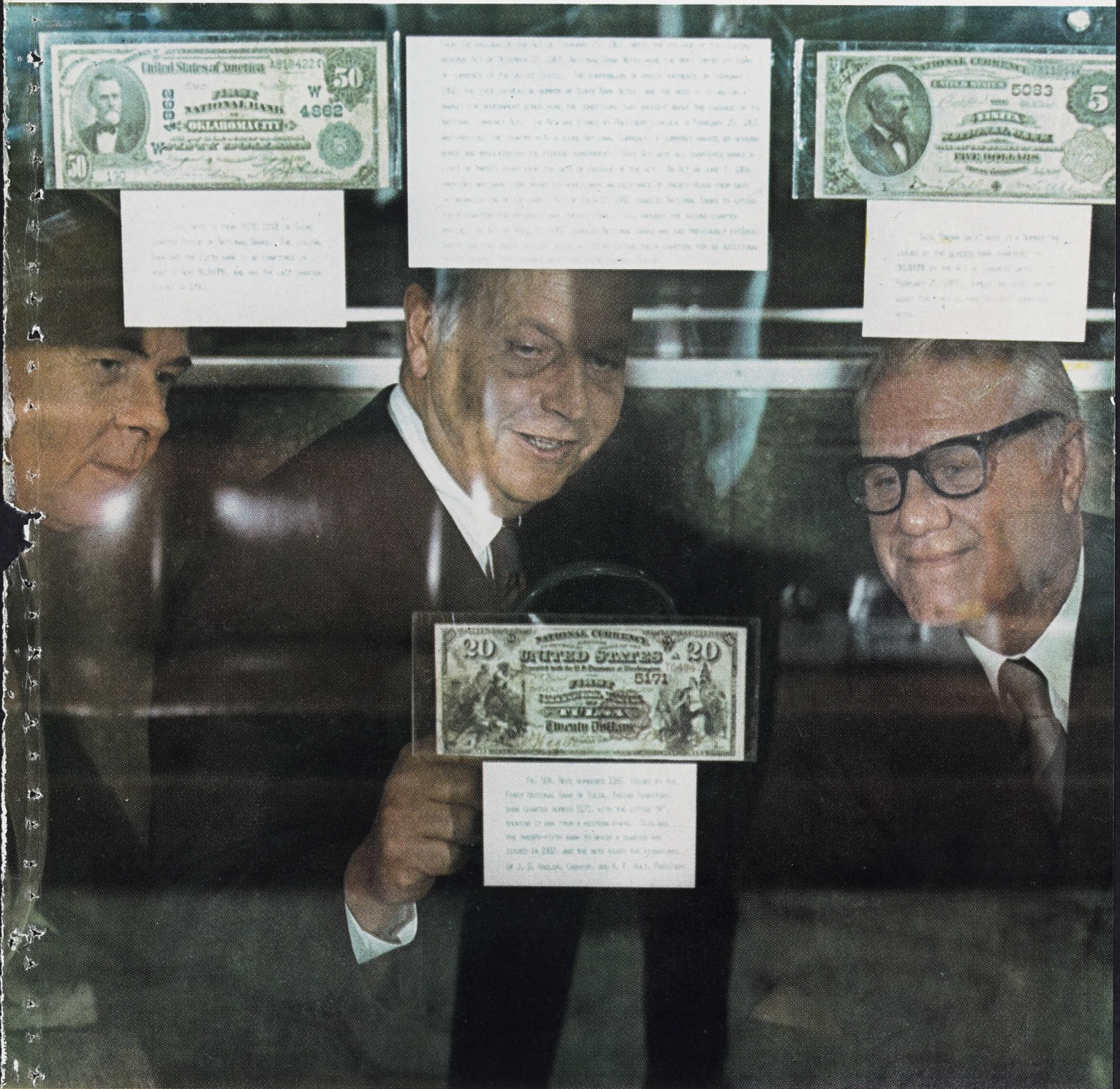


MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley & Southwest

JULY, 1970



First of Tulsa's Diamond Anniversary — Page 65

You ask about . . . "disintermediation".

O
A

What can an Oklahoma banker do to protect against increasing pressures upon liquidity?

The maturity of Certificates of Deposits issued at interest rates prevailing several months ago, could materially increase liquidity pressures upon the banking system generally. It remains to be seen how severe this will be for Oklahoma banks. But, by the time of the state convention in Tulsa, Liberty's delegates will be prepared to discuss various aspects of this problem, including the nine variables in the formula regulatory agencies use for computing a bank's liquidity ratio. When we see you at the convention, just ask, "What about disintermediation?" We'll try to give you a thoughtful answer.



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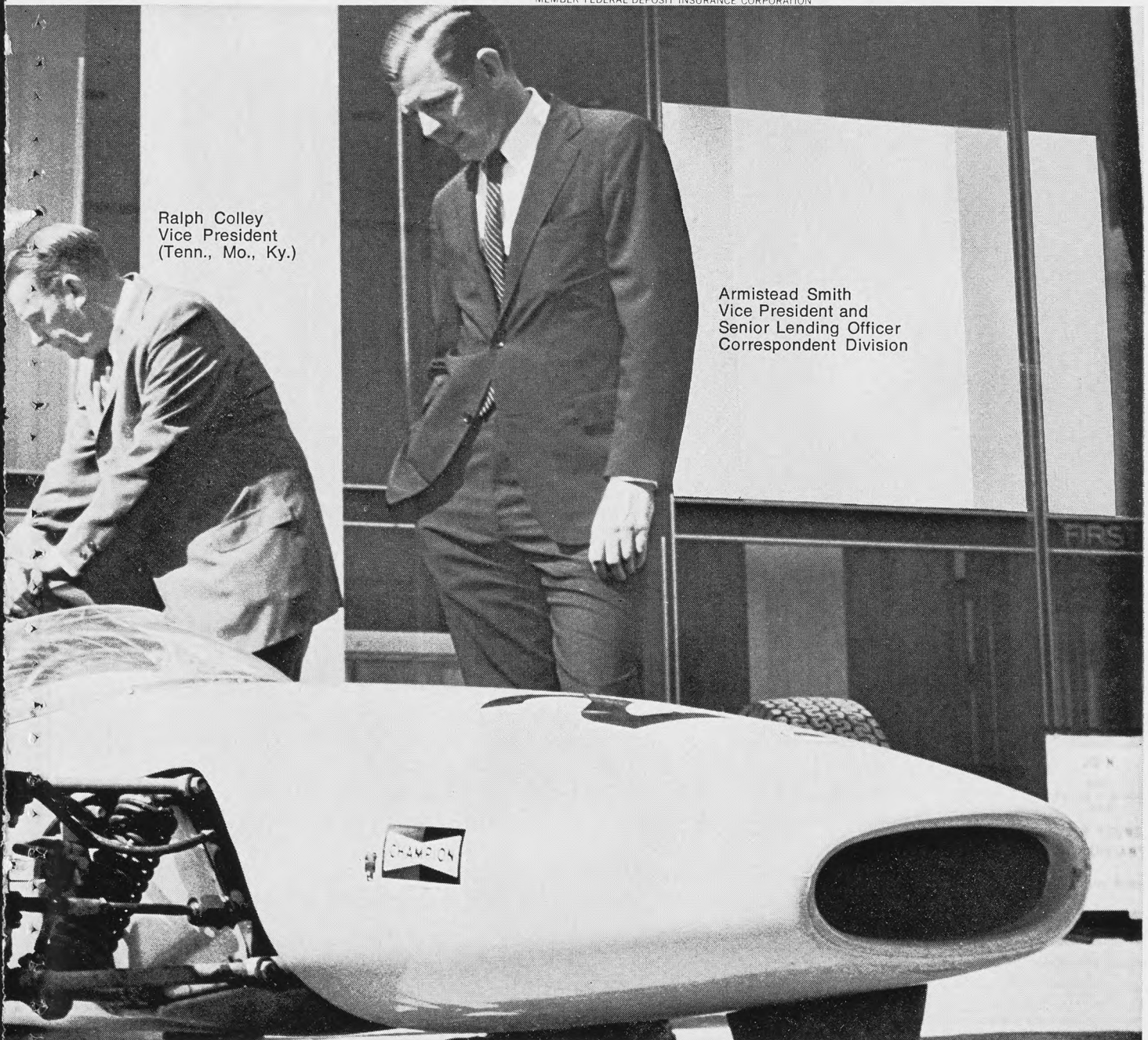
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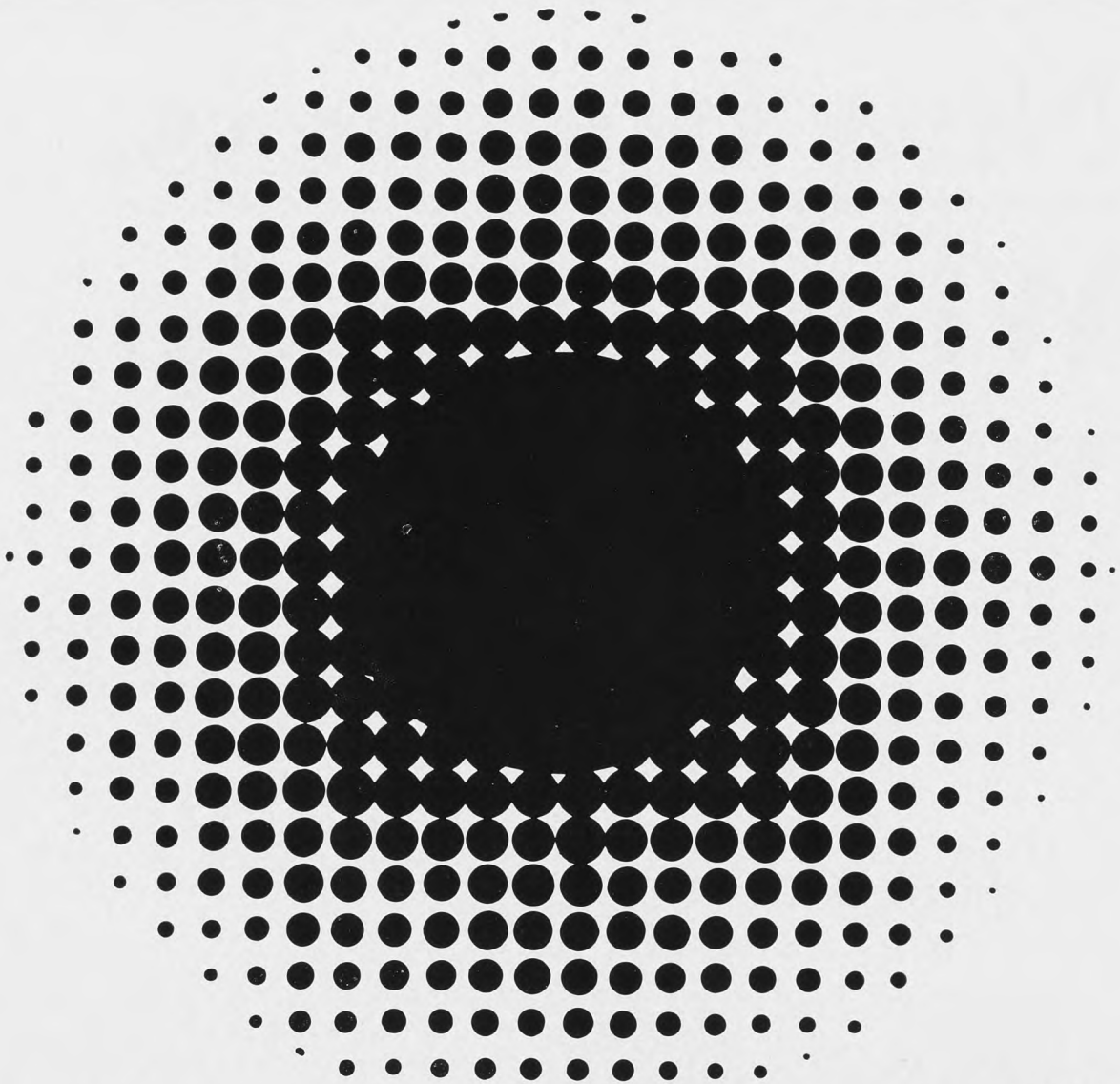
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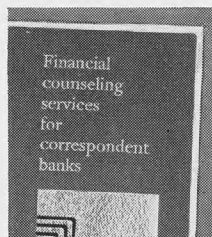
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Retired Kentucky Banker William (Billy) Miller Dies

LOUISVILLE—William F. (Billy) Miller, retired first vice president of Citizens Fidelity Bank, died recently at his home, Sunset-Ferguson Farm, in Lancaster, at age 74. He died of a heart attack.



MILLER

Mr. Miller was widely known throughout Kentucky and southern Indiana as former head of Citizens Fidelity's correspondent bank department. His banking career covered 47 years—42 of them with Citizens Fidelity.

Following service in World War I, Mr. Miller began his banking career as a messenger at the old Citizens National, Lancaster. He served as bookkeeper, teller and assistant cashier. He joined Citizens Union National (predecessor of the present Citizens Fidelity) in 1923 as assistant to the late Arch B. Davis, who was then vice president in charge of the correspondent department.

In 1933 Mr. Miller was named assistant vice president in charge of the correspondent department. Later, he was elected first vice president, the title he held upon retirement in 1965.

Mr. Miller was active in KBA and served as president for an unprecedented three terms, from 1941-43. He was also active in ABA and Association of Reserve City Bankers activities.

'Sign of the Time' in Tuscaloosa



First National, Tuscaloosa, Ala., has installed a new time-and-temperature rotary sign atop the bank's 10-story building. The sign is the largest of its type in the southeastern U. S. area, said President Frank M. Moody. The giant numeral "1" on the sign will glow green when no traffic fatalities have been recorded in Tuscaloosa County in a 24-hour period and will glow red when a traffic fatality has occurred. The sign flashes the words First National Bank on its other side.

MID-CONTINENT BANKER for July, 1970

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July, 1970

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THE BANKING SCENE



By Dr. Lewis E. Davids
Hill Professor of Bank Management
University of Missouri

Bank Examinations Change to Inspections

BANKERS WHO HAVE grown accustomed to the routine of bank examinations (which have not changed materially in over 100 years) wonder if they can expect this routine to be transformed as much in the near future as banking has in the last decade.

There is a good likelihood that it will. In fact, some highly placed bank regulators have been using the term *inspections* to indicate one facet of what, up until now, have been called *examinations*.

The fact is the "examinations" are widely misunderstood by the public, legislators, bank directors, students of money and banking and—in light of today's needs—by some regulatory bodies.

The public, by and large, considers the supervisory examination to be a type of audit, notwithstanding all the disclaimers of regulatory bodies to the contrary. Many bank directors perform only perfunctory directors' examinations in their misplaced confidence that the state, Federal Reserve, FDIC or Comptroller of the Currency examiners have done their jobs for them.

Students of money and banking typically are exposed to textbooks that fail to come to grips with the problems of the goal of examinations and the questions of primary supervisory responsibility. They tend to stress the coordination required among the several supervisory agencies and overlook the direction supervisors can give banking.

Regulatory agencies—at least some of them—in their over-emphasis in preventing bank failures by classification of unbankable loans, have probably stifled imaginative lending and other banking related practices that would have redounded to the betterment and economic health of the nation and local communities.

In the minds of some, there is a serious question as to the trade-off between supervisory concern with safety

(and the resulting over-vigilance) and the lower economic growth that is the result of caution induced by the 1920-1935 bank failures. This is especially so since almost 99% of all commercial bank accounts are now fully insured by the FDIC, and amounts for political subdivisions are protected by the collateralization requirement in most states. These are in addition to bonding, which provides an additional safety feature.

A factor many commercial bankers fail to recognize is that bank supervisors, by and large, do not view their roles simply in terms of verification of tellers cash, totals of accounts, the more controversial rating of the loan portfolio and the still more debatable concept of capital adequacy. Supervisory concern, rightly so, is for the health of the financial community, the banks' compliance with legal constraints, the preservation of competitive equality among state-chartered banks, Federal Reserve-member banks and those that are nationally chartered and, belatedly, the banks' maturity and ability to adapt these concerns to the sophisticated computer technology and related techniques of operations research. Coincident is supervisory recognition that, without greater standardization of accounting and bank record keeping, some of the major benefits of bank supervision by use of regression and ratio analysis would be lost.

Perhaps at this point a brief explanation of ratio and regression analysis as techniques for bank supervision and prevention of bank failure would be in order.

Basically, an ex-post-facto review of the records of banks that have failed in the last generation has shown that those banks did not perform within some *central tendencies* of banks of comparable size, composition and locality. The ratio of balance sheets and income statements of most failed banks simply did not perform over time as


probability theory would have anticipated.

This is not to imply that all banks will move in the same direction as to the over-all nations or size-group ratios; rather, it is a recognition that the great bulk of banks—well over two out of three—will do so. And of those that do not closely perform to the central tendencies of ratios, about half will over-perform—and a similar proportion will generally under-perform. In other words, when banks are measured by ratios and relationship to trends such as market growth-per capita sales and income, the great bulk will fall within acceptable standard tolerances of safety and solvency and a relatively small number will deviate to a statistically significant degree. These banks would be targets for *inspection* by appropriate regulatory agencies.

A somewhat similar approach is now used, and has been for the last eight years, by the Internal Revenue Service. The IRS knows that most *normal* (in a statistical distribution sense) taxpayers of a certain income size will have deductions and expenses in a central tendency range. Those who report such "normal" ranges and taxes are cleared by the computer. Those who file figures outside the "normal" range have their income tax forms noted for special reviews.

By tying together the data from bank call reports, statements of condition and other required data submitted by banks to the regulatory agencies, it is now possible, in theory, for examiners to zero in for an inspection on those relatively few "problem banks."

However, *now* is not the appropriate time *in practice* to do so. The sad fact is that almost one in three call reports sent to the supervisors by banks are in error. Some errors are minor, but there is a sufficient number of errors to point out the necessity of improving call report accuracy before using a ratio and regression analysis approach in lieu of



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the question: who helps banks relieve the pressure
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the major part of the regular bank examination.

It is interesting to note that Federal Reserve Board Governor George W. Mitchell, in discussing the intent of bank regulation before the California Bankers Association, said: "The trend in accounting and audit supervision today is, generally, strongly toward establishing techniques and practices for the future rather than holding post mortems on past transactions. Bank supervision has always been primarily concerned with future practices, but it has interpreted the public interest with more "don'ts" than "dos" and with more emphasis on specific episodes in the past than better systems for the future. As in tax audit and inspection, bank examination, because of its unexpected timing, has had an important therapeutic effect on marginal banking practices involving conflicts of interest, over-exposure to risk and illiquidity. But these effects can and should be retained with more or less continuous informational scrutiny of the areas most sensitive to the public concern."

Reasonably, Governor Mitchell would, to accomplish the preceding evolution of bank examination, have every financial institution establish an internal accounting system to protect the integrity of its accounts—and also to have adequate bonding.

He also would require banks to have periodic outside audits. These would back up the computer-made ratio analysis of the banks' internal data. Those relatively few banks not measuring up to minimum and maximum data variations of the operations research measurements and those banks with conflict-of-interest conditions would be subject to inspection.

It would be naive to imply that some ratio analysis has not been used by bank examiners in the past. However, computers have the ability to handle the vast amounts of data and to process them beyond the scope of individual or even teams of bank examiners. It is this sophisticated processing of billions of bits of information that should permit the historic bank examination to evolve into a more positive forwarding technique in which the major responsibility for bank solvency and bank policy will lie with the administration of the bank itself and not some governmental agency.

Perceptive bankers will welcome this potential shift in attitude by bank supervision. However, they will have to recognize that, to a material degree, bankers themselves must make the shift possible by cooperating in developing, not only a satisfactory internal accounting system and accepting out-

side audits, but in improving their own preparation of accurate reporting data.

Some weak, small banks may contend that they are too small to afford an outside audit conducted by reputable professional accountants and thus they might oppose this expense feature that is essential to reduced governmental supervision.

The logic that follows this type of argument is that such a bank is probably too small to be of public service and thus can hardly justify its charter. It probably will be a candidate for merger, joining a holding company or disappearing from the banking scene.

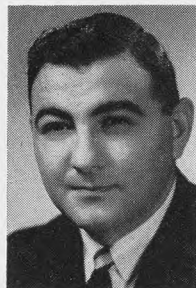
Conclusion: Bank examiners of all agencies are sincerely concerned with a redirection of their historical function from the over-conservative fetish for more-than-necessary bank safety and solvency. They wish at all levels to change the thrust of their examinations to one that is positive, economically stimulating and healthy for banks and society.

It is a remarkable thing to see government agencies—state, federal and national—move toward *less* regulation of banks through their examinations. And for them to do so they will need the support and encouragement of all bankers.

It is in the best interest of banks to support this desirable move. • •

Price Named Vice President at Security Pacific Nat'l

LOS ANGELES—Nicholas Price has been promoted to vice president at Security Pacific National. He had been assistant vice president.



PRICE

Mr. Price calls on banks in Texas, New Mexico, Arkansas, Tennessee and Louisiana. He joined Security Pacific in 1957. In other action, the bank promoted Andrew E. Germer, Roy H. Lauren and Roy A. Higgins to vice presidents.

KCK Bank's EDP Seminars Unveil Future Services

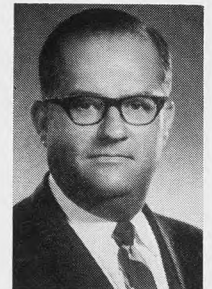
KANSAS CITY, KAN.—Commercial National and its Commercial Data Center division recently were hosts at several electronic data processing seminars for bankers, business and professional people. Purpose of the meetings was to detail present innovations and to explain future EDP services the CDC will have available within the next year.

The four-session seminar program began in mid-afternoon and was adjourned midway for dinner, refreshments and a tour of the Commercial Data Center. Speakers were Henry G. Blanchard, chairman of the bank; Bernard J. Ruysser, president, and John E. French, vice president of the bank and executive officer of the center. The latter served as seminar chairman.

Mr. Blanchard discussed the increasing amount of paper work affecting every bank in the nation. Mr. Ruysser pledged that the bank is totally committed to providing the most comprehensive electronic data processing service available. Mr. French outlined the new organizational functions of the CDC departments and summarized plans now being implemented and formulated. Department heads at the center demonstrated how a management information system, now in the planning stages, will work.

Homer Huesing Dies; Was VP at AFNB in Indianapolis

INDIANAPOLIS—Homer P. Huesing, 50, vice president, American Fletcher National, died May 27. He had been vice president for advertising and public relations since 1963.



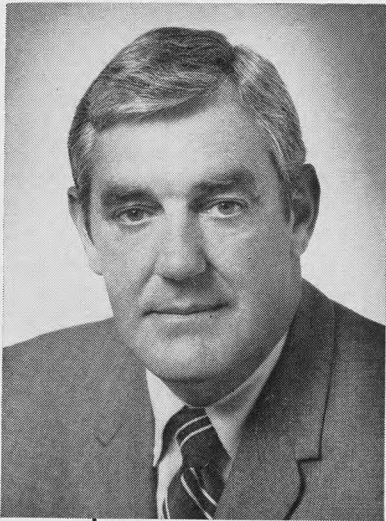
HUESING

Mr. Huesing began his banking career in 1956 as public relations representative at Fidelity Bank, predecessor of AFNB. He was advanced to assistant vice president in 1958. Mr. Huesing was graduated from Butler University in 1941.

SBA Honors K. C. Banker



LaVannes C. Squires, second from right, has been named by the Small Business Administration as the Missouri Small Businessman of the Year. Mr. Squires, president of Swope Parkway National, Kansas City, helped organize the bank in 1968. Honoring Mr. Squires is Governor Warren Hearnes (center) and Curtis Crawford (left), district director, SBA, St. Louis; C. I. Moyer (second from left), regional director, SBA, Kansas City; and Felix LeGrand (right), executive manager, Missouri Bankers Association.



A Welcome to Fred Coulson



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of Kansas City

Box 248 Kansas City, Missouri 64141
Phone: 816-842-7500

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May 6, 1970

Mr. Fred N. Coulson, Jr.
426 West 67 Street
Kansas City, Missouri 64114

Dear Fred:

We're delighted to welcome you as a vice president of Commerce Bank and as head of our Correspondent Bank Department. The fact that you know and have worked closely with bankers throughout the country will enable you to make a very strong contribution to this important segment of our banking business.

As you know, Commerce Bank of Kansas City has long been one of the nation's leaders in correspondent banking. One out of ten banks in the United States is our customer. To continue as a leader we believe we must offer more and better services, and more sincere personal attention to our correspondents than ever before.

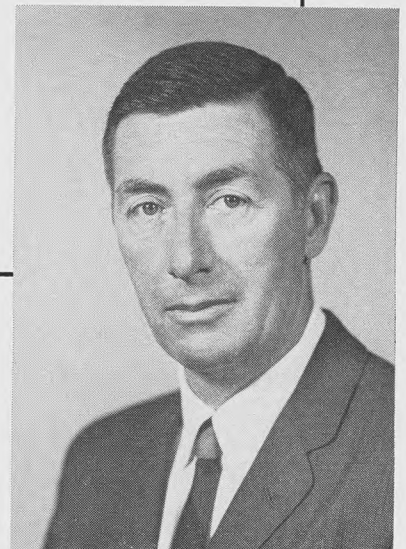
You have been selected to lead our future correspondent banking activities because of your record of achievement at Old Security Life. While, of course, the nature of our services is different from those you have been handling, we know you will continue to perform with the same top-notch efficiency and the same human understanding that you evidenced during your past twenty-three years of working with bankers.

All of us look forward to having you with us, Fred. You can count on our full cooperation in finding new ways and means of making our correspondent banking operation as beneficial as possible to our customers.

Sincerely,

A handwritten signature in dark ink, appearing to read "P. V. Miller, Jr." with a stylized flourish at the end.

P. V. Miller, Jr., President



COMMERCE BANK
of Kansas City

MID-CONTINENT BANKER for July, 1970

Bank Operations

Telephone Network Dictation System Increases Correspondence Production

A DICTATING service has been added to the dial telephone system at First National, Granite City, Ill. As a result, the bank's 16 officers have more flexible use of their time, the bank achieves a superior return on its investment in skilled secretaries and paperwork is moving with increasing ease and speed.

The bank's Edison Televoice network enables an officer to enjoy full-time dictation service at any time, and as often as he wishes. When he is ready to dictate, he simply picks up his phone, dials a code number, and talks. Recording is done by remote control at a central recording station and transcription of the Edison discs is handled by two stenographers.

According to P. H. Lichtenberger, bank president, network dictation is used as a tool to make people more effective. Banks today face a mounting load of paperwork, and unless efficiency systems are devised for handling it outside of conventional channels, correspondence, reports and memoranda can mount into operational road-blocks. By channeling dictation to central stations and releasing secretaries who are knowledgeable in banking for other tasks, a highly efficient work-flow is achieved.

Thus officers now dictate over Televoice 100% of their correspondence and memoranda. There's no need to ring for a secretary or interrupt her work on, for example, document prep-

aration. Instead, the two procedures can be carried out simultaneously.

Similarly, private secretaries, in addition to document preparation, can answer questions of bank customers, search files, make telephone contact, and otherwise release officers from time-consuming routine.

The secretaries generally work a 40-hour week. Bank officers, however, frequently spend additional time at work. Yet regardless of when officers allocate time to handle a particularly heavy correspondence or reporting burden, they are assured of on-the-spot secretarial "help."

During those after-hours sessions, the Edison Televoice system is simply left on and the officer dictates as conveniently as he would during the day. The dictation is automatically inscribed on a non-erasable disc, and the first thing the following morning it is transcribed by the stenographer.

The fact that the transcriptionists are not actually present during dictation makes no difference to the dictator. While he's talking, he enjoys full control of the recording. He can indicate corrections, dictation length, play back part or all of his dictation, and dictate special instructions.

More flexible disposition of the officers' time, convenience in getting things done after hours and more productive allocation of skilled secretarial hours are important management benefits of the dictation network. But

there are economies, too. The stenographer now takes dictation just once—when she listens to the disc.

In most conventional methods, the stenographer would first take shorthand notes, and then transcribe from the notes. With machine dictation, the stenographer has the option of play-back. If a phrase is doubtful, a press of a button enables her to play back the phrase again.

Also, peak-loads of various departments are now equalized. All dictation flows to the one central point where it is processed in order of dictation.

And, should it be necessary, a temporary stenographer can be brought in to help out during vacations or unusually heavy work periods.

The Edison Televoice network can be expanded to as many phones as the bank installs. • •

Audio Computer System for Correspondent Banks Offered in Birmingham

BIRMINGHAM—An audio computer service system for its Alabama correspondent banks has been installed by Birmingham Trust National. Said to be the first such system east of the Mississippi River, the new service provides quick voice-answer-back to inquiries about savings, demand deposits and installment loans.

The first correspondent bank to use BTNB's system is First Bank of Alabaster. There are six locations in the Alabaster bank where employees may interrogate the computer, which is located in BTNB's downtown Main Office. Calls via a special telephone hookup from First Bank to BTNB may give a variety of information by voice-answer-back.

According to a First Bank official, the audio system has eliminated the need for inhouse accounting in the installment loan department and the need for a bond register. The system provides a monthly printout of all issues with information and maturity schedules and recent management reports.

By using special telephone hookup, employees of First Bank, Alabaster, get quick voice-answer-back to inquiries about savings and demand deposits from new audio computer service system at Birmingham Trust National.



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Prior to the installation of LUNDIA FULLSPACE, bank personnel had to remove a heavy, cumbersome box to gain access to the desired item of information. Photo taken during installation of FULLSPACE system showing original storage system using open steel shelves and boxes.

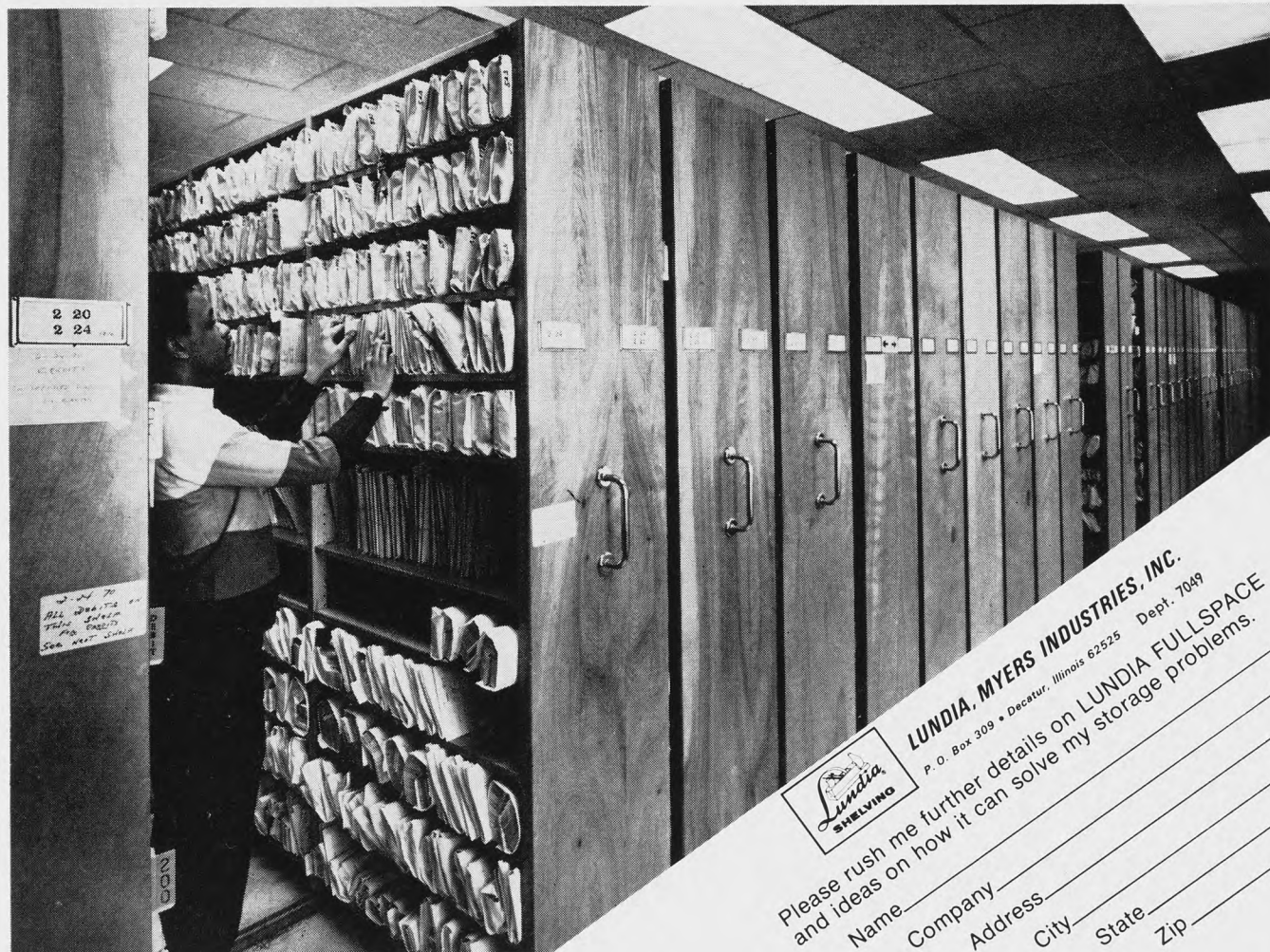


LOGICAL STORAGE SYSTEMS FOR SEEMINGLY ILLOGICAL SPACE PROBLEMS

Domestic Adjustment Department, Chase Manhattan Bank, where up to 400 accesses per day are made to the LUNDIA FULLSPACE file system holding records of over 500 million checks.

How did one of the world's largest banks cut information retrieval time by 50% and gain other benefits in the process?

One of the largest commercial banks in the U.S. handles, among other things, over two million checks a day. Today it has records of over 500 million checks in what may be the world's largest rolling library—LUNDIA FULLSPACE movable storage units. The FULLSPACE system comprising 30 bays each having five movable shelf units and one stationary end unit, was installed four years ago to replace an inefficient steel shelf system. Besides a 50% savings in time to check information retrieval with FULLSPACE, the bank gained 2700 sq. ft. more floor space for storage than was available with its old shelving. Previously, information was retrieved by removing a cumbersome box, propping it on a knee or setting it on the floor so the lid could be opened to remove the envelope containing the information, and the reverse process when the box was returned to the shelf. The versatility of FULLSPACE now makes it possible to store the envelopes on the shelves loosely where access to them is quick and easy.



LUNDIA, MYERS INDUSTRIES, INC.
 P. O. Box 309 • Decatur, Illinois 62525 Dept. 7049

Please rush me further details on LUNDIA FULLSPACE and ideas on how it can solve my storage problems.

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 Company _____
 Address _____
 City _____ State _____ Zip _____

New Services

Bank of Commonwealth Begins Life Insured Savings Plan

DETROIT—Bank of the Commonwealth has begun a new savings plan that combines up to \$25,000 in supplemental life insurance, high interest and free checking. Called Life/Save, the new passbook service pays 5½% interest per year. Of the 5½% interest, 5% is compounded continuously and paid to the customer at maturity, and the other ½% buys up to \$25,000 in supplemental life insurance.

The Life/Save policy underwriter is Maccabees Mutual Life Insurance Co., Southfield, Mich. The minimum initial deposit for the plan is \$500, and additional deposits of as little as \$50 can be made any time.

The maximum insurable savings amount is \$10,000. Depositors under age 40 will receive insurance coverage equal to 2½ times their savings balance; from 40-49 it's 1½ times and from 50-59 it's dollar for dollar.

Home-Buying Service Started At First of Louisville

LOUISVILLE—First National, in conjunction with Compta-Home, Inc., is programing a computer to store information on available real estate in Louisville. The service will be sold to

companies through First National's commercial banking division.

The person looking for a house fills out a questionnaire listing his needs such as number of bedrooms, square footage, approximate price and other information. The computer will reply with a list of at least 20 houses that match or nearly match the potential buyer's description.

First National plans to provide the service for persons leaving Louisville and moving to other southeastern cities. Compta-Home, Inc., plans to build a nationwide network of banks, realtors and companies that transfer personnel. In general, the company hiring or transferring an individual will pay a nominal charge for the service, which will be free to the home buyer.

Information Retrieval System Created for Credit Cards

SAN FRANCISCO—An SD-550 Information Retrieval System has been installed at Wells Fargo Bank's credit card operations center. Wells Fargo is the first financial institution in the nation to use the system, according to a spokesman for Diebold, Inc., Canton, O.

Developed jointly by Diebold and Sanders Associates, the system main-



A Diebold/Sanders SD-550 Information Retrieval System has been installed at Wells Fargo Bank's credit card operations center. The system has four Diebold 6600 mechanized files, six transmitters and 15 remote closed-circuit television monitors. A microform image of an account record may be transmitted to a monitor within seconds.

tains thousands of Master Charge account records on microfilm. Any record may be transmitted to a remote closed-circuit television monitor in a matter of seconds. The system consists of six microform transmitter stations, four Diebold 6600 series mechanized files and 15 remote desk-top viewing monitors.

