

MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley

▲
ST. LOUIS
SEPTEMBER
1939
▼



(Photo by Donald H. Clark)

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— in **St. Louis**

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ADMITTED ASSETS

Cash in Banks and Trust Companies	\$ 11,912,716.52
United States Government Bonds	10,613,871.00
All other Bonds and Stocks	79,255,824.00
Premiums uncollected, less than 90 days due	9,318,885.22
Accrued Interest	204,759.00
Other Admitted Assets	1,563,697.41
	\$112,869,753.15

LIABILITIES

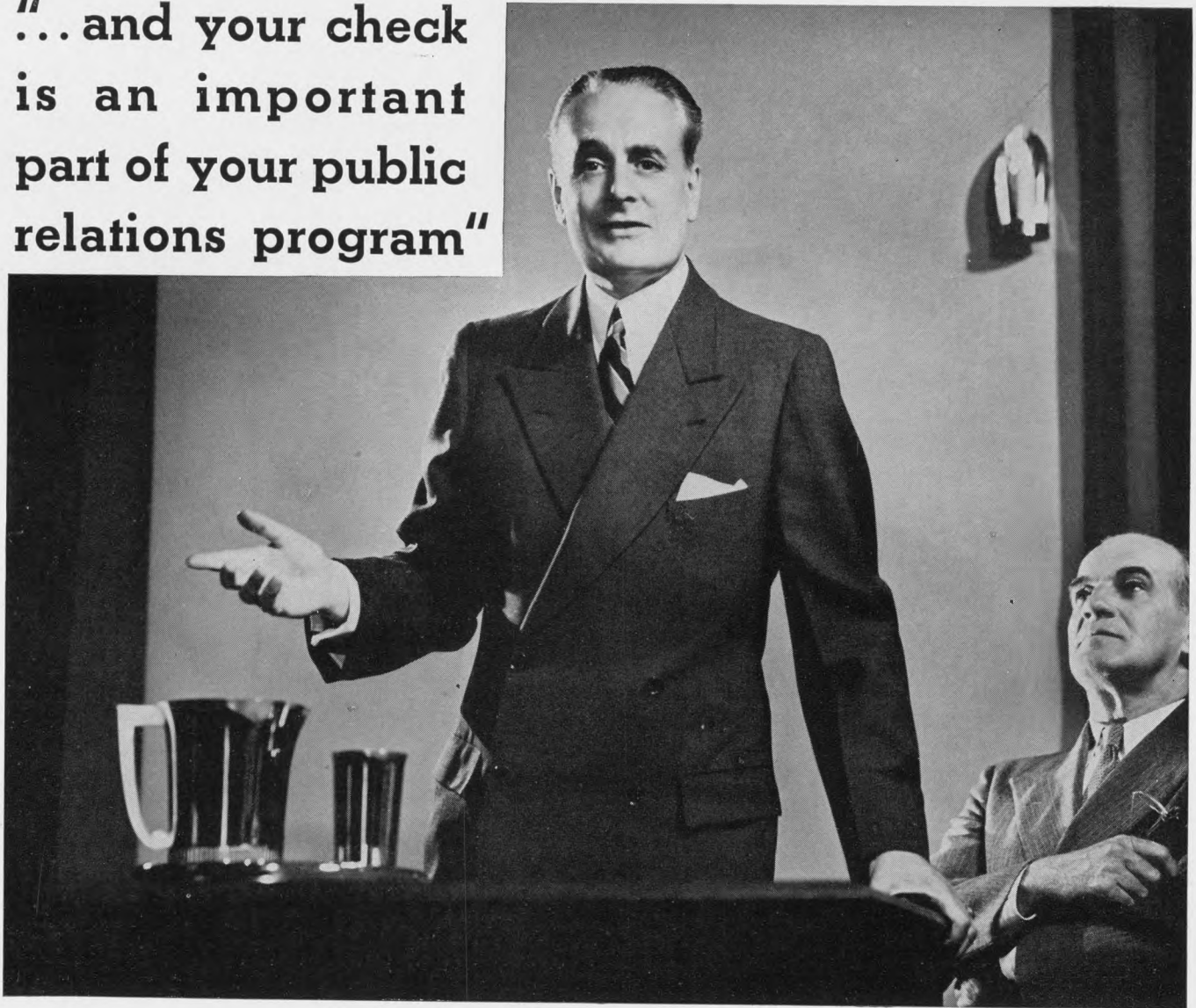
Capital Stock	\$ 15,000,000.00
Reserve for Unearned Premiums	46,616,806.00
Reserve for Losses	4,632,412.00
Reserve for Taxes and Accounts	1,997,695.41
Funds Held under Reinsurance Treaties	61,510.00
NET SURPLUS	44,561,329.74
	\$112,869,753.15

NOTE: In accordance with Insurance Department requirements—

Bonds are valued on amortized basis. Insurance stocks of affiliated companies are carried on basis of pro-rata share of Capital and Surplus. All other securities at Market valuations. Securities carried at \$3,100,267.00 and cash \$50,000.00 in the above Statement are deposited as required by various regulatory authorities.

FIRE—AUTOMOBILE—MARINE and ALLIED LINES OF INSURANCE
Strength « » Reputation « » Service

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Whenever Public Relations are discussed at Conventions, authorities invariably stress the value of checks as "Ambassadors of Good Will" — because they are constantly passing through the hands of your customers and are frequently seen by those whose business you seek. » » » » How important, then, to have your checks

attractively designed on safety paper which will reflect the prestige and standing of your institution. » » » » La Monte Safety Papers are distinctive in appearance, present an excellent writing surface and are widely accepted as "the standard of protection" for checks and other banking forms.

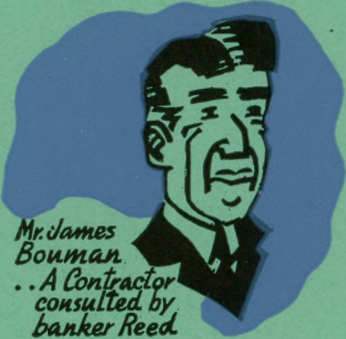
From coast to coast, La Monte Safety Papers are the choice of outstanding business institutions, including more than 75% of the nation's largest banks.



GEORGE LA MONTE & SON
Nutley New Jersey

The STRANGE CASE OF BANKER REED

With the full approval of his board of directors, Banker Reed called in a number of architects for consultation about enlarging and modernizing his bank building.



*Mr. James
Bouman.
..A Contractor
consulted by
banker Reed*

Each one submitted a suggestion, a design was chosen, and turned over to several contractors in turn, for bids. The work was then awarded in five places, one contractor handling the

marble and stone work, another the bronze front door, and another the general construction. A fourth company was called

*Interior of club where
banker Reed was seen at lunch*



in for interior decorating, a fifth for equipment, and thus the job was completed.



*Patricia Bouman
daughter of contractor
Bouman.*

At noon on the day of completion Banker Reed was observed at his club, as usual, where he ordered lunch consisting of a cup of soup, a fruit salad, and black coffee. Lunch

finished, he signed the check, tipped the waiter, and started back to the new bank.

(now the next page, please)

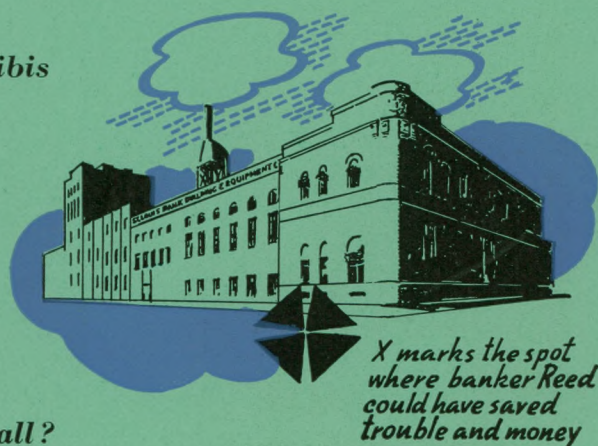
And now for the strange part, the inconsistency of Banker Reed. He ordered three courses of his lunch at one place, paid one profit and left one tip, which was logical.



Route taken by banker Reed between new bank and lunch

Why then in the much greater transaction, involving so much more capital, did he deal with so many people and companies, pay so many profits, go through much more trouble than he would have in eating his lunch at three places, and finish with an assembled bank, the product of many people instead of the masterpiece of one experienced company?

*Conclusion: The answer, of course, is our Single Contract. A product of 25 years' experience in building and remodeling more than a thousand banks, it covers everything from preliminary plan to finished job. Architectural, engineering, contracting, decorating, equipping service is all included, and the result is a coordinated ensemble, no alibis necessary, and most important — one profit paid to one company. In addition, we'll quote a price for the complete job and **GUARANTEE NOT TO EXCEED IT.** May we call?*



ST. LOUIS BANK BUILDING & EQUIPMENT CO.
9th & SIDNEY **ST. LOUIS**

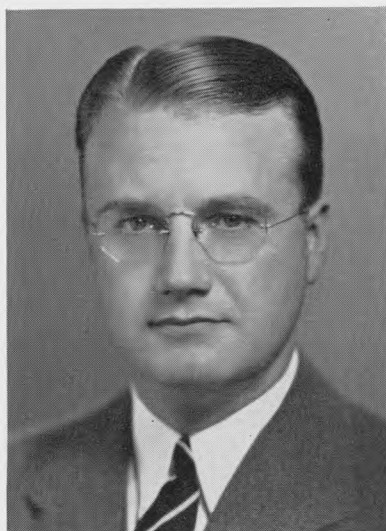
Convention Calendar

- Delaware:** Sept. 8, Hotel Henlopen, Rehoboth.
- Kentucky:** Oct. 17-19, Brown Hotel, Louisville.
- Nebraska:** October 23-24, Fontenelle Hotel, Omaha.

General Conventions

- Sept. 11-14:** Financial Advertisers Association, Toronto, Canada.
- Sept. 19-20:** Regional Trust Conference of the Pacific Coast and Rocky Mountain States, Los Angeles, Calif.
- Sept. 20-22:** National Association of Supervisors of State Banks, Salt Lake City, Utah.
- Sept. 21-23:** Association of Bank Women, Seattle, Wash.
- Sept. 25-28:** American Bankers Association, Seattle, Wash.
- Sept. 28-30:** National Association of Bank Auditors and Comptrollers, Seattle, Wash.
- Oct. 9-11:** Morris Plan Bankers Association, Westchester Country Club, Rye, N. Y.
- Oct. 26-27:** Mid-Continent Trust Conference of the A. B. A., Stevens Hotel, Chicago.
- Dec. 7-8:** A.B.A. Regional Conference, Richmond, Va.
- Jan. 11-12:** A.B.A. Regional Conference, Denver, Colo.

Arnold Johnson Promoted by Chicago Bank



ARNOLD M. JOHNSON

Mr. Johnson, who has attended a number of conventions as a representative of the correspondent bank division of the City National Bank and Trust Company, Chicago, and is well known to many readers of the *Mid-Continent Banker*, has been elected an assistant vice president of the bank.

Mid-Continent Banker

THE FINANCIAL MAGAZINE OF THE MISSISSIPPI VALLEY

Vol. 35 No. 9

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*Member Federal Deposit
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*84 Years of
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SEATTLE, Host City to the A.B.A. Anticipates a Successful Convention

Attend every session of the convention, but before you go home, do not deny yourself the pleasure of seeing the Evergreen Country.

SEATTLE bankers and officers of the American Bankers Association are sparing no effort to make the "Parade of Banking Progress" to be held in Seattle, September 25-29, the most outstanding national convention of the 65 staged to date.

No slaves to tradition, the committees this year, headed by Andrew Price, president, National Bank of Commerce, Seattle, and chairman of the general convention committee, have introduced several new notes in the convention program.

Perhaps the most popular idea, at least so far as the committee members themselves are concerned, was the selection of a "Miss Banking Progress on Parade" in the person of attractive Miss Ada Jane Nicholson. While C. A. Philbrick, vice president, Seattle-First National Bank, and chairman of the information committee, originated the idea of a theme girl, when committee heads drew lots to see to which group she would be permanently assigned, the honor went to the music committee headed by George Greenwood, president of the Pacific National Bank, Seattle.

The scheduling of a full day mid-

convention cruise on two crack Canadian Pacific steamships up to Vancouver, British Columbia, will provide a pleasant break from the routine of convention sessions. Never before have bankers had an entire day devoted to such an excursion during an A.B.A. convention.

Another innovation in the convention proceedings this year will be the two afternoons devoted to round table discussions with well-known bankers presiding. The usual meetings of the Association's four divisions, National Bank Division, State Bank Division, Savings Division, and Trust Division, in addition to the meetings of the various commissions, committees, and sections will be held. Wednesday evening, September 27, a constructive customer relations clinic is scheduled.

The convention program will include, not only leaders in the world of banking, but figures of nationwide importance in government and business.

Governmental representatives at the convention will include such men as Jesse Jones, Federal Loan Administrator; J. W. Hanes, under-secretary of the Treasury; Leo T. Crowley, chair-

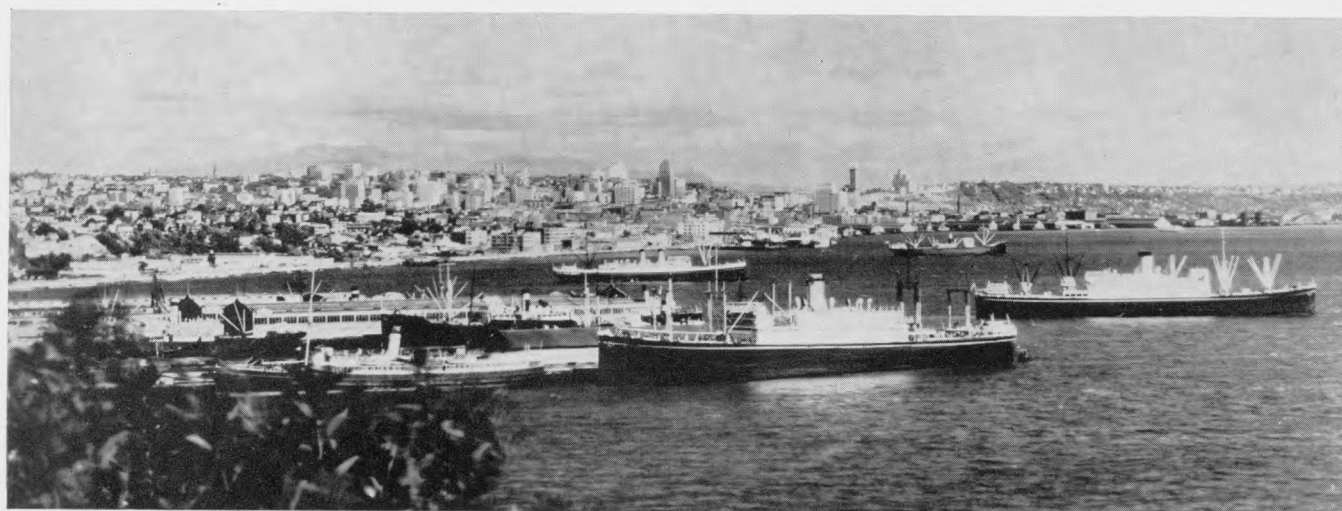
man, Federal Deposit Insurance Corporation; Preston Delano, Comptroller of the Currency; Ronald Ransom, vice chairman of the board of governors of the Federal Reserve System; and John K. McKee, member of the board of governors of the Federal Reserve System.

Senator Pat Harrison of Mississippi will discuss Federal fiscal policies at the general session Wednesday morning.

Other leading addresses will be by H. Donald Campbell, president, Chase National Bank, New York, on "The Future of the Metropolitan Bank"; by Dr. Bruce R. Baxter, president, Willamette University, on "Courage for Tomorrow"; and by E. L. Pearce, executive vice president, Union National Bank, Marquette, Michigan, on "The Future of the Country Bank." President P. A. Benson will preside at all general sessions.

Comptroller Delano and Dr. H. H. Preston, dean of the School of Economics and Business, University of Washington, will speak at the meeting of the National Bank Division.

R. E. Gormley, superintendent of banks, Georgia, and Wood Netherland,



City of Seattle from Magnolia Bluff, showing Smith Cove piers (largest commercial piers in the world) in the foreground and ships of Oriental trade in the harbor.

vice president, Mercantile-Commerce Bank and Trust Company, St. Louis, will speak at the meeting of the State Bank Division.

Fred I. Kent, director, Bankers Trust Company, New York City, will report at the Savings Division session on the meeting of the International Chamber of Commerce at Copenhagen, where he was chairman of the A.B.A. delegation. P. R. Williams, president of the division, will speak on meeting potential competition with banks in the savings business under proposed federal legislation.

Ten prominent bankers, one state and one federal government official have accepted invitations to lead discussions at the four round table conferences. The topics to be discussed at these sessions include "Investment and Mortgages," "Personnel and Operating Problems," "Control of Internal Operations and Earnings," and "Additional Bank Services."

O. Paul Decker, vice president, American National Bank and Trust Company, Chicago; E. A. Wayne, chief bank examiner, South Carolina; and Stewart McDonald, administrator, Federal Housing Administration, will appear on the "Investment and Mortgages" forum at which Raymond R. Frazier, chairman of the board, Washington Mutual Savings Bank, Seattle, will preside.

R. A. Ilg, vice president, National Shawmut Bank, Boston; J. J. Gard, cashier, United States National Bank, Portland, Oregon; and Claude L. Stout, executive vice president and cashier, Poudre Valley National Bank, Fort Collins, Colorado, will lead the discussion on "Personnel and Operating Problems," with E. V. Krick, vice president, American Trust Company, San Francisco, presiding.

W. L. Dean, president, Merchants National Bank, Topeka, Kansas, will

be chairman of the round table on "Control of Internal Operations and Earnings." Speakers will be J. L. Dart, vice president, Florida National Bank, Jacksonville; R. C. Tait, assistant trust officer, Genesee Valley Trust Company, Rochester, New York; and K. C. Bell, Chase National Bank, New York.

"Additional Bank Services" will be discussed by B. H. White, vice president, Liberty Bank, Buffalo, New York; Herbert V. Prochnow, assistant vice president, First National Bank, Chicago; and W. B. Harrison, president, Union National Bank, Wichita, Kansas.

Harry B. Smith, president, American Institute of Banking, and S. N. Pickard will participate in the public relations clinic. At this meeting the Seattle chapter of the A.I.B. will present a customer relations skit and W. R. Kuhns, editor, *Banking*, will show a motion picture, "Money at Work."

Determined that the delegates shall not miss the beauties of Seattle and vicinity, the entertainment committee, headed by Erich Lucas, vice president, National Bank of Commerce, Seattle, has arranged a full schedule, including the boat trip to Vancouver. Other activities include a general reception and cocktail hour; the annual golf tournament, a salmon-fishing derby, a buffet supper and inaugural ball, at which Paul Pendarvis and Archie Loveland and their orchestras will play; a post-convention football game between the University of Pittsburgh and the University of Washington, and a fishing jaunt to Campbell River on Vancouver Island.

Whatever spare time the delegates have will be well-spent visiting the natural wonderland of the evergreen country. Within convenient driving distance are such star attractions as Mount Rainier National Park, Mount Baker National Forest with its inspir-

ing evergreens, the romantic San Juan Island, Olympic National Park, the Cascade Range, and the 85-mile long natural fjord of Hood Canal that penetrates the Olympic Peninsula.

At Bremerton, less than an hour from the convention site, one sees the famed Puget Sound Navy Yard. The canal locks, nearby, are second in size of vessels accommodated only to the Panama Canal.

Another "must" on the program will be the Grand Coulee Dam, the biggest project man has ever tackled.

Sporting enthusiasts will find opportunity to participate in whatever activity they wish. "From sea level to ski level," Washington State advertises itself, and the entire world of sports can be compassed within the two extremes.

In the city of Seattle itself, one will find the famous University of Washington, 43 parks, containing 1,782 acres, eleven public bathing beaches, and twenty-four golf courses. Along its 194 miles of waterfront are located such varying industries as fishing, lumbering, food, meat packing, flour milling, steel, iron and machinery factories—more than 780 establishments with an annual payroll of approximately 19 million dollars.

Nor has the convention committee neglected the wives of the delegates. A special program is being arranged which will include a garden tour, an Oriental tea at Seattle's art museum, which, incidentally, houses one of the world's most valuable collections of jade, and a luncheon at the Sunset Club.

The national conventions of the Association of Bank Women and the National Association of Bank Auditors and Comptrollers also will be held in Seattle at dates immediately preceding and following that of the American Bankers Association.



Looking down on the beautiful Seattle Art Museum, where A.B.A. wives will enjoy an Oriental tea.

Have You Taken Advantage of Revised Bank Forgery Bond Clause?

By G. A. CONNER

Assistant Superintendent, Bank Bond Division
Fidelity and Deposit Company of Maryland
Baltimore, Maryland

THE promulgation of new forgery coverage for banks carrying Bankers Blanket Bonds, Standard Forms Nos. 2 and 8 Revised, by the Surety Association of America makes it important that each and every holder of these forms of bonds carefully review his forgery coverage. The new coverage may be added to either Standard Form No. 2 or No. 8 Revised by rider carrying Insuring Clause D.

Prior to July 10, 1939, the effective date of the promulgation of the new forgery coverage, the Forgery Insuring Clause D had been only available to holders of Bankers Blanket Bond Standard Form No. 8 Revised. Such clause contained the broadest forgery coverage available to banking institutions and covered losses sustained by the insured bank through cashing, paying, establishing credit or giving of any value on the strength of forged, raised or altered instruments listed therein.

Banks carrying Bankers Blanket Bond Standard Form No. 2 were able to purchase the forgery coverages found in two forms of bonds, namely, Bankers Blanket Forgery and Alteration Bond and Bankers Limited Forgery Bond. The Bankers Blanket Forgery and Alteration Bond, in brief, protected the bank against loss through paying certain forged or altered instruments drawn upon such bank and paid out of the account of a depositor thereof, which instruments were forged, raised or altered. This form also protected the insured against loss sustained through cashing or extending credit upon the faith of any checks or drafts when the signature of any depositor of the insured bank as endorser is forged.

The Bankers Limited Forgery Bond served to protect the insured against loss sustained through paying certain instruments drawn by the insured bank upon itself, certain instruments bearing the insured bank's acceptance or certification and certain instruments drawn upon savings accounts in the insured bank.

Prior to July 10, 1939, the holder of Bankers Blanket Bond Standard Form No. 8 Revised with the Forgery Insuring Clause D could purchase additional forgery coverage under a Forgery and Alteration Bond, Supplementary to Standard Form No. 8 Revised. This supplementary bond added to the Forgery Insuring Clause D all the coverages of the Bankers Blanket Forgery and Alteration Bond and the Bankers Limited Forgery Bond which were not already in such clause.

The amended Forgery Insuring Clause D, effective July 10, 1939, af-

Banks, long desiring a revision of the forgery insuring clause, welcome the new clause with its amended rating structure and broadened coverage.

fords holders of Bankers Blanket Bond Standard Form No. 8 Revised broadened coverage over the old forgery insuring clause in that it not only contains all the coverage in the old Forgery and Alteration Bond Supplementary to Standard Form No. 8 Revised, but also adds certain forgery coverages which were not available prior to such date.

For holders of Standard Form No. 2, the new Forgery Insuring Clause D makes available the broadest form of forgery protection which heretofore could only be purchased by a bank carrying Standard Form No. 8 Revised. Many banks in the past which have carried a Standard Form No. 2 have desired to purchase this broad forgery coverage but have had to satisfy themselves with either the Bankers Blanket Forgery and Alteration Bond or the Bankers Limited Forgery Bond. This no longer is true and

holders of either Standard Form No. 2 or Standard Form No. 8 Revised may avail themselves of the revised and broadened Forgery Insuring Clause D.

