a little of every pay
Plant it and help it grow,
But never check a cent of it out
Except to invest, you know.

THEN Tom and I would teach them
how
To invest their savings too,
Just as soon as they had enough
Depending on how it grew.
We'd sell them perhaps a good sound
bond
Then a lock box to keep it in
And urge them to confide in us
Same as if we were kin.

I'LL confess I never owned a Bank
So maybe I am all wet,
But I'd try to build for the future
And I'm willing to lay a bet
That in a few short years beyond
I'd have a Bank that would pay,
And I'd like to see some "has been"
Try to lure those friends away.

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.

For Sale: Bank fixtures for small bank. One Victor Manganese steel screw door bank safe; one Victor Safe and Lock Company vault door; one Burroughs posting machine; one Burroughs adding machine. Address, H. K. Chenoweth, care Ayers National Bank, Jacksonville, Illinois, 5-29.

Wanted: Position as stenographer and general secretary in bank. Am a graduate of business college, have had four and a half years experience as stenographer and general secretary in bank with total resources of half a million dollars. Making change account of consolidation of banks. Can give best of references, report for duty at once, and willing to commence work for a moderate salary. Address L. S., care Mid-Continent Banker, 408 Olive Street, St. Louis, Mo., 5-29.

An organization with fifteen years definite accomplishment and with a wonderful future program has an opening in St. Louis and territory for a mature developed sales executive whose past record shows earnings in excess of \$8,000 a year. The line is protective equipment and the personal sales of the man wanted will be largely to banks although other salesmen under his control will sell every class of store and business. Apply by letter only to the Anakin Company, Chicago, Illinois.

Wanted: Position as cashier in country bank. Over six years banking experience, can carry enough stock to qualify as director if necessary; have family. Can furnish good references from institution now connected with; salary open. Address E. C. S., care Mid-Continent Banker, 4-29.

Wanted: To purchase control of good bank carrying position, in town of at least 2,500 people, county seat or near city. Will also sell control in good small state bank, carrying position. Address B. E. E., care Mid-Continent Banker, 408 Olive Street, St. Louis, 4-29.

Farm Manager: Position with bank that has farms. Ten years experience buying and selling grain and livestock. Experienced with the construction and maintenance of farm buildings, fences and soils. Can also assist in real estate department. Am not a white shirt man. Plenty of references. Prefer state of Indiana or Illinois. Write F. L. Longstreth, Deedsville, Indiana, 7-29.

Wanted: Established La Salle Street, Chicago first mortgage bond house wants two salesmen and salesmanager, with clientele. Work in Illinois. Salary and commission basis. Splendid cooperation. Reply giving full particulars and references. W. H. M., care Mid-Continent Banker, 1-29.

Position Wanted: By young man 29 years of age with eleven country bank receivership and collection experience. Will invest. Address K. V. V., care Mid-Continent Banker, 408 Olive Street, St. Louis, 4-29.

Attention Trust Officers: A young man who understands trust work, accounting, income tax, investments and insurance trusts, desires to make a change. Would need thirty days notice. Can furnish good references. Address L. A. D., care Mid-Continent Banker, 4-29.

Business Opportunity: Will sell control or less amount to right man in good national bank \$1,000,000.00 deposits, good live town—8,000 population. Assets guaranteed. Investment to carry presidency, or if less than control is desired, to carry position as vice-president. One of strongest and most popular banks in county. Good reason for selling. Address P. P. I., care Mid-Continent Banker, 1-29.

Wanted: By Southwestern Wisconsin bank of substantial size, young man with personality and experience to take charge of Bond Department. Replies confidential. Give age, experience and education. Address S. B. Y., care Mid-Continent Banker, 2-29.

Trust Officer Seeks Change: Assistant trust officer in moderate sized bank, good organizer and accustomed to taking full charge, seeks transfer to an institution which would appreciate painstaking, methodical service. Address W. H. S., care Mid-Continent Banker, 5-29.

Wanted: Cashier for bank in good southwest Missouri town. Requires investment commensurate with salary. Write in confidence to H. A. D. care Mid-Continent Banker, 6-29.

Wanted: A bond house long established in Illinois and with extensive clientele can offer the right man a position as Manager of an established branch office in Central Illinois. The man we want must be experienced and preferably one who has covered the central and southern part of Illinois. Apply by letter stating age, qualifications, experience and former connections. Address R. P. I., care Mid-Continent Banker, 2-29.