Single-Statement Banking Begun by Central Trust

CINCINNATI—"Pacesetter Banking" or single-statement banking is being offered by Central Trust. The service provides each customer with one monthly statement summarizing all his personal banking activities.

Swiss American Bank & Trust Corporation

One Old Bond Street
London W. 1, England

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The summary of your Pacesetter Banking activities for the month ending 12/31/65:

Activity	Balance	Activity	Balance
Checking Account	100.00	Checking Account	100.00
Savings Account	50.00	Savings Account	50.00
Pacesetter Savings Account	250.00	Pacesetter Savings Account	250.00

Activity of your Pacesetter Savings Account in detail:

Date	Activity	Balance
12/01	Initial Deposit	250.00
12/05	Withdrawal	240.00
12/10	Deposit	245.00
12/15	Withdrawal	235.00
12/20	Deposit	240.00
12/25	Withdrawal	230.00
12/31	Final Balance	225.00

Formerly, Central Trust customers received separate monthly statements on some services and quarterly reports on others. With the new service, customers may conveniently study at one time all their accounts—checking, savings, Master Charge or a “Pacesetter checking loan.”



Our policy.

The Chicago Mercantile Exchange isn't an insurance company. But we do have a policy. This is it: we believe that a farmer or feeder who knows how much his crops or livestock will bring when they're ready for market is running his operation on a more businesslike basis than one who takes his chances on the cash market. Such price protection is accomplished through hedging on the CME. And be-

cause a producer has established a hedged price on his crop, you don't have to guess how much it's worth. It is acceptable banking practice to loan up to 90% of the value of hedged commodities. That's good for your customers and it's good for you.

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potatoes, boneless beef and lumber.

To make sure you're up to date on the advantages of hedging to your customers and your bank, send for our free booklet, "Price Protection and Loan Protection Through Hedging." You may order as many copies as you want by writing to us at the address below.

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CORPORATE NEWS ROUNDUP

• **Kohlmeyer & Co.** William Perry Brown Sr., senior partner in charge of financial advisory service at Kohlmeyer & Co., New Orleans, celebrated his 50th year in the financial business May 15. Mr. Brown is a senior partner in Kohlmeyer's municipal bond department.

Mr. Brown, during his 50-year ca-

News of Firms Serving Banks

reer, has been a financial consultant for 50 or more nationwide bond-funding projects. In Louisiana, his underwriting activities have included such projects as: the Port of Baton Rouge; New Orleans Public Belt Mississippi River Bridge; New Orleans International Trade Mart and the New Orleans Mississippi River Bridge Authority. Mr. Brown currently is participating in the New Orleans Domed Stadium project and the Louisiana Expressway Authority.

Mr. Brown, who began his career with Shepard & Gluck, a cotton factor, joined the investment firm of Woolfolk, Huggins & Shober in 1933. In 1935, he joined Newman, Harris & Co., which became Newman, Brown & Co., Inc. Mr. Brown was a partner in the firm from 1940 to 1966, when Newman, Brown merged with Kohlmeyer & Co.

division will be headed by three executives who recently were named officers of American National. The executives are: John P. Rulien, senior vice president, credit life sales; Ronald Roberts, senior vice president, government and industry relations; and W. C. Klein, vice president, credit life administration.

• **Rowland & Co.**, the St. Louis investment firm that is a successor to Yates & Co., has acquired the branch offices and sales personnel of Fusz-Schmelzle & Co., St. Louis. As a result, Rowland & Co. will now have branch offices at Alton, Belleville, Jacksonville and Mt. Vernon, Ill., and Poplar Bluff and Sikeston, Mo.

• **Walter E. Heller & Co.** The Chicago-based company of Walter E. Heller & Co. is expanding its operations in direct loans on machinery and equipment and has entered the field of second mortgages on real estate owned and used by manufacturers and commercial establishments.

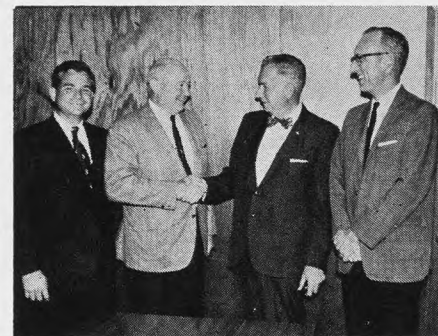


KARRAS

Sheldon G. Karras, assistant vice president, has been named head of both the direct chattel and second mortgage operations. He will continue as executive account manager for Illinois, Wisconsin and northern Indiana.

Heller is expanding its chattel loan activities in the 15 midwestern and southeastern states served by the central states commercial finance division.

Joins McCartney-Breckenridge



McCourtney-Breckenridge & Co., a St. Louis investment firm, announced recently that Guy C. Lamson Jr. is now associated with the firm. Mr. Lamson is a retired partner of the former Yates & Co., St. Louis. He had been connected with that firm for 13 years. Prior to that time, he was associated with Scherck, Richter & Co., and also Standard & Poors. Mr. Lamson is pictured (2nd from left) being welcomed to his new firm by Haworth F. Hoch (3rd from left), president of McCartney-Breckenridge. At far left is James A. Breckenridge, executive vice president; and at far right is John E. Hayes, secretary-treasurer.

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Unique Holiday How-to Guide

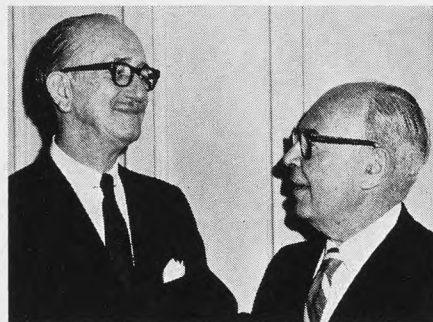
This full color, 32-page booklet offers 29 holiday recipes, 14 gifts and decor items to make. Outdoor lighting, decorating and gift wrapping ideas galore. Fun for all the family—school and club groups too!

Write today for FREE sample booklet, personalization information, ad ideas. Order deadline August 15th.

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William Perry Brown Sr., left, receives best wishes on his 50-year career in financial and securities business from Herman Kohlmeyer Sr. Both men are partners in Kohlmeyer & Co., New Orleans.

• **Mosler.** Charles E. Moser has been appointed southern regional sales manager for Mosler, which is headquartered in Hamilton, O. In his new post, he will be responsible for bank sales in the Southeast, Mid-South, South and Southwest.



MOSER

Prior to his new appointment, Mr. Moser had been district manager of the Southeast District.

• **American National Insurance Co.** W. L. Harlan, manager, credit life division, American National Insurance Co., Galveston, Tex., has retired after 50 years in the insurance field.

With Mr. Harlan's retirement, a new structure for the credit division has been developed. Operations of the



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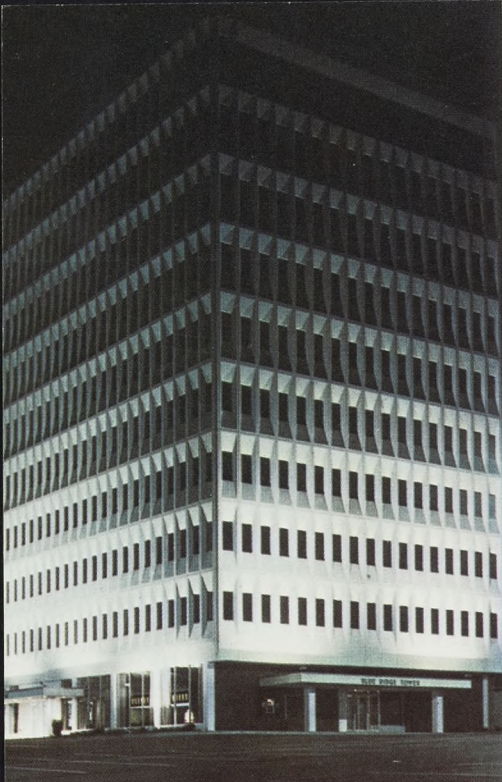
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Savings Bank of New Britain, Plainville, Conn.

MID-CONTINENT BANKER NEWS ROUNDUP

News From Around the Nation

PEOPLE

• EDWARD C. BOLDT, formerly senior vice president at First National, Memphis, has been elected senior vice president, sales-marketing, at Central National, Cleveland. He succeeds FREDERICK J. BLAKE, who had been interim director of sales-marketing. Mr. Bolt, currently first vice president of Bank Marketing Association, is slated to become the association's president this fall, again succeeding Mr. Blake.



BOLDT

• Manufacturers National, Detroit, has promoted LOUIS G. ALLEN and KENNETH AIRD from senior vice presidents to executive vice presidents. Mr. Allen was also appointed a director to succeed J. DONALD ORTH, bank executive vice president, who plans to retire in October.

Mr. Allen joined the bank in 1958 and is responsible for retail loan departments. Mr. Aird joined the bank in 1942 and is responsible for personnel, accounting and operational functions.



ALLEN



AIRD

• DONALD C. PLATTEN, executive vice president in the international division of Chemical Bank, New York, has been elected to the board of Chemical New York Corp., one-bank holding company controlling Chemical Bank. Mr. Platten joined the bank in 1940 and has been executive vice president since 1967.

BankPAC Seeks Contributions

A goal of a half-million dollars in contributions has been set by the newly formed Bankers Political Action Committee (BankPAC), a nationwide group of bankers and state association officials designed to coordinate individual banker action in the political area to deal with problems the industry faces there.

Lewis K. McKee, chairman, National Bank of Commerce, Memphis, and BankPAC chairman, describes the organization as "the political action and education arm of the banking business." A 13-man board, representing the regions making up BankPAC, will be responsible for naming state directors who will, in turn, name contact bankers to assist in the work of calling on bank personnel for contributions.

BankPAC is said to represent the first coordinated action on the part of political contributions by bankers.

Fed Ruling Helps Competitors?

Bank competitors may intervene in pending cases to argue against Federal Reserve approval of applications permitting bank holding companies to expand into related businesses, according to the Federal Reserve Board.

However, the Board stressed that the fact that such an acquisition would have an adverse effect on a competitor is insufficient to prevent a favorable determination on applications.

The ruling has been interpreted as an important victory for competitors of banks. It resulted from a pending application from First National Bancorp., Inc., Denver, to acquire two insurance subsidiaries.

Independent Union Wins in Seattle

The incumbent AFL-CIO-affiliated union representing employees at Seattle-First National has been voted out in favor of a rival independent group. First Bank Independent Employees Association received 51% of the votes cast to give it the right to represent the bank's 3,542 voting employees. The ousted union is affiliated with the Professional Office & Industrial Union, Marine Engineers' Beneficial Association (MEBA). It received 39% of the votes cast. Only 7% voted for no union at all.

The result has been interpreted as a major setback for the bank organizing activities of MEBA. Bank officials are reported to be pleased with the results, although there is some doubt whether the winning union will receive certification, due to charges of "conduct prior or during the election that made it impossible to hold a fair election."

Holding Company Audit Tightening Asked

Ways to tighten up audits of bank holding companies are being considered by the American Institute of Certified Public Accountants (AICPA).

Although certificates from CPA firms may show the completion of an audit of a bank holding company, in many instances, due to laxity, only the corporate shell has been examined, not the books and assets of the subsidiary banks controlled by the holding firm, according to Leonard M. Savoie, AICPA executive vice president. Mr. Savoie says he hopes tightening methods can be adopted this year.

• REX. J. MORTHLAND, president, Peoples Bank, Selma, Ala., and ROBERT H. STEWART III, chairman, First National, Dallas, are among 14 recent appointees of President Richard M. Nixon to a commission to study the nation's financial structure. Mr. Nixon has asked the group to come up with "constructive and achievable legislative proposals" by December, 1971.

A majority of the appointees have close ties to banking, a point that has been raised by Wright Patman (D., Tex.), chairman of the House Banking Committee. Mr. Patman has charged that the President has "loaded the commission with representatives of the financial industry the commission is supposed to study." He said that the makeup of the commission will cause Congress to regard its report "as little more than a trade association presentation.



MORTHLAND



STEWART

• WILLIAM BOYD JR., senior vice president and manager of the international banking division at Pittsburgh National, has been elected president of the Bankers' Association for Foreign Trade. Mr. Boyd succeeds KENNETH P. KINNEY, vice president in charge of the international banking department at Northern Trust, Chicago.

Newly elected directors of the association from the Mid-Continent area include FRANK W. GOODHUE, vice president, First National, Chicago; ALFRED F. MIOSSI, senior vice president, Continental Illinois National, Chicago; JAMES W. OLIPHANT JR., vice president, Merchants National, Mobile; and GILBERT H. VORHOFF, senior vice president, Hibernia National, New Orleans.

• DR. WILLIAM R. BRYAN, senior economist and director of research for Exchange National, Chicago, has been named special assistant to the director of debt analysis in the Treasury Department.

Interlocking Directorships Hit

An official of a bank holding company cannot at the same time serve as an official of a bank which competes with any of the holding company's subsidiaries, according to a ruling by the Federal Reserve Board. The ruling broadens a law restricting interlocking directorates among banking corporations.

The ruling is the latest in a series of events that have tended to focus attention on corporate relationships among financial institutions and between such institutions and non-financial corporations.

A portion of the action filed by the Justice Department against Cleveland Trust charges violation of Section 8 of the Clayton Act, which prohibits interlocking directorates, with some exceptions.

Trust Service 'Branch' Ban Fight?

St. Louis Union Trust Co. has asked the Missouri finance commissioner for authority to open a trust service, including investment advice, stock transfers and real estate, in a St. Louis suburb. The firm has announced that it will take the case to court if it is denied permission to open the office.

The Missouri attorney general recently ruled that a suburban trust office opened by Mercantile Trust, St. Louis, constituted a violation of the state's no-branching laws. Mercantile Trust plans to appeal the decision to the Comptroller of the Currency, who previously approved the operation.

Missouri Finance Commissioner C. W. Culley has said he hopes appeals are made in order to "clear the air for everybody."

HUD Plan to Aid Low-Income Housing

Manufacturers National, Detroit, has received authorization to issue mortgage-backed and government-agency-insured investment certificates under a plan developed by the Department of Housing and Urban Development.

The plan enables banks and other institutions writing government-insured mortgages to issue investment certificates backed by the mortgages and additionally insured by the Government National Mortgage Association. The mortgage-backed securities are expected to provide a simple and convenient way for investors who are not equipped to screen, service and process mortgage loans to participate in the mortgage market.

Chemical Offers Antipollution Loans

Chemical Bank, New York, has announced the availability of low-cost, non-profit loans to apartment house owners to pay for the installation of air-purifying devices on incinerators and oil burners or to purchase garbage compaction units. Such installations are necessary to bring owners into compliance with New York City's antipollution ordinance.

The bank estimates that only 10% of the city's 13,000 apartment houses are currently in compliance with the law. Up to \$125 million could be involved to bring the remaining buildings up to par.

The bank is prepared to lend up to \$15,000 for each antipollution unit. Maximum terms for loans is seven years at a rate close to prime, now 8%. Loans obtained through other means could carry up to a 17% rate.

Freeman Urges Bankers to Defend Industry

Bankers are too timid in defending their industry against attacks by congressmen and Federal Reserve officials, charged Gaylord A. Freeman Jr., chairman of First National, Chicago, before graduates at the Stonier Graduate School of Banking recently.

"We would each prefer to be a successful banker rather than a dead hero," he said. He described recent criticism of banks by Fed Vice Chairman J. L. Robertson as thoughtless and compared certain actions by Congress affecting the banking industry with civil, or even criminal, offenses.



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We take a personal interest in every one of our correspondents. That means we do the more personal things for you when you come to Kansas City.

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- Provide Complete Trust Services and the Administration of Wills, Estates, and Corporate Investments.
- Streamline Your Operational Procedures and Banking Systems.
- Provide International Services.

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you know what we can do. Behind each thing
we do for you is our philosophy:
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First National Bank of Kansas City

A Banker Looks at Travel in the '70s

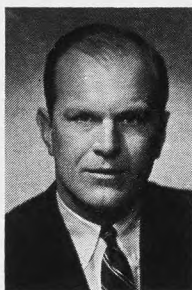
By **CLARENCE C. BARKSDALE, President**
First National Bank, St. Louis

THE GROWTH of travel in the '70s promises to have a profound effect upon the banking industry. Long regarded as a minor factor by many banks, travel will have great impact in the present decade because Americans are doubling their expenditures in this category.

Overseas travel, according to widely accredited estimates, will account for some \$11 billion a year of consumer spending by the end of the decade. And this spending will involve checking accounts, savings accounts, consumer loans, foreign exchange and many other banking services, including check cashing, credit and charge cards and travelers check activity.

Banks that are not already "turned on" by the travel interests of their customers will undoubtedly make travel a major marketing consideration before the 1970s are much older. Last year Americans moved their spending up to a total of \$5 billion for foreign travel. On the home front, they ended the decade with a \$35 billion outlay in 1969 for domestic travel.

Travel, in fact, is now the third largest national industry. And forecast charts of the '70s show that consumer action on travel—buying, financing, saving and spending—will continue to rocket upward. The trend is significant even if you reserve judgment on how precise such forecasts can be at the present time. Bank customers who are prospects for consequential travel spending, according to most analysts, are those with family incomes of \$10,000 a year and over. In the course of this decade that sector of the population will grow to well over 50% of all U. S. families. This means that, by 1979, 42,000,000 American families will have "travel power" and will require banking and other related services to speed them on their way.



BARKSDALE

For example, travelers checks are as accepted by most travelers as being as much a part of getting there and getting back as are tickets and passports. Modern hotels and motels—many of them sponsored by U. S.-based companies—are mushrooming around the world and it is at these establishments that bank services such as travelers checks and credit cards find their greatest use.

Other travel-related banking services will be in greater demand than ever in the 1970s. Foreign remittances and letters of credit, for example, will be more widely used by both corporations and individuals.

Why does a bank need to polish its travel image? Well, there's that "competition for the consumer dollar" idea. Disposable annual income of the American people—meaning the amount left over after taxes—will be up to the \$950 billion mark by the end of the decade. Some economists, in fact, forecast that it will go over the trillion-mark in constant 1969 dollars!

Moreover, there will be 235 million U. S. consumers by the end of the decade instead of the 204 million in today's population. And this larger, wealthier public is turning more and more to travel—for business, pleasure, education, culture—or just "to get away from it all" on a part-time basis.

U. S. citizens, by 1979, will be owning 125 million motor vehicles instead of today's 100 million. They'll have more education. There will be an increase of 33% in the ranks of the college-educated. And they will be more habituated to using credit of every description—not forgetting that it was the travel-related interests that taught many of them the "charge-it" habit—the gasoline companies, the airlines, American Express, Diners Club and the various bank charge card systems.

In fact, it looks as though the banker of the '70s has no choice but to polish up his image as the "traveler's friend and financial expediter." • •

Why a Bank Should Enter The Travel Business

By F. BERRY GRANT

Travel Department Manager
First National Bank,
Montgomery, Ala.

FIRST NATIONAL of Montgomery entered the travel agency business in 1967 after extensive study indicated that the benefits of offering such a service would include increased profits, a means for tying customers closer to the bank and additional opportunities to cross-sell bank services.



GRANT

After deciding to enter the travel field, the question was asked—How? The choice was between starting an agency or buying an existing agency. The latter course was taken because it provided for a trained and experienced staff. Experience is of primary importance for a successful travel operation. By purchasing an existing agency, all airline, steamship and other appointments held by the agency could be transferred to the bank.

The agency purchased by the bank had been in business for eight years and had an excellent reputation. More important, it had satisfied clients who would be willing to place their travel needs in the hands of the First National Travel Agency.

The bank entered the travel field for two primary purposes—profit motivation and the opportunity to offer another service to customers and prospective customers.

The agency that was purchased was a profitable one—assuring it to be a

lucrative new source of income for the bank. Bank officials realized that the future of travel is unlimited. Travel, with the use of group air and land rates, is now within the budget of the middle-income-bracket individual; whereas, 10 years ago it was only for the affluent. They also realized that with Montgomery being the state capital, most of the state trade associations were located in the city, providing a large and virtually untouched market from which to draw prospective customers.

The second purpose for entering the

travel business was equally as important as the first—the ability to offer an additional service to bank customers, attract new customers through this service and tie existing customers closer to the bank.

Officials saw that the bank would be able to offer its corporate customers the convenience of obtaining all air travel tickets, tailored to their schedules; hotel reservations in the cities to which they travel; car rentals, if required; and any special services that they might need, including theater tickets.

The individual customer is offered the same services as the corporate customer. Domestic travel needs can be arranged as can the foreign vacation—all at no extra cost to the customer. In addition, all travel requirements can be charged to the customer's Bank-Americard account.

All travel services are available to non-customers, both individual and corporate. These prospects are actively solicited by all members of the bank's staff. It is felt that if prospects take advantage of the travel agency, the first step has been made toward their establishing a lasting relationship with the bank.

It is difficult to say if any new checking or savings accounts have been acquired by the bank as a result of its travel agency. We do know, however, that the agency has made many new friends for the bank. And we also know that we are serving our customers better. Our image as a progressive bank has been enhanced.

The travel agency has shown a steady growth in profits each year since becoming a part of the bank. This fact has to be weighed in the light that, in many cases, the bank is providing a service which, although it makes no direct profit, generates good will for the bank. • •

We've Moved!



To ...
The FIRST NATIONAL BANK
OF MONTGOMERY

Martin Travel Agency has been acquired by The First National Bank of Montgomery for the convenience of all Central Alabamians. The Travel Agency is now located in the lobby of the main downtown office of The First National Bank.

Initial services of the First National Bank Travel Agency will include tours and foreign travel. Within the near future an expansion of travel services to include domestic travel will be offered by this new full service department of the bank.

Another service from First National!—"That's My Bank!"

THE FIRST NATIONAL BANK
OF MONTGOMERY
MEMBER FEDERAL RESERVE SYSTEM

Bank announced acquisition of travel agency with this newspaper advertisement. Initial service included tours and foreign travel only; now domestic arrangements are also offered.

The Bank Travel Agency: A Center for Profits

By **ROBERT J. KETELSEN**

**Echols & Ketelsen Travel Associates
Chicago**

THE TIME is ripe for banks to enter the travel business. Many have done so and still more are considering this profitable move. There is a continuing need for competent travel agencies to handle the vastly increasing number of travelers touring the world today.

Banks are in a natural position to develop travel agencies. They have for years been involved in selling foreign money, travelers checks, vacation savings club memberships and preparing letters of credit for clients.

Banks have several built-in advantages that encourage their entering the travel agency field. These include a lucrative mailing list, instant walk-in business and the respect of the community.

The travel industry as it is known today is a relatively new operation, for which commercial airlines are basically responsible. The phenomenal increase in travel is mainly attributable to the equally phenomenal growth of air travel.

This rapid growth has caused a shortage of competent travel agents to service those desiring to travel both domestically and overseas. Many ex-

isting travel agents are not efficient enough to carry their share of the business load, and many are finding themselves cut off by the travel industry, due to substandard qualifications.

The development of bank travel agencies is designed to fill the ranks with competent, qualified agencies that are prepared to offer quality travel to bank customers. This service also serves to attract new customers to a bank.

The emergence of banks into the travel field is especially appropriate at this time, since travel is expected to be the number one industry in the U. S. by 1971. Factors contributing to the growth of travel include increased disposable income, more leisure time, better transportation facilities, lower fares, availability of charters, growth of use of the English language in foreign countries, many new moderate-priced hotels and motels throughout the world, word-of-mouth selling by seasoned travelers, modernization of marketing procedures in the travel industry and travel by credit.

An analysis of foreign travel shows that 18,850,000 Americans went abroad last year, spending \$4.6 billion. This figure is expected to jump to 30 million Americans spending over \$6 billion by 1975.

In addition, about 13 million Americans take pleasure trips within the U. S. annually, with almost 85% of these trips extending more than 200 miles from point of origin.

The travel business is maturing into adulthood and requires complete professional management know-how. In addition to banks, giants of industry are entering the travel agency business. Olin Mathieson, WGN Continen-

tal Broadcasting Co., United of America Insurance and Walgreen Drug Co. are but a few.

But how does a bank go about organizing a dependable travel service? Echols & Ketelsen Travel Associates was organized to develop travel services for banks and other organizations. The firm offers such services as making a market survey of the bank's area, selecting an office site based on rules and regulations of the Air Traffic and International Air Transport

(Continued on page 39)

Travel Agents Rebuffed

For the second time a U. S. Circuit Court of Appeals has ruled unanimously that travel agents lack standing to challenge national bank competition in their business.

The decision was made by the Boston Court of Appeals, acting on a Supreme Court-ordered review of an earlier decision, made in March, 1969. At that time the court dismissed a suit against the Comptroller of the Currency and South Shore National, Quincy, Mass., brought by 42 Massachusetts travel agents.

The ruling was based on a statement by Supreme Court Justice William O. Douglas, who has said that "the question of standing concerns whether the interest sought to be protected by the complainant is arguably within the zone of interests sought to be protected or regulated by the statute or constitutional guarantee in question."

The Boston court said that the travel agents have produced no evidence tending to show that Congress was specifically concerned with the competitive interest of travel agencies; nor have they shown enough evidence of concern for general business competitors to create a zone within which they are arguably included.

Mr. Ketelsen's hobby has always been travel and he has made his hobby his business. Prior to joining Echols & Ketelsen Travel Associates, Mr. Ketelsen was in charge of the travel agency at State Bank, Freeport, Ill., and, previous to that time, managed the Chicago Tribune Travel Bureau. He predicts the time when most of the nation's banks will offer travel services.



Indiana Nat'l Launches Club Adventour; Profits Accrue to Customers, Bank

By JOHN R. WALSH

Vice President
Indiana National Bank
Indianapolis

CLUB ADVENTOUR, the nation's first bank-operated travel club, was introduced to the Indianapolis area by Indiana National in January, 1970. The club is a pioneering effort by the bank to introduce travelers to the many inherent benefits and savings of group tours.

The club is used as a tool to educate and stimulate members to the excitement of travel. Club Adventour offers its members a wide range of trips from weekend excursions to international travel. It combines with these unique tour packages a monthly meeting, a national travel magazine, a local newsletter and individual travel and savings counselling. The monthly meetings are social-informational sessions, complete with refreshments, a variety of travel experts and a question-and-answer session on all phases of travel. The travel magazine is a 16-page quarterly publication produced nationally in full color, highlighting fascinating countries and offering travel tips.

The monthly newsletter is produced at the bank and covers recent tour offerings, local features and Club Adventour meetings. Tour and savings counselling is provided at Club Adventour headquarters at Indiana National's Main Office and through its six travel branches scattered throughout the city.

All these advantages of Club Adventour cost the traveler an initial \$10 membership fee and \$5 each quarter thereafter. Estimated national membership will be 50,000 by the end of 1970.

Club Adventour offers a four-way payoff in profitability for Indiana National. First, the membership fee for each member goes a long way toward funding the program, including advertising, mailings, meetings, premiums, etc. Second, Club Adventour memberships represent new savings accounts

at the attractive rate of 4½%, giving the bank profitable loan funds. Third, the periodic trips for members are packaged at a profit to the bank. Fourth, domestic and international travel stimulates BankAmericard usage—to pay for any part of the trip, to use while traveling and to pay for other travel necessities. An added advantage to the bank is in terms of goodwill. Club meetings, the newsletter, the magazine and successful tours help develop a strong feeling for the bank.

Not only is the club profitable from the aspect of increased travel business, but it serves as an outlet for BankAmericard use and solicitation. Bank credit cards and bank travel departments have had a close association at Indiana National. INB's travel department, the largest travel agency in Indiana (and one of the oldest), was linked with credit cards at their initiation in the bank in 1967 with the "go now—pay later" concept. When Indiana National joined the BankAmeri-



Dan Hardin (l.), Club Adventour manager, chats with Russell Allen, v.p., travel dept., at Club Adventour meeting.

card network in 1969, the world-wide use of the card further strengthened its use in the travel field as a "money tool" to use while traveling.

The advent of Club Adventour satisfied the need for a sophisticated travel service in the Indianapolis area and increased the possible uses of BankAmericard. The club provides an excellent avenue for solicitation of reputable cardholders. Every Club Adventour membership application questions applicants as to whether they hold BankAmericards. Thus, the BankAmericard division can send BankAmericard applications to non-cardholders or reminder letters to present cardholders outlining the many uses of BankAmericard while traveling.

The club's national travel magazine includes a full-page ad for BankAmericard on the back cover of each issue. The monthly newsletter also mentions BankAmericard as a means to help pay for club trips, whether they be weekend excursions or international travel. BankAmericard is also linked with Club Adventour on many promotional brochures and travel folders.

Twenty-second spots have been aired on radio and TV, further promoting the use of BankAmericard while traveling or purchasing travel essentials. The travel department itself uses the BankAmericard pitch while selling tours and individual packages.

Even the cost of joining Club Adventour can be paid by charging it on BankAmericard.

Customers receive ample benefits by joining Club Adventour. Travel education through well-known experts from travel agencies, airline companies and steamship companies offers customers valuable "inside information" on where and how to travel. The monthly newsletter, magazine and club meetings make customers aware of many travel opportunities at cost-

(Continued on page 39)

MID-CONTINENT BANKER for July, 1970

John E. Brewer, assistant manager, and Mrs. Jackie Stephenson review itinerary for a trip offered to BankAmericard holders and others through Southwest Travelers Club, service of Bank of the Southwest's travel department.



Bank of Southwest's Travelers Club Boosts Charge Card Services

WHY SHOULD the Bank of the Southwest fret about the hurricane season in the Caribbean?

Because the Bank's Southwest Travelers Club, its newest service to Houston families, has planned a late-vacation cruise through that fabled sea, and an untimely blow would do more than muddy the water!

It might even cancel the cruise.

"We wouldn't like that at all," commented John E. Brewer, assistant manager of the bank's travel department. "But that's one of the risks you take when you set up a travel department and a travel club. You can control the membership, you can control the accommodations, you can control the trips you offer . . . but you can't control the weather!"

Mr. Brewer, along with J. B. Hill, vice president and manager of the travel department, conceived the idea of the Southwest Travelers Club as a branch of the travel department and persuaded bank management to endorse the idea.

The club was formally announced to the public in mid-February through a newspaper advertisement and flyers included in statement mailings to bank depositors and BankAmericard holders.

"To our knowledge," said Mr. Brewer, "we're one of the first banks in the nation to provide a travel club in connection with BankAmericard."

Membership in the club is not limited to BankAmericard holders, however. There are three levels of membership: single, couple, or family. Annual membership fees are \$5 for indi-

viduals; \$7.50 for couples, and \$10 for families.

As part of the membership fee, a club member receives the chance to participate in special tours and excursions arranged specifically for the club; a quarterly travel newsletter; a travel book; special rates on travel insurance; discounts for special events tickets and travel books; and invitations to special parties, lectures and travel film showings.

Members will be able to charge their membership fees, travel tickets, hotel expenses, tours, rental cars, etc., on BankAmericard.

By establishing the Southwest Travelers Club, the Bank of the Southwest becomes the first bank in Houston to provide cheaper travel for the whole family.

"When we formed the Southwest Travelers Club as a new marketing tool for the bank," said Mr. Brewer, "we tried to avoid the drawbacks we saw plaguing many other travel clubs."

Mr. Brewer pointed to three major disadvantages of some travel clubs: (1) being limited to a certain number of hotels so that resident representatives could be on hand; (2) being tied to a savings program which limits membership to depositors; (3) being limited to members of certain age groups.

The Southwest Travel Club has an unlimited choice of land accommodations, is open to all age groups, and is tied in no way to bank deposits.

Like the bank's travel department, which was originated six years ago, the Southwest Travelers Club was orga-

nized primarily to offer a service rather than to make a profit; but, also like the travel department, it promises to pay its own way.

"We started the travel department as a service to our customers to develop goodwill and publicity and to serve our individual and commercial accounts. Today, six years later, the department is operating at a profit," said Mr. Brewer.

He explained that membership fees in the Southwest Travelers Club were set high enough to cover initial promotion costs, but not at a profit-making level. However, the bank profits from each club tour because arrangements are made through the travel department, which makes its normal commissions on each trip.

"This gives us a little more flexibility," said Mr. Brewer. "Although we didn't organize the Southwest Travelers Club as a money-saving device for our members, it would be possible on special excursions for the travel department to take a lower commission than usual and pass the savings on to the travelers."

Although the club has experienced good success in its first few months, there were problems in getting organized.

"We got a late start actually," said Mr. Brewer. "The best time to kick off a club promotion like this one is during October and November, and we didn't get ours off the ground until February."

Getting members and arranging attractive tours have been the two major

(Continued on page 50)

'CompuTour' Offers Charge-Cardholders 'Push-Button' Vacation Planning

IN AN ATTEMPT to develop greater use of their charge cards, a number of bank credit departments are offering what might be the ultimate in a leisure-oriented society—a "push-button" vacation planner, called "CompuTour."

Bank charge-cardholders can now have their entire vacation planned by computer—matching their preferences with their budget—through a new service created by Motivational Systems, Inc., of New York, the people who developed the ZIP rate-yourself credit application and the Quick-Key credit card application forms.

The computer will not only suggest to the charge-cardholder where he would enjoy vacationing, how to get there, what kind of accommodations to have and what types of scenery and recreation he will find, but it will also tell him how much the monthly charges for such a trip would be—and how to arrange for credit.

"To avail himself of this free advice, the cardholder merely completes the CompuTour Selection guide and returns it to the bank," according to Morris Goldwasser, MSI president.

"It has become evident that the charge-card market has become saturated in the quest for new cardholders and that acquisition costs for active charge-card users have risen to astronomical heights," says Mr. Goldwasser. "One of the few paths open to banks seeking to improve their annual bottom lines is the development of greater in-depth use of current cardholders with services such as 'CompuTour.'"

Hand in hand with CompuTour is an Operation Increase form, which the cardholder can complete to learn if he

can get additional credit for the vacation.

If he is entitled to more credit, the computer will list alternative "ideal"

vacations and issue a Travel Check for the difference between what he was prepared to spend and what he can spend with the additional credit. The Travel Check can be taken to a travel agency and the bank will guarantee payment.

Among the first users of CompuTour is Valley National of Phoenix, whose initial mailing achieved a 4% return during the first week. Of the returns, almost 90% asked for Operation Increase.

As it works, the bank mails the form to its charge-card customers and potential new accounts as well, suggesting that they complete the form in the privacy of their home or office. Categories include: length of vacation, money to spend, method of travel, location, climate, atmosphere, accommodations, sports, social activities and others. Under location, for example, the customer circles either mountains, seashore, islands, lake areas or metropolitan areas.

The computer then analyzes the form, selects several possible vacation spots and the travel agency to consult. There is no charge for this professional planning service.

"This is a potential stimulant to the tour and travel business. It tells people they can travel farther and do more for the same dollar," Lester M. Goldberg, vice president and director of planning and marketing at Valley National, pointed out.

"It is a very real service to the bank's customers and at the same time it is not essential for the bank to be in the travel business because the transactions can be completed at a travel agency or carrier's office," he added. • •

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NATIONAL
BANK
VIP*
*VACATION IDEA PLANNER



Brand New!
The Perfect Vacation
Scientifically-Selected
For You

Accommodations • Climate
Area • Activities • Transportation • Costs

Master Charge-it
Complete
Vacation Service



VALLEY NATIONAL BANK

Attractive brochure contains ZIP "CompuTour" form and Master Charge application blank.

AN MCB SURVEY

Travel Promotion Tips Push Charge-Card Use

CHARGE CARDS are playing an increasingly prominent role in the financing of travel. And banks throughout the world are promoting the use of charge cards, both to pay for travel arrangements made prior to a trip and to pay for purchases made while traveling.

Effective methods used by banks to promote charge-card use in connection with travel include the following:

Preston State, Dallas, arranged for the publication of a supplement in the *Dallas Times Herald* devoted entirely to its Presto/Master Charge card. Included in the supplement were several articles concerning travel. One article advised cardholders to pay for travel arrangements with their charge cards at airline offices, auto-rental agencies, motel and hotel chains. Another article told how a group of local merchants and their wives used their charge cards on a shopping trip to Mexico City. Still another article featured the use of charge cards in foreign countries, stressing that the card was a "passport for easy travel."

Member banks of the Southwestern States Bankcard Association have participated in exhibits stressing the use of charge cards for travel. Promotional material from travel agencies associated with member banks has been used as statement inserts.

Effective give-aways and self-liquidators used by banks in the promotion of charge-card travel include atlases and road map sets. These items are available from several publishers and the bank's name and the charge-card insignia can be prominently featured on the items.

Beach towels, balls or bags have proved popular. Obtainable from advertising specialty firms, the items can be imprinted with the charge-card insignia and the bank name. Imagine the number of people who would notice a huge beach towel literally covered with a charge-card insignia!

Mileage counters are handy devices

that are helpful to drivers when estimating the mileage between two points on a map. Usually consisting of a small wheel and a counter, the devices are available through advertising specialty houses. They, too, can be imprinted.