The new forgery coverage has been made available through the cooperation of the Surety Association of America, the Towner Rating Bureau and the Insurance Committee of the American Bankers Association. All three associations have recognized the need for a revision of the forgery coverage for several years and have been working towards new and broadened coverage rated in a more scientific manner. Since forgery coverage was first incorporated in bankers blanket bonds in 1923, the coverage has been gradually increased in scope up to the present form. There are few banks which do not carry some coverage against loss due to the dishonesty of their employees. It is logical to presume that any bank which feels coverage is necessary against the acts of persons that it employs should necessarily want to protect itself against the acts of persons whom it does not know.

An article in the American Bankers Association *Protective Bulletin* of February, 1939, points out that in 1938 its detective agency investigated 63 hold-ups, 5 burglaries, one sneak theft, one mortgage swindle and 219 forgeries. This article further stated that, besides showing the forgers as the most active of bank crooks, a breakdown of the *modus operandi* employed by forgers reveals that in approximately 90 per cent of all cases the maker's name was forged upon the face of the check.

The advantages of the amended Insuring Clause D over the old Insuring Clause D are two-fold, namely, Rating Structure and Broadened Forgery Coverage.

Rating Structure

The method of computing the charge for Forgery Insuring Clause D prior to July 10, 1939, had been the subject of severe criticism by not only many holders of Standard Form No. 8 Re-

vised but also by insurance agents and brokers. The computation of the premium was based solely upon the number of checking accounts. No regard was given to the size of the bank nor to the size of the bond. These factors were felt to have a direct relationship upon the charge which should be made for forgery coverage. The Towner Rating Bureau, following a comprehensive study of the situation, has revised the rates so that they are now dependent upon three factors, namely, number of checking accounts, amount of insured bank's deposits and amount of coverage carried under Forgery Insuring Clause D. Under the old rating structure the charge for each regular checking account for a bank having more than twenty-five employees was 35c, and for a bank having twenty-five or less employees the charge was 30c. Under the new rating scheme the charges are computed in accordance with the table accompanying this article.

Under this method of rating the insured may take out forgery coverage in an amount less than the total penalty of its bond. This oftentimes is desirable since it is a known fact that the average forgery loss is less than the average dishonesty loss.

Banks are permitted to continue the old Forgery Insuring Clause D in conjunction with Standard Form No. 8 Revised only. Such banks must pay a premium based on the old rates. If the insured has two or more bonds on Standard Form No. 8 Revised, it may not continue the old Insuring Clause D on one form and the new Insuring Clause D on another. Also, those banks continuing old Insuring Clause

D may not continue it in an increased penalty.

Broadened Forgery Coverage

The revised insuring clause includes every feature of the supplementary form with the added coverage, broader in scope than when given separately. In addition, the coverage in the revised Insuring Clause D will be subject to the more liberal conditions and limitations of the Bankers Blanket Bond to which it is attached. The revised text with the new language underscored is given and the changes are described in detail below:

Subdivision 1—through *accepting*, cashing or paying forged or altered checks, *drafts (time, sight or matured)*, *trade acceptances or bankers' acceptances*, or any of said instruments bearing forged endorsements, acceptances or certifications.

Insuring Clause D has covered cashing or paying checks, sight or matured drafts drawn against or payable at or through named banks or at or through clearing houses, trade acceptances and bankers' acceptances qualifying as drafts as hereinbefore mentioned, which are forged or altered or bear forged endorsements (also acceptances or certifications in case of checks).

The word "accepting" has been included in addition to "cashing or paying." In a legal sense, "accepting" is equivalent to "certifying." In addition to embracing "certifying," it is also intended to include the physical taking, receiving or acquiring.

Time drafts have not previously

been specified. The parenthetical phrase "(time, sight or matured)," is included to avoid any question or distinction as between the kind of drafts covered. It is explanatory only and is in no sense restrictive.

Trade acceptances and bankers' acceptances have been freed of many of the qualifications previously surrounding coverage on them given by the supplementary form. The coverage has been amplified to cover these instruments when bearing forged certifications. The term "bankers' acceptances" is used in a double sense. The expression is applied to a draft drawn against a bank in a certain transaction and accepted by it. It is also applied to the act of a bank in accepting a draft drawn against it.

"Warrants" are not named but are included either in the term "drafts" as used in this subsection or as "orders upon public treasuries" in subsection 2 depending on their character.

Subdivision 2—through *accepting*, cashing or paying forged or altered withdrawal orders or receipts for the withdrawal of funds, certificates of deposit, postal, pension, express or bank money orders, or orders upon public treasuries, or any of said instruments bearing forged endorsements.

Insuring Clause D coverage given in this subsection has been extended by adding the word "accepting."

"Warrants" are not named but are included in the term "orders upon public treasuries" in this subsection or as "drafts" in subsection 1, depending on their character.

Subdivision 3—through the establishment of any credit to any customer or the giving of any value on the faith of such checks, drafts, *acceptances*, orders, receipts or certificates.

Insuring Clause D coverage given in this subsection now has the additional word "acceptances." This word refers back to "trade acceptances or bankers' acceptances" in subsection 1.

Subdivision 4—through *transferring or paying any money or funds or establishing any credit on the faith of forged or altered letters of credit*.

Insuring Clause D gave coverage with respect to drafts and to written instructions or advices which might possibly have been construed as applying to letters of credit. This new subsection gives specific coverage on letters of credit for the first time. The

(Continued on page 31)

Rate Schedule Under Revised Forgery Clause

FOR FIRST \$10,000
OF COVERAGE

REGULAR ACCOUNTS:

Group Number	Banks with deposits of	Rate for each regular Checking a/c	Minimum Premium
1	Up to \$ 250,000	15c	\$ 50.00
2	250,001 to 500,000	16c	75.00
3	500,001 to 1,000,000	17c	100.00
4	1,000,001 to 2,000,000	18c	125.00
5	2,000,001 to 5,000,000	21c	150.00
6	5,000,001 to 10,000,000	25c	175.00
7	10,000,001 to 50,000,000	29c	200.00
8	Over 50,000,000	33c	225.00

ADDITIONAL PREMIUM FOR COVERAGE OVER \$10,000:

Add \$5.00 per M for first	\$ 5,000 over \$ 10,000
Add 2.50 per M for next	10,000 over 15,000
Add 1.00 per M for next	75,000 over 25,000
Add .50 per M for next	150,000 over 100,000
Add .25 per M for next	250,000 over 250,000
Add .10 per M for next	500,000 over 500,000

No additional premium charged for coverage in excess of \$1,000,000.

Fine Program at First Tennessee Conference

APPROXIMATELY 120 Tennessee bank officers, directors and employees attended the first Tennessee Bankers Conference held at the University of Tennessee, Knoxville, August 14-18.

The program was designed as a five-day intensive course in banking fundamentals. The school began each morning at 9:00. There were two lectures each morning, two each afternoon, and one in the evening. On Wednesday, however, the bankers played "hookey" and had an outing in the Smoky Mountain Park.

At the conclusion of the conference, an informal commencement program was conducted at which each registrant was given a certificate of attendance. Entertainment throughout the entire week, including the trip to Smoky Mountain Park, was furnished by the Knoxville banks.

O. Paul Decker, vice president, American National Bank and Trust Company, Chicago, opened the five-day session with an address on "Investment Policies." In his talk, Mr. Decker emphasized the need for bank-

ers "to get back into the banking business" by liquidating their tremendous increases in investments accounts "without either bankrupting themselves or helping to bankrupt the banking system as a whole when they sell their securities."

Also speaking on the first day's program was H. L. Welch, vice president and credit manager, First National Bank, St. Louis, who talked on the subject, "Credit Administration," emphasizing the possibilities of consumer credit and installment loans.

Expanding on the discussion of consumer credit and installment loans, R. F. Longinotti, vice president of Union Planters National Bank and Trust Company, Memphis, outlined some of the problems banks must face in organizing a personal loan department.

"It is worth the banker's best thought to make sure that he meets the requirements of sound principles before he sets in motion a plan to operate a small loan department," Mr. Longinotti advised. "Further, he may well profit by making sure that he can ob-

tain sufficient volume in his city to carry the overhead expense that in the long run cannot possibly be avoided if he is going to have a successful department."

Mr. Longinotti told bankers to keep the following five principles in mind in planning their program:

"1. Retail and consumers' credit viewpoint as contrasted with the commercial viewpoint.

"2. Sufficient and properly kept records to hold down clerical expense.

"3. Seriously considering the volume problem.

"4. Sufficient diversification in the types of loans made to maintain a volume at a reasonably steady level.

"5. A diligent collection method."

Other speakers at the conference included J. W. Speas, vice president, First National Bank, Atlanta; C. W. Bailey, president, First National Bank, Clarksville; Phil S. Hanna, editor, *Chicago Journal of Commerce*; Wallace M. Davis, vice president, Citizens Union National Bank, Louisville; J. Fred Essary, Washington correspondent,

(Continued on page 33)

Arkansas Bankers Hold Second Annual Seminar

APPROXIMATELY 135 bankers attended the second annual Arkansas Bankers Seminar, sponsored by the state bankers association, the School of Business Administration of the University of Arkansas, and the State Banking Commission. The conference was held the week of August 7-11 on the state university campus at Fayetteville.

Among the topics discussed at the seminar were the Arkansas Highway Bond Refunding and the Investment Status of Arkansas Bonds; Expanding the Bank's Loans and Policies on Local Loans; Bank Earnings; Management of the Bank's Investment Portfolio; the Situation of United States Government Bond Market; Relationships of Arkansas Banking to the Public, Employees and Governmental Agencies; Government Control of Banking; Banking and the Business Cycle; and the Business and Financial Outlook.

The program was arranged this year to permit more round-table discussions. School sessions were conducted in the morning and evening with the afternoons open for study, conferences, and trips. A feature of the conference was

a golf tournament Thursday afternoon, August 11, followed by dinner and dance at the Country Club.

Speaking on the government bond market, Falkner C. Broach, vice president, National Bank of Tulsa, Tulsa, Oklahoma, stated it was his opinion that the continued imports of gold were responsible for the present low yields on bonds.

The conclusion that Mr. Broach drew from the facts as he saw them was that "prospects are for a continuation of cheap money, subject to the qualification that the outbreak of war probably would so disrupt our economy as to upset completely the money market, as well as all other markets."

In discussing the topic, "Bank Earnings from Sources Other Than Interest Income," C. F. Knox, cashier, Union National Bank, Springfield, Missouri, declared that "banking services are indispensable to the public, and the public will pay for them if we have the courage to ask them to do so and the intelligence to convince them that they should."

In order to accomplish this, "we must first analyze what it costs us to

perform a service and then employ salesmanship and sell our services to the public on its merits," he said.

F. Lee Major, vice president, Boatmen's National Bank, St. Louis, told bankers to recognize that they are facing competition that never existed before. In fact, Mr. Major recommended that banks study the methods used by other lending agencies, adapt to their own use ideas that are practical and aggressively solicit new loans. Surveys of the possibilities of agricultural loans and loans on life insurance policies were advised.

Other speakers at the conference were W. A. McDonnell, president of the Arkansas Bankers Association; G. S. Jernigan, State Bank Commissioner of Arkansas; R. H. Dickenhorst, president, First State Bank, Morrilton; W. L. Gregory, vice president and cashier, Plaza Bank, St. Louis; Dr. C. A. Phillips, dean, College of Commerce, State University of Iowa; Dr. Laurence R. Lunden, editor, *Financial and Investment Review*, Minneapolis; Phillip S. Hanna, editor, *Chicago Journal of Commerce*; W. L. Hemingway, presi-

(Continued on page 37)

Can You Answer These Ten Legal Questions?

By **CHARLES H. WAGER**, Attorney at Law, St. Louis

1 Kidder, a Tennessee banker, sold MacMillan an automobile under a conditional sales contract that provided that the purchaser should pay for the car in installments. When the car was about one-half paid for MacMillan wrecked it and thereafter told Kidder to come and get it and protect his interest because he, MacMillan, did not have enough money to pay for fixing the car and did not have enough money to pay the balance due. Kidder took the car and sold it pursuant to the conditions of the conditional sales contract. It happened that when he did this MacMillan was not in default in the payments due under the contract. Later MacMillan started thinking over the matter and decided to sue Kidder for conversion. Could he recover?

2 Sorvista executed in favor of Engels, a Kentucky banker, a mortgage for a specified sum to secure such future advances up to that amount that Engels should make to him. Was such a mortgage good? The mortgage was executed in good faith and there was no statute prohibiting it.

3 A Michigan bank made a loan to Endgage personally of \$5,000. As a part of the transaction he signed a promissory note for that amount and put up some stock as collateral under a pledge agreement that provided it was given to secure the repayment of the \$5,000 and "any other liabilities of the undersigned to the" bank. A corporation in which Endgage was interested in a small way also borrowed some money from the bank and gave it a promissory note which was duly endorsed by Endgage. The note of the corporation was not paid when it fell due and the bank sought to sell the collateral under the pledge agreement to satisfy the corporation note. Could it do so?

4 Marian Greene worked as a clerk in a bank in Kentucky. She met a personable young farmer lad at an ice cream social one evening. They fell in love and were married. One child was born of the union. It later developed they were not suited to each other and Marian sued for a divorce and asked for alimony. Her husband resisted her claim for alimony. She was able to go back to her job at the bank and support herself and he felt that by reason of this no alimony allowance to her should be made. Should she recover alimony?

5 Coyne, a resident of Iowa, died leaving a will in which he bequeathed in one paragraph his property absolutely to the county in which he lived to use in constructing hard-surfaced roads. In a subsequent paragraph the will provided for the appointment of a trust company to manage the property and the use of it for the construction of the roads. Was the subsequent paragraph one to which effect should be given?

6 Clamp executed in favor of Wiser in Texas a negotiable promissory note for \$2,000 that provided that if default were made in its payment and the note was placed in the hands of an attorney for collection Clamp would pay a certain percentage of the amount then due as an attorney's fee. Clamp did not pay on the due date, but he did tender payment before the note was placed in the hands of an attorney for collection. Wiser sought to require him to pay an attorney's fee. Could he do so?

7 Mitchell was indebted to his banker in Minnesota for \$500. He had a personal injury damage claim against Brooke upon which he recovered a \$850 judgment in the trial

Correct answers to these questions will be found on page 56 of this issue.

court. After the judgment was obtained Mitchell assigned it to the banker as security for the \$500 indebtedness but continued the suit in his own name. Brooke appealed the judgment and it was reversed and the court ordered Mitchell to pay the court costs. Mitchell failed to pay these costs and, on his default, Brooke sought to require the banker to pay them. Could the banker be required to pay the costs?

8 A newspaper in Tennessee made certain false and libelous statements about Patterson, a banker there. The statements worried him so that he became ill and died shortly thereafter. His widow sued the paper for damages for wrongfully causing his death. Can she recover?

9 An electric power company sought to condemn a right of way for a power line over a farm in Nebraska belonging to a banker there. In the proceedings was it proper for the jury deciding the damages to be paid to take into consideration in assessing them a possible loss in value resulting from the fact that it might be feared that the power line was dangerous?

10 Graham withdrew \$500 from his savings account in a Missouri bank in 1929 and with it purchased a treasurer's check of the bank. The bank assumed no special obligation in connection with the check and there was no fraud involved. The money became a part of the general assets of the bank. The bank failed before the check was paid and Graham asked that his claim on account of it be allowed as a preferred claim. In doing this he contended that the entry of the check in the bank's separate ledger constituted a constructive segregation of the money required to pay the check and thus gave the check a preferential status. Should Graham's claim be allowed as a preferred claim?

Granted, the Saving of Time Is an Objective!

Wouldn't YOU:

Leave on a midnight train —
rather than wait till morning?

Travel a long distance by plane —
rather than by rail?

Start your journey Saturday night —
rather than Monday morning?

**Boatmen's DAY, NIGHT and
SUNDAY Transit Service takes
full advantage of St. Louis' 24-hour
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*It can enable Your Bank to save valuable time
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Broaden your
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Are Bankers Kidding Themselves?

By J. VAN DYKE NORMAN, JR.

Vice President, First National Bank
Louisville, Kentucky

BANKERS are in unanimous agreement that there never has been a time in our history when bank earnings have been as hard to make as they are today. That is undoubtedly our major concern. However, a look at the record of our banking profession over the recent years as to dividend payments, convinces me that there, too, is a matter for serious thought. As much as we may dislike admitting it, the record proves, that, in this matter at least, we do not know our business.

According to a compilation of figures obtained from the annual reports of the Comptroller of the Currency, during the ten-year period from July 1, 1926, to June 30, 1936, national banks alone paid out in dividends \$855,642,000 more than the net earnings of the banks, after allowing for losses and recoveries. During this decade, dividends totaled \$1,630,358,000 as contrasted with \$774,716,000 net earnings. It is apparent, therefore, that all national banks during this period paid dividends of *more than twice* their entire profits after deducting losses incurred.

This is a rather shocking record. The banker is supposed to represent conservative financial practice, the man to whom the community looks for sound financial advice. As a group we obviously have not managed our own affairs in a way that justifies such a reputation. Why not?

The answer is simply that we have not set aside adequate reserves for losses before declaring dividends. There has been a rough rule of thumb commonly accepted in banking circles that it is proper to pay out 50 per cent of earnings in dividends, retaining the rest in capital funds to provide for growth of business. As we have just seen, the ten-year record of all national banks shows that over 200 per cent of earnings was distributed, and yet, in each of these years, net operating earnings before losses have been well above dividend payments. For the 1927-1936 cycle total dividend payments were only 59 per cent of total net operating earnings, not much above the traditional 50 per cent. It is obvious, therefore, that we must look to inadequate reserves for losses to find the explanation of the extrav-

agance in dividend disbursements which was undoubtedly a prime factor in bringing about many bank failures.

Both bond account and loan account contributed substantial losses over the 1927-36 period. The record shows that for this period all National banks had a net loss realized on bonds and securities of 0.43 per cent of the average annual investment in bonds and securities, including U. S. Governments.

Sound banking means a conservative policy in regard to dividend payments. No longer can a rule of thumb practice be observed, but a policy based upon an accurate study of each individual bank's record in regard to losses and earnings must be instituted.

The average interest rate earned on bonds and securities over the period was 3.71 per cent. The average principal loss was, therefore, over 10 per cent of interest earned.

The loan account shows a similar record. During the same period net loss on loans for all national banks was 1.35 per cent of the average investment therein, while interest earned on the loan portfolio averaged 5.58 per cent. Thus average net losses in the loan account were just under 25 per cent of interest earned.

So much for the record. What can be learned from it that will help us in shaping dividend policies today?

All of what I shall have to write on this point is based upon the assumption of adequate capital funds. A bank must, of course, have sufficient capital, surplus, and undivided profits to support its volume of deposits before any dividend payment at all can be con-

sidered. Unless this is the case, all earnings must obviously be accumulated to augment the cushion upon which the loan and investment account rests. The discussion, therefore, assumes that capital funds are adequate in the light of all factors, including character and stability of deposits, and character and proportions of the loan and investment accounts.

The first thing we can learn from our history of operating results and dividend payments is that each bank must study the record of its own past experience in respect to losses on loans and investments, as well as the average record of banks in the nation, to get some idea of what should be placed in the reserve account in order to be reasonably sure of taking care of losses. Not until this requirement is met can a sound dividend policy be formulated. How many bankers, I wonder, would like to set aside in reserves for losses, in addition to all profits taken on bonds and recoveries on loans, 10 per cent of all interest received on bonds and 25 per cent of all interest received on loans?

To most of us, I'm sure, this would seem very drastic. Undoubtedly it is overly drastic in many individual cases. But the record seems to place the burden of proof on each bank to show that it is too drastic in its particular case. In other words, unless the officers of a bank can show from the record a performance in preventing losses over a period of time superior to the average of all banks, how can they be justified in following any less conservative reserve policy than that which we have seen would have been necessary to bring all national banks out whole over the period of a business cycle? The experience of a bank over a business cycle is perhaps the best guide as to what reserve policies are necessary for it. Such experience provides the best test of competency of management, and is, as Patrick Henry said, the only lamp by which our feet may be guided.

The position of a bank director is, as events of the past ten years have proved, a very responsible and not an easy one. Is it fair to a board of directors to charge them with the responsibility of declaring dividends without having available a study of

the record as to losses which will enable them to feel reasonably sure that the apparent earnings are really available for dividends? I believe if I were a bank director I should require such a study to be made in my bank. Even if the directors do not make this requirement, it would seem clearly a part of the duties of the officers of the bank to support their earnings statement with a demonstration from the record that their reserve policies are adequate.

There are, of course, numerous other factors entering into the determination of reserves and dividend policy besides the one of historical performance. This is true with reference to reserves for losses on both bonds and loans, but particularly on bonds. The reserve reasonably necessary to protect a bond account will vary with the make-up of the account. It is obvious, for example, that government bonds require less reserve than corporation bonds, that short maturities will have less price fluctuation than long maturities, and that high-grade municipal and corporate bonds need less reserve than low-grade ones. Mr. J. Harvie Wilkinson, in his valuable book "Investment Policies for Commercial Banks," discusses the question of investment account reserves, and prescribes what seems to be an overly conservative course. He argues that, since the Standard Statistics average of 45 high-grade corporate bonds declined by 25 per cent from 1928 to the bottom of the great depression, and since the average of all listed bonds dropped 40 per cent, a reserve of 25 per cent against the investment account should be provided in order to maintain capital unimpaired under all eventualities.

I feel that a reserve of this size is unnecessarily large in the average case. The accumulation of a reserve against losses in the loan account is not predicated upon the need for a cushion big enough to absorb all losses on loans in the event that the entire loan account had to be liquidated at once, but is rather designed to take care of losses as they are realized in the course of continuous operation of the bank. It would seem that under modern banking conditions this theory is reasonable, and that the investment account is likewise to be regarded as a continuing operation. If so, the reserve against the investment account should be designed primarily to cover losses as they are realized through sale or default of bonds, rather than to cover all conceivable price fluctuations. The best protection against the latter is rather to limit the size of the investment account to a conservative ratio to capital funds, and

to maintain investment quality with all possible vigilance.

In 1938 the first general ruling by supervisory authorities dealing with reserves in the investment account was issued. This took the form of a statement in the revised rules for bank examination procedure announced jointly by the four supervisory agencies as follows: "Until losses have been written off and adequate reserves established, the use of profits from the sale of securities for any purpose other than these will not be approved."

This is fine as far as it goes, but how far does it go? What constitutes "adequate" reserves in the meaning of the regulations? I have as yet seen no

How Bank Examiners Work

One of our St. Louis friends is telling the story of the bank examiner who was sent to examine a bank in a small town.

The examiner walked into the bank and was amazed when he found no customers in the lobby, no officers at desks, and no tellers behind the cages.

The examiner scuffed his feet on the floor, cleared his throat and made other noises to attract attention, but still no officers or tellers appeared on the scene. He could see the money piled up behind the tellers' windows and the open vault door and cash safe, so he decided to investigate. He walked through a door and around behind the tellers' cages and after taking a few steps down a short hall, he came to an open door and looked in.

He had discovered the directors' room, and there, seated around the directors' table, he saw the board chairman, president, cashier, vice president and assistant cashier. They had their sleeves rolled up and were playing poker.

When they noticed his presence, one of them asked, "What do you want?"

"Why, I am the bank examiner," he replied.

"So what?" they asked.

"I came to examine the bank," said the examiner.

"Well, help yourself," said the officers, "We're busy."

Whereupon the examiner retired from the scene. He was considerably flustered and didn't know what to do to get the attention he wanted.

Then suddenly he spied a button labeled "BURGLAR ALARM."

"I'll fix them," said the examiner to himself as he punched the burglar alarm button. "I'll bet something happens now."

