



MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley & Southwest

NOVEMBER, 1970

Bank Premiums Are BIG—Part 2

What Do Customers Think of Bank Premiums?

An Exclusive MCB Report—Page 23

The Value of Bank Premiums—Page 24

Wigs: Quick Deposit Builders—Page 25

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Importance of Staff Enthusiasm—Page 32

Premium Issue • *Premium Issue* • Premium Issue • *Premium Issue*

You ask about . . . "a piece of the action"

Q
A

Is it necessary to use an SBIC to earn more than interest on a commercial loan?

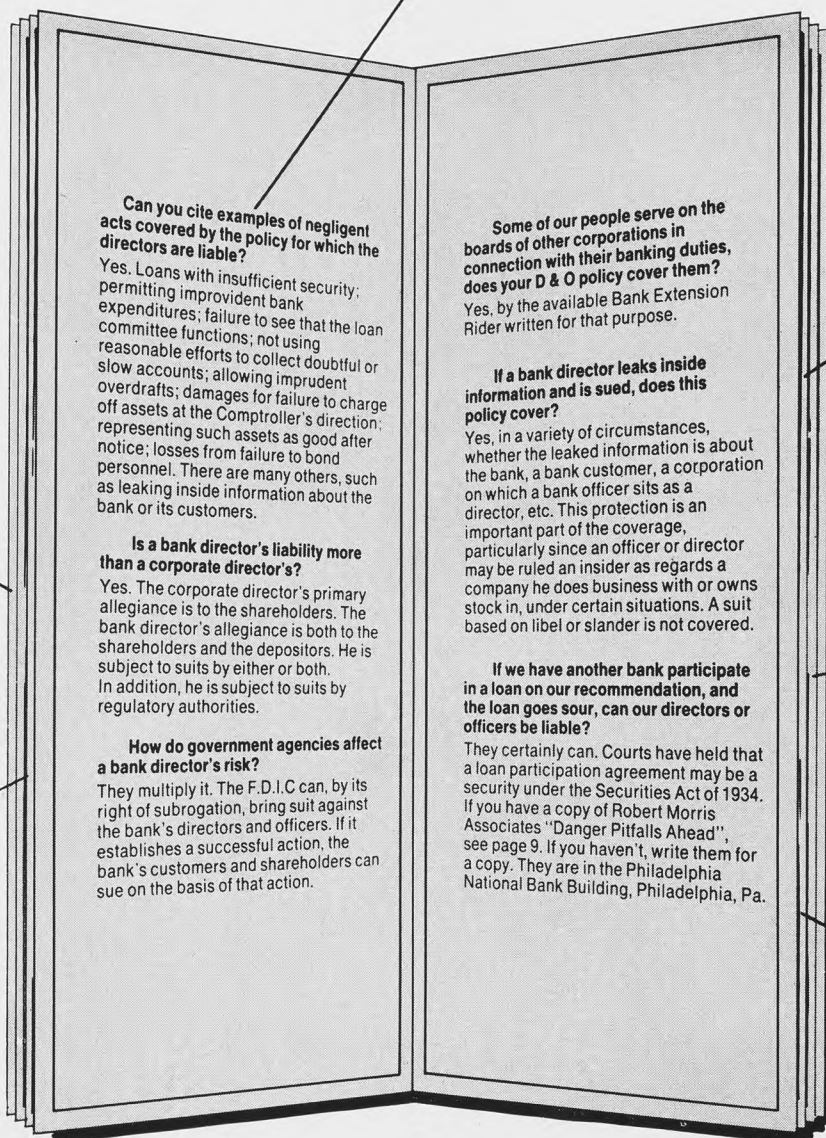
Not at all! We would welcome the opportunity of sharing with your bank the working knowledge we have gained concerning Comptroller's Ruling Number 7312 on this vitally important subject. With interest rates at record levels, there may never be a better time to explore this intriguing new approach to commercial lending.

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This is the kind of direct question and informative answer you will find throughout the booklet. Mail coupon for your copy.



Isn't D & O insurance really intended for industrial firms, not banks? See answer No. 1 in booklet.

We indemnify directors against loss in our by-laws, why do we need D & O? See answer No. 23.

Can you cite examples of negligent acts covered by the policy for which the directors are liable?

Yes. Loans with insufficient security; permitting improvident bank expenditures; failure to see that the loan committee functions; not using reasonable efforts to collect doubtful or slow accounts; allowing imprudent overdrafts; damages for failure to charge off assets at the Comptroller's direction; representing such assets as good after notice; losses from failure to bond personnel. There are many others, such as leaking inside information about the bank or its customers.

Is a bank director's liability more than a corporate director's?

Yes. The corporate director's primary allegiance is to the shareholders. The bank director's allegiance is both to the shareholders and the depositors. He is subject to suits by either or both. In addition, he is subject to suits by regulatory authorities.

How do government agencies affect a bank director's risk?

They multiply it. The F.D.I.C can, by its right of subrogation, bring suit against the bank's directors and officers. If it establishes a successful action, the bank's customers and shareholders can sue on the basis of that action.

Some of our people serve on the boards of other corporations in connection with their banking duties, does your D & O policy cover them?

Yes, by the available Bank Extension Rider written for that purpose.

If a bank director leaks inside information and is sued, does this policy cover?

Yes, in a variety of circumstances, whether the leaked information is about the bank, a bank customer, a corporation on which a bank officer sits as a director, etc. This protection is an important part of the coverage, particularly since an officer or director may be ruled an insider as regards a company he does business with or owns stock in, under certain situations. A suit based on libel or slander is not covered.

If we have another bank participate in a loan on our recommendation, and the loan goes sour, can our directors or officers be liable?

They certainly can. Courts have held that a loan participation agreement may be a security under the Securities Act of 1934. If you have a copy of Robert Morris Associates "Danger Pitfalls Ahead", see page 9. If you haven't, write them for a copy. They are in the Philadelphia National Bank Building, Philadelphia, Pa.

If the bank indemnifies a director after a stockholder's suit, why can payment be blocked? See answer No. 30 when you receive the booklet.

If an employee reveals damaging confidential bank information about a customer, can the directors be sued? See answer No. 39.

Do bank directors pay a portion of the D & O premium? Read the discussion in answer No. 27.

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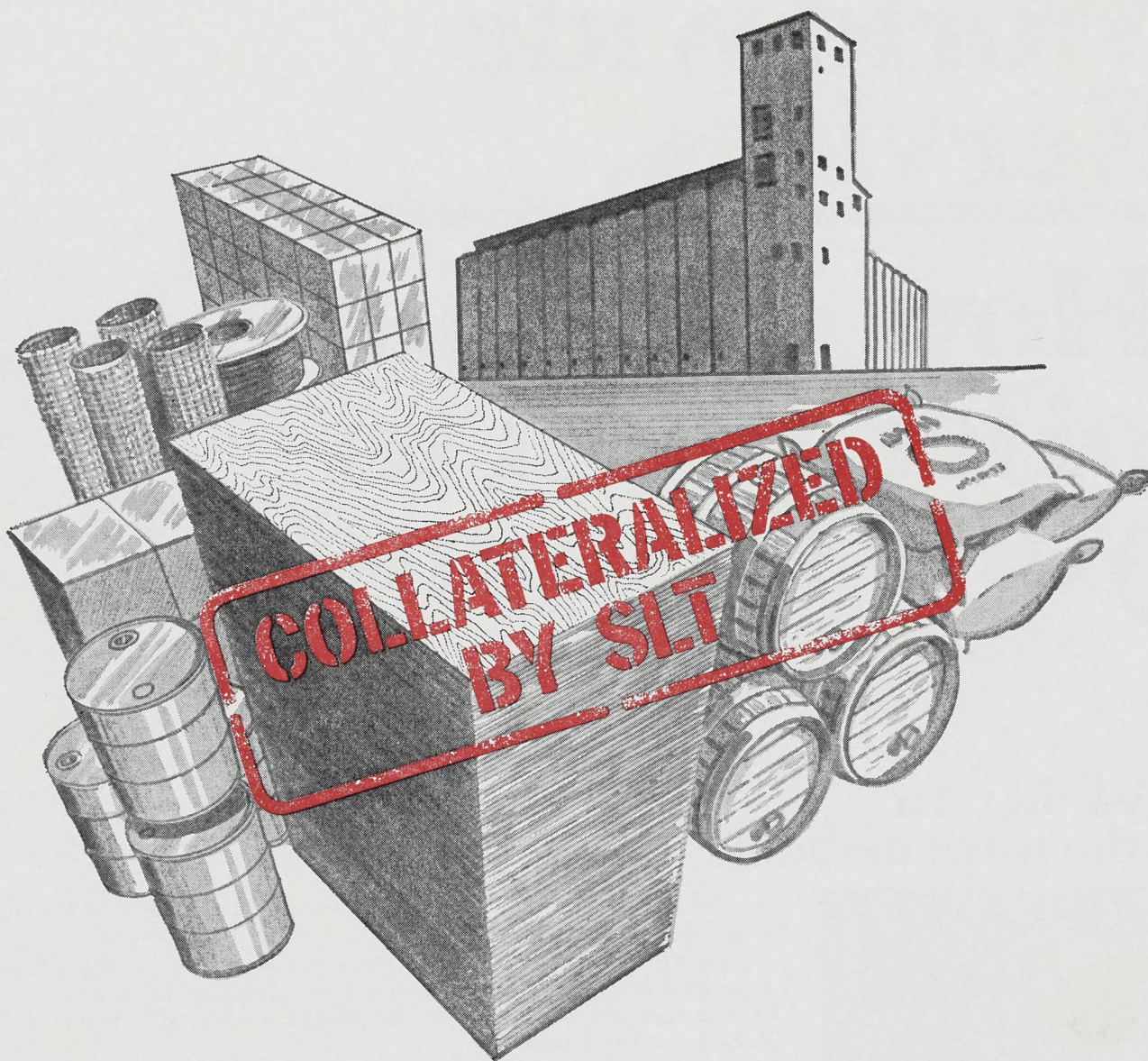
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**Baylis, McLees, Four Others
Are Named to New Posts
At Bankers Trust, N.Y.C.**

NEW YORK—Bankers Trust recently announced several appointments in its top managerial staff.

Chester Baylis Jr., executive vice president, has been named chairman of the bank's executive committee and will spend full time in the general management of the bank. Succeeding Mr. Baylis as head of the banking department is Joseph R. McLees, elected executive vice president.



McLEES



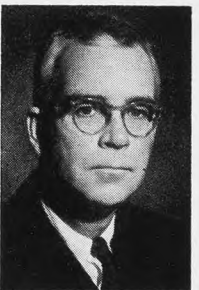
BAYLIS



EBERT



FARNUM



LEARY



CAMPBELL

Also elected executive vice presidents were Edmund F. Ebert, in charge of resources management, and C. Wadsworth Farnum, in charge of the fiduciary departments.

Fred J. Leary Jr., senior vice president, has been appointed head of the bank's lending policy group, which has bank-wide responsibility for the quality and profitability of the loan portfolio. Succeeding Mr. Leary as head of the national banking department is James K. Campbell, senior vice president. Mr. Campbell formerly was first vice president in the eastern division.

MID-CONTINENT BANKER



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THE BANKING SCENE



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

Black and White Banking

IT WAS and is a most challenging experience to me to be invited to address the 43rd annual National Bankers Association convention. The meeting was held in mid-October in St. Louis.

While the NBA is primarily composed of what is currently called black or minority banks and most of the program's speakers and attendees were black or minority bankers, it is interesting to note the high caliber of some of the other white speakers. They included ABA's new president, Clifford C. Sommer; ABA's former executive vice president and currently Under Secretary of the Treasury, Charls E. Walker; Chase Manhattan Bank's vice president for economics, William C. Butler; Louis Allen, president of Chase Manhattan Capital Corp., and Theodore Cross, editor-publisher of *The Bankers Magazine*. President Nixon was unable to attend, but he sent a personal telegram to the convention expressing his interest and confidence in the increasingly important role black and minority bankers are achieving in the national financial and social structure. Mayor A. J. Cervantes of St. Louis in person expressed gratification to the NBA for choosing St. Louis for their convention.

While the names of many of the minority bankers would not be recognized by most white bankers, and only a small number can be mentioned here, they represented a most impressive, significant, financial elite. They included Thomas A. Wood, president, TAW International Leasing, Inc., and a director of Chase Manhattan Bank; Dr. Clifford Davis, head of Clifford Chemicals of New Jersey and director of Freedom National Bank of New York; Dr. Edward D. Irons, NBA executive director; I. O. Funderburg, executive vice president, Gateway National, St. Louis, and his director, George L. Montgomery, who was prime mover in establishing that bank, and Anthony L. Maxwell, president,

Pan American National, East Los Angeles.

It is because so few white bankers are familiar with the NBA and its members that my (I hope objective) observations may in part serve to bridge that information gap. First, one must plug some statistical numbers: There are over 13,000 commercial banks in the United States, and most belong to the ABA. There are only 26 minority banks that comprise the National Bankers Association. Incidentally, most of them also belong to the ABA. Hundreds of billions of dollars of assets are the resources of the ABA's banks. The NBA's member-bank resources as of mid-year 1970 comprised only slightly more than \$300 million. Yet, if one went back only 10 years earlier, the NBA's totals amounted to the most modest figure of only

\$45 million for its then 10 member banks.

These numbers are deceptive if one overlooks the dynamism currently at work. Next year the NBA's totals will be over \$400 million, an increase of over one third. Needless to say, "white" banks will *not* show anything like that growth. Some of the increased growth of black-minority banks will be natural in the sense that it will represent the slow but sure penetration of their existing market areas, which, for the most part, are inner-city areas, though there are some significant exceptions such as in Detroit. However, a major part of the increase will be "induced" by substantial exterior forces, including \$35,000,000 by the U. S. Treasury and \$65,000,000 from private industry. The latter portion are to be deposits from major corporations that recognize that many of their employees and customers are black or minority individuals and firms. They hope that through building up the financial strength of the black and minority banks, these banks in turn can then do more in the way of meeting the financial and *other* needs of their minority customers who find it most difficult to obtain loans for education, housing and new-business formation from any source.

In the last two years, a new and strengthening dimension has been added to the NBA that is not apparent from the above numbers. It is the participation of black bankers who work in major white banks. These bankers are becoming resource individuals in cooperating not only with the more ambitious financial ventures of the black banks along correspondent banking lines, but they have become very attractive to a number of wealthy black entrepreneurs. The latter recognize that one of the most significant problems in establishing a new black bank is the federal and state banking regulations' requirement that a proposed bank's founders be able to pro-

(Continued on page 96)

Black Training Program

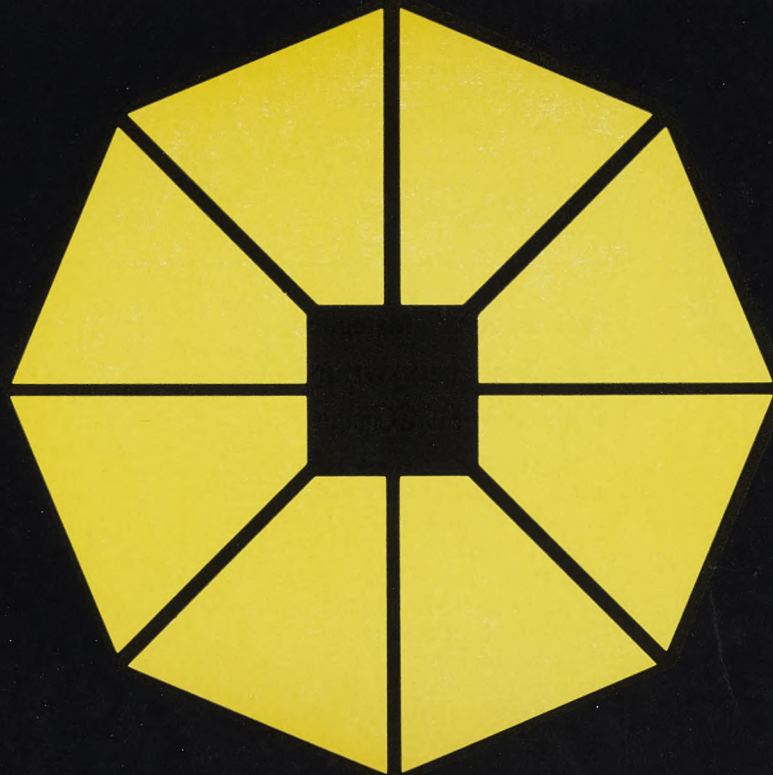
The National Bankers Association and American Bankers Association recently announced that they have started recruiting for a middle-management training program for 50 black bankers.

This is the second year of the program designed to provide increased management resources for banks owned by blacks and other minority groups.

In the program's first year, 21 trainees underwent a year of intensive, specialized training in banking. They were graduated last June and have been placed in banks, mostly black-owned, throughout the country.

Each trainee is sponsored by an ABA member bank and receives a stipend ranging between \$6,000 and \$9,000 during the one-year training period, depending on his past experience.

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The Mystery Gift Card invites the recipient to attend your Grand Opening. Visitors are asked to bring their card with them, to learn if they have won a free gift with their Mystery Gift Card. A Mystery Message and a fanfare of trumpets announce a winner!

How Does the "MYSTERY TELLER" Make Customers Out of Visitors?

Winner or not, each visitor can select one of the same gifts when he opens a new account. In established offices, visitors who add to existing savings accounts should also be permitted to choose from gifts offered to "MYSTERY TELLER" winners.

Premiums Provide Strategy for High Conversion Ratio

Use of many low-cost prizes brings in the most traffic; the more traffic you have, the more new accounts you get!

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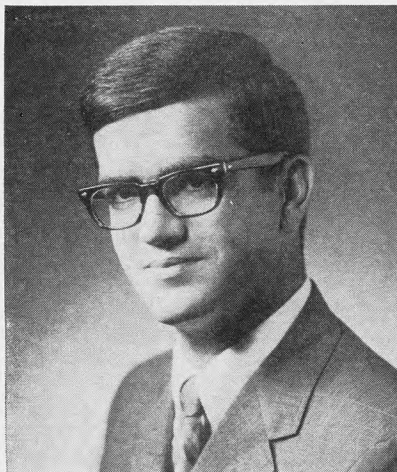
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CORPORATE NEWS ROUNDUP

• **John H. Harland Co.** A new printing plant recently was opened in Houston by John H. Harland Co., headquartered in Atlanta. The new plant occupies 5,300 square feet and has a printing capacity of 1½ million checks a week.



HATCHER BROGAN

Manager of the plant is Gene Hatcher, former manager of Harland's Miami Office. Bill Brogan, previously associated with 3M Co., is sales representative.

• **Delta Corp.** Don Knust recently joined Delta Corp., headquartered in Miami, as a regional vice president. He will be responsible for establishing a new regional territory for Delta, with headquarters in South Bend, Ind. The new region will include Illinois, Indiana, Michigan, Ohio, Pennsylvania, West Virginia, Virginia and Kentucky.

Previously, Mr. Knust was assistant vice president in sales promotion and factory relations, Associates Financial Services Corp., South Bend. He had been with the company 24 years.

• **Geo. F. Brown & Sons, Inc.** An announcement was made recently by Geo. F. Brown & Sons, Inc., headquartered in Chicago, that an excess market has been arranged in the interstate insurance group for all risk physical loss or damage coverage. This comes in response to a reduction in primary markets from a \$5-million to \$2-million limit.

The coverage protects mortgagees, such as banks and savings and loan associations, from physical losses to real property on which mortgages have been made. The interstate group has secured reinsurance to provide immediate binding up to \$3 million excess of \$2 million.

• **Foremost Insurance Co.** Raymond C. Weedon recently was named district manager for central Illinois in the Illinois division, Foremost Insurance Co., headquartered in Grand Rapids, Mich. Before joining Foremost, Mr. Weedon was an underwriter, American Automobile Association, St. Louis, for three years. Before that, he was a district manager for Universal CIT Credit Corp. for 13 years.

News of Firms Serving Banks

• **Mobile Americana Corp.** E. E. (Ed) Davis recently was named manager of the new Kansas City regional office, Mobile Americana Corp., headquartered in St. Paul, Minn. The new office will be responsible for servicing lenders and mobile home dealers in Missouri, eastern Kansas and southern Illinois.

Before joining Mobile Americana, Mr. Davis served as assistant vice president and regional supervisor, Delta Corp. of America, Miami.

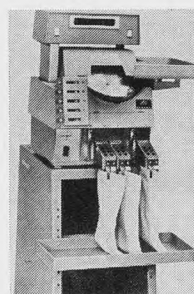
• **Mosler Safe Co.** Clinton M. Starks recently was named the new president of Mosler Safe Co., Hamilton, O. He succeeds William A. Marquard Jr., who is now a director, senior executive vice president and chief operating officer, American-Standard.



STARKS

Mr. Starks joined Mosler in 1959 as Hamilton plant manager of manufacturing. He was promoted to vice president in 1963 and was appointed general manager of the bank and commercial division in 1967. He has served as executive vice president since 1968.

• **Brandt Automatic Cashier Co.** A new coin sorter and counter with an electronic readout has been introduced



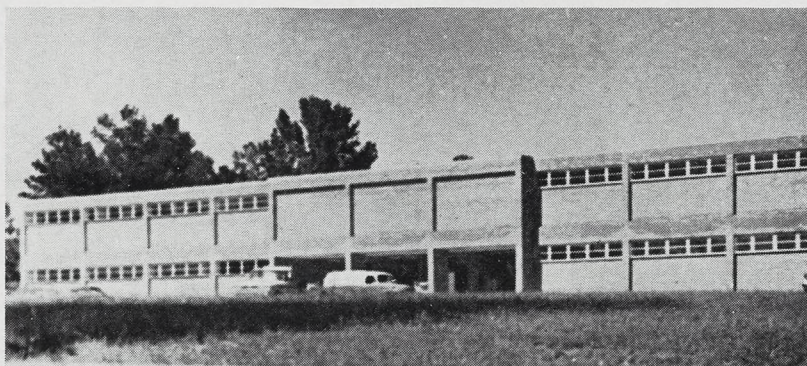
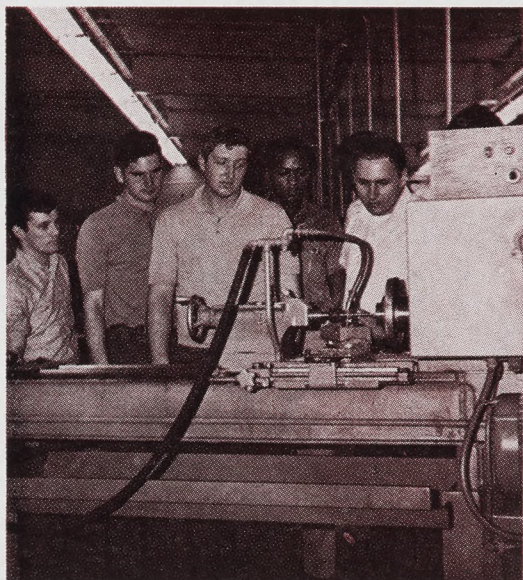
by the Brandt Automatic Cashier Co., Watertown, Wis. The new model, known as the 685, provides an instantaneous batch total of all the mixed coins being sorted. The

electronic readout is positioned at eye level and provides a running total in dollars and cents. It can be cleared at the end of a batch, when changing operators or can be left for a cumulative reading at the end of the day.

The model also provides a separate dollars-and-cents counter for each coin denomination which can be cleared independently. Hundreds of coins a minute are automatically sorted into drawers or bags or a combination of both depending on the needs of the operation.

McComb, Mississippi

Growth Center of Southwest Mississippi



Excellence of educational and vocational training facilities is one of the primary reasons why the McComb area has great potential for outstanding economic development. The McComb School District employs some of the newest, most sophisticated teaching methods and is considered by several top educators as one of the most outstanding educational programs in the nation. A vocational-technical training facility offers a broad range of job skills to meet any industrial need of the area.

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MID-CONTINENT BANKER for November, 1970

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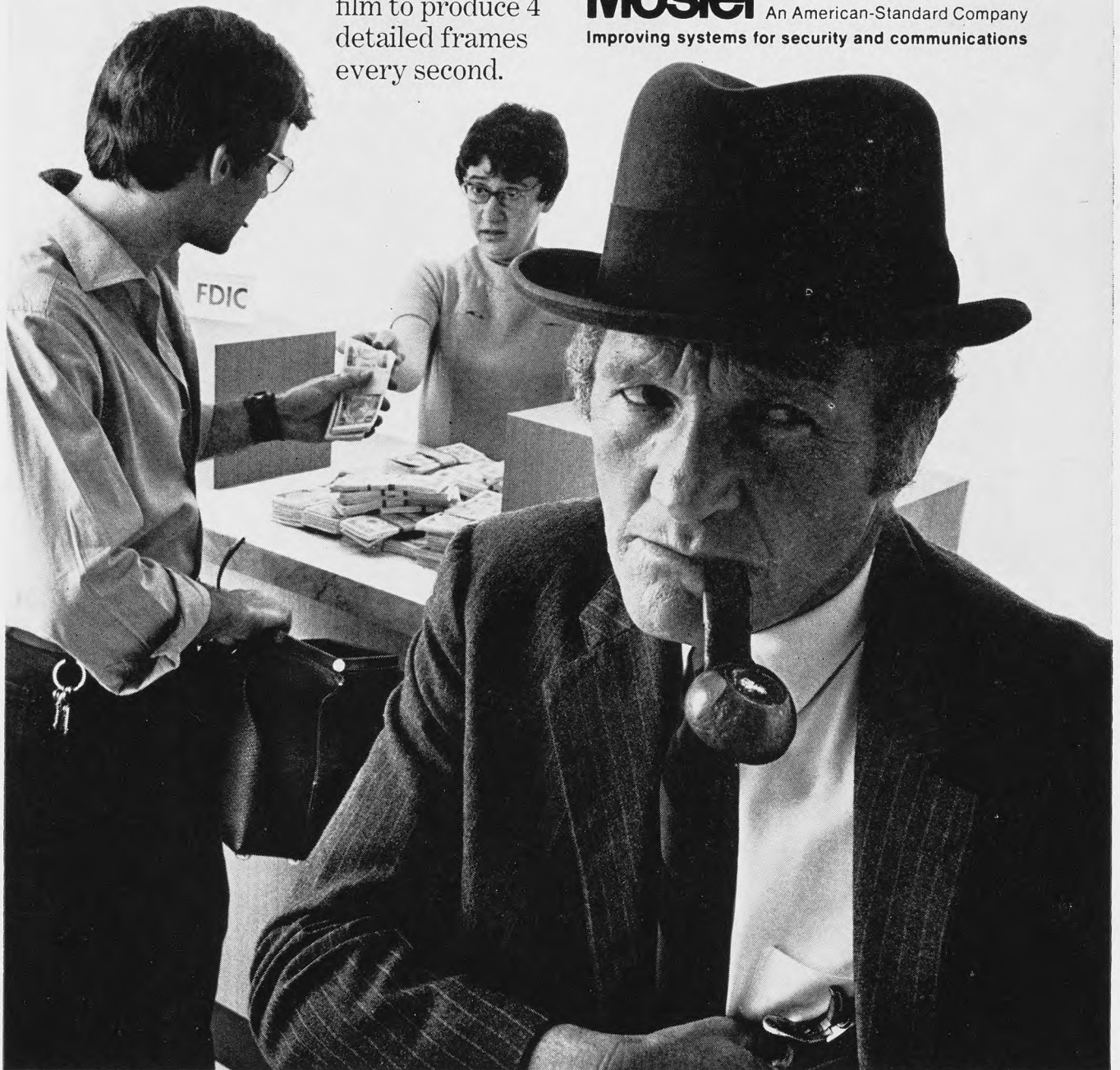
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MID-CONTINENT BANKER

NEWS ROUNDUP

News From Around the Nation

PEOPLE

• GORDON T. WALLIS will become president and chief executive officer of Charter New York Corp., a registered bank holding company, and chairman and CEO of the firm's principal affiliate, New York City's Irving Trust. Both appointments will take effect December 13 on the retirement of GEORGE A. MURPHY, currently chairman and CEO of Charter New York and Irving Trust. Mr. Murphy will become chairman of the executive committee of Charter New York. WILLIAM E. PETERSEN will become vice chairman of the bank and ARTHUR G. BOARDMAN JR. president, also on December 13.

Mr. Wallis is now chairman of the Irving; Mr. Petersen is president, and Mr. Boardman is senior executive vice president.

In other action at Charter New York (to take effect December 13), Oren Root has been elected chairman; Wesley Lindow vice chairman and John J. Macklin executive vice president. Mr. Boardman was elected to the firm's board, effective immediately.



These officers will fill new posts at Irving Trust beginning December 13. They are: Gordon T. Wallis (standing), who will be ch. and CEO; Arthur G. Boardman Jr. (seated, l.), who will be pres., and William E. Petersen (seated, r.), who will be vice ch. Mr. Wallis also will be pres. and CEO of Charter New York Corp.

• VAL E. BOEH, retired senior vice president and director, Central Trust, Cincinnati, died October 2. During his 50 years of banking, Mr. Boeh often was called "the father of consumer credit" in Cincinnati.

Mutuals Seek Checking Accounts

Checking-account powers for mutual savings banks were called for recently by Frederick C. Ober, president, National Association of Mutual Savings Banks. According to Mr. Ober, who was speaking before the Savings Banks' Association of Connecticut, attainment of such powers is a "critical next step toward full-service savings banking."

Originally, he said, savings banks dedicated themselves primarily to providing a means whereby the working man could save profitably and safely toward a secure financial future. However, now the industry must seek "authority to provide the consumer with nothing less than the full range of modern competitive banking services that he will require over his entire economic life cycle." Among these new service authorities, Mr. Ober listed—in addition to checking accounts—credit cards, money-transfer accounts, trust services and a form of equity participation for depositors.

The savings bank industry must seek to provide this broadened package of personal banking services not only for the 81 million residents of the 18 savings bank states, said Mr. Ober, but for the 200 million consumers living in all 50 states through achievement of a dual chartering system.

Low-Income Installment Credit Plan

A pilot program to provide personal, installment-credit-type loans to low-income consumers will be participated in next year by about 20 to 25 commercial banks. The Consumers Bankers Association will sponsor the project.

The CBA hopes that from the participating banks' experiences over an 18-month period, guidelines and statistics will be developed to help the consumer banking industry as a whole extend credit to low-income individuals.

Under the program, loans will be made for the "normal run of merchandise, such as furniture, to pay doctor bills, to purchase a bed for a child and not for rent or food," according to Robert A. Fischer, CBA executive vice president. He said that individuals must be educated first to the fact these loans will be available, and banks may be encouraged to work closely with inner-city organizations to publicize the project to low-income people.

New Truth-in-Lending Form

The Missouri Bankers Association's agriculture committee has devised an agricultural loan, security agreement and truth-in-lending disclosure form designed to simplify certain farm loans. The form has been found by the Federal Reserve System's Board of Governors to meet the truth-in-lending disclosure requirements of Section 226.8 of Regulation Z.

Although the one-page form was designed specifically for Missouri, MBA officials believe it could be used by country banks in nearly all states that have adopted the Uniform Commercial Code. The MBA emphasized that banks using the form should be careful to see that all its provisions are printed on one side of a single page. The association also cautioned that the form should be used only for agricultural credit made pursuant to a written agreement and in which dates or amounts of advances or repayments are not known at the time the agreement is signed.

If a transaction contains conditions that cannot be set out conveniently on the form, said the MBA, care should be taken to insure that all disclosures required by Truth-in-Lending be appropriately given.

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We believe in you.

First National Bank of Kansas City

What Do Bank Customers Think of Premiums?

MCB survey shows that public favors premium promotions; retention rate is excellent

By **JIM FABIAN**
Associate Editor

NUMEROUS are the bank marketing people who have spent sleepless nights wondering how their bank's premium promotion would fare with the public. Would the promotion be accepted gladly, or would customers turn up their noses in disdain and continue to stash their cash under the mattress or, worse still, in a competing bank?

Has any bank or other organization conducted a poll of bank customers on a wide geographical basis to learn what they think of premiums? Not to our knowledge. Perhaps this lack of questioning of customers on the part of marketing people is based on a fear of eliciting a negative response or opening a can of worms that could put premiums in a bad light.

MID-CONTINENT BANKER's editors thought otherwise. Just as the majority of shoppers seem to prefer trading stamps, so the majority of bank customers are in favor of bank utilization of premiums.

It was difficult to locate banks that would cooperate in a survey to determine customer reaction to bank premiums; however, enough institutions were found to enable MCB to conduct a meaningful sampling of bank customers in three geographical areas of the nation: East, Midwest and South.

Following are the results of the sur-

vey—results that should enable bank marketing personnel and premium suppliers to sleep better from now on.

Banks cooperating in the survey sent MCB's questionnaire to a portion of their customers that had recently participated in a premium promotion. The customers, in most instances, returned their questionnaires direct to MCB for opening and tabulation. More than 1,000 forms were mailed.

The questionnaire was designed to

determine whether customers felt their premiums were useful, whether their accounts were still active, if they had added deposits to the accounts since receiving their premiums and whether or not they would consider moving their accounts to other banks offering attractive premiums.

Customers were also queried concerning their opinions on whether banks should use premiums, whether premium use degraded a bank's image and whether banks should be restricted in their choice of premiums.

Of the geographical areas included in the survey, approximately 25% of the recipients in the Midwest responded, the highest rate of return. Eastern customers came in second with a 23.7% response. Southerners responded at a rate of 15.5%.

Customers in all three areas were enthusiastic in their support of bank premiums. Seventy-eight percent responded that the premium they received was useful. Ninety percent stated their account was still active and 67% had added to their accounts since receiving their premiums. Eighty-one percent stated they would not move their funds to another bank if that bank offered an attractive premium. Fifty-nine percent favored the use of premiums by banks to encourage new business, while 67% stated that a bank's image was not diminished

(Continued on page 58)

Mr. Tweedy



"For opening a savings account of that size what kind of a free gift do I get?"

Courtesy General Features Corp.

BY REPUTATION, First National is the most conservative bank in the state of South Carolina. Such a reputation is good on the one hand and bad on the other, and in the area of savings deposits it presented a problem. We were handicapped in that we were not competitive in interest rates with other banks throughout the state. When our competitors elected to increase their rates on various types of savings accounts, ours remained at 4%.



WOFFORD

It was our feeling that if our customers would leave us to get 5% on their savings, they would also take their accounts to any other institution that offered 6%. These people are not savers; they are more correctly termed "investors," and our competition was basically going after the investor. Some were offering accounts that paid 5%

tunity for us to encourage our smaller savings customers to add to their accounts and also to get the non-saver to begin to save regularly. To accomplish this would render a valuable service to the public while building the bank's deposits as well.

After many months of study and exploration and learning of the success of many banks, a decision was reached to conduct a premium program for savings deposits. An attractive, high-quality stainless tableware was selected as the vehicle.

Such a program is usually the brain-child of the advertising or marketing department, but it must have the full support of management. Without it, a program cannot succeed. Many bankers who were once opposed to premiums are very enthusiastic today, because they have seen them work. But there are still the die-hards who have many arguments against using premiums. For example, they will say that premium hunters will open accounts for the minimum requirement and soon close them out; or that giveaways

briefly tell you how it works. When a customer makes his first deposit, he receives a free premium which by itself is of little or no value, such as one place setting of tableware. To complete the set, he must make additional deposits of a specified minimum amount, and each time he may purchase an additional unit at a price well below the retail price of a comparable article. The bank has a mark-up in each set, and with each subsequent purchase, recoups a portion of the cost of the initial giveaway item. With our particular program, each place setting cost approximately \$2. Our mark-up was 79 cents, so after each customer had purchased three sets at \$2.79 each, we had liquidated the expense of the free gift.

The continuity promotion has another desirable feature which should not be overlooked. We wanted to keep the customers coming back into the bank to allow our staff an opportunity to cross-sell. Also, it encourages the customer to continue to save.

Having decided on the program that

The Value of Customer Premiums

but required minimum opening deposits of \$1,000 and 90-day withdrawal notice. Others had similar plans requiring \$500 deposits. While the interest rate on these plans was attractive, the minimum deposit and withdrawal requirements limited their use to the minority of the more affluent customers. Furthermore, our competitors were not aggressively seeking passbook savings, which left the field open to us to appeal to the smaller saver.

In an effort to improve our situation, our marketing division made an extensive study into the possibility of a savings premium program, keeping in mind these goals: (1) To attract savings deposits. (2) To become more retail oriented. (3) To generate the interest and support of our staff.

Research showed that many of the nation's largest banks had attained substantial savings deposit growth by appealing to the mass market of small savers—those who may not have the money or the desire to invest large sums in CDs. These banks had found a vast market of people who save in regular passbook savings accounts; and also that there are many people who do not save regularly but who need and want to establish the regular savings habit. There was a great oppor-

By JEAN G. WOFFORD

**Assistant Vice President
First National of South Carolina
Spartanburg**

are harmful to the bank's image; or that our local merchants will be dissatisfied with the bank for offering an item that they sell; or that the program costs too much. Actual case studies have dispelled these misconceptions.

Why did we chose stainless tableware? An ABA publication, *Customer Premiums—How to Use Them as a Bank Marketing Tool*, points out that "Women are more responsive than men to premium offers. (Savings accounts are primarily handled by women; checking accounts are more often handled by men.) Consequently, most incentive programs for banks are designed for feminine appeal and are aimed at building the bank's savings business." And, certainly, tableware fitted these qualifications. Other factors influenced our decision—ease of storage and the non-breakable feature.

In premium programs, there are two basic approaches—a one-shot deal and the continuity promotion. Our bank selected the continuity program. Let me

we think will do the job for us, we must now implement it. We knew that success or failure ultimately depended upon the selling efforts of our staff and their knowledge of and enthusiasm for the program. Engraved invitations to breakfast were mailed to each employee's home, and they were told nothing in advance.

At 7 on the appointed morning they arrived. We operate in 18 cities throughout South Carolina and similar meetings were held in each city. The senior officer in each office welcomed his employees, thanked them for coming to the special breakfast meeting and told them briefly about the importance of savings accounts both to our bank and our customers.

Wrapped packages containing a place setting of the tableware had been placed at each place, and each person was asked to open his package at that time.

The entire program was explained in detail to the employees at the breakfast meeting: For each \$25 or more deposited in a new savings account, or added to an existing account, the customer received one free place setting. For each subsequent deposit of \$25 the customer was entitled to
(Continued on page 66)



Wigs Boost Checking Accounts

First Virginia Bank, Woodstock, reports a 10% increase in new accounts during the first four weeks of its wig promotion. The bank offered wigs, supplied by Jonathan Rowland, in its Main Office and four branches. The wigs, valued at \$30 each, retail, were offered for \$9.95 to customers opening or adding a minimum of \$25 to a First Virginia checking account.

Customers Trade Funds for Glamour As 'Hair' Makes Bank Scene

IT WOULD be difficult to determine who was the first to come up with the idea of using wigs to promote savings, but it certainly is not difficult to find evidence of the great success wigs have brought to the banking industry as account-getting premiums!

The wig premium bandwagon started rolling about a year ago, and, from all indications, it has barely attained full velocity. Almost daily, banks are announcing new wig promotions that are attracting new customers (both men and women) to bank lobbies.

Information from three such promotions is included in this article—those at Peoples Trust, Fort Wayne, Ind.; Louisiana National, Baton Rouge, La.; and University State, Green Bay, Wis. There's no telling how many other banks have success stories to tell concerning wig promotions.

The citizens of Fort Wayne were attracted to Peoples Trust's promotion by large newspaper advertisements stating "Hair is coming to Fort Wayne!" An obvious play on the well-known rock musical, the teaser advertisements were effective in gaining the attention of residents.

A few days later, a full-page ad disclosed that "Hair is here at Peoples Trust!" Radio and color TV commercials, plus billboards, brochures, counter cards and wall banners (in shocking pink) supplemented the newspaper announcements.

And citizens' attention was kept at a high pitch, enabling the bank to realize more than a 2% increase in savings and time deposits in six weeks, with enough profit-per-wig earned to more than pay promotion costs. The

By **JIM FABIAN**
Associate Editor

bank's marketing director, Chuck Diamond, reports that more than 14,500 wigs were involved, resulting in more than \$2.5 million in new funds. More than 3,500 new accounts were established, with an average deposit of \$340. The bank required a deposit of \$100 to qualify for the purchase of a wig at \$9.95.

Boutiques were built and installed in all seven branches to dispense the wigs. The boutiques were operated by housewives hired especially for the promotion and by backup personnel from the bank. A training workshop was held to familiarize boutique staffers with good customer relations and the care and construction of the wigs. Calls were made on all beauticians who were bank customers to explain the program and to encourage them to make business cards available at the

boutiques (because the bank did no styling).

The promotion was far-reaching—among those opening new accounts to obtain wigs was a lady serving in a Congolese mission!

Mr. Diamond credits the enthusiasm of the bank staff with much of the success of the promotion. The promotion was so successful that Peoples Trust has developed a wig promotion package in cooperation with Allied Stores Marketing Corp., with an exclusive nationwide franchise to supply the package to other financial institutions.

