

# MID-CONTINENT BANKER

*The Financial Magazine of the Mississippi Valley & Southwest*

**BANK MODERNIZATION ISSUE**

**DECEMBER, 1971**



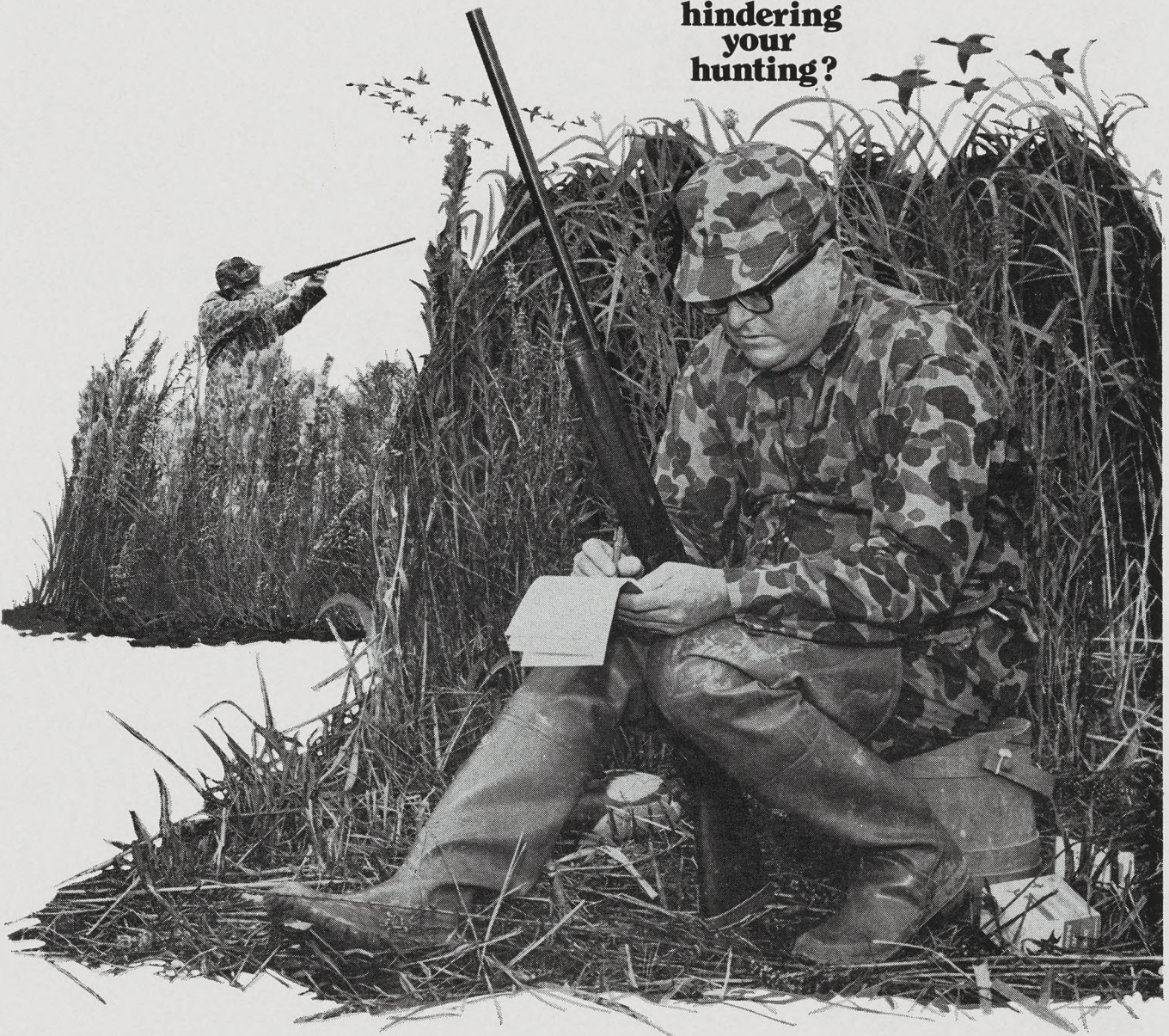


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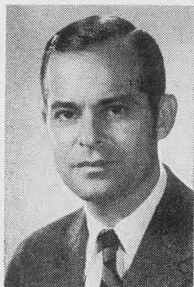
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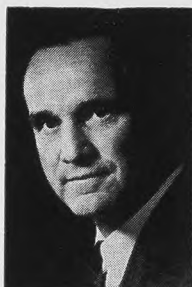
## Butz Succeeds Mason In President's Post At 1st of Fort Worth

FORT WORTH—Karl T. Butz Jr. last month was elected president of First National, succeeding Paul Mason. Mr. Mason remains chairman and chief executive officer.

In other changes, J. Howard Shelton, senior vice president, was named manager of the commercial banking division. Mr. Butz had held the latter post as executive vice president. Three vice presidents were elevated to senior vice presidents: Sam L. Gill Jr., who has charge of the administrative staff services division; and Dale Griggs and Jack W. Ferrill, both of whom are department managers in commercial banking.



BUTZ



SHELTON



GILL



GRIGGS



FERRILL

Mr. Butz joined First National in 1970 as senior vice president in charge of commercial banking, coming from Houston's Bank of the Southwest. At that bank, he had been vice president and manager of the commercial loan department. At First National, he was elected executive vice president in December, 1970, and a director last February.

Mr. Shelton went to First National last April after five years as president of Gateway National, Fort Worth. Mr. Gill has been with the bank since 1957, Mr. Griggs since 1956 and Mr. Ferrill since 1953. Mr. Gill became vice president in 1967, Mr. Griggs in 1965 and Mr. Ferrill in 1962.

■ **INDUSTRIAL STATE**, Kansas City, Kan., has opened its new \$35,000 motor bank facility, featuring four drive-up teller units.

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# MID-CONTINENT BANKER

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# THE BANKING SCENE



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

## The Mess of Public Funds

EVER SINCE the formation of the first Bank of the United States (the Jackson "pet banks") and the well intended, but ill conceived sub-Treasury system, public funds inside and outside banks have been a source of social, commercial and political friction in our nation.

Year-end figures for 1970 showed that, of the total deposits of \$480,710,-621,000 in our 13,511 insured commercial banks, some \$40,973,503,000 were deposits of states and political subdivisions and \$8,371,725,000 were deposits of the U. S. government. Thus, public funds represent slightly over one-tenth of total deposits, but state and local public funds account for the great bulk of such funds—and a much greater proportion of the headaches of banks.

Rather than improving with age, the opposite seems true for such accounts. People, both inside and outside government, are concerned with the problem. Most have a myopic view of the subject. By this is meant that they view the problem from their own self-centered positions. They fail, for the most part, to see the forest for the trees. Each faction wishes the best for itself and overlooks consideration of others.

While Representative Wright Patman (D., Tex.) has charged political hanky-panky in how federal A, B, and C Tax and Loan accounts are handled, the situation is, in my opinion, that federal T & L accounts are handled rationally and efficiently. However, there is a growing awareness on the part of larger banks that the collateralization requirement is not as easily handled as it was several years ago. Banks simply don't have the extensive U. S. government portfolios today that they had a decade ago. Thus, at times, they are placed in a bind to collateralize public funds of the states, the federal government and the rapidly growing political subdivisions.

As an example of this, the U. S.

Postal Service, as it seeks to improve its performance, has noted that its commercial bank deposit program needs overhauling. The service, according to its treasurer, John MacKinnon, besides updating a deposit information system for use by concentration banks, now recognizes that collateralization of bank accounts "is an archaic requirement which adds considerably to our administrative expense in providing the required supervision as well as making our accounts less attractive to banks. The collateralization requirement will become more burdensome, moreover, as we combine multiple accounts—now largely covered under the FDIC limit—into single accounts in individual banks. Our study of the problem led us to conclude that collateralization should be discontinued."

Having been more than a little involved with the problem in several states, background information may be of interest. Some 38 of our 50 states have laws calling for *commercial* banks to pledge assets against all, or at times the non-FDIC insured deposit portion, of their deposits. Interestingly enough, some states prohibit their cities, counties, or other political units from pledging. Some have insurance or guarantee funds. In practice, how the pledging requirement is interpreted and enforced varies substantially from state treasurer to state treasurer. Some bankers are known to think variation exists between bank supervisors.

Few government figures have given the *moral* question of pledging collateral any thought. Banks are chartered and examined by state and federal agencies; thus these agencies are, or should be, well informed of the true financial conditions of the banks. Yet they wish priority of protection above that afforded regular depositors of the bank. Regular depositors are not privy to information on the status of their banks as are government agencies.

A politically popular but, in my personal opinion, a very dangerous

idea for handling public funds is emerging.

The idea is to reward "socially good" banks with deposits of public funds. The catch is that the subjective concepts of "socially good" includes such things as the bank making 30-year mortgage loans in the inner city. For such "socially good" actions (though they may involve bad banking practices) the state treasurer places time money—up to a year in "good" banks. The inference is that next year the time deposit will be renewed—if that state's treasury has the funds and if a different political party has not won the election.

The record of private "linked deposits" and "brokered funds" is abyssal. There is little difference in practice and side effect between public-linked deposits and private-linked deposits, except that public-linked deposits are for bank loans and investments for much longer periods (and thus less in keeping with good banking practices) than are private-linked deposits. Public-linked deposits are more subjective and thus capable of political and computer-induced manipulations.

In fact, a good, logical argument can be made that, since often there is a 110-120% collateralization requirement for public funds, those banks (which have to also provide required reserves, not to say secondary reserves), by being "socially good," may actually *reduce* the commercial lending base that is a basic function of banks. This could *hurt* their community's economic base. The "socially good" action could supercede the more pragmatic and basic provisions of funds to provide jobs in the community.

In healthy contrast to the approach of linked-public deposits and the collateralization requirement for public funds is the recent movement in several states to permit banks that wish to qualify to hold public funds to become "certified depositories." Certified depositories typically are called upon



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only to pledge assets to 5% of the public funds deposited with them—as distinguished from 110-120%. More importantly, certified depositories also agree to a pro-rata assessment in the event any certified bank depository fails and the pledged assets are not adequate to meet the claims. This should limit probable contingent liability of public funds to a modest percentage of a bank's capital. It is surprising that the insurance industry has not come up with coverage in this area.

In a number of states where many commercial bankers would like this type of arrangement the idea has not been pushed. The reason: Fear that savings

and loan associations would qualify as public funds depositories should the existing banking code be altered. Thus, the phrase "commercial" might be amended in state legislation to include other financial intermediary depositories, such as S&Ls.

**Conclusion**

Collateralization of public funds is not only archaic, it is now dysfunctional and is becoming more so. Many bankers have opposed the implementation of better, more rational ways of handling the problem. Some oppose because of fear of S&L competition; others with good political connections

simply resist changes that would help remove the topic from the partisan political arena—be it at the state, city, county or school district level.

Social and political figures are making political hay by pushing doubtful economics of linked-public deposits. Almost no objective data is available to accurately measure what trade-offs in sound banking have resulted from linked-public deposits.

States such as Connecticut, New Jersey and Wisconsin have systems that are economically viable, but 38 of our states should seriously reexamine their policies on pledging of collateral for public funds.

The Harris survey on the public's attitude toward banks was an eye-opener for many bankers. The topic academic colleagues mention most frequently to me in criticism of banks is the political overtones of "pet" banks receiving public funds. These colleagues often have little or no idea of the cost incurred by banks in serving these public bodies.

All banks have a great stake in removing public funds from political control—and in doing so in a way that makes good economic sense. But equally important, they have a stake in educating the general public to the fact that banks provide public bodies with services commensurate with the value of the funds those public bodies place with the banks. • •

**Special Christmas Art Show  
Planned by Citizens Fidelity**

LOUISVILLE—Citizens Fidelity will sponsor a special Christmas show of art works at the J. B. Speed Art Museum December 14 through December 26. The more than 150 pieces to be exhibited will be the works of about 50 outstanding artists the bank invited to take part in this special show. All the artists have some special relationship to the Kentuckiana area.

In cooperation with A. Franklin Page, Speed Museum director, the bank issued the invitations to the artists. Mr. Page also will help the bank select a number of the art works from the exhibit to place in its permanent collection in the new Citizens Fidelity building in January.

Citizens Fidelity's chairman, Maurice D. S. Johnson, said, "We feel that our new building is designed carefully as a work of art and trust that it will provide a distinguished setting for some of the fine work produced by artists of this area. Our community has become widely known for its cultural environment."

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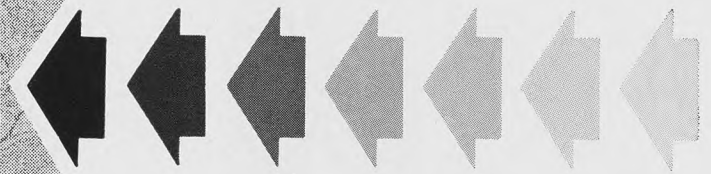
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# NEWS OF HOLDING COMPANIES

## Plans to Locate Bank in St. Louis Announced by United Mo. Bancshares

FOR THE SECOND time in a month, a Kansas City registered bank holding company announced plans to establish a bank in downtown St. Louis. The latest announcement came from United Missouri Bancshares, Inc., whose president and chief executive officer is R. Crosby Kemper Jr. Earlier, Commerce Bancshares, Inc., filed an application with the Comptroller of the Currency to open a bank in St. Louis' downtown area.



KEMPER

According to Mr. Kemper, United Missouri Bancshares hopes to get its St. Louis bank either through acquisition of the Security Bank & Trust Co. charter or through a new charter. Mr. Kemper's firm intends to bid for Security Bank, which is to be established by St. Louis' Mercantile Trust to settle an antitrust suit by the U. S. Department of Justice against the 1965 merger of Security Trust Co. with Mercantile.

However, Mr. Kemper, at a St. Louis news conference, frankly stated that he does not want the building that housed the former Security Trust at 316 North Eighth Street, which the consent decree requires to be sold with Security's stock.

Mr. Kemper said that if he doesn't get the Security charter, he would consider seeking a charter for another bank to be located in the downtown St. Louis area. He added that he doesn't want to "start a big contest to get into the downtown St. Louis area." He also wants a new building for his proposed bank, a structure "with pizzazz," he said.

The Kansas City banker said he hopes to interest Mercantile Bancshares, holding company that owns Mercantile Trust, in buying the building that houses City National of Kansas City, lead bank in United Missouri Bancshares. City National plans to move to new quarters to be erected on the block occupied by the defunct Emery-Bird-Thayer department store. Mercantile

Bancshares has received approval to buy Mercantile Bank of Kansas City, which, according to Mr. Kemper, is located "in a 50-foot, store-front building."

Mr. Kemper also announced plans for new facilities for three St. Louis-area United Missouri Bancshare banks—United Missouri Banks of Kirkwood, Ferguson and Jefferson County in Arnold. A high-rise building is under consideration for the Kirkwood bank. A new structure will house the Arnold bank, and the Ferguson bank also will get new facilities. • •

- **American First Corp.**, Austin, Tex., has received shareholder approval to increase authorized common stock from 1,000,000 to 2,000,000 shares. Total number of shares outstanding remains 1,000,000, with the increased number being authorized but unissued. The newly authorized shares will be available for use in possible future acquisitions by the HC.

Principal subsidiary of American First Corp. is American National, Austin.

- **Boatmen's Bancshares, Inc.**, St. Louis, has acquired the Bank of O'Fallon, Mo., located in St. Charles County. The bank had assets of \$11.3 million as of September 30. Other Boatmen's Bancshares affiliates are Boatmen's National, St. Louis, Bank of Concord Village and Manchester Community Bank, Ballwin.

In addition, Boatmen's Bancshares and principal shareholders of the Bank of Troy, Mo., have reached an agreement whereby the HC will acquire the bank, subject to approval by regulatory authorities.

The HC has asked Fed approval to acquire Williams, Kurrus & Co., St. Louis mortgage banking firm.

- **Commerce Union Bank**, Nashville, has announced plans to form a holding company. If the plans are approved by stockholders of the bank and regulatory authorities, William F. Earthman will be chairman-president and chief executive officer of the HC; Edward Potter

Jr., chairman of the executive committee, and Edward G. Nelson, vice chairman of the board.

These men now make up the senior management of Commerce Union. If the HC becomes a reality, Mr. Potter (who founded the bank in 1916) will continue as chairman of the board and CEO of the bank; Mr. Earthman will become chairman of the executive committee, a newly created post, and Mr. Nelson will be president of the bank.

### HC Formation Upheld

ST. LOUIS—A Federal Court of Appeals here has affirmed a Federal Reserve Board decision allowing formation of the First Arkansas Bankstock Corp., Arkansas' only multi-bank holding company. Anchor bank of the HC is Worthen Bank, Little Rock.

The Fed ruling was challenged by four Arkansas banks: Commercial National, First National and Union National, all of Little Rock; and Arkansas Bank, Hot Springs. These banks charged that Fed approval of the HC violated Arkansas law prohibiting branching. Also, they maintained that the FRB violated the constitutional rights of the 56 banks opposed to formation of the HC by refusing to conduct a trial-type hearing.

However, last month's court ruling said acquisition of First National (formerly Arkansas First National) of Hot Springs by the HC does not appear to violate the state's anti-branching law. According to the court, the decisive test is whether a unitary operation will exist as a result of the acquisition. It said there is substantial evidence in the record to show that the relationship between First Arkansas Bankstock Corp. and its subsidiaries did not represent the type of unitary operation prohibited by Arkansas' branching statutes. The court noted each bank would continue as separate firms and indicated there was nothing to show the public will identify them as one institution.