Wanted: To purchase the controlling interest in a small bank located in Missouri or Iowa. Address D. W. V., care Mid-Continent Banker, 1-29.

Wanted: Stock in bank in good southwest Missouri town carrying cashiership. Prefer town with two banks. Will take up to control. Right price subject to examination. Replies treated confidential. Answer Box 2-W care Mid-Continent Banker, 6-29.

Capable Bank Executive desires to make change. 36 years old, 17 years experience. A-No. 1 Credit man and accountant. Address Box A. C. I., Mid-Continent Banker, 2-29.

Chicago Bond House has exceptional opportunity to offer right man to open and take charge of new branch soon to be established in St. Louis. Also two openings for bond salesmen to travel the Illinois territory. Address C. K., care Mid-Continent Banker, 6-29.

For Sale: Good Mosler safe. Fire proof, 72" x 42" x 42", with inner burglar-proof triple Yale time lock money chamber. Cost \$1,500, will take \$550. Also, good set oak country bank fixtures at great bargain. Dee German, First National Bank, Porter, Okla.

Bankers Trust Company Appoints New Officers

Seven new officers of the Bankers Trust Company, New York, were appointed at the regular meeting of the board of directors held recently. They are: Julius Paul and H. C. Bock, assistant vice-presidents; Miss Jean A. Reid and Noel Henzl, assistant treasurers; Charles A. Borman, assistant auditor; Clifford G. Haviland and Clinton A. Zollinhofer, assistant secretaries.

New Quarters for Brooklyn Office, Irving Trust

The Irving Trust Company, New York, has announced that it has leased new quarters in the Brooklyn Chamber of Commerce Building, at Court and Livingston Streets, Brooklyn, for its Brooklyn office, now at 350 Fulton Street. Alterations to the property have been started, and it is expected that the new quarters will be ready by August 1.

The space leased includes the ground floor of the southern half of the building fronting on both Court and Livingston Streets, with basement and part of the second floor. The total floor space will be 6,500 square feet, as compared to 4,500 square feet occupied by the present Brooklyn Office. A complete modern safe deposit vault will be installed.

The Brooklyn Office of the Irving was originally the National City Bank of Brooklyn, founded in 1850. It entered the premises at 350 Fulton Street in 1893, and was merged with the Irving Trust Company in 1919.

J. W. Myers Joins Devlin & Bennett, Chicago

Devlin & Bennett, Incorporated, Chicago, have announced that J. W. Myers has been appointed to an executive position with that company. Mr. Myers has been associated with the Illinois Bankers Association for the past five years and the demi-decade previous to that worked for the Continental and Commercial Bank, Chicago, to which he had come from the First National Bank at Grand Ridge, Illinois.

A. B. Creal, formerly of the Columbia Phonograph Company, New York, has also joined the field executive staff of Devlin & Bennett, Inc.

I always make it my business to be just a quarter of an hour ahead of the other fellow.—Lord Nelson.