Louisiana National's successful two-month wig promotion carried various deposit requirements. The \$30 wigs (retail value) were offered free to those depositing \$5,000 or more to a savings account. They could be purchased for \$5.95 with a \$1,000 deposit or for \$9.95 with a \$25 deposit.

Each of the bank's 13 offices maintained a boutique, staffed by specially hired and trained women. The promotion included a tie-in with the bank's BankAmericard department, called "Give-A-Wig-Away." Random phone calls were made to customers, who were asked if they could identify BankAmericard's broadcast "slogan of the day." If they could, they were entitled to a free wig. (The bank was also carrying on a china promotion during this time!)

The wig promotion was kicked off with newspaper, radio and TV coverage that resulted in long lines of customers in front of bank offices on the opening day of the promotion.

The bank had a number of mail order customers. A woman from the



Wig boutique at Louisiana National displays various shades of hairpieces available to customers.

northern portion of the state enclosed a lock of her hair and a \$5,000 check, requesting delivery of a free wig to match her hair color.

But the real topper came when an attractive little grandmother came in to buy a bright red wig. After trying on and rejecting several because they weren't red enough, she finally chose a vivid orange tone. Just to keep the record straight, she explained, the wig was for her husband—a clown in the circus!

Although Louisiana National prefers not to reveal figures of the promotion, suffice it to say that results were

quite outstanding. The wigs were supplied by Normandy Hall.

The wig promotion at University State in Green Bay was largely responsible for the institution deciding to lower its prime rate for local business from 8% to 7½%, according to William C. Talen, president.

The promotion brought in about \$5 million in new money. Wigs were offered for \$4.95 with a deposit of \$1,000, at \$8.95 for a deposit of \$100, or free with a \$5,000 CD. Customers opening checking accounts for \$100 could obtain wigs for \$9.95.

The bank felt that, with the in-

creased funds flowing in, "an immediate reduction in the rate charged to business-generating enterprises is not only appropriate but desirable." • •

Silver Tray Has Silver Lining

An offer of an Oneida silver tray by an Oklahoma bank had a silver lining in the shape of more than 700 new accounts that brought in more than \$5,000,000 in additional deposits. The tray was offered for \$25 new savings deposits or add-ons. The campaign cost the bank less than 1% of the new money attracted.

Worthen Bank Wig Promotion Nets \$5.2 Million!

By EDWARD M. PENICK

President
Worthen Bank
Little Rock

Mr. Penick delivered the accompanying remarks at the Marketing-Savings Division meeting at the 1970 ABA convention in Miami Beach.

EARLY IN 1970 our marketing division analyzed our growth in time deposits and determined that, while the deposit trend was still upward, our rate of growth had lagged behind what we had planned for and expected.

After taking a look at the market, our position, our competitors' positions and national trends, we decided to embark upon a premium campaign and established a goal of \$4 million in new money. Such growth would place our bank's time deposits a little higher than our plan for the first six months of 1970. We felt confident that, properly merchandised, a good premium campaign would bring us to this point.

In selecting a specific premium, our marketing division did research into what other banks had done and into what was hot in the retail market. We wanted an item that would have strong appeal to women, one that would be current, that would transcend generations, and that would appeal to all ages.

Today's woman is a flexible creature and her life style demands flexibility. She wants the ability to move from

pool or beach to the grocery store or to a ball, and still look glamorous and neat. In today's fashion-conscious world she can do this easily if she has one or more high-fashion, modacrylic wigs. In looking at the Little Rock retail market, our researchers confirmed that the hottest item in Little Rock stores was wigs—a trend which we discovered is current throughout the entire nation.

After much checking into quality, source of supply, ability to deliver, merchandising help and the like, we elected a wig premium utilizing a modacrylic wig distributed by Normandy Hall, a Chicago firm.

Using a high-fashion retail merchandising approach, we launched our program on June 1 with newspaper ads supported by heavy television and radio, but with no outdoor advertising. We turned our lobby into a wig boutique and the public responded. I might add, parenthetically, that when the lines began to form, many of us, including myself, breathed somewhat easier.

We displayed 50 wigs throughout the main bank and in our branches on wig forms placed along the teller line, in our display case in the lobby and everywhere else we could find to put them. Our marketing conference room was turned into a wig preparation room and we even displayed one of our wigs in the trust division reception area. That took quite a sales job!

In short, we tried to take a total merchandising approach to our premium campaign, to merchandise wigs and savings accounts in a non-bank manner while still being dignified and current in our approach.

Here's the premium offer we made

to the public: One wig free for a deposit of \$5,000 or more; one wig for \$5.95, plus tax, for a deposit of \$1,000 to \$4,999; and one wig for \$9.95, plus tax, for a deposit of \$25 to \$999.

We encouraged our female employees to buy wigs and sold quite a few within the bank. It was part of our over-all merchandising effort to have every teller and every secretary wearing our product.

The true test of any merchandising program is found in its results. Here is what our program did for Worthen Bank. The program was conducted from June 1st to July 31st, a 44-day period. We offered the premium on regular savings, golden key savings and certificates of deposit.

Over the entire period of the program, we averaged more than \$117,000 per day in new time money. The average dollars-per-wig brought into the bank was \$970 for each new account, \$548 for each addition to an existing account—total average of \$692 per wig.

We disposed of 2,495 new-account wigs; 4,872 addition-to-existing-account wigs; and 540 employee wigs for a total of better than 8,000 wigs over the 44-day period.

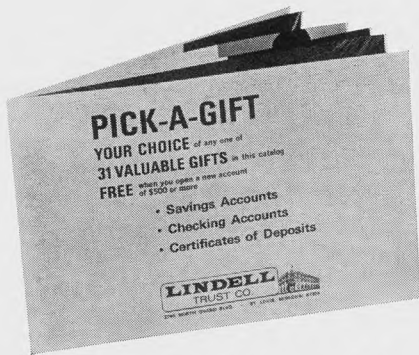
Total new money brought into the bank was more than \$2.5 million in new-account money and close to \$2.7 million in add-on money. Total new money brought into the bank was \$5,171,200.

I would like to point out here that 16% of the new accounts were opened by persons under 25 years of age, 33% were between 20 and 35 years of age and 37% were between 35 and 55 years of age. A surprising 11% were over 55 years of age.

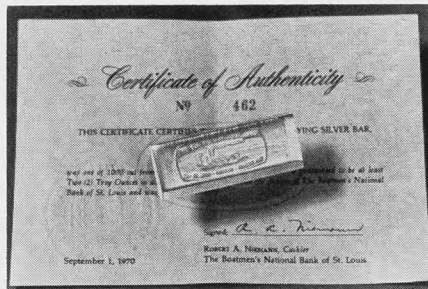
(Continued on page 48)



PENICK



Illustrated catalog was used by Lindell Trust to enable depositors to select gifts.



Boatmen's National includes certificate of authenticity with miniature silver bars given to promote savings deposits.



Lobby display for Manchester Bank's "red, white and blue" promotion features picnic kit, cooler and American flag premiums.

St. Louis Area Features Gamut Of Premium Promotion Plans

EXACTLY A YEAR ago, MID-CONTINENT BANKER emblazoned its front cover with the announcement: "Bank Premiums Are BIG." A year later premiums are even bigger, and in few cities is that demonstrated better than St. Louis.

In the heartland of the nation, even the most conservative banks, those that had declaimed that they would *never* use a premium, have joined the club. First National is in the process of winding up its second premium offer. Boatmen's National has come up with an unusual incentive gimmick. And even the largest bank in town (and the state), Mercantile Trust, recently sponsored an offer, which, while not exactly a premium, is certainly very much in the realm of sales incentives.

St. Louis-area banks, which, for the most part, have not been premium hold-outs, have continued to promote deposits through premium use.

Although First National for some time had used an incentive program directed at motivating employees to obtain new customers and sell new services, its first true venture into the premium field occurred early this year. First, as a means of building its "retail" business, the bank offered a "Home Money Management Kit," which was designed to bring small individual accounts into the bank (see May 1 MCB).

Almost coincidental with this offer the bank opened a drive-in facility with appropriate fanfare. As part of the promotion, a variety of self-liqui-

dating premiums was offered for new deposits and add-ons. The most popular proved to be a grandfather clock.

After considering a number of possible premiums, First National turned to a selection of seven clocks when it was decided to institute another promotion last summer. In this case, the clocks, which varied in value, were offered without charge to new savings depositors and for those who added to their accounts. A \$100 deposit was good for an old-fashioned alarm clock; a selection of five clocks was offered to those depositing \$500; and for those depositing \$5,000 or more, an 18-inch grandfather clock was offered.

The clock promotion was tied in with a "new faces" program, a continuing employee incentive plan. By obtaining new or add-on deposits, bank employees could obtain clocks.

Both Boatmen's National and Mercantile Trust came up with ideas that were new departures. Boatmen's is offering a bar of pure silver for \$100 in new savings deposits or add-ons. The bar is approximately three-quarters of an inch by two inches and has the name of the bank and its paddle wheel river boat emblem stamped into it. Each bar is numbered serially and is accompanied by a certificate of authenticity, stating that the bar is one of 1,000 weighing at least two ounces. The bars were supplied by Martin Coin Co., St. Louis.

A second venture into the premium field by Boatmen's involves a Christmas light, available to those opening new Christmas Club accounts. The light is an oil lamp decorated in holly and pleasantly scented with either frankincense or myrrh, the fragrances referred to in the New Testament.

Mercantile Trust named its slight dip into the sea of incentive promotions "Add-Venture." Each of the bank's customers was mailed a folder that offered him a \$5 credit on his Master Charge account if he opened a savings account (if he had checking only) or a checking account (if he had savings only). The same offer was made for add-ons, with deposit requirements ranging from \$100 to \$5,000, depending on the type of account. The opener for a checking account was \$200. If the customer had no Master Charge card, he was invited to apply for one.

Both banks report that their innovations brought in deposits. As this is written, Boatmen's had given away more than 700 silver bars and many of the qualifying deposits and add-ons exceeded the minimum amount. Mercantile reported a stimulating response to its offer.

Bank of St. Louis chose a self-liquidating continuity program as a means of drawing new and old customers to its new headquarters, opened in May.

To obtain a free four-piece place setting of gold-plated silverware or crystal stemware, the bank offered three options to new customers: Open

By **ARTHUR C. NORRIS**
Contributing Editor

a checking account with \$50 or more; open a savings account with \$50 or more; purchase a CD or add to a present account with \$500 or more. In addition, established checking account customers could buy place settings for \$3 each time they deposited \$50 or more, with the eighth setting given free.

Pointing out that Bank of St. Louis was built on premium offers, ranging from umbrellas to oil paintings, John Seiler, vice president, new accounts, described the tableware and stemware promotions as one of the most successful.

"We have obtained deposits in excess of \$3.6 million, of which approximately \$1.5 million was new money," he said. "The promotion has attracted close to 1,500 new accounts and many of the add-ons have been larger than the amounts required. Part of the idea behind the program was to advertise the new location. That this result has been obtained is indicated by the fact that new accounts are running two-to-one at the new location, compared to the nearby long-established former headquarters. We expect to continue the program for eight months."

Banks out of the downtown area continued the use of premiums. Tying in with the Fourth of July, Manchester Bank ran what it called a "red, white and blue" promotion. Gifts were offered to new or established customers opening "red" 90-day savings accounts, "white" one-year accounts or "blue" two-year accounts. The minimum deposit in each instance was \$100. Gifts offered were a 2x3 foot American flag, complete with eagle crest, pole and rope; an ice bucket, resembling a toy drum, with an eagle crest on a red and blue background, a red, white and blue insulated plastic picnic bag; and a patio serving tray, complete with folding legs. The latter proved to be the most popular item.

After the first 60 days, the promotion was expanded to include a program for employees in which daily, weekly and grand prizes were offered. Any employee obtaining a customer for a "red," "white" or "blue" account or for a safe deposit box was given \$2. The top salesman on a daily basis received \$5 or a choice of the four gifts. The top producer each week was given \$25. The grand prizes were worth \$50 and went to the top producers in three categories of the bank.

The two promotions brought in a total of \$434,000 in deposits, \$171,000 of which were "sold" by employees. In all, close to 400 new accounts were opened and, in addition, 31 safe deposit boxes were rented. New accounts broke down to 200 "Red," 106 "White"

and 88 "Blue."

Another incentive campaign that was programed specifically for the type of community in which the bank was located was that offered by Webster Groves Trust. The suburban St. Louis area served by this bank is mature, established and static.

"Before we selected our premium, we considered many different offers," commented Mrs. Lois B. Punshon, assistant vice president, customer service. "We ruled out dishes and tableware, even though they have strong continuity value, because we decided that the average housewife in our area would already have a set of dishes, maybe more than one. On the other hand, we knew that garden tools wear out and that every gardener likes to try new seeds."

As a result, the bank used a three-piece set of stainless garden tools in a leather holder, supplied by Incentives Corp., St. Louis, at a cost to the bank of \$2 per set. The incentive was offered to those opening savings accounts with \$25 or adding a like amount to an existing account.

The bank sold 931 sets and opened 156 new savings accounts, which developed \$500,000 in additional deposits. As a result, consideration is being given to using the same or a similar premium next spring.

The bank learned that, to be truly successful, an incentive program must be intensively promoted. For this reason, Webster Groves Trust leans toward a short-term campaign.

A definite promotion plan was formulated prior to the start of the garden tool promotion. Four principal steps were taken. First, letters were addressed to area garden clubs announcing the premium program and asking that the clubs arrange garden displays in the bank lobby. Next, the offer was announced in the bank's "Ideas for Better Living" publication and mailed to customers. Third, radio and newspaper advertising was begun and a

13% Savings Account Gain

A bank in New York City has posted a 13% gain in savings accounts with a china and flatware premium promotion. Since the program started, the bank has opened 77,750 savings accounts, 35,850 more than the 41,800 opened during a similar time period the previous year.

After nine months of offering the premiums, the bank has distributed almost 350,000 place settings, with nearly 75% of them purchased. Savings account deposits directly attributable to the china program have exceeded \$50 million.

small seed packet, containing an announcement of the promotion, was mailed with monthly statements. Fourth, garden club displays were set up in the bank lobby.

Perhaps the most ambitious promotion ever run in the area was that of Mark Twain Bancshares, Inc., holding company for Mark Twain South County, Mark Twain State and Mark Twain Northland banks. Operating as a group, the three banks offered savings deposit incentives varying all the way from a 1970 four-door Lincoln Continental to a houseware item retailing for less than \$7.

The Lincoln Continental offer was admittedly intended as a means of getting people to talk about the banks—and this occurred. The sedan was offered for investments of \$25,000 in five-year "interest in advance" savings certificates or the depositor could take \$6,250 in cash instead. Also, for a \$15,000 investment, a Chevrolet, a 30-day European tour for two or \$3,750 in cash were offered as "interest in advance."

By investing \$2,500, the customer received his choice of a color TV or \$625. The TV was the only item that drew any takers—two were given to purchasers of five-year CDs.

Mark Twain also conducted a 14-week premium promotion emphasizing \$500 to \$5,000 savings, checking or CD accounts, which resulted in more than 1,750 new accounts. Broken down, the score was 650 new savings accounts, 450 new checking accounts and 650 new CDs.

To attract these accounts, the banks offered a variety of gifts, most of which were housewares or household appliances.

Accurate figures for the promotion were kept and they reveal that the total cost of the campaign, including the gifts and all promotional expenses, represented only 1% of the total new money that came in. Average cost per account was \$22.50.

Lindell Trust, an outlying St. Louis bank, offered a "Pick-A-Gift" promotion. Under this plan, new depositors opening savings or checking accounts with \$500 or more, or buying a CD for that amount, received gift certificates and 12-page booklets, in which 31 gifts were described. A depositor obtained the gift of his choice by sending his certificate to the bank's supplier, which shipped the gift direct to the customer.

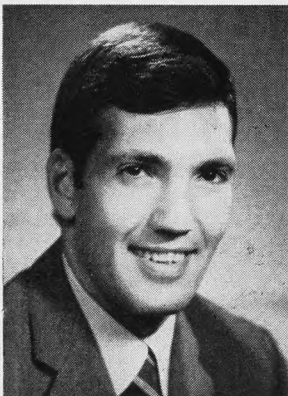
R. Turner Peters, vice president, reported an excellent response and substantial new deposits and accounts. Of the 30 gifts, the most popular was a coffee maker.

(Continued on page 42)



MAKE WAY
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**CURT
COOK**



"Excel" is the first word in Curt Cook's vocabulary . . . and that quality makes him an outstanding new member of NATIONAL BANK OF TULSA's Correspondent Bank Department.

A quick glance at the record shows Curt backs up his desire to excel with a solid background of knowledge, experience and involvement. Before joining

NBT in 1969, he earned an MBA degree at Southern Methodist University, majoring in finance, and completed executive training with one of Dallas' largest banks.

"Follow-through" is his strong point. Appointed to the United States Military Academy in 1962, he received a BS degree in Engineering . . . later serving as an Army Paratrooper. While at West Point, he lettered in football three

years and was active in the nationwide Fellowship of Christian Athletes.

Curt Cook typifies the Pacesetter goal in banking... bold new approaches that can help you solve problems. Contact Curt, Art Troll or Richard Duncan at NBT's Correspondent Bank Department, 584-3411. They'll show you how the Pacesetter Bank helps you get things done.



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

MEMBER F.D.I.C.



China, Rose Bush Premiums; Big Fish Contest Bring New Business to \$8-Million Bank

By W. ROBERT AMICK, Director of Public Affairs, First National Bank, North Vernon, Ind.

MUCH HAS been said over the years about bank promotions. Nearly every public relations and marketing conference has at least one session on promotions and their attributes. When I joined the bank staff in 1968, no promotions had ever been tried in some 70 years of conservative banking.

Hearing of china programs at other banks, I talked with bank marketing people and received some fine ideas for staging a china promotion at my bank.

In planning the china promotion, I figured that we would do well to give away or sell 300 place settings, but went way out and ordered 500. Our program has been successful beyond our fondest expectations. It ran for 13 months and resulted in 84 new checking accounts and 207 new savings accounts, with deposits totaling \$329,013.68. Not bad for an eight million dollar bank! (See chart for breakdown of promotion.)

Of course, all promotions don't break even or make money. However, even those that are not self-liquidating and that require bank funds can stimulate a lot of interest and bring in new customers.

For instance, let's look at our rose bush promotion, which is a "first" for an Indiana bank, as far as I know:

A free rose bush was offered to the first 500 people making a deposit to their savings or checking accounts during a two-day period. Additional bushes were available at \$1 each, not to exceed three bushes per customer. Here's a breakdown on the campaign:

The roses cost \$360. Freight was \$57.75; newspaper ads cost \$174.80; radio advertising was \$12.50; and miscellaneous expenses were \$11, totaling \$616.05. Money from the sale of additional bushes was \$115. The program had a net cost of \$501.05.

The amount deposited in savings accounts was \$3,617.21, with an additional \$66,951.85 placed in checking accounts. Thus, the rose bush campaign brought in \$70,569.06 in new money to the bank in just two days!

Again, not bad for an \$8 million bank!

As it turned out, we didn't have any rose bushes on hand during the promotion, as they were tied up by a truck strike! We had to give each customer a "sorry" slip, which was later exchanged for a rose bush when the shipment arrived. As a result, everyone had to come into the bank twice—some thought it was planned that way!

We are in our second year of our big fish contest. The rules are as follows:

"If you catch a big fish in any of the classifications listed below, take it to Rice's Sporting Goods Store and have it weighed. Then bring the official weight to First National. (Bring the fish along if you want to!)"

"Here are the classifications; for which the bank will pay \$15: largest bluegill, largest bass, largest channel catfish, largest flathead catfish, largest crappie, largest white perch and largest carp.

"If you have a checking account at First National, your prize will be doubled. At the end of the contest, a drawing will be made from all entries and the winner will receive \$50, regardless of the weight of his entry.

"Fish wherever you can, but bank at First National!"

The amount of money coming to the bank was small with this pro-

motion but it generated a lot of conversation!

In 1969 we held a big mushroom contest, but because of the small number of participants we did not hold the contest this year.

We doubled our Christmas Club sales in 1969, forming teams of bank personnel and encouraging them to compete in a race to get customers to increase their club savings. At the end of the saving period, prizes were awarded to Christmas Club customers whose names had been drawn by the town mayor.

It is my judgment that the day of waiting for bank business is gone. In today's competitive economy, business is where you find it! • •

China Offer Attracts New Patrons

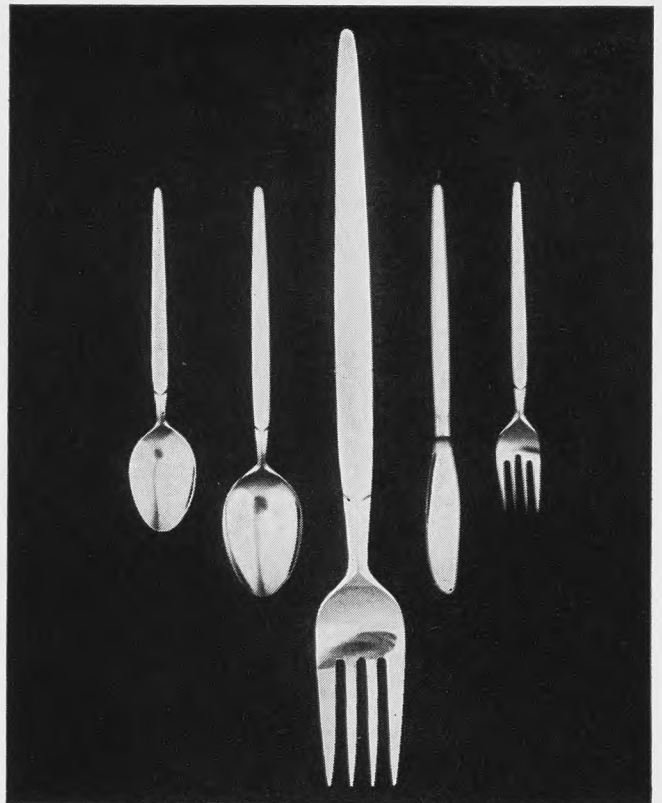
Many new patrons were attracted to Third National, Sedalia, Mo., by its 15-month promotion in which place settings of Dalton china were offered. New or established customers obtained a place setting free for a new or add-on checking account deposit of \$100 or for a new or add-on savings deposit of \$25. Additional place settings sold for \$3 each with similar deposits. So successful was the campaign that on October 1 the bank began another continuity program offering Dalton's stainless flatware.

CHINA PROGRAM SUMMARY

MONTH	COST OF CHINA	FREIGHT COST	SUPPLIES	ADVERTISING EXPENSES	PLACE SETTINGS GIVEN AWAY	MONEY RECEIVED FOR ADDITIONAL PLACE SETTINGS
April		\$61.08			4	
May	\$1,070.70		\$31.35	\$109.20	201	
June		43.01	84.80	67.20	110	\$747.00
July	1,657.20	10.00	43.60		54	528.25
August	750.00				51	
September		43.24			35	590.11
October	105.60				35	438.00
November				74.80	26	352.40
December					30	3,484.61
January					25	
February					22	283.55
March	3,468.00	44.89	25.16		26	340.15
April	501.60	81.04			21	1,005.65
	\$7,553.10	\$283.26	\$184.91	\$251.20	640	\$7,769.72
TOTAL NUMBER OF NEW CHECKING ACCOUNTS			84		CHINA ON HAND	1,919.25
TOTAL NUMBER OF NEW SAVINGS ACCOUNTS			207		TOTAL CREDITS	\$9,688.97
TOTAL AMOUNT DEPOSITED		\$329,013.68			TOTAL EXPENSES	8,272.47
						+ \$1,416.50



Stainless flatware in Winthrop Pattern



Stainless flatware in Windrim Pattern

The premium of premium programs to increase Passbook Savings . . . stainless flatware by W. M. Dalton!



Imperial Fine China, too! Three elegant patterns.

All that we ask is an opportunity to talk with you.

We deal exclusively with banks. Upwards of 1,000 of which are numbered among our clients. Offering complete services, we work with you throughout the entire promotion. All merchandise is on a guaranteed sale basis, and guaranteed first quality. That's just a small part of it. We set up everything, right down to a simple, proven system for your accounting and reporting. So, if you're interested in new accounts and greatly increased Passbook Savings, may we talk with you?

W.M. Dalton & Associates

Newtown Industrial Commons, Newtown, Penna. 18940 (Area Code 215) ELMWOOD 7-0777-8

Promotions

STAFF ENTHUSIASM— *Vital Ingredient for Bank Promotions*

THE BEST LAID battle plan is doomed to failure unless the brass is successful in generating the highest degree of *esprit de corps* from the troops under its command. By the same token, no promotion or deposit generating plan will work unless your staff is motivated to put it across.



STEWART

If you are involved in an area of your bank that is charged with the responsibility of supplying the motivation, you might feel it's easier to sell a new idea to the public than to your own people.

There is a second important consideration in planning a major assault—that of timing. Too early or too late, in many instances, can mean the difference between decisive victory or anything from a slight setback to total and inglorious defeat. We can again draw the parallel and stress the market study, secrecy and degree of planning that must be undertaken before breaking a new business promotion.

Now, contrary to what some unsuccessful loan customers might believe, bankers *are* human, from the chief executive officer right on down to the street runner, and they all have their own contacts of family and friends whom they influence. A lack of enthusiasm for their employer or any action on the part of their bank will quickly make itself felt.

What we would all like to have is

By **BETTY STEWART**

**Assistant Cashier
Worthen Bank & Trust Co.
Little Rock**

a magic formula whose application would immediately transform all employees into thoroughly dedicated and motivated people who, working *with* and not *for* the marketing department and its staff, maintain a constant selling attitude. Again, people being what they are, we usually settle for less, but are always seeking a method of getting the best results possible.

I want to cite examples of failures as well as successes that we at Worthen Bank have experienced.

The most resounding failure I can recall was our famous "save for a purpose" plan. Even now, years after the idea was laid before prospective savers in our trade area, we are still trying to figure out what happened.

Actually, we know what happened—nothing! Unless you can consider an outlay of a good portion of our advertising budget for two months, a pound of gnawed fingernails and one-and-a-half ulcers in our business development department not too big a price to pay for some two dozen "save for a purpose" accounts! Two years later the last of these died a slow and lingering death. We can only hope they brought more joy to the customers than they did to us. A few short years later a local S&L, with a few minor changes, had such good results from a similar promotion that it used the main theme in all its advertising for over two years. Probably its mar-

ket research developed a better sense of timing, or its personnel director conducted a better sales training course.

With the proverbial hindsight, it became obvious that we had failed to take advantage of the greatest sales tool we possessed—our own employees. Except for a brief "by-the-way" memo to department heads on the Friday before the kick-off, little effort had been made to bring employees in on the plans before they, along with everyone else, read the Sunday morning papers.

The importance of secrecy until the last possible moment can be shown by our experience with a fast loan package bearing a distinctive copyrighted name—Zip loans. The required amount of midnight oil had been burned to coordinate the prepared Zip ads into our advertising schedule.

Two days before our program was to break, we were scooped by our largest competitor, with its introduction of a "Zip Check" designed to facilitate bill paying. The expression "pandemonium reigned" gives some small indication of the reaction of our marketing department. We consider this one of our less successful promotions. It wasn't a complete loss, however, because it brought home forcefully the requirement of strict secrecy in making marketing plans. It also pointed out the importance of having trustworthy employees in our advertising agency and marketing department.

Our first real premium program was entered in an almost experimental way. Remember the "old masters"—nicely done copies of famous paintings

(Continued on page 60)

Mr. Bank President

If you're looking for an unusual and distinctive premium, pass this idea on to your man in charge of promotions and tell him to send for samples. You'll have a perfect patriotic or picnic time theme for Christmas, Memorial Day and the 4th of July. Each item comes packed separately in an attractive descriptive package. Retail value, for the set, is \$19.95, yet our price to you is only \$4.75 per item, either cooler or grille. (F.O.B. Cincinnati). Full return guarantee. We have an excellent "track" record in the bank premium field. Write or call today for samples at \$9.50 per set and details of successful program.



American Eagle cooler - is of finest quality with baked enamel colors and durable rope handle. Thoroughly insulated to keep picnic supplies refreshing for hours.

Matching portable grill - featuring a porcelanized firepot that's both rust-resistant and a cinch to clean. Small enough to carry in a car, yet large enough to barbecue family sized meals. Use in the fireplace in winter.

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5:00 P.M. — 8:00 P.M.

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Crystal was displayed on round tables in each of bank's 21 branches.



Mini shopping bags were given customers to tote crystal home.

Crystal Ware Is a Smashing Success In Promoting Savings Accounts

WHAT DOES a bank do for an encore to a successful savings continuity program?

For the uninitiated, a continuity program is a premium promotion that continues over several months. In the case of china, a place setting is usually offered free to customers opening new savings accounts for a stipulated sum or adding that amount to existing accounts. Customers can complete their table service by making additional deposits, after which they are enabled to buy an additional place setting for each deposit at a considerable saving under the retail price.

Many banks have had successful continuity programs using china and stainless, and First National of South Jersey was one of the first to undertake such a program. It had been a huge success and the happy memory of new customers and increased savings deposits lingered on.

"Save two ways" was the slogan used at First National, and thousands of satisfied customers did just that. The bank benefited from increased savings deposits and new customers already on their way to forming savings habits.

But, back to the "encore" problem. The conclusion had been reached that there weren't many premium products available that offered sufficient mass appeal and enough units to qualify for continuity or extended premium programs.

"We called on the salesmen for ideas," says Robert B. Lowry, vice president-marketing, "and they all rec-

By **JEAN K. WELLS**

**Marketing Division
First National Bank of South Jersey
Pleasantville, N. J.**

ommended another go-round of china, using a different pattern. But we were definitely in the mood for something new."

One of the marketing staffers mentioned crystal—expensive lead stemware—and agreement was reached to investigate the possibility of staging a crystal promotion.

It was soon learned that no supplier wanted to sell stemware to the bank. "It won't go; the breakage will break you," was their argument.

"We shopped the stores, picked out stemware we liked and traced it to its source," Mr. Lowry says. In most cases the price was too high or the available quantity too low. It was a struggle to find a supplier to furnish the kind of crystal the bank wanted for its customers.

"We went to two stemware manufacturers who had never considered the bank premium approach and we sold them, or they sold us (nobody knows for sure), and finally orders were placed for goblets, champagnes, wines, parfaits, old fashioned and even a brandy snifter from one manufacturer and a French import traditional pattern from another," Mr. Lowry says.

Anticipating a breakage problem, the bank ordered its own "jet wrap"

and a special bank-monogrammed shopping bag to insure that each item of stemware would arrive home safely.

Then, backed by management, branch people were called together and crystal was explained to them. Mr. Lowry explained "hand-blown," discussed "bubbles" and even told how to wrap the crystal.

"We bravely put our delicate stock on display on little round tables in our 21 branch lobbies, expecting to lose some to careless coatsleeves or the explorative fingers of the peanut butter set," Mr. Lowry says. "To our great surprise breakage as of this writing has been only one brandy snifter. The lack of breakage has both surprised and delighted us. With all the warnings we had received, we were haunted with the specter of broken crystal up and down the South Jersey coast. Not true. We have trucked it near and far, both men and women tellers handle it day in and day out and yet the percentage of breakage is so low as to be unreportable."

Beautiful crystal stemware was something that every woman seemed to want, but with a regular retail price of from \$3 to \$20 a stem, most women found it difficult to put together a complete set. Buying it from the bank enabled them to slowly collect their suite from open stock at "once-in-a-lifetime" prices. Then, too, crystal had year-round appeal as a gift for weddings, anniversaries, birthdays and the like.

"We're not only giving a lot of cry-

\$1,000,000 WIG



This is THE WIG that has revolutionized the banking promotion business. The results that have been achieved with this little "asset builder" are unbelievable!

One of our accounts, a \$26 million bank with four branches in rural Virginia, reported an increase in new accounts of 10% during the first four weeks of the promotion. So Mr. "Country Banker," this promotion can be utilized in your bank also.

Let us send you a wig to examine and inspect along with information about the most dynamic promotion in the banking business!

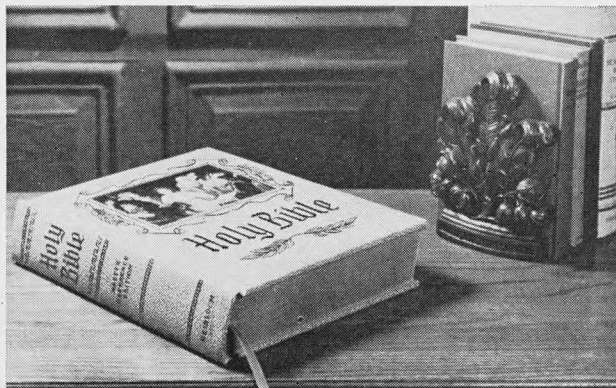
To reserve the Jonathan Rowland Wig Promotion in your trade area for 30 days, call collect . . .

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And, we supply promotional materials at cost . . . full-color statement stuffers, brochures, display stand, plus photographs for use in advertising. It's a complete promotional program with guaranteed sale arrangement — and it's a program that will not compete with your present bank customers. Write for details and a sample copy of the Heirloom Bible on approval.

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stal stemware free, but our customers are buying a lot of it and this, of course, spells success," says Mr. Lowry.

"Figurewise, in a four-month period the promotion brought in about 1,750 new accounts, totaling approximately \$2.1 million. We ordered 35,000 stems of crystal, gave away 8,000 and, as of this writing, had sold 25,600 stems.

"We are, in fact, extremely pleased with the entire program—a quality premium for our customers and a substantial increase in savings deposits for our bank," says Mr. Lowry.

"Interestingly enough, we find the initial deposits for new accounts running 106% over initial deposits for china and stainless. We think we have developed a program with direct appeal to the high side of the market and in the midst of the money crunch we are attracting many new and desirable customers to the bank."

No matter how you look at it, crystal's a smash! • •

Monogrammed Glassware Generates Deposits

Sedalia (Mo.) Bank is conducting a continuity premium promotion featuring monogrammed crystal glassware, available to holders of both savings and checking accounts.

A \$25 deposit to a new or existing savings account (or a \$100 deposit to a new or existing checking account) entitles customers to a choice of a set of two styles of glassware (four glasses to a set) free. Subsequent deposits of like amounts entitle customers to purchase additional sets for \$2.99 each. When a customer has enough sets, he can add accessories to the collection upon making additional deposits.

Bank officials state that the promotion is exceeding expectations. They advise anyone considering a similar promotion to make sure the bank has adequate storage space, since a large inventory of glassware is necessary to enable customers to receive promptly the sets of their choice.

Hamilton Nat'l Gives Scholarships To University of Tenn. Students

CHATTANOOGA—Hamilton National recently presented five University of Tennessee at Chattanooga students with scholarships.

The Hamilton National scholarship program was initiated last year in lieu of an open house and dedication program at the completion of work on the bank's Head Office building.

Five more scholarships will be added in the 1971-72 school year and five in the 1972-73 school year, bringing the total number of scholarships to 20.

PROMOTIONAL PERSONALITIES

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Varied Premium Promotions Used by Banks

Golf Club Deal Shoots 1,000 New Accounts Into K.C.'s Columbia Union

KANSAS CITY—A high score—not a low one—was what Columbia Union National wanted with its golf club promotion and the bank got it to the tune of close to 1,000 new accounts and more than \$3,000,000 in increased deposits, reports Richard W. Reese, vice president.

The program offered a quality golf putter free with each new savings account opened with \$50 or more. Then, for each \$50 add-on, the depositor had the privilege of buying another club, a dozen golf balls or a golf bag for \$3.50. All the sports equipment was quality merchandise, the irons retailing for \$8.50 each, the woods for \$12.50 each, the balls for \$15 a dozen and the bags for \$15.

Another twist to the promotion was the offer of the complete set, clubs, balls and bag, for \$45.50 when a savings account was opened for \$700 or more.

The bank has given away or sold more than 10,000 golf clubs and accessory items during the six months the campaign has been going on.

Other promotions being used by Columbia Union include "Have a Ball on Us" under which the sport ball of the customer's choice is offered for new special checking account customers. Another is the offer of a weight reducer wheel for 90-day savings accounts opened with \$25 or more.

Rainy Day Umbrella Tie-In Means New Money for Alabama Bank

HEFLIN, ALA.—Using the theme, "Save for a Rainy Day and a Sunny Future," Bank of Heflin recently offered a variety of high-fashion umbrellas to bring new money into the bank.

An umbrella was given to each customer opening a new savings account with \$200 or more, purchasing a CD for \$200 or more, purchasing an additional certificate in like amount, or adding \$200 or more to an existing savings account.

The bank was decorated with baskets and pots of seasonal flowers and the colorful umbrellas were displayed in the lobby with a basket of flowers as a centerpiece.



Chase Offers Premiums To Attract Teen-agers

NEW YORK—Premium offers directed at the teen-age market will bring young people into a bank to open savings accounts.

This is the experience of Chase Manhattan Bank, which ran a "Teen Corner" as part of the opening promotions for a new branch in East Meadow, Long Island.

The bank decided that it was worthwhile to go after the teen-agers. Even though they may not have too much money today, bank officers reasoned, they will have in the future and in the meantime they offer a fertile market for certain types of mortgages, such as automobile loans.

The Teen Corner was part of the campaign to appeal to this market. In it were offered a regulation football with kicking tee to appeal to boys, a pearl necklace to attract older girls and a gaily colored desk set directed at the younger girls.

Decision to open the Teen Corner was based on a study of the area to be served by the new branch. Many of the homes there, it was found, belonged to World War II veterans whose children generally were in the teen group. As a result, the community lent itself to the teen-age promotion.

Results were described as fairly successful. Teens did not come flooding into the bank, but a substantial number of accounts was obtained from this age group. And, from the bank's standpoint, one other advantage was obtained—the bank established the idea that it was interested in young people and would go out of its way to serve them.

Billion \$ Barrier Broken With Use of Premiums

LOS ANGELES—First Western has broken the billion dollar deposits barrier, largely through the implementation of two successful premium promotions, according to Robert McMahon, senior vice president.

Earlier in the year, the bank promoted its Small Change Club (see May 1 MCB) and it is now winding up an original oil painting promotion.

During a 30-day test period, the oil paintings attracted numerous new funds from customers depositing a minimum of \$500 in CDs or savings accounts. Funds were required to remain on deposit for a minimum of six months to enable depositors to qualify for the paintings.

One branch reported \$40,000 in new funds during the promotion.

The oil paintings are supplied by Wyatt, Dunagan & Williams, Inc., Los Angeles.

Bright Orange Tree Display Bears Rich Fruit for Atlanta Bank

ATLANTA—Building its premium promotion around full-page newspaper ads with an orange background, TV spots and a bright display in its lobby, Fulton National found that offering a miniature orange tree to those opening savings accounts bore rich fruit.

The display was centered around the bank's information desk where brilliantly-colored display material furnished by the Florida Citrus Commission was used, together with orange trees actually bearing fruit.

Under the bank's offer each new depositor opening a savings account with \$25 or more received a certificate. This certificate was to be mailed to the bank's supplier, which mailed the tree direct to the patron's home with excellent delivery condition guaranteed. Thus the bank had no inventory problem. Complete cost to the bank was \$1 per tree.

Sell-Out on Stadium Seats

A sell-out in four weeks was the response Mercantile Bank, Kansas City, received on its offer of a stadium seat free to each savings depositor adding \$100 or more to his account or for similar new accounts. The bank's original order was for 500 seats. New deposits received averaged \$250.



International Silver now offers you 23 incentives to brighten new and current account business. For under \$5 each, you can give customers silverplated wine and water goblets, a compote dish, gift-boxed stainless steel flatware or any of 11 other International gifts. For under \$10 each, there are 9 silverplated choices

including a two-tiered serving dish, covered casserole and water pitcher. International incentives get noticed. And they get action. Contact the Special Sales Division. Our men handle all our big bank jobs, fast.

International Silver Company 
Meriden, Connecticut 06450

MID-CONTINENT BANKER for November, 1970



Portion of newspaper advertisement developed by Commerce Bancshares headquarters for use by affiliate banks.

Ten Holding Company Affiliates Join in Premium Program

ACAREFULLY researched, successfully promoted and efficiently operated premium promotion program is, at best, a major marketing and advertising venture.

If such a program is to be something other than a shot in the dark, there are many questions needing answers before the program is kicked off. What premium item will best appeal to the people of the community? How do we find this out? How much in new and additional deposit business can we expect? How long might this money be retained with us? How much will the program cost, not only in advertising and promotion, but in staff time and operating expenses? What sort of ads should we prepare, and for what media, and at what cost of advertising production? How can we most effectively train our staff to enthusiastically sell the program?

These questions and many more of a similar nature are often enough to discourage smaller banks from involving themselves in the time, work and cost of conducting a successful premium continuity program.