It did! In less than a minute the front door flew open and in rushed the barkeeper from the saloon next door with five cold steins of beer.

light thrown on this point by anyone connected with the various supervisory authorities, and I have found that the examiners I have talked to have been very noncommittal indeed on the subject. If it means that a bank whose bond account does not actually show a loss in appraised value from book value can go ahead and put profits taken on the sale of securities into undivided profits, then I say it does not go far enough. We have seen that for the banking system as a whole, security profits are illusory. Is it not then sheer folly to take security profits into the undivided profits account? This has been done by a good many banks, including some of the largest, even in the last two or three years, when it might be hoped a more enlightened attitude would prevail.

In summary, it would appear that there is no official definition of what constitutes an adequate reserve for losses. The figures contained herein are an attempt to show what actually would have been adequate historically. These figures, of course, apply to the banking system as a whole, and I am not attempting to prescribe a standard of adequate reserve policy for each individual bank. Because of the wide difference in individual situations I don't believe there is any such thing. But—and this is the important point—each of us can determine from our own records what would have been adequate for our bank. We have seen that over a ten-year period all national banks realized losses of 10 per cent of interest received on bonds and 25 per cent of interest on loans. Unless you can prove a better record than the average, you cannot justify any less conservative reserve policy than this.

✓ Manufacturers Trust Company,

New York, is distributing a pamphlet "Revenue Act of 1939 With Explanations," which contains the text of the new bill recently signed by the President, together with a summary of its important provisions and explanatory tables.

✓ Friends of Marvin E. Holderness,

vice president of the First National Bank, St. Louis, and leading candidate for next treasurer of the American Bankers Association, are well pleased with the favorable response to their efforts in his behalf. Reports from various sections of the country indicate a strong and unwavering support of his candidacy, which he permitted to be announced at the close of the Boston convention nearly two years ago.

The Really Important Thing About
THE NATIONAL CITY BANK OF NEW YORK

EACH month this Bank publishes a *House Organ. Its pages are filled with news and pictures of the men and women who operate The National City Bank of New York. It tells about their promotions, their hobbies, their engagements and marriages. It pictures their babies, their fishing trips, picnics, games and parties.

Why Do We Mention This?

To remind you that a bank is not a cold, formidable institution—a place of steel, bronze, marble and armed guards. Those details bear about the same relation to a bank that the walls of a house do to a happy home.

The heart of this Bank and the really important thing about it, are its 10,000 loyal, friendly, warm-hearted men and women—each of them genuinely anxious to please and give service to every one of our customers.



Established 1812

*National City has been built through five wars
 and thirteen major depressions—*

Working *with and through* our Correspondent Banks, The National City Bank of New York since 1812 has served continuously not only the world's largest businesses but hundreds of thousands of small businesses and individuals.

**Branches, Affiliates and Correspondent Banks in Every Commercially
 Important City in the World**

Member Federal Deposit Insurance Corporation

* The current issue of our House Organ "Number Eight" will be mailed to you upon request

News of the Banking World

✓ **The Federal Reserve Board** has extended until February 1, 1940, permission for directors of Federal Reserve member banks to continue as directors of not more than one other bank.

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✓ **Before adjournment** last month the Senate authorized its Banking and Currency Committee to conduct an extensive study of the monetary and banking policies of the Federal government. The committee was voted \$25,000 to defray the expenses of the study.

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✓ **Federal Reserve member banks**, both state and national, have until January 1, 1940, to prepare for payment of unemployment compensation taxes, according to an announcement made last month by the Treasury Department, following the passage of the Social Security Act of 1939. The Treasury statement, dated August 12, reads as follows:

"Effective Jan. 1, 1940, both the Title VIII (old age insurance) and unemployment compensation taxes will apply to national banks, State banks which are members of the Federal Reserve System, and certain other Federal and State instrumentalities which are exempted under the old law."

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✓ **Announcement** was made last month by the Home Owners Loan Corporation of a reduction of interest rates on outstanding loans from 5 per cent to 4½ per cent. The reduction closely followed a similar reduction by the Federal Housing Administration. The HOLC estimates that the reduction will save its borrowers about \$6,000,000 annually.

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✓ **The best** in current financial advertising will be on display during the 24th annual convention of the Financial Advertisers Association, to be held in the Royal York Hotel, Toronto, September 11-14. The exhibit, always an outstanding feature of the convention, is expected to produce several hundred panel boards containing advertisements published during 1939. These include samples from every medium such as newspapers, magazines, direct mail, radio, posters, outdoor, car cards, booklets and folders.

✓ **Banks in some states** may observe two Thanksgiving holidays this year. In some states the last Thursday of November already has been set by law or proclamation as Thanksgiving Day. Now if President Roosevelt designates the fourth Thursday in November as Thanksgiving Day it will mean two holidays for banks in some states.

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✓ **Amos B. Foy** has been promoted from assistant vice president to vice president of the Chemical Bank & Trust Company, New York. Mr. Foy handles the Chemical's business in Latin America and the Far East.

Story of the Month

Once upon a time there was a banker who had a son who did not want to go to work in his father's bank when he graduated from college. This particular banker's son wanted to run a gasoline filling station, so his banker father bought a filling station for him.

The boy went to work in a manner that gratified his father and within a few months' time had developed a very nice business at his filling station.

Then one day the boy came to his father and explained that he would like to take a couple of days off and go fishing, but that he did not like to leave the filling station in charge of his assistant.

The banker thought that his son deserved a few days off, but agreed with him that the filling station should not be left in the assistant's hands.

The upshot of the whole thing was that the banker decided to take a couple of days off from his duties at the bank and run the filling station for his son. So the son went fishing and the banker got up early the next morning and went down and opened up the filling station.

Very soon a large automobile pulled into the filling station and the driver stuck his head out and said, "Give me fifteen gallons of gas."

"That's a lot of gasoline," said the banker.

"Yes," replied the driver, "I'm making a long trip—way out to Denver, in fact."

"That is a long trip," the banker replied. Then, before he paused to consider that he was not at the bank, he continued as follows:

"And fifteen gallons is a lot of gas! You couldn't get along with ten, could you?"

✓ **Supporters of Henry Koenke** are confident that he will be elected second vice president of the American Bankers Association at the convention to be held this month in Seattle. Mr. Koenke, who is president of the Security Bank of Ponca City, Oklahoma, and a former Bank Commissioner of Kansas, is the president of the State Bank Division of the A.B.A. and has the endorsement of that group for the office of second vice president of the Association.

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✓ **Total resources** of the National Stock Yards National Bank, National Stock Yards, Illinois, passed the \$40,000,000 mark for the first time last month. The bank has had an exceptional growth in recent years. Ten years ago deposits were \$10,360,000 and today deposits are approximately \$37,000,000. Ten years ago the bank's combined capital, surplus and undivided profits amounted to \$960,000, whereas today the total is more than \$2,390,000. The bank serves as correspondent for more than 600 interior banks.

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✓ **Bankers** are again being warned to watch the endorsements on the large number of government checks which are presented for cash or deposit. The Government reserves the right to come back on the endorser at most any time—sometimes months later.

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✓ **Comptroller Delano** announced last month that deposits of all national banks were higher on June 30, 1939, than they have been on any previous call date in the history of the National Banking System. Deposits of all national banks on June 30, 1939, aggregated \$29,469,469,000. This was \$2,653,575,000 more than the deposits of all national banks on June 30, 1938.

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✓ **The FDIC** announced last month that it had paid out \$64,000,000 to depositors of 48 insolvent or unsound banks during the first half of 1939. This is the largest six months' outlay since government insurance of bank deposits went into effect in 1934. Despite this unprecedented expenditure, the surplus of the FDIC increased during the first six months of this year, amounting to \$135,182,610 as of June 30.

✓ **Refutation of the argument** advanced in some quarters that the failure of loans to expand is due to excessive caution on the part of the banks, and that business recovery is being impeded by the refusal of the banks to meet the legitimate credit requirements of commerce and industry, is made by the Guaranty Trust Company, New York, in the current issue of the Guaranty Survey. The persistence of this notion in the face of all the evidence to the contrary, the bank states, is impossible to understand.

"The failure of credit to expand is attributable not to the inadequacy of the present financial system," according to the Survey, "but to the burdens and restrictions on business concerns that have, in many cases, made the outlook for profits too uncertain to attract capital into productive investments. Business obviously will not borrow unless there is a good prospect of earning interest charges on the borrowed funds, with something left over. Banks cannot lend except to businesses whose credit standing and earnings prospects make it reasonably certain that the loans will be repaid."

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✓ **A helpful and comprehensive trust program** is to be presented in Chicago when trust officers from sixteen midwestern states convene on October 26-27 for the tenth Mid-Continent Trust Conference to be held at the Stevens Hotel. All trust companies and banks in these states are invited to send representatives to the conference: Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Texas, Wisconsin and Colorado.

Last year when the Mid-Continent Conferences were resumed more than 700 trust men gathered together for a two-day session. Morning and afternoon they discussed mutual problems of trust management, taxation and of investment. It was the general consensus that the program was most helpful to those who attended the sessions. The Committee has arranged an equally attractive series of talks this year.

Trust officers in the Mid-Continent area are urged to "red-pencil" the 26th and 27th of October and plan on attending the conference in Chicago. The General Committee headed by C. Edgar Johnson, assistant cashier, First National Bank, Chicago, has plans for the entertainment of all wives of delegates and a cordial invitation is extended to them.

L. L. McArthur, Jr., vice president, The Northern Trust Company, and

president, The Corporate Fiduciaries Association of Chicago, states: "The complete program for the 10th Mid-Continent Trust Conference will soon be published in the bank magazines of this area and mailed to trust men generally. We are certain the two days devoted to the program will prove to be of lasting value to trust officers in bringing them up-to-date on current trust practice. The discussions of various subjects will give each person something to carry home. We are planning each meeting so that the moderate-sized trust department will be sure to profit greatly from the two-day sessions."

□ **A. L. Lathrop**, vice president of the Union Bank & Trust Co., Los Angeles, is receiving the active support of the Independent Bankers Association of the Twelfth Federal Reserve District for the office of second vice president of the American Bankers Association, subject to the election to be held in Seattle this month. Mr. Lathrop has been active in the affairs of the California Bankers Association and the American Bankers Association for several years. He is at present a member of the executive committee of the Trust Division of the A.B.A.

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OUR recently installed Western Union Teleprinter affords continuous private wire service from St. Louis to the offices of our own correspondents in New York and Chicago.

These facilities, together with our representatives in San Francisco and Kansas City, enable us to offer you current market quotations at all times on U. S. Government, Government Agency and Municipal securities. We invite you to make use of this service when interested in the purchase or sale of such securities.

Bond Department

MERCANTILE-COMMERCE

Bank and Trust Company

SAINT LOUIS

NEW YORK

CHICAGO

KANSAS CITY

SAN FRANCISCO

What About Our Livestock Markets?

LAST month, L. B. Mann of the United States Farm Credit Administration made the statement that the livestock markets of the country were in a "state of confusion as great as has existed at any time in the past twenty-five years."

"A major trouble is that the market is split into a multiplicity of markets, most of which are not true price-registering markets at all," said Mr. Mann. "It is a highly serious situation, but the average farmer does not realize it. By supporting the various local markets, most of them nothing more than cross-roads auctions, livestock farmers are wrecking the machinery of economical marketing."

All bankers interested in the livestock industry should realize, as does

One of the banker's most important lending fields is jeopardized when competition deserts the central livestock markets.

Mr. Mann, that competition scattered forty ways is not effectual. One of the banker's most important lending fields is jeopardized when competition deserts the central livestock markets.

Selling must be centralized to centralize demand and produce competition.

We sometimes forget what competition means, but here is an example:

Last month at the Kansas City Stock Yards a Nebraska feeder offered a car load of good fat steers. The first bidder offered \$9.50, the second bidder offered \$9.60, and a third bidder raised to \$9.75. As is the custom, the first bidder was given a chance to raise his bid before the steers were sold and he finally bought them at \$9.85. Thus the first bidder bought at 35 cents above his first offer and would have paid just that much less if the price had not been forced up by competition. Thirty-five cents per hundred pounds on a car load of 1,200 pounds steers amounts to a lot of money.

Program for Texas Bank Conference

THE program of the first Educational Conference, sponsored by the Texas Bankers Association in cooperation with the School of Business Administration, the University of Texas, Austin, promises to be very worthwhile to bankers in attendance. The conference, which will be held on the university campus, opens Monday morning, September 4, and continues through to Thursday evening, September 7.

President Dan E. Lydick and the Conference Committee, including J. Lewell Lafferty, Fort Worth, chairman; W. J. Evans, Dallas; John M. Griffith, Taylor; and Frank Barney, San Angelo, have arranged a very comprehensive program grouped under five general divisions. They are loans, investments, business developments, bank costs, and special topics. An hour of each day will be devoted to the discussion of each topic. The three evening sessions will each feature two speakers of national prominence. Following lectures, addresses, featured orations, there will be discussion by those in attendance. Accommodations have been provided for 392 delegates.

The program includes the following speakers and addresses:

Monday, September 4: "Functions of Banks in a Changing Agriculture," Frank P. Holland, Jr., editor and publisher, *Farm and Ranch*, Dallas; "The Formation of an Investment Program," Dr. H. C.

Sauvain, professor of finance, Indiana University, Bloomington; "Fostering a Right Public Attitude Toward Banks and Banking," R. L. Mullins, president, Wolfe City National Bank, Wolfe City; "Operating Problems," Lyall Barnhart, comptroller, First National Bank and Trust Company, Oklahoma City; "Field Warehousing," Dr. John H. Frederick, professor of transportation and industry, School of Business Administration, University of Texas, Austin; featured addresses by Alex. Wall, secretary-treasurer, Robert Morris Associates, Philadelphia; and Hon. Leo T. Crowley, chairman, Board of Directors, Federal Deposit Insurance Corporation, Washington.

Tuesday, September 5: "Consumer Loans," W. N. Greer, vice president, Citizens State Bank, Houston; "U. S. Government Securities," J. V. Norman, vice president, First National Bank, Louisville, Kentucky; "Human Values as Non-Ledger Assets," Dunlap C. Clark, president, American National Bank, Kalamazoo, Michigan; "Service Charges," M. D. Wolverton, president, Waggoner National Bank, Vernon; "Future Bank Management," Dr. James C. Dolley, professor of banking, School of Business Administration, University of Texas; featured addresses by E. B. Stroud, first vice president and general counsel, Federal Reserve Bank, Dallas; and Dr. Homer P. Rainey, president, University of Texas.

Wednesday, September 6: "Term Loans," Dr. Watrous H. Irons, assistant professor of business administration, University of Texas; "State and Municipal Securities," I. A. Long, vice president, Mercantile-Commerce Bank and Trust Company, St. Louis; "Relations of Loan Policy to Business Development Program," Guy Draper, president, First National Bank, Temple; "Analysis of Ac-

counts," C. R. Spearman, assistant vice president, National Bank of Commerce, San Antonio; "What Does a Country Bank Expect of Its City Correspondent?" Eugene Fish, vice president and cashier, Royall National Bank, Palestine; featured addresses by Hon. Chester C. Davis, Board of Governors, Federal Reserve System, Washington; and Dr. Thomas W. Currie, president, Austin Presbyterian Seminary, Austin.

Thursday, September 7: "Credit Analysis as a Road to Higher Profits," D. E. Blackburn, vice president, Victoria Bank and Trust Company, Victoria; "Problems Confronting Investment Accounts of Banks," N. Suttle Roberts, president, State National Bank, Corsicana; "Programs that Merchandise Bank Services," L. E. Townsend, assistant vice president, Bank of America National Trust and Savings Association, San Francisco; "Preparation of Income Tax Returns," Y. D. Harrison, accountant, First National Bank Building, Fort Worth; "Interest Rates and the Valuation of Income Real Estate," Dr. E. Karl McGinnis, professor of business law and real estate, University of Texas.

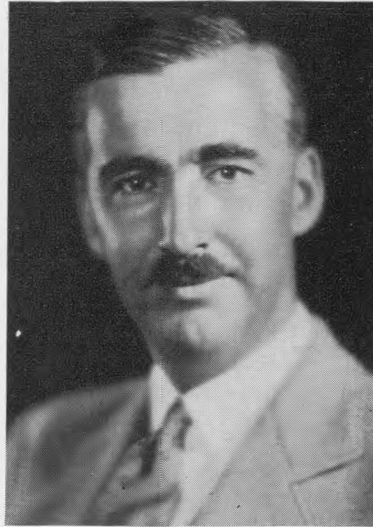
Discussion leaders for the five divisions are: Loans, W. A. Kirkland, vice president, First National Bank, Houston; Investments, R. H. Rebele, assistant vice president, Wells Fargo Bank and Union Trust Company, San Francisco; Business Development, G. O. Everett, president, Financial Advertisers Association, assistant vice president, First Citizens Bank and Trust Company, Utica, New York; Bank Costs, J. K. Fleming, auditor, National Bank of Commerce, Houston; Special Topics, Dr. James C. Dolley. Dr. J. Anderson Fitzgerald, dean, School of Business Administration, University of Texas, will preside at the evening sessions.

I.B.A. Group Meetings This Month

"THE Relation of the Bank to the Community" might well be the theme for the Illinois Bankers Association group meetings to be held this month, as special attention is being given this year to the public relations program of the bank.

At each of the group meetings Ray M. Cook, president, First National Bank, Zeigler, and chairman of the Committee on Education and Public Relations for the I.B.A., and J. J. Anton, president, First National Bank, Chicago, and president of the I.B.A., will speak on the need of a public relations program. In addition, bankers will have an opportunity to learn from a prominent businessman in each district what he expects of his bank.

According to Harry C. Hausman, secretary of the Association, the general plan is to divide the meetings into two sessions. The first session will start at 4:00 o'clock in the afternoon and will be primarily a business meeting. At this time the groups will determine the number of members for their executive committees and shall



JOHN J. ANTON

President, Illinois Bankers Association

set up the rules for selection of committee members. Then the nominating committee will make its report and an election will be held, following which any incidental business under consideration will be discussed. The

first half of the program will be concluded with Mr. Cook's address.

The bankers will reconvene at dinner, at approximately 6:30, for the evening session. Following the dinner, Mr. Anton will continue on the public relations idea. The rest of the evening program will consist of the addresses by the business men selected by each group.

This program has been adopted by all divisions, except Group Nine, which meets September 12 at Edwardsville. Here the businessman will speak at the afternoon session, which will begin at 3:00, and Mr. Anton and Phil Hanna, editor, *Chicago Journal of Commerce*, will talk in the evening.

Several of the groups have announced the names of the businessmen guest speakers. Charles M. Burgess, president, Burgess-Norton Manufacturing Company, Geneva, and president, Fox River Valley Manufacturers Association, will address Group Three which meets at Crystal Lake, September 6.

(Continued on page 51)

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NEWS of ILLINOIS BANKS and BANKERS

☐ **Citizens of Oglesby**, Illinois, are attempting to organize a new bank in their city. Approximately 50 per cent of the \$65,000 capital has been subscribed, and promoters of the institution are considering erecting a new building if the bank is organized.

☐ **Roy E. Kimler** recently was appointed trust officer of the American State Bank, Bloomington, Illinois to succeed Lawrence B. Allen. Mr. Allen submitted his resignation to take effect September 1.

☐ **Miss Ferne Froehling** has been elected to a position in the First National Bank, Gilman, Illinois.

☐ **The permit to organize** the Citizens' State Bank, Downers Grove, Illinois, was extended for 90 days by the Auditor of Public Accounts to October 8, 1939. Subscriptions to stock are over the halfway mark.

☐ **Henry G. Dodds, 74**, vice president, Morton State Bank, Morton, Illinois, died recently after a year's illness with leukemia.

☐ **Charles W. Lundahl**, former cashier of the Peoples Savings Bank, Moline, Illinois, died recently at the age of 83.

☐ **While walking on Main Street** in St. Charles, Illinois, Paul Mellander, president, State Bank of St. Charles, suffered a heart attack and died before reaching the hospital. He had been active in banking circles since 1916 and was president of the St. Charles bank since 1931. Glen C. Simpson, Chicago, was elected, August 3, to succeed Mr. Mellander as president. Mr. Simpson has been in the investment business in Chicago.

☐ **Walker G. McLaury**, president of the National Builders Bank, Chicago, since its founding in 1927, died July 27 at Presbyterian Hospital. He was 57. Although ill for several months, the immediate cause of his death was a heart attack. William Schlake, a board member, has been named chairman of the board and temporary president. Mr. Schlake was formerly president of the Illinois Brick Company.

☐ **Fast work by J. A. Rutherford**, cashier, First State Bank, Olmsted, drove off three men who invaded his home recently and also put an end to what was either an attempt at robbery or kidnapping. Mr. Rutherford, while

being blindfolded by one of the three men, suddenly broke loose and swung on his captor, driving him from the house. The banker then returned and, using a chair for a weapon, fought off two armed men who were standing guard over his wife. Although the men had guns, they did not use them as Mr. Rutherford chased them both out of the house through adept manipulation of the chair. A volunteer posse was immediately mobilized to pursue the three men who, however, succeeded in escaping. Officials have no idea what the motive was, as the robbers at the time they entered the house told Mr. Rutherford that they were not after money, but were coming for him.

☐ **Thurman S. Robinson**, who had been treasurer of the safe deposit branch of the Continental-Illinois National Bank, Chicago, until his resignation in 1933, died July 23 at his home in Alexandria, Illinois.

☐ **Charles B. Babb, 72**, former partner in the Raynor-Babb State Bank, Homer, Illinois, died July 30. He had been in poor health for the last year.

☐ **John Boyd Stone**, vice president, First National Bank, Peoria, has been named to the board of directors of that institution, succeeding the late Warren E. Sutliff.

☐ **A banker**, undoubtedly a White Sox fan, will be elected president of the Chicago American League baseball team, according to E. E. Brown, president, First National Bank, Chicago. Louis J. Comiskey, owner and president of the club at the time of his death, invested control of the organization in the hands of the bank under terms of his will. The bank will have sole authority until Mr. Comiskey's son, Charles A. Comiskey, II, becomes 21, and after that the bank will control part of the stock until he is 35. A similar situation existed a few years ago when St. Louis bankers controlled the St. Louis Browns after the death of Phil Ball in 1933 until the club was sold in 1937.

☐ **Thirty-nine years** of banking service was celebrated by the Anna National Bank, Anna, Illinois, recently. Officers of the bank are J. B. Jackson, president; G. C. Parks, and Sen. R. W. Karraker, vice presidents; G. R. Corlis, cashier; and A. F. Sanford, assistant cashier.

☐ **Dean F. Blankinship**, who resigned as treasurer of Eureka College, Eureka, Illinois, to become assistant cashier of the City National Bank, Centralia, has been succeeded as college treasurer by E. P. Houghton, formerly of Household Finance.

☐ **Theodore V. Houser**, vice president of merchandising of Sears, Roebuck and Company, and David L. Atkinson, retired merchandise supervisor for the firm, have been elected directors of the Sears Community State Bank, it was announced July 24, by J. L. Kohn, president of the bank.

☐ **Preliminary meetings** with the purpose of securing agreements to a tentative consolidation of the State Bank of Antioch and the First National Bank, Antioch, Illinois, have been held by officers of the two banks.

☐ **Declaration** of a special stock dividend of 2 per cent on the common stock was announced August 1 by the District National Bank, Chicago. At the same time, the bank announced the retirement of \$2,000 preferred stock, thus reducing preferred stock to \$96,000 and increasing common to \$104,000.

☐ **Moline State Trust and Savings Bank** is dissolving the Moline Mortgage Loan Company, stock of which has been entirely owned by the bank. The loan company was organized in 1935 for the purpose of securing funds from the RFC. All loans have since been repaid and, according to Fred W. Allen, president of the bank, the company now has outlived its need.

☐ **First National Bank**, O'Fallon, Illinois, sends in its mid-year statement which lists resources at \$1,389,600, with deposits of \$1,216,700. G. B. Gieser, is cashier of this bank.