INDEX TO ADVERTISERS

INDEX TO ADVERTISERS

	A		N
Aladdin Hotel, Kansas City.....	81	National City Company, New York.....	33
Allyn & Company, A. C., Chicago.....	41	National Shawmut Bank, Boston.....	29
American Banks, Nashville.....	19	New Bismarck Hotel, Chicago.....	62
Ames, Emerich & Company, Chicago.....	40	New Lockerbie Hotel, Indianapolis.....	60
Anderson & Co., Lorenzo E., St. Louis.....	44	Northern Trust Company, Chicago.....	55
Anderson & Co., Oliver J., St. Louis.....	35	O	
Atwater Kent Manufacturing Company, Philadelphia.....	17	Ottman & Company, E. H., Chicago.....	47
B		P	
Bankers Trust Company, New York.....	21	Philadelphia National Bank, Philadelphia....	24
Bank of New South Wales, Sidney, Australia.....	57	Provident State Securities Co., Chicago.....	43
Bank Vault Inspection Co., Philadelphia.....	20	R	
Bell Telephone Securities Co., New York.....	39	Richards & Company, St. Louis.....	50
Berkowitz Envelope Co., Kansas City.....	57	Rogers & Company, N. L., Peoria.....	46
Boatmen's National Bank, St. Louis.....	73	Ruppert & Company, H. L., St. Louis.....	49
Boyd Company, LaSalle, Ill.....	81	S	
C		Security First National Bank, Los Angeles... ..	22
Caldwell & Company, Nashville.....	37	Shaw Walker Company, St. Louis.....	71
Camp, Thorne & Company, Chicago.....	30	Steinberg & Co., Mark C., St. Louis.....	51
Canal Bank & Trust Co., New Orleans.....	64	Strauss & Co., Robert S., Chicago.....	38
Chapman & Co., P. W., Chicago.....	36	Steurer Publishing Company, New York.....	81
Chase National Bank, New York.....	61	T	
Cody Trust Company, Chicago.....	51	Thompson & Co., G. W., Chicago.....	47
Commerce Trust Company, Kansas City.....	75	Todd Company, Rochester, New York.....	25
Commercial National Bank, Shreveport, La.....	65	True Securities Company, Chicago.....	32
Continental Illinois Bank & Trust Co., Chicago.....	83	U	
Couden Syndicate, Elliott R., St. Louis.....	48	Union Planters Bank & Trust Co., Memphis..	66
E		W	
Elms Hotel, Excelsior Springs, Mo.....	28	Wabash Railway Company, St. Louis.....	27
Eppley Hotels Co., Omaha, Nebraska.....	68	Walker & Company, G. H., St. Louis.....	46
F		Want Ad Page	80
Fidelity Nat'l Bk. & Trust Co., Kansas City..	74	Willson & Company, James C., Louisville....	49
Financial Advertisers Association	3	Y	
First National Bank, Jefferson City.....	74	Young & Bros., W. H., St. Louis.....	52
First National Bank, St. Louis.....	2		
Fletcher American Company, Louisville.....	67		
Foreman Banks, Chicago.....	56		
Founders Securities Trust Co., Boston.....	46		
Francis Bro. & Company, St. Louis.....	50		
G			
General Motors Acceptance Corp., New York.....	35		
Guaranty Trust Company, New York.....	23		
H			
Hanchett Bond Company, Chicago.....	46		
Herring-Hall-Marvin Safe Co., Hamilton, Ohio.....	29		
Hibernia Securities Company, New Orleans.....	48		
Hoagland, Allum & Company, Chicago.....	45		
Hotel Chase, St. Louis.....	69		
Hotel Gatesworth, St. Louis.....	58		
Hotel Governor Clinton, New York.....	60		
Hotel Montclair, New York.....	61		
I			
Irving Trust Company, New York.....	26		
K			
Knight, Dysart & Gamble, St. Louis.....	49		
L			
Leach & Company, A. B., Chicago.....	47		
Lee Hotels, Robert E., St. Louis.....	70		
Liberty Bank & Trust Co., Louisville.....	68		
Love, Bryan & Company, St. Louis.....	45		
M			
McGraw Hill Book Company, New York.....	71		
Mercantile Commerce Bank & Trust Company, St. Louis	84		
Mercantile Commerce Company, St. Louis.....	4		
Mid-Continent Banker	70		
Midland Bank, London, England.....	57		
Mississippi Valley Merchants State Trust Co., St. Louis	6		
Morrison Hotel, Chicago.....	59		
Mortgage & Securities Co., New Orleans.....	34		

OKLAHOMA NOTES

The First National Bank of Porter which is nearly twenty-five years old shows deposits of \$150,000. Dee Perman, cashier, is in charge of the bank. W. S. Vernon, president, is also president of the First National Bank of Coweta where he is actively engaged, and is in addition vice-president of the First National Bank of Muskogee. C. C. Hulquist, vice-president, is also vice-president of the First National of Coweta and is connected with the First National Bank of Muskogee.

The First National Bank of Okemah in its last statement shows deposits of more than \$770,000. The bank has surplus and undivided profits of \$15,000 and capital stock of \$50,000. The total resources are in excess of \$860,

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The First National Bank of Billings, which is thirty years old, has resources of \$248,717 according to a recent statement. Its deposits are in excess of \$217,000. Hal Jones is president of the bank.

The oldest bank in Jefferson County is the First National Bank of Ryan. The bank has been in existence since 1895. It has deposits of \$346,000.

The First National Bank of Yukon shows resources of more than \$400,000 in its last statement. Deposits of the bank are in excess of \$344,000. The bank has been operating for thirty-six years. D. B. Phillips is president of the organization. J. W. Rhodyback is vice-president and D. A. Phillips acts as cashier.

The Guaranty Bank of Fallis is now consolidated with the Luther State

Bank of Luther. The name of the new bank is the Luther State Bank. P. M. Vorel, who was cashier of the Luther State Bank for the past fourteen years, was made president of the new institution. O. M. Willeford, who was president of the Guaranty Bank of Fallis, is now cashier of the consolidated bank.