Nonetheless, the 10 banks throughout Missouri that were active affiliates of Commerce Bancshares in the spring of 1970 simultaneously launched a stainless steel tableware continuity program on May 1, thanks to the research, marketing and advertising job done at Commerce Bancshares headquarters in Kansas City. While the premium campaign is still not concluded, all 10

Premium display at Commerce Bank, Kirkwood, was typical of merchandising effort made by all affiliated banks.

banks appear to be headed toward exceeding their increased deposit goals set by the Commerce Bancshares marketing specialists prior to the campaign's inauguration. Already more than 250,000 place settings of stainless steel tableware have gone to customers of time and savings deposit accounts participating in the program.

How Program Works

Briefly, the continuity program works in this manner: A place setting of stainless tableware is offered free to anyone opening a new savings account or time deposit account for \$25 or more, or to anyone who adds \$25 to such an existing account. After the customer receives his first free place setting, he may acquire additional settings for \$2.95, plus sales tax, for each \$25 deposited thereafter. To induce customers to keep adding to their accounts, the eighth place setting, like the first, is also offered free. Additional items are available, including serving

spoons, gravy ladles, soup ladles, iced tea spoons, butter spreaders, carving sets, salad sets—even a storage chest to keep it all in. All items are offered at a significant savings from what would be their normal retail value.

Unanimous Approval

The premium promotion plan was first outlined at the heads of the 10 affiliate banks at a joint meeting early in 1970. The vote was 100% in favor of launching such a campaign to strengthen savings and time deposits. (Since that time, as new banks have joined the Commerce Bancshares group, they, too, have adopted the program.)

In conducting the research on what type of product to offer as a premium, it was imperative for Commerce Bancshares research personnel to keep in mind that the product would need to be equally appealing to persons in rural communities as well as to those in the larger cities. After several weeks



Wigs: a great promotion Developed for banks by a banker

Over 2 percent increase in savings and time deposits in six weeks . . . and enough profit-per-wig earned to more than pay for the promotion!

This is the track record at Peoples Trust Bank, Fort Wayne, Indiana. Chuck Diamond is the bankmarketer behind this wig program.

Before joining Peoples Trust, he was Director of Marketing Research and Planning, National Bank of Detroit, and Vice President, Marketing, St. Joseph Valley Bank, Elkhart, Indiana.

Chuck has developed a complete wig program designed for banks. It guarantees to put you in the market place in ten working days with . . .

- Pre-program newspaper teaser ads
- Radio Commercials
- Newspaper Ads
- Color TV Spots
- Promotional Materials, including brochures, counter cards and wall banners
- Training for Boutique operators
- Boutique design
- Internal control and marketing forms

Billboards (24-sheet posters) are also available, in shocking pink Dayglo. The theme color of all material is shocking pink. All advertising and promotion materials are complete, with your bank name and wig offer details integrated into the design of each unit.

This program is wrinkle-free! It has been thoroughly tested at Peoples Trust. It has been sold to and successfully implemented by banks with one office and those with state-wide branching. This solid experience, with *proven* promotional tools and a *guaranteed* supply of top-quality wigs is yours . . . all or in part . . . for your own bank's use.

Wigs are the hottest bank promotion in the country today. Call Chuck collect at (219) 743-0383 and get the whole story. Then, come down and see for yourself a successful wig promotion in operation . . . in a *bank*, run by a *banker*!

Hair
is here
at
Peoples Trust!

deposit \$100 and
wear a swinging
Debonaire wig
for only \$9.95

It's almost unbelievable! The stretchy little modacrylic wig made famous by Debonaire that sells in stores for up to \$29.95!

All the mod colors, including the new frosted! Twenty-seven different styles and colors to choose from! And you try them on right in your nearest Peoples Trust Bank office.

We've set up "wig boutiques" in each of our seven offices, under the direction of skilled stylists and fitters. No waiting, no ordering by mail, your wig is ready right now!

Our Debonaire wigs fit any size head comfortably. And they're far easier to style than your own hair. Built-in body never quits. Just wash your wig in the sink and it's ready to wear in no time at all!

You can get your own first-quality Debonaire wig for only \$9.95 simply by opening a new checking or savings account for \$100 or more, or by adding \$100 or more to your existing savings account. When you have made your qualifying deposit, you'll receive a Wig Certificate.

If you like (and men please take note of this) you may present a wig certificate to someone else for a gift. She can stop in at her convenience and select her own wig at any office of Peoples Trust Bank: Downtown, Southgate Plaza, California Road, Buster Road, Waynesdale, Maplewood Plaza or Time Corners.

PEOPLES TRUST BANK
Member F.D.I.C.

Large (7-column x 16") newspaper ad

Outdoor Poster

Hair is
coming to
Fort
Wayne!

Teaser newspaper ad

WIGS at
Peoples
Trust
Bank

PEOPLES TRUST BANK 913 South Calhoun Street Fort Wayne, Indiana 46802

of study, including checking with other major banks in the nation that had conducted premium programs, it was decided to offer settings of stainless steel tableware.

Next came the choice of what tableware company to work with, and what style of pattern to adopt. Various patterns of four different tableware manufacturers were displayed to groups of men and women representing different age and income categories. On the basis of the results of this rather exhaustive "personal choice" study, the decision was made to select a certain contemporary pattern. (Because the largest group of prospects for table-

ware settings are young, expanding families, the contemporary patterns outranked the traditional patterns in favor.)

With the actual premium item thus determined, the advertising department of Commerce Bancshares—together with its advertising agency—began conceiving ideas toward the development of a coordinated advertising theme. Several ideas were presented and rejected before settling upon the primary theme line, "elegant, heavy Danish stainless *free* . . . when you save \$25." To accentuate this theme line, all visual advertising material displayed a place setting of the tableware

on an ornate beam-balance scale. Advertising material was prepared for the use of all affiliate banks throughout the state. Each was furnished various sizes of newspaper ads, radio commercials, statement stuffers, point-of-purchase displays and, where appropriate, television commercials and outdoor billboards.

At the same time, market research was being conducted in the various geographic areas represented by the affiliate banks for the purpose of determining individual bank goals as to new and increased business. Prior to the May 1 coordinated launching of the program, Commerce Bancshares representatives visited each bank with a slide film presentation for the bank's staff, explaining the program in full, the advertising to be used, the operating procedures to be adopted and the ways that the bank's staff could best sell the program to customers and prospects. Each bank further appointed a coordinator to work with Commerce Bancshares headquarters throughout the campaign, handling weekly records of sales results and ordering new tableware inventory when needed.

The promotional plan of attack was to advertise heavily for a six-week period beginning May 1, then slack off for the summer, and reactivate heavy advertising for another six-week period beginning September 1. While it was assumed that the premium program would slump considerably during the summer months, it came as a pleasant surprise to find the program moving strongly forward throughout June, July and August. At the time of this writing, with the campaign not yet 75% completed in time, the over-all deposit goal has already been reached.

■ GEORGE T. PIERCY, senior vice president, Standard Oil Co. (New Jersey), has been elected to the board of Chemical Bank, New York City, and the bank's holding company, Chemical New York Corp.

Gamut of Premiums

(Continued from page 28)

"Pick-A-Gift" is a package promotional deal which was developed by John Plain Incentives, Inc., Chicago, and represented in the mid-America area by Simpact Point of Sales, Inc., St. Louis. It offers to the bank six definite advantages. (1) No investment until after new accounts are opened. (2) No gift inventory. (3) No shipping or handling. (4) No correspondence or other paperwork. (5) No breakage or gift losses. (6) No additional overhead costs. These advantages are possible because it is entirely a drop-ship operation. The bank dis-

Beautiful new
merchandising idea!



Original Oil Paintings

A different kind of premium that
does a lot of things . . .

- Increases your savings deposits. Give as free gift, or use as self-liquidator
- Brightens your bank decor. Have an art show
- Creates traffic in lobby
- Pleases your customers
- Lends prestige. Oils are professionally painted by talented individual artists
- Capitalizes on the times. Original art has never been as popular

Never before available at such
low prices!

● ONLY \$5.00 EACH ●

Available in following sizes:
8 x 10 10 x 12 12 x 16

Large inventory in Los Angeles
assures you of ready supply. Hand-
some wooden frames also available
at \$8.00 each.

Direct orders and inquiries to:

Wyatt, Dunagan & Williams, Inc.
1901 Avenue of the Stars
Los Angeles, California 90067

plays the premiums and advertises them through the illustrated booklet. The customer orders the premium of his choice by mailing a card to the supplier. The supplier then bills the bank at \$5 per gift plus postage and handling. The bank also pays 12¢ each for the full-color illustrated booklets.

One of the most successful promotions in the area was that of St. Louis County National. The bank offered a water goblet by International Silver at no cost in exchange for a deposit of \$200 or more in a passbook savings account. With each additional deposit of \$50 or more the patron had the privilege of buying one goblet for \$4.75, approximately half the retail price.

Curtis Giles, director of marketing, reported that approximately 5,000 of the goblets have been given away or sold and that since September 1 the bank's passbook savings account deposits have risen by more than \$1.5 million.

Another suburban St. Louis bank mounting a successful premium promotion is Bank of St. Ann. This \$15-million institution chose a combination globe and atlas premium offered by Rand McNally & Co. The bank offered a choice of the two premiums to those opening new accounts with \$50 or making \$50 deposits to established accounts. The bank found the globe to be the most popular of the two items.

Jefferson Bank, located near the downtown area, came up with an unusual offer called "Bird-in-the-Hand Interest." Under this plan, a depositor—investor, corporation or individual—receives the interest due on a 30-day to one-year maturity certificate when the deposit is made. The bank pointed out that this pre-paid interest could then be used to expand investments as working capital or for personal

needs. Under the plan, prepaid rates are adjusted to equal the amount of earnings if interest were re-deposited to the maturing date of the certificate. This plan was cleared with the Missouri commissioner of banking prior to its implementation. • •

Bankers' Theses Selected For Library Collection

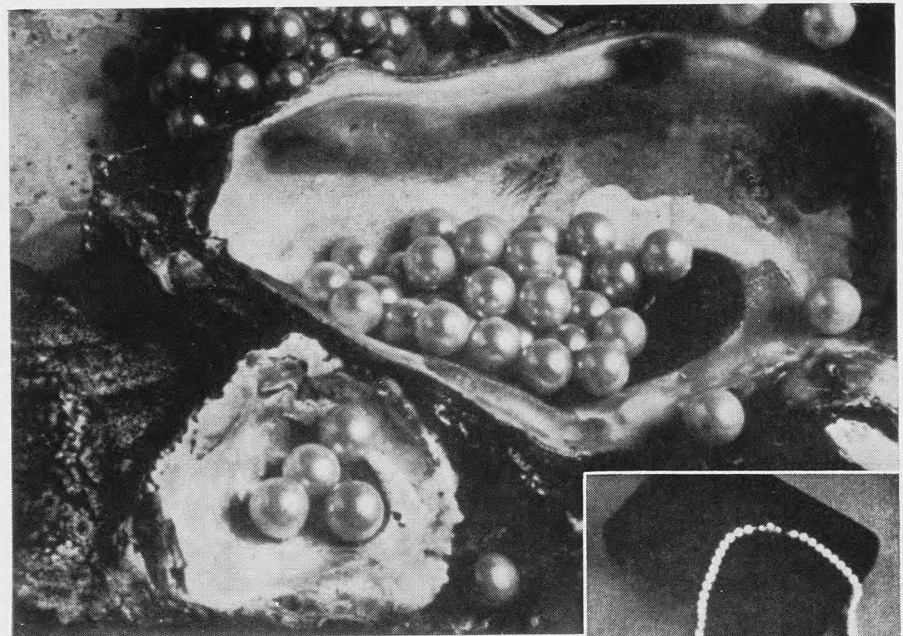
Stonier Graduate School of Banking recently chose 15 of 263 theses and research projects submitted by the Class of '70 to be circulated in the permanent collection of three libraries.

To be accepted for inclusion in the

libraries, a thesis or research project must first be recommended by an examining panel specializing in the field covered by the thesis or research project. Following an additional expert reading, the committee makes its final choices.

Mid-Continent bankers whose theses were chosen are: Jerry D. Shreeves, Federal Reserve, Kansas City, "An Emerging Employee Benefit: Prepaid Dental Care"; and Henry E. Wells, senior vice president, American National, Mobile, "Recognition of Gains and Losses in Bank Securities Accounting—When and How."

THE GREAT PEARL OFFER



Pearls. Symbol of luxury and romance. Treasured heirlooms. Possessing a mystic beauty that lends its special magic to the lucky woman who wears this lovely gift of the sea.

And now, these rare, lustrous beauties will develop *new deposits* for your bank!

Here's how: When a new account is opened (minimum of \$25), or when a similar amount is added to existing accounts, your customers receive FREE a beautiful single-pearl, gold-chain necklace. Then, everytime your customers add \$25 or more to their savings accounts, they are eligible to purchase seven perfectly matched pearls for only \$4.50.

Most of your customers will want to collect for a 77-pearl necklace! Thus, they will make at least 11 deposits and will spend \$49.50 for the pearls. Add some cost for stringing, and they will have a necklace worth \$125 to \$150, by appraisal.

We'd like to tell you more about this exciting program that *already is bringing new deposits to other banks.* Drop us a line.

Wyatt, Dunagan & Williams, Inc.
1901 Avenue of the Stars • Los Angeles, Calif. 90067



Silver goblets make attractive display at St. Louis County National, Clayton, Mo. Promotion has been well received by public.

Which Are Better for Your Bank?

Employee Incentives vs. Premiums

WHICH IS BETTER for your bank? An employee incentive program or a consumer premium promotion? Both can be valuable tools in the marketing strategy of your bank. Although they have similar objectives—increasing the number of accounts and deposit dollars—the means of achieving the goals are distinctly different. With this as a premise, let's examine the two formats: consumer premium versus employee incentives.

Today's economic conditions dictate that all banks use their marketing budgets to achieve the widest spectrum of objectives. The returns on dollars invested must be maximum.

Because of its very nature, the consumer premium new-account drive involves the use of various types of media to "tell the story." Newspaper, radio and television advertising is expensive and yet, many times, these costs are not considered when measuring results against dollars spent. Too often the only costs considered involve the actual premiums used and the statement stuffers/handouts designed and printed for the promotion.

In discussions with bank management and advertising personnel throughout the country, we have learned that, for the most part, ads in support of consumer premium programs are in addition to normal advertising schedules. This supports the rationale of including these costs in over-all program performance measurements.

In the case of an employee incentive program, there are no expenditures for consumer advertising. The only fixed costs are for program support material (prize brochures, booster letters, etc.) and these are similar to those incurred for statement stuffers or flyers in the premium approach.

Consumer premium programs, in addition to advertising costs (ad production and media), most normally require a quantity commitment on the part of the bank for the items to be offered. This means an immediate outlay of monies as a "start up" cost. If the bank uses a number of items, it must order a sufficient quantity of each and yet not have a large number left over at the conclusion of the promotion. If a bank has a supply of premiums at the end of its program, their cost should be

By **GRAHAM V. KIRK**

**Manager, Bank Marketing
Robert Scott Associates
New York City**

included in the program-performance measurement. Cost of premium storage during the promotion may not be measurable in dollars, but there is a rumor that this may be Excedrin Headache #15.

Most employee incentive programs, including those designed and operated by Robert Scott Associates, do not require merchandise quantity commitments. They are "pay-as-you-go" propositions. Only after an employee sells a predetermined number of new accounts and orders his or her prize, is the bank billed for merchandise. Therefore, only after new sales have been completed is there any prize expense. It is also the practice to mail prizes to employees' homes, which does away with storage problems.

On balance then, it appears that the use of consumer premiums is far and away the costlier approach to new deposits when compared with an employee incentive program.

But there are other comparisons. Both types of formats generate new accounts. Consider what else may occur as a side effect to a full-blown consumer premium campaign. Like it or not, in most cases, a consumer premium program is in direct conflict with the ongoing image campaign that the bank has meticulously developed over the years. There are those who have voiced the opinion that the use of premiums—on other than bank openings—makes "comparison shoppers out of depositors," to say nothing of giving the bank the image of a discount store.

There are serious and unanswered questions as to whether consumer premium "wars" or "me-too" activity

Disappointed in Results

Not every premium campaign is a rousing success. One Alabama bank reported that it was "disappointed" by the results obtained through an offer of china for new and add-on savings deposits. The bank said that the ratio of place settings sold to those given free was only three to two.

within a market do anything toward creating "new" savings. Or is it simply a matter of consumer dollars following the most attractive gimmick from one institution to another? Further, banks that engage excessively in this type of activity run the risk of saying to the public that "pots and pans" are more important than "services" when selecting a bank.

On the other hand, the employee incentive program approach focuses attention on all the services a bank provides, while stressing increased deposits.

As a case in point, let's examine an employee incentive program used by Trenton (N. J.) Trust. Bank officials wanted to reinforce the services Trenton Trust offers while, at the same time, mounting a dynamic new-account drive. To their way of thinking, services mean people. Most of all, they wanted to put to better use what they considered to be their most valuable asset—employees.

From the beginning, this top management team clearly understood the keys to a successful employee incentive program: It must be carefully planned and executed; it must be responsive to the individuality of a bank's needs; it must be relative to the employees; and it must have the active and enthusiastic support of top management.

Trenton Trust discovered a valuable initial benefit to the employee incentive approach, a benefit that provided an opportunity to train and educate employees on the variety of services offered. This was accomplished with a training handbook outlining the services, their selling points and examples of prospects. The booklet gave employees an over-all picture of what the bank was doing. In this instance, the training handbook was used as a bridge to the actual incentive program. This was accomplished by including a series of quizzes in the handbook that employees could answer and submit for credit toward their rewards. And, since Trenton Trust was interested in new-deposit dollars, employees had to produce a new account in addition to answering the quizzes, to be eligible for prizes.

(Continued on page 48)

THE HOTTEST SELLING ITEMS IN DEPARTMENT STORES ARE NOW AVAILABLE FOR DIRECT PURCHASE, TO BE USED AS CHRISTMAS GIFTS for ----

- Customers
- Employees
- Incentives

Nationally advertised fragrances, for men and women, from well known manufacturers, packaged in attractive Gift Assortments.

For men, an International Collection of the world's finest colognes from Emilio Pucci, Dunhill, Victor, Puig and Wolff Freres.

\$13.00 value that retails nationally for \$7.50



F5
Your Cost
4.50

For ladies, an assortment of the most popular fragrances from Coty, Yardley, Matchabelli and Rubinstein.

\$6.00 value that retails nationally for \$4.00



L4
Your Cost
2.20

Minimum Order: 2 dozen of either assortment
FOB Ridgefield, N. J.

We will ship sample pieces at the single retail price and credit you when minimum order is placed.

BRI BEN RICKERT, INC.

1106 Edgewater Avenue

Ridgefield, N.J.

07657

(201) 941 3121

Here's a Way to Whip The Savings Game!

By RAY KLAUS
Advertising and Public Relations Manager
Harris Trust, Chicago

THERE'S A terrible din in the marketplace—especially around calendar quarter time. And banks are a major contributor.

All that noise about interest rates, gimmicks and gifts—Cadillacs, cameras, fry-pans and exotic trips to far-away places—in return for savers' dollars!



KLAUS

With this great proliferation of appeals attacking the mind and emotions from all sides, it's small wonder that the public is confused. Does it understand what we have to offer?

Touting the "highest interest rates allowed by law" doesn't have much customer appeal or competitive edge. What else is new? Some banks have gone to great lengths to repackage their standard savings plans to appeal to some segment of the market. Deferred income for retirement, million dollar passbooks or goal-oriented programs are examples. This approach could be accurately labeled "market fragmenting"—that is, chipping a chunk from the total market with special appeals.

Fragmenting suited the market environment of the '60s and it worked quite successfully for many organizations, especially in the consumer products field (such as cigarettes and automobiles). But fragmenting quickly reaches the point of diminishing returns. Customers are exhausted from each fragment and within a short time the market can no longer be chopped up.

In the end, you wind up with a lot of pieces that add to the cost of doing business, reduce profits and compound confusion in the market as well as within the bank. Who cares if you have "67 Ways To Save" or a "Mattress-Shaped Passbook" plan for little old ladies in tennis shoes?

And just how long can you bribe people into doing business with you through the offer of gifts? How loyal is their business? Isn't their money likely to move to the competitive savings institution down the street with the next big gift deal? That is, if they can get their money out of your bank. Which brings up another point.

With great hunger for deposits, many savings institutions seem more than willing to sacrifice their integrity and customer goodwill. Customers think they're getting a good deal until they realize that they cannot get their money out of time-accounts unless certain conditions are met. Borrowing against the account will cost them at least 2% more than they're earning. Also, some of the more astute people begin to realize that they're not really getting the highest rate of interest allowed by law because they took the interest out in some pre-payment form of cash or merchandise at a lesser rate.

Perhaps the customers who have experienced this great awareness cannot prove deliberate deception on the part of the bank. However, if they've come away feeling that they've been taken advantage of, they cannot help but

share their feelings with others. And the resulting bad-will damage becomes nearly impossible to repair.

Rather than fragmenting the market and trying to position savings packages or gift appeals to fit, or playing the shell game with time deposit accounts, wouldn't it be better to seek out true market voids (to identify customer needs), quantify them (to measure potential) and then develop the service package and creative appeals to fit? This approach is what marketing people are beginning to define as market segmentation of the '70s.

Early this year, Harris Trust became aware of the confusion reflected by customers about interest rates and the various gimmicks and gift deals being offered in the marketplace.

Appraisal of customer attitudes suggested that we assume our rightful role and true responsibility as personal financial counselors as quickly as possible. With minimum lead time, we rushed our first advertising wave of 1970 into the daily newspapers, calling attention to the fact that "Suddenly, You May Have The Wrong Kind Of Savings Account." The second wave queried "Are Your Savings Getting All The Interest They Deserve?" And the third wave suggested "Call 461-7535 Right Away . . . To Make Sure . . ."

Each advertising wave was timed to precede and continue through the beginning of each calendar quarter. Small space ads and spot television were employed to give us reach and frequency of contact with the market. "Call Our Savers' Information Center"—the call to action—emphasized a special telephone number and the telephone became our device to implement and expedite communications with the public.

Specially trained counselors were assigned to field customer inquiries,

Want your savings to earn the highest legal bank rates?

Call Harris Bank.
Member F.D.I.C.



461-7535

Savers' Information Center

Want your savings deposits automatically transferred from your checking account?

Call Harris Bank.
Member F.D.I.C.



461-7535

Savers' Information Center

Are your savings getting all the interest they deserve?

Call Harris Bank.
Member F.D.I.C.



461-7535

Savers' Information Center

Teaser ads were used to channel new business to bank's savers' information center.

This is the wig campaign:

It will make your competitors jealous.

It will make your shareholders proud.



Take a banker's word for it—there's never been a premium as powerful as this one.

It's the modacrylic wig, the biggest explosion on the fashion scene in as long as you can remember. *Reader's Digest* calls it "The Wild Wig Wave." *Time* magazine says modacrylic wigs are the "Hats for the '70s."

And it isn't just kid stuff, either. Most of the first five thousand women who rushed in to get their wigs were over forty! (And their average deposit was about \$850. These are the people with money!)

So if you want to add deposits and add them fast, think wigs. (Our first three banks grew as much as 6% in less than eight weeks.)

But you better not just stop there. Think program, too. And advertising. And training. And quality. And supply. It's easy to bring in **some** deposits simply by offering wigs . . . but it isn't easy to bring in all the money that you ought to get. Nor is it easy to be sure that your wigs are top-quality throughout, or that your supplies will be there when you need them. Or that your people will be able to handle your customers'

vanity without bruising it.

We'll do the whole job for you. We were the first bank in the United States to run a wig program, and we've set up more than fifty banks since then. Nobody else has had that much experience, ranging from big banks to tiny ones.

You really won't believe it until you see it. **But why not see it first, before the bank down the street does?**

Write for a free brochure, and reprints of articles from *Reader's Digest* and *Time*. You're under no obligation, of course . . . except to your shareholders.

BEVERLY 1357 W. 103d ST
CHICAGO
ILLINOIS 60643
BANCORP, INC.

answer questions directly and follow-up with additional information and directions on how to open an account. Situations requiring knowledge beyond the capabilities of the telephone counselors on such diverse topics as treasury bills and money market paper were transferred to appropriate pre-designated specialists in other areas of the bank.

"What savings account will be best for me?" "If I transfer my account to a high-interest certificate will I lose interest?" "If the interest rate is increased will certificates automatically receive the highest interest?" "How do I convert my 5½% certificate to a 5% passbook?" These were some of the questions serviced by Savers' Information Center counselors.

Since the Savers' Information Center was introduced in January, the succeeding 10 months produced over 1,500 qualified telephone calls and close to \$2,000,000 in directly attributable deposits.

So, if your competition is out-gifting or out-gimmicking you, and your customers are tired of the old interest rate dodge, perhaps you should consider selling your expertise in financial counseling.

As you explore for marketing opportunities in the '70s, it may be well for you to subscribe to the market

segmentation concept of seeking voids for a service, quantifying it and then positioning your bank to fill it. That could be the contributing factor to making your '70s sizzle. • •

Employee Incentives

(Continued from page 44)

In the Trenton Trust employee incentive program, in addition to the training handbook, the following planned events took place:

1. A management meeting was held to generate enthusiasm and explain management's part in the success of the program. All administrative details, the great majority of which were handled by Robert Scott Associates, were reviewed to insure a clear understanding.

2. Announcing the program. A kit was mailed to each employee's home. The mailing was timed so that employees would receive the kit the day of the kick-off meeting.

3. A program kick-off meeting was held to generate initial excitement by employees. A slide presentation was used to explain the simple rules of the program. Top management participated with enthusiasm.

4. Follow-up meetings were held with department heads and branch managers to sustain their active par-

ticipation. Meetings were also held by managers with their employees to encourage maximum participation.

5. Boosters reinforced the activity of the employees. These took the form of printed materials as well as special prizes.

These elements, properly planned and executed, plus the aggressive management support at Trenton Trust, have made for a successful employee new-account drive.

Continuing side benefits accrue with the use of an employee program. Increased morale and loyalty are of prime importance. It is a proven fact that when people play a part in bringing in new business and their efforts help their company, they have a greater interest in the over-all activities of their company. Also, it has been established that employee turnover is reduced during an incentive program.

In the final analysis, perhaps the consumer premium and the employee incentive can not be fairly compared. But today's tight economy demands that banks get the greatest possible return from their marketing budgets. Using that as the sole criterion, it would appear that the employee incentive approach may be the more effective tool. • •

Bank Offers Placemats

Kingston (N. Y.) Savings Bank recently offered a set of four placemats free to those depositing \$100 or more in a new or existing savings account. The placemats depicted four local scenes for the bank by Hedwin Corp., New York City.

The bank required that deposits remain at the bank for a year in order to avoid a \$5 service charge.

Worthen Bank

(Continued from page 26)

Another important statistic is the fact that we opened savings accounts for slightly more than 1,000 persons who had absolutely no other business with our bank. The follow-up program of cross-selling to these individuals has already shown dramatic results.

This program not only turned out to be the biggest traffic builder we have ever used, but it more than achieved our goal of \$4 million in new savings dollars.

Today we stand about 3.5% over our 1970 plan for time money. There may be some bankers who feel wigs are out of place in a bank lobby, but people don't think so. Wigs in our case brought people, who brought deposits, and after all, that is really the beginning of what banking is all about. • •



new excitement in giftware
by **Foley**

FLAIR

A completely new line of giftwares by the company that understands women. Elegant Solid American Walnut combined with brushed stainless steel in carousels, serving trays, snack and buffet sets and salt and peppers. In sculptured contemporary design, colorfully gift packaged. For illustrated folder write:

Foley Manufacturing Company, 3300 N.E. 5th Street • Minneapolis, Minnesota 55418
Exciting ideas in Premiums, Incentives, Self-Liquidators and Give-Aways

"Now you can offer this Regular \$29.95 wig for opening or adding to accounts."

"In the midwest it is estimated that over 100,000 wigs were given away by just a few institutions during the Spring re-investment period. New accounts were especially exciting because they accounted for over half of the wigs given out.

"But that's just the beginning. Today wigs are what every wife, mother and teenage daughter wants. The appeal is universal to even the over 65.

"Under our exclusive financial program you can give them away free—or you can

invite the public to buy them at big savings for just a few dollars and even make a profit. My wig is a luxurious, nationally known, synthetic, stretch wig. One size fits anyone." It is available in different styles and many colors, including the popular new frosted.

"No promotion has ever been simpler. To start with, I go along with the promotion. As a professional stylist, I come to your institution (with other girls if you have branches) and set up the entire promotion for you. I'll bring a "wig style center" to your lobby. Provide window displays, newspaper ads, envelope stuffers, a direct mail piece . . . even a TV commercial. You receive a complete program with everything you need. And nobody else has it but WIG FAIR INTERNATIONAL—one of the most respected names in the hair industry . . .

currently represented exclusively by J. Edward Connelly Associates, America's leading financial promotion company.

"But don't take our word for it. Return the coupon below and let me send you all the information—and a beautiful \$29.95 wig sample to examine for yourself. When you reply you'll automatically receive 30 day protection rights for your institution in your market area. If you order, we'll of course allow you to return all unused merchandise. And if you send for the sample and decide not to run the promotion you may keep the wig for just \$5. (We'll bill you.) Or simply return it without cost or obligation."

Program excellent for credit card promotion as well as new accounts. If coupon is missing write to Dept. A, J. Edward Connelly Associates, 1401 Reedsdale Street, Pittsburgh, Pa. 15233. Phone: 412-391-3382

***"With my wig and program
you can open more
new accounts than ever before."***



Send for sample wig and automatically reserve protection for your market area.



wig FAIR
INTERNATIONAL

J. Edward Connelly Associates
1401 Reedsdale Street
Pittsburgh, Pa. 15233

Please send me a sample Regular \$29.95 stretch wig to examine. I am interested in using it for a promotion. If I am the first in my area responding now, I will have automatic protection rights in my market for 30 days. And if I order right away (after examining the wig), I will have market protection for 90 days or more—and no one will run the promotion before me. If after examining the wig I wish to keep it and not run the promotion I understand you will bill me \$5 to cover cost of manufacturing, mailing and handling. Or I can return it without any cost or obligation.

Name _____

Title _____

Institution _____

Address _____

City _____ State _____ Zip Code _____

Don't send wig. Just send information.

Send wig and information.

Check color of wig desired.

- | | | |
|---------------------|-----------------------|---------------------|
| ___ Black | ___ Beige | ___ Dark
Frosted |
| ___ Dark Brown | ___ Blonde | ___ Silver White |
| ___ Medium
Brown | ___ Auburn | ___ Silver Grey |
| ___ Light Brown | ___ Medium
Frosted | |
| ___ Ash Blonde | ___ Light
Frosted | |

TIRED . . . OF THE SAME OLD STUFF?



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

Name Title

Bank

Address

City

State Zip

**Mail coupon
to address below
for further details**

Jefco, Inc.

2800 VALLEY VIEW
DALLAS, TEXAS 75234

Chicago Bank Lures New Patrons With Color TV Giveaway

CHICAGO—As a means of luring new people into its quarters who might then be sold one or more of its services, National Boulevard Bank early last fall offered free chances on 13 television sets, three of which were color.

Located in the Wrigley building at the west end of the Michigan Ave. bridge, the bank is passed daily by a constant stream of pedestrians. The idea was to bring passers-by into the bank so they would see that it was a convenient place to bank.

To that end the bank offered patrons, friends and chance passers-by an opportunity to enter a drawing in which the 13 TVs were given away. Top prize was a color TV-stereo-radio combination. As second prizes, two color TVs were offered. And finally, there were 10 prizes of black and white portable TVs.

The bank reported an enthusiastic response, which resulted in many new customers. There was a crowd in the lobby for the public drawing and more crowds to watch the intra-league baseball playoffs on TV.

Dinnerware Promotion Scores

Baltimore Bank, Kansas City, is conducting a premium promotion featuring imported English dinnerware. During the first six months of the promotion, 144 new accounts and 283 additions were acquired, resulting in \$117,905 in new deposits. Requirements included two free place settings (1st and 8th) for \$25 deposits to new or existing savings accounts, with intervening settings available for \$2.99 each, plus a deposit of \$25. Average deposit: \$250, or 10 times the minimum.

Can Openers Attract Funds To New York City-Area Banks

Two New York City-area banks have reported successful premium promotions featuring electric can openers supplied by Rival Manufacturing Co., Kansas City.

Green Point Savings Bank, Brooklyn, distributed 3,000 can openers in a promotion that brought in some \$1.5 million in new and add-on money. Deposit requirement was \$500 with the can opener given free.

Greenwich Savings Bank, New York City, handled 2,600 can openers with knife sharpener attachments. They were offered free to depositors who opened new accounts or added a minimum of \$1,000 to an existing account for a two-year period. The promotion lasted a year and was conducted from the bank's seven offices.

Announcing
A special limited coin series honoring America's Bicentennial Year, 1976

WNW Mint Industries presents...

The AMERICAN FREEDOM FOUNDERS Series,
 superb medalllic sculptures featuring the fifty-six signers of the Declaration of Independence 200 years ago.

Only 5,000 proof .999 fine silver and 20,000 oxidized bronze medals will be struck.

The AMERICAN FREEDOM FOUNDERS Series is a major contribution to the permanent record of America's history, capturing on medal the story of the men who changed a colony from one of dependence to a nation of independence and freedom.

The first medal, JOHN HANCOCK, will be mailed Oct. 1, 1971, with one medal mailed per month thereafter until the series of 56 is complete.

The price of the AMERICAN FREEDOM FOUNDERS' limited edition, sure to become a prized possession of collectors and investors is:

proof .999 fine silver\$15 each
oxidized bronze\$4 each

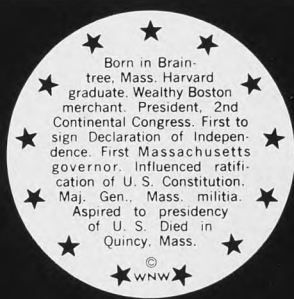
By SUBSCRIBING EARLY, however, the REDUCED PRICE will be \$12, proof .999 fine silver, and \$3, oxidized bronze.

BONUSES FOR SUBSCRIBERS

Each subscriber will receive FREE – an exact replica of the 1776 CONTINENTAL DOLLAR and to those who complete the subscription – a specially minted BICENTENNIAL MEDAL, featuring the LIBERTY BELL and AMERICAN EAGLE in boldly sculptured, high relief.

AN ADDITIONAL GIFT

All will receive an attractive album from WNW Mint Industries. HURRY! EARLY SUBSCRIPTIONS CLOSE SOON!



© WNW MINT INDUSTRIES

SUBSCRIPTION APPLICATION

WNW Mint Industries • P. O. Box 9194 • Amarillo, Texas 79105

Please enter my subscription for the 56 medals of the AMERICAN FREEDOM FOUNDERS limited edition, and please send me my FREE BONUS, the exact replica of the 1776 CONTINENTAL DOLLAR. I understand that when I complete the subscription I will receive FREE a specially-minted BICENTENNIAL MEDAL, featuring the LIBERTY BELL and AMERICAN EAGLE. Also, please send me the free album to protect my coins.

Proof .999 fine Silver _____
 _____ (No. Sets,
 limit 3)

Oxidized Bronze _____
 _____ (No. Sets,
 limit 3)

By SUBSCRIBING EARLY, I understand the price has been reduced from \$15 for each silver coin to \$12 and from \$4 for each bronze medal to \$3.

Check for first medal must accompany subscription. Add applicable state sales tax, please.



WNW Mint Industries is a private corporation and is not affiliated with U. S. Mint or any other governmental agency.

MINT INDUSTRIES

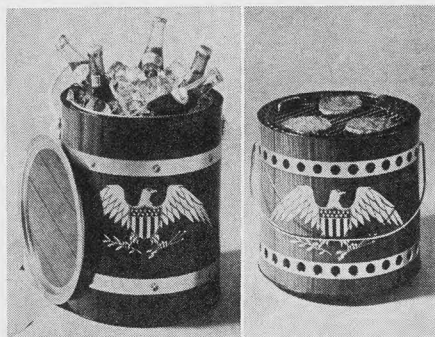
NAME _____
 ADDRESS _____
 CITY _____
 STATE _____ ZIP _____

P. O. BOX 9194, AMARILLO, TEXAS 79105

A Potpourri of Premium Ideas

Distinctive Items That Bring Deposits to Banks

• **COLORFUL** as the Fourth of July. Prestige Products, Inc., Cincinnati, is offering its American Eagle cooler and grille matching picnic set. The items have been used by a number of banks, with glowing reports being written by enthusiastic bankers. The cooler (left) comes with a rope handle and is insulated to keep picnic supplies cold for hours. The matching portable grille



features a porcelanized firepot that is rust-resistant and easy to clean. It's small enough to carry in the car—and can be used in the fireplace in winter. The items are sold with a full return guarantee on all unused cartons and participating banks receive protection rights for their market areas. Banks report the items as being tremendous account-getters.

• **PAINTINGS** of old Syracuse. Onondaga Savings, Syracuse, N. Y., marked its 110th anniversary with old views of the city and of the Erie Canal. The views were painted by a well-known local artist using historical society photographs as a basis. Reproduced as place mats or wall pieces by Hedwin Corp., New York City, the self-liquidating premium (\$2.50 for four mats) was offered to new Christmas Club members. In addition, reproductions of the paintings were given to schools and the Erie Canal Museum and thus produced good will for the bank.

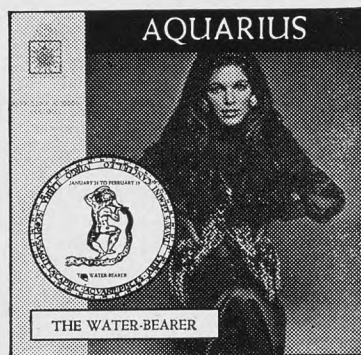
• **HERITAGE** American coins. "You don't hardly see none of these any more." A Walking Liberty half dollar, a Standing Liberty quarter, a Mercury dime, a Buffalo nickel and an Indian Head penny are encased in a strip of plastic to be used as a truly bank-oriented premium. All the coins were minted in the first half of the century so that they are reminiscent of two World Wars, the Roaring '20s and the Depression. Coins brought new sav-

ings money to Michigan Avenue National, Chicago.

• **FOR PEOPLE** who have everything. Ben Rickert, Inc., Ridgefield, N. J., offers cosmetic assortments for both men and women bearing such names as Coty, Lenthéric, Matchabelli, Speidel, Rubinstein and Yardley. Set off by attractive foil-wrapped showcase boxes, the assortments have retail values of \$3 to \$7.50. To protect the prestige of the manufacturers, these assortments were formerly available only to better drug and department stores.

• **DECORATIVE** hot plates. Offered by Donald Art Co., Port Chester, N. Y., are 8" x 8" hot plates decorated with colorful still lifes. The handy squares have a heat, stain and grease resistant finish. The company also features decorative place mats and a series of reproductions of famous paintings on canvas complete with stretchers.

• **MUSIC** for your zodiac sign. A series of phonograph records, one for each sign of the zodiac, is offered by



Preferred Advertising, Inc., Berkeley, Mo. America's top songwriters are represented on the records and music for each sign was chosen by Carroll Richter, famed astrologer. A booklet is included which explains why the music fits the sign.

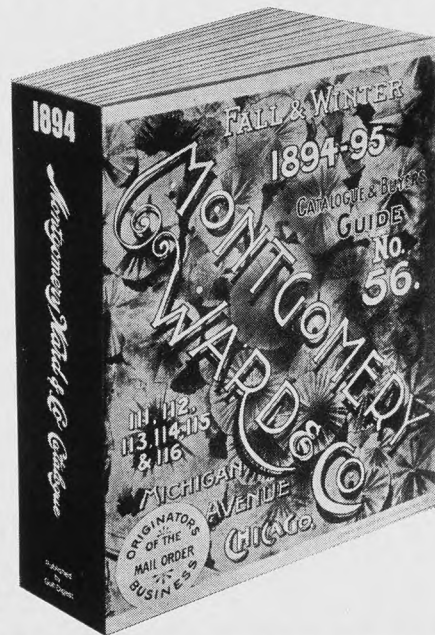
• **MINIATURE** greenhouse. When spring's in bloom, here are two gifts that will attract the customer who would like to have a green thumb—a miniature greenhouse or a gourmet herb garden. Both are available from Jiffy-Pot Co. of America, West Chicago, Ill. The "greenhouse" grows 28 vegetable or flower transplants while the herb garden includes 24 peat pots, planting medium, growing trays, ger-

minating bags and eight varieties of herb seeds plus a garden guide. Who's for gardening?

• **LIVING** beauty for the home. Madagascar dragon tree, ribbon plant, araucaria pine, heart leaf philodendron—these are some of the exotic house plants offered as part of a complete premium package by Robert Scott Associates, New York City. The plants are imported by United Fruit Co., the same company that brings in Chiquita bananas. To aid the bank's promotional campaign, Robert Scott has produced a full complement of support material plus special displays for bank lobbies.