An effective way that has been used to get bank customers to think about travel has been the setting up of display areas in banks and inviting local travel-related organizations to supply brochures and pamphlets to be given to passers-by. Charge-card promotional material provides the tie-in, informing customers how simple it is to charge their travel needs. An information desk is usually included with the displays.

Joint travel promotions can be developed in cooperation with local automobile associations. Journeys to tourist attractions in the bank's area can be planned by the association, with maps and itineraries distributed at the bank. Most resorts, hotels and restaurants featured in travel books honor bank charge cards.

Travel tips have been incorporated into statement stuffers by banks. These tips deal with safety, car care, keeping the children occupied, etc., and carry a sales message for the bank's charge card.

State National of Alabama, headquartered in Decatur, has been urging travelers to use their Master Charge cards for gas, food and lodging on short vacation trips to local tourist attractions. The bank has used as its theme "Your Pack Up and Go Card" and the purpose of the promotion is twofold: to increase public awareness of what North Alabama has to offer for the tourist as well as to promote its charge card. The bank has used billboards, radio, TV, statement stuffers and three-color newspaper ads throughout its market area to inform the public of its promotion. It also has distributed pamphlets entitled "Take a North Alabama Vacation with Master Charge," featuring photos and descriptions of noteworthy tourist attractions.

Deposit Guaranty National, Jackson, Miss., has been conducting a travel-oriented advertising campaign entitled "How to be well-traveled," offering travelers checks for ready money on trips, safe deposit boxes to assure safe-keeping of valuables during trips, the services of the bank's travel agency to assist with trip planning and promoting the use of BankAmericard as a travel companion. All these travel services are available from just one visit to the bank. A booklet is offered by the bank's travel agency, entitled "How Rightway (the agency name) Serves Your Travel Needs."

Still other banks, especially those in vacation areas, have set up tourist information bureaus for travelers visiting the area. This is often done in cooperation with the local chamber of commerce. Bank charge-card information is always prominently displayed, and tourist attractions in the area honoring the bank's card receive special publicity.

Charge cards are being used increasingly in foreign countries. The main advantage of such use is the elimination of the need to figure out the rate of foreign exchange for U. S. dollars. • •



GET A
CASH ADVANCE
ON YOUR
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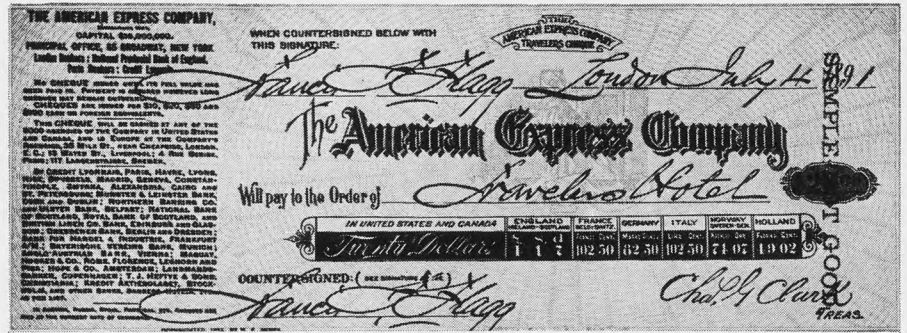
BankAmericard Center, Jackson, Miss., used above message on statement stuffers distributed by member banks last month. Message stresses getting sufficient cash for a trip before leaving. A subsequent mailing advised cardholders to take their charge cards along on their vacations.

American Express Regionalizes Travelers Cheque Services

*Resident Managers
Are Assigned
to Service All
Banks in U. S.*



Hal S. Robinson (l.), American Express regional vice president, confers with Jack G. McDonald, American Express resident manager for Kansas and Nebraska. Mr. Robinson supervises the western half of MID-CONTINENT BANKER's circulation area.



One of first American Express travelers cheques, dated 1891. Cheque bears printed foreign currency equivalents of dollar value for England, France, Germany, Italy, Scandinavian countries and Holland.

AMERICAN EXPRESS has completely regionalized its travelers cheque services to the banking community of the United States in an attempt to bring bankers closer to the source of what is essentially a bank-customer service operation.

Through resident travelers cheque managers in direct contact with every banker in the country and a regional vice president in each section to direct operations, American Express has geared itself to the decade of the '70s when more people will be traveling farther and faster than ever before in history.

What makes this development newsworthy is that although American Express is an international financial, travel and insurance complex of organizations, it has appointed local men exclusively to see that each banker in the U. S. rests easily about his customers' welfare while they are away from their homes.

For example, down Texas-way it has resident Texans riding the range to aid banks on any problem relating to travelers cheques.

Dallas is the "hot seat" for vice president-in-residence, Hal R. Robinson, directing operations in the territory from the Pecos to the Mississippi River and north to Nebraska. Working east of the Mississippi, from Illinois south to the Gulf, the veep-on-the-spot is George O. Johnson with his command post in Chicago.

Most people who know Hal Robinson think he is completely Texan. Actually he's traveled the entire U. S., calling on banks during a 20-year career specializing in travelers cheques. Fifteen years ago, it was discovered he had an affinity for Texas and the Southwest; now he wouldn't have it any different.

To call on banks in southern and eastern Texas, American Express has a former rodeo rider, Al Swihart Jr. He competed in most major rodeos while still in college but then decided a career in insurance and the banking field

might be more rewarding, and offer less risk. Oklahoma-born and raised, he was brought across the line into Texas by the U. S. Air Force during the Korean War.

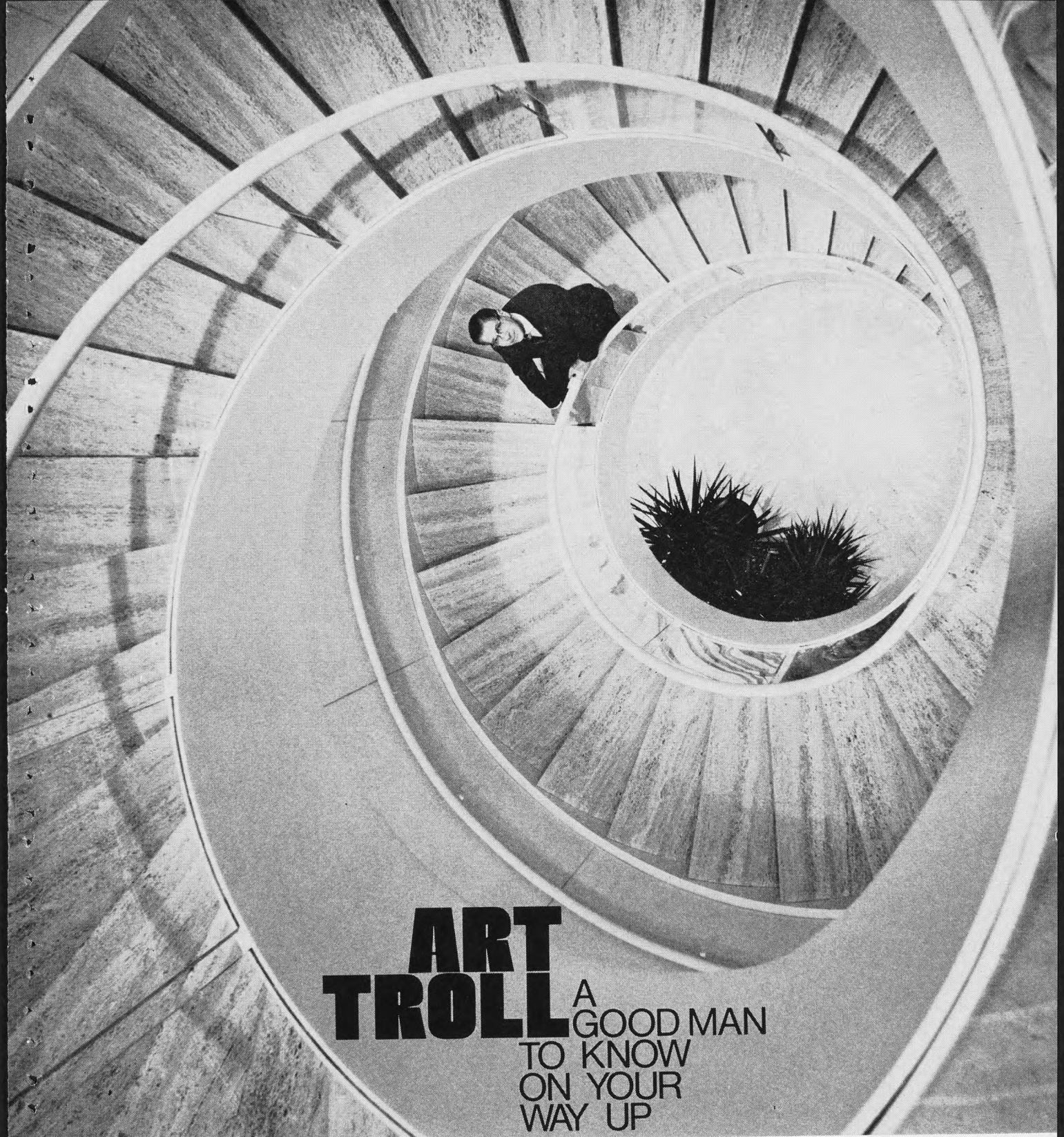
Texas-born, raised and educated, Pete Self calls on bankers in the western section of his native state, working out of the Dallas Office. He served in the U. S. Army, then went into banking and from there it was a natural step to travelers cheques. His travels take him through industrial as well as mountain, desert and sub-tropical sectors.

The tallest of the American Express cheque men is Texas-born Bob Robinson, no relation to Hal. Bob's education includes the Banking Institute, Dallas, the University of Texas Law School and graduate study in its business courses. With all that Texas background, he devotes himself mainly to Arkansas and Oklahoma—but he does cover a piece of Texas in the northeast portion of the state and works out of the Dallas Office.

Jack McDonald, a 17-year veteran in travelers cheques, covers the banks in Kansas and Nebraska, but put a couple of sticks in his hands and he'll show you what jazz is all about. In his youth, he traveled the Midwest as a drummer with small combos. After he settled into the banking field, he found himself traveling the same territory calling on banks. He's a real midwesterner, born in Missouri, college in Illinois and now domiciled in Kansas City, Mo., where he is active in the Chamber of Commerce.

The "Gateway to the West," symbolized by the gorgeous soaring Gateway Arch in St. Louis, marks the location from which Tom Keeney rides out to cover banks in Missouri and Iowa. Tom is Illinois-born, took his schooling there and is active in civic affairs of the community he now calls home. He is a graduate in the field of business management.

Regional vice president for the northern sector of the Mid-Continent,



ART TROLL

A GOOD MAN
TO KNOW
ON YOUR
WAY UP



You'll seldom see this man behind his desk. More often, he's behind the wheel of his car or sitting across from YOUR desk. That's his business . . . bringing Pacesetter banking

services right to your doorstep.

Art travels light, because he's equipped with all the essentials . . . over 40 years of experience in the banking field, combined with a thorough knowledge of the significant advantages NBT offers its correspondent banks.

In short, Art Troll is a man you can bank on. He and the other members of NBT's Correspondent Bank Department are your straight line to the many resources available from the Pacesetter Bank.



NATIONAL BANK OF TULSA
THE PACESETTER® BANK THAT HELPS YOU GET THINGS DONE

MEMBER F.D.I.C.





American Express resident managers in the Mid-Continent area include (from l.) Robert T. Hall III, Tennessee; Thomas W. Keeney, Missouri and Iowa; Bobby E. Graham, Illinois; Stephen B. Elkins Jr., Indiana; Robert M. Carr, Mississippi; and Anthony B. Wilson, Kentucky.

George O. Johnson, with his base in Chicago, has a background of 22 years in Midwest financial activities for American Express. New York-born, he has since become thoroughly at home in the heartland of America.

Ken Allingham, who calls on bankers throughout the Chicago area, was born in Buenos Aires, Argentina, and went to school in Ontario, Canada, before settling down in the U. S. He covers the North Shore, northern Indiana and the western half of Michigan.

Abutting his territory is that of Bob Graham, who covers Illinois south from the Chicago suburbs, calling on bankers as a 16-year veteran at American Express. He is also a veteran of the U. S. Navy, and was born in Arkansas and educated in its schools and university. Bob keeps his civic activity close to home in the Illinois Bankers Association.

Stephen B. Elkins Jr. did a lot of wandering before coming to Indiana to call on bankers in that state. He is a 20-year man with American Express. Georgia-born, he majored in business administration at Maryland University, spent 13 years in Germany managing various offices for American Express, then two years in the New York Of-

fice. Now he has settled in as resident manager in Indianapolis—from which he drives some 25,000 miles a year to make bank calls in his territory.

Tony Wilson worked his way through college with a tennis racquet. Now golf is his game and the beautiful



Standing before Chicago's Merchandise Mart are George O. Johnson (l.), American Express regional vice president for the Midwest, and Ken W. Allingham, Chicago resident manager.

horse country of Kentucky is his territory. He calls on banks in this state, working out of the office in Cincinnati. Because of the beauty of the countryside through which he travels, he says there's no pain in rolling over 30,000

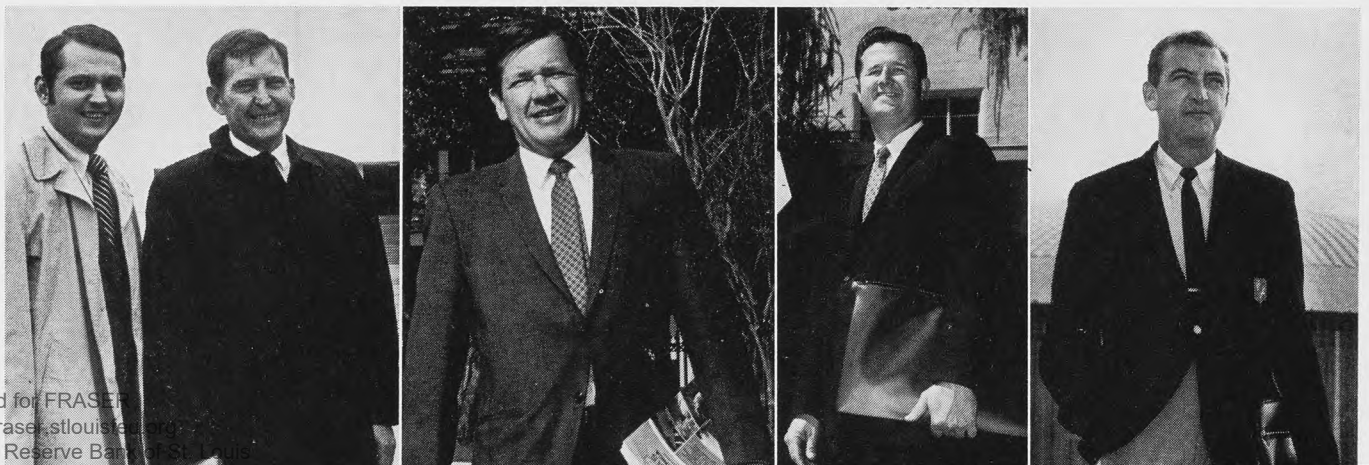
miles each year by auto to visit bankers throughout the state.

Bob Hall is a "Georgia boy," who has learned to love Tennessee. He visits all banks of that state as travelers cheque manager for American Express. His territory also covers South Carolina and Georgia and his office is in Atlanta. He was born, brought up and educated in Georgia and took a degree in business administration at one of the Florida universities.

Henry Lee Albright, who calls on the bankers of Louisiana and Alabama, is as much a southerner as any man of feelin' could be. He was born in Salisbury, N. C., his parents were both Atlanta people, and he attended schools and colleges in North Carolina. He joined American Express 17 years ago at its Washington, D. C., Office, and finally got "home" again to work out of the New Orleans Office calling on banks of the Deep South.

To cover Mississippi, Bob Carr was tapped. A New York City native, he finds the assignment most congenial and enjoys calling on banks in that state as well as in Florida. Bob went to the Wharton School of Finance in Philadelphia for his education and has 12 years of background in the various services of American Express that are

American Express resident managers include (from l.) R. R. "Bob" Robinson Jr., northeast Texas, Arkansas and Oklahoma; H. G. "Pete" Self, west Texas; Henry Lee Albright, Louisiana and Alabama; Richard L. Bowen, New Mexico; and A. E. "Al" Swihart Jr., south and east Texas.



She's
Wearing
a Hamilton
Ensemble!

It's important for this Southern Airways stewardess that she look attractive, yet businesslike.

It's also important that your bank employees be groomed attractively . . . and it's possible, in a Hamilton ensemble!

Styling is important for the airline stewardess, for she *is* the airline to millions of flying customers. As an example, this Southern Airways stewardess, wearing her Hamilton ensemble, is confident of her appearance . . . confident of her ability to serve.

In your bank . . . Mr. Bank President . . . your public-contact staff (tellers, receptionists, secretaries) *are* the bank to your customers. Therefore, when you decide to put your staff in career suits (as many banks are doing today), you'll want to talk to one of the nation's *most experienced* stylists in career suits.

Our credits include scores of banks as well as several major airlines: TWA, Delta, American, United and Southern.

Don't talk career suits at your bank without talking to Hamilton. We'll show you a complete bank program . . . offer names of satisfied users . . . then let you decide.

We think you'll decide to put your staff in Hamilton ensembles, too.

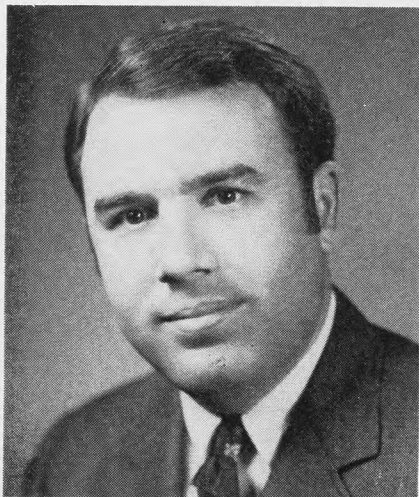


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MID-CONTINENT BANKER for July, 1970

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Experienced Banker
and over 450 others
working for you
throughout Alabama?



Call Area Code 205
262-5711
and ask for
F. Berry Grant

Travel Department Manager
FNB Travel Agency



MONTGOMERY, ALABAMA
205 262-5711

Your Capital City Correspondent

Member Federal Deposit
Insurance Corporation

of interest to bankers.

New Mexico is covered by Richard L. Bowen, whose territory extends into Arizona with Phoenix his base. An Iowa-born former Navy man who served in the Aleutians, Dick has since come around to an intense interest in historical research on the lore of the American Southwest as a hobby.

The primary consideration in the regionalization concept is service to banks selling travelers cheques. American Express invented the cheques about 80 years ago, and today, with a multi-million dollar volume of daily transactions, it is important to have someone on hand to work with bankers in each locality. That way, there's personal attention to fulfillment of the company's promise of protection with convenience—the reason why people buy these cheques in the first place.

Phillip Smith Elected President of American Safe Deposit Assn.

Phillip N. Smith, trust officer, Indiana National, Indianapolis, was elected president of the American Safe Deposit Association at its recent annual meeting.

Other new officers are: vice president, Harry W. Meyers, manager, safe deposit department, First Wisconsin National, Milwaukee; secretary, Miss Katherine I. Murray, Union National, Pittsburgh; and treasurer, Robert E. Stoddard, vice president, First National, Kansas City.

AIB Co-Sponsors Seminar for Area Bank Builders

ST. LOUIS—A seminar designed exclusively for bank building personnel recently was sponsored by Bank Building Corp. and the St. Louis Chapter of the AIB. Entitled "The Business of Banking," the seminar reportedly was the first of its kind developed by a local AIB chapter for an organization other than a financial institution.

The seminar was mainly developed to help Bank Building know more about its customers. Among topics discussed were management of money, banking regulations, bank operations, data processing and marketing. A panel discussion entitled "The Kind of Bank I Would Like" was conducted by participants who had built or remodeled or who plan to build or remodel a bank building.

Among the Missouri and Illinois banks that participated in the program were: First National, Mercantile Trust and City Bank, all in St. Louis; St. Louis County National, Clayton; and Edgmont Bank, East St. Louis, Ill.

Travel Check Sales Up

Persons are buying Bank of America Travelers Cheques at a rate 30% better than last year, despite a tight money climate and a depressed stock market, according to bank officials.

The surge is attributed to a combination of factors, the most obvious of which are that more people are traveling now than last year, and that the bank has increased its market penetration.

The European Travel Commission anticipates a 15% rise in trans-Atlantic travel in 1970. Commission officials say such factors as bargain air rates permit more persons than ever to take advantage of travel opportunities.

This 30% increase for the first four months of this year especially is encouraging, for the peak summer travel period still lies ahead.

In addition to the rise in cheque purchases, the summer months also remain the busiest time for processing funds or lost or stolen cheques, ranging from frantic calls from honeymooners to the farmer who lost his wallet and contents, including travelers cheques, in a pen full of hungry pigs. And then there was the urgent call the bank received from a mother whose children were playing house and proceeded to tear her travelers cheques in half so there would be enough to go around.

Spot checks indicate that an increasing number of people, eyeing a spiraling crime rate, now place their money in the safety of travelers cheques, even for short trips within the country, commented Ernest J. Young, vice president and executive head of the bank's travelers cheques operations.

"Whereas before, people would take off from New York to California by car with a substantial amount of cash on their person," Mr. Young added, "we now find that many are purchasing travelers cheques."

Safety factors involve not only reimbursing persons for lost or stolen travelers cheques, but also redeeming all such cheques that are innocently accepted and paid. While the bank is not legally obliged to pay persons innocently defrauded, it always has considered it in the best interest of business to do so. To refuse payment to such persons would undermine public confidence in the acceptability of the bank's paper.

Convention Dates Set

The Illinois Bankers Association's 1971 convention will be held June 2-4 at Chicago's Palmer House Hotel.

MID-CONTINENT BANKER for July, 1970

This advertisement in the 1970 Kentucky Travel Guide helps increase Master Charge use.

Travel Kentucky the Master Charge way.

Enjoy the convenience of charging at our State Parks, at fine hotels and restaurants, or in hundreds of fine shops. Visit any Master Charge bank and get a cash advance of \$100 or more. Master Charge is welcome at thousands of locations across Kentucky. Use it for services, gifts, or vacation play. It's a bit of Southern hospitality. It's what we call . . .

Traveler's Aid



In Kentucky, Master Charge is a service of First National Bank of Louisville and more than 50 other progressive banks throughout the state.

Master Charge: opportunity to promote your bank.



The full-color advertisement reproduced on the other side of this page is a striking example of the advertising support First National Bank of Louisville puts to work for its Master Charge banks and merchants.

When you're a Master Charge associate of First of Louisville (there are more than 50 now), you take advantage of year-round promotional activity — on both local and national levels.

Most important, your bank name is the *only* bank name your Master Charge customers will see on the cards they carry.

And because First of Louisville is one of the nation's pioneer Master Charge banks, you get across-the-board help in all other areas of card operations.

Master Charge. It's the opportunity card. Give us a call. We'll be glad to knock on your door with all the facts. (502) 584-3211.

 **FIRST NATIONAL BANK**
OF LOUISVILLE

Travel Agency

(Continued from page 27)

conferences, suggesting office layout and decor, recruiting personnel, training personnel at its International Travel Training School, bonding and insuring the agency, suggesting office procedures and systems.

The firm also prepares office manuals covering the duties and responsibilities of employees, appoints agents in major world markets, selects wholesale tour operators, advises on a grand opening celebration, assists in preparing presentations to transport conferences and associations, consulting on marketing, advertising, publicity, direct mail and promotions, and other services.

Echols & Ketelsen stresses the importance of the use of travel as incentives in dealer, sales and distributor contests. Over \$100 million was spent in this area last year, and the field is growing.

The firm has had considerable experience in advising banks on travel agency operations, enabling many financial institutions to prepare for the profitable business of servicing travelers and, at the same time, providing new customers for other bank services.

Indiana National

(Continued from page 28)

saving prices. The tours are designed for everyone's interests. The customer has a wide range of travel opportunities, from a weekend to a world tour, domestic and foreign, with children or without, married and single, young and old. And the customer can travel with ease, knowing all arrangements are handled by a competent travel organization at substantial savings. The club also encourages customers to use insured savings for future travel and pays interest on the deposits.

There are many reasons why an individual joins a travel club, but the primary one is to take advantage of reduced travel costs. Therefore, Indiana National is now entering the franchise phase of Club Adventour. According to Russell E. Allen, vice president of INB's Travel Department, "Banks must join together in order to secure the mass membership necessary to support a successful tour operation. This in turn will enable Club Adventour to offer quality tours at a substantially reduced cost, resulting in satisfied club members."

Indiana National will provide a custom-built package for any bank wishing to purchase a Club Adventour

franchise. For a nominal franchise fee of \$5,000, Indiana National will provide all the groundwork information and material to establish a complete Club Adventour. Banks will be provided a complete manual of operations and complete tour packages to sell. The entire advertising package, including ads, news releases, membership cards, savings account wallets and Club Adventour magazines, will be offered for purchase at cost. Full details are available from Mr. Allen. • •

Third Bank Training Program for Minorities Co-Sponsored by Wichita AIB Chapter

WICHITA—The Wichita AIB Chapter, in cooperation with the Wichita Area Vocational-Technical School, is sponsoring its third annual bank training program. The cost of the program, which attempts to attract the disadvantaged into banking, is subsidized by 14 Wichita banks.

Among general eligibility requirements for the program are: minority race (Negro, Oriental, American-Indian, Spanish-American); high school graduate or equivalent; good character; military obligation completed or deferred; good health and credit. Men and women are eligible.

The eight-week program consists of classroom training in all areas of bank operations such as bookkeeping, office machines, filing and office procedures. Instructors are provided by the Wichita AIB Chapter and the Wichita Area Vocational-Technical School and bank personnel directors. Program coordinator is Robert D. Clark, vice president and personnel officer, Fourth National, Wichita.

The Wichita Urban League accepted applications and then recommended qualified persons for interviews with bank personnel directors. General banking aptitude tests were administered to applicants as part of the selection process. A maximum of 15 students was chosen. When the program is completed in August, placement proceedings will begin.

ABA Convention Notice Sent

NEW YORK—The ABA has mailed its official notice of the 96th annual convention to ABA members. The convention will be held in Miami Beach October 10-14.

The notice describes procedures for requesting hotel reservations and registering in advance. A form for requesting hotel accommodations is enclosed.

Tax-Free Stock Distribution

NASHVILLE—Third National Bank stock has been distributed on a tax-free basis to stockholders of NLT Corp., with approval of the Internal Revenue Service. NLT Corp. is a holding company set up in 1968.

Shareholders of record on May 18 received approximately one share of Third National stock for each 17 NLT shares. No change in officers or directors of NLT has been made. Affiliates of NLT are National Life & Accident Insurance Co., WSM, Inc., Intereal Co. and NLT Computer Services Corp.



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Limited Branching, Holding Firms Suggested for Kansas Banks

Kansas banks might be able to serve the state's residents better if Kansas laws were amended to allow limited branching and multi-bank holding companies. This was the conclusion reached by a committee of the Kansas Bankers Association under the chairmanship of Willis Stout, president, First National, Goodland. The committee, serving under the label of "How to Serve the Public Better," was composed of eight bankers and five non-bankers. Mr. Stout presented the findings of his committee at the KBA's bank management clinic last month.

In the committee's opinion, certain problems exist to varying degrees in Kansas banking, but it did not offer specific recommendations for changes. Among problems in rural areas, as reported by the committee, are the following:

1. The size of credit lines has outgrown the lending limits of banks. In other words, loan limits of many rural Kansas banks are too small to enable the banks to take care of customers' credit problems. 2. Many rural communities suffer from indifference or lack of enthusiasm on the part of local bankers. 3. Management succession is a severe problem in many small, rural banks. 4. There is a lack of expertise in small, rural banks. No man can be an expert at everything, yet many rural banks are dependent on the knowledge of one or two persons.

5. There is a banking vacuum in many rural communities, and only one bank exists in many rural communities. 6. Small, rural banks are not diversified. Note cases of many of these banks consist of one type of loan restricted to a small geographic area. 7. Rural Kansas banking is based on private ownership and the ability to buy or sell control in a small country bank. Yet it is becoming increasingly difficult to find buyers for a bank unless one goes outside the banking profession; it's becoming increasingly difficult for a young banker to buy control and for an old banker to sell control.

Mr. Stout's committee also found the following urban-area problems:

1. The city or urban bank is pinned down to doing business in its one location, although many of its customers are moving away. 2. City banks in Kansas are not as large as their opposite numbers in neighboring states. 3. There may be a problem of unhealthy competition in urban areas caused by the scrambling by many little banks

and new charters for the same business. 4. City banks, just like country banks, suffer from lack of diversification. 5. Kansas suffers from a lack of mobility of funds. For instance, one area may suffer from a deficiency of available funds, while, at the same time, another area may be experiencing a surplus of funds.

In trying to find solutions to these problems, Mr. Stout pointed out, his committee came up with the suggestions on branching and multi-bank holding companies as possible solutions. If city banks in Kansas were allowed to branch, said Mr. Stout, they not only could serve their customers better, but also compete with loan firms and S&Ls in outlying areas. If multi-bank holding companies were allowed, he continued, a number of banks could join together under the umbrella of one parent corporation, and this would tend to solve loan-limit problems, management succession, mobility of funds, diversification and marketability of bank control. At the same time, he continued, the identity of the community bank would remain practically undisturbed.

Another suggestion made was to allow *additional* extended facilities (at present, one facility is allowed within 2,600 feet of the main bank). This would allow the urban or city bank to follow its customers as its city expands, but the customer would still have the problem of convenience in getting to the bank for services other than deposits and withdrawals. Furthermore, Mr. Stout continued, as the city grew, it would be necessary to allow city banks to add more facilities.

Mr. Stout pointed out that because Kansas banks now are allowed one extended facility each, the state does have an extremely limited form of branching. On the other hand, he said, the fact that one individual or group of individuals can own several banks as long as they don't incorporate that ownership means that the state does have a type of multi-office banking similar to multi-bank holding companies.

Mr. Stout reported that his committee also suggests two other possible solutions to Kansas banking problems: 1. Adopt an accelerated program to educate and energize Kansas bankers. Try to bring about a voluntary, close cooperation among banks of the state. This might help such problems as indifference, management succession,

lack of expertise and mobility of funds. 2. Form a KBA-sponsored credit pool to handle farm loans and perhaps industrial loans not now covered by the Kansas Development Credit Corp. This would tend to alleviate the loan-limit problem, especially in rural areas. This suggestion assumes that matching funds by the federal government could be obtained.

Dinkel Named AIB President; Lucien Gets No. 2 Post

Thomas A. Dinkel, assistant vice president, Central Bank, Denver, was elected AIB president at the institute's recent national convention in Milwaukee. Charles F. Lucien, vice president, Hibernia National, New Orleans, was elected vice president. Both men were unopposed. Mr. Dinkel succeeded Mrs. Anna Foster, vice president, Valley National, Phoenix, the AIB's first woman president.



LUCIEN

Lucien succeeded Mrs. Anna Foster, vice president, Valley National, Phoenix, the AIB's first woman president.

A debating team composed of bankers from Nashville defeated a team from Orange County, Calif., to win the Robert C. Rutherford national debate contest held during the convention. Members of the winning team were C. Leroy Norton Jr. and William H. Coles, both of First American National. They took the affirmative side of the question: Resolved that the federal government should grant annually a specific percentage of its income tax revenue to the state governments.

Mid-Continent-area chapters were among winners in the AIB's national yearbook exhibit. Chapters from Dallas and Oklahoma City won first places in their groups—Dallas in the group of chapters with potential memberships over 6,000 and Oklahoma City in the group of chapters with potential memberships of between 1,251-2,500. The St. Louis AIB Chapter placed second after Dallas in the over-6,000 group. The New Orleans AIB Chapter placed third in the 2,501-6,000-potential group. The chapter from Fort Wayne, Ind., took third place in the 500-1,250-potential group.

The AIB's 1971 convention will be held May 31-June 2 in Houston.

Convention Dates Set

The Kansas Bankers Association's 1971 convention will be held May 5-7 at the Holiday Inn Towers in Kansas City, Kan.

Bet on a sure thing!

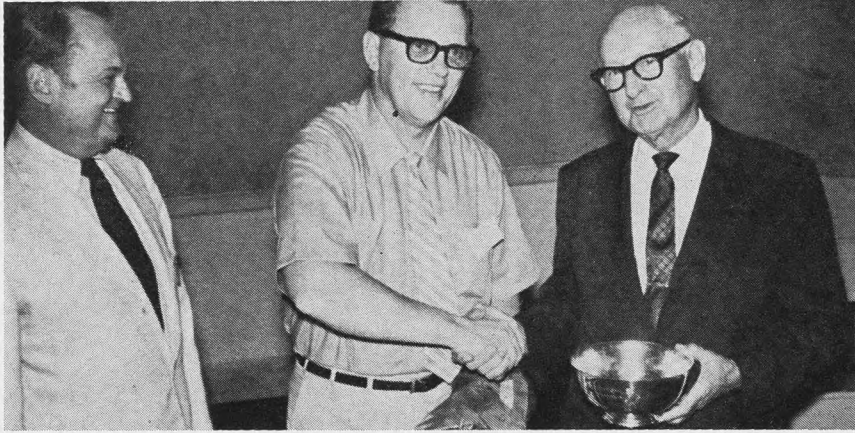
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Golf at American Nat'l, St. Joseph



CUP WINNER Nick Shelby, v.p., 1st Nat'l, Bethany, Mo., is congratulated by host banker Everett Crume, v.p., American Nat'l, St. Joseph, as Milton Tootle, pres. of host bank, looks on. A low "gross" of 77 won a "leg up" on the cup, which requires three wins for permanent possession.

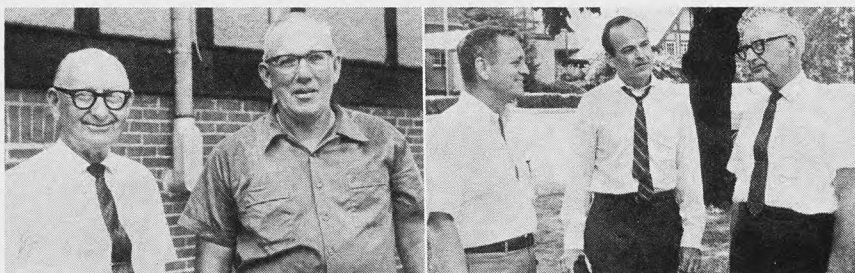


THE PUTT that wouldn't go in is viewed by Norv Gish, editor of "Bank News," Kansas City. His foursome looks on: Bill Enright Jr., sr. v.p. of host bank; Bill Bodendoerfer, pres., City Nat'l, Atchison, Kan.; and Yale Wells, pres., Kansas State, Holton.

The weatherman lifted a Kansas rainstorm on the morning of June 17 so that American National of St. Joseph, Mo., could hold its 19th annual golf party, thus giving the bank the 19th year of "sunny skies" for this traditional party.

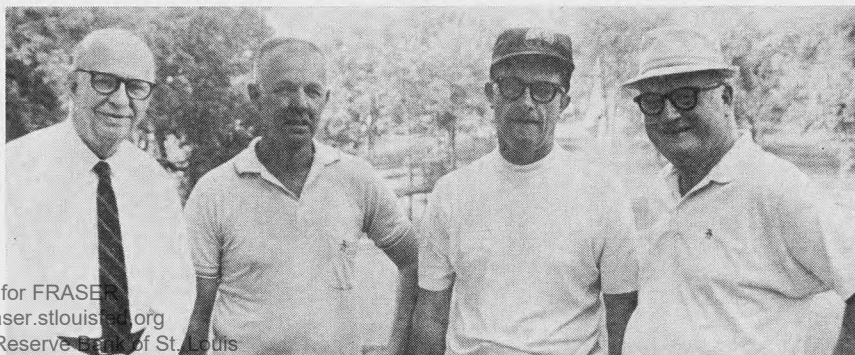
Correspondent bankers from four states—Missouri, Kansas, Iowa and Nebraska—turned out more than 300 strong for the event. This year's "cup winner" was banker Nick Shelby, Bethany, Mo. (see above photo).

The afternoon and evening affair ended with a buffet dinner, with officers of American National hosting the event throughout the day.



HOST BANKER Everett Crume (l.) poses with Harold Shull, v.p., Security Bank, Bird City, Kan., who traveled farther than any banker present to attend the American Nat'l Golf Party. On the right: Three host bankers wait for golfers on the ninth green: Charles Richmond and Gilbert Tootle, sr. v.p.s., and Everett Crume.

HOST BANKER Geo. Richmond, co-ch. of exec. comm., poses with three Missouri guests: MBA President Jim Martin, exec. v.p., Bank of Lee's Summit; MBA Executive Manager Felix LeGrand; and Missouri's Secretary of State James C. Kirkpatrick.