Earlier this year, the Arkansas legislature passed a law prohibiting creation of additional bank HCs and further expansion by First Arkansas Bankstock Corp. The latter's application to acquire the Stephens Security Bank was exempted because Fed action on it was pending when the statute was enacted. The Fed subsequently granted approval to the acquisition.



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## St. Louis HC Sponsors Foreign Trade Conference; President's Economic Policies Are Discussed

THE PRESIDENT'S new economic policies and their implications were discussed at the October 28th foreign trade conference sponsored by Mark Twain Bancshares, Inc., St. Louis-based registered bank holding company. About 60 businessmen attended.

Dr. Hyman Minsky, professor of economics at St. Louis' Washington University, was the principal speaker. Dr. Minsky is a former consultant to the FDIC and the Federal Reserve System and is on the economic advisory council of Mark Twain Bancshares and an economic consultant to the member banks.

According to Dr. Minsky, the 10% surcharge on imported goods was a grave mistake and was based on a misreading of the facts. He described the Nixon Administration as the most political this country has had and said political appointees select what is to be emphasized in the way of statistics. As far as the forecast that 1972 is going to be a good year, Dr. Minsky said he doubted it and predicted that the first half of the new year would bring continued slack and sluggishness in the economy. He termed 1970 as a period of mild recession and said we are currently in a phase of high-level stagnation.

According to the professor, the government plays a much larger role in the state of the economy now than in the past. For instance, he continued, government spending in the 1970s makes up almost 10% of the economy. When social security and other programs are included, he said, government spending accounts for almost 20%. As an example, he cited the fact that the government buys a third of all construction in the country. Dr. Minsky told his listeners that he doesn't foresee a large burst of private spending in 1972.

The conference also included a panel discussion and workshop on techniques of and opportunities for exporting. Panelists were: Mario Lotti, vice presi-



Discussion and workshop on techniques of and opportunities for exporting were part of foreign trade conference sponsored by Mark Twain Bancshares, St. Louis-based registered bank holding company. Taking part were (standing) Sanford Spitzer, v.p., Mark Twain State, Bridgeton, Mo., and director of new business development; (seated, l. to r.) Louis A. Roth, Louis Roth Insurance Agency; Mario Lotti, v.p., Foreign Credit Insurance Agency; Donald C. Temme, sr. v.p., Mark Twain State, and head of HC member banks' international banking dept.; W. N. Epstein, W. N. Epstein & Co.; and Gary D. Ellis, U. S. Dept. of Commerce.

dent, Foreign Credit Insurance Agency; Gary D. Ellis, U. S. Department of Commerce; Louis A. Roth, Louis Roth Insurance Agency; and W. N. Epstein, W. N. Epstein & Co., custom brokers.

Donald C. Temme, senior vice president, Mark Twain State, is director of international banking for Mark Twain Bancshares. In addition to Mark Twain State, member banks are Mark Twain Northland Bank, Jennings, and Mark Twain South County Bank, Mehlville, both in St. Louis County. • •

- **Conill Corp.**, parent company for Continental Illinois National, Chicago, has begun publishing what it terms is "a new departure in corporate financial reporting." *Continental Illinois Quarterly* will be published four times a year: annual-report issue in February and subsequent issues about one month after the close of each fiscal quarter.

The quarterly will contain two sections consisting of the latest financial report and a magazine containing in-depth articles about activities of Conill and its subsidiaries.

The first issue appeared last month.

- **First Security National Corp.** and its affiliate, First Beaumont Corp., both of Beaumont, Tex., have received shareholder approval to merge as a registered multi-bank holding company. The new firm became operative December 4 under First Security National Corp.'s title.

First Security National was organized in 1969 as a one-bank HC to acquire First Security National, Beaumont. In 1970, another subsidiary, Security First Mortgage Co., was established. First

Beaumont Corp. was organized in 1959 primarily to hold shares in other commercial banks in Beaumont and southeastern Texas.

Each shareholder of First Security National Corp. owns an equal number of shares of First Beaumont Corp. The latter currently owns interest in Gateway National and Village State of Beaumont, Sour Lake State and Peoples State of Kountze. In earlier action, directors of First Security National Corp. approved the purchase of additional shares of stock in Sour Lake State and Peoples State of Kountze, owned by the First Sour Lake Corp. and First Kountze Corp., respectively.

- **First National Charter Corp.**, Kansas City, has received Fed approval to acquire two St. Louis County banks, Bank of Overland and North Side Bank of Jennings. Webe H. Naunheim Jr. is president of the Bank of Overland, and his brother, Alfred R. Naunheim, is chairman and president of North Side Bank.

The Overland bank has total resources of \$27.4 million; North Side Bank's resources total more than \$39 million.

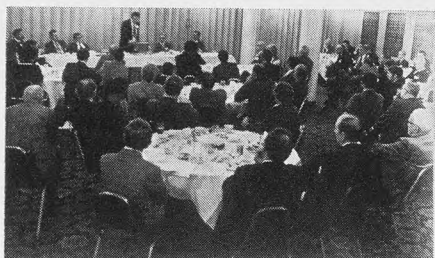
- **Bank Securities, Inc.**, Alamogordo, N. M., has announced plans to buy Liberty National, Lovington, N. M. The acquisition would be made through an exchange of stock. If the acquisition is approved, Winford Carlile, president of Liberty National, will be elected a director of the HC.

BSI has six banks, including the American Bank of Commerce, Albuquerque, and is seeking approval to buy First National, Roswell, and First National, Portales, N. M.

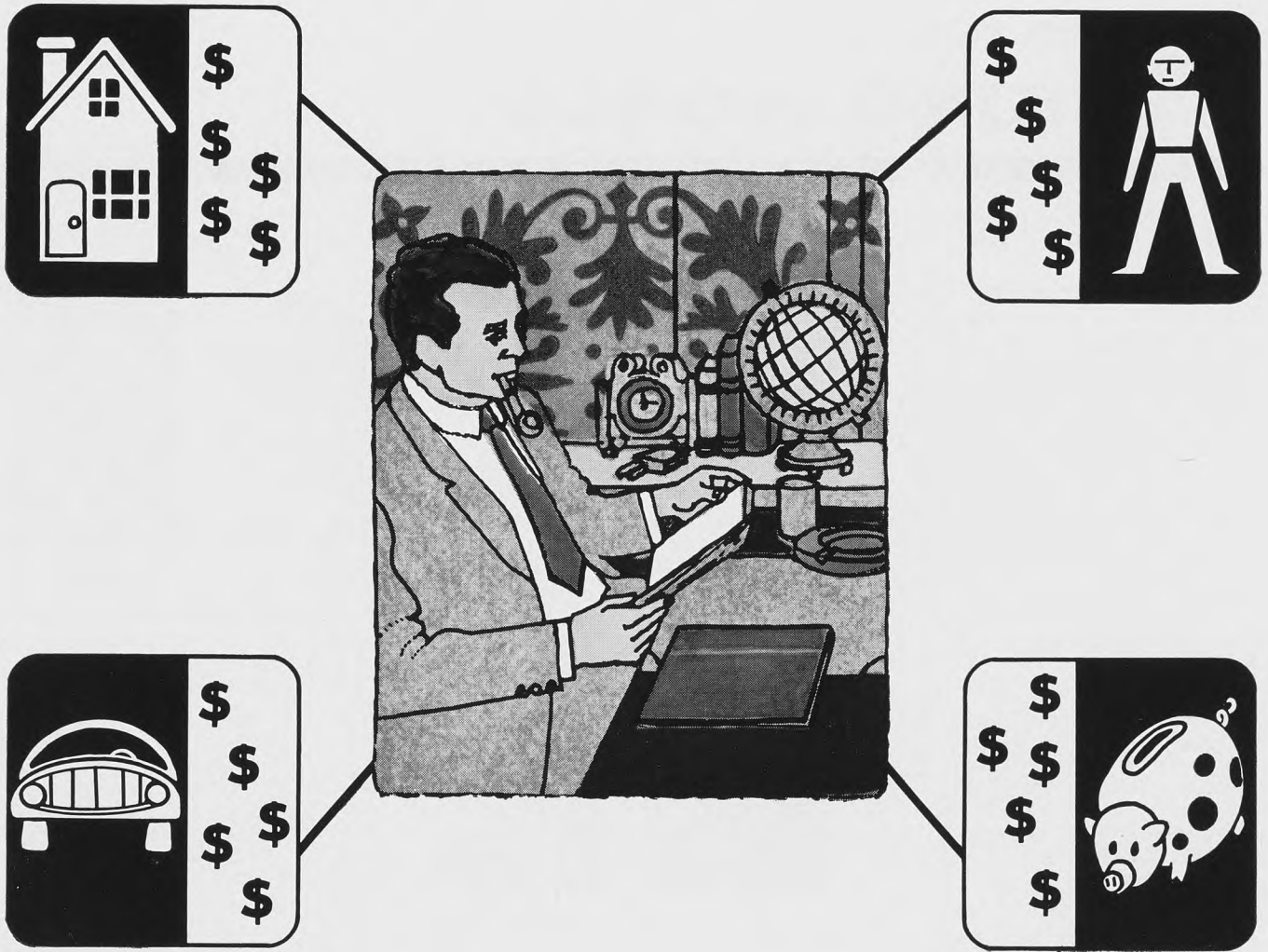
- **First National Holding Corp.**, Memphis, has announced a change in its name to First Tennessee National Corp. The HC owns First National, Memphis, and has pending affiliations with four other Tennessee banks: Banking & Trust Co., Jonesboro; Kingsport National; White's Creek Bank and Bank of Morristown.

First of Memphis' trademark is being transferred to the HC in order to link the 107-year reputation and growth of the bank to First Tennessee National, according to Cullen Kehoe, bank president.

Earlier, a realignment and assignment of duties was made in the HC's officer line-up. Joining Allen Morgan, chairman of the board, and Ronald Terry, president, were Robert C. Rogers, financial vice president and treasurer; James E. Taylor, vice president and comptroller, C. Lee Welch, secretary and counsel, and W. S. Hunt III, vice president.



Mark Twain Bancshares' foreign trade conference attracted about 60 businessmen in St. Louis area. Conference started with luncheon, followed by talk on President Nixon's new economic policies and panel discussion on techniques of and opportunities for exporting.



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# NEWS OF THE BANKING WORLD

• **Bank of America**, San Francisco, has announced it will open a new international banking subsidiary in Houston early next year.

The bank, with initial capitalization of \$2 million, will be known as Bank of America International of Texas. Officials said the subsidiary will provide international banking services for clients in the southwestern United States and will be oriented particularly toward the financing of U. S. exports.

• **First National**, Birmingham, has made several promotions and changes in its top management team. At the same time, Alabama Bancorp., the bank's holding company, announced appointment of its executive officers.

At First National, John A. Hand continues as chief executive officer and chairman of the executive committee while Harvey Terrell, formerly chairman, has become chairman of the finance committee. Robert H. Woodrow Jr., who was executive vice president, succeeds Mr. Terrell as chairman.

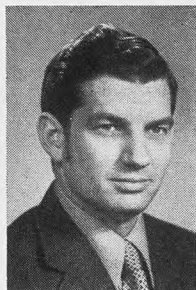
Newton H. DeBardeleben will continue as vice chairman and John W. Woods, former president, also is vice chairman. M. Eugene Moor Jr., executive vice president, has moved up to president.

Julian L. Mason Jr., senior vice president and manager of the John A. Hand Branch, was advanced to executive vice president and Jack G. Paden, senior vice president and head of the trust department, was elected executive vice president and trust officer.

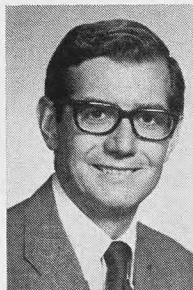
Officers named by Alabama Bancorp. include: Mr. Woods, chairman, president and chief executive officer; Mr. DeBardeleben, executive vice president, secretary and treasurer; and Miss Martha Corbin (vice president at First National), assistant secretary and assistant treasurer.

• **Leonard J. Eaton Jr.** has been elected executive vice president of National Bank of Tulsa. He formerly was vice president of First National City Bank, New York, where he managed domestic and foreign loans. Mr. Eaton was elected vice president and head of the Mid-Continent unit of the petroleum department in 1967.

William R. Nash, NBT vice president, has moved from head of the real estate loan department to head of the correspondent bank department. He



NASH



EATON

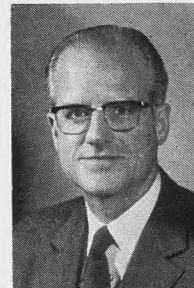
joined the bank in 1966 as advertising manager and director of public relations. He was elected assistant vice president in 1967 and vice president and head of the real estate loan department in 1970.

Miss Kay Moorman was promoted from cashier to vice president and cashier. She is the first woman vice president at the bank. She joined NBT in 1944, was named assistant cashier in 1956 and cashier in 1969. Miss Moorman was 1970-71 chairman of the editorial committee of the National Association of Bank-Women Inc.

Leland S. Brunson Jr. was advanced from trust officer to vice president and head of the real estate loan department. He has been with the bank since 1967 as real property manager in the trust department.



FUNDERBURG



COUZENS

• **I. Owen Funderburg**, executive vice president and chief executive officer of Gateway National, St. Louis, was elected president of the National Bankers Association at its 44th annual convention held recently in Washington, D. C. The association represents the interests of minority-owned banks.

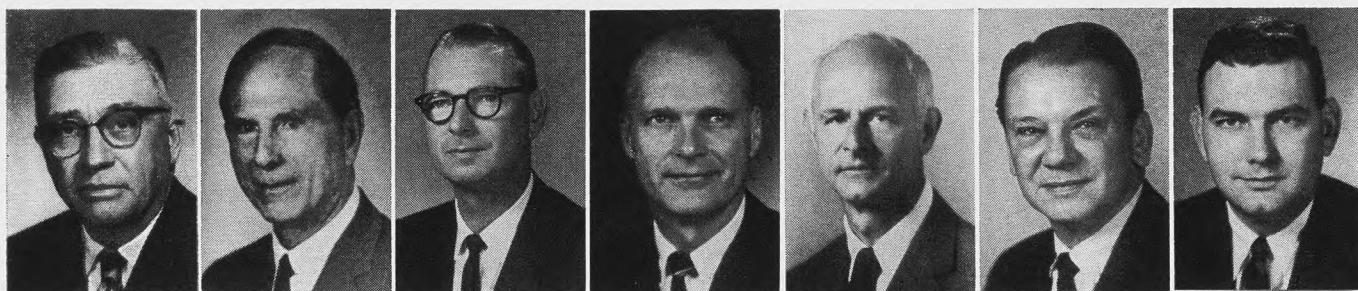
• **Frank Couzens Jr.** has been named senior vice president and senior trust officer at Manufacturers National, Detroit. He is officer-in-charge of the trust department, including trust investments.

Mr. Couzens joined the bank in 1951 and was elected senior vice president in 1967.

• **Central Trust**, Cincinnati, has a new metropolitan division and has formed three additional territorial divisions.

Officials of the bank said the new divisions are being established to provide increased efficiency and servicing in the handling of Central Trust customers' banking business in all areas of the country.

The new divisions are: East and Northeast, headed by Robert B. Feid, vice president; Ohio and Central, headed by Raymond J. Ferguson Jr., assistant vice president; and South and Western, under the direction of John R. Goodwin, assistant vice president.