• **OMAHA STEAKS**—a sizzler! Omaha Steaks International, Omaha, Neb., has gathered together a "Connoisseur's Corner" of tempting food delicacies which can be used as sales incentives. Featured are Omaha steaks, but other items are bone-in hams, boneless hams, slab bacon, smoked turkey, smoked turkey breasts, stuffed Cornish game hens, breast of chicken Kiev, breast of chicken Cordon Bleu and cooked corned beef, 52 items in all. The items are drop-shipped so that the bank has no storage problem.

• **A TRIP** into the '90s. A touch of nostalgia is offered oldsters while the younger set may laugh at the quaint illustrations. Both are compounded in the "gay '90s" mail order catalogs of-





427 WEST RANDOLPH STREET/CHICAGO, ILLINOIS 60606/312-346-5400

A BRAND-NEW IDEA FOR PROMOTING NEW ACCOUNTS!

In a single week, one suburban bank added 612 new personal savings accounts with deposits that totalled more than \$300,000.00.

Dramatic statistics? Yes! But, not at all unique.

This success has been equalled and surpassed by other banks -- all utilizing the same new-customer gift idea, an idea that will prove just as profitable for your bank.

It's called "PICK-A-GIFT FOR THRIFT", and it involves your bank in virtually ...

- * NO investment until after new accounts are opened!
- * NO gift inventory!
- * NO shipping or handling!
- * NO correspondence or other paperwork!
- * NO breakage or gift losses!
- * NO additional overhead costs!

There's no bank involvement beyond your advertising and promotion, because John Plain handles everything.

We'll supply a handsome, full-color gift booklet illustrating 30 different gift items, for you to distribute as you please -- along with "PICK-A-GIFT FOR THRIFT" Certificates for new depositors.

When an account is opened, your new customer simply chooses any one of the 30 beautiful gifts illustrated in the booklet, fills in the Certificate and mails it to the Gift Headquarters at our special address.

From then on, it's in our hands. We'll ship the gift promptly. We'll handle all inventory and paperwork. Then, we'll bill you at the rate of only \$5.00 per gift, plus shipping charges and sales taxes. This cost is within the limits of current regulations.

It's that simple. And it works! Other banks have proven it.

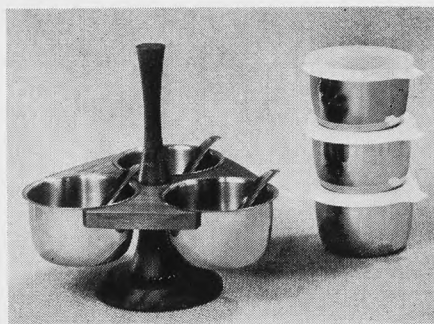
To see how easily you can bring new deposits to your bank with "PICK-A-GIFT FOR THRIFT" write to me at the address above, or phone me at (312) FI6-5400. Do it now.

Sincerely,

H. Heisler
Vice President

ferred by Digest Book Publishers, Inc., Northfield, Ill. Available catalogs include both Montgomery Ward and Sears, Roebuck and—especially suitable in the Midwest—a Marshall Field catalog of jewelry and ladies' fashions.

- **SERVING WARES** with flair! Beautifully grained walnut and highly polished stainless steel are used by Foley Manufacturing Co., Minneapolis, to fashion its Flair line of serving wares. Included are various servers for bread, snacks, condiments and salad dressings as well as carving boards and sugar



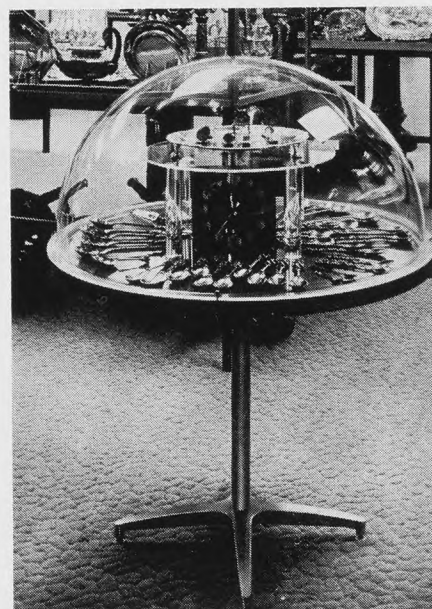
and cream sets. Retail values vary from \$3 to \$15.

- **PLATINUM** rimmed ovenware. Creative Specialty Manufacturers, Waterloo, Ia., has lived up to its name in designing cook and serve ovenware with precious platinum carefully brushed by hand around the rim and top of each piece. The ware is available in 15-piece sets or individual units.

- **RAND McNALLY** world atlas. Here is a premium that has been used successfully by banks as far apart as Chicago and Baton Rouge with Fidelity National in the latter city reporting that the promotion sold close to 3,000 of the hard-bound books. Rand McNally's atlas is more than a collection of maps; it is a stimulating treasury of fascinating facts and vivid reading on a wide variety of subjects from space exploration to how mountains are formed. A delight to both adults and juveniles.

- **STERLING** silver ingots. The Franklin Mint, Philadelphia, is offering sterling silver ingots, which are approximately the size of a domino and contain 1,000 grains of silver. Quantities are limited to one ingot per \$10,000 of deposits at each purchasing bank. One of the first banks to use the ingots as a promotional piece was Central Bank, Lexington, Ky., which sold them for \$10 each. Clyde W. Mauldin, president, described the ingots as collector's items.

- **PROTECT** premiums from theft. Merchandise displayed in bank lobbies does disappear even though its value is moderate. To protect banks from such petty thievery, Ray Products, Inc.,



Alhambra, Calif., produces table-high showcases with four transparent plastic sides and metal bases topped with large transparent plastic domes. The dome is secured with tamper-proof locking devices.

- **JUST PLANT** a little green. That was the campaign theme of one financial institution that obtained a tie-in with a nearby nursery to offer a variety of trees, shrubbery and plants as gifts for savings deposits. For the promotion the lobby was turned into a virtual greenhouse to display examples of the plants available. Through the nursery tie-in the offer included one free plant of the depositor's choice plus 20% off the purchase price of plants, shrubs or trees (up to \$25) through the nursery's catalog. Free plants were "cash and carry," but other items were drop-shipped. Initial deposit or add-on was \$25.

- **A START** in photography. Directed at the person who has never owned a

lois hekker & associates inc.
 800 second avenue, new york city, new york 10017 212-682-8880

... Personalize your promotions
 with unique, colorful imprinted stationery premium
 promotions especially designed for today's women!
 account openers—\$2.00

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OPENINGS * ANNIVERSARY CELEBRATIONS * OPEN HOUSE
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 ACCOUNT OPENERS * STRETCH WIGS *
 SHIPMENTS IN BULK OR DIRECT TO RECIPIENT
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THE PROMOTIONAL HOUSE THAT GIVES YOU 100% PREPAID
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**Making larger loans is no problem.
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The Listener can help, by introducing you to Integon's Security Protector Plan. It's designed for today's larger loans, providing complete credit life coverage. In any amount. On any kind of loan, reducing and non-reducing.

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credit disability services work for you, as well as your customers.

And, through the Listener, you'll have access to a wide range of other financial services from Integon. Group insurance, pension and profit-sharing plans for your employees. Key man insurance. Property and liability coverages. And more.

Contact the Listener in your area. Or write M. DeLeon Britt, Integon Corporation, Winston-Salem, N. C. 27102.



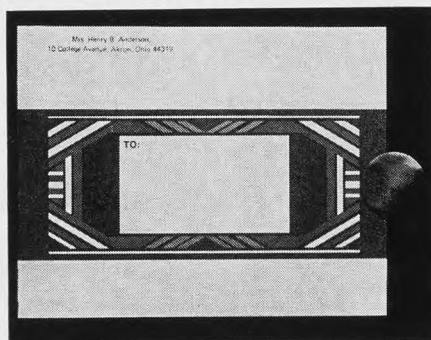


camera, Atlas Rand Corp., Paramus, N. J., has prepared a flexible offer that can meet the needs of any bank. The premium is intended to be self-liquidating and is built around a Kodak camera designed especially for premium use. The offer can be a camera alone or in any combination of camera, film, flashcube, batteries, carrying case or more. Because of this flexibility, it could also be used in a continuity program.

• PEDESTRIAN protector kit. Boost pedestrian safety and obtain new accounts too, by using the 3M Co.'s Pedestrian Protector Kit. It consists of one yard of "Scotchlite" reflective fabric, one pair "Scotchlite" shoe reflectors and one pedestrian safety tag. The fabric can be cut to fit or in various designs, then fastened to garments

through use of its adhesive backing. The safety tag can be pinned to a lapel or sleeve. The shoe reflectors also have an adhesive backing for fastening to shoes. The whole kit represents protection for the school-age child or adult who must be out at night. The item retails at \$1 so that it is well suited for giveaways.

• MOD STATIONERY, note paper, recipe cards, placemats and other items, all personalized, are offered by Lois Hekker & Associates, Inc., New York City. Pictured is "teen toppers" note paper designed for the young, featuring unusual size and mod colors, prepared to customer's order. Lois Hekker premium promotions are designed by a woman for women, who are in the majority when it comes to categorizing customers attracted by premiums.

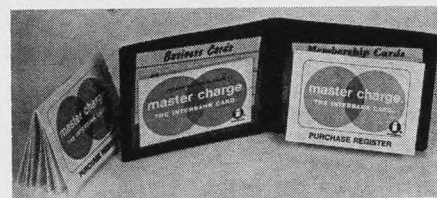


• HOUSEHOLD items galore. One of the broadest lines of household items suitable for incentive gifts is that of Crest Advertising Agency, St. Louis, Mo. The line has a spread that includes pinking shears, ironing board pad and cover, crystal goblets, various Cannon items and even a warmer for baby's bottle that plugs into an automobile cigarette lighter. A host of items for the marketing man looking for inexpensive gifts!

Purchase Register System Offered as New Feature Of Bank Credit Cards

Robert B. Vance & Associates, Inc., headquartered in Atlanta, recently introduced a purchase register to be used as an integral part of the bank credit card. The purchase register not only keeps up with the balance outstanding on the credit card but permits the cardholder to use it to the full extent of the credit limit instead of switching cards.

Initially, the register is sent out as a statement stuffer along with a letter explaining its benefits and the necessity for keeping it with the credit card. Each customer is told to fill in his account number on the register and to put it, along with the credit card, in his wallet. The register, helpful in checking monthly statements and in preparing income tax records, should be used at the time of each credit card transaction.



When the 114 entry spaces are used up on a register, the cardholder writes in the inclusive dates on the back cover and files it away with other financial papers. Additional registers are available at the bank's teller windows or by mail. A leather mini-wallet is offered to hold the register and three cards for identification.

Two Receive Promotions

ATLANTA—N. Rountree Youmans, executive vice president, recently was elected general vice president of Citizens & Southern National. He will have responsibility for the over-all management of affiliate and correspondent associate banks outside the Atlanta area.

G. Raymond LaMon, vice president and cashier, was elected executive vice president in charge of C&S system operations, replacing Mr. Youmans.

A message to every

BANK PRESIDENT

who owes his best effort to a lot of people.

Executive Ideas, Inc. has a NEW MARKETING CONCEPT for your bank — prepared in presentation form and ready to be shown. More than just an advertising campaign, our presentation is the first new idea in financial marketing and promotion since 'drive-in windows.' If you're just a little intrigued, write or call Ray Kelly. We believe the best ten thousand marketing ideas haven't been thought of yet. We're taking them one at a time.



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A Subsidiary of Automated Business Controls, Inc.—A Publicly-Owned Company

Your interest in this program pays an immediate dividend . . . a personal gift from Executive Ideas. This attractive money clip is Yours Free . . . and will be sent to you along with the full Ready Bank Story! Just write and ask for it!



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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."

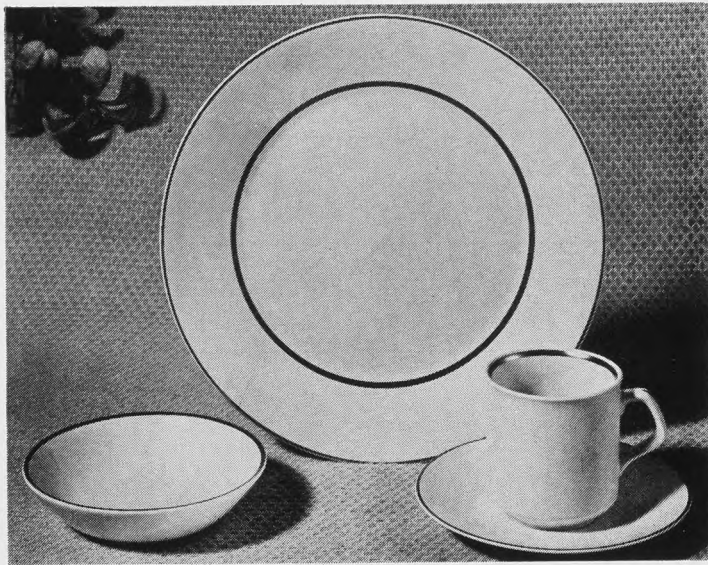
Need we say more? When you consider career suits, talk to us *before* you make a final decision. It will pay!

The Hamilton Tailoring Co.

*490 E. McMillan Street
Cincinnati, Ohio 45206*

IS MONEY HARD TO GET?

.....not with Salem China



SILVER ELEGANCE Dinnerware Program increases deposits . . . attracts more new accounts . . . reactivates old accounts . . . promotes greater use of your other services.

Check these features . . . the easiest and most inexpensive program available:

- ✓ **LOWEST PRICE FOR THE SETTINGS**
- ✓ **ONE PRICE FOR ALL SETTINGS**
- ✓ **BONUS DIVIDEND FOR YOUR CUSTOMERS**
- ✓ **FEWER SETTINGS TO STOCK**
- ✓ **SMALL STORAGE SPACE REQUIRED**
- ✓ **MIDWEST WAREHOUSE - 24 HR. SHIPMENT**
- ✓ **GUARANTEED SALE**
- ✓ **A COMPLETE "PACKAGE" PROGRAM**
- ✓ **"ON-THE-SPOT" EXPERT COUNSELING**

Years of experience as the FIRST supplier of Dinnerware Continuity Programs to banks.

- SEND MORE INFORMATION
- HAVE YOUR REPRESENTATIVE CALL

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Bank Name
Address
City State Zip

THE SALEM CHINA CO. - DEPT. 10

Salem, Ohio 44460

Phone 216-332-4655

D&B AAA-1



Customer Survey

(Continued from page 23)

by the use of premiums. Fifty-four percent said banks should not be restricted on the number or cost of premiums given for deposits.

On the other side of the ledger, 7% stated they didn't consider their premium to be useful; 3% said their accounts were inactive; 27% had not added to their accounts since receiving their premiums; 12% would move their funds to another bank offering an attractive premium; 32% do not favor the use of premiums by banks; 26% consider the use of premiums to be detrimental to a bank's image; and 36% feel banks should be restricted on the number or cost of premiums.

(Percentages do not total 100% in most cases, because the majority of respondents did not answer every question.)

Of those responding, 16% were under 25; 18% were between 25 and 35; 16% were from 36 to 45; and 43% were 46 and over. Forty-nine percent earned less than \$10,000 annually and 45% earned more than \$10,000 annually.

Of the three geographic areas included in the survey, respondents from the East were most favorable to premiums, with those in the Midwest almost as enthusiastic. Respondents in the South, although favorable to premiums, expressed less enthusiasm toward their use.

Following is a breakdown of percentages responding "yes" or "no" to the various questions on the survey, according to geographical location:

Question 1: Was the premium a useful item? "Yes" answers—East, 82%; Midwest, 78%; South, 58%. "No" answers—East, 7%; Midwest, 6%; South, 13%.

Question 2: Is your account still active at the bank from which you obtained the premium? "Yes"—East, 98%; Midwest, 85%; South, 74%. "No"—East, 2%; Midwest, 5%; South, 0.

Question 3: Have you added to this account since the premium campaign was conducted? "Yes"—East, 64%; Midwest, 72%; South, 61%. "No"—East, 36%; Midwest, 19%; South, 26%.

Question 4: Would you move your account to another bank if an attractive premium was offered by that bank? "Yes"—East, 15%; Midwest, 13%; South, 0. "No"—East, 76%; Midwest, 83%; South, 94%. (These figures offer ample evidence that accounts opened during premium promotions have an excellent retention factor.)

Question 5: Do you favor banks using premiums to encourage new business? "Yes"—East, 64%; Midwest,

Your bank needs a bank that gives you prize-winning trust investment performance.



Consistently.

It's too bad there isn't an award like this. If there were, more people than just the Correspondent Banks we serve would hear about Chemical's trust investment performance record.

How do we do it?

Well, it isn't done with mirrors. It's all due to astute, quick-thinking investment officers who stay on top of the national and international situation. To a sound philosophy of investment. And to research that provides them with the right information for making the right decisions.

Information we're glad to share with you through six special reports: Economic Trends, Investment Forecast, U. S. Banking Developments, Industry Studies. Special Reports (topical subjects of immediate interest), and Market Ratings on some 250 stocks. Our market ratings are up-dated every week and sent to

every Chemical Correspondent Bank which subscribes to this service; others are distributed as we develop new information or as market requirements dictate.

And if these don't give you enough information to solve a special problem, one of our senior investment officers is available at all times for personal consultation, to discuss general business conditions, particular industries, specific companies and the stock market outlook.

So if you'd like to share Chemical's investing research and experience, just call Mr. Robert Jennings at (212) 770-1607. You may also want to ask him or your Chemical Bank Representative for a copy of our new booklet, "Trust Investment Advisory Service," which describes all these services in fuller detail. Or write to Chemical Bank, National Division, Dept. TIAS, 20 Pine Street, New York, N.Y. 10015.

CHEMICAL BANK
We do more for your money.

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58%; South, 42%. "No"—East, 27%; Midwest, 34%; South, 42%.

Question 6: Is a bank's image diminished by the use of premiums? "Yes"—East, 24%; Midwest, 26%; South, 32%. "No"—East, 72%; Midwest, 67%; South, 45%.

Question 7: Do you feel banks should be restricted on the number or cost of premiums given for deposits? "Yes"—East, 35%; Midwest, 39%; South, 29%. "No"—East, 58%; Midwest, 49%; South, 52%.

A breakdown of those responding by age group included the following: Under 25 years of age—East, 12%; Midwest, 14%; South, 35%. From age 26-35—East, 18%; Midwest, 13%; South, 35%. From age 36-45—East, 14%; Midwest, 19%; South, 13%. Age 46 and over—East, 58%; Midwest, 40%; South, 10%.

Respondents earning under \$10,000 annually—East, 36%; Midwest, 57%; South, 61%. Those earning over \$10,000 annually—East, 54%; Midwest, 39%; South, 32%.

Only 68% of the total responding answered the question: What type of account did you open to qualify for the premium—savings or checking? Twenty-four percent opened checking accounts and 42% opened savings accounts.

A number of respondents added comments to the survey forms. "Premiums make it easier to put money in the bank." "I think premiums are a nice way for a bank to say 'we appreciate your business.'" "I think having an initiative to work or save for is encouraging and prompts one to dig a little deeper and save a little more to obtain something or get something free." "For us, premiums are an incentive to regular, rather than sporadic, savings." "I was very pleased with the premium offer—the merchan-

dise was of very good quality." "Premiums are a good way to start people saving. I know of several people who opened new accounts because of the premium." "Young married couples especially enjoy premiums." "Premiums are very useful. I favor them very much." A number of respondents commented that premiums must be high quality to be effective.

A few respondents commented unfavorably on premiums. Most often noted was a request for banks to raise interest rates on savings accounts and eliminate service charges instead of offering premiums. (Apparently these customers do not realize that interest rates are controlled—a point that could be emphasized in bank advertising.) Other comments: "Premiums are like store sales; if you're not careful you end up with merchandise you neither need nor want." "The technique is too 'gimmicky' for a bank." "I think banks should deal in what they are in business for—money. I believe depositors would be better off if banks stayed out of the department store business." "Premiums cut down on normal banking service. One must wait while the premiums are carted out." "Premiums tend to increase the cost of doing business." "Lower the minimum amount required for a premium to encourage small savers."

Many factors comprise a successful premium promotion. If any one is not handled correctly, the promotion can fail. Perhaps the most important factor is useful merchandise of excellent quality. Other vital factors include adequate publicity, complete explanation of the promotion, uncomplicated requirements, prompt delivery (either on the spot or through the mails), employee enthusiasm and realistic minimum deposit requirements.

Other articles in this issue point up

many of these factors. The information in these articles, along with the results of MCB's customer survey, should give any banker considering the use of premiums a complete picture of the situation so that he can readily determine the potential value of a premium promotion for his bank.

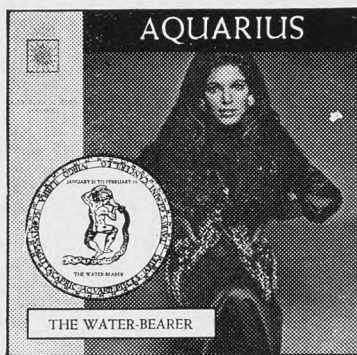
Staff Enthusiasm

(Continued from page 32)

on canvas, ready for framing? Details were worked out, with much secrecy, between the premium company and our advertising agency. At the time we had a new marketing employee, a marketing research analyst. One of her first major jobs was the study of our savings deposits as compared to those of other local banks and savings and loans. Her study revealed we could stand to pick up a couple of million dollars in time deposits; and the "old masters," a self-liquidating program, was purchased for our exclusive use in a 50-mile radius.

This time we held a staff meeting of all contact personnel on the business day before we came out with our ads. Our advertising agency made a formal presentation, complete with sample paintings and blow-ups of all direct mail pieces and newspaper ads. Recordings of radio ads and full-color ads for television spots were previewed. Staff cooperation was requested, and before leaving the meeting each person was given printed information for study and use in talking up the campaign. The "old masters" program lasted three months and resulted in increased time deposits of \$2 million in new money. The bug had bit us, and we were on our way!

Like most other banks, we were in a period of rapid growth. It would have been easy to sit back and enjoy



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the increased deposit totals on our statements of condition. The other savings institutions were growing, too, however; and once again our market research paid off. Anticipation of increased competition from S&Ls, and the attractive interest rates available on government obligations pointed out a need for our bank to attract as much new savings money as possible.

A little bolder now, we entered the market place with our fine china campaign. Marketing took a new approach. Various staff members representing a cross section of our bank were invited to look at a selection of premiums and report their preferences to our marketing department. Of course, we asked that there be no discussion in order not to tip our hand. The china won by a large margin, and after the necessary collaboration between our agency and the Dalton Company, we were ready to present the program to our own people.

In our marketing department were several young people, and to them was given the opportunity to take full charge of the introduction of the new plan to our people. They loved the idea, and with all the confidence in the world wrote a script, dreamed up costumes and enlisted players from several areas of the bank. On the ap-

pointed morning, an oriental gong (which looked suspiciously like a lid from a large garbage can) rang out, and a cast composed of Ding-a-ling, Ah-So, and Oh-So-Long performed. It's said the best way to sell an idea is to first get the attention of your prospect. Did you ever hear pidgin English spoken with a southern accent? Believe me, it got our attention! They were funny; they were appealing; and they knew what they were talking about!

After they softened us up, others from our agency and marketing department explained the reasons for the promotion, what it must do to be fully successful and the additional work involved. Do not sugar-coat the last item—it will get you in trouble later. To guarantee the interest of each family represented among the staff, a free place setting of china was promised each staff member as certain goals were reached. Marketing, in presenting the program to an officers' meeting, had set for itself some ambitious goals.

In presenting the program to the staff, the target was divided by four, and as each quarter was reached, each staff member received a free place setting. This was a sure-fire way to interest even those persons who normally refuse to sell, as it gave them a way to talk about the bank and the savings program with little effort on their part. Other steps taken to keep our staff aware included fully set tables in strategic spots in the bank, as well as the use of the china in serving refreshments at our annual stockholders meeting and similar occasions during the campaign. All the way through the months of the promotion there was a definite air of "we are in this together" on the part of almost all people in the bank.

A few months ago, when it was announced in a marketing staff meeting that we were winding up plans for a savings promotion dealing with wigs, I found myself over-reacting. Even making allowances for my normal conservatism, I wondered if this might not be too much! At the close of our meeting, after hearing the full story, I was more inclined to see some merit

in the plan. Again, full arrangements for all areas of publicity were made in strict secrecy, and a series of meetings were set up so the entire staff would be briefed the day before the promotion started.

Photogenic women from among our own employees had been used as models in all the ads. The meetings opened with a slide presentation about the modern woman, her active life and her dreams, cleverly presenting the main model, one of our own, in a varied wardrobe of wigs. A concise report on how the actual promotion would work was made jointly by a young woman (one of the models) and the marketing officer in charge of the operations.

The clincher, however, that nailed down the interest of all the female employees was the presentation of a free wig to a lucky girl who was then brought to the stage to receive it. A representative of the wig company styled the wig several ways, showing the ease with which this could be done. Her commentary included many selling points usable in discussing the wigs with customers, all of which were brought out in the printed material given each employee as he left the meeting.

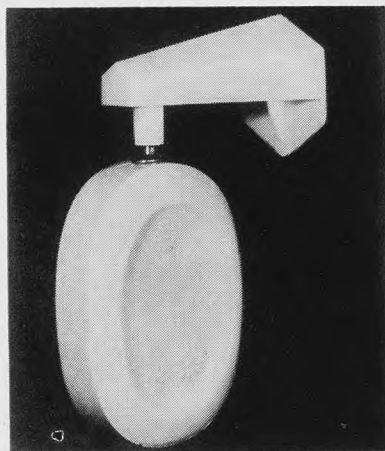
Again it was obvious that the employees appreciated the fact that they were informed about the plans. Most of them took advantage of their opportunity to buy one wig at cost. Even the men became pseudo-experts in discussing the merits of kanekalon and modacrylic, and seemed to enjoy doing it. The program as a whole was a huge success. Our bank reached its target point ahead of schedule; our time deposits increased at the hoped-for rate; and our employees discovered, first-hand, that it wasn't as tough as they thought to ask for, and get, business.

We solicit Christmas Clubs, and have found the team approach very successful. The bank is divided into areas, goals are set on the basis of contact opportunities and prizes are offered to the teams reaching the greatest percentage. No team is eligible until it reaches 90% of its quota. From that point through 100%, teams earn 10¢ per account. From 100% to 150% they earn 15¢, and 20¢ an account for all over 150%. First, second and third prizes of \$75, \$50, and \$25 can swell a team's earnings enough to throw a pretty respectable party or to make whatever disposition the team agrees on. We set a higher goal each year and have only once failed to meet it.

The premium campaign is not the only area in which employee com-

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To increase savings
Here's one that's not
only unique it's also practical!



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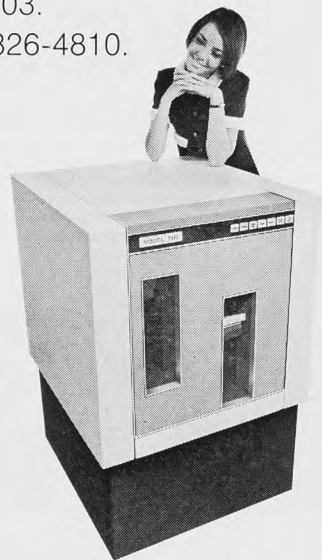
Bible Offer Aids Public Image

By offering an Heirloom Bible as a self-liquidating premium in a new customers campaign, a Michigan bank found that its public image was aggrandized. The Bible was offered from Thanksgiving through Christmas for new checking or savings accounts or add-ons of \$25 or for new safe deposit box accounts. The Bibles cost the bank \$7.95 and were sold at \$9.95.

Cheer up, Holly Holepuncher. Help is on the way.

That's right. There are some people who care about your problems. We don't think a girl should spend her whole life bent over a hot keyboard. So we've introduced a new optical scanner/card punch that's going to help you and your boss. We call it the Model 710. And it automatically scans and punches up to 6000 cards an hour. So, smile Holly. That means about a half-million fewer keystrokes a day for you.

Leave the card handling to us. We know it'll be love at first sight when you see our little 3x3-foot optical scanner in action. And if your boss has been away in Siberia, or was born in Missouri, have him call or write us right now for additional details. That's Data Recognition Corporation, 908 Industrial Avenue, Palo Alto, California 94303. Phone (415) 326-4810.



DATA RECOGNITION CORPORATION

MID-CONTINENT BANKER for November, 1970

munication and motivation is of prime importance. A change in operating procedures, the introduction of a new service, the opening of a new branch or move to new quarters can benefit from the ideas and assistance of the entire personnel.

Late last year found us moved into our beautiful new building and eager to show it to the whole world. Although the planning and implementation of our open house functions were the responsibility of marketing, it was obvious that every employee should be included in the plans. From the compilation of a master invitation list to the volunteer hours of host duty, all interested employees were involved. About four dozen affairs over a three-month period taxed the officer group most, of course, but all employees were encouraged to participate, and

Proof That Premiums Pay Off

Premiums do pay off for banks. This is the considered opinion of one large bank in a Southern state-wide branching state. "After over 20 years of using premiums, we are satisfied with results in obtaining and retaining savings accounts," one officer commented in pointing out that the bank no longer analyzed accounts obtained.

appreciation was expressed to those who chose the extra duty.

In summing up our own experiences, I think there are three main points to remember concerning staff motivation—

- Don't be afraid to ask for help, to explain why you need it and what cooperation can mean to all.

- Seek out the leaders at every level and enlist their help, ideas and influence.

- Help each employee to overcome thinking about what "he" is doing, and concentrate on what "we" can do together. • •

Pennsylvania Bank Scores With China Promotion

NEW CUMBERLAND, PA.—A 16-month china promotion at Cumberland County National has resulted in total deposits of more than \$10 million. A breakdown of figures indicates that 7,521 new accounts were opened with initial deposits of \$3.3 million, approximately \$440 per deposit (with a required deposit of only \$25).

Add-ons to existing accounts totaled 9,111, bringing in \$2.1 million. More than 16,000 free place settings were distributed, with customers purchasing an additional 50,000 settings (bring-

ing in \$4.6 million). Of the bank's existing accounts, 37% participated in the promotion.

To qualify for a free place setting, customers were required to deposit \$25 or more to a new or existing savings account. Additional settings were available for \$2.95 each, following a \$25 deposit. The china was supplied by W. M. Dalton and retail value of each place setting was \$11.95.

Bank Nears Break-Even Point In China Premium Promotion

Shepherd Mall State, Oklahoma City, reports that its continuing promotion using Dalton china and stainless flatware is so successful that the bank is approaching the break-even point where overage on place settings sold will meet all premium costs. Place settings were offered for new checking account deposits of \$100 or more and new or add-on savings deposits of \$25. During the china program, which is two years old and still going on, the bank has added more than 5,000 accounts and almost \$6,000,000 in savings deposits. However, Donald R. Sanders, vice president, points out that the bank is only three years old and is in a growth area so that results obtained cannot be attributed entirely to the premium promotion.

HAIR'S HERE
GREAT WAY TO GET
NEW MONEY

With Our Complete Package Of
 Self Liquidating, Guaranteed Sale

WIGS

Over 800 wigs sold at \$9.95 when opening new savings account or adding to present savings account (\$100.00 minimum) during a four week campaign. This miracle was scored by a Belleville, Illinois bank using Sales Incentives complete ad promotion.

Following our Spanish Spectacular, Hair Is Back for Christmas! There is no reason we can't do it for you. Write or call for full details.

SPANISH SPECTACULAR

EXCITING, ELEGANT OLD WORLD DECOR!

Take Pride in Presenting This Self Liquidating, Guaranteed Sale, Old World Collection of Handcrafted Spanish Decor to Your Patrons —

Deposits increase and traffic spurts when viewers register for the 38 Free decor gifts displayed. Bank patrons, new and old have an opportunity to purchase at 25% off list price. Complete advertising campaign and display with no inventory required! Write or call for full details.

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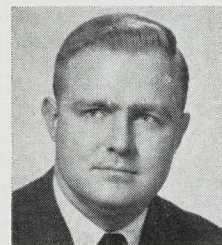
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Senior Vice President



HAROLD HOPKINS
Vice President



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Vice President



RON MURRAY
Vice President



AL SWIRCZYNSKI
Vice President

MID-CONTINENT BANKER for November, 1970

Value of Customer Premiums (Cont)

purchase additional place settings or serving pieces for \$2.79, or an attractive wood-grain storage chest for \$7.25.

I will not go into all the mechanics of it, but when the initial deposit was made the customer was given a coupon book—green for new accounts and white for existing accounts. The reason for this was to enable us to determine how many new depositors were opening accounts. Too, the coupons were numbered and we knew whether a customer was buying his second, third or eighth place setting.

Our employees were asked to do only these things: Ask the customer if he is enrolled in the program, tell him what a fine opportunity it was to get quality tableware while saving for his future, show him the tableware, explain how the program worked, ask him to enroll and get his deposit.

In order to provide an incentive for our employees, a program called "Go for the Green" was devised. "Go for the Green" had a two-fold meaning: Go for the green stamps and go for the customer's green dollars. Trading stamps were given only for the sale of tableware. We did not award them when the free place setting was given to the customer.

We also decided on the team effort, rather than the individual effort, which means that all staff members within a certain work area share a total amount of trading stamps. The individual awards work fine for a while, but as you know, there are more non-achievers than there are achievers, which results in one or two—or a few—people winning all the time. This tends to discourage the ones who are not as sales-oriented. They say, "I won't win anyway," so they make no effort. When they are part of a team effort they become more enthusiastic and we frankly think this is the best method. Another important thing to remember is to award the stamps on a weekly basis. This keeps the staff motivated and is a frequent reminder for them.

Then followed our promotion and advertising. To kick off our campaign, full-page newspaper ads were placed in all of our markets; 30- and 60-second television spots were used during the prime evening hours; radio carried the message a number of times throughout the day, billboards were used in all of our major markets, and of course, the important point-of-purchase displays and posters were used extensively. In addition, tableware was exhibited at the new account desk and

at each teller station, along with brochures outlining the program. After some six weeks, TV advertising was terminated but other media continued.

At the end of six months we had opened 7,562 new accounts for a total of \$2,184,000 in deposits; 7,922 existing accounts had gained \$1,306,000; 27,141 extra place settings had been sold, bringing in \$1,180,000 in deposits; for a grand total of \$4,670,000. At the end of 20 weeks, one office with 10 branches reached \$1,000,000; another office reached \$1,000,000 at the end of 28 weeks with six branches.

Our required minimum deposit was \$25. Our average deposit for new accounts was over 11 times the requirement—\$288.85—compared to the national average of \$167. I told you that for each place setting we gave away, we must sell three to break even. We are approaching two sales for each one given away. Emphasis is now being placed on selling, rather than enrolling, and each week our sales rise steadily.

At the end of six months, we had awarded 2,265,000 green stamps, and many of our staff have filled several books.

Retention of accounts received during such a promotion actually is higher than those accounts opened in the normal course of business. According to ABA figures, retention of premium accounts is 78%, compared to 65% for normal walk-in business. Although our savings accounts are not computerized, making it virtually impossible for us to compile accurate statistics without mammoth paper work, we believe we have retained about 85% of our deposits through six months, and expect that the figure will be 75 to 85% at the end of one year.

Another interesting statistic is that total deposits in the retained accounts usually exceed by a substantial amount—sometimes as much as twice—the original deposits in all premium-induced accounts.

One popular misconception that I mentioned earlier is that retail merchants do not like the competition from the bank. Quite the contrary. Merchants find there is a sharp increase in their sales of, say, china, silver or other premium items to residents who have been made aware of their need or desire for the merchandise by the bank's advertising; but who, for some reason or other, preferred to buy in local stores rather than participate in the bank's program.

All in all, we have been extremely pleased with results of our savings

premium program. It has exceeded our expectations. We have discovered that the program appeals to people in all income levels—the affluent and the less affluent. And we believe the reason is because we had an attractive product of a quality that would appeal to the most discriminating person, and at the same time the price and deposit requirement were within a range which could be met by nearly everyone.

Our goal at the end of one year is \$6,000,000 in new savings deposits, and we are highly optimistic that we will reach or surpass that total. It is projected that at that time, in terms of merchandise purchased, our net cost will be \$6,000. This is only \$1,000 for each \$1,000,000 in new deposits, and we think that's a bargain.

There are many ways in which a bank may go into a premium program, but regardless of the article you select, whether you take the one-shot, self-liquidating or continuity approach, any sound program must meet these requirements:

- Incentive plan carefully designed to achieve the desired objective.
- Strong management backing that puts the entire organization solidly behind the promotion.
- Staff understanding and support.
- Reliable data on the bank's market.
- Advertising that reaches and sells the public.
- Standard operating procedures that detail the logistics.
- Personnel adequate to handle the added work load.
- Experienced and reliable premium supplier.
- Premiums of high quality and suitable for the purpose and occasion.
- Correct timing.

These requirements are set forth in the *Customer Premiums*, which stated this conclusion: "Banks with incentive programs that meet these specifications have consistently gained new customers, revived inactive accounts, increased deposit totals and improved their public images, all at costs that they consider reasonable in proportion to the benefits attained." • •

Almost 8,000 New Accounts

Close to 8,000 new accounts and close to 3½ million dollars in new money! Such were the results obtained by a large Southern bank which offered a choice of three premiums for new savings accounts to customers opening an account with \$100 or more. This bank also used an unusual twist: Established customers were offered a choice of gifts for "introducing" a new savings account customer to the bank.



A Matching Purchase Register for ANY Credit Card!

Your customers will find these Purchase Registers a valuable aid in keeping pace with the balance outstanding on their credit cards. It will help the card holder in using the full credit limit on one card before "switching" to another.

Banks are using this register in a manner similar to the check register. Initially, registers are sent out as a statement stuffer, along with an explanatory letter. Thereafter, replacement registers are available at teller windows.

The "Vandex" Purchase Register will perform a great service for the bank and its depositors. It is the same size as the standard credit card and easily fits into a wallet. It has space for 114 entries and a great deal of other important information.

A genuine leather Mini-Wallet also is available for this Register, plus three cards for identification.

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Sample Customer Letter

Let's Talk



Turkey



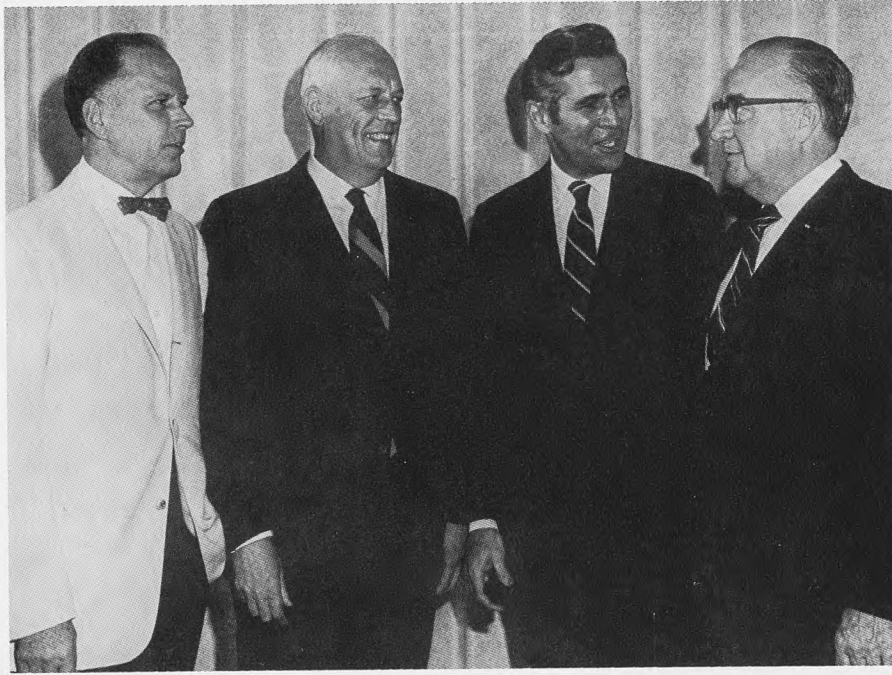
Facing facts, results are what pay off today in banking and business. When your customers need something, they need it now. And they know if they can't get it from you, they can from a competitor. You should expect no less from your correspondent. And the action speaks pretty loud at the Mercantile. Whether it's furnishing facts on profitable municipal bond yields, offering your customers complete trust services, or processing collection items quickly, the Mercantile's always there to help when help is needed. After all, and especially at this time of year, a bird on the table is worth two in the bush. Give us a call. We both profit when we work together.



Mercantile National Bank at Dallas

Capital Funds over \$60 Million
Member FDIC (214) 741-4181

*"Wild Turkeys" by Tom Suggs,
well known portrayer of the
Southwestern scene.*



ABA OFFICERS FOR 1970-71: (l. to r.) Allen P. Stults, vice president; Clifford C. Sommer, president; Willis W. Alexander, executive vice president; and Clyde L. Stutts, treasurer.