☐ **Richard E. Pritchard** was elected a vice president of the Harris Trust and Savings Bank, Chicago, recently. George Slight, assistant cashier, was elevated to cashier, succeeding Mr. Pritchard.

☐ **Frank M. Murchison**, assistant manager of Reconstruction Finance Corporation, Chicago office, has been advanced to manager of that agency, according to an announcement made recently by Emil Schram, chairman of the RFC. Mr. Murchison succeeds Fred D. Gallagher.

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☐ **Charles Wesley Eisenmayor**, 61, cashier of the First National Bank, Trenton, Illinois, until it closed in 1933, died recently following a surgical operation. Although his bank closed in 1933, it subsequently paid out all depositors 100 cents on the dollar.

☐ **Members** of the DeKalb County Bankers Association celebrated Fun Day July 20 at the Kishwaukee Country Club, DeKalb, Illinois. A golf tournament, in which twenty-four participated, was held during the afternoon. Dinner was served in the evening followed by an informal program.

☐ **Lack of earning opportunities** caused directors of the First State Bank, O'Fallon, Illinois, to enter voluntary liquidation. Deposits of approximately \$250,000 are insured. Its closing will leave O'Fallon with only one bank, the First National.

☐ **Henry P. Ward**, who has served as director and member of the executive committee of the South Side Trust and Savings Bank, Peoria, Illinois, for 17 years, was recently elected president of the institution. He succeeds the late Warren Sutliff.

☐ **J. Walter Nelson** has been promoted to assistant cashier of the LaGrange National Bank, LaGrange, Illinois.

☐ **State Bank of New Athens**, New Athens, Illinois, has opened a personal loan department.

☐ **George D. Keyes**, 67, cashier of the Algonquin State Bank, Algonquin, Illinois, for thirty-two years until his retirement in 1937, died recently.

☐ **At a meeting** of the board of directors of the First National Bank, Lerna, Illinois, J. Will Walker, formerly vice president, was elected president of the organization, succeeding the late G. T. Balch. Cashier R. G. Hall was advanced to vice president, and Phillip A. Lawyer was added to the board of directors.

☐ **William Gronert**, formerly of the Federal Reserve Bank, Chicago, has been appointed assistant cashier of the Arlington Heights National Bank, Arlington Heights.

☐ **National Bank of Rochelle**, Rochelle, Illinois, recently was host to hundreds of friends and patrons on the occasion of its fifth anniversary.

☐ **First National Bank**, Barrington, Illinois, paid a dividend of \$1 per share July 27. This is the equivalent of 8 per cent per year on capital stock. Total capital of the bank, including capital stock, surplus and undivided profits, totaled \$135,721.99 at mid-year.

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NEWS of INDIANA BANKS and BANKERS

☐ A lone bandit quietly robbed the Auburn State Bank, Auburn, Indiana, of \$5,700 at noon August 1, and escaped while persons inside the bank had no knowledge a hold-up was in progress. The robber, well-dressed, first entered the bank and had a \$5 bill changed. A few minutes later he returned and shoved a note through the bars to John D. Haggarty, vice president and cashier, telling him it was a holdup. After receiving the money, the man walked out of a rear door, having spoken only a few words. A lady who was being served at the next window and one of

the employes working in the rear of the bank did not know it was a hold-up until the man had escaped. Insurance covered the loss.

☐ **People's Trust and Savings Bank**, Boonville, Indiana, is being remodeled and will present a greatly improved appearance, both in exterior and interior.

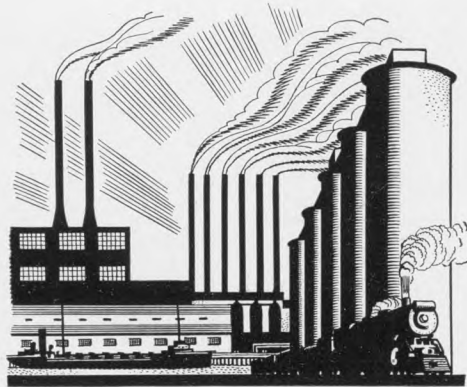
☐ **John Recktenwall**, cashier, State Bank of Westville, Westville, Indiana, was the subject of a laudatory sketch in the La Crosse, Indiana, *Sentinel* on his twentieth anniversary as cashier.

☐ **Indiana Bankers Association**, in cooperation with Mr. and Mrs. Vernon Hinkle, are sponsoring another Golden Gate Special Train for the American Bankers Association convention in Seattle. The train will consist of 15 cars, including two diners, drawing room, baggage car with access to baggage, ten pullmans, and one observation lounge car. The train, which departs from Indianapolis, Chicago, and St. Paul, September 20, will visit Banff Springs, Lake Louise, Canadian Rockies, Vancouver, Puget Sound, Seattle, Portland, San Francisco, Yosemite National Park, Los Angeles, Grand Canyon of Arizona, Kansas City, and St. Louis.

☐ **Gibson County Bank**, Princeton, Indiana, recently set up by the directors and officers of the Hazleton State Bank, Hazleton, opened Saturday, August 5, in the building formerly occupied by the Peoples American National Bank. The bank will operate a branch at its former home, Hazelton. Before making the transfer, the capital of the institution was increased from \$40,000 to \$100,000 through a 50 per cent stock dividend and the sale of \$40,000 new stock at \$125 a share, thus making \$100,000 capital and \$25,000 surplus. Officers are Dr. H. M. Arthur, president; J. W. Ford, vice president; C. W. McFetridge, cashier; Leonard Mayhugh, assistant cashier.

☐ **Garrett T. Browning**, cashier, Live Stock Exchange Bank, Indianapolis, was elected president of the Marion County Bankers Association at the annual dinner meeting and dance in the Indianapolis Country Club. Other officers elected are E. Marion Lutz, assistant vice president, American National Bank, Indianapolis, vice president; Ludwig G. Burck, assistant cashier, Indiana National Bank, Indianapolis, secretary; Edgar Mock, cashier, Oaklandon State Bank, Oaklandon, treasurer; and J. Forrest Davis, cashier, Madison Avenue State Bank, Indianapolis, member at large. Theodore M. Campbell, manager, Fletcher Trust Company, Irvington Branch, Indianapolis, had charge of arrangements.

☐ **Kiwanis Club**, Montpelier, Indiana, is making an effort to organize a new bank in that community. Montpelier has been without a local bank since the failure of the First National Bank during the depression.



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1889 Fiftieth Anniversary 1939

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☐ **When the Union Bank and Trust Company** changes its home from the corner of Main and Sycamore Streets to the corner of Main and Mulberry Streets, the courthouse square of Kokomo, Indiana, will be without a bank on it for the first time in more than sixty years.

☐ **Chesterton State Bank**, Chesterton, Indiana, held open house for its patrons and friends August 5 in its new banking quarters on the same location where nearly half a century ago the bank was started. The bank, according to the *Chesterton Tribune*, gives the impression of beauty, convenience in doing business, and safety. Included in the new building is a new vault with safety deposit boxes, heretofore unavailable in the bank. Officers of the bank are E. L. Morgan, president, J. O. Johnson, vice president; and John C. Read, cashier.

☐ **Arrangements** have been made to change the First National Bank, Swayzee, Indiana, to a state bank to be known as the Grant County State Bank. According to Earl Reasoner, cashier, and Robert R. Batton, chairman of the State Department of Financial Institutions, the present capitalization of \$50,000 is too large for a bank in this community, and the \$25,000 capitalization required for state banks would be sufficient for the institution. Nearly half of the \$50,000 capital, or \$22,000, is preferred stock held by the Reconstruction Finance Corporation. The change will enable the bank to pay off the stock held by the RFC and the dividends formerly paid to the Federal agency will go to stockholders.

☐ **Everett Ryan**, 63, manager of the Clayton branch of the Danville State Bank, Danville, Indiana, died August 10 following a brief illness. Besides his experience in Clayton, he had been in banking business in Stilesville, Monroeville and Beech Grove.

☐ **Extensive remodeling** of the Peoples Trust and Savings Bank, Boonville, Indiana, is under way and will be completed by November. Included in the plans are enlarging the quarters to cover the entire first floor of the building, putting up a new front of Indiana limestone, installing a new vault along with other modern bank equipment. J. W. Hendrickson, president, said work would be completed by November.

☐ **August 9** marked the fiftieth anniversary of the Batesville State Bank, Batesville, Indiana. The bank was organized with \$25,000 capital which has since been increased to \$100,000. Pres-

ent officers are Harry C. Canfield, chairman; H. H. Woning, president; T. Wanstrath, vice president; I. G. Schein, cashier; Orlando Schorr, assistant cashier.

☐ **George McKrill**, cashier, Lake City Bank, Warsaw, Indiana, was elected president of the Kosciusko County Bankers Association at their regular meeting recently. Other newly-elected officers are J. L. Jontz, cashier, Commercial State Bank, Silver Lake, vice president; Elmore Fenstermaker, assistant cashier, Farmers State Bank, Mentone, secretary-treasurer.

☐ **L. W. Greene**, 78, retired farmer, and president of the old First National Bank, Farmland, Indiana, died recently after a long illness.

☐ **Fort Wayne National Bank**, Fort Wayne, Indiana, recently declared a semi-annual dividend of \$13,700, amounting to 40 cents a share on common stock and 30 cents a share on preferred stock.

☐ **A fine statement** has been issued by State Exchange Bank, Culver, Indiana. In a town of about 1,500, this bank has assets of \$2,700,000 and deposits of \$2,410,000.



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NEWS of KENTUCKY BANKS and BANKERS

☐ **When the final dividend** of 5.11 per cent is paid to depositors of the Henderson National Bank, Henderson, Kentucky, they will have received 11 per cent more money than they had in the bank when it closed January 14, 1932, for liquidation. At that time it had unsecured deposits of \$892,419, plus \$200,000 secured claims, such as public moneys and trust funds, which were paid immediately, Marvin D. Eblen, receiver, stated.

☐ **All stockholders** of the Security Savings Bank, Covington, Kentucky, received an extra 25 per cent cash dividend August 18, in addition to the regular 5 per cent dividend, according to Edward Zeisz, president. For the first half of 1939, Mr. Zeisz explained, the bank was on a 91 per cent earning basis, which helped make the extra dividend possible.

☐ **A complete air-conditioning** and de-humidifying plant has been installed in the Beaver Dam Deposit Bank, Beaver Dam, Kentucky. Frank Barnes is president of this up-to-date institution and C. P. Austin, cashier.

☐ **National Bank of Cynthiana**, Cynthiana, Kentucky, announces the election of John L. Cummins to its board of directors, succeeding H. P. Van Deren who resigned several months ago. Mr. Cummins is a prominent Kentucky auctioneer.

☐ **Paul Compton**, 60, well-known in state banking circles, died at his home in Louisville recently. He had been president of the Federal Auto Loan Company, Federal Fidelity Company and Bankers' Mortgage Company.

☐ **John J. Howe**, 59, one-time president of the old Carrollton National Bank, Carrollton, Kentucky, died last month in the Good Samaritan Hospital in Cincinnati after an eight-month illness of heart complications.

☐ **A new vault** has been installed in the First National Bank, Grayson, Kentucky.

☐ **Officials** of the First National Bank and Trust Company, Lexington, Kentucky, found it necessary to construct a roof over the sidewalk in front of their institution recently. The reason for this was that the sidewalk was being torn up and replaced, and the roof was needed to protect valuable

records stored in the basement which extends several feet under the sidewalk.

☐ **Graves county**, Kentucky, banks recorded a \$187,356 increase in deposits the first six months of the year, the new total being \$3,030,000 as compared with \$2,842,000 at the first of the year. Individual bank deposits at mid-year included First National, Mayfield, \$2,016,759; Exchange Bank, Mayfield, \$547,263; Bank of Wingo, Wingo, \$147,719; Bank of Fancy Farm, Fancy Farm, \$111,285; Bank of Water Valley, Water Valley, \$109,733; Bank of Farmington, Farmington, \$67,179; and Bank of Lowes, Lowes, \$30,293.

☐ **There is an average** of \$131.87 on deposit in the banks of Union County, Kentucky, for each of the 17,050 men, women, and children in the county. Deposits in the five banks total \$2,248,495, with individual bank totals as follows: Union Bank and Trust Company, Uniontown, \$768,483; Morganfield National Bank, Morganfield, \$677,648; Farmers State Bank, Sturgis, \$615,516; Farmers Bank, Uniontown, \$128,490; and Bank of Waverly, Waverly, \$78,356.

☐ **State National Bank**, Frankfort, Kentucky, celebrated its fiftieth anniversary August 12. With a capital of \$150,000, the bank opened in 1889 with Gen. Fayette Hewitt as first president. On the death of General Hewitt, Col. C. E. Hoge, then cashier, was made president. Eugene Hoge, who began work for the bank in 1892 as bookkeeper, is now president of the institution.

In 1916, the present bank building was constructed. It is still one of the most attractive buildings in Frankfort and the murals in the interior have won high praise from artists.

The bank has frequently identified itself with state history. For instance, when in financial stringency following Spanish-American war, the state was unable to bring its veterans home, the State National Bank advanced the funds for the purpose after other banks had declined. The money was refunded later by an act of the legislature.

Present officers of the bank are E. E. Hoge, president; M. P. Brown, vice president; R. W. Adams, cashier; and R. K. McClure and C. K. Hoge, assistant cashiers.

☐ **Commercial Bank**, West Liberty, Kentucky, is doubling the floor space of its banking quarters through the construction of a new building. It plans for incorporation of the present offices into the new structure.

☐ **The four banks** in Winchester, Kentucky, announced August 1 that they would close at noon on Wednesday during the month of August. The banks closing at that time are Clark County National, Commercial Deposit, Peoples State Bank and Trust Company, and Winchester Bank. They are not decided whether the Wednesday afternoon closing shall be permanent.

☐ **Southern Exchange Bank**, Covington, Kentucky, with deposits of approximately \$80,000, failed to open for business Monday morning, August 14, and was placed in the hands of the state bank examiners. Deposits in the bank were not covered by the Federal Deposit Insurance Corporation. Examiners said the bank was unable to meet the withdrawals. It was organized in 1936 with Dr. Lucas J. Lee as principal stockholder and president.

☐ **Union Deposit Bank**, Union, has filed with the Kentucky State Banking Department amended articles of incorporation to increase capital stock from \$20,000 to \$25,000.

☐ **Citizens State Bank**, Wickliffe, Kentucky, plans to increase its capital stock to \$30,000 according to a charter amendment filed with the State Banking Department.

☐ **Martin R. Shrewsbury**, 77, Bloomfield, Kentucky, died recently in a hospital in Louisville. Mr. Shrewsbury helped organize the Leavenworth State Bank, Leavenworth, and was its cashier from 1905 to 1913 when he retired.

☐ **Frank S. Thatcher**, 83, president and founder of the Bank of Alexandria, Alexandria, Kentucky, died August 6, at his home. He was also first vice president of the Campbell County Farmer's Fire Insurance Company. As a show horseman, Mr. Thatcher had exhibited fancy saddle horses and draft horses at virtually every county fair in this part of the country. He was credited with importing the first Belgian draft horse ever brought to the United States.

Wallace M. Davis, vice president, Citizens Union National Bank, Louisville, has been reappointed to the national committee of five policyholders annually selected by the Northwestern Mutual Life Insurance Company of Milwaukee to examine the affairs of the company.

According to a recent press report, Charles A. Gockel, cashier, Citizens Savings Bank, Paducah, Kentucky, admits a \$15,000 shortage in his accounts. The case has been turned over to a bonding company by the bank.

T. A. Pardue, who has for some time been working as one of the examiners of the Federal Deposit Insurance Corporation out of St. Louis, has been made an executive vice president of the Farmers Bank and Capital Trust Company, Frankfort, Kentucky. Prior to going with the FDIC, Mr. Pardue was connected with the Farmers National Bank, Scottsville, Kentucky.

J. R. Harrison, president, Planters Bank, Mortons Gap, Kentucky, died at his home recently.

Dr. C. F. Alexander, president, Gratz Deposit Bank, died recently.

Kentucky Bankers Honor High School Speakers

One of the most interesting features of the annual Kentucky Bankers Conference was the finals in the public speaking contest for high school students sponsored by the association. The students spoke on the subject,



From Ralph L. Watters, advertising manager, Lincoln Bank and Trust Company, Louisville, comes this photograph of the seven finalists in the Public Speaking Contest conducted by the Kentucky Bankers Association. They are, left to right: Henry D. Hammack, Virginia Akers, W. C. Milton, Betty Ann Weekley, Marion Wendell Belew, Charlotte Baugh, and Edward Pruitt.

"The Value of the Bank to the Community."

Miss Charlotte Baugh, representing Winchester High School, Winchester, was declared the champion of the seven finalists by Judges Leonard C. Smith, deputy director, Division of Banking, Frankfort; Will Huston Fulton, judge, Third Appellate District Court of Appeals; Dr. Edward Wiest, dean, College of Commerce, University of Kentucky, Lexington. Marion Wendell Belew of Mason Consolidated High School was runner-up and Miss Betty Ann Weekley of Jeffersontown High School third. Other finalists were Henry D. Hammack, Sturgis High School; Virginia Akers, Glasgow High School; W. C. Milton, Lawrenceburg High School; and Edward Pruitt, Pikeville High School.

The contest, which is an annual public relations project of the Kentucky bankers, opens with a county contest with the individual schools entering representatives. County winners meet in seven district eliminations and the district finalists compete in the state contest held in conjunction with the bankers' conference. Officers of the association are already making plans for a better public speaking contest next year with a larger number of participants.

AIR-CONDITIONED
6 COMPLETE FLOORS • 150 SLEEPING ROOMS
(Individual Control)

at **HOTEL**
FONTENELLE
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OMAHA




400 ROOMS WITH BATH FROM \$2.50

Travelers readily agree that the Fontenelle is the superior hotel, thoroughly modernized with every facility for luxury, comfort, and convenience.

3 Restaurants
**BLACK MIRROR • COFFEE SHOP
BOMBAY ROOM**

Air-Conditioned For Year 'Round Comfort.

OMAHA'S WELCOME TO THE WORLD



EVERYTHING about The Gotham bespeaks gracious living—its spacious rooms, its atmosphere of good taste, its superb cuisine . . . Elegance is apparent; economy not forgotten.

Under the same Management as
The Drahe
CHICAGO
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The Town House
LOS ANGELES
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Managing Director

The Gotham
Fifth Avenue at 55th Street • NEW YORK CITY

NEWS of LOUISIANA BANKS and BANKERS

☐ **Percy H. Sitges**, president, Louisiana Savings Bank and Trust Company, New Orleans, announced recently that the bank would move its quarters from 222 Carondelet street to the Maritime building at Carondelet and Common streets.

☐ **Peoples Bank and Trust Company**, Minden, Louisiana, is being renovated and repaired, according to J. H. Nelson, president.

☐ **John E. Schwing**, former cashier, New Iberia National Bank, New Iberia, Louisiana, was elected to the presidency of that institution recently, succeeding the late Fritz Dietlein. G. A. Renoudet, assistant cashier, was promoted to cashier.

☐ **A new air-conditioning system** has made work in the St. Landry Bank and Trust Company, Opelousas, Louisiana, much more pleasant.

☐ **First National Bank** of Lake Charles, the Lake Charles Bank and Trust Company, and the Calcasieu-Marine National Bank, together with

other business men of Lake Charles, Louisiana, have worked out an effective plan for welcoming new residents to the city with the help of the Lake Charles Association of Commerce. A woman representative of the association contacts the telephone company, the light and gas company and secures a list of installations; reliable sources of information about newcomers. She then calls on the recent citizens, gives them a "Greeters' Book" which contains illustrations in advertisements of the various places of business, each advertisement occupying a minimum of one page. The representative then makes two follow-up calls to see if the families like their new home town. Business firms participating in the program are supplied with a list of newcomers, and it is up to them to follow up these contacts. Businessmen pay an annual fee of \$10 for making the cut of their business house and printing the book, and an additional \$3 per month for the information service.

☐ **P. A. Turner**, formerly assistant cashier, Commercial National Bank, Shreveport, Louisiana, has been promoted to assistant vice president.

☐ **Three members** of the Shreveport, Louisiana, chapter of the American Institute of Banking have been appointed to national posts in the organization. They are James C. Atkins, member of the national debate committee; J. N. Birdwell, Jr., member of the national public affairs committee; and Wilbur Funderburck, association executive councilman.

☐ **Dr. S. E. Prince**, president, Bossier State Bank, Bossier City, Louisiana, announced recently that the bank has retired \$20,000 in preferred stock owned by the Reconstruction Finance Corporation. A corresponding increase has been made in common stock. According to the mid-year statement, this institution had common capital, surplus and undivided profits of \$57,000, deposits of \$827,000, and total resources of \$904,000.

NEWS of MISSISSIPPI BANKS and BANKERS

☐ **J. C. Fair**, state comptroller, Department of Bank Supervision, has issued a very complete consolidated statement of the 181 banks and 22 branches reporting to the Mississippi banking department. The condition of the banks, as of June 30, 1939, compared with the same date in 1938, is as follows: Cash and sight exchange, \$41,334,000 against \$38,403,000, increase of \$2,931,000; bonds and securities, including U. S. and State bonds, \$47,238,000 against \$48,647,000, decrease of \$1,409,000; loans and discounts, \$52,381,000 against \$47,441,000, increase of \$4,940,000; fixed investments, banking house, fixtures and other real estate, \$4,369,000 against \$4,560,000, decrease of \$191,000; demand deposits \$58,266,000 against \$52,124,000, increase of \$6,102,000; time and savings deposits, \$42,280,000 against \$39,176,000, increase of \$3,104,000; public deposits \$26,155,000 against \$29,337,000 decrease of \$3,182,000; total increase in deposits of all kinds, \$6,024,000; total capital structure, \$18,338,854 against \$17,724,090, in-

crease of \$614,764; preferred stock held by the Reconstruction Finance Corporation in the amount of \$372,053 was retired during the period.

The increase in loans of approximately \$5,000,000 and decrease in securities owned of practically \$1,500,000 shows that the trend of banking investments in Mississippi continues toward loans rather than bonds and other securities, as it has for the past several years. The 24 national banks operating in the state are not included in the figures.

☐ **Work is in progress** on a remodeling and modernization program at the Bank of Blue Mountain, Blue Mountain, Mississippi. Space formerly occupied by the post office will be added to the bank's quarters.

☐ **Thad Lampton, Jr.**, was elected vice president of the Columbia Bank, Columbia, Mississippi, recently. Mr. Lampton was associated with the Lampton Company Credit Merchants for the past four years.

☐ **Completely remodeled**, the Citizens Bank, Hattiesburg, Mississippi, is one of the more attractive buildings in the city.

☐ **W. C. Downer**, cashier, Bank of Macon, Macon, Mississippi, and J. B. Elkin, Jr., were elected recently to the board of directors of that institution.

☐ **Tylertown Bank**, Tylertown, Mississippi, elected to its board of directors L. L. Rild of Magnolia, recently.

☐ **Bank of Oxford**, Oxford, Mississippi, claims to be the first bank in the state to install air conditioning. J. K. Meadow, executive vice president, says the bank has enjoyed a fine business this year.

☐ **F. B. DeShon** has been elected vice president of the Mechanics Savings Bank, Water Valley, Mississippi, to succeed H. P. Scott, who died early this year. Mr. Scott had been connected with the institution since 1892.

New Forgery Coverage

(Continued from page 12)

use of the words, "money or funds," is discussed in subsection 5.

Subdivision 5—through transferring or paying any money or funds or transferring or delivering any securities or establishing any credit on the faith of forged or altered written instructions or advices from any customer or from any banking institution, not including telegraphic, cable, radio or teletype instructions or advices.

Insuring Clause D gave this same coverage. It has been found desirable to change the old language without changing the coverage in any respect. The reason for this is to make clear that the legal definition of "funds" brings not only "money" but also "securities" within the term. "Securities" includes not only bonds and stock certificates but also such instruments as checks, drafts, bills of exchange, bank money orders, certificates of deposit, and similar means the insured bank may use as a means of paying. As a clarification, the reference to "transferring or paying any funds" has been changed to read "transferring or paying any money or funds or transferring or delivering any securities."