HAND

TERRELL

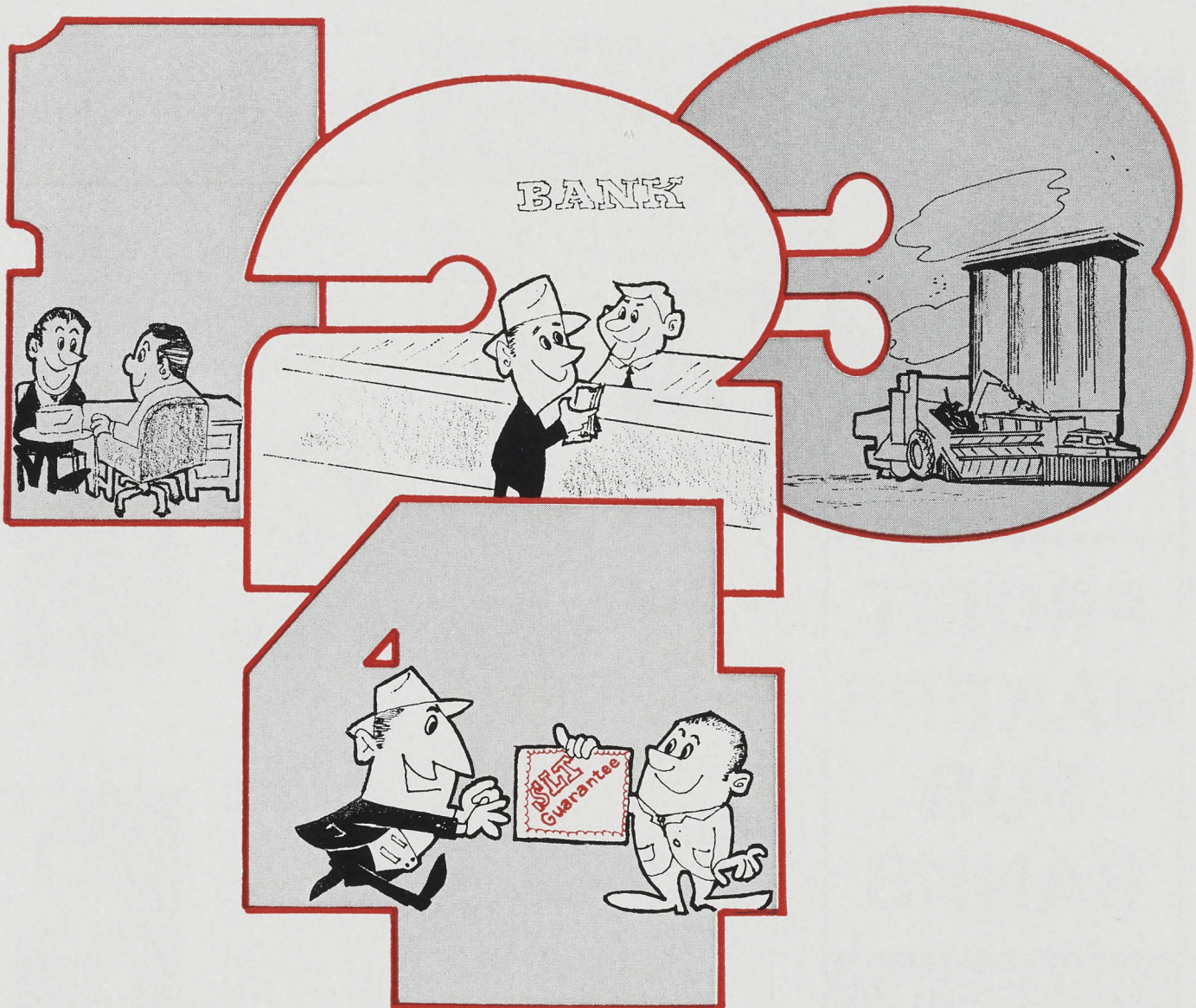
WOODROW

MOOR

MASON

PADEN

WOODS



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# 2

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## CORPORATE NEWS ROUNDUP

• **James Talcott, Inc.** Oran W. Hark has been elected senior vice president of James Talcott, Inc., Chicago, and also senior vice president of the business finance division.



HARK

As divisional operations manager, he is responsible for supervision of loan administration activities in the firm's 10 district offices throughout the country. Mr. Hark joined Talcott in 1952 and has served in the Chicago office and as central region operations manager.

Paul M. Strick was elected senior vice president of James Talcott Factors. He is client credit administrator of the factoring division and also is a vice president of James Talcott parent company.

Talcott recently relocated both the headquarters of its business finance division and of its Chicago district office. The business finance division headquarters are now at Oakbrook North, Oak Brook, Ill., and the Chicago district office is now at 230 West Monroe Street. Both offices formerly were at 209 South La Salle Street.

• **Management Insurance Consultants, Inc.** Sidney M. Cooke Jr. recently was elected president of Management Insurance Consultants, Inc., Kansas City.

Mr. Cooke formerly had been with Columbia Union National, Kansas City, for 16 years, most recently as vice president. He also is vice president and director, Quad County State, Viburnum, Mo.; director, Herrington Bankshares, one-bank holding company of Bank of Herrington, Kan.; director of the proposed Hub State, Independence, Mo.; and a director of the proposed Kansas City (Mo.) International Bank.

• **Scarborough & Co.** Richard C. Ross has been named vice chairman of Scarborough & Co., Chicago. He has been an executive of the company for 16 years and president since 1965.

## News of Firms Serving Banks

Norman Clark was advanced from executive vice president to president. He joined Scarborough in 1952 as an account executive and became vice president—underwriting in 1966 and vice president—operations in 1969. He was named executive vice president last February.



CLARK



ROSS

• **Bank Building Corp.** James E. Slater has been named consultant services manager of Bank Building Corp., St. Louis. He is responsible for the greater metropolitan St. Louis area.

Mr. Slater joined the company in 1969 and has had sales responsibility for the Kansas-Nebraska market area. He spent seven years with Owens-Corning Fiberglas in Toledo, O., in contract sales and as a construction superintendent before joining Bank Building.

• **Computer Wares, Inc.** A completely modular financial and inventory control system that helps relieve operational bottlenecks has been developed by Computer Wares, Inc., Birmingham, Ala.

The computer system, called CATS (Computerwares' Automated Total Systems), consists of eight individual programs. The user may purchase one or more programs and add others as business dictates. Each subsequent module is placed under control of the CATS MASTER for file integration.

Reports obtained from this system can be used to build an information data base, provide controls, reduce data handling, update many files with a single entry and provide management exception reports only noting pertinent items.



SLATER



COOKE

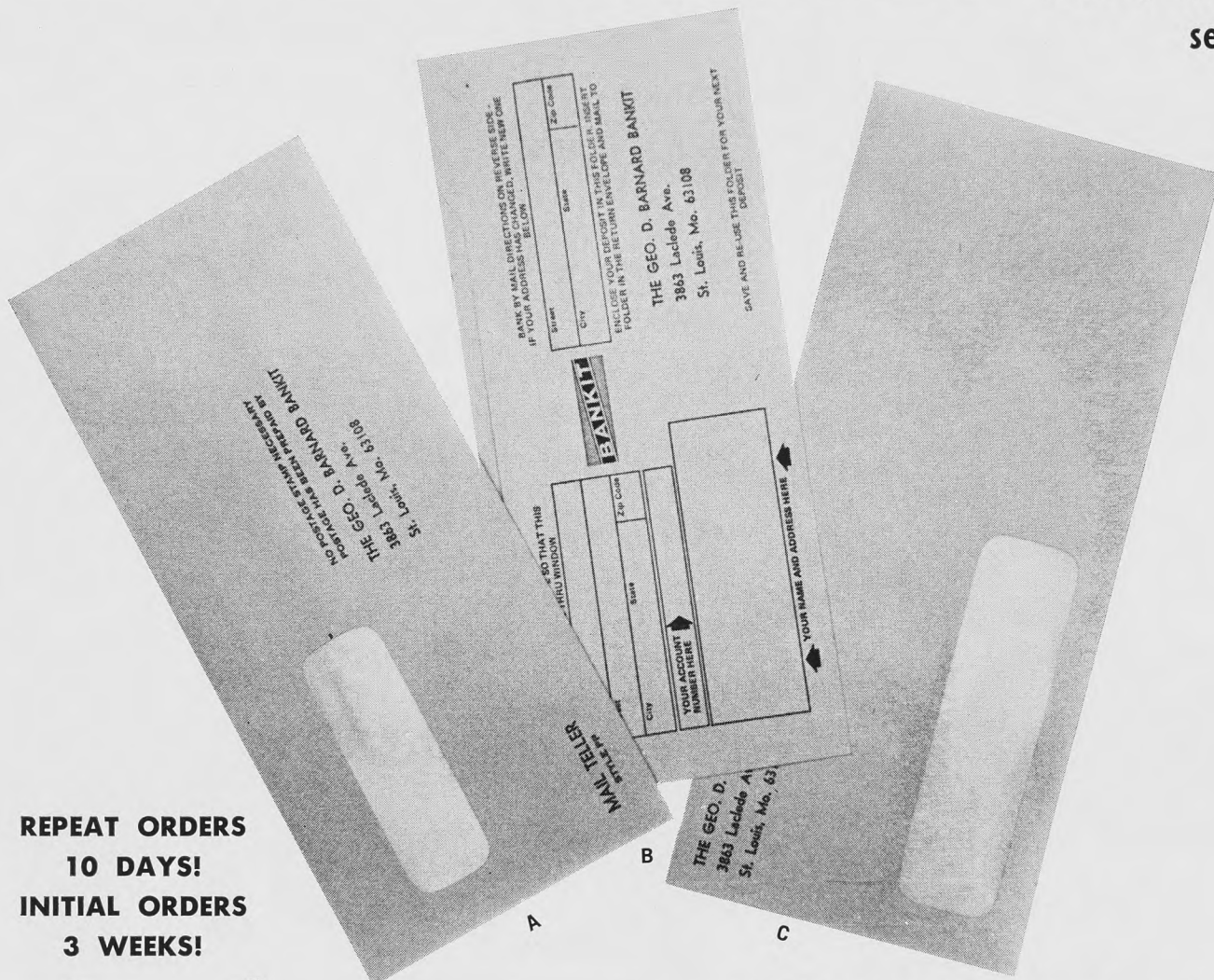


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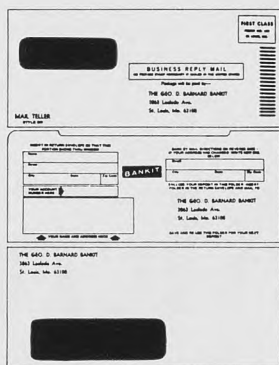
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**BARNARD'S BANKIT SET** is designed to save time for both the bank and the depositor and to reduce the cost of Bank by Mail supplies. With the depositor's name, address and account number printed or typed on the re-usable folder, the chance for error is small.

### THE BANKIT SET CONSISTS OF THREE PIECES

- A. The No. 9 Return Envelope (Depositor to Bank)
- B. The Re-usable Bankit Folder
- C. The No. 10 outside mailing envelope (Bank to Depositor)

### IT WORKS THIS WAY:

The depositor's name is printed or typed on the re-usable Bankit Folder in two places along with the account number. The depositor places his endorsed checks and deposit ticket in the Bankit Folder and mails to the bank in the return envelope. The bank returns the same folder, a receipt for the deposit and a new return envelope in the No. 10 window envelope.

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MID-CONTINENT BANKER for December, 1971

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l to r: Thomas L. Ray, Senior Vice President and head of Bond Department, John Pisarkiewicz, Vice President, Banks and Bankers, Louis S. Dennig, Jr., Senior Vice President and head of Loan Division, James A. Smith, Vice President, Banks and Bankers.

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MID-CONTINENT BANKER for December, 1971

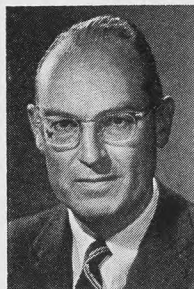
# MID-CONTINENT BANKER NEWS ROUNDUP

News From Around the Nation

## PEOPLE



CARPENTER



WILSON

• CHRISTOPHER W. WILSON will retire January 1 as executive vice president of Chicago's First National and will return to the private practice of law. He was with the bank 20 years, 12 of which he spent as its general counsel. He also has been chairman of the bank's building committee for the past several years during the planning and construction of the new bank building and First National Plaza development.

• RICHARD W. CARPENTER has been named assistant to the president at Citizens & Southern National, Atlanta. With C&S since 1959, Mr. Carpenter was a vice president and a group manager of the corporate accounts division.

• DOW OSTLUND, executive vice president, Valley National of Arizona, Phoenix, was elected president of Robert Morris Associates at its 1971 fall conference in Los Angeles. He succeeded HOWARD W. RATHBUN, president, First National, San Jose. Other new RMA officers are: first vice president, JOHN J. FAWLEY, president, United Virginia Bank/First & Citizens National, Alexandria; and second vice president, NORMAN J. COLLINS, senior vice president, South Carolina National, Columbia. In the accompanying photo, Mr. Ostlund is at left, Mr. Fawley in the center and Mr. Collins at right.



## Interest Rates and Phase II

President Nixon's Phase II program is significant to every American, but it took on added meaning for bankers November 4. The House Banking and Currency Committee, under chairmanship of Representative Wright Patman (D.,Tex.), voted to place interest and finance charges directly under the same authority the President is using to control wages, prices, rents and other economic factors. Under the Nixon Phase II program, the President alone would have determined which sectors of the economy to control and which to leave untouched. With the House Committee vote (17 to 16) this option would be eliminated.

However, the interest-rate amendment was not the provision for a mandatory rate ceiling that had been widely expected. Also, Mr. Patman's committee later voted to postpone to November 30 (as MCB was going to press) final action on the President's Phase II bill. This bill, requested by President Nixon, would extend from April 30, 1972, to April 30, 1973, his authority to set wage and price controls and grant him power to place controls on dividends and interest. This postponement is seen by many in Washington as an opportunity for Republicans to gain time (three weeks) to obtain votes to make revisions in the bill requested by the President.

The Senate Committee on Banking, Housing and Urban Affairs met November 11 on the same legislation and adopted an amendment that would require Senate approval of future Presidential appointments to the Price Commission and Pay Board that had been created as part of Phase II. The Senate committee's chairman, Senator John T. Sparkman (D.,Ala.), said before the vote that he personally could not vote for Phase II legislation that would place ceilings on interest rates. He said he believes the boards set up by the President to supervise his economic-stabilization program should make the key decisions.

## Citibank's Insurance Plan Okayed

First National City, New York City, has been given the go-ahead on its term life insurance plan by a 5-0 decision by the Appellate Division of the New York State Supreme Court. The decision held that the plan does not violate state law against tie-in schemes.

Called Savings Plus Life Insurance, Citibank's plan is underwritten by Connecticut General Life Insurance Co. Under its provisions, the bank's regular savings and golden passbook account customers whose accounts earn at least \$2.50 quarterly interest are eligible to buy life insurance protection in amounts up to \$15,000. The bank said it is the first such plan to be made available in the state by a commercial bank.

The recent court opinion reversed findings of Justice Edward S. Conway of the State Supreme Court entered August 20. Justice Conway ruled that Citibank and Connecticut General must desist from offering the plan. Court action had been brought by the New York State Association of Life Underwriters on the ground the state's superintendent of insurance did not have authority to approve the plan. A lower court held that the "real issue" was that the plan was a tie-in arrangement and violated a section of the state's insurance law.

## Cease-and-Desist Actions Increase

Increased use of cease-and-desist powers as a tool in supervising problem banks was predicted last month by Irvine H. Sprague, FDIC director. Mr. Sprague, in speaking to the Maine Bankers Association, said the cease-and-desist authority had been utilized eight times so far this year and, if proved successful, such actions will supplement, and possibly even substantially replace, actions to terminate insurance, traditional FDIC disciplinary tool in the past.

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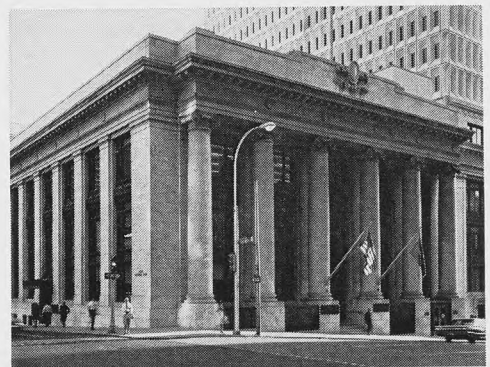
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**MID-CONTINENT BANKER for December, 1971**

# Builders See Little Hope in Future For Stable or Reduced Costs

Only government controls can temper costs;  
some savings possible with modular units

THE 90-DAY wage price freeze has had little effect on construction costs and the use of modular construction seems to be one of the most promising avenues to tempering high construction costs.

These are the views of a number of bank construction specialists who were polled by MID-CONTINENT BANKER recently.

Specifically, builders were asked what the wage-price freeze has done to affect construction costs and what effect it has had on bids concerning bank construction.

A Missouri builder replied that the freeze was a great help to the firm regarding construction that was in process, since it kept the total cost of the projects from escalating any higher during the freeze period. This builder reported little effect on sub-contracting work because of the uncertainty of Phase II regulations at the time the survey was taken.

A St. Louis builder replied that it was too early to determine what effect the freeze would have on construction costs. He said that it will be next May before the results really surface, since many labor contracts come up for negotiation at that time.

A builder reported from Chicago that he sees little effect for some time to come since wage agreements, for the most part, have long terms to run. Where labor agreements are coming up for review soon there is some possibility for a slow-down in wages, he said. He further reported that any

By **JIM FABIAN**  
Associate Editor

downtrend in the future is questionable.

A Cincinnati builder answered that the freeze had "very little" effect on construction costs. "The bidding system is singularly unique," this builder says. "A general bid represents the interpretation of bid documents, probable work loads, desirability of the subject project and previous personal relationships with owners and owners' agents.

"These are extensive variables and represent valued judgment which permits wide variations in determining what a job is worth. Fixed wages can be skirted by a demand for overtime. Activity level also determines contingency values.

---

## Building Costs Up 7.8%

Bank building projects initiated in 1971 cost an average of 7.8% more than projects begun a year earlier, according to figures released by a division of McGraw-Hill.

The 7.8% gain in construction costs occurred during the 12-month period ending last September 30. The figure is based on information from 182 cities.

During the same period in 1970, construction costs rose 8.1%.

The most significant factor in the current increase was an average 4% jump in building materials costs, plus a 10.7% rise in wages for building tradesmen. A year earlier, tradesmen's wages rose 12.9%.

"One of the greatest problems in the construction industry is that of the craft employer not having control over journeymen and apprentices. The respective hiring halls have that jurisdiction and consequently the construction industry does not have the product or service orientation that other industries have."

The second question builders were asked concerned the use of materials and procedures in bank construction that could help eliminate or reduce construction costs.

Answers varied somewhat, according to the builder's situation.

One builder reported that, since all his bank jobs were customized, there was little hope for lowering costs. The only chance for trimming wage and material costs would come about by federal action under Phase II provisions, he said.