Electronic Transfer of Funds Urged at ABA Convention

DELEGATES to the ABA's 96th annual convention in Miami Beach last month were urged to accept an electronic fund-transfer system and were told that the association has located a site in Washington and will transfer its staff and equipment from New York City early next spring. In addition, resolutions adopted at the convention called for a responsive banking system and freedom of banks to serve the public.

Payments System. The ABA's monetary and payments system planning committee, through its chairman, Richard P. Cooley, recommended that banking make a major commitment to promote acceptance of an electronic fund-transfer system. Mr. Cooley, president, Wells Fargo Bank, San Francisco, told conventioners the committee's lengthy study led to the recommendation for a change in the payments system that would facilitate "paperless entries."

According to Mr. Cooley, paperless debiting and crediting is the concept most consistent with banking's need and with the type of changes the payments system must undergo to provide the range of payments services customers will require in the future. At present, he continued, paperless entries

should be based on pre-authorized agreements.

ABA's Move. ABA Executive Vice President Willis W. Alexander reported to delegates on the association's proposed move to Washington and said the ABA is well into detailed plans for use of the site that has been selected. Until the move next spring, the ABA will continue to operate from its current Washington office and its headquarters in New York City.

In his report, Mr. Alexander discussed two challenges he termed of the most immediate concern to banking. The first, he said, is the many-sided

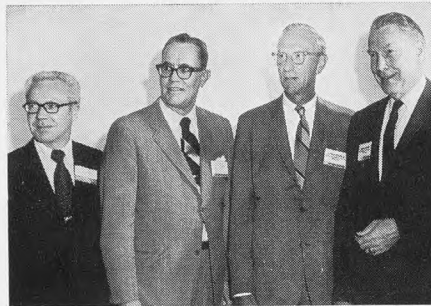
challenge of the mutual thrift industry. Although its members want expanded powers, he pointed out, they do not want to join commercial bankers in the increased regulation and taxation that accompany such expansion.

The second challenge, said Mr. Alexander, will be to clarify the *true* nature of the trust business and its unique responsibilities.

Resolutions. The ABA's 1970 resolutions, in calling for promotion of a responsive banking system, said that regardless of intent, selective controls and restraints imposed on the financial mechanism inevitably make the system less responsive to the changing needs of the American public. Hence, the potential contribution of the banking system to the nation is lessened.

The ABA resolutions officially welcomed the timely appointment of a Presidential Commission on Financial Structure and Regulation.

The resolution devoted to freedom to serve pointed out that the imposition of fixed-interest-rate ceilings that can be paid on depositors' funds has severely reduced the ability of the financial system to perform its role of intermediary. Furthermore, the resolution continued, insistence on relatively



NEW DIVISION PRESIDENTS: (l. to r.) Marketing/savings, Gerald E. Warren; state bank, G. Clarke Bean; national bank, Lester W. Herzog Jr., and trust, Richard P. Brown.



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ONLY
ONE CHANCE
TO MAKE A
GOOD FIRST
IMPRESSION!**



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STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

"I remember being in a bank once where no one wanted to do anything. Every time a customer would walk in, one of the new accounts people would pick up the telephone and start dialing, and another would look away from the customer hoping he would approach someone else."

That wasn't your bank, was it? Our new slide sound film tackles the problem of making your "NEW ACCOUNTS—LASTING ACCOUNTS." It delves into new account opening procedures with ten interesting steps that will assure a good first impression and a pleased, satisfied customer when he leaves. We'll be happy to show this film to your people at your convenience. Ask your DeLuxe representative about it.



LEFT: Speakers at marketing/savings division meeting Oct. 12 included: (front row, l. to r.) C. Gordon Jelliffe, pres., City Nat'l, Columbus, O.; John R. Bunting Jr., pres., First Pennsylvania Bank, Philadelphia; John H. Perkins, exec. v.p., Continental Illinois, Chicago; Joe H. Davis, exec. v.p., First Nat'l, Memphis; Edward E. Tillmon, pres., Bank of Finance, Los Angeles; (second row, l. to r.) Robert A. Kerr, pres., City Nat'l, Dayton, O.; James W. Webb Jr., exec. v.p., Third Nat'l, Nashville; Coleman E. Trainor Jr., pres., First Huntington (W. Va.) Nat'l; (third row, l. to r.) Charles W. McCoy,



immediate past division pres. and ch. & pres., Louisiana Nat'l, Baton Rouge; and Gerald E. Warren, division pres. and v.p., Nat'l Bank of Detroit. RIGHT: Special workshop for wives was new feature at 1970 convention. Panelists were: (l. to r.) Miss Ruth Bryant, pres., Nat'l Assn. of Bank-Women Inc., and a.v.p., Federal Reserve, Memphis; Louis B. Lundborg, ch., Bank of America, Los Angeles; Philip F. Searle, pres., BancOhio Corp., Columbus; Mrs. Anna Foster, immediate past pres., AIB, and v.p., Valley Nat'l, Phoenix; and Tom C. Frost Jr., pres., Frost Nat'l, San Antonio, Tex.

high reserve requirements for time money reduces the ability of the commercial banking system to compete for the savings dollar. If banks are to serve their customers, the resolution asked that they be free to adjust to changing competitive conditions.

President's Report. The crucial difference in banking in the 1970s will be "the increased breadth of industry objectives," said ABA President Nat S. Rogers, president, First City National, Houston. The ABA believes today that if banking is to serve America fully, he continued, the financing of national goals must be the national goal of banking.

At a press conference preceding the convention, Mr. Rogers predicted that

interest rates will continue to go down as the economy eases.

Wives' Workshop. For the first time on an ABA convention program, a wives' workshop was presented. The program was aimed at wives, mothers and daughters of bankers. One of the panelists, Philip F. Searle, president, BancOhio Corp., Columbus, discussed banking's "image" problem, in which bankers are pictured as "enemies of the economy." He then proceeded to destroy this image by describing how banks and bankers have benefited various businesses and the country in general. He then urged the women, when they return home, to talk about banking with their husbands and then go out and tell their friends what they have learned. Said Mr. Searle: "They will begin to see what you have known all along—that there's something pretty wonderful and very responsible about banks and bankers, particularly yours!"

ABA Officers. Clifford C. Sommer, pres., Security Bank, Owatonna, Minn., was elected ABA president to succeed Mr. Rogers. Allen P. Stults, ch. & CEO, American Nat'l, Chicago, was elected vice president. Clyde L. Stutts, pres., Union Trust, Shelby, N. C., was re-elected treasurer.

Division Officers. National bank—pres., Lester W. Herzog Jr., pres., Nat'l Comm'l Bank, Albany, N. Y.; v.p., Richard G. Macgill, pres., New Jersey Nat'l, Trenton. Three Mid-Continent-area bankers were named to the executive committee: E. Paul Williams, pres., Second Nat'l, Ashland, Ky.; W. T. Cothran, ch., Birmingham Trust Nat'l; and A. Dwight Button, ch., Fourth Nat'l, Wichita.

State bank—pres., G. Clarke Bean, pres. & CEO, Arizona Bank, Phoenix; v.p., Clifton D. Terry, pres., Bank of Hawaii, Honolulu.

Marketing/savings—pres., Gerald E. Warren, v.p., Nat'l Bank of Detroit; v.p., John H. Perkins, exec. v.p., Continental Illinois, Chicago. Clarence C. Barksdale, pres., First

Nat'l, St. Louis, was named to the executive committee.

Trust—pres., Richard P. Brown, sr. v.p. & exec. tr. off., First Nat'l, Denver; v.p., John M. Cookenbach, exec. v.p., First Pennsylvania Banking, Philadelphia. William G. Brown, sr. v.p. & tr. off., American Nat'l, Chattanooga, and C. B. Peterson Jr., exec. v.p. and ch., trust committee, Republic Nat'l, Dallas, were elected to the executive committee. ● ●

ABA Reorganizes Staff; Names Exec. Directors To Head New Groups

The American Bankers Association has restructured its staff into six major functional areas and has appointed executive directors to head each group.

The new groups and directors are: government relations, Charles R. McNeill, director of the association's Washington Office; banking professions, Gerald M. Lowrie, who has served as director of the monetary and payments system planning committee; communications acting executive, Warren W. Schwed, an independent communications consultant, who recently reviewed the association's internal and external communications activities; special activities, Roy W. Terwilliger, secretary of the state association section; and administrative services, Donald E. Stevens, who was secretary of the banking education committee. The name of the executive director of the education group has not yet been announced.

A staff executive committee will function at the highest level of responsibility. It will be made up of the executive vice president, the executive manager and the executive directors of the six new staff groups.

State Association Officers



Felix LeGrand (l.), exec. mgr., Missouri Bankers Assn., is the new president of the ABA's state association section, having been elected to the post Oct. 12 during the association's 1970 convention. At right is the section's new vice president, Harry Gatton, exec. v.p., North Carolina Bankers Assn.

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MID-CONTINENT BANKER for November, 1970

Gov't-Guaranteed Mortgage Securities Offered by Bank and Mortgage Firm

A UNIQUE joint venture to offer government-guaranteed mortgage securities has been entered into by First National, Minneapolis, and the Northland Mortgage Co., St. Paul. It is reported to be the first such project of its kind in the nation, and its primary purpose is to make more funds available for mortgages.

The First of Minneapolis-Northland Mortgage project is significant because until now, all issuers of new mortgage securities have been mortgage bankers, like Northland Mortgage.

The bank and mortgage firm are offering the securities to institutional investors interested in mortgage investment as a vehicle, but unable or unwilling to handle the paperwork normally associated with such investments.

Here's how the plan works: First of Minneapolis and Northland Mortgage each will establish a pool of \$2 million FHA-, VA- or Farmers Home Administration-backed loans. Investors wishing to participate in these mortgages will purchase debt securities, the effective yield rate to be negotiated at the time of the sale. The bank will act as custodian for and administer the \$4-million pool.

The Government National Mortgage Association (Ginnie Mae) will guarantee the investment security both as to ultimate and timely payment. Thus, investors don't have to handle paperwork and incur no risk if mortgage payments are not made on time. Payments to investors will be made on fixed schedules regardless of the status of the mortgage collections.

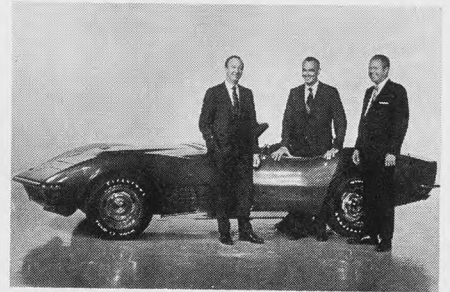
Securities in the program will be sold for minimum denominations of \$250,000.

According to spokesmen for the bank and mortgage firm, the program should be especially attractive to retirement funds interested in encouraging home building in local areas. A First of Minneapolis officer predicted that the new mortgages will just about eliminate the practice of buying individual mortgages by institutional investors. He explained that "It's just too easy for pension plans to do it this way. They've got iron-clad guarantees, no paperwork and no payment fluctuations at all, coupled with the ability to help their local home-building market."

The securities are being offered under authority created by the Housing and Urban Development Act of 1968.

Master Charge Sweepstakes Held by Houston Banks

HOUSTON—First City National, in association with 94 other Houston-area banks, recently awarded several grand prizes in the Master Charge Card 51 sweepstakes.



A 1970 Corvette sports car was the first grand prize in the Master Charge Card 51 Sweepstakes. From left are: Charles A. Stubblefield, pres., Main Bank, which issued the winning card; Albert Vernon Lockett, the lucky cardholder who won the car; and Bert E. Linda, v.p., First City National, and dir., Master Charge Card 51 program.

The sweepstakes was created by First City National to introduce the Master Charge Card in the Houston area. For four months, eligible cardholders were given the opportunity to win a new car or any of 51 children's sidewalk cars or 51 model car transistor radios each month. A Corvette sports car was given away in June, a Chrysler station wagon in July, "His and Hers" Ford Mavericks in August and a 1970 Lincoln Continental Mark III in September.

To be eligible, a person had to hold a Master Charge Card that was issued by one of the 95 Southwestern States Bankcard Association banks participating in the sweepstakes. Account numbers of cards issued by these banks began with the number 51, which differentiated them from other Master Charge Cards in the market area.

Winning account numbers were selected at random by an independent certified public accounting firm and were posted monthly by 3,500 participating merchants.

Pollution-Improvement Loans Available in Chattanooga

CHATTANOOGA—American National recently began making loans at reduced interest rates to area citizens and businesses needing financial assistance for the purchase, modification and installation of equipment that will lead to a cleaner environment.

Bank officials said the low-cost, anti-pollution loans were being offered to help speed the day when the environment would be free of all kinds of pollution.

Where Are They Now?

TOM BARNES, formerly a correspondent officer at Chicago's Harris Trust, is shown tending an orchid plant in the yard of his home in Montecito, near Santa Barbara, Calif. Mr. Barnes retired from the bank in 1964 after having served 40 years there.



Mr. Barnes wrote MID-CONTINENT BANKER that his time is fully taken up caring for his acre of ground on which he grows orchids, which he describes as his "second love," and roses,

which he calls his "third love." The picture shown here, by the way, was taken by Mrs. Barnes, who, her husband wrote, is "my first love."

The Barnes yard once was a lemon orchard. Mr. Barnes had to have the area completely landscaped, but kept one lemon tree. In addition, he planted three avocado and five orange trees, many other fruit-bearing trees "for background" and hundreds of flowering shrubs and bushes. "So there is plenty to do," he said. He also reports spending a lot of time with his camera and at the bridge table.



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It's 3 a.m.

The streets of Nashville are quiet, all but deserted.

But in Third National's Computer Center, minds race, fingers dance, keys clack, and reels spin. Processing data that came in last evening. Getting it out to our correspondent banks by early morning.

The scene is duplicated in other cities where Third National maintains Compu-

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MID-CONTINENT BANKER for November, 1970

Guaranty Bank of Alexandria Completes First 75 Years; Assets Reach \$90 Million

SEVENTY-FIVE YEARS ago last month, riverboats loaded and unloaded along what was then Front Street in Alexandria, La., and everyone gawked at the new "horseless carriages" that were beginning to appear on the streets. Grover Cleveland was President of the United States, of which there were only 46, and the thriving city of 2,800 had fewer than 50 telephones.

On October 16, 1895, a fledgling bank opened its doors for business, and Guaranty Bank & Trust Co. of Alexandria, then called First National

Bank, began its first 75 years of uninterrupted service to the community.

The ambitions of nine farsighted Alexandrians were realized 75 years ago, when the bank's doors opened in modest rented quarters, part of the Kunagel Building on Second (now Main) and DeSoto streets. There were five paid employees. Thomas Clements was the bank's first president, and Bernard Ehrstein was vice president, with Alfred Wettermark, cashier, a founder and member of the board until 1950; Charles Owen, bookkeeper; and Walter Hill, runner, who later became executive vice president.

The original capital of \$50,000 was owned by less than 30 local citizens. Today, the capital stock of \$1.1 million is held by approximately 650 people, most of whom are residents of Alexandria and central Louisiana.

Ten years after it opened, the original quarters, containing approximately 1,200 square feet, were completely outgrown. The resources of the bank, now \$1,134,769, were increasing with the same steady consistency as the population, then estimated at more than 8,000. In 1905 the bank moved into its own attractive building at 1018 Second (Main) Street. This building has since been razed to make way for downtown parking.

On November 13, 1911, following the death of the bank's second president, Paul Lisso, J. A. Bentley, one of the pioneers of the lumber industry of central Louisiana, was elected president. At this point, the bank's resources were \$1,228,944.

By 1920 the resources of the bank were over \$5,000,000, and the town had become a bustling city of 17,510.

Once more the growing bank had outgrown its home. Plans were announced for a 10-story building, at that time considered a skyscraper. This imposing structure is still a landmark in the community.

Prior to moving into this imposing new home in 1921, the stockholders, now numbering 173, voted to change from a national to a state charter. This also required a change in name and Guaranty Bank & Trust Co. was selected to replace First National Bank.

The bank's stockholders and management did not change.

The progress of the bank continued, even in the year of the disastrous stock market crash. By the end of 1930, resources exceeded \$8,000,000.

Then came the dark days of March, 1933. One of the first acts of the new President, Franklin D. Roosevelt, was to order the closing of every bank in the United States. Following the compulsory "banking holiday," hundreds of banks throughout the country either remained closed or closed shortly thereafter. Because of sound banking policies and capable management, Guaranty Bank not only withstood this acid test, but helped many local firms in addition to a number of smaller banks in the area survive.

On June 9, 1938, Mr. Bentley died after having guided the bank safely through eras of war and peace, famine and plenty. On June 14, 1938, J. W. Beasley was elected the fourth president of the Guaranty Bank. Under his leadership, the deposits of the bank began to outstrip the population. By 1940 the resources reached \$15,481,910, yet the city's population had increased only 4,000.

Again the bank outgrew its quarters, and a remodeling program was begun. The 6,000 square feet of space used since 1921 were increased to approximately 11,000 feet by adding a mezzanine floor, taking in one-third of the second floor, and by utilizing approximately two-thirds of the basement.

Guaranty Bank opened its Pineville Branch in 1943. This branch has been remodeled and enlarged three times since 1943, and plans for a fourth are under way.

By 1950 the bank's resources had topped the \$54-million mark, and the '50s became a decade of progress at Guaranty Bank. In 1950 the Auto Bank and Storage Facility opened on Fourth Street and were followed in 1953 by the opening of the Park Avenue Branch. The MacArthur Branch was opened for business in 1958 and the Tioga Branch in 1962. Each branch, along with the main bank building, has undergone remodeling or additions since opening. During this period J. W. Beasley Jr. was elected president of Guaranty Bank, succeeding his father in that position.

Early this year, A. R. Johnson III, a native Louisianan, was elected president of Guaranty Bank. A young man with an eye toward the future, he directs the efforts of approximately 200 employees, is responsible for more than \$90 million in assets and serves as chief executive officer responsible to the bank's 650 stockholders. ••



Guaranty Bank's tower, landmark in Alexandria, has been home to bank since 1921.



Alexandria, La., looked like this in 1895, when Guaranty Bank opened for business as First National.

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MID-CONTINENT BANKER for November, 1970

Holding Company Battle Begins in Alabama

Hearing Is Held in Birmingham on Application To Form Registered Bank Holding Company

SOMETIME before the year ends, the Federal Reserve Board is expected to hand down a decision that could well change the course of banking in Alabama.

It will involve an application of Alabama's sixth, seventh and 10th largest banks to form the state's first registered bank holding company, to be known as First Alabama Bancshares, Inc.

The application was filed with the FRB by First National of Montgomery, which had deposits of \$173.5 million as of December 31, 1969; Exchange Security Bank of Birmingham, which had deposits of \$141.7 million as of December 31, 1969, and First National of Huntsville, which had deposits of \$69.2 million as of December 31, 1969.

The FRB held a five-day hearing on the application in Birmingham in September, with Examiner Edward Creel, himself a University of Alabama graduate, presiding. Mr. Creel was on loan to the FRB from the Federal Trade Commission. He was in an auto accident on his way to Birmingham from Washington and wore a bandage on his forehead during the hearing.

Representing the FRB was Michael Greenspan, Washington attorney.

The application was spiritedly opposed by Birmingham Trust National; Union Bank, Montgomery; First National, Guntersville; Citizens Bank, Prattville, and Bank of Prattville.

Alabama has no laws regulating bank holding companies, although the Alabama Bankers Association tried to

By IRVING BEIMAN
Contributing Editor

get a bill through the last regular session of the Legislature in 1969 prohibiting such companies. It failed to get out of a House committee.

C. E. Avinger, state superintendent of banking, recommended disapproval of the application.

The U. S. Comptroller of the Currency has recommended approval of the application, while the U. S. Justice Department said in a letter to the FRB that "the proposal, if followed by approvals of similar transactions combining the other leading banks in Alabama, may have a significantly adverse effect on potential competition in Alabama."

The Justice Department said the proposal would "eliminate substantial potential competition in Montgomery, Birmingham and Huntsville and will further entrench the present highly concentrated banking structure in those markets. Moreover, since this is the first holding company formation in the state, it may trigger other similar combinations among the dominant or leading banks in the major banking markets."

While the hearing was under way, the FRB approved an application by First Arkansas Bankstock Corp. to become that state's first registered bank holding company, pretty fair indication of what could happen in the Alabama case. At least, supporters of the

Alabama application believe they will get a favorable ruling from the FRB.

On the other hand, there was open talk that such a ruling from the FRB would be appealed, eventually to the U. S. Supreme Court.

Mr. Greenspan pointed out that the mere fact that Alabama has a statute prohibiting branching across county lines does not prohibit registered bank holding companies. He said the FRB may have to determine whether the Alabama anti-branching law is also directed against bank holding companies.

He said another issue is whether the proposed holding company will materially lessen competition among the state's banks. Witnesses for the banks seeking to form the holding company contended the proposal would not lessen competition, while the other side countered with statements they would be at a competitive disadvantage.

L. Y. Dean, Eufaula banker and chairman of the Committee to Preserve Local Banks, said a questionnaire was sent to 259 banks in Alabama. Of the 163 replies, 148 were against the proposed holding company; five were for it, and 10 were neutral. The three holding company applicants and two other banks involved in merger litigation were not approached on this matter.

Mr. Dean testified "this holding company would lead to state-wide branching and would not benefit the public . . . a locally owned and controlled bank has more interest in its

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community than a bank controlled elsewhere."

Mr. Dean also spoke of "the danger of some people in Alabama trying to get the law changed to permit statewide branching."

Advantages of a bank holding company were outlined by Norman Pless, president of Exchange Security. He said: "Our three banks would be able to share the talent of better trained and more specialized personnel in many technical areas. Hopefully, this would help us get and retain outstanding personnel who will feel a better opportunity for advancement exists."

"Our capital requirements to keep our equity capital in line as we grow and expand our services will be better obtained through the holding company. Certainly, the market for debt or equity securities of the holding company will be more attractive than that for our bank.

"In addition, it is more likely that more funds from outside the state will be invested in the holding company than is the case now for each of the three proposed subsidiaries.

"We hope also to be able to more fully penetrate areas of service in which we are now just starting or others in which we are weak. One area is in correspondent banking. Exchange Security's portion of Birmingham correspondent banking is only 4.7%.

"Lastly, the holding company provides us with a method of accomplishing all of the above while at the same time providing us with an approach that allows the individual banks to retain their separate identities, local board members and local management.

"We are not interested in forming a holding company for the purpose of gobbling up small banks. This will not help us better compete with First National of Birmingham (Alabama's largest bank) or banks outside our state. The proposed affiliation will have no effect on the competitive situation in small towns.

"It has been brought home to me the dominant economic and commercial power which Atlanta now exercises over Birmingham. If we are going to begin to catch up with Atlanta, we have got to put our capital to work. We can't let all go to Atlanta in the form of compensating balances. Our proposal would be a step in this direction. It would establish some effective competition with out-of-state banks and essentially leave the Alabama banking picture unchanged."

Robert Lowry Sr., chairman and chief executive officer of First National of Huntsville, said the only avenue "available to us through which we can

adequately serve and promote our area is through this bank holding company proposal."

Frank Plummer, president and chief executive officer of First National of Montgomery, said the application would result in "providing controlled, dependable and fluid credit; would make available the expertise of our real estate mortgage department, which is recognized nationally, to the affiliated banks; would open the door for creation of a real estate investment trust."

"Modern technical, specialized skills require salary brackets not traditional with recognized banking standards," Mr. Plummer said. "We believe the holding company can establish a secondary salary bracket for this type of skill without interfering or complicating the normal program of the individual bank.

"Among the general advantages would be improved audit procedures. The development of audit trails for data processing is in its infancy. We see great improvements and savings in this field.

"We expect to gain by the elimination of duplication of experimentation.

"There will be no miracles develop out of the holding company overnight. The concept is important for present services and preparation for the future."

Mr. Plummer said, looking into the future, he would hope that a bank in the Mobile area would be interested in joining his group, and as a matter of fact, there has been speculation about Merchants National of Mobile in this connection.

Molton Williams, president of Molton, Allen and Williams, Birmingham realty and mortgage firm, said the proposed company would make more local money available to his firm. "In addition," he said, "we are vitally interested in keeping our compensating balances and interest payments within the state of Alabama. The resulting boost to the economy of Alabama has a direct effect on the continued real estate development growth upon which our business depends."

Dr. Marcus Whitman, head of the finance department of the University of Alabama at Tuscaloosa, said such a holding company would probably result in new industrialization over the state and a better balance of industry.

"A holding company would make the situation more attractive for new industry by marshaling bank resources," he explained. He thought larger loans would be available through a holding company.

Olin King, president of SCI Systems, a Huntsville electronics develop-

ment firm, said he banks with Atlanta and New York banks because he has been unable to obtain credit lines from Alabama banks sufficient to handle his company's needs. Accordingly, he said, he keeps the bulk of his company's deposits outside Alabama because he has to keep compensating balances on deposit with the banks from which his firm borrows.

Opponents of the holding company proposal contended the proposed company would not increase the amount of money available for loans because banks now "participate" in loans when one bank is unable to make a single loan itself large enough to satisfy a borrower.

John Neill, president of Union Bank, Montgomery, opposing the application, said approval of the application could result in a rush of other sizable banks in Alabama to form similar groups. "This would result in financial power probably being concentrated in a few registered bank holding companies and the real seats of authority could be far removed from the areas or customers directly affected," he said.

The present unit-banking system in Alabama has functioned well, Mr. Neill contended. "To change drastically the banking structure of the state appears unjustified," he said.

He said his bank actively competes in the trust field and approval of the holding company application would place "us at a further disadvantage.

"Our competitive position in the correspondent bank field also would be jeopardized."

Creation of the holding company would not create new banking resources, he continued, but "would project an image of bigness which would place us at a competitive disadvantage . . . and it would enhance the long-existing dominant position of First National of Montgomery."

Michael Greenspan, FRB attorney, asked Mr. Neill if he knew that the U. S. Comptroller of the Currency had stated in a letter to the FRB that the proposed company would be able to set up data processing centers that would make the three banks involved more efficient, through pooling of their individual processing services.

Mr. Greenspan said the Comptroller of the Currency also said the proposed holding company would provide more management depth for the banks involved and they would be in better position to serve large commercial customers. Mr. Neill voiced disagreement with those statements.

John Maples Sr., executive vice president of Union Bank, said that while some Montgomery area companies do obtain their credit needs out-



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MID-CONTINENT BANKER for November, 1970

side Alabama, the area's economic growth has nevertheless been steady, although not spectacular. "We have no difficulty arranging participation loans with other banks in Alabama," he said.

W. T. Cothran, chairman and chief executive officer, Birmingham Trust National, said that in his opinion the application was a subterfuge to get around Alabama's anti-branching statutes.

Guy H. Caffey Jr., president of BTNB, said approval of the application would cause a number of "larger-size banks, for competitive reasons, to move into the holding company relationship.

"The change would be revolutionary, to say the least, in Alabama."

He said the banking system in Alabama today is doing "a good job," and "you would end up with much fewer banks than you have today" if the application is approved.

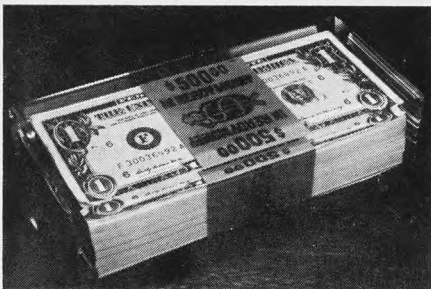
John P. Willis Jr., president of First National, Guntersville, said, "The smaller banks will be gobbled up if this concept is approved." He said smaller banks joining such a company might get twice the market value for their stock. Asked if he would join a holding company if he had the opportunity, Mr. Willis replied: "It would depend on what the price was."

Dr. Jerome C. Darnell, associate professor of business administration at the University of Colorado, read an analysis of the economic consequences that he and Dr. Robert D. Mettlen, assistant professor of finance at the University of Texas, felt would arise from formation of the company.

Each bank involved in the holding company application already is large enough to take advantage of real economies of scale, he said. Each has maintained a higher-than-average loan-to-deposit ratio. Each makes use of data processing equipment.

Approval of the application would remove two of the top competitors from

Dollar-Bill Paperweight



Executive Ideas, Inc., Miami, is offering this paperweight, among other premiums for banks, that features dollar bills on top and bottom, enclosed with a paper band to resemble a stack of bills. The stack is enclosed in clear lucite. The premium has worked well as a bank premium.

the correspondent banking field, Dr. Darnell said, and it would "violate the antitrust standards and result in a substantial lessening of competition. Large banks will feel pressure to form their own holding companies in order to maintain market shares, while small banks would feel the competitive pressure and the lure of selling out while the price is attractive." • •

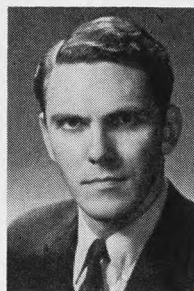
Franklin National Promotes Two Correspondent Men

NEW YORK—James C. La Velle recently was promoted to vice president, national division, Franklin National. He is in charge of the central states territory and covers Illinois, Michigan, Ohio, Wisconsin and Indiana. Mr. La Velle, formerly an assistant vice president, joined the bank in 1968.

Maris Andersons, assistant vice president, has been named head of the western district covering Oklahoma, Texas, Kansas and New Mexico, among other states. Mr. Andersons, who joined the bank in 1967, succeeds M. Carlton Hook Jr., vice president, who recently retired.



LA VELLE



ANDERSONS

1964 Coin Sets Net Chicago Bank 100 \$250 Deposits Each Day

CHICAGO—To mark its 25th anniversary and bring new savings depositors into the bank, Devon Bank on Chicago's North Side offered a set of 1964 U. S. coins for each new \$250 passbook savings account or \$250 add-on. The result: an average of 100 new accounts or add-ons each day.

The gift coins, which included the Kennedy half dollar, a quarter, dime, nickel and Lincoln penny, were encased in clear plastic and were particularly appropriate for a silver anniversary inasmuch as 1964 was the last year in which U. S. coins contained silver.

To provide something for everyone, the bank also gave quarters encased in clear plastic to those opening savings or checking accounts for less than \$250.

Commented Vice President Ralph C. Erwin: "They were the best savings-deposit-getter we ever used."

Stainless Nets \$6.5 Million

A Louisiana bank offered stainless tableware as a continuing premium, requiring a \$25 deposit to a new or existing savings account for the initial free setting and to qualify for the purchase of additional settings. New accounts totaled 4,673, with deposits of \$4.2 million. Add-ons totaled 11,286, with deposits of more than \$2.3 million. The promotion ran for 13 months.

J. E. Brown Elected Director Of Mercantile Trust; Jones Rejoins Bank as Sr. VP

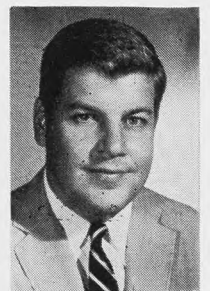
ST. LOUIS—Mercantile Trust recently named James E. Brown, senior vice president, a director. Mr. Brown, who has over-all responsibility for marketing and sales, was the first president of Credit Systems, Inc., the area center for the bank charge card system now known as Master Charge.

Louis S. Dennig Jr., senior vice president, has succeeded Harrison F. Coerver as chief lending officer. Mr. Coerver is now president of the bank.

Elected senior vice presidents were Eugene E. Fincke and W. Boardman Jones Jr. Mr. Fincke will continue his activities as a division loan officer, as well as officer in charge of the bank's merger and acquisition division for corporate customers. Mr. Jones, also elected a director, will head the trust department. He first joined Mercantile in 1958 and returns to the bank following service as an officer of A. G. Edwards & Sons, Inc.



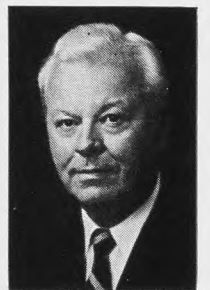
BROWN



DENNIG



JONES



FINCKE

First Aid

...for banks having problems over trust investments

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

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

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

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

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

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

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

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First National Bank
of Chicago

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Boldt Succeeds Blake As President of BMA; Duncan Named 1st VP

CLOSE to 2,000 bank marketing and public relations officers from the United States and Canada attended the Bank Marketing Association's 55th annual convention, "Blueprint for a Decade," in Las Vegas September 20-24.

Officials said the program was the most extensive the association has ever offered, with sessions covering everything from charge cards to trust services.

One of the highlights of the convention was the election of Edward C. Boldt, senior vice president, Central National, Cleveland, as BMA president.

Also elected officers were: first vice president, Buell G. Duncan Jr., senior vice president, First National, Orlando, Fla.; second vice president, William N. Flory, vice president, marketing services division, Harris Trust, Chicago; and re-elected treasurer, Richard K. Frey, executive vice president, Lake Shore National, Chicago.

Bankers from the Mid-Continent area elected directors were: Clifford Y. Davis Jr., senior vice president, First National, Memphis; and Lloyd F. Silberberger, vice president, Republic National, Dallas.

Canada Trust, London, Ontario, took top honors in the association's third annual Golden Coin awards competition. The bank won the "Best of Show" trophy with its entry in the category for banks with total assets of \$1 billion or more. The entry outlined a successful two-month campaign designed to develop customers for the bank's retirement savings plan.

A Mid-Continent-area bank, Conroe (Tex.) Bank, won a Golden Coin trophy for its entry in the category for banks with total assets of \$25 million or less. The entry, called "Making Good Things Happen for You," described how a "stodgy, overly conservative bank" changed its image and reaped new deposits by changing the attitudes of its officers and employees.

The judges awarded certificates of merit to two Mid-Continent-area banks.

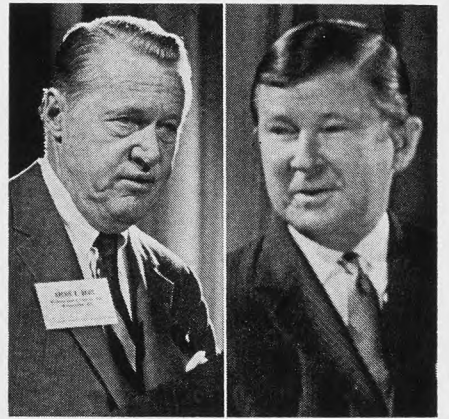
In the category for banks with total assets of \$25 million or less, Stock Yards Bank, Oklahoma City, won for "A Correspondent Program! Who, Me?" The entry explained how the bank increased deposits by plunging into the correspondent banking field with a unique and profitable approach.

For banks with total assets of \$1 billion or more, Harris Trust, Chicago, won a certificate of merit for "Introduction of 'Checking Unlimited,'" which featured an outline of the marketing plan used to introduce a new checking service.

At the convention, 89 speakers addressed special dawn-duster meetings, general sessions, departmentals and clinics/workshops.

Archie K. Davis, chairman, Wachovia Bank, Winston-Salem, N. C., was the keynote address speaker on "Banking at the Crossroads." He emphasized the change taking place in the economy and subsequent developments in banking, due to steadily rising inflationary pressures and a high-cost operating environment.

Mr. Davis stated that the banking industry, in meeting the challenge of change, has run head-on into "rather inflexible regulatory and statutory con-



Among BMA convention speakers at annual convention were Archie K. Davis (l.), former ABA pres. and ch., Wachovia Bank, Winston-Salem, N. C.; and Senator John G. Tower (Rep., Tex.).

cepts." He suggested that the need for more flexible regulatory controls has increased.

According to Mr. Davis, the dual system of banking must be preserved as "the basic guarantee of our private-enterprise system." He also predicted that competition from non-banking organizations for customers and markets will intensify in the future.

The one-bank holding company bill was discussed by Senator John G. Tower (R.Tex.), general session speaker. He said the Senate version of the bill "directs the industry to increase productivity in the brokerage of money, to innovate and to help create jobs and income for the people of our country and of the world."

Senator Tower said that provisions in the bill would allow bank holding companies to go into virtually all types of financial enterprises and that the Senate would opt for June 30, 1968, as the cutoff date for the new holding company law. He also suggested that banks expand public benefit programs and increase public information in order to gain a favorable foothold in the minds of the public.

In his speech, Carter H. Golembe, president, Carter Golembe & Associates, Washington, D. C., stated that marketing, banking's long-range planning and Washington should be combined as one concern of the Bank Marketing Association. He cited congressional reapportionment, the preoccupation of Washington with adequate housing and the rise of the consumer movement as areas affecting the banking structure.

Mr. Golembe told the convention, "... it seems to me that the signs in Washington point toward a more competitive and innovative financial system in the future, in which banks will play a major role." • • •

Edward C. Boldt (l.), new BMA pres., is congratulated by his predecessor, Frederick J. Blake. Both men are senior vice presidents at Central Nat'l, Cleveland, Mr. Boldt having joined that bank last June. He came from First Nat'l, Memphis, where he also was sr. v.p.



NATIONAL BANK OF DETROIT

CONSOLIDATED BALANCE SHEET—SEPTEMBER 30, 1970

ASSETS

Cash and Due from Banks	\$1,232,757,294
Securities—At Amortized Cost:	
U.S. Treasury	506,794,575
Other U.S. Government	
Agencies and Corporations	4,137,588
States and Political Subdivisions . .	516,228,993
Other Securities	33,717,359
	<u>1,060,878,515</u>
Federal Funds Sold and Securities	
Purchased Under Agreements	
to Resell	82,850,000
Loans:	
Commercial and Consumer	1,648,166,808
Real Estate Mortgage	546,157,793
	<u>2,194,324,601</u>
Bank Premises and Equipment (at	
cost less accumulated depreciation	
of \$25,237,853)	44,838,474
Other Assets	38,665,782
Total Assets	<u>\$4,654,314,666</u>

LIABILITIES, RESERVE AND CAPITAL FUNDS

Deposits:		
Demand	\$1,583,062,811	
Individual Savings and Time	1,389,931,257	
Other Savings and Time	352,631,600	
London Office	387,514,064	
	<u>3,713,139,732</u>	
Other Liabilities:		
Federal Funds Purchased and		
Securities Sold Under Agree-		
ments to Repurchase	\$237,085,953	
Other Funds Borrowed	8,500,000	
Unearned Income and Sundry		
Liabilities	305,910,940	551,496,893
Total Liabilities		<u>4,264,636,625</u>
Reserve for Possible Loan Losses		52,627,867
Capital Funds:		
Convertible Capital Notes		
(5% Due 1993)	50,000,000	
Shareholders' Equity:		
Common Stock—Par \$12.50		
(Authorized 7,000,000 Shares;		
Outstanding 6,000,000 Shares)	75,000,000	
Surplus	125,000,000	
Undivided Profits	87,050,174	337,050,174
Total Liabilities, Reserve		
and Capital Funds		<u>\$4,654,314,666</u>

Assets carried at approximately \$278,000,000 (including U.S. Treasury Securities of \$44,000,000) were pledged at September 30, 1970 to secure public deposits (including deposits of \$35,777,217 of the Treasurer, State of Michigan) and for other purposes required by law.

Michigan's Leading Bank



Main Office, Woodward at Fort

Board of Directors

- A. H. Aymond
Chairman—Consumers Power Company
- Henry T. Bodman
Detroit, Michigan
- Ivor Bryn
Chairman—McLouth Steel Corporation
- Harry B. Cunningham
Chairman—S. S. Kresge Company
- William M. Day
Former Chairman—The Michigan Bell
Telephone Company
- Leland I. Doan
Chairman, Executive Committee—
The Dow Chemical Company
- Charles T. Fisher III
Executive Vice President
- Edward F. Fisher
Detroit, Michigan
- A. P. Fontaine
Chairman and President—
The Bendix Corporation
- John B. Ford
Director—Wyandotte Chemicals Corporation
- John F. Gordon
Director—General Motors Corporation
- Joseph L. Hudson, Jr.
President—The J. L. Hudson Company
Vice Chairman—Dayton Hudson Corporation
- Ralph T. McElvenny
Chairman—American Natural Gas Company
- Ellis B. Merry
Chairman of the Board
- F. W. Misch
Detroit, Michigan
- Peter J. Monaghan
Partner—Monaghan, McCrone
Campbell & Crawmer
- George E. Parker, Jr.
Detroit, Michigan
- Robert B. Semple
President—Wyandotte Chemicals
Corporation
- Nate S. Shapero
Honorary Chairman and Director—
Cunningham Drug Stores, Inc.
- Austin Smith, M.D.
Chairman and President—
Parke, Davis & Company
- George A. Stinson
President—National Steel Corporation
- Dwight L. Stocker
Kalamazoo, Michigan
- Peter W. Stroh
President—The Stroh Brewery Company
- Robert M. Surdam
President
- Donald F. Valley
Chairman, Finance Committee—
S. S. Kresge Company



Member Federal Deposit Insurance Corporation

MID-CONTINENT BANKER for November, 1970



This is artist's concept of St. Louis skyline as it would look if proposed building project is carried out. Tallest building (at right) is Mercantile Trust Co. Tower, which is entirely conceptual in nature at this time. Directly below and behind tower at right is present Mercantile Trust building. Two structures in center would be office buildings. Building at left framed by Gateway Arch is now under construction, but is not part of the project.