Subdivision 6—through the payment by any depository of the insured of forged or altered checks or drafts (time, sight or matured) drawn or purporting to have been drawn by the insured upon such depository, or of checks or drafts (time, sight or matured) so drawn and bearing forged endorsements.

Insuring Clause D did not give the coverage given by this subsection.

Consistent with preceding subsections, drafts are described as "time, sight or matured."

The coverage given under this subsection is freed of the premises and territorial limitations previously applicable under the supplementary form. The clause has also been liberalized by deleting the qualification limiting coverage to forgery of signatures of specified persons only in the case of checks or drafts purporting to have been drawn by the insured.

This coverage is particularly advantageous to banks having foreign depositories since the laws of some foreign countries give no recourse against cashing or paying banks on the faith of forged endorsements.

Subdivision 7—through the payment by the insured of promissory notes which are payable at

the insured, or which are, or purport to be, notes payable at the insured under instructions of any depository thereof, and which are actually paid by the insured out of funds on deposit with it, and which prove to be forged or altered or which bear forged endorsements.

Insuring Clause D did not give this coverage.

The coverage given in this subsection is freed of the premises limitation, the funds limitation and also of the limitation of coverage to forgery of signatures of specified persons only

under the supplementary form. It is to be noted that the words "actually paid by the insured out of funds on deposit with it" are included so as to make plain that there is no coverage on loss through the nonpayment of a note made payable to the insured or endorsed over to the insured, whether purchased or taken as evidence of a loan or as collateral security. Coverage is limited to "payment"; it does not extend to notes discounted or purchased nor does it apply where the note is presumed to be satisfied by the creation of an overdraft.

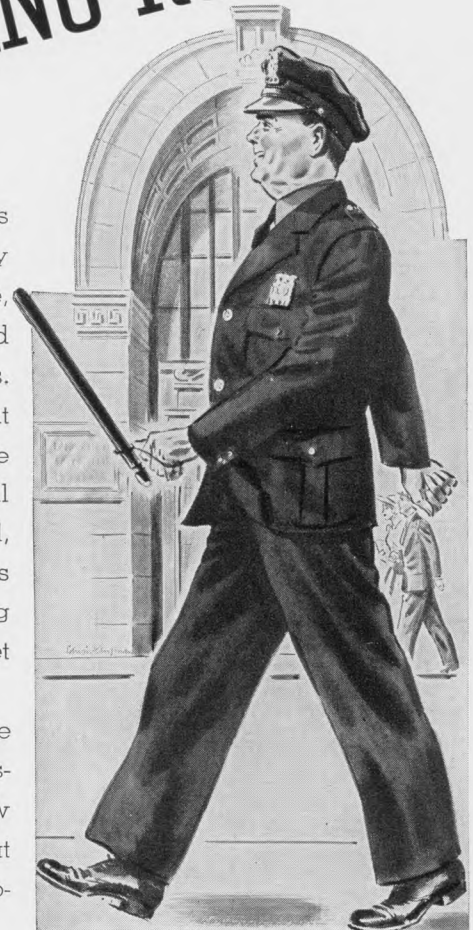
(Continued on page 33)

THIS BANK IS BEING ROBBED!

No alarm will be sounded... no shots will be fired; in fact, the loss may not be discovered for a long time, because the bank is being robbed secretly by one of its own employees.

There will be a lot of excitement for him when his embezzlements are discovered, but the bank itself will transact business as calmly as usual, without the loss of a dollar—thanks to the directors' foresight in having purchased an F&D Bankers Blanket Bond.

See your local F&D representative for a thorough analysis of your present coverage. It may show you how to cut your insurance costs and at the same time strengthen your protection.



FIDELITY and DEPOSIT

COMPANY OF MARYLAND, BALTIMORE

FIDELITY, SURETY AND BANKERS BLANKET BONDS
BURGLARY, ROBBERY, FORGERY AND GLASS INSURANCE

NEWS of TENNESSEE BANKS and BANKERS

☐ **Mrs. Carl Harrison** has been appointed assistant cashier of the Erwin National Bank, Erwin, Tennessee.

☐ **Approval of a charter** for a new state bank to be known as the Carter County Bank at Elizabethton, Tennessee, has been granted by the Federal Deposit Insurance Corporation. Application has been filed with the State Banking Department for a state charter. Officers of the new institution will include the following: B. Carroll Reece, Congressman from the First District, president; Earl M. Reasor, executive vice president and cashier, and J. L. Moore, vice president. Directors will be Thad A. Cox, J. B. Shepherd, Charles E. Worley and George F. Dugger.

☐ **At the regular August meeting** of the board of directors of the American National Bank, Nashville, Tennessee, T. Barton Baird was elected to the board. Mr. Baird was born in 1885 at Clinton, Louisiana, and finished his college career at Centenary College,

Louisiana. In the telephone utility since 1920, Mr. Baird has been Tennessee manager of the Southern Bell Telephone and Telegraph Company since April, 1938.

☐ **Union Bank**, Pulaski, Tennessee, declared a \$5 per share dividend recently and added \$10,000 to surplus. Deposits at mid-year stood at \$1,600,558.

☐ **Dr. W. Gardner Rhea** has been elected to the board of directors of the First Trust and Savings Bank, Paris, to fill the vacancy caused by the death of Clarence Hampton. The bank recently declared a 5 per cent dividend and added \$10,000 to undivided profits during the first half of this year.

☐ **Diogenes** can cease his search. A woman recently came to the Farmers and Merchants Bank, Dyer, Tennessee, and asked the officials there to take her \$5 bill which she claimed represented the sum the bank had overpaid her father when he closed out his account 25 years ago.

☐ **Two Robertson county**, Tennessee, 4-H girls were awarded free trips to the State Camp by the county bankers association.

☐ **National Bank of Commerce**, Jackson, Tennessee, announces the appointment of K. T. Edwards, succeeding Omer Chessor, who resigned.

☐ **Sam H. Campbell, Jr.**, has been elected to the board of the American Trust and Banking Company, Chattanooga, Tennessee. Mr. Campbell is president of the Campbell Oil Company and president of the Chattanooga Bakery.

☐ **Springfield office** of the Nashville Trust Company, Nashville, has established a personal loan department.

☐ **Resources** of the Selmer Bank and Trust Company, Selmer, Tennessee, at mid-year were \$706,800. Deposits totaled \$618,900, with loans and discounts at \$205,700.

☐ **Woodbury Branch Office**, Commerce Union Bank, Nashville, was host for the Cumberland Bankers Association recently. The next meeting will be held at Alexandria.

☐ **All-time highs** were recorded in total resources and loans by the Pioneer Bank, Chattanooga, formerly the Morris Plan Bank, according to George Clark, president. Resources totaled \$2,595,000 and new loans were up almost one-third over a year ago.

☐ **Leslie R. Driver**, executive vice president of the First National Bank in Bristol, Bristol, Tennessee, and president of the Tennessee Bankers Association has announced the association committees for 1939-1940. Committee chairmen are as follows: Agriculture, Frank B. Caldwell, president, Second National Bank, Jackson; Education, C. H. Wetterau, vice president, American National Bank, Nashville; Legislative, Thomas P. Summers, president, Citizens Union Bank, Rogersville; Membership, John F. Llewellyn, president, Bank of Madisonville, Madisonville; Research, V. J. Alexander, president, Union Planters National Bank and Trust Company, Memphis; Cost and Analysis, W. P. Bryant, president, First National Bank, Springfield. Membership of the Protective Committee was kept secret.

Nashville Is Central



for all of Tennessee and a THIRD NATIONAL connection will make this advantage count for the most on your Tennessee items—large or small.

A Nashville owned and controlled independent bank.

THIRD NATIONAL BANK
IN NASHVILLE • Nashville, Tennessee

Member Federal Reserve System
Member Federal Deposit Insurance Corporation

New Forgery Coverage

(Continued from page 31)

Subdivision 8—through the return or delivery by the insured of any property upon the faith of a receipt bearing the forged signature thereof, or upon the surrender to the insured of any receipt or certificate of deposit issued by the insured for such property with the forged signature thereon of the person to whom issued, or of any assignee thereof, or upon the surrender to the insured of any receipt or certificate of deposit purporting to have been issued by the insured for such property and bearing the forged signature of the insured as issuer.

Insuring Clause D did not give this coverage.

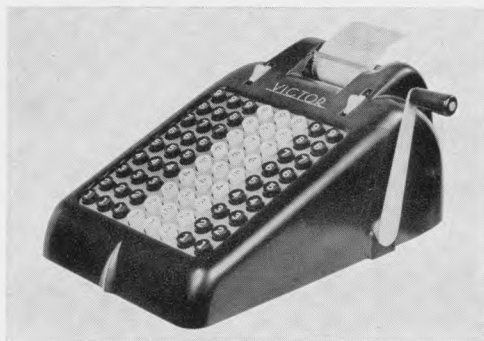
The coverage in this subsection has been freed of the premises, instrument and signature limitations previously included in the supplementary form. It has been considerably broadened to cover all receipts for property other than that owned by the insured. Whereas previously, coverage has only applied to instruments, it now includes all the items in the definition of property. This means that it includes such goods as money and jewelry, in addition to securities. Banks sometimes hold property (other than their own) for which a receipt has not been issued. This subsection also gives coverage against loss of such property surrendered upon a forged receipt.

Travelers' Checks—No description of this insuring clause is complete without mentioning that neither Clause D nor revised Clause D covers forgery of travelers' checks as the following exclusion clause clearly indicates:

"This bond does not cover any loss through accepting, cashing or paying, or through the establishment of any credit or the giving of any value on the faith of, forged or altered Travelers' Checks or Travelers' Checks bearing forged endorsements, in whatsoever form drawn, unless dishonesty on the part of any of the Employees is involved; . . ."

(The section dealing with "Broadened Forgery Coverage" is quoted from a release by the Surety Association of America sent to member companies at the time the new Forgery Insuring Clause was promulgated.)

Victor Introduces Low-Priced Portable Adding Machine



Victor Portable Adding Machine

A new portable adding machine, occupying little more desk space than a cradle telephone, has been introduced by the Victor Adding Machine company of Chicago. The Victor 600 weighs less than 9 pounds and can easily be carried to the work instead of having the work brought to the machine.

Completely streamlined, even to the curve of the adding tape, the midget adding machine represents a basically new engineering accomplishment in design and operation. Actual number of parts are only about half those necessary in other machines, and the

travel distances of moving parts have been reduced by 50 per cent.

The machine is priced at \$47.50, giving the user a complete standard adding machine which adds six columns of figures. A seven-column size is \$55.00 and a nine-column \$70.00.

Tennessee Conference

(Continued from page 13)

Baltimore Sun, Baltimore; E. S. Woolley, George S. May Company, New York City; Haynes McFadden, secretary, Georgia Bankers Association; C. P. White, School of Business Administration, University of Tennessee; Woodleif Thomas, assistant director, research and statistical division, Federal Reserve System, Washington; H. B. Clarke, superintendent of banks, Nashville; W. H. Wicker, University of Tennessee, Knoxville; R. S. Parker, president, Federal Reserve Bank, Atlanta; L. E. Birdzell, general counsel, Federal Deposit Insurance Corporation, Washington; E. F. Smith, assistant attorney general, Nashville; H. A. Lyon, president, Lyons, Sturges and Company, New York City; W. H. Neal, vice president, Wachovia Bank and Trust Company, Winston-Salem; and G. W. Dyer, Vanderbilt University, Nashville.

GMAC
GENERAL MOTORS ACCEPTANCE CORPORATION

is engaged primarily in facilitating wholesale distribution and retail sales of the following products of General Motors Corporation and its world-wide affiliates: CADILLAC, LA SALLE, BUICK, OLDSMOBILE, PONTIAC, CHEVROLET automobiles; FRIGIDAIRE appliances for refrigeration and air conditioning; DELCO lighting, power and heating equipment; GMC trucks; BEDFORD, VAUXHALL, OPEL, BLITZ—

foreign made automotive vehicles.

The business consists of investments in self-liquidating credits, widely diversified as to region and enterprise, capital employed being in excess of \$80,000,000.

In obtaining short term accommodation, GMAC issues one standard form of note. This obligation it offers to banks and institutions, in convenient maturities and denominations at current discount rates.

**GENERAL
MOTORS
INSTALMENT
PLAN**

These NOTES are available, in limited amounts, upon request.

EXECUTIVE OFFICE NEW YORK · BRANCHES IN PRINCIPAL CITIES

NEWS of ARKANSAS BANKS and BANKERS

Bank of Lake Village, Lake Village, was host to the Southeast Arkansas Clearing House Association in its recent summer meeting at Cedar Grove on Lake Chicot. After a delicious fish dinner there was a discussion of uniform business hours to comply with Wage-Hour Law, and election of officers. Fifty-five bank offi-

cial, employes and directors attended the meeting.

New officers for the association are G. C. Johnson, vice president and cashier, Dermott State Bank, Dermott, chairman; J. H. Kimbro, cashier, Citizens Bank, Tillar, vice chairman; W. B. Davis, cashier, Wilmot State Bank, Wilmot, secretary-treasurer.

E. T. Cashion, cashier, Bank of Lake Village, was retiring chairman. The next meeting of the association will be held at Dermott during October, with the Dermott State Bank as host. Counties comprising the association are Ashley, Bradley, Chicot, Desha and Drew.

Statements received from Arkansas banks include the following: Bank of Atkins, Atkins, resources \$246,800, deposits \$188,700; Citizens Bank, Beebe, resources \$231,400; deposits \$192,800; Bank of Cabot, Cabot, resources \$347,100, deposits \$298,900; Bank of Dardanelle, Dardanelle, resources, \$116,800, deposits \$82,200; City National Bank, Fort Smith, resources \$2,853,600, deposits \$2,436,800; Bank of Gravette, Gravette, resources \$278,600, deposits \$241,300; First National Bank, Gravette, resources \$371,000, deposits \$319,400; Bank of Mulberry, Mulberry, resources \$197,300, deposits \$158,600; Bratt-Wasson Bank, Siloam Springs, resources \$574,800, deposits \$522,600.

Chairmen of the standing committees of the Arkansas Bankers Association for 1939-40 have been announced as follows: W. A. Hicks, Peoples National Bank, Little Rock, Committee on Regional Clearinghouse Associations; W. H. Johnson, Merchants National Bank, Fort Smith, Committee on Agriculture; James H. Penick, W. B. Worthen Company, Little Rock, Committee on Publications; Stuart Wilson, State National Bank, Texarkana, Bank Management Committee; J. H. Bowen, Union National Bank, Little Rock, Trust Committee; Harvey Hogg, National Bank of Commerce, Pine Bluff, Committee on Insurance and Bonds; E. P. Pyeatt, McIlroy Bank and Trust Company, Fayetteville, General Seminar Committee; W. A. McDonnell, Commercial National Bank, Little Rock, Committee on Legislation and Taxation; Harvey C. Couch, Jr., Union National Bank, Little Rock, Committee on Public Relations; and H. W. Woosley, National Bank of Commerce, Paragould, Committee on Memorials.

First National Bank of Fordyce, Fordyce, Arkansas, is modernizing its banking quarters with the construction of a new stone front, new entrance, remodeling of lobby and installation of new fixtures.



Over 70 Years

Since 1869 U. P. National has rendered a complete banking service in Memphis. Our experience and knowledge of the territory has proven useful and profitable to banks and bankers all over the country. We cordially invite your inquiry on correspondent matters.

UNION PLANTERS NATIONAL BANK & TRUST CO.

MEMPHIS, TENN.

★ Member Federal Deposit Insurance Corporation ★

¶ **Shelby Ford**, former vice president of the Bratt-Wasson Bank, Siloam Springs, Arkansas, has been elected vice president of the First National Bank, Springdale.

¶ **Arkansas Trust Company**, Hot Springs, recently declared a 50 per cent common stock dividend, increasing its total capital common stock to \$150,000. At the same time the bank reduced the amount of preferred stock, wholly owned by the Reconstruction Finance Corporation, from \$175,000 to \$125,000, payment being made out of undivided profits. The mid-year statement of this institution, which is the largest state bank in Arkansas outside of the city of Little Rock, listed resources at \$2,874,700, with deposits of \$2,381,900, a substantial increase over December 31. Dave Burgauer is president of this growing bank.

¶ **The mid-year consolidated statement** of the 167 Arkansas state banks and trust companies as released by Grover S. Jernigan, commissioner, State Bank Department, reveals some interesting figures about the banks in that state. Resources total \$85,961,000, of which \$36,486,000 are in loans on real estate, on cotton and other commodities, and discounts; \$9,198,000 in U. S. securities, pledged and not pledged; \$1,389,000 invested in furniture, fixtures and banking houses, and \$26,992,000 cash. The total capital account of the banks includes \$1,963,395 in preferred stock, class "A"; \$347,500 in preferred stock, class "B"; \$5,071,655 in common stock; certified surplus of \$2,304,737; undivided profits of \$1,871,166; and reserves of \$722,286. Deposits total \$73,397,300. The statement included reports from 134 commercial banks and 33 commercial banks with trust powers.

¶ **Dan M. Watkins**, widely known pioneer Mena, Arkansas, hardware merchant and banker, died recently at his home following an illness of more than two months.

¶ **James A. Walls**, president and founder, Bank of Holly Grove, Holly Grove, Arkansas, died August 10.

¶ **J. G. Blass**, member of the board of directors of the Commercial National Bank, Little Rock, Arkansas, died August 9.

¶ **W. B. Worthen Company**, Bankers, Little Rock, Arkansas, is justifiably proud of its softball team. Last month its stellar aggregation won the district tournament by taking three straight victories 8-0, 3-1, and 4-2 and is representing its district in the Inter-District Tournament which includes all

of Pulaski county. And to show it does not fear out-of-state competition, the Worthen team went over to Memphis August 12 to shut out the Union Planters National Bank and Trust Company boys 4-0. Batteries for Worthen were Moore and Turner, for Union Planters, Gunn and Williams.

¶ **Tom Hargis**, cashier, First National Bank, Huntsville, Arkansas, has been promoted to active vice president and director. O. W. Basham, formerly assistant cashier, is now cashier of the bank. Adry Gaskill has been elected to the board of directors.

¶ **Robert Roland** has been named assistant cashier of the Malvern National Bank, Malvern, Arkansas. Louis McDonald, former assistant cashier, had recently been advanced to cashier, succeeding the late A. I. Roland.

¶ **Peoples National Bank**, Little Rock, Arkansas, has issued a very complete bank statement, giving a complete listing of its resources. Loans to individuals, firms and corporations, cotton loans, FHA loan, first mortgage loans, are all listed separately. Resources of the bank total \$4,191,900, and deposits are \$3,850,700.



Filling stations need more than "gas and oil"

Every business today expects to give its customers more than the bare commodity or service paid for. Just as the up-to-date filling station furnishes the motorist with much more than "gas and oil," The First National Bank of Memphis endeavors to render a service to its customers—business firms, individuals and other banks—that extends beyond the mere mechanical functions of banking.

THE FIRST NATIONAL BANK OF MEMPHIS MEMPHIS, TENNESSEE

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

NEWS of OKLAHOMA BANKERS

Although their application for a bank charter was rejected by the state banking board earlier this year, Broken Bow, Oklahoma, residents are still trying to organize a bank there. The institution would be known as the Bank of Broken Bow. Albert Carlson, former banker at Stillwater, is helping in the organization.

Charles M. Newman, 71, former vice president, Welch State Bank, Welch, Oklahoma, died recently after a long illness.

Linwood O. Neal, Oklahoma state bank commissioner, in his regular report on the state banks in that state reports an increase of \$2,948,000 in deposits, \$632,517 in loans, and \$4,233,-

474 in cash in the second quarter of 1939. Approximately 70 per cent of the assets are liquid and less than 5 per cent are questionable.

The Oklahoma City branch of the Federal Reserve System has assumed the functions of the Oklahoma City Clearing House as an agency for clearing checks. Hereafter the association will be an organization of bank executives.

W. E. Danneberg, trust officer, First National Bank, Bartlesville, Oklahoma, discussed the various types of trusts before the Rotary Club of Bartlesville recently.

Jack Frost, representative of the Chase National Bank, New York, in the Mid-Continent area, has been appointed an Honorary Colonel on the staff of the governor of Oklahoma. James E. Berry, president, Stillwater National Bank, and lieutenant governor, made the appointment.

At a recent meeting of the board of directors of the First National Bank, Tulsa, it was voted to pay two 25c quarterly dividends on September 15 and December 15, bringing the year's total up to \$1.

Controlling interest in the Bank of Cyril, Cyril, was recently purchased by B. R. Stephens, president, Bank of Elgin, M. B. Burruss and T. D. Call. Mr. Burruss was elected president of the Bank of Cyril, Mr. Stephens, vice president, and Mr. Call will continue as vice president and manager of the bank. I. C. Miller, formerly cashier, Bank of Elgin, is the new cashier, and R. J. Lodes a new director.

W. I. Thomas, who has been associated with the Glencoe State Bank, Glencoe, Oklahoma, has resigned as assistant cashier.

Payne Building, Stratford, Oklahoma, is being remodeled and, when completed, will be the new home of the First National Bank there.

A. J. Peterson, vice president, First National Bank, Oklahoma City, recently returned from a month's vacation around Colorado Springs. While there he competed in the Western Open Amateur Golf Tournament. Vice President W. E. Hightower is vacationing in California.



A Collection Service
Second to None —
And Protection for
Your Reserves

"Since 1886"

The First National Bank

KANSAS CITY, MISSOURI

Member Federal Deposit Insurance Corporation

☐ **Fire of undetermined origin**, believed to have started under a front counter, burned half of the interior of the Waukomis State Bank, Waukomis, recently. Loss was estimated at \$1,000.

☐ **L. J. Barrett**, president, Watonga State Bank, Watonga, Oklahoma, and family are vacationing in Yellowstone National Park. Assistant Cashier D. P. Karns and family spent their vacation in Colorado.

☐ **Officers** of the First National Bank, Medford, Oklahoma, who are vacationing or have just returned home include G. A. Cooley, assistant cashier, Minnesota; N. K. Kilmer, cashier, and L. I. Black, assistant cashier, Black Hills.

☐ **Recordaks** have been installed in the City National Bank, Lawton, and the First National Bank, Broken Arrow, Oklahoma.

☐ **F. M. Sowle**, vice president, National Bank of Tulsa, Tulsa, is vacationing at Paw Paw, Michigan.

☐ **An air cooling system** has been installed by the First National Bank, Tipton, Oklahoma.

☐ **Dr. D. P. Richardson**, president, Bank of Union, Union, Oklahoma, and former Oklahoma bank commissioner, recently married Miss Montye A. Kilgore, who for 29 years has been his assistant in his work as banker, physician, postmaster, and druggist. Dr. Richardson's first wife died two years ago.

☐ **A \$30,000 increase** in resources was recorded by the First National Bank, Lone Wolf, Oklahoma, during the past year. Cashier Lester J. Burnett reported assets at \$262,000 in June, 1938, as compared with \$292,000 this year. Deposits are \$253,000 as against \$226,000.

☐ **Security State Bank**, Wewoka, Oklahoma, has issued a very good statement. C. L. Billingsley, cashier, records assets of \$1,244,000, including \$519,000 loans and discounts, and deposits of \$1,115,000.

☐ **Farmers National Bank** and First National Bank, Cushing, Oklahoma, are closing at noon each Saturday instead of 3:00 p. m. as formerly.

☐ **Hugh Harrell**, vice president, First National Bank, Oklahoma City, addressed the Rotary Club of that city recently on "A Bank a Merchandising Institution."

☐ **The Oklahoma City chapter** of the A.I.B. has set September 16 as the date for its annual dinner-dance.