Another builder said that as long as the construction industry resists technological change there could be little progress in reducing costs. Although many innovations are appearing in construction materials, he said, this at best permits more variety and better construction work—not any reduction in costs.

This builder thinks that the greatest impact on cost control can be achieved by a procedural change—the growing use of contracting management. Since costs are so high, misjudgments of budgets can cause disastrous surprises. This problem has spawned the trend toward

*(Continued on page 49)*



Sign reminds customers of International City Bank's reputation as innovator. Reputation is perpetuated by 'Total TV' West Bank Office's Tellervue installation.



ICB's West Bank Office is located on busy General DeGaulle Drive in suburban Metairie. Existing branch was remodeled into New Orleans' first "total TV" banking facility. Stylized bank logo adorns building.

## First 'Total TV' Bank Opened in New Orleans

**I**NTERNATIONAL City Bank has broken the "wait barrier" with New Orleans' first total TV bank.

The bank's West Bank Office was recently refurbished and re-opened as an example of what imagination can do to bring banking into "space-age" efficiency.

First thing a walk-in customer notices is the absence of tellers. Instead, he approaches a bank of Mosler Tellervue machines that operate like remote drive-in units do. Four units are in operation in the lobby of the branch and they can be serviced by only two

tellers, located in a remote area of the building.

Similarly, drive-in customers find four stalls, each containing a Tellervue unit, the four operated again by only two tellers, located in the same remote area with the walk-in tellers.

Thus, ICB has succeeded in applying the economies of drive-in operation to the banking lobby floor.

There is no sense of dealing with machines in making transactions, since high fidelity voice communication (with telephone receivers for additional privacy) is combined with clear TV pictures of tellers, enabling the simulation of direct-contact customer-teller operation.

One of the prime advantages of the remote teller operation is the protection the tellers enjoy from possible holdups. Never has a bandit been known to stage a holdup via pneumatic tube!

Not every bank employee is remote from the lobby, however. Manager Charles A. (Buddy) Paulina and his assistants occupy cubicles on the banking floor. Since Louisiana banking regu-



Banking transactions not handled by Tellervue equipment are taken care of by Manager Charles A. Paulina and assistants. Louisiana permits branch offices to grant loans, etc. Note stylized ICB logo, utilized as wall decor.

A highlight of the re-opening of the West Bank Office was a Mystery Teller contest, in which customers could win blankets, clocks, travel cases or frying pans.

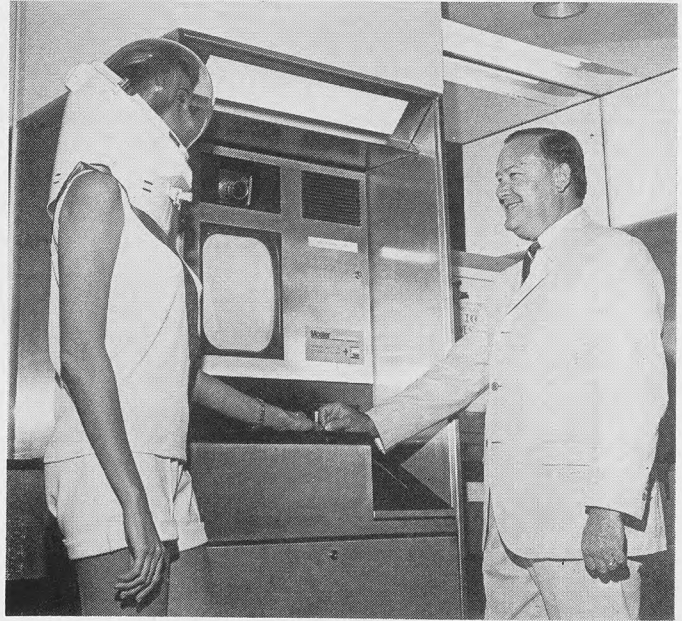
The bank mailed 20,000 Mystery Teller cards to residences in the area of the branch and to present customers. Bank officials report that practically all of the cards were brought to the grand opening for insertion into the Mystery Teller, a mock-up of a teller window that was placed in the bank lobby.

Cards were inserted into a slot in the Mystery Teller, where they were scanned for invisible markings denoting winners. When a winning card was inserted, the Mystery Teller announced the fact by flashing lights and a fanfare of trumpets.

A substantial number of customers were winners—and the bank realized a substantial number of new accounts from residents trying out their Mystery Teller cards.

Bank officials were so pleased with the contest that they have made plans to repeat the program at the opening of another branch this month.

ICB Pres. Eads Poitvent chats with Tour Guide Mrs. Lynn Perez at grand opening of West Bank Office. Space garb ties in with bank's slogan, "Banking here is a space-age adventure!"



lations permit branches to handle loans and other transactions, provision for face-to-face contact with a bank officer is necessary.

The new ICB installation has been termed the first "total TV" operation in the nation. Bank literature also reminds customers that the branch constitutes "space-age banking." Hence the uniquely attired tour guides during the grand opening celebration. The guides were dressed in hot pants and wore futuristic space helmets (see photo).

The operation of the Mosler Teller-vue units is simple. Customers initiate contact with the teller by pushing a call button on the console. If the teller

is available, her image appears on the TV screen. If she is involved in another transaction, a "one moment please" sign lights up and the customer's image appears on the TV screen.

Pneumatic tubes whisk transaction materials to and from the tellers at a speed of 25 feet per second. This short period of time, lengthened somewhat by the time necessary to place items in the carrier, enables the teller to service a second customer at a different console.

International City Bank isn't stopping at "total TV" for its West Bank Office. It has installed a Mosler Teller-Matic System 4000 automatic teller that permits the making of deposits, dispensing of cash and transferring of funds from

one account to another—all without the services of a teller.

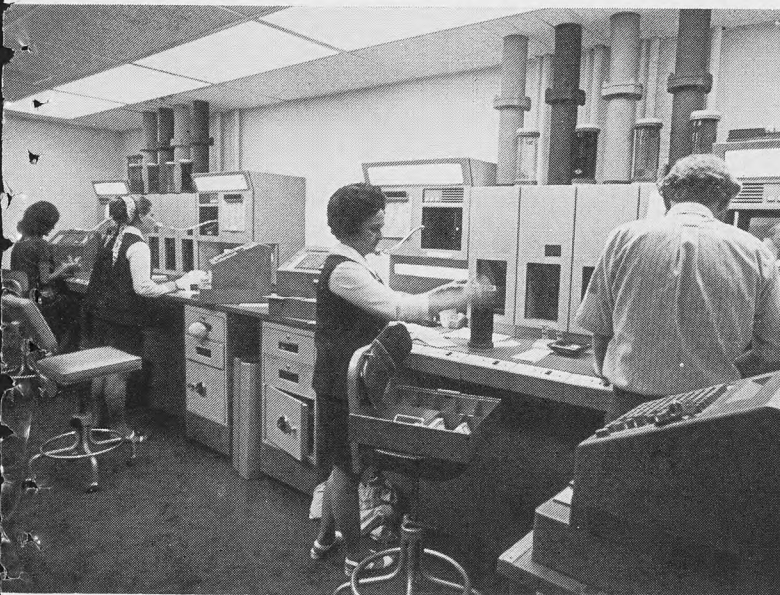
The unit, introduced to the financial world at the recent Bank Marketing Association convention in New York, is available to bank customers on a 24-hour basis. It is located at the entrance of the branch.

It is activated by the insertion of a coded credit card. Each transaction includes a printed receipt that carries the account code, date and balance. A series of illuminated buttons, along with an instructional panel, makes it simple for customers to operate the machine.

ICB's space-age West Bank Branch shows how far bank operations have come from the days of iron grillwork and mustachioed tellers! • •

LEFT: Teller area is remote from both lobby and drive-in customer stations. Four tellers can serve up to eight customers simultaneously.

RIGHT: Lobby stations are designed to speed up operations and reduce customer lines. Remoteness of tellers discourages holdups.

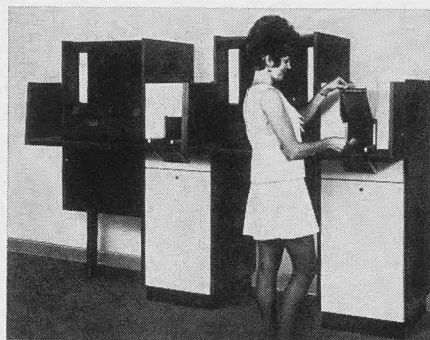


# Compact Remote 'Tellerless' Station Combats Congestion

THE DAY of the lunch hour wasted waiting in a long teller line is on the way out. And Diebold's "Personal TV Teller" has given this trend a boost by providing remote, virtually "tellerless," banking.

At the basis of the system is the personal TV teller station that typically is a compact, two-customer unit that can be installed in the space required for one conventional face-to-face station. It can be installed in a wide variety of locations—in the lobby in lieu of conventional teller stations, hallways, parking garage waiting areas, in a shopping mall or around the corner from the bank—wherever a high-traffic situation exists. This relieves "peak period" main lobby congestion while still allowing the bank to handle almost twice as many customers in a given area of floor space.

Transactions are achieved by means of closed circuit television, a high fidelity intercom system and two-way pneumatic tubes. The teller and her cash supply are located in a remote, protected area of the bank, thus minimiz-



Personal TV teller provides customers with remote, yet personal, service, even though tellers are located in isolated area of bank.

ing the risk of hold-up and using, in most cases, less costly space.

In a typical transaction, the customer walks up to the unit and signals the teller with the push of a button. The teller's image immediately appears on the TV screen and, at the same time, opens the transaction door.

The customer then places the transaction materials in the carrier—which may be either captive or removeable—and it is whisked through the pneumat-

ic tube system to the teller. Upon completing the transaction on her end, the teller returns the material to the customer with equal ease and speed.

Although the teller may be physically quite distant from the customer, the Diebold "eye-to-eye" video system insures a personal touch in the teller-customer relationship. Customers are comfortable, in many cases even more so than in a regular lobby situation, since the TV teller is designed for privacy.

The teller is in complete control of the unit, thus simplifying and speeding transactions. A transaction can take as little as 45 to 90 seconds. One teller can serve two customer stations at the same time. This saves money and time for a bank as well as allowing for dramatic space savings. Personal TV teller stations reduce by approximately half the number of square feet required to serve customers in the lobby. This space-saving frees valuable lobby floor space. In addition, the versatility of the unit's design allows a wide variety of installation arrangements. • •

## First Security National Plans High Rise Bank For Lexington, Ky.

LEXINGTON, KY.—First Security National has announced plans for a 15-story, 230-foot-tall bank and office building.

Scheduled for completion early in 1973, the new building will be known as the First Security National Bank Building and will be located at the corner of Main and Walnut streets. The building will be set back from both streets and will occupy approximately the western half of the block bounded by Main, Walnut, Short and the Esplanade.

The building will contain approximately 200,000 square feet of floor space, of which the bank will use 100,000 square feet. The additional space will be available for lease.

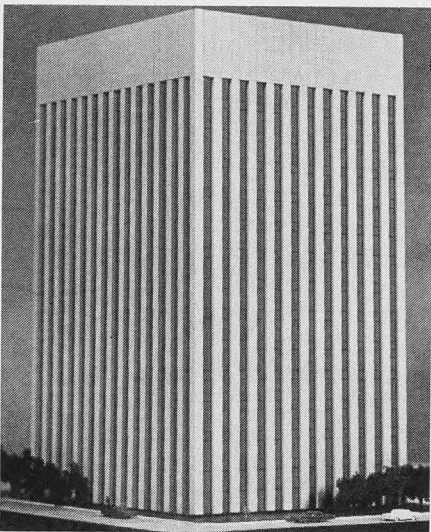
Because of the size of the development, First Security sought a team that had previously worked together in major developments.

Winmar Co., Inc., a subsidiary of Safeco Insurance Co., was chosen as the developer. Their architects are

Welton Becket & Associates, Los Angeles.

James D. Landauer Associates, Inc., of New York were the real estate consultants for the bank in site selection, feasibility studies, developer selection and lease negotiations.

First Security acquired the entire block of land in January, 1971, and will lease the land to Winmar Co., who will own the building and act as leas-



Model of First Security National's high rise.

ing agent and manager.

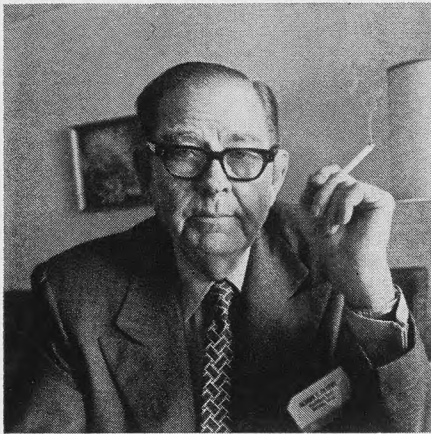
E. S. Dabney, chairman, and LeRoy Miles, president of the bank, commented that Lexington's growth should now make national companies consider it for regional headquarters. Available modern office space in the downtown area should increase the desirability. They believe that this new building will be a stimulus for other developers in the central city.

Bank officials reported that the 300 employees now working in their two downtown offices at Main and Upper, and Short and Mill will soon be under one roof. It is contemplated that the drive-in facilities and a small banking lobby at the branch at Short and Mill will remain open to provide drive-in service for customers. No other offices of First Security will be affected.

Construction will be white prestressed concrete, emphasizing vertical lines with a lightly tinted glass. The building will be served by five elevators. Other details of the building and parking facilities will be announced at a later date.

■ NEW YORK—Lawrence M. Small and Robert B. White have been named senior vice presidents at First National City.





"Properly planned new quarters result in a functional and efficient working situation for the bank, which means—in most cases—an increase in deposits."



"Normally, I would recommend that a bank seeking a shopping center site locate on the perimeter of the center so it is not affected by parking problems or the lack of parking space often encountered in the centers of shopping areas."



"We moved the bank seven blocks down the street and in five years doubled our deposits while our income increased 400%."

## Bank Consultant Fields Questions About Modernization Projects

**A**LBERT CLEERE, a banker associate for Bank Building Corp., was interviewed recently by Raymond Rogers, Bank Building's director of public relations, regarding suggestions to problems that many bankers encounter in connection with new building programs. Mr. Cleere is a retired senior vice president of First City National, Houston, and currently is chairman and president of Harrisburg Bank in Houston, First State Bank of Clear Lake City, Tex., and La Porte (Tex.) State. He is also a director of Clear Lake (Tex.) Savings and Loan Association and Humble (Tex.) State. In addition, Mr. Cleere is a former director-at-large of the Bank Administration Institute.

**Q:** As one of the first banker associates to join Bank Building's team, you have had an opportunity to work with many banks on the problems they encounter in their new building programs. What are some of the general items of which a banker should be aware?

**A:** There are many things to consider when answering such a general question. One is whether the bank is an existing bank and aware of the needs of the community, or if it's a new bank. Let's take the case of the new bank. Usually, if it's in a suburban area, the supervisory authorities normally insist it hold the line when building new facilities. So in some cases, it puts up what might be termed a temporary building. Usually, it will not try

to be too ambitious and would prefer to wait to obtain the necessary experience before building more permanent quarters. Many times it constructs a building that can be sold to another kind of business once it has been outgrown. Later on, say five years, the bank can make more permanent plans for the type of facility it would need to house a five-, ten- or fifteen-million dollar bank, or whatever the case may be.

**Q:** Then you recommend this approach for a new bank?

**A:** Yes, for a new bank in a new neighborhood. Often a bank will get a charter for a new bank to be located in a shopping center. The developers of the shopping center will usually not

sell land to a bank, but will let a bank construct its own building to its own specifications. This can be to the bank's advantage, because it doesn't have to invest in expensive land.

**Q:** What about the bank that is not located in a shopping center. Would you suggest it purchase its own land?

**A:** Yes. Unless the over-all plans exceed legal limitations, in which case I would suggest it lease the land and put the rest in brick, mortar and fixtures. Normally, I would recommend that it locate on the perimeter of a shopping center, so it is not affected by parking problems or the lack of parking space often encountered in the centers of shopping areas.

**Q:** What about automatic teller banks that are being installed in shopping centers? How successful have they been?

**A:** Not very. I believe that, in most instances, people would prefer to do business with a person than with a machine. However, we have found that about 20% of our drive-in customers are willing to use our depository since we

*(Continued on page 34)*

## AT BANK OF NEW ORLEANS

# Advertising Program, Progress Reports Assure Grand Opening Success

ANY BANK planning a celebration for the opening of a new building or a new office or to mark a significant anniversary has one major problem: "How can we make ours different?"

Well over a year ago the Bank of New Orleans came face to face with this problem as its officers looked ahead and saw the day approaching when BNO's main office would be moved into a new 31-story tower in downtown New Orleans.

How they solved it, how they came up with ideas that were and are a little bit different—in other words, the thinking through which BNO developed its building opening program—is highly pertinent. It can be told no better than in the following direct quotations from

Paul F. Steen, the bank's director of advertising and public relations.

"In August, 1970, when we first looked at a target date of September 1, 1971, for moving into the new building, we decided in favor of a two-pronged information effort: To keep both our BNO family (stockholders, staff, customers, etc.) and the general public informed about construction progress. Basically, we determined to sustain two separate and different information campaigns—one for the community at large, employing the customary mass advertising media, and one for our stockholders, employees, key customers and area opinion leaders, employing direct mail as the medium.