Attracting Young People Is Problem for Banks, Says Arkansas Banker

The banking industry is faced with a unique situation, Leonard K. Dunn told the Arkansas Bankers Association's 1970 convention. Mr. Dunn, assistant vice president, National Bank of Commerce, Pine Bluff, was speaking as outgoing president of the association's Junior Bankers Section.

This situation, he said, is that of trying to attract young men and women into banking. Mr. Dunn believes these young people are looking at banking in an uncertain period when the projected image of banks is low. This is due, he continued, to the fact that many persons blame banks for high interest rates, the high cost of living and other matters over which banks have little, if any, control. In addition, he pointed to the many published articles talking about deficiencies in banking salaries, saying that they present a dismal picture to a young person about to embark on a career.

Mr. Dunn suggested to his listeners that they, as senior management, discuss with their employees their futures as senior management sees it. Most of the young people in banks want to know their areas of responsibility in their banks and in their communities, he pointed out. Once this is done, said Mr. Dunn, all employees will feel they are a part of management teams and not only will stay with their banks, but will become working parts.

Liberty Has 'Construction' Party



Liberty National's chairman and his wife, Mr. and Mrs. Harvey P. Everest, view downtown Oklahoma City through the steel skeleton of the rising Liberty National Tower. The bank held a cocktail party so Oklahoma Bankers Association members could inspect construction progress of the tower, which will reach 35 stories and reportedly will be Oklahoma City's tallest building. The "construction atmosphere" of the party was accented by bankers wearing imitation steel helmets made of cellophane. A "topping-out" ceremony to mark completion of the steel structure is planned for later this month.

“Our travel agent always told us, when you buy travelers cheques, get American Express.”

We found out why when we lost some in Billings, Montana, on a Saturday.”



problem because the \$11.30 in Anna's handbag was hardly enough to pay for a weekend of meals and lodging.

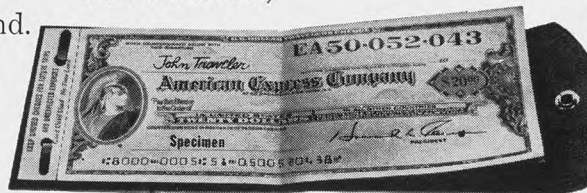
If Ross had been carrying any other travelers cheque than American Express, he couldn't have gotten a refund until Monday at the earliest. But American Express came to the rescue even though it was a Saturday afternoon. And the Howells didn't have to suffer through an unpleasant weekend.

American Express is the only Travelers Cheque that gives refunds 365 days a year. We call it "Refund 365."

It works like this. If one of your customers loses his Cheques in the U.S. on a weekend or holiday, he calls Western Union Operator 25 for our toll-free

New York number.

This number connects him directly with our Inspector's Office. There we can verify your customer's claim of loss by computer and authorize an emergency refund up to \$100 at a nearby Western Union office. (If the loss exceeds \$100, your customer can pick up the balance later at any American Express office or representative in the United States.)



“Refund 365” is just one more reason for you to make sure your customers carry American Express Travelers Cheques.

The Howells certainly think so.

- **G**OOD thing the Howells were carrying American Express Travelers Cheques.
- Ross and Anna Howell had stopped off in Billings, Montana, on their “Discover America” auto trip. As they began their drive back to Minneapolis on Saturday afternoon, Ross discovered his wallet was missing.
- That could have been a real

American Express Travelers Cheques

AMERICAN EXPRESS

FOR PEOPLE WHO TRAVEL

'Beautiful Money' Scenic Checks Result in Profits, Headaches

By JIM FABIAN, Associate Editor

SCENIC CHECKS are here to stay, marketing experts agree, despite a host of operational problems that some of the "beautiful money" has caused.

Banks are learning that the use of scenic checks can pay off in more than one way. Originally created to blunt the harsh image of banking and to promote the tourist attractions of an area, the checks have turned out to be efficient new account-getters. They have also served admirably in changing the ways of bank customers. Those who previously insisted on the drab checks supplied free by banks are now paying for their scenic checks. Likewise, customers who previously were satisfied with low-cost checks featuring nothing more colorful than a bank's symbol are now "trading up" to the scenics, not minding the additional cost.

Operation-wise, a few checks have come under fire from various sources, including the ABA, for thoughtless designs that place illustrative material too close to or directly over critical portions of the checks. Bank of America has elected to redesign a number of its scenics checks, in one instance moving an orange grove so it doesn't obscure the check's signature line. United Virginia Bankshares, Inc., Richmond, withdrew two of its scenic checks because the designs (a row of Williamsburg houses and a herd of galloping horses) made the checks almost impossible to read. Idaho First National, Boise, phased out its entire line due to operational headaches, but plans to substitute a new line soon.

Valley National, Phoenix, found its bright scenic checks were in need of toning down, due to operational problems. The checks were too bright for ball-point pen ink, the paper was too

slick and the bank's name was too large!

Wells Fargo Bank, San Francisco, is credited with popularizing scenic checks, although the first scenics were produced three years prior to the time Wells Fargo's well-known stagecoach check was introduced. And west coast banks in general are credited with making the checks hot competitive items. Scenics are now available throughout the U. S., with the exception of New York City. The checks invaded Chicago's Loop in April, when Harris Trust began offering landscape designs.

Competition in California has be-

come so keen that two San Francisco banks have started issuing checks bearing peace symbols—to woo antiwar sympathizers. Wells Fargo has developed scenic checks to appeal to each sex. The bank is continually searching for designs that will cause customers to "trade-up" to more expensive designs.

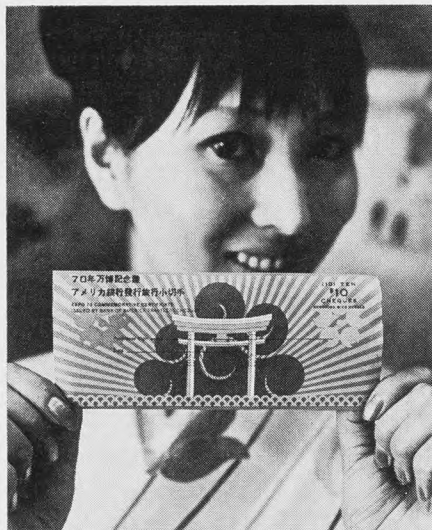
According to Richard Rosenberg, vice president at Wells Fargo, scenics are profitable in that they permit the bank to remain aloof from such practices as reducing service charges to meet competitors' attempts to undercut one another. He says that the scenics also are useful in promoting other bank services that tie in with checking accounts.

Mr. Rosenberg reported that scenic checks have enabled Wells Fargo to increase its purchased check penetration from 5% to more than 60%, resulting in a savings to the bank of more than \$500,000 annually. Scenics are also credited with increasing the bank's market share of demand deposits and in reducing account turnover.

In March the ABA's automation subcommittee on standards cautioned all member-banks about the operational problems scenic checks were causing. Raymond C. Kolb, senior vice president and cashier at Mellon National, Pittsburgh, and subcommittee chairman, stated that some checks are difficult for both bankers and customers to read. Others cannot be microfilmed successfully.

Dwight H. Mensinger, vice president at Lincoln First Banks, Inc., Rochester, N. Y., advised bankers attending the ABA's marketing/savings division conference held recently in

Expo Scenic Checks



Travelers cheques bear scenic designs, too! This souvenir of Japan's Expo '70 World's Fair, issued by Bank of America Travelers Cheques, was specially designed for the exposition. The four-color document is part of the bank's regular travelers cheques applications and is available in Japan through Japanese bank sellers of the cheques during Expo '70.



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MID-CONTINENT BANKER for July, 1970

New York City, how to avoid operational difficulties when designing scenic checks. He advised that designs should not interfere with critical portions of checks, that bank operation managers should review scenic check designs for ease of reading by operators in the proof and encoding departments, that ease of handling by tellers should be ascertained, that the checks should be microfilmable and that the advice of check printers should be heeded.

As with anything new, a few bugs have been found in the scenic check operation. But there's little doubt that the "beautiful money" will continue to be a profitable item for banks. • •

Robert Frahm Elected President of St. Louis RMA Chapter

ST. LOUIS—Robert A. Frahm Jr., vice president, Mercantile Trust, has been elected president of the St. Louis Chapter of Robert Morris Associates, a nationwide association of commercial bank loan and credit officers.

Other officers are: vice president, Kenneth D. Brown, vice president, National Stock Yards National; and secretary-treasurer, Merle M. Sanguinet, senior vice president, St. Louis County National, Clayton.

'Okie' Scenic Checks Offered

The New pride of Oklahoma First National **OKIE** checks.

Now you can personally admire your pride in Oklahoma with miniature and unique Okie checks from the First National Bank.

Specifically designed for this, our 75th anniversary the First National Bank checks depict the story of the New Okie—the Oklahomian who moved and built the great land north of the Dixie Road into our great and growing state of pride and enterprise.

Use Okie checks everywhere—share everyone the land you look to be proud, progressive, prosperous, growing.

You can avoid the stress of "Okie" by having a checking account at First National—the bank where you come from and Okie means great!

you share...HAPPY...Thank You!

The First National Bank & Trust Company of Tulsa

First National, Tulsa, recently introduced this set of six "Okie" checks, designed to serve as miniature billboards to tell "what the true Okie is all about." Oklahoma Governor Dewey Bartlett has praised the bank, stating that the checks have made it possible for bank customers to participate in the selling of Oklahoma. Scenes depict Oklahoma's Indian heritage, its oil and cattle background, the Tulsa skyline, water recreation and the role of Oklahomans in the space program and the Arkansas inland waterway. "Okie" checks are part of the bank's 75th anniversary celebration.

American Nat'l Promotes 7



American National in Chattanooga has promoted: seated (l. to r.) Davis B. Barnett to branch officer; Mrs. Emily M. Harper, operations officer; and Frank H. Patrick, vice president. Standing, (l. to r.) are: A. Bryan Rose, assistant auditor; George W. Farr, assistant cashier; Harry McEnerny III, data systems officer; and Bert L. Hicks, assistant vice president.

Convention Dates Set

The Louisiana Bankers Association's 1971 convention will be held May 8-11 at the Roosevelt Hotel in New Orleans.

Checkbooks as Accessories!

It isn't the scenic checks that are catching the attention at Exchange National in Chicago. It's the *checkbooks!*

Most banks featuring scenic checks have had little to say about the receptacle the checks are carried in, but not Exchange National! The bank asked the House of Gucci in Florence, Italy, well-known for its high-fashion clothing and accessories, to design two attractively styled checkbook wallets, selling at \$15 each.

To kick-off its new scenic check/checkbook program, the bank staged an informal showing of Gucci fall fashions, featuring 15 ensembles, including some that were one-of-a-kind designs.

Samuel W. Sax, Exchange National president, says the new checks and checkbooks give women the opportunity to express their individuality and taste through their banking accessories, just as they do through the clothing they select. He also states the items will be attractive to men, primarily as gifts.

Exchange National's photographic designer checks come in five choices, ranging from daisies against a muted background to a soaring seagull silhouetted against a mauve sky. They sell for \$2.50 per 200 checks.

Customers who are economically minded can select complimentary checkbooks in five colors.



Empire Alarms Inc., owned by a subsidiary of Laclede Gas Co., presents . . . The Mark IV-24 Surveillance Camera. The unit can be combined with present burglar alarm equipment.

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They can be read when microfilmed, too!

It's an easy thing to put a scene on a check. But it's another story when you try to read a microfilmed copy. When we set out to develop the Harland line of Scenics, we were determined these checks would be beautiful *and functional*. We made sure they were readable on microfilm by testing different versions until each scene was satisfactory.

Special consideration was given to each design so that nothing would obstruct the basic use of the check.

The result is a package which your bank's customers

will be proud to use, and your operations people can handle with ease. Scenics are an exciting check marketing development which can help your bank sell personalized checks and reduce the bank's check expense. You can depend on Scenics from



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MID-CONTINENT BANKER for July, 1970

No-Service-Charge Checking Plan Results in New-Account Flurry

By JIM FABIAN, Associate Editor

THE QUESTION of whether or not to offer "free" checking accounts has appeared on the agendas of many bank boards throughout the nation in recent years. A minority of banks has voted in favor of such a policy—and with a great variety of results.

Debate over the practice continues (see box), but the people at Chicago's Michigan Avenue National are too busy to participate. They're busy taking care of the unprecedented growth the bank is experiencing as a direct result of its no-service-charge (NSC) "free" checking policy, which has been appropriately termed a howling success.

Consider the facts: In 1967, the year before Michigan Avenue National opted for "free" checking, it had al-

most 9,000 checking accounts on the books (built up since the bank opened in 1946). Although the NSC policy was initiated late in 1968 it was responsible for a 48% increase in checking accounts for that year. By the end of 1969, checking accounts numbered 23,682—a jump of 46% over the previous year's figure. Bank officials stress that these impressive figures were attained during a period when the federal government was pursuing a restrictive monetary policy, causing many banks to fight hard to keep from losing their demand deposits.

Why did Michigan Avenue National decide on a NSC policy? At the time the policy was being considered, no Chicago bank had tried NSC. Thus, officials reasoned, the bank would be a pioneer if it went the NSC route. They figured that being first would result in a successful program.

Before making a final decision, management conducted a survey of bank customers, asking what it was that bugged them most about bank policies. The answer came back loud and clear: "We don't like service charges!" Apparently service charges were confusing to customers, since they varied from month to month. Customers also felt the bank should not charge them for checking services while it had the use of customers' money.

Bank officials reasoned that the elimination of service charges on accounts maintaining a minimum balance of \$100 would result in an excellent competitive advantage over other banks.

After the NSC policy was authorized, the problem was how to publicize it throughout the city. TV and radio were counted out, since the bank wanted to build a strong identification with the NSC message. To do that, easily retainable visual means were necessary.

Newspapers were selected as the favored medium. Humorous ads were created and run in a variety of newspapers, including a throw-away that was delivered to residents of nearby high-

rise apartment buildings. The ads were direct—"You're nuts . . . if you are still paying service charges for your checking account!" "Happiness is a free checking account at the Michigan Avenue National Bank." "Money is our bag. . . . We're the only bank in town that offers No-Service-Charge personal checking accounts."

Publicity was thorough, and well received. At the height of the campaign new accounts were coming in at an average of 125 per day. Early in January, 1970, when winter was at its worst, the bank reported new checking accounts running at from 55 to 60 per day.

Unlike many banks that have adopted NSC, Michigan Avenue National kept its policy uncomplicated. As long as an account averages \$100, there is no service charge. If the balance drops below the minimum the charge is \$1 per month, plus 10¢ per check. However, during the first month the account is on the books there is no charge, whatever the balance. If, after the first month, a customer complains about a service charge (perhaps not realizing his balance has dropped under the minimum) the bank cancels the service charge—but only for one month. Continued complaints bring

The NSC Squabble

According to the majority of bank marketing officers, service charges for checking accounts are unlikely to disappear in the near future. Most feel any move in the direction of no-service-charge is a step backwards for banking.

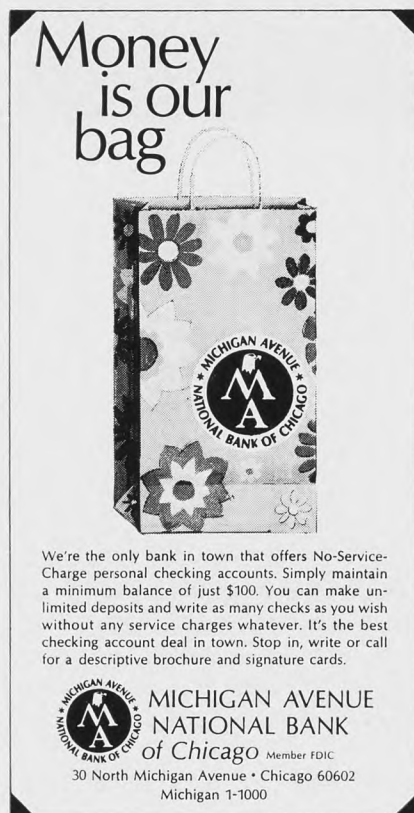
NSC banking is spotty throughout the nation. It is reported to have started in the eastern states and has been most apparent in metropolitan areas.

Several bankers supporting the policy say it was adopted to "simplify things." Opponents charge that fear was the motivating factor that encouraged many banks to adopt NSC.

As a rule, large banks are against the policy, because they have more to lose by cutting service charges. Middle-sized banks are in a better position to be receptive to a NSC program since they ordinarily don't take in large-scale revenues from service charges.

Small banks generally do not favor NSC because their charges are usually quite low and the majority of their accounts do not maintain high balances.

Those banks pioneering the NSC concept in their marketing areas have generally had the most success with the policy.



Money
is our
bag

Michigan Avenue National Bank of Chicago

We're the only bank in town that offers No-Service-Charge personal checking accounts. Simply maintain a minimum balance of just \$100. You can make unlimited deposits and write as many checks as you wish without any service charges whatever. It's the best checking account deal in town. Stop in, write or call for a descriptive brochure and signature cards.

MICHIGAN AVENUE NATIONAL BANK of Chicago Member FDIC
30 North Michigan Avenue • Chicago 60602
Michigan 1-1000

Attention-getting advertisements spread the word about Michigan Avenue National's no-service-charge checking plan.



THE SHORT STOP

COMPLIMENTARY
OFFER
PROGRAM



Existing accounts who use free Line (or give-away) Checks are regarded by most banks as a necessary evil. They would like to reduce the number of such customers in order that the bank be relieved of the check expense, but there is generally little opportunity to personally convert these people to fully Personalized Checks because most reorders are mailed to the bank.

Reorder time, however, is the most opportune time to talk to the customer about Personalized Checks and introduce him to the many new checks and checkbook styles available.

With the cooperation of hundreds of banks, we have developed this new "Short Stop" program, and it has been most successful in obtaining new Personalized Check users

at little additional expense. Briefly, instead of reordering for the customer his same Line Check package, the customer is sent a specially designed complimentary package of fully Personalized Checks. A miniature, four color catalog is included, and a letter explaining the change is either sent direct to the customer or included with the package.

The customer response to such a free order has been gratifying. They do not resent this change and are pleased to have the new checks that offer so much more prestige and convenience. All necessary promotional material is furnished without charge. May we tell you about this effective plan? We have a detailed brochure available and would be pleased to send you one . . . or just ask your Deluxe representative.



DELUXE CHECK PRINTERS, INC.

SALES HDQTRS. • 3440 N. KEDZIE, CHICAGO, ILL. 60618
STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

patient explanations, but no further waiver of charges.

How can Michigan Avenue National afford to maintain its NSC policy? According to Marketing Director Robert F. Chana, vice president, computer technology is the key. Checks can be processed by computer rapidly and at very little cost. The large number of new customers coming in to open checking accounts gives bank personnel ample opportunity to cross-sell other bank services, resulting in still more business. The fact that the average new checking account has a balance of about \$380 also helps make ends meet.

Actually, the bank is losing few service charges with NSC. Research has showed that many customers who were being charged in the past are still being billed, because they are usually the ones that have never maintained more than \$100 in their accounts. The bank also has tripled its number of accounts with NSC, some of which pay service charges.

A special employee incentive campaign was launched late last year, called "Take 'Em by the Hand," to encourage personnel to cross-sell bank services to those who were opening NSC accounts, as well as other bank customers. All personnel were urged to query customers as to their banking

needs, suggesting that they open savings, trust or CD accounts, as well as contract for safety deposit boxes. If the customer was interested, the employee was encouraged to "take the customer by the hand" and escort him to the proper department, introduce him to the department head and notify the marketing department of the prospect. If the customer took the additional service, the introducing employee was rewarded with uncirculated silver dollars according to a predetermined payment schedule. Employees were given the option of keeping their silver dollars or turning them in for their market value of \$2.50.

Each employee was on his own, participation-wise. There were no records to fill out, no meetings to attend, no supervisors to urge cross-selling. Often, the employee's silver dollar reward was distributed the same day the cross-sell was transacted.

Friendly rivalries developed among personnel working side-by-side, each trying to outsell the other. The campaign, which ran for three months, resulted in \$3 million in new business—most of it in the savings department.

Michigan Avenue National is giving serious consideration to offering NSC checking to small business accounts (sole proprietors and partnerships) as well as professional accounts. If such service is initiated, the bank will chalk up another "first" in NSC checking in Chicago.

Michigan Avenue National is an aggressive bank. It has to be, since it is located in downtown Chicago, which is populated by large banks. But the "upstart" that came into being just 24 years ago has consistently proved that it can enjoy an enviable growth record. (Michigan Avenue National is currently ranked 18th in size among Chicago's 89 banks, after moving up three places last year.) And the decision to be the first Chicago bank to adopt NSC checking helped to perpetuate this record of growth! • •

Bank of Southwest

(Continued from page 29)

problems to date, according to Mr. Brewer and his assistant, Mrs. Kathy Fulghum. The original goal of 500 members by June 1 had to be revised in light of the later kick-off time. Still, more than 200 people had sent in their membership fees by the end of May.

The bank didn't start the club with the intention of blindly prospecting for members. It had an excellent prospect list already prepared—the BankAmericard holders in the Houston area.

"We knew these people were interested in traveling, and we knew that

Houston is a travel-oriented city because most of its population is made up of transplants from somewhere else and because it's located so near Mexico," said Mr. Brewer.

Why, then, is there a membership problem?

"Perhaps we would be getting members faster if we had tested the market first to find out what potential members want in the way of tours," mused Mr. Brewer. "We didn't offer large package tours in our initial announcement, and that may be what people really want. Or maybe the tours we offered were too rich for people's blood; maybe we should have started out with New Orleans or Las Vegas instead of Europe and the Orient."

The Southwest Travelers Club is planning a summer survey of members and prospective members to learn exactly what types of tours would be most popular and to find out what triggers a person to join, take a trip and continue his membership.

"I would almost be willing to bet that we're going to find that trips to romantic places carry less weight than signing up for a trip a person knows will go smoothly and will stay within his budget," said Mr. Brewer. "My guess is that the most popular tours we can offer will allow a couple to take a trip for \$500."

"Travel clubs definitely have a potential for profit in banks," said Mr. Brewer, "but a bank must have its own travel department to make them work successfully." • •

Howard Clark Dies at 81; Was Former Publisher of Mid-Western Banker

Howard W. Clark, editor and publisher of *Mid-Western Banker* from 1932 until his retirement in 1959, died at his home in St. Petersburg, Fla., May 19 after an illness of about a year. He was 81.

Mr. Clark is survived by his wife; a brother, Donald H. Clark, publisher of *MID-CONTINENT BANKER*, St. Louis; a son, Wesley Howard Clark, executive vice president, Commerce Publishing Co., St. Louis, of which *MID-CONTINENT BANKER* is a part, and two grandsons.

Mr. Clark was in the real estate business in southern California for many years and in 1930 joined Commerce Publishing Co., headed by his brother Donald. In Chicago, Howard Clark represented the three publications owned by the company at that time, *MID-CONTINENT BANKER*, *LIFE INSURANCE SELLING* and *THE LOCAL AGENT*.

The Clark brothers purchased *Mid-*

MID-CONTINENT BANKER for July, 1970

LARGEST
IN
MICHIGAN



assets over
3 billion dollars

Member Federal
Deposit Insurance Corporation

Western Banker in 1932 from Clifford DePuy of Des Moines, Ia., who also published *Northwestern Banker*. Howard Clark then became editor and publisher of the Milwaukee-based regional banking magazine.

Howard Clark remained a consulting editor with *Mid-Western Banker* until his death.

Optical Scanner Installed by 1st-Union Automation

ST. LOUIS—An optical scanner that "reads" hand-printed and typed data into a computer has been installed by First-Union Automation Services, Inc.

Said to be the first of its kind in St. Louis, the IBM 1288 optical page reader has been installed in the service firm's section of the electronic data processing center at First National. First-Union Automation, First National and St. Louis Union Trust are subsidiaries of First Union, Inc.

In less than 15 minutes, the new unit can scan a volume of data requiring 12 typists a full day to prepare. The reader, which replaces the need for punched cards, can process insurance claims, personnel testing scores and charge-account statements.



Three officers of First Union Automation Services observe the operation of an optical scanner that "reads" typed and hand-printed forms, eliminating the need for punched cards. Officers are (l. to r.): Paul J. Mozola, vice president; Clarence C. Barksdale, chairman; and Anton Burkhartsmeier, president.

Bank Foundation to Co-Sponsor Nat'l Geographic TV Specials

PHILADELPHIA—The Foundation for Full Service Banks and Timex will sponsor a series of four full-hour National Geographic network television specials in the 1970-71 season.

Tentative dates for the National Geographic specials are October 13, December 9, February 9 and April 14. Programs will be broadcast from 7:30 to 8:30 p.m. eastern time over the CBS-TV network. Prospective program subjects are "Zoos of the World," "Adventures in the High Arctic," "Ethiopia" and "An Underwater Adventure."

More than 6,200 banks are members of the Foundation, which conducts a \$2.5-million annual national advertising campaign to educate the public about full service banking.

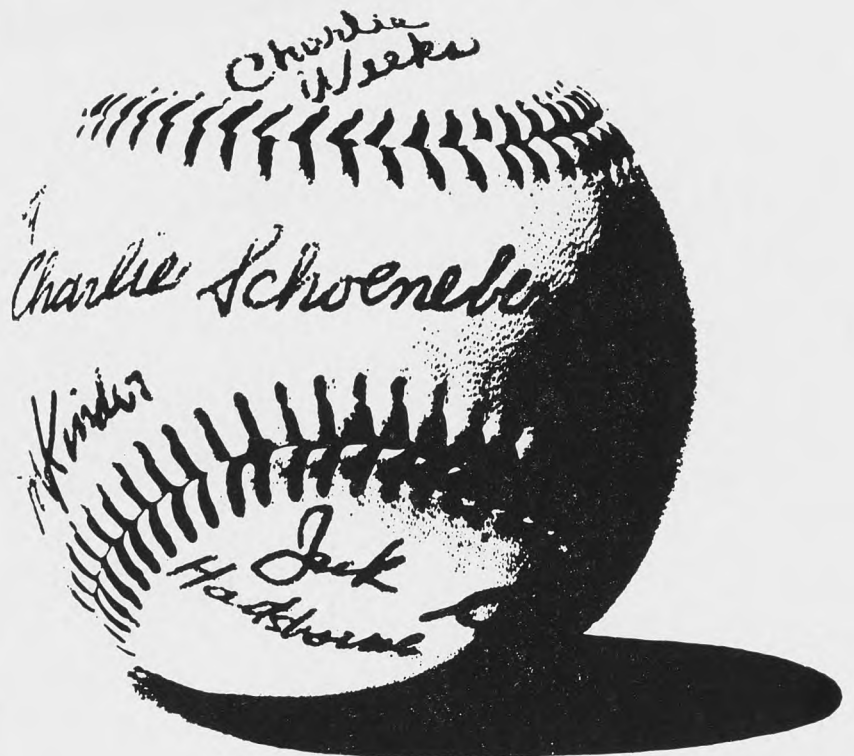
Our securities analysis team hasn't lost in a decade

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NATIONAL BOULEVARD BANK OF CHICAGO

400-410 N. Michigan Ave. Phone 467-4100 Member FDIC



TIRED . . . OF THE SAME OLD STUFF!



TRY INTERNATIONAL GOLDENWARE
FOR YOUR NEXT PROMOTION
(Or Your First)

Name Title

Bank

Address

City

State Zip

Mail coupon
to address below
for further details

Jesco, Inc.

2800 VALLEY VIEW
DALLAS, TEXAS 75234

Response Tremendous to Offers of American Flag Lapel Pins at Mid-Continent-Area Banks

Two Mid-Continent-area banks have reported tremendous public response to their offers of free American flag lapel pins.

In Chattanooga, Tenn., American National described the giveaway as one of the most successful programs it had ever entered into. The bank ran only one newspaper ad, yet 175,000 pins were distributed to schools, civic clubs, scout troops and individuals. Local newspapers, radio and TV stations picked up the story. In addition, American National received requests for information on the program from banks throughout the South.



John P. Wright, pres., American Nat'l., Chattanooga, Tenn., receives American flag lapel pin from Mrs. Kendra Brown, secretary at bank. American National distributed more than 175,000 of these pins. In background is part of early American flag exhibit bank sponsored in connection with distribution of lapel pins.

The bank offered the pins as a reminder of the freedom and privileges that Americans enjoy and that should not be taken for granted.

In conjunction with the lapel-pin distribution, the bank exhibited early American flags in its Main Office lobby. The flags were borrowed from the Freedoms Foundation, Valley Forge, Pa. A photo of this display appeared in a Chattanooga newspaper.

In Granite City, Ill., First Granite City National gave away 6,000 American flag lapel pins in one week and



Mrs. Sandy Innes presents American flag lapel pin to Colonel Ned R. Dickson, commander, Granite City (Ill.) Army Depot, in lobby of First Granite City Nat'l. Colonel Dickson was first of thousands of residents to receive pin. At far right is P. H. Lichtenberger, pres. of bank.

then ordered another 4,000. "The vast silent majority—as it is often termed—still has love and respect for the American flag," said President P. H. Lichtenberger. The bank urged residents to accept and wear the pins as outward evidence of their love of and respect for this country and its flag.

The flag distribution at First Granite City National was the subject of articles in the city's newspaper.

Seven Banks in Area Cited for Excellent Managements

NEW YORK—The American Institute of Management has cited 63 banks and four bank holding companies for excellent managements. Among those organizations recognized were: Boatmen's National, St. Louis; First National Holding Corp., Memphis; Citizens Fidelity, Louisville; Indiana National, Indianapolis; Merchants National, Muncie, Ind.; and Conill Corp., First National, Harris Trust and Lake Shore National, all in Chicago.

A total of 513 industries were cited in the Institute's Manual of Excellent Managements, 11th edition. The honors were distributed among 79 industrial groups located in 42 states and seven foreign countries. The banking industry had 67 citations.

Worthen, Little Rock, Has Talking Computer

Arkansas' first talking computer has been installed at Worthen Bank, Little Rock, according to Worthen officials. The bank's IBM system 360 computer may answer more than 50 questions about customers' demand deposits, regular savings, Golden Key savings and installment loan accounts. Worthen is planning to offer the service to its correspondent banks.

In order to contact the 360 computer, any Worthen employee—including those at the bank's nine branches—uses an ordinary touch-tone telephone. An employee keys in questions in the form of a series of digits, including a security code, on any one of more than 400 telephones. A verbal replay is generated by the 360 computer and an IBM 7772 audio-response unit. The computer may answer follow-up questions, repeat replies and accept several inquiries simultaneously. A record of each inquiry and answer is maintained.

Prior to installation of the audio-response system, information about customer accounts was obtained from computer print-outs. This process took more than two minutes. The new system takes about 40 seconds.

MID-CONTINENT BANKER for July, 1970

BANKERS' BLANKET SECURITY INTEREST POLICY

A Comprehensive Insurance Program To Protect Small and Large Banks Against Loan Losses

Bankers' Blanket Security Interest Policy meets the insurance needs of bankers concerned with potential loan losses in lenders' single interest coverage and lenders' non-filing coverage for autos, boats and appliances.

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FARMING FOR PROFIT makes friends for your bank wherever it's read. It makes better customers out of them, too. And is another way to help protect every farm loan you make.

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Evaluate FARMING FOR PROFIT yourself! Send your name and bank letterhead. You'll receive 6 months (6 issues) of Doane's FARMING FOR PROFIT — FREE! Address Duane Gorr, Manager, Bank Services.

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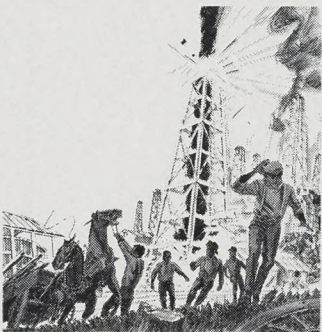
The Twentieth Century is ticking away...

We in the Magic Empire haven't wasted any time, but new challenges, new opportunities are now upon us. That's why we view our 75th anniversary as only the beginning.

On July 29, 1895, we opened our doors with a major goal: help bring the dreams of the Arkansas Valley to reality . . . aid in building a solid base from which would spring a new and viable economic giant.



We began by assisting the cattle industry. We worked with cattlemen to bring five major railroads into the area. Today, the four states in our region have one of the best rail networks in the nation and agri-business continues to ride the rails.



We were one of the first banks in America to back oilmen in their ventures. We also helped the region capitalize on its oil potentials by co-sponsoring chartered "Booster Trains" that toured the East and told the oil story. Our support continues today as oil companies expand their horizons to encompass "total energy" concepts.



Water development is essential to industrial growth. Since the 1920's, we've been helping establish programs for capturing the rain where it falls . . . providing vast reservoirs to turn a semi-arid climate into an aquatic paradise. And with the water has come another major transportation source: the inland navigation system terminating at Tulsa's Port of Catoosa.



In the 20th Century, no area can remain in the economic mainstream without total air transport facilities. We were deeply involved with the growth of Tulsa's International Air Cargo Center — the main aviation port for this region.



Since the Magic Empire has begun to attract and develop a broad-based industrial economy, we have worked closely with bankers and businessmen in every community to help finance and support newly emerging opportunities for jobs and local growth.

only

The First



the beginning!

The First Specialists are already planning for the next 75 years. For total development of the Magic Empire, we have seen the need for import-export expertise to fill the requirements of companies shipping by barge and supersonic transports. We continue our ready attitude for financing new industry. And, to help meet the needs of a steadily growing urban population, we are constantly creating and offering more and better customer services. You come First . . . Yesterday . . . Today . . . Tomorrow. Let us serve you . . . during the First's next 75!

you deserve MORE...Think First!

National Bank & Trust Company of Tulsa



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

First Aid

...for banks having problems over trust investments

Suppose a well-to-do member of your community dies. His widow, left comfortably well-off, is financially naive. Her inexperience makes her afraid of making unwise investments. So she comes to you for help.

Don't hesitate to call one of our correspondent bankers in Division "F". He is backed by one of the nation's largest Trust Departments, which will undertake the manage-

ment of estates, portfolios and securities, and can offer your customers a broad range of trust services. These include acting as executor, trustee, investment advisor or agent.

For trust departments outside the Chicago area, we offer our Correspondent Bank Trust Investment Service. With it you gain a comprehensive investment research service at a minimum cost.

Help with trust problems is only one way our correspondent bankers give you First Aid. We'll solve your

problems involving agricultural transactions, international banking, cash letter service, transfer of funds—and many more.

So talk to a banker whose only customer is his correspondent—you. Phone (312) 732-4119 for First Aid.



The
First National Bank
of Chicago



LONDON • FRANKFURT • BEIRUT • TOKYO • PANAMA CITY • JAMAICA • MEXICO CITY • BRUSSELS • MILAN • PARIS • DÜSSELDORF • IN NEW YORK: FIRST CHICAGO INTERNATIONAL BANKING CORP.

Six "telestations" instead of tellers greet customers of Surety National when they enter bank's new Civic Center Branch in downtown Los Angeles. Via telephone or intercom and closed-circuit TV, customer transacts his banking business with teller stationed in another part of building. In right foreground, customer uses new automatic check validator, introduced for first time at Surety National.



A 'Tellerless' Bank

New Installation Speeds Service for Customers,
Reduces Number of Tellers Needed
and Practically Eliminates Bank Robberies

AUTOMATION and television have been combined to produce one of the world's first "tellerless" banks. A California bank—Surety National of Encino—has this unusual installation at its Civic Center Branch in downtown Los Angeles. It was developed in cooperation with Mosler of Hamilton, O., and Rusco Industries, Inc., of Los Angeles.

There are no tellers in the branch's main lobby. Instead, an attractive hostess guides customers to six high-speed "telestations" that provide closed-circuit TV banking. A customer simply steps up to a "telestation," where he can complete his transaction in seconds by telephone or intercom and closed-circuit TV. He places his deposit in a pneumatic-tube carrier, which is whisked to a teller in another part of the building. The young lady processes the deposit and returns the carrier to the customer with change and a copy of the deposit slip—all in less than 1½ minutes.

The main purpose of this new installation is to reduce the amount of time bank customers must spend in the branch, particularly at rush times like the noon hour. There are benefits for the bank, too. Fewer tellers are needed because while one customer is waiting for his cash or receipt to be returned in the pneumatic-tube carrier, the same teller who served him can begin waiting on another customer. The absence of large amounts



Surety National's new TV tellers are shown at their upstairs "telestations" talking with customers at each of six "telestations" in bank's lobby.

of cash in the bank lobby should discourage bank robbers. Still another advantage is that the installation requires only one-fourth the floor area needed by conventional teller installations.

Surety National also speeds up transactions with a check validator, especially designed by Rushell Systems, Inc., a subsidiary of Rusco Industries. This consists of a coded card that a customer can easily insert in a desk-top machine (about the size of

a postage meter), then punch out a simple, but individually coded, four-to-five-digit number or name. This ac-

Customer talks with TV teller as he inserts his deposit in pneumatic-tube carrier at one of "telestations" located in lobby of Civic Center Branch of Surety National. If customer prefers greater privacy than that afforded by intercom, he may use phone on left side of installation, next to TV screen.