☐ **J. P. Thurmond**, vice president and cashier, First National Bank, Elk City, Oklahoma, recently suffered a broken rib and lacerations when the horse he was riding threw him.

Arkansas Conference

(Continued from page 13)

dent, Mercantile-Commerce Bank and Trust Company, St. Louis; Dr. Charles S. Tippetts, dean, School of Business Administration, University of Pittsburgh; Dr. Joseph E. Goodbar, lawyer and economist, New York City; J. H. Penick, vice president, W. B. Worthen Company, Bankers, Little Rock; Wil-

liam A. Irwin, associate educational director, American Institute of Banking; R. A. Lile, C.P.A., vice president, Arkansas Society of Certified Public Accountants; John Rogers, attorney, Tulsa; C. F. Byrns, editor, Southwest Times-Record, Fort Smith, Arkansas; John S. Linen, vice president, Chase National Bank, New York; Carl E. Bailey, governor of Arkansas; J. E. Womeldorff, W. R. Stephens and Company, Little Rock; John G. Potts, vice president, W. B. Worthen Company, Bankers; Dr. C. C. Fichtner, dean, College of Business Administration, University of Arkansas.

P O L I C Y

..... TO COOPERATE WITH OUT-OF-TOWN BANKS . . . NOT TO COMPETE FOR BUSINESS WHICH IS RIGHTFULLY THEIRS.

AFTER 44 years of service to banks throughout the Mid-Continent area, this bank again renews this pledge. Looking ahead toward the future—the conservative, yet forward-moving officership of this bank offers its years of experience to the service of improvement in correspondent banking in the Mid-Continent area.

THE FIRST NATIONAL BANK and Trust Company of Tulsa

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

NEWS of TEXAS BANKS and BANKERS

☐ **Frank H. Carpenter, Jr.**, was recently elected president of the Sour Lake State Bank, Sour Lake, Texas, to succeed his father, the late F. H. Carpenter.

☐ **Rockdale State Bank**, Rockdale, Texas, listed loans at \$373,800 as compared with deposits of \$597,000 in its mid-year statement, indicating that a

substantial loan volume can be had by a country bank in a small town. Rockdale has a population of approximately 2,200. The bank now has capital of \$50,000, surplus of \$50,000 and undivided profits of \$31,477 and in 1929 it listed capital at \$50,000, surplus \$15,000 and undivided profits \$759. In 1930 and 1932 the bank absorbed the two other banks in Rockdale, incur-

ring some loss in doing so, but counting the gain for the community as vastly offsetting any such loss. At no time during the depression did the bank find it necessary to issue any debentures or preferred stock capital. T. B. Ryan, active vice president, says they have no competition from governmental lending agencies, "as we find that our people would rather do business with us if we will meet them halfway."

☐ **Revolta Davisson** has been appointed an executive vice president of the Citizens Industrial Bank, Austin, Texas.

☐ **Resources of Texas** state banks increased \$14,658,000 during the last year to \$217,061,000, according to Banking Commissioner Zeta Gossett in a statement of the condition of the institutions as of June 30. While the number of banks declined from 407 to 398, individual deposits increased \$9,891,000 to \$142,302,000 and trust deposits \$203,000 to \$539,000. State and other public funds on deposit rose \$804,750 to \$9,375,009, while time certificates of deposit increased \$1,420,820 to \$17,354,719. Loans and discounts on personal or collateral security rose \$6,865,816 to \$7,652,156, while loans secured by real estate declined \$901,670 to \$6,288,095. The amount of cash rose \$5,474,364 to \$69,259,047. Deposits in saving departments decreased \$257,354 to \$5,422,839.

☐ **New comptroller** of the Panhandle State Bank, Borger, Texas, is R. E. Bayliss, former cashier of the Andarko Bank and Trust Company, Andarko, Oklahoma.

☐ **Del Rio National Bank**, Del Rio, Texas, retired \$5,000 preferred stock and issued a like amount in common to stockholders on August 1, according to J. A. Walker, cashier. A semi-annual dividend of 3 per cent was declared in July.

☐ **H. H. Boelsche**, cashier, Industry State Bank, Industry, Texas, is recovering from effects of a shot in the chest received July 27 when a lone gunman attempted to rob the bank. The robber fired when Mr. Boelsche disregarded his command to "stick 'em up" and grappled with the gunman. He obtained no money.

In Kansas City

"NUMBER 1"

In the Clearing House

In Correspondents

In Capital Account

In Deposits

In Resources

In Age

In Services

is the

Commerce Trust Company

Capital, Surplus and Undivided Profits Exceed Ten Millions

THE PIONEER 24-HOUR TRANSIT BANK

Established 1865

MEMBER FEDERAL DEPOSIT
INSURANCE CORPORATION

☐ **Construction** on the banking quarters for the newly-chartered Highland Park State Bank, Highland Park, is under way. Officials hope to have the bank ready for business by November 1. E. B. Germany, mayor of Highland Park, is chairman of the board, and C. L. Dowlen, until recently vice president and cashier, Liberty State Bank, Dallas, president. The new building will include a drive-in depository service.

☐ **The fiftieth anniversary** of its opening was celebrated August 4 by the First National Bank, McGregor, Texas, by holding open house during the evening. The bank, the oldest in McLannan County outside Waco, has been located on the same corner all the years of its existence, although the banking quarters have expanded as needs increased. The bank's first statement on December 31, 1889, listed \$43,000 deposits as against \$497,800 deposits June 30, 1939. W. Goodrich Jones is the only living original individual charter stockholder. During its lifetime, the bank has had four presidents. Present officers are W. Guy Draper, president; G. W. England, active vice president; J. D. Mann, vice president; R. D. McEntire, cashier; William Zacharias and J. A. Naler, assistant cashiers. Directors are A. C. Amsler, R. A. Bailey, Mr. Draper, Mr. England, C. A. Morris, Mr. Mann, and G. W. Lee, Jr.

☐ **First National Bank**, Orange, Texas, celebrated its golden anniversary August 9. Since the time of its first statement, total resources of the institution have increased from \$125,000 to \$2,740,000 and deposits from \$48,000 to \$2,376,000. H. J. Lutcher, the first president, has been succeeded by his son-in-law, W. H. Stark, and grandson, H. J. Lutcher Stark, who is the present head of the institution. In addition to Mr. Stark, other officers are J. O. Sims, active vice president, and E. E. McFarland, cashier. Directors are the officers and F. H. Farwell, D. A. Pruter and George S. Colburn.

☐ **Frank K. Harrell**, formerly vice president, Sanderson State Bank, Sanderson, Texas, has been promoted to president, succeeding the late Joe Kerr. James Kerr has been appointed vice president and L. M. Baze advanced from cashier to executive vice president.

☐ **Howard Hambleton** resigned as cashier, Commercial National Bank, Beeville, Texas, to become cashier, Farmers State Bank, Temple, Texas.

☐ **Two bandits** recently robbed the Hull State Bank, Hull, Texas, of \$11,917, during the noon hour. This is the second time the bank has been robbed in seven years.

☐ **Citizens Industrial Bank**, San Antonio, Texas, has remodeled and air conditioned its banking rooms.

☐ **N. L. Cheatham** has been named president of the First National Bank, Edgewood, Texas, succeeding the late R. M. Millsaps.

☐ **Guaranty Bond State Bank**, Waller, Texas, is erecting a new building.

☐ **Albert L. Flint, Jr.**, formerly assistant cashier, Farmers State Bank, Temple, Texas, was promoted to assistant vice president of that organization August 1. Mr. Flint began work in the bank seventeen years ago as messenger and left the institution for a few years to work for an automobile concern, returning to the bank as assistant cashier in 1927.

☐ **Texas Bankers Association** will hold its 1940 annual convention in Galveston on May 21, 22 and 23. The Buccaneer Hotel will be the convention headquarters.

An Outstanding Bank Connection

This institution has accounts from all lines of business and from nearly one-fifth of the nation's banks.

No matter what part of the United States your business reaches, the Continental Illinois National Bank and Trust Company is acquainted in that territory . . . and thus is able to render an outstanding service.

Continental Illinois National Bank and Trust Company

OF CHICAGO

Member Federal Deposit Insurance Corporation

M. B. A. Announces Group Meeting Program

THE eight group meetings of the Missouri Bankers Association will be held from September 4 to 8, inclusive, and September 12 to 15, inclusive.

As in past years a special pullman car has been chartered to take the speakers and special representatives to the various meetings.

The program arranged for the groups will be of interest to directors and employees as well as bank officers. At each of the meetings J. P. Huston, cashier, Wood and Huston Bank, Marshall, and president of the Association will speak on the subject, "Bank Earnings." F. Guy Hitt, first vice president, St. Louis Federal Reserve Bank, also will appear before each group and conduct general discussions on "The Wage-Hour Law" and "Various Types of Loans Now Being Made by Banks."

James W. Burch, director, Agricultural Extension Service, University of Missouri, Columbia, will address the bankers at each meeting except Group Four on the subject, "Putting First Things First in Farming." Additional features have been arranged by the individual groups.

Group One, which meets Labor Day,



J. P. HUSTON

President, Missouri Bankers Association

September 4, at Canton, will have a full-day program. The entertainment will start at 10:30 in the morning with a tour of the Mississippi River Lock and Dam No. 20, arranged for the ladies. Other entertainment will include an old-fashioned fish fry on the

Culver-Stockton College campus, and a theatre party for the ladies. W. H. McDonald, president, Culver-Stockton, will deliver an address on "Banking as a Profession, from the Viewpoint of a College President."

Carl E. Bolte, Slater, president, State Chamber of Commerce, and past district governor, Rotary International, and Lonzo Jones, Ph.D., dean of the faculty and student personnel, Central Missouri State Teachers College, Warrensburg, will give addresses at the meeting of Group Two at Chillicothe, September 12. The subject of Mr. Bolte's address is "Missouri and Its Resources." "Psychological Shifts in American Mind" is the title of Dr. Jones' address.

Three outside speakers will address the bankers of Group Three, meeting September 13 at St. Joseph. The Hon. Francis Smith, state senator, St. Joseph, will talk on "Bank Legislation." G. H. Damsel, manager, Armour and Company, St. Joseph, will speak on "Live Stock and Packing Industry." At the noon luncheon Tom Collins, assistant to the publisher, Kansas City



BONDS

Government — State
Municipal

Bought — Sold — Quoted

We Welcome Your Inquiry

BOND DEPARTMENT

MISSISSIPPI VALLEY
TRUST COMPANY

ST. LOUIS

1899

1939

THE UNION NATIONAL BANK

SPRINGFIELD, MO.

Capital Structure Over One Million Dollars

This bank is in close contact with Missouri and Northwest Arkansas

Promptness and accuracy are always emphasized

"The bank that always runs strong"

Member Federal Deposit Insurance Corporation

Journal, will address the group on the subject "Throw Your Hat."

Group Four, meeting at the Unity Farm, Lee's Summit, September 14, will hear special addresses by John B. Gage, attorney, Kansas City, and L. B. Reed, chief of police, Kansas City, and formerly with the Federal Bureau of Investigation. Mr. Gage will talk on "The Government in Agriculture." "Law Enforcement" is the title of Mr. Reed's address.

Group Five meets at Jefferson City, September 15. "Let's Quit Buying Bonds," by William B. Ewald, bank investment supervisor, St. Louis Union Trust Company, and "Meeting the Present Pace," by Hugh Stephens, chairman of the board, Exchange National Bank, Jefferson City, are the two special addresses on the program there.

Two sides of the banking situation will be discussed in addresses before the bankers of Group Six, meeting September 6 at Arcadia. W. R. J. Hughes, Ironton, prosecuting attorney for Iron County, will talk on "From the Outside Looking In," and J. C. Welman, president, Bank of Kennett, Kennett, will speak on "From the Inside Looking Out."

The Springfield meeting of Group Seven, scheduled for September 7, will hear special addresses by two attorneys. Arthur M. Curtis, Springfield, will speak on "My Observations and Experiences as an Attorney and a Banker." "Whither, Through Falling Due" is the title of W. L. Vander-venter's address.

R. W. Tener, probate judge, Neosho, will address the bankers of Group Eight on the subject "Bankers' Present-Day Problems." This group meets September 8 at Neosho.

In addition to the program, each of the groups has provided special entertainment. Barbeque luncheons, dinners, noonday luncheons, fish fries, and buffet suppers have been arranged for the meetings. Many of the groups will also have entertainment during the dinner hour.

☐ **Bank of Salem**, Salem, Missouri, has purchased the Bank of Lenox, Lenox, Missouri. H. A. Young is president of the Salem bank.

☐ **E. C. Houx** has been promoted from assistant cashier to cashier of the Peoples National Bank, Warrensburg, Missouri.

☐ **Farmers Bank**, Gilman City, Missouri, retired \$1,000 preferred stock August 1. W. N. Manville and C. F. Oram are president and cashier respectively of the institution.

INVESTMENT SECURITIES

McCOURTNEY-BRECKENRIDGE & CO.

1821 Boatmen's Bank Bldg.
St. Louis, Missouri

Central 5730

Condensed Official Statement of the
TRADERS GATE CITY NATIONAL BANK

of Kansas City, Missouri

At the Close of Business, June 30, 1939

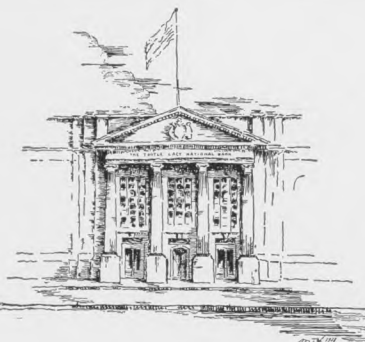
RESOURCES

Loans and Discounts	\$3,115,105.71
Bonds and Securities	569,706.56
Federal Reserve Bank Stock	18,750.00
Safe Deposit Vaults	32,000.00
Furniture and Fixtures	6,000.00
Other Real Estate	2,501.00
United States Bonds	\$1,646,400.00
Cash and Sight Exchange	3,832,299.60
TOTAL	5,478,699.60
	\$9,222,762.87

LIABILITIES

Capital Stock, Common	\$ 350,000.00
Capital Stock, Preferred	200,000.00
Surplus	\$75,000.00
Net Profits	40,596.21
Reserved for Contingencies	25,000.00
Reserved for Interest	14,230.46
Deposits	8,517,936.20
TOTAL	\$9,222,762.87

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



OFFICERS

MILTON TOOTLE, JR., *President*
GRAHAM G. LACY, *Vice President*
E. H. ZIMMERMAN, *Vice President*
MILTON TOOTLE, III, *Vice President*
R. E. WALES, *Cashier*
FRED T. BURRI, *Ass't Cashier*

Thoughts at Fifty

★
FIFTIETH
ANNIVERSARY
1889-1939

This bank credits much of its growth to the friendship and goodwill of an ever-widening circle of correspondents.

In formulating policies and practices, our foremost consideration always is to merit the continuation of this friendship and good-will.

The Tootle-Lacy National Bank

ST. JOSEPH, MO.

Member Federal Deposit Insurance Corporation

Who's Who in the M.B.A.

W. A. WELLS, chairman of Group One of the Missouri Bankers Association, has been cashier of Clifford Banking Company, Clarksville, since January 1, 1928.

Born on a farm in Pike County, in 1890, Mr. Wells was educated in the public schools and Gem City Business College, Quincy, Illinois. From 1913 to 1926, he was in the general merchandise business in Paynesville, Missouri. Selling out in 1926, Mr. Wells made a tour of the Western and Southern States, returning to Missouri late in 1927 to accept his present position.

Besides his banking interests, the Group One chairman is owner and operator of 625 acres of farm land in Pike County and manager of an additional 650 acres.

He is married and has one son, 23 years of age. Mr. Wells is a member of the Christian Church, Masonic Lodge, Elks Lodge, and a trustee of Pike County Hospital.

"My hobby is fishing, when I can find time," says Mr. Wells, "and I have a large pond on one of the farms stocked with crappie, black bass and perch."

CHAIRMAN of Group Two of the Missouri Bankers Association, W. H. Fullington, is cashier of the Bank of Coffey, Coffey.

Mr. Fullington is a native of Webster County, Missouri, having been born there in 1894. After attending public schools in Seymour and Mansfield, he spent two years at Southwest Baptist College, Bolivar. Previous to becoming cashier of the Bank of Brimson, Brimson, Mr. Fullington had been secretary-treasurer of the Robert-Elder Kanning Company and an instructor in the Mansfield high school. From 1923 to 1930 he was cashier of the Farmers Bank of Mayview, Mayview, and from 1930 to 1932, cashier of the Pattonsburg Savings Bank, Pattonsburg. After four years in the insurance business, Mr. Fullington returned to banking in 1936 as cashier of the Bank of Coffey.

While in college, Mr. Fullington met Dena Spillman, who later became his wife and who has been assistant cashier in the banks he has been connected with since 1923.

He is a member of the Masonic Lodge and of the Baptist Church. Mr. Fullington lists as his chief hobbies gardening and reading, particularly history.

JOHN T. WELLS, vice president, Citizens Bank of Atchison County, Rock Port, Missouri, is chairman of Group Three of the Missouri Bankers Association.

Born, raised, and educated in the county in which he now lives, Mr. Wells has been associated with the Citizens Bank of Atchison County for the last 31 years. Resigning as deputy county clerk of Atchison County in 1908 to accept a position as bookkeeper in the above bank, Mr. Wells has been promoted to assistant cashier, cashier and finally vice president, which position he now holds.

The group chairman is a member of the Masonic Lodge. He is married, and has two sons, 13 and 11 years of age.

JOHN P. MEYER, chairman of Group Five of the Missouri Bankers Association, and president of

Offering
Complete and Dependable
Correspondent Service
to
Banks of the Southwest
for
Forty-Nine Years
Under the
Same Name and Charter

Inter-State National Bank

LIVE STOCK EXCHANGE BUILDING

KANSAS CITY, MISSOURI

Night Transit Service

Member Federal Deposit Insurance Corporation

*Progressive
Banking*

Backed
by a
record of
successful
experience.

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Send Us
Your
Produce
Drafts
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HAL R. LEBRECHT
President
R. A. EDLUND
Vice-President
C. D. NOVO-GRADAC
Cashier
F. DENZIL SHERER
Ass't Vice-President
CHARLES L. STICKEL
Assistant Cashier

MERCHANTS BANK
KANSAS CITY, MISSOURI

Member Federal Deposit Insurance Corporation

the Northwestern National Bank of St. Louis, has been actively engaged in banking since graduation from Yale University in 1922.

Mr. Meyer was born in St. Louis in 1899 and attended public school and Smith Academy there. After prepping at Phillips Academy, Andover, Massachusetts, he took his college work at Yale.

Upon graduation, Mr. Meyer began work for the Lafayette South Side Bank, St. Louis, leaving there in 1924 to become assistant cashier, Twelfth Street National Bank, St. Louis. During 1927 and 1928, he was bank examiner for the Finance Commissioner of the State of Missouri, leaving that in the fall of 1928 to become vice president of the South Side National Bank, St. Louis, from which position he resigned in 1931. In February, 1932, Mr. Meyer became examiner and chief examiner of the St. Louis loan agency of the Reconstruction Finance Corporation and during the fall of 1933 and 1934, he was charged with handling the RFC's capital rehabilitation program for non-members of the Federal Reserve System banks in Missouri. Since September, 1934, Mr. Meyer has been in his present location and has been president of the Northwestern Trust Company, now the Northwestern Na-

tional Bank of St. Louis, since January, 1935.

The Group Five chairman is a member of the Bridlespur Hunt Club, Racquet Club, Knight of the Cauliflower Ear, Advertising Club of St. Louis and of the Association of Reserve City Bankers. Mr. Meyer is also president of the Associate Bankers of St. Louis and a director of the Missouri Athletic Club.

In February, 1928, Mr. Meyer married Alice Frances Strauch. Mr. and Mrs. Meyer have three children, John, 8, Andrew, 5, and Alice Carolyn, 3.

CHAIRMAN of Group Six of the Missouri Bankers Association, C. D. Matthews, III, is vice president of the Bank of Sikeston, Sikeston.

He was born in 1907 and educated at the Sikeston Public Schools, Western Military Academy at Alton, Illinois, and Westminster College, Fulton, Missouri. Mr. Matthews entered the banking business as a bookkeeper in the Bank of Sikeston in 1928, being promoted to the position of teller in 1931. Later in that year he was made a director and cashier, which position he held until 1937, at which time he was made vice president.

Favorite activities of Mr. Matthews

outside of bank hours are golf and fishing.

Mr. Matthews is married and the father of a daughter, aged 10, and a son, aged six.

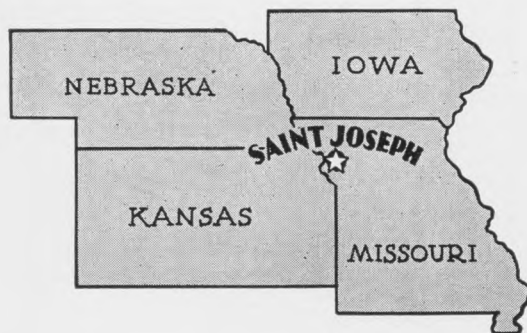
J. M. WILLIAMS, executive vice president and cashier, Citizens State Bank, Marshfield, is chairman of Group Seven of the Missouri Bankers Association.

Mr. Williams was born at Bowers Mills, Lawrence County. When still a boy he moved to Pierce City where he attended grade and high school. After graduating from high school, he attended business college in Springfield, Missouri.

After finishing school, Mr. Williams was a clerk in a mercantile establishment at Clever for a year, and a bookkeeper in Kansas City. He then entered business for himself in Pierce City, selling out in 1926, at which time he entered the employ of Union National Bank, Springfield. After being promoted from bookkeeper, to head bookkeeper, to teller, he left the bank in 1928 to accept an assistant cashiership of the Peoples Bank, Clever. He remained in that position until May, 1933, when he went to Marshfield in an effort to remedy the restricted condi-

(Continued on page 45)

Strategic Position



Located at the very center of four great agricultural states, this bank has served its customers through an ever widening circle of contact and influence. Far-reaching channels of information, outstanding clearing facilities and the largest capital structure in Missouri outside of St. Louis and Kansas City make this bank a logical choice as your correspondent for the wide and prosperous St. Joseph trade territory.

We Invite Your Business.

FIRST NATIONAL BANK OF SAINT JOSEPH, MISSOURI

Member of Federal Deposit Insurance Corporation

The St. Joseph Livestock Market



A View of the Stock Yards at St. Joseph, Missouri.

AVERAGE yearly livestock receipts valued at approximately \$50,000,000 make the livestock industry the most important business in St. Joseph and place the St. Joseph livestock market among the largest in the United States.

Located at a point where the grazing territory meets the farming and feeding areas, St. Joseph provides a market for the finished animals from feed lots and affords an active demand for feeder animals from the grazing areas to replenish feed lots. Each year thousands of head of livestock arrive at the St. Joseph market to provide a cash

income for the feed and labor produced on the many farms and ranges.

A feature of the St. Joseph market is the steady, day after day demand for all classes of livestock. Perhaps a larger percentage of the receipts are slaughtered here than at any other market center. Only a small amount of stock is received on through billing and not offered for sale. Livestock is received from more than twenty states and shipments are made to forty-two cities in twenty states.

The yards cover more than 50 acres and are thoroughly modern in every respect. More than 19 acres are under

roof and the entire area is paved and provided with adequate water and sewerage systems.