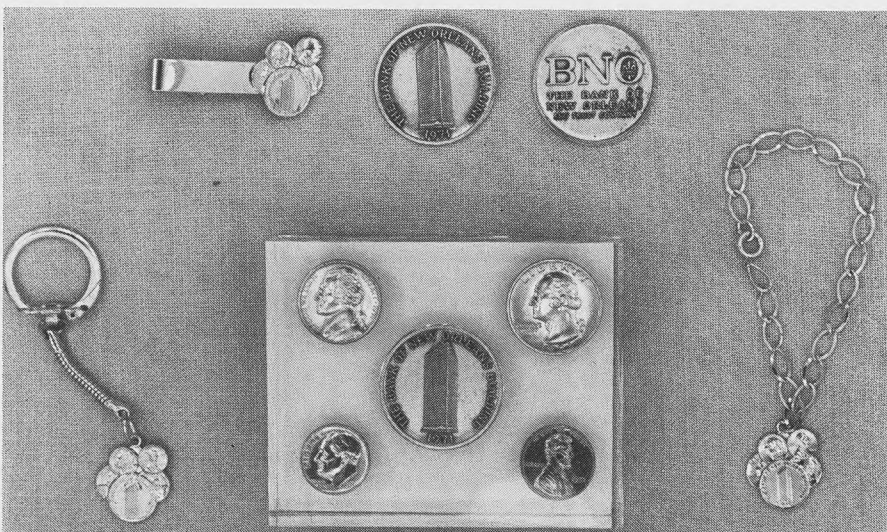
"In January, 1971, we began running

full-page black-and-white newspaper ads once a month in Sunday editions of the *Times-Picayune*. We tried to build the ads so as to incorporate news of general economic significance to our community. We conceived these ads as primarily institutional, containing some reference to the new building to keep the public generally aware of its progress, but devoting as much space and attention to matters of other community-wide business, social and cultural interests.

"Part of our thinking behind the newspaper ads was an assumption that the general public would not be keenly interested in the actual work going on in the building. Thus, the ad format and content took shape and the same general style of presentation was carried out in television and radio spots. However, TV and radio spots emphasized customer service advantages to be incorporated in the new building.

"Although we assumed that the general public would not be particularly interested in construction progress; nevertheless, we assumed there were those who would be interested in details of design, erection, furnishings, decoration and the like. To give these people more detailed information, we evolved our 'progress reports,' which were direct mail pieces entirely different in format, copy style and illustrative content from our newspaper ads.

"There was another element in our thinking leading up to the 'progress reports.' In designing the reports we tried to envision our audience as 'sidewalk superintendents,' again consisting of two broad categories: (1) those interested in the building's progress because they were members of the BNO family and (2) those interested because of their civic pride or involve-



"Let's give them something to remember us by at our celebration," someone suggested, so BNO had these give-aways prepared. The lucite block (center) containing four U. S. coins and a BNO "doublon" was given to correspondent bankers and major commercial loan clients. The BNO "doublon" (at top in obverse and reverse) was presented to employees and stockholders at a special reception. The tie clip (upper left) and the key ring and bracelet, each featuring a miniature cluster of five coins, were given out to new customers.

ment in New Orleans business, social and cultural affairs.

"These were also the criteria employed in developing mailing lists. The total of our lists is 4,180. The prime list includes approximately 2,430 BNO family members (stockholders, employees, key customers and correspondent banks) and 1,750 area opinion leaders (businessmen, elected officials, educators, clergymen, patrons of the arts, etc.).

"The newspaper ads which we built around a 'view from the top' idea were as well received as any institutional ads we have ever run. Favorable comment came from a good cross-section of business and civic leaders. In terms of spontaneous good feedback, the 'progress reports' were a delightful surprise. Good response began with the first one issued, and with each succeeding issue, response increased."

In supervising plans for the opening celebration, Lawrence A. Merrigan, BNO president, emphasized that the bank's purpose was to draw people—the more the merrier—into the new office on opening day. As part of this program, BNO purchased, through Magazine Networks, Inc., advertising space in regional editions of four national magazines: *Time*, *U. S. News & World Report*, *Newsweek* and *Sports Illustrated*. Thus the story of the new main office was spread beyond the immediate New Orleans area covered by the metropolitan newspapers. How well BNO succeeded in its purpose is indicated by the fact that police officers were necessary to control traffic—both pedestrian and vehicular—on opening day.

BNO started to run its newspaper ads in January, 1971, nine months in advance of the presumed opening date of the new Main Office. Early ads were actually newspapers within a newspaper because each featured four or five news stories of interest to New Orleans residents. To give continuity and recognition value, the ads were built around a large headline, "View from the Top," and a stylized line drawing of the new building.

A typical ad carried sub-headlines reading: "A monthly report to New Orleanians: Important developments concerning your area and your Bank of Greater New Orleans." In the ad were five short boxed articles. The lead article told about BNO's new Main Office and was signed by Lawrence A. Merrigan, president. Headlines on other articles told the stories involved: "Port of New Orleans Continues Record Progress; More Money for Consumer Loans; West Bank (a reference to a branch office) Sets the Pace; and Simplified Checking Hits New High in

Number of Users." In other words the ads combined community service with customer service; they sold both New Orleans and the Bank of New Orleans to the reader.

Seven days before the actual opening date, BNO began its big push. This took the shape of a series of two-color newspaper ads that announced the every-hour-on-the-hour drawings sched-

uled for the first day the new office was open. These drawings were designed to draw as many people as possible through the doors of the new Main Office.

A series of three half-page ads was prepared and each ad was run twice during the six weekdays preceding the opening day. Each of these ads emphasized (Continued on page 66)

# The Great Day is Coming

**Common & O'Ree**

**Giving you the beautiful way to handle your money**

## FREE! 5 Great Prizes Awarded Every Hour on the Hour!

**1** First Hourly Prize:  
**RCA AccuColor PORTABLE TV**  
Automatic line tuning and Chroma Color, 14" diagonal. Retail value \$300.

**2** Second Hourly Prize: Kodak Instamatic **MOVIE CAMERA OUTFIT**  
M-20 Super 8 camera with 18mm f/11 lens, 35mm f/1.8 lens, 35mm f/1.8 lens, 35mm f/1.8 lens, 35mm f/1.8 lens. Retail value \$225.

**3** Third Hourly Prize:  
Bulova "Goddess of Time" **LADY'S WRIST WATCH**  
17 jewels, with florentine gold finish and matching gold mesh band. Retail value \$80.

**4** Fourth Hourly Prize: General Electric Digital **CLOCK RADIO**  
AM-FM radio with digital display, auto-tune, auto-stop, auto-repeat, auto-skip, auto-pause, auto-off. Retail value \$55.

**5** Fifth Hourly Prize:  
**BNO \$50.00 5-Star SAVINGS CERTIFICATE**  
Earns full 5% interest per year, compounded quarterly, when held five years. Initial value \$37.50.

EVERYONE WHO HAS REGISTERED BY CLOSE OF BUSINESS FRIDAY, OCTOBER 8 IS ELIGIBLE FOR BUSINESS

# GRAND PRIZE

Magnavox finest Astrosonic **COLOR STEREO THEATRE**

Largest color picture available today plus thrilling stereo FM, powerful AM, deluxe micromatic record player and air suspension speaker system. Every deluxe Magnavox feature. Retail value \$1,400.

BROADMOOR: 1231 S. Broad Ave.  
BROADMOOR DRIVE-IN: 4250 Washington Ave.  
CARONDELET: 140 Carondelet St.  
COMMON: 935 Common St.

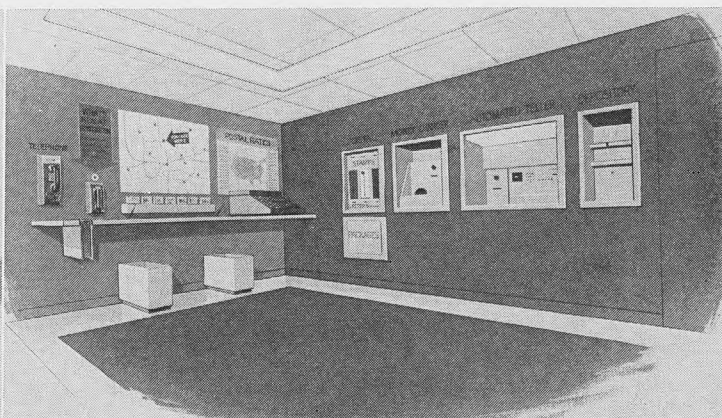
# BNO

**THE BANK OF NEW ORLEANS**  
AND TRUST COMPANY  
Member F.D.I.C.

GENTILLY: 5300 Gentilly Hwy.  
LAKEVIEW: 118 City Park Ave.  
MEDICAL PLAZA: 3600 Prytanis St.  
WEST BANK: 1328 Odeon, Algiers



Handy Banks can be housed in existing buildings in high traffic, convenience shopping, neighborhood locations where the consumer normally goes for quick services.



Handy Bank interior includes night depository, automated teller, money changer, stamp machine, map of other bank locations, pay phone and direct line to Main Office.

## Completely Automated Handy Bank To Make Debut in Spring

Round the clock operation designed to handle 80% of banking transactions

**H**UNTINGTON National, Columbus, O., has announced the opening of what has been termed the first completely self-service branch bank.

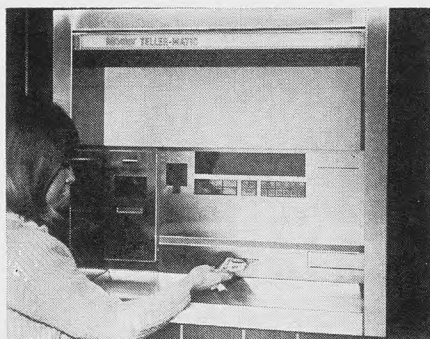
The facility, called the Huntington Handy Bank, is expected to be in operation early in 1972. It will be open continuously, will be unattended and will offer totally automated self-service.

Key element in the Handy Bank will be the Teller-Matic automatic teller machine, manufactured by Mosler Safe Co. The branch will also include a night depository, a coin and currency changer, a postage stamp dispenser, a pay telephone, a direct phone to the bank's security and information office, applications for bank services not available at the automated branch, a map showing the bank's full-service offices and a TV screen with closed circuit TV and automatic video tape recording facilities for security purposes.

Edward A. Huwaldt, president of Huntington National, states that basic banking services make up at least 80% of the normal transactions at a banking office. Handy Banks are designed to relieve full-service offices of many of the transactions that can be handled without bank personnel.

Handy Banks are designed to be located in quick-stop shopping centers and other locations that offer convenient service throughout the day and night.

Mr. Huwaldt says the concept of Handy Banks includes establishment of any number of the unattended units as satellites surrounding a full-service office. He says that about 10 Handy Banks can be constructed for the same cost as one full-service branch. Handy Banks require space as small as 20 x 30



Key to Handy Bank is Mosler Teller-Matic System 4000, which dispenses cash, permits deposits, transfers funds from one account to another—all initiated by insertion of a coded credit card.

feet and can be located in existing buildings. Handy Banks permit lower operating costs per transaction and permit more profitable assignments for existing personnel. With a system of Handy Banks taking care of customer's basic banking needs, the main office or full-service branches can expect to be kept busy with operations that require experienced personnel. This can enable the bank to offer better service for specialized banking needs.

The Mosler Teller-Matic electronic teller enables customers to transact basic banking business by the simple insertion of a coded credit card. Customers can withdraw selected amounts of cash, transfer funds from checking to savings accounts and make deposits. Several transactions can be accomplished in rapid succession, such as transferring funds to credit card accounts, savings to checking or payment of loans. Each transaction includes a printed memo or receipt, complete with account code, date and balance. All instructions are clearly marked step-by-step with illuminated buttons.

Mr. Huwaldt says he sees the day when the use of Handy Banks will make banking as simple and convenient as stopping at the corner drug store.

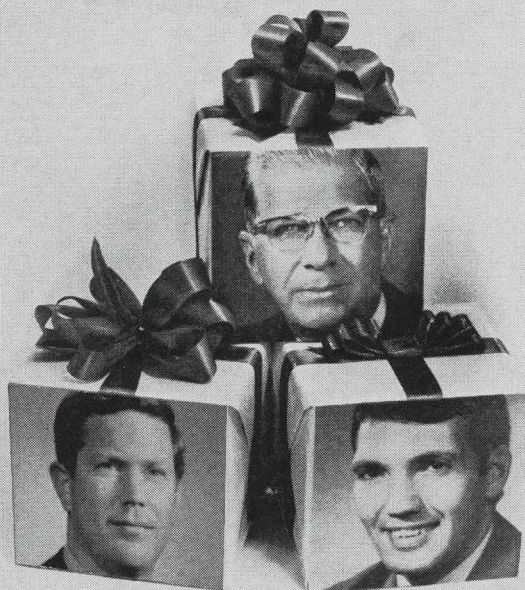
# PACKAGED PROBLEM SOLVERS

What more practical gift could you find under your financial Christmas tree? An entire staff of experienced personal consultants . . . at your service year-round . . . offering new creative solutions to the problems of an increasingly fast-paced banking world.

You'll get no "pat" answers from these Pacesetter financial specialists . . . Art Troll, Rob Rainey, and Curt Cook. They don't work from a stylized textbook or manual. NBT has chosen each of these men for his exceptional ability to develop new approaches, explore unique techniques, and apply the total resources of the Pacesetter Bank to your best advantage.

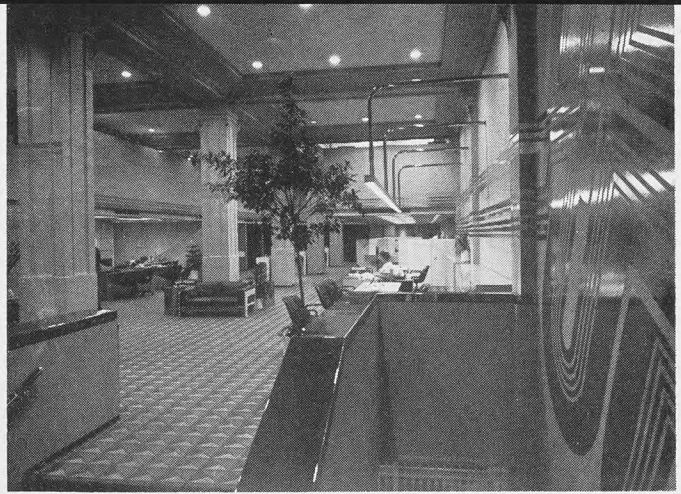
Plan ahead for a prosperous New Year. Contact Art Troll, Rob Rainey or Curt Cook at 584-3411 (area code 918). Let the Pacesetter Bank help you get things done!

SEASON'S  GREETINGS  
**NATIONAL BANK OF TULSA**  
MEMBER F.O.D.C.  
THE PACESSETTER® BANK THAT HELPS YOU GET THINGS DONE





LEFT: "Before" view shows Baltimore Bank lobby prior to remodeling. Note extensive marble and chopped up appearance.



RIGHT: "After" view shows warm, open appearance of area; new lighting and stylized wall design.

# Bank Achieves Spacious Look By Extensive Remodeling

**A**N EXTENSIVE remodeling project at Baltimore Bank, Kansas City, has resulted in a transformation from many small, enclosed areas to a spacious banking floor.

The renovation included new space utilization and a total refurbishing for the first and mezzanine floors. Areas that were small and enclosed on the main floor were opened as extensions of the lobby. All bookkeeping and proof equipment was moved to the mezzanine level and enclosed by a partition wall that not only hides the equipment but significantly reduces the noise level.

The main banking lobby was enlarged by moving the tellers' counter line back to within a dozen feet of the bank's north wall. The new counter is a progression of 45-degree angles that carries out the pattern of new carpeting and

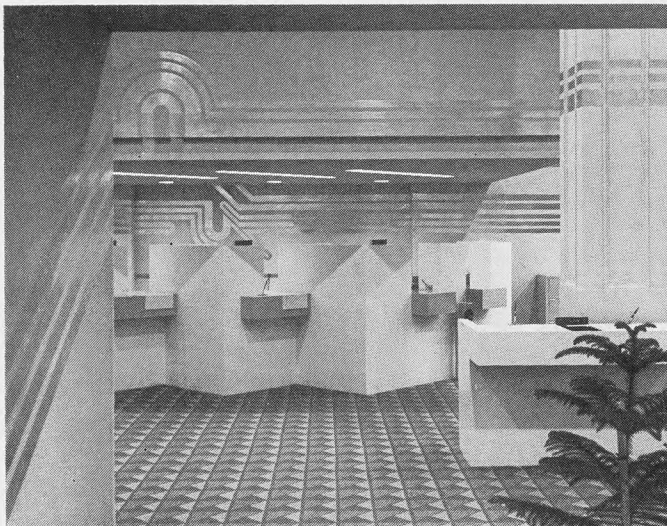
includes overhead lighting in matching configuration.

A dominant feature of the main banking area is a flowing linear graphic application of chrome mylar-faced vinyl wall covering. The design begins with a stylization of the bank's "BB" logo at the entrance and develops in long, narrow stripes and curves that continue on all wall surfaces. Color scheme is gray and white with accents in brown, yellow and silver.