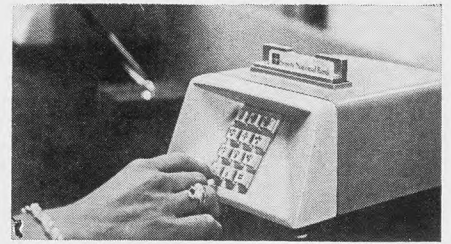
tion, coupled with the master code already stored on the card, validates the authorized user and his credit. The check validator thus eliminates embarrassing investigations and reduces forgeries. The same card used in the check validator can be used as a check printer similar to those used by American Express and Diner's Club. The teller imprints the check from the credit card and thus eliminates the need for signature and other identifying marks.

The bank provides a customer convenience outside the branch, too—a 24-hour cash dispenser. At any time seven days a week, customers can receive \$50 cash packaged in envelopes merely by inserting coded credit cards into the dispenser. A lost or stolen card

(if the customer immediately notifies the bank) will be confiscated by the money dispenser and an alarm bell will ring. The bank pointed out that counterfeiters cannot manufacture the money-dispensing cards because the latter contain secret codes that cannot be duplicated by unauthorized persons.

Adding to the over-all security of the new branch are a complete burglar alarm and surveillance cameras.

According to President Oscar Grossman of Surety National, the new "tellerless-teller" system was designed to meet the special requirements of a bank located in a dense urban area like downtown Los Angeles' burgeoning Civic Center. Most routine banking transactions in such an area are



Check validating machine at Surety National allows banks to honor checks by code instead of by signature. Customer inserts coded card in machine, punches individually coded four-digit number. If he has used right code, green light will appear on back of validator indicating to teller check is good. Machine automatically imprints card on check; no signature is required.

conducted during the lunch hour by government employees and business people who usually want only to cash a check, make a deposit or withdrawal, etc., as quickly as possible. Typically, a downtown bank is faced with long lines and impatient customers between noon and 2 p.m., but before and after this period, the tellers have little to do. Surety National's new system was created to get customers in and out quickly during peak periods.

However, Mr. Grossman pointed out that his automated bank retains personalized service with the usual complement of bank personnel for new accounts, loans and other bank services. • •

American Nat'l Names King to Head Branch Banking

CHATTANOOGA—B. L. King, vice president, has been elected head of the branch banking division at American National. Mr. King, who has been with the bank since 1954, had been manager of the St. Elmo Branch 12 years.



KING

American National has named two assistant vice presidents: Odis A. Gravitt, also named manager of the North County Branch, and De-Arnold R. Barnette, who will be responsible for market planning and research, new services development and sales-orientation programs.

The new East Ridge Branch has been opened by American National. William R. Stansbury, branch officer, has been elected manager.

Don A. Davis has been named branch officer at the Brainerd Branch.

Convention Dates Set

The Missouri Bankers Association will hold its 1971 convention May 9-11 at the Hotel Muehlebach in Kansas City.

Manhattan Gets "Tellerless" Banking With Installation at Citibank

"TELLERLESS" BANKING is available in New York City at First National City's 13th Street and Fifth Avenue Branch, where a new Diebold "Personal TV Teller" has been installed.

The new system consists of a closed-circuit TV customer service station, operating in conjunction with a high-fidelity intercom and a pneumatic-tube carrier system.

The "Personal TV Teller" utilizes direct customer-vision TV images. This technique, said Diebold, provides television's closest possible approach to face-to-face conversation between customer and teller. The teller can be installed in vestibules, hallways or in a wide range of high-traffic locations, with the remote teller station located in any other convenient area in the

bank, thus minimizing the risk of holdups.

Among other advantages of the system are that it eases congestion during heavy banking hours by reducing traffic on the main teller line, and one teller can easily and efficiently handle two customer stations at a time. Moreover, the compactness of the customer service unit enables two customers to be served in the space that one ordinary teller station would require. Yet complete privacy is provided.

During slack hours, when the TV installation is not in use, the teller is free to perform other bank duties.

Because of the transmission method of the captive carrier in the pneumatic-tube system, neither the customer nor the teller has to handle the carrier. This increases the speed of transaction at both ends. • •



LEFT: Customer prepares to send money to teller in another part of bank over Diebold's new "Personal TV Teller" system. Customer and teller can see and talk with each other. RIGHT: Teller at other end of new system has pushbottom controls to operate pneumatic-tube carrier, audio system and TV transmission. Remote teller station can be placed anywhere in bank, thus reducing chances of holdups. One teller may easily and efficiently handle two customer stations at same time, and—during slack hours—teller is free to perform other bank duties.

spotlighting The First's



24-HOUR TRANSIT SERVICE

Fast . . . accurate . . . dependable . . . The First's 24-Hour Transit Service moves your items on their way with efficient speed. And that's the way we planned it. With a capable staff, backed up by the most modern automated equipment, and organized use of the fastest transportation available. Call or write one of your First National Correspondent Officers for complete information on this or any service.

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- 24 Hour Transit Service
- Pension and Profit Sharing Plans
- Investment Services
- Collection and Foreign Services
- Trust Services
- Personal Services

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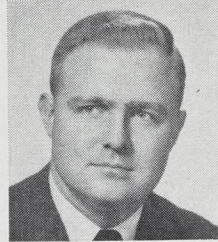
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Brain-sharing: new approach to correspondent banking.

Everyone knows you can't make money when you're trying to do everything yourself.

It's especially true when it comes to the more complex banking problems, like bond pricing, trust investment management, capital forecasting, and international banking.

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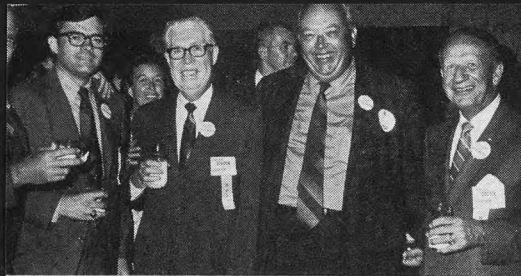
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LEFT PHOTO—(from l.) Charles Donnelly, dir., Commercial Trust, Fayette, Mo.; Merc Banking Officer John Vallina; Merc V. P. Edward Schoor; W. J. Turnage, v.p., Commercial Trust, Fayette, Mo.; Merc V. P. Herman A. Orlick. CENTER—H. E. Vogelsinger Sr. (l.), ch.,

Pontiac (Ill.) Nat'l, accepts Cardinal baseball tickets from Merc Sr. V. P. James Brown. RIGHT—Merc panel members (from l.) John Fox, ch.; Donald E. Lasater, pres.; Orville R. Goerger, v.p.; James Brown, sr. v.p.; Leigh Doxsee, v.p.; William A. Brady, v.p.

Mercantile Trust Hosts 1,600 Guests at Correspondent Baseball Parties

ST. LOUIS—More than 1,600 correspondents and their ladies from throughout the nation attended the two correspondent baseball parties hosted by Mercantile Trust and held at Stouffer's Riverfront Inn here last month.

Each party featured an afternoon "bullpen" session, a computer time-sharing demonstration, dinner and a baseball game at Busch Memorial Stadium (the Cardinals won both nights).

The "bullpen" sessions featured talks by Mercantile executives. President Donald E. Lasater reviewed the banking situation in Missouri and explained why large banks in the state are seeking ways to increase their growth and profit patterns through registered or one-bank holding companies. Mr. Lasater pointed out that, since 1955, 94 new banks have been chartered in the state. While Mercantile's deposit growth showed a moderate increase from 1942 to 1962, these new banks, located away from the downtown areas of St. Louis and Kansas City, showed remarkable deposit growth. This situation has forced large downtown banks to find new ways to grow other than through one-location, unit banking offices.

Thomas L. Ray, vice president, cautioned bankers to know their bond dealers to avoid the problems created by practices of certain bond houses, which include trading bonds on the basis of false invoice prices by being rigged above the market levels at which the bonds could actually be sold. He admonished bankers to know their dealers, to check prices carefully and to be sure that the bonds delivered were the ones the bank had agreed to buy and that the type of bond and maturities had not been misunderstood or misrepresented.

Harrison F. Coerver, senior vice president and head of commercial lending operations at Mercantile, discussed credit problems brought on by the creation of conglomerates and the increasing numbers of mergers and subsidiary corporations. He pointed out that evaluations of balance sheets are often complicated by the maze of firms that may be reflected in a balance sheet. An additional problem is that loans may be actually for a subsidiary or for use of a subsidiary or parts of a conglomerate. The complexity of present-day multiple corporation involvement, he said, makes

it difficult for bankers to police how funds are being used.

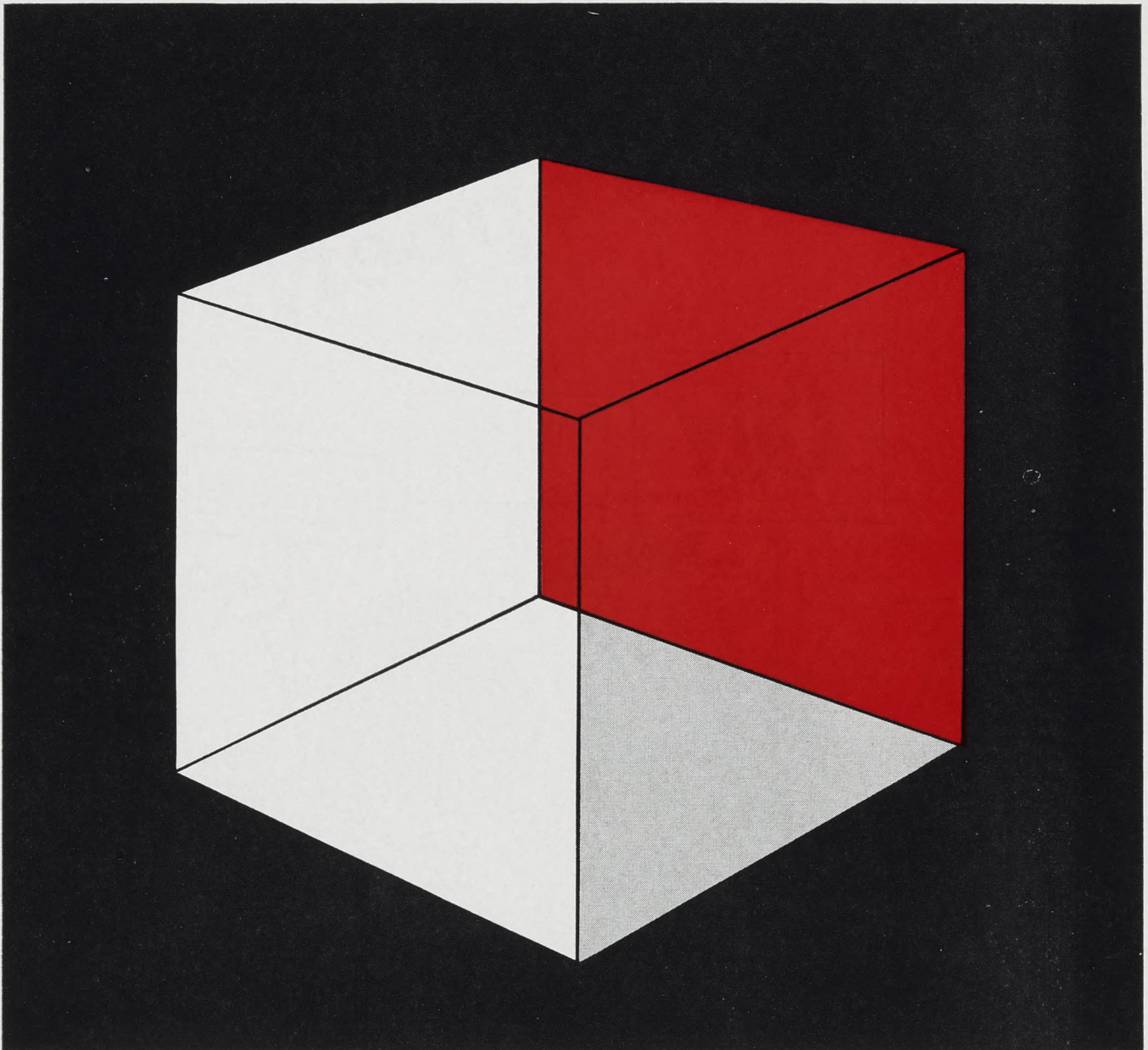
Discussing what corporation treasurers want from a bank, James E. Brown, senior vice president, quoted from a recent survey conducted among treasurers of large corporations. The first thing they want, Mr. Brown said, is a bank that can meet a company's needs even in times of tight money. Next, the corporations want attractive rates. Closely following that was a desire by large corporate customers for senior bank officers to show a genuine interest in being helpful. With so many companies engaging in overseas operations today, most large corporations expect their banks to be strong in international capabilities and knowledge.

John Fox, who will be retiring as Mercantile chairman later this year, reviewed the significant changes in banking during his lifetime. He joined Mercantile in 1933. Mr. Fox believes that the emergence of the term loan is one of the significant changes in banking during his business career. A new concept in banking—liability management—was cited by the veteran banker as another significant milestone. • •



LEFT PHOTO—(from l.) Tom English, pres., Hamilton County Bank, McLeansboro, Ill.; Nye Bouslog, v.p., Union Nat'l, Macomb, Ill.; Raymond Boente, v.p., Carlinville (Ill.) Nat'l; Merc V. P. James Reedy; Leo Dustmann, pres., Bank of Edwardsville, Ill. CENTER—Robert F. Patterson (l.), pres., Bank of Trenton, Tenn., and Merc Rep. Daniel

W. Jasper. RIGHT—(from l.) Merc V. P. William H. Jaffke (also pres., Mercantile Mortgage Co.); Merc V. P. William G. Moore Jr.; Merc A. V. P. John J. Theibauth III; Walter A. Schlechte, ch., Old Nat'l, Evansville, Ind.; Merc Banking Officer Athan Mertis. More than 1,600 correspondents and ladies attended two baseball parties.



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For fifty-five years Lawrence has been synonymous with the control of lender's collateral.

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MID-CONTINENT BANKER for July, 1970

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City National Bank
& Trust Company
Kansas City, Missouri

IT'S GREAT TO DROP A NAME EVERY BANKER KNOWS.

MID-CONTINENT BANKER for July, 1970

TULSA in 1895 presented an entirely different appearance from modern city of 1970. With introduction of banking system and industry—like oil—town started to grow to its present-day population of almost 500,000.



COVER PHOTO: Three officers of First of Tulsa look at rare collection of old Territorial bills that were on display at bank as part of its 75th-anniversary celebration. Pictured, l. to r., are: John Robertson, president; F. G. McClintock, chairman; and Russell Hunt, vice chairman. Bill in center is first one issued by bank after receiving national charter in 1902.

Bank reaches diamond anniversary—

Tulsa and First National Grow Together Since 1895

(Editor's Note: First National of Tulsa celebrates its 75th anniversary this month with a wide variety of activities designed to mark the occasion. Here is the story of Tulsa, the formation of its first bank and the impact it has made.)

TULSA in the 1890s was a wind-blown "cow town," one of hundreds that dotted the Southwest. The town consisted of a single dusty street and a few simple shops. Indian campfires still blazed from hillsides, and a few hardy pioneers struggled to wrest their living from grazing cattle in river bottom pastures.

Although recognized as a trading center for ranchers, wranglers, outlaws and caravans of settlers, Tulsa at that time was overshadowed by another city across the river a little to the south—Sapulpa.

Tulsa had no bank. Business was conducted, by necessity, without an institution in which to deposit currency and upon which to issue checks and conduct business, either small or important.

The wheels of commerce did continue to turn, however. The cattlemen were the real "bankers" of the pioneer community and their cash kept the city "alive."

In the absence of formal banking facilities, money was hidden by merchants and families alike. The few safes that were available, in fact, were

usually kept void of cash because "they were the first place any potential robber would look."

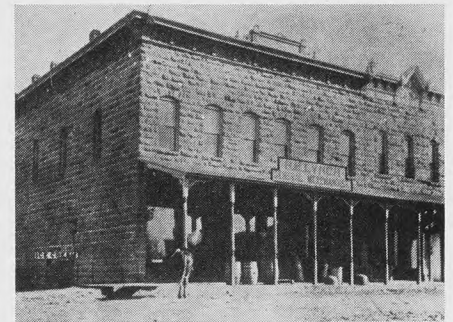
Into this primitive economic scene came a Texas cattleman. His name was Jay Forsythe. Mr. Forsythe loved the Indian country over which he had driven cattle, and he took a deep personal interest in the development of Tulsa.

He built the city's first flour mill and an ice factory-meat refrigeration plant. Being a businessman, he recognized the need for a bank. So, with B. F. Colley, his brother-in-law, and C. W. Brown, a son-in-law with banking experience, he founded the Tulsa Banking Co., predecessor of First National of Tulsa.

RIGHT: Tulsa's first stone building was R. E. Lynch store. Tulsa Banking Co.—predecessor of 1st of Tulsa—was located immediately to right of building.

Doors to Tulsa's first bank were officially opened on July 29, 1895, in a small two-story building that Mr. Forsythe had erected in the 100 block of South Main Street.

The new bank was at once the focal point for Tulsa's business interests. Among the original tenants of the building were L. M. Poe, a young lawyer from Pawnee, who became one of the Southwest's most distinguished lawyers and jurists, and Colonel Ed Calkins, a Hoosier who became a



BELOW: People like these helped make Tulsa one of the fastest growing areas in U.S.



prominent attorney and served as Tulsa's first mayor after incorporation of the town in 1898.

The board room at the bank was more than quarters where money matters were discussed. The room, or "Town Hall" as it was called, assumed the importance of a central meeting place for Tulsa pioneers seeking to advance the best interests of their community. Since there was no chamber of commerce nor commercial club, Tulsans gathered at their bank to plan campaigns designed to promote the city's growth and attract new citizens.

With the opening of the bank, the town began to grow at a rapid rate. The future looked bright. Then disaster struck.

It was in December, 1897, that Tulsa experienced its first major fire. The blaze consumed the two-story Tulsa Banking Co. structure and all the frame businesses south of it to Second Street.

Tulsa's lone night watchman, observing smoke pouring out of the bank building, raced about town crying, "Fire! Fire! Fire!"

His cries and the blazing buildings soon attracted practically all of Tulsa's 800 citizens. A bucket brigade was formed with people taking relays in pumping water from the city well into buckets, which were passed from hand to hand along a route to the fire—a distance of more than 200 feet.

The bank building was destroyed, but the "firemen" were able to save the stone Lynch Building. For the next few months, banking business was conducted from the J. M. Hall store while a new two-story building was constructed.

Although truly a disaster that destroyed over half the new community's business district, the fire brought with it the realization that a fire department was needed. Mr. Forsythe called several meetings at the new bank building to discuss the situation. The result was the organization of a volunteer force under the direction of R. C. Alder, a professional fire fighter, as chief. Meetings were held regularly at the bank with practice sessions taking the majority of each meeting.

The first test of the new department came in 1901. A fire broke out in Bill Stout's barber shop, a two-story frame structure on the west side of Main Street. Although the building was totally in flames when the firemen arrived, their efforts prevented the blaze from spreading to other businesses.

The fire department, by its professionalism and quick action, gained considerable prestige among Tulsa's pioneer citizens. So popular did the

department become that the city council, at the urging of bank President Colley, reorganized the department to provide it official recognition. Money for the purchase of a chemical wagon was raised by popular subscriptions taken at the bank and, thus, the department was elevated to its present high status.

That's the way it's been for the past 75 years. When Tulsa's first industry—oil—needed financing, First National was there. When the Depression had the nation reeling, Tulsa's first bank was making loans, often without collateral, under a policy that its president, R. Otis McClintock, called "calculated risks." Many old-timers credit the bank with "pulling Tulsa through" these hectic times.

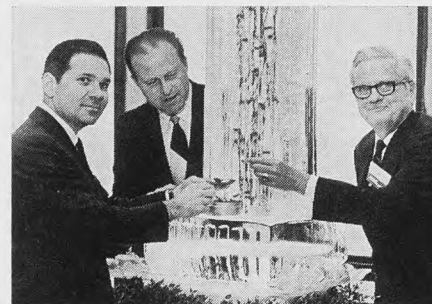
The bank has grown from a first day's deposit of \$1,060 and a capital investment of \$10,000 into one of Oklahoma's largest banks with total deposits in excess of \$362 million.

Since 1895, First of Tulsa has offered its city a number of banking "firsts," including auto banking, electronic bookkeeping and Tulsa's first all-purpose credit card, the universally accepted BankAmericard. • •

Restaurant Complex to Be Built in New Indiana Nat'l Tower

INDIANAPOLIS—A novel restaurant complex is planned for the nearly completed, 37-story Indiana National bank tower. Scheduled to be in full operation this fall, the complex will have several public and private restaurants and a cocktail lounge, ranging from a Victorian motif in a large dining room to psychedelic hot pinks, reds and yellows in a fast, carry-out facility.

All the restaurants will be operated by Davre's, a restaurant division of ARA Services, Inc., a food service management company. Davre's also plans to build restaurants in the John Han-



Several public and private restaurants and a cocktail lounge will be constructed in Indiana National's new, 37-story tower, represented in the form of an ice carving above. From left to right are: J. Fred Risk, president of Indiana National; Ivar Christensen, president of Davre's, restaurant division of ARA Services, which will operate the bank's restaurant complexes; and Dick Howard, vice president of ARA, food service management company.

cock Center, Chicago; Bank of America Center building, San Francisco; and the BOAC terminal at John F. Kennedy International Airport, New York City.

First of K. C. to Process Master Charge for TWA

KANSAS CITY—First National and Trans World Airlines have signed a contract designating that TWA will accept Master Charge and Interbank credit cards issued by any bank throughout the world and that First National will authorize and process all Master Charge and Interbank transactions used by TWA customers.



Officials of First National, Kansas City, and TWA sign a contract whereby the bank will process all credit transactions by the airline's customers using Master Charge or Interbank credit cards. Seated (l. to r.) are: Barret S. Heddens Jr., First National president and chief executive officer; Malcolm T. Hopkins, TWA vice president and treasurer; and Edward L. Bittner, executive vice president in charge of Master Charge at First National. Standing (l. to r.) are: Michael W. Gegen, assistant vice president and Master Charge manager, and Walter Beck Jr., senior vice president, both of the bank; and Charles Walsh, TWA manager of credit.

Previously, TWA honored all Master Charge cards under separate agreements with Interbank member banks only within the U. S. Officials of the two businesses hope that by operating under a centralized basis, efficiency will be increased. Master Charge is honored by 50 states, 44 nations and more than 3,000 banks.

Atlanta Bank Offers Booklet Describing Its Functions

ATLANTA—Trust Co. of Georgia is offering a free 28-page booklet to its employees and to the public explaining the main functions of major divisions and departments.

Entitled "Trust Co. of Georgia at Work," the booklet was prepared to answer employees' requests to know more about their bank. The publication contains a capsule history of the bank and an organization chart.

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Financial Executives Conference

Outlooks Given on Interest Rates, Auto, Steel at First National of Chicago's Meeting

THE REASONS behind the high cost and low availability of money were discussed by First National of Chicago's chairman, Gaylord A. Freeman Jr., at the bank's recent 10th annual financial executives conference.

Mr. Freeman pointed out that expansionary pressures in a free nation such as ours produce full employment, a decline in productivity and a more rapid growth of the volume of money than the volume of goods and services with a resultant rise in prices. However, he continued, legislators are reluctant to alleviate these pressures; they don't want to establish wage and price ceilings, increase taxes or reduce expenditures, and so the burden of responsibility for curtailing demand inevitably falls on the Fed.

He told his listeners that the Fed can use direct controls to inhibit what it considers especially expansionary forms of credit (consumer credit, real estate or stock market credit), but such programs are said to be difficult to administer, are in conflict with free market philosophy and, more importantly, they are unpopular with large segments of voters. As a result, said Mr. Freeman, the Fed seeks to limit aggregate demand by limiting the aggregate amount of money. The Fed has had a variety of instruments by which it could affect the volume of money, the most obvious being the reserve requirement. According to the Chicagoan, this instrument has not been used effectively.

The second instrument, he said, is the cost and availability of the discount privilege, which did exert a real influence.

The principal tool used by the Fed was its Regulation Q, which Mr. Freeman defined for the executives. Last

year, he said, the Fed decided to use this regulatory power as the principal instrument—indeed the “cutting edge”—of its monetary policy. He listed the amounts of interest banks could pay on passbook savings, savings certificates and negotiable CDs of \$100,000 or more, but pointed out that these rates were considerably below rates available to the public on alternative instruments. Thus, he continued, the 340-odd large U. S. banks lost almost \$12 billion of such time deposits during 1969.

Under pressure from would-be borrowers, he said, banks sought to replace these lost deposits with other types of funds, larger purchases of the excess reserves of the smaller banks (which did not experience a similar increase in loan demand), by issuance of some commercial paper by subsidiary or holding companies and, as Regulation Q applied only to domestic deposits, by purchases of large amounts of Eurodollars. This great demand for such funds drove Eurodollar rates up to 12% and 13%, and this, in turn, caused an increase in other European interest rates, seriously interfering with the ability of European central banks to implement their own monetary policies.

Mr. Freeman took Congress to task for not having the political courage to face up to stopping inflation and for leaving the battle up to the Fed, which had to boost interest rates. When the Fed had taken action, he continued, Congress—after “chickening” out of its responsibilities—began complaining bitterly about increased interest rates and placed the blame for these rates on banks.

Because bankers have few friends and fewer votes, said Mr. Freeman, congressmen feel safe in kicking banks

around a bit. He then cited such “kicks” as reduction in the amount of additions to reserves for bad debts banks can deduct from taxable income and elimination of the asymmetrical tax treatment in connection with bonds.

Mr. Freeman also presented a case for one-bank holding companies.

Mr. Freeman told his listeners about the one-bank holding company legislation passed by the House and now before the Senate. He said that when the House bill was being formulated, groups such as insurance and travel agents and data processing people appeared and complained that banks were too big and powerful and should be cut down—that is, powers not only of holding companies, but of individual banks should be reduced. He pointed out that the public also fears banks' having too much power, but—on the other hand—“if you ask the voters whether they would like to have their banks able to serve them with a mutual fund or with data processing services or through handling insurance, they invariably say yes, they would like to have their banks render them these services.” Mr. Freeman predicted that Senator Sparkman's Senate Banking Committee will report out what it considers a fair bill, but the big problem will come after it is passed by the Senate and sent to the Conference Committee.

Mr. Freeman asked that those attending—if they are sympathetic to banks' being able to expand their services—should write Senator Charles Percy (R., Ill.), who “understands our side in this argument,” and let him know that they believe banks have been unduly penalized and should reasonably be permitted to expand the financial services they offer the public.

Gradual Downward Trend Foreseen in Interest Rates

A PEAK in interest rates is either here or will be here shortly, Nicholas J. De Leonardis, vice president in First of Chicago's bond department, told those attending the bank's 10th annual financial executives conference. He predicted a downward trend in these rates, but at a gradual pace. Looking ahead toward year-end, Mr. De Leonardis said the best that can be hoped for in the long- and short-term areas would be something as follows:

In the corporate bond market, long-term AAA utility bonds may get down to the 8½-8% level. (Specifically, Mr. De Leonardis said he didn't envision a member of the Bell System being

able to sell its indebtedness below an 8% level.)

The Municipal Bond Index will fluctuate between 6.25-6.50% (taking into consideration the problems confronting the municipal bond market).

While there may be some easing in mortgage rates, 8-8¼% would seem to be realistic.

Considering the amount of proposed government financing and the ability of the Fed to manipulate the bill rate, any prediction on the outlook for bills would be tenuous at best, but it's possible that the 90-day-bill rate could get down to the 6.50-6.75% range by year-end.

Rates on finance companies prob-

ably will average around 7%-7½% for 30-day maturities. On industrial paper, he envisions 7½-7¾% for 60- to 90-day maturities.

By year-end, the 90-day Eurodollar rate should fluctuate between 8¼-8½%.

As to how far down interest rates may go in the year or two ahead can only be left to pure speculation, said Mr. De Leonardis. Taking into consideration what seems to be a tremendous demand for capital from all sectors of the economy and from the world, he continued, it would seem that the long-term outlook for rates will hover close to the levels of the last couple of years (end of 1968 and early 1969). • •

Outlooks Presented. Other conference speakers made projections on such subjects as business, auto, steel, construction and retail industries, capital expenditures and interest rates. (The outlook on the latter appears at the top of this page.)

Business Outlook. William J. Korsvik, vice president in the business and economic research division, said that we can anticipate:

1. A continued slowing in business, at least through the third quarter . . . with little or no meaningful growth all year.

2. Relatively limited gains in employment, with unemployment continuing to edge higher, but not above 6%.

3. Moderate growth in personal income, with the concern that troubles consumers persisting so that . . .

4. Buying in general will continue a lackluster pattern through the third quarter.

Auto and Steel Outlook. According to Homer J. Livingston Jr., vice president in Division C (serving the auto, steel and related industries), auto sales this year will stay below the 9.5 million cars sold in the U. S. in 1969 because of a combination of factors. Mr. Livingston listed these factors as: lower purchases of durable goods, particularly autos; continuing gains in sales of foreign-made sub-compacts that have resulted in development of similar vehicles by domestic manufacturers; the current trend toward smaller regular-size cars with fewer options, resulting in lower profit margins for the industry; and increasing consumer demands for higher safety and anti-pollution standards that will prove costly to car manufacturers in terms

of both sales and profits.

According to Mr. Livingston, it now appears that total car sales for 1970 will be around 8.8 million with profits considerably below last year.

As for steel, Mr. Livingston said the short-term outlook is not promising because of the recent truck strike, a falling off in new orders from the construction industry and reduced levels of auto and appliance production. Also, he continued, demand from the heavy machinery and equipment industry has begun to weaken. However, he predicted that exports for the year would reach 6 million tons compared with 5.2 million tons in 1969. Imports are expected to exceed the 14 million tons of 1969, resulting in substantially the same foreign trade balance.

Mr. Livingston foresees that steel industry profits for the year will be down well below last year, with a drop of something like 15% to 20% not surprising.

Construction Outlook. James A. Bourke, vice president in Division J (serving contractors, residential construction and related industries), said that public construction in 1970 will equal the record of \$28 billion attained in 1969, with public highway and street construction continuing to take a third of the volume. Total construction dollar expenditures will decrease slightly this year from the \$91-billion outlays achieved last year. Mr. Bourke pointed out that this drop will be significant because, considering the inflationary cost factors inherent in the construction industry, it means a sharp decline in physical volume.

Retail Industry. Retail sales in the last six months of 1970 will begin to

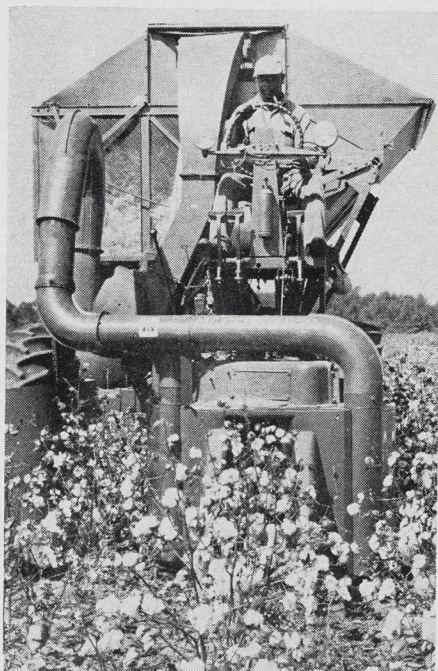
show some strength as economic growth resumes, according to Robert L. Heymann, vice president in Division B (serving department and specialty stores and related businesses). Because he believes this to be the case, Mr. Heymann predicted that sales in the last six months of the year probably will increase 5% to 7%, and, hopefully, a good increase in Christmas sales will give the last quarter a good boost.

Although he said he is reasonably optimistic about sales, Mr. Heymann cautioned that most firms will have a difficult time reaching last year's earnings. He believes that earnings will range anywhere from an increase of 2% or 3% to decreases that may run as much as 25% to 30% or more.

Capital Expenditures. Only one thing can prevent business investment from rising by 9% this year, said Douglas Greenwald, chief economist for McGraw-Hill Publications, and that would be for business not to have the wherewithal to finance the expected level of investment in 1970. However, he said this will not be an insurmountable problem, although it is a tough one. Corporate profits before taxes are just about leveling off now after the 11% drop in the first quarter, he continued, and a modest pickup in profits is expected after mid-year. Still for the full year, Mr. Greenwald foresees pre-tax profits to be off about 8%, but profits after taxes to perform slightly better during 1970 because of elimination of the corporate tax surcharge. Moreover, he said, the capital consumption allowance is rising about \$4 billion per year or 8%, and, thus, the increase in depreciation allowances will just about offset the drop in retained earnings.

Greenville, Mississippi

 **MAINSTREAM USA**



Mainstream USA is a geographical area within a 50 mile radius of Greenville, Mississippi, rich in the fertility of its soil and in its potential for economic and industrial growth. Greenville, service center of "Mainstream USA," is the crossroads of the mighty Mississippi River and a major north-south and east-west highway system.

Mainstream USA with its port at Greenville is one of the South's exciting areas with bold, progressive plans for the future.

Commercial National Bank, and its office in nearby Leland, has a depth of knowledge and involvement in the Mainstream USA scene of over 48 years.

This knowledge is yours for the asking.

COMMERCIAL NATIONAL BANK

BRANCH OF FIRST NATIONAL BANK, JACKSON, MISSISSIPPI MEMBER: FDIC

GREENVILLE AND LELAND, MISSISSIPPI

Obviously, this calculation of cash flow suggests that the supply of internal funds for investment will be tight, said Mr. Greenwald. Nevertheless, he believes that the volume of external financing from banks, insurance firms, commercial paper, new stocks and bonds is already or nearly committed for the level of capital expenditures expected for 1970. ••

Convention Dates Set

The Indiana Bankers Association will hold its 1971 convention June 9-10 at the French Lick-Sheraton Hotel in French Lick.

Convention Dates Set

The New Mexico Bankers Association will hold its 1971 convention June 3-5 in Carlsbad.

Ostlund, Newell Get New Posts at Valley Nat'l of Arizona

PHOENIX—Valley National has elected Dow Ostlund, senior vice president and senior credit officer, to head a newly created asset management division and has promoted Duncan H. Newell Jr., vice president and head of the trust department, to the new executive post of vice president, corporate affairs.



NEWELL OSTLUND

Also promoted was Leonard W. Huck, vice president, to manager of the trust department. For the past two years, he had been administrative officer of the bank's state-wide trust activities.

Mr. Ostlund's duties will be expanded to include responsibility for all of the bank's earnings assets. Recently, he had been chairman, credit administration committee, and chief credit officer of VNB's 114-office system. Mr. Newell's duties will include the study and development of financial programs. He was named executive head of the trust department in 1959.

IBA Adopts New Logotype Design to Typify Expanding Services

CHICAGO—The Illinois Bankers Association has adopted a new visual identification symbol, intended to reflect the expansion of services by banks for the public and by IBA to its members.



The logo indicates a "window to the future through which Illinois banks and their association look to improving and extending their service to customers," according to Myron Heins, immediate past IBA president and president and trust officer, Bank of Pontiac.

Convention Dates

The Oklahoma Bankers Association's 1971 convention will be held May 4-6 at the Mayo Hotel in Tulsa.

Microfilmer Converts Computer Info Into Readily Readable Film Images

A FAST NEW system that converts the flood of taped information from computers into readily readable film images is available from Eastman Kodak Co.

Biggest advantage of the Kodak KOM-90 Microfilmer is its speed in boiling down data so users can reduce, or bypass entirely, the miles of paper produced by conventional impact printers.

The Microfilmer, heart of a new total throughput system, combines advanced features from both photo and computer technologies to serve banks, insurance companies, utilities, manufacturing companies and government.

Data Decoded

Processing up to a rate of 90,000 computer characters a second on to as many as 300 pages of man-readable information a minute, the Microfilmer decodes computer data from magnetic tape and displays it on the face of a cathode ray tube much like those in home television sets.

The displayed letters and numbers are photographed on 16mm microfilm, which permits rapid analysis of the computer's output, and simplifies the choice of copies to be printed out. The complete process of review, selection and limited printout takes only a small share of the time, space and handling that would be required to scan all of the paper printout from

the computer to find its most pertinent information.

A unique feature, which adds flexibility to the Microfilmer, is the availability of quickly and easily changed Job Setup Control Cards. These cards control such functions as reduction ratios, image rotation, vertical line skip and horizontal tabbing. Interchangeable overlays can superimpose charts, grids or other standard forms on displayed information.