Two of the nation's leading meat packing companies have large modern plants at the St. Joseph market. The plant of Swift and Company covers 48 acres, while the plant of Armour and Company covers 55 acres. In addition to these two packers, there are several smaller packing companies located in the city of St. Joseph that are an important factor in the daily competition, furnishing a good outlet for slaughter livestock. Order buyers are also active and buy stock to forward to packers

**CATTLE
LOANS**

To supplement
the credit
facilities of
our banker
customers

*We'll see
you at
the
GROUP
MEETINGS*

OFFICERS

FRAZER L. FORD
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RAY W. SNYDER
Cashier

THOS. J. MCCULLOUGH
Assistant Cashier

First St. Joseph
STOCK YARDS BANK
So. St. Joseph, Missouri

Member of the Federal Deposit Insurance Corporation

ST. JOSEPH —

An Important Market

Terminal markets set the live stock prices of the country and are the bankers' safeguard and shippers' friend.

A sound business institution for 50 years providing daily cash market for live stock.

Local and shipper demand insure highest prices for all classes of live stock.

Prompt efficient handling plus modern facilities assure good weights.

ST. JOSEPH STOCK YARDS CO.

SOUTH ST. JOSEPH, MO.

Always
At Your Service
in
St. Joseph

BURNES

NATIONAL BANK

ST. JOSEPH, MISSOURI

Member Federal Deposit Insurance Corporation

located at various points throughout the United States.

The St. Joseph Stock Yards Company provides the best of service to shippers in unloading, yarding, feeding and weighing each shipment of livestock, insuring good appearance and good fill when animals are shown and sold.

The importance of terminal livestock markets such as the one at St. Joseph cannot be overemphasized. They provide a place where supply and demand factors establish a price that is fair to both producers and purchasers. They also provide a place where there is a demand for all classes of livestock every day and where there is competitive buying to insure producers that they will receive the greatest possible return for their animals.

Who's Who in the M.B.A.

(Continued from page 43)

tion of the Citizens Bank of Marshfield. He subsequently stayed on to organize the Citizens State Bank of Marshfield in 1934 and became executive vice president and cashier.

At the present time he is actively engaged in Lions Club activities and is also working hard on the annual county fair.

Since 1887 . . .

A Dependable
Correspondent
Connection
. . . Through Good
Times and Bad!



**American
National Bank**

ST. JOSEPH, MO.

Member Federal Deposit Insurance Corporation

DOWNTOWN ST. LOUIS
Delmar Avenue
Lucas Avenue
W. 11th St.
W. 12th St.
W. 13th St.
W. 14th St.
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W. 49th St.
W. 50th St.

AT YOUR DOORSTEP

HOTEL Kennox
NINTH & WASHINGTON
Over 50% of all rooms \$3.50 or less, single; \$5.00 or less, double

CHARLES B. EDWARDS, president, First National Bank, Lamar, is chairman of Group Eight of the Missouri Bankers Association.

Mr. Edwards has been a resident of Lamar all his life, having been born there in 1878. He was educated in the Lamar public schools.

In 1901, he became bookkeeper of the Brown Banking Company, Lamar, and in 1904 left that organization to become assistant cashier of the First National Bank, Lamar. He was advanced to cashier in 1905 and to president in 1931.

Mr. Edwards has been mayor of Lamar for two terms, was president of the Lions Club, county chairman for the Red Cross during the World War, and secretary of Group Eight the past year.

"My hobbies," says Mr. Edwards, "are golfing and quail hunting."

¶ Mrs. Lena Ewens, formerly assistant cashier, Farmers Bank of Mokane, Mokane, Missouri, will succeed Madeline Painter as assistant cashier of the Exchange Bank, New Franklin, Missouri, September 1.

¶ Ben Finley, son of Cashier Roy Finley, is now bookkeeper of the Tipton Farmers Bank, Tipton, Missouri.

WANTED \$10,000-a-YEAR MEN who understand banking to sell **BETTER Holdup Protection** for **LESS** money to suburban and rural banks. Must be of unquestionable integrity, able to give surety bond and finance themselves for three to four months, while covering exclusive protected territory. Address Mr. Lindl, Miller Block, Milwaukee, Wisconsin.

SCHUMACHER RUSSELL & Co.
Investment Securities
LITTLE ROCK ARKANSAS
★ Arkansas Municipals ★

"I'm at hotel **Mayfair**"

ENTER OF ST. LOUIS BUSINESS

"Fine, that's near my office"

Over 50% of all rooms \$3.50 or less, single; \$5.00 or less, double

NEWS of MISSOURI BANKS and BANKERS

☐ **Merchants Bank**, Kansas City, Missouri, has joined the list of "Honor Roll" banks with surplus and undivided profits now in excess of the amount of capital. The bank recently reported surplus and undivided profits totaling more than \$201,000, as compared with capital of \$200,000. Deposits are now more than \$3,733,000 and total resources are more than \$4,135,000. The bank has charged its building down to \$1 on its books.

☐ **H. D. Whitaker** has been appointed assistant cashier of the Farmers Bank, Blairstown, Missouri. He is the son of H. C. Whitaker, the cashier.

☐ **Bank of Bloomfield**, Bloomfield, Missouri, opened late last month to give that city its first banking institution in ten years. Officers of the bank are E. E. Good, president; W. K. Hobbs, formerly of Hammond, cashier; Yewell Lawrence, vice president; and John Crosser, Leo Fisher, Jr., and R. Kip Briney, directors. The bank has capital of \$30,000, surplus of \$4,000, and undivided profits of \$2,000.

☐ **First State Bank**, Buckner, Missouri, has appointed Amy E. Larey assistant cashier.

☐ **First National Bank**, Carrollton, Missouri, passed its fiftieth milestone August 5. W. E. Hudson, president, was one of the organizers of the bank and served as its first cashier. Other present officers include J. T. Garner, vice president; H. B. Austin, cashier; and A. C. Lueders, assistant cashier.

☐ **George S. Grier** has been elected president of the Farmers State Bank, Easton, Missouri, succeeding the late Michael Wogan. Previous to his election, Mr. Grier had been a director of the institution.

☐ **J. C. Welman**, president, Bank of Kennett, Kennett, Missouri, announces the appointment of W. C. McHaney, formerly assistant cashier of the Cotton Exchange Bank, Kennett, as an additional assistant cashier in the Bank of Kennett.

☐ **D. T. Zimmerman**, president, Lawson Bank, Lawson, Missouri, was elected cashier of the Exchange Bank of Richmond, Richmond, Missouri, recently.

☐ **James K. Vardaman, Jr.**, former president of the Tower Grove Bank and Trust Company, St. Louis, was elected treasurer and chairman of the Executive Committee of the Collins-Morris Shoe Company of St. Louis, August 10.

☐ **John J. Donegan** has been promoted to the leasing division of the real estate department of the Mercantile-Commerce Bank and Trust Company, St. Louis. He was formerly supervisor of the property management division and is succeeded in this position by George Reiss.

☐ **Fred L. Wuest**, secretary-treasurer, State Bank and Trust Company of Wellston, Wellston, Missouri, has been advanced to vice president.

☐ **Winston, Missouri**, was left without banking accommodations August 9 when the Bank of Gallatin, Gallatin, Missouri, took over the Bank of Winston under terms of a recently negotiated contract. R. W. Holt, state finance commissioner, said the Bank of Winston had deposits of \$102,000 and the Bank of Gallatin had deposits of \$150,000 prior to the consolidation. E. W. Manring, cashier, Bank of Winston, becomes a vice president and active officer in the merged bank.

☐ **Jesse F. McCrerry**, formerly cashier, Citizens Bank of Ava, Ava, Missouri, has been appointed to an executive position in the Bank of Higginsville, Higginsville.

☐ **James Willis Wilson**, formerly of St. Charles, Missouri, and vice president of the Joint Stock Land Bank, Charleston, West Virginia, died recently at his home in Charleston.

☐ **Burton K. Blair**, 70, at one time a prominent banker in Crane, Missouri, died at the Freeman hospital in Joplin recently.

☐ **John J. Griffin**, vice president, Mutual Bank and Trust Company, St. Louis, was a recent speaker at the Kiwanis luncheon in St. Louis.

☐ **The 549 Missouri** state bank and trust companies of Missouri had a total of \$945,946,000 resources June 30, 1939, as compared to total resources of \$886,170,000 for 565 banks a year ago, for a net increase of \$59,776,000, according to R. W. Holt, commissioner of finance. Other figures in the commissioner's report for this year include loans and discounts of \$263,883,000, a gain of \$18,432,000; cash \$310,306,000, a gain of \$8,192,000; demand deposits \$635,332,000, a gain of \$56,704,000; time deposits \$53,656,000, a decrease of \$2,420,000; and savings deposits \$140,529,000, a gain of \$5,917,000. Total capital, including capital stock and capital notes, surplus fund, undivided profits, and reserves, is listed at \$101,442,000, a decrease of \$50,000. However, capital stock and capital notes to the amount of \$1,383,000 has been retired.

☐ **Lee Garvin**, assistant cashier, Bank of Lees Summit, Lees Summit, Missouri, states that he played professional baseball with Charles Barrett, St. Louis Cardinals scout, who died recently.

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☐ **Mrs. Charles H. Green**, 55, wife of Charles H. Green, vice president of the Johnson-Lucas Banking Company, Osceola, Missouri, died recently in a Kansas City hospital after a long illness.

☐ **All accounts** of the old Farmers Bank, Farmington, Missouri, have been closed. Depositors in the closed bank were paid in full and stockholders received \$105 for every \$100 par value share.

☐ **St. Louis bank presidents** recently honored John S. Wood, retired St. Louis banker, with a testimonial dinner. At the dinner, Mr. Wood was presented with an engraved wrist watch.

☐ **H. C. Hobbs**, formerly assistant cashier, will succeed his father, W. K. Hobbs, as cashier of the Bank of Hammond, Hammond, Missouri. The senior Mr. Hobbs is now cashier of the newly-chartered Bank of Bloomfield, Bloomfield, Missouri.

☐ **Otto Hale**, cashier, Carroll County Trust Company, Carrollton, Missouri, is taking a three months' leave of absence so that he may recuperate from a recent illness.

☐ **W. W. Bradley**, president, Crystal City State Bank, Crystal City, Missouri, announces that his bank has reduced interest rate on six-month time and savings accounts from 2 per cent to 1½ per cent. Deposits for the full year will still bear 2 per cent.

County Association News

☐ **The Howard-Randolph-Saline-Cooper Inter-County Bankers Association** held their first meeting as an organization at Moberly, August 8, with approximately seventy bankers in attendance. Cooper County, having previously accepted an invitation to join the Howard-Randolph-Saline Inter-County Association, was received into the organization.

W. C. Tompkins, auditor, First National Bank, St. Louis, addressed the meeting on the Wage and Hour Law.

Officers elected at the meeting were L. W. Jacobs, Jr., president, Commercial Trust Company, Fayette, president; H. A. Seltsam, cashier, Citizens Bank, Pilot Grove; and Roger Haney, State Bank of Slater, Slater, vice presidents; and H. H. Wright, cashier, Bank of Cairo, Cairo, secretary-treasurer. The next meeting will be held at Boonville on November 14.

☐ **Security Bank of Rich Hill**, Rich Hill, entertained the Bates County bankers, directors and their families

at the annual picnic August 4. Approximately seventy persons, representing all the banks in the county, enjoyed a fried chicken dinner and informal program. Officers will be elected at a meeting to be held later in the year, probably at Butler, according to H. J. Ketchum, president, Security Bank of Rich Hill.

☐ **At a recent meeting** of the board of directors of the Bank of Higginsville, Paul H. Lehman tendered his resignation as cashier. His resignation was accepted and Jesse F. McCreery was elected as his successor.

☐ **Jasper County Bankers Association** entertained a group of Jasper businessmen at its recent dinner-meeting held in Jasper. A. C. Hoyt, president, Baxter National Bank, Baxter Springs, Missouri, was guest speaker and conducted a program of questions and answers on legal problems of banking.

☐ **Ogden C. Risely**, Excelsior Springs, Missouri, has been elected president of the Lawson Bank, Lawson, effective September 1, to fill the vacancy caused by the resignation of D. T. Zimmerman who goes to Richmond to become cashier of the Exchange Bank of that city.



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NEWS of KANSAS BANKS and BANKERS

☐ **First National Bank**, Glasco, Kansas, has rearranged its fixtures and stalled an additional teller's window. Work will begin soon on a proposed storage vault in the basement of the institution.

☐ **A timely warning** from the National Bank of Tulsa; teamwork between the McPherson and Citizens State Bank,

McPherson, Kansas, and local merchants; and the cooperation of the police, led to the capture of a bogus check ring operating out of Great Bend, Kansas. When a fraudulent check on a Tulsa oil company came through the National Bank of Tulsa for collection, the McPherson bank was telephoned and warned that bad checks were be-

ing passed in that part of the state. The bank, in turn, tipped off local merchants. However, one had already cashed a rubber check for a "Porter" of Great Bend. After being notified of the fraud, police in Great Bend picked up F. H. Hawkins who was identified as "Porter." Hawkins disclosed that a ring had been operating in that territory with Bert Meredith as boss. At the time of his arrest, Meredith had his auto filled with from \$350,000 to \$500,000 of false checks—all on major oil companies in this area.

To get checks from the various companies, men from the gang would work several days for a contractor and use his pay-check for the imitation. Sometimes the man asked that his check be sent to some other place, and then the letter accompanying the follow-up check was used for identification. National Bank of Tulsa makes a practice of advising its correspondent banks whenever fraudulent checks come in for collection from their sections. A card of warning along with a photostatic copy of the bogus check is sent to every bank.

☐ **John Thornburg**, 26-year-old "human dynamite bomb" bandit, was sentenced to 35 years in a federal prison after pleading guilty to the \$4,860 robbery of the First National Bank, Chanute, Kansas.

☐ **R. V. Butcher**, cashier, First National Bank, Cimarron, Kansas, expects to return to work the first of September, having been absent from the bank for nearly a year as a result of an auto accident.

☐ **Valley State Bank**, Syracuse, Kansas, has installed an air-conditioning unit.

☐ **C. H. Moore**, cashier, Farmers State Bank, Westmoreland, Kansas, was the subject of an article in a recent issue of the *American School Board Journal*. He has been treasurer of his high school board for 21 years.

☐ **Farmers State Bank**, Lenexa, Kansas, reduced the rate of interest on savings accounts to 1 per cent, effective September 1.

☐ **Linn State Bank**, Linn, Kansas, has retired \$5,000 preferred stock, reducing it to \$10,000. Common stock has been increased from \$10,000 to \$15,000 and surplus has been increased by \$1,400 to \$5,000.

Do You Know That:

Tulsa is the center of a trade territory comprising 29% of the entire state's area BUT 40% of its population . . . 42% of its real and personal property . . . 47.6% of its effective buying income . . . and 40% of its retail sales.

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☐ **Walter N. Male** recently was appointed a vice president of the First National Bank, Pratt, Kansas.

☐ **Miss Rose Ida Tapphorn** has been elected assistant cashier at the State Bank of Kelly, Kelly, Kansas.

☐ **F. David Rall** recently succeeded Lewis P. Rall as president of the Zenda State Bank, Zenda, Kansas. The new president is the son of Frank D. Rall, cashier of the bank. Lewis Rall resigned his office because other business occupied too much of his time.

☐ **Bank of Bronson**, Bronson, Kansas, is being redecorated inside and out.

☐ **Miss Blanche Rumsey**, assistant cashier, Farmers and Drivers Bank, Council Grove, Kansas, has announced her resignation from that position.

☐ **Mrs. George S. Garrison** has been named assistant cashier at the McCune State Bank, McCune, Kansas.

☐ **John F. Baldwin**, assistant cashier, First National Bank, Gaylord, Kansas, has been elected president of the local Community Club. He is also vice president of the Lions Club of Smith Center.

☐ **An extensive remodeling program** will get under way at the Planters National Bank, Salina, in the next six months. Temporary quarters will be set up at 130 North Santa Fe.

☐ **An increase** of more than \$5,000,000 in deposits was recorded by Kansas state banks during the past year, bringing the total to \$159,359,000. Loans, however, dropped \$387,000 to \$80,000,000. During the same period, Commissioner Elwood M. Brooks reports that \$500,000 was added to surplus and \$300,000 to undivided profits.

☐ **Roy Haines**, president, Kansas Bankers Association, entertained 111 bankers and Augusta, Kansas, businessmen at dinner at his lodge August 11. Laird Dean, past KBA president, was the principal speaker. The dinner was held in connection with a meeting of the association Bank Management Commission and its Advisory Board. The Executive Council of the KBA will meet in special session this month to consider several important recommendations made at the August meeting.

☐ **A. E. Burns**, formerly assistant cashier, Wilson State Bank, Wilson, Kansas, has been promoted to cashier, succeeding D. C. Meuli who is now

cashier at the Bank of Herington, Herington, Kansas.

☐ **Farmers State Bank**, Norwich, Kansas, is the first bank in Kingman County to be equipped with a modern air-conditioning plant now that they have made such an installation.

☐ **J. R. Burrow**, president, Central National Bank, Topeka, Kansas, is taking a month's trip through the Eastern states and Nova Scotia.

☐ **Nemaha County Bankers Association** met at a dinner meeting at Sabetha, Kansas, recently. A number of guest bankers from Kansas City, Kansas, St. Joseph, Missouri, and Kansas City, Missouri were present.

☐ **Sam C. Day**, vice president, Union National Bank, Wichita, is spending a three weeks' vacation in Minnesota.

☐ **J. D. Bjorkman**, cashier, Commercial National Bank, Kansas City, Kansas, underwent a major operation, in St. Margaret's hospital in that city Saturday, August 12.

☐ **Mrs. Alice Vandaveer** is the new bookkeeper in the First National Bank, Neodesha, Kansas, succeeding Estal Starr.

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MUNICIPAL BONDS

Oklahoma Municipals

By J. H. EDWARDS

R. J. Edwards, Inc., Oklahoma City

THE bond market during July reached an all-time peak for Oklahoma municipals. Very few new issues came out and practically all of these were rural school district bonds and in every instance the bidding was very spirited, especially on the better kind of districts.

The retail redistribution of securities, however, has been marked by the usual summer dullness. Short term high-grade bonds continue to move readily whereas, as is usual in this market, the longer bonds are slower. There has been a noticeable slackening in demand for long term two per cent Oklahoma State Funding Notes, most spots for these bonds being temporarily filled at recently prevailing prices.

The prospects are that, barring war in Europe, the market will maintain its present position because there are no prospects of a great many new bonds being voted. Voters are consistently turning down many issues and the scarcity demand is growing for first rate Oklahoma municipals.

Kentucky Municipals

By THOMAS GRAHAM

The Bankers Bond Co., Louisville

DURING the month of August there were two new issues of Kentucky Municipals sold, namely, \$41,000 City of Somerset School Building Revenue 3s and \$210,000 Pendleton County Public School Corporation 3½s. The probability is that in September and October there will be a number of fairly large sales of School Revenue and Refunding bonds. A great many of the bonds originally purchased by the Reconstruction Finance Corporation bearing 4 per cent interest can now be profitably refinanced into bonds carrying a 3 per cent coupon, and a good many municipalities have signified their intention of doing so.

It is also felt that the State may issue 1½ per cent School Warrants in September, October and November to pay the school per capita and then call all the 3 per cent Warrants outstanding, which would leave the Commonwealth with an indebtedness of approximately \$5,400,000 1½ per cent Warrants. During the month of Au-

gust the syndicate which purchased the \$200,000 Commonwealth of Kentucky Military Department Armory Corporation 3¾s offered these bonds and successfully sold same, and there is an active demand at the present time for all investment issues.

We anticipate that an effort will be made shortly to prepare a program to present to the regular session of the Kentucky Legislature in January, 1940, to try to work out finally the problem of Kentucky counties which are in difficulty on their Road & Bridge and Funding bond indebtedness.

The Arkansas Situation

GOVERNOR BAILEY of Arkansas indicated last month that he would go forward with his fight to refund the State's \$140,000,000 highway indebtedness, despite the action of the Arkansas Supreme Court in invalidating the emergency clause to the 1939 highway bond refunding law. The court was divided four to three and a vigorous dissenting opinion was written by Associate Justice Frank G. Smith and concurred in by Associate Justice E. L. McHaney and Special Justice V. G. Holland.

The four to three decision invalidated the emergency clause, automatically delaying the refunding at least ninety days. At the same time the court deferred its opinion on the constitutionality of the act itself.

Remarks made by the Governor following the action of the Supreme Court indicated that he might seek to refer the refunding measure to a vote of the people at a special election. It was also indicated that the Governor might file a petition for a rehearing on the decision.

BOOK REVIEW

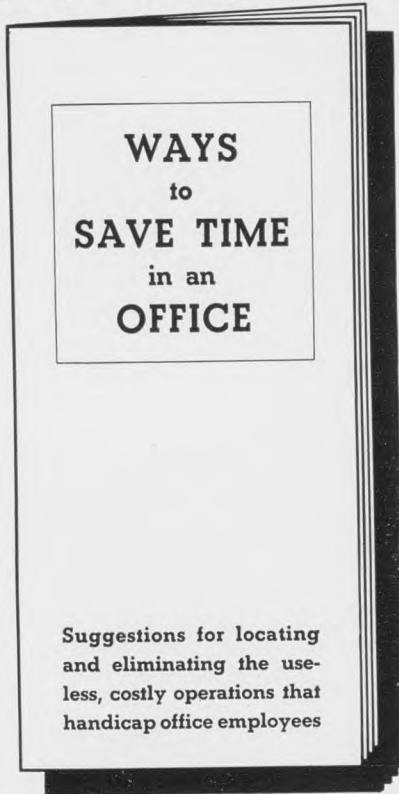
"Commodity Year Book, 1939,"
compiled and published by Com-
modity Research Bureau, Inc.,
New York. 616 pages.

This is a compilation of statistics on grains, textiles, tropical products, fats, oils, oilseeds, livestock, dairy products, potatoes, metals, and certain industrial products. It presents a discussion of these statistics and of related subjects. The book is an excellent one.

How to Save Time in Your Office

Executives confronted with the problem of handling an increased volume of office work, or concerned about saving time and money by handling the present volume more efficiently, will be interested in a practical booklet entitled "Ways to Save Time in an Office," which has just been issued.

This twenty-page brochure compiled by the Burroughs Adding Ma-



chine Company is timely for executives in all lines because it deals with the elimination of needless motions. In a simple, clear-cut manner, it presents valuable suggestions intended to guide executives in locating the costly operations that handicap office employees.

Taking as its theme the thought that through improved methods most offices can handle their work in the regular hours and with the regular staff, the booklet actually is a collection of ideas based on Burroughs' experience of more than fifty years in studying office methods and helping business develop more efficient procedures.

Typical subjects covered include: "bottlenecks" in office routines, month-end "peak" loads, rehandling of figures, nonproductive operations, duplication of records, and similar costly factors.

The booklet also suggests such practical short-cuts as writing related rec-

ords simultaneously, simplified form handling, writing a completed invoice in one operation, obtaining statistical information as a by-product of some other necessary operation, etc.

Persons desiring a copy of "Ways to Save Time in an Office" may obtain one, without cost or obligation, simply by addressing a request to Burroughs Adding Machine Company, 6071 Second Blvd., Department S., Detroit, Michigan.

Illinois Group Meetings

(Continued from page 23)

The businessman to address the bankers of Group Five, meeting September 13 at Jacksonville, will be J. R. Fulkerson, president, Producers Live Stock Commission Company, Jerseyville.

Group Eight will meet September 15 at Decatur. Corwine E. Roach, president, Capital City Paper Company, Springfield, will be the guest speaker.

At the special meeting of Group Nine, Frank T. Egan, managing director, Chamber of Commerce, Centralia, and secretary, Petroleum Association of Illinois, will give the afternoon address.

The other groups have not released the names of the guest speakers as yet. Group Two meets September 19 at Starved Rock; Group Four, September 7 at Rock Falls; Group Six, September 8 at Peoria; Group Seven, September 14 at Mattoon; Group Ten, September 11 at Carbondale. Group One, the Chicago District, will announce its meeting at a later date.

Harris Trust Banker to Head Large Food Corporation

W. H. Vanderploeg, vice president of the Harris Trust and Savings Bank, Chicago, who has been absent on leave to serve as executive representative of the board of the Kellogg company, recently resigned his position with the bank in order to become general manager of the breakfast food concern.