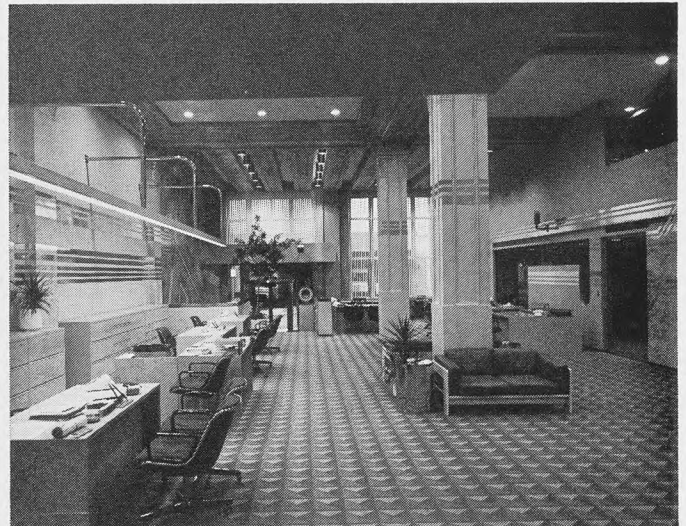
Furnishings were custom designed and are of wood construction with laminate facing in gray and white. Paintings are in bold colorings with contemporary hard-edge frames.

The entrance to the bank was also changed by enclosing the existing canopy in a new aluminum housing and by use of vertical blinds at the windows. • •

LEFT: New teller stations provide maximum privacy for transactions with 45-degree angle configuration. Ceiling in this area is bright yellow, wall design is silver on gray. RIGHT: View from teller stations



to entrance shows new furnishings and vertical blinds on windows. Carpet colors are brown and two shades of gray. Wall at right seals off equipment area on mezzanine. (Paul S. Kivett photos.)



# Your Bank Can Get NEW ACCOUNTS During Grand Openings!

The "MYSTERY TELLER" builds BIG TRAFFIC . . . and FAST . . . for openings of new buildings, new branches . . . or during anniversaries. Conversion of traffic into NEW CUSTOMERS runs consistently at 10 to 15% or better!

Ray Samuel, Sr. V.P., International City Bank, New Orleans, has this to say about the "MYSTERY TELLER" program:

"We found the 'MYSTERY TELLER' to be most effective in building traffic for the recent opening of our new all-TV bank. We also plan to use the 'MYSTERY TELLER' for the opening of another branch on December 20, 1971."

## Your Grand Opening Promotion Is Vital!

Make the investment in that new branch or modernization project pay out quickly by promoting your Grand Opening in a new and exciting way. Developed by DFS Incorporated, the "MYSTERY TELLER" Window builds and sustains interest throughout the opening days, and helps insure that you obtain a maximum number of new accounts, as well as attracting add-ons.

Nine out of ten Grand Openings generate new accounts in direct proportion to the number of people who come in. Our records on hundreds of openings for financial institutions show this fact clearly, and indicate that conversion of traffic into customers runs consistently at 10 to 15%, or better.

## The "MYSTERY TELLER" Promotion

The "MYSTERY TELLER" Window is a unique traffic generating technique which works like this:

About a week before your Grand Opening, the "MYSTERY TELLER" Window Promotion is initiated by mailing a Mystery Gift Card to each home in the area your office serves. Most Mystery Gift Cards are self-mailers, but they can be designed for enclosure with a letter or brochure.

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!

MID-CONTINENT BANKER for December, 1971

## 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!

Many visitors to your Grand Opening come partly in hope of winning a free gift; when they see available gifts on display, they decide then and there to open a new account and claim the gift of their choice.

This is the strategy which consistently produces a high rate of conversion, making customers out of visitors.



## Complete "MYSTERY TELLER" Window Package Available

DFS Incorporated is prepared to package your Grand Opening promotion. We provide the "MYSTERY TELLER" Window equipment. This patented electronic computer is available in two sizes, to suit the needs of every situation, from trailer to spacious lobby.

For more information, without cost or obligation of any kind, write or call:



*DFS Incorporated*

Diversified Financial Services  
Chadds Ford, Pa. 19317  
Phone: (215) 388-7384



First National, McMinnville, Tenn., extended facade to left to incorporate adjacent building and almost double space.

## New Facilities Make Banking a Pleasure In Tennessee and Kentucky Communities

**C**ITIZENS OF McMinnville, Tenn., and Frankfort, Ky., are finding that banking is a more pleasant experience since the opening of the enlarged and redecorated First National, McMinnville, and the new structure of Farmers Bank, Frankfort.

Both projects are typical of the progressive attitudes being taken by bankers throughout the Mid-Continent area to provide the finest physical facilities for their customers.

The need for additional space was the primary reason for First of McMinnville to embark on its \$500,000 rehabilitation project. The traditional bank facade was extended to include an adjoining building, which required the construction of two large two-story-high columns and two large windows. A massive flagpole atop the original structure was moved so that it is now in the center of the enlarged building.

A 56-foot addition was erected at the rear of the structures. The lower portion of the addition added space to the banking floor, while the second story portion provided space for a directors room, a bookkeeping department, a community room and employees lounge. An elevator was also installed and an all-electric heating/air conditioning system was provided.

The reconditioned interior of the bank, handled by Wade Manufacturing Corp., Charlotte, N. C., is described as "traditional, but plush" by First National's president, L. H. Curtis. The color scheme incorporates greens, reds

and golds in a manner that is both serviceable and complimentary to the bank's styling.

New fixtures include a Diebold surveillance system and the doubling of the vault. Although no new services are being offered, as the bank has always been a full-service institution, six new employees have been hired to augment the bank's 36-person staff.

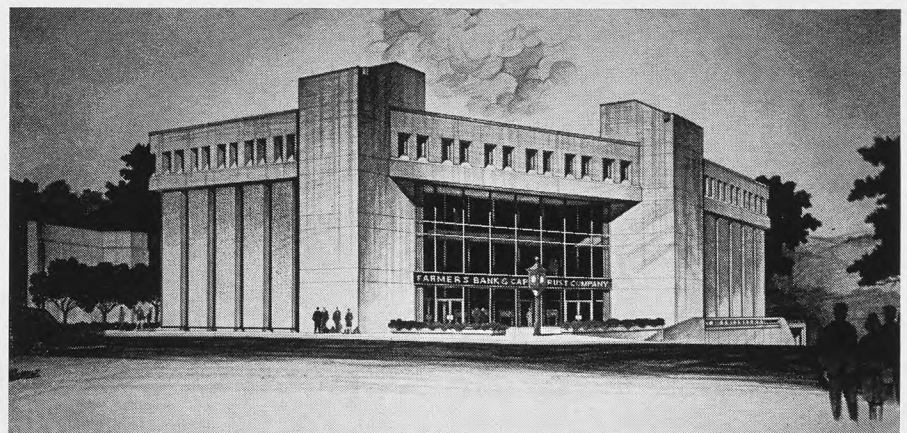
To acquaint the public with the new quarters, First National held a week-long open house in mid-November, at which tours of the building were conducted. On the closing day of the celebration, the bank held a dinner party for directors and employees and their families.

Farmers Bank opted for a completely new building to handle the expanded

business that had made its original building, constructed in 1855, too small. The \$2-million structure consists of four stories, plus an underground garage—totalling 52,000 square feet.

Architectural style is described as "contemporary classic." The building's appearance denotes great strength, yet includes a spacious glassed entrance, three stories in height, that provides an open area.

The interior, also handled by Wade Manufacturing, features a two-story lobby crowned by a special lighting fixture composed of hundreds of individual metal plates, backlit by spotlights. Lobby walls are paneled and the balcony features a plate glass rail capped with a walnut handrail. Bank vaults are encased in white Italian mar-



Farmers Bank, Frankfort, Ky., recently opened this four-story structure that features 40-car underground parking garage.



Joy.  
May it find you  
this Christmas season.  
And remain.  
Throughout the New Year.



ble. The color scheme incorporates autumn hues and the carpeting resembles green turf. Prints by Kentucky artists adorn the walls.

New services include a drive-in featuring Diebold remote teller facilities. The bank is protected with Diebold security equipment.

An open house celebration was held to acquaint the public with the new facilities. Various phases of the open house honored stockholders, employees and visiting bankers.

The bank's new slogan is "It's the same old bank, but you wouldn't know it." The only visible association with the past is the ornate clock located in the entrance plaza. The clock was moved from its former location in front of the old bank building a half block away.

## Consultant

(Continued from page 25)

changed the sign to "Depository—Always Open." Now it is in use all day long, relieving tellers of transactions that can be handled after hours.

**Q: What about the existing bank out in the suburbs that is not a new bank?**

A: Many times the existing bank finds the neighborhood has changed

during the time the building has been in existence. By working with experts in the field, such a bank can find a new site, or rather, by applying for permission from the proper supervisory authorities, the bank can usually receive permission to move to a new location.

**Q: What would be the justification for such a move?**

A: There are many reasons why this permission could be granted. There's not enough room for drive-in units, or possibly not enough space for parking. Usually the bank will relocate nearby—providing it has been able to find a site suitable for its needs.

As an example, say the limitations on a \$25 million bank are \$2½ million for land, building, fixtures, drive-in facilities, security equipment, and so forth. There are several ways it can relocate, meet the regulatory requirements and construct a building that would serve for the next 10 to 15 years.

When the cost of the total project is determined by the board and the amount exceeds the specifications set out by regulatory authorities, the bank will seek either mortgage money or will lease the land, parking lot, drive-in facilities, or even the furniture, fixtures or any combination thereof—to reduce the capital investment.

**Q: Do you recall situations where a bank has relocated and consequently benefited?**

A: I have seen many cases where banks realized the type of neighborhood they were serving was deteriorating, which prompted them to select new sites. In one case a bank had been serving its community for about 15 years, and it stayed the same size for about five years because of the economic condition of the area. Affluent people were moving out and people with less income were moving in. In other words, the bank was designed to serve an affluent neighborhood of another era and did not necessarily desire to go into a mass installment loan business.

This bank moved just 10 blocks and doubled its deposits in three years.

In the old building, drive-in facilities were inadequate, lobby space was limited and the traffic pattern made it most inconvenient for customers to be served properly. The new site and building eliminated all these problems.

**Q: What about other similar situations?**

A: The Harrisburg Bank of Houston had remained too long in an area that had deteriorated. We moved the bank seven blocks down the street and in five years doubled our deposits while our income increased 400%. Harrisburg Bank is located in an industrial section of the city. There's no residential development going on around it. The city has improved the streets, removed some old railroad tracks and provided an underpass so that traffic can move smoothly. We have had people tell us that the building we were doing business in just wasn't in keeping with what they thought a bank should have.

We built a new one that is the jewel of the neighborhood. And although we are not near any shopping center or retail business houses, we made it known that parking is always available and you can drive through our drive ins any time with less than three minutes' delay. We have doubled our total footings from \$26 to \$52 million.

Once you have become established in new quarters, it doesn't cost much more in overhead to run a \$52 million bank than it does a \$26 million bank. We feel that the increase in business has more than paid for our new quarters.

**Q: You've mentioned the cost of land versus the value of the building. Will you elaborate?**

A: Banks often anticipate a need for additional land for future use when they first locate. Consequently, they

# planning to remodel?

maintain drive-in services with...  
our



**“PORTA-BANK”**

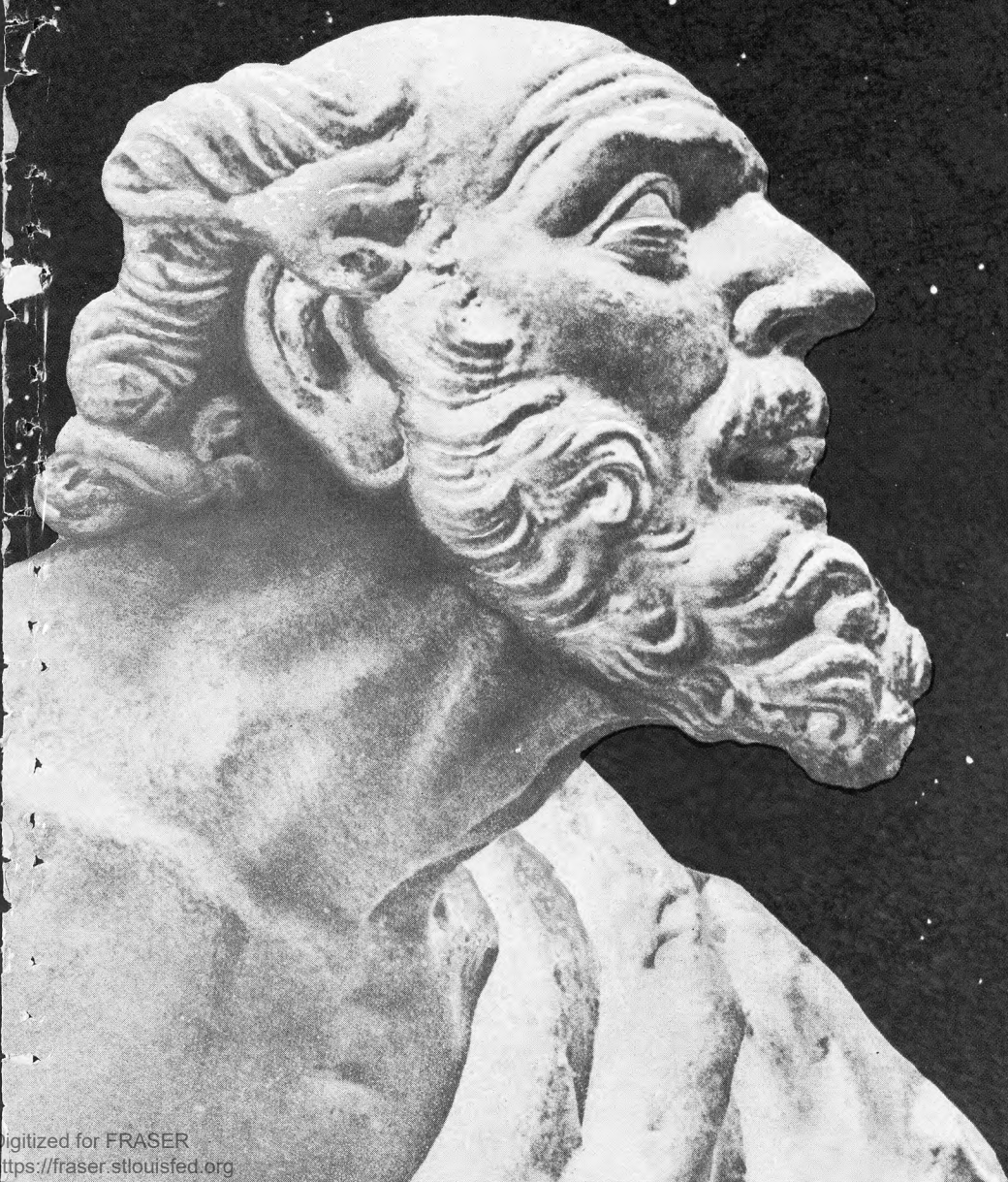
- DIEBOLD DRIVE-IN WINDOW
- SEAMLESS VINYL FLOORS
- INSULATED, paneled walls
- ELECTRIC HEAT and AIR COND.
- 3 MONTH MINIMUM LEASE
- DELIVERY ANYWHERE

CONTACT US TODAY FOR FULL INFORMATION!

## Gold Construction, Inc.

M.P.O. BOX 802

417 869-1278      SPRINGFIELD, MISSOURI 65801      417 869-5171



isaiah -  
his eloquent words  
foretold the coming  
of christ.

for unto us a child is born,  
unto us a son is given . . .  
and his name shall be called wonderful,  
counsellor, the mighty god,  
the everlasting father,  
the prince of peace.

-ISAIAH CHAPTER 9 VERSE 6

 **WORTHEN**  
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purchase twice as much land as they need. Almost invariably they can eventually sell half that land to pay for half the building, because the area is going to become a center of community activity, a fact that makes the land much more valuable. Usually a bank will have a realtor act in its behalf because, if it were known who the buyer was, the land price would soar.

Humble State, near the Houston airport, purchased four acres for its new building. Five years later it sold half the site for the same price it paid for all four acres. So, essentially, it got its site free. At the same time, it selected the type of neighbor it wanted.

**Q: What about a building program for a bank in, say, a downtown area?**

A: It is often advantageous to occupy high rises because they are usually located in the heart of the city where there is a demand for office space. If this is the case, normally the higher the building the more advantageous to the bank.

**Q: Why?**

A: Because normally the bank pays *ad valorem* tax, or the equivalent real estate tax, on its capital funds. This includes capital stock, surplus, undivided profits and reserve for contingencies. If the bank owns real estate up to the amount of the combined capital funds, the tax on such funds is taken off because it would be considered double taxation if paid. Therefore, at the outset, the high rise has an advantage over the regular office building. Many banks pay *ad valorem* on capital funds whether they own their premises or not.

**Q: What are some of the other benefits to a bank building a high rise in a downtown area?**

A: The tenants would likely do business with the bank. The building would constitute a definite asset to the community, providing tenants with a prestigious address. People prefer to be associated with a building that has "bank" in its name, because the word implies strength and character.

**Q: What are some of the important items a bank must consider in a high rise building program?**

A: One is financing. A bank occasionally desires to capitalize more than is spelled out in banking codes. Let's use an illustration: If a bank needs a \$10 million high rise building and the capital limitation is, say, \$5 million under regulations, the bank capitalizes the \$5 million on its own books and arranges with an insurance company or

another lender to carry the mortgage on the balance, payable over a period of 20 or 25 years. The advantage to the lender of the excess amount is the fact that the bank has a huge equity in the building, since it has capitalized to the fullest extent the amount allowed by regulatory authorities.