Additions Easy

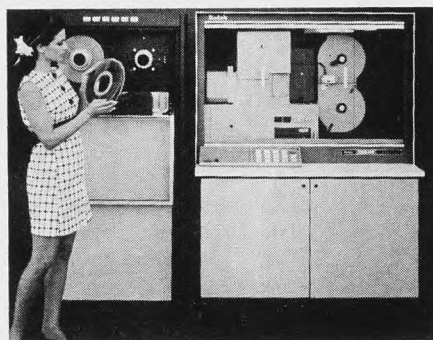
Modular organization of the internal logic package makes it easy to add special characters, to change formats, or even to revise character fonts, as required. Three document indexing selections are available to make retrieval of needed information as easy as pushing a button. An indexing film code is recorded on the film simultaneously with the information from the computer tape.

Rolls of exposed 16mm film from the Microfilmer can be packaged after processing in magazines, prepared as strips, or reproduced as microfiche. Any of these formats is then ready for filing, rapid retrieval, detailed reading, duplication or hard copy printout by microfilm reader-printers.

Kodak Experience

Kodak drew on 40 years of experience with microfilm systems as well as its extensive experience with computer output microfilming to design the new system—with data processing, systems and user personnel in mind. Integrated solid-state components add to the reliability of its operations.

Several software packages have been prepared to simplify programing. A force of computer information specialists is available to help customers with systems design, software programs and efficient implementation of microfilm information retrieval concepts. ••



Kodak KOM-90 Microfilmer

Illinois News

Bank Teller Foils Robbery



Miss Dolores Landers, a teller at Springfield Marine Bank, receives a reward for foiling a robbery at the bank from Robert C. Schrimple (l.), executive vice president, Illinois Bankers Association. Other Marine employees are, left to right, Leonard F. Hoffman, R. L. Hovermale and Frederick P. Stericker. Messrs. Hovermale and Stericker also received rewards from the IBA for their aid in preventing the attempted robbery in 1968.

Melum Advanced to VP at 1st Nat'l, Chicago

CHICAGO—H. William Melum has been promoted to vice president, commercial banking department, at First National. He had been assistant vice president, women's banking division.



MELUM

In other action, the bank has transferred \$5 million from undivided profits to surplus, increasing surplus to \$241,023,000.

Cash Awards From Continental Go to Jr. College Students

CHICAGO—Continental Bank has awarded \$1,000 in cash prizes to Illinois' top two junior college students. The state-wide achievement recognition program was funded and administered by the bank in cooperation with the Illinois Association of Community and Junior Colleges and its business-industry council. The council consists of state business representatives helping to develop the junior college system.

Illinois Governor Richard B. Ogilvie presented the awards to Mrs. Vida Lentz, a nursing student at Kankakee Community College, and Renard I. Jackson, a sociology major at Kenne-

dy-King City College, Chicago. The students were chosen on the basis of their progress toward a career goal and their leadership in campus and community activities. Students at 43 state public junior colleges participated in the program.

Harold Baltz of Millstadt Dies

MILLSTADT—Harold Baltz, 66, died June 14 of a stroke. He was vice president of First National, which was founded by his father, the late Gustav F. Baltz, in 1903. Mr. Baltz also had been a partner in a Belleville law firm.

Mr. Baltz is survived by three brothers: Merton, president, and Woodrow, trust officer and cashier, both of the First National, and Dr. Wilson Baltz, a dentist.

Expansion Program Begun by City Nat'l, Rockford

ROCKFORD—In celebration of its 25th anniversary, City National has announced a two-phase expansion program keyed to the projected growth of the bank by the 1980s.

The first part of the expansion program will be construction of a two-story addition to the northeast corner of the building at Broadway and Seventh. Estimated at a cost of \$300,000, the new addition will house the data processing department.

City National has remodeled its lobby and remaining floors in the main building. The trust department has been expanded, and several departments have been rearranged.

Smith Named VP, 5 Promoted at American Nat'l, Chicago

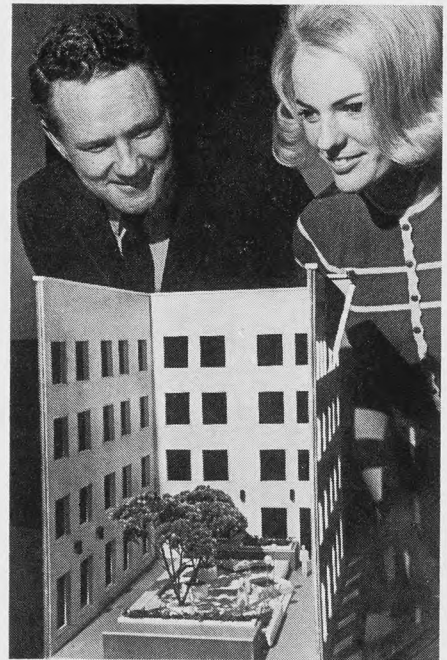
CHICAGO—American National has elected Malcolm Smith vice president. He will handle special management assignments for the chairman. Previously, Mr. Smith had been chairman and president of an importing firm.

Two second vice presidents have been advanced to vice presidents: George K. Metzger, commercial loans, and Benjamin H. Eimstad, EDP operations. Frank Bogataj and John Humm, formerly operations officers, have been promoted to second vice presidents, both in EDP operations. Leon Stremlau has been elected executive assistant, comptrollers division.



SMITH

Millikin to Have Courtyard

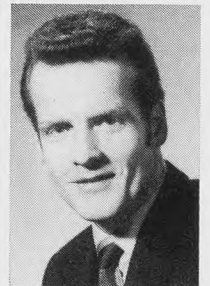


A model of the Millikin Court building and courtyard, future home of Millikin National Bank in Decatur, is studied by Mrs. Bernadine Porter, a bank employee, and Graham Bradley, an architect to the project. After the bank moves into the newly remodeled Standard Office building about August 1, the building's name officially will be changed to Millikin Court. Millikin Court's landscaped area will include three honey trees, pool, benches and evening lighting.

Central Nat'l Names Hogen AC in Correspondent Section

CHICAGO—Central National has elected Harold J. Hogen assistant cashier in the correspondent services section of the investment department.

Mr. Hogen, who has more than 12 years of investment experience, had been with Continental Illinois National since 1958. In his former post, he had been responsible for Euro-dollars, commercial paper, federal funds and certificates of deposit. The new assistant cashier attended DePaul University, where he majored in mathematics.



HOGEN

North Bank Officially Opens

CHICAGO—The new North Bank has opened on the ground floor of Lake Point Tower. North Bank Travel, Inc., the bank's travel affiliate on the second floor of Lake Point Tower, has taken over the temporary facilities the bank had been occupying since last March.

IBA Group Officers Elected for 1970-71

The following Illinois Bankers Association Group Officers for 1970-71 have been elected:

Group 1—president, William O. Kurtz Jr., senior vice president, American National, Chicago; senior vice president, Harry P. Burke, president, National Bank of Austin, Chicago; vice president, Paul R. Beré, president, State Bank of Clearing; treasurer, Frank E. Bauder, chairman, Central National, Chicago; and secretary, Miss Margaret R. Hadley.

Group 2: president, Earle O. Corley, cashier, Union National, Marseilles; vice president, Ronald N. Johnson, assistant vice president, Orland State, Orland Park; sec.-treas., John W. Gerber, president, National Bank of Fairbury.

Group 3: president, Jack H. Beaulieu, president, Glenview State; vice president, Jack P. Oenning, president, Lincoln State, Elgin; sec.-treas., LaVerne M. Woods, executive vice president, First National, Antioch.

Group 4: president, Omar C. Wilhelms, cashier, First State, Shannon; vice president, Gordon E. Sears, executive vice president, Citizens First National, Princeton; sec.-treas., John Buford, president, Midwest Bank, Freeport.



IBA Group 9 Officers for 1970-71 are (l. to r.): vice president, Charles F. Arbuthnot, executive vice president, First National, Wood River; president, Robert G. DeRousse, vice president, National Stock Yards National, National City; sec.-treas., Kenneth Milam, president, Salem National. New officers of all 10 IBA groups took their posts July 1.

Group 5: president, Robert E. Richie, vice president & cashier, State Bank, Jerseyville; vice president, Dewey Andrews, executive vice president & cashier, State Bank, Hull; sec.-treas., Edward L. Treadway, cashier, First National, Staunton.

Group 6: president, Q. Donald Baily, president, Table Grove State; vice president, William E. Sexton, executive vice president, State Bank, La Harpe; sec.-treas., Gerald E. Conaghan, executive vice president & cashier, Pekin National.

Group 7: president, Grant Fleenor, vice president & cashier, First National, Mattoon; vice president, Gerald L. O'Neill, president, American National, Champaign; sec.-treas., William F. McCarty, president, Tuscola National.

Group 8: president, Chester D. Wilson, vice president & cashier, McLean County Bank, Bloomington; vice president, William E. Parr, executive vice president, Hardware State, Lovington; sec.-treas., John W. Luttrell, president, First National, Decatur.

Group 9: president, Robert G. DeRousse,



Myron Heins, center, IBA president and president, Bank of Pontiac, stands among Group 9's 50-Year Club pin recipients. They are (l. to r.): Howard Kersey, vice president, Bradford National, Greenville; C. A. Hacker, chairman, First National, Columbia; Mr. Heins; Albert G. Quernheim, president, Commercial State, Waterloo; and Oscar J. Hermes, assistant cashier & secretary, Illinois State, East Alton.

vice president, National Stock Yards National, National City; vice president, Charles F. Arbuthnot, executive vice president, First National, Wood River; sec.-treas., Kenneth Milam, president, Salem National.

Group 10: president, Raymond C. Burroughs, president, City National, Murphysboro; vice president, G. Wallace Rich, president, First National, Cobden; sec.-treas., Kenneth I. Ward, vice president, Fairfield National.

Kuhn Retires; Vermeil, Koch Get New Peoria Bank Posts

PEORIA—Stanley M. Vermeil has been elected chairman at Jefferson Trust to succeed Lawrence E. Kuhn, who has retired after 46 years with the bank. Steven R. Koch has been advanced to president to succeed Mr. Vermeil.

Mr. Kuhn remains on the board and the executive committee. He was made president in 1967 and chairman last year. Mr. Vermeil, who joined the bank in 1969, had been vice president and treasurer of Keystone Consolidated Industries, Inc. An employee of Jefferson Trust since 1964, Mr. Koch had been executive vice president prior to his promotion.

Other changes include the elections of Edward W. McKinley to vice president, commercial loans; George Kirkpatrick to vice president and cashier; and Richard C. Zinser to assistant cashier and credit officer.



VERMEIL

KUHN

KOCH

■ WHEATON NATIONAL has elected Robert W. Schnack vice president and cashier. Mr. Schnack had been cashier and a director at Bank of Silvis. He also has been with State Bank of East Moline.

Still Enthusiastic at 79!

MILLSTADT—First National has elected an enthusiastic sportsman to the board: Russell L. Baltz, who recently turned 79.

The Millstadt *Enterprise* printed a picture of Mr. Baltz and a friend, 77, celebrating their birthdays—both were mounted on horses after completing a nine-mile, three-hour ride. They set a date to go horseback riding on their next birthdays. Mr. Baltz also takes big game hunting trips in Wyoming every fall with his sons.

Bank 'Goes to the Dogs'



Instead of someone or something "going to the dogs," the dogs "are going"—going to the bank, that is. First National in Tuscola gives gum to children and biscuits to dogs when either child or dog accompanies a customer to the motor bank. Miss June Edwards, daughter of the bank's president, George A. Edwards, thought up the idea of giving a treat to an eager visitor while working at the bank last summer.

First Chicago Corp. Acquires Real Estate Research Corp.

CHICAGO—First Chicago Corp., parent company of First National, has agreed, in principle, to acquire Real Estate Research Corp. in exchange for First Chicago stock.

Real Estate Research, which specializes in real estate research and consulting, will continue to operate under the direction of its present officers as a subsidiary of First Chicago Corp. Real Estate Research has nine offices throughout the U. S.

■ BANK OF EGYPT, Marion, has elected Laurence E. Bouas vice president. Mr. Bouas had been executive vice president at First National, Coulterville.

■ KANE COUNTY BANK, Elburn, has begun construction on an expansion and remodeling project. The \$170,000 project is scheduled for completion this fall and will include a new structure with drive-in windows and additional offices.

Indiana News

McCauley Named IBA President; Harris Survey Is Discussed

By RALPH B. COX, Editor & Publisher

FRENCH LICK—Philip W. McCauley, president of the Madison Bank, last month was elected president of the Indiana Bankers Association at the organization's 73rd annual convention in this city.

He succeeded Blaine H. Wiseman, president of the Old Capital Bank, Corydon.

Named vice president was Robert W. Renner, president, Citizens State, Hartford City. The IBA's new treasurer is Lloyd L. Newman, executive vice president, Lafayette National.

ABA Officers. In other official action, Indiana bankers elected Robert M. Schram to the ABA executive council. Mr. Schram is president of Peru Trust. Retiring IBA President Blaine Wiseman was named to the 1970 ABA nominating committee, with Paul Chase, president, Bedford National, to serve as alternate.

President's Address. Retiring President Blaine Wiseman spoke to Indiana bankers on a wide range of subjects, but he came back several times to the *public's interest* in banking. Mr. Wiseman counseled that both big and little banks should subdue their interests "in favor of an old, yet common denominator called the *public interest*."

If banking is to prosper, he said, it must find better opportunities to serve

the public. And if the politician is the only one to think of the public interest, he warned, banking (and democracy) are both dead.

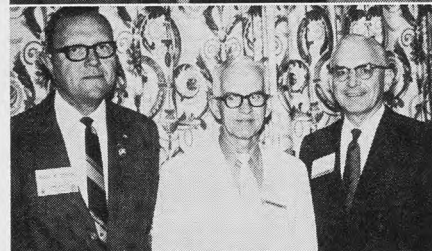
Mr. Wiseman concerned himself with one-bank holding companies, questioning whether it was in the public interest to keep banks out of leasing, data processing, insurance, travel agencies and other fields.

Who will benefit by such action, he asked? "Will it be the public or the competitors of banking who are operating in these fields? The public should benefit significantly," he argued, if banks with their convenient locations and with their strong public interest are allowed to compete.

"If banking is to be put in a strait jacket," he said, "while all its competitors are left free to expand, (then) the younger and more talented bankers will be leaving in droves for greener pastures."

Apparently concerned with the image of banking, Mr. Wiseman went on to discuss the Louis Harris survey and banking's role in community programs.

"Some students of banking are saying," he continued, "that (banking's) troubles with leaders in government are related to our lagging reputation in community and social development. Our severest critics say that we seek



TOP—Convention speaker John K. Snyder, treas., State of Indiana; IBA President Blaine H. Wiseman, pres., Old Capital Bank, Corydon; and IBA Treasurer Jack S. Gates, pres., Farmers Loan & Trust, Columbia City.

CENTER—Indiana's new ABA officers: member of ABA executive council, Robert M. Schram, pres., Peru Trust; alternate nominating member, Paul Chase, pres., Bedford Nat'l; and nominating member, Mr. Wiseman.

BOTTOM—Indianapolis officers of Camp Followers Club: Secretary Gary K. McWilliams, v.p., Indiana Nat'l; Vice President Carl Nelson, v.p., Merchants Nat'l; and President Larry J. Hannah, v.p., American Fletcher.

special favors first and public service last.

"The Louis Harris survey reports that we bankers are well regarded as full service bankers, but this is no longer enough. We are expected to take over community leadership along with banking leadership."

It is becoming evident, Mr. Wiseman continued, that "traditional lobbying will no longer work for bankers and that the only way to political 'clout' in the future will be through *total* identification with the well being of our communities and our nation. This does not mean that we bankers should stay out of politics. Quite the contrary. We should cultivate our legislators continuously and we should let them *know* the extent of *our* involvement in the things *they* are interested in."

Mr. Wiseman concluded with the following words of advice to Indiana bankers: "The picture is now clear that the people and the government leaders have challenged us to solve



INDIANA OFFICERS for 1970-71—President Philip W. McCauley, pres., Madison Bank; Vice President Robert W. Renner, pres., Citizens State, Hartford City; and Treasurer Lloyd L. Newman, exec. v.p., Lafayette Nat'l.

MID-CONTINENT BANKER for July, 1970



**Master
Money
Manager
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You deserve a medal ... Today's tax law complexities mean a man has to either be truly a specialist in the investment field . . . or know a darned good one. Since your banking responsibilities require you to be knowledgeable in many fields, you can't enjoy the luxury of becoming truly expert in any one. That's where we come in. Your man from AFNB can put you in touch with experts. He can provide you with these services. For example:

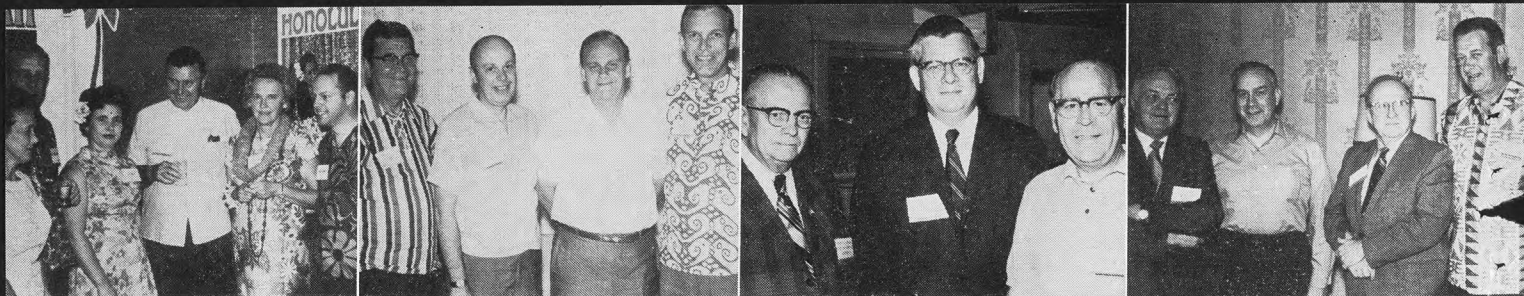
1. Complete Portfolio Management Service of Government and Municipal Portfolios.
2. Municipal Bond Portfolio Analysis.

3. Profitability analysis of Government and Municipal Trades (Tax Swaps).
4. Complete Federal Funds Service.
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AMERICAN FLETCHER NATIONAL BANK



LEFT—Mrs. Axton; Matt Beemsterboer, v.p., Northern Trust, Chicago; Mrs. Skinner; Ted Axton, pres., Lafayette Savings; Mrs. Beemsterboer; Curtis Skinner, v.p., Northern Trust, Chicago. NEXT—Charles Onenga, a.v.p., 1st Nat'l, Chicago; Wilbur Wright, pres., 1st Nat'l, Elkhart; Robert Boyer, v.p., Merchants Nat'l, Terre Haute; Jack Hallberg, v.p., 1st Nat'l, Chicago. NEXT—Herbert Morrison, ch., Bill Farrell,

pres., Elston Bank, Crawfordsville; Paul Gronauer, pres., Anthony Wayne Bank, Fort Wayne. FAR RIGHT—Ivan Dudley, pres., Greenfield Banking; Dick Rastetter, sr. v.p., Continental Bank, Chicago; John Wilhelm, pres., Hoosier State, Hammond; Bill Grove, v.p., Continental Bank, Chicago.



LEFT—John Conway, tr. off., First-Cannelton Nat'l; Mrs. Conway; Walter Graves, v.p., Citizens Nat'l, Tell City; Mrs. Graves; Art Southwell, v.p., Old Nat'l, Evansville; Mrs. Schulthise; Raymond Schulthise, exec. v.p., Citizens Nat'l, Tell City. CENTER—Mal McClure, Bank Consultants, Indianapolis; Mrs. McClure; Bradley Blickenstaff, exec.

v.p., Clinton County, Frankfort; Mrs. Blickenstaff; Dick Kellum, sr. v.p., Indiana Nat'l, Indianapolis; Mrs. Kellum. RIGHT—Harvey Untiedt, a.v.p., Harris Trust, Chicago; Mrs. Untiedt; Dave Webber, v.p., and Dennis Barnette, a.v.p., Harris Trust; Mrs. Early; John Early, FDIC, Chicago.



LEFT—Standing: Kenneth Valentine, v.ch., and Larry Hannah, v.p., American Fletcher, Indianapolis; Mrs. Hannah. Seated: Mrs. Valentine; John Croker, v.p., Peoples Tr., Ft. Wayne; Mrs. Croker. NEXT—John Greathouse, v.p., American Nat'l, Chicago; Mrs. Greathouse; Burr Swezey Jr., ch. & pres., Lafayette Nat'l; Mrs. Swezey; Mrs. Davis; Bill Davis, v.p., American Nat'l, Chicago; NEXT—Jim Givens, Bank

Consultants; Mel Lockard, pres., 1st Nat'l, Mattoon, Ill. (endorsed by IBA executive council for re-election as director of Chicago Fed). FAR RIGHT—Donald Tanselle, sr. v.p., Merchants Nat'l, Indianapolis; Harrell Haynes, sr. v.p., Dale State; C. H. Hilderbrand, exec. v.p., and Paul Hilderbrand, Stone City, Bedford.

problems such as housing, pollution and rural and urban development. . . . Therefore, if it's housing they want, let's find ways to give them housing. And if their regard for our abilities is so high, they are asking us to take the lead in community development, then let us show them what we bankers really can do when we set our minds to it."

Foundation Speaker. Gordon J. Kingma, vice president, Lafayette National, and Indiana chairman of the Foundation for Full Service Banks, discussed the Louis Harris survey in more detail, pointing up some of the problem areas faced by banking.

Actually, he said, banking received some "good grades" in the survey. Only 6% of the public and 12% of the nation's leaders blame banks for inflation, and more than two-thirds of the public said that banks are doing all they can to control inflation. Another 75% said that

banks are not responsible for high interest rates.

But the problem areas, Mr. Kingma pointed out, are these:

1. In profits, the public feels that banking is profiteering.

2. The lack of banking's ability or willingness to move into new areas of financial services sought by people. Mr. Kingma listed services that "people hope we'll provide soon":

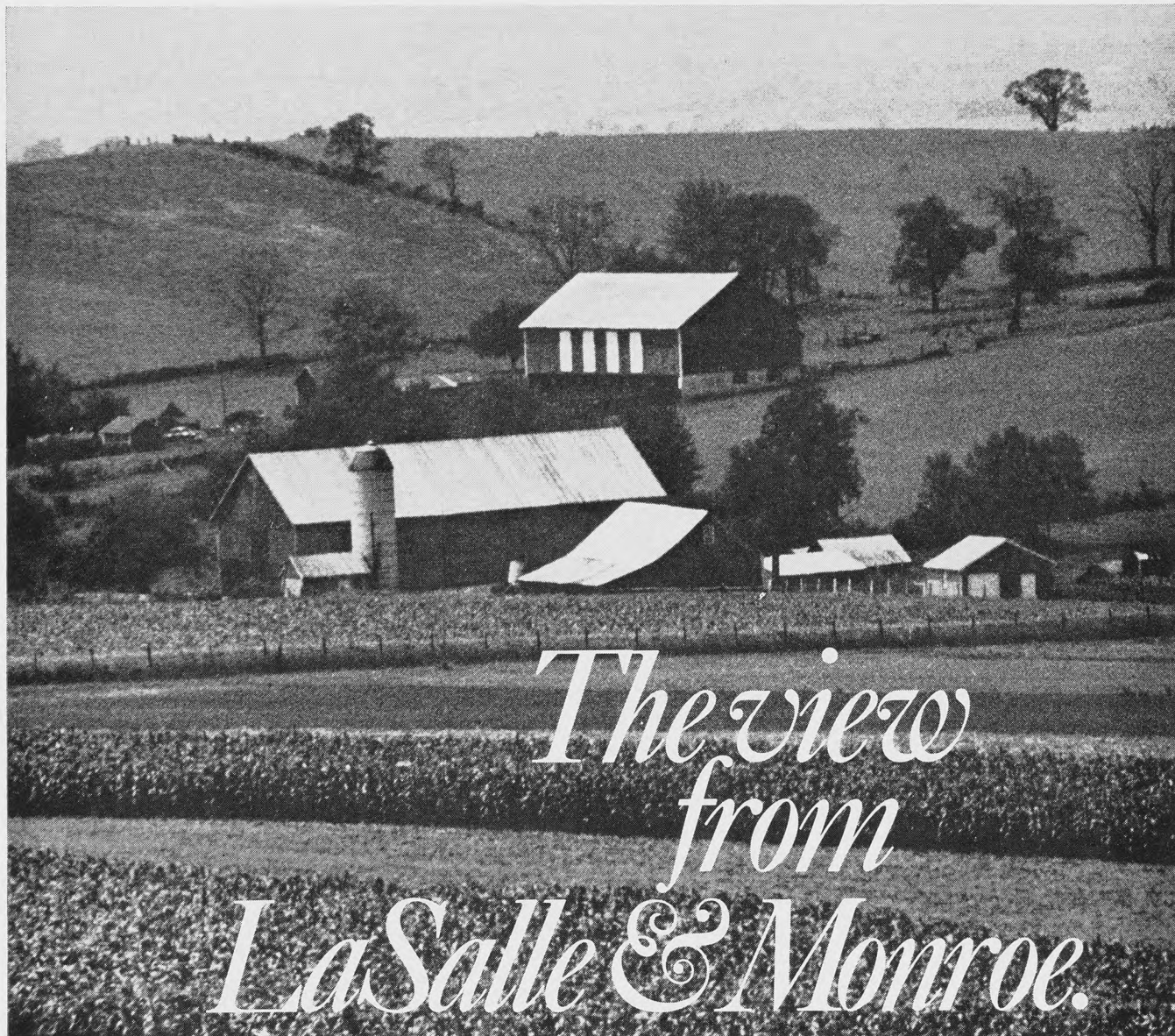
- A single monthly statement for all business transacted; help in tax preparation; ability to buy mutual fund shares from banks and all financial services under one roof.

- Among national leaders, 58% favor banks' offering data processing to business; 53% favor banks' selling mutual funds; 44%, travel services; and 36% want banks to sell life insurance.

3. One-bank holding companies. Only 35% of the leaders are familiar with this concept and only 44% favor

it. The big fear is the threat of monopoly; 47% worried that banks would enter unknown fields; 51% said banks would have too much influence; 70% said big banks would become more powerful. All of which proves, he said, the lousy job banks have done in explaining the one-bank-holding-company idea.

4. The role that banks and bankers play in their community. A majority of opinion told bankers to take leadership in community problems; 68% say banks have a *duty* to help solve community social problems. Ironically, only 40% of the leaders said bankers were effective in helping young people go to college, 18% in helping maintain law and order, 15% effective in improving public education, 10% in helping ease racial tensions, 6% in helping the needy and 4% in helping control air and water pollution. The public's viewpoint, said Mr. Kingma, was about the same. • •



*The view
from
LaSalle & Monroe.*

You'd be surprised at what Howard Beermann, Wayne Obrecht, Bob Norrish, Alan Meyer and Don Anderson see when they look out of the window. Cornfields. Cattle. Soy beans.

Maybe you find it hard to believe that you could find a country banker in a great big city like Chicago.

But you will at Central National Bank.

For many of our men were born and raised on farms. Some are still actively associated with farming.

They understand country banking.

They understand agriculture.

From integrated feedlot operations to capital expenditures for farm equipment, they understand—and talk—your customers' language.

So talk to Howard, and the rest of our agricultural banking group.

They understand your problems and needs, so they're great guys to exchange views with.

WE UNDERSTAND.

CENTRAL NATIONAL BANK IN CHICAGO

LaSALLE & MONROE

MEMBER: F.D.I.C.

Kentucky News

Peoples 1st to Hold Open House During Paducah's Festival

PADUCAH—Peoples First National will hold open house in its new quarters during the Paducah Summer Festival July 10-12. Entries in a photo contest will be displayed.

The festival will include musical groups, which will entertain at different locations in the business district; a carnival for children; an air show with sky divers; a band concert; musical variety show; fireworks display and flea market. Miss Joaquin Seltzer, vice president at Peoples First, is general chairman of the 1970 festival. Approximately 38 persons from Paducah banks have volunteered to sell tickets.

The festival will close with limited hydroplane races for the Dukes Cup, the American Professional Division sanctioned by the National Outboard Association.

■ SECOND NATIONAL, Lexington, celebrated its 87th anniversary by donating 87 trees to the city. The trees will be planted in Lexington's public parks.

Nine Promotions Made at Kentucky Trust

LOUISVILLE—Kentucky Trust has advanced five trust officers to vice presidents and trust officers: Ian Y. Henderson, Elliott L. Morris, Robert M. Biggs, James L. Coorssen and Robert A. Glasscock.

The bank also has promoted Lawrence A. Warner and Anthony J. Zimmerer Jr., investment officers, to vice presidents and investment officers. Clelon B. Tatum, assistant trust officer, has been elected trust officer and Frederick N. Wescott has been promoted from assistant secretary to assistant vice president.

■ LLOYD POLLARD, president, has been honored for 40 years of service at Shelby County Trust, Shelbyville. He has been president 10 years.

■ KENTUCKY TRUST, Louisville, has named Robert E. Smith head of the income tax division. Mr. Smith had been with a firm of certified public accountants since 1967.

Zimmerer, Long, Tyrrell Elected to VPs at 1st of Louisville

LOUISVILLE—Three vice presidents have been elected at First National: Anthony J. Zimmerer Jr., William A. Long and Gerald G. Tyrrell. Messrs. Long and Tyrrell had been assistant vice presidents and Mr. Zimmerer had been assistant vice president and investment officer. He also is a vice president and investment officer at Kentucky Trust, a First National affiliate.

Mr. Zimmerer has been with Kentucky Trust since 1959. An employee of First National since 1934, Mr. Long is manager, Bardstown Road Branch. Mr. Tyrrell heads First National's newly created financial services division.

Others promoted were: Douglas Steele to assistant vice president; Maurice Cox, Thomas W. Raatz, Michael F. Sheehan and Llewellyn P. Spears III, assistant cashiers; Brooks Pinney, systems officer; Cecil Knight, Gene C. Davis and Michael Mathes, internal services officers.

■ EDWARD L. CAWOOD, president, Bank of Harlan, has received a doctor of laws degree from Union College. The bank sponsors scholarships for students to attend the college. Mr. Cawood was president of the Kentucky Bankers Association in 1967-68.

Officers Elected for 1970-71 by Kentucky Groups

The KBA has elected the following 1970-71 group officers:

Group 1—president, Brent D. Thompson, vice president, Trigg County Farmers Bank, Cadiz; vice president, R. L. Ross, executive vice president, Bank of Marshall County, Benton; and secretary, H. Glenn Doren, president, Peoples Bank, Murray.

Group 2—president, L. R. Hall, president, Hancock Bank, Hawesville; vice president, J. D. Wright, assistant cashier, First City Bank, Hopkinsville; and secretary, H. C. Downey, vice president, First State, Greenville.

Group 3—president, Wathen G. Claycomb, president, Lincoln National, Hodgenville; vice president, Clarence W. Pratt, president, Fort Knox National; and secretary, Richard Raderer, vice president, Stock Yards Bank, Louisville.

Group 4—president, Shively R. Mitchell, executive vice president & cashier, Peoples Bank, Greensburg; vice president, E. E. Cardwell, executive vice president, American National, Bowling Green; and secretary, Charles V. Kirkpatrick, executive vice president, Deposit Bank of Monroe County, Tompkinsville.

Group 5—president, Orem Wheeler, executive vice president & cashier, Central Bank, North Pleasureville; vice president, Clyde H. Taylor Sr., executive vice president, Bank of Oldham County, LaGrange; and secretary, Charles Clifton, assistant cashier, Farmers & Traders, Shelbyville.

Group 6—president, Andy Dudley, executive vice president & cashier, Powell County Bank, Stanton; vice president, Porter P. Welch, president, Woodford Bank, Versailles; and secretary, H. R. Dicken, executive vice president, Farmers Bank, Owingsville.

Group 7—president, William M. Flynn, vice president, First & Farmers National, Somerset; vice president, Keith Radford, cashier, Citizens Bank, Albany; and secretary, H. R. Bell, cashier, Peoples State, Monticello.

Group 8—president, J. B. Kelley, president & cashier, Citizens Deposit, Vanceburg; vice president, R. L. Bichlmeir, vice president & cashier, Newport National; and secretary, Kenneth M. Juett, cashier, Bank of Williamstown.

Group 9—president, M. H. Alcorn Jr., executive vice president, Citizens State, Hazard; vice president, W. G. Bailey, vice president, Citizens National, Paintsville; and secretary, John E. Coleman, vice president, First National, Pikeville.

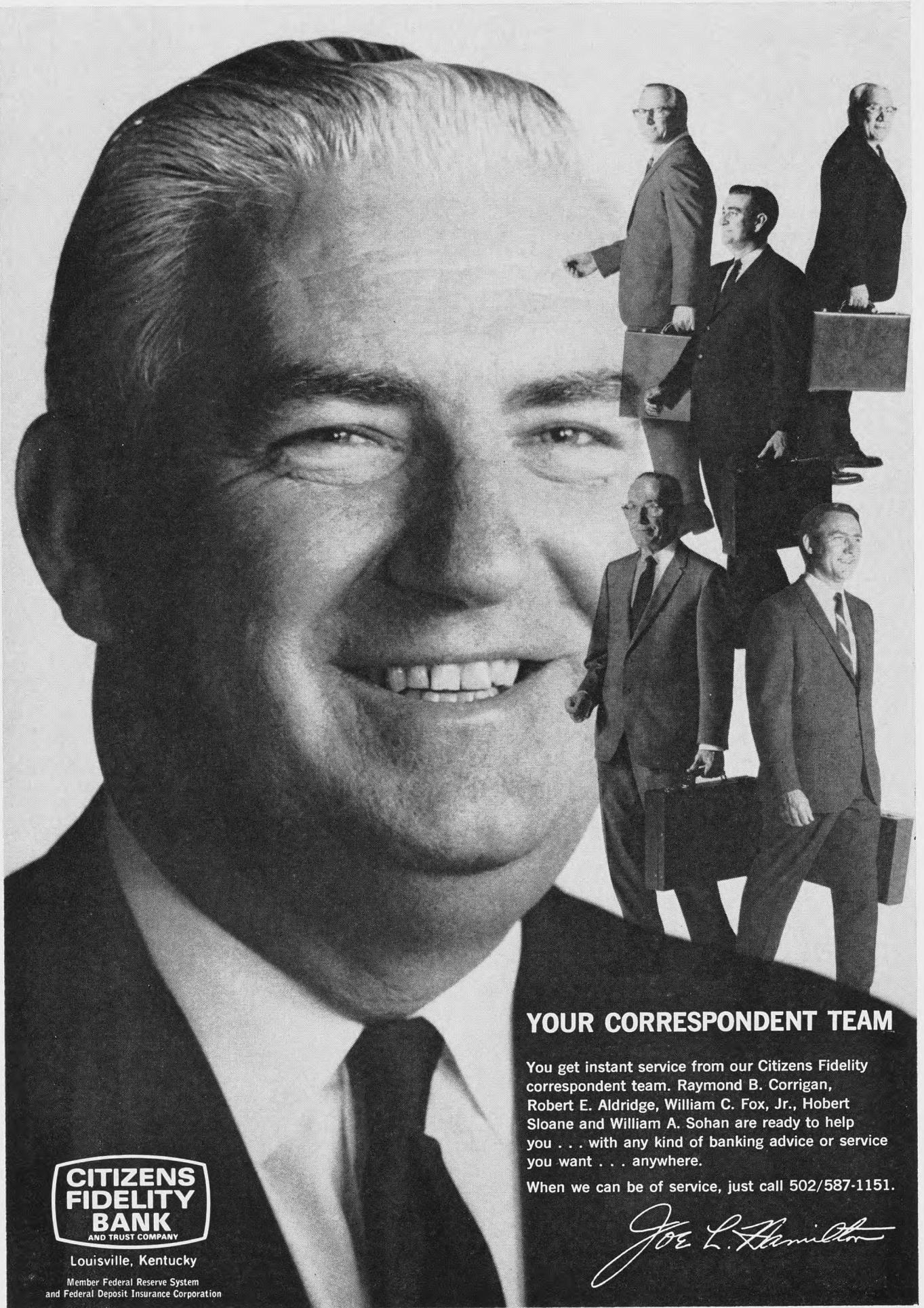
■ CITIZENS STATE, Owensboro, has promoted William C. Herrell to assistant vice president and Mesdames Mary Crady and Marguerite Welsh to assistant cashiers. Mr. Herrell had been auditor. Mrs. Crady has been with the bank since 1957 and Mrs. Welsh since 1943.

■ FIRST & FARMERS NATIONAL, Somerset, has named Donald Edwards cashier. He had been cashier at Berea National.

■ BANK OF MAYSVILLE has donated \$5,000 to the Mason County Recreation Foundation for construction of a swimming pool.



HENDERSON MORRIS BIGGS WARNER COORSSSEN ZIMMERER GLASSCOCK



YOUR CORRESPONDENT TEAM

You get instant service from our Citizens Fidelity correspondent team. Raymond B. Corrigan, Robert E. Aldridge, William C. Fox, Jr., Hobert Sloane and William A. Sohan are ready to help you . . . with any kind of banking advice or service you want . . . anywhere.