In St. Louis —

Mercantile Trust to Erect New Building As Part of City's Redevelopment Project

MERCANTILE TRUST, St. Louis, is to play a big part in plans for developing a three-level shopping mall and office complex in the heart of the city. The proposal, which would encompass five blocks, was announced by the bank's chairman, Donald E. Lasater, and two department store presidents, J. Arthur Baer II, Stix, Baer & Fuller Co., and Sanford J. Zimmerman, Famous-Barr Co. The main area to be developed is the four blocks bounded by Broadway, Locust and Seventh streets and Washington Avenue.

Mercantile has acquired title to all of the property in the block north of its present building. Mr. Lasater pointed out that the bank building shown in the photo that accompanies this article is conceptual in nature and that the timing of construction and the final determination of the design and size of the building would depend on progress

of the rest of the project and demand for office space. It is anticipated that decisions will not be made in this regard for at least three months.

Mr. Zimmerman emphasized that in order for this tremendous project to be carried out, it will require that the blocks involved be declared blighted to insure unified ownership and economic feasibility of the project.

According to Mr. Baer, the proposed shopping mall is realistic and would provide a strong incentive for people to shop downtown. He also said the mall should attract many first-class specialty stores as tenants.

The next step for the three executives is to review the plan with the St. Louis Board of Aldermen and the necessary departments of the city. If needed city approvals can be reasonably assured, they then will enter into discussions with various recognized developers experienced in this field. • •

Since 1965 we've learned enough about retirement to fill another book.

1970 STUDY OF INDUSTRIAL RETIREMENT PLANS

Ninth in a Series



BANKERS TRUST COMPANY NEW YORK

It's our ninth. And it's an in-depth study of 287 retirement and pension plans that have been developed for 201 companies in 71 industry categories.

(Our other eight books—the last one of which was published in 1965—analyzed trends based on 2026 earlier pension programs.)

We started thinking about retirement back in 1913. Fifty-seven years ago.

That's when we worked out our first plan. And it was for our own employees.

Well, you can't keep a good thing to yourself. So, in short time we were busy acting as trustee for the company pension funds of some of our customers. And in 1938 we became the first major bank to have a separate pension division as part of our trust department.

Now, if none of the numbers we've mentioned so far have impressed you, how about this fact: Today Bankers Trust manages pension funds covering over three million people.

For over 30 years we've been innovators in pension fund administration, research and investment.

And although we started to publish our pension plan studies as a service for our own customers, they have become the definitive source for everybody in this field: Large and small corporations, actuarial consulting firms, insurance companies, various branches of our own government as well as several foreign governments. Also our competitors, the other banks.

Bankers Trust is the only one to have collected all of these plans in a single publication—updated and ready for comparative use.

If you're interested in getting a free copy of our 1970 Study, write on your company letterhead to:

Mr. Howard M. Koster, First Vice President, Employee Benefit Trust Division, Bankers Trust Company, 280 Park Avenue, New York, N. Y. 10017.

**You'll find a trustee at
Bankers Trust.** 

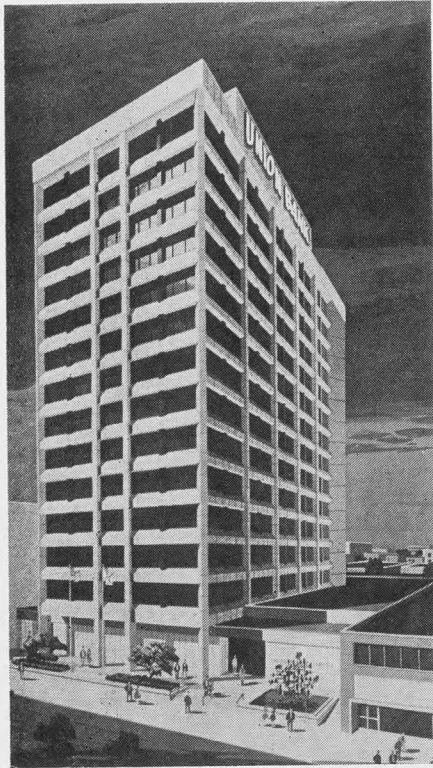
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MID-CONTINENT BANKER for November, 1970

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Federal Reserve Bank of St. Louis



Artist's sketch shows new Union Bank of Montgomery building. Structure is 15 stories tall and is said to be first major high-rise building in Montgomery in more than half century.



This view of lobby of new Union Bank building shows part of tellers area, which is located in center of main lobby for easy access from all sides.

Union of Montgomery Completes Construction Of 15-Story Building

THE FIRST major high-rise construction in Montgomery, Ala., in more than half a century—this is how Union Bank describes its new, 15-story structure. More than 10,000 persons toured the building during grand-opening festivities.

The marble, concrete and steel building, said to be central Alabama's largest and tallest banking structure, has a lobby executed in travertine and black marble, centrally located tellers desks and—on the perimeter—executive offices and an open row of new accounts and loan department offices. The safe deposit vault also is located on the first floor.

Beneath the lobby is a sub-street-level business area containing an employees' cafeteria, seminar rooms and an executive dining room, complete with stainless steel kitchen equipped to serve 200. Also below street level is a security area for receiving and dispatching money. It's accessible to armored trucks only through a special reinforced concrete passage.

The building's upper floors contain conference rooms, customer service, public relations and trust offices, plus the computer room and other departments.

High-speed elevators take visitors to the top floor for a magnificent view of the city. Located here are private ex-

ecutive offices and meeting rooms for directors. The directors' room is paneled in walnut and equipped with a kitchenette. One of the major attractions of the opening festivities was a trip to the 15th floor for a sweeping view of the city.

The new building is connected by ground-floor passage way to a five-level garage and drive-in facility. The parking area can accommodate 265 vehicles.

Union Bank opened April 1, 1901, with resources of \$24,667. As of last June 30, resources were \$109.7 million. During its nearly 10 decades, the bank has had four presidents: Michael Cody, Walton Hill, Grover Keyton and John H. Neill Jr. The latter has held the post since 1954. • •

Union Bank Officers



MAPLES NEILL HILL JOHNSTON

John H. Neill Jr. is pres. of bank; Thomas B. Hill Jr. is ch.; Mark W. Johnston is v. ch., and John Maples Jr. is exec. v.p.



Guests enter new Union Bank building during special opening ceremonies. More than 10,000 persons visited bank during festivities.

Need portfolio analysis? Tell Irving Trust all about it.

When it comes to securities, Irving Trust is a specialist. Our Investment Administration Division will review your

bank's holdings, and offer comments based on its intimate knowledge of the market.


We'll discuss how you could use our electronic, fully automatic securities storage system.

This new securities-handling

method in your bank might be just what the doctor ordered.

Your bank has resources it hasn't even used yet. Ours.

IRVING TRUST COMPANY
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 A Charter New York Bank, Member F.D.I.C.





NEW NABW OFFICERS: Seated, l. to r., Mrs. Ruth Harrison, vice president; Miss Ruth Bryant, president; and Mrs. Betty Steele, treasurer. Standing, l. to r., Mrs. Juanita Reitzhammer, corresponding secretary, and Mrs. Rubye Baldwin, recording secretary.

NABW Convention in Washington Attracts Nearly 1,000 Members

ALMOST 1,000 WOMEN converged on Washington late in September, but it was not to demonstrate for women's rights. They were in the nation's capital to attend the 48th annual convention of the National Association of Bank-Women Inc. The convention, held at the Mayflower Hotel, attracted a record-breaking number of NABW members—940—and featured such speakers as Senator Charles H. Percy (R., Ill.) and Representatives Wilbur D. Mills (D., Ark.) and Leonor K. Sullivan (D., Mo.). Representative Martha Griffiths (D., Mich.) discussed "What You Should Know About the Women's Movement."

A memorable part of the convention was a special tour of the White House, where Mrs. Richard M. Nixon shook hands and talked with convention delegates.

The program also included a congressional reception, at which senators and representatives were invited to meet with their constituents, and a legislative luncheon, at which ABA Executive Vice President Willis Alexander brought NABW members up to date on banking legislation. In addition, Bruce K. MacLaury, deputy under secretary for monetary affairs, spoke on "Managing the Public Debt—Implications for National Economic Policy"; Mrs. Mary T. Brooks, director of the Mint, had the topic, "The Bureau

of the Mint—After One Year in Office"; and J. L. Robertson, vice chairman, Board of Governors, Federal Reserve System, discussed conditions in our country and what can be done to correct them. In addition, Miss Jean E. Spencer, assistant to the vice president of the United States, gave the keynote address, "The Changing Role of Women in Government."

One session was devoted to concurrent workshops conducted by NABW members. Topics included "Managers and Motivation," "The Changing Image of Banks," "Consumerism—Its Effect on Your Bank," "Computer Problems and Their Solutions," "La-

bor Relations and Unionism," "New Business Techniques" and "Investment Counseling."

Scholarship Awards. The NABW Scholarship Award, given annually to an association member, went this year to Mrs. Gertha J. Powers, cashier, First State, St. Petersburg, Fla. The Jean Arnot Reid Award, given to a woman banker who is not a member of NABW, was presented this year to Mrs. Joan T. Martin, assistant cashier, Merchants & Farmers Bank, Portsmouth, Va.

New Officers. Miss Ruth A. Bryant, assistant vice president, Memphis Branch, Federal Reserve Bank, St. Louis, was installed as NABW president. She succeeded Miss Bobbye Taylor, assistant vice president, First National, Lamesa, Tex. The new NABW vice president is Mrs. Ruth J. Harrison, assistant vice president and director of public relations, Irwin Union Bank, Columbus, Ind.

Recording secretary is Mrs. Rubye M. Baldwin, vice president and trust officer, Coahoma National, Clarksdale, Miss. Corresponding secretary is Mrs. Juanita W. Reitzhammer, assistant vice president, Second National, Jackson, Tenn.; and treasurer is Mrs. Betty L. Steele, vice president and secretary, Brenton Banks, Inc., Des Moines, Ia.

Regional vice presidents are: *Lake*—Miss Buddie J. Belford, assistant vice president, Federal Reserve, Chicago; *Middle Atlantic*—Mrs. Sally S. Buck, vice president, Citizens Trust, Portsmouth, Va.; *Midwest*—Mrs. Hilaria Corrigan, assistant vice president, Fourth National, Wichita; *New England*—Mrs. Eldia A. Manning, marketing officer, Hartford (Conn.) National; *North Atlantic*—Mrs. Irma H. Collins, assistant secretary, Security Trust, Rochester, N. Y.; *North Central*—Mrs. Alice Nickel, cashier, Pierre (S. D.) National;

Northwestern—Mrs. Ann M. Schmidt, assistant cashier, Puget

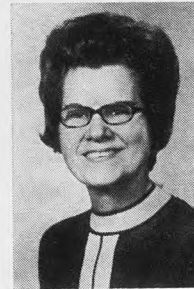
Mid-Continent-Area Regional Vice Presidents



TAYLOR



McCLUNEY



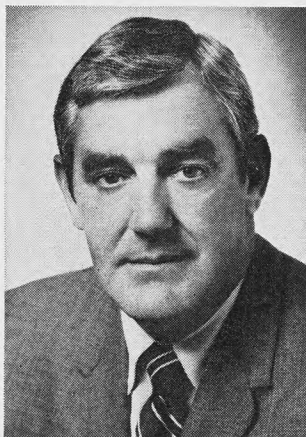
CORRIGAN



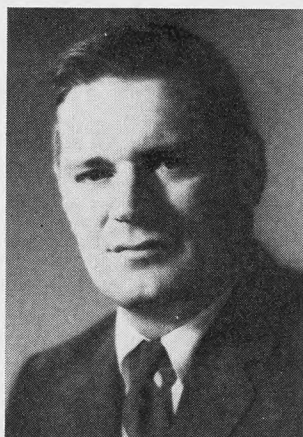
BELFORD

Four of the 12 new regional vice presidents of the National Association of Bank-Women Inc. are with Mid-Continent-area banks. They are: Miss Buddie J. Belford, Lake RVP, a.v.p., Federal Reserve, Chicago; Mrs. Hilaria Corrigan, Midwest RVP, a.v.p., Fourth Nat'l, Wichita; Mrs. Nan L. McCluney, Southern RVP, v.p., Truckers Exchange Bank, Crystal Springs, Miss.; and Mrs. Denzel Taylor, Southwestern RVP, v.p., First Bank, Sand Springs, Okla.

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Fred Coulson



Ron Francis



Elmer Erisman

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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.

With more correspondents than any other

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

Sound National, Tacoma, Wash.; *Rocky Mountain*—Mrs. Jane N. Cook, assistant secretary, Farmers State, Woods Cross, Utah; *Southeastern*—Mrs. Jean G. Wofford, assistant vice president, First National, Spartanburg, S. C.; *Southern*—Mrs. Nan L. McCluney, vice president, Truckers Exchange Bank, Crystal Springs, Miss.; *Southwestern*—Mrs. Denzel Taylor, vice president, First Bank, Sand Springs, Okla.; and *Western*—Mrs. Jane Greenwald, vice president, First National of Arizona, Phoenix. ••

\$3,000,000 at Cost of .5%

How about more than \$3,000,000 in increased deposits at a cost of only \$15,000, or .5% of the deposit total? That is the result Ohio Citizens Trust, Toledo, received through its offer of a Hammond ideal world atlas during a five-week campaign that brought in more than 1,400 new accounts. The atlas was offered for a minimum deposit of \$250.

NASSB Committee Appointed By Missouri Commissioner

C. W. Culley, Missouri's commissioner of financial institutions and president, National Association of Supervisors of State Banks, recently named an eight-member committee to

develop a better understanding of the NASSB and its activities.

The committee, composed of bankers and supervisors, will explain the functions of the association to bankers and will try to develop better communications between bankers and association supervisory members.

Members of the committee from the Mid-Continent area are: chairman, Hartley G. Banks Sr., president, First Bank of Commerce, Columbia, Mo.; E. G. Adams, commissioner of banking, Kentucky; and Jack E. Black, president, American Exchange Bank, Norman, Okla.

New Chairman and President For Franklin National

NEW YORK—Harold V. Gleason, president and chief executive officer, Franklin National, recently was elected chairman. He will continue as president, chief executive officer and director, Franklin New York Corp., parent company of Franklin National.



GLEASON



SMITH

James G. Smith, executive vice president, was elected president and director of Franklin National. He has been with the bank since 1939 and has headed the real estate division since 1952. In 1962 he was appointed senior vice president.

Laurence A. Tisch, chairman and chief executive officer of Loew's Theatres, Inc., was elected a director of Franklin New York Corp. and Franklin National.

Harris Trust Introduces "Reminder" Savings Plan

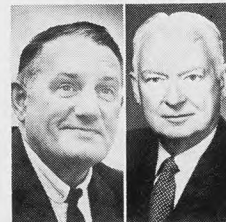
CHICAGO—Harris Trust has introduced a savings plan whereby the bank sends out monthly statements to people trying to save money for something special. Thus, they will not be able to "forget" to put money in their savings accounts each month.

This new savings plan is designed to encourage the growth of systematic goal-oriented savings. Called "Monthly Memo," the plan is directed toward the person who is saving for a purpose—a new car, vacation in Europe, down payment on a house.

The savings goal, both in total dollars and dollars per month, is established by the depositor when he opens the account. The minimum initial deposit is \$1. A unique feature of the program is that continuously compounded interest of 4½% is credited and available on the first day of each succeeding month.

Robert Morris Associates Elects New Officers

Robert Morris Associates recently elected new officers. Named president was Howard W. Rathbun, president, First National, San Jose, Calif.



ZIMMERMAN RATHBUN

Dow Ostlund, executive vice president, Valley National, Phoenix, was elected first vice president and John J. Fawley, president, United Virginia Bank/First & Citizens National, Alexandria, was appointed second vice president.

Directors elected for three-year terms were: Frank R. Dyer Jr., executive vice president, Philadelphia National; Maurice E. Robinson, vice president, Pittsburgh National; Robert A. Young, president of two Washington banks, Everett Trust and First State, Vancouver; and Chester G. Zimmerman, vice president, American National, Chicago.

The new officers and directors are being formally installed at RMA's 56th annual fall conference in Boston November 8-11.

Garnett O. Wood Retires From Trust Co. of Georgia

ATLANTA—Garnett O. Wood, vice president and controller, Trust Co. of Georgia, recently retired after 48 years of service. Succeeding Mr. Wood is Bradley Currey Jr., senior vice president, who has been elected to the additional duties of controller.



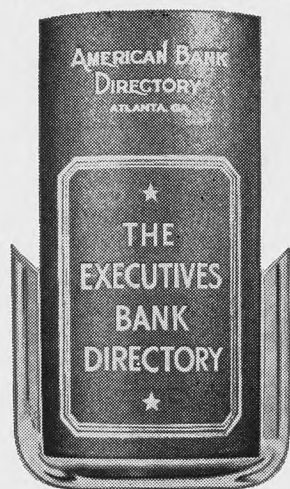
WOOD

Mr. Wood joined Trust Co. of Georgia in 1922 as auditor. Later he was promoted to vice president and controller and has served in that capacity since 1957.

■ KENTUCKY TRUST, Louisville, recently made the following promotions: Carl E. Breitenstein, assistant vice president; James F. Bleakley Jr. and Junius W. Prince III, investment officers; William F. Chandler, assistant investment officer; and Miss Mary Delaney, assistant secretary.

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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.

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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.

'Great Pearl Offer' Attracts New Accounts

"The Great Pearl Offer" was the moniker given to a continuity premium program tested recently at a branch of Bank of Delaware, Dover.

The object of the promotion is to enable customers to collect enough pearls to form a necklace. Customers began their collections by depositing \$25 or more in a new or existing savings account, at which time they received a single pearl and a gold chain necklace free. Thereafter, for each \$25 deposit, customers were entitled to purchase seven additional pearls for \$4.50. It took a total of 11 deposits to acquire enough pearls for a normal strand.

When a customer's strand was complete, he could have it strung professionally for about \$6 by a local jeweler. Upon completion, a normal strand would be valued at from \$125 to \$150, yet the customer's cost was only about \$60.

The psychology behind the program is that many women might hesitate to purchase a string of pearls for \$125-\$150, but would be willing to add to savings deposits and over a period of time buy the pearls, literally one-by-one.

Results of the trial promotion that ran four weeks was 49 new accounts, bringing in \$93,636 in deposits, and 217 add-ons, bringing in \$41,182, for a total of \$134,818 in new funds. The bank plans to implement the promotion system-wide later this year.

Pad, Poncho Offer Rains New Savings Accounts

KANSAS CITY, MO.—"A pad to sit on and a poncho to wear—in rain 'n' shine—yours free! Just save \$100 or more at City National Bank."

Such was the opening paragraph of an advertising message offering a premium that in four weeks brought in to City National more than \$1,000,000 in new savings money. What's more, the average new account opening balance was approximately \$725 and the average add-on was in excess of \$350.

The promotion was tied in with the opening of the National Football League season of the Kansas City Chiefs and the 1½-inch foam rubber pad, which also is a container for the poncho, was decorated with Chiefs insignia. Customers had the privilege of buying additional ponchos plus pads for \$4 each.

Miami Golf Tournament



Miss Suzanne McKinney, an employee of Citizens Bank, Elizabethton, Tenn., was selected Miss Security for 1970 and acted as official hostess for the Security invitational tournament. Shown with Miss McKinney are: Norm Loegering Jr., Security rep., and Joe LaPorte Jr., pres., Citizens Bank.



Bill Greene Jr. (r.), pres., Carter County Bank, Elizabethton, Tenn., won a large trophy and new golf bag for his score of 78 in the Security Safe Deposit Box Corp.'s invitational golf tournament. The tournament was held on the Doral Country Club's famed Blue Monster course in Miami in conjunction with the ABA convention. Making the award to Mr. Greene is Andrew J. Barber, dir. of marketing, Security Safe Deposit, Santa Ana, Calif.

Atlas Re-Order Necessary

So successful was a campaign put on by Fidelity National, Baton Rouge, La., that the bank had to re-order its premium, Rand McNally's imperial world atlas, in order to fill requests for the hard-bound book. Customers obtained the atlas with a new or add-on savings deposit of \$25 or a new or add-on checking deposit of \$50.

■ LEE W. McNORTON, vice president, Boatmen's National, St. Louis, recently was appointed to the 1971 nominations committee of the Bank Administration Institute. He will represent district seven on the committee, which includes Colorado, Kansas, New Mexico, Missouri, Nebraska and Wyoming.

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Prompt repayment of the farm loans you make each year depends heavily on the farm management skills of the borrower. More than ever, the successful farmer needs — and searches for — new facts on agriculture, and how to make his operation more profitable.

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MID-CONTINENT BANKER for November, 1970

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Federal Reserve Bank of St. Louis

Black, White Banking

(Continued from page 14)

vide proved capable top management. During the convention it was learned that one new minority bank charter had been granted and that several other proposed black banks were under serious consideration for chartering.

A major problem exists because the management depth of most black banks is stretched rather thin and most white banks—in their attempt to cooperate with the positive compliance regulations covering “equal opportunity”—don’t like to lose their black executives, especially those with the management characteristics essential to taking on the difficult task of keeping a new bank on the track.

To help in part resolve this problem, which obviously will take some time, perceptive major white banks are cooperating through the ABA and the NBA in a training program that is now expanded to train 50 blacks for management. To illustrate the complexity and some of the intra-structure necessary to accomplish this, the ABA and the National Urban League are cooperating in a program of summer employment for professors of predominantly black colleges and universities. Through this program it is hoped that black professors will be in a better position to inform their students of the ABA-NBA-sponsored training program and also of employment opportunities in banking. Many, in fact most, black college students in the past, at least, have not viewed banking as a promising career and thus have chosen

careers in teaching, government and professions that would serve their own race, such as the law and healing arts. Today it takes considerable effort to convince talented black collegians that banking is a rewarding career and that many white and black banks welcome their employment applications.

The NBA Convention. Bankers familiar with the ABA’s or their own states’ conventions would find the NBA program had much the same pattern and subject matter. There was the typical speech on the economic outlook, on problems of new banks, on human relations, on governmental relations especially with the SBA, a problem clinic and my own particular topic of the role of a bank director. Naturally, there were hospitality rooms and the common problem during the working sessions of keeping the speakers within their allotted time span and of the moderators keeping questioners in the audience from making speeches of their questions. There were a few differences; at least they appeared so to me. One was the frustration with what might be called the “white” ground rules of bank regulation. By definition, all those members attending were successful black financiers, directors and officers of their banks, as well as black community leaders. Yet when confronted with meeting such standards as 10 or 15 years of proved managerial bank experience, few could do so, since 10 years ago there were only 10 banks with black management and these were mostly clustered in a few southeastern states. Not one of those banks was then as large as \$10 million of assets, which is probably too modest a size to support a significant

management-training program. Another problem as viewed by the blacks was the capital requirement for new banks, which often is equally difficult for white founders of banks to resolve, even though experience has proved the need for adequate capital. Another problem area was their concern for the continuance of what we may generalize as the private capitalistic system. The black bankers typically supported the free-enterprise system but their statements showed concern that all too many residents in the ghetto and inner city did not. Related to this was their interest in providing for the needs of the inner city. They recognized the constraints, such as higher delinquency rates on loans, their higher labor costs (contrary to what most white bankers might have assumed) their lower-sized loans, their problem of depth of management. One black banker rather wryly commented to me during lunch at the convention that his bank had been robbed several times by his “beautiful black brothers.” They had thus created a substantial problem for his bank in obtaining insurance and had forced substantial increases in his operations such as bullet-proof window glass, tellers screens and other security devices, which unfortunately had *not* stopped an additional successful robbery even though he had added an armed guard in the bank’s lobby. What amazed me was the international banking activity with Africa by black banks. These banks were hardly of the size to be considered state wide or regional let alone national in operations. It made me wonder how many white banks of even much larger size would be able to work out a leasing arrangement say of a dental clinic such as a black bank was working on for one of its domestic customers who was establishing not one, but three, clinics in Africa.

What can white bankers learn from such a convention? A lot. I did! At the risk of being misunderstood or misinterpreted, of maybe not having all the information available, I can make a few observations that might merit some thought by a number of large white banks: At the awards banquet addressed by U. S. Treasury Undersecretary Charls Walker and the ABA’s president, Clifford C. Sommer, a number of tables had been reserved by large white banks and so marked with their banks’ names. An all too conspicuous number had *no one* sitting at them. A highly placed banking regulator told me there at that time that those banks would have been better off *not* reserving a table if they lacked the perception to staff them. On the other hand, large banks from Houston, Dallas, Memphis, to name a few, had

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tables and bank-officer representation at them.

An invitation had gone out from the NBA to local banks in the convention city to jointly sponsor a session at the convention. Of the several dozen invited, only one white bank responded positively to the invitation. It could have helped at rather modest financial cost to improve relations and understanding between the NBA and those banks. Needless to say, that one bank now stands in a somewhat different light and relationship with black banks than the other banks in the city and nationally. That bank incidentally is the only one in that city at present cooperating with the ABA-NBA on their jointly sponsored middle-management program for qualified black trainees.

Obviously, all banks, whether white or black, large or small, cannot sponsor nor accept all invitations or programs, whether they are recommended by the ABA, the NBA, etc. Yet there are times when lines of communication and mutual understanding are opened. Grasping such opportunities should be done by both parties. Often one party must go farther than half way. Once a channel of communication is breached, it is increasingly difficult to reestablish and polarization results. There is a *mutually* beneficial factor for both black and white banks in helping one another; one area is in depth of management, another is in compliance with regulations on equal opportunity. Obviously, there are and will be other areas as well. • •

Credit Cards Promoted In Special Program

NEW YORK—Shoppers using Chemical Bank's Master Charge card will be able to save about \$100 in cash on purchases made over the next nine months through a new promotional campaign called "Chemical Bank Shoppers' Savings."

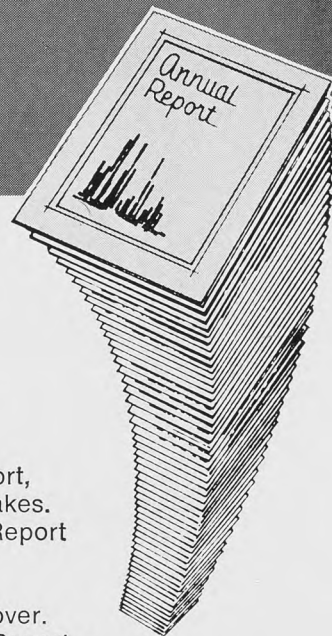
The program is a joint venture with 210 merchants in the metropolitan area, who will give the bank's cardholders discounts of up to 10% on items ranging from garden hoses to children's clothing.

Through a direct-mail campaign, discount coupon booklets have already reached about 367,000 Chemical Bank Master Charge cardholders and eventually will reach about 1.1 million prospects.

To get the discount, all a customer has to do is go to one of the participating stores, make a purchase using the bank's Master Charge card and present the appropriate coupon. The discount is given immediately.

The discount program will last until June 30, 1971.

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ABOVE: Governor Robert Docking of Kansas cuts ribbon officially opening new home of First Nat'l, Topeka. Looking on are R. Charles Clevenger, president of bank, and attractive young bank tour guides.



ABOVE: Sketch shows new First of Topeka building, which has base, tower and connected eight-level parking garage. Structure, according to bank, is largest bank building in state.

First of Topeka Moves to New Home —Largest Bank Building in State

FIRST NATIONAL of Topeka is now housed in what it says is the largest bank building in Kansas following recent grand-opening ceremonies. It also is said to be the largest and tallest office building in Topeka, rising 240 feet above ground level.

The bank's new home is constructed in three parts. The base structure houses three floors of banking area.

Rising above the base is the tower with a total of 17 stories. There also is an eight-level parking garage, which can accommodate 260 cars. The way from parked cars to any area of the bank or tower is completely covered.

The First of Topeka's building has an exterior of precast concrete panels that echo the exposed sand color of the nearby Kansas River. More than

1,600 bronze-tinted windows are in the structure.

A unique heat-reclaiming system, which the bank said is being used for the first time in its area, allows heat from the building lighting system to be redistributed to the perimeter.

Tenants of the tower have access to three services on the third floor—a conference room, central law library and a sandwich cafeteria. • •

Sculpture called "Kansas" is focal point of area near escalators to second floor of new First of Topeka building. Sculpture was fabricated of brass plate and solid round brass bars. According to its creator, James Bass, it symbolizes Kansas characteristics, wheat and grain, sod and stubble, surrounded by swirl that suggests turbulent beginnings of statehood and ever-present wind.

Second floor of new First of Topeka building houses this executive reception area. At left are three conference rooms. Outdoor rooftop patio is located at rear of area. Skylight effect is produced by unusual lighting fixture. Beautiful parquet floors frame carpeting. Customer areas in front and also in right background contain comfortable chairs and attractive coffee tables.



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He can't insure his crops or livestock against adverse price changes with any kind of conventional insurance policy. But we can often help him accomplish the same thing by hedging on the Chicago Mercantile Exchange.

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grossly over-supplied when he has to sell. That's a risk he may not have to take.

This is important to you because it is acceptable banking practice to loan up to 90% of the value of hedged commodities. That's good for your customers and it's good for your bank.

Every year more people in agriculture are hedging on the

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Bank Services and Farm Business Council, Inc., Move to New Offices; Name Managing Editor

CHAMPAIGN, ILL.—Bank Services, Inc., and Farm Business Council, Inc., recently moved into a new office building.

The two firms publish two monthly financial newsletters—*The Living Picture* and *The Farm Picture*.

Dean Wolf has been named new managing editor of the two publications. He is a journalism graduate of Iowa State University and has 20 years' experience as an editor. He also is vice president, Bank Services, Inc.

Ron Dillingham, long-known in banking and credit circles, has announced his coming retirement. Most of his sales effort will now be concentrated in Illinois and Indiana.



WOLF



DILLINGHAM

Earl Crouse, president, chief executive officer and founder of "The Picture" publications, will now concentrate on sales.

Both newsletters published by the two firms convey the financial picture to bank customers from a banker's point of view, give an overview of where the economy is headed and of changes in business conditions. The publications also feature articles relating to financial services available at local banks.

The Living Picture is edited primarily for businessmen, professional people,



Earl Crouse, president, chief executive officer and founder of "The Living Picture" and "The Farm Picture," stands in front of the new offices of Bank Services, Inc., and Farm Business Council, Inc.

employees and consumers. *The Farm Picture* primarily is for farmers, ranchers and owners and operators of businesses serving agriculture.

The Farm Picture now has four editions tailored to regional and type-of-farming interests of agricultural banking. *The Living Picture*, introduced late in 1967 to serve business and home customers of city banks, is outpacing its older companion newsletter in rate of growth. "The Picture" publications are sponsored currently by 598 banks in 28 states.

End Shouting Matches?

CINCINNATI—Financial institutions in recent months seem to be in contests to see whether they can outshout one another. In newspaper ads and TV and radio commercials, banks and S&Ls are bombarding readers, viewers and listeners with vivid descriptions of how much better life will be if they become customers of the various institutions. Of course, there's nothing wrong with this because competition is just as keen in financial circles as it is in the retail business.

However, one bank—First National, Cincinnati—recently published a "quiet" newspaper ad, which featured the top interest the bank can pay in extremely small type instead of in big, black numerals. The ad measured about 8 $\frac{3}{4}$ x14 $\frac{1}{4}$ inches, but the interest figure, 5.92%, was hardly an eighth of an inch high and was centered in a vast sea of white space.

First of Cincinnati's ad explained that banks, itself included, had been running ads in which savings-interest figures were being shown in ever-larger type, apparently believing that 5.9% expressed in "awesome-sized type somehow looks like a better return than the same figure in small type." According to the ad, First National now realizes that these attempts to shout one another down by reckless expenditures of ink are totally unnecessary. As the ad pointed out, "The simple fact is that we—like other major banks—pay the highest legal bank interest rates on your savings. And we throw in daily compound interest for good measure."

The ad closed by saying that perhaps an equally important consideration (in addition to rate of interest) is that First of Cincinnati is a full-service bank—with a 108-year-old record of security—that can help with all financial needs.

Correspondent Banker Leaves City National, Kansas City

KANSAS CITY—Max R. Meuli, assistant vice president, correspondent banking department, City National, recently resigned to join Colorado Commercial, Colorado Springs, as senior vice president.

Mr. Meuli joined City National in 1963 and traveled the states of Texas and Kansas. Previously, he had been with First National, Herington, Kan., and Metcalf State, Overland Park, Kan.

Jon T. Ritter Promoted to VP At Valley National of Arizona

PHOENIX—Jon T. Ritter, municipal bond specialist in the investment department, Valley National of Arizona, recently was elected a vice president.

Before he joined the bank in 1966, Mr. Ritter was manager of the municipal bond department of an investment firm in Seattle. Earlier, he was a financial consultant for First Security, Salt Lake City, and a member of the government bond department, Bank of America, Los Angeles.

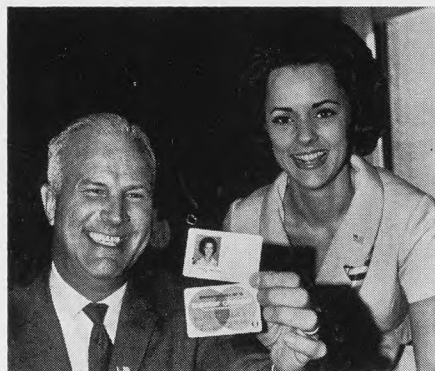


ITTER

Continuity Program at St. Joe, Mo.

Salem China Co. is supplying its Silver Elegance chinaware to American National, St. Joseph, Mo., which is using the dishes in a seven-month continuity program. Place settings are obtainable for \$25 deposits to new or existing savings accounts and for \$100 checking account deposits.

New Master Charge Has Photo



American National, Chattanooga, recently began issuing a new type of Master Charge card that carries a color picture and signature of the cardholder on the back. With the new card, the cardholder will not be responsible for unauthorized use of the card, should it get lost or stolen. Above is John P. Wright, pres., American National, and Miss Beverly Hartshorn, "Miss Chattanooga of 1969," with Miss Hartshorn's "Portrait Master Charge."

Behind every good man, there are other good men at First American.



DON PACE, Assistant Vice President

Our correspondent representatives can help you with everything. But if for some reason you can't reach your man when you need him, don't worry. There is a team behind the team.

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Illinois News

Campbell Is Vice President At American National



CAMPBELL

CHICAGO—Gordon W. Campbell recently was elected vice president, trust department, American National. Previously, Mr. Campbell was senior vice president and director, State National, Evanston.

Before joining State National, Mr. Campbell held credit and commercial loan positions at Commercial National, Peoria, and was a data processing marketing representative in Chicago for IBM Corp.

Franklin Park Bank Is Sold

FRANKLIN PARK—Franklin Park Bank recently was sold to a group headed by Marvin E. Neland. Mr. Neland was elected chairman and Clarence Mann was named president.

Other new officers elected were Morrell D. Perkins, vice president, and Mrs. Eleanor Maizell, assistant cashier.

First National, Chicago, Names Five New Vice Presidents

CHICAGO—First National recently elected five new vice presidents. Those promoted are: James S. Cunningham, commercial banking department, loan division I; David E. Stahl, First Chicago Corp., parent company of the bank; Lowell J. Frasor, retail banking department, personal checking division; Milton J. Hardacre Jr., trust department, retirement and endowment division; and Michael R. Leyden, trust department, stock transfer division.

Salem National Celebrates Centennial Anniversary With Outdoor Dinner

SALEM—Salem National recently celebrated its 100th anniversary by inviting all customers to a festive outdoor chicken dinner.

Almost 6,000 tickets were given away by the bank for the free dinner, consisting of fried chicken, baked beans, slaw and ice cream. A barber shop quartet, a clown and a band entertained during the afternoon.

Salem National employees celebrated the anniversary by wearing centennial clothing, serving the refreshments and giving out souvenirs.

The bank's assets in its centennial year are over \$25 million.



TOP: A girl clown helped to keep the children occupied at Salem National's anniversary picnic. BOTTOM: Bank employees, dressed in centennial costumes, greeted guests and served the free chicken dinner.

■ BRECKINRIDGE BANK, Cloverport, recently acquired property adjoining the bank in order to construct a drive-in window and off-street parking later this year. A night depository recently was installed at the bank.

TV Show at Continental Bank



Members of the bond department, Continental Bank, Chicago, now receive televised market quotations at their desks by means of closed-circuit TV. Six ceiling-mounted cameras transmit up-to-the-minute market information from wall-size quotation boards to receivers at desks in other rooms. When someone needs a quotation, he presses one of six buttons on his desk-top receiver and scans the screen for the price he wants.

New Savings Account Available At Central Nat'l, Chicago

CHICAGO—Central National recently introduced a new savings instrument, which combines three types of savings plans into a single passbook.

The new account, called the CentralSavers 3 in 1 Passbook, features the bank's current savings plans paying 5% on a 90-day maturity, 5½% on a one-year maturity and 5% on a two-year maturity. In this way, the customer is not required to open three separate accounts.

A depositor needs \$100 to open a CentralSavers account and there is no minimum on additional deposits.

Education Director Appointed For Illinois Bankers Assn.

CHICAGO—Thomas W. Dardis recently joined the Illinois Bankers Association as director of education. He will be responsible for activities such as conferences and schools.



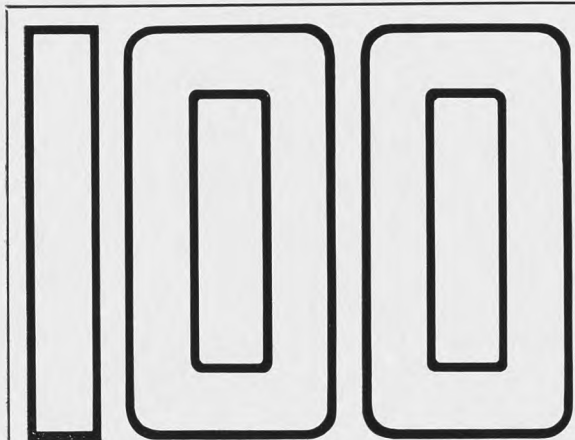
DARDIS

Formerly, Mr. Dardis was coordinator and instructor, technical and adult education at Southern Illinois University, Carbondale.

■ W. A. FAHEY recently was elected assistant vice president, East Dubuque Savings.

■ MOUNT CARROLL NATIONAL recently named K. W. Freeman cashier, Glenn E. Teeter assistant cashier and Mrs. Wilma F. Freeman assistant cashier.

■ JAMES STOUTNER recently was elected farm service representative, State Bank of Gridley.



Years
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Salem

THE
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Salem, Illinois

Data Processing Center Formed By Northern Illinois Banks

ROCKFORD—Several northern Illinois and southern Wisconsin banks recently formed a corporation here to operate a computer center which will be linked by telephone to the large-scale computer facilities of Harris Trust, Chicago.

The new corporation, to be known as North Central Data Processing Center, Inc., is located in the Southgate Bank Building. The purpose of NCDPC, Inc., is to provide improved data processing services for the banks and their customers.

The Illinois banks forming the center are Central National, Rockford; DeKalb Trust and First National, Freeport. H. L. Fenton, president, First National, Freeport, is the first president of the center.

Northern Trust Promotes 3



GOUGLER MARCHESI DEDERICK

Northern Trust, Chicago, recently made three promotions. Lawrence W. Gougler was promoted to senior vice president and secretary, administration and operations department. Robert G. Dederick, who heads the bank's economic research department, was promoted to senior vice president and economist. John H. Marchesi Jr. was named vice president, trust department, and will head investment research activities.

Illinois Deaths

WILLIAM B. BERGFELD, 71, retired senior vice president, First National, Alton. Mr. Bergfeld retired in 1964 after 47 years in banking.

HAROLD BROWN, 65, former vice president, trust officer, cashier and secretary, Streator National. He retired from the bank last May after 40 years of service.

LYLE S. STUCKEY, 75, president, First National, Danvers. He had been in banking 55 years.

FRED HEATON, 72, director, State Bank, Toulon. He had been a director for 20 years.

JERALD W. MILLIGAN, 39, vice president, Northwest Trust, Arlington Heights. He was struck by lightning while playing golf.

Our securities analysis team hasn't lost in a decade

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To get National Boulevard to bat for you, call Charlie Schoeneberger. The full story of our investment portfolio analysis services could mean increased investment income for you. And that's no pastime.

NATIONAL BOULEVARD BANK OF CHICAGO



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



Indiana News

American National Moves To New Bank Building

SOUTH BEND—American National recently moved into its new quarters in the 26-story American National Bank Building. The bank occupies all or part of five floors of the \$5½-million, 400,000-square-foot building and has complete drive-in facilities.

Other floors of the building house a motel, commercial offices, parking facilities and a private club.

Following ribbon-cutting ceremonies, American National hosted 100 community leaders at a breakfast at the Indiana Club.

■ KENNETH F. VALENTINE, president, American Fletcher Corp., Indianapolis, recently was appointed for a four-year term to serve on the National Advisory Health Services Council. The council reviews applications for grants that are supported by the National Center for Health Services and Development.

■ FARMERS STATE, North Webster, recently elected Chris Schenkel, ABC sportscaster, as its chairman.