**Q: Who assumes liability in such an arrangement?**

A: In creating the mortgage, the bank does not assume liability. The mortgage is held during the time of construction and deeded back to the bank, with the lender retaining a lien for the amount the bank is not allowed to capitalize. The lender has as its security a \$10 million building and the full integrity of the bank behind it, and perhaps a lease from the bank which secures the lien.

**Q: Why would you consider this one of the better ways for a bank to finance a high rise building?**

A: Because insurance companies are interested in large sums. Often a local insurance company could handle the financing. You can readily see from the example just mentioned that this would be a prime loan because the bank has a 50% equity to start with, which is most unusual for a normal real estate loan.

**Q: What are some of the reasons why a bank would, or should, build new facilities? Many times a banker needs to justify expenditures for new quarters.**

A: One reason for a banker to want a new home occurs when a competitor puts up an imposing structure. He should know that his competitor will swamp him unless he does something about his own quarters. Our customers tell us that if we give them a bright shiny bank they know we believe in their community. You would be pleasantly surprised to know how much our customers appreciate our new building and how much new business they refer.

One other thing that's important in providing new quarters is the happiness of bank personnel. It makes all the difference in the world when they have a modern place to work, because they spend more time at work than in their homes. They are proud to point out their new building, and it's quite important to have people who are just as proud of their business home as they are of their personal homes.

Properly planned new quarters result in a functional and efficient working situation for the bank, which means—in most cases—an increase in deposits. • •

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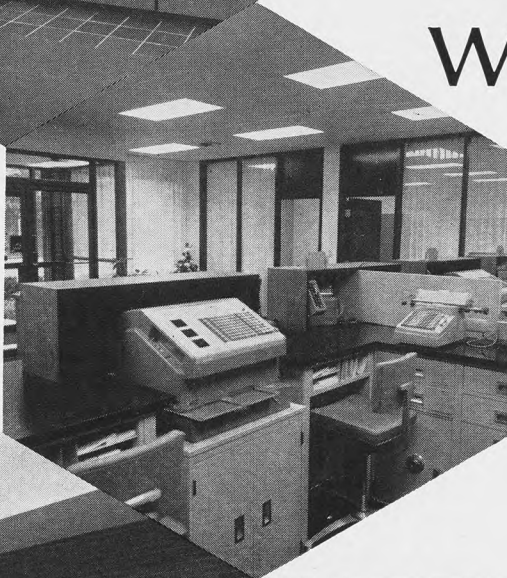
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- Q. How is it proving to work out in actual operations?  
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- Q. What have you heard customers say about your new building?  
A. Nothing but compliments. They said it was a tremendous asset to the community.
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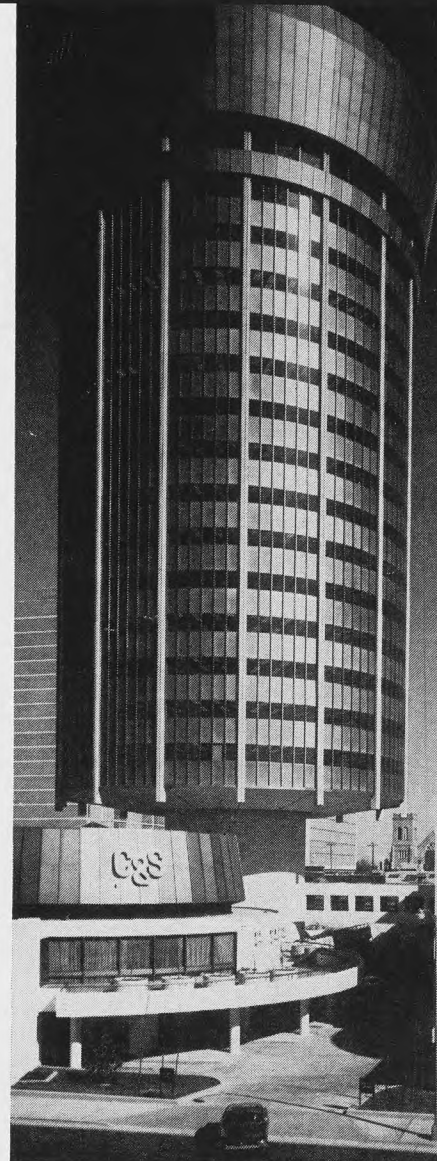
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Bank \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_  
State \_\_\_\_\_  
Telephone \_\_\_\_\_  
Area Code \_\_\_\_\_ Zip \_\_\_\_\_

3M081271



ABOVE—C&S factoring department features hexagonal layout of partitions. RIGHT—Striking circular North Avenue Branch of C&S, Atlanta.

## 'Open-Planning' Replaces Walls; Boosts Efficiency, Satisfaction



**B**ANKS THROUGHOUT the country are turning to "open-planning"—offices without walls—to provide flexibility for dynamic change without sacrificing executive and staff privacy. Those that have embraced the concept say that open planning also increases efficiency, cuts operating costs and provides a more pleasant working environment.

One of the first banks to recognize the validity of the "open" concept was Citizens and Southern in Atlanta, which utilizes open-planning for its office-tower branch at North Avenue. Completed in 1969, the branch is still the world's largest open-plan Action Office installation, totaling almost 60,000 square feet of space on six floors.

Banks, together with insurance companies, were among the first to go open-plan. And today there are more open-plan installations in banks than in any other single business category. Industry experts estimate that in the last two years alone, more than 2,500 open-plan facilities have been installed in firms of all kinds throughout the country.

Among the banks enjoying open-plan benefits are: Federal Reserve, New York City; Continental Illinois National, Chicago; Manufacturers National, Detroit; Provident National, Philadelphia; Continental, Inc., Seattle; First National Bank of Commerce, New Orleans; First City National, Houston; United Bank of Denver and others.

The open-planning concept utilized by all of these banks is the Action Of-

ice 2 program developed by Herman Miller, Inc., of Zeeland, Mich. This manufacturing firm conceives its role as that of solving environmental problems of "working, learning, healing and living."

In 1968 the firm introduced a new concept of office work based on the behavioral sciences. It communicated its ideas with a book, "The Office: A Facility Based on Change," by Robert Probst, president of Herman Miller Research Corp. in Ann Arbor, Mich. The book provides an overview for bank executives concerned with the open-plan.

At the same time, Herman Miller sponsored a series of seminars at which it presented an accommodating system of AO2 office components—designed to enable office workers to function at their best and to enable management to meet the demand of change in today's dynamic society.

The coherent system of components utilizes walls; easily connectable panels; wall-hung, panel-hung and free-hanging furniture. The panels define space and provide as much or as little territoriality or privacy as a person or task requires.

Office workers can easily change their own work areas by simply adding and subtracting components or raising and lowering them to any desired height. A sit-down desk can be elevated to a stand-up position; a file bin can be replaced by a shelf and be placed wherever desired. With this

flexibility the individual office becomes a highly personalized space.

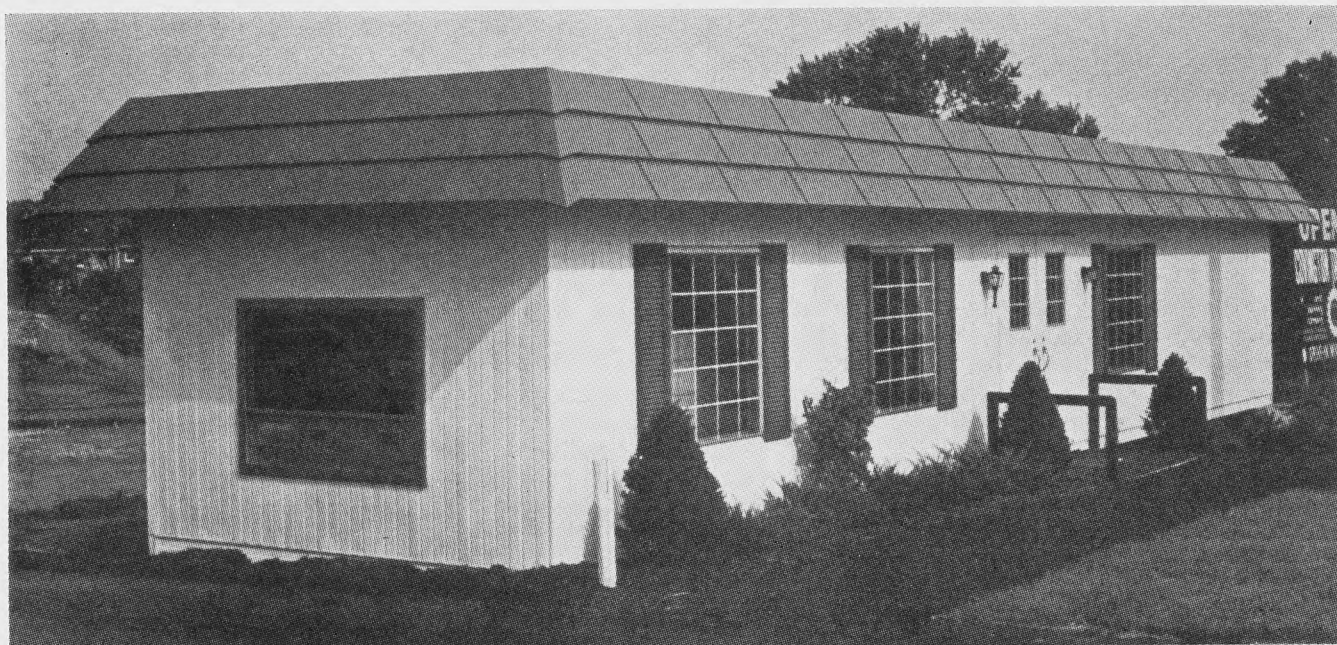
The C&S bank building is a round 19-story office tower complemented by a round single-story banking floor and a circular 375-car parking ramp.

Recalls Howard Starks, C&S first executive vice president, "We had heard of open-planning and, since we were experiencing many changes due to rapid growth, we decided we needed this sort of flexibility." The bank claims that in one move on a Saturday, at time-and-a-half labor, their cost for making changes equaled 12 cents per square foot. (At one time the bank was averaging one change per person each day.)

The open offices seem to lend themselves well to many of the bank's operations, including factoring, consumer credit, charge account service and sales finance; but primarily, the open plan was chosen for its flexibility. "As it turned out," Mr. Starks adds, "we could also house more people for less money per square foot, but economy was secondary to flexibility as a deter-



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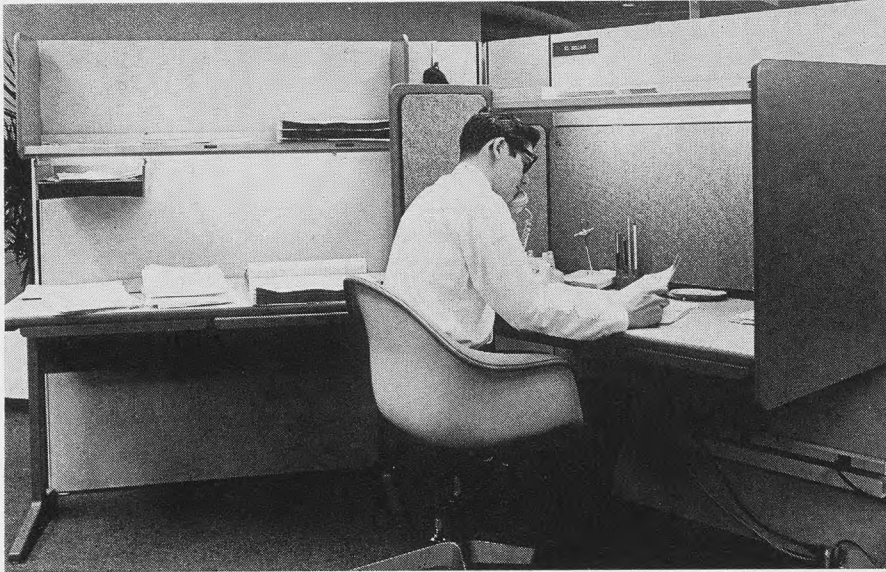
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Closeup of individualized communications carrel that provides sufficient privacy, yet maintains open-plan feature.

mining factor. Functionally, though, it's great. It works."

In September of 1969 open-plan areas at the C&S installation housed 386 persons at an average of 138 square feet per person. This included storage or file areas, conference rooms, machine rooms and lounge areas. Since then, C&S has re-ordered from Herman Miller almost one-fourth again as many Action Office 2 panels and components and so the figures have changed somewhat.

Originally, C&S committed six floors to open-planning, with floor-to-ceiling partitions used in some instances to enclose noisy machine areas, conference rooms and a few offices where privacy for customers is needed. (Conventional furniture was specified for personnel, travel bureau and the real estate department.)

Before C&S made a final commitment, it made a study of one floor comparing an Action Office 2 layout to a traditional one. The study showed a resultant saving of 1,034 square feet out of the 8,272 square feet of office space per floor. Vice President Starks stated, "We found a cost saving of about \$25,000 per floor where open-planning was used."

According to C&S architect Richard Aeck, "With open-planning we found we could house 16%% more people at less cost than with conventional planning. Cost was not the determining factor, but open-planning was less expensive."

"Employees got the working equipment and space they needed," says Mr. Starks. "A credit investigator doesn't need a double pedestal desk. She needs a work surface, a telephone, paper, pencil and privacy."

Commented a writer for a C&S publication, *Southern Citizen*, "In a conventional office plan a secretary and credit investigator have similar office equipment. Now the credit investigator has a 'communications carrel,' rather like a wall-hung telephone booth. It is covered with sound-absorbing material to provide privacy for the worker and to avoid annoying others. . . . There is no such thing as a pedestal desk in a C&S Action Office. There are more shelves, fewer drawers. Gone are sharp edges that snag stockings and bang shins. Phone and electric wires are

built right into the legs of the office equipment."

Bill Sims, manager of accounting in the factoring department, chose the open setting over a conventional office because he felt his working equipment could be arranged better. His main work station is a four-foot work surface with many things within easy reach. A file bin mounted on the 62-inch-high panel facing him gives him storage. To his immediate right is a small work table that he uses to replace his old credenza. Two file bins replace drawer storage and a partition-mounted bookshelf replaces a bookcase.

Mr. Sims has ample space for working with others. "If I have to meet with my three supervisors, I can get up and move quickly over to my conference area and meet around a 42-inch circular table. I can leave my other desk space covered with work and return to it afterwards. If a conference demands privacy, we can move to an enclosed conference room across the aisle. Before, we used to crowd into my small office."

Mr. Sims refers to the economy of making layout changes under the setup. "Within 30 days after we moved in, we realized that office traffic was disturbing some employees. Traffic passed behind girls whose jobs required concentration. So one Saturday morning, four building maintenance men moved eight work-stations. The cost, including the electrical wiring and telephones, was \$188. If we had permanent walls, we would have lived with what we had," Mr. Sims said.

Are there problems with open-planning? "Some," says Mr. Starks. "But the biggest have evaporated. Before moving there was supervisor resistance because of the fear of losing status. But it never materialized. I feel that it's because the atmosphere is so conducive to work," he says. "But you compensate in other ways—with a larger conference table, different chairs, or by changing the finish of the furniture."

Those who work at the C&S branch profess to be pleased with the open-plan of the interiors. Everyone has a view, which is a great morale boost. "And after all," one of the executives commented, "each work station was 'tailor-made' to the user's own specifications. How many office workers can make that claim?"