When we can be of service, just call 502/587-1151.

Joe L. Hamilton



Louisville, Kentucky

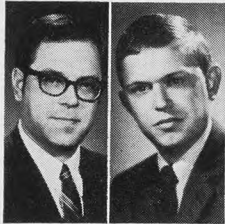
Member Federal Reserve System
and Federal Deposit Insurance Corporation

MID-CONTINENT BANKER for July, 1970

Tennessee News

American Nat'l Promotes Two in Correspondent Division

CHATTANOOGA—Robert P. Freeman and John B. Burtchaell Jr. have been promoted from correspondent banking officers to assistant vice presidents at American National. Among other states, Messrs. Freeman and Burtchaell travel in Alabama, Kentucky and Tennessee.



FREEMAN BURTCHAELL

Before joining the bank last year, Mr. Freeman had been with First National of Atlanta. He is a graduate of Furman University and has a law degree from Atlanta Law School. Mr. Burtchaell previously had been with the Federal Reserve Bank of Atlanta in both the Birmingham and Nashville branches.

Simpson Russell Jr. Takes Post at NBC of Jackson

JACKSON—National Bank of Commerce has elected Simpson Russell Jr. to its staff. He had been with First National in Memphis since 1964.

At First National, Mr. Russell had been in the management information systems department. In 1965, Mr. Russell was transferred to the correspondent bank department and traveled the Mid-South area. Formerly, he had been a design engineer with McDonnell-Douglas Corp., St. Louis, where he worked on the Mercury and Gemini projects. Mr. Russell's father, Simpson Russell Sr., is NBC's chairman.



RUSSELL

FIRST NATIONAL, Clarksville, has begun construction of its Two Rivers Mall Branch. The new semicircular building will have five inside teller stations, two drive-up windows and a conference room. A TV window and pneumatic-tube system will be installed in the mall area of the shopping center to facilitate transactions with the outside building.

■ CITY BANK, McMinnville, has elected Dr. James L. Moore a director. Dr. Moore has been a general surgeon in McMinnville since 1961.

Webb, Crouch Advanced to Exec. VPs; 4 Others Boosted at 3rd Nat'l

NASHVILLE—James A. Webb Jr. and Hubert A. Crouch Jr. have been promoted from senior vice presidents to executive vice presidents at Third National. Overton Thompson Jr. and Alfred D. Sharp Jr., vice presidents, have been advanced to senior vice presidents. Donald F. Schleicher has been promoted from assistant vice president to vice president and Raleigh F. Lane Jr. from marketing officer to assistant vice president.



Third National in Nashville has advanced (l. to r.): Alfred D. Sharp Jr. to senior vice president; Overton Thompson Jr., senior vice president; Donald F. Schleicher, vice president; Hubert A. Crouch Jr., executive vice president; James A. Webb Jr., executive vice president; and Raleigh F. Lane Jr., assistant vice president.

Mr. Webb, who has been with the bank since 1957, was named vice president in 1962 and senior vice president in 1967. Mr. Crouch has been with the bank since 1969. He is chairman and president of First National of Tullahoma, Tenn.

Mr. Thompson had been a vice president since 1964 and Mr. Sharp since 1966. Mr. Schleicher was elected assistant vice president in 1968.

Promotion, Capital Boost Made at First American

NASHVILLE—First American National has announced a promotion, election of a new director and an increase in capital.

Kirby O. Primm, formerly vice president, moved up to senior vice president. A banker 31 years, he joined First American in 1964 and is in its sales and marketing division.

Virgil E. New was elected to the board. He is vice president and general manager of South Central Bell Telephone Co.'s operations in Tennessee.

Capital was raised from \$15 million to \$20 million through a 33⅓% stock dividend. The bank said its capital now is larger than that of any other Tennessee bank.

■ JEFFREY A. GOLDEN, cashier at City Bank in McMinnville, has received one of four 4-H alumni awards presented by the University of Tennessee's agricultural extension service.

Pulaski Bank to Expand



A new Main Office building is under construction by Union Bank in Pulaski. Shown in the above sketch, the proposed structure will have four drive-in windows, community room and kitchen. The building, slated for completion in November, is designed to include a third floor for expansion and will be equipped with Diebold surveillance equipment. After the new structure becomes the Main Office, the present Main Office will become the Downtown Branch.

Bryan Renamed Supervisor

Marvin Bryan has been re-appointed to a new four-year term as superintendent of banks for Tennessee. He was first appointed superintendent in 1958.

White Elected President of TBA's Junior Section

The following officers and councilmen for 1970 were elected at the spring convention of the Junior Bankers Section, Tennessee Bankers Association.

Officers: president, Harold D. White, vice president & trust officer, First National of McMinn County, Athens; first vice president, Frank O. Teasley, vice president, White's Creek Bank; second vice president, Harbert Alexander, assistant vice president, Second National, Jackson; and secretary-treasurer, Dan E. Midgett, banking officer, Commerce Union, Nashville.

Councilmen: Group 1—L. E. Weems, first vice president, Banking & Trust Co., Jonesboro; Group 2—Herbert Clark, assistant cashier, Union-Peoples, Clinton; Group 3—Elbert L. Willson III, vice president and cashier, Citizens National, Athens; Group 4—Charles W. Kibbons Jr., vice president, Citizens Bank, Cookeville; Group 5—Robert E. Rawls, cashier, Greenfield Banking Co.; Group 6—Robert J. Williams, assistant cashier, First National, Savannah.



Officers of Junior Bankers Section, TBA, are (l to r): secretary-treasurer, Dan E. Midgett, Commerce Union, Nashville; first vice president, Frank O. Teasley, White's Creek Bank; president, Harold D. White, First National of McMinn County, Athens; retiring president, Billy M. Wheeler, Selmer Bank; and second vice president, Harbert Alexander, Second National, Jackson.



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We answered his questions about eligibility, costs, benefits and

things like that. Pretty soon, he was so enthusiastic that we suggested continuing the conversation face to face.

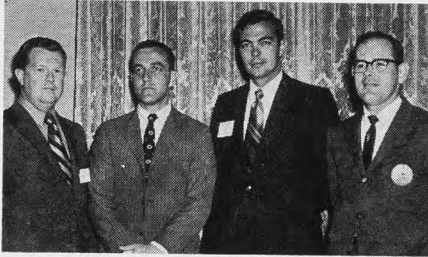
In a matter of hours, there we were, right in his office, happily going over complete details.

We fly, too. Tell us where we can find you.

Hamilton of Chattanooga
makes good things happen

Alabama News

Jr. Bankers Elect Officers



The new officers of the Junior Bankers Section, Alabama Bankers Association, are (left to right): president, Harold D. King, president, Peoples Bank, Pell City; vice president, Roy W. Gilbert Jr., senior vice president, Birmingham Trust National; treasurer, Wilbur Hufham, assistant vice president, First National, Montgomery; and secretary, Marion P. Hamilton Jr., vice president and cashier, State National, Decatur.

Wells Advanced to Sr. VP

MOBILE—Henry R. Wells has been promoted to senior vice president and controller at American National. Four assistant cashiers also have been named: Jesse B. Horst, Ronald C. Murfee, Richard O. Rowan and Bernard A. Wood III.

50th Year for Draughon

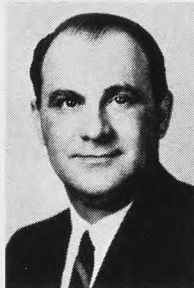
MOBILE—Clyde O. Draughon, vice president, has celebrated his 50th anniversary with Merchants National. His responsibilities include advertising and public relations.

■ **FIRST NATIONAL**, Montgomery, has elected Mrs. Frances Olsen assistant vice president; Thomas R. Peacock, assistant cashier; Laurence B. Tipton Jr., assistant personnel officer; William R. Wright, assistant auditor; and J. Donald Pate, senior data processing officer.

■ **CENTRAL BANK**, Birmingham, has elected Donald D. Wear to the board. Mr. Wear is vice president and general manager of Newhouse Broadcasting Co.

James Crow Named Exec. VP at 1st National of Mobile

MOBILE—First National has elected James S. Crow executive vice president and a director. He had been vice president, finance, at Southern Railway System Companies in Washington, D. C., and a director of several Southern subsidiaries.



CROW

Mr. Crow began his banking career in 1932 with First National, Mobile, where he was assistant vice president and manager, bond department. He resigned to become sales manager of the investment banking firm of Hendrix & Mayes, Inc., of Birmingham.

In 1953, Mr. Crow joined First National, Birmingham, where he held posts as vice president, senior vice president and executive vice president. In 1967, he began his employment with Southern Railway.

Engineer Wins Law Contest



Walter W. Furner, left, a chemical engineer, received \$250 as a first-place award in a will-drafting contest sponsored by the trust division, Alabama Bankers Association, and the Young Lawyers Section, Alabama Bar Association. Albert E. Byrne, vice president and trust officer, First National, Montgomery, presents the award to Mr. Furner. The contest was open to law students at the University of Alabama and Cumberland School of Law. Mr. Furner began to study law in night school so he could "intelligently discuss topics with his wife" (center), an attorney.

■ **FIRST WESTERN** in Bessemer has opened its Westlake Branch. Edward Scruggs, assistant vice president, is manager of the bank's first branch.

■ **R. CARL MARTIN** has been elected chairman, Athens Branch, State National of Alabama, Decatur. He is manager of Martin & Hubbs, Inc.

■ **COMMERCIAL GUARANTY**, Mobile, has named L. J. Stein a director. He is president of Jimmy Stein Motor Lines.

■ **BANK OF ATMORE** has elected James C. Hamilton assistant vice president. Mr. Hamilton had been assistant vice president, installment loan department, at First National of Opelika.

Bank of Heflin Marks 75th Year With Costumes, Relics

In this day of mini-skirts, who could imagine women personnel in a bank wearing long skirts supported by full petticoats and dresses with leg-o-mutton sleeves? Who wouldn't be equally surprised to enter a bank and hear an organist playing "Quiltin' Party"?

The "old fashioned days" prevailed at Bank of Heflin, Ala., during the bank's 75th anniversary. Every Saturday—for one month—bank employees wore clothes reminiscent of the "gay '90s." Men wore derbies and sleeve bands. High school students, who volunteered as hostesses, started a fad by wearing their long dresses to school—until the full petticoats proved too suf-

focusing for the school's heating system. Lemonade was served, quartets performed and visitors sang such "oldies" as "In the Good Old Summer Time" and "Shine on Harvest Moon."

Heflin citizens were encouraged to participate in the anniversary observance by lending the bank relics of the '90s. Displayed in the bank were such treasures as a granny rocker, spinning wheel, coffee mill, china pitchers, chamber pots, cut glass, cane bottom high chair, hand-cranked washing machine, post cards, books and magazines. Business firms also contributed examples of their products as they appeared in the '90s.



Wearing 19th-century outfits during "old-fashioned days" are employees of Bank of Heflin, Ala.: Mesdames Sue Pentecost, secretary, left; Betty Jones, director of public relations, center; and W. R. Haley Jr., assistant cashier.

Behind every good man, there are other good men at First American.



FINIS L. NELSON
First Vice President



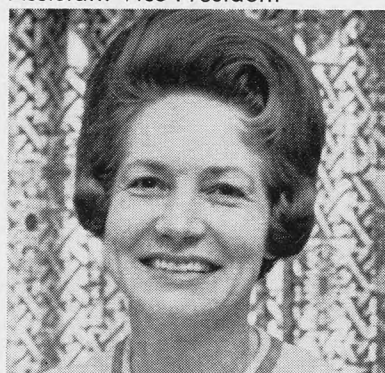
RUDOLPH LAUPER
Vice President



ED BROWN
Assistant Vice President



LES BATES
Assistant Vice President



MRS. ANN RICE
Assistant Cashier

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FIRST AMERICAN NATIONAL BANK

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Mississippi News

■ **TWO OFFICERS** of Gulf National, Gulfport, recently received honors. Charles Cowart, president, was appointed to the Harrison County Development Commission by Governor John Bell Williams. C. Chunn Sneed, executive vice president, was appointed

ed by the governor to the State Insurance Commission.

■ **FIRST NATIONAL**, Meridian, recently held a grand opening of its new installment loan annex. The facility is located in a former theater next to the Main Office. An auto show, free refreshments and prizes highlighted the opening.

Petkovsek Promoted to Sr. VP at 1st National in Meridian

MERIDIAN—First National has elected Charles H. Petkovsek Jr. senior vice president and trust officer. He had been vice president and trust officer.



PETKOVSEK

Prior to joining First National, Mr. Petkovsek had been with First National, Jackson. He is a graduate of the University of Mississippi, School of Banking of the South at Louisiana State University and the ABA's National Trust School.

■ **FIRST NATIONAL**, Vicksburg, has opened its Airport Branch with Alton Lee McCaffrey as manager.

■ **CHARLES H. WINDHAM JR.** has joined Commercial National, Laurel, as trust investment officer. He was a stock broker with a member firm of the New York Stock Exchange.

■ **GEORGE O. EICHE**, assistant vice president, Bank of Mississippi, Tupelo, has been named manager of the bank's Tupelo Mall Office.

Mississippi Death

LLOYD DYER, 64, controller, First National, Greenville, after a brief illness. Mr. Dyer joined the bank in 1941.

Mrs. Juanita Summers Honored



Mrs. Juanita Summers, vice president and assistant trust officer, received a pair of silver candelabra honoring her 26 years with Brookhaven Bank and her year as vice president of the Southern Region of the National Association of Bank-Women Inc. F. F. Becker, left, chairman, and Ray L. Davis, president, presented the candelabra to Mrs. Summers. Mrs. Summers is a former chairman of NABW's Southern Mississippi Group.

■ **FIRST NATIONAL**, Greenville, has promoted Ford P. Edmonds from assistant cashier to assistant vice president. Mr. Edmonds joined the bank in May, 1969, coming from Universal CIT. He is assistant manager of First National's time pay department.

■ **KENNETH W. KEMMERLY** has joined First National, Ocean Springs, as president, succeeding W. Earl Jones Jr. Mr. Jones has resigned after serving as chief executive officer from the time of the bank's opening in 1968. Mr. Kemmerly was formerly president of the Platte Woods (Mo.) Bank for six years. Also at First National, George L. Balsly has been named executive vice president, and George W. Green has been named assistant cashier. Mr. Balsly had been vice president and cashier since the bank opened and is its operations officer. Mr. Green comes from First National, Greenville, where he was also assistant cashier.

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MID-CONTINENT BANKER for July, 1970

Louisiana News

Faulk Named Officer of NBC, New Orleans

NEW ORLEANS—National Bank of Commerce has elected E. Ward Faulk Jr. vice president and manager, national accounts division.

Mr. Faulk had been with the Trust Co. of Georgia in Atlanta since 1962. He had been in charge of the western territory, national accounts division, and his area included Illinois, Indiana, Kentucky and Mississippi.

Mr. Faulk also worked in commercial lending and business development while at the Trust Co. of Georgia.



FAULK

Ten Promotions Announced by Whitney National

NEW ORLEANS—Daniel A. DeVun and Richard E. Treuting have been promoted from assistant cashiers to assistant vice presidents at Whitney National.

Seven assistant cashiers also have been elected: Mesdames Shirley C. Bruning, Ella May DeMontier, Joan A. Hartman, Jacqueline B. Marcade and Roy P. Caronna, Elmer H. Hemphill Jr. and Charles N. Monstad III. Mrs. Rosemary J. Pace has been named assistant auditor.

■ HIBERNIA NATIONAL, New Orleans, has elected a new director, Brooke H. Duncan, president, Foster Co., Inc. He also is president, Canvas Products International.

■ INTERNATIONAL CITY BANK, New Orleans, has opened its fifth office in as many years. The newest office, located in the Plaza Tower, has 2,000 square feet and will offer drive-up facilities in the near future. Miss Julie Oufnac, assistant cashier, is manager, and Claude J. Dufrene is assistant manager.

■ CITIZENS NATIONAL, Houma, has opened its Bayou Blue Branch, which serves the Bayou Blue-Coteau area. During the formal opening, the bank gave away a color TV set and also instituted a special trading stamp bonus program.

■ FINIS L. LOWE JR. has advanced from vice president to president of the Mansfield Bank, succeeding J. W. Caraway. The latter, who had held the post since the bank opened in 1947, has been made a consultant. Mr. Lowe had been vice president since 1955.

■ AMERICAN BANK, Norco, has elected Leslie F. Gray cashier to succeed Robert E. Castleberry. Mr. Castleberry resigned to accept a post in Houston. Mr. Gray, a banker since 1965, joined American Bank in 1968.

■ FIRST STATE, Bogalusa, has begun a building and renovation program at its City Bank Office.

■ CITIZENS NATIONAL, Hammond, has remodeled its Downtown Office. The exterior was updated with a completely new coat of white plaster and new windows, and a large corner clock was cleaned and polished. The interior work was done in stages, with one half remodeled first and then the other half.

■ LEO LeBLANC III, manager of the Raceland Branch of Lafourche National, Thibodaux, has been promoted to assistant vice president.

■ LEE T. CHAMPAGNE has moved up from assistant cashier to cashier of the Commercial Bank, Franklin. He joined the bank in 1957.

■ RACELAND BANK is erecting a building to house its new Bayou Blue Branch. The colonial-style building will have a drive-up window, night depository and safe deposit boxes.

■ PEOPLES BANK, Minden, has opened a branch in Sibley.

■ NEW IBERIA NATIONAL has elected Errol Delahoussaye assistant vice president with responsibilities in public relations and new business development. Mr. Delahoussaye has had 10 years' banking experience.

Whitney's New Algiers Office



Whitney National of New Orleans has opened its new Holiday Drive Branch, which is now Whitney's second office in the Algiers area. The new structure has drive-in windows, landscaped off-street parking and was designed to blend with the residential atmosphere of the Algiers neighborhood.

Banker and Wife Honored



The first annual Terry-Parkerson Award has been presented to Ray Samuel (2nd from l.) and his wife for their co-authorship of a new book entitled "The Great Days of the Garden District." Presenting a silver plaque to Mr. Samuel, senior vice president, International City Bank, New Orleans, and Mrs. Samuel are Warren Watters (l.), chairman, awards committee, Garden District Association, and William V. Trufant, association president. The award is given by the association to a person or persons who have contributed to the preservation or improvement of the Garden District, which dates back to the 18th century. Mrs. Samuel's father, M. D. Brett, is retired chairman, Citizens Bank, Hattiesburg, Miss.

■ AMERICAN BANK, Opelousas, recently sponsored its first annual Career Day for juniors and seniors at the Academy of the Immaculate Conception. The program offered sessions on various careers, and students selected the session that interested them most.

■ THE LAWTELL BRANCH of the American Bank, Opelousas, was opened recently, with Gerald Kidder as manager. The branch, housed in a brick, steel and glass building, is the bank's third office.

■ JERRY DON POWELL has joined New Orleans' National Bank of Commerce as assistant vice president in the real estate and mortgage loan department. He also has been named vice president of the Gravier Improvement Co., a wholly owned subsidiary of NBC and responsible for management of the bank's properties.

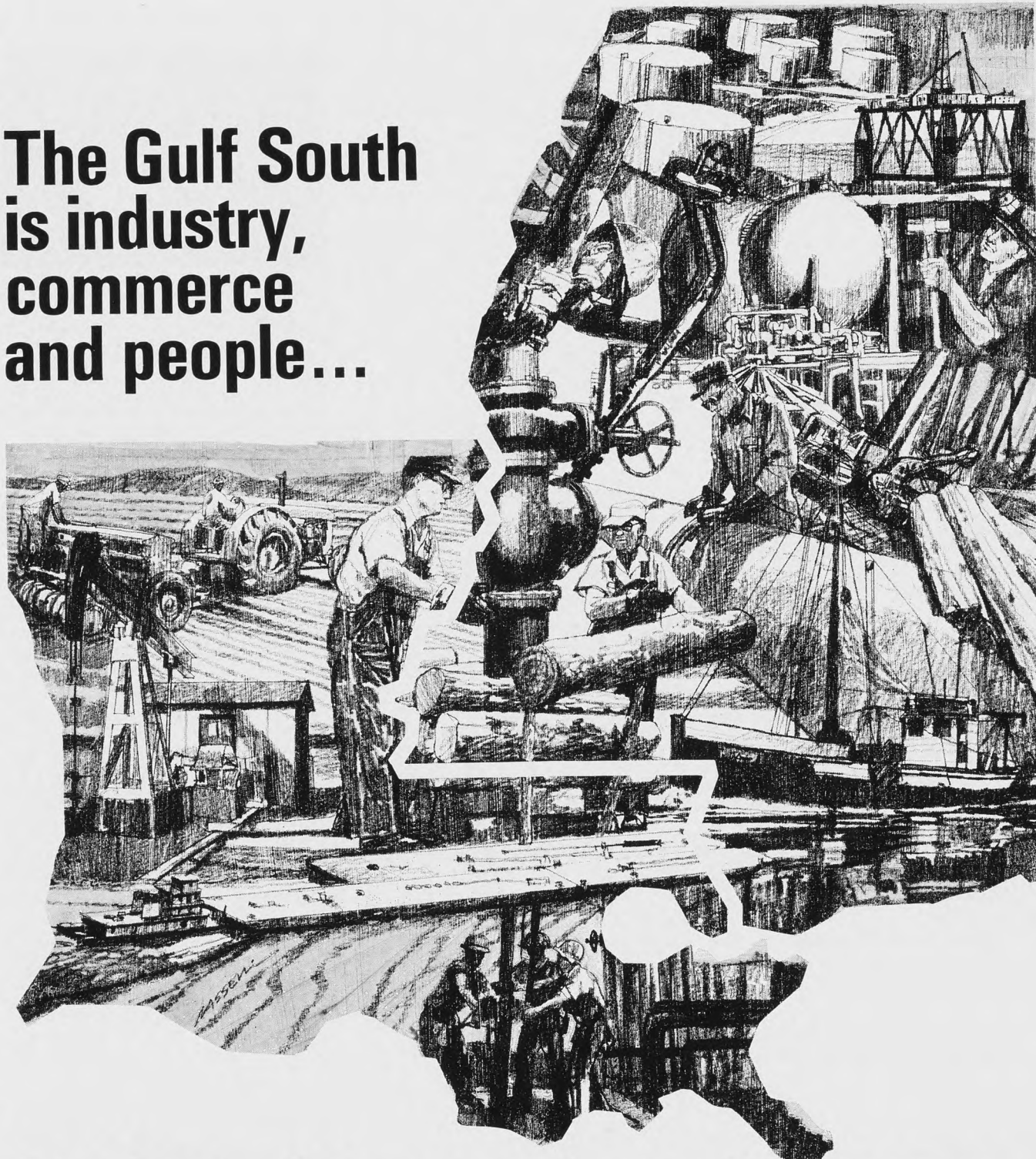
■ A FIRE occurred recently at the Commercial Bank, Franklin, but President Edward H. Sutter reported damage was comparatively negligible because of the fast work of the fire and police departments.

■ FIRST NATIONAL, Lafayette, has opened its fifth facility named Four Corners Branch. Carroll Dominique, assistant vice president, is manager.

■ CALCASIEU-MARINE National, Lake Charles, is building a new facility in Oakdale. The branch will have two drive-in windows.

MID-CONTINENT BANKER for July, 1970

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NATIONAL BANK OF NEW ORLEANS

Arkansas News

W. W. Campbell Dies; Held Many Citations

FORREST CITY—W. W. Campbell, chairman of First National of Eastern Arkansas, died May 28 at 81. Recognized nationwide as one of the all-time great men in banking, Mr. Campbell had been with First National since 1909. He was president of the Arkansas Bankers Association in 1928-29 and also was president of the national bank division, American Bankers Association.



CAMPBELL

Among Mr. Campbell's honors were: *Fortune* magazine's "outstanding country banker" in 1948; *Progressive Farmer* magazine's "man of the year" in 1951 for service to Arkansas agriculture; honorary lifetime membership award from the 4-H Clubs of America for service to youth in agriculture; *Reader's Digest's* "good neighbor banker" in the fields of industrial, agricultural, commercial and personal banking services to his community.

Mr. Campbell was cashier of his bank from 1919 to 1923 and president from 1923 to 1954, when he was elected chairman. Mr. Campbell's son, William Mann Campbell, is president of First National.

■ EAGLE STREET, president, has been honored for his 50 years with the Bank of Cave City.

Moser, Johnston Get New Posts at Worthen of Little Rock

LITTLE ROCK—Frank J. Moser has been advanced from assistant vice president to vice president and H. Erwin Johnston from assistant cashier to assistant vice president at Worthen Bank.

Both men have been with the bank 35 years. Mr. Moser is manager of the new accounts department and foreign and U. S. bond sales. Mr. Johnston is a new accounts officer and manager of the safe deposit department.



MOSER

Niswanger Named President of Ark. Junior Bankers

Barry Niswanger, assistant vice president, First National, Little Rock, has been elected president of the Junior Bankers Section, Arkansas Bankers Association.

Other 1970-71 officers are: vice president, Charles Sharpe Jr., assistant vice president, First National, Hope; secretary, Ronnie Twyford of Crossett; treasurer, Gates Williams, assistant vice president, First National, Warren; historian, Fern Stowers of Fayetteville; and parliamentarian, Joe Taylor III, assistant cashier, Fidelity National, West Memphis.

Bank in Paris Sold

PARIS—Townsend R. Douglas, chairman of First National, has sold controlling interest in the bank to a local group consisting of Robert P. Wells, C. E. Anderson Jr. and Joe S. Hiatt.

Mr. Anderson is president of First National; Mr. Wells has been a director of the bank since last year; and Mr. Hiatt is president of American State, Charleston. After the transaction, Mr. Wells was made chairman; Mr. Anderson co-chairman and chief executive officer; and Mr. Hiatt senior vice president. No other personnel changes were made.

Union Nat'l Begins Ad Campaign Against Inflation, Tight Money

LITTLE ROCK—Union National has launched an advertising campaign to fight inflation. The campaign, which encourages the public to save more and spend less, makes use of newspaper, radio, television, outdoor and direct-mail advertising.

Consumers, through increased spending and unwise use of credit, play an important role in keeping prices up, the campaign maintains. Saving money, the program asserts, is an effective tool in the battle against high prices and tight money.

Larry Griffin Advanced to AVP; 5 Others Promoted at 1st Nat'l

LITTLE ROCK—Larry Griffin has been promoted to assistant vice president, marketing, at First National. He also is manager of the Capitol and Tower Building branches.

Tim Autrey, director of marketing research, has been advanced to marketing officer. Named officers of the Capitol, Doctors Building, West, and South branches, respectively, were Roderick J. Bailey, John C. Holland, Charles Hyde and Paul T. Lovett.

Arts Award Goes to Worthen



Dabbs Sullivan, center, vice chairman, Worthen Bank, Little Rock, receives a "Business of the Arts" award from G. A. McLellan, left, president, Business Committee for the Arts, and Arnold Gingrich, publisher, "Esquire" magazine. The Business Committee for the Arts is a private, tax-exempt group that encourages businesses to support the arts in the U. S. The annual award was given to Worthen for its involvement with regional architects and artists in the planning and construction of the new Worthen Bank Building.

Million-Dollar Round Table Event Sponsored by Worthen Bank

LITTLE ROCK—Worthen Bank sponsored the annual Little Rock Million Dollar Round Table luncheon, at which 38 Arkansas insurance men were honored. The Million Dollar Round Table is open to men who have sold \$1 million in life insurance in one year.

Larry Burrow, vice president and trust officer at Worthen, hosted the luncheon. Other Worthen representatives were: James H. Penick Sr., chairman; James Penick Jr. and James S. Hall, executive vice presidents; Eugene Fortson, vice president of marketing; Howard Shepherd, William Blair, Jack C. Thomas, Gilbert Howell, Harold Tate and Charles Shelton, trust officers.

New Stuttgart Facility



First National in Stuttgart has opened its new main facility downtown, shown above. The new structure, which has an employees' lounge, community room, landscaped area and fountain, completes a \$1-million construction program begun in 1964. The first stage was completed with the construction of a motor facility at 20th and Main streets and the second stage consisted of two drive-in units at 411 South Maple.

If our service man isn't there when you expect him, he's on his way.

From Anchorage, Alaska to Miami Beach, Mosler has more than 1,000 trained and bonded specialists on call 24 hours a day. (Our man in Anchorage says his day is slightly longer.) So call us whenever you

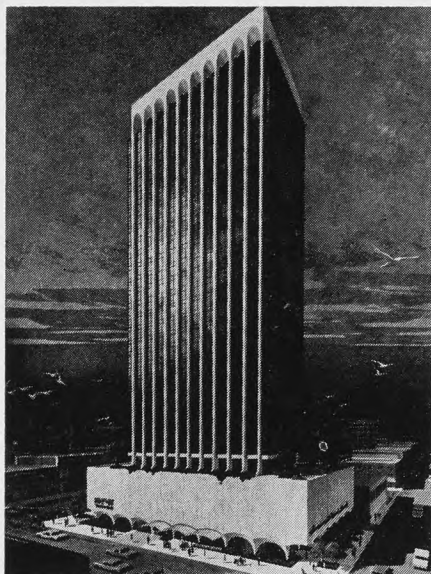
need us, and we'll be there. Sometimes we're even there before you think you need us. Installation day, for instance. We don't hire strangers to install any of our products. We do it ourselves. And we

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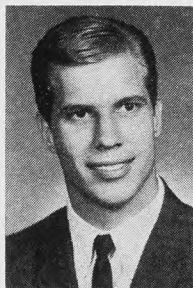
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HOT SPRINGS
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Texas News

NBC of Dallas Elects Turner to Correspondent Dept.



TURNER

DALLAS—The National Bank of Commerce has elected Richard G. Turner and Robert E. Rippy assistant cashiers. Mr. Turner has been assigned to the correspondent bank department, and Mr. Rippy has responsibilities in the credit department.

Both Messrs. Turner and Rippy were with other Dallas banks before joining NBC. They are graduates of Texas Tech University.

Four Senior Vice Presidents Named at Frost National

SAN ANTONIO—Four officers have been promoted to senior vice presidents at Frost National. They are: A. Leonard Magruder, correspondent banking division; R. E. Fawcett Jr., commercial loans; Clifford T. Heady, credit administration; and C. J. Krause, banking services. Messrs. Magruder, Fawcett and Heady continue as managers of their respective divisions, and Mr. Krause continues as supervisor and cashier in his division.

Other advancements include: Louis C. Baker, senior trust officer to vice president and senior trust officer; Jack E. Hudkins, assistant vice president to vice president, loans; and Gary E. Eldridge, to assistant cashier. Mr. Eldridge continues as manager, administrative services.

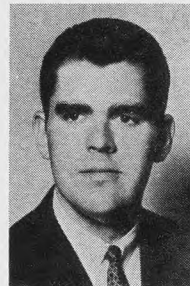
■ FRIONA STATE is planning to construct a new building on U. S. Highway 60 between Cleveland and Summit streets. With a modern, western motif, the new structure will have two drive-in windows, community room and a parking area for more than 60 cars.

Texas Death

JOHN Q. CHAMBERS JR., 51, assistant vice president, real estate loan department, Bank of the Southwest, Houston, on June 6. He had been with the bank since 1963.

First Nat'l of Fort Worth Advances Jones to VP

FORT WORTH—James W. Jones has been promoted from assistant vice president to vice president at First National. He has responsibilities in the real estate loan department.



JONES

Mr. Jones, who joined First National in 1961, was promoted to assistant vice president in 1964. He began his banking career at the Center (Neb.) Bank after graduation from the University of Nebraska.

■ HOUSTON NATIONAL has named Jack C. Word vice president, correspondent banking department. He had been a national bank examiner since 1967.

■ T. O. GRAVITT and Dr. Robert V. West Jr. have been elected directors at Frost National, San Antonio. Mr. Gravitt is general manager of Southwestern Bell Telephone's operations in the San Antonio area. Dr. West is president of the Tesoro Petroleum Corp.

■ NORTHWEST NATIONAL, Houston, has named H. P. Herzog to the board. He is the owner and operator of mobile home parks.

■ PRESTON STATE, Dallas, has elected Charles A. Angel vice president, commercial loans. He had been executive vice president at City Bank, Dallas.

■ HOUSTON BANK has named Larry D. Strand vice president and Robert V. Ullom assistant cashier. An employee since last May, Mr. Strand will manage loan services. He had been with Union Bank, Los Angeles. Mr. Ullom will manage credit functions. He had been with a CPA firm.

■ RIVER OAKS BANK, Houston, has named Larry R. Zook vice president and trust officer. Mr. Zook had been with Central Colorado Bank in Colorado Springs. In other action, River Oaks Bank has moved into its new, 14-story tower. The new building has a tea room for customers' activities.

■ FORT WORTH NATIONAL has named L. F. Peterson and Ellis L. Simmons directors. Mr. Peterson is a partner in the firm of Keller & Peterson, petroleum engineering consultants, and Mr. Simmons is president of Fort Worth & Denver Railway Co.

Capital National of Austin Elects Moffitt Sr. VP

AUSTIN—D. C. Moffitt Jr. has been elected senior vice president and operations officer at Capital National. An employee of Capital since last month, Mr. Moffitt previously had been vice president in charge of operations at First National, Dallas.

James E. Saxton Jr. has been named vice president in charge of business development and marketing. Until recently, he had been executive vice president at Park Cities Bank, Dallas. Curtis Figer, vice president, has been promoted to vice president and investment officer.

Advanced from assistant cashiers to assistant vice presidents were: Neil G. Yows Jr., correspondent banking; Roy D. Edmiston, adjustments; Wallace W. Hohertz, bookkeeping; and Dan Youngbloom, installment loans. R. E. Rushing, credit and collateral; Miss Pauline D. Bartlett, new accounts; and Howard Chalmers Jr., director of advertising, have been named assistant cashiers.

Smittie W. Clark has been named assistant auditor. New officers named in the trust department were James B. Coffman and Harvey E. Witter.

■ **REPUBLIC NATIONAL**, Dallas, has named Emil J. Joost administrative officer, international banking division. An employee since 1968, Mr. Joost is foreign collections supervisor.

■ **HENRY HAVRE** has been elected vice president in charge of business development at First National, Brownsville.

■ **T. ORMAN TAYLOR** has been elected vice president at the Bank of the Southwest, Houston. Mr. Taylor, who is assigned to commercial lending, had been president of River Oaks Bank, Houston.

■ **REAGAN BANK**, Houston, has begun construction of a new drive-in facility. The facility, which is slated to open this fall, will be constructed at a cost of \$350,000. Twelve banking stations are planned for the structure and motor banking equipment will be installed by Diebold, Inc.

■ **TEXAS BANK**, Dallas, has promoted D. R. Morris to assistant vice president, computer sales department. An employee of Texas Bank from 1954 to 1966, Mr. Morris rejoined the bank in May.

■ **FIRST CITY NATIONAL**, Houston, has elected two assistant vice presidents: Sam B. Ragland, marketing, and Wayne Clark, data processing. Mr. Ragland had been with Un-

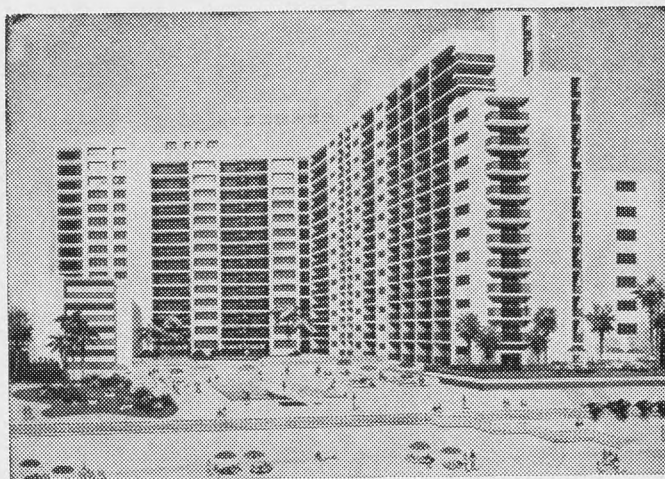
ion Bank, Los Angeles, and Mr. Clark has systems development and banking experience with banks in two other cities. Mark H. J. Bailey has been named trust investment officer and Gerald T. Brown has been elected assistant cashier.

■ **SECURITY STATE**, Fort Worth, is constructing a new one-story building. The structure, slated for completion in mid-September, will have six drive-

in windows and will be located one block from Security State's present quarters.

■ **FIRST NATIONAL**, Lubbock, has elected Jack Collum assistant vice president.

■ **SEMINOLE STATE** has named Tommy Montandon cashier. He has been in banking 12 years and came from Wilcox, Ariz.



IN MIAMI BEACH, FLORIDA — CARRIAGE HOUSE IS ENJOYING PREMIERE SEASON

Special from Miami Beach, Florida.—The fabulous CARRIAGE HOUSE here at 54th and Collins, is embarking on its premiere season in a manner befitting the plans and lofty goals set by the sponsors of this one thousand room, fifteen million dollar apartment hotel. Playing leading roles in the management which operates the CARRIAGE HOUSE are Robert Blum, Robert Rautbord and Robert Turchin.

Recognizing that the three basic elements of a hotel operation are physical facilities, personnel and food (not necessarily in that order) these men have travelled to the outer limits of civilization to attain a realm of their own.

Guest room accommodations consist of studio apartments with complete kitchens, one-bedroom suites, eight two-story townhouses, and two-bedroom apartments. In this towering resort edifice, vacationers and guests seeking a permanent residence find a diversified array of living facilities from which to make their selection.

To enhance the enjoyment of the living accommodations of the CARRIAGE HOUSE, are facilities the like of which few hotels may boast. For swimming, guests may choose the extensive CARRIAGE

HOUSE cultured ocean beach or the exquisite pool and cabana area, the latter featuring the required amenities.

A variety of restaurants form an integral part of the CARRIAGE HOUSE complex. The Carriage House Restaurant itself is operated by Bernard's, noted for its haute-cuisine. The adjoining Grille serves breakfast, luncheon and dinner in a bright and casual atmosphere that in itself stimulates the appetite.

The Club Cocktail Lounge provides a delightful refuge when the mood of the moment calls for quiet and contentment. Experts preside at the bar and their expertise is matched only by the feminine charm quite noticeable at the piano bar.

Executive Director, Lawrence J. Aberman, will admit to the existence of two or three other great hotels in the world, the services of which may equal those of his own operation. Among these he may include Claridges in London, the Ritz in Paris, and possibly the Carlton in Cannes and the Splendido in Portofino.

For complete information address the Executive Offices, Carriage House, 5401 Collins Avenue, Miami Beach, Florida 33140.

New Mexico News

Centennial Draws Record Crowd; Reeves Elected NMBA President

By LAWRENCE W. COLBERT
Associate Editor

SANTA FE—The centennial year of banking in the Southwest proved to be a popular theme and Santa Fe proved to be a popular place for the 59th annual convention of the New Mexico Bankers Association held May 28-30. More than 1,000 bankers and their wives registered for the convention, making it the largest in the association's history.

The 100th anniversary of banking in the Southwest is being celebrated this year by First National of Santa Fe. It is the oldest bank in a vast area of the Southwest. Several segments of the convention program were devoted to marking this milestone, including a speech on the history of banking in New Mexico delivered by J. C. Hester, chairman, Bank of Santa Fe, and former NMBA executive secretary.

New Officers. Rex E. Reeves, president and chairman, Farmers & Stockmens Bank, Clayton, was elected president, succeeding Edward H. Tatum Jr., vice chairman, First National, Santa Fe. Douglas B. Stone, president, Portales National, was elected vice president, succeeding Mr. Reeves.

Howard J. Garling, president, Citizens State, Albuquerque, was elected association treasurer, and Denton R. Hudgeons was re-elected executive secretary. Elected to two-year terms on the executive council were Mr. Tatum; T. E. Willmon Jr., president, Citizens Bank, Clovis, and James A. Clark, president, Security National, Roswell.

ABA Election. At a meeting of the New Mexico members of the ABA at which Cale W. Carson Jr., ABA state vice president and president, First National, Albuquerque, presided, Joe B. Sisler, president, Clovis National, was elected a member of the nominating committee, and E. L. Jory, senior vice president, Albuquerque National, was elected alternate. New Mexico boasts 100% membership in the ABA.

President's Report. In the president's annual report, Mr. Tatum stated that the structure of banking in New Mexico is changing, and the rate of change is accelerating rapidly. The association represents quite large banks and very small banks; banks with branches and banks without any; independent banks with few shareholders and independent banks with many shareholders; banks affiliated with an interstate



100-YEAR CERTIFICATE—First Nat'l, Santa Fe, was presented a certificate marking its 100 years of service to the Southwest. NMBA President Edward H. Tatum Jr. (c.) presented the certificate to Edward R. Wood (l.), ch., and C. K. Skinner (r.), pres. of the bank.

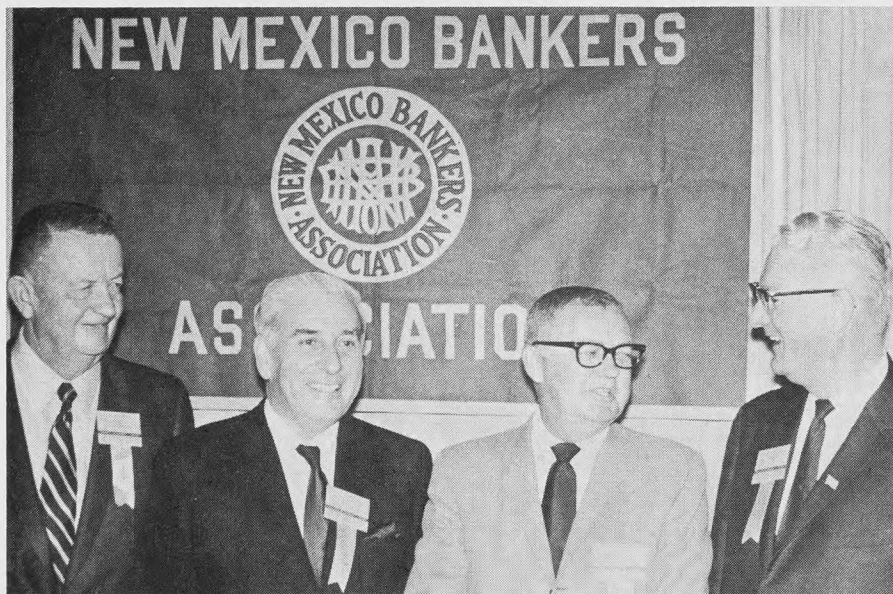
holding company; banks in the process of forming holding companies; banks linked with other banks in a community or ownership; and a bank controlled by an out-of-state commercial enterprise—all members of the New Mexico Bankers Association.

"What kind of banking system do you want?" asked Mr. Tatum. "I ask you this question because you are the ones to give the answer. You cannot dodge the issue or fail to declare your position and the reasons why you have taken it. No answer to this question is worse than any possible alternative," Mr. Tatum stated.

Speakers. Gaylord A. Freeman Jr., chairman, First National, Chicago, delivered a well-documented speech on the state of the economy in New Mexico, comparing it to its Rocky Mountain neighbors. Mr. Freeman, who owns and hopes to retire to a ranch in Lincoln County, prefaced his remarks by saying that he is happy with the state as it is, but asked the bankers if they were.

Mr. Freeman stated that while New Mexico remains stagnant in promoting new industry and unsuccessful in attracting new manufacturing investment capital into the state, New Mexico will continue to be an underdeveloped state and its future economy will always lag far behind its Rocky

NEW MEXICO OFFICERS FOR 1970-71—NMBA President Rex E. Reeves (2nd from l.), ch. and pres., Farmers & Stockmens Bank, Clayton, is flanked by (l. to r.) Vice President Douglas B. Stone, pres., Portales Nat'l; and Treasurer Howard J. Garling, pres., Citizens State, Albuquerque. Denton R. Hudgeons, who was re-elected executive secretary, is at right.



Mountain neighbors. He pointed out that manufacturing in New Mexico has shown no appreciable growth for the past two decades.

"This lack of manufacturing growth stems from the inability of New Mexico to successfully compete with its surrounding states for investment capital," Mr. Freeman stated.

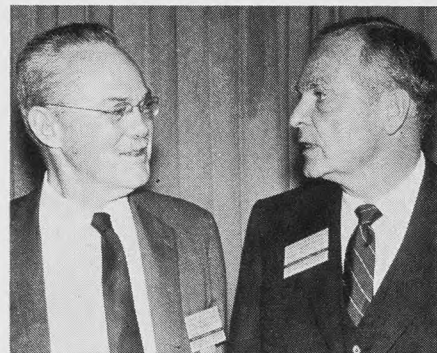
For the past 16 years, total expenditures for new plant and equipment in New Mexico are far below Colorado, Arizona and Utah.

"That is not just a poor record—it is an extraordinarily poor record," Mr. Freeman said.

"New Mexico, blessed with natural advantages in mineral and agricultural assets, could see a more vigorous economy, additional employment opportunities and increased per capita income, if it pursued increased activity in attracting industry," Mr. Freeman continued.

Mr. Freeman measured New Mexico's economic health in terms of income and employment. Over the past 20 years, total personal income has grown the least of the Rocky Mountain states.

"Unfortunately, this unfavorable comparison has grown worse in 1970. *Business Week's* monthly tabulation



PRINCIPAL SPEAKER—Edward H. Tatum Jr. (l.) NMBA pres. and v. ch., First Nat'l, Santa Fe, visits with Gaylord A. Freeman Jr., ch., First Nat'l, Chicago, following Mr. Freeman's address.

showed New Mexico's total personal income had only a 1.1% increase—the smallest increase of all 50 states," Mr. Freeman said.

Mr. Freeman called on bankers to take a leading role in attracting new industry. "The bankers' role in industrial development is often visualized as

one of merely providing the financing for an industry contemplating a move to the state or for expanding existing investment. I feel this is one of the lesser contributions a banker can make. The banker can be more useful in the role of a salesman. There are five qualities which the salesman for a state must possess. They are: a) knowledge of his product, b) knowledge of the customer's requirements, c) objectivity, d) honesty, e) discretion—the ability to keep information confidential," Mr. Freeman said.

"Your neighboring state Arizona has an interesting group called the Arizona Economic Development Council. It is an *ad hoc* group made up of bankers and representatives of utility companies, with the governor and mayors of several cities as ex-officio members. Each of the members of this committee must be working full time for his employer in the area of industrial development. The group does not crave publicity nor need it, but it does represent the establishment which has been effective, and its most effective members have been the bankers. The New Mexico Bankers Association could initiate such a group which could work on this matter of economic development and make the sales pitch for your excellent product utilizing the available marketing tools, Mr. Freeman said.

"Man's unwillingness to control his own procreation and the world's incapacity to produce an adequate food supply make self-destruction of humanity imminent," Dr. George R. Dawson, chairman of the department of agricultural economics and agricultural business at New Mexico State University, warned. He termed the widening gap between world population demands and food supply as "man's greatest challenge." Dr. Dawson offered steps that would minimize the crisis: 1. The world must reduce its rate of population expansion. 2. Food-production capabilities must be increased. 3. The nations with abundance must share with the needy nations as they become self-sufficient. "Yet I say emphatically that: 1. We cannot feed the world. 2. World agriculture cannot keep pace with uncontrolled population growth. 3. All-out agricultural production efforts will still

leave millions hungry and thousands starving to death unless population growth is controlled. 4. We don't have an economic system—world wide—to effectively distribute food, even if we could produce it, because there is, and will continue to be, a tremendous gap between biological demand (hunger) and effective demand (ability to buy)," Dr. Dawson said.

Governor David F. Cargo called for stability in state government. He said the governor's term should be four years, or the limitation on the number of terms should be stopped. Governor Cargo urged bankers to take an interest in public officials. Otherwise, he said, it will be difficult to build New Mexico by means of state government.

Former Governor Jack M. Campbell spoke on the Federation of Rocky Mountain States. He said government has a new dimension to deal with—the environmental dimension. He pointed out that business is sharing a greater responsibility in this area.

Major General Hugh M. Milton II (Ret.), vice president, First National, Las Cruces, in a Memorial Day address, called for "a new generation of Americans brave enough to face the future, but wise enough to remember the lessons of the past." He said that the thing that disturbs him most is the apathy of the average American.

Eugene H. Adams, president, First National, Denver, and a candidate for ABA vice president in 1971 (a post for which he has been endorsed by the NMBA executive council) reported on the status of federal legislation affecting banking.

Speaking on the one-bank holding company bill (H.B. 6778), Mr. Adams warned that if this bill becomes law, innovation in banking services will be dead in this generation. "The banks and the public will suffer, because no other lending institutions provide these services or are likely to," he said.

Jack Hester, outlining the history of banking in New Mexico, paid tribute to those who started it all—the founders and succeeding management of First National of Santa Fe: "It was the year of 1870 that started this business of commercial banking in the-then-territory of New Mexico. The men—and women—who have so ably directed and managed the First National Bank of Santa Fe for those 100 years deserve this recognition.

"It is understandable, after reading the history of New Mexico and the Southwest, that Santa Fe was selected as the site of the first bank. Santa Fe was then the leading trade center between Missouri and Chihuahua, Mexico, and had been for over 200 years," Mr. Hester said. • •



ADAMS HESTER DAWSON CAMPBELL FREEMAN MILTON CARGO

Oklahoma News

Gary Karrer to Travel Oklahoma for Commerce Bank of KC

Gary R. Karrer has been elected assistant cashier at Commerce Bank of Kansas City and has been assigned to the correspondent banking department. In his new post, Mr. Karrer will travel in Oklahoma and work under Tom Cannon, vice president.



KARRER

An employee of Commerce since 1968, Mr. Karrer had been in the credit department. He is a graduate of the University of Missouri, Columbia.

Fifteen Promotions Made at Liberty National

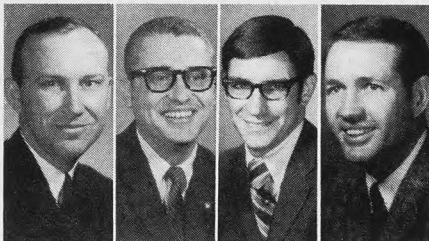
OKLAHOMA CITY—Donald E. Balaban, C. A. Hartwig Jr. and Jack E. White, assistant vice presidents, have been promoted to vice presidents at Liberty National. Dick K. Wegener, a former national bank examiner and employee of the bank since 1969, has been elected a correspondent banking officer.

Messrs. Balaban, Hartwig and White have responsibilities in the trust department. Mr. Balaban is manager, personal accounts division; Mr. Hartwig is in the corporate accounts division; and Mr. White is an account administrator. All three men have been employed by Liberty since 1964.

Five assistant vice presidents also have been named: Charles G. Evans, account administrator, and Thomas E. Johnson, investments, both in the trust

department; Jess Thomas, taxes and trust administration; Fay Dunbar Jr., loan officer, Personal Banking Center; and Theodore N. Miland, credit manager, BankAmericard division.

Advanced to officer status were: P. V. Barrios and Bobby H. Leonard, BankAmericard division; Doug Belshe, Personal Banking Center; Harry L. Deupree Jr. and Paul D. Mercer, loan administration; and Thomas D. Swineford, commercial banking department.



BALABAN HARTWIG WEGENER WHITE

Fidelity Bank of Oklahoma City Elects Richard Killman VP

OKLAHOMA CITY—Fidelity Bank has elected Richard L. Killman vice president, operations.

Previously, Mr. Killman had been vice president, operations, at Mercantile-Safe Deposit in Baltimore. He also had been with North Carolina National in Charlotte and High Point. Mr. Killman holds pre-standard, standard and graduate certificates from the AIB.



KILLMAN

LIBERTY NATIONAL, Oklahoma City, has named Jack E. Golsen an advisory director. He is chairman and chief executive officer at LSB Industries. In other action, the bank has established an office in Nassau, Bahamas, under the supervision of Alfred B. Molson, vice president.

Investment Advisory Service Formed by NBT Corp.

OKLAHOMA CITY—NBT Corp., the parent company of National Bank of Tulsa, has established an affiliate, Tallasi Management Co., with offices in New York City.



THACHER MITCHELL

Tallasi is a registered investment adviser dealing with pension, profit sharing and other employee-benefit trusts and charitable, endowment, religious and similar funds exempted from taxation ranging in size from a minimum of \$1 million. It is a partnership between Pacesetter Investment Advisors, Inc., a wholly owned subsidiary of NBT Corp., as the limited partner and Mitchell-Thacher, Inc., as the general partner.

Tallasi will provide services under an investment management contract. The managing partner, Mitchell-Thacher, Inc., is a Delaware corporation with Rodney B. Mitchell as president and Anthony Thacher as executive vice president.

FARMERS & MERCHANTS, Tulsa, has elected Gary Brasel trust officer. He had been assistant trust officer at First National, Tulsa.

CITY NATIONAL, Lawton, has elected Jerry W. Barker vice president and personal assistant to Chairman J. R. Montgomery. He had been a national bank examiner.

Bishop, Meredith Promoted at 1st National of Tulsa

TULSA—First National has promoted James E. Bishop and James R. Meredith from vice presidents and trust officers to vice presidents and senior trust officers. C. R. Jones and A. J. Lanford were advanced from trust officers to vice presidents and trust officers.

The following also have been elected: Monroe Naifeh, assistant cashier; J. H. Torbert, trust officer; R. D. Amatucci and J. S. Corbett, assistant trust officers; Leon Moss, manager, proof-transit division; and John Harding, manager, loan review division.

UTICA SQUARE NATIONAL, Tulsa, has appointed Terry Ingram vice president of business development. He had been with Dorchester Co., where he specialized in real estate appraisal and mortgage lending.

MEMBER F. D. I. C.

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FIDELITY BANK

Kansas News

Myers Elected Sr. VP and Cashier at Kansas State of Wichita

WICHITA—Kansas State has elected Robert D. Myers senior vice president and cashier. Mr. Myers, who also has been named a director, will be the administrator of the bank's data processing and operations.



MYERS

With 15 years of banking experience, Mr. Myers recently had been vice president and cashier at the United Bank of Arizona in Phoenix. He had been in charge of United's computer services division.

E. W. Oakes Retires as Sr. VP at First National of Wichita

WICHITA—E. W. Oakes, senior vice president at First National, has retired after nearly 48 years with the bank. Mr. Oakes will continue as a director. He was elected assistant cashier in 1931; assistant vice president in 1943, then vice president in 1943 and senior vice president in 1958.



OAKES

Mr. Oakes is chairman of State Exchange Bank in Yates Center. In 1946, he helped organize Fall River State and served as its president until selling his interest. Mr. Oakes also had been a director of First National, Madison, and Severy State.

Changes at Hutchinson Nat'l

HUTCHINSON—Ray Platt, executive vice president and trust officer, has resigned at Hutchinson National. J. P. O'Sullivan Jr., trust officer, has been elected head of the trust department to succeed Mr. Platt. Mrs. Shirley

Lang, assistant trust officer, will continue to work with Mr. O'Sullivan in the trust department.

Boomhower, Bartels Buy Control of Farmers State, Hays

HAYS, KAN.—Kenneth Boomhower and James Bartels, both formerly in the correspondent bank department of Commerce Bank, Kansas City, Mo., have bought control of Farmers State here from the Shaffer and Holland families of Russell. Mr. Boomhower has advanced from vice president to president, and Mr. Bartels has been elected executive vice president.

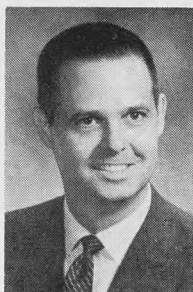
Until recently, Mr. Bartels was vice president of Commerce Bank, which he joined in 1947, and also headed the correspondent bank department. Mr. Boomhower left Commerce Bank, where he was assistant cashier, in 1965 to join Farmers State.

In other action at the Hays bank, Veryl Gaskill moved up from cashier to vice president and cashier; Clarence Jacobs Jr., Verlyn Leiker and Leo Schmeidler were promoted from assistant cashiers to assistant vice presidents, and Mrs. Mildred Brungardt was named assistant cashier.

Hofmann, Darmon Are Sr.VPs at First National of Wichita

WICHITA—D. E. Hofmann and Robert L. Darmon have been elected senior vice presidents at First National. Mr. Hofmann heads the marketing division, and Mr. Darmon has responsibilities in commercial loans.

Mr. Hofmann began his employment with First National in 1968 as



HOFMANN



DARMON

vice president. He had been with First Bank in Pensacola, Fla., as first vice president, and director. Mr. Hofmann had been with First Bank 12 years.

Before joining First National May 1, Mr. Darmon had been president of Parsons Commercial Bank since 1965. He was a national bank examiner from 1949 to 1960 and vice president of Traders National, Kansas City, Mo., from 1960 to 1965.

Kansas State Names Seitz VP in Commercial Loan Dept.



SEITZ

WICHITA—Kansas State has elected Marvin Seitz vice president, commercial and real estate loan department. Prior to joining Kansas State, Mr. Seitz had been a commercial loan officer at Fourth National more than 13 years. He also had managed the credit department at Fourth National.

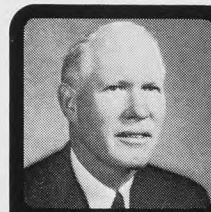
Mr. Seitz attended Washburn University, Topeka. He is presently enrolled in the Southwestern Graduate School of Banking at Southern Methodist University, Dallas.

Farmers State Sold

OFFERLE—James P. Liebl has purchased controlling interest in Farmers State. Mr. Liebl, who was vice president, was elected president, succeeding Earl O. Field. The latter resigned. Mrs. Velma Liebl has been named a director to succeed Mr. Field.

1st State Shows Valuable Work

NORTON—First State held a two-week exhibit of "The Contention of Paris," a Greek mythological painting dated 1599. Believed to be the work of Rubens, the painting is owned by a priest and recently had been on display at a college. A Greek legend holds that Paris' abduction of Helen of Troy led to the Trojan War.



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Kodak Microfilm Systems

Missouri News

Webster Groves Trust to Join First Nat'l Charter Corp.

First National Charter Corp., Kansas City, and Webster Groves Trust have signed an affiliation agreement. The transaction will be made through an exchange of stock. The bank, chartered in 1900, has total resources of more than \$40 million.

First National Charter Corp., a registered bank holding company, owns First National and Leawood National, both in Kansas City. Last March, the firm signed an affiliation agreement with the National Bank of Boonville. The firm has total resources of about \$450 million.

Melvin G. Hall and M. Leon Hall, chairman and president, respectively, of Webster Groves Trust, have been elected advisory board members of First National Charter Corp.



Shown completing affiliation agreement between First Nat'l Charter Corp., Kansas City, and Webster Groves Trust are (l. to r.): Warren M. Druschky, exec. v.p. of bank; Barret S. Heddens Jr., ch. of holding company; Robert F. Jackson Jr., exec. v.p., First Nat'l Charter; Melvin G. Hall, ch., Robert Lynn Hall, sec., and M. Leon Hall, pres., respectively, Webster Groves Trust.

Bank Acquisition Planned by Boatmen's Bancshares

ST. LOUIS—Boatmen's Bancshares, Inc., plans to acquire the Bank of Concord Village, located in suburban St. Louis. The bank will become a subsidiary of the holding company, which also owns Boatmen's National.

An agreement contemplates the exchange of shares of Boatmen's Bancshares for shares of the Bank of Concord Village through an exchange offer to all shareholders of the bank. Boatmen's National has total assets of \$298.9 million; Bank of Concord Village, \$27 million.

Boatmen's Bancshares also is applying to become a registered bank holding company and is engaged in a program of acquisition of other banks.

■ TIPTON FARMERS BANK has elected Donald E. Savage president. Mr. Savage succeeds Oscar J. Stratman, who has retired, but continues as a director and consultant to management. Mr. Savage had been with Commerce Bancshares, Inc., the Kansas City-based registered bank holding company of which Tipton Farmers recently became an affiliate.

■ W. R. NIEDRINGHAUS, vice president and cashier, has been elected a director of First National, Wellston. Mr. Niedringhaus fills the board vacancy created by the death of M. H. Klingler, president.

Broadhead Succeeds McCullough as S. St. Joseph Bank President

SOUTH ST. JOSEPH—H. H. Broadhead became president of the First Stock Yards Bank July 1, succeeding Thomas J. McCullough, who retired after having been with the bank 45 years. He had been president 16 years.

Mr. Broadhead joined the bank in 1939 following graduation from the University of Missouri. Except for a four-year tour of duty with the Navy (he was a pilot with the Naval Air Transport Service), he has served continuously at the bank. He moved through official posts to vice president and director in 1954. Mr. Broadhead has been president of the St. Joseph AIB Chapter.

In other action at the bank, John E. Karn moved up from cashier to vice president and cashier.

■ EUGENE F. EVERETT, executive vice president, Union National, Springfield, has received Drury College's highest alumni award. A member of the 1948 Drury class, Mr. Everett began his banking career shortly after leaving Drury. He joined Union National in 1952 and has held his present post since 1968.

Missouri Death

CARL W. MOELLER, cashier at Commerce Bank in Kirkwood. An employee of the bank since 1952, he had supervised the Motor Bank among other activities.

Weber to Head New Division at Mark Twain Bancshares

Mark Twain Bancshares, Inc., a multi-bank holding company headquartered in St. Louis, has named A. Carl Weber vice president. He will head a new division for merger and acquisitions that will serve bank customers and other organizations interested in acquiring, selling or merging businesses.

Mr. Weber had been vice president of research and engineering at Laclede Steel Co. He also is a director of Mark Twain South County Bank, Mehlville, an affiliate of Mark Twain Bancshares.



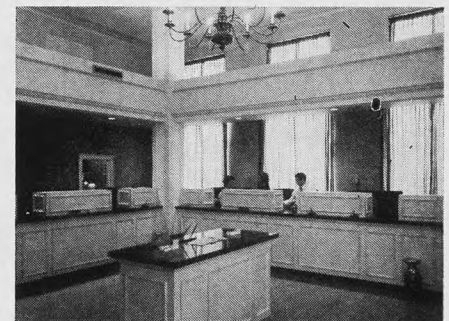
WEBER

MBA Awards Scholarship

COLUMBIA—The Missouri Bankers Association, in cooperation with the University of Missouri at Columbia, has awarded a \$2,500 graduate scholarship in banking and finance to Paul H. Gottwald, a senior at Culver-Stockton College in Canton. Mr. Gottwald plans to enter banking after obtaining his master's degree. The scholarship is underwritten by the Graduate School of Banking at the University of Wisconsin.

■ MISS LEOLA FEDDER, vice president, Commerce Bank of Kirkwood, has been honored for her 45 years in banking. Miss Fedder had been with the Trust Co. of Kirkwood (now First Security Bank) for 26 years and joined Commerce Bank (then Kirkwood Bank) in 1951. She is a former chairman of the Metropolitan St. Louis Group of the National Association of Bank-Women Inc.

Missouri Bank Remodeled



The original marble floor in the lobby is still intact in the newly remodeled Mercantile Bank in Louisiana. The exterior of the building, which was built in 1919, has not been changed, but the interior has been completely renovated with a Williamsburg motif. Brass spittoons, which were converted to smoking urns, and a grandfather's clock were among the original furnishings retained by the bank. Work was done by Bunce Building Corp., St. Louis, and the interior designer was Bank Interiors, a subsidiary of Bunce.



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Your counter work and Fed Letter items are then merged by the computer. Finished reports are printed and delivered to your door by a dispatch service before you begin the next business day.

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For more information, call Rick Reilly at 314-652-1400 or Vern Giessing at 314-756-4525.

Rick is the Correspondent Bank Officer at Manchester Bank who says Telecomputer Service is the greatest thing since the invention of the wheel.

Vern is the President of the United Bank of Farmington who knows Telecomputer Service is the greatest thing since the invention of the wheel.

mb
MANCHESTER BANK

Missouri Junior Bankers Meet; Elect Meyer New Chairman

JEFFERSON CITY, MO.—Approximately 200 Missouri junior bankers gathered here June 10-11 for the sixth annual junior bankers seminar sponsored by the Missouri Bankers Association.

The young bankers, most of them under the age of 36, heard a variety of speakers and got a chance to participate in a decision making exercise,

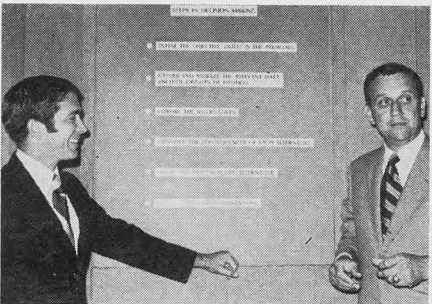


OVERFELT

THOMAS



Conducting a special interest session on personnel management is Russell H. Stiles (l.), v.p., Union National, Springfield, and Edward E. Holt, v.p., Trenton Trust Co.



Frank L. Victor (l.), v.p., Grand Avenue Bank, Kansas City, and Paul De Bacco, dir. of personnel and organization development, Hallmark Cards, Inc., Kansas City, conduct a case study on decision making.

special interest sessions and size group meetings.

Cavett Robert, an attorney from Phoenix, told the group that "we are in the people business" and that making people feel important and comfortable is a major part of any banking relationship.

Frank L. Victor, vice president of Grand Avenue Bank, Kansas City, and Paul De Bacco, director of personnel and organization development, Hallmark Cards, Inc., Kansas City, presented a group participation exercise in decision making. They outlined the steps in decision making as: 1) define the objective (what is the problem?), 2) gather and analyze the relevant data (include opinions of others), 3) explore the alternatives, 4) consider the consequences of each alternative, 5) select the most suitable alternative, and 6) act on the chosen alternative.

Special interest sessions and size group meetings were held in the afternoon of the first day. Special interest sessions covered a variety of topics: investment policy (asset allocation), personnel management, swindlers, bank marketing and advertising.

Sam E. Overfelt, general counsel of the MBA, made a legislative report. He informed the junior bankers that the next session of the general assembly will have increased suburban and urban representation and to watch for a shift in attitudes.

A. R. Naunheim, chairman and president, North Side Bank, Jennings, spoke on opportunities in banking. He said the recent Louis Harris survey (see p. 26, June, 1970, MCB) clearly indicates the future holds an expanded market for banking services with a reasonable guarantee of continuing opportunity. He called for the end to all kinds of discrimination—race, creed, sex and age, and termed management succession the single most important problem facing banking today.

He also called for a better performance from the younger generation of bankers, especially in the area of industry self regulation. He said

Officers of the committee on junior bankers pose with James F. Martin Jr. (2nd from l.), MBA president and exec. v.p., Bank of Lee's Summit. They are (l. to r.) G. Wayne Thomas, newly elected vice ch., and a.v.p., Tower Grove Bank & Trust, St. Louis; (Mr. Martin); W. Darrell Meyer, newly elected ch. and v.p., First Nat'l, Kansas City; and Clifford J. Sansoucie, retiring ch. and v.p., American Bank, De Soto.

senior management wants improvisation, innovation, enthusiasm and performance—all leavened with a sense of responsibility to the customer and the industry based on the highest degree of ethics and integrity.

The group elected W. Darrell Meyer, vice president, First National, Kansas City, its new chairman and G. Wayne Thomas, assistant vice president, Tower Grove Bank & Trust, St. Louis, its new vice chairman. • •

Hickey, Brown Advanced at Webster Groves Trust

WEBSTER GROVES—Webster Groves Trust has promoted James J.



HICKEY BROWN

Hickey from

treasurer to senior vice president and treasurer and Robert Brown Jr. from vice president and assistant trust officer to senior vice president and trust officer.

Mr. Hickey began his employment with Webster Groves Trust more than 22 years ago. Mr. Brown has been with the bank 20 years.

■ JORDAN LINDSEY, chairman and president, Allen Bank, Harrisonville, has been appointed to the Missouri Chamber of Commerce President's Council. The council serves as a communication link between chamber members and key business leaders throughout the state.

■ A. J. DINSDALE, vice president, has retired after 29 years with Nodaway Valley Bank in Maryville. Mr. Dinsdale was in charge of agricultural advisement and loans.

City Bank to Expand



City Bank in St. Louis will occupy the first floor of a new five-story office building the bank plans to construct. City Bank Chairman Philip F. Lichtenstein digs the first spade of dirt while officers of the "ABC" banking group watch. Others (l. to r.) are: Gayle W. Lichtenstein, president, Brentwood Bank; Clarence E. Zinck, executive vice president, City Bank; Norman J. Tice, City Bank president; Edward W. Krite, executive vice president, American National; and Peter C. Baerveldt, executive vice president, Brentwood Bank.

Greise Elected President of St. Louis AIB Chapter



GREISE

Robert J. Greise, vice president, First National, Clayton, has been elected president of the St. Louis AIB Chapter.

Other new officers are: first vice president, Lester A. Greene, cashier, First National, Clayton; second vice president, Edward R. Schott, Federal Reserve; associate vice president, Mrs. Thomasine R. Miles, Mercantile-Commerce Trust; and treasurer, Edmund L. Vorhes, assistant treasurer, Manufacturers Bank. Joseph G. Steel was re-elected executive director and secretary.

Inter-County Bankers Group Elects Jaegers President

The new Inter-County Bankers Association has been expanded to include bankers in Iron County. The other counties comprising the association are Madison, St. Francois and Ste. Genevieve.

Elected officers of the four-county group are: president, Edgar Jaegers, vice president and cashier, Bank of Ste. Genevieve; vice president, Sidney Freegard, executive vice president, Arcadia Valley Bank, Arcadia; secretary-treasurer, Stan Mabery, assistant vice president and cashier, First State, Farmington. Bank of Altenburg was host at the last meeting of the group.

Maurice Atkins Elected Exec. VP of Commerce Bank, St. Charles

ST. CHARLES—Commerce Bank has elected Maurice N. Atkins executive vice president and a director. Mr. Atkins had been president and chief executive officer at First American, Memphis.



ATKINS

The new executive vice president also has been with Union Planters National, Memphis; American National, North Little Rock, Ark.; and Security Bank of Ponca City, Okla. Mr. Atkins is a graduate of the School of Banking of the South at Louisiana State University.

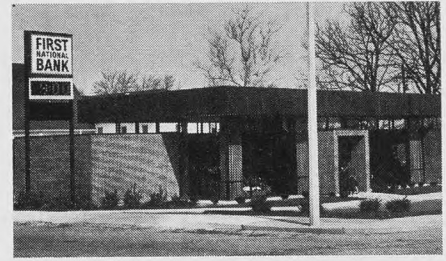
Bank Marketing Seminar Planned July 29-31 at U. of Missouri

COLUMBIA—A bank marketing seminar will be held at the University of Missouri's Memorial Union here July 29-31 under the sponsorship of the Missouri Bankers Association and the university's School of Business and Public Administration. Basic goals of the seminar—the second of its kind—

are to keep bank officers who perform marketing functions abreast of changes and to provide them with the technical knowledge necessary for successful marketing. The meetings are limited to 40 bankers to encourage individual participation.

Topics will include "The Rationale for a Planned Marketing Program for Your Bank," "Elements in an Effective Marketing Program," "Writing and Evaluating Copy in Your Marketing Program," "Basic Layout of Advertising and Promotional Material," "Regulation Z: What, How and Why" and "Bank Marketing: Fact or Fiction."

1st Nat'l in Salem Moves



With the completion of its new building, First National in Salem has more than quadrupled its floor space. The new structure, located 1 1/2 blocks from the former bank building, has eight teller units, two drive-in windows, employee lounge and parking area. Bunce Building Corp., St. Louis, was the builder.

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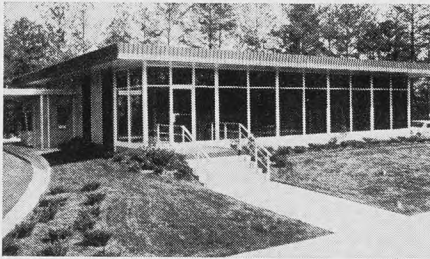


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MID-CONTINENT BANKER for July, 1970

Diebold Acquires Building Firm



Diebold, Inc., Canton, O., has acquired Florida Development Services, Inc., St. Petersburg, Fla. Under the trade name, Porta-Branch, Florida Development manufactures and directs construction of fully operational modular bank buildings, an example of which is shown above. With the ability to erect a structure within 90 days from date of order, the Diebold Porta-Branch division has constructed more than 50 buildings on the East Coast and in the Midwest.

Convention Calendar

MID-CONTINENT AREA

Kentucky, Sept. 13-15, Louisville, Brown Hotel

MID-CONTINENT AREA (1971)

Arkansas, May 9-11, Hot Springs, Arlington Hotel

Illinois, June 2-4, Palmer House, Chicago

Indiana, June 9-10, French Lick, French Lick-Sheraton Hotel

Kansas, May 5-7, Kansas City, Kan., Holiday Inn Towers

Louisiana, May 8-11, New Orleans, Roosevelt Hotel

Mississippi, May 17-19, Biloxi, Buena Vista Hotel

Missouri, May 9-11, Kansas City, Hotel Muehlebach

New Mexico, June 3-5, Carlsbad

Oklahoma, May 4-6, Tulsa, Mayo Hotel

NATIONAL

ABA Agricultural Credit Conference, Nov. 15-17, Atlanta, Marriott Motor Hotel

ABA Convention, Oct. 10-14, Miami Beach

ABA Mid-Continent Trust Conference, Nov. 19-20, Chicago, Drake Hotel

ABA Personnel Conference, Nov. 8-11, Atlanta, Regency Hyatt House

BAI Convention, Nov. 1-4, Washington, D. C.

Bank Marketing Association, Sept. 20-24, Las Vegas, International Hotel

Nat'l Assn. of Bank-Women Inc., Sept. 20-24, Washington, D. C., Mayflower Hotel.

Nat'l Conference on Bank Security, July 20-22, Chicago, Palmer House

NATIONAL (1971)

AIB, May 31-June 2, Houston

Independent Bankers Assn. of America, March 28-31, Minneapolis, Radisson Hotel

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