■ O. J. SCHORR, president, Batesville State, has announced he will retire from the bank in January.

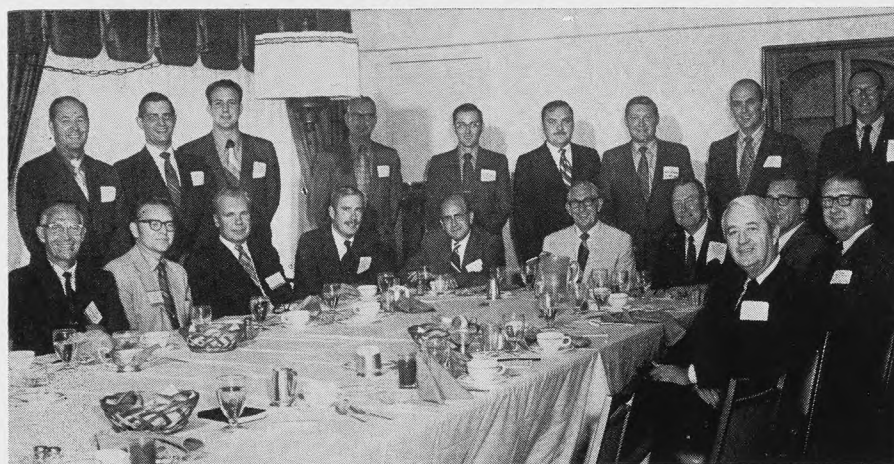
St. Joseph Bank Starts New Saver's Club

SOUTH BEND—St. Joseph Bank recently announced a new service called the Saver's Club, which entitles members to significant savings in travel, dining and entertainment. Domestic and foreign vacations are offered to members, with plans arranged through the Brazy St. Joe Bank Travel Agency.

Savings Club members are able to take advantage of a 10% discount Monday through Thursday on food bills at local restaurants. Discounts on tickets for such events as circuses, theater productions and personal appearances of professional performers also are available.

New members sign up for the plan by agreeing to open a \$1,000 savings account or by making a deposit and arranging for monthly deposits of \$25 or more toward the \$1,000 minimum in the savings plan of their choice.

Regional Workshop Planned for Indianapolis



A regional mortgage workshop will be held in Indianapolis November 30-December 1, under the joint sponsorship of the American Bankers Association and the bankers associations of Indiana, Michigan, Ohio, Kentucky and Illinois. IBA officers and staff members and representatives of the other groups recently attended a planning session for the workshop. Seated (from l.) are: Lloyd L. Neuman, IBA treas. and exec. v.p., Lafayette National; Jan N. Zigler, IBA sec.; Robert C. Nelson, IBA exec. mgr.; Roger B. Hawkins, ABA deputy mgr. and dir., ABA mortgage finance committee, Washington, D. C.; Charles W. Robertson, ch., ABA mortgage finance committee, and v.p., Indiana National, Indianapolis; Philip W. McCauley, IBA pres. and pres., Madison Bank; Mark H. Caress, ch., IBA mortgage loan committee, and pres., First National, Crawfordsville; Robert W. Renner, IBA v.p. and pres., Citizens State, Hartford City; James E. Felts, v.p., Peoples Trust, Fort Wayne; and Emery M. Bunnell, exec. v.p., Lafayette Savings. Standing (from l.) are: Paul Lindley, Merchants National, Indianapolis; Howard N. Jackson, sr. v.p., Wabash Valley Bank, Peru; Leslie A. Cass, a.c., First National, Kokomo; James E. Brown, a.v.p., Terre Haute First National; John S. Burnham, mortgage loan off., First National, Bloomington; William G. Grannan, dir., operations and systems, Kentucky Bankers Association, Louisville; Norman Peterson, admin. asst., Illinois Bankers Association, Chicago; Dale Wuest, National Bank, Traverse City, Mich.; and George W. Sennish Jr., sr. v.p. and cash., Richland Trust, Mansfield, O. The latter two represented the Michigan and Ohio Bankers Associations, respectively.

Danish Bankers Visit AFNB



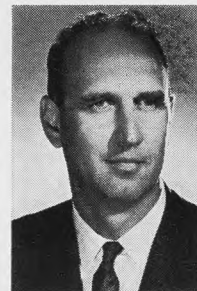
A group of 17 Danish bankers recently visited American Fletcher National, Indianapolis, on a tour arranged by IBM World Trade Corp. The bankers observed American Fletcher's innovations in short- and long-range automated profit planning and budgeting. Above, J. Joseph Tuohy, pres., demonstrates the information-retrieval capabilities of the bank's computerized information system to S. Edgar Lauther (l.), ch., and Joergen Tarp, pres., Sjaellandske Bank in Holbaek, Denmark.

RMA Ohio Valley Chapter Elects New Officers

The Ohio Valley Chapter of Robert Morris Associates recently elected new officers for the coming year.

The following bankers were voted into office: president, George E. Clark, senior vice president, Indiana National, Indianapolis; vice president, Richard F. Wenzel, vice president, Third National, Dayton, O.; secretary-treasurer, Arch G. Mainou Jr., vice president, Citizens Union National, Lexington, Ky.

Elected directors were: Clyde W. Howlett, Old National, Evansville, Ind.; and Kennard K. King, Merchants National, Indianapolis.



CLARK

■ ROBERT BRUBAKER recently joined Irwin Union, Columbus, as vice president and cashier. Previously, he was assistant vice president and manager of the check processing section, Mellon National, Pittsburgh. In other action, Robert L. Phillips, assistant manager, Master Charge department, was elected loan officer. Mr. Phillips joined the bank in January, 1969.

■ MICHAEL J. McNAMARA recently was elected vice president of the commercial loan department, Anthony Wayne Bank, Fort Wayne. Before joining the bank in July, Mr. McNamara was loan officer, American Fletcher National, Indianapolis.

Your Men from AFNB...



veteran campaigners

Many of your problems and opportunities could be better served by having one of these men on the scene. Let this kind of personalized, direct-contact philosophy work to your advantage. **Your men from AFNB help make things happen.**



AFNB

American Fletcher National Bank
Indiana Division
(317) 633-2106

MID-CONTINENT BANKER for November, 1970

Kentucky News

Berea Bank & Trust Is Closed By State Banking Officials

BEREA—State banking officials recently closed the Berea Bank & Trust Co. due to what the state banking commissioner called "unsafe and unsound banking practices."

The state banking department took charge of the bank's assets and property after an examination by state and federal supervisory agencies disclosed an "insolvent capital position beyond any reasonable hope of recovery."

Officials said the bank incurred its losses by issuing large loans to unsecured borrowers and loans in excess of legal lending.

Deposit liabilities of Berea Bank, in the amount of about \$5.4 million, have been assumed by a newly organized state bank, Peoples Bank & Trust Co., with assistance from the FDIC. None of the depositors of the bank will suffer a loss.

■ JAMES C. MILLER III recently was elected president, Taylor County Bank, Campbellsville. Mr. Miller, who has been with the bank since 1961, succeeds his father, the late J. C. Miller Jr. Floyd T. Hensley was elected executive vice president.

■ CHARLES K. WATKINS, formerly vice president, First National, Carlisle, has joined Bank Management Associates, Inc., Lexington. He will coordinate operations with a central computer system.

■ VINCENT J. HILS has resigned as president, First National, Covington. Mr. Hils, who joined the bank five years ago as executive vice president, has served as president since last February. He did not announce future plans.

■ FIRST NATIONAL, Brooksville, recently made a \$300 scholarship grant to Maysville Community College.

■ NEW FARMERS NATIONAL, Glasgow, has broken ground for a new main bank building. The building will have a four-drive-in facility, a complete farm management department and trust department. Completion of the building is expected in September, 1971.

■ JESSE F. STRENG, senior chairman, Bank of Louisville, recently celebrated his 90th birthday. Along with birthday greetings, he received a congratulatory letter from President Nixon.

■ CITIZENS NATIONAL, Somerset, recently elected Judge C. Homer Neirkirk vice president. He has been a director of the bank 17 years.

■ STEWART F. McBRAYER recently was elected president, Citizens Union, Shelbyville, after the bank's merger with Bank of Simpsonville. Before joining Citizens Union, Mr. McBrayer was with Lawrenceburg National.

■ WINCHESTER BANK recently promoted Harold L. Holbrook and Mrs. John Lowe to assistant vice presidents and Miss Elizabeth Litteral to assistant cashier.

■ EXCHANGE BANK, Mayfield, recently began remodeling the outside and upstairs portion of its building. A bookkeeping department and new fireproof vault will be added to the building.

■ FARMERS BANK, Kirksville, controlling interest recently was purchased by the Western Pioneer Life Insurance Co., Harrodsburg. R. C. Tussey, who has been serving as cashier, was named president of the bank.

■ CENTRAL BANK, Owensboro, recently elected J. R. Davidson vice president, commercial loan department. Mr. Davidson has had 35 years' banking experience.

A Kentucky Appointment

Dale Winters, formerly with Diebold, Inc., for about 12 years, has joined E. B. Bavis & Associates, a Cincinnati-based bank modernization and construction firm. Mr. Winters will represent the company in Kentucky.

■ CITIZENS FIDELITY, Louisville, recently named several new branch managers. They are: James McFadden, assistant vice president, Guthrie Street Office; Orval Shetler, assistant cashier, Medical Center Office; and Paul Ash, Southside Office. Mr. McFadden replaces Roscoe Leidigh, who has retired after 29 years with the bank.

■ CONTROLLING INTEREST in Owensboro National recently was purchased by M. J. Mitchell, Dallas oil producer, E. E. Curtis, president, First Bank, Mt. Vernon, Ill., and Dr. R. A. Alexander, also a Mt. Vernon banker. The three are directors, Central Bank, Owensboro.

Low Leaves Citizens Fidelity

LOUISVILLE—John T. C. Low, executive vice president and senior trust officer, recently left Citizens Fidelity. He is now senior vice president, trust officer and head of the trust department, Fidelity Union Trust Co., Newark, N. J.

Before joining Citizens Fidelity, Mr. Low was associated with two New York law firms.

■ CITIZENS NATIONAL, Danville, recently opened its new Danville Manor Office. The 2,000-square-foot facility has four drive-in windows, safety deposit boxes and a night depository. Warren Griffith, assistant vice president, is branch manager and Mrs. Rosemary Harmon, newly appointed assistant cashier, is assistant manager. The bank also appointed Mrs. Polly Nolloth assistant cashier, Main Office.

■ FIRST HARDIN NATIONAL, Elizabethtown, recently began construction on its new Helmwood Center Branch. The 4,000-square-foot facility will have two drive-in windows and is expected to be completed early next spring.

Citizens Fidelity VP Dies

LOUISVILLE—Henry V. Graves, vice president and manager, corporate and stockholder relations, Citizens Fidelity, died September 24.

Mr. Graves came to the bank in 1958 to work in business development and to develop a marketing department. Previously, he was vice president, Weir Motor Co., Louisville, from 1946 to 1958.

Kentucky Deaths

CHARLES E. RANKIN, 83, chairman, Farmers Deposit, Flemingsburg.

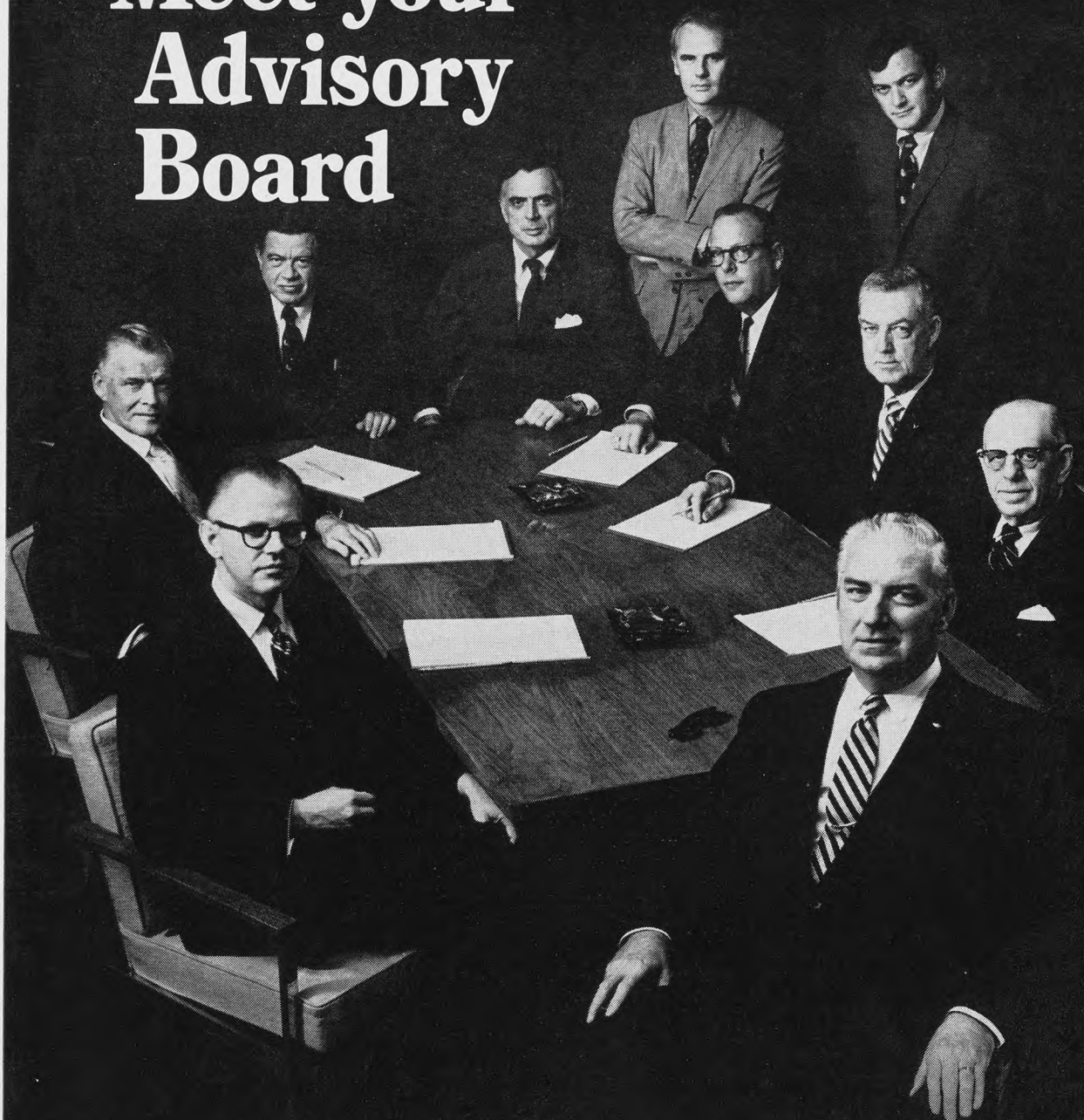
JOE McCARROLL, 83, retired executive vice president, Citizens National, Danville.

MARVIN O. WRATHER, 70, secretary and director, Bank of Murray. Mr. Wrather also was executive vice president of Murray State University.

C. A. GILLIAM, 71, president, Farmers National, Scottsville. He had been a banker for more than 50 years.

HUGH T. BAKER, 77, chairman and vice president, First National, Manchester. Mr. Baker had been president of the bank 13 years prior to becoming chairman.

Meet your Advisory Board



Here are the men behind some of the "most wanted" services of Citizens Fidelity Bank: Reading clockwise, seated at my right is H. Clifford Churchill, BankAmericard . . . Richard W. Denton, Bond Portfolios . . . William J. Malone, Branch Administration . . . J. J. Cross, Jr., Operations . . . Jacque A. Moran, Pension/Profit Sharing . . . Charles L.

Waters, International Trade . . . Harold H. Huddleston, Time Credit Loans; standing, E. J. Hughes, Corporate Trust (left), and R. Gene Smith, Marketing.

If you want information about, or help with any of these services, don't hesitate to call me. I'll put you in touch with the right man in the right department at Citizens Fidelity Bank.

Joe L. Hamilton

Joe L. Hamilton
502/587-1151



Citizens Fidelity Bank & Trust Company

Member Federal Reserve System, Federal Deposit Insurance Corporation
LOUISVILLE, KENTUCKY

COME GROW WITH US

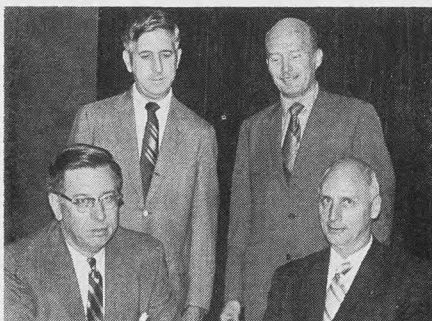
Tennessee News

Four Receive Promotions At Hamilton National

CHATTANOOGA—Hamilton National recently made several promotions. Officers promoted were: D. B. Harris Jr., president and chief administrative officer, Hamilton National Associates, Inc., and vice chairman, Hamilton National; John Vorder Bruegge, president and chief administrative officer, Hamilton National, and executive vice president, Hamilton National Associates, Inc.; James L. Hipsher and B. Lamar Rankin, executive vice presidents of the bank.

Mr. Harris has been with Hamilton National since 1936 and was named president of the bank in 1968. Mr. Vorder Bruegge came to the bank from Hamilton National, Johnson City, in 1969 as executive vice president and was elected vice president, Hamilton National Associates, Inc.

Mr. Hipsher and Mr. Rankin are both assistant vice presidents, Hamilton National Associates, Inc.



Newly promoted Hamilton National officers include: D. B. Harris Jr. (seated l.); John Vorder Bruegge (seated r.); James L. Hipsher (standing l.) and B. Lamar Rankin.

Two Nashville Banks to Merge

NASHVILLE—Officials of Nashville Bank and Capital City Bank recently announced that the proposed merger of the two banks has been approved by the FDIC.

The new bank, to be known as Nashville City Bank & Trust Co., will have more than \$50 million in deposits and will be headquartered in the Nashville Bank building.

■ **GEORGE MORGAN**, chief executive officer, First National, Greeneville, recently resigned to accept a position in Fort Lauderdale, Fla. A new chief executive officer will be named in the near future.

■ **CHARLES G. BOSTICK**, auditor and director, First National, Sparta, recently was elected chairman. He succeeds R. J. Snodgrass, who died last August. Mr. Bostick has been with the bank 50 years and has been a director since 1936.

Six Promoted to Officers At First of Memphis

MEMPHIS—First National recently named Frank Bloom correspondent bank officer. Other promotions include: Charles Callis, branch officer; Roger Hammons, operations officer; Jim May, credit officer; Ronald Samuels, loan officer; and Britt Warth, bond department officer.

Mr. Bloom joined the bank's management program in 1968 after graduation from the University of Tennessee. Mr. Callis has worked in the branch system since joining First National in 1967. He is assistant manager, Watkins-Frayser Branch.

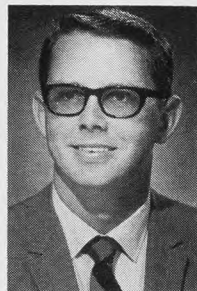
Mr. Hammons has served in the proof-transit division since joining the bank in 1963. Mr. May joined the bank in 1966 in the BankAmericard division and Mr. Samuels in 1968 in the commercial loan department. Mr. Warth came to the bank in 1968 in the bookkeeping department. He is now in the government bond department.



BLOOM

Warrenfells Is Vice President At First American National

NASHVILLE—George H. Warrenfells recently was appointed vice president in charge of the newly created loan administration division, First American National. He recently resigned as a national bank examiner in Nashville.



WARRENFELLS

Mr. Warrenfells began his banking career 10 years ago with Hamilton National, Chattanooga. He joined the Office of the Comptroller of the Currency in 1962 as assistant national bank examiner in Chattanooga. He was transferred to the Nashville office of the agency in 1965 and was promoted to national bank examiner in 1966.

American National Announces Staff Changes, New Branch

CHATTANOOGA—American National recently announced several promotions, a retirement and groundbreaking for a new branch.

Promoted to credit card officers were Thomas V. Cullens and E. Doyle Harden. Both men have worked in the Master Charge department as credit card supervisors. Mr. Cullens joined the bank in 1968, after attending the University of Georgia. Before joining the bank staff in 1969, Mr. Harden worked for 17 years in consumer lending.

Jason G. Baker recently joined the bank as trust officer, specializing in employee benefit trusts. He comes to American National from First National, Atlanta, where he was trust officer in the pension and profit-sharing division.

William C. Pitner, advisory vice president, has retired from the bank after 40 years of service. He was head of the operating and commercial lending departments, cashier and chief operating officer of the former American Trust & Banking Co. Mr. Pitner was senior vice president in charge of commercial lending for American National until three years ago when he assumed an advisory office.

American National recently held ground-breaking ceremonies for its new Lee Highway Branch. The 3,200-square-foot facility will have two drive-in windows, free parking and safe deposit boxes. The new branch brings the total number of American National's full-service banking offices to 17.



American National's new Lee Highway Branch building will be made of pre-cast brick panels in a herringbone pattern with slate columns. The 3,200-square-foot facility will have two drive-in windows.

Bank Buys Mortgage Firm

MEMPHIS—William W. Mitchell, president, First National, and John B. Goodwin, president, John B. Goodwin Mortgage Co., Inc., recently announced an agreement whereby the bank will purchase all capital stock of John B. Goodwin Mortgage Co. for an undisclosed price.



He decided to use our fast transit service on the 50 yard line.

So on Monday morning after the big game, our correspondent phoned Chattanooga 615—265-3581

He said he was impressed by what he'd heard about our check collecting efficiency.

We modestly told him we had started 24-hour transit service back in

the twenties and had been picking up speed ever since.

We can go directly to the paying bank whenever it's practical or possible so that payment can be faster.

If you want to see greatly accelerated transit service, just throw the ball to old number 615—265-3581.

Hamilton of Chattanooga
makes good things happen

Alabama News

Knight Gets Correspondent Post At First Nat'l, Birmingham

BIRMINGHAM—First National recently promoted Joe T. Knight, assistant cashier, bond department, to assistant vice president in the correspondent bank department.



KNIGHT

J. Maurice Yarbrough, assistant cashier and manager, Fultondale Branch, was transferred to the Main Office and W. Harold Williams, assistant manager, Fultondale Branch, was named branch manager.

M. Milford Williams Jr., assistant cashier and assistant manager, Fairfield Branch, has moved to the Green Valley Branch as assistant cashier and assistant manager.

Williard McCall Jr., assistant manager, Crestline Branch, has been transferred to the bond department, Main Office, and has been succeeded at Crestline by Hubert W. Goings Jr., former assistant manager, Green Valley Branch.

■ SAND MOUNTAIN BANK, Boaz, recently held opening-day ceremonies for its new Douglas Branch.

■ HEADLAND NATIONAL recently opened a new drive-in window. Drawings for free prizes were featured in the bank's opening celebration.

■ FIRST NATIONAL, Mobile, recently held ground-breaking ceremonies for the new building of its Bayou La Batre Branch. The building will contain 5,000 square feet of floor space and will have two drive-up teller windows plus on-site parking. Completion of the new building is expected for late spring of 1971.

■ CITIZENS BANK, Prattville, recently began planning the construction of a new bank building. Officials of the bank said the new quarters should be completed within a year and a half.

■ SHOALS NATIONAL, Florence, recently broke ground for its new North Florence Branch building. The new building will have two automated drive-in windows.

■ ALABAMA CITY BANK, Gadsden, recently made the following promotions: Ferrell Cornutt, executive vice president; Jerry Reynolds, vice president; Paul Hunt and Terry Langdale, assistant vice presidents; Mrs. Mary Ellen Williams, cashier; and Miss Nelta McClain, Miss Nell Lasseter and Miss Betty Tomlinson, assistant cashiers.

■ STATE NATIONAL, Decatur, recently elected Joe Calvin, attorney, as its chairman.

■ MERCHANTS NATIONAL, Mobile, has announced that it will offer the Master Charge credit card to merchants and customers.

■ GERALD S. TOUGER, auditor, Central Bank, Birmingham, recently was named chartered bank auditor by the Bank Administration Institute.

Central Bank Revises Titles

BIRMINGHAM—Central Bank recently announced a major revision of officer titles. The restructure eliminates the "assistant cashier" and "assistant vice president" titles and replaces them with descriptive ones. The new titles are to enable customers to identify officers with the types of services they perform.

■ MANSON ROPER JR. recently was promoted to executive vice president and chief executive officer, City Bank, Goodwater. Before joining the bank as vice president about 18 months ago, Mr. Roper was cashier, First Colbert National, Sheffield.

■ FIRST NATIONAL, Butler, recently promoted William Martin Pace to assistant cashier. Mr. Pace has been with the bank since 1968.

■ CITY NATIONAL, Tuscaloosa, recently installed an 80-foot time-and-temperature sign near the entrance to its McFarland Mall Branch.

■ GORDON M. GUNDERSON JR. has been elected a loan officer, First National, Anniston.

■ STATE NATIONAL, Fort Payne, recently named Norman R. Greeson an assistant vice president. Mr. Greeson has had six years' banking experience.

■ BIRMINGHAM TRUST NATIONAL recently promoted three men to vice presidents. They are: E. C. Nichols, manager, Woodlawn Office; James H. Blair, manager, North Birmingham Branch; and Gerald M. Courington, installment loan department.

■ CAPITOL NATIONAL, Montgomery, recently opened its new Norman Bridge Road Branch.

■ S. S. STEELE recently was named a director, Deposit National of Mobile County, Prichard. He is president of S. S. Steele & Co., Inc., which is engaged in the real estate, insurance, mortgage loan and construction fields.

■ FORT RUCKER NATIONAL recently held an open house to celebrate the opening of its new Ozark Branch. Keith Glasgow is manager of the facility.

■ NAMED MEMBERS recently of the President's Advisory Committee on Public Education in Alabama were: George LeMaistre, president, City National, Tuscaloosa; James S. Clark, chairman, Eufaula Bank; Wallace D. Malone Jr., chairman and president, First National, Dothan; and C. J. Colley, president, Alexander City Bank.

■ PEOPLES BANK, Montgomery, recently named L. Bert Rogers cashier. Before joining the bank, Mr. Rogers was auditor, Augusta (Ga.) Office, Citizens & Southern National.

■ JOHN HAMPTON LAING has been appointed assistant vice president, American National, Mobile. He is in charge of the bank's new Master Charge division. Previously, Mr. Laing was operations manager, Mid-South Credit Card, Memphis.

■ FIRST STATE, Oxford, has elected Mrs. James L. Thompson assistant cashier.

■ CITY NATIONAL, Selma, recently added three television drive-in units and increased parking space to its Broad Street Office. The TellerVue units are manufactured by Mosler Co. and use a pneumatic-tube system.

■ BERNIE E. HOWARD, vice president, Central Bank, Birmingham, recently was named manager of the bank's Main Office. William R. Weatherly, vice president and loan officer, has been transferred to the marketing division, where he will be in charge of correspondent bank loans. Joseph A. Bratton has been named manager of the Downtown Office, where he has been assistant manager for about a year.

■ FIRST NATIONAL, Atmore, recently opened its new bank building.

Alabama Death

CHARLES TORBERT JR., 43, president, Farmers & Merchants, Lafayette. Mr. Tobert was elected Alabama's Outstanding Young Banker in 1965.

How'd you like a couple of extra weeks off this year?

Well, they're yours. Compliments of BTNB.

The folks at our other correspondent banks will back up our claim. They've already found that with BTNB taking care of the paperwork and red tape, there's more time for the important things. Like increasing deposits. Improving customer services. Even taking a few days off now and then, just to relax.

A lot of the credit for all this goes to our computers. Stationed in three different areas of the state, they work quickly and accurately. To save you both time and money.

Right now, BTNB computers spit out an average of 750,000 lines of print every day. They sort checks, process documents, make up payrolls and answer questions. And they can take on plenty more.

Why don't you take time right now to give our correspondent department a buzz? Just dial 205/323-8511, and they'll fill you in on all the details.

Then you can get out your calendar and decide when you want your time off.

Birmingham Trust National Bank

Mississippi News

■ **MERCHANTS NATIONAL**, Vicksburg, recently made the following promotions: J. V. Farr, vice president and auditor; Richard Taylor, vice president; John R. Byram, cashier; and Mrs. Elsie McGehee, assistant cashier.

Deposit Guaranty Promotes Mounger and Wright

JACKSON—Deposit Guaranty National recently promoted William H. Mounger Jr. to trust officer and Charles A. Wright to assistant vice president.



MOUNGER WRIGHT

After joining the bank's management training program, Mr. Mounger was assigned to the trust department as a pension and profit sharing plan administrator. He was promoted to assistant trust officer in 1968.

Mr. Wright has served on the computer sales staff and as marketing manager, BankAmericard Center. He now handles staff sales training and public relations in the bank's marketing department.

Also promoted were Samuel C. Mims IV to operations officer and Joe E. Sones to installment loan officer.

■ **SOUTHERN NATIONAL**, Hattiesburg, recently named David G. Stainton Jr. vice president and loan officer. Mr. Stainton previously was assistant vice president and branch manager, Gulf National, Gulfport. Donald Max Huey was named assistant vice president and loan officer of Southern National. Previously, he was a loan manager with Universal CIT.

■ **HANCOCK BANK**, Gulfport, recently established a \$500 scholarship to be given annually to a student at the University of Southern Mississippi.

First National Hosts Flag Sale



T. C. Carter Post No. 21 of the American Legion recently sponsored an American flag sale in the parking lot of North Branch, First National, Meridian. Flag kits consisting of the flag, pole and mounting bracket were sold to the public, and entertainment was provided for children. First National donated refreshments for the customers.

■ **FIRST NATIONAL**, Lexington, has promoted Mrs. Mary Jane Ingold to assistant vice president and Hunter Cade, Mrs. Peggy Frost and Mrs. Mary Ann Zeigler to assistant cashiers.

■ **JAMES R. HERNDON** recently joined First Mississippi National, Hattiesburg, as an assistant vice president. Previously, he was with the property division, American General Insurance Co., Houston.

■ **BROOKHAVEN BANK** recently held ribbon-cutting ceremonies for its new Lincoln Plaza Branch. Mitchell Davis is manager.

Mississippi Deaths

PAUL D. SHIRLEY, 40, assistant auditor, Deposit Guaranty National, Jackson.

J. W. MANGUM SR., 61, president, Citizens Bank, Hattiesburg. Mr. Mangum joined Citizens Bank in 1927 and was elected president in 1968.

**we
do
more**

Think First!
FIRST national bank
IN MERIDIAN, MISSISSIPPI MEMBER FDIC.

Mr. Mississippi Banker:
you are the

VIP 
at



**MB
& T**

MISSISSIPPI BANK & TRUST COMPANY

JACKSON, MISSISSIPPI Member Federal Deposit Insurance Corporation



WE'RE THE 144th

At the beginning of this new decade, Deposit Guaranty became the 144th largest bank in the nation. This milestone has been reached through our response to the challenge we gave ourselves and our customers in our original slogan: "Grow With Us."

We extend that invitation and challenge anew to our banking friends who want to do business with a bank that is striding ahead.



**DEPOSIT GUARANTY
NATIONAL BANK**

JACKSON, MISSISSIPPI 39205

Branches:
CENTREVILLE: Farmers Exchange Bank/
GREENVILLE: Greenville Bank/ McCOMB;
Mechanics Bank/ MONTICELLO: Monticello Bank/
NATCHEZ: City Bank & Trust Company/
NEW HEBRON: New Hebron Bank

MEMBER F.D.I.C.

Louisiana News

Allen Houk Joins NBC As Vice President

NEW ORLEANS—Allen R. Houk recently joined National Bank of Commerce as vice president in the metropolitan and regional division. Elected assistant cashiers were Peter W. "Champ" Clark and Roger P. Richard.



HOUK

Mr. Houk has been associated with the Bank of New Orleans for the past 12 years. Named an assistant vice president in 1967, he assumed responsibility for organizing a business development department. He later was promoted to vice president and senior loan officer in the commercial loan department.

Mr. Clark joined the bank last June as business development representative, upon his retirement from the Orleans Parish school system. Mr. Richard joined the bank in 1969 as a senior clerk in international banking and commodities and is now a supervisor in that department.

■ MYRON J. DUGAN, vice president and trust officer, Calcasieu-Marine National, Lake Charles, recently retired after 54 years in banking. He is succeeded by Larry H. Crowell Jr., who previously was with Commerce Union, Nashville.

■ ANDREW MORESI recently was elected president, Planters Trust, Opelousas. Mr. Moresi has been a vice president since 1958. He succeeds James Ardoin, who has resigned to devote full time to the presidency of Vernon Parish Bank, Leesville. Richard Bouterie was named executive vice president of Planters Trust.

■ M. LESLIE CRUVANT has been named a director, Pioneer Bank, Shreveport. He is president of Shreveport Budweiser Distributors, Inc., and of Budco Distributing Co., Monroe.

■ H. GRAHAM SCHNEIDER, vice president, First National, Lake Providence, recently was designated chief executive officer during the absence of Howard Gittinger Jr., president. Mr. Gittinger, who is touring Europe with his wife, plans to return to the bank in December.

■ WHITNEY NATIONAL, New Orleans, recently promoted seven employees to assistant cashiers. They are Gerald L. Aitken Sr., William J. Burns, Charles J. Cocchiara, Frank N. Fulco, Curtis T. Lee, Henry J. Radecker and Robert C. Schmalz.

■ CONTROLLING INTEREST in Planters Trust, Opelousas, recently was acquired by J. Winton Ardoin and Veil David Devillier, attorneys; Charles Aguilard, insurance and real estate agent; and Eric Loewer, certified public accountant. T. C. Morrow, chairman, has resigned.

■ BANK OF COMMERCE, Crowley, recently held the formal opening of its new Rayne Office building.

International City to Become One-Bank Holding Company

NEW ORLEANS—Stockholders recently voted to change International City Bank into a one-bank holding company. The new International City Bank Corp., of which the present International City Bank will become a wholly owned subsidiary, is expected to be in business by the end of December.

The \$100-million bank opened its doors in 1966 and has four branches in New Orleans.

New Orleans Bancshares to Open Computer Service Company

NEW ORLEANS—New Orleans Bancshares, Inc., recently announced the formation of a new computer service company as a wholly owned subsidiary.



NASTASI

Southern Computer Services, Inc., to be known as South/Com, will have David T. Nastasi as its president. Other officers include: Lewis B. Landry and Ronald S. Cordes, vice presidents; James B. Beck, secretary; and Jacques A. Li-vaudais, treasurer.

The new company will offer a variety of electronic data processing services for banking, commercial and governmental applications.

Louisiana National to Install IBM Model 145 Computer

BATON ROUGE—Louisiana National recently placed an order for an IBM System/370 Model 145 computer.

The computer will be used for in-house processing of all individual customer checking and credit accounts and for payrolls, inventories and schedules for local business and industry. Teleprocessing—computer processing via telephone—will be one of the new services available to correspondent banks when the computer is installed.

Open House at Computer Center



A demonstration and open house recently were held at Bankers' Computer Center, Houma, a service of National Bank of Commerce, New Orleans. Above, James H. Jones (r.), National Bank of Commerce pres., chats with J. B. Falgoust, cash., Bank of Vacherie.

■ DARRELL COBB recently was elected assistant vice president of Ferriday Branch of Concordia Bank, Vidalia. Previously, he was assistant vice president, Lincoln Bank, Ruston.

■ JERRY J. DUFRENE recently was promoted from assistant cashier to cashier, Raceland Bank. He joined the bank in 1964.

■ JAMES A. ATTICK recently was promoted to vice president and trust officer, Central Bank, Monroe. Mr. Attick joined the bank in 1964, was promoted to trust investment officer in 1969 and later to trust officer.

■ WILMORE W. WHITMORE is the new president of Hub City Bank, Lafayette. He succeeds Byron Plauche, who will continue as director and secretary to the board. Mr. Whitmore previously was a correspondent banking officer with Bank of New Orleans.

■ ROBERT HILL recently was appointed vice president, main bank administration, Bank of Terrebonne, Houma. Donald Adams was named vice president, branch administration.

Former LBA President Dies Following Short Illness

PLAIN DEALING—John Jones Doles Sr., president, First State, and president of the Louisiana Bankers Association in 1956, recently died following an illness of several weeks. He was 75 years old.

Mr. Doles was a past state vice-president of the American Bankers Association and a former state senator. From 1934 to 1950, he served as chairman of the Louisiana Agriculture Conservation Association.

■ JOHN J. DOLES JR. has been elected president, First State, Plain Dealing. He succeeds his father, the late John J. Doles Sr.



MEMBER F.D.I.C.

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FIRST NATIONAL CITY BANK

MID-CONTINENT BANKER for November, 1970

Arkansas News

Controlling Interest In Union of Little Rock Sold to H. H. McAdams

LITTLE ROCK—Herbert H. McAdams has purchased controlling interest in Union National. Mr. McAdams bought 108,959 shares, about 54.5% of the bank's outstanding stock from Beaver Creek Industries, Inc., Atlanta. The sale price was in excess of \$5 million.

Following the sale, Mr. McAdams was elected chairman and chief executive officer, and Cliff Wood was elected president, replacing Donald P. Couch. The latter resigned. Mr. Wood was senior vice president and a director, First National, Little Rock.



New officers of Union Nat'l, Little Rock, are H. H. McAdams (l.), who bought controlling interest and is ch. and CEO, and Cliff Wood (r.), who is now pres. Mr. McAdams owns controlling interest in three other Arkansas banks. Mr. Wood, a veteran banker, came from First Nat'l, Little Rock.

Mr. McAdams, an attorney, began devoting full time to banking 12 years ago and owns controlling interest in three northeast Arkansas banks—Citizens Bank and Bank of Nettleton, both in Jonesboro, and Security Bank, Paragould. Citizens Bank, said to be the largest bank between Memphis, St. Louis and Little Rock, has assets totaling more than \$45 million. Since Mr. McAdams became its chief executive officer in 1959, the assets have more than tripled. Deposits of the Bank of Nettleton, purchased by Mr. McAdams in 1962, have more than tripled. Security Bank, purchased in 1963, when deposits were \$5 million, recently topped \$12 million for the first time.

Mr. McAdams holds a bachelor's degree from Northwestern University, attended Harvard Law School and is an

honor graduate of the University of Arkansas School of Law. He is currently completing his fourth year as chairman of the Arkansas Industrial Development Commission. He has been a director of the First Arkansas Development Finance Corp. since its inception and is a director of the Memphis Regional Export Expansion Council.

Mr. Wood has extensive experience in correspondent banking and with national corporate accounts. A native of Boone County, Ark., he began his banking career at the old Bank of Alpena near Harrison. After having been a national bank examiner for several years, he joined First National, Memphis, and then went to Republic National, Dallas, in 1948. During his last 15 years at Republic National, he was a senior loan officer. Mr. Wood joined First of Little Rock in November, 1968.

Corn Poppers Big in Arkansas

Two Arkansas banks obtained big results from an offer of a popcorn popper for new and add-on savings deposits. Hundreds of new accounts were obtained with the cost-per-account averaging approximately 1% of the amount of the initial deposit.

Two New Officers Named At Commercial National

LITTLE ROCK—Commercial National recently elected Norman Farris, marketing director, a vice president and Lloyd O'Dell assistant investment officer.

Before joining Commercial National, Mr. Farris was manager of a general insurance agency and later served as manager of the Phoenix Office, Hartford Insurance Companies.

Mr. O'Dell, who joined the bank earlier this year, will work in the trust department and will take part in the management of the bond portfolio.

■ FREDERICK W. SMITH recently was elected an advisory director, Union National, Little Rock. Mr. Smith is the owner of Arkansas Aviation Sales, Inc.



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■ NATIONAL BANK OF COMMERCE, Pine Bluff, recently promoted Ralph E. Justice to vice president and Charles Huckaby to cashier. Mr. Justice's duties will be in personnel, purchasing, building management, training and security. He joined the bank in 1951 and has served as cashier and assistant vice president. Mr. Huckaby, who has been with the bank since 1957, is chief operations officer.

■ MARKED TREE BANK recently began construction on a new 6,000-square-foot building. Completion of the \$200,000 building is expected next spring.

■ FIRST AMERICAN NATIONAL, North Little Rock, recently named James J. McDonald and George Pitts Jr. vice presidents, specializing in commercial and real estate lending. Mr. Pitts began his banking career in 1954 and Mr. McDonald in 1955. The latter has served as president of the Little Rock AIB Chapter.

O'Farrell Exec. Vice President At First of Eastern Arkansas

FORREST CITY—L. Dean O'Farrell recently joined First National of Eastern Arkansas as executive vice president and director. Formerly, he was vice president and trust officer, Memphis Bank. He had been with that bank since 1960.

In other action, Eldridge Butler and J. W. Alderson Jr. were named inactive senior vice presidents. Mr. Butler has been serving as vice president since 1942 and Mr. Alderson since 1954.

A. F. Laughinghouse was promoted to vice president and cashier. He has been with the bank 34 years, serving as cashier since 1969. T. C. Pope, who has served as trust officer since 1967, was named vice president and trust officer. Before joining the bank, Mr. Pope was with the Internal Revenue Service for 14 years.