Mills B. Lane, vice chairman of C&S, made the following comment: "I think open-planning is amazing and exciting. It makes for efficient and pleasant working conditions. And furthermore, it's fun. Everybody likes fun!" • •

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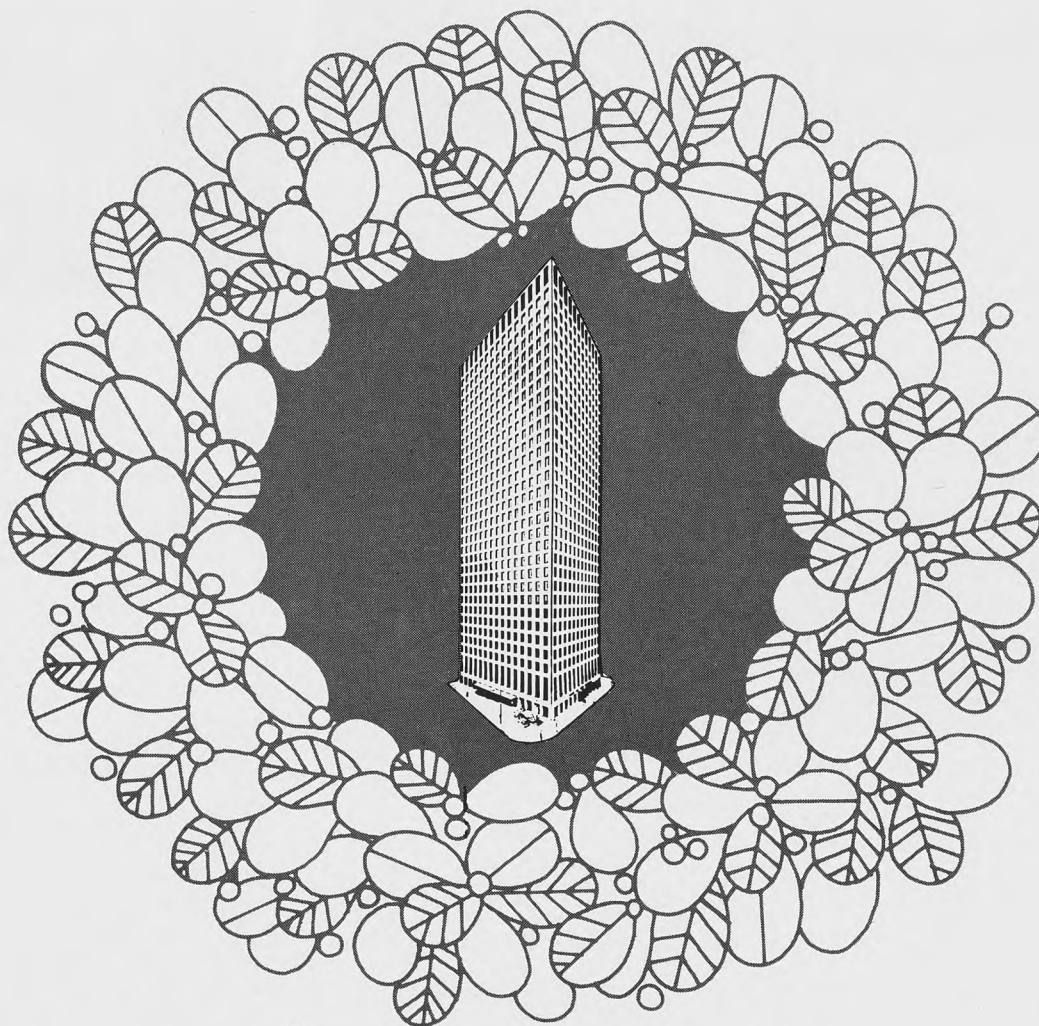
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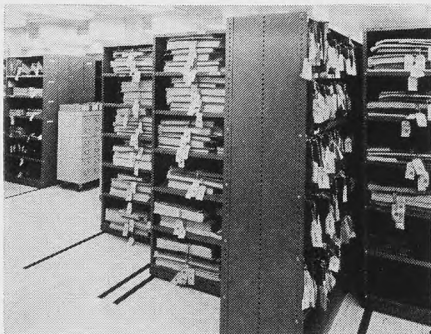
and best wishes for the New Year

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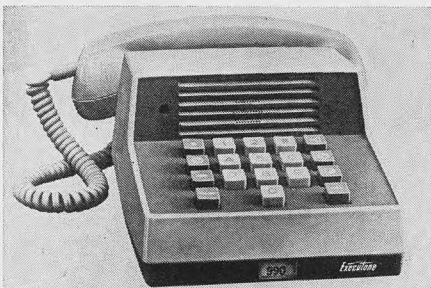
units are placed several rows deep with only three inches between rows instead of the usual 36-inch-wide aisles. Access to any unit is possible by rolling away units that might block entrance. Units are available from Dolin Metal Products, Inc., Brooklyn, N. Y.

- **UP TO A 30% increase in drive-in capacity** is possible with the installation of **BANKontrol** traffic control systems, according to Electronic Traffic Control, Inc., Chicago. The systems can be installed in existing facilities as well as new drive-ins, enabling banks to rectify situations causing poor traffic



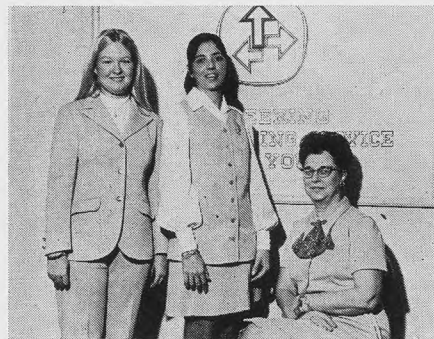
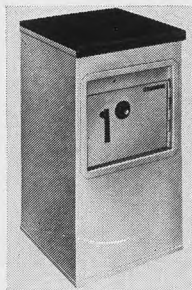
flow without major remodeling. In new installations, the system permits greater design flexibility.

- **NEW 411 series intercom system** by Executone, Long Island City, N. Y.,



enables bank personnel to communicate instantly with an unlimited number of locations. Once a call has been originated via "touch-tone" selection, the system's "hands-free" operation enables both caller and person called to converse from across the room without touching or approaching their stations.

- **MEILINK BANK Equipment**, Cleveland, is offering a new lobby depository to promote faster customer service. Customers can deposit checks and other exact transactions into the unit without waiting in line for teller service. A polished steel door protects the locker and permits easy access for authorized personnel. Security is assured through a choice of locking devices, including optional dual locking. If the lock is punched, a re-locking device deadlocks the bolts.



- **PERSONNEL** at Pioneer Bank, St. Louis, model new career costumes manufactured by Angelica Uniform Co., St. Louis. Outfits are designed to coordinate with bank's new building, to open in mid-December. Colors are green, gold and white.

- **AUTOMATIC SLIDING doors** are offered by Ronan & Kunzl, Inc., Marshall, Mich. These doors are useful in EDP areas because the sliding action does not fan the air; temperature and humidity standards are easier to maintain and there is no fanning of dust. The doors operate on 110 volts, are quiet and fast-acting and require minimum maintenance. They can be

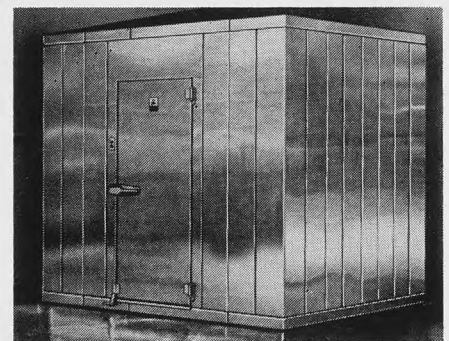


opened manually in case of power failure.

- **A VARIETY** of controls to open doors automatically are provided by Stanley Works, New Britain, Conn. Most popular control today is the carpet control, featuring rubber-like mats that are pressure sensitive. The latest type of control is the proximity control, designed for locations where carpets would not fit in with decor. This control establishes an electrostatic field between an antenna mounted over the entrance and a plate under the floor surface. Entrance of a person into the field activates the door opener.

- **CASH-LOK** is a new device to eliminate money shortages that could occur when a teller leaves the area without locking her cash drawer. The device, manufactured by LeFebure Corp., Cedar Rapids, Ia., senses when the teller leaves her area and immediately closes and locks the cash drawer. When the teller returns the drawer is automatically unlocked. The sensor works only for the teller assigned to a window.

- **PREFAB walk-in storage vaults** for computer magnetic tapes and discs are offered by Bally Case and Cooler, Inc., Bally, Pa. The vaults are designed to protect against flame, heat, water,



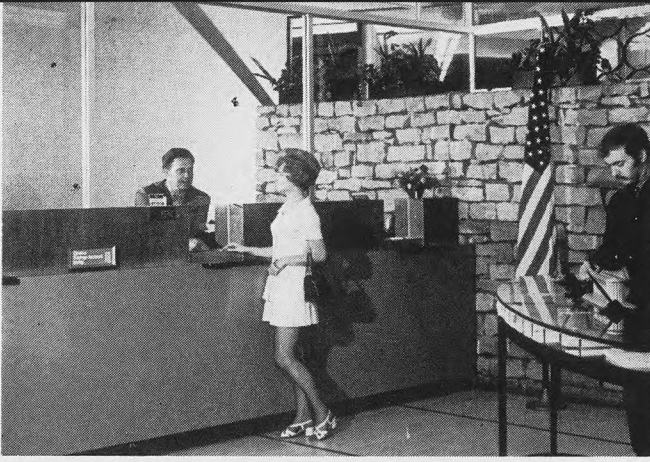
steam, high humidity, dirt, dust, fumes, de-magnetization, sabotage and pilferage. They can be located in or adjacent to a temperature- and humidity-controlled computer room or at an off-premise location.

# A Toast!

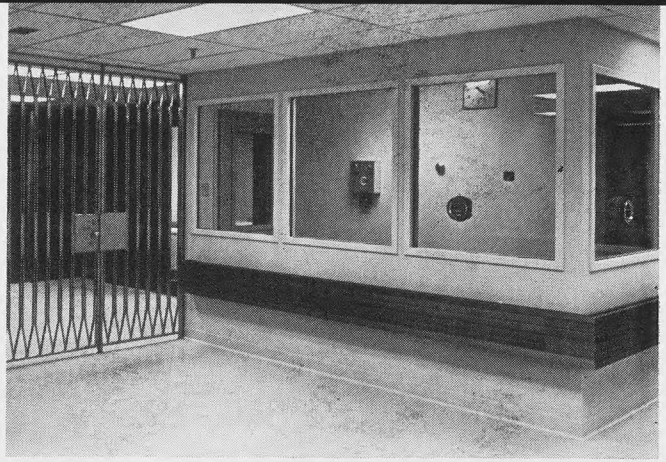
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LEFT: Tellers area at Blue Hills Bank of Commerce, Kansas City, is enclosed with clear, bullet-resisting Plexiglas acrylic plastic to discourage bank robbers. Large panels of Plexiglas are topped with aluminum grillwork that extends to ceiling. Panels are optically clear and cause no distortion so that effect of separation of teller and customer is minimal. RIGHT: Glass windows manufactured by Diebold, Inc., are



designated as "bandit barrier" because they are bullet resistive and allow clear view of area being protected. These windows are available in almost any size, and "baffled" passageway on each side of glass provides direct voice contact without use of expensive audio equipment. Transactions are completed through recess provided in counter top below glass.

# A Barrier Against Hold-Ups

## Clear, Bullet-Resistive Glass Around Tellers Areas Designed to Discourage Would-Be Robbers

**A**FTER WORLD WAR II, in a move to improve public relations, banks discarded their protective bullet-proof glass in front of tellers. However, the wave of bank robberies that ensued has caused some banks to take another look at this "open-window" policy.

For example, a bank in Kansas City that was held up

four times between 1965 and 1970 has installed protective panels of clear, bullet-resisting Plexiglas acrylic plastic around the entire tellers area.

A bank equipment manufacturer, Diebold, Inc., Canton, O., offers bullet-resistive "bandit barriers" and enclosures for any area in banks that may invite hold-ups.

**T**HE KANSAS CITY bank, Blue Hills Bank of Commerce, suffered two of its four robberies during the second half of 1970—once in August and again in October. Each time, the bandits vaulted the counter in front of the tellers stations and scooped up the cash while they held employees at gunpoint.

"The robberies were bad for business and bad for our employees' morale," said Paul A. Rings, president. "Several of our customers admitted to me that they were nervous about coming into the bank, and our employees were really upset. Some of our experienced tellers and other valuable employees were seriously considering quitting their jobs.

Taking prompt steps to remedy the situation, the bank's officers sought an effective means of curbing the bank robberies. The measure they adopted was to enclose the entire tellers area with clear, heavy-gauge Plexiglas acrylic plastic. This was done late last year.

The attractive installation consists of

a series of six vertical panels of 1¼-inch-thick, clear Plexiglas mounted flush on the bank counter. Individual panels are four feet high and 5½ feet wide and are held securely in place by aluminum angle irons. Customers and tellers exchange money, checks and other items by means of a stainless steel pass-through box.

The large panels of Plexiglas are topped by an aluminum grillwork that extends to the ceiling. This grillwork makes it impossible for robbers to jump over the counter and is designed to prevent hold-up men from aiming guns at it or fire through it.

Management, employees and patrons of the Blue Hills Bank have professed pleasure with the installation. Mr. Rings had feared that the enclosure, although "see-through," would set up a psychological barrier between tellers and customers, but it didn't. The panels are optically clear and cause no distortion, so the effect of separation is minimal, he pointed out. As for the bank's

*(Continued on page 48)*

**T**HE "BANDIT BARRIERS" manufactured by Diebold consist of bullet-resistive doors, wall panels, wickets, windows and package receivers. Diebold developed this line of equipment to protect cash and securities when they are out of bank vaults for counting or transfer.

Using steel and glass, this equipment, according to Diebold, meets any one of four bullet-resisting classifications as specified by the Underwriters' Laboratories.

A brochure put out by Diebold says that bullet-resistive doors and frames are available with six different types of hardware, with glass panels in three different sizes and with a variety of options for adaptability to each bank's specific requirements. The manufacturer said the doors are well suited for entry to drive-in installations or in security areas within a bank building. For instance, said Diebold, the bullet-resistive wicket with pass tray offers both convenience and protection wherever small, but valuable, packages are

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to be exchanged. A "baffled" passageway on each side of the glass provides direct voice contact without use of expensive audio equipment, and the transactions themselves are completed through a recess provided in the counter top below the glass.

Available in almost any size, bullet-resistant windows can be installed in lobbies, armored car receiving vestibules, drive-up islands or wherever security and visibility are required, allowing guards and bank personnel full view of all security areas.

Package receivers, installed in such areas as drive-in installations or armored car lobbies, are described as providing protection for transfer of large packages of money and securities. Diebold provides two types: The door-type package receiver with a locking bar is equipped with an inner and outer door with a mechanical connection that permits only one door to be opened at a time. A hopper-type package receiver can be operated only by means of an opening lever. When the hopper is in the open position, the inner door is locked. • •

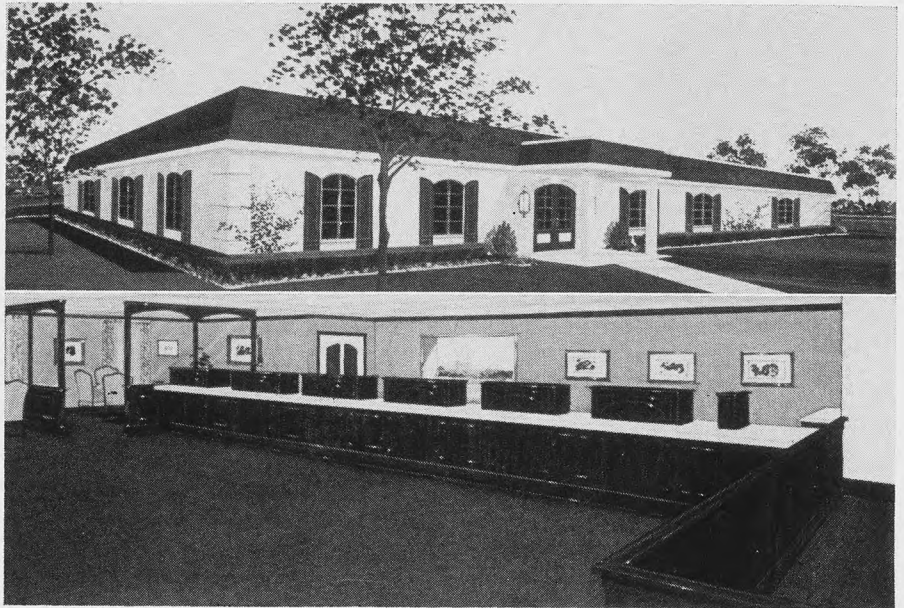
## Blue Hills Bank

*(Continued from page 46)*

customers, Mr. Rings reported that they have voiced no complaints, that, in fact, several have said they're pleased the bank took this step. The employees, of course, are glad to have this protection, Mr. Rings said.

Aside from the security benefits, tellers also are better off as far as their health is concerned. The Plexiglas installation keeps blasts of cold air from them when the front door is opened

## French Country Design



Hyde Park Branch of Fifth Third Bank, Cincinnati, is conventional built turnkey building by E. F. Bavis & Associates, Inc., Cincinnati. Decor is French country and color scheme is taken from nature.

during the winter, and tellers also are shielded from colds and other ailments customers may bring with them.

Total cost of the Blue Hills Bank enclosure was less than \$6,000, and bank officials indicated this expenditure was entirely justified.

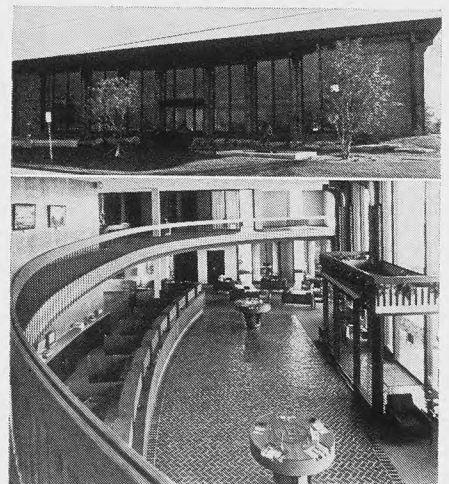
"We firmly believe this protective enclosure of Plexiglas represents an effective deterrent to any would-be robbers," said Mr. Rings. "In this way alone, the installation has more than paid off. Equally important, the enclosure instills confidence in our customers and a sense of security in our employees." • •

## Banking School Distributes Copies Of 'Swigsbie 1971' Yearbook

DALLAS—Southwestern Graduate School of Banking at Southern Methodist University is distributing its 1971 yearbook this month.

Called "Swigsbie 1971," the yearbook features candid pictures of a student musical production, sports activities, freshman class officer elections, graduation ceremony and senior class party, as well as individual portraits of the administration, faculty and students. Chairman of the 1971 yearbook committee is James A. Donnell, vice president, Oak Cliff Bank.

## Concave Bank Design



Recently completed