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What Would You Have Done?

Proving That the President Does Not Always Give All the Orders

ONCE upon a time, a man walked into a bank. He looked around for a chair, selected one, and drew it up to the check desk in the middle of the lobby. Then he sat down and proceeded to place a pair of very large and very dirty boots on the desk and make himself perfectly comfortable. He remained in this position for about five minutes, forcing the customers to walk around him. The first bank official to notice him was no less a personage than the president himself. Immediately that dignitary rang for a lobby officer.

"Bill," he said, "do you see that fellow out there with his feet on the check desk? Well, go and tell him to take them off, quick!"

In two minutes the officer was back. "I told him, Mr. Jones, but he said he wouldn't do it."

"See here," said the president, "you go and tell him that the president of this bank said he should take his feet off that check desk!"

Again the uniformed man returned. "Well," said the president, "what did he say?"

"Beg your pardon, sir," said the guard, "but he told me to tell the president of this bank to go to hell!"

"He did, eh?" said the president. "Hum-m-m-m. Call the vice-president."

"Look here," he said when the vice-president arrived. "Do you see that fellow out there with his feet on that check desk? Well, tell him to take them off!"

So the vice-president went out in the lobby and said to the man, "You'd better take those muddy feet of yours off that desk!"

"Is that so?" said the man. "Listen, buddy; if you don't like the mud on them feet, you just wipe it off!"

Not knowing what to do, the vice-president went back to the president. "Mr. Jones, he said that if I didn't like the mud on his feet, I should wipe it off."

"Well," said the president, "I'll tell you what we'll do, Smith. We'll both go and talk to him."

So they went up to the man, and the president said, "Now, my good man, you'll simply have to take your feet off that check desk."

"I'd like to know why," said the man.

"Are you a depositor of this bank?" said the president.

"You're darn tootin' I'm a depositor," said the man. "I'm a big paper mill owner from up north and this morning I deposited one million two hundred and eighty-five thousand dollars in this here bank. What of it?"

The president turned to the vice-president. "Look here, Smith—I'm going where he told me to go. You

First National, Louisville Puts in Bandit-Proof Equipment at Branches

IN the two years that the First National Bank of Louisville has been operating branches throughout the city it has had three hold-ups. Two of these were in one branch, newly organized, and one was in another, the latter being an old bank which had been in operation some years before its purchase by the First National. The latter bank had also suffered another hold-up before.

The hold-ups of the first branch took place barely six months apart. The experience put a severe strain on the morale not only of the manager and his assistant but of the staffs of the five other branches. It was decided, therefore, to make all the branches as bandit-proof as the South Louisville Branch, at Fourth and Central, which has enjoyed this protection since 1921. Under the management of its president, Pope McAdams, safety features were installed which made it a pioneer among the banks of the United States in this work.

When the South Louisville bank became a member of the First National family Mr. McAdams joined the First National staff as vice-president and it was under his direction that the work was done in the five other branches.

The new branch which was held up twice is located at Preston and Oak Streets and is under the management of George Tepe. The branch which was held up once before it was purchased by the First National and once since, is located in the Portland section of Louisville, at 26th and Bank Streets. The manager is Howard C. Davis.

stay here and do what he told you to do!"—First Wisconsin Teller.

Dale Graham Elected a Director of F. A. A.

Dale Graham, assistant vice-president of the National Park Bank of New York, has been appointed a director of the Financial Advertisers Association. Mr. Graham has been active in financial advertising circles for a good many years, having been advertising manager of the Mississippi Valley Trust Company of St. Louis before going to New York. He has also been interested in the work of the Association, which is composed of the Advertising Managers of the principal banks, trust and investment organizations of the country.

The installation of these protective features, costing some \$15,000, has just been completed. All metal grill work has been replaced by bullet-proof glass 1 1/8 inches thick, all the woodpaneling of the counters has been reinforced with a backing of sheet steel and the space between the top of the fixtures and the ceiling has been covered with a heavy wire netting of close mesh which is almost as impenetrable to bullets as the glass itself. Tellers' windows are covered with the bullet-proof glass down to the level of the counter, under the bottom edge being a sunken tray of metal through which all transactions between teller and customers take place. The arrangement makes it impossible to threaten the teller with a pistol. All inside doors, moreover, are lined with steel and equipped not only with self-locking devices but electric alarm connections as well.