Named assistant cashiers were Archie Ford and Dennis Jarratt Jr. Mr. Ford has been with the bank one year and Mr. Jarratt recently was graduated from the University of Arkansas.

Commercial Nat'l Chairman Dies

LITTLE ROCK—Ross E. Anderson, chairman, Commercial National, died recently. He was 71 years old.

Mr. Anderson came to Little Rock in 1937 as president of Colonial Baking Co. He became president of Commercial National in 1961 and chairman two years later. He also was a director, Little Rock Branch, Federal Reserve Bank of St. Louis.

Bankers' Aid Society

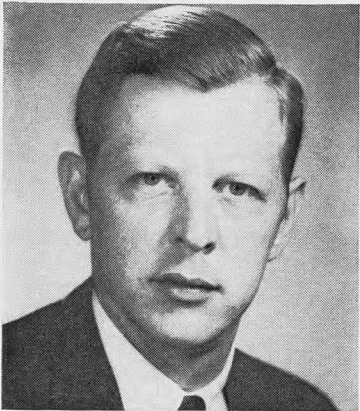
Walter Ireland Vice President
(Miss., Ala., La.)



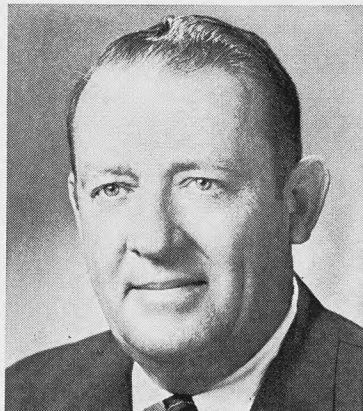
John Dulin Vice President
(Ark., Tex., Okla.)



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Ralph Colley Vice President
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Texas News

Bruce Collins Jr. Is Promoted At Corpus Christi State Nat'l

CORPUS CHRISTI—Bruce L. Collins Jr. recently was promoted from assistant cashier to correspondent bank officer, Corpus Christi State National.



COLLINS

In his new position, Mr. Collins will join C. M. Robinson, vice president, who has been correspondent bank officer for the past 20 years. They will provide service to Corpus Christi State National's 50 correspondent banks in south Texas.

Mr. Collins joined the bank in 1969, after serving for nine years as president and general manager, Trans-Texas Properties, Inc.

First City to Join Holding Company

HOUSTON—First City National recently announced plans to become part of First City Bancorporation of Texas, Inc., a registered bank holding company. The transition is subject to approval of regulatory authorities and shareholders.

The holding company owns stock in several banks in Houston, some of which are present affiliates of First City National through common stock ownership.

The holding company will have the same directors and senior officers as the present First City National.

First of Dallas Promotes 7

DALLAS—First National recently advanced seven officers to senior vice president status.

Promoted from vice presidents were: William D. Breedlove, in charge of Division I; John B. Clayton III, municipal bonds division; John T. Dale, government and cash management division; George H. Kilpatrick, loan administration division; D. Hugh Williams, personnel division; and Robert S. Williams, Division D.

Advanced from vice president and controller to senior vice president and controller was Leonard E. Huber.

First National, Lake Jackson, Celebrates 7th Anniversary

LAKE JACKSON—First National recently celebrated its seventh anniversary. The bank's deposits have reached a new high of \$6,600,000, representing almost a million deposit growth

per year, since the bank opened in 1963.

More than 8,000 anniversary tabloids containing lucky keys were delivered to Brazosport area residents by the bank during its celebration. During the anniversary week, about 1,200 people came to the bank to try their keys in a treasure chest containing \$3,000 in prizes. Thirty lucky keys opened the chest and winners received gifts ranging from \$25 gift certificates to a color television set.

■ AMERICAN NATIONAL, Austin, recently promoted Einer C. Juul from assistant cashier to trust officer. He will be responsible in the trust department for corporate agency accounts and will handle trusts and estates. Mr. Juul joined the bank in 1957.

Investors Purchase Shares Of Fannin Bank, Houston

HOUSTON—A group of local investors recently purchased a substantial block of shares of Fannin Bank. Among the selling shareholders were Alfred J. Knapp, chairman, and Frank A. DeWalch, vice chairman.

Mr. Knapp was founder and first president of Fannin Bank when it opened in 1948. He continued as president until 1964 and since then has served as chairman.

The bank will continue with Charles B. Cooney as president along with the present staff of officers.

First Alief Bank Opens In Temporary Quarters

HOUSTON—First Alief Bank, with a capital structure of \$750,000, recently opened in temporary quarters. All banking services are offered with the exception of safety deposit boxes. A new, permanent bank building will be constructed in about one year.

Joe L. Allbritton, president and chief executive officer, Houston Bank, is chairman of First Alief and Waddell Moursund, senior vice president, Houston Bank, is president of the new bank. Bradley Nelson is cashier.

Two Houston Banks to Merge

HOUSTON—The Board of Governors of the Federal Reserve recently approved the merger of Houston Bank and Citizens Bank. The physical merger is expected to be completed early this month.

The new bank, to be called Houston Citizens Bank & Trust, will have combined assets as of June 30 of \$209,840,100. The state banking commissioner must still formally approve the merger.

Bank Advertising Honored



National Advertising Agencies Network awards for newspaper advertising and corporate brochures recently were presented to Bank of the Southwest, Houston. Displaying the awards are Culver Turlington (r.), a.v.p. of the bank, and Gene Read, pres., Aylin Advertising Agency, Inc., Houston. Mr. Turlington and William B. Black Jr., sr. v.p., head the bank's advertising program.

■ FIRST NATIONAL, Amarillo, recently promoted Thomas R. Buckner to assistant cashier, business development department. Mr. Buckner joined First National in 1959.

Promotions and Appointments

National Bank of Commerce, San Antonio, Frank W. Patton Jr. to assistant cashier. *Tarrant State*, Fort Worth, J. O. Crane to president (was vice president and cashier, Security State, Fort Worth). *Preston State*, Dallas, Ralph E. Hamman to banking officer, business development division. *American National*, Beaumont, Jerry C. Hughes to vice president of operations. *First Bank*, Richardson, Douglas Lee Marlow to assistant cashier and Ben Taylor to supervisor of marketing and public relations programs. *Franklin Bank*, Houston, James D. Atchley to senior vice president (was president, Northeast Bank, Houston) and Richey D. Evans to vice president and cashier (was vice president and comptroller, River Oaks Bank, Houston).

Republic National, Dallas, James L. Ervin and Hardie O. Herman to trust officers; J. Reyes Olivas, James K. Smedley and John C. Winger to trust administrative officers; and Michael R. Doyle and Robert Fred Miller Jr. to banking officers, credit division. *Marshall National*, Gene Richardson to senior vice president in charge of motor bank operation (was vice president, Bank of Austin).

Texas Death

BURTON DUNN, 81, former president, director and chairman of the executive committee, Corpus Christi State National. Mr. Dunn had been with the bank since 1908 and was named chairman emeritus on his retirement.



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MID-CONTINENT BANKER for November, 1970

New Mexico News

Kipp-Rich Group Buys 60% of Springer Bank; Nicks Remains as Head

SPRINGER—More than 60% of the outstanding stock of Citizens State here has been sold to the Kipp-Rich banking group of Lordsburg and El Paso. In announcing the sale, Bob Nicks, Citizens State president, stated that he will retain 4,000 shares of the bank's stock and continue as its head. The bank's assets as of June 30 totaled \$16,728,000.

Mr. Nicks said that John Muir Kipp and Jack Rich bought 12,146 of Citizens State's 20,000 shares. The group controls four other New Mexico banks and holds major interests in three Texas banks.

The New Mexico banks are First National, Lordsburg; Hot Springs National, Truth or Consequences; Peoples State, Artesia; and Farmington National. The Texas banks are Coronado State, El Paso; Winkler County State, Wink; and First National, Fabens.

Mr. Nicks also said that formation of a one-bank holding company to hold the majority stock interest of Citizens State is being considered and that the bank will join other Kipp-Rich banks to oppose state-wide branch-banking legislation.

In other action involving the Kipp-Rich group, Wayne J. Negley was named chief executive officer of Winkler County State. Mr. Negley was formerly executive vice president of Hot Springs National. Mr. Negley joined Hot Springs National in 1965.

Fed Approval Received For Holding Company

First New Mexico Bankshare Corp., which holds more than 99% of the capital stock of Albuquerque National, recently became a registered bank holding company with the approval of the Federal Reserve Board of Governors.

The authorization allows the corporation to proceed with the acquisition of the capital stock of four other New Mexico banks. The banks to be acquired are: First National, Raton; First National of Rio Arriba, Espanola; Security National, Roswell; and Merchants Bank, Gallup.

The acquisitions are contingent on the Securities & Exchange Commission's acceptance of First New Mexico Bankshare's registration statement.

■ HAROLD L. STANFIELD has joined First State, Gallup, as vice president, commercial loans and administration. He succeeds Duane Enderston who resigned in July. A banker for 24 years, Mr. Stanfield was formerly manager of the Jerome Branch of the Bank of Idaho.

■ A GROUP HEADED by Merrill Norton of Lovington has filed notice of intention to organize a state bank in Hobbs. The city is now served by two banks, First National and New Mexico Bank.

Bank of Albuquerque Plans New Building in Mall

ALBUQUERQUE—Organizers of the proposed new Bank of Albuquerque recently announced plans for a \$100,000 building to be constructed in the Mall Shopping Center. The 4,000-square-foot building will have four or five teller windows, offices and a drive-up teller station.

When the bank receives its state charter, it will open in temporary quarters in the mall until the new building is completed. The bank will start with capital, surplus and reserves of \$600,000.

Group Five Elects Officers

Group Five of the New Mexico Bankers Association recently held its fall meeting in Clovis and elected officers for the coming year.

R. Walton Eastland, executive vice president, First National, Santa Rosa, was elected chairman and Charles H. Serrano, cashier of the same bank, was elected secretary.

■ CHARLES H. HANER, executive vice president, First National, Las Cruces, has been named to head the 1970 4-H Bank Campaign. The annual campaign funds citizenship and leadership programs of the national organization.

■ BANK OF SANTA FE has made application to establish its second branch which would be located just north of the Capitol at 422 Old Santa Fe Trail.

■ CHRISTOPHER C. INMAN, who began his banking career in Albuquerque, has returned to that city as vice president of First National. He came from San Francisco, where he was an assistant vice president of the Bank of California.

■ MICHAEL DENNIS, former president, First National, Lordsburg, recently was elected chairman, Farmington National. John Dean was named senior chairman.

■ KENNETH M. FREEDMAN recently was elected a director, First National, Albuquerque. He succeeds Josh Weston, who has resigned. Mr. Freedman is executive vice president, Popular Services, Inc., the principal stockholder of the bank.

■ CITIZENS STATE, Albuquerque, recently named Gary L. McPherson a new vice president. Previously, Mr. McPherson was senior vice president in charge of commercial loans, Bank of Santa Fe. He also has served as a national bank examiner and bank analyst for the New Mexico Department of Banking.

■ GLENN H. HAMILL, director, First National Bank of Dona Ana County, Las Cruces, recently was honored on his retirement from the bank. He was presented with a diamond pin in appreciation for his 25 years of service to the bank.

■ FIRST NATIONAL, Albuquerque, recently opened its 10th branch in the Manzano Shopping Center. Branch manager is Mrs. Thomas Demaline, who has been with the bank since 1958.

■ DAVID C. KING recently was elected president, First State, Cuba. He is also manager, Rio Rancho Estates Office. Mr. King succeeds Kenneth C. Bonnell as president.

■ ALVIN L. WATSON recently joined Citizens State, Albuquerque, as assistant vice president in charge of marketing. For the last year, Mr. Watson was installment loan officer, First National, Odessa, Tex.

■ MIKE CAPPS has been named manager of Ruidoso State's new Capitan Branch. Mr. Capps has been with the bank several years.

■ BANK OF NEW MEXICO, Albuquerque, recently named Mrs. Margaret E. Ross assistant cashier and Herman Wagner assistant vice president. Mrs. Ross has been with the bank since 1955. Mr. Wagner, with the bank 11 years, is supervisor, proof and bookkeeping departments.

■ CITIZENS BANK, Las Cruces, promoted Albino T. Gonzales to cashier from assistant cashier. Mr. Gonzales joined the bank while it was being organized in 1969. He was formerly with First State, Socorro.



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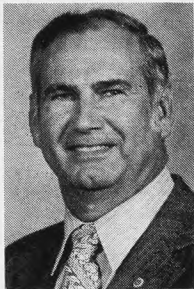
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Oklahoma News

Vernon Ayres to Be President Of Oklahoma National

CHICKASHA—Oklahoma National recently announced that Vernon Ayres will become president and chief executive officer in January. He will replace Garland Wasson, who will retire at that time. Mr. Ayres joined the bank November 1.



AYRES

Mr. Ayres was senior vice president, chairman of the loan committee and a director, City National, Oklahoma City. He joined City National as a bookkeeper in 1941 and has worked in every department of the bank, including the correspondent division. Mr. Ayres is also president of both the Bank of Tuttle and First State, Cement.

■ KENNETH R. BROWN, vice president, trust department, Liberty National, Oklahoma City, recently received the designation of chartered financial analyst from the Institute of Chartered Financial Analysts. He is one of approximately 2,500 CFAs in the United States.

Sand Springs Remodels Bank

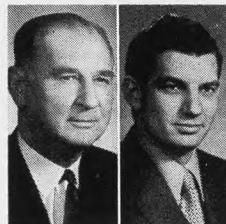
SAND SPRINGS—Sand Springs State recently held an open house to display its newly remodeled building. The remodeling renovated the bank's interior, as well as the outside, and tripled floor space.

Gifts were given away at the open house and a drawing for \$1,000 in savings deposits was held. About 1,700 people visited the bank.

To follow up the open house, the bank started an incentive deposit campaign in late September.

G. Gordon Pumphrey Retires From National Bank of Tulsa

TULSA—G. Gordon Pumphrey, vice president and head of the real estate loan department, recently retired from National Bank of Tulsa after a 46-year banking career.



PUMPHREY NASH

Mr. Pumphrey joined the bank (then Exchange National Bank) in 1924. He was elected assistant cashier in 1953, assistant vice president in 1956 and vice president in 1961.

William R. (Bill) Nash, assistant vice president, succeeds Mr. Pumphrey as head of the real estate department. He joined the bank in 1966 as director of advertising and public relations and was elected assistant vice president in 1968.

First National to Pay Interest On Christmas Club Savings

TULSA—First National recently announced that it will pay interest to members of its 1971 Christmas Club savings program. Customers who join the club, which opens November 9, will receive 4½% interest, compounded daily.

A spokesman for the bank said that First National is the first bank in Oklahoma to pay interest on Christmas Club savings.

First of Tulsa Transfers Majors To Correspondent Division



MAJORS

TULSA—First National recently transferred Jack E. Majors, assistant vice president, into the correspondent banking division. Mr. Majors, who joined the bank in 1966, formerly was in the installment loan division.

In the correspondent banking division, Mr. Majors replaces Robert McGoffin, who has resigned from the bank.

FDIC Approval Granted For Holding Company

ARDMORE—The FDIC recently approved the establishment of a one-bank holding company for First Southwest Corp., through an exchange of shares with Lincoln Bank.

Bank shareholders voted last April to form the holding company and enabled First Southwest to acquire all outstanding shares of Lincoln Center Corp., which owns the multi-story center in which the bank is located.

Through an exchange of stock to be completed this month, shareholders will receive 16½ shares of First Southwest stock for each share of bank stock.

Officers and directors of the bank have assumed their same positions in First Southwest Corp.

Fourth National Promotes 3

TULSA—Fourth National recently elected Charles A. Vier vice president, Nicholas E. Fitzgerald assistant cashier and Wesley E. Thompson assistant auditor.

Mr. Vier joined the bank in 1968 as auditor, Mr. Fitzgerald in 1968 as a management trainee and Mr. Thompson in 1969 as an auditing clerk.

■ ROBERT L. McCORMICK JR. recently was elected president and chief executive officer, Stillwater National. He previously was vice president, Fidelity Bank, Oklahoma City.

■ FOUNDERS BANK, Oklahoma City, recently promoted Bill Gentry and Mike McGowan to senior vice presidents and directors. Both men have been vice presidents since the bank opened in 1964.

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Kansas News

Wright to Travel Kansas For Wells Fargo Bank

Recently promoted to vice president, Wells Fargo Bank, San Francisco, was Peter C. Wright. In covering the midwestern area of the bank's national division, he will travel the state of Kansas.



WRIGHT

Mr. Wright joined Wells Fargo in 1949. He was named assistant manager of the bank's Davis Office in 1962, manager in 1965 and assistant vice president in 1968.

■ **LESTER L. SHAW**, executive vice president and director, Farmers & Merchants State, Macksville, recently retired. He had been with the bank 32 years. Mr. Shaw is succeeded by Donald K. Peterson, executive vice president. Mr. Shaw continues as a representative of the Kansas City Life Insurance Co.

■ **VALLEY VIEW STATE**, Overland Park, recently appointed Chester J. Churns vice president in charge of the mortgage department. Previously, Mr. Churns was vice president, Standard State, Independence, Mo.

Emporia Bankers Head Campaign

EMPORIA—Joe J. Morris, director, and Oliver H. Hughes, president of Citizens National, were chairman and vice-chairman, respectively, of the successful Emporia Phase of the Challenge Fund Campaign for the College of Emporia.

The fund-raising campaign netted more than \$150,000 for the Presbyterian college. The money will be combined with funds raised throughout the United States. The college has been a part of the Emporia cultural scene since 1882.

Controlling Interest Sold In First Nat'l of Chanute

CHANUTE—Controlling interest in First National recently was sold to a group of purchasers. Members of the group include: Robert N. Allen, who will serve as president, chief executive officer, trust officer and director; Mrs. Marjorie C. Allen, director and secretary to the board; Mahlon C. Morley, executive vice president; Philip J. Holtgraves, chairman; and W. E. Oakes, director.

Other members of the purchasing group are Dr. C. M. Crum; Allan Hall, motel owner; John N. Sherman and John C. Rubow, attorneys; and Robert Woodbury, builder.

■ **GLENN A. BRAUN** recently joined Capital City State, Topeka, as assistant vice president and loan officer. Formerly, he was Topeka loan officer of Southwestern Investment Co.

■ **FIRST NATIONAL**, Alma, recently promoted Bert D. Blackard to assistant cashier. Mr. Blackard has been with the bank one year.

Robert W. Monk Joins Staff Of Commercial National

KANSAS CITY—Commercial National has appointed Robert W. Monk Jr. assistant manager of the bank's bond department. Mr. Monk will assist P. A. Rome, senior vice president, in the bond department and with other duties in the investment division.



MONK

Previously, Mr. Monk was associated with H. O. Peet & Co., Inc., as bond representative and securities specialist.

■ **FRED McMILLEN** recently was elected bank auditor and officer, National Bank of Wichita. Mr. McMullen began his banking career in 1965 with a part-time job while majoring in business administration at Friends University.

■ **NORMAN FREDERICK** has joined Union National, Wichita, as vice president in the commercial loan division. Mr. Frederick has served 11 years as supervisory loan officer for the Small Business Administration in Wichita.

■ **JIMMY M. GOODE** recently joined Hoisington National as assistant cashier. Previously, he was assistant cashier, Kearny County Bank, Lakin.

■ **ROBERT E. SIMPSON**, president, Kendall State, Valley Falls, recently retired. H. Wyatt will succeed Mr. Simpson as president.

■ **R. W. PEARSON JR.** has been elected assistant cashier, Fidelity State, Kansas City. Mr. Pearson, formerly with an accounting firm, has been with the bank since June.

■ **MAJORITY INTEREST** in Augusta State recently was purchased by Jim and Robert Vestring, brothers. Jim Vestring was elected president and Robert Vestring a director. Paul Mann will remain as chairman.

■ **LaVERNE ANDERSEN** recently joined Peoples National, Liberal, as assistant vice president and agricultural loan officer. Previously, he was assistant vice president and cashier, Fort Lupton (Colo.) State.

■ **W. R. (PAT) MUSHRUSH**, chairman, Exchange National, Cottonwood Falls, recently observed his 50th anniversary with the bank.

■ **FIRST NATIONAL**, Ottawa, recently held a three-day celebration to observe its 100th anniversary.

Banker Dies in Plane Crash

WICHITA—John W. Grooms, 42, vice president and cashier, Boulevard State, and his wife were two of 30 people killed in a plane crash October 2.

They were on the plane that carried the Wichita State University football first team that crashed enroute to a game at Logan, Utah.

Kansas Deaths

FRANK O. CARR, 86, former cashier, vice president and director, First National, Wichita. Mr. Carr retired from the bank in 1955.

WARREN J. GRAHAM, 52, cashier and vice president, Exchange National, Clyde, of a heart attack.



BOB NILL
Asst. Cashier

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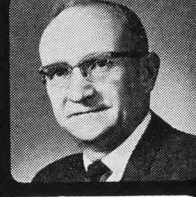
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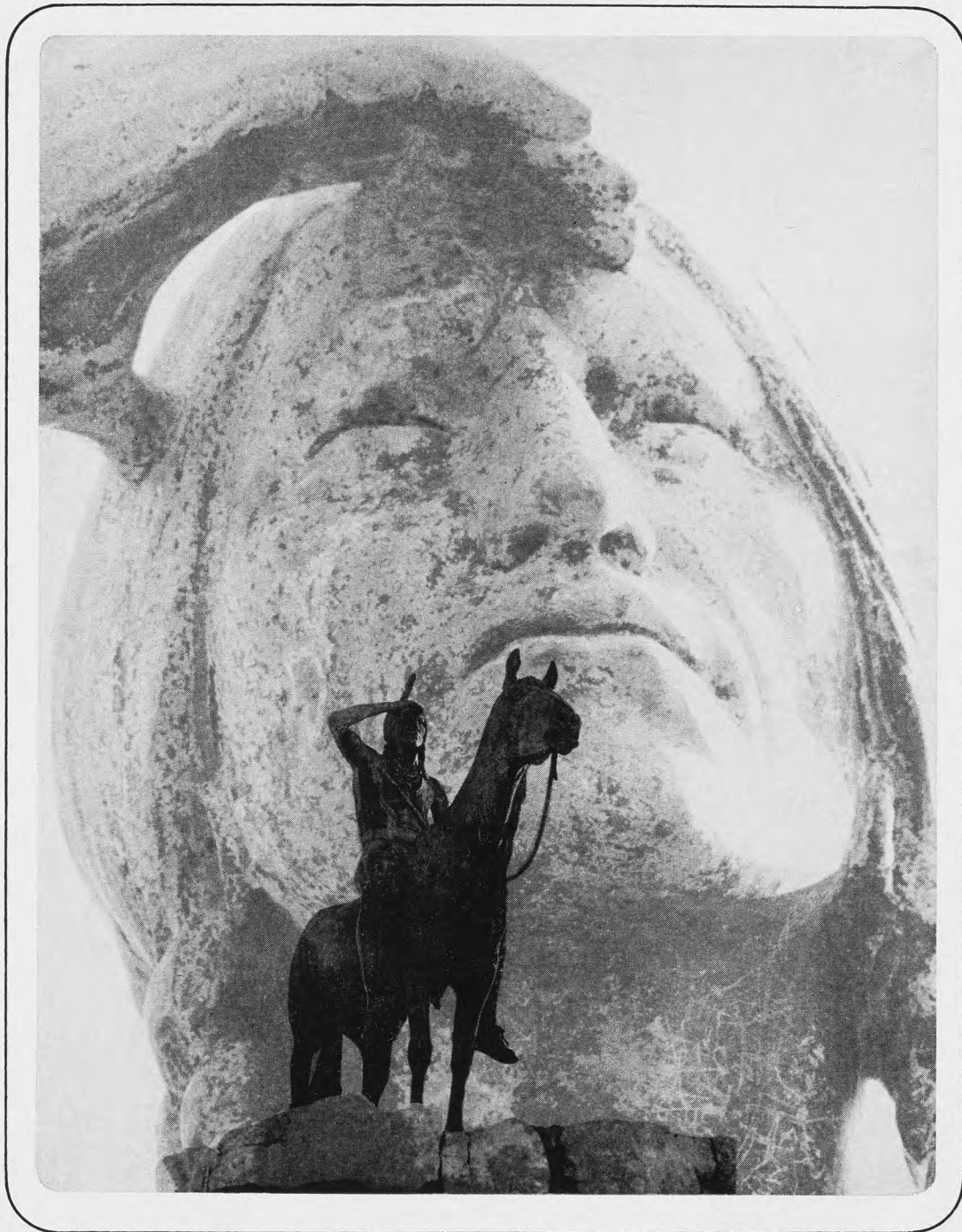
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National Bank
& Trust Company
KANSAS CITY, MISSOURI

MID-CONTINENT BANKER for November, 1970

Missouri News

Old and New Are Combined In Remodeling Project At First Nat'l of Milan

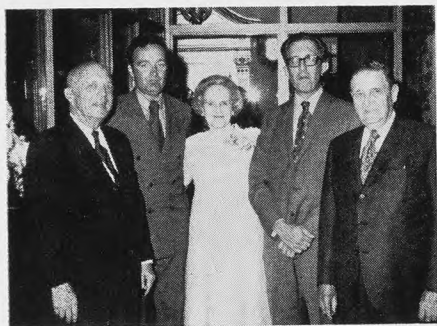
MILAN—First National celebrated completion of a major interior remodeling project September 20 by holding open house for more than 1,000 persons.

The project is a combination of the old and new. The bank decided to leave the 72-year-old building's exterior as it was because architects had checked it thoroughly and advised leaving it alone. The structure's corner dome was painted antique gold and sidewalks installed that can be heated for snow removal.

Inside improvements include installation of a public meeting room with kitchen equipment, expanded safe-deposit area and remodeling of the public and bank lobbies, vault area and safe deposit booths. The directors room was converted into a workroom for bookkeepers, and two rooms in the rear of the building were made into an office and new directors room. In the latter, all the original furniture was restored and is being used. The oak woodwork also has been restored, most of it to its original condition. The oak theme was carried out in the new office and in tellers furniture, counters, panels and matching accessories.

The second floor, which contains a law office, beauty shop and an abstract firm, also were remodeled. The two floors and basement are connected by an elevator.

The project's architect, Lyle V. De-



Pictured during open house at First National, Milan, are (l. to r.): Paul Ross, retired regional administrator of national banks; John Rogers Jr., deputy regional administrator of national banks; Mrs. Grace Guinn Sevier, pres. of bank; John R. Burt, regional administrator of national banks; and John Rogers, ch. of bank.

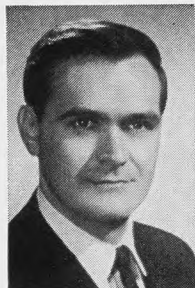


Visitors at First of Milan's open house are (l. to r.): Harvey Young Jr., pres., Bank of Kirksville; Mrs. John J. Kramer; Mr. Kramer, exec. v.p., City National, Kansas City; Mrs. Harvey Young; Mrs. E. L. Burch; Mr. Burch, a.v.p., City National, Kansas City. In front are Mr. and Mrs. Burch's children.

Witt of Decatur, Ill., is the son of First National director, S. P. DeWitt. The latter, although nearly 95, attends all board meetings and also was present at the open house. While there, he visited with a veteran banker from Richmond, 93-year-old William F. Yates. Mr. Yates is active chairman of the Exchange Bank.

Employee Marketing Contest At Columbia Union National

KANSAS CITY—R. W. Wallerstedt, chief executive officer, Columbia Union



WALLERSTEDT

National, recently announced a marketing contest for employees, to observe the first anniversary of the consolidation of Columbia and Union National banks.

In the contest, called "Accent on Achievement," bank personnel have been grouped into 12 competing teams. They are to give special attention to familiarizing customers with all bank services and to increasing deposits.

Attractive prizes, supplemented by cash awards, are provided for the winning teams. The contest will end December 15.

Union National Streamlines County Tax Operation

SPRINGFIELD—A newspaper article recently praised Union National for its help in computerizing Greene County's tax operation.

Officials said in addition to streamlining the constantly increasing county tax book load, the data processing method allowed the county to furnish communities with property valuation lists. In the past, each community had to provide workers to copy their tax lists.

Mercantile Bank to Affiliate With Holding Company

KANSAS CITY—An agreement recently was reached by shareholders of Mercantile Bank for the bank to become affiliated with Mercantile Bancorporation, Inc.

Mercantile Bancorporation, Inc., was formed earlier this year by Mercantile Trust, St. Louis, to seek Federal Reserve approval to become a registered bank holding company. If such approval is obtained, the four banks in the holding company will be Mercantile Trust and Mercantile Commerce Trust, St. Louis; Mercantile Bank, Kansas City; and Southern Missouri Trust, Springfield.

Facilities Bill Planned

The Missouri Bankers Association plans to draft a proposed bill for introduction in the 1971 session of the Missouri General Assembly. The bill will seek to increase services at facilities to include issuance of bank money orders, handling of cashier's checks and acceptance of loan payments.

It is also possible that the bill will include a proposed increase in the distance that a facility can be located from the main bank. The exact yardage that will be proposed has not yet been determined.

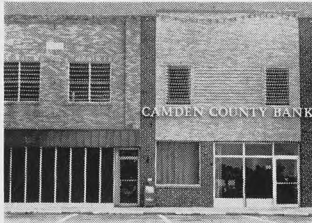
State Bank to Join Holding Co.

POPLAR BLUFF—The \$17-million State Bank recently signed an affiliation contract with Commerce Bancshares, Inc., Kansas City. It is the 17th bank to join the state-wide registered bank holding company.

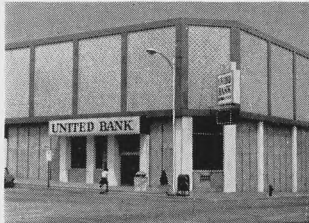
City Bank Plans New Building



City Bank, St. Louis, recently approved plans and sketches for its new bank and office building. The bank will occupy the first and mezzanine floors of the five-story structure, which is being planned by Robert Katzenmeyer of Bank Building Corp. of America. The building contains 75,000 square feet of floor space and will have three levels of underground parking. Completion is expected in the fall of 1971.



CAMDEN COUNTY BANK
CAMDENTON, MO.
FEBRUARY 1, 1968



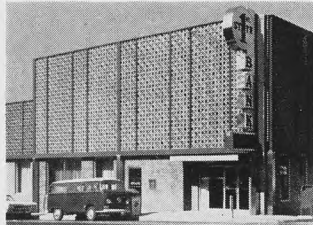
UNITED BANK OF FARMINGTON
FARMINGTON, MO.
APRIL 1, 1968



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

Let's make a date.

The dates shown under the banks pictured above indicate when each one started putting Manchester Bank's Telecomputer Service to work for it.

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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.

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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.

Call our Correspondent Bank Officer, Rick Reilly; make a date to be number eight.



MANCHESTER BANK



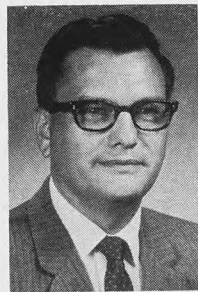
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FDIC

MID-CONTINENT BANKER for November, 1970

Consumer Finance Meeting Of Missouri Bankers Assn. To Be Held Nov. 17-18

KANSAS CITY—A panel on "Mobile Homes" will be featured at the Missouri Bankers Association's 15th annual consumer finance conference November 17-18 at the Plaza Inn here.



WINKLER

Acquisition, liquidation, sales and insurance of mobile homes will be discussed by a panel made up of St. Louisans: moderator, George A. Speer, president, Northwestern Bank; Eugene T. Bach, assistant vice president, First National; Virgil O'Connor, attorney, Mobile Home Park Development & Sales; and Richard A. Sopp Jr., regional director of development, Mortgage Guaranty Insurance Corp.

Special-interest sessions will be held on "Advertising and Marketing," Miss Barbara Pendleton, vice president, Grand Avenue Bank, Kansas City, and Harold E. Henson Jr., president, Security National, Joplin; "Nuts and Bolts," George Harris, executive vice president, Farmers & Merchants Bank, Huntsville, and John A. Venditto, vice president, Union National, Springfield; and "Agriculture," Charles Belshe, vice president, First National, Gallatin, and Harold C. Price, vice president, Exchange National, Columbia.

Size-group meetings on installment loans outstanding are planned for under-\$1-million banks, \$1- to \$7.5-million banks and over \$7.5-million banks.

Val Bertelson, vice president, First National, Cincinnati, will discuss "Let's Get Back to Fundamentals." Frank W. Koger, Kansas City attorney, will have the topic, "The Growing Tide of Con-

sumerism"—or What's the Extra C in UCCC." Horace Dunagan Jr., president, First State, Caruthersville, will talk on "Whatever Happened to Public Relations?"

The meeting will be called to order by William L. Winkler, chairman, MBA committee on consumer finance, and vice president, First National, Cape Girardeau. Missouri Lieutenant-Governor William S. Morris will speak, as will MBA President James F. Martin Jr., executive vice president, Bank of Lee's Summit.

Female Advisory Board At Continental Bank

ST. LOUIS—Continental Bank recently announced the establishment of what is believed to be the nation's first bank advisory board composed entirely of women.

Each of the 15 women on the board has achieved distinction in some business, civic, charitable or social field. The women will have the same responsibilities and duties as the regular directors, except for voting rights, and will be paid normal directors' fees. They will meet twice annually with the directors, with the first meeting in January.

State Charter Sought For Berkeley Bank

BERKELEY—A group of business leaders recently filed for a state charter for a bank to be located in the Berkeley area. Led by O. E. Troxler, president, the group expects to start construction soon on a site at 8535 Airport Road.

The bank is expected to open in the spring of 1971. Initial figures indicate the bank will incorporate with capital accounts in excess of \$750,000.

Officers of the corporation are: W. O. Statler, chairman; J. Frank Kruger, vice chairman; O. E. Troxler, president; John Terhune, vice president; Mrs. Ruth Datche Falchero, secretary.

Mercantile Commerce Says "Life Begins at 40"

ST. LOUIS—"Life Begins at 40" was the theme of the recent 40th-anniversary celebration at Mercantile-Commerce Trust. On the opening day of the celebration, the bank formally dedicated its expanded drive-in facility.



Mercantile-Commerce Trust recently opened its expanded drive-in facility during the bank's 40th-anniversary celebration. Shown cutting the ribbon are: (from l.) John H. Obermann, pres.; Miss Janice Law, "Miss Mercantile"; and David E. Castles, bank dir., and pres., Castles-Wilson Buick Co.

On the bank's parking lot, there was a special exhibit of classic cars, featuring a 1928 Rolls Royce convertible and nine other antique autos. A group of strolling musicians played, refreshments were served and all guests during the anniversary week received free dash-board clips for their cars. Prizes, television sets, radios and pen and pencil sets were given for the closest estimates of the total number of cars passing through the drive-in facility for the month of September.

Parkway Bank Ground-breaking



Directors and officers present at the ground-breaking ceremonies of the new Parkway Bank & Trust Co., Chesterfield, are: (from l.) Lawrence F. Glynn, Godfrey P. Padberg, Mitchell M. Murch, Frank H. Hamilton Jr., Richman Bry, G. Herbert Clausen and William J. Raack. Directors not present were Edward P. McSweeney and Robert L. Wolfson. The bank is expected to open by February, 1971, with Mr. Hamilton as president.

MEMBER F. D. I. C.

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of Little Rock**

Bank Celebrates 5th Year

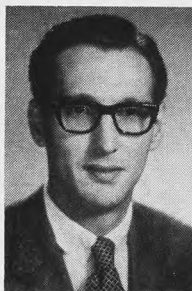


Mark Twain State, Bridgeton, recently celebrated its fifth anniversary. Participating in the celebration were: (From l.) Robert C. Butler, pres., and four employees who have been with the bank since it opened, Robert L. Renz, v.p., consumer loans; Miss Marian Barth, teller; Miss Elvera Biedenstein, new accounts supervisor; and Edwin W. Hudspeth, ch.

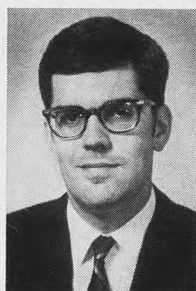
Two Named Assistant Cashiers At Boatmen's National

ST. LOUIS—Boatmen's National recently named John R. Bradbury and Theodore E. Rumpf assistant cashiers, banking division.

Mr. Bradbury joined the bank in 1968 and has served as manager, credit department. Mr. Rumpf, who came to the bank in 1964, is manager, commercial and real estate loan operations.



RUMPF



BRADBURY

■ ROY H. GOODHART recently was elected vice president, Commerce Bank, Hannibal. Before joining Commerce Bank, Mr. Goodhart was vice president and cashier, First National, Centralia.

■ JOSEPH G. LEWIS has been elected vice president, Commerce Bank, Bonne Terre. He is the first permanent officer to join the new bank. Previously, he was president, State Bank, Sand Springs, Okla.

■ WEBSTER GROVES TRUST recently promoted William Brown to auditor and Mrs. Claudene Chunn to assistant auditor.

■ RICHARD W. SHOMAKER recently was elected a director, St. Louis Union Trust. He is executive vice president, Brown Shoe Co.

MID-CONTINENT BANKER for November, 1970

Several Officer Promotions At Federal Reserve Bank

ST. LOUIS—The Federal Reserve Bank recently promoted three officers and appointed two new officers.

Harold E. Uthoff has been promoted to vice president and will assume general supervision of the bank examination department. Mr. Uthoff, who holds a law degree, joined the bank in 1956 as an assistant examiner.

Earl H. Chapin and Edgar H. Crist were named chief examiners. Mr. Chapin came to the bank in 1925 and served in various departments until 1936, when he joined the bank examination staff. Mr. Crist joined the

bank in 1942 and the bank examination staff in 1949.

Named assistant chief examiners were Charles D. Zettler and Delmer D. Weisz.

Red, White and Blue Savings

ST. LOUIS—Manchester Bank recently began three new red, white and blue bonus passbook savings plans.

The 90-day red passbook earns 5%, the one-year white passbook earns 5½% and the two-year blue passbook earns 5¾%. Customers receive American flags and other red, white and blue gifts with the initial deposit of \$100.



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THE FIRST NATIONAL BANK

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Three New Savings Plans Begun At First National City Bank

NEW YORK—First National City recently began a new group of savings plans designed to help customers save for both short- and long-term goals. The new three-in-one Goal-Setter Savings Program gives bank customers a choice of either a vacation club, a special-goal club or a Christmas club—or all three. All clubs pay 4% interest when payments are completed.

The vacation and special-goal clubs can be opened at any time during the year. Upon completion of 50 deposits or 12 months after the opening date, the bank sends the customer a check. The vacation club checks can be exchanged for travelers checks at no cost. Special-goal club checks can be deferred to allow customers to make additional deposits. The Christmas club began in October.

Server Produces Half Million

More than \$500,000 in new money was produced for Central State, Hutchinson, Kan., through its offer of an ACCA ware hot and cold beverage server. The gift was obtainable with a \$100 opening or add-on savings deposit. The 45-day campaign brought in 180 new accounts and its total cost was approximately \$2,000. Initial deposits averaged \$600.

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security holders owning or holding 1 percent or more of total amount of bonds, mortgages or other securities: None.

10. The average number copies each issue during preceding 12 months are: (A) Total No. copies printed (Net Press Run), 6,913; (B) Paid circulation: (1) Sales through dealers and carriers, street vendors and counter sales, 0; (2) Mail subscriptions, 5,558; (C) Total paid circulation, 5,558; (D) Free distribution (including samples) by mail, carrier or other means, 1,056; (E) Total distribution (Sum of C and D), 6,614; (F) Office use, left-over, unaccounted, spoiled after printing, 299; (G) Total (Sum of E & F should equal net press run shown in A), 6,913. Single issue nearest to filing date are: (A) Total No. copies printed (Net Press Run), 6,900; (B) Paid circulation: (1) Sales through dealers and carriers, street vendors and counter sales, 0; (2) Mail subscriptions, 5,525; (C) Total paid circulation, 5,525; (D) Free distribution (including samples) by mail, carrier or other means, 1,011; (E) Total distribution (Sum of C and D), 6,536; (F) Office use, left-over, unaccounted, spoiled after printing, 364; (G) Total (Sum of E & F should equal net press run shown in A), 6,900.

I certify that the statements made by me above are correct and complete.

WESLEY H. CLARK
Executive Vice President

Classified Ads

FOR SALE

NCR Postronic Posting Machine—Model #29, \$1,000.00. When new sold for \$11,000 to \$13,000. Write: David Zechlin, Exec. Vice Pres., Frankfort State Bank, Frankfort, Ill. 60423 or call 815-469-2183.

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With this sort of record year-after-year, there must be a reason. Perhaps it's because the hard-driving, traveling officers and the hard-driving inside men such as Auditor Walt Fischer, all, keep personally aware of a customer's particular needs to assure you of a unique individualized service.

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