Mr. Vanderploeg was born in Pella, Iowa, in 1888 and began his banking career there. In 1906 he went to work in the Citizens National Bank in that city, and eleven years later purchased the Farmers and Merchants Bank and merged the two as the Farmers National. In 1923 he sold his interests in the bank and became receiver for the United States Bank of Des Moines. In 1930 he was brought to Chicago as president of the Washington Park National Bank, and in 1931 he came to the Harris Trust as assistant vice president, later becoming vice president.

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	Bid	Asked		Bid	Asked
Abitibi Power & Paper, 5s, 1953..	39	40	Illinois Commercial Telephone, 5s,		
Affiliated Fund, 4½s, 1949	100½	101½	1960	102	104
Alabama Power, 4½s, 1967	99½	100½	Indianapolis Water Co., 3½s, 1966	105½	106½
Alabama Water Service, 5s, 1957..	101½	102½	Investors Telephone, 3s, 1961	62	63
Allied Owners Corp., 2-3s, 1963..	86½	89	Joplin Water Works, 5s, 1957.....	105	107
American Gas & Power, 3s, 1953..	46½	48	Kansas City Public Service, 4s, 1957	30½	31½
American Utilities Service, 6s, 1964	83½	84½	Kansas Power & Light, 3½s, 1969..	108	109
American Writing Paper, 6s, 1961..	45	47	Keystone Telephone, 6s, 1951	101½	103
Arkansas Missouri Power, 5s, 1957	100	101	Lexington Water Power, 5s, 1968..	87	88½
Arnold Print Works, 5s, 1952.....	61	63	Lukens Steel, 5s, 1955	67	70
Associated Gas & Electric, 3½s,			McKesson & Robbins, 5½s, 1950..	75	76½
1978	32	33	Michigan Public Service, 5s, 1947..	99	100½
Antilla Sugar, 6s, 1951.....	23	24	Minn. & Ontario Paper, 6s, Serial 21	22½	22
Baragua Sugar, 6s, 1947.....	43	46	Mountain States Power, 6s, 1938..	101	102
Bloomington, Decatur & Cham-			National Container, 5½s, 1952	85	88
paign, 5s, 1940	99½	100½	National Fireproofing, 5s, 1952.....	20	21
Broadway Motors, 4s, 1948	65	67	New England Power Assn., 5½s,		
Butler Water Company, 5s, 1957..	105½	107½	1954	99	100
Cairo Bridge, 6½s, 1958	78	82	New Rochelle Water, 5s, 1951	93½	95½
Calif. Oregon Power, 5½s, 1942.....	100½	101½	New York Athletic Club, 2s, 1955	19	20
Canadian International Paper, 6s,			North American Cement, 6½s, 1943	88	91
1949	87½	88½	Ohio Valley Water, 5s, 1958.....	100	101½
Carrier Corp., 4½s, 1948	84	86	Old Ben Coal, W. S., 6s, 1948.....	30½	32
Central Gas & Electric, 6s, 1946	91½	92½	Old Dominion Power, 5s, 1951.....	74	76
Central Indiana Power, 6s, 1947..	103¾	104¾	Oregon Washington Water, 5s, 1957	92½	94
Central Public Utilities, 5½s, 1952	2	2½	Peoples Light & Power, 3-6s, 1961..	92	94
Central States Power & Light, 5s,			Portland Electric Power, 6s, 1950..	24	25½
1944	47	49	Public Utilities Consol., 5½s, 1948	86½	88
Cities Service Asphalt, 5s, 1952.....	64	66	Republic Service, 5s, 1951.....	75	76
Commonwealth Gas, W. S., 6s,			St. Louis Public Service, 5s, 1959,		
1948	38	40½	W. I.	58	61
Community Water Service, 5½s,			St. Louis, Springfield & Peoria		
1946	72	74	R. R., 5s, 1939.....	99½	100¼
Consolidated Electric & Gas "A,"			Seattle Gas, 5s, 1954	65	67
6s, 1962	54	55½	Shell Union Oil, 2½s, 1954	93	94
Continental Roll & Steel, 6s, 1940 ..	82	84	South Bay Consolidated Water, 5s,		
Dallas Railway & Terminal, 6s, 1951	72	73	1950	76½	78½
Dominion Gas & Electric, 6½s, 1945	95	96	Southeastern Gas & Water, 6s, 1944	38	40
East Coast Public Service, 4s, 1948	71½	73½	Southern Bell Telephone, 3s, 1979..	102	103
Equitable Office Bldg., 5s, 1952.....	30	31½	Southern Cities Utilities, 5s, 1958..	51½	53
Federated Utilities, 5½s, 1957.....	82½	84	Telephone Bond & Share, 5s, 1958	73½	75
Florida Public Service, 4s, 1955..	90	92	Texas Public Service, 5s, 1961.....	94	95½
Flour Mills of America, 6½s, 1946	23	24½	Union Oil of California, 3s, 1959..	100½	101½
Galveston Wharf, 5½s, 1954.....	99	101	United Public Utilities, 6s, 1960..	99	100½
General Public Utility, 6½s, 1955	93	94	Vicksburg Bridge, 4s, 1968	68	70
Granite City Generating, 5s, 1963..	81	83	Warner Sugar, 7s, 1939	31	33
Graybar Bldg., 5s, 1946.....	83	85	Washington Gas & Electric, 6s, 1960	55	57
Haytian Corp., 8s, 1938	23	24½	Westmoreland Water, 5s, 1952	102½	104½
Houston Electric, 6s, 1950	99¾	100¾	York Ice Machine, 6s, 1947	92	94
Houston Oil, 4¼s, 1954	95½	96½			

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Olive Street Notes



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W. C. Persons

By JAMES J. WENGERT

✓ **St. Louis** was well represented at the sixth annual convention of the National Security Traders Association held last month at the Waldorf-Astoria Hotel in New York City. Olive Streeters on hand for the convention included: Edward D. Jones, Edward D. Jones & Co.; Henry J. Richter, Scherck, Richter Company; Ralph Deppe, Edward D. Jones & Co.; Charles W. Hahn, Scherck, Richter Company; Jerome F. Tegeler, Dempsey-Tegeler & Company; Robert A. Walsh, Dempsey-Tegeler & Company; Paul E. Peltason, Peltason, Tennenbaum, Inc.; Elmer W. Willem, G. H. Walker & Co.; Firmin D. Fusz, Jr., Fusz-Schmelzle & Co.; Andrew Scuras, Metropolitan St. Louis Company; James A. Yates, Jr., Francis, Bro. & Co.; Edward E. Haverstick, Jr., E. E. Haverstick & Co.; Bert H. Horning, Stifel, Nicolaus & Co., Inc.

✓ **The Uniform Practice Committee** of the National Security Traders' Association has completed its revision of the uniform practice rules intended to govern the over-the-counter transactions between dealers.

The revised code has been submitted to firms throughout the country with which Association members are affiliated.


The revised code pertains specifically to dealer-to-dealer transactions,

and therefore does not compete with the National Association of Security Dealers, Inc. Moreover, it does not conflict with the rules of the Investment Brokers' Association, since it pertains only to the handling of intercity transactions between dealers.

Members of the Uniform Practice Committee responsible for the new code include Laurence B. Carroll, Prescott, Wright, Snider Company, Kansas City, chairman; W. H. Patton, Jr., William P. Harper & Son & Co., Seattle; John K. Ruckdeschel, Stroud & Co., Philadelphia; William Taussig, I. M. Simon & Co., St. Louis; L. J. Doyle, Doyle O'Connor & Co., Chicago, and J. L. Ryons, Pacific Company of California, Los Angeles.

✓ **Edward D. Jones**, of Edward D. Jones & Co., St. Louis, was elected president of the National Security Traders Association at the annual convention held last month in New York. James J. Lynch, Boston, was named first vice president; J. Earl Jardine, Jr., Los Angeles, second vice president; Edward H. Welch, Chicago, secretary; Phillip J. Clark, Denver, treasurer.

✓ **H. Fred Hageman, Jr.**, vice president of the Boatmen's National Bank, is slated to succeed Harry Theis as chairman of the Mississippi Valley Group of the I.B.A.



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Bank Relations Dept.

Bankers I Have Known » »

By BILL REED

Former State and National Bank Examiner, now with the St. Louis Office of the R.F.C.

ONE of the grandest characters I have ever known is Martin Jarvis, president of the First National Bank, Winfield, Kansas. He is not only an able and efficient banker and business man, but also a farmer of real ability. I had a letter from him a few months ago in which he said that he owned 1,800 acres of ranch land in Cowley County, Kansas, on which he was feeding 2,300 head of cattle.

It has been my pleasure to know Mart Jarvis for many years. I also knew his father when the two of them were together in the old Cowley County National Bank which consolidated some years ago with the First National Bank. Incidentally, the First National today has deposits of about three million dollars, which seems remarkable in view of the size of the community and the fact that there are two other banks in Winfield.

Mart Jarvis has many interests to make him a busy man, but in spite of his many duties he still finds time for recreation and enjoyment. He has been prominent in the social as well as the economic activities of his community and has been successful. But success has not spoiled him. He is still a fine man to know and his friendship always has been a source of great pleasure to me.

BOOK REVIEWS

Secretarial Efficiency, by F. A. Faunce and F. G. Nichols. New York, McGraw-Hill, 1939.

Secretaries of long experience have occasion now and again to envy newcomers into the field. The publication of this new book by Frances Avery Faunce who has been secretary to the editor of the *Atlantic Monthly*, assistant editor of the *Atlantic Readers*, and assistant to the business manager of Wellesley College according to the title page, is such an occasion. Such an aid to the teaching and studying of secretarial work has not always been available. A beginner in any field is likely to be distressed by inability to see his subject or his job as a whole; each separate part and each distinct task looms so large that proper perspective is almost impossible. For such a condition of mind in the aspiring beginner there could be no better correc-

tive than this excellent text by so experienced a teacher as Miss Faunce. Clearly, both in literary style and in physical make-up, it lays before the reader a complete plan for doing a very superior secretarial job. It is friendly in tone and very readable, and the new-made or would-be secretary will be grateful for the friendliness as well as for the very practical help it offers. Old hands at the work, after a passing regret that no one started them off so smoothly on their early course, will rejoice in it as an expression of just what they would like to say about how they manage their jobs.—C. K.

"Wall Street Under Oath," by Ferdinand Pecora; published by Simon and Schuster, New York; \$2.50.

This book tells what the newspapers could not tell during the "Pecora Investigation." It brings together some

The Farm Problem

The United States Department of Agriculture recently announced that the world market is glutted with wheat. On top of this the United States has one of the largest carryovers of corn ever reported from a preceding year's crop.

In the opinion of many bankers, in close touch with the agricultural situation, the answer to this problem is more crops better suited to the production of livestock.

There is too much wheat, too much corn and not enough livestock. Livestock production has faltered because many sections are not producing crops suited to their particular weather conditions. Sections that have extremely hot weather in July and August have been trying to raise corn, whereas they would be better off and could insure larger handling of livestock if they would increase their acreage of sorghum, milo maize, sargo, soy beans and other kindred crops that invariably produce large yields, regardless of weather conditions.

If the central west would grow crops suited to prevailing weather conditions, livestock production would be stabilized and surpluses of the cash grain crops would be reduced.

of the most important disclosures of the Senate investigating committee and tells the inside story of high finance in America.

As counsel for the Senate Committee on Banking, Mr. Pecora subpoenaed some of the richest men in America and asked them, under oath, how they made their fortunes. He writes about the investigation in the same straightforward way he conducted it.

"Odd-Lot Trading on the New York Stock Exchange," by Charles O. Hardy; published by the Brookings Institution, Washington, D. C.; \$1.50.

This book explains the system by which less than 100-share lots of stock are bought and sold through the New York Stock Exchange. It also analyzes the relationship between public buying and selling of odd lots of stock and the movements of stock prices.

Two major questions of public policy with reference to the control of the odd-lot business are discussed and alternative plans and proposals for change in the present system are appraised.

"Bankers' Handbook of Bond Investment," by James W. Wooster, Jr.; Harper & Brothers, 49 East 33rd Street, New York; \$3.00.

This book has a two-fold purpose: to present the investment problems of the commercial banking system and the practical methods of handling these problems in the individual bank. It tells, step by step, how to set up a sound investment program and how to follow it through effectively. Each type of security is fully discussed.

The advantages and uses of arbitrary and fixed rules and practices are also discussed, particularly as they permit the determination of minimum safety standards. Throughout the book stress is laid on the problem of securing profitable return without violating proper safety regulations.

The author was formerly associated with Moody's Investors Service. Since 1937 he has been associated with Lazard Freres & Company in their investment department.

"Capital Goods and The American Enterprise System," 87 pages, 1939. Written and published by Machinery and Allied Products Institute, Chicago, Ill.

This is a review of economic and social principles involved in matters facing the country today. It is a fair exposition only.

 BOOK REVIEWS

"Practice and Evidence Before the U. S. Board of Tax Appeals," by Charles D. Hamel. Published by Prentice-Hall, Inc., New York. \$6.00. 1938. 558 pages.

This is a very excellent treatise on procedure before the United States Board of Tax Appeals by its first Chairman. Those concerned with the details of federal taxes will find it very helpful to them as a guide therein. The book is divided into two parts. The first is concerned with the steps in a case before the board and the second with the rules of evidence that must be observed. There is, in addition, an appendix of forms and miscellaneous data.

"Mathematical Analysis for Economists," by R. G. D. Allen, published by The Macmillan Company, New York, 1939. \$4.50. 548 pages.

Those making economic studies and desiring a book on mathematics written with their problems in mind will find this book of material help. It is based on a series of lectures given annually at the London School of Economics and quite properly treats with the simpler applications of mathematics to economic problems in the early chapters and later works into the more complicated applications. The text is obviously one for specialists but no particularly unusual mathematical schooling is needed to use it.

"The English Business Company After the Bubble Act, 1720-1800," by A. B. DuBois, LL.B. 1938. Published by The Commonwealth Fund, New York, N. Y. 522 pages. \$5.00.

The Bubble Act was to eighteenth century business in England somewhat the same as legislation hinging around the Securities and Exchange Commission here during the last decade. Needless to say, each has played an important part in corporate developments. The purpose of this book is to make available the results of a study undertaken by the Foundation for Research in Legal History of the Columbia University School of Law which concerned itself with the development of corporations under the Bubble Act and at early common law. The book is an excellent one and is of importance to the student of American and British business history.

"NRA Trade Practice Programs," by C. A. Pearce. 1939. Published by Columbia University Press, New York. 225 pages. \$2.75.

This is an analysis of the trade practice provisions of the codes promulgated by various industries during National Industrial Recovery Act days by an NRA employee. Price and production control devices as well as the control of unfair practices are discussed therein in substantial detail. It will be of interest to the industrialist trying to better his industry.

"Statistical Testing of Business-Cycle Theories," by J. Tinbergen. 1939. Published by Columbia University Press, New York. 164 pages. 90c.

This pamphlet outlines a method of testing statistically some of the theories that have been advanced regarding the causes of business cycles. It is issued under the supervision of the League of Nations and the League will welcome any suggestions regarding the ideas presented therein which, incidentally, are those of a decidedly advanced statistician.

"Capitalism Versus Socialism and Communism," by Leroy A. Hollenbeck. Published by The Christopher Publishing House, Boston, Mass., 1939. 154 pages. \$1.75.

It is the purpose of the author of this book to refute the fundamental socialistic and communistic doctrines of Karl Marx and point out how the capitalistic system is superior to them. The author is obviously well read and knows how to express himself but some readers might find cause to question his profundity.

"Truth in Accounting," by Kenneth MacNeal, C.P.A. Published by University of Pennsylvania Press, Philadelphia, 1939. 334 pages. \$3.50.

Traditional accounting practices are weighed and found wanting in many respects in this treatise and the author points out therein many things that can be done to correct existing evils. The discussion of the weaknesses in the present-day systems of handling accounts and the opportunities for insiders to take advantage of these weaknesses is very illuminating and informative.

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Answers to Legal Questions on Page Fourteen

1 No. A conditional seller taking possession of an automobile and advertising it for sale and selling it was not guilty of conversion where the conditional buyer wrecked the automobile and told the seller that he could not fix it or finish paying for it and that he, the seller, should take it back, notwithstanding that the buyer was not then in default.

2 Yes. A mortgage, if executed in good faith, may be made to secure future advances or indebtedness in the absence of a statute to the contrary. This is true even though the mortgagee is not absolutely bound to make the contemplated advances.

3 No. In a recent case involving a set of facts substantially similar to those outlined in the question the Supreme Court of Michigan held that the collateral pledged by the debtor for the payment of his individual note could not be used to satisfy the note on which he was endorser. His liability on the corporation note was a joint and contingent liability which was not within the purview of the pledge agreement according to the Court.

4 A wife should not be denied alimony merely because she may be able to obtain employment and support herself. The fact that she can do those things should be taken into consideration in determining what final judgment should be entered but they do not preclude the allowance of alimony altogether.

5 No. Where a testator bequeaths his estate to a county absolutely to use in constructing hard-surfaced roads and thereafter in his will seeks to attach conditions to the absolute gift in the earlier part, such subsequent conditions are repugnant to the absolute gift and are void.

6 No. The tender of the payment of the note before it was placed in the hands of an attorney for collection relieved Clamp from any liability for attorney's fees.

7 No. An assignee of part of a plaintiff's claim or alleged cause of action as security for an indebtedness is

not liable for costs in a suit brought in the name of the assignor according to a recent decision of the Supreme Court of Minnesota.

8 No. A cause of action for libel abates upon the death of the injured person unless there is some statute to the contrary and there is none in Tennessee. The abatement of the libel action carries with it an abatement of all consequences of the injury. Because of this the widow cannot recover.

9 In a proceeding to acquire an easement for an electric transmission line across a farm, fear of danger, if any, from electric currents is not an independent item of damage but may be considered in estimating depreciation in the fair market value of the farm by the construction of the transmission line.

10 No. Where a bank depositor, after withdrawing funds from his savings account, purchased from the bank a treasurer's check and the bank assumed no special obligation of payment, and the money received became a general asset of the bank, and there was no claim of fraud, the check did not become a preferred claim against the assets of the bank which became insolvent prior to payment as against a contention that the entry of the check in the bank's separate ledger constituted a constructive segregation of the money required to pay the check and thus give the check a preferential status.

"The Federal Reserve System —Its Purposes and Functions," *published by the Board of Governors of the Federal Reserve System.*

This book deserves a place in the library of every banker. The foreword states that it is neither a primer nor an exhaustive treatise. It is intended to cover the middle ground between these two extremes. It is, as its title indicates, a clear exposition of the purposes and functions of the Federal Reserve System. The text of the book was prepared by Bray Hammond and the staff of the Board of Governors of the Federal Reserve System.

Locatell Heads St. Louis Bank —Other Employees Promoted

Arthur L. Locatell, vice president of the Tower Grove Bank and Trust Company, St. Louis, since 1930, was elected president of the bank at a meeting of the board of directors August 8. He succeeds James K. Vardaman, Jr.

The story of Mr. Locatell's career in banking sounds like that of a Horatio Alger hero. Starting as a messenger in the Mechanics Bank when only 14 years old, the new president left that bank in 1911 to become one of the two employes in the newly-organized Tower Grove Bank. He was employed as bookkeeper and Alex M. Miltenberger, now chairman of the board, was cashier. As the bank expanded in

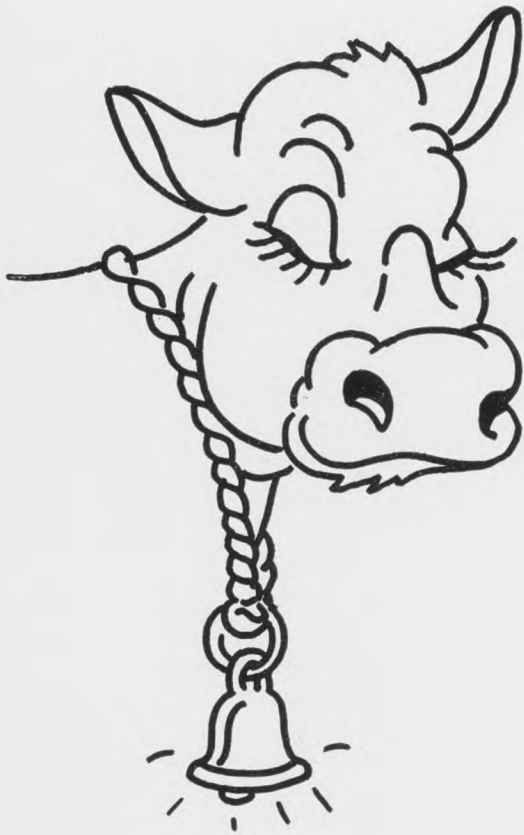


ARTHUR L. LOCATELL

size and services, Mr. Locatell was promoted to assistant cashier. In 1923 he was named cashier and held that office until his election to the vice presidency in 1930. Friendly and likeable, the new president is very popular in banking, civic and social circles in St. Louis. A bachelor, he resides with his mother at 6643 Washington Boulevard, University City.

Other employes of the Tower Grove Bank and Trust Company to be promoted to executive positions during the past month include Walter A. Hombs, from auditor to executive vice president and comptroller; Herbert L. Glaser and Arthur H. Gidionsen, from assistant vice presidents to vice presidents; Edwin Schertzer, from assistant auditor to auditor; and William H. Jaffke, from assistant manager of the real estate department to assistant secretary and assistant treasurer.

☞ **Lake Charles Bank and Trust Company**, Lake Charles, Louisiana, has installed a new McClintock Chime Clock on the front of its new building.



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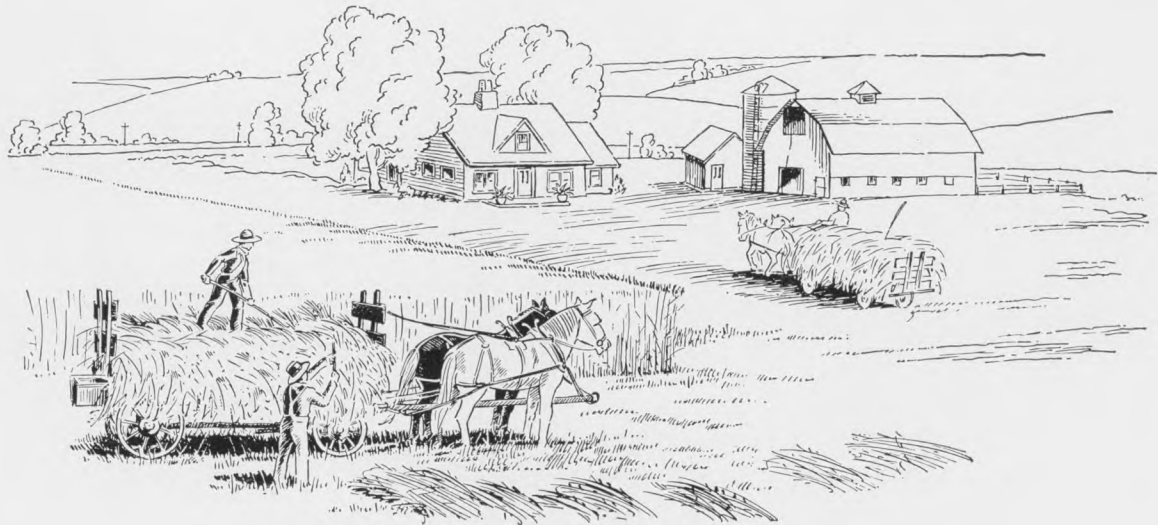
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WITH the approach of the harvest season you are doubtless making plans now for handling the financial transactions incident to the movement of farm products. Due to the strategic, central location of St. Louis and its position as a railroad center, much of the farm produce of the nation will move through this city.

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