For offensive purposes an automatically-locking porthole is provided through which members of the staff may push the barrel of their weapons and open fire upon their attackers.

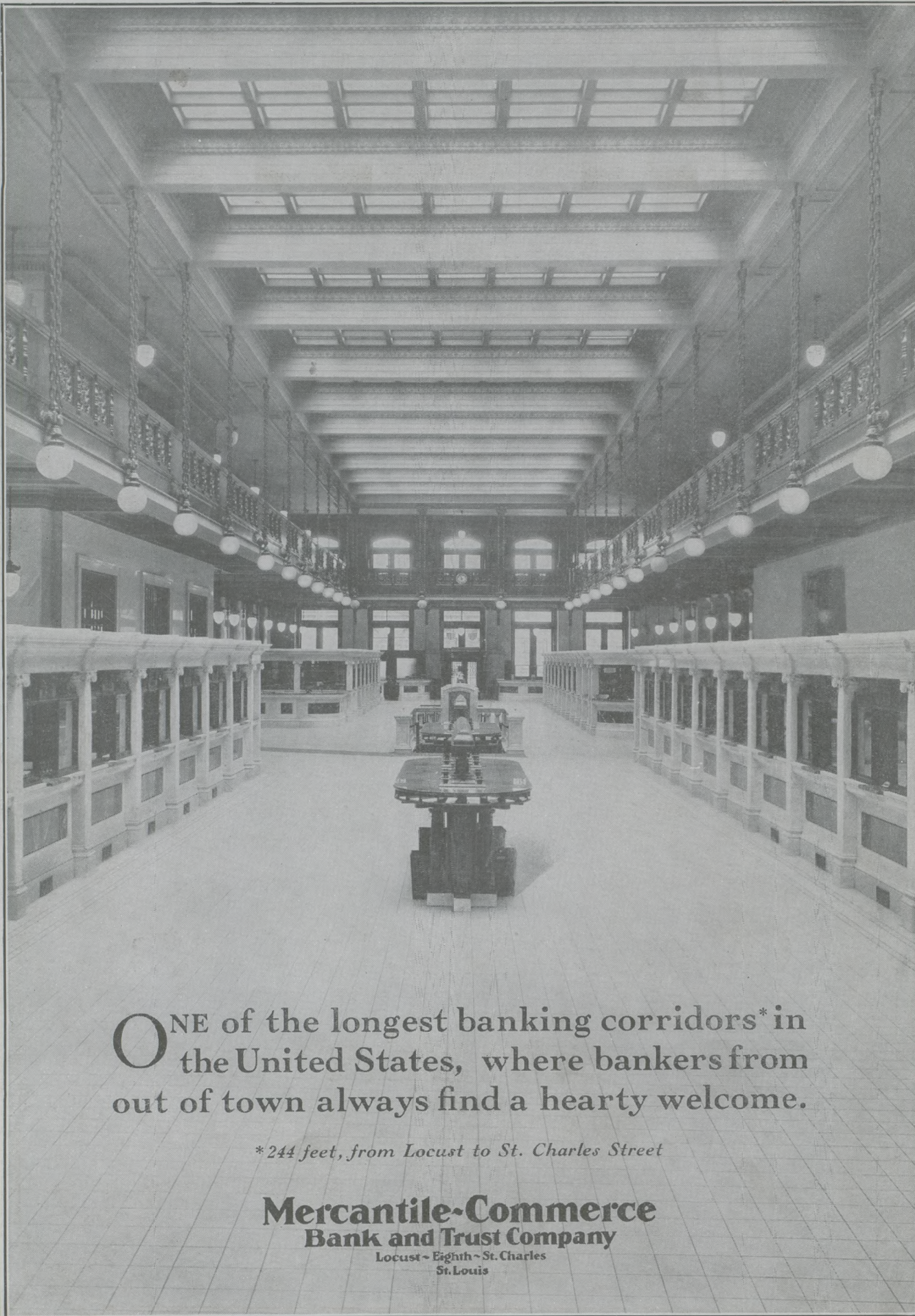
The equipment throughout is as bandit-proof as it is practical to make it, and at the same time the use of the handsomely bronzed netting and the clear glass have added very much to the attractiveness of all the branch interiors.

Besides the three branches mentioned this safety equipment has been installed also in the branches at Shelby and Broadway, Bardstown Road near Douglass Boulevard and the Shawnee Branch at 34th Street and West Broadway.

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