

MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley & Southwest

ABA CONVENTION ISSUE

SEPTEMBER, 1970

ABA President Nat S. Rogers



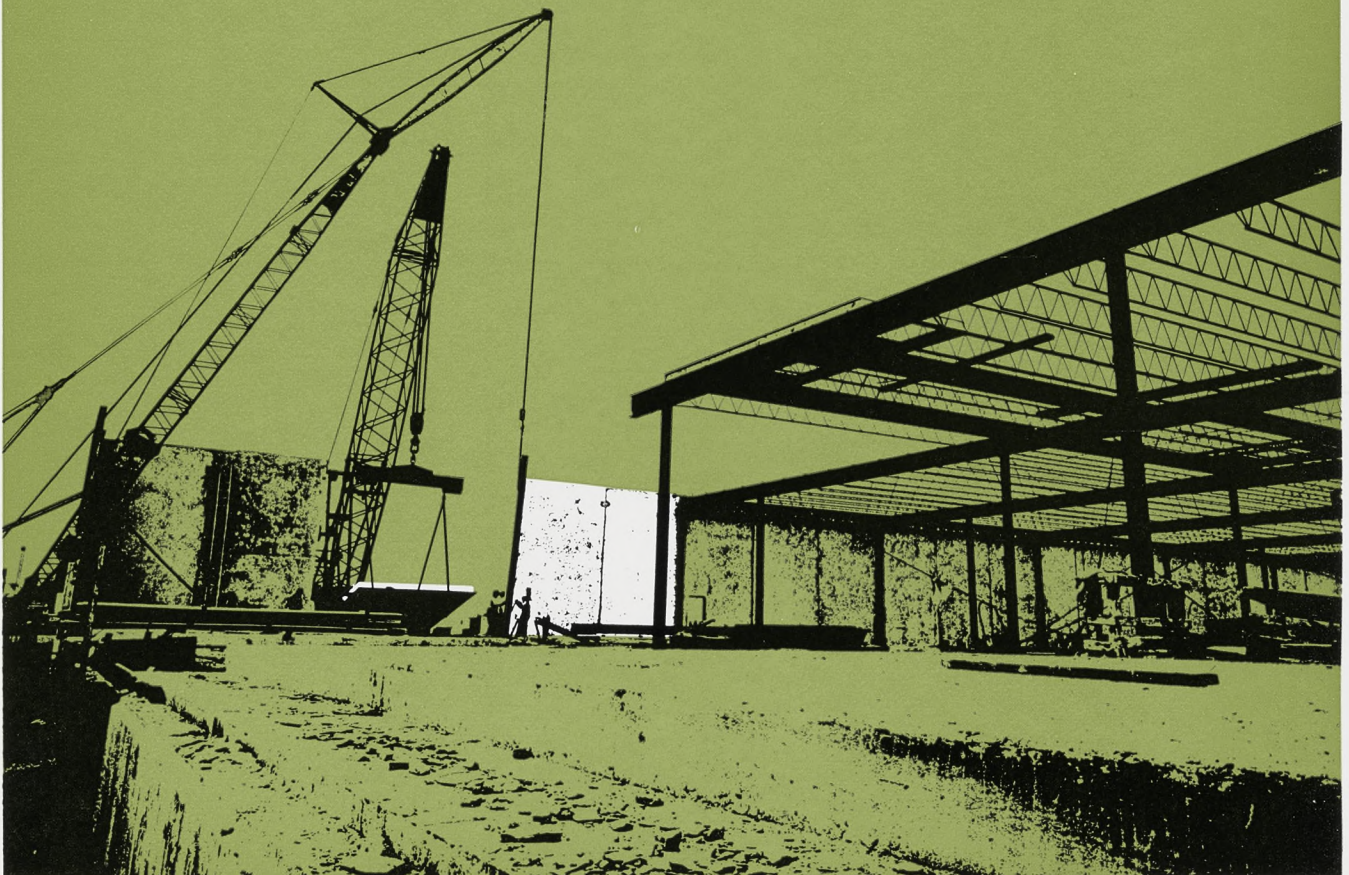
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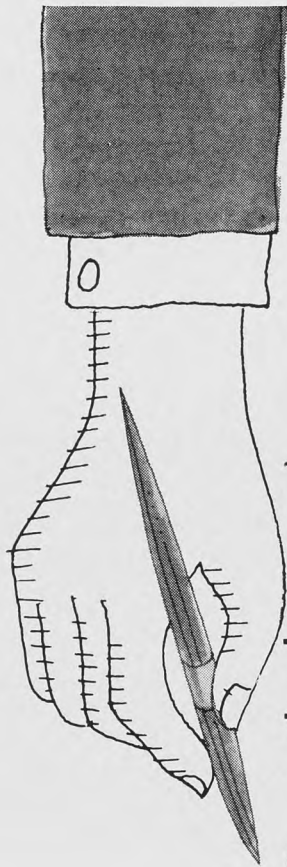
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MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley & Southwest

Volume 66, No. 10

September, 1970

FEATURES

- 39 MIAMI BEACH WELCOMES ABA
Annual convention planned for Oct. 10-14
- 41 THE YEAR THAT WAS—THE YEARS TO BE
ABA president discusses banking's future
Nat S. Rogers
- 44 WHAT PROBLEMS FACE BANKING?
A question-and-answer interview with ABA 'veep'
- 64 CAREER APPAREL SALES REMAIN HIGH
Due to new and exciting fabrics, colors, styles
Jim Fabian
- 66 BANKS CAN POLISH IMAGES WITH APPAREL PROGRAMS
Corporate image is an invaluable asset
Edmund R. Senghas
- 74 TIPS FOR SMOOTH APPAREL OPERATION
Given by a bank that pioneered apparel trend
Charles R. Moran

DEPARTMENTS

- | | | |
|----------------------|-----------------------|-----------------|
| 10 CORPORATE NEWS | 24 PERSONNEL | 34 NEW IDEAS |
| 12 BANK INVESTMENTS | 28 COMMERCIAL LENDING | 37 NEWS ROUNDUP |
| 18 THE BANKING SCENE | 32 CREDIT CARDS | 102 OPERATIONS |
| | 108 BANK SECURITY | |

STATE NEWS

- | | | | |
|--------------|-----------------|---------------|----------------|
| 118 ILLINOIS | 126 TENNESSEE | 132 LOUISIANA | 138 NEW MEXICO |
| 122 INDIANA | 128 ALABAMA | 134 ARKANSAS | 140 OKLAHOMA |
| 124 KENTUCKY | 130 MISSISSIPPI | 136 TEXAS | 142 KANSAS |
| | 145 MISSOURI | | |

FDIC Holds Open House In St. Louis Offices

THE FDIC's new regional offices in St. Louis were viewed last month by bankers from Missouri and Kansas who attended a special open house. Formerly located at 1015 Locust St., St. Louis, the FDIC offices are now located on the 29th floor of the new 31-story Laclede Gas Co. building at 8th & Olive sts. FDIC officials are pictured above as they hosted their guests:

TOP—John Stathos (c.), regional FDIC director, visits with Horace Dunagan (l.), pres., 1st State, Caruthersville, Mo., and Dr. Lewis E. Davids, Hill Professor of Banking, University of Missouri, and editor of The BANK BOARD Letter.

NEXT—George Bromeyer, pres., Bank of Ferguson, Mo.; Mrs. Burton; Carroll Burton, recently retired from 1st Nat'l, St. Louis, and now an officer of First Union, Inc.; Mr. Stathos; and Paul G. Fritts, FDIC review examiner.

NEXT—Burton Blasingame, FDIC assistant regional director; E. P. Creelius, ch. & pres., Lemay Bank, St. Louis County; and Don Lasater, pres., Mercantile Trust, St. Louis.

BOTTOM—Alan R. Miller, assistant to FDIC director, Washington, D. C.; W. L. Webber, Kansas bank commissioner; E. J. Hogan, assistant Kansas commissioner; Mrs. O'Neal; and Benton O'Neal, v.p., 1st Nat'l, St. Joseph, Mo.

MID-CONTINENT BANKER for September, 1970

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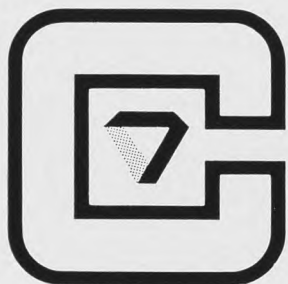


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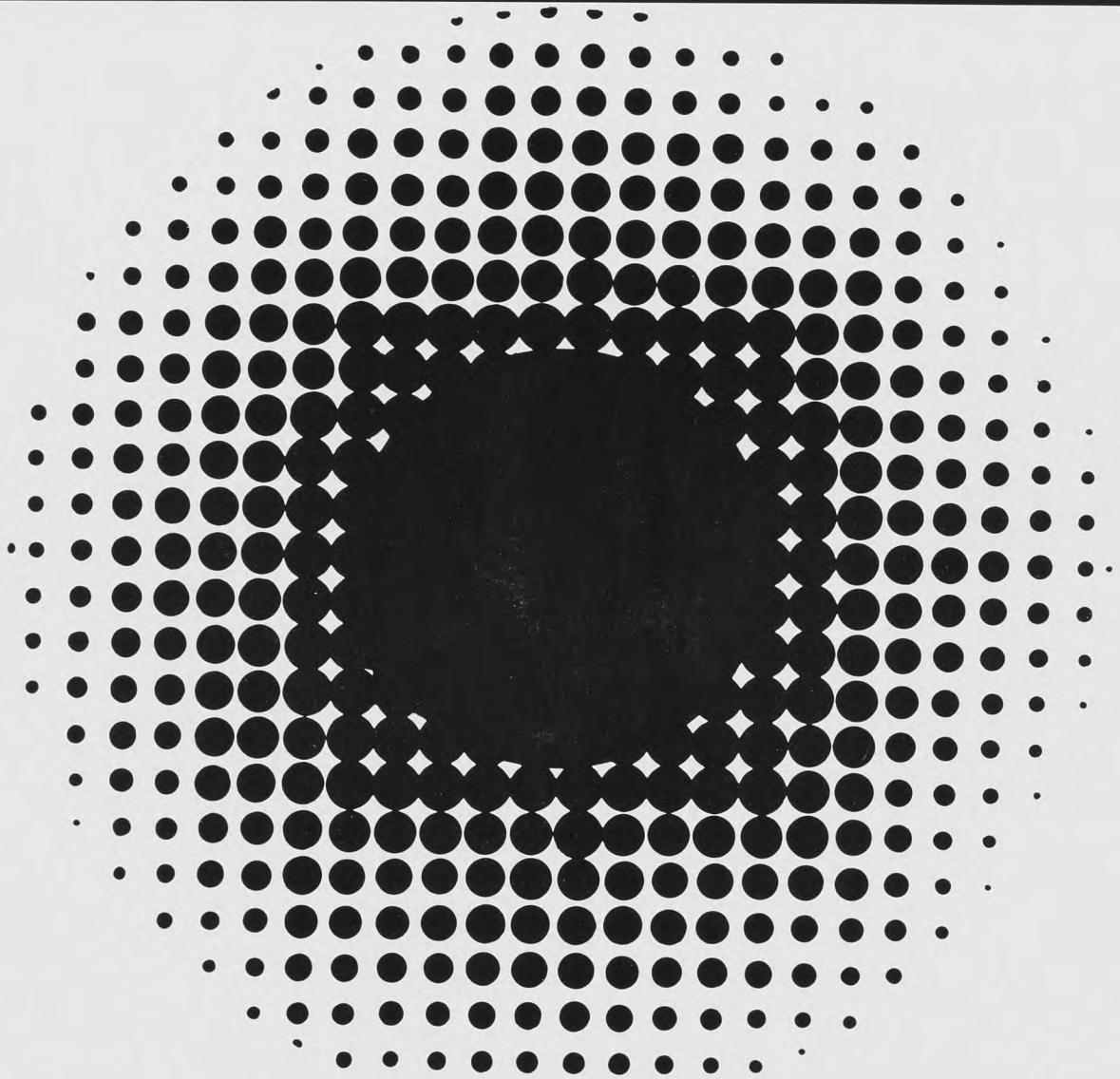
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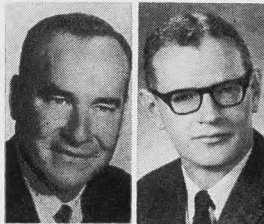
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CORPORATE NEWS ROUNDUP

• **Financial Insurance Service, Inc.** Donald C. Liggett and Keith D. Killoran have been appointed vice presidents of Financial Insurance Service, Inc., Des Plaines, Ill.



KILLORAN LIGGETT

The company serves insurance needs of financial institutions throughout the country and is administrator of both the Illinois Bankers Association and the Oklahoma Bankers Association employee benefit programs. Mr. Liggett will be responsible for supervising both programs.

Mr. Killoran will reside in St. Louis and will establish offices there for Financial Insurance. He was formerly vice president and manager, installment loan department, American Bank, Lansing, Mich. He had been with the bank since 1947.

• **Delta Corp. of America.** Several new district managers were recently named by Delta Corp. of America, headquartered in Miami. Those in the Mid-Continent area are Herman Smith Jr., Alabama, and James C. Hickman, Missouri.

Previously, Mr. Smith was with Universal CIT Credit Corp. and Mr. Hickman was with Continental Oil and Seaboard Finance Co.

• **Gracious Lady Service, Inc.** Robert R. Thiel has joined Gracious Lady Service, Inc., Philadelphia, as a vice president. He will be involved in the development of the company's new subsidiary, Important Data Registry, Inc.

THIEL

Previously, Mr. Thiel was vice president and manager, credit management division, National Retail Merchants Association. Before that, he had been credit sales promotion manager with a division of Allied Stores Corp. and had held executive posts with Lerner Corp. and Bond Stores, Inc.

• **Security Safe Deposit Box Corp.** Headquarter offices and the product showroom of Security Safe Deposit

News of Firms Serving Banks

Box Corp., formerly based in Stanton, Calif., have been relocated. The company's offices are now in a 15,000-square-foot building in the Irvine Industrial Complex, Santa Ana, Calif. The new showroom will enable visiting bank officials to see products in a working state.

• **Bank Building Corp.** Robert A. McFee, Richard A. Boston and John (Jack) F. Price Jr. recently joined the staff of Bank Building Corp., headquartered in St. Louis.

Mr. McFee and Mr. Boston will be consultants, representing the southern division, headquartered in Decatur, Ga. Mr. Price will serve as consultant representing the eastern division.

• **Lester B. Knight & Associates, Inc.** William J. Kenney recently joined Lester B. Knight & Associates, Inc., headquartered in Chicago, as vice president. He will be reporting from the firm's New York office but will be working on a nationwide basis with banks and other financial institutions on a broad range of general management problems.



KENNEY

Before joining the company, Mr. Kenney was senior vice president, Bank of New York, where he directed the research and development of customer services, systems planning and development and computer center operations. Previously, he was assistant branch manager, banking and brokerage, International Business Machines Corp., New York City.

• **Southern Vital Records Center.** Fred J. Grant Jr. recently joined Southern Vital Records Center, Flora, Miss., as executive vice president. His duties will include marketing supervision and systems development.



GRANT

Mr. Grant previously was with Eastman Kodak Co., which he joined in 1959. He was associated with the Recordak Corp. in the Boston area. In 1966, he became district sales manager of the business systems markets division of Eastman Kodak in the New Orleans marketing center.

• **Walter E. Heller & Co.** Richard E. Wood recently was named an assistant vice president of Walter E. Heller & Co., headquartered in Chicago.



WOOD

Mr. Wood is Heller's account executive for secured corporate financing clients in Missouri, Kansas, Nebraska, Iowa and Oklahoma. He joined the company in 1968 and previously was with Miehle-Goss-Dexter, a manufacturer of printing equipment.

• **Studley, Shupert & Co., Inc.** William H. G. Warner recently joined Studley, Shupert & Co., Inc., Philadelphia, as a vice president. He will direct the investment counseling firm's close corporations management and valuations service and will perform liaison duties with members and prospective members of the Studley, Shupert Trust Investment Council.



WARNER

Previously, Mr. Warner was a senior investment officer, Fidelity Bank, Philadelphia. He joined the bank in 1948 and became a member of the bank's estate planning group and specialized in gift and estate taxes. Beginning in 1965, he formed and directed Fidelity's trust investment division. Before joining the bank, he practiced law in Easton, Pa.

• **Diebold, Inc.** Ted Van Scyoc recently was appointed district manager, Peoria (Ill.) Office, Diebold, Inc., which has its headquarters in Canton, O. He joined the company as a sales engineer in 1964 in Peoria.

Before coming to Diebold, Mr. Van Scyoc was president, Defiance Bank Equipment Co., Kansas City. Previously, he was executive vice president, Western Bank Contractors, Kansas City.

• **Baldwin & Lyons, Inc.** Merritt W. Smith recently was elected president of Baldwin & Lyons, Inc., parent company of Transportation Underwriters, Indianapolis. He succeeds Voris Lyons, who has become chairman.



SMITH

Previously, Mr. Smith was vice president, national division, Indiana National, Indianapolis. He joined the bank in 1955 and became an executive officer in 1963. Mr. Smith has served on the steering committee of industrial development of the state of Indiana.

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MID-CONTINENT BANKER for September, 1970

Bank Investments

Municipal Market Suffers Battering, But Pressures Likely to Subside

By **ARNOLD C. SCHUMACHER**
Economist

Halsey, Stuart & Co.
Chicago

FOUR and a half months ago (April 7, 1970), we wrote the following. Much of it is still applicable. "The real risk for the past year has never been a serious recession but rather the danger has been that monetary policy would become too expansive too soon. There remains a hard core of inflationary expectations and the only way to deal with it is to prevent a new surge of credit expansion. One battle was to get the public to believe that the government was serious in its intent to slow the economy. That struggle is on the way to being won. However, the new battle is to convince the business community that all restraints are not going to be relaxed and that a new growth surge is not going to take place immediately. All this is very pertinent for credit markets. We have just begun to nurture confidence in credit instruments, but this confidence is still a delicate plant. A rekindling of inflation fires will kill it."

The "hard core" of inflationary expectations has been softened since last

April but it has not been dissolved. A surprising number of price increases at the consumer level are still being announced week after week. And more are to come. The average consumer regards Administration statements that "inflation is being controlled" as political nonsense and with justification. What *has changed* in the last six months is a rather painful awareness on the part of both business managers and consumers that we are indeed in a recession and in view of this, along with its unpleasantness, they see some hope that prices will tend to level out. On the other hand, there are a significant number of businessmen and investors who feel that any slowdown in the rate of inflation will be only temporary. The plans of this group are based on a relatively early upturn in the economy and a new surge of price increases.

We believe Mr. Burns and the Federal Reserve Board know they cannot repeat the mistakes of the past. It is imperative that the rate of increase in credit resources be held in the 4%-5% range for several months into the future. This does not provide the type of fuel leading to a strong recovery or the restoration of rapid economic growth.

In terms of concrete accomplishment, it is still going to be late this year or early 1971 before consumer price rises are dampened. If the monetary authorities weaken and permit a sharp new influx of credit, then everything that has been accomplished to date will be thrown away. We can only assume the money managers are aware of these risks.

In appraising economic prospects, it takes a long time for everyone to be convinced that a trend is going to continue indefinitely into the future. About the time everyone is convinced, the pattern changes. Thus, it required a period of nearly five years from 1965 to mid-1969 for a unanimous opinion to be formed that inflation and rapid economic growth would forge ahead for many years. At a time when analysts "knew" this was a certainty, things suddenly changed. Now that we are in a transition period, it will require many months to convince the public that inflation will be brought under control. Only when this fact is broadly accepted will it be safe to embark on a more liberal credit policy.

Financial Markets. There were some mild surprises in figures released by the Department of Commerce recently. The rise of 0.2% in the Index of Industrial Production in July did not amount to much and may have been primarily the result of termination of widespread strikes that were a depressing influence in May and June. It is too early to state with confidence that industrial production has definitely bottomed out, but it is likely that further declines, if any, will be small. By late this year or early 1971, it seems probable that production will be in a moderate upturn, but we would emphasize moderate.

Reported pretax corporate profits in the second quarter at a rate of \$82.3 billion were only slightly below the \$82.6 billion of the first quarter. Many analysts, including this one, expected the profit picture to be somewhat worse. In any event, there is no good reason to expect profits to improve very much in the third or fourth quarters. Certainly, a long auto strike would adversely affect the fourth quarter.

The municipal and corporate bond markets last week were hit by close to \$1 billion in new offerings. Although the market was battered, the damage was less than had been feared in some quarters. Undoubtedly, the calendar is going to remain heavy over the next two or three months. However, by the latter part of the year, demand pressures should subside. It is still our view that the interest-rate structure will work irregularly lower, but there will be periods of market congestion. • •

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Director Retirement in Banks

ONE OF the most, if not *the* most, sensitive topics that can appear on the agenda of the board of a bank is director retirement.

Implicit in it being listed for board discussion and decision is the connotation that a peer board member or two—or more—should not stand for reelection. In fact, any director of over 63 years is likely to subconsciously think the introduced subject is specifically directed at him. Recognizing this possibility, the chairman, who may also be advanced in years, is frequently prone to brush the problem under the proverbial board room rug and postpone any action, simply by not including the controversial topic on the agenda.

Limited but reliable statistical data shows that less than one-in-eight banks have a mandatory retirement age for directors. A smaller proportion of bank boards, while not having mandatory retirement, have policies which may partly accomplish it. For example, some bank boards, as a matter of optimizing their relation with existing accounts, call for an outside director who retires from active management in a major company to step aside, usually within two years, so that his successor in that company may be elected to the bank's board.

It is interesting to note that many banks that have compulsory retirement for employees and officers do not apply the same policy to the board, although the board authorized that policy for its bank.

Analysis of data over a period of years does indicate that there is a decidedly slow but sure trend in establishing formal policies for director retirement.

Banker's associations and groups indicate they have been receiving an increasing number of requests for information on the subject.

This article attempts to bring together the statistical data on director retirement, the several plans which

have been adopted and, hopefully, a few constructive suggestions based on discussing the topic with hundreds of bank directors.

The Law

State, national and Federal Reserve bank statutes and regulations are, without exception, silent as to the mandatory age for director retirement.

One must look elsewhere for authority. It may, at times, be found in the minutes of board meetings, in board resolutions, in historical, traditional practices—or in the bylaws of the bank. But most banks do not as yet have formally written retirement policies.

Technically, minutes, resolutions and the bank's historical practices do *not* have the necessary legal impact to prevent a major stockholder from possibly electing or re-electing a retired director. This is especially true in national banks, since they are required to use cumulative voting.

Even if the bank supervisor's confidential report of examination singled out advanced directors' age as being a problem area, the stockholders prerogative to being represented would hold.

While *not* legally binding, the board resolutions, minutes and empirical policy probably will suffice in all but the most unusual cases. However, several banks, during the last few years, would have preferred to have had the bylaws to fall back upon in view of changed control of their banks. Of course, with changed control it is possible for the bylaws to be amended—but such an action would bring the situation before all the stockholders and would call for prompt conciliatory and prudent action or else there would be bad publicity.

For this reason, it is appropriate for banks considering adoption of a mandatory age for directors to carefully weigh bringing the topic before stockholders and to incorporate their mandate in the bank's bylaws.

It should, however, be recognized that once in the bylaws an amendment is required to make an exception. There are exceptional men and women who, though advanced in years, could and do bring mature and valued judgment to a board.

Bank executives, recognizing this, can have the best of possible worlds by advancing such elder banking statesmen to honorary director or director emeritus status.

Advice and counsel from the director emeritus can still be available to the board, but since he has no *legal* vote at the board meetings, he is not liable as if he were a regular board member. He may skip some board meetings without being considered derelict in his performance and subject to stockholder suit for mal or non-performance.

He may or may not receive the same fee as regular directors. The practices of having honorary or emeritus directors varies from state to state, though it does seem to be more common in larger banks and banks in the northeastern states.

The bank that does not now have a problem of an aging board is ideally situated to prevent the problem from arising. Without some aged directors, little opposition is encountered in introducing the topic to the agenda for study, discussion and decision—with bylaws amended at the stockholders' annual meeting.

However, *most* banks are not in such a fortunate position and someone on the board—or in senior management of the bank—must, often out of necessity, take the initiative. The National Industrial Conference Board study on corporate directorship practices shows that more than 52% of surveyed bank directors were aged 60 to 64.

There is no single pat solution, such as having the board chairman schedule the topic. It may be that the chair-

(Continued on page 82)



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MANUFACTURERS HANOVER TRUST 

Member Federal Deposit Insurance Corporation

MID-CONTINENT BANKER for September, 1970

When it comes to your field, we get serious.

These three men are part of our correspondent banking team. When one of them comes to your home field, he won't be playing around. (In fact, Walter Ireland couldn't be in this picture because he and his team are out in the field now).

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Armistead Smith
Vice President and
Senior Lending Officer
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Correspondent Bank Division
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MID-CONTINENT BANKER for September, 1970

Personnel

Accuracy, Courtesy, Self Confidence Are Among Qualities of Good Teller

By WILLIAM R. MILLS
Cashier

Boone County National Bank
Columbia, Mo.

IT TAKES many qualities to make a good teller, and I will list a few I believe are important. The order of this listing is not significant; each one is important. A teller who believes that he or she possesses each of these qualities is, in my opinion, a good teller. However, possessing all of these qualities doesn't mean that a teller is perfect because each of the qualities should be rated in itself up to 100%.

Accuracy. Accuracy is a quality of a good teller. Any errors a teller makes not only affect him and his fellow workers in his department and others but, of course, also his customers. A teller working on a transaction should

concentrate on that transaction, not talk to the teller at the next window, not even talk to the customer while counting cash. Ever since I began training tellers, I have told trainees never to sacrifice accuracy for speed. Speed will come—accuracy must be first.

Speed. Thus, it follows that speed is the next quality of a good teller. Customers don't like to be delayed by slow tellers. Tellers should do their best to develop the manual dexterity and speed required to handle transactions accurately, smoothly and quickly. If currency is properly packaged, coins properly rolled and previous transactions out of the way, a teller is ready for the next customer.

A good memory. A teller with a good memory should call customers by their names after the first few times these customers have been to his window. It makes them feel great and the teller also feels good for having remembered the names. If a teller reads in the paper that a particular customer has received a promotion or there has been a death in the family, the teller should comment on the news. Thus, the customer realizes the teller looks on him as an individual, not as just another number.

A good memory also is helpful in locating errors at the end of the day when a teller can't balance.

Courtesy. When a teller remembers a customer's name, he has taken the first step toward my next point—courtesy. Courtesy means attention, attention to a customer's remarks, his deposit. A teller should not let his eye wander to someone else on the staff or to someone else in the lobby, and above all, a teller should not worry about the customer who is second in line.

If a teller is trying to complete a transaction with a customer and yet is worrying about a long line at his window, he really is being impatient. Patience is certainly a part of courtesy. Many times tellers face a customer who doesn't understand the requirements tellers must make of them, even the non-customer who doesn't understand

why the teller won't cash his check without an officer's approval. Tellers should remember, too, that they (the tellers) are their banks to most people who appear at their windows. If tellers are courteous to these people and helpful in their banking transactions, they are going to remember the tellers and the banks as being helpful and courteous.

Knowledge of banking functions. This is a major point for a good teller. If he doesn't know what goes on in the trust department or government bond section, if he is unfamiliar with installment loan operations, he should ask someone about them. A teller doesn't need to be an expert in these fields, but he should be able to direct a customer to the proper department and answer their questions intelligently.

Self confidence. Knowledge of these banking functions as well as knowledge of a teller's own job can build self confidence, which is an important quality. Self confidence means having a command of the situation when a customer expresses a desire or asks about a service and the teller realizes that he can give an accurate answer. Self confidence also is self control. If the air conditioning breaks down, the day is exceptionally busy or a teller has had trouble at home, he still must be able to greet customers with a calm, steady, pleasant voice. He must *know* that he's doing his job well and that he's ready and able to take on additional responsibilities when asked.

Good appearance, a liking for people. I like the mini skirt as well as any other man, but tellers should remember that some of their customers are offended by mod clothes, unusual hair styles and strange jewelry. No teller can risk undermining the confidence of a customer by presenting a poor appearance. This includes eating, chewing gum or blowing smoke in a customer's face. Of course, any teller who really likes people won't offend them by making any of these mistakes.

In closing, I want to emphasize that a teller represents his bank, whether he wants to or not, not only behind his window or counter, but wherever he is outside the bank. People are known by the company they keep, but a bank is known by the people (employees) it keeps. A liking for people is a quality not confined to good tellers; it's a quality to be sought in a man or woman for any job. ••

■ CITIZENS FIDELITY, Louisville, recently promoted Roy T. Barnett to assistant treasurer and manager of the safekeeping department.



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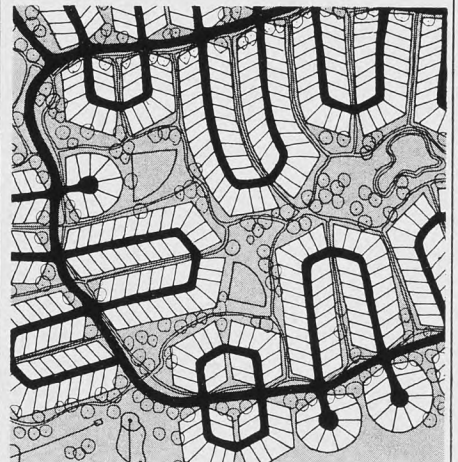
tennas, recreation areas and underground utilities — are a far cry from the unsightly 'trailer camps' set up in the 1940's. *No comparison.*

QUALITY LIVING

Today's well-engineered residential mobile home developments are *assets* to their communities. They provide comfortable living at economical cost for millions of families. And the well-operated developments are making money.

is available on the homes, including FHA and Savings & Loan Assn.

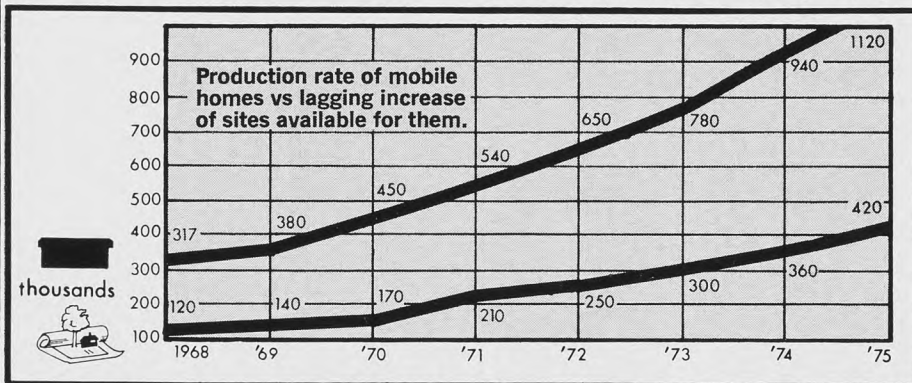
- Today's mobile homes are spacious, beautiful and livable; are sold decorated, handsomely furnished and equipped with appliances—*for living.*
- Many of the manufacturers have been in business 15, 20, 25 years or longer; responsible firms, building constantly-improved products.



DEPENDABLE GUIDANCE

is now available covering all phases of mobile home developments, from feasibility study through planning, architectural and engineering steps to efficient—and profitable—operation.

M.H.M.A. can help you find facts/figures for decision-making. As a first step, send the coupon. Or, you may contact Richard Mitchell, Director, Land Development Division, M.H.M.A., 6650 N. Northwest Highway, Chicago, IL. 60631.



HOW BIG?

More than 412,000 built in 1969. *Mobile homes, right now, account for:*

- 67% of new homes under \$25,000;
- 79% of new homes selling for less than \$20,000;
- 94% of all new one-family homes selling for less than \$15,000.

MORE 'TRAILER CAMPS?'

BY NO MEANS! Today's well-landscaped mobile home developments — with curbed streets, community TV an-

WILL THIS TREND CONTINUE?

Seems inevitable. And everyone concerned with housing owes it to himself to replace any out-dated opinions with up-dated facts.

CONSIDER THESE BASICS:

- Factory methods produce more house for the money — and the 'spread' between manufactured and site-built is widening.
- Retail prices range from under \$5,000 to over \$15,000. Long-term financing

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Dept. MCB

- (A) *Gentlemen:*
 (B) Please send me the material checked at left; remittance to cover items (B) and/or (C) is enclosed, making it unnecessary to open an account for this one-time transaction.
 (C)

Name _____

Firm _____

Address _____

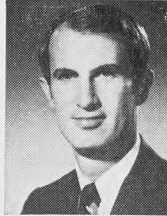
City _____ State _____ Zip _____

(A) (Free selected literature)

(B) Site-planning Kit \$7.00

(C) Book, "Formula for Financing Mobile Home Developments" — N. G. Asbury \$13.00

**Your men at AFNB
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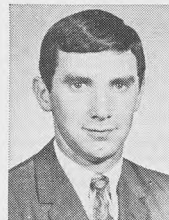
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Vice President
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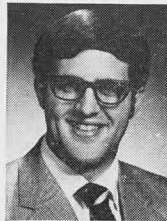
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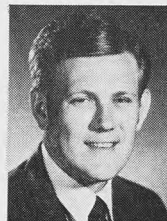
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Roger A. Young
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AMERICAN FLETCHER NATIONAL BANK

MID-CONTINENT BANKER for September, 1970

A big bank should be more than a big building.

When you look for a correspondent bank, you look for a big one. Because the larger the bank, the larger its capability to help you. Right?

Not necessarily.

Bank of the Southwest is big. But we don't think that's enough.

We feel our services

should be just as big.

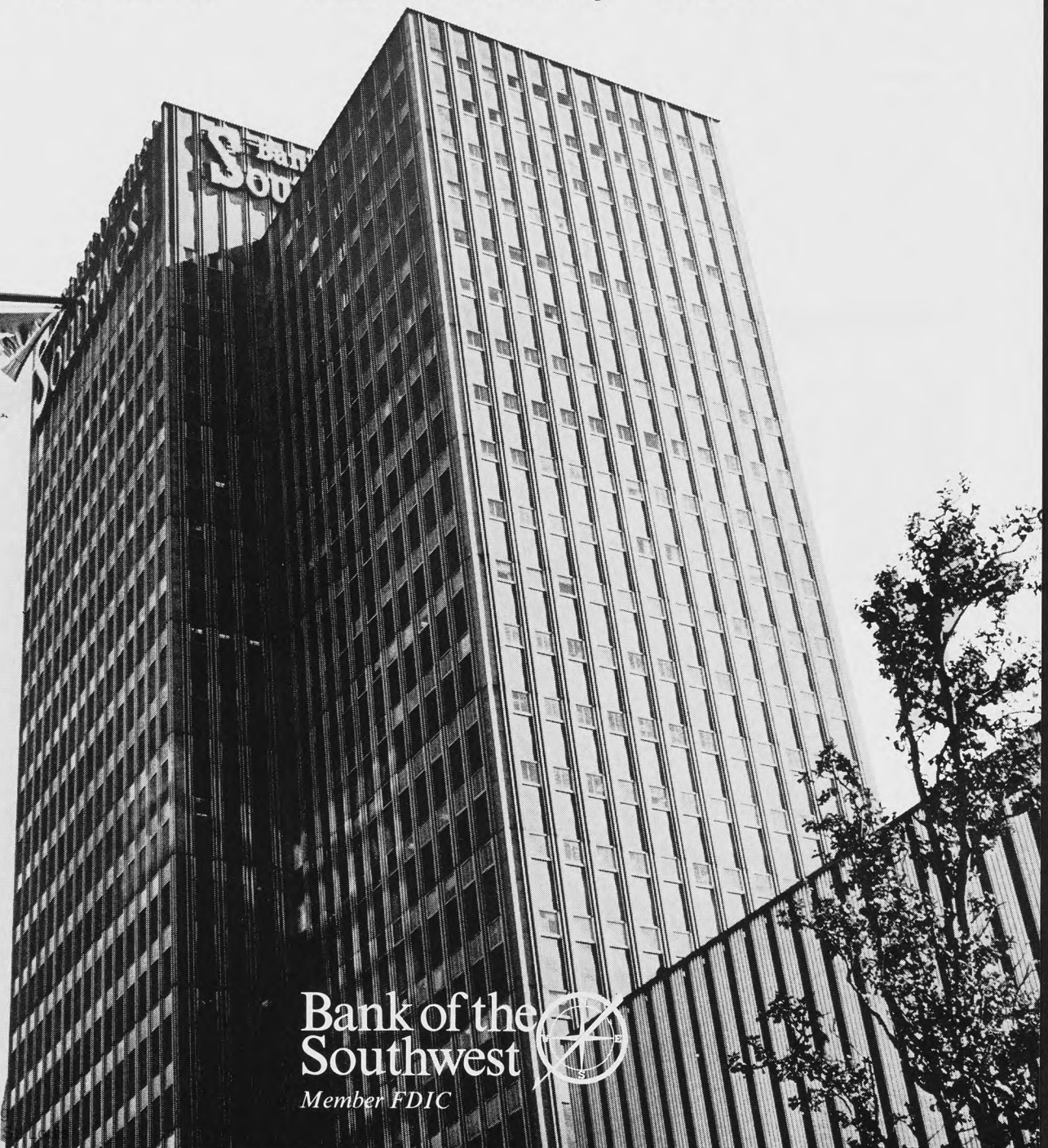
That's why the vast majority of new correspondent services introduced in Houston since 1945 were introduced by Bank of the Southwest.


Our correspondent banking people are constantly looking for new ways to help you build your bank. And, in doing

it, they're ready to bring every area of banking service to your aid.

Our service is big, so we can help make you bigger.

Call today. Correspondent Bank Department, Bank of the Southwest, P.O. Box 2629, Houston, Texas 77001, (713) 225-1551.



Bank of the Southwest 
Member FDIC

Commercial Lending

Airplane Financing Is Good Source of High-Yielding Loans for Banks

By **CARROL R. DAVIS**
Vice President
Fulton National Bank
Atlanta

AVIATION is a giant industry. Developed within the span of a single lifetime, airlines now transport more people to more places than all of our earthbound railroads, buses and steamships combined. U. S. airlines fly 2,314 airplanes. Contrast this with the 134,522 general aviation airplanes, and it's apparent that the fleet of general aviation airplanes forms the nucleus for a tremendous industry.

General aviation is classified as all civil aviation, excluding the airlines. It may be the crop duster, aerial photographer, a businessman or salesman making routine calls, or it may be a pleasure flight or an air ambulance.

All these fall in the category of general-aviation-type airplanes.

The airplanes I'm discussing are primarily the single-engine and twin-engine models that may seat from two to 10 passengers, may range in price from \$10,000 for a two-seater up to and in excess of \$1 million for a corporate jet. Generally speaking, I am referring to those airplanes in the \$10,000-\$150,000 price range. The great majority of the fleet of general aviation airplanes fall in this price range.

Since 1950, this industry has experienced a fantastic growth record, and the Federal Aviation Administration predicts there will be 260,000 general aviation airplanes flying by 1980. The aircraft industry is a dynamic growth industry in every sense, and this brings me to my subject—financing airplanes.

The idea that airplanes are sound collateral for loans is not universally accepted. However, a few banks around the country have pioneered in this field and have been quite successful. I'm happy to say that my bank is among this small group.

Many years ago, the venturesome banks that experimented with airplane loans gradually learned two important lessons.

If the customer buying the airplane was a sound businessman, he represented a good risk on an airplane as well as on a new piece of machinery in his plant, and there was a market for used airplanes just as there was for used automobiles.

Analogies often are drawn between the auto industry and the private aircraft industry. Indeed, there are many more similarities than differences.

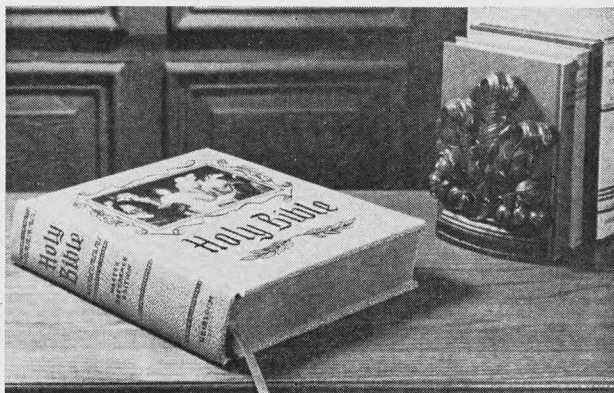
A banker contemplating aircraft financing should consider these factors:

1. What is the trade area to be covered?
2. Should a banker handle both direct and indirect financing?
3. Will the banker be asked to floor plan the dealer?
4. How will the banker solicit the business?
5. How will the banker determine the value of an airplane, including the electronic equipment and the engine condition?
6. How will the banker perfect his title and record his documents?
7. What are the insurance requirements?
8. How are repossessions disposed of?

There is nothing mysterious about the financing of aircraft. The unit values may be higher than the other items bankers customarily handle, but normal credit principles still apply. A banker still investigates the buyer's ability and willingness to pay. One thing often overlooked is the fact that an airplane may well produce the revenue to pay for itself.

The buyer is required to furnish insurance against all risks of physical loss or damage. The lender, of course, should be named in the policy as a lienholder and loss payee. The lender also should require a breach-of-warranty endorsement in the amount of the loan. It's true that there are some peculiarities about aircraft insurance. Both the lender and the buyer should be aware of all the terms and conditions of the policy. A good agent who is knowledgeable in this particular field can be of considerable assistance.

We record all liens with the FAA in Oklahoma City. Our attorneys tell us that under provisions of the Uniform Commercial Code, local or state



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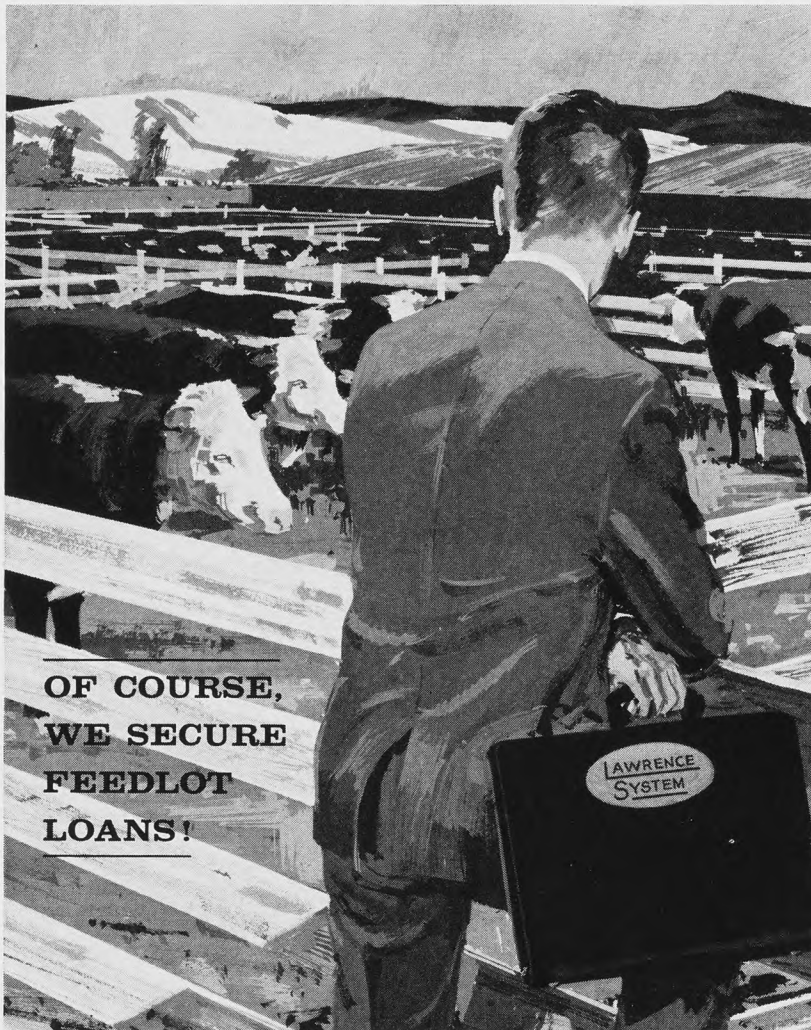
The Shapiro Division of Chase can help you offer a competitive edge in this profitable service.

Factoring and financing accounts receivable are very versatile forms of short-term financing. And in participation with Chase you can offer your customers the services of one of the best-known names in the business: Shapiro Factors, a division of Chase Manhattan. Tell your customers how factoring can help them. And then tell them that you can get the

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CHASE MANHATTAN 

MID-CONTINENT BANKER for September, 1970



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If you're shying away from feeder cattle financing because of insufficient collateral protection, DON'T. Lawrence System can help you make larger loans with maximum security.

With a Lawrence feedlot field warehouse... (1) **You** hold the warehouse receipts, so that your four-footed collateral can be shipped only upon your signed release; (2) **You** are protected by the industry's most comprehensive bond coverage; (3) **You** reduce your clerical detail with Lawrence's computerized Monthly Collateral Reports which provide complete and accurate inventory records. Regardless of the feedlot's location, Lawrence's inspection and control procedures hold you secure.

For very large loans, the Lawrence receipt can help you gain correspondent bank participation. And it also helps meet the Federal Reserve's requirements for issuing a banker's acceptance that is eligible for rediscounting.

Whether your borrower's inventory is cattle, feed or any other commodity, Lawrence is your key to both a profitable loan and grateful customer. For dramatic case histories, contact your nearest Lawrence office. Let Lawrence take the work and worry out of your lending picture!

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OFFICES IN PRINCIPAL CITIES

recording of liens on aircraft is not necessary. The Federal Aviation Act of 1958 requires the FAA to maintain a registry in which may be recorded any document that affects the title of any aircraft with a U. S. civil registration. Recent decisions have recognized the superiority of the federal act in cases where there may be some potential conflict with state law. If there is any question about the existence of a prior lien or the location of a title, FAA records are open to the public. There are several firms in Oklahoma City that make a business of searching FAA records and will report to a bank for a small fee. There is one peculiar feature in recording lien documents. On mortgages or note and security interest documents filed with the FAA, title can pass to another party without the lienholder's release or without his being notified. However, this is not the case if a conditional sale contract is recorded. In this case, if the owner of the airplane tries to pass title, and the banker has a recorded conditional sale contract, the FAA will notify the banker. Therefore, when applicable, a banker's collateral position is better if he uses a conditional sale contract.

How good is the collateral? I think it is quite good. There are some well-known guides published on the values of used aircraft. They are musts to determine airplane values.

I don't want to gloss over anything. Some financial institutions have suffered losses on aircraft loans. In practically every instance, however, the losses are traceable to unsound evaluation of the credit, unsound evaluation of the collateral or inadequate follow-up when a collection problem was indicated. The losses were *not* due to any inherent deficiency in the

(Continued on page 90)

Robert Morris Assoc. Publishes Annual Statement Studies

Robert Morris Associates recently announced that the 1970 edition of its *Annual Statement Studies* has just been published.

As in past editions, the main section of the book contains a composite balance sheet and income statement, along with 11 widely used ratios presented as medians and quartiles, for each of the 248 different industries.

In a separate section there is additional profit and loss data for 209 of the industries and a special report on finance and small loan companies is included.

Robert Morris Associates has published the research project each year since 1923. It is compiled from financial statements supplied by the association's member commercial banks.



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Heller *cooperates* with banks.

That's why we "succeed" in losing our best clients, while our bank friends gain better, or larger, customers.

It starts when a bank refers a situation to us. Perhaps there's a need for more funds than the bank cares to lend under existing conditions. Or, a portfolio item is causing concern.

(And sometimes it's because the bank simply can't accommodate a prospect, but doesn't want to turn him away with a flat "No"—and lose a new depository relationship.)

If there's a potential in the situation, it's likely that we can provide the necessary financing: with Heller funds, alone, or through a participation, if the bank wants to maintain a position in the loan.

The arrangement normally will continue until conditions are favorable for complete bank financing. Then, *we'll arrange the transition*. That's our policy, and it keeps the bank referrals coming in: To replace the good clients we lose.

Write for our brochure, "Heller and Banks," or phone a Heller office near you.

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the question: who treats your customer referral as a
stepping stone back to complete bank financing?

MID-CONTINENT BANKER for September, 1970

Credit Cards

Bank Introduces Charge Card Program With Especially Trained Sales Women

“NEVER underestimate the power of a woman!”

Capitalizing on the truth in the truism, Republic National of Dallas recently employed 50 sales women—dubbed “Silver Starlets,” after the bank’s silver star trade-mark—in a highly successful promotion of Republic’s Master Charge card among Dallas-area merchants.

“When Republic National Bank, along with some 35 other banks in Dallas County, became a member of the Southwest Bankcard Association, it faced the monumental task of signing merchants to participate under Republic’s program, rather than to sign with competing banks in the area,” said Fred Ferguson Jr., vice president in charge of Republic’s Master Charge operation. Mr. Ferguson also was recently named chairman of the Southwest Bankcard Association.

One of Republic’s competitors in Dallas had been in the credit card field for 17 years and also led in offering the Master Charge Card to customers in the Southwest. So the “selling” job for Republic among area merchants was formidable.

In advance studies, Republic found that several other banks in the nation had used women sales forces with good effect in promoting credit card programs. Some reports indicated that women in the field outsold men by a

ratio of four to one. But the number of sales women in each case had been small.

“We decided that, if they are that good, why not do the thing on a saturation basis,” said Mr. Ferguson. “Why not engage a large force of women, train them specifically for the job and let them call on our merchant prospects?”

So the bank engaged an outside firm to provide the “woman-power,” then undertook to provide them with proper training for the actual calling—and selling—to merchant prospects for the service.

Intensive Training. But first, a massive training effort was required. Republic had the necessary expertise in the field, too. The bank has its own Sony TV camera and tape decks, which it employs for personnel training, special management presentations, field real estate appraisals and many other purposes. Rush Fielden, another Republic Master Charge staff member, who also is adept at training techniques and is experienced in use of the TV system, explained the training phase.

“Our association, and the bank itself, purchased the credit card operations system to be used locally from an ongoing credit card group in St. Louis,” Mr. Fielden explained. “So we visited with various St. Louis member



Silver Starlets of Republic Nat'l, Dallas, ride in one of bank's special autos to merchant-solicitation call in recent campaign to enlist Dallas-area merchants under bank's Master Charge card program. In 10 weeks of intensive calling, 50 especially trained Silver Starlets signed 1,600 merchants.

banks and took TV film footage on their entire setup of the operation, including taped interviews with those involved at the marketing, operations and security levels. When we launched our own training phase, these films were used to support verbal information given our Silver Starlets during an intensive, two-day training session.

“We set up an unstructured seminar-type situation, in which we explained the general credit card activity. The sessions were weighted heavily toward an informal, question-and-answer format.

“Along with this, we showed films depicting, both in video and audio, how credit card authorizations are handled, how actual calls are made, how to field questions that might be asked by merchants, how to make out deposit slips, sales tickets, all the details, step by step.

“In some cases,” Mr. Fielden continued, “we asked the young ladies to volunteer for test runs in selling, with someone playing the role of the merchant prospect. Again, we would split the group in half, with one half being ‘salesmen,’ the other half ‘merchants.’ At the end of the training phase, our girls were eager and enthusiastic, confident that they could handle the situation. Their confidence was justified. They could, and they did!”

All 50 girls were outfitted in svelte, blue, tailored uniforms, especially designed for the occasion. They were ready to start making calls.

But first, for back-up support, the bank launched a concentrated advertising campaign in major media, introducing the “Silver Starlets” to the Dallas public.

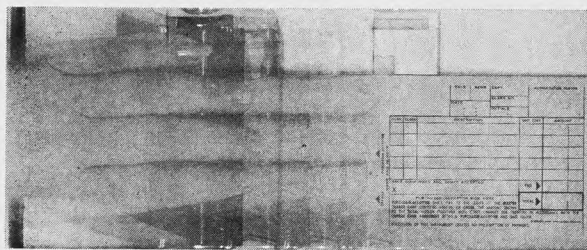
Advertising Support. “Glenn adver-

(Continued on page 60)



Outdoor advertising like this played prominent role in Republic Nat'l of Dallas' highly successful program to sign up merchants for its Master Charge card program. This “chorus line” of Silver Starlets greeted Dallas-area drivers from 72 outdoor boards in six-week campaign. Women received their name from bank's silver star trade-mark.

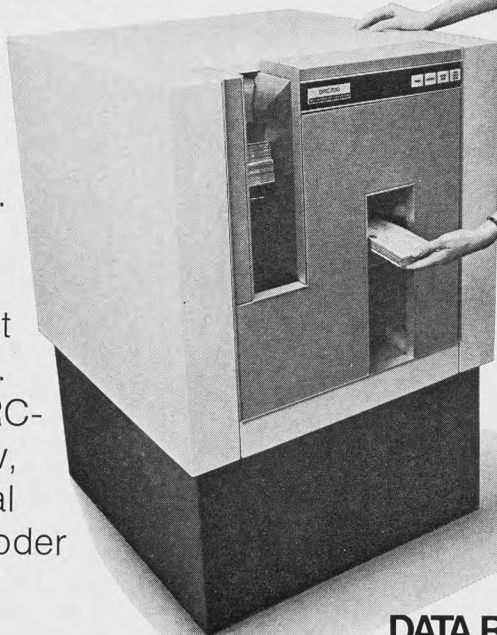
Everybody uses a credit card...



but not every machine:

1. Automatically reads and MICR encodes 4,000 credit card invoices an hour without computer assistance.
2. Replaces 8 manual operators and their encoders.
3. Eliminates human error.
4. Processes even badly smudged invoice cards.
5. Lets you cut processing costs right from the start.

Meet the DRC-700. It's a new, off-line optical scanner/encoder



designed to unplug the bank credit card data bottleneck.

DRC-700's unique. Free of computer control. Easy to use.

If you want to beat the high cost of keypunching and manual encoding, speed your throughput, and get some extra elbow room, check into our simple machine.

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Do You Ask for Business?

Recently this episode came to our attention, which proves once again that "it pays to ask for the business."

A banker, attending a rather large social function, was introduced to a young couple and they soon found they had mutual friends. Although the banker discovered the couple was not in his "trade area," he nonetheless suggested, as they parted, that he was in the banking business and if he could be of assistance at any time he would appreciate their calling on him.

Much to the banker's surprise, a modest savings account followed through the mail a few days later.

It should be obvious that bankers would soon make bores of themselves if they used every introduction, every handshake as an excuse to ask for an account. However, bankers can learn to recognize situations where it will not be offensive for them "to talk shop." And as the young banker in the story later explained: "I am not overly aggressive in asking for new business, but I feel it is time to let people know that you do want to do business with them."

Bank's Reinvestment Service

Stockholders of Citizens & Southern National, Atlanta, will find it easier to buy bank stock with their cash dividends when the bank begins offering its new automatic dividend reinvestment service.

Under the proposed plan, optional to stockholders, the bank will act as an agent for its stockholders to reinvest dividends in the bank's stock. The bank will purchase the stock in the over-the-counter market for the best price at the time of transaction. Stockholders will be notified of the purchases made for them by the bank after the date of payment of the dividend.

The Great Tin Lizzie Race

How fast can a Tin Lizzie go? That's the question Belleville (Ill.) National asked in its recent month-long contest promoting the opening of its new Motor Bank.

The half-scale model of a 1910 Ford Tin Lizzie was on display in the bank lobby. Customers were invited to record their guesses as to how many seconds it would take to run the miniature car from the

parent bank to the new Motor Bank on the formal opening day. The entry guessing closest to the actual running time received the car, complete with red spoked wheels and headlamps, as a prize.

Home-Rental Listing

Because there is a shortage of dwelling rental space in Ellsworth, Kan., Citizens State began compilation of a listing of houses and apartments for rent. Those with such units to let need only phone the bank and the unit will be listed by the bank. Newcomers to town or those who wish to find new quarters may then scan the list at the bank.



This Is a Ground-Breaking!

Those kids in the picture are digging for buried treasure, \$1 to \$5 worth—that's treasure to a boy or girl 12 years old or less—and in the process are providing a ground-breaking ceremony for the new drive-in of the Burlington (Ia.) Bank.

Capsules containing gift certifi-



cates in amounts ranging from \$1 to \$5 were buried in the drive-in site. Radio, TV and newspaper advertising was then used to invite children to the treasure hunt.

Despite rain kids aplenty showed up for the "ground-breaking" and unearthed 66 of 86 capsules in 20 minutes at a cost to the bank of \$77. Any child who dug in vain was given 50 cents by one of the bank officials present at the ground-breaking.

Chicago TV 'Stars'



Milton F. Darr Jr., chairman, and Frank G. Price, president, LaSalle National, Chicago, star in their own daytime "television show." They describe the bank's various savings plans via video tape messages on a repeater-loop viewer in the bank's lobby. On the tapes, the men explain each of the six different savings plans, their key advantages, rates and maturity schedules.

Not-So-Silent Majority

Louisiana National, Baton Rouge, has initiated a campaign to move its employees out of the ranks of the so-called "silent majority" and to encourage them to make their views and wishes known to their representatives in Congress.

The bank has offered to pay the cost of telegrams addressed to United States representatives and senators and to the President and Vice President. It also will pay \$2 to each employee writing a letter.

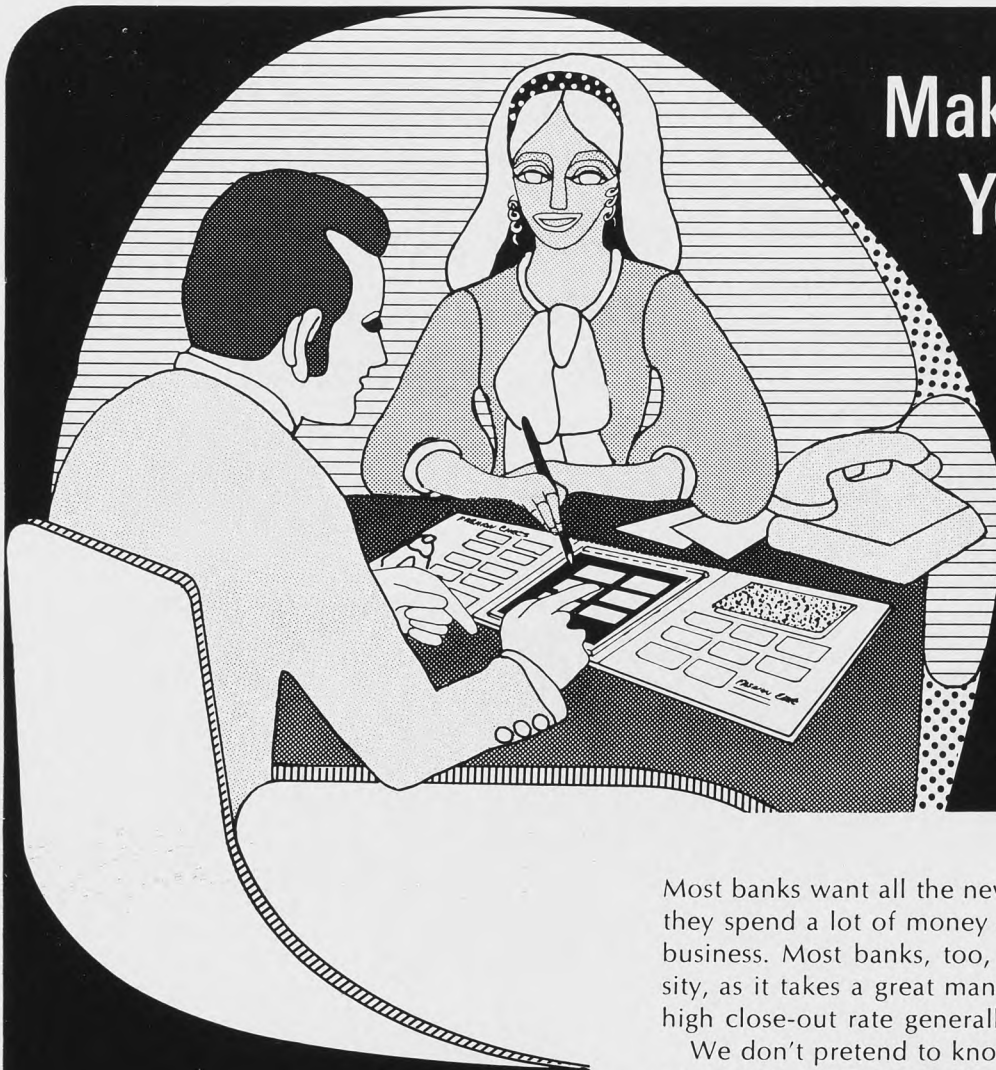
Orange Juice Break

Most banks have a coffee break, but so far as we know, only McAllen (Tex.) State has an orange juice break. As part of its business, the bank handles millions of dollars of citrus industry money because of its location in the Rio Grande Valley. The bank decided to patronize its customers. Hence, an orange juice bar.

Racing for Music

To help support the Kansas City Philharmonic, Valley View State in Overland Park, Kan., a Kansas City suburb, helped sell tickets to a Grand Prix auto race, proceeds from which benefited the orchestra.

To attract ticket purchasers, Bill West, bank vice president, and Mike Roberts wheeled a Formula C Lotus racing car into the bank's main lobby. Mike is the son of Jerry Roberts, who owns the car.



**Make
Your New
Accounts**

**Your Old
Accounts**

Most banks want all the new accounts they can get, and they spend a lot of money and effort in developing this business. Most banks, too, find this an absolute necessity, as it takes a great many new accounts to offset the high close-out rate generally reported.

We don't pretend to know all the answers to keeping new accounts. Certainly there are many reasons why customers close their accounts, some of which are beyond the control of the bank. A realistic banker, however, will focus on those reasons over which he has control and attempt to change what is warranted.

What we are saying is that once you get your new accounts you want to keep them and you want to do everything within your power to assure that they stay. One way to do this is to make sure that each transaction with the customer reflects the high quality of your institution and your respect for the customer and his needs.

When that customer is opening his new account he is most impressionable. He is interested in quality, warmth and efficiency and he doesn't want to feel he is being hurried no matter how busy your people may be.

We feel his checkbook is important to him. It is something he is going to use or refer to nearly every day. It is the most familiar and meaningful symbol of his bank and its service and, as such, it should reflect the quality and image of your institution.

Here is where we think we can contribute to making your new accounts your old accounts. We have the sales tools and know-how to help your bank develop new account handling procedures that please customers and assure they leave with a pleasant impression of *their bank*.



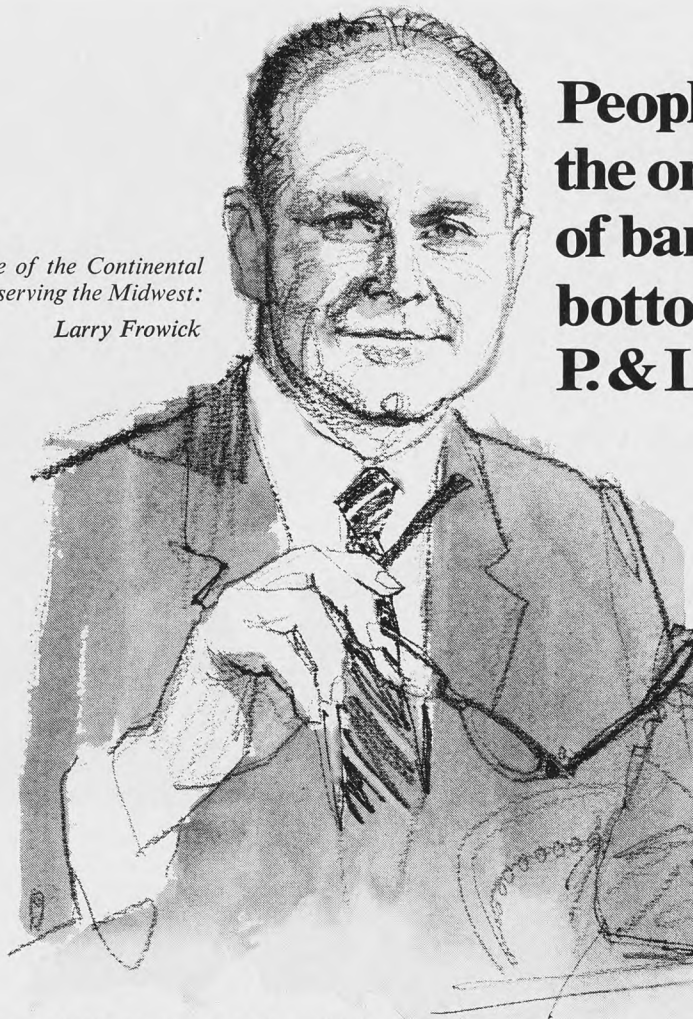
**DELUXE CHECK
PRINTERS, INC.**

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

MID-CONTINENT BANKER for September, 1970

Some of the Continental men serving the Midwest:

Larry Frowick



People keep saying that the only effective measure of bank performance is the bottom line of your P. & L. statement.

Jerry Gale



And who wants to argue against profits?

But let's make clear whether we're talking about long-term or short-term profits.

These days, many of our correspondents are proving that it's possible to increase profit potential over the long run by assuming the costs of a program that can attract and hold good, productive employees.

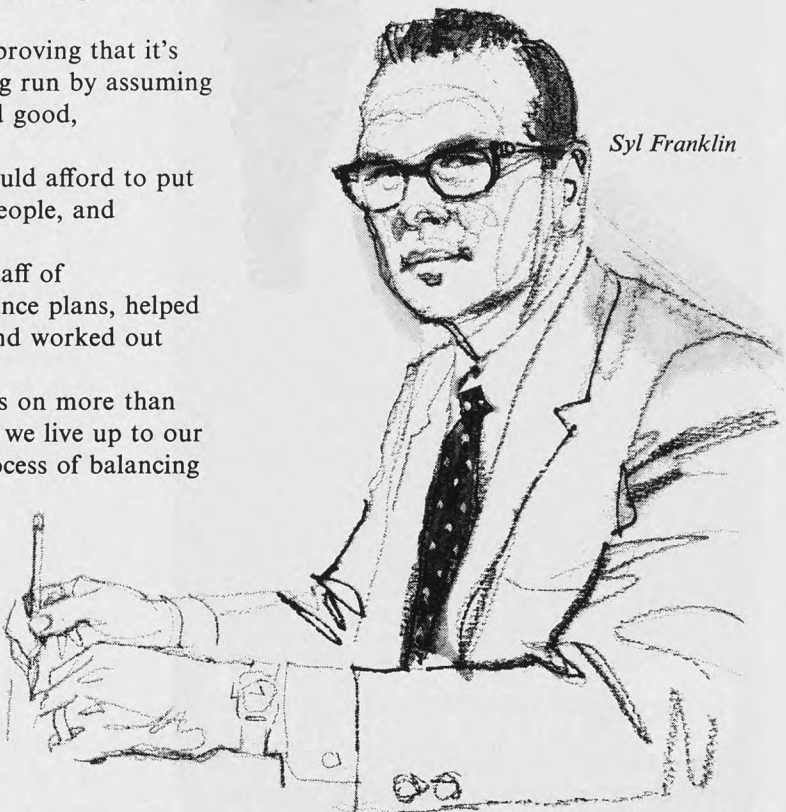
As one banker put it: "I never thought we could afford to put money into benefits, but now I'm losing good people, and that's something I know I can't afford."

In his case, we were able to call on a whole staff of Continental specialists. We recommended insurance plans, helped him set up a pension and profit-sharing trust, and worked out an employee communications plan.

The point is: a bank's profit potential depends on more than short-term considerations. And one of the ways we live up to our potential is helping you through the difficult process of balancing the one against the other.

It's what you'd expect from the biggest bank in Chicago.

Syl Franklin



Continental Illinois National Bank and Trust Company of Chicago, 231 South LaSalle Street, Chicago, Illinois 60690. Member F.D.I.C.

MID-CONTINENT BANKER

NEWS ROUNDUP

News From Around the Nation

PEOPLE

• CHARLES W. McBRIDE JR., 43, vice president, Central Trust, Cincinnati, died recently of injuries suffered in an accident. Mr. McBride directed the bank's correspondent bank division.

Mr. McBride joined the bank in 1954 as a correspondent representative after having been an assistant bank examiner for the FDIC. He was made a vice president in 1968.



MAYO



McBRIDE

• ROBERT P. MAYO has been elected president of Chicago's Federal Reserve Bank, succeeding Charles J. Scanlon. Mr. Scanlon resigned earlier this year to become a vice president of General Motors Corp.

Mr. Mayo had been director of the Bureau of the Budget in Washington, D. C., from early 1969 to July 1. On the latter date, he was made counselor to President Richard M. Nixon. In addition to his Budget Bureau post, Mr. Mayo was on the Advisory Commission on Intergovernmental Relations, the President's fiscal policy "Troika" and his fiscal and monetary policy "Quadriad" and was chairman of the Cabinet Committee Task Force on Lumber Prices.

Before going to Washington, Mr. Mayo was vice president at Continental Illinois National, Chicago.

• W. ROBERT MOORE has been elected senior vice president, electronics division, of New York City's Chemical Bank.

• THOMAS RODD, executive vice president, Morgan Guaranty, New York City, has been elected to the bank's board. He also is a vice president and a director of J. P. Morgan & Co., Inc.

House to Hold Premium-Curtailment Hearings

Hearings on H.R. 18676, a bill to curtail promotional practices of banks and savings and loans, have been postponed until "the early part of the 92nd Congress," according to Mrs. Leonor K. Sullivan (D., Mo.). Consideration of the controversial legislation was originally set for early August, then was postponed until after the Labor Day recess.

As originally conceived, H.R. 18676 (and a similar measure, H.R. 18303) would prohibit financial institutions from offering "any merchandise or any certificate, stamp, ticket or other obligation or memorandum which is or may be redeemable in merchandise, money or credit as an inducement to any person to make or add to any deposit" (wording is from H.R. 18303).

Confusion on New Fed Ruling

The Federal Reserve Board last month issued an announcement on changes in Regulation D, placing a 5% reserve requirement on funds obtained by banks through issuance of commercial paper by their affiliates and reducing from 6% to 5% the reserves member banks must hold against time deposits exceeding \$5 million. However, the FRB failed to mention that paper with a maturity of 29 days and less is to be classified as a demand deposit, subject to a full 17½% reserve requirement for reserve city banks.

Reportedly, this will just about eliminate issuance of the short-dated commercial paper by bank affiliates because the added cost of setting aside 17½% of the funds will price the instrument out of the market.

Still unanswered is the question of whether the reserve-requirement level applies only to paper issued to finance bank operations or if the underlying bank assets' maturity is taken into account. Thus, 30-day paper would be subject to a 5% reserve, but would the requirement have to be raised to 17½% if the funds were made available for only 15 days?

Bill-Paying Service at S&Ls

Federally chartered S&Ls can offer bill-paying services to their customers and also can sell checks and money orders.

As of September 14, holders of accounts in federally chartered S&Ls can "authorize payments to third parties." Under the new regulation, an S&L depositor can arrange in advance for his S&L to automatically tap his interest-bearing account to pay various bills received periodically from department stores, gasoline companies and department stores. Also included are such payments as monthly mortgage installments.

The S&Ls also can sell checks, including travelers checks, and money orders on which drawees are Federal Home Loan banks, commercial banks or other institutions engaged in handling such instruments.

Same 'Third-Party' Payments for Banks?

The new regulation permitting federally insured S&Ls to offer limited checking-account service (see item on this page) has prompted support for permitting commercial banks to make the same "third-party" payments from interest-bearing accounts. Comptroller William B. Camp said that if S&Ls can do it, banks ought to be able to do it.

It's understood that this could be done by regulation and that no new banking legislation would be needed. Banks now can make such third-party payments from savings accounts, but only for mortgages. This regulation presumably could be broadened to include other types of obligations.

We
believe
in
you.



We're bankers first
and we're also your
hotel reservations desk,
theatre ticket agency,
restaurant guide,
special taxi service,
sporting events ticket booth,
guide around town,
and genial host.

Any correspondent bank is only
as good as what it will do for you.

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.

We don't let you shift for yourself unless you specifically want it that way. We help get you settled in a hotel, see to it your evenings are fun, show you where the best restaurants are, let you see the city through local eyes.

But more than all of these nice things we do to make your visit more pleasant, we're still bankers.

Here's what we do for other bankers. It's not so unique in itself, but we think we do it better than anybody else:

- Handle Overline Loans.
- Complete Transit Service.

- Bond Transactions and Safekeeping of Securities for You and Your Customers.
- Transfer Your Funds to Other Banks.
- Provide Channels for "Fed Funds".
- Complete Off-Premise Computer Services.
- Provide Complete Trust Services and the Administration of Wills, Estates, and Corporate Investments.
- Streamline Your Operational Procedures and Banking Systems.
- Provide International Services.

Try us if you haven't yet done so.
If you're already one of our correspondents,
you know what we can do. Behind each thing
we do for you is our philosophy:
We believe in you.

First National Bank of Kansas City



Miami Beach's Fontainebleau Hotel, site of ABA division meetings.

Miami Beach Welcomes ABA

*96th annual convention will convene Oct. 10-14;
Clifford Sommer will assume presidency*

PALM TREES, sunny beaches and luxurious hotels will be on hand for ABA convention delegates for the second consecutive year as the association convenes for its 96th annual convention October 10-14.

Only this year it won't be Honolulu, but Miami Beach, where the more than 10,000 bankers will gather to be brought up to date on the wide spectrum of banking matters that will fill the five-day meeting.

Speakers and program for the convention's general sessions on October 13 and 14 had not been finalized at press time; however, details of the ABA's four division meetings, to be held October 12 at the Fontainebleau Hotel, are as follows:

The state bank division will convene at 9:30 a.m. and will be presided over by Thomas G. Wilson, president of the division and president, First State

Bank, Conway, Ark. Speakers will include Edward L. Wright, president of the American Bar Association, and Representative Wilbur D. Mills (D., Ark.), chairman of the House Ways and Means Committee.

Presiding at the trust division meeting, also scheduled for 9:30 a.m., will be Edwin R. MacKethan, division president and executive vice president, Virginia National, Norfolk. No outside speakers are scheduled for this meeting.

The marketing/savings division will meet at 10 a.m., with Charles McCoy, president of the division, presiding. Mr. McCoy is chairman and president of Louisiana National, Baton Rouge. Included in the program will be a multi-media presentation entitled "Baby, Ya' Gotta' Listen to People!" A speaker, to be announced, will also appear on the program.

The national bank division will convene at 2 p.m., with Adrian O. McLellan, division president, presiding. Mr. McLellan is president, First National, Great Falls, Mont. Speakers will be William B. Camp, comptroller of the currency, and Senator Mike Mansfield (D., Mont.) Senate majority leader.

Each division will elect and install new officers at its meeting.

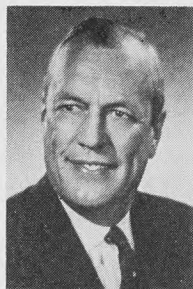
Four concurrent workshops are scheduled for 2 p.m. on Tuesday, October 13, at the Fontainebleau Hotel.

New this year is "A Word to the Wives," a special workshop for all ladies registered for the convention. Presiding will be Louis B. Lundborg, a member of the ABA's administrative committee and chairman, Bank of America, Los Angeles.

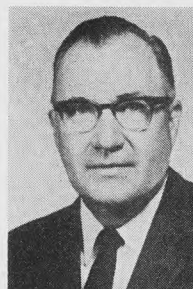
Addressing the wives' workshop will be Philip F. Searle, president, Banc-Ohio Corp., Columbus. Following his



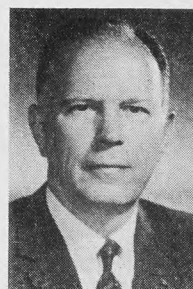
ROGERS



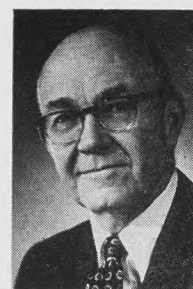
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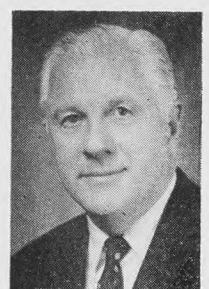
STUTTS



STULTS



ADAMS



DAVIS

MID-CONTINENT BANKER for September, 1970

Miami Beach Welcomes ABA (Continued)

address, Mr. Searle will join in a panel discussion to be moderated by Mr. Lundborg. The panel includes Miss Ruth Bryant, incoming president, National Association of Bank-Women Inc., and assistant vice president, Federal Reserve Bank of St. Louis, Memphis Branch; Tom C. Frost Jr., president, Frost National, San Antonio; and Mrs. Anna Foster, immediate past AIB president and vice president, Valley National, Phoenix.

A government relations workshop will feature a panel discussion of bank holding company legislation and will be moderated by Eugene H. Adams, chairman of the special subcommittee of the ABA's federal legislative committee, and president, First National, Denver. Taking part in this discussion will be Hugh H. Smith Jr., assistant counsel, Senate Banking and Currency Committee; Robert L. Cardon, assistant to the Fed Board of Governors; and James E. Smith, special assistant to the Secretary of the Treasury.

Liquidity will be the subject of a panel discussion scheduled for a banking and financial research committee workshop. Members of the panel will be George W. Mitchell, member of the Fed Board of Governors; Paul J. Hanna, senior vice president, Manufacturers Hanover Trust, New York City; Donald C. Miller, senior vice president, Continental Illinois National, Chicago; Rex J. Morthland, president, Peoples Bank, Selma, Ala.; and Emory Williams, vice president and treasurer, Sears, Roebuck & Co., Chicago.

The fourth workshop, "Banking—1980 Style," will open with a visual presentation by George L. Faulstich of Booz, Allen & Hamilton, Inc., forecasting what commercial banking will be like 10 years hence. This presentation will serve as the basis for a panel discussion of manpower requirements, management succession and related challenges that will confront banks in the future.

In addition to Mr. Faulstich, the panel will include Clifford W. Stone, president, Walnut Valley State, El Dorado, Kan., and other senior bankers knowledgeable in the field of manpower planning. Panel moderator will be Dr. Charles F. Haywood, workshop chairman and dean of the college of business and economics, University of Kentucky. Dr. Haywood has served as consultant to the ABA in connection with the current relocation and restructuring of the association.

A highlight of the convention will be the presentation of a report of the ABA

On the Cover



Nat S. Rogers, who will relinquish the reins as ABA president at next month's convention, inspects construction site of 17-story office complex being built by First City National, Houston, on property adjacent to the bank's Main Office (right background).

task force on organization, chaired by Allen P. Stults, incoming ABA vice president and chairman, American National, Chicago.

The task force, which met for the first time in July, is expected to report on four specific areas for consideration regarding the furthering of the responsiveness of ABA to the needs of the banking industry.

According to Chairman Stults, the four general areas are (1) governing bodies, including the general convention, executive council, administrative committee, management committee and elected officials; (2) services to be rendered, including those common to all segments of the industry, such as legislative, educational, communications, and those peculiar to specific areas, such as trust, credit, investments, operations; (3) identification of those segments of the banking industry to be individually treated; and (4) the structure groups and committees to serve the industry's needs, which must be flexible and viable, must motivate volunteers from the ranks of practicing bankers to dedicate time and talent and must motivate professional staff to the highest degree of competence and dedication.

Full Service Bankers to Meet

The Foundation for Full Service Banks will hold its annual bankers meeting on Saturday, October 10, prior to the ABA annual convention. Meeting time will be from 4-5 p.m. at the Americana Hotel, Bal Harbour, Fla. All bankers and their wives are invited to attend the session.

Task force members were appointed by ABA president Nat S. Rogers, president, First City National, Houston, early in July. Those from the Mid-Continent area include Mr. Stults; John J. Cross Jr., senior vice president, Citizens Fidelity, Louisville; Joe H. Davis, executive vice president, First National, Memphis; Tom C. Frost Jr., president, Frost National, San Antonio; Donald C. Miller, senior vice president, Continental Illinois National, Chicago; and Alfred R. Naunheim, chairman and president, North Side Bank, Jennings, Mo.

Also serving are O. E. Anderson, executive manager, Ohio Bankers Association, Columbus; G. Clarke Bean, president, Arizona Bank, Phoenix; Alfred Brittain III, president, Bankers Trust, New York City; Richard P. Brown, senior vice president and executive trust officer, First National, Denver; John Chrystal, president, Iowa Savings, Coon Rapids; Robert M. Eberhardt, president, Bank of Stockton, Calif.; Harry C. Gatton, executive vice president, North Carolina Bankers Association, Raleigh; Lester Herzog Jr., president, National Commercial Bank, Albany, N. Y.; Wesley B. Simmers, vice president, Northeastern Pennsylvania National, Scranton; Kenneth A. Wales, vice president, First National, Minneapolis; and Gerald E. Warren, vice president, National Bank of Detroit.

Mr. Rogers will preside over the ABA convention, which will install ABA Vice President Clifford C. Sommer as president for 1970-71. Mr. Sommer is president, Security Bank, Owatonna, Minn. ABA treasurer is Clyde L. Stutts, president, Union Trust, Shelby, N. C. Mr. Stutts will remain in office until the 1971 convention.

Incoming ABA vice president is Allen P. Stults, chairman, American National, Chicago. Mr. Stults is the only candidate for the office.

In the wings for the 1971 convention are Eugene H. Adams, president, First National, Denver, candidate for ABA vice president; and Joe H. Davis, executive vice president, First National, Memphis, candidate for ABA treasurer for 1971-73.

Mr. Rogers was president and chairman of Deposit Guaranty National, Jackson, Miss., at the time he assumed the duties of ABA vice president in 1968. The following year he resigned his Mississippi bank posts to become president of First City National, Houston, the position he now holds. He

(Continued on page 56)

Nat Rogers Surveys Present Situation and Banking Outlook for '70s

"We are clearly in a period of rapid and significant transition which deserves thoughtful reflection as to the nature and scope of problems bankers must face in the period ahead.

"My year as ABA president has given me no unusual insight, and I am not addicted to pat solutions. Better financial service, greater involvement in current problems and an awareness of the signs of the times are the mundane but necessary paths for us to tread.

"After the ABA convention, I will welcome the opportunity to devote most of my time to the First City National Bank (Houston). Our bank is already engaged in a major building expansion program, and we shall undoubtedly be considering many other new and expanded service activities in the '70s.

"Industry-wide problems of banking will continue to command a commitment of my time and effort for the ABA. It is an outstanding organization and bears a great responsibility to banking and the public. I hope that banking leaders in every community will rally around it and choose it as the most effective medium of participation in industry affairs. A more effective ABA is the industry's best bet for success in the '70s."

The Year That Was—The Years to Be

By **NAT S. ROGERS**
President
American Bankers Association

THE last year has indicated, with striking clarity, that banking is anything but a static or dull business. The pot of banking issues has been kept boiling by the particular combination of economic, financial and operational developments. High interest rates, disintermediation, excessive regulation, burdensome tax increases and a fundamental lack of understanding about the role of banks as instruments of monetary policy are but a few of the major problems the industry has had to confront over the past 12 months.

The American Bankers Association has worked diligently, though with mixed success, in an effort to cope with the multiplicity of troublesome developments.

The banking press has duly noted the launching of the "Banking Serves America" program, which, under joint ABA and Foundation for Full Service Banking sponsorship, has gained wide support among banks throughout the country. It also has acknowledged the renewed vigor which the reorganized staff and the volunteer organization of the ABA have exercised over the major legislative issues of the year.

Banking is consciously engaged in a battle to preserve its market position and to insure its capacity to meet the emerging needs of the new decade. The differences in the House of Representatives' harsh version of H.R. 6772 in 1969 and the more reasonable Sen-

ate Committee version in 1970 are the result of hard work by bankers and the ability to identify the need for banking service flexibility with the interests of the public-at-large in the future.

In the period ahead, banking not only will require greater structural flexibility but a much higher degree of skill and specialization at every level of management. Perhaps there is no single problem of overriding importance that must be resolved to insure banking viability in the '70s, but a long list of significant issues must be dealt with successfully if the industry is to avoid repression and stagnation.

First, the future holds no promise for the bank that does not chart its course intelligently and utilize modern management techniques in pursuing its objectives. Computer availability and intelligent application will be indispensable to a competitive service performance. Individual banks and the system as a whole will face some highly fateful decisions as changes in the payment system are implemented. The ABA's MAPS program provides a major effort seeking to guide this movement, but future technological, legal, marketing and economic developments are impossible to project with precision.

There will be no substitute for alertness and perspective in the monitoring of these developments as they emerge.

Next, the competitive position of commercial banks within the financial institutional framework is full of imponderables at this time. More and more, the mutual thrift institutions are being accorded the functional prerogatives and service privileges that traditionally have belonged exclusively to banks. Yet banks continue to bear a greater degree of regulation and more burdensome reserve and tax obligations. At the same time, they face a constant legal and legislative harassment from those who would unreasonably restrict banking activities and protect non-banking financial service organizations from competition. The work of the Presidential Commission on Financial Institutions is one of the most important assignments in modern history insofar as banks and the consumers of financial services are concerned. Hopefully, the commission's research and deliberations will result in a strong factual case for greater banking flexibility and competitive equality with other segments of the American financial community.

A third major banking obstacle is the increasing difficulty in attracting funds. Even if banks are highly successful in developing greater operational competence and structural and func-

(Continued on page 56)



FAMILY of Clifford C. Sommer, incoming ABA president, includes three generations. In front row (l. to r.) are Mrs. Clifford Sommer, grandchildren Jeanne and Jay Anderson and Mr. Sommer. In back row are son-in-law and daughter, Mr. and Mrs. William Anderson (couple at left) and son-in-law and daughter, Mr. and Mrs. Stanley Griffin. Mr. Sommer is pres., Security Bank, Owatonna, Minn.

Next ABA President— Man of Many Talents and Many Interests



MR. AND MRS. Sommer, shown at home, met while both were working in a Minneapolis bank. They were married in 1935.

A RARE moment of relaxation is enjoyed by ABA Vice President Sommer and his wife, Eleanore, on a grassy slope outside their home.



AN ACTIVE WORKER in the Lutheran Church, Mr. Sommer is shown here with the Reverend Arthur G. Bagaason of Owatonna's Trinity Lutheran Church. Mr. Sommer has been president of the church, chairman of a special church building project and chairman of several church finance drives.

SENATOR SOMMER wields gavel while presiding at session of Minnesota Senate. He was elected to four-year term in 1966.

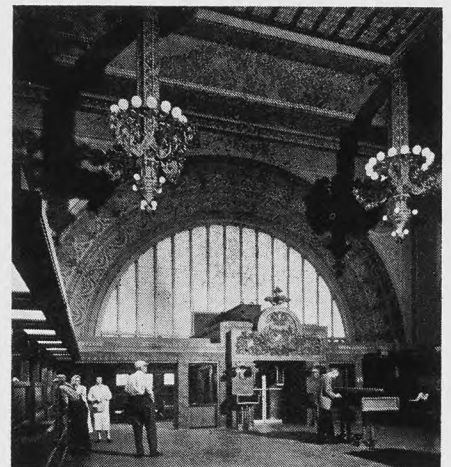
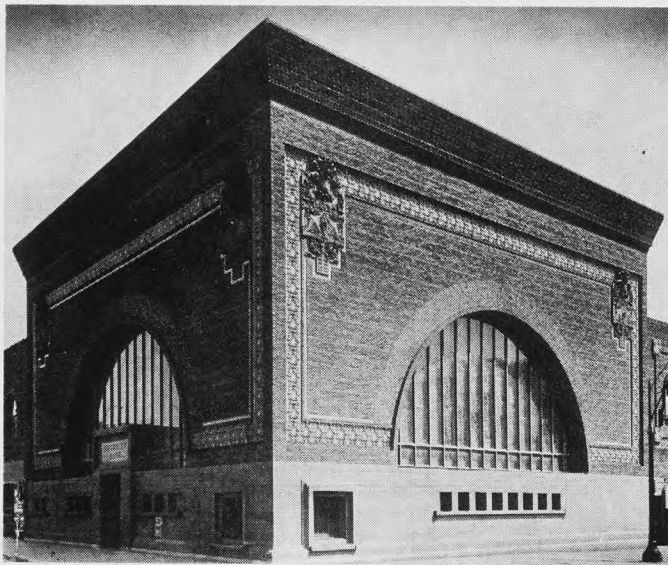




IN SHADOW of Iron Curtain, Mr. Sommer tapes interview for broadcast over Radio Free Europe. He was indefatigable speaker and fund-raiser for RFE during 1950s and 1960s, serving as Minnesota state chairman in 1960-62.



ABA vice president's business responsibilities include chairmanship of board of Lutheran Mutual Life Insurance Co., Waverly, Ia. He is shown here with E. T. Koopman (l.), firm's pres., and E. J. Rod (r.), v.p.



MR. SOMMER'S bank is housed in unusual building (exterior at left and interior above). On completion of remodeling of Louis Sullivan building housing his bank, Mr. Sommer was cited by Minnesota Chapter of American Institute of Architects "for his enlightening leadership in preserving an architectural masterpiece."



CLIFF SOMMER, former University of Minnesota basketball player, maintains avid interest in competitive sports. He chats with Minnesota Twins' slugger, Harmon Killebrew, and owner, Calvin Griffith.

MID-CONTINENT BANKER for September, 1970

What Problems Face Banking? How Can They Be Solved?

Incoming ABA President Answers Some Pertinent Questions As He Prepares to Take Office at Convention Next Month

AS THE INCOMING ABA president (Clifford C. Sommer) prepares to take office next month, banking is faced with many problems. Will a restrictive one-bank holding company bill be passed? Is inflation decreasing? How can bankers help find the solution to environmental problems? What can banking do to lessen the plight of the big cities?

MID-CONTINENT BANKER editors put together questions pertinent to banking of the 1970s and posed them to Mr. Sommer (president, Security Bank, Owatonna, Minn.), who has served as ABA vice president for the past year. Despite his busy schedule as ABA officer, active banker and state legislator, Mr. Sommer took the time to answer these questions. Here are the editors' questions and Mr. Sommer's answers:

Q. There is much talk of pollution and environmental problems. Do you believe bankers can and should take an active part in efforts to solve these problems? If so, what do you suggest that they do?

A. Pollution and the quality of the environment are two of the most important challenges facing our communities today. As civic leaders, bankers can't help but become involved in efforts to meet these challenges. In fact, bankers have a unique responsibility in this area because of their roles as financial advisers to their communities. Their opinions on these issues carry much weight, and by expressing these opinions forcefully, bankers often can make their best contribution. They can support efforts to establish realistic anti-pollution laws that will preserve the environment without discouraging local industrial growth and development.

They can offer expert advice on the economic implications of proposed regulations and legislation. And consistent with sound business judgment, they can participate in financing these solutions, just as they are now doing through the purchase of billions of dollars worth of corporate and municipal bonds.

Q. Do you believe inflation is decreasing? If so, do you believe the Federal Reserve should begin to ease its tight-money policy?

A. There is a growing body of evidence that the current inflation is losing momentum. In the weeks and

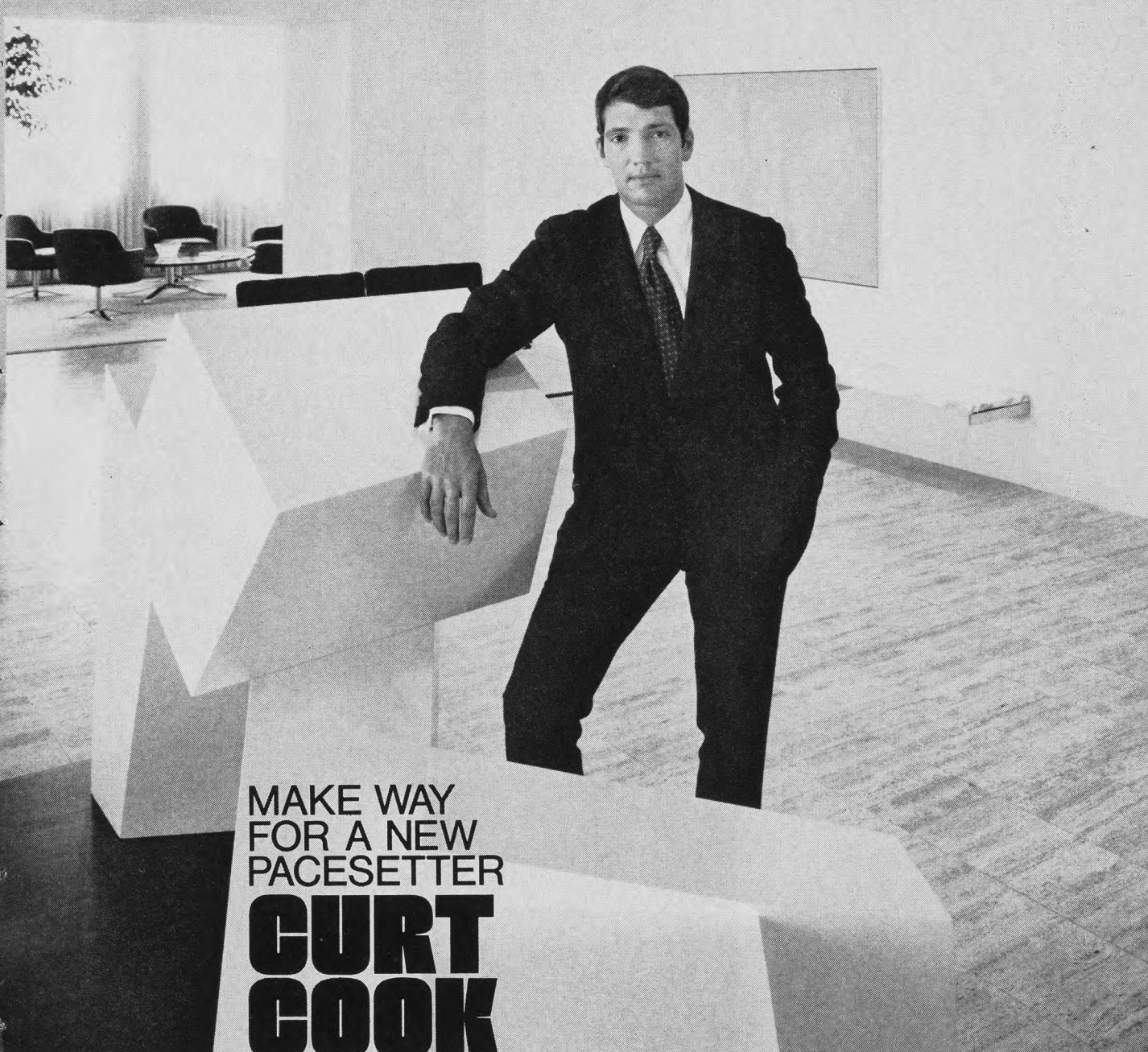
months ahead, it is quite possible that some loosening in the money supply might be indicated. The critical questions, of course, are when? and how much? Any premature easing could launch a new inflationary spiral, a risk so serious that it becomes almost incumbent on the Fed to err on the side of caution in formulating its policies. Still, based on its commendable record of recent months, I have every reason to believe that the Fed will respond realistically during this final cooling, and that by the end of the year the economy will have returned to a more realistic rate of growth without suffering any serious disruption.

Q. Much has been said about banking's having an unfavorable image with the public. Yet the recent Harris poll showed that the public's view of banking is essentially positive—political leaders in Washington are the ones who have to be told banking's story. Because you are a state senator as well as a banker, you are doubly qualified to answer this question. What should bankers do to make local, state and federal lawmakers sympathetic to their problems, to make them more amenable to passing laws favorable to or at least not too restrictive on banking?

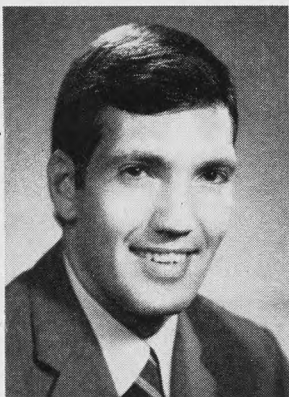
A. It is no reflection on our state and national legislators to say that many of them really don't know a great deal about the banking industry. After all, most bankers aren't that well acquainted with the intricacies of government and politics. Because of this general lack of understanding, I think that the most important consideration here is to avoid confusion. If we are to encourage a more sympathetic view of our problems on the part of legisla-

(Continued on page 50)





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MEMBER F.D.I.C.



Presidents of ABA Divisions Describe Year's Activities

TWO WELL-KNOWN bankers from the MID-CONTINENT BANKER area complete their terms as presidents of two ABA divisions at this year's convention in Miami. They are Thomas G. Wilson, president of the state bank division; and Charles W. McCoy, president of the marketing/savings division.

Mr. Wilson, who is president, First State, Conway, Ark., rounds out some 15 years of service to the state bank division. Mr. McCoy, who is chairman and president, Louisiana National, Baton Rouge, is the second president to head up the combined marketing/savings division, created at the ABA's 1968 convention.

Mr. Wilson recalls that his first association with the state bank division (in 1955) was as a member of a special subcommittee of the country bank operations commission, of which he later was to become chairman. This subcommittee, he said, was charged with the responsibility of writing some training manuals for country banks. Several of these manuals and studies are still in use today, he said.

Titles, which bankers may recall, are these:

- "Bank Tellers Do's and Don'ts"
- "Do's and Don'ts for Bank Bookkeepers and Proof Clerks"
- "How to Set Up a Salary Program in the Smaller Bank"
- "How to Welcome a New Bank Employee"
- "How to Train a Bank Bookkeeper"
- "How to Train a Bank Teller"

"The committee I worked with was great," Mr. Wilson told this publication. "Because of my experience in a country bank, I rattled off numerous ideas that committee members took down

and then rewrote into language that everyone could understand. Several of the committee members," he recalls, "were training officers from big banks—like Bank of America—but they could write, and I could talk, and the result was a number of manuals and studies for the ABA."

Mr. Wilson served as chairman of the ABA's employee training committee from 1957 to 1959, as chairman of the country bank operations commission, 1958-62, as a member of the credit pol-

icy committee, administrative committee, executive council and also as chairman of the executive committee of the state bank division before moving into the presidency of that division.

During the past year, one of the principal objectives of that division has been to promote the general welfare of state banks and to promote ideals that would preserve the dual-banking system.

To encourage modernization of state banking codes and to strengthen state



McCoy



Wilson

THE BANKERS pictured here head the four ABA divisions. They are:

MARKETING/SAVINGS—Charles W. McCoy, ch. & pres., Louisiana Nat'l, Baton Rouge.

STATE BANK—Thomas G. Wilson, pres., First State, Conway, Ark.

TRUST—Edwin R. MacKethan, exec. v.p.-trust, Virginia Nat'l, Norfolk.

NATIONAL BANK—Adrian O. McLellan, pres., First Nat'l, Great Falls, Mont.



MacKethan



McLellan

MID-CONTINENT BANKER for September, 1970



The Men from the City will be there.

The ABA in Miami, of course!

- Charles G. Young, Jr.
- John J. Kramer
- Jerome H. Scott, Jr.
- Charles W. Koester
- Roy A. Thompson
- Samuel A. Blasco
- George Wm. Sherman



City National Bank

& Trust Company

Kansas City, Missouri

MEMBER F.D.I.C.

MID-CONTINENT BANKER for September, 1970

banking departments, the ABA's state bank division joined with the association's steering committee for strengthening state banking law and supervision and sponsored the fourth national workshop on state banking laws. This workshop was held in April, 1969, and attracted 125 persons from 43 states as well as representatives from more than half the state banking departments. Mr. Wilson reported that the session was well received by those in attendance, and he is convinced that it further stimulated modernization and strengthening of the nation's state banking laws.

Two of the objectives of Mr. Wilson's division are research on issues affecting the operation of state banks and establishment of the division as a clearing center for information on matters pertaining to the state banking system. To bolster these objectives, the division took two affirmative steps during the past year.

The first step was the July, 1969, publication of a bulletin, "Condition and Operations of State Banks, 1968." This bulletin summarizes data for state banks on conversions, mergers, assets and liabilities and income and expenses.

The second step was publication last fall of 17 tables that include data, by state, on banking boards, total assets, number of banks and branches, examiner strengths and resumes of statutory and regulatory restrictions on minimum capital, maximum ceilings on deposits, loans to one obligor, reserves, preferred stock and capital notes and debentures.

The division's next project, said Mr. Wilson, will be the 10th Quintennial Survey. This survey is an x-ray of all aspects of state bank supervision, including information on salaries, examiner training and workloads, extent

of supervisory authority, financing of state banking departments, criteria for establishment of new banks and branches, etc.

A major function of the state bank division, Mr. Wilson pointed out, is to consider and make recommendations on proposed legislation of particular interest to state banks. Last December, the division's executive committee met in joint session with the national bank division in Washington, D. C., and reviewed proposed ABA legislative position papers prior to their consideration by the association's federal legislative committee. Particular attention was paid to proposals that would affect state banking.

Early in 1970, executive committees of the state and national bank divisions met in Houston to review and to re-evaluate the organization, function, mission and goals of the ABA in general and the two divisions in particular.

"I regard this session as possibly the most significant accomplishment by our two divisions this year," said Mr. Wilson. "Recognizing that differences of opinion exist with respect to practices of and legislation affecting state and national banks as reflected in the work of the two divisions, I am firmly convinced that both groups believe that the image, stature and effectiveness of a unified banking organization representing the component parts of our banking industry requires the submergence of views based on the narrower concept of national or state charter and demands the full and complete support of policies finally adopted by the governing bodies of the ABA."

State bank division officers—in their role of liaison with the National Association of Supervisors of State Banks—

held dinner meetings in September, 1969, and February, 1970, for state banking department officials who were in Washington to attend FDIC conferences.

Marketing/Savings Division. This division, with Charles W. McCoy as president, has four working committees: 1. Advertising and promotion. 2. Education and training. 3. New services marketing. 4. Research and markets.

All four committees have been busy, with programs of the first two well underway—the "Blue Chip" savings ad package, the 1970 newspaper ad series, the 1970 radio ad series, the officers sales workshops (in cooperation with AIB national offices and local chapters) and a series of marketing management texts for the AIB.

The newer programs of the latter two committees are now being prepared and should be ready for presentation within 18 months, according to Mr. McCoy. He pointed out that these committees' work is vitally important because it's being done in response to members' needs.

The marketing/savings division also has conducted its annual conference and produced three publications: "Advertising and Promotion—Practices of Full Service Banks," "1970 Survey Report on Bank Marketing Practices," a revision of "Personal Money Management," and a second edition of "Bank Marketing Bibliography."

According to Mr. McCoy, the "Personal Money Management" booklet—the ABA's all-time best seller—has been given a contemporary look that should appeal to bank customers. The booklet is offered for local distribution by banks.

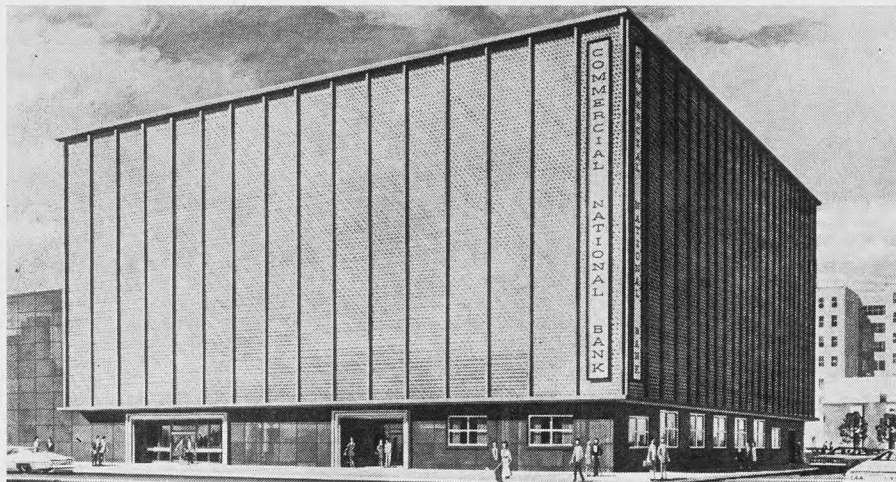
In addition, companion pieces, such as "Bank Services for You," "The Woman and Her Bank" and "Trust Services for You" also are being revised.

The 1970 marketing/savings conference—held in March in New York City—set an all-time attendance record of over 900 registrants.

Mr. McCoy reported that his division works closely with many other ABA groups and that it regards the work of the marketing task force of the monetary and payments system (MAPS) planning committee as particularly important.

Mr. McCoy pointed out that his division also works with the Stonier Graduate School of Banking, the AIB and the ABA's public relations department on projects of mutual interest. He said that, as division president, he has been particularly active in the "Banking Serves America" program, a cooperative effort by the Foundation for Full

Commercial National Opens New Bank Building



Commercial National, Little Rock, recently celebrated the opening of its expanded bank building with a series of special events. The bank hosted downtown Little Rock bankers, invited correspondent bankers to a buffet, gave a preview party for all bank directors, officers and employees and held an open house for the general public.

Nat S. Rogers... A man on the move

First City National Bank of Houston takes pride in the dynamic leadership Nat S. Rogers provided as president of the American Bankers Association, and congratulates him on his accomplishments.

Rogers' sincere interest and ardent participation in the ABA will continue long after his presidency ... as will the spirit created by his dedication and service while in office.



MID-CONTINENT BANKER for September, 1970

Service Banks, the ABA and other banking groups.

Active in the ABA for several years, Mr. McCoy has been both a state and regional vice president in Ohio for the association. He served first as vice president of the marketing/savings division before advancing to its presidency last year. He also is on the ABA's administrative committee. Mr. McCoy went to Louisiana National in 1959 as senior vice president, coming from City National, Columbus, O., where he was vice president and a director. He entered banking in 1944. At Louisiana National, he advanced to president in 1962 and was given the additional title of chairman in 1966. Mr. McCoy is a second-generation banker, his father, the late John H. McCoy, having served as president of City National of Columbus for 23 years prior to his death in 1958.

National Bank Division. This division, headed by Adrian O. McLellan, has divided its time between two projects. Mr. McLellan is president, First National, Great Falls, Mont.

The first project was a survey of national banks to determine the nature and extent of banks' problems with regulatory agencies. The second was a

joint meeting of the state and national bank divisions' executive committees to discuss solutions to problems common to both divisions.

Trust Division. The major problems facing this division stem from actual and proposed legislation and from government regulations, according to Edwin R. MacKethan, division president. He is executive vice president-trust, Virginia National, Norfolk.

The taxation committee, trust division officers, the ABA staff and many others worked hard to get reasonable treatment for trusts while the Tax Reform Act of 1969 was before Congress, but met with limited success, said Mr. MacKethan. Consequently, he continued, one of the most urgent tasks now is to seek amendments to the 1969 act that correct the glaring inequities in the legislation. In the meantime, he said that specific suggestions are being submitted to the Treasury Department with respect to the new regulations that must be issued for the new law as it is now.

Mr. MacKethan warned that there's a possibility that changes in federal estate and gift tax laws will be proposed this year and added that his division has been studying proposed changes

for several years. He said that trust men must be prepared to cope effectively with the estate and gift tax proposals so that changes in the law will be in the public interest.

In another area, the trust division is trying to persuade the Federal Communications Commission to relax what Mr. MacKethan describes as "its onerous multiple-ownership rules." These rules impose detailed reporting requirements on banks that hold, in various fiduciary capacities, an aggregate of 1% or more of the voting stock of broadcast companies. In addition, he warned, divestiture of large portions of these holdings may be required. He revealed that the FCC asked the ABA to survey its members as to interlocking directorates and loans between banks and broadcast licensees in which a bank holds stock.

Another trust division activity is the SEC study of institutional investors. Mr. MacKethan said that although 50 large participating banks have filed numerous and voluminous reports with the SEC, no data gathered have been released and no conclusions have yet been published.

Turning to another subject, Mr. MacKethan reported that little real progress has been made in resolving the uncertainties concerning collective investment funds. Litigation involving First National City of New York's collective investment fund for agency accounts is before the U.S. Supreme Court, but the latter has not yet indicated that it will review the case. The decision in the Court of Appeals was favorable to the bank, said Mr. MacKethan. He pointed out that legislative proposals on bank collective investment funds are embodied in the so-called Mutual Fund Reform Bill, which has been passed by the U. S. Senate and recently was reported out by the House Interstate and Foreign Commerce Committee. • •

BAI Sponsors Bank Security Conference



TOP: Principals taking part at opening session of second annual Bank Security Conference, sponsored by Bank Administration Institute in Chicago recently, included (from left) C. W. Bates, FBI agent; Paul J. Hayes, conference chairman and assistant vice president and director of security, First National, Chicago; Charles A. Agemian, BAI president and chairman, Garden State National, Hackensack, N. J.; Ralph F. Salerno, Hudson Institute, New York; and Michael Spiotto, Chicago Police Dept. Mr. Agemian delivered keynote address. BELOW: Conference exhibits attracted bankers interested in seeing the latest in bank security equipment.

What Problems

(Continued from page 44)

tors, banking must make every effort to speak with one voice. This is not to say that all debate should be stifled, of course, for continuing internal dialogue is vital to the health of our industry. If we are to be effective on the legislative front, however, we must speak from a position of basic unity. Only then can we expect to make substantial progress in communicating our problems to those who make our laws.

Q. What other steps can bankers take to improve their performance in the area of government relations?

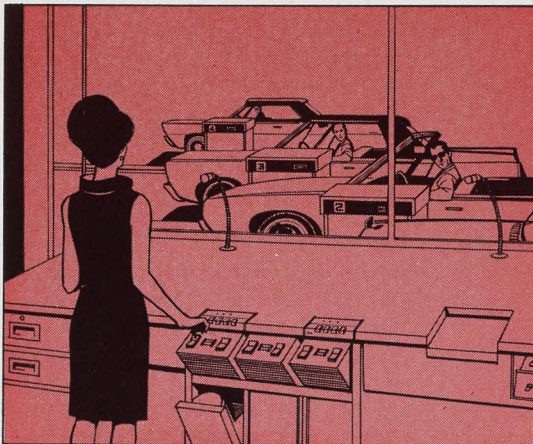
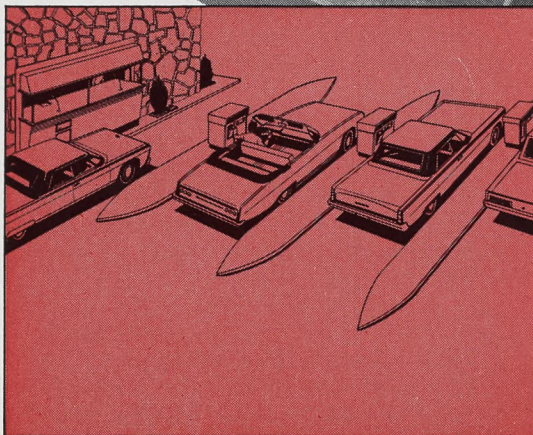
A. We, as bankers and citizens, must

*How to serve
more drive-in
customers in
less time with
fewer tellers*



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make a real effort to understand the political process and the problems of those actively engaged in it. It's a two-way street. If we expect government officials to be aware of and interested in our problems, we must demonstrate our awareness of and interest in their problems. We must work closely with and support candidates of our individual choice during campaigns—and, equally important, maintain that interest between campaigns. We must work with legislators on a broad spectrum of public issues, not just on those directly affecting the banking business. Our thinking must be oriented constantly to the public good. In the long run, this will redound to banking's benefit as well.

Q. What do you consider the most important legislation affecting banking that is now pending in Congress? Why do you consider it most important?

A. The one-bank holding company bill is the most important piece of banking legislation to be introduced in recent years. It aims at the very core of our industry—banking's basic powers to respond to the needs of a changing economy. The final form this legislation takes will have a fundamental effect on the future of our industry. While there are many other important banking bills now pending, none is so sweeping in its implication as the one-bank holding company bill. I hope every banker in the country will make it his business to inform himself about this legislation and communicate his views of it to his congressman and his senators.

Q. Traditionally, bankers have always prided themselves on being leaders in their communities. On the whole, do you agree that they are? Could they do more to help their cities become better places in which to live? How?

A. I don't think there is any question that bankers are generally regarded as leaders in their communities. The results of the Harris study certainly seem to bear this out. The same study brought up an interesting fact about public feeling toward the nature of banking's leadership. While we bankers scored high in taking leadership in traditional community activities—fund drives, church work and similar situations—there was some feeling that we should take a more active role in meeting some of the newer social and environmental challenges now confronting our communities. Undoubtedly, bankers could be doing more in these areas, just as other traditional sources of community leadership could be doing more.

It is impossible to give a detailed list of specifics as to how bankers can best assist their communities in meet-

ing these challenges. As a rule of thumb, the most valuable contribution probably will be in lending personal and institutional support to responsible programs and activities aimed at improving the urban environment and revitalizing inner-city areas. As in the earlier question concerning pollution, I believe that banks can contribute most effectively by working within existing programs rather than attempting to implement their own solutions. This is not to say that individual bank efforts are not valuable within the total spectrum of such activities. It is simply that banks, by their very nature, are not structured to operate in these areas, yet they can provide invaluable support to organizations and programs that are so structured.

Q. Will you briefly describe the "Banking Serves America" program, being jointly sponsored by the ABA and the Foundation for Full Service Banks? Why is it important that bankers throughout the country support it? Do you see any results from it yet?

A. By this time, I would hope that every banker from Maine to California knows about this public information program. Its aim is to improve public understanding of the banking industry and the important part our industry plays in the operation of the nation's economy. Every bank in the country has received a number of special action kits designed for use with specific target groups—bank employees, directors, shareholders—and will receive additional kits in the near future. A number of national activities are also scheduled, but "Banking Serves America" was conceived as being basically a grass-roots effort for it is those people at the grass roots that we want to reach with our message. Earlier, you characterized the results of the Harris study as positive. I think it would be more accurate to say that we found less criticism and more positive feeling toward our industry than many had been led to expect. It does not necessarily follow that the majority of the American people fully understand the importance of banking in our economy or have any great understanding of, or sympathy for, our industry's problems. "Banking Serves America" is an information program designed to encourage that understanding. The early results have been encouraging, but we are not so concerned about the near-term picture as we are with establishing a realistic continuing program. The effectiveness of a public education program of this magnitude must be measured over a period of years, not months. However, I can say that we are highly gratified with results to date and that we are off to a good start.

Q. In various sections of the coun-

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in
Miami!**



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MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



MID-CONTINENT BANKER for September, 1970

try, some banks already have been unionized and efforts are being made to unionize others. Has the ABA adopted an official policy on unionization of banks? Does the association plan to help or advise member banks facing unionization drives?

A. While the ABA has not adopted an official policy on unionization of bank employees, it has always stood ready to advise member banks on problems in the personnel area. It will continue to do so in the future.

Q. Early reports on results of the 1970 census indicate that many large cities have lost population while surrounding suburban areas have gained. Do you believe bankers in these dwindling big cities can help stem the flights to the suburbs? If so, how?

A. The only way to reverse the flow of population out of our cities is to make those cities more attractive places in which to live. This will require massive outlays of capital on the part of both government and the private sector. It would be useless for the private sector to tackle the job alone, not only because it lacks the resources but because the problem is inextricably tangled with government policy at all levels. Consequently, this becomes a question of where the problem ranks in our list of national priorities. The present financial demands placed on our economy by our involvement in Southeast Asia would seem to defer any large-scale effort to revitalize the inner cities. I don't mean to sound negative on this, for progress is being made. The banking industry's recently set goal of a billion dollars in financing for minority-owned and operated businesses certainly will have the indirect effect of improving the quality of life in our cities. Still, it would be unrealistic to expect results so dramatic as to have any immediate effect on population movements.

Q. The ABA has announced plans to move its headquarters from New York City to Washington, D. C. What will be the advantages of such a move?

A. The reason for the move is to consolidate the headquarters staff in one office as compared with the present two offices in New York and Washington. The advantages are greater efficiency, economy and coordination through a consolidated operation. The ABA carries on a wide variety of activities, most of which are educational in character. Coordinating these services in one place will, we believe, increase their visibility and recognition by the public. The consolidation was recommended by Dr. Charles F. Haywood, who served this past year as our consultant on organization and administration while on leave from his post

as dean of the University of Kentucky's College of Business and Economics. It was approved by the executive council last April and should be completed early in 1971.

Q. Does the ABA plan a reorganization of staff functions as well?

A. Yes, and it's already well underway. Dr. Haywood's study revealed a need for restructuring of staff functions to (a) reflect the ABA's purposes and capabilities as a trade association and (b) permit a more effective response to the needs of member banks in the '70s. The new staff organization will feature six functional components—government relations, planning and research, education, communications, organization relations and administrative services. This will give us a far more efficient and productive staff alignment.

Q. What about the banker side of the organizational equation? Do you contemplate changes in the present structure of committees, divisions and sections?

A. This is a very important part of the remodeling of the association. A banker task force headed by Allen Stults of the American National Bank of Chicago has been established to examine the present committee structure and to recommend changes if needed. The Stults group will evaluate the full range of banker participation in ABA, including procedures for policy-making, internal communications and relations with state associations and other banking organizations. Our objective is to forge a more effective association—one that will provide maximum repre-

Money Machine at City National



City National, Kansas City, recently installed an automatic money dispensing machine. Customers who have a checking account and Master Charge card will receive a new card encoded with the customer's account number and other security information. To get cash from the machine, the customer inserts his card, keys in his identification number (which is known only to himself) and selects one of two denominations—\$25 or \$50. The card is returned and a drawer opens containing the cash and a receipt of the transaction. A copy of the receipt is retained by the machine. The unit is manufactured by the Docutel Corp., Irving, Tex.

sentation of member banks' views and maximum opportunity for coordinated and prompt action in the industry's behalf.

Q. What do you consider to be the top problems facing banking today?

A. All of the problems—or challenges, as I prefer to view them—relate to the dynamic nature of our industry and in the economy we serve. The management and operations of banks have undergone tremendous changes in recent years. We must expand our understanding and use of the techniques of management science. We must find ways to harness the power of technology to the development of profitable, innovative services. Banking's historic role at the center of the financial marketplace is not self-perpetuating; we must constantly identify and justify it in terms of the public interest. On the legislative front we must do a more effective job of formulating and expressing the industry's case for constructive laws and regulations; this is in the public's interest as well as banking's. On a broader front, we must provide the leadership expected of us by the community-at-large—not just in financial matters but in the area of improving the quality of life. This means personal banker involvement in behalf of good government, equal opportunity, consumer education, environmental problems and other issues that tend to divide and frustrate the American people.

Q. How will the ABA work with the newly appointed Presidential Commission on Financial Institutions?

A. We will cooperate in every possible way. A study of this type can only succeed if it brings into focus all pertinent facts and information. The ABA stands ready to make available whatever statistical data and experiences the commission may request. As a matter of fact, we established in August a special resource committee of bankers to serve as a clearing house for information of interest to the commission. I am confident that individual banks will demonstrate the same cooperative spirit.

Q. What do you believe the new Presidential Commission will accomplish?

A. An answer at this point would be speculative at best. The history of presidential commissions is a caution against over-optimism. However, in view of the stated objectives of the commission and the quality of its membership, we have good reason to hope that the recommendations will be such as to warrant the support of Congress as well as the private financial sector. Certainly, the need for the study is beyond dispute. • •

Miami Beach Welcomes

(Continued from page 40)

joined Deposit Guaranty National in 1947, was elected president 11 years later and was designated chief executive officer in 1966. He was installed as ABA president at the 1969 convention in Honolulu.

Mr. Sommer, who became ABA vice president in 1969, joined Security Bank, Owatonna, Minn., in 1955. He was formerly vice president, Midland National, Minneapolis. He has been active in the Minnesota Bankers Association, has served as a trustee of the Foundation for Full Service Banks and is serving a four-year term in the Minnesota Senate.

Mr. Stutts, who was named ABA treasurer last year and continues for another year, began his banking career in 1937 with Commercial State, Laurinburg, N. C., where he attained the position of executive vice president. While still with Commercial State, he joined Citizens State, Bennettsville, S. C., as vice president. He joined his present bank in 1959. He has been active in the North Carolina Bankers Association.

Mr. Stutts began his banking career in 1933 as a messenger for the Federal Reserve Bank of Chicago. He joined his present bank that same year, and is a charter employee. He was appointed assistant cashier in 1942, as-

sistant vice president in 1946, vice president in 1949, executive vice president in 1956, president in 1963, CEO in 1968 and chairman in 1969. He has been active in the Illinois Bankers Association, Association of Reserve City Bankers and the Chicago Clearing House Association.

Eugene H. Adams joined International Trust Co., Denver, in 1934 to begin his banking career. He was named president of the firm in 1951, a post he retained until the merger of International Trust with First National of Denver in 1958, when he was named executive vice president of surviving First National of Denver. The following year he was elected president of the bank. He also serves as vice chairman of First National Bancorporation, Inc., multi-bank holding company that controls First of Denver and other Colorado banks. He has been active in the Colorado Bankers Association and is a former director of the Federal Reserve Bank of Kansas City.

Joe H. Davis has been with First of Memphis for 40 years and is presently in charge of area business development and the correspondent bank division. He also serves as president of the bank's three computer center corporations. He has been active in the Tennessee Bankers Association and the Association of Reserve City Bankers and is a former president of the ABA's marketing/savings division. • •

Year That Was

(Continued from page 41)

tional flexibility, the extent of future financing requirements is likely to exceed available resources. The specter of illiquidity that has shown its face widely throughout the American economy during the past year has been a factor of growing proportions for a longer period of time. There is no early prospect for its disappearance, and commercial banks surely will not be excluded from its impact. Consequently, banks are going to have a more difficult time in striking the right balance between liquidity and effective resource utilization during the next few years.

The over-all demands for capital and credit will indefinitely sustain a strong competition for funds, and the demands of both the public and private sectors will tax the capacity and resourcefulness of every institution. The American public, by expression in the market place and through public priorities established by duly constituted political authorities, will make the ultimate determination regarding the allocation of the nation's economic resources. It is enormously important that regulation not impair the flexibility and competitive effectiveness of banks in the years ahead. I believe the nation's banks can respond to these public and private needs more efficiently, economically and profitably than any other type of financial institution. To do so, however, bankers must gain the understanding and win the favor of governmental agencies and the public.

I am proud of the service the ABA has rendered to banks and to the nation over the years, but a stronger organization with broader and more active support from the industry will be required to do the job in the future. Because the stakes are so high, it would be unthinkable to fail. • • •

■ C. W. LANDER has been elected president of River Oaks Bank, Houston. He is in charge of banking and financial counseling operations. Previously, Mr. Lander was with Southwestern Savings, Houston, where he was vice president and senior loan officer and chairman of the loan discount committee.

■ INDIANA NATIONAL, Indianapolis, has announced several new assistant cashiers. They are: William R. Lockwood, information services; Herbert E. Bultman, investment division; Miss Nancy M. Schaefer, personnel division; and John A. Kendall, manager, Rockville Road Branch. Elected assistant trust officers were Raymond Lipkin and Robert E. Schneider II.



JOE PEREZ is in charge of BNO's Accounting and Systems Department. He's what we call "Mr. Procedural Efficiency." If you need to know the best way to administer a new banking service or how to cut costs on an old one, just remember, at BNO there's a guy named Joe. Call Joe direct, or contact Millard Wagon.

BNO

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(From Miss., Ala., Texas, Ark., Okla.)



We're coming on strong!

Coming on to Miami for the ABA Convention!
And all of us are looking forward to renewing old acquaintances, making new ones, and exchanging ideas. Let's get together for conversation and conviviality in the conventional manner!

THIRD NATIONAL BANK
IN NASHVILLE

Member F.D.I.C.

MID-CONTINENT BANKER for September, 1970

57

Republic National Bank of Dallas, of London.



Now, Republic has gone multi-national with the opening of a full-service branch in one of the world's great financial centers, London.

Our new branch is located at One Moorgate in the "City," just across from the Bank of England, in the heart of London's financial district.

Where we're ready, willing and able to handle your multi-currency loans and deposits. These expanded capabilities in the field of international finance will serve you well.

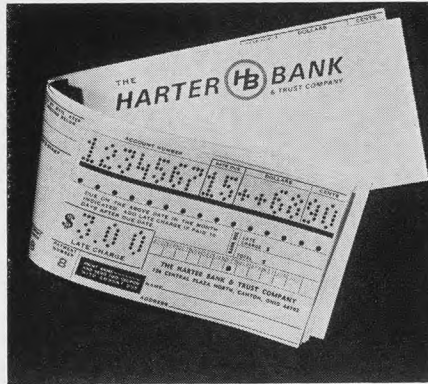
So whenever you or your customers need help abroad, contact the Southwest's leading international bank.



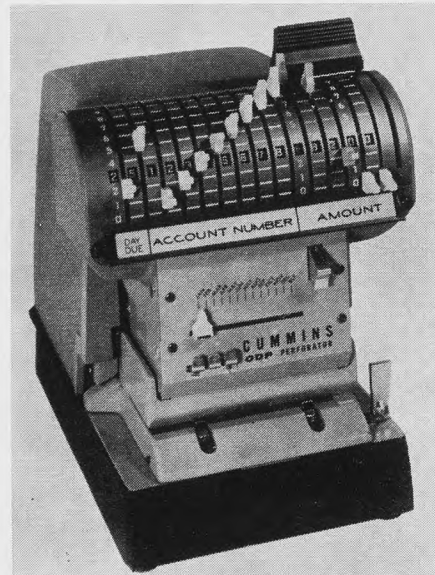
New-Style Loan Payment Coupon Book Facilitates Late-Charge Collection

A NEW STYLE of payment book which facilitates the collection of late charges, yet can be prepared faster and more easily than books previously designed to accomplish the same purpose, has been announced by Cummins-Chicago Corp. and its affiliate, Allison Coupon Co.

The first payment books that brought in voluntary payments of charges for late payments followed the format of utility bills and showed:



Payment book devised by Harter Bank, Canton, O., induces voluntary payments of late charges.



Cummins 374 Keyboard Gang-Punch that can be used to fill in new-style loan payment coupon book.

(1) a net amount if paid within a specified number of days after the due date, and (2) a gross amount, including the late charge, that was due if not paid until later. Although the recording of this information on each coupon in a payment book involved twice as much labor (an average of two minutes per book instead of one) and a change in equipment, lenders using such books said this additional expense was more than justified by the results. Almost all borrowers supplied with such payment books pay late charges voluntarily when they are due.

When Cummins developed its 374 Keyboard Gang-Punch to provide faster fill-in of payment books, provision was made for making three digits of

visual information on the lower portion of the coupons in addition to the 15 digits at the top that are both visually and machine readable. When Robert E. Johnson, senior vice president-administration of Harter Bank, Canton, O., decided to change to a payment book that would induce such voluntary payments of late charges, he conceived the idea of showing only the regular payment information in the top line and utilizing the three digits of visual information to show only the late charge itself rather than the total late payment. This permits much easier and faster book preparation with the Cummins 374.

Since Harter Bank has reported the same voluntary payment of late charges experienced by users of the "net and gross" books, Cummins and Allison are now offering this design of book and the 374 Gang-Punch to other lenders seeking easier collection of late charges. Several other banks are already using them. Further information can be obtained from local Cummins-Allison offices or by writing Cummins-Chicago Corp. at 4740 North Ravenswood, Chicago, Ill. 60640. • •

Dr. Arthur Smith Retires From First National

DALLAS—Dr. Arthur A. Smith, senior vice president and economist, First National, recently retired. Dr. Smith has served as chief economist since joining the bank in 1950 as vice president. He was elected a senior vice president in 1965 and was author of First National's "Bank Letter," which is being discontinued.



SMITH

Before joining First National, Dr. Smith taught at DePauw University, New York State College and Southwestern College, Winfield, Kan. He was in charge of Southern Methodist University's economics department at the time he joined First National.

■ PHILIP H. PEDLOW has joined American National, Chattanooga, as vice president and trust investment officer. Previously he was a vice president and director of investment research for Wachovia Bank, Winston-Salem, N. C. American National has named Bert L. Hicks, assistant vice president, as manager of the Rossville Branch. W. Robert Myers was named manager of the Park Central Branch.

Simpson Russell's Hobby—Woodworking—Cited For Excellence by World-Wide Publication

JACKSON, TENN.—Simpson Russell Sr., chairman of National Bank of Commerce, possibly would not have to be a banker if he didn't want to. He could probably earn a living by selling the fruits of his hobby—woodworking.

Mr. Russell began woodworking in 1936 as a form of relaxation from the banking business. Since then, he has made such challenging pieces as a Queen Anne and Hepplewhite secretary; a pair of 18th century Sheraton beds with reeded posts; a colonial drop-leaf dining table and chairs; and

a coffee table of Hepplewhite design with a gold tooled leather paneled top. He pursues his hobby in the basement of his home.

Mr. Russell is the recipient of the Delta Citation, which honors excellence in home workshop achievement and considers applications on a world-wide basis. The citation is awarded by the power tool division of Rockwell Manufacturing Co. A story and pictures of Mr. Russell's woodworking pieces were printed by Rockwell's *Flying Chips* publication.

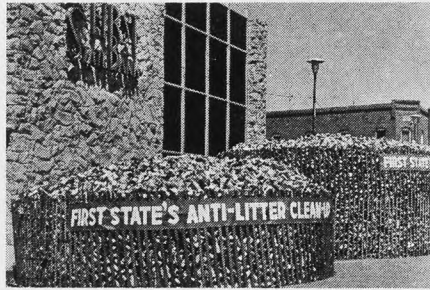
'Coins for Cans' Clean-Up Drive Sponsored by Bank in Kansas

NORTON, KAN.—There are lots of jobs a kid could have had last summer. He could cut grass, babysit or clean out the attic to earn vacation money. But if he lived in Norton, Kan., he could have become an ecology expert and gotten paid for it.

First State Bank recently sponsored a three-week anti-litter campaign as a



Norton youngsters proudly display their can collections in cardboard boxes and laundry baskets, while awaiting payment from the bank. Each can was worth one penny.



About 128,208 collected cans and bottles were the result of First State's three-week anti-litter campaign. The number greatly surpassed the bank's expectations.

community-improvement project. The bank offered children 14 years or younger a penny for each no-deposit, no-return pop or beer can brought to the bank. Children scoured the neighborhoods, streets, yards, road ditches and parks for the "loot" and turned it in at the bank each Thursday afternoon of the campaign.

Cans piled in wagons, laundry baskets and potato sacks came from a six-county area and by the end of the

campaign the grand total of collected cans numbered 128,208. The biggest individual effort was by a little girl—2,736 cans and bottles.

Charge Card Program

(Continued from page 32)

tising, Inc., which handles the bank's account, designed a campaign for television, newspaper, radio and outdoor, with accompanying back-up materials," Mr. Ferguson pointed out. In the visual media, the girls themselves were indeed "Starlets," playing their unaccustomed roles like troupers.

Lined up like Radio City Rockettes, they greeted motorists throughout Dallas from 30-sheet posters bearing the caption: "Ok, Merchants, Here They Come!"

Clustered in a newspaper advertisement for metropolitan dailies, they were introduced with a headline stating: "These Girls Know Almost as Much as Your Wife About Opening Accounts."

Another newspaper advertisement depicted a single chic Starlet, smiling under the caption: "This Girl Wants to Open an Account at Your Store. For 36,460,000 People." (The number of Master Charge cardholders in the world-wide system).

The bank hired a fleet of 30 automobiles, and the Starlets were on stage. (They made calls in pairs, for security reasons). The automobiles were specially decorated with Republic's Silver Star emblem on the door. As an added touch, a giant blue flower on an antenna-like metal rod was clamped to each front bumper.

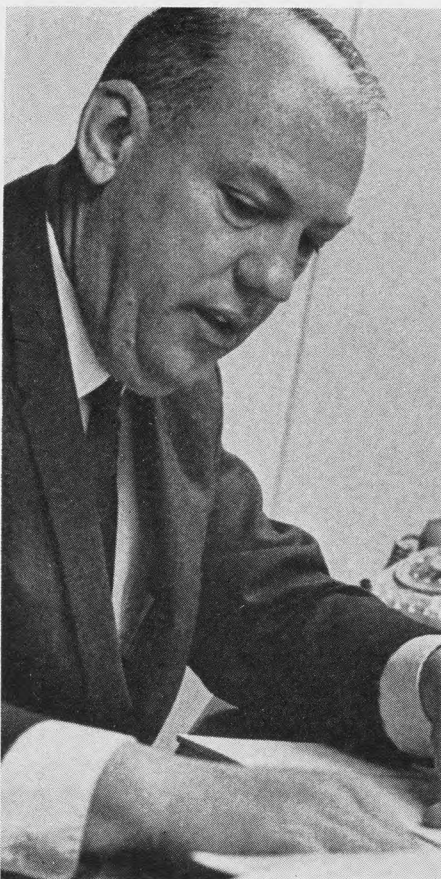
Interest Widespread. The media campaign, plus the impact of the saturation calling program itself, led many merchants to call Republic's Master Charge office with the query: "Say, when are some of those Starlets going to pay *me* a call?" Needless to say, such calls were screened and those which were valid received prompt response, resulting in still more signatures on the dotted line.

Soon, correspondent banks outside the Dallas area began calling. Resulting mostly from television stimuli, the typical calls came to Senior Vice President Mason Mitchell, head of Republic's correspondent bank division.

"Say, why don't some of those Silver Starlets come out here and call on some of my customers?," the caller would ask. And so they did. The women made visits of this nature to Corsicana, Greenville and other points, even as far away as Oklahoma City.

But the proof of any program is its results.

"Our merchant solicitation phase



JACK LOUP, Vice President and Comptroller, as head of BNO's Operations Division, is one of the reasons our customers get fast, personalized banking service. Putting the right person in the right job and a talent for manpower evaluation and development is Jack's stock in trade. When you want advice or assistance in bank administration and personnel, just call Jack. Or, get in touch with him through Millard Wagon.

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CALL: 1-800-362-6718
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(From Miss., Ala., Texas, Ark., Okla.)

Does your computer get shorter every fifteen minutes?

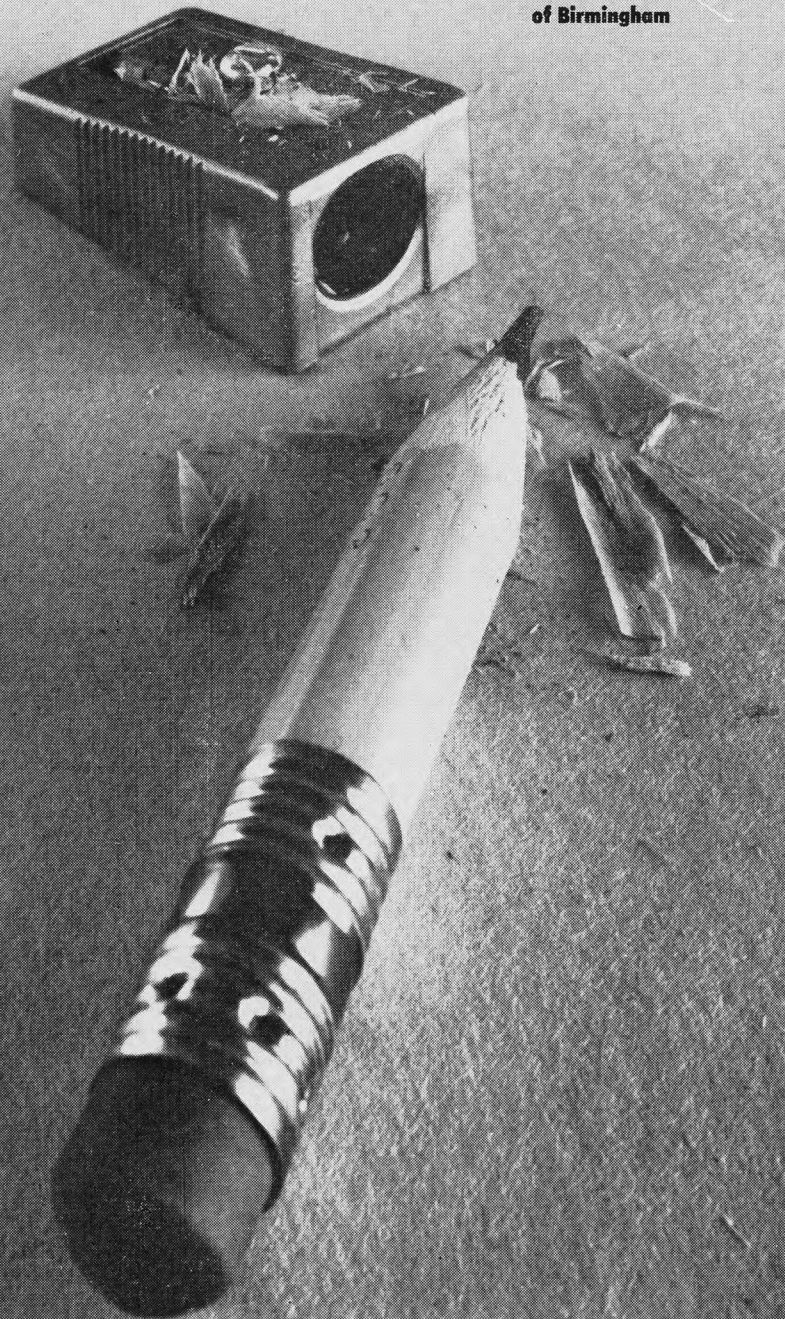
The modern bank's computer, as we see it, shouldn't lose time from dullness. Or run out of ink. Or give your employees writer's cramp.

Manual accounting methods were reasonably satisfactory, if tiring, in the heyday of the green eyeshade and the roll-top desk. But today you have a lot more customers, needing a lot more services. You probably compound their savings interest every day. And accrual accounting, as we're sure you're painfully aware, is becoming a requirement now.

Let us tell you how First National computer services can eliminate time-consuming manual computations and simplify your whole banking operation. At probably less cost than the man-hours you're using now. Call, wire or write The First National Bank of Birmingham, P.O. Box 2534, Birmingham, Alabama 35202; phone 205-328-5120.

We can help you sharpen up your service to your customers. And trim your operating costs down to size.

The First National Bank
of Birmingham



**Angling for
more and better
full service
customers
for your bank
???**



For better results, try "The Picture" publications — newsletters professionally created to convey the *financial picture* to bank customers from a banker's viewpoint in a friendly, informative way. They help you *keep* customers and *lure* new accounts.

"The Picture" newsletters are available to you at no risk on a protected franchise basis only. Send for details of our *No-Peril*, no-risk guarantee and complimentary copies of:

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"First in BANKVERTISING (T.M.)"



WIL TOUPS heads up the team of specialists in BNO's Credit Department. When you want to know what's new in credit analysis, Wil's the man to ask. He has the resources of a skilled staff with computerized reference material. You'll find Wil is as communicative as he is knowledgeable. Get in touch with him anytime, or call Millard Wagnon.

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was kicked off April 15, 1970, and ended July 1," said Mr. Ferguson. "The Starlets called on more than 8,500 firms, making a total of 14,000 calls, including follow-ups, installations, etc. They signed approximately 1,600 merchants under Republic's program, involving some 2,000 outlet stores or businesses. This exceeded all our projections, both as to the number of calls made and the number signed up. We think the ladies did a great job for the bank, and we certainly owe them a vote of thanks!" • •

Four Receive Promotions At Mercantile Trust

ST. LOUIS—Mercantile Trust recently named John J. Thiebauth III, national accounts department, a vice president. He has been with the bank since 1966.

Elmer H. Austermann Jr. and John H. Schweitzer were elected assistant vice presidents. Mr. Austermann came to the bank in 1968 and is in the banks



THIEBAUTH

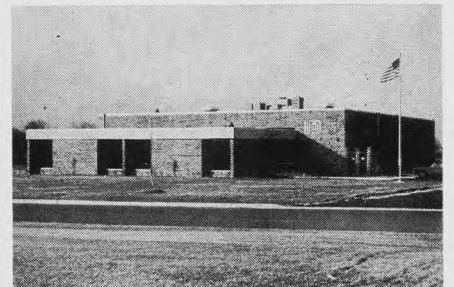


AUSTERMANN

and bankers department, traveling the states of Illinois and Iowa. Mr. Schweitzer has been with the bank since 1967 and is in the metropolitan division.

Wallace Kennedy was named assistant investment officer, closely held section of trust investment account management.

W. M. Dalton Changes Location



W. M. Dalton & Associates, Inc., formerly of Trevese, Pa., recently moved into new executive offices and a warehousing facility in Newtown, Pa. The company specializes in bank promotions to increase passbook savings and features china and stainless steel flatware as premiums. The new Dalton facility has more than 12,000 square feet of space. Construction has begun on a new addition to the existing new building.



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.

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.



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.



LUNDIA. MYERS INDUSTRIES, INC.
 P. O. Box 309 • Decatur, Illinois 62525 Dept. 7050

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

Name _____
 Company _____
 Address _____
 City _____ State _____ Zip _____

Exciting Fabrics, Colors and Styles Keep Career Apparel Sales High

A STEADILY increasing and genuine concern on the part of banks for projecting the best possible company image to customers and the general public is resulting in a continuation of the boom in career apparel that was reported by this publication a year ago.

This continuing increase in career apparel utilization among financial institutions has resulted in more styles, more colors, a wider price range and the development of more complete men's and women's lines of business attire.

This has been made possible because manufacturers are being backed up by an ever-increasing range of fabrics on the part of their suppliers. Mills have developed new fabrics, colors and patterns in wovens and knits especially for the career apparel market. These new fabrics wear better, offer better appearance, ease of care and high performance.

The development of these "plus" items has played a vital part in the continuing success of the career apparel story. Although the economic situation has made it more difficult to sell career apparel programs, suppliers have learned that competitive pricing and optional equipment—such as accessories, special sizes and service—have enabled them to keep sales high.

Suppliers are stressing the fact that career apparel promotes an attitude of individual as well as collective pride among employees, resulting in better public relations on the part of a well-dressed and self-confident staff. Employees who feel well cared for are more likely to contribute this good feeling about themselves to their work. Therefore, career apparel is being promoted as an excellent tool to promote self-image as well as corporate image.

Continuity of both fabric and garments must be offered by suppliers,

By **JIM FABIAN**
Associate Editor

as one without the other renders any program almost useless as far as the financial investment is concerned. More suppliers are assuring the availability of fabrics and colors by means of in-stock programs geared to extend through the period of time any given set of garments is estimated to last.

At least one firm maintains a complete set of fitting samples, covering the full size range of each garment of the firm's line. These samples are forwarded to a bank to be used to determine the proper size of each person to be outfitted, assuring as near-perfect an initial fit as possible.

This same firm supplies prospective

banks with a set of coordinated career apparel to be used in introducing the bank's employees to the career apparel concept. These outfits can also be used to introduce career apparel to bank customers and the press in advance of the date the apparel will appear on the banking floor.

Most suppliers agree that the newest and best in fabrics for women is 100% Dacron polyester double knit, which is durable, washable and permanent press. Other advantages of this knit include being snag and bag resistant, wrinkle free, packable and suited to year-round wear. The clearness and brightness of colors obtainable in knits is difficult to achieve in other fabrics. Experiments are being made with double knits to create a greater variety of weaves and patterns, with adapta-

(Continued on page 82)

Look Who's Wearing the Trousers!



All but two women employees of Bank of Commerce, Abilene, Tex., voted to adopt pants suit career apparel recently, starting a new trend in business attire. The outfits are purple and are coordinated with cranberry-hued dresses. The practicality of the look and performance of these outfits has caused considerable interest on the part of other banks.



They're Wearing Hamilton Ensembles!

***Hamiltons are the choice
of many banks that
have outfitted personnel
in career apparel.
We believe that
you'll like Hamiltons too!***

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.

And the City Bank of Roanoke, Ala., offers these comments:

"Our personnel wear their new Hamiltons with pride and dignity . . . customers continue to pay compliments . . . employees regard the program as a valued fringe benefit."

Need we say more? When you consider career suits, talk to us *before* you make a final decision. It will pay!

The Hamilton Tailoring Co.

*490 E. McMillan Street
Cincinnati, Ohio 45206*

Banks Can Polish Their Images With Career Apparel Programs

THE DAY WHEN the year-end balance sheet with a listing of directors and officers represented a financial institution's primary effort in the public relations field is long past.



SENGHAS

While the condition statement is important, there is something which transcends it that makes the institution a lively, personal and active force in the personal and business lives of its customers, its employees and the community. That something is "corporate image." If the image is favorable, it is an invaluable asset.

Corporate image sometimes is suppressed by lack of imagination or management inertia, by quibbling about cost or simply a lack of definition of what kind of image is to be projected.

One thing is certain, however—some image will be projected by the exterior and interior decor and design, furnishings and decorations, and—most of all—by the personal projection of those employees and officials who are in contact with the public. Their faces, speech and attire impart a lasting impression of the corporate image of the institution.

The projection of favorable corporate image takes place right there on the bank floor: at the tellers counter, at the reception desk and with the security guards. Corporate image is the color and texture of the fabric or the wood, the carpet on the floor and the drapes on the window, the appearance of the person who speaks for the name on the door. That lasting

By **EDMUND R. SENGHAS**, Manager

**Uniform and Corporate Fashion
Fabrics**

**J. P. Stevens & Co., Inc.
New York City**

impression of warmth, reliability and understanding—combined with style, taste and color—cannot be audited nor verified by the accountants, but it can be measured in the tempo of your business, the esprit de corps of your staff and the response of your customers. That impression is corporate image and it should be consciously created and carefully nurtured.

Most social and physical scientists agree that environment is a major factor in the behavior and orientation of people. Environment can elevate or depress, aggravate or elate, cultivate or kill. Thus the environment that is created in which human beings work or transact business can be an extremely important force in the result of that work or business.

It appears that we would all do well to create a business environment as conducive as possible to personal comfort and visual pleasure. When the modern corporation desires information or advice on a given subject, it usually asks the services of experts, such as accountants, tax specialists, investment counsel, lawyers and data processing consultants. We should also consult experts for advice about our business environment and attire.

Business attire should not be simply clothing in which people work. It should be an expression of corporate image, coordinated with interior furnishings, architecture and general decor. To really serve its purpose it must mean something to the institution, the customer and—above all—to the employee who wears it.

There are many advantages which accrue to those who accept this concept of career apparel. One major advantage is increased employee enthusiasm. For the individual it can foster



New teller apparel is being worn by staff members at Mercantile-Commerce Trust, St. Louis. The women's outfits include skirts and jackets in brittany (bright) blue with white knit shell blouses. Men wear dark blue blazer jackets with lighter blue slacks and striped ties. Outfits were purchased from J. B. Simpson Co.



We'll be happy to create a distinctive style co-ordination for your exclusive use—our specialists in this field are at your service!

Since our last advertisement, we have been gratified at the number of institutions expressing a desire to learn more about up-dating the appearance of their staff.

MENS' FASHIONS ARE
DESIGNED
BY JOE VILARDO
LADIES' FASHIONS BY
HERSHELL GILBERT

STAFF APPAREL *specifically designed to project your image!*

In projecting your institution's image, *properly* co-ordinated staff apparel can be of paramount importance—and great pride to you!

We specialize in fabrics and styles designed for this specific use—attractive but durable; strong while maintaining a neat appearance and fashion look. Many of the major Airlines, too, have found in Simpson Clothes the happy answer to their staff apparel problems. We'd be pleased to work with you. Tell us your requirements.

Simpson
CUSTOM TAILORED *Clothes*

CAREER SUITS—INDIVIDUALLY TAILORED
OR CUT TO STOCK SIZES

GENERAL OFFICES AND MAIN SHOPS—
1060 W. ADAMS ST., CHICAGO, ILL. 60607

Midwest Showrooms in:

Chicago
67 W. Jackson Blvd.
1060 W. Adams St.

St. Louis
213 N. Seventh St.

Kansas City
1108 Grand Ave.

Indianapolis
18 N. Pennsylvania

AND OTHER PRINCIPAL CITIES FROM
COAST TO COAST

Toledo
421 Madison Ave.
Columbus, O.
3073 W. Broad St.
Houston
Chamber of Commerce Bldg.
Wichita
103 W. Douglas
Tulsa
522 S. Boston

A partial list of Banks and Savings and Loan Associations served by Simpson and its affiliated shops:

Mercantile Commerce Bank, St. Louis

Mercantile Trust Co.—St. Louis

Commerce Bank—St. Charles, Mo.

Continental Ill. Natl. Bank—Chicago

First Federal Savings & Loan—Chicago

Harris Trust & Savings—Chicago

Home Federal Savings & Loan—Minneapolis

Citizens State Bank & Trust—Cleveland

Worthen Bank & Trust Co.—Little Rock

Northern Trust Co.—Chicago

Manhattan Savings—New York

Imperial Natl. Bank—Los Angeles

American National Bank—Cleveland

Seaway National Bank—Chicago

Pacific First Federal—Tacoma

Citizens Bank—Canton, Ohio

and many, many more!

Please state number of employees that would be involved in a staff apparel program—male and female.

company pride, a sense of belonging and add dignity to a job. It demonstrates that the company or institution is interested in the individual and his or her appearance. As a practical matter, it also saves money spent for ordinary clothing purchased for work.

To the institution the rewards are noticeable. Career apparel reinforces the advertising and public relations effort. Internal morale improves and employee recognition of the firm and its management is enhanced.

Another important advantage to the firm using career apparel is the elimination of the perennial problem of "extremes of fashion" or "overdressing." With a career apparel program the question of how "mini" or "midi" the skirt is allowed to be on the bank floor cannot arise. Also, how to tell the rather frumpy, careless dresser to "shape up or ship out" is also finessed. Instant identification of employees, even by job or function, is easily achieved. Customers will not wander about looking for the receptionist or the consumer credit interviewer.

A major Philadelphia-area bank which has had a career apparel program for some time reported that an extremely high percentage of counterfeit bills and bad checks was passed at windows manned by tellers who were not wearing the program attire. This was due to the fact that these tellers were recently employed and their garments had not yet been delivered. Apparently the passers of such items recognized the relative inexperience of these employees by the clothes they wore—or didn't wear.



Customer-contact personnel at Covington County Bank, Andalusia, Ala., have been wearing career apparel since 1966. Modeling the newest outfits are three bank employees, who flank bank President L. R. Deal. "CCB" monograms on suits are useful as subtle advertising when girls are outside the bank. The apparel was supplied by Hamilton Tailoring Co., Cincinnati.

Bank Personnel Purchase 'Unifashions' on Their Own



Female employees at First & Merchants National, Newport News, Va. (above), don't wear uniforms. They wear "unifashions." And they bought the outfits with their own money.

The outfits are dacron polyester and consist of seven different pieces which can be interchanged to make 22 different styles. The basic outfits are a vest, skirt and blouse; two basic dresses in different colors; and a jacket, skirt and blouse. Colors are red, white and blue and blend with the bank's blue-and-gray decor.

Around the first of 1969, a poll was taken of the tellers and customer service personnel to see whether or not they would like to wear uniforms. But the word "uniform" brought to mind the kind of outfits nurses, maids and waitresses wear, so the women voted "no." Then they saw what the "unifashions" looked like and interest spread from the branch offices to the Main Office.

The women themselves, not the bank, assumed full responsibility for purchasing the clothes because they wanted to be able to control what they wore and when they wore it.

Bank officials like the outfits because personnel are recognized as bank employees when on the street, in stores and by staff members of other banks. The women like the outfits because they can save money on cleaning bills and large wardrobes and because, they say, the "unifashions" are morale-raisers.

The outfits were obtained from Career Girl Coordinates, Inc., Richmond, Va.

There are many occasions when career apparel can be advantageously introduced into an institution. The opening of a new building or branch, civic events, local anniversaries of the community or area, expositions and fairs—even calendar or seasonal holidays—provide opportunities for the introduction of such attire, followed by its use in subsequent promotions of the corporate image.

Certain concrete criteria must be taken into account when considering a career apparel program. First: the garments themselves are not ordinary "street clothes." They are usually purchased in matching and coordinated ensembles of from three to five units each. The garments are going to be subjected to greater than normal casual use so the fabric must be specially designed and tested to meet these conditions.

America's major textile mills have recognized this and have set up spe-

cial departments to consult in this market and produce fabrics suited for this purpose. Such fabric is available commercially to manufacturers of garments. The marketing departments of those mills make themselves available for advice and consultation on fabric for career apparel programs as do the fiber manufacturers whose products the mills employ in the preparation of fabrics.

The useful life of a garment involves more than fabric. It extends to tailoring, fit and style. The construction of a fine garment is not an accident and a well-made garment produced by an experienced manufacturer is the cornerstone of a satisfactory program.

In addition to fabric durability and suitability to the end use, the question of continuity of supply is of great importance. The "fashion" merchandising departments of the mills produce seasonal items—styles and fabrics made



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MID-CONTINENT BANKER for September, 1970

for current fashion trends or even fads. Such fabrics, no matter what the price, are not likely to be available after the six-month selling season, and thus the problem of supplying "fill-ins" or replacements is ever-present in the use of such items.

Again, the major mills have recognized the problem and offer career apparel fabric programs on a continuity basis. This is what I meant when I referred to the necessity of seeking the advice of experts and specialists in the selection of fabric and a program in career apparel.

The cost of a career apparel program will vary from manufacturer to

manufacturer and will depend on fabric selection, number of garments involved and the complexity of styling. Such matters are details to be negotiated. However, as in all things, price alone cannot and must not be the ultimate consideration. The reputation of the manufacturer for quality, dependability and service is a consideration as important as the price tag. As officials of financial institutions are careful of credit extensions and risk exposure in loans, so must they be in the selection of those firms with whom they place their internal procurements. These firms must be sound, knowledgeable, financially responsible and of un-

questioned integrity.

The mechanics of setting up a career apparel program need not be burdensome to management. Usually the desirability of such a program will be raised by a knowledgeable officer or director who has experience in the public relations or personnel areas. Sometimes the suggestion will come from an employee. There have been instances where such a move was suggested by a customer who noticed the striking difference such a program made in a competitive institution or in his own business.

However, once the issue is raised, management should assign the project for study to one responsible person with direction to report within a specific time. That person should begin by consulting with public relations, marketing and personnel because these are the functions immediately affected and most likely to benefit.

The most important consideration is to define what the program seeks to accomplish in terms of projection of favorable corporate image, improvement of visual impression and enhancement of employee relations. The gathering of pertinent data regarding the number and type of employees involved should be a secondary consideration. Consultation with tax specialists regarding possible business deductions or write-offs should be included, since this may affect the institution's degree of financial participation in the project. Corporate identification is required on the garments themselves in order to qualify for tax consideration.

Once these matters are resolved, servicing arrangements can begin. At this point the creation of an employee consultation committee should be considered. Such a committee can do much to produce enthusiastic acceptance of the program where it really counts—the front-line employee level.

Fabric mills, fiber producers and garment manufacturers will be pleased to cooperate in providing samples, information and, in many cases, personal visits for consultation. Within six weeks the proposal should be ready for the decision-making authority complete with sketches, sample garments and statistical and cost data.

In this competitive era, the aggressive manager needs to explore every opportunity to make his company, its products and services outstanding and distinctive in the eyes of the market. People make lasting impressions on other people. Visually, clothing is 90% of that impression. Through the use of a career apparel program it is possible to make that impression a projection of your corporate image—an image of good taste and distinction. • •

We're happy that American Bank, Baton Rouge is happy with its exclusive new career fashion dresses of 100% Dacron® polyester . . . coordinated and personally fitted by



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American Bank and Trust Co., Baton Rouge, switches to Career Apparel with Dacron®.



“They give the bank a smart, businesslike look. We’ve had only praise from customers and employees,” says Mrs. Phyne Roubique, Chief Teller.

On May 8, 1970, an old-time customer walked into the lobby of the American Bank and Trust Company of Baton Rouge and stopped in surprise. “You girls all look so doggone pretty,” he said, “that I don’t know which one to whistle at first!”

It was the striking new Career Apparel the women employees were wearing that brought about this compliment. And there have been plenty of admiring

glances ever since for the flag blue jacket dresses in a handsome cord knit of 100% Dacron* polyester.

“When we first started discussing uniforms, some of the girls, particularly the newer ones, were understandably skeptical,” says Mrs. Phyne Roubique, Chief Teller. “But after they saw how stylish the knit dresses were and how well they wore, they were sold on the idea. As one teller put it, they solve the ‘what-will-I-wear-today?’ problem.

“Our knit dresses of ‘Dacron’ look the same after many washings as they did when we put them on for the first time,” Mrs. Roubique adds. “They rinse out easily, dry quickly – and the colors stay sharp and clear. And, even though they’re washed after every two wearings on

the average, they’ve kept their shape beautifully.”

Career Apparel like this will make a big difference in your bank – in appearance, in service, in employee morale. Look into it. Just be sure to get “Dacron”. And you’ll be getting on-the-job clothes proved to be the finest made.

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MID-CONTINENT BANKER for September, 1970



Designer Dorcia Wallace (foreground), poses with Dallas financial institution customer-contact employees who are modeling her interchangeable ensembles, termed "fashionable savings." Male officer beams approval.

'Fashionable Savings' Apparel Debuts at Dallas Institution

WOMEN EMPLOYEES at a Dallas financial institution have a new look in career apparel designed by Dorcia Originals of Abilene, Tex. With just two basic outfits and matching accessories, the designer has created a working wardrobe with six distinct appearances. This economical, yet attractive, application of career apparel has been entitled "fashionable savings" by the institution.

A far cry from the uniforms that once served with scant regard to fashion and individuality for the woman-on-the-job, these "total look" ensembles are part of a new trend in apparel for working men and women. Support for it comes from corporate managers who realize that it is not enough that crests, buildings, and slogans project a forward-looking image; they regard employees who have contact with the public as an additional way to reflect this image.

According to the institution's president, "We wanted our women to look fashionable, to have costumes that can be worn to portray a distinguished image for our institution." The adoption of the new garments marks the first companywide career apparel program in the institution's 50-year history.

But a stress on fashion in clothing designed by Dorcia Wallace is not unexpected. Mrs. Wallace is the own-

er and principal designer of Dorcia Originals. She and her firm have been producing highly stylized garments and accessories for the fashion world since 1962.

The surprise comes from a fashion designer crossing over to career apparel business. It happened in 1968 when Mrs. Wallace received a rather unexpected invitation from an official of an Abilene financial institution to design "uniforms" for his women employees. Mrs. Wallace says that she almost felt insulted and replied, "But

No Hemline Problem!

Career apparel manufacturers agree that there is no hemline problem with their garments. One of the selling points of career apparel is the elimination of mini or maxi skirt lengths.

But what about the midi length? Since this new fashion length is not considered extreme, it is conceivable that career appressed bankers will begin adjusting their hemlines to be with the times. Most manufacturers of career apparel are striking a happy medium of from two inches above the knee to one inch below. However, hems of new outfits are ample enough to enable wearers to attain the midi look if they desire.

Banker Applauds Apparel

Another bank having considerable experience with career apparel is Burlington (Ia.) Bank. After four years of career apparel utilization, Stephen B. Beckford, assistant cashier, encourages other banks to "suit up."

Mr. Beckford says the program has achieved a uniformity of dress which tends to bridge differences of age and of individual taste. There is a financial advantage to the employee because the bank pays half the price of the garments, saving employees considerable clothes money during the two-year life expectancy of the garments. The apparel works for the bank, public relations-wise, in that it enables customers to identify bank personnel on the street, enabling the bank to catch the attention of the public in a prestigious manner.

The bank's apparel, supplied by Scot Fashion Apparel, Inc., Florissant, Mo., provides enough variations to enable employees to wear a different combination each day of the week, avoiding monotony and "look alike" appearance.

we sell fashion. Surely the people of Abilene know how hard we have worked to create a fashion image!"

The official replied, "Fashion—that's what we want!" a statement that proved to be Dorcia's biggest challenge of all—to make career apparel fashionable.

Out of this has come the stylish, yet reasonably priced, clothing provided by the Dallas institution to its female employees. The costumes consist of navy dress and jacket and red skirt, blouse and vestido. A detachable white collar and a long red, white and blue scarf give employees a chance to express their individuality in dress tastes. The ensemble offers employees the benefit of lower clothing expenses in addition to versatility and performance. The garments are made of easy-care "Dacron" polyester fiber from Du Pont. Knits of "Dacron" go hand-in-hand with a forward-looking image because they are wrinkle resistant, washable and capable of being made into bright, attractive garments.

The success of a career apparel program, Dorcia emphasizes, depends on cooperation among the fiber producer, knitter and designer. Only in this way can consistency be maintained in fiber quality, color match, fabric uniformity and styling. "We are a team," she says, "that must understand the needs of the client and then be able to meet those needs in a long-term relationship." ••

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MID-CONTINENT BANKER for September, 1970

73

By **CHARLES R. MORAN**
Director of Publicity
Fourth National, Wichita



Initial fashion suits graced the bank in 1965

FIVE YEARS AGO Fourth National introduced its first innovative fashion ensemble for customer-contact women employees. This "new look" has changed for the third time with installation of a new style group this summer. Today the general feeling is that the idea has become as much a part of the bank's total planning as has the role of marketing and public relations.

It is difficult to identify one particular factor that might have caused the bank's management to decide to de-

makers. Tailors had no patterns or adequate facilities to handle the order.

Long weeks of negotiating convinced the band uniform manufacturer that he should attempt the production of the new-style product. The cost was unreasonably more than anticipated and choice of garment style was restricted. Nevertheless, the idea was creative, the concept was innovative and management approved.

The project officer selected 50 women employees from among personnel at the main bank, commercial motor

Bank That Pioneered Career Apparel Offers Tips for Smooth Operation



Second group of designs appeared in 1968.

velop the career apparel concept. In 1965 the bank was undergoing a major face-lifting of its quarters throughout all customer service areas and in most executive offices. This fact no doubt influenced planners in the personnel division to investigate the feasibility of apparel. Mrs. Edith Nixon, employment manager in the personnel division, originally proposed the program.

Mrs. Nixon points out that the trend to correlated fashion suits had, at that time, been well established all across the country in other industries. Why not in banking? Color and style would be important to the redecorating project concerned with the bank's building, she said. This spurred the investigation.

"We felt fashion and personal appearance were important in the field of business at that time more than ever before, particularly for women in banking," Mrs. Nixon says.

The Fourth recounts many mistakes that were made in the development of the first style group. In the beginning, for example, potential suppliers of fashion suits were few. There were none in the bank's part of the country. Inexperience on the part of the planners produced only local dressmakers, men's tailors and a uniform manufacturer as sources after an investigation that took a year to complete. The project was too big for most dress-

bank and drive-in facility, including all tellers and receptionists in these areas. They were carefully fitted, each on an individual basis.

The bank supplied each employee with three basic sheath dresses designed in bright navy blue wool and acetate blend fabric with jewel neckline, self-material belt and short sleeves. The ensemble was topped with a waist-length jacket cut with three-quarter length sleeves.

Notwithstanding development problems, the new fashions helped provide a more pleasing atmosphere for the bank's customers and employees who were a little dubious about their project completely reversed their attitudes. Initially, a committee was selected from among the employees to choose the style, color and material to be used. About 85% of the group approved the final choices.

"Women who are customer-contact employees usually represent various economic levels in their personal lives," Mrs. Nixon says. "This new uniform dress code eliminated the competition of expensive finery among a few, and the unusual or gaudy appearance of others."

Unanimously, the women favored the resultant savings in not having to purchase personal clothing and accessories. Competition under the new system was only in the fine points of personal grooming and the upkeep of



Fourth National's 1970 ensembles.

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Stevens Corporate Fashion Fabrics For People who Work in Banks

the ensembles.

From this experience, the personnel division was able to benefit. New guidelines were established and further investigation was given to the project. Over the next two years, the idea expanded rapidly in the banking industry and the manufacture of fashion suits as a new market took shape among the better clothiers and fabric mills.

The bank's second program of fashion suits, installed in 1968, included chic Hart Schaffner & Marx two-piece outfits. Three suits in a Chanel-inspired design were provided for each member of the group. Hip-length style jackets were open-front with smart collar and pocket cuff and three-quarter length sleeves. The outfits were piped with black silk braid around the collar, front and pockets. Jackets matched the paneled skirts in a selection of two colors—turquoise blue worsted and red textured worsted. Toning overblouses complemented the outfits. The women all wore the same colors on the same day according to a pre-arranged schedule. Maintenance and protection of the garments were again the responsibility of each of the employees.

Placement of the order for these suits was made through a local dealer



A special fashion suit was introduced this year for Fourth National's BankAmericard service representatives.

of Hart Schaffner & Marx, and fittings were made by the local store's tailor and fashion consultant, which proved to be important to the project. Each employee's fashion group cost the bank approximately \$250, and was designed as a two-year program.

Carefully kept records through the first cycle and into the second program

indicated that employee turnover was reduced. The project officer suggested that a new form of pride in their job had been created among the 50 employees involved. Customer appeal was enhanced because of this pleasant attitude. Other bank employees were flattered by this change, and registered a desire for similar clothing arrangements. The segmentation of the teller and receptionist group, however, was justification enough to provide control of the matter without difficulty. Employee relations had actually been improved. Bank employee dress codes became easier to implement.

Additional advantages were notable among the selected group. The expense of maintaining the garments became a tax-deductible item. Also, they were allowed to wear the suits to work just as they normally would their own dresses. Only a few took advantage of the locker facilities at the bank where they could change at the beginning and end of each workday. The only apparent disadvantage in the program was that a few of the group of 50 felt they had lost their individual identity.

This second change had barely gotten underway when planning was begun for the third purchase. The selection of the supplier, style of the gar-

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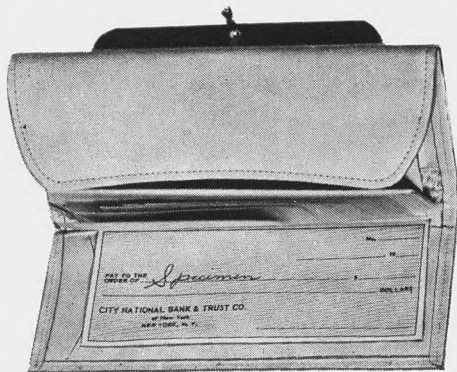
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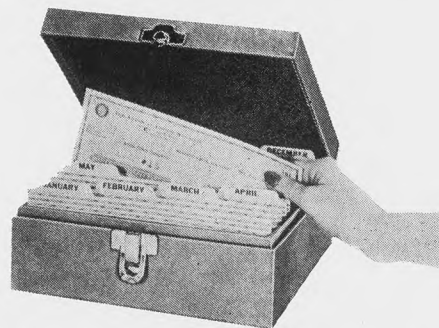
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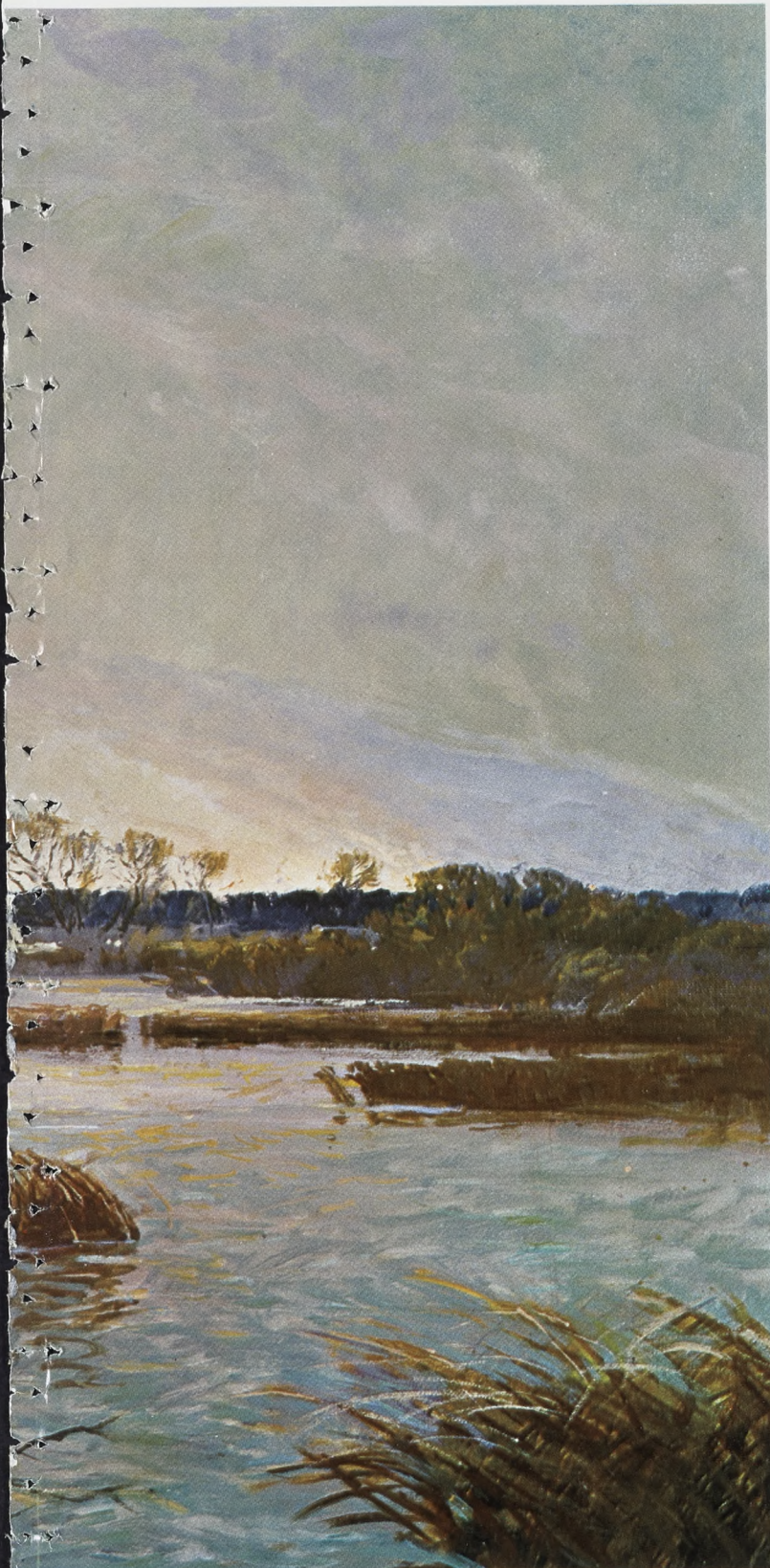
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Promotions

ments, fabrics, color and cost were the criteria for the planning committee. The use of a committee as a sounding board is helpful; however, final decisions must be left to management, the project officer indicated.

The quality of Hart Schaffner & Marx fashion suits inherent in the second program's garments and the service rendered by the local supplier were sufficient to cause consideration for continuing the purchase arrangement. The group of involved employees were polled for opinions relating to the fabric choice, color and style that they preferred. A special committee developed the planning and made recommendations. Their choices indicated a preference of two colors. A washable knit fabric, urged by part of the group, was turned down. Following preliminary discussions on the program, six-months of planning was required before the project selections were concluded.

Two new basic ensembles constituted the final selections. One suit is an antique gold costume of a slightly shaped Chanel jacket with barely wider bracelet sleeves and contoured hipbone hem, worn over a short-sleeved princess dress with a roll collar to complement the cardigan neckline in the coat.

The second combination is a hunters green textured fabric in wool and

dacron made in three garments including a suit, weskit and jumper dress.

The conversion to these new fashion suits was made the first week in July, 1970. They are worn by all tellers and receptionists in the bank's three customer-service lobby areas.

In order to provide uniformity in dress schedule, the personnel division has designed a weekly calendar that is published monthly showing the combination of garment and blouse recommended for each day's wearing. Under this pre-arranged scheduling, all employees in the group wear the same colors and fashion combination on the same day. The schedule also helps with cleaning and maintenance planning by employees.

Accessories for the fashion groupings include a specially designed brooch in sterling silver, embedded with a small figure "4" emblem representing the bank. The women select their own conservatively designed earrings. Optionally, they can wear a slight pearl necklace. Shoe styles vary and are the choosing of each employee. Tiny corsages are furnished by the bank at Christmas time and on Valentine's Day.

When asked what advice she would have for other banks considering entering fashion suit programs, Mrs. Nixon commented, "Choose a reliable source for the garments—this is the

most important guideline." She pointed out that the project should be thoroughly researched among banks with experience in such programs, costs should be rationalized and the program must be fitted to a two-year schedule.

The style of the fashion suits must please the employees involved and facts about the program must be communicated to all other employees. It would be wise to consider men's blazers in matching colors for the male contingent of customer-contact personnel. There should be no separation of choice in color or style made in the case of bank officers. • •



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'Dubious' Contact Personnel Find That Career Apparel Sells Itself

BATON ROUGE, LA.—American Bank has a full complement of attractive tellers who will tell anyone that career apparel is terrific!

Career apparel for financial institutions is the "in" thing for several reasons, according to Mrs. Phyne Roubique, head teller at American Bank. Chief reason is the boost the apparel lends to a woman's clothing budget.

Bank management approached the subject of career apparel for customer-contact personnel with trepidation, Mrs. Roubique reports. "They felt that it would be impossible to convince all the women to accept the career apparel concept. After all, what two women care to dress alike?"

"But when we saw the fashionable approach that our supplier took to career apparel and sampled the wearability of the garments, we quickly felt that career apparel would be welcomed by all women employees," she said.

The styles selected by the bank come in two color combinations—navy blue

and lime green. By combining the jackets and shift dresses, tellers can come up with a variety of ensembles that look stylish without giving the appearance of being "uniform" in any sense of the word, Mrs. Roubique says.

"Many of our women employees have told me how much they save on clothing bills because of career apparel," Mrs. Roubique says. "The garments are completely washable. You can put one through the suds and put it on a couple of hours later. They don't fade, they hold their shape and they are really good looking!"

Due to the economy and style of the apparel, the outfits are a big hit at the bank, she says. And if the compliments they have generated so far—combined with their obvious advantages—are any barometer, career apparel will stay "in" for the women at Baton Rouge's American Bank!

The garments were supplied by Career Girl Coordinates, Inc., Richmond, Va. • •

Exciting Fabrics

(Continued from page 64)

tions in the offing for men's blazers and trousers.

Designs for career apparel should be stylish, but not extreme, suppliers claim. Accents for basic styles should come from accessories and garments should be designed to be easy to work in, with no binding or other restricting aspects.

Suppliers have found that the tax deductible aspect of career apparel has been popular with banks. As long as the garment is required on the job and bears some type of identification with the bank, the deductible feature is applicable, they say.

Marketing problems encountered by suppliers include the hurdle of convincing young women bank personnel that career apparel is just as effective as are "mod" garments in attracting members of the opposite sex; convincing bankers that the quality offered by made-to-order apparel is much more economical in the long run than are mass-produced, "off the rack" outfits; and attaining full cooperation and agreement on the part of those being outfitted.

In the few cases where banks have dropped their apparel programs, the

blame is usually placed on the public relations aspects of the way the program was handled.

There's little doubt that the career apparel business is a growing one. At no time since the concept became popular have banks had more suppliers from which to choose, all of which are offering a vast array of styles, fabrics, colors and service—all designed to make bank customer-contact personnel the happiest and best dressed people in town! • •

Director Retirement

(Continued from page 18)

man himself is a likely candidate for retirement.

When all is said and done, one must be pragmatic, yet recognize that some directors are more likely than others to take offense at board retirement action.

A study made by the bank management and research committee of the Virginia Bankers Association reviewed about 30 director retirement plans. The study provides some carefully thought-out guidelines on the several approaches to resolving the problem.

It is the committee's opinion that, "in the best interest of a bank's future, a fixed retirement policy becomes more and more necessary to provide opportunities for younger men and avoid the personal impact of case-by-case handling of retirement and the embarrassment that some banks have experienced."

There is a strong school of thought that prudence is the best part of valor. It is important to prevent any inference that the topic is directed at any present members and that it be clearly understood that the *entire present board* is exempt from the mandatory policy which the board will possibly adopt.

Rebutting this, some contend that such action commits the board to several years during which it will not have age balance and the aggressive thrust associated with younger directors.

In counter-rebuttal, several experienced bank directors point out that when elderly directors are assured that the policy is not personally directed at them, they frequently decide not to stand for re-election and elect the director emeritus option with its lowered legal liability.

It is also likely that natural attrition will be higher in boards whose average age is high.

A compromise that some banks adopt involves some type of delay in implementing retirement policy on over-age directors. The rationale is to

permit an evolutionary, not revolutionary, modification of the age structure of the board.

Some banks try to capitalize positively on director retirements by giving the directors scrolls of commendation or gold pins in the form of the bank's logo. Jewels are inserted in the pins to show the number of years of board service.

At least one board adds a touching gesture—the presentation of the retiring director of his portrait which had been hung in the board room with those of other board members.

Still other boards schedule one meeting a year to which all retired directors and sometimes their wives are invited.

Some banks, such as Sullivan County Trust, Monticello, N. Y., have attempted to replace retired directors with individuals who are under 45 when elected.

Conclusion

A Richmond Federal Reserve Bank study a few years ago revealed that one-quarter of the typical board members in that district were over 65. These figures are considered fairly representative of the nation and may serve as a benchmark or guide. If your bank has a lower proportion, it probably does not have a current problem in director retirement. However, if more than one-quarter of your board is over 65, such a condition is probably noted in the confidential section of the report of examination.

The board should recognize that an appropriate age distribution of its member-directors is of concern to bank supervisors. • •

BAI Names State Directors To Serve Two-Year Terms

New state directors of the Bank Administration Institute were recently appointed to two-year terms. Under the new BAI appointment procedure, state directors in districts one, three, five, seven and nine were named this year, while directors in even-numbered districts were named to two-year terms last year. State directors now serve the same terms as district directors.

New state directors in the Mid-Continent area are: Illinois, Robert D. Matthews, vice president and cashier, Northlake Bank; Indiana, Hugh R. Ferris, vice president, Industrial Trust, Muncie; Kentucky, Clifton B. Allen, auditor, Kentucky Trust, Louisville; Kansas, Gerald W. Barnard, president, First National, Oswego; Missouri, Arthur Barner, auditor, Citizens Bank, Springfield; New Mexico, Everette A. Morrow, vice president, Albuquerque National.

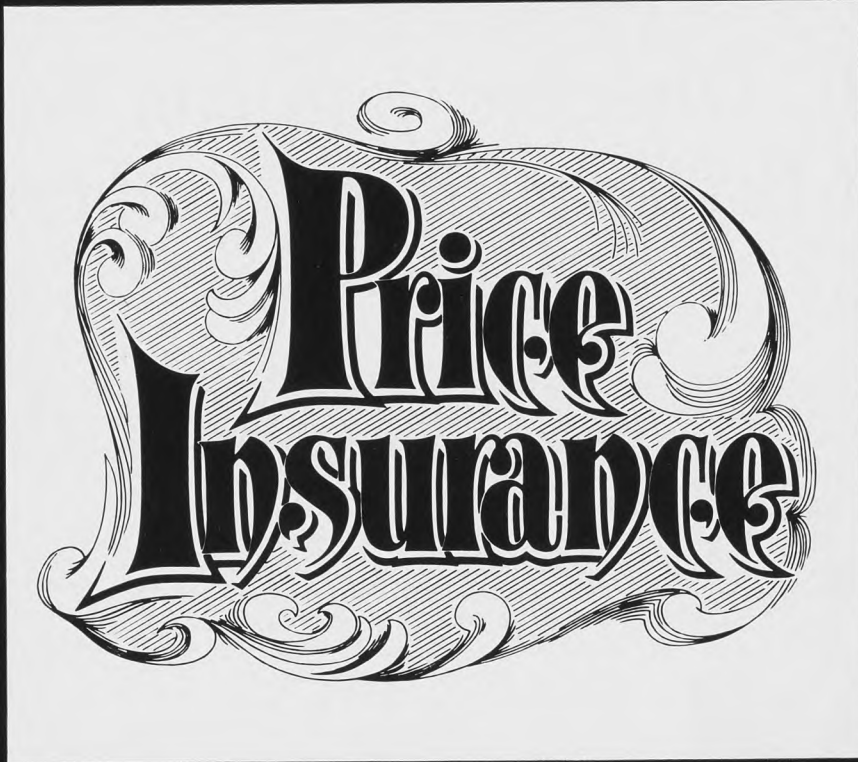


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FDIC Director Cautions Banks On Brokered-Fund Practices

EVERY BANKER in the nation should be alert to the dangers of accepting brokered deposits linked to questionable loans.

Earlier this year the three federal banking regulatory bodies addressed a letter to the executive officer of each bank advising of this unsafe and unsound practice. Press reports have highlighted the situation in reporting on recent bank closings.



SPRAGUE

By **IRVINE H. SPRAGUE**
Director
Federal Deposit Insurance Corp.
Washington, D. C.

Mr. Sprague was appointed as a FDIC director in 1968. A former newspaperman, he has served as deputy director of finance for the state of California, as personal representative of a former California governor and as a congressional administrative assistant. At the time of his nomination to the FDIC, he was aide for congressional relations on the White House staff.

Nevertheless, the practice continues. Five banks have closed in 1970 and brokered funds with linked loans have been a contributing factor in four of the five instances. This follows three similarly caused failures in 1969, plus others dating back to 1964.

The supervisory problem is the "hit-and-run tactic" by which a money broker working with a gullible or greedy banker can move large sums of money and loans into a bank in a period of days—often shortly after a regular examination is completed.

In those instances where the losses to the bank caused insolvency and the bank closed, we moved quickly to pay off the depositors, but this was no solace to bank officers and directors, several of whom are now embroiled in civil or criminal actions.

A flat prohibition against any brokering of money is not an impossibility. Chairman Wright Patman of the House Banking and Currency Committee has introduced legislation to do just that and Mr. Patman has a good track record for influencing bank legislation. Another possibility is the denial of insurance coverage on brokered funds

either through legislation or regulation.

During the past 18 months I have visited 13 closed banks and the pattern, particularly in recent closings, is strikingly similar.

The brokering scheme is simple and the essential elements are similar in all transactions, although there are a number of variations in technique and detail. In the past the instruments used were certificates of deposit, but recently we have also found so-called letters of credit being utilized. The scheme involves a borrower—who, for some reasons (usually good), does not qualify for a loan—paying a commission to an outside source—the broker—to have deposits made in the bank, which then lends him the money.

Theoretically, everyone wins. The depositor receives interest income in excess of the legal limits; the broker makes a fee; the bank makes a profit on the loan; and the borrower gets his money. The plan quickly falls apart, however, in any of a number of circumstances. Normally this happens

when the loan defaults, or when the brokered money matures and is withdrawn although the bank still holds the loan. When this happens the broker is not hurt, the depositor normally is not hurt, but the bank and the community it serves may be grievously injured.

The extent of the danger of insolvency appears to be in direct relationship to the amount of broker deposits and the size of the banking institution.

Although we discourage the practice in any instance, it is obvious that a \$100 million bank that brokers in \$700,000 and suffers losses up to that amount may not be seriously affected, while a similar amount of brokering and losses in a million-dollar-bank can be fatal.

Lawyers continue to debate whether such funds are "deposits received in the usual course of business" and other legal ramifications, but I fail to understand how a bank officer in a small isolated community can legitimately view the accepting of deposits from major metropolitan centers and the making of loans far out of his service area as serving the convenience and needs of his community.

It just does not ring true to find deposits in substantial amounts from Florida, New York, New Jersey and California in a little bank in Prairie City, Ia., or Auburn, Mich., or Petersburg, Ky., or Coalville, Utah, or Aransas Pass, Tex., or Morrice, Mich. These closed banks ranged in size from \$1.2 million to \$10.5 million. Most of the depositors were insured and few legitimate local depositors were injured.

That was not the case in the bank at Covington, Ga., which was closed under similar circumstances but did not carry FDIC insurance. Nor can the

The less you know about California, the more and can help you.



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Vice President



James M. Brown
Asst. Vice President



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Nicholas Price
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MID-CONTINENT BANKER for September, 1970

85

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As opposed to computers, which work faster and more accurately than people.

At National Boulevard Bank, we offer both. And we're proud of both. But we like our people better. And we think you will, too.

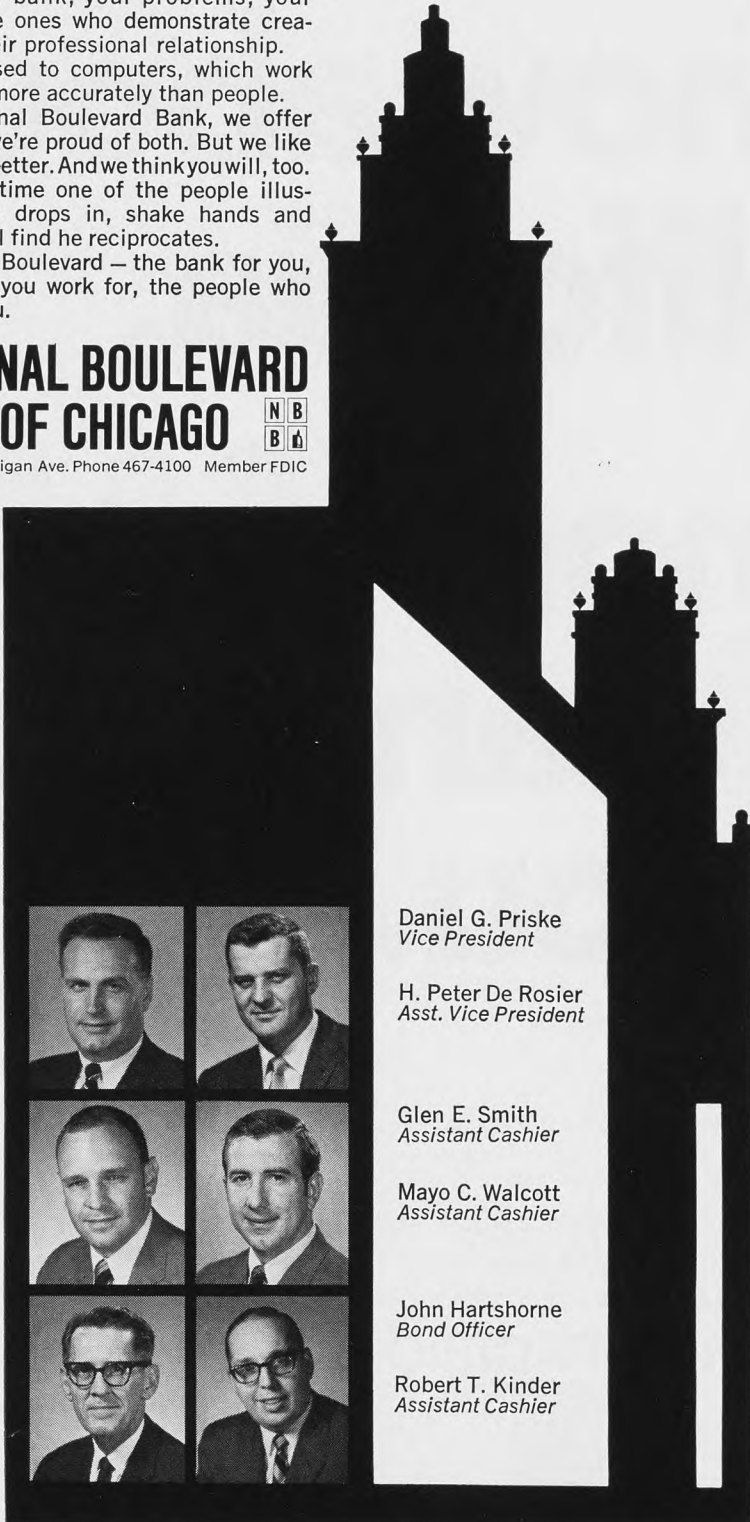
So next time one of the people illustrated here drops in, shake hands and smile. You'll find he reciprocates.

National Boulevard — the bank for you, the people you work for, the people who work for you.

NATIONAL BOULEVARD BANK OF CHICAGO

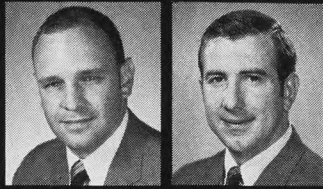


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John Hartshorne
Bond Officer

Robert T. Kinder
Assistant Cashier

shareholders in any of these banks be pleased at the real prospect of losing their investment in their banks' stock. Other banks with brokering troubles have been salvaged prior to closing.

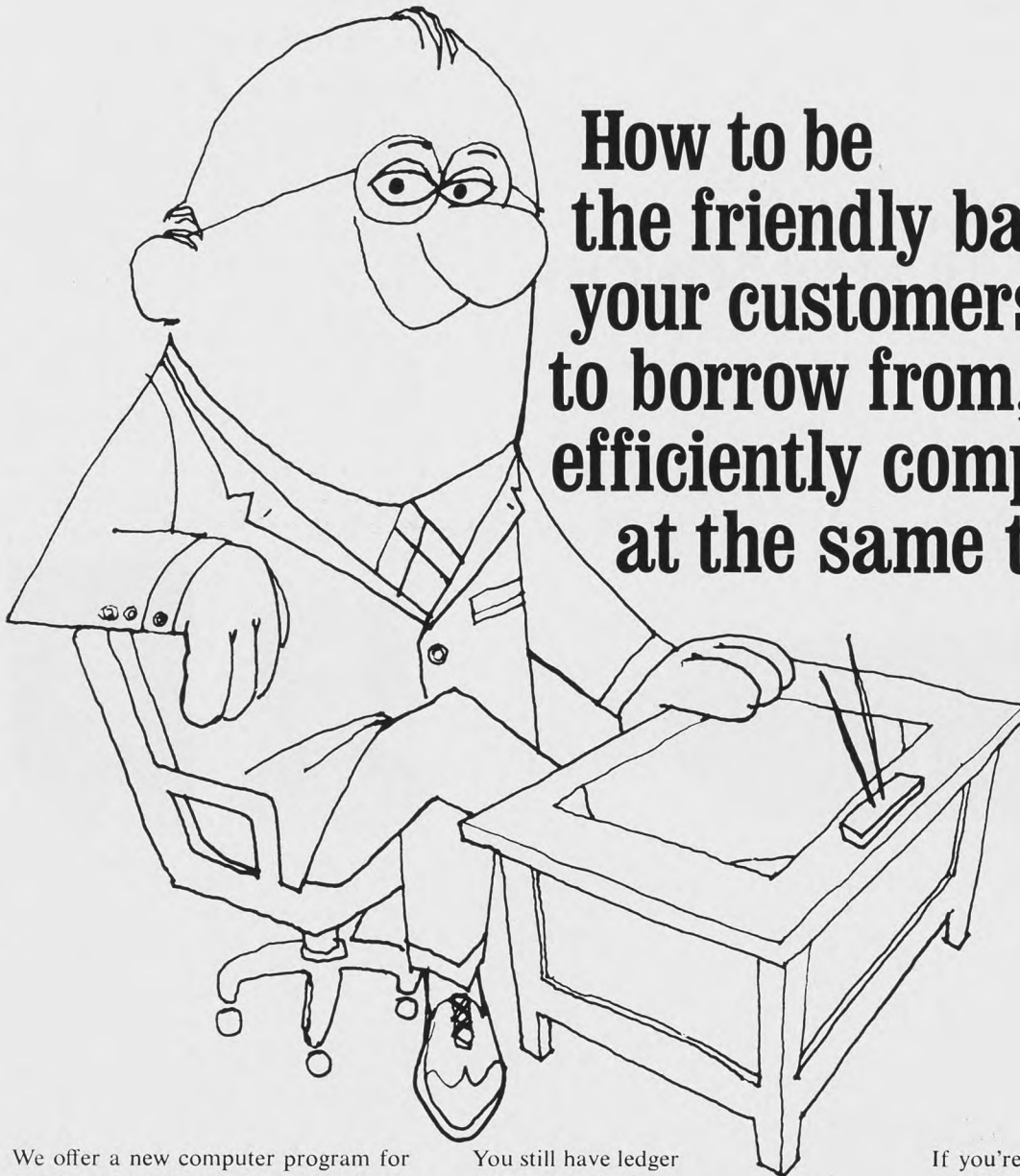
It is important to realize that we are not dealing simply with a gimmick to evade rate controls. This is bad enough, but the crux of the matter goes to the question of loans which are tied-in with brokered funds and the resultant effect on the solvency of the bank. The pattern in the banks that have been closed was for an excessively high percentage of loans, made in connection with brokered transactions, to be bad loans.

The linking of brokered money to specific loans has been vigorously denied by some money brokers; but our investigations have clearly shown such links in recently closed banks. The president of one of the major brokering firms admitted the practice in a letter to the *New York Times* recently when he said: "We will not deposit a compensating balance on behalf of the borrower until the bank has approved the loan." He added that he did not permit the CDs to be posted as collateral for the loan.

I do not argue that all brokered deposit transactions necessarily involve link-financing arrangements with borrowers who would not otherwise be able to obtain money from insured banks. But we do feel that the circumstances surrounding the typical brokered deposit transaction offer too many possibilities for abuse on the part of some bankers who may be tempted to use large sums so obtained unwisely and not necessarily in the best interests of their banks.

In 1966 the FDIC decided not to contest payment to insured bank depositors solely on the grounds that the depositors received in excess of the maximum rates of interest permitted on deposits. The decision at that time was based on maintaining confidence in the banking system and knowledge that some of the people dealing through money brokers are not aware of maximum permissible interest rates and are almost never aware of the consequences of brokered funds transactions linked to fraudulent or unsound loans. In the recent past we paid the insured depositors in five instances. In the sixth, the payment of FDIC insurance on brokered funds has been restrained as part of a suit by shareholders of the bank.

Our regional directors have been provided a list of all banks that are known to be or are suspected of dealing with brokered funds and they have been instructed to have their examiners look closely and often at



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You still have ledger cards available for ready reference on every account. Cards are kept up-to-date with the efficiencies of computerized posting. Conversion to the program is simple and convenient. Above all, you determine the type and the extent of controls by which your program will operate. Punch cards and printouts won't take over.

If you're interested, contact Herb Richardson, Bill Luckett or Henry Ormsby at First National Bank of Louisville, P. O. Box 1019, Louisville, Kentucky 40201. Phone: (502) 584-3211.



Get complete details at the KBA Convention, Louisville, Sept. 13-15. See us at Suite 1218, Brown Hotel.

MID-CONTINENT BANKER for September, 1970

these institutions.

The amount of money brokering is extensive. Some estimates are in the range of \$750 million. We are compiling more precise figures and all non-member banks soon will be asked to cooperate in this survey. If regulatory exhortation does not restrict bankers from indulging in these highly objectionable practices, then more forceful measures may be necessary. ••

Overdraft Notices Made by Computer

Beverly Bank, Chicago, is using computers to make overdraft notices with a unique feature.

The new system works something like this: overdraft notices are made in triplicate by the computer, complete with the customer's name, address, account number, current checking account balance before and after the overdraft, savings account balance, the number of times the customer has been overdrawn and all other vital information the clerical staff might need.

The overdraft clerk decides, from the information on the overdraft notice, whether a check should be paid or returned. The first sheet of the slip is sent directly to the customer, indicating if his check has been paid or returned and the cost to him. The

second sheet is sent to the computer center to revise any items off the account and to charge the account. The second sheet is later included in the customer's regular statement while the third copy is kept on file at the bank.

Using this method, time and effort have been reduced for the customer accounting department because clerks do not have to spend time looking up balances and records.

48th NABW Convention To Be Held Sept. 20-24 In Washington, D. C.

WASHINGTON, D. C.—The 48th annual convention of the National Association of Bank-Women Inc., will be held here September 20-24 at the Mayflower Hotel. The program will offer both the broad view of the banking industry as well as intensive specific work sessions.

During the convention, Miss Ruth A. Bryant, assistant vice president, Memphis Branch, Federal Reserve Bank of St. Louis, will be introduced as the incoming president of the organization. She succeeds Miss Bobbye Taylor, assistant vice president, First National, Lamesa, Tex.



MISS TAYLOR



MISS BRYANT

Convention speakers include: Bruce K. MacLaury, deputy undersecretary for monetary affairs, U. S. Department of the Treasury; James Louis Robertson, vice chairman, board of governors, Federal Reserve System; Mrs. Mary T. Brooks, director, bureau of the mint, U. S. Department of the Treasury; Senators Charles H. Percy and John C. Tower; Representative Leonor K. Sullivan; Willis W. Alexander, ABA executive vice president; humorist Sam Levenson; and former Miss America Marilyn Van Derbur.

The bank women will have a private tour of the White House and will have the opportunity to meet legislators from their own districts at a reception for Congress.

Installation of new officers and the presentation of the Jean Arnot Reid Award and NABW's scholarship award also will take place at the convention.

HIGH TIME FOR THE HUMAN TOUCH?

You have a beautiful bank. But it's become dehumanized, perhaps, in the growth process. Many banks have found a Gittings gallery of colour portraits of officers and directors to be the perfect public relations touch: to play up people, to make familiar faces of your higher ups. Call Fred Winchell collect (A/C 713 529-5901) or write 3327 D'Amico, Houston. Gittings comes to you — for photography and to arrange every detail.



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Especially designed for machine filling... a real time-saver. Packed flat. Instant patented "Pop Open" action with finger tip pressure. Denominations identified by color coding... 6 different standard colors.

3 RAINBOW COIN WRAPPER

Color coded for quick, easy identification. Red for pennies... blue for nickels... green for dimes... to indicate quantity and denominations... eliminates mistakes. Tapered edges.

4 DUZITAL COIN WRAPPER

Extra wide... extra strong. Designed for areas where halves are wrapped in \$20.00 packs... "red bordered window" for ease of identification. Accommodates \$20.00 in dollars, \$20.00 in halves. Tapered edges.

9 BANDING STRAPS

Ideal for packing currency, deposit tickets, checks, etc... do not break or deteriorate with age. Size 10 x 7/8 inches and made of strong brown Kraft stock with gummed end for ease of sealing. Packed 1000 to a carton.

5 OLD STYLE COIN WRAPPER

Basic coin wrapper in extra strong kraft stock. Printed in 6 different standard colors to differentiate denominations. Triple designation through colors, printing and letters. Tapered edges.

6 KWARTET COIN WRAPPER

Wraps 4 denominations in half size packages. A miniature of the popular "Automatic Wrapper"... 25c in pennies, \$1.00 in nickels, \$2.50 in dimes, \$5.00 in quarters.

7 FEDERAL BILL STRAP

Package contents clearly identified on faces and edges by color coded panels with inverted and reverse figures. Made of extra strong stock to assure unbroken deliveries. Only pure dextrine gumming used.

8 COLORED BILL STRAP

Entire strap is color coded to identify denomination. Printed amount appears on top and bottom of package. Extra wide for marking and stamping. Extra strong stock for safe delivery and storage. Pure dextrine gumming.

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MID-CONTINENT BANKER for September, 1970



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Airplane Financing

(Continued from page 30)

quality of the collateral. There are a good many banks and finance institutions that have been financing airplanes for many years, and I believe they will say that their losses on aircraft paper have been far less than on automobile paper.

A banker thinking of financing a few airplanes for his good customers should get to know his local airplane dealer. The latter's advice and help can be invaluable. A banker planning to become more involved in this type of financing and finance outside of his immediate trade area should see that one of his lending officers learns to fly. There is no better way to become thoroughly familiar with an airplane.

Terms offered to aircraft buyers have become more liberal over the years, with normal terms now usually 25% down and up to 60 months. Some banks will finance up to seven years on certain models of airplanes. If there is such a thing as a normal rate today, it varies from 6% to 7% add-on.

Our experience indicates the average-size loan is \$10,000; the average maturity is 49 months, and the loan stays on our books an average of 21 months. After 21 months, the customer normally trades up to a higher-priced model and comes back for more financing. We also find that an ever-growing number of customers want additional loans of \$2,000 to \$3,000 to add new electronic equipment in their planes.

Properly handled, airplane financing can be a good source of high-yielding loans for banks. • •

Britt and Otting Promoted At Federal Reserve Bank

ST. LOUIS—L. Terry Britt recently was promoted to vice president of the Federal Reserve Bank of St. Louis. He will serve as manager of the Memphis Branch, succeeding Eugene A. Leonard, senior vice president, who will be on temporary loan to the board of governors of the Federal Reserve System.

Mr. Britt joined the bank in 1962 and was made manager of the fiscal agency department in 1966. He was appointed assistant vice president in 1968.

In other action at the bank, John F. Otting Jr. was appointed an assistant vice president. He joined the bank's collection department in 1945 and also served in the personnel department. He was made assistant manager of the collection department in 1964 and manager in 1968.

Your bank needs the only bank that meets flight 202C in person.

Every morning.

Between 2:00 A.M. and 8:30 A.M., a small army of Chemical Bank messengers stands by at every metropolitan New York airport to meet every flight bringing in Cash Letters from our Correspondent Banks all over the country. Shipments are rushed in our own vans to deepest Wall Street and our Check Clearance Department. Where they are processed and sent to the New York Clearing House before 10:00 A.M. In time for same-day availability.

It's quite a service. And occasionally people have questioned whether same-day clearance is important enough to justify a staff of special messengers, a fleet of vans and all that fancy footwork in the wee hours. After all, don't other New York banks get by with just a group messenger service?

But our Correspondent Banks are the people we listen to. They know the group messengers aren't allowed to wait around when a flight is delayed; but that it's S.O.P. for Chemical's messengers to stand by no matter how late a flight arrives, to make sure letters get same-day clearing. They know the importance of having that extra day's use of their funds. They like the fact that our bank is the only bank that provides this service on a regular basis. And that's all that matters to us.

If you'd like a fuller explanation of our Direct Sending and other Correspondent Bank services, simply call Mr. Robert Jennings at (212) 770-1607. Or perhaps you'd rather write to him at Chemical Bank, National Division, 20 Pine St., New York, N. Y. 10015.

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UNDERSTANDING—

Key to Successful Banking

By ASHTON J. ALBERT, Vice President
Trust Company of Georgia, Atlanta

THE LATE Thomas J. Watson, president of IBM, said in October, 1961, "One of the key words of the second half of the 20th century will be 'understanding.' Just as the last 50 years emphasized the application of knowledge, the next years will put a premium on the understanding of knowledge."

Each morning you can pick up your daily paper and read about what the bad youth of our country are doing, but what about the 97% who are honest, upright citizens of our community? The next time someone says, "I wonder what's happening to the young people in this country?" say, "Isn't it wonderful the things they are doing today!" They may look at you funny-like and say, "Well, that isn't exactly what I meant."

"I know what you meant, but you see, you've got it all backward." Because the fantastic thing about our young people today is they are doing so many great things, and out-doing the few odd-balls, that we *tend* to downgrade them *all* because we've listened to those few, and those few get all the publicity.

To deal with our youth and the people that are working for us, we must have an understanding of imagination.

How can we understand people unless we have imagination? We must be able to put ourselves in the other person's shoes. We must try to understand his or her reasons and needs. To get along with people and to understand them, one must have a good sense of humor. We must see the funny side of things and, above all, we must be able to laugh at ourselves. Whenever we can tell a joke on ourselves and really enjoy it, our stock goes up in the mind of the listener. We make him feel superior to us, and that need for a sense of personal importance is strong in every person.

Recently, while riding on a bus in

Atlanta, I saw a man get up and give a lady his seat. The lady fainted. When she revived she looked at the man and said, "Thank you, sir." Then the man fainted. This incident brings to mind that we are living too fast these days, and we have completely forgotten how to be polite and how to accept politeness. Making a habit of being polite is one of the finest qualities of human nature and is an essential quality in *understanding* others. Politeness and a pleasant disposition go hand in hand, and having a pleasant disposition, I am told, helps to lengthen your life. Grouchy people, on the other hand, seem to have more ailments and fewer friends. It has been truly said that nothing is easier than to complain and find fault, for NO brains, whatever, are needed.

We see every day long friendships being broken, or close family ties hopelessly shattered, or valuable customers lost to our banks, all because of rudeness, inattention or untactful remarks.

Let me ask you this question: When was the last time you stopped to pay tribute to your garbage man? Yes, to your garbage man.

I was staying with my family at a cottage we rented a summer or two ago. The garbage man came by. I watched this guy for one week. It was unbelievable. He was the finest garbage man I've ever seen.

He came by in his little old red truck at 6:30 in the morning. He didn't bang the cans up against the truck and wake up the entire neighborhood, and then head them back in the general direction of where they were supposed to be. He didn't aim the covers and sail them into space.

No, this guy was unbelievable. He took each garbage can and dumped it carefully and quietly. He put it back exactly in place, and he put the cover back on it. I went out and said, "Good morning, I just had to get up

and tell you what a good job you're doing." He looked at me, shook his head, and walked away.

I waited for that guy. I watched him again, and I said, "I wanted to tell you again what a fine job you're doing." He looked at me and said, "Are you just coming in or going out?"

I said, "No, I got up to tell you that."

He stopped for a minute and said, "Well, I'll be darned. I've been doing this for 12 years, and nobody has ever told me I did a good job."

I said, "I want you to know you not only do a good job, but you do an important job. Do you realize the contribution you make to the health, the well-being and the sanitation of this area? What would happen if you didn't show up—disease, infestation, you name it. I want you to know it's an important job."

He looked at me and said, "You know, nobody ever told me it was important."

"Well," I said, "I hope you'll never forget that it is an important job. It doesn't really matter what you do, as long as you do whatever you're capable of doing to the best of your ability."

I don't know if my conversation changed his outlook, but it did make him aware of the importance of his job. This is something his supervisor should have done long ago.

Some people within your bank may be just dying for an encouraging word from an officer who will say, "My, you look nice today," or "Son, you're doing an important job. You're going places." But, you see, we haven't bothered.

Then all of a sudden "they" appear to be getting restless and unhappy and thinking about shifting and thinking about what a lousy system the old free enterprise program is, as there's no opportunity left. No officer or supervisor had given them an encouraging word.

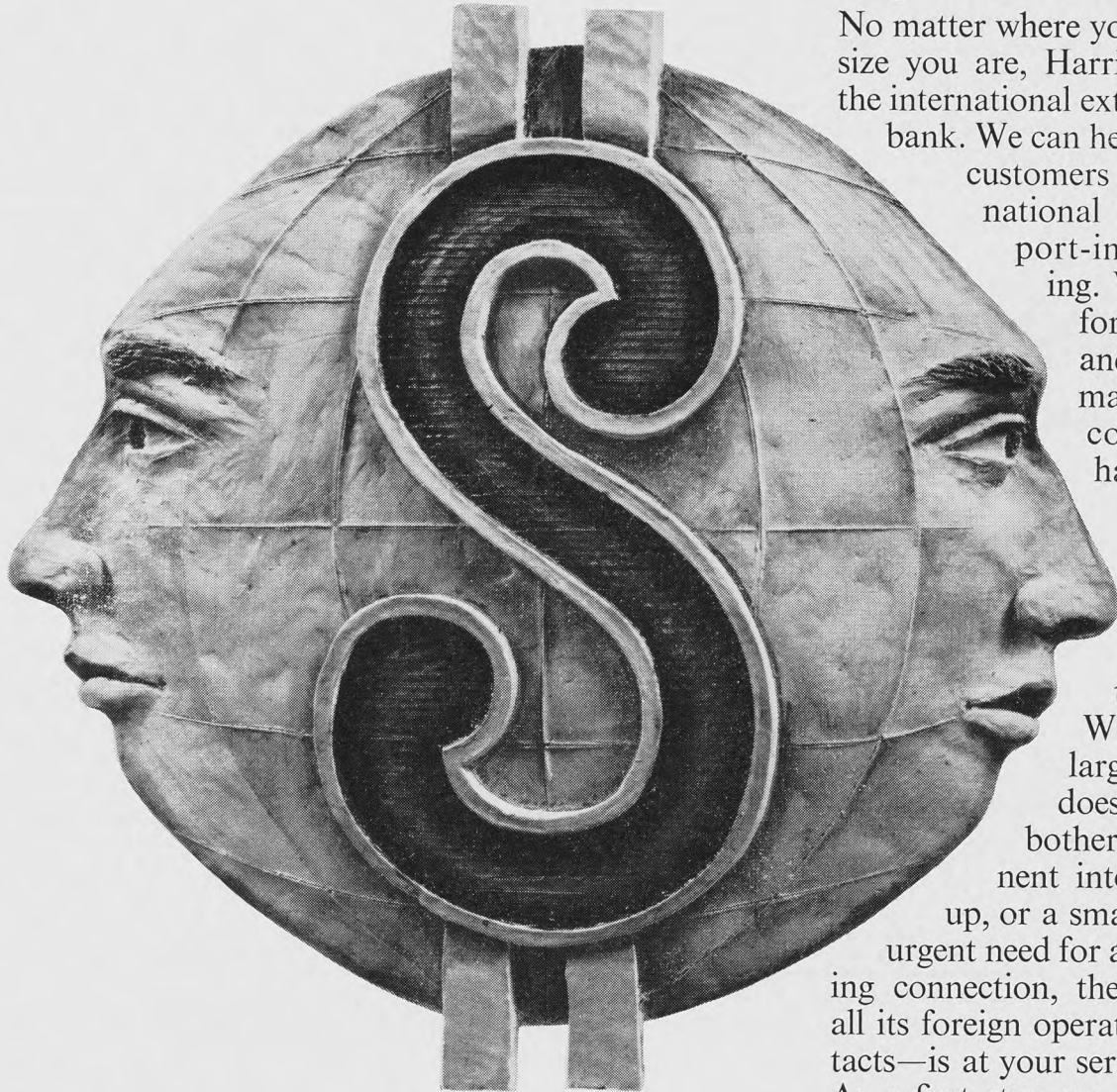
Ask yourself if you are practicing

Mr. Albert began his banking career in Mobile with American National, moving to Trust Co. of Georgia 13 years ago. He is currently senior member of the advertising advisory committee of the Foundation for



Full Service Banks and one of the originators of the "Banking Serves America" public relations program, sponsored by the Foundation and ABA.

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No matter where you are, or what size you are, Harris can become the international extension of your bank. We can help you or your customers set up international loans. Or export-import financing. We can secure foreign economic and credit information. And of course, we can handle the details that accompany even the simplest international transactions. Whether you're a larger bank that doesn't want the bother of a permanent international set-up, or a smaller bank with urgent need for a foreign banking connection, the Harris—and all its foreign operations and contacts—is at your service.

As a first step, we offer you our International Trade Guide, a comprehensive catalog of the services we can perform internationally on your behalf. It could be just what you need to hold on to a customer who fancies he's outgrowing you.

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the following six steps with those working under you. They are very simple.

Communicate: Tell them what to do.

Train: Tell them how to do it.

Motivate: Tell them why it is important.

Counsel: Tell them how they are doing.

Delegate: Give them responsibility.

Develop: Help them get started.

Watch your staff turn on when you try these little things!

Have you ever wondered whether you receive the proper respect and understanding from the people in your bank? If so, ask yourself, when was the last time *you* gave some? When was the last time *you* stood up for your people and said, "I know a few

are hanging around in the lounges too long, but all that other great group, they're there ahead of time and doing more every day."

But, you see, we sit around our big desks and say, "It's awful, I don't know what we're going to do. We've got some people coming in late, and we've got a few who always take out of here like crazy when it's quitting time."

I know. That's a few. That's the gist of what I'm talking about—how we slant our thinking and understanding and our whole concept around the *few* who do it wrong.

Now, let's talk a little more about understanding in our banks and selling. I know selling is not the major function of most officers, but it's good

to be reminded once in a while about selling.

Many years ago there was a popular expression, "If you build the world's best mouse trap, the world will beat a path to your door."

Many businessmen believed this was true. They believed, in other words, a good product sells itself. They believed it until they began to see the path to their business grown up in grass and weeds.

Good products do *not* sell themselves, and a good bank does *not* sell itself.

The world's finest bank does *not* automatically win new loyal customers.

All businesses must sell. Banks must sell. Your bank must sell to assure itself the fine business future it wants. In a competitive economy, people buy what they are sold.

We live in an era in which people have many choices to obtain the things they want. This is true of banking. No one must bank with us. All of our present customers have ample freedom to select a bank. No customer is forced to do his banking with us. And, no customer must continue to do business with us. If he becomes dissatisfied, he will patronize another institution.

Selling is both personal and impersonal.

Personal selling is any face-to-face contact between a bank employee with a customer or prospective customer.

Impersonal selling is the non-personal presentation of the bank to customers and prospective customers through advertising, public relations and related activities. Remember, advertising is just communication—we must sell to make the sale.

The broad sales objective is to obtain more desirable business for the bank.

What about the more direct objectives: These include—

- Make present customers feel more at home with your bank. Treat customers as honored guests;
- Attract new customers to your banks through new services;
- Improve the image of your bank in your community;
- Help your community grow, develop, prosper;
- Make banking more enjoyable for your customers;
- Offer more financial services to present customers. (Do all present customers know about auto financing, trust services, safe deposit boxes and many other services banks offer?)

It's a funny thing about banking. We spend thousands of dollars for advertising, occupy elaborate quarters,

Going on computer? Let us customize your check program.

We don't just sell you personalized checks and let it go at that. We offer a complete MICR service tailor-made for banks converting to computer.

We will meet with you and provide a step-by-step program, which includes a complete analysis of what is needed to make your conversion a success.

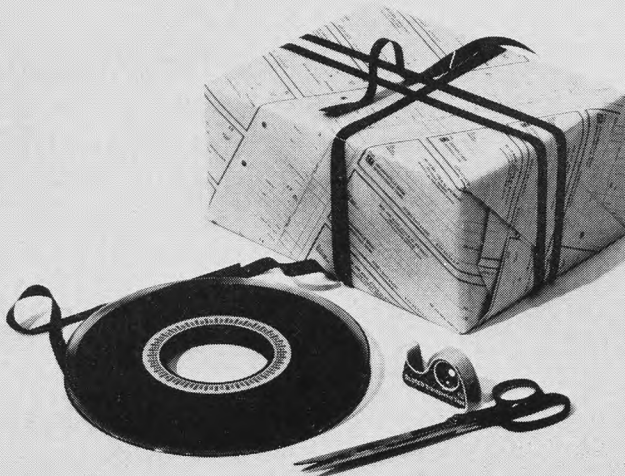
We'll also provide the sales aids to promote a sound merchandising effort.

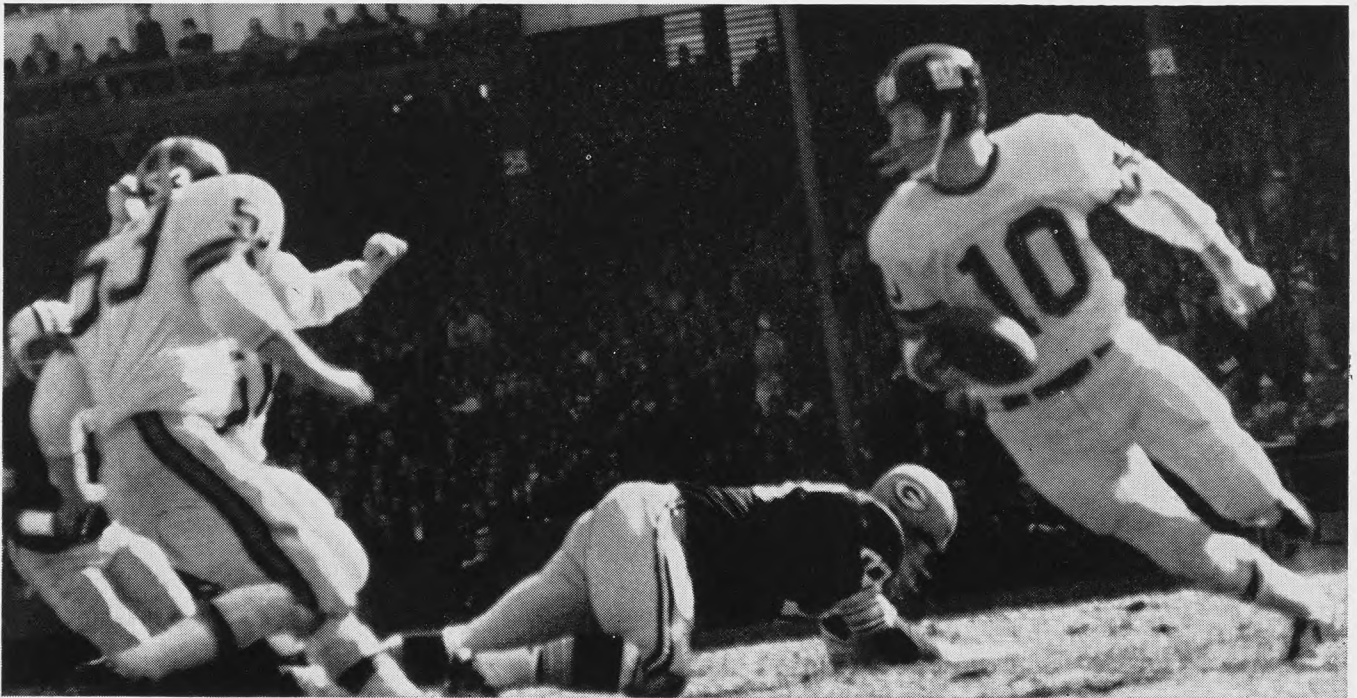
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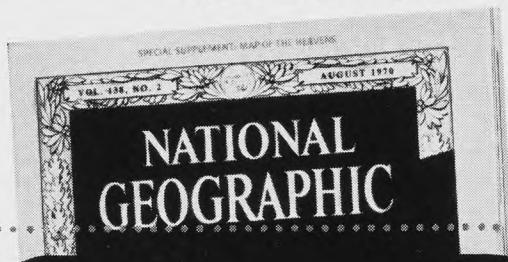




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- 25 National Football League in-game commercials • Both Conferences—American and National • Two Networks—CBS and NBC • All Season—September through January, including the Super Bowl and the All-Star Game.
- (Plus a special bonus spot in the Orange Bowl game on New Year's Day)
- All 4 National Geographic Society Specials on CBS • "Zoos Around the World"—October 13, 1970 • "Ethiopia: The Hidden Empire"—December 2, 1970 • "Adventure in the High Arctic"—February 9, 1971 • "The Great American Desert"—April 14, 1971 • Tie-in counter cards, statement enclosures and newspaper mats are available to members from

the Full Service Banks Advertising Co.,
 330 Madison Ave., New York, N.Y. 10017



TM © National Geographic Society

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Here's how you can help us help you:

FOUNDATION FOR FULL SERVICE BANKS
 Philadelphia National Bank Building
 Philadelphia, Pennsylvania 19107



- Please send complete information.
- Enroll me as a member and bill me.
- Enroll me. Here is my check for \$ _____ (@ \$15 per million of deposits)

Name _____ Title _____
 Bank _____
 Address _____
 City _____ State _____ Zip _____

FOUNDATION FOR FULL SERVICE BANKS

MID-CONTINENT BANKER for September, 1970

furnish them to create the right impression, but does this really make people come to our bank?

From time to time national surveys are made to determine why people go to one bank in preference to another, and also why customers quit certain banks. Such a survey was completed not long ago. Other than convenience, it revealed that in 89 cases out of 100, the reason people chose one bank over another was the human element—the personality of someone in the bank or the bank's special confidence in him.

The survey also showed that 63% of the customers who quit certain banks did so because of this human element in reverse—because they were neglected or embarrassed, or because of an indifferent attitude.

Understanding Needed

One of the real needs in banking today is the necessity of understanding and getting along well with people—how to do and say the right things at the right time.

Speaking of understanding, how many of your staff members really know and understand why the bank must have a business development program?

First of all, in having a business

development program, you must have *objectives* and I believe these objectives can be broken down into three classifications: (1) The guarding of present business. (Why go out and get more?) (2) The development of additional business from customer sources. (3) Solicitation of new business from prospective customers.

Why is a business development program *essential*? (1) The bank must make a profit. (2) Normal loss of business must be replaced. (3) The bank must grow with the community and state. Without a planned growth the bank would be like a ship without a rudder. (4) Changes are ever present. It is important that the bank move with the times by keeping up to date. (5) Your bank must always demonstrate leadership. (6) The public likes a winner.

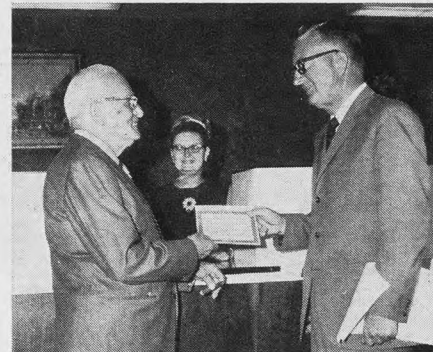
In the final analysis, we should recognize fully that after everything has been said, *people don't do business with banks. People do business with people.* We want to be the kind of people our customers and prospective customers like to do business with.

Finally, let me ask each of you, have you asked yourself this question lately? What kind of bank would *my* bank be, if everyone in it were just like *me*?

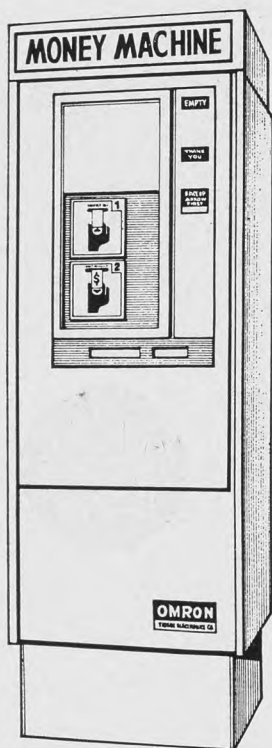
Michigan Ave. Holding Co. Issues Financial Notes

CHICAGO—Michigan Avenue Financial Group, Inc., currently is issuing financial notes that pay 7¼% annual interest.

The notes are issued in denominations of \$5,000 only. Maturity is 270 days but the notes may be redeemed by the purchaser at any time after 30 days. When redemption is made prior to maturity, the interest is 3¼% annually.



Nicholas W. Naken (l.), a long-time depositor of Michigan Avenue National, purchases the first of 7¼% financial notes currently being issued by the bank's holding company. The note was issued by Miss Alice Lake, teller, and was validated by Winslow F. Cryor, sr. v.p., Michigan Avenue Financial Group, Inc.



The New, Revolutionary

MONEY MACHINE!

Now available to Banks in Missouri and Illinois
by Helein Company (franchised dealer)

What's A Money Machine?

It's a computer age automatic instant cash dispenser for location on or in your bank premises, probably adjacent to your night depository.

There is, in fact, a relationship between the night depository and the Money Machine because both offer seven-day, 'round-the-clock service.

How Does It Work?

Using a special Money Machine card, the bank customer inserts the card in the machine,

any hour of the day or night. The machine scans the card, validates its authenticity, records the transaction, and delivers a sealed envelope of cash to the customer.

The machine retains the card so the bank can charge the customer and bill him for the service. Card is then mailed back to the customer for future use.

Some day this will be a routine service for banking customers. BE THE FIRST TO OFFER IT IN YOUR COMMUNITY. Talk to our field representative: Paul Helein.

See Our Representatives
At MBA Group Meetings

Learn more about this revolutionary machine from our representatives: Paul Helein, John Caulfield, Julian Pauk.

Helein Company

5811 Hampton Ave.
St. Louis, Missouri 63109
Telephone 314/832-1300

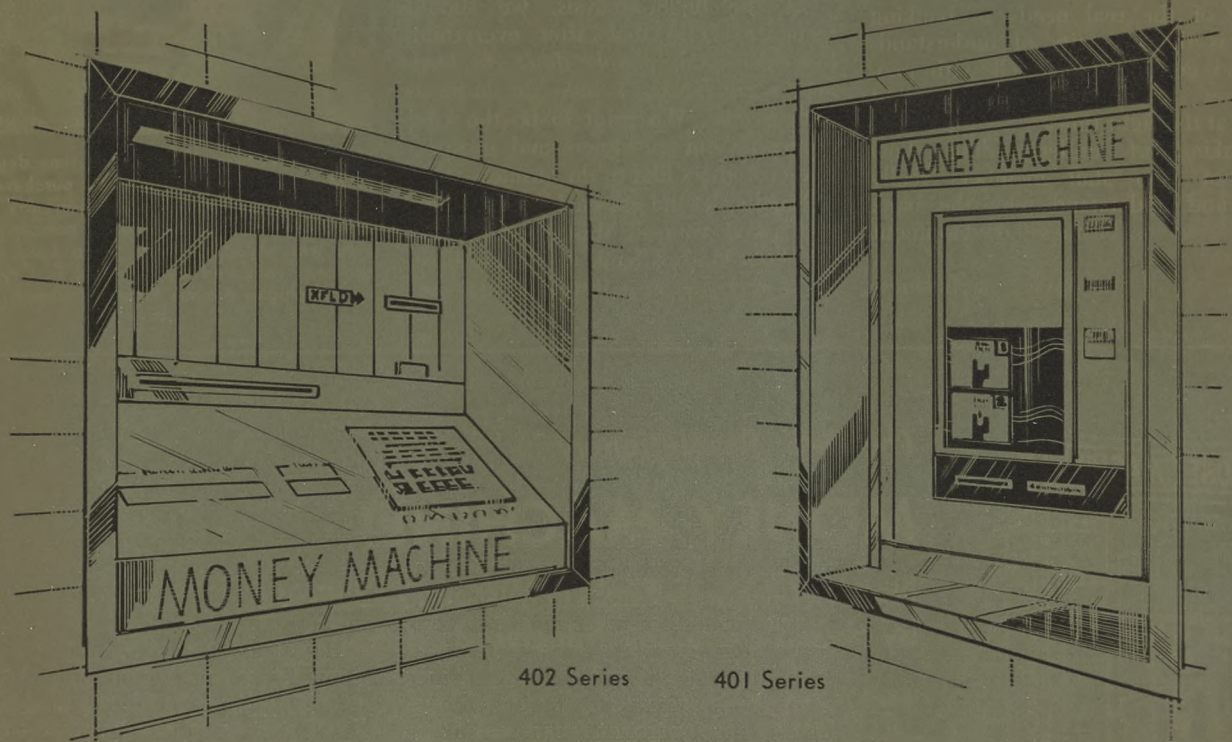
See Them in Miami Beach!

at the ABA Convention October 10-14 in Booths 27 and 28

Two models of the Money Machine, including the all-new 402 Series on display for the first time.

The new 402 Series is the ultimate in sophistication and can be customized to a bank's needs. It will accept any major credit card—Master Charge, BankAmericard, etc.—and an optional feature permits dispensing of up to five different amounts of money.

The 402 Series also offers the ultimate in cards. A trouble-free impregnated magnetic strip embedded within the card eliminates the problems connected with magnetic strip methods.



402 Series

401 Series

In keeping with the tradition of speed and efficiency, like the 401 Series that delivers cash in five seconds, the 402 Series delivers cash in 15 seconds.

Write today for more information.

Money Machine, Inc.



EXECUTIVE OFFICES: 14482 Beach Blvd., Westminster, Calif. 92683 • Telephone (714) 894-6500
NEW YORK SHOWROOM & SALES: 237 East 39th St., New York, N.Y. 10016 • Telephone (212) 689-0550
Money Machine manufactured by Omron Tateisi Electronics Co., Tokyo, Japan



Operator in retrieval setup in bank's operations center (left photo) selects magazine from file to her left for insertion into Recordak reader-printer. She keys in customer's account number on control



console and in seconds signature card is displayed on reader screen and on TV monitor. Operator then punches button to send TV image to teller requesting verification (right photo).

Beverly Bank Speeds Signature Verification With Microfilm and Television System

MANAGEMENT at Beverly Bank considers it imperative to be progressive and service-minded. Thus, long lines at teller stations represented an intolerable situation. Yet, that was precisely the situation we faced some time ago, and it wasn't until we wedded television to electronics and microfilm that we solved the problem.



BRACY

The problem was ironic because it was a by-product of a number of innovations we'd instituted to streamline customer service. One innovation is the one-number integrated approach to customer accounts. Another is the elimination of passbooks for savings accounts.

To provide customer protection under such conditions, we had instituted a signature verification system for savings and checking accounts. We were averaging 45 to 50 verifications daily. Sometimes the figure reached 100, especially on high-traffic Saturday mornings. The verification procedure took about three minutes. The result was a steady buildup in line length at many teller stations.

By **WILLIAM BRACY**

**Vice President and Cashier
Beverly Bank, Chicago**

We chopped the length of those lines drastically when we brought in a system that combines microfilming of signatures with almost instant call-up of any signature a teller requests. Verification time now averages 38 seconds. In addition to alleviating a customer irritant, the system also brought benefits to our operations center—and a commensurate rise in employee morale.

Our microfilm system is the Recordak Miracode system. It consists of three equipment groupings:

1. A microfilmer with input keyboard that permits automatic binary coding adjacent to each signature recorded on 16mm microfilm.

2. A film processor and a film editing and splicing table that is also used for processing check microfilm.

3. A high-speed retrieval station that includes a microfilm access file cabinet, a Recordak Lodestar reader-printer and a Miracode keyboard control console. The reader-printer is used in conjunction with a closed circuit television network we've had for some time.

The 16mm microfilm records are stored in 4x4x1-inch magazines. Each magazine contains 100 feet of film that can hold up to 3,000 signatures. Alongside each signature is an identifying binary code pattern.

In the past, when a customer opened a savings or checking account, he filled out a signature card—and opened up the possibility of headaches for himself and for our people.

The card was placed in a vinyl jacket and stored in our operations center in one of four large rotary files. These files contain, besides signature cards, a variety of information concerning customers and their accounts.

When a teller wished to verify a signature, she rang up the center, supplied the basic account number and waited for the response at one of the several TV monitors located at teller areas.

Armed with the account number, a clerk in the operations center would go to the correct rotary file, hunt for the correct signature card, remove it, place it in position beneath a TV camera and punch a button to send the picture to the correct monitor.

That may seem like a relatively simple and quick operation, but it seldom worked that way.

The operations center at Beverly is one of the busiest departments in the

You're a real bank, LNB. You're first class in every way... just like your new transit service. Your new envelopes are a super hit with banks all across the country. They're

specially designed for automated handling. With post office pick-ups every hour, your incoming items from banks speed to immediate credit.

You're a real bank, LNB... you move cash letters faster than Mario Andretti.



THE
LNB LOOK
LOUISIANA NATIONAL BANK
IN BATON ROUGE

Member FDIC

bank. It has two responsibilities: Answer phone queries from customers and supply signature verifications for tellers. You can imagine how frequently the phones were ringing in the department!

The time lag developed because access to a file frequently was on a "wait your turn" basis. A clerk with a request for signature verification might have to wait until another clerk finished digging into a file.

In addition, we were experiencing some ancillary difficulties that contributed to the overall inefficiency of such an approach.

For one thing, the vinyl jacket on the signature cards diffused the light to such an extent that the image on the monitors often was blurred and difficult to read.

For another, the personnel in the center tended to assign high priority to customer phone calls and downgrade the task of verifying signatures. The result was additional delay in getting the signature cards onto the monitor.

Finally, we constantly had an out-of-file condition for the signature cards. Although we wanted them replaced immediately after a verification took place, in practice this proved to be the exception rather than the rule.

We realized a better way had to be found. Installation of the microfilm system has given us that better way.

Here's how we handle the task of signature verification now:

When a customer opens an account, he signs a signature card as in the past. The card is sent to the operations center and held until a number of cards accumulates; usually, this is a period of a few days. Shortly after the account is opened, we create a punch card for use on our IBM 360 computer. The card is punched with all the necessary information.

When enough cards (signature and punch) have accumulated, they are dispatched to the microfilming unit. The punch cards are placed in an IBM 029 card reader, which is hooked into a tab code to Miracode converter, model IDKT. The IDKT interprets what the 029 reads and automatically reproduces on microfilm each signature card and the image of the identifying code for that signature card.

This film is processed and eventually added into one of the magazines located in the file adjacent to the reader-printer in the operations center.

Now, when a call comes from a teller requesting signature verification, here is what happens:

The operator notes the account number and monitor station. She reaches into the access file, retrieves

the correct magazine and inserts it into the reader-printer. The account number is punched into the control console. Within seconds, the correct signature card appears on the screen of the reader-printer. A TV camera mounted in front of the screen picks up the image and relays it to a monitor in front of the operator. When it appears, she punches a button sending the image to the teller's monitor.

The entire operation takes no more time than it takes to describe, and it's brought a smoothness and efficiency to signature verification that had been beyond our grasp in the past.

Benefits of this system are numerous.

First, of course, there is the drastic reduction in time for verification.

We also have eliminated the problem of blurred and hard-to-read images on the monitors. We get a better picture, by far, with the screen-to-TV-camera hookup than we did when using the actual cards with the camera.

And, because we've assigned one clerk responsibility for signature verification, we've eliminated the priority problem of the past.

One operator oversees the system. It is her prime responsibility, though she also has secondary duties.

The point is, we have isolated signature verification from the servicing of customers on the phone. We are set up in such a way that both signature verification and customer phone calls can receive equally high priority.

Finally, we no longer face the problem of out-of-file conditions with signature cards. The microfilm stays in the magazine and is returned immediately to the access file.

Currently, we have approximately 39,600 signatures, representing 47,100 accounts, on microfilm. We are adding about 1,000 accounts a month. At our present rate, we can use the magazines we now maintain for another 2½ years before we will have to add new magazines.

At present, when a teller wants both the balance and signature verification on a particular account, she has to make two phone calls—one to the computer, which has an audio response capability; the other to the operations center.

Eventually, we will reduce this procedure to just one call. The teller will dial the computer, which will talk back the balance and then automatically call the microfilm unit for signature verification.

We like to think of Beverly Bank as more than just a financial institution. We are a sales company, and the philosophy of a sales organization is "the

customer should be treated as the most important aspect of the organization."

At Beverly Bank, we've made giant strides to measure up to that philosophy. We were the first Chicago bank to have computer time-sharing; the first to provide fund-flow analysis; the first to provide combined-account, computerized bank statements; and the first to provide an audio response system—and a free travel bureau for our customers.

Such innovations permit our customers to have the least amount of bother and the greatest amount to gain when they deal with us. • •

W. Roy Meyers Retires From Hamilton National

CHATTANOOGA—W. Roy Meyers, vice chairman, Hamilton National, recently retired after 47 years in banking.



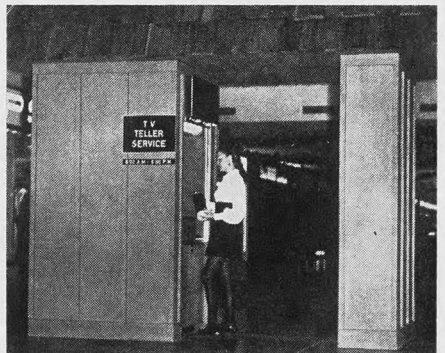
MEYERS

Mr. Meyers began his banking career as a clerk with Hamilton Trust and Savings, predecessor of Hamilton National, in 1923. He served as president of Hamilton National

from 1953 to 1959. He also held positions on the bank's executive committee, trust committee, trust investment committee and served as a director of First National, South Pittsburg, and First National, Harriman, both in Tennessee.

Mr. Meyers also was executive vice president, director and executive committee member of Hamilton National Associates, Inc., a registered bank holding company.

Mosler Units Extend Service



The Walk-Up Multiplex TellerVue, made by Mosler, allows banking services to be extended into adjacent shopping malls and parking lots. Using warm-image television, high-fidelity sound and a pneumatic-tube system, a unit can be operated up to 1,000 feet from a bank's offices. Service can be provided after normal banking hours without additional security precautions.

spotlighting The First's



PERSONAL SERVICES

Whether it's a financial transaction or a personal request, the Correspondent Officers at The First stand behind their reputations . . . that "if it can be done, the First men will do it." And do it right. For, to us, this banking business is more than dollars. It's people. It's friends. And helping them, in any way possible, is our privilege. Just give us a call.

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

FIRST NATIONAL CORRESPONDENT OFFICERS ARE:



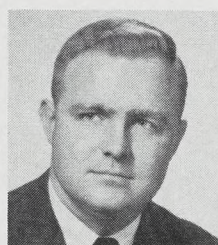
HASKELL McCLAIN
Senior Vice President



HAROLD HOPKINS
Vice President



CHARLES HILL, JR.
Vice President



RON MURRAY
Vice President



AL SWIRCZYNSKI
Vice President

MID-CONTINENT BANKER for September, 1970

Bank Operations

Small, Separate Computer Found Best For Corporate Records by Trust Firm

ST. LOUIS Union Trust Co. has a large, third-generation central computer installation with discs, tapes and all the other "bells and whistles" required to handle over 9,000 personal and corporate trust accounts involving over 750,000 transactions a year.

But the company prepares payroll for 445 employees and processes accounts payable, general ledger entries, divisional income and expense statements and monthly comparative expense statements for its 45 departments on a recently installed, entirely separate NCR series 500 computer.

"We don't see how our large computer could handle these jobs more efficiently or economically than does the 500 system and one or two girls," declared C. Arthur Weis, controller. "We installed the system in September, 1968, and fully converted all applications in five months. The large central computer, installed in June, 1968, still faces a list of conversions that must take priority over the small-volume jobs now processed on the 500.

"Actually, we question the practicality and economic feasibility of processing these relatively small-volume applications on a large system," he added. "For example, we want to keep our payroll confidential, and furthermore we don't want to make costly interruptions of large-volume runs in order to meet deadlines for payroll, accounts payable and financial statements.

"On the other hand, if we tried to manually produce the departmental income and expense statements and other reports management requires, we'd need five or six girls who still wouldn't be able to do the job on tight deadlines as accurately or as well as the 500 does," Mr. Weis said.

The comparative monthly analysis includes an expense statement for each department classified by type of direct and indirect expenses and a monthly comparative income and expense statement for each income-producing division before the fifth day of the following month. The consolidated

statement of condition and income and expense statement are prepared on the day after the end of each calendar month from general ledger control ledgers.

St. Louis Union Trust engages exclusively in trust and investment services while it competes with trust departments of banks that are able to take into account the value of the demand deposits of the personal and corporate trusts as sufficient economic justification. Thus, determination of net income of each division is important to management, since to compete effectively requires cost analysis and control.

Information from the 500 is keeping management better informed about costs in various divisions and the numerous service and operating departments, and has permitted the company to establish a program of meaningful departmental budgets to restrain cost increases and achieve savings. The 500 computes the year-to-date increase or decrease as compared to the budget for each account in each of the 45 departmental expense statements.

In seeking a practical level of automation, Mr. Weis studied a variety of equipment ranging from pegboard systems to third-generation computers. He selected the series 500 on the basis that repetitious data could be economically stored and reproduced from the magnetic ledgers it utilizes—saving considerable clerical time and increasing accuracy—without getting involved in the higher equipment rental costs and programing and conversion problems of larger systems. St. Louis Union Trust purchased the 500 for \$32,000, which is being amortized over eight years, using the double-declining method.

"The system has worked wonderfully, with less problems than are usually experienced in converting such applications to a larger computer, especially in the development of a system to provide complete control of input and output. There has been absolutely no trouble from forms design or the hard-



C. Arthur Weis, controller at St. Louis Union Trust, displays series of cost analyses produced by NCR series 500 computer system used for the firm's own bookkeeping chores.

ware," said Mr. Weis, who has had extensive experience both in cost accounting and data processing. "The 500 system provides the data necessary to compute unit transaction costs when the large computer is programed to compute the cost of each of the 9,000 trust accounts," he said.

Semi-monthly payroll processing by departments was the logical starting point for the system. A magnetic earnings ledger for each employee stores usual earnings data plus additional statistics and bank account number because pay is deposited directly to the employee's account at First National Bank. The operator simply keys-in each employee's bank account number, "dunks"—drops-in—the magnetic ledger and the computer prints onto two-part continuous-form NCR paper. The deposit slip goes to the bank to be MICR-encoded and deposited. The employee's pay slip is given to him on payday. To avoid errors the computer is programed to automatically reject the employee's earning card when the keyed-in bank account number doesn't match the number stored in the card. A separate payroll register is also produced. There is no typing or computing of taxes necessary because all repetitive data stored in magnetic stripes is automatically reproduced. Payroll update, to store changes in magnetic stripes, takes about three hours and the full payroll runs about eight hours.

In addition, a separate overtime

Gloster / Liberty, Mississippi

Center of Mississippi's Timber Resources



In recent years tremendous growth has taken place in the industrial progress of Southwest Mississippi through the utilization of its forestry resources. Many of the nation's major forest-oriented industries have significant manufacturing operations in this fast-growing section of Mississippi. These industries have found in the Gloster/Liberty area a plentiful supply of timber, a spirit of cooperation among its citizens and a productive, willing labor force.

Since 1914 Amite County Bank has sparked the economic growth of the Gloster/Liberty area through skilled financial service and dedicated civic leadership.

AMITE COUNTY BANK

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

GLOSTER AND LIBERTY, MISSISSIPPI

MID-CONTINENT BANKER for September, 1970

For installment loan coupons, the most logical choice is Rand McNally.

PAYMENT NO. 12 12 ACCOUNT NO. 04-1234-567 DUE DATE DEC 31, 68 AMOUNT DUE 100.00
 MICR-50
 120000 JOSEPH RAPONE AFTER THIS DATE JAN 03, 69 PAY THIS AMOUNT 105.00
RandComp Trust and Savings BANK
 DATE CHECK
 13320 /0000010000/ *06 1234 567* 012

PAYMENT NO. 01 123-1234567-24 DUE DATE DEC. 27, 68 AMOUNT DUE 1234.00
 MICR-OCR
 1357800 WILLIAM G.M. WILLIAMS JAN 07, 69
RandComp Trust and Savings BANK
 DATE CHECK
 106600

OUR DATE JAN 07, 69 ACCOUNT NO. 1234567 AMT DUE 123.45
 PAY NO. 1 2 3 3 1 1 1
 11 11 11
 11 1 1 11 1
 11 1 1 11 1

SPECIAL RECEIPT
 216 5729 1 7500
 PAYMENT NO. 5 5
 MICRand Bank & Trust Company
 READ THIS COUPON IN THE PAYMENT BOOK TO OBTAIN THE PROPER PAYMENT RECORD.
 MICRand Bank & Trust Company
 RANOLY, U.S.A.

PAYMENT NO. 1 1
 MICRand Bank & Trust Company RANOLY, U.S.A.
 PRINT NAME
 ADDRESS
 PAYMENT RECORD
 MICRand Bank & Trust Company RANOLY, U.S.A.

MONTH DUE APRIL MONTH DUE APRIL
 MICRand Bank & Trust Company RANOLY, U.S.A.
 NAME ADDRESS CITY STATE TOTAL
 PAYMENT RECORD
 MICRand Bank & Trust Company RANOLY, U.S.A.

OFFICIAL RECEIPT
 PAYMENT NO. 15 15
 MICRand Bank & Trust Company RANOLY, U.S.A.
 PAYMENT RECORD
 MICRand Bank & Trust Company RANOLY, U.S.A.

PAYMENT NO. 11 11
 OFFICIAL RECEIPT
 ODP

RandComp MICR-50 . . .

Accurate, economical, 48 hr. delivery, turn-around document. Your mag-tape, punch card or punch tape is our print order. Entire coupon, including MICR, under computer control.

RandComp MICR-OCR . . .

Computer prepared for either MICR or OCR scanners.

RandComp "ONE" CODE . . .

Special machine readable code from our computer for Scanak readers.

MICRand-10 . . .

Perforated on premises and final MICR encoding added at return proof level.

MICRand-20 . . .

Pre-encoded in MICR, hand-punch due date, amount-proof encoded.

MICRand-30 . . .

Loose, preassembled coupon sets for bank premises MICR encoding.

MICRand-40 . . .

Pre-numbered in MICR, perforated amount and due date, MICR proof encoded with payment amount. Features gross-net payments for more effective late charge collection.

ODP . . .

Machine readable perforated coupons.

We also manufacture a full line of conventional coupon payment books for perforator or hand-punch operation.

Because of the comprehensive capability of our numbered printing facilities, and because of the depth of banking experience among Rand McNally personnel, we have the ability to serve you promptly and efficiently.

For complete descriptive literature on all the Randbooks, call your Rand McNally representative. Or write:



RAND McNALLY

Bank Publications Division
 Box 7600, Chicago, Ill. 60680
 405 Park Ave., New York, N.Y. 10022
 206 Sansome St. at Pine, San Francisco, Calif. 94104

payroll is produced biweekly. After overtime hours are keyed-in, the 500 automatically calculates the overtime pay and withholding taxes, taking in the previous amount. Overtime is often worked by employees in various departments, and the 500 accumulates the totals for distribution to the department where the overtime is worked.

As each pay is processed, departmental payroll totals are accumulated in a magnetic summary card for each department. This permits automatic distribution of salaries and FICA of each department to the proper expense accounts in the departmental expense ledger. Distribution of these payroll costs every pay period is one of the major benefits of the system because payroll, plus fringes, currently accounts for 69% of operating expenses. Before the NCR analysis of payroll costs by departments, payroll analysis was handled manually but was practical only once a year. The quarterly 941s and annual W-2s, together with summaries of employees by departments, are printed out and balanced by merely dunking cards.

Cash receipts and disbursements are entered in the general ledger accounts and are also distributed to departments with a minimum of expense. The 500 also writes the checks and enters the amounts into the general ledger and creates a cash disbursements register. This permits the income and expense to be accurately distributed to the proper department at a later time.

All entries in the general ledger expense accounts are accumulated by account in undistributed controls. In order to distribute expenses the operator keys-in the description and amount of each item to be distributed, then dunks the correct departmental ledger and the 500 automatically prints this data, plus the date, on the magnetic ledger. The computer also accumulates both debits and credits and prints these month-to-date and year-to-date on the ledger, producing, in addition, a transaction entry. Departmental distribution is always in balance because each type of expense posted to the various departments must balance with the undistributed control for each account after a day's posting is completed.

At the end of each month the operator prepares the comparative expense statement by type of expense for the general ledger and for each department, merely by dunking cards. The statements include account number, account name, previous month and year-to-date, same month and year-to-date for the previous year,

For Safekeeping service that offers more than a safe... count on Mercantile



Sure, protection of your securities is important. But why settle for only that when you can have a valuable *new* service in addition.

Now, at Mercantile, record keeping for your Safekeeping holdings is *computerized*. When you wish a securities inventory, you get it quickly. No waiting

for tedious manual compilation. Plenty of time for close personal attention and analysis—time that often means money.

For tops in Safekeeping . . . plus this valuable new service feature . . . count on your Man from Mercantile.

You can reach him at 314/231-3500.

MERCANTILE

ST. LOUIS, MO.

TRUST

COMPANY

MEMBER
F.D.I.C.

MID-CONTINENT BANKER for September, 1970

Personal:

Hardworking computer
wishes to meet
Bank Investment Portfolio.
Objective:
To introduce
new analysis service!

Just introduce your portfolio to our computer.

Our new and complete Investment Portfolio Accounting and Advisory Service is designed to service your portfolio 16 different ways. Each month you'll get a comprehensive study of your investments to help you keep a constant check on your inventory. You'll always know the status of your investments.

We have converted our own portfolio to this system. And our management has found it to be a most valuable tool in evaluating our own bank's investments.

For complete information telephone Charles Melton at (901) 523-2911.

Another new banking service from Union Planters... where good things keep getting better.



Union Planters

NATIONAL BANK OF MEMPHIS / Member Federal Deposit Insurance Corporation

amount of change, per cent of change, year-to-date budget and increase or decrease over budget.

The expenses of service departments are distributed as indirect expenses to departments serviced. This includes building expense, personnel, telephone, mail, files, etc. All other operating departments are then charged 100% to the various income-producing departments to arrive at a profit or loss for each division. For example, the proper allocations of building or occupancy expense were determined by measuring the occupied floor space of each department and computing its percentage of total floor space. Building occupancy costs are distributed to each department based on the amount of floor space occupied by each department.

To do this, the 500 operator simply dunks a card on which is stored the percentage of building expense to be distributed to each department. The computer stores this data. The operator then keys-in the total building occupancy expenses for the month, then dunks each departmental card and the computer automatically computes the proper charge to the department and prints it on the face of the ledger and stores it in the magnetic stripes on the back. The same technique is used to distribute telephone, mail, personnel and other operating expenses.

Control Card 'Dunked'

When the operator has distributed the total expense of each service and operating department, she is ready to print-out the total direct expense summary by department—the income and expense statement by divisions—by merely dunking each department's control card. From this analysis, management can see the profit or loss for each division, and the expense of each department. Divisions are set up by type of business, such as personal trust; pension trust; probate corporate trust (stock transfer, bond and coupon); and investment advisory. The operating division, which includes most of the other departments, is also furnished monthly comparative statements for each department.

Currently, Mr. Weis is beginning to get statistical data from the central computer concerning security purchases and sales by accounts and divisions. He will use this to determine the cost of transactions and cost of accounts and combine this with the information from the series 500.

"Before ordering the NCR 500, we checked several users of the computer in this area who had subsequently installed larger systems, and we found that most still had their 500s for basic financial operation where flexibility,

and close control were important. They felt, as we have come to, that they just couldn't justify putting these jobs on the larger computers.

"Experience shows that often too many short-run applications are converted to a big computer just to justify its high cost and use up idle capacity. In some cases, management panics when it looks at the cost of the large system and tries to load everything on to it even if some of the applications don't run at an optimum level. In essence, they 'force-feed' the computer, and nothing thrives when it is force-fed," he said. • •

Capital Notes Offered By Liberty National

OKLAHOMA CITY—Liberty National recently announced the offering of 7½% subordinated capital notes, maturing in seven years, and a companion issue yielding 8%, maturing in 10 years.

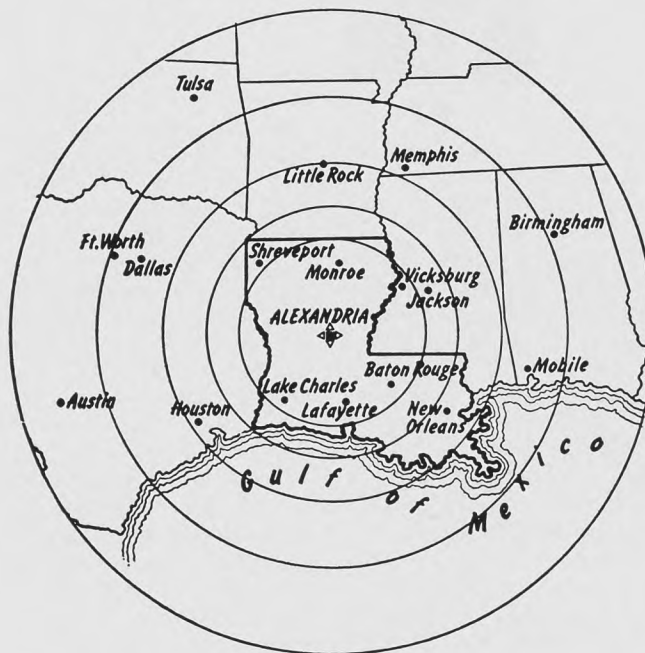
Bank officials said the total issue is limited to \$5 million. Interest is payable quarterly and the 8% notes are callable at par at the end of seven years.

The offering is made directly by the bank, not the bank's one-bank holding company, Liberty National Corp.

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Bank Security

Adequate Locks Are Essential Tools For Protecting Vital Bank Premises

By **RICHARD F. CROSS**
Security Officer
Bank of New York

THE MINIMUM security needs of financial institutions have been established by the federal security regulations. However, in some instances it may be desirable to have physical security protection that exceeds the required minimum. We should examine the various physical security techniques as collective preventative measures designed to protect banking assets. It is well to remember that each technique alone acts as a deterrent to loss and that, in itself, it is not an absolute protective device.



CROSS

When looking at physical security needs, consideration should be given to resolving the following question areas: What is to be protected? What is the value of the item to be protected? What effect would loss have on continued banking operation? For example: Could the bank continue to function with the loss of vital forms or computer capability? How would a loss effect the goodwill of the institution or its insurance coverage and premiums? These questions are some considerations that should be examined by the security officer and resolved before decisions on physical security protection are made.

One of the basic safeguards in protecting installations, personnel and property is the lock. However, regardless of quality or cost, locks should be considered delaying devices only and not absolute positive bars to entry. Many ingenious locks have been devised, but equally ingenious means have been developed to open them, both surreptitiously and by force. Some types of locks require considerable time and expert manipulation for covert opening, but all will fall to force with the proper tools.

The degree of protection afforded

by any well constructed vault safe, filing cabinet, sensitive area or structure may be measured normally in terms of the resistance of the locking mechanism to picking, manipulation or drilling and the degree of forced-entry protection.

There are three basic mechanical types of locks: (1) Key locks, many of which can be picked by an expert in a few minutes; (2) conventional combination locks, which may be opened by a skillful manipulator who may be able to determine the setting of the tumblers and construction of a common three-position dial-type combination lock through a sense of touch and hearing; and (3) manipulation-resistant combination locks, which are designed so that the opening lever does not come in contact with the tumblers until the combination has been put into an opening position. Such a lock furnishes a high degree of protection for important valuables.

Some locks now combine both mechanical and electrical features. The advances made in electronics have led to the development of electro-mechanical locks which can be used for controlling access entry into sensitive areas. These locks may be relatively simple in construction and operation, as with the electrical release bolt lock. In this lock, the bolt keeper is released by depressing a switch which activates an electro-magnet.

Other electro-mechanical locks, called cypher locks, operate on a push button relay and electro-magnet. To open the lock a group of buttons, normally four or five, must be pushed in proper sequence to electrically release the lock mechanism. An advantage of the cypher lock is that the number sequence combination can be easily changed when the combination is compromised or otherwise needs changing.

A third type of electro-mechanical lock operates with a card reader. Either magnetically encoded or machine punched cards, when inserted into a card reader, will electrically operate the locking device.

For maximum security, vault and security doors should be equipped

with combination locks. Dual four-tumbler combination locks and a three-movement time lock provide the greatest degree of security. Dual combination locks provide additional protection in that they require two separate combinations to be operated before a vault door can be opened. This will enable a bank to have two officers responsible for the opening of the vault, each having only one combination. Thus an attacker would have to have both officers present in order to gain access to a closed vault.

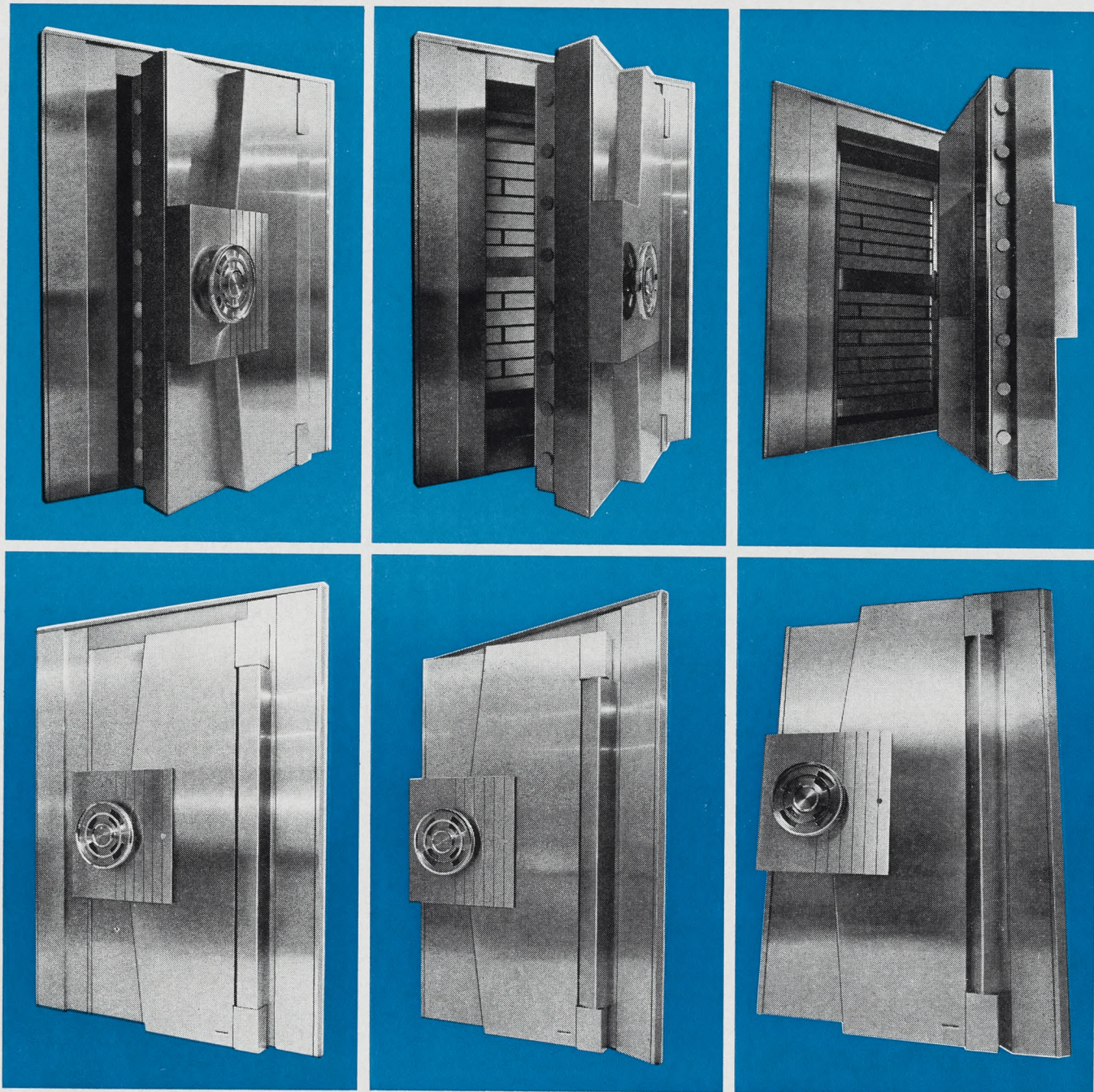
Combination locks equipped with relocking devices offer an added degree of security against forcible entry. Relocking devices increase the difficulty of opening a combination lock container by means of punching, drilling or blocking the lock from its parts and is recommended for heavy safes and vaults.

The security obtained from key locks can be increased by frequent changing of key cylinders. An interchangeable core for a key lock can be removed and replaced by another core using a different key. Advantages to interchangeable cores include (1) cores may be quickly replaced if the security is compromised; (2) all locks can be keyed into an over-all complete mastered key-locking system; (3) maintenance costs are reduced; (4) the system is flexible and can be engineered to meet specific needs; and (5) it simplifies record keeping.

A secure lock system requires strict control of combinations and keys. For effective control, adequate records should be maintained and physical inspections of locks and inventories of keys made. Some basic principles of a key-and-combination control system include (1) combinations or keys should be accessible only to those persons whose duties require access to them; (2) combinations to safe and vault locks and padlocks should be changed at least once each 12 month period and at such other times when a person having the combination no longer requires access to the combination by reason of discharge, suspension or transfer; (3) combinations should be changed when a loss or possible compromise of a combination has occurred; (4) in selecting combination numbers, multiples and simple ascending or descending number series should be avoided; (5) records containing combinations should be placed in a security container affording the same degree of protection as the greatest value of material being protected.

The use of keys must be based on the same general concept as is applied to safe combinations. Issuance of keys

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MID-CONTINENT BANKER for September, 1970

should be kept to a minimum and retained under constant key-control supervision of a responsible individual. Some general concepts about key control are as follows: (1) Keys should be stored in a locked container when not in use; (2) access lists for persons authorized to draw keys should be stored in a locked container; (3) key control records should be maintained and must include the total number of keys in blanks, the number of keys issued and to whom, and the number of blanks on hand for each key record. A key control box should be used to control issued and unissued keys.

Usually most key systems have a master key with grandmasters and floor-masters. When establishing key control, care should be exercised to maintain absolute control over the master keys, particularly in commercially rented structures.

Consideration should also be given to the type of lock hardware installed on emergency exit doors. These doors are designed so they can always be opened from the inside, thus permitting emergency personnel egress. In some situations it may be desirable to combine emergency exit hardware with some other type of protection device. Installation of either a central station or a local sounding door alarm

device or closed circuit TV could increase the degree of protection. In some localities it may be that building and fire codes give financial institutions some latitude in modifying emergency exit doors with more positive locking devices. Also emergency doors should be equipped with a seal which can be broken when the door is opened. Lead or self-adhesive seals can be used for this purpose.

Doors with hinges on the outside require special attention to preclude hinge pins from being removed, enabling removal of the door without unlocking the lock. To protect against this type of attack, hinge pins may be either welded or attached into place with set screws. Another means of protecting doors with exterior hinges is through the installation of imbedded interlocking steel bars that connect into the door and door frame. These devices are referred to as "dog bolts," and may be obtained from a locksmith.

Federal security regulations require that tamper-resistant locks be installed on exterior windows as well as doors. Windows designed to be opened must be protected with tamper-resistant locks. Each regulatory agency should be consulted to determine what is considered to be a tamper-resistant lock. Generally a window lock can be considered tamper-resistant if it cannot be opened from the outside without breaking the glass. An effective means of securing a sash-type window is to drill a hole in both the upper and lower portions of the window frame where they intercept and to insert a steel pin in the opening. Casement-type windows must be examined individually and tamper-resistant locking devices should be devised based upon the design of the particular window. It is possible that augmented security protection in the form of window alarm lacing can be used in conjunction with window locking devices. However, in each instance the appropriate regulatory agency should be consulted to insure that alarm coverage on windows meets window tamper-resistant lock requirements. • •

Liberty National to Issue Portrait BankAmericards

OKLAHOMA CITY—Liberty National is planning to issue "Portrait BankAmericards" to customers as a reliable means of identification.

The new bank credit card will have a color picture of the customer bonded to its back along with his signature and the bank identification number. Bank officials say the new card will be a forgery protection and will afford convenience in cashing checks.

Battey Is Exec. Vice Pres. At Commerce Bank, K. C.

KANSAS CITY—Charles W. Battey Jr. recently was elected executive vice president, Commerce Bank of Kansas City. He will work in community projects and handle executive assignments in bank administration and lending functions.



BATTEY

Previously, Mr. Battey was with Continental Illinois National, Chicago, which he joined in 1954. He was elected an assistant cashier in 1957, second vice president in 1962 and vice president in 1966.

Kenneth E. Fox recently joined Commerce Bancshares and will be associated with an affiliate bank, Mechanics Bank, Moberly. Previously, he was assistant vice president, Rosedale State, Kansas City, Kan.

Commerce Bancshares has received approval to acquire the \$15-million State Bank of Lebanon. The exchange-of-stock offer will be made to the Lebanon bank stockholders in the immediate future. Actual affiliation may not take place until the holding company acquires at least 80% of the bank's outstanding shares and until Federal Reserve approval is final.

Miss Kentucky Receives Bracelet



Donald F. Kohler, v.p. and investment off., First National, Louisville, presents Miss Kentucky with a 14-karat gold "Charms of Kentucky" bracelet. The 12 charms depict places of interest in Kentucky. Silver bracelets and one charm are made available to depositors opening new savings accounts at First National or adding \$10 or more to existing accounts. The additional 11 charms are earned by making additional deposits of \$10 or more.

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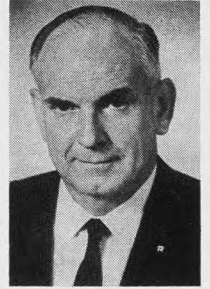
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Kimsey and White Promoted At Republic Nat'l, Dallas

DALLAS—Two officers of Republic National were recently named to new positions in the public relations division. L. R. Kimsey, formerly manager of press relations, was named advertising manager and D. J. White, assistant vice president, was named marketing manager.



KIMSEY

Mr. Kimsey joined Republic National in 1952 as a staff writer in public relations. He was elected an assistant cashier in 1960 and assistant vice president in 1967, with both public relations and advertising responsibilities. He was elected manager of press relations in 1968.

Mr. White joined the bank as an administrative assistant in 1968 and was promoted to banking officer in December of that year. In 1969 he was promoted to assistant vice president, metropolitan division.

Three Receive Promotions At Valley National, Phoenix

PHOENIX—Valley National of Arizona recently promoted Richard Kelley

from assistant vice president to vice president in the agricultural loans department. Mr. Kelley joined the bank as a long-range trainee in 1960, moved to the Yuma Main Office as a lending officer in 1962 and joined the Home Office branch credit department in 1966 as assistant cashier. He was named assistant vice president in 1967 and joined the agricultural loans department in 1969.

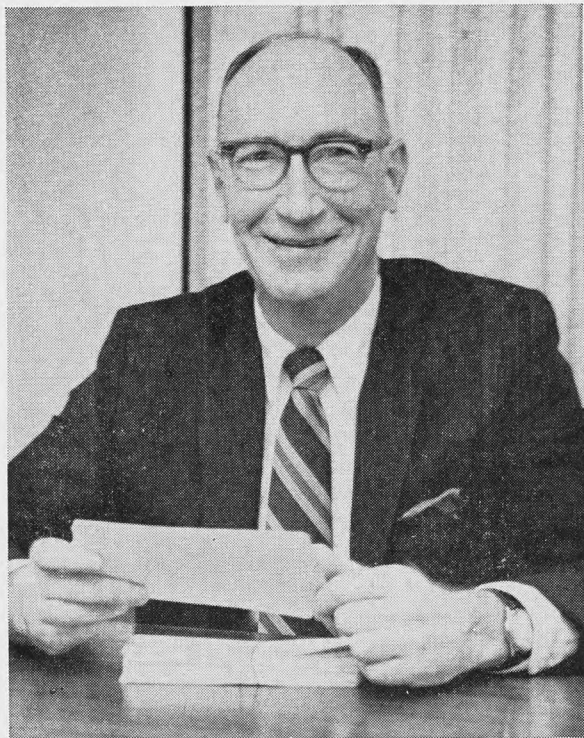


KELLEY

In other action, N. Arthur Hulick II was promoted from trust administrator to trust officer and Charles T. Pedigo, assistant cashier in the Master Charge department, was named manager of the installment loan department of the Home Office.

Mr. Hulick joined Valley National in 1968 in the Home Office trust investments division and became an administrator in the trust department in 1969. Mr. Pedigo joined the bank in 1968 after 21 years in finance and related fields. He started in the loan service center and became an assistant cashier in 1969.

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FRANK MORRIS, Assistant Cashier

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'Blueprint for a Decade' Is Theme Of 55th Annual BMA Convention

THE BANK MARKETING Association will hold its 55th annual convention in Las Vegas, September 20-24. The theme of the convention is "Blueprint for a Decade."

Speakers at the daily general sessions will include: Archie K. Davis, chairman, Wachovia Bank, Winston-Salem, N. C.; Senator John G. Tower (R., Tex.); Dr. Ashley Montagu, anthropologist and author; and Carter Golembe, president, Carter Golembe & Associates, Washington, D. C.

Dawn-duster breakfast sessions will be held on two days. Subjects will be "The Challenge Ahead for Banking," "A Cooperative Bank Account Usage Survey" and "Psychographics—A New Marketing Tool."

Departmental sessions will cover the subjects of automation, communica-

tions, planning, research and sales. Clinic workshops will discuss marketing trust services, service planning, charge card activation, public affairs and bankers and measuring results.

Special events at the convention include a trust luncheon, a ladies' luncheon, a School of BMA luncheon, Golden Coin Awards luncheon, a golf tournament, tours and sightseeing.

Current BMA officers are: president, Frederick J. Blake, senior vice president, Central National, Cleveland; first vice president, Edward C. Boldt, senior vice president, sales-marketing, Central National, Cleveland; second vice president, Buell G. Duncan Jr., senior vice president, First National, Orlando, Fla.; and treasurer, Richard K. Frey, executive vice president, Lake Shore National, Chicago. • •

Cannon and Francis Named Managing Officers Of Correspondent Banking

KANSAS CITY—Tom Cannon and Ron Francis, vice presidents, Commerce Bank, recently were named managing officers of correspondent banking territories.

Mr. Cannon will serve as managing officer for Minnesota, Oklahoma, Iowa, Texas, Nebraska, New Mexico, Colorado, North Dakota, South Dakota, Wyoming, Arizona, Louisiana, Montana, Utah and Mississippi.

Mr. Francis will serve in Kansas, Missouri and Arkansas.



CANNON



FRANCIS

Working under Mr. Cannon and Mr. Francis are the following officers: Elmer Erisman, vice president, northern Missouri, metropolitan Kansas City and Arkansas; Fred Eller, assistant cashier, southern Missouri; Jim Fowler, assistant vice president, northern Kan-

sas; Bob Selby, vice president, southern Kansas; Dick Muir, assistant vice president, Iowa and Nebraska; and Gary Karrer, assistant cashier, Oklahoma.

Mobile Home Seminar Set

CHICAGO—The first of a series of nationwide seminars for professional engineers, architects, designers and other specialists interested in mobile home development techniques is scheduled for October 15-16 at the Sheraton O'Hare Hotel here, according to the sponsoring Mobile Homes Research Foundation (MHRF).

The foundation assists professional engineers, architects, designers, etc. in providing critical consulting services (site planning, zoning, market feasibility, engineering, community relations) for the developer/investor.

MHRF is a non-profit corporation that fosters and encourages the development of well-planned and regulated mobile housing environments for the benefit of the local community and homeowner.

A second seminar is set for Dallas, December 4-5, at the Fairmont Hotel.

Detailed seminar information can be secured from Ed Niklewicz, seminar director, Mobile Homes Research Foundation, 6650 Northwest Highway, Chicago, Ill. 60631.



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MID-CONTINENT BANKER for September, 1970

The Bank Supervisor: Leader and Trainer

By CARMINE T. PALLOTTA

Director of Training and Research
Commonwealth of Massachusetts Banking Department
Boston

Mr. Pallotta holds a BA and MA from Boston College and is a graduate of the Stonier Graduate School of Banking and the School of Bank Public Relations and Marketing. He is an instructor at the BPRMA School and AIB.

THE DEFINITION of marketing has been the subject of many experts at many seminars, conventions, schools; but in the final analysis, these experts all include three chief aims—creating services, selling services and producing services *at a profit*. Profit is achieved by the bank that maintains satisfied customers and this is achieved only by satisfied employees!

The supervisor is the key to any successful program in any organization. If he is armed with the proper tools of training, he will succeed in satisfying the needs of his workers. These needs are basic to all men and have been discussed by psychologists, sociologists, etc., and yet have been present in man since time began. All of us, whether we are top management, middle management or staff, have the need for security, recognition, belonging, opportunity.

Selecting leaders today is no longer done on the basis of length of service. The selection process is now being made on the basis of job knowledge, attitudes, disposition, ability to gain respect, ability to understand people and many other factors. However, the most important qualification of a good leader is the ability to train and teach. A good supervisor is a trainer, a person who can develop desired action in others.

Before a supervisor can effectively devote time to deal with selling services, he must arm himself with the four basic steps of instruction:

1. Prepare the learner
2. Present the information and the knowledge
3. Performance tryout
4. Follow up.

In order to make effective use of these four steps, the supervisor should master the details of each step. There are many ways by which a bank can assist supervisors in learning these important techniques of instruction. AIB

offers supervisory programs and local colleges have many programs, but a most effective method is the in-bank program aimed at the problems inherent in each particular bank. It would be prudent for banks to set up supervisory training programs and hire experts or local college instructors who can teach the basics of what makes a good supervisor.

An in-bank training program (whether for supervisors or staff) is an effective process of communication. In this process, the instructor must understand what is to be taught. The learner becomes the employee who must be instructed by emphasizing not only the *what* but also the *why* of each person's job.

An important part of any training technique is the proper use of audiovisual aids and other tools designed to arouse and maintain the interest of the learner. Many organizations have begun to investigate and use new ideas such as programmed instruction, closed-circuit television, case-study approach, etc.

In addition to the information and knowledge that will result from a well-planned training program, the development of group spirit and attitudes must be considered.

Among the many statements evolving from studies of management and personnel administration, one point is always noticed concerning the development of good employee attitudes: Treat people as human beings. Once management has satisfied the "need to know" in staff personnel, it will be noticed that motivation and effective production will be achieved. The natural combination of ambition, pride, integrity and loyalty will be the results of achieving proper attitudes.

The imponderables are bank management and the supervisor. Since the necessity for satisfying the needs of individuals must be continuous, the bank

supervisor must be the person, armed with the proper tools, to teach, train, motivate and communicate. After these essential training principles have been established, the supervisor can attend to the sales efforts of his department.

The supervisor is the key man in this matter. The effective supervisor, properly trained, armed with the tools of supervision and invested with the authority he needs, will be a motivator and the encourager of staff sales efforts. Because he is oriented to income, profit and return on investments, the supervisor will achieve the objectives of training: cost reduction, increased morale (job satisfaction), business development and retention and staff continuity.

In building a successful selling team the supervisor is the key element because he deals with the people who come in contact with customers and create this image, or who satisfy the needs of customers. The supervisor is usually the one who prepares the employee for the job, presents the basics of skill training, demonstrates sales techniques, encourages the use of these techniques on a day-to-day basis, and follows up on results.

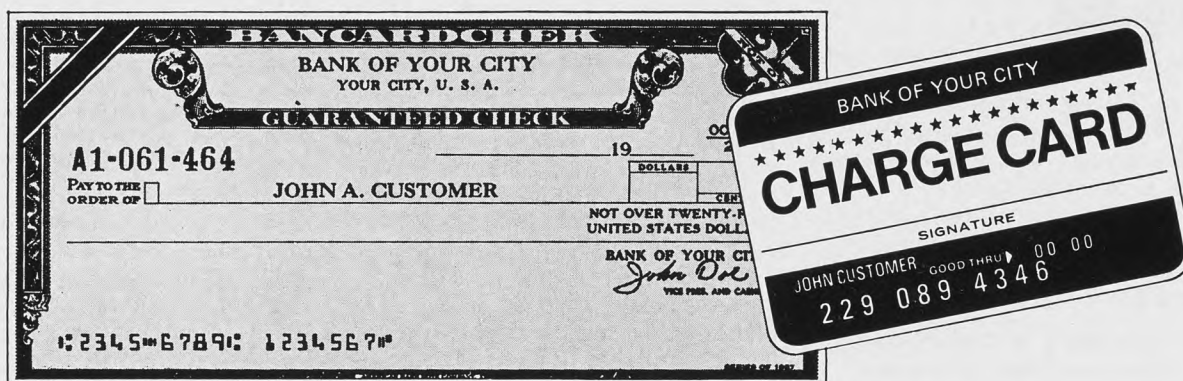
The principal tool by which the supervisor gets the job done is his people. We are all aware of the fact that machines and equipment wear out, and we have to allow for depreciation and eventually discard them. People, however, grow in knowledge and experience. People have their needs and wants, tangible and intangible. They are individuals with varied interests, abilities and past experiences. They are the supervisor's problem and his salvation; his worry and one of his greatest assets. They must be guided, they must be led and, on occasions, disciplined.

Properly trained and motivated staff members can develop ability and willingness to sell services. No bank can afford less than the best people in the position of customer contact. And to the degree that banks properly train supervisors to be leaders and trainers, they will develop productive customer-contact personnel. • •

■ ROBERT I. SONFIELD recently was elected a director of National Bank of Commerce, New Orleans. He is president of Maison Blanche and vice president of City Stores Co., parent company of Maison Blanche.

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Illinois News

J. L. Hunter Is President Of Citizens Nat'l, Decatur

DECATUR—Citizens National recently elected J. L. Hunter as president and chief operating officer. He will assume complete responsibility for the administration of all commercial and personal banking functions and will serve as a director of the bank.



HUNTER

Previously, Mr. Hunter was with General Electric which he joined in 1953. For the last two years he was general manager of GE's audio products department in Decatur.

Mr. Hunter is a graduate of Syracuse University and served three years with the U. S. Air Force before joining General Electric.

First Nat'l, St. Clair Nat'l Announce Plan for Merger

BELLEVILLE—First National and St. Clair National recently approved a plan for a merger which would become effective near the end of 1970. The merged bank, to be called First National Bank of Belleville, will have total assets of \$89 million and a combined capital of \$6.7 million.

The First National building will be the central banking house and the drive-in and walk-in windows of St. Clair National will be retained as remote facilities.

Details of the merger plan call for an exchange of stock on the basis of 1.25 shares of First National stock for one share of St. Clair National stock.

Officials said directors, officers and employees of the two banks will be retained. William S. Badgley, president, First National, will continue as president and chief executive officer.

Art Exhibit at Continental Bank

CHICAGO—Continental Bank recently displayed a six-week public exhibit of art created by men from Illinois penitentiaries. The show, entitled "Man Confined," marks the first time that art from Illinois prisons has gone on public display in Chicago.

Other planned exhibits at the bank include works from Chicago school children, art students and the bank's staff.

■ **FIRST NATIONAL**, Dwight, recently promoted David G. Siebert to installment loan officer. Mr. Siebert joined the bank in 1969 and was previously with International Harvester Credit Corp.

■ **DARA MILLER** recently was promoted to assistant vice president, Charleston National. Mr. Miller joined the bank in 1953 in the bookkeeping department and was promoted to assistant cashier in 1964.

Promotions and Appointments

Northbrook Trust, Robert W. Field to executive vice president, Ronald E. Rogers to assistant vice president (was with Mercantile National, Chicago). State Street Bank, Quincy, Robert D. Mowrer to assistant vice president (was with Farmers & Merchants Bank, Mansfield, Mo.). Hill-Dodge Banking Co., Warsaw, Leo Brunenn to executive vice president, Aubrey V. Allen to vice president. Uptown National, Chicago, Douglas D. Martin to assistant cashier. State National, Evanston, Herbert C. Gunner to vice president (was vice president and controller, McCall Printing Co., New York). Beverly Bancorporation, Chicago, James D. Niede to assistant vice president of marketing research.

County Bank, Blue Island, and First National, Lockport, Leonard E. Webster Jr. to trust officer. Bank of Ravenswood, Chicago, John Brooker Jones to assistant vice president (was with Royal Bank of Canada, Windsor, Ontario, and Westminster Bank, London).

Person Is Sr. Vice President At Central National, Chicago

CHICAGO—Robert J. Person has joined Central National as a senior vice president. He will be responsible for the marketing, advertising and public relations functions of the bank.



PERSON

Mr. Person has more than 20 years of banking and finance experience. He has served as instructor of marketing research, Stonier Graduate School of Banking, Rutgers University; salesmanship, New York State Bankers Association School of Public Relations; and marketing, Graduate School of Savings Banking, Brown University.

Bank Employees Donate Blood



About 1,700 employees of Continental Bank, Chicago, signed up recently to donate blood to the American Red Cross blood assurance program. Among the first to donate was Tilden Cummings, president, here being checked by Mrs. Evelyn Rushing, R.N., director, Blood Program Nursing of the Mid-America Chapter of the Red Cross.

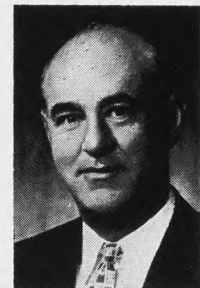
■ A **PERMIT** to organize the new Bank of Lockport has been issued. The bank will have a total capitalization of \$750,000, consisting of \$300,000 in capital, \$300,000 in surplus and \$150,000 in operating reserve. Organizers are hopeful of starting bank operations before the end of the year.

E. Leslie Bloom Retires From First National

ST. LOUIS—E. Leslie Bloom, vice president, correspondent banking department, First National, retired recently. He represented the bank in Illinois, Indiana and Kentucky.

Mr. Bloom joined the bank in 1922 as a messenger and in 1947 became an assistant cashier. In 1949 he was elected assistant vice president and last year was named vice president.

A graduate of the School of Banking at the University of Wisconsin, Mr. Bloom earlier completed a four-year AIB accounting course.



BLOOM

Illinois Deaths

W. ROBERT JACKSON, 42, president, National Bank of Canton.

ROBERT J. THOMA, vice president, retail banking group, La Salle National, Chicago, on August 5. Mr. Thoma had been with the bank since 1952.



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, Soybeans.

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.

Louis Dempsey Is Promoted At Northern Trust, Chicago

CHICAGO—Northern Trust recently promoted Louis F. Dempsey from vice president to senior vice president in the banking department. He will head the newly formed international group which will coordinate all the bank's international activities. Included in the group will be the international banking division, Northern Trust International Banking Corp., New York, and the bank's London Branch Office.



DEMPSEY

First National Awards Checks For Law School Competition

CHICAGO—First National recently presented a check for \$1,000 to Robert Alan Sams of Vanderbilt University School of Law, the winner of First National's eighth annual estate planning competition.

The competition, begun in 1963, is sponsored in cooperation with the Chicago Bar Association.

Second-place winner John Marshall Coleman, University of Virginia Law School, won \$500 and third-place winner James Charles Frenzel, Duke University School of Law, received \$250.

Golder Heads 1st Capital Corp.

CHICAGO—Stanley C. Golder, vice president, First National, recently was elected president of First Capital Corp., the bank's wholly owned small business investment subsidiary. Mr. Golder succeeds Robert P. Perkaus, who retired recently after 46 years of service.

James S. Brannen, assistant vice president, succeeds Mr. Golder as vice president and general manager of First Chicago International Banking Corp., New York.

Grand Opening Celebrated By Bank of North Aurora

NORTH AURORA—The new Bank of North Aurora recently celebrated its grand opening with an open house. As part of the celebration, the bank offered a no-service-charge checking account to any individual who opens the account before November 15.

All visitors to the bank received a "free sample," a souvenir check made out for 10 cents. An exhibit of award-winning photographs was also featured at the opening.

■ HERMAN A. TATZ, executive vice president, Bank of Naperville, recently resigned. He will join Neuland Development, Inc., Naperville, a land development firm, as administrative assistant to the president.

Keys Accepts New Post In Office of Auditor

SPRINGFIELD—Sam Keys, director of the department of financial institutions since 1968, resigned recently to accept a position with the office of the auditor of public accounts. Mr. Keys was assistant director of the department of revenue from 1965-68.

Louis P. Yangas, attorney for the department of financial institutions, will succeed Mr. Keys as acting director. He has been with the department since March, 1969. Mr. Yangas has practiced law in Chicago since 1942, dealing with banks, savings and loan corporations and other financial institutions.

A Milestone in Resources

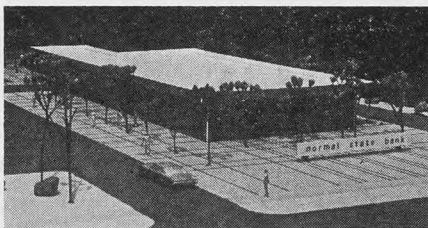
ROCKFORD—City National, which observed its 25th anniversary June 14, went over the \$50-million mark in resources less than two weeks later. The bank reached total resources of \$51.9 million June 30. This was an increase of more than 3¾ million over the year-end 1969 figure.

Gibsons Buy Major Interest In State Bank of Cuba

CUBA—Joe R. Gibson and William A. Gibson, cousins, have bought controlling interest in the State Bank of Cuba. Joe R. Gibson has been a director and major stockholder since 1967 and will take over as chairman. He has extensive farming interests in Onarga and operates a truck line there.

William A. Gibson has been a director and president of the bank since 1967. He will remain president and officials say no changes in personnel or policy will take place.

Normal State Changes Name



Normal State Bank recently changed its name to Bank of Illinois in Normal and is constructing a new building near Illinois State University. The facility will have a drive-up window, six teller stations and a walk-up window. Architect for the building was Don R. Livergood, Expression, Inc., Decatur, and general contractor was L. J. Miller Co., Bloomington.

Nat'l Blvd. Opens Bank Center



National Boulevard, Chicago, recently opened its Grand Avenue Banking Center with Irving Seaman Jr. (l.), chief ex. off., and Joseph F. Reynolds, a.c., cutting a money ribbon. The completely renovated building has two drive-through teller windows and five walk-in windows.

■ FIRST NATIONAL, Oak Brook, recently changed its name to Oak Brook Bank. Thomas V. Markle, president, and Edward Heveran, senior vice president, Beverly Bancorporation, were elected directors of the bank.

■ CHICAGO CITY BANK recently appointed Glenn L. Felner a director. He is president of Glenn L. Felner & Co., Inc., general agents, insurance brokers and pension consultants.

■ LAKE VIEW TRUST, Chicago, has elected Edwin C. Burmeister chairman and Don Kreider director and president, succeeding Mr. Burmeister. Mr. Burmeister has been with the bank since 1914 and has held positions as auditor, assistant cashier and vice president. He became president and director in 1948. Mr. Kreider previously was president, Pioneer Trust, Chicago.

Heritage Bank Receives Charter

CREST HILL—Heritage Bank recently was granted a charter by the state of Illinois and is expected to open by December 31, 1970. The new state bank is a client of Financial Management Associates, Inc., which will furnish advisory and technical services.

President of the bank is John W. D'Arcy, formerly vice president-general sales manager, Illinois Bankcharge, and chairman is James N. Lesparre, senior vice president, control division, Financial Management Associates, Inc.

GIVE ... so more
will live

HEART
FUND



First Aid

...for cash management headaches

An outmoded cash flow system can be more than an ordinary headache for your corporate customers. It can be a costly one. And, it becomes *your* headache if you can't get their uncollected funds to the bank—fast.

Call The First for quick relief.

Our Correspondent Bankers in Division "F" are backed by our Business Services Division. Working with you and your customer, the men in

this division will analyze your customer's current procedures. Then, combining their expertise with a wide range of financial analytical tools, they'll develop the system best suited to speed his deposits to you—fast. This can result in greater current asset flexibility for him and a happy customer for you.

Helping you help your customers with cash management problems is only one way our correspondent bankers give you First Aid. We'll help solve your problems involving

internal operations, agricultural transactions, international banking, 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 • DUSSELDORF • IN NEW YORK: FIRST CHICAGO INTERNATIONAL BANKING CORP.



Indiana News

Indiana National Occupies First 15 Floors Of New Bank Tower

INDIANAPOLIS—Indiana National's Main Office staff recently moved from 3 Virginia Avenue to the 37-story Indiana National Bank Tower. The bank occupies more than 300,000 square feet on the first 15 floors of the Tower, with remaining floors being leased to commercial tenants. The banking office, safe deposit offices and vault are located on the street level of the Tower.

The bank's computer and data processing operation will move to the Tower in late summer and grand opening ceremonies for the new building will be held after the first of the year.

Indiana National also has opened a temporary banking office on the southwest corner of Pennsylvania and Washington streets. This office will be in operation until the Jefferson National Life Insurance Co., new owner of the 3 Virginia Avenue building, completes its renovation for use of the structure as the company's new home office. Upon completion, Indiana National will relocate its Washington and Pennsylvania Office on the street level of the new Jefferson Building.

AFC Common Stock Authorized For Open Market Purchases

INDIANAPOLIS—American Fletcher Corp. has announced the authorization of purchase of AFC common stock shares in the open market for use in acquisitions or in satisfaction of stock options being exercised.

Bank officials said the timing of any purchases and the number of shares, if any, actually to be purchased from time to time will depend on developments within the company.

The Securities and Exchange Commission has cleared the purchase of up to 50,000 shares for this program. Such purchases, if any, will be coordinated with the purchase of up to 10,000 of the company's shares over the next two years under the company's stock purchase and savings plan.

■ **AMERICAN FLETCHER NATIONAL**, Indianapolis, recently named William F. Stenken, auditor, H. Reed Thompson, vice president, finance and profit planning division, and Thomas G. Andrew Jr., assistant vice president, central region of the national division.

■ **PEOPLES STATE**, Ellettsville, is expanding its present quarters with the addition of a records vault, directors room and three new offices for bank officers. Completion is expected in September or October.

■ **RICHARD C. KILBORN**, president, Blue Shield Medical Service for Indiana, recently was elected a director of American Fletcher Corp., Indianapolis. Mr. Kilborn has been with Blue Shield since 1955.

■ **GARY NATIONAL** recently observed the 25th anniversary of its Hobart Branch. The celebration featured souvenirs, a drawing for anniversary prizes and refreshments.

■ **NATIONAL CITY**, Evansville, recently installed a new computer system. It is the third matching unit now being operated in the bank's computer center.

Indiana Regional Meetings Planned for Early Fall

Dates and locations of the 1970 Indiana regional meetings are as follows:

- Region One: Wednesday, September 16, Elcona Country Club, Elkhart.
- Region Two: Tuesday, September 15, Pottawattomie Country Club, Michigan City.
- Region Three: Thursday, September 17, Kokomo Country Club, Kokomo.
- Region Four: Tuesday, September 29, Elks Country Club, Lafayette.
- Region Five: Thursday, September 24, Trolley Tavern, Lawrenceburg.
- Region Six: Wednesday, September 30, Terre Haute Country Club, Terre Haute.
- Region Seven: Wednesday, September 23, Marriott Inn, Clarksville.
- Region Eight: Thursday, October 1, Executive Inn, Evansville.
- Region Nine: Tuesday, September 22, Indianapolis Athletic Club, Indianapolis.

BAI Chapter Elects Officers



Newly elected officers of the Indianapolis Chapter of the BAI are: (from l.) v.p., John A. Swift, exec. v.p., Farmers State, Eminence; sec., John J. Maxwell, asst. aud., American Fletcher National; pres., Robert L. Fesler, v.p. and controller, Merchants National; and treas., William T. Settles, cash., National Bank, Greenwood.

Union Bank Marks 40th Year



Union Bank, Kokomo, recently celebrated its 40th anniversary with refreshments at the bank and drawings for special prizes. The grand prize, a 22-day trip to Europe, was won by one of the bank's depositors. From left are: Richard O. Worland, director, Robert A. Morrow, president, and D. S. Mohr, director.

■ **PEOPLES TRUST BANK**, Fort Wayne, has appointed Mrs. Barbara E. Kiracofe assistant vice president. Mrs. Kiracofe joined the bank in 1968 as assistant secretary in charge of special projects and became personnel director in 1969.

■ **GARY NATIONAL** recently promoted John R. Razumich to collection manager, installment loan department. Mr. Razumich joined the bank in 1966.

■ **OLD NATIONAL**, Evansville, recently promoted Ronald B. Lankford from assistant manager, North Side Office, to manager, East Side Office. Phillip M. Hunt was named to succeed Mr. Lankford as assistant manager, North Side Office. Emil J. Becker Jr. was promoted to assistant trust officer. Mr. Becker holds a law degree from Indiana University School of Law.

■ **RONALD W. NIENOW** recently was appointed secretary of Peoples Trust, Fort Wayne, and secretary-treasurer of Financial, Inc., the bank's holding company. Mr. Nienow joined the bank in 1968 as vice president and investment officer with responsibility for all investment functions.

■ **GARY NATIONAL** recently announced the promotion of William P. Snyder to assistant manager, Tolleston Branch. He has been with the bank since 1967.

■ **FIRST BANK**, South Bend, recently named John F. Megee senior vice president and investment officer and E. J. (Ned) Fogarty Jr. assistant treasurer.

■ **DEAN F. DAVIS** recently was elected vice president, marketing services division, First Bank, South Bend. Previously, Mr. Davis was with Associates Corp. of North America.

Entire State Building

A visitor recently commented that he could practically see the entire state of Indiana from the new Indiana National Bank Tower. And he jokingly added: "Maybe you should call it the Entire State Building."

Well, he has a point. At thirty-seven stories, the Tower is the tallest building in the entire state. Its site is a square block in the heart of downtown Indianapolis, and we've given the building a distinctive Hoosier address—One Indiana Square.

It soon will become a city within a city, with an eventual building population of

3,500 persons, parking for 800 cars, a heliport on top and later this year the 35th floor "LaTour" restaurant will be one of the midwest's finest dining rooms.

Most important, fifteen floors are devoted solely to Indiana National Bank's main office operations, making this the largest, most modern and most complete banking center in the entire state.

The Tower is just one more reason why now, more than ever, Indiana National is The Bank in Indiana.

The Bank. Indiana National



Kentucky News

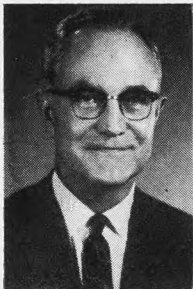
Nadler, Golembe, Heller Included Among Speakers At 1970 KBA Convention

LOUISVILLE—The 1970 convention of the Kentucky Bankers Association was getting underway as this issue of MID-CONTINENT BANKER went into the mail. The KBA convention is being held September 13-15 at the Brown Hotel here.

M. O. DeJarnatt, president, Paducah Bank, is president of the KBA; Innes W. Dobbins Jr., president, Liberty Na-



DeJARNATT



DOBBINS



BELL

tional, Louisville, is president-elect, and Charles Bell Jr., chairman and president, Union Bank, Berry, is treasurer.

Convention speakers include: Dr. Paul S. Nadler, professor of business administration, Rutgers University, "The Banker's Image"; Rod L. Parsch, president, Independent Bankers Association of America, and president, Lapeer County Bank, Lapeer, Mich.; Carter H. Golembe, president, Carter H. Golembe Associates, Inc., Washington, D. C., "Are Municipals on the Way Out?"; Dr. Walter Heller, regents' professor of economics, University of Minnesota, "The Worst Is Over! What's Ahead?"; Hilary Sandoval Jr., administrator, Small Business Administration, Washington, D. C.; ABA Vice President Clifford C. Sommer, president, Security Bank, Owatonna, Minn.; Theodore A. Wierbowski, manager, tax department, Peat, Marwick, Mitchell, Chicago, "The Tax Reform Act of 1969 as Applied to Bankers"; and Sister M. Thomas More, OSF, chairman, social sciences department, Holy Family College,

Manitowoc, Wis., "Catalepsy—That's What's Wrong With American Agriculture."

Entertainment includes First of Louisville's ladies' breakfast, Liberty of Louisville's luncheon, First of Louisville's reception and buffet and Bank of Louisville's party September 14; and Citizens Fidelity of Louisville's breakfast and Louisville Trust's pre-banquet reception September 15.

KBA President DeJarnatt became a banker in 1925, when he joined City National, Paducah. In 1932, he became manager of Paducah's Palmer Hotel and, in 1942, joined Citizens Bank, Paducah. He organized the Paducah Bank in 1947.

KBA President-Elect Dobbins joined Liberty of Louisville May 1, 1933, became assistant vice president the following December 31, manager, mortgage loan department, in 1935, vice president in 1938, a director in 1954, executive vice president in 1965 and president in 1967.

KBA Treasurer Bell has filled all the offices from clerk in 1926 to his present ones of chairman and president at Union Bank of Berry. He considers his highest achievement that of heading a drive to build a new \$2-million building for the Harrison Memorial Hospital at Cynthiana, which he serves as chairman.

Two Named Vice Pres. At Bank of Danville

DANVILLE—Bank of Danville recently named Charles Henry Rogers and Joe D. Goins vice presidents.



ROGERS GOINS

Mr. Rogers, former representative, Liberty National, Louisville, succeeds Howard Sallee, who is now president, Bank of Williamsburg. Mr. Rogers was national bank examiner from 1959 to 1965.

Mr. Goins will serve as commercial loan officer. He has been in the loan and financing field for about 11 years and has worked in several states, including Washington, Oregon, Illinois and Kentucky.

■ AMERICAN NATIONAL, Bowling Green, is constructing a new Fairview Branch bank, to be completed in January, 1971. The branch will have an after-hours depository and three teller stations.

Winchester Bank Opens Branch



Winchester Bank recently opened its first full-service branch, the first in Clark County. Construction was begun late in 1969. Operation of the branch is under the supervision of Robert M. Jackson, vice president, and Harold Holbrook, assistant vice president.

E. Robert Welsh Is Chairman Of BAI Personnel Commission

LOUISVILLE—E. Robert Welsh, vice president, personnel, Citizens Fidelity, recently was appointed chairman of the personnel administration commission of the Bank Administration Institute and a member of the national board of directors. He has been a commission member during the past two years.



WELSCH

The personnel administration commission is the technical authority of the BAI on subjects in the banking personnel field. It makes suggestions, develops ideas and provides general supervision over projects of a technical nature.

Mr. Welsh also served on the faculty of the BAI School of Banking, University of Wisconsin, in August.

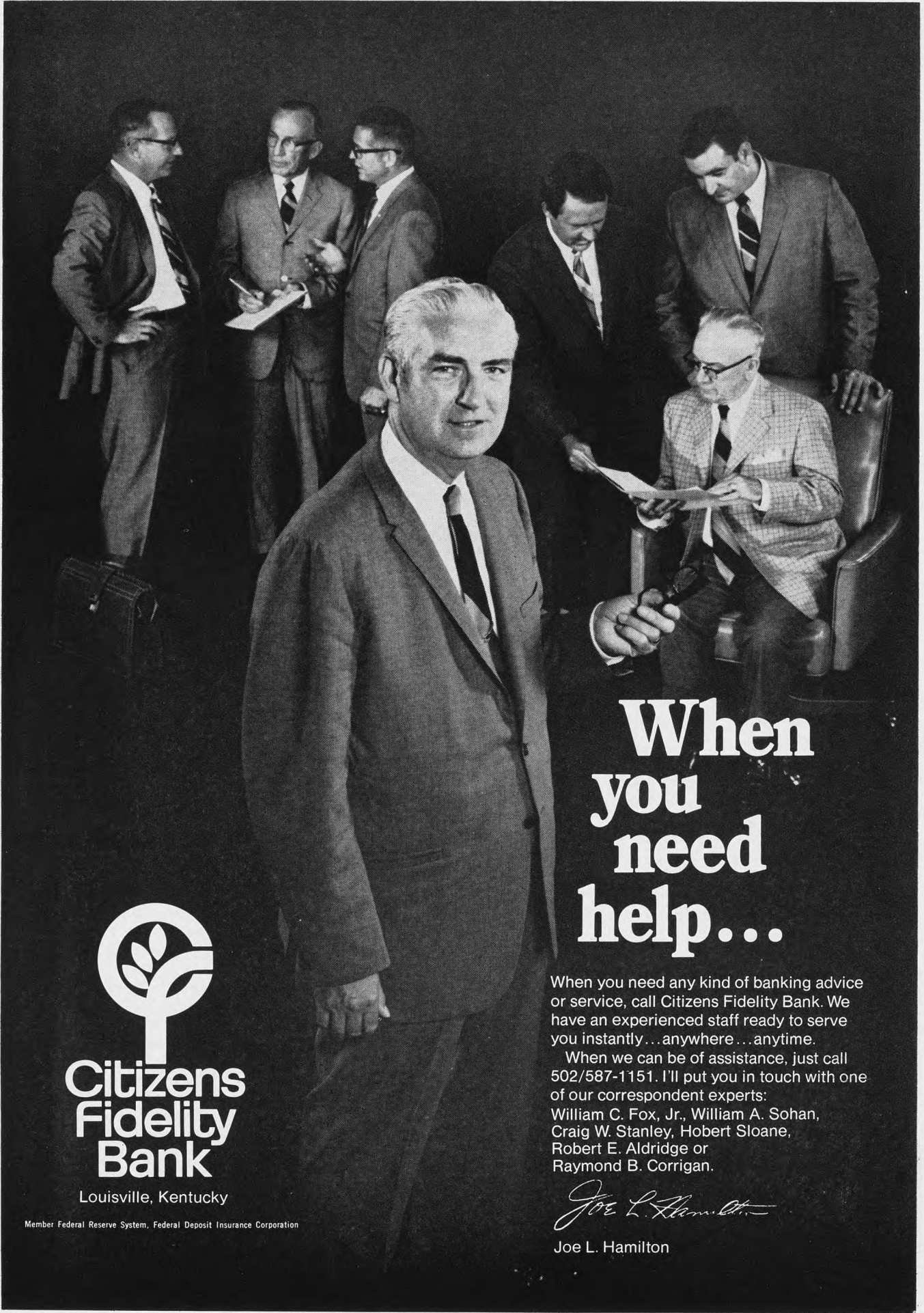
McCarthy Is Vice President At Chase Manhattan Bank

NEW YORK—Chase Manhattan Bank recently promoted Joseph P. McCarthy Jr. to vice president. Mr. McCarthy, an officer in the United States department, is responsible for Chase Manhattan's commercial loan portfolio in West Virginia, western Ohio and Kentucky.



McCARTHY

He joined the bank in 1965 as a credit representative in the global credit department and later was transferred to the United States department where he was named assistant treasurer in 1966 and second vice president in 1968.



When you need help...

When you need any kind of banking advice or service, call Citizens Fidelity Bank. We have an experienced staff ready to serve you instantly... anywhere... anytime.

When we can be of assistance, just call 502/587-1151. I'll put you in touch with one of our correspondent experts: William C. Fox, Jr., William A. Sohan, Craig W. Stanley, Hobert Sloane, Robert E. Aldridge or Raymond B. Corrigan.

Joe L. Hamilton



Citizens Fidelity Bank

Louisville, Kentucky

Member Federal Reserve System, Federal Deposit Insurance Corporation

Tennessee News

Youth Takes Spotlight At First of Memphis

MEMPHIS—Youth made management history recently at First National when three officers averaging 33 years of age were promoted to senior-management level. Ian Arnof, 31, Clifford Y. Davis Jr., 37, and George Lewis, 31, were named senior vice presidents. Mr. Arnof and Mr. Lewis are the youngest senior vice presidents in the bank's history.

Mr. Arnof, division head of automation, joined the bank in 1964 in the commercial loan department. In 1969 he was transferred to the automation division. Mr. Davis, director of marketing, joined First National in 1961, was named public relations director in 1963 and vice president in 1966.

Mr. Lewis, manager of the bond department, came to the bank in 1961, was promoted to officer status in 1963, assistant vice president in 1965 and vice president in 1968. The bank's bond department, according to Investment Bankers Association figures, ranks fourth nationally as a syndicate manager in number of issues and 14th nationally in dollar volume of municipal bonds underwritten.

In other action, five employees were promoted to assistant vice presidents. They are: David S. Britt, manager, Watkins-Fraser Officer; David L. Colby, manager, loan and discount department; Joe E. Haines, manager, marketing communications department; Cecil Pigford Jr., manager, Poplar-Drive-In Office; and Ronald D. Rainey, mortgage loan division.



New senior vice presidents at First National, Memphis, are (from l.) George Lewis (seated), Clifford Y. Davis Jr. and Ian Arnof.

Bank Distributes Phone Directory



Union Planters National, Memphis, recently originated the idea of a Memphis International Airport telephone directory that lists the phone numbers of the 10 airlines serving Memphis and the 146 firms and service agencies involved with commercial and private aviation in the city. The 10,000 printed copies were available at the bank's 31 branches and were distributed by aviation-oriented businesses.

Computer Center Planned By First of Memphis

MEMPHIS—First National recently announced completion of plans for the West Tennessee Computer Service Center, a data processing center to be built in Jackson. It will begin operation early in 1971 and will provide processing of savings and checking accounts, installment and commercial loans and management information systems.

Ten banks have joined First National in the promotion of the center, which is the fourth computer satellite First National has sponsored. Joe H. Davis Sr., First National executive vice president, will be president of the new center.

First of Dickson Chairman Dies

DICKSON—Samuel Graham Robertson, 87, chairman, First National, died recently after an extended illness. He had served as president of First National for many years.

His brother, Frank Robertson, has been in banking about 50 years in Cheatham County and now serves as chairman, Ashland City Bank. Another brother, John, also has been in banking about 50 years in Stewart County and with the Reconstruction Finance Corp., now known as the Small Business Administration.

AIB Study Group Organized By City Bank, McMinnville

McMINNVILLE—City Bank recently organized the Cumberland Region Study Group of the American Institute of Banking. The group's first class was held in early September with 15 banks in the Cumberland Region invited to participate.

Two City Bank officers, Ben Vaughn, assistant trust officer, and Larry W. Young, assistant vice president, are serving as chairman and vice chairman, respectively, of the study group. Mrs. Ann Martin, bank secretary, was named secretary-treasurer of the group. Jeffrey A. Golden, cashier, was the instructor of the first class entitled "Principles of Bank Operations."

United Bank of Chattanooga To Open for Business in '71

CHATTANOOGA—The new United Bank of Chattanooga has received final federal and state clearance and will open for business by the first of the year. It will be Hamilton County's fourth full-service bank.

George Stewart, president, and Chris Murphy, chairman of the board of organizers, said notification of full approval has been received from the FDIC to insure all accounts up to \$20,000.

Promotions and Appointments

American National, Chattanooga, Sydney W. McCabe and Andrew G. Cope to trust investment officers, David B. Ramsay III to customer services officer, Ronald W. Hudson and Richard R. Vitatoe to branch officers.

Officers, Directors Elected At Bank of Waynesboro

WAYNESBORO—William W. Askins, executive vice president and cashier, Bank of Waynesboro, recently was elected president. He is a member of the U. S. Department of Housing and Urban Development, representing Wayne County, chairman of Green River Development and of Wayne County Housing Authority. He is also director of Wayne County Civil Defense.

Jerry Warrington was promoted from assistant cashier to cashier and Jasper C. Brewer was promoted from assistant cashier to assistant vice president and branch manager of the Bank of Collinwood. Mr. Warrington has been with the bank 14 years and Mr. Brewer for five years.

Eugene Kelly was elected a director of the bank. Appointed advisory directors were Lonnie B. Gallaher, James F. Kelly, Alton B. Turnbo and Jack Yeiser Jr.



He decided to let us do his paperwork at the opera.

So the morning after our cor-
respawner got back from the big city, he
called us at Chattanooga 615-265-3581.

He said he had a lot of bank-
ing business to turn over to us: data,
information, messages, instructions,
commands and all kinds of details.

We told him that we compute,
scan, analyze, sort, collate, classify, re-
port or whatever 24 hours a day. Which

is why we can turn paperwork into pa-
per money so fast.

But when we told him how we
love to sing the praises of our automat-
ed electrical capability, he said no more
singing, please. "Just show me."

We did. And now we want to
show you. Just call and say you decid-
ed to let us do your paperwork. That
will be music to our ears.

Hamilton of Chattanooga
makes good things happen

Alabama News

Patriotism Is Theme At American Nat'l

MOBILE—American National recently encouraged customers to "Take Pride in America."

Following its patriotic advertising theme, "Get Involved in the American Way," the bank placed flag poles and flags on all desks, distributed 120,000 American flag lapel pins, installed flag poles at all offices, arranged for a display of Famous Flags from the Freedoms Foundation and distributed Heritage of Freedom booklets to all local school libraries.

Newspaper advertisements, billboards, radio, television and the automated sign of the bank's Main Office all carried the patriotic message.



American National girl tellers, attired in new monogrammed dresses, distributed flag lapel pins to customers, following the bank's "Get Involved in the American Way" advertising theme. C. M. A. Rogers III, sr. v.p. and tr. off., looks on as Shay McMichael pins a flag on Robert B. Doyle, Mobile city commissioner.

■ **COMMERCIAL GUARANTY**, Mobile, has elected Ross Grady, president, Grady Buick Co., a director. Mr. Grady has served two terms on the nationwide General Motors dealer advisory board and is a member of the Atlanta Buick Dealers' council.

■ **FRANK R. LEWIS**, senior vice president, Birmingham Trust, recently became director of the newly formed National BankAmericard, Inc., whose members consist of all BankAmericard-issuing banks in the United States.

■ **STATE NATIONAL** of Alabama recently elected several new chairmen. They are A. Dewey Tate, Fort Payne, H. E. "Buddy" Harbin Jr., Scottsboro, and T. Robert Moon, New Hope.

■ **CHARLES BROWN**, John Edd Bryant, Ross Debter, Leslie W. Kelley and H. Grady Whitley recently were elected directors of State National of Alabama, Oneonta.

■ **A. J. KELLEY** recently was promoted to assistant cashier, State National of Alabama, Huntsville. He joined the bank in 1969 and is assigned to the Governors Drive Office.

■ **FARMERS & MERCHANTS**, Piedmont, is planning a new facility which will have a drive-in window and more floor space than the present bank building.

■ **MRS. CATHRYN B. TURNER**, assistant cashier, loan department, First National, Wetumpka, recently was selected as one of the "outstanding business women" of the month by the Wetumpka BPW Club.

■ **PEOPLES BANK**, Pell City, recently displayed its new bank building at a two-day open house.

■ **FIRST STATE**, Altoona, recently named Reuben D. Jackson vice president. He will be responsible for public relations at both First State and Exchange Bank, Attalla. Mr. Jackson is president and general manager, Jackson Advertising Agency, Inc., Gadsden.

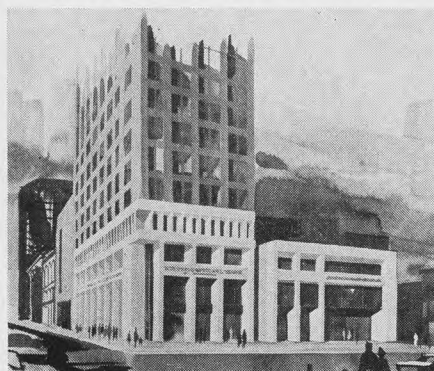
■ **COMMERCIAL BANK**, Roanoke, recently held an open house to display its new bank building. The present downtown bank location will be retained as a branch.

■ **BANK OF HEFLIN** recently was granted approval to establish a branch at Hollis Crossroads. The branch is expected to be open for business in January, 1971.

■ **EXCHANGE SECURITY**, Birmingham, recently elected three new assistant cashiers. They are: James L. Gregory, commercial loan officer, Five Points South Office; Clayton C. Nunn, credit manager, Master Charge department; and R. Charles Waldrop, commercial loan officer, branch system.

■ **PEOPLES BANK**, Montgomery, recently promoted R. Dudley Ross, head of the business development and Master Charge departments, to assistant vice president and Samuel H. Goodwin Jr., branch manager at Forest Hills, to assistant cashier. Mr. Ross joined the bank in February and Mr. Goodwin in October, 1969.

First National Names Branch



First National, Birmingham, has named its new office the John A. Hand Branch, to be established at the bank's present location. The Main Office will be moved to the new First National-Southern Natural Building now under construction. Mr. Hand has been chief ex. off. since 1958 and has been with the bank and its predecessors since 1928.

■ **CHARLES V. McILWAIN**, assistant cashier, First National, Butler, recently left the bank to accept an accounting position with a Point Clear hotel. He had been with the bank since 1965.

■ **FIRST NATIONAL**, Decatur, recently began construction on an auto bank facility for its downtown headquarters, increasing the number of auto teller windows from three to five. The lobby and second floor of the main building also will be renovated. Completion of the project is expected this fall.

■ **D. G. ELLIOTT JR.**, assistant vice president and manager, Northport Branch, First National, Tuscaloosa, recently left the branch to serve as head of the new accounts and certificates of deposit department of the Main Office.

■ **J. P. WILLIS**, chairman, First National, Guntersville, recently celebrated his 50th anniversary with the bank. He joined First National as cashier in 1920, became president in 1932 and chairman in 1967.

■ **MERCHANTS NATIONAL**, Mobile, recently promoted William G. Harrison Jr., mortgage loan department, from assistant cashier to assistant vice president. He joined the bank in 1955 and was elected assistant cashier in 1968.

■ **MRS. MARIANNE RONEY**, loan and Master Charge departments, First National, Auburn, recently was elected an assistant cashier.

■ **EMMETT D. BATES**, senior vice president, Birmingham Trust, recently retired, ending a banking career of more than 50 years. He joined Birmingham Trust in 1950 and has been active in the American Institute of Banking.

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Birmingham Trust National Bank

Mississippi News

Mississippi Bankers Assn., University of Mississippi Form Banking School

UNIVERSITY—The Mississippi School of Banking, sponsored by the Mississippi Bankers Association and the University of Mississippi, has been established at the university campus on an annual basis for development of commercial bank managers. The first session was held June 21-26.

Participants of the two-year program must be high school graduates, 21 years old and employees of a commercial bank or a bank regulation agency. Each applicant must be approved by a senior officer of his bank.

Included on the study program are banking law and regulation, investment management, basic problems in communications, financial analysis, marketing, public relations, business development, money and banking, bank costs and profit planning, credit ad-

ministration, analysis of business conditions (economics), personnel administration, bank management, bank operations and control (accounting).

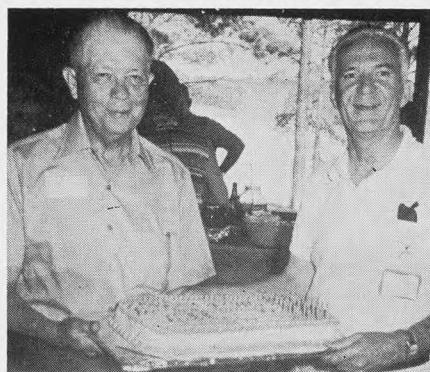
■ **DEPOSIT GUARANTY**, Jackson, recently named Royce Housley installment loan officer and John B. Neville real estate officer. Mr. Housley has completed many AIB courses and has worked in the installment loan area for the past two years. Before joining Deposit Guaranty, Mr. Neville was loan administrator, First Union National, Charlotte, N. C.

■ **CARTHAGE BANK** has begun construction on a new \$325,000 structure to house the main offices of the bank. The new structure, to be completed by next June, will have 1,500 square feet of floor space and will have nine teller stations.

■ **HUBERT J. BOYKIN** has been elected a trust officer of Merchants & Farmers Bank, Meridian. Previously, Mr. Boykin was with the trust department of a Dallas bank and has practiced law in Cleveland, Miss.

■ **COFFEEVILLE OFFICE** of the Bank of Water Valley recently moved into its new building.

Brookhaven Bank Honors Becker



T. E. Applewhite (l.), sr. v.p., Brookhaven Bank, who has over 50 years of service with the bank, presents F. F. Becker II, ch., with a beautifully decorated cake on Mr. Becker's 35th anniversary with the bank. The presentation was made last month at a family picnic of all bank employees and their families.

■ **COAHOMA NATIONAL**, Clarksdale, recently elected G. Roy Andrews cashier. He joined the bank in 1963 and has been in charge of the bank's data processing and computer program. He was elected assistant cashier in 1965.

■ **BANK OF MISSISSIPPI** at Nettleton has moved into its new building, which has 4,500 square feet of floor space. Leon Pettigrew is manager.

■ **CITIZENS BANK**, Byhalia, recently held groundbreaking ceremonies for a new bank building. A drawing was held at the ceremony for a \$50 savings account.

■ **BAY SPRINGS BANK** recently held the formal opening of its new building. Door prizes at the opening consisted of \$500 in cash split into four awards.

■ **MONROE BANKING & Trust Co.**, Aberdeen, recently began operating from its enlarged building. The new facility is located adjacent to the Monroe Bank building.

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Mechanics Bank/ MONTICELLO: Monticello Bank/
NATCHEZ: City Bank & Trust Company/
NEW HEBRON: New Hebron Bank

Louisiana News

Mateer Is Exec. Vice Pres. At Bank of New Orleans

NEW ORLEANS—Robert N. Mateer has been named executive vice president, Bank of New Orleans.

Mr. Mateer previously was senior vice president and manager, commercial banking group, National Bank of Commerce, New Orleans. Before coming to New Orleans in 1965, he served as assistant treasurer, Chase Manhattan Bank, New York, traveling extensively throughout Louisiana and Texas.



MATEER

■ ENLOE M. KEE JR. recently was elected a director, American Bank, Baton Rouge. He is vice president, Commercial Bank, Woodville, Miss., and chairman of the Soil Conservation Service and the Farm Home Administration, Wilkinson County, Miss.

■ JEROME B. GLYNN, vice president, National American, New Orleans, recently was promoted to trust officer. Albert H. Schof was promoted to assistant cashier and branch manager, 225 Baronne Office. William Roy Wilson and Frederick J. Chiquet were named assistant cashiers and V. Bernard Bevon was elected assistant auditor.

■ GUARANTY BANK, New Roads, recently held grand-opening ceremonies for its new building. The building, situated on the old bank location, has a night depository, a customer lounge, an employees room, off-street parking and drive-in facilities.

■ LaFOURCHE NATIONAL, Thibodaux, recently began a \$483,475 expansion to double the area of its Main Office. The project is expected to be completed by the summer of 1971. Included in the expansion are a new customer parking lot, three more inside teller windows and enlargement of the note department.

■ EVERETT JACOB, general manager, Louisiana division, Dow Chemical Co., has been elected a director of City National, Baton Rouge. Mr. Jacob has been with Dow Chemical since 1950.

■ OLIVER O. MOORE, vice president and cashier, Commercial National, Shreveport, recently was promoted to senior vice president and cashier. L. Ronald Davis, assistant cashier, was named assistant vice president. Mrs. Olga T. Stewart and Bobby L. Miller were elected assistant cashiers.

■ NATIONAL BANK OF COMMERCE, New Orleans, recently honored members of the Million Dollar Round Table at an annual luncheon. Underwriters in the organization have sold more than \$1 million in new life insurance within the past year.

Nine Receive Promotions At Louisiana National

BATON ROUGE—Louisiana National recently promoted nine employees, including Kenneth A. Bailey, Gordon J. Christensen and Richard A. Erbland to assistant vice presidents.

Mr. Bailey joined the bank in 1960 and since 1967 has been manager of the Greenwell Springs Office. Mr. Christensen also joined the bank in 1960 and is manager, Republic Tower Office. Before joining the bank a little over a year ago, Mr. Erbland was president of a Baton Rouge realty company.

Six employees were promoted to administrative assistants. They are: Raymond Cole, account service department; Miss Elaine Davis, Greenwell Springs Office; Harold Paulk, security investments department; Miss Carolyn Sissom, Harding-Plank Office; Miss Thelma Stephens, account service department; and Fenton Rutledge, work measurement department.

Blair Is Vice President At Hibernia National

NEW ORLEANS—Edwin James Blair recently joined Hibernia National as a vice president with responsibilities in commercial lending and business development.

Previously, Mr. Blair was with Kerr-McGee Corp., Whitestone Petroleum Corp. and Coastal Production Corp., all of New Orleans. Before coming to New Orleans, he was with First National City Bank, New York.



BLAIR

Internat'l City Displays Sign



International City Bank, New Orleans, advertised its new Plaza Tower Office by installing special lights in the windows of 11 floors on two sides of the tower to spell out "ICB." A special system of spotlights and reflectors was placed behind each window. The sign could be seen in most areas of New Orleans and remained for the opening month of the branch office.

NBC Directors Approve Plan To Form Holding Company

NEW ORLEANS—National Bank of Commerce directors have unanimously approved a plan to form a one-bank holding company.

The proposed plan is subject to approval by stockholders and federal regulatory authorities and receipt of a favorable tax ruling from the Internal Revenue Service.

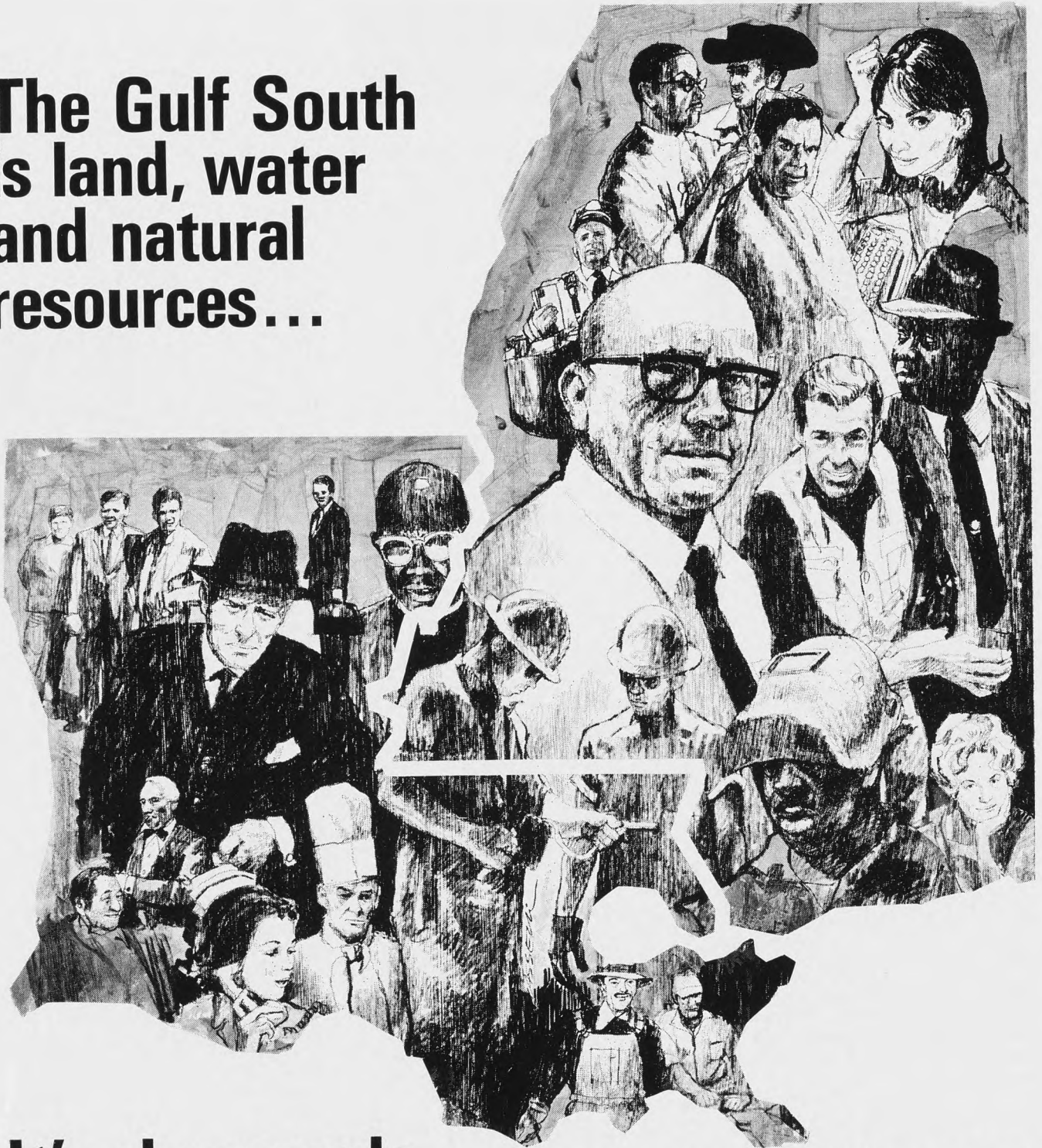
Under the plan, the bank would become part of a new holding company which will be named later. Stockholders would receive one share of stock in the holding company for each present share of NBC stock.

■ JOHN HERBERT JOHNSON recently was elected a director of Rapides Bank, Alexandria. Mr. Johnson is president and manager of all Louisiana operations of J-M Poultry Packing Co., Inc., a wholly owned subsidiary of Pillsbury Co.

■ MARLIN J. NEREAUX recently was elected vice president and cashier, City Bank, New Iberia. He has been with the bank since it opened in 1958.

■ RIVERLANDS NATIONAL, LaPlace, recently opened its new Reserve Office. Fritz Englade, cashier, was named manager of the new office. Mr. Englade has been with the bank since 1968 in charge of the business development program and public relations.

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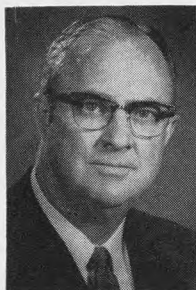
Whitney
NATIONAL BANK OF NEW ORLEANS

Arkansas News

Bowersock Elected President Of Merchants National

FORT SMITH—Daman Bowersock, former president, First National, Albuquerque, recently was elected president and chief executive officer of Merchants National. He succeeds W. J. Echols, who has become chairman.

Mr. Bowersock began his banking career with City National, Oklahoma City, in 1937. He joined First National, Kansas City, as an assistant vice president in 1949 and later served as senior vice president. Mr. Bowersock was elected president of First National, Albuquerque, in 1966.



BOWERSOCK

■ BANK OF WEST MEMPHIS recently elected Mrs. Mildred Earney and Mrs. Ruth Manchester assistant vice presidents. Mrs. Doris Swindler and Mrs. Mary Goe were promoted to assistant cashiers and Mrs. Ethel Giuntini was named auditor.

First Nat'l Control Purchased

MAGNOLIA—A group of Louisiana investors recently purchased control of First National.

The group was headed by H. K. Beebe, chairman, Kaplan State, Allen State, Oakdale, and Olla State, all of Louisiana; and J. Douglas Nesom, chairman, First National, Denham Springs, La.

■ PEOPLES BANK, Mountain Home, has begun work on a \$430,000 bank addition to be completed in May, 1971. The size of the bank building will be expanded from its present 4,000 square feet to about 13,000 square feet.

Metropolitan National Bank Plans Temporary Structure

LITTLE ROCK—The new Metropolitan National Bank is building a \$12,000 temporary structure which it plans to occupy this fall. Preparation for a permanent structure will begin in December and the building should be ready for occupancy by September 1, 1971. Preliminary plans for the permanent structure call for a colonial-style building with 10,000 square feet on two floors.

The beginning capitalization of the bank will be \$1,250,000. R. Ben Allen, state senator and lawyer, is chairman of the bank's organizing committee.

Five Are Promoted At Worthen Bank

LITTLE ROCK—Worthen Bank recently appointed Louis E. Adams vice president and manager of the automated services division. He will manage data processing activities and programming for the bank. Previously, Mr. Adams was vice president, Management Science of America, Houston.

John K. Strange was named vice president and manager of the installment loan department. Mr. Strange joined the bank in 1953 as a bookkeeper and became assistant cashier and manager of the Capitol Avenue Office in 1964. He was promoted to assistant vice president in 1968.

Elected assistant cashiers were Coy E. Reed, operations division, and Lee Rogers Jr., marketing division. Peter Coffield was promoted to property management officer. Mr. Coffield joined the bank in February as building coordinator and chief pilot and heads the bank's security and services department.

H. C. Carvill Is President, Central States Conference

H. C. "Bo" Carvill, executive manager of the Arkansas Bankers Association, recently was elected president of the Central States Conference. He formerly had served as secretary-treasurer of the conference. The organization represents 17 Mid-Continent state bankers associations.



CARVILL

The conference sponsors the Graduate School of Banking at the University of Wisconsin, with managing officers of the member states comprising the board of the school.

Mr. Carvill, who formerly served as market analyst consultant to the Deputy Secretary of Commerce in Washington, was elected head of the Arkansas Bankers Association in 1965. He is editor of the *Arkansas Banker* magazine, deputy director of the Graduate Banking School at Southern Methodist University and director of the School of Basic Banking in Arkansas. He is also the registered banking lobbyist in Arkansas, and during his tenure a complete state bank law recodification with 51 banking bills has been accomplished.

■ HEARN OLIVER, president, Bank of Pea Ridge, recently announced his retirement. His successor is Jim Talbot, former cashier and director, Decatur State. Mr. Oliver had been president since 1963.

■ EUDORA BANK recently appointed Dr. William J. Weaver a director.

■ RICK JENNINGS has been appointed sales director in the marketing division of Little Rock's First National. He was with DeLuxe Check Printers, Inc.

Arkansas Death

JOHN T. LITTLE, 64, retired vice president and auditor, Peoples Bank, Russellville, and former city clerk, on August 8. He had been with the bank since 1925.



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Texas News

New Appointments Made At First City National

HOUSTON—Grant Hollingsworth has joined the correspondent banking department of First City National. He joined the bank in 1969 in the Master Charge department. His prior experience includes economic analysis and sales management.

In other action, several promotions were made at the bank. Elected assistant vice presidents were: Dee Mifflin, personnel department; Carl Biebers Jr., international department; and Starr Kealhofer III and Jack Whitt, credit department.

Two data processing employees were promoted to assistant cashiers. They are Raymond Castro, manager of computer operations, and Nazih Nasir, who heads night data control.



HOLLINGSWORTH

Six Receive Promotions At American National

AMARILLO—American National recently promoted Colonel Carl E. Burget to senior vice president and trust officer. Colonel Burget joined the bank in 1965 after his retirement from the U. S. Air Force. He had been stationed at Amarillo Air Force base as staff judge advocate.



BURGET

Other promotions include: Joe Freshnock to vice president and trust administrative officer; Kenneth D. Caskey to vice president, consumer loan department; Joe B. Brock to vice president, commercial loan department; Don Sammons to assistant vice president, commercial loan department; and Emery McCulley to assistant cashier, operations department.

■ ROBERT E. MEAD recently was elected a director of Exchange Bank, Dallas. He is president and chairman, MacDonald Oil Corp., and president, Hart Furniture Co.

■ RAYMOND E. BROWN has been named cashier of Franklin Bank, Houston. He will be in charge of personnel and operations for the bank.

Director, Vice Chairman Elected At Corpus Christi National

CORPUS CHRISTI—Robert C. Shockney, new president and chief executive officer, Corpus Christi State National, has been elected a director of the bank. Richard King III, formerly executive vice president, was elected vice chairman of the board.



R. KING III SHOCKNEY

Mr. Shockney, as president, succeeds George J. Merriman, who has become president emeritus. Before joining Corpus Christi State National, Mr. Shockney was executive vice president and director, Southern National, Houston, and chairman of the executive committee, San Jacinto State Bank, Pasadena. Previously, he was vice president, Texas National, Houston.

In other action, Richard King, retiring chairman, assumed an emeritus position and Burton Dunn became chairman emeritus of the executive committee.

■ FIRST NATIONAL, Brownwood, recently elected Bill Jamar and Wayne May directors. Mr. Jamar is president, Brown County Broadcasting Co. and Brownwood Coca-Cola—7 Up Bottling Co. Mr. May is president, Brownwood Cattle Auction, Inc., and is a rancher and dairyman.

Promotions and Appointments

National Bank of Commerce, Dallas, Carlton Fite to assistant cashier, loan and discount department. First Citizens Bank, Dallas, T. E. (Tom) Jaeb to executive vice president and chief operating officer (was president and chairman, Caledonia [Minn.] State). Reagan Bank, Houston, Louis G. Krueger to executive vice president, William M. Hancock to assistant vice president (was credit analyst, Texas Commerce Bank, Houston). Homestead Bank, Houston, Mrs. Birdie B. Jones, Miss Evelyn Lilley, Mrs. Maydell Sims, Kenneth W. Barnes to assistant cashiers. Texas Bank, Dallas, Jerry D. Arrant to assistant vice president, Adolph G. Garza, Jim R. Hayhurst, N. Del Pope to assistant cashiers.

City National, Plainview, Norman Wright to president (was senior vice president and trust officer, Hale County State, Plainview). Bank of the Southwest, Houston, Robert M. Baumgartner to vice president and commercial loan officer (was vice president

and commercial loan officer, Republic National, Dallas). Lakewood Bank, Dallas, Newman R. Wolfe to vice president, Mrs. Isabelle Kurz and Roy Gene Evans to assistant vice presidents, Mrs. Grace Carlson to assistant cashier.

Union State Holds Grand Opening

BEAUMONT—Union State recently celebrated its grand opening and donated its ceremonial ribbon made of money to the Cerebral Palsy Foundation. The \$600,000 building has an informal decor with wood tones and a fireplace.

New Division Heads Named At State Nat'l, El Paso

EL PASO—An organizational structure consisting of several new major divisions recently was completed by State National. Heads of the new divisions are Lynwood J. Boyer, vice president, administrative division; Thomas R. Foster, vice president, loan division; William M. Updike, vice president, marketing division; Martin Kern, vice president and trust officer, trust division; and Charles D. McKay, vice president, employee relations and manpower development program.

Wallace Elected Asst. Cashier At First National, Dallas

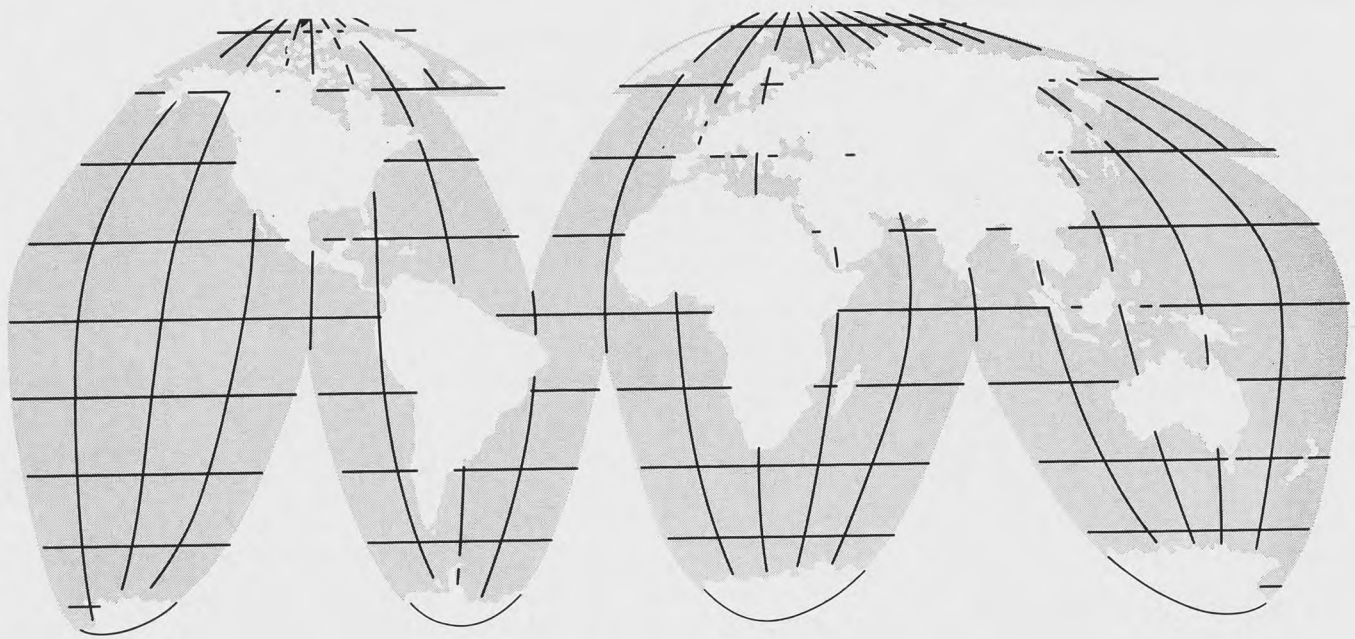
DALLAS—First National recently elected James E. Wallace an assistant cashier in the correspondent bank division J. Mr. Wallace previously was with the bank from 1967 to 1969 in the cost and planning department and the credit department. He was with a Longview investment firm from March, 1969, to June, 1970, and has now returned to First National.

■ JOE K. WELLS, vice president in charge of the correspondent bank and business development departments of Austin National, recently was re-elected treasurer of the Texas Tuberculosis and Respiratory Disease Association. He served as president in 1968-69. Mr. Wells is also president-elect of the Central Texas Area TB-RD Association.

■ PAUL T. KIME has joined Bank of the Southwest, Houston, as assistant vice president in the business development department. Previously, he was with First National, Baytown.

Texas Death

GERALD EUGENE THORNELL, 27, son of W. G. Thornell, president, First National, Port Arthur, on August 6 in an automobile accident.



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New Mexico News

Brumlow Elected Chairman Of Citizens State Bank

ALBUQUERQUE—Grant O. Brumlow, former New Mexico commissioner of banking, recently was elected chairman of Citizens State. He succeeds Edward V. Mead, who will continue as a director of the bank.

Mr. Brumlow had been bank commissioner from 1968 to 1970. He has been active in banking for many years as vice president and cashier, First National, Las Cruces. He is chairman of Group One of the New Mexico Bankers Association.

In other action, two directors were elected at the bank. They are attorneys Stewart Morris and John Minniece, both of Houston.

Gallup May Have Third Bank

GALLUP—A group of seven businessmen recently filed a letter of intent with the banking commission to organize a new state bank in Gallup.

Total capital structure of the new facility will be \$1 million, which will be divided into 50,000 shares with a par value of \$10 a share and a proposed purchase price of \$20 a share.

Organizers must wait until a charter is issued before they can make plans for the new bank.

Banks Exempt From City Tax

SANTA FE—Banks and financial institutions do not have to pay municipal occupation taxes as the result of a 1969 law, the attorney general has ruled.

The 1969 act imposed new tax on banks "in lieu of all other taxes imposed by the state and its political subdivisions."

■ DR. JAMES A BEALL recently was elected chairman, Ruidoso State. William A. Hutcheson recently resigned as chairman but will remain a director. The bank also elected two new directors: George T. Harris, Albuquerque attorney, and W. O. Wooldridge. George Marsh was named assistant cashier.

■ FRIONA STATE has donated its present bank building to the city of Friona for municipal offices. The bank will move into a new \$400,000 building now under construction.

■ FIRST NATIONAL of Dona Ana County, Las Cruces, recently opened its new Loretto Mall Branch.

Former First Nat'l President Takes Arkansas Bank Post

ALBUQUERQUE—Daman Bowersock, former president, First National, recently was elected president and chief executive officer of Merchants National, Fort Smith, Ark.

Mr. Bowersock began his banking career with City National, Oklahoma City, in 1937. He joined First National, Kansas City, as assistant vice president in 1949 and later served as senior vice president. He joined First National, Albuquerque, in 1966 as president.

Hutcheson Pres. of New Bank

ALBUQUERQUE—W. A. Hutcheson has been named president of the proposed Rio Grande Valley Bank being formed in Albuquerque. He is one of the organizers of the new bank.

Mr. Hutcheson organized Security National, Roswell, in 1960 and was president for four years. He later was president, Midland (Tex.) National, and for the past two years has been chief executive officer and chairman, Ruidoso State.

■ FIRST NATIONAL, Farmington and Shiprock, recently received a national community service award from Burroughs Corp., Rochester, N. Y. The award was for promoting the New Mexico area through illustrated checks which showed pictures of Shiprock, a power plant, a scenic road and an oil-well rig.

■ FIRST NATIONAL, Roswell, recently celebrated its 80th anniversary.

■ FARMERS & MERCHANTS, Las Cruces, recently appointed William Byron Darden, attorney, a director.

■ GRANT DONEY, assistant vice president, Bank of New Mexico, Albuquerque, recently was named manager, San Pedro NE Branch. He succeeds Keith E. Moore, who recently retired as vice president and branch manager. Mr. Doney has been with the bank since 1964.

■ GRANTS STATE recently named Dick Bailie, former assistant cashier and manager of the Milan Branch, cashier. He will succeed Hugh Lackey, who recently resigned from the bank to join Texas Bank, Sweetwater. Larry Rodgers, management trainee, was named manager, Milan Branch.

■ RANCHERS STATE, Belen, recently promoted Joe Ross to assistant cashier and Jim Beasley to manager, transit department. Mr. Ross, who for the past year served as a management trainee, will work in bank operations.

■ D. E. (ED) BOYLE, executive vice president, Dale J. Bellamah Corp., and Thomas K. Reed, president, Capital Development Corp., recently were appointed directors of the Bank of New Mexico, Albuquerque.

■ BANK OF NEW MEXICO, Albuquerque, has elected William F. Wood Jr., Mrs. Peg Furney and Mrs. Billie Christopher assistant vice presidents. Mr. Wood recently joined the bank as manager, credit and research department. Mrs. Furney and Mrs. Christopher are senior accountants and both have been with the bank more than 20 years.

■ ALBUQUERQUE NATIONAL recently promoted Charles (Ken) Campbell, Vernon Doak and Fred Reeves from assistant cashiers to assistant vice presidents.

First State to Have New Branch

CUBA—The state department of banking recently approved establishment of a branch of First State at Rio Rancho Estates near Albuquerque. Officials said the proposed branch will not jeopardize the operation or capital position of already existing institutions.

BofNM Renamed Fiscal Agent

ALBUQUERQUE—Bank of New Mexico recently was appointed by the state board of finance to continue as the state fiscal agent. The contract is for 30 months beginning January 1.

■ CITIZENS STATE, Albuquerque, recently filed application to establish a branch facility on the east side of Louisiana Boulevard. N. E.

■ ROBERT J. GEIS, assistant cashier, Albuquerque National, recently was appointed assistant manager, North Fourth Street Office. Mr. Geis joined the bank in 1960 and has worked as a teller in the transit and collection department and as a loan officer in the installment loan department of the Main Office.

■ FARMERS & STOCKMENS, Clayton, has filed an application with the state banking commission to open a branch at Des Moines. The bank also recently celebrated its 50th anniversary.

■ FIRST NATIONAL, Albuquerque, has named Ed Devlin manager of the bank's new branch in the National Building. Mr. Devlin joined the bank a year ago and has served in a special assignment operations job at the bank.



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Oklahoma News

Liberty Nat'l Promotes 7, Appoints Two Officers

OKLAHOMA CITY—Liberty National recently promoted seven officers and appointed two new officers.

Elected senior vice presidents were: William M. Bell, real estate loan department, who joined the bank in 1965; John R. Browne, business development division, who joined Liberty National in 1959; Paul E. Scott, commercial banking department, who joined the bank in 1964.



BELL

BROWNE

SCOTT

E. Neil Stanfield, real estate loan department, was promoted to vice president. Appointed assistant vice presidents were: Colonel G. G. Atkinson (retired), business development division; Harry E. DeBee, international division; and George R. Kelly, auditing department.

Charles A. Peterson and Robert Ragsdale were appointed real estate officers, real estate loan department. Mr. Peterson's responsibilities will be in residential and commercial construction lending and Mr. Ragsdale will serve as administrator in mortgage servicing.

Insurance Company Named Head Of Okla. Bankers Program

Financial Insurance Service Agency, Inc., Oklahoma City, recently was named administrator of the Oklahoma Bankers Association sponsored employee benefit program. Officials said the program will soon be expanded to provide more forms of coverage than are presently available to member banks.

Financial Insurance Service Agency, Inc., is a subsidiary of Financial Insurance Service, Inc., Des Plaines, Ill. The parent company serves insurance needs of banks in more than 20 states and is administrator of the Illinois Bankers Association employee benefit program.

■ WENDELL BOOKOUT has joined University National, Stillwater, as manager, personal loan department. For the past four years, he was loan manager of C.I.T., Waco, Tex., Office.

■ WILLIAM L. BRISCOE, supervisor, general accounting section, and Robert L. Brixey, head teller, recently were elected assistant cashiers, Fidelity Bank, Oklahoma City. Mr. Briscoe joined the bank in 1968 and Mr. Brixey in 1963.

■ WILLIAM R. SHAW recently was named president and managing officer, Sand Springs State. Formerly, he was vice president in charge of business development-metropolitan accounts, National Bank of Tulsa.

■ NATIONAL BANK of Tulsa recently elected Michael S. Reeves assistant vice president and manager, Master Charge division. Mrs. Betty Shaull and Mrs. Shirley Startz were elected assistant cashiers.

■ LAMBERT FIELDER, chairman and chief executive officer, Fourth National, Tulsa, recently was elected a director of the Telex Corp., a Tulsa-based computer company.

Liberty National Holds 'Topping-Out' Ceremony

OKLAHOMA CITY—Liberty National recently celebrated the "topping out" of the 35-story steel structure of the new Liberty Bank Tower. The final steel girder raised to the top of the building carried the signatures of more than 3,000 citizens who had signed it when it was on display in the bank lobby.

About 2,500 red, white and blue balloons were released at the ceremony. Several balloons contained \$100 bonds.

Liberty National will occupy eight floors of the \$18,500,000 building, which is scheduled for occupancy in mid-1971.



J. W. McLean (l.) Liberty National pres., and H. T. Griffin, head of H. T. Griffin Enterprises, owner of the Liberty Bank Tower, break a vial of "black gold" on the topping-out beam of the new building.

Diamond-Anniversary Celebration Held At First Nat'l, Tulsa

TULSA—First National recently held its 75th-anniversary celebration. Visitors could view a rare collection of Indian territory bank notes and historical pictures in the bank's lobby. A Dixieland band entertained during the noon hour and First National em-



Robert LaFortune (l.), Tulsa mayor, and Don Turner (r.), Chamber of Commerce pres., with Lindsay Alexander, First National v.p., were two dignitaries who formally wished First National a happy 75th anniversary.

ployees dressed in 1895-style straw hats and garters. More than 2,000 red and white carnations and colorful historical tabloids were given away to bank visitors.

Among those who formally wished First National a happy birthday were Mayor Robert LaFortune, who proclaimed the day "First 75th-Anniversary Day in Tulsa," Don Turner, Chamber of Commerce president, and Beryl D. Ford, a Tulsa historical authority.

■ CITY NATIONAL, Oklahoma City, recently promoted Gene Campbell and Ken Fuller from assistant vice presidents to vice presidents. Mr. Campbell is in charge of the installment loan department and Mr. Fuller is in charge of marketing, BankAmericard center.

■ DONALD S. LINTVET, manager, BankAmericard service center, First National, Tulsa, recently received the International Consumer Credit Association's "distinguished service award" for 1970. Mr. Lintvet is the incoming president of the group's District Seven, which includes Arkansas, Oklahoma, Missouri and Kansas.

■ AMERICAN NATIONAL, Shawnee, recently named Orville O. Drake Jr. an assistant vice president. He will serve in the installment loan department. Before joining the bank, Mr. Drake was with a national finance company where he was collection manager, loan manager and branch manager.

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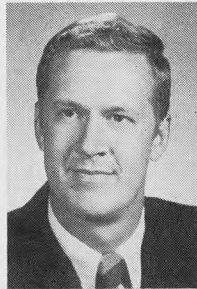
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Kansas News

Johnson Named Vice Pres. At Fourth Nat'l, Wichita

WICHITA—Monte C. Johnson recently joined Fourth National as vice president and marketing division manager. Previously, Mr. Johnson was assistant director of athletics and business manager for the University of Kansas athletic department and had served as director of promotions and public relations.



JOHNSON

In other action at the bank, A. W. Kincaide Jr., vice president, business development department, has taken responsibility for the marketing and development of trust services.

Chairman of Home State, K.C., Forms Private Holding Co.

KANSAS CITY—Robert F. Keatley, chairman, Home State, recently formed Kansas Bancorporation, an investment company with controlling interest in the \$27.2-million-deposit bank.

Mr. Keatley and his wife own 10,130 of the bank's 20,000 outstanding shares. Officials said several other shareholders are involved in the company, which owns about 53% of the bank.

The private holding company was formed for tax and debt purposes.

Newsom Takes AIB Post

Joe Newsom, agricultural and correspondent loan officer, Hutchinson National, recently was appointed AIB associate councilman for the western half of Kansas. He succeeds Dale Oliver, executive vice president and assistant trust officer, Security State, Great Bend.

Mr. Newsom is working on a new

method called the study group program which makes it convenient for people to hold classes with qualified instructors.

■ CAPITAL CITY BANK, Topeka, recently changed its name to Capital City Bank & Trust Co. The bank is in the process of organizing a trust department.

■ PLAINS STATE recently withdrew its membership from the Federal Reserve and was admitted to membership in the FDIC.

■ SECURITY NATIONAL, Kansas City, has elected Mrs. Carolyn Brinkoetter an assistant cashier. Mrs. Brinkoetter, who has been with the bank eight years, is now supervisor of EDP operations and is a member of the bank operations committee.

■ MERCHANTS NATIONAL, Topeka, is constructing a new motor bank with a closed-circuit television system for audio-visual communication between tellers and customers. Completion of the motor bank is expected November 1.

■ BOULEVARD STATE, Wichita, recently promoted B. A. (Junior) Kreutzer from auditor to assistant cashier. Robert E. Guthrie will succeed Mr. Kreutzer as auditor.

Get Trust Division Posts



New members of the trust division, Fourth National, Wichita, are (from l.) A. W. Kincaide, Jr., v.p., in charge of marketing and development of trust services, Bernard E. Nichols and John S. Brown, investment portfolio managers. Mr. Kincaide has been with the bank 15 years and Mr. Brown since 1968. Mr. Nichols joined Fourth National July 8, coming from Paine, Webber, Jackson & Curtis, Wichita, where he was a stock broker and registered securities representative.

Two Kansas City Banks Celebrate Merger

KANSAS CITY—Commercial National and Exchange State recently celebrated the merger of the two banks with a ceremony attended by bank, state and city officials and Miss Norma Decker, Miss Kansas of 1970.

Total resources of the consolidated bank will be in excess of \$115 million, with combined capital assets of more than \$11 million, making Commercial National the fourth largest bank in metropolitan Kansas City.

All Exchange State employees have been retained by Commercial National. The physical move of equipment, furnishings and assets of Exchange State was completed in early August.



Miss Norma Decker, Miss Kansas of 1970, cuts the largest cake in Kansas City at the celebration of the Commercial National and Exchange State merger. Looking on are (l. to r.): Bernard J. Ruysser, Commercial Nat'l pres.; Mayor Joseph McDowell; Governor Robert Docking; Henry G. Blanchard, CNB pres.; and Mel W. Perry Jr., former Exchange State pres. The five-tiered cake is four feet tall, weighs 300 pounds and is decorated in red, white and blue with small American flags.

■ FOURTH NATIONAL, Wichita, recently promoted Richard L. Strecker to manager of marketing activities, BankAmericard division. Boyd Lee Carpenter was transferred to the operations division for a brief training period in the new accounts department. Later this year, he will be marketing representative and assistant manager, Interchange Motor Bank.



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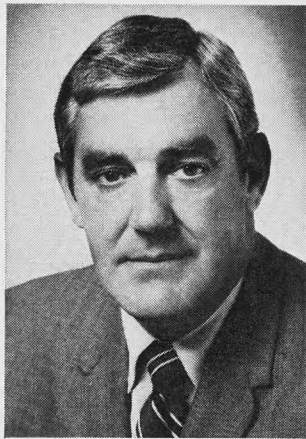
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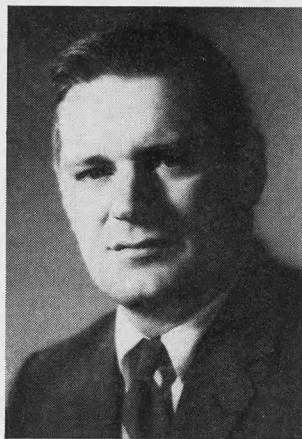
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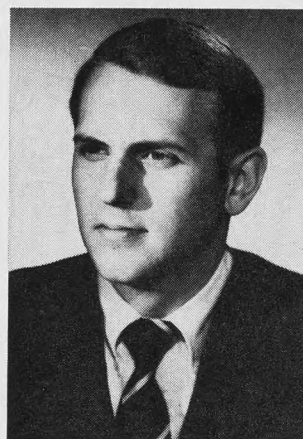
Call your Commerce-man



Fred Coulson



Ron Francis



Fred Eller



Elmer Erisman

...he's your representative!

For whatever correspondent service you require, call your man in Commerce. Bond needs, trust needs, loan needs, personal needs — we're here to help *your* bank function better.

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bank in the area, we know how to get things done. And our record proves that we do just that.

The oldest and largest bank should be your listening post in Kansas City, headquarters for the 10th Federal District.



COMMERCE BANK

Kansas City, Missouri

Reports on 1971 Legislative Outlook And MBA Activities to Be Given During Group Meetings This Month

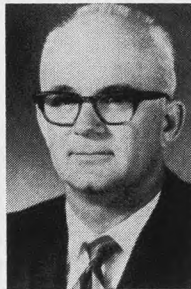
BUSINESS SESSIONS of the 1970 series of Missouri Bankers Association group meetings will revolve around the theme, "You . . . Your Bank . . . and the MBA." The meetings will begin September 14 and end September 23. They will feature reports by MBA President James F. Martin Jr. on MBA activities and programs and Sam Overfelt, MBA general counsel, on the outlook for



MARTIN



OVERFELT



JARVIS

next year's legislative session. Mr. Martin is executive vice president, Bank of Lee's Summit.

Dr. Charles W. Jarvis, a humorist-speaker and also a dentist, will appear at all seven banquet sessions. He will have two talks—"This Won't Hurt—Much" and "The Abominable Snow Job"—which he will alternate at the various meetings.

Dr. Jarvis, a San Marcos, Tex., dentist since 1953, was a career Navy pilot before resigning his regular commission in 1948 to study dentistry. His life on the lecture circuit started in 1959 when he was master of ceremonies for the San Marcos Chamber of Commerce banquet. His talk went over so well that he began getting in-

vitations to speak at many functions in his own city and neighboring cities of Austin and San Antonio. Word-of-mouth recommendations followed each of his presentations until there was such a demand for him that he started speaking professionally in 1961.

Dr. Jarvis' talks are described as carrying "a message of spiritual reward and success, but are primarily entertaining—85% humor and 15% message."

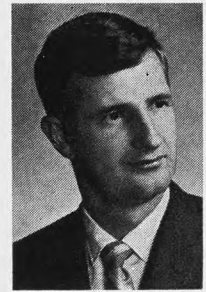
Schedules for the seven group meetings are as follows:

Group One, September 15, the Armory, Moberly. Registration will be held at 3:30 p.m., followed by a 4:30 business meeting, to be called to order by Chairman David W. Strickler. Messrs. Martin and Overfelt will give their reports at 4:35. A 6 o'clock social hour will be followed by a 7 o'clock dinner, at which Dr. Jarvis will speak on "This Won't Hurt—Much."

Mr. Strickler joined Citizens Bank, Edina, in 1956, became assistant cashier in 1958, cashier in 1963 and vice president and cashier in 1969. He is a past president of Knox, Marion, Monroe, Ralls, Pike, Shelby County Bankers Association.

Group Two, September 17, Hotel Strand, Chillicothe. Chairman Kenneth McIntyre will call the business meeting to order at 4:30 p.m., following registration at 3:30. At the meeting, MBA President Martin and Mr. Overfelt will make their report. A 6

MBA Group Chairmen



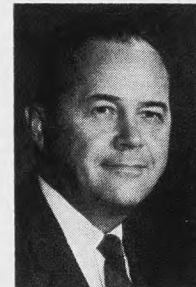
STRICKLER



KING



McINTYRE



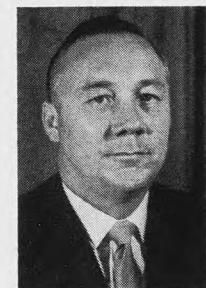
PENCE



CAMPBELL



AGNEW



BIRD

o'clock social hour will precede a 7 o'clock dinner, at which Dr. Jarvis will speak on "The Abominable Snow Job."

Mr. McIntyre has been with Chillicothe State since 1950, starting as a bookkeeper. He became manager, personal loan department, in 1955, cashier and manager of that department in 1964 and vice president and cashier, general loans, last January.

Group Three, September 16, Hotel Robidoux, St. Joseph. Registration will be held at 10 a.m., and a men's luncheon is scheduled for noon, with Elston B. (Bob) King, group chairman, presiding. The 1 o'clock business session, also to be presided over by Mr. King, will include reports by Mr. Martin and Mr. Overfelt beginning at 1:15. At 1:45, Dr. M. O.

1970 MBA Group Meetings

Group 1	Sept. 15	Moberly
Group 2	Sept. 17	Chillicothe
Group 3	Sept. 16	St. Joseph
Group 4	Sept. 21	Kansas City
Group 5	Sept. 14	Washington
Group 6	Sept. 23	Sikeston
Group 7	Sept. 22	Springfield

Looney, president, Missouri Western College, St. Joseph, will discuss "Financial Trends in Higher Education." At 2:30, "Genetics and Economy in Beef Cattle Production" will be discussed by Frank Russell, vice president, St. Joseph Stock Yards, division of United Stock Yards Corp., and Paul Moyer, registered angus breeder, Hopkins. At 3 o'clock, Fred Hertz, president, Hertz Commodities, and partner, Rufenacht-Bromager & Hertz, Inc., St. Joseph, will talk on "Livestock Outlook and a Look at the Future's Market." Awarding of "the hat" will be made by Arthur R. McClaskey, assistant vice president-agriculture, First Stock Yards Bank, South St. Joseph.

The 6:30 dinner (following a 4:30 p.m. reception and social hour) will be presided over by H. H. Broadhead Jr., president, First Stock Yards Bank, South St. Joseph, and president, St. Joseph Clearing House Association. "This Won't Hurt—Much" will be Dr. Jarvis' topic.

A ladies' luncheon will be held at 12:30 o'clock.

Mr. King became president of First National, Plattsburg, last January after having been executive vice president since 1967. He joined the bank in 1963 as vice president and managing officer. He became a banker in 1957 when he joined Chillicothe State as an agricultural representative. Mr. King is a past chairman of the MBA's agriculture committee.

Group Four, September 21, Hotel Muehlebach, Kansas City. Registration at 3:30 p.m. will precede the 4:30 business meeting, to be presided over by Chairman William B. Pence. The Martin-Overfelt reports will be made at 4:35, to be followed by a 6 o'clock social hour and a 7 o'clock dinner. Dr. Jarvis' talk after dinner will be on "This Won't Hurt—Much."

Mr. Pence joined First National, Liberty, in 1946 and was elected president in 1959. Before going to the bank, he was deputy county collector of Clay County. He is a graduate of the Graduate School of Banking at the University of Wisconsin.

Group Five, September 14, Elks Club, Washington (social hour, City Park Pavilion; dinner, City Park Auditorium). Registration will be held at 3:30 p.m., to be followed by a 4:30 business meeting, at which Chairman Donald L. Campbell will preside. Mr. Martin and Mr. Overfelt will report during the business meeting. The 6 o'clock social hour will be followed by a 7 o'clock dinner, at which Dr. Jarvis will speak on "The Abominable Snow Job."

Mr. Campbell, with Exchange National, Jefferson City, 21 years, is now

executive vice president and trust officer there. He is a past treasurer of the Missouri Safe Deposit Association, which he now serves as a member of the executive committee. He is a graduate of the Graduate School of Banking at the University of Wisconsin.

Group Six, September 23, Sikeston. Registration at 3:30 will precede the 4:30 business meeting, with Chairman W. Don Agnew presiding. At 4:35, Mr. Martin and Mr. Overfelt will make their reports. A social hour at 6 will be followed by a 7 o'clock dinner at the Sikeston High School Field House. Dr. Jarvis' dinner speech will be on "This Won't Hurt—Much."

Mr. Agnew entered banking in 1950 by joining Memphis' Union Planters National. In 1965 he joined Security National, Sikeston, where he is now executive vice president and cashier. He is a graduate of the School of Banking of the South at Louisiana State University.

Group Seven, September 22, Howard Johnson Motel, Springfield. The 4:30 business meeting, to follow registration at 3:30, will feature reports by Mr. Martin and Mr. Overfelt. Robert G. Bird, chairman of the group, will preside. A social hour at 6 o'clock will precede dinner at 7. Dr. Jarvis' topic for this group will be "The Abominable Snow Job."

Mr. Bird is vice president and auditor, Southern Missouri Trust, Springfield, which he joined in 1946. His present assignments include operations and personnel. • •

St. Louis County Nat'l To Build Office Tower

CLAYTON—St. Louis County National recently held groundbreaking ceremonies for a new 15-story bank and office building. The structure is being built on the southeast corner of



Attending groundbreaking ceremonies for St. Louis County National's new building were: (l. to r.) Hy Waltuch, mayor of Clayton; Lawrence K. Roos, St. Louis County supervisor; Merle M. Sanguinet, sr. v.p., St. Louis County National; Edward H. Schmidt, pres., St. Louis County National; and A. R. Elspeman, pres., G. L. Tarlton Contracting Co., general contractor for the project.

Meramec and Forsyth avenues, the same site where the bank has been located since its founding.

Bank operations will be located on the third, fourth and fifth levels of the 15-story office tower. A two-story bank building will be begun after the tower is completed. The bank complex will have a 20,000-square-foot bank lobby with 36 teller windows, five drive-up windows and two walk-up windows in the lobby entrance.

William F. Cann is the architect for the project, and the consultant is Bank Building Corp., St. Louis.

Brennan Is Vice President At Boatmen's National

ST. LOUIS—John M. Brennan recently joined Boatmen's National as a vice president in the banking division.



BRENNAN

Previously, Mr. Brennan was vice president, mergers and acquisitions division, First National, Chicago. He joined the bank in 1960.

Mr. Brennan has attended the Graduate School of Banking at the University of Wisconsin.

Mo. Bank Plans Affiliation With First Union, Inc.

Crystal City State is planning to affiliate, subject to Federal Reserve Board approval, with First Union, Inc., a holding company that owns First National, St. Louis, and St. Louis Union Trust.

The affiliation plan calls for an exchange of not less than 80% of the Crystal City bank's capital stock for First Union stock. All Crystal City Bank stockholders would be given an opportunity to exchange their shares and the bank would continue to operate independently under its present management.

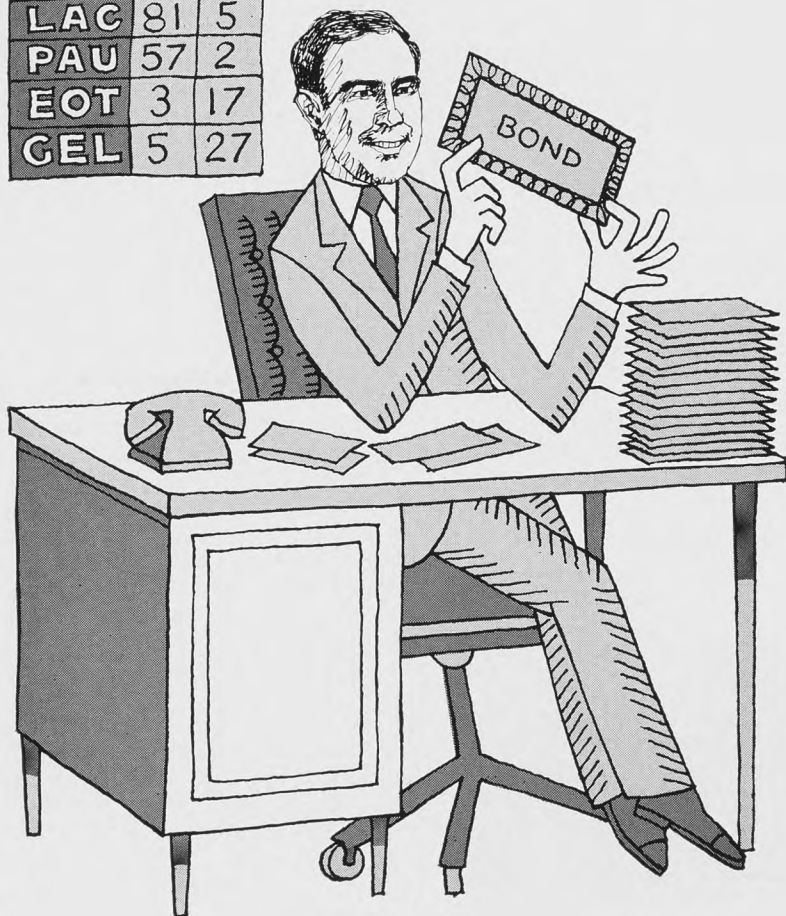
Canton Bank Makes Promotions

CANTON—Canton State Bank recently elected Jerry R. Boyd, executive vice president, and Glenn A. Miller, vice president and cashier, as directors. Miss Mary Ann Boyd, Miss Ethel Lloyd and Miss Wilma Maples were elected assistant cashiers.

The bank also recently transferred \$100,000 from undivided profits to surplus. Capital structure is now \$100,000 capital and \$300,000 surplus.

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JEWI	10	5
DIGE	32	6
WAP	64	16
ZEF	21	111
HAU	2	10
CPF	9	13
CAU	6	12
MIT	14	22
ALP	17	15
DOL	23	27
TEC	18	36
BEL	72	19
LAC	81	5
PAU	57	2
EOT	3	17
GEL	5	27



He's Bill Hardie. A nice guy. But more than that, a seasoned securities analyst, a trained economist, an experienced investment specialist. What's that to you? Plenty! The most valuable thing you have is TIME. Whether you're rich or poor, you have only so much of it each day. What you do with it determines the course of your life, the future of your bank. Hardie can help you multiply your value to your bank. He spends all his TIME with investments, just so he can help you with yours. By using him, you save your TIME. And improve the quality of your portfolio. Try him.

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MID-CONTINENT BANKER for September, 1970

147

Missouri News

First National, St. Joseph, Adds Computer Program

ST. JOSEPH—First National recently added a new computing system to provide improved customer services in four areas.

A personal trust accounting program provides up-to-date pricing lists of securities and summaries of investments. It automatically produces monthly reports from five electronic files. New certificates of deposit programs automatically prepare interest notices and year-end Internal Revenue Service reports.

Payroll applications cover normal pay periods and feature detailed department hours and dollar reports. Demand-deposit account profitability analysis aids bank management by pinpointing availability of credit.

New Fidelity Bank Is Granted Charter

CREVE COEUR—Fidelity Bank & Trust Co. recently was issued a charter by the Missouri finance commissioner. The new bank was organized by Robert S. Wolff, chairman, Gibraltar Savings & Loan Association.

President and managing officer of the bank is Arlie Appler, former vice president, First Security, Kirkwood. Secretary and general counsel is Arthur S. Margulis.

Bank directors include Mr. Wolff, Mr. Appler and business executives Mrs. Mary R. Wolff, L. Earl Kraeger, Marvin Gelber, Ben Shanfeld and Robert B. Meier.

Capital of the new bank is \$705,000.

Insurance Salesmen Honored By Union Nat'l, Springfield

SPRINGFIELD—Union National's trust department recently sponsored a recognition dinner for six members of the Million Dollar Round Table, an independent, international association of the world's most successful life insurance salesmen.

Membership in the MDRT is granted only on a year-to-year-basis and is open to those who meet the million dollar yearly production standard of the organization. The MDRT was founded in 1927 and today the membership exceeds 7,000 members in 24 nations and represents more than 350 life insurance companies.

■ CUE W. BUTLER has been named a director of Bank of Table Rock Lake, Reeds Spring. Mr. Butler has served as postmaster of Blue Eye for 29 years and also raises beef cattle.

■ FIRST COMMUNITY BANK, Savannah, recently elected several new directors. They are James Hayden, Dr. Harold Hayden, Calvin Arn, Donald Hegeman and L. Glen Zahnd.

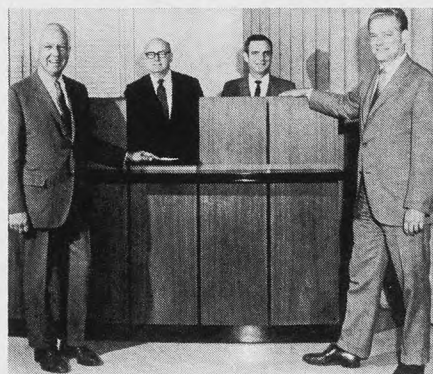
Community National, Joplin, Seeks New Location

JOPLIN—Community National recently filed a formal application with the regional comptroller of the currency seeking permission to move the bank from its present location to a new location in the Northpark Mall. Officials said the application was made contingent upon the completion of the Northpark Mall according to developers' present plans.

Bank Control Purchased

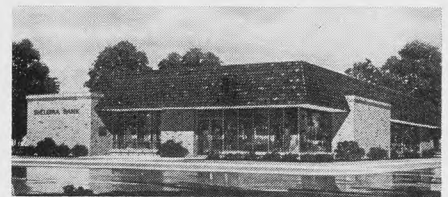
HOUSE SPRINGS—Bank of House Springs controlling interest was purchased recently by Gale G. Wessling and Toby Monday from Reliable Investment Group, Inc. Mr. Wessling is president and chairman of the bank and chairman, Jefferson Trust, Hillsboro. Mr. Monday is a director, Jefferson Trust, and is semi-retired from the safe and vault business.

AIB Receives Teller Station



(From l.) William H. Harrison, exec. v.p., First National, St. Louis; Joseph G. Steel, exec. dir. and sec., St. Louis Chapter of AIB; and Lester A. Greene, cash., First National, Clayton, and AIB chapter officer, recently accepted a bank teller station specifically designed for a teller program from Joseph A. Smith (far r.), exec. v.p., Bank Building Corp. The teller station, to be used during AIB classes this fall, has a walnut front and is equipped with a cash drawer, money tray and shelving.

Shelbina Bank Has New Building



Shelbina Bank recently held the grand opening of its new building. The building has drive-in facilities, a night depository, community room and employees' lounge. Bunce Building Corp., St. Louis, was the builder and the interior designer was Bank Interiors, a subsidiary of Bunce.

Security Bank Appoints Board

BRANSON—Security Bank recently appointed the members of the bank's special advisory board for 1970-71.

Members of the board are: Olen Cummings, bank executive vice president; Charles Winston, owner, Branson Mercantile; Norwood Speight, general manager, White River Valley Electric Cooperative; Lorin Bodelle, chairman, Branson Housing Authority; and merchants, Leo Smith, Ray Gerard and Russell Sherer.

■ COLUMBIA NATIONAL will more than double the size of its banking quarters with the erection of a new 14,000-square-foot building. Construction began July 1 and completion is scheduled for April, 1971.

Promotions and Appointments

Missouri State, St. Louis, Frank K. Haley and Harold G. Pryce to assistant vice presidents, Earl L. Overbeck to assistant cashier. Leawood National, Kansas City, Richard E. McEachen to vice president and trust officer (was vice president, First National, Kansas City). Empire Bank, Springfield, Frank Dee Williams to systems analyst, data processing division. Bank of Monticello, Eugene Porter to cashier succeeding the late W. S. Elkin, who died of a heart condition (Mr. Porter was with Hannibal Production Credit Association). Laurel Bank, Raytown, H. E. Dickerson to assistant cashier and business development officer (was sales manager, C. J. Anderson Associates, North Kansas City). Boatmen's National, St. Louis, Howard H. Hansen to assistant cashier.

Chippewa Trust, St. Louis, Harry H. Nelson to assistant vice president, installment loan department (was with First National, Rockford, Ill.).

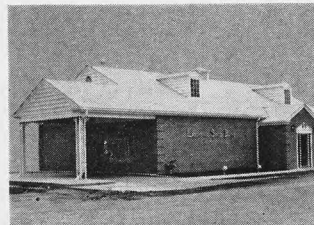
Grandview Bank, James L. Huff to vice president (was state bank examiner).



CAMDEN COUNTY BANK
CAMDENTON, MO.
FEBRUARY 1, 1968



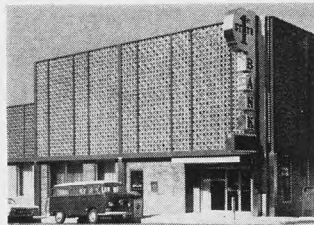
UNITED BANK OF FARMINGTON
FARMINGTON, MO.
APRIL 1, 1968



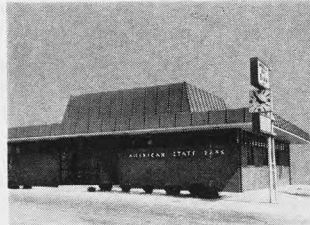
LADDONIA STATE BANK
LADDONIA, MO.
JULY 1, 1968



BANK OF BISMARCK
BISMARCK, MO.
OCTOBER 1, 1968



FIRST STATE BANK
ROLLA, MO.
SEPTEMBER 29, 1969



AMERICAN STATE BANK
FLAT RIVER, MO.
MARCH 3, 1970



LITCHFIELD BANK & TRUST CO.
LITCHFIELD, ILL.
AUGUST 1, 1970

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The dates shown under the banks pictured above indicate when each one started putting Manchester Bank's Telecomputer Service to work for it.

Two and one half years. Seven banks.

All seven have turned their demand deposit accounting procedures into the smoothest, most accurate operation known to man today.

Each day, in a matter of minutes, these banks transmit their counter-work to Manchester Bank's computer in St. Louis by using a special telephone called a Data-Phone.

Presto. The computer processes the information and via courier service, final printed reports are delivered to each of the banks before the start of their next business day. It's all done without any counter-work ever leaving the bank.

The cost? Less than a cent and a half per item. The entire operation from start to finish is a thing of beauty. But it doesn't mean a thing to you right now since you're not one of the seven.

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MANCHESTER BANK



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FDIC

MID-CONTINENT BANKER for September, 1970

Growth Rate, Statement Items Show Non-Member Banks Most Aggressive

The most aggressive banks in Missouri—the ones that are pushing ahead to obtain the largest percentages of increase in all the items listed in statements of condition—are state-chartered banks that are not members of the Federal Reserve System.

This is the conclusion reached by Dr. Melville Peterson, associate professor of finance, University of Missouri at Columbia. Basis for his finding is a study made of "Importance of Bank Growth in Missouri." Complete data were published in the March-April, 1970, issue of the university's *Business and Government Review*.

A Ph.D. from the University of Illinois, Dr. Peterson's early business experience was in commercial banking. He has attended Harvard's Graduate School of Business Administration and the University of Wisconsin's Graduate School of Banking.

Dr. Peterson studied the growth patterns of Missouri banks during the years 1945 through 1968, a period of unparalleled change and advancement.

"In part," he points out, "this growth has been aided by the commercial banking system which, in turn, has been affected by the changing economy."

Examination of the growth of Missouri's banks clearly demonstrates four points, Dr. Peterson states. They are:

(1) Though Missouri banks have increased in number since 1945, the most substantial growth has been by state-chartered banks not members of the Fed.

(2) The number of state-chartered banks that are members of the Fed has decreased steadily during the period studied.

(3) Measured by rate of growth and percentage increases in total assets, deposits, loans and discounts and securities owned, the most aggressive banks are the state non-member banks.

(4) In general, the pattern of growth and decline experienced by Missouri banks occurred throughout the United States.

The increased rate of expansion of the country's economy during the last 23 years is underlined by one phase of Dr. Peterson's study. Studying FDIC year-end call reports, he found that the number of non-member banks in Missouri increased 104% during the five years 1945-1950 as opposed to 128% during 1945-1968.

During this same period, the number of national banks was increased by

23%, but the number of state banks that are Fed members decreased 25%.

The rise in average bank assets underlines the progress made by the non-member banks. From 1945 to 1968 the average size of national banks rose from \$23,000,000 to \$56,000,000, an increase of roughly 118%. But average assets of state member banks rose only from \$17,000,000 to \$28,000,000, an increase of approximately 40%. In contrast, average assets of non-member banks soared from \$2,000,000 to \$10,000,000, a ballooning of 400%.

Dr. Peterson suggests that these figures show that "Missouri has a proliferation of relatively small unit banks with the larger banks generally being chartered nationally rather than under state law."

To support this conclusion, his study contains a table that shows populations of the towns and cities in which Missouri banks are located. In 1968 the state had 667 banks, of which 423 were in towns of 5,000 population or less. Towns from 5,001 to 60,000 population were served by 151 banks, 60,001 to 200,000 by 22 banks, over 200,000 by 71 banks. In other words, close to two-thirds of Missouri's banks are located in the state's villages.

Although Dr. Peterson does not say so, it is obvious that these village banks compose the majority of the non-member banks and that it is in the small towns of the state that the most substantial advances in economic well-being have been obtained.

We all know that demand and time deposits of banks have soared since 1945, but Dr. Peterson pinpoints this increase in terms of the three categories of banks. From 1945 to 1968 on the basis of FDIC year-end call reports, time deposits of Missouri's national banks rose from \$200,000,000 to \$1,670,000,000, an increase of well over 700%. Time deposits of state-member banks rose from \$270,000,000 to \$790,000,000, a rise of close to 200%. But again look at what the non-member banks did. In 1945 their time deposits totaled \$140,000,000 compared with \$2,110,000,000 in 1968, a rise of almost exactly 1,400%.

One factor influencing the marked disparity in time-deposit increase between member and non-member banks, Dr. Peterson explains, is that during this period one of the state's larger member banks converted from a state to a national charter. Nonethe-

less, who can argue with a boost of 1,400%?

Graphs prepared by Dr. Peterson show that the increase in loans and discounts of non-member banks paralleled almost exactly that of national banks, as did the totals of securities owned by the two classes of banks. However, state-member banks lagged behind both national and non-member banks in adding to loans and discounts and even more significantly in amounts of securities owned.

Federal Reserve Officer Dies of Heart Attack

ST. LOUIS—Wilbur H. Isbell, 50, senior vice president, Federal Reserve Bank, died of a heart attack August 21 at his home.

Mr. Isbell joined the St. Louis Fed in 1943 as a member of the examination staff. In 1955 he was transferred to the Memphis Branch, where he was assistant manager and cashier. He returned to St. Louis in 1957 and was promoted to senior vice president last January.



ISEBELL

Osborn, Carpenter Promoted At First National, Joplin

JOPLIN—First National recently promoted Mrs. Mary D. Osborn and Allen D. Carpenter to second vice presidents. Mrs. Osborn is a new accounts officer and supervisor of the tellers in the cashiers division. She joined the bank in 1944 as a paying and receiving teller at the Camp Crowder facility of First National.



OSBORN CARPENTER

Mr. Carpenter joined the bank in 1966 as a teller in the motor bank. In 1967 he was made supervisor of the motor bank and later was elected an assistant cashier. He was transferred to the main bank in 1968 and was made a new accounts officer.

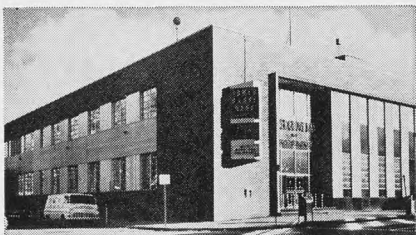
■ JEFFERSON TRUST, Hillsboro, recently elected Tobe Monday a director. Mr. Monday has been in the safe and vault business 45 years and has provided equipment used in banks throughout the country, including that used at Jefferson Trust and Bank of House Springs.

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AIB Launches Membership Goal in St. Louis



THE AIB's St. Louis Chapter launched its 1970 membership and enrollment drive last month with a "kickoff dinner rally" attended by bank representatives from the St. Louis area. This year's membership goal is 2,450, with class enrollments of over 1,400. Guest of honor and speaker was the AIB's national president (seated left), Thomas A. Dinkel, a.v.p., Central Bank, Denver. He is pictured here with Clarence C. Barksdale (r.), pres., 1st Nat'l, St. Louis, a member of the AIB's advisory committee, and St. Louis Chapter President Robert J. Greise, a.v.p., 1st Nat'l, Clayton.

Index to Advertisers

American Bank Contractors, Inc.	143
American Fletcher Nat'l Bank & Tr. Co., Indianapolis	26
American Nat'l Bank & Tr. Co., Chattanooga	21
American Nat'l Bank & Tr. Co., Chicago	15
Amite County Bank, Gloster/Liberty, Miss.	103
Bancardchek	117
Bank Building Corp.	19, 20
Bank of New Orleans	56, 60, 62
Bank of New York	5
Bank of the Southwest, Houston	27
Bank Personnel Clearing House	152
Bank Services, Inc.	62
Bankers Trust Co.	14
Birmingham Trust National Bank	129
Bunn Winter Associates, Inc.	9
Career Girl Coordinates, Inc.	70
Central National Bank, Chicago	119
Central Trust Co., Cincinnati	52
Chase Manhattan Bank	29
Checks, Inc.	94
Chemical Bank	91
Chicago Mercantile Exchange	83
Citizens Fidelity Bank, Louisville	125
Citizens National Bank, Decatur, Ill.	8
City Nat'l Bank & Trust Co., Kansas City	47
Commerce Bank, Kansas City	144
Commercial National Bank, Kansas City, Kan.	142
Commercial National Bank, Little Rock	130
Continental Illinois Nat'l Bank & Tr. Co.	36
Dalton & Associates, W. M.	80
D'Armigene, Inc.	82
Data Recognition Corp.	33
De Luxe Check Printers, Inc.	35
Deposit Guaranty Nat'l Bank, Jackson, Miss.	131
Detroit Bank & Trust Co.	17
Diebold, Inc.	51
Doane Agricultural Service, Inc.	112
Dorcia Originals	81
Douglas-Guardian Warehouse Corp.	111
Downey Co., C. L.	89
DuPont Co.	71
Farm Business Council, Inc.	152
First American National Bank, Nashville	113
First City Nat'l Bank, Houston	49
First National Bank, Birmingham	61
First National Bank, Chicago	121
First National Bank, Fort Worth	137
First National Bank, Jackson, Miss.	103
First National Bank, Kansas City	38
First National Bank, Louisville	87
First National Bank, Memphis	23
First National Bank, Meridian	110
First National Bank, Montgomery	114
First National Bank, St. Louis	Back Cover

First Nat'l Bank & Tr. Co., Oklahoma City	101
First Nat'l Bank & Tr. Co., Tulsa	54
First Nat'l City Bank of New York	139
Foley Manufacturing Co.	112
Foundation for Full Service Banks	95
Franklin National Bank	52
Gettings	88
Guaranty Bank & Trust Co., Alexandria	107
Hamilton National Bank, Chattanooga	127
Hamilton Tailoring Co.	65
Harris Trust & Savings Bank, Chicago	93
Heirloom Bible	28
Helein Company	96
Heller & Co., Walter E.	31
Hibernia Nat'l Bank, New Orleans	53
Indiana National Bank	123
Integon Corp.	16
Lawrence Warehouse Co.	30
Liberty Nat'l Bank & Trust Co., Oklahoma City	2
Louisiana National Bank, Baton Rouge	99
Lundia, Myers Industries	63
Manchester Bank, St. Louis	149
Manufacturers Hanover Trust Co., New York	22
Marcus Creative Image, Herman	69
Mercantile National Bank, Dallas	78, 79
Mercantile Trust Co., St. Louis	105
Millikin National Bank, Decatur, Ill.	4
Mississippi Bank & Trust Co.	130
Missouri Envelope Co.	152
Mobile Homes Manufacturers Assoc.	25
Money Machine, Inc.	97
Mosler Safe Co.	11
National Bank of Tulsa	45
National Boulevard Bank of Chicago	86
National Stock Yards National Bank	153
Northern Trust Co., Chicago	6
Ozark Air Lines, Inc.	141
Palumbo & Co., Inc., George	12
Rand McNally & Co.	104
Republic National Bank, Dallas	58
Rollins Blazers, Inc., Robert	76
Salem China Co.	90
Scarborough & Co.	3
Security Safe Deposit Box Corp.	109
Security Pacific National Bank, Los Angeles	85
Silvey Companies	134
Simpson, Inc., J. B.	67
Starlite Uniforms, Inc.	73
Stevens & Co., Inc., J. P.	75
Studley, Shupert Trust Investment Council	24
Talcott, Inc., James	115
Third National Bank, Nashville	57
Tower Grove Bank & Trust Co., St. Louis	151
Trust Company of Georgia	13

Union National Bank, Little Rock	135
Union National Bank, Springfield, Mo.	147
Union Planters National Bank, Memphis	106
Vance & Associates, Robert B.	77
Whitney National Bank, New Orleans	133
Womeldorff & Lindsey	152

■ CLIFTON B. ALLEN, auditor, Kentucky Trust, Louisville, recently was elected Kentucky state director of the Bank Administration Institute. He was formerly president of the Kentuckiana Chapter of BAI. Mr. Allen joined Kentucky Trust in 1951, became assistant auditor in 1961 and auditor in 1966. In 1969 he was elected assistant comptroller of First National trustees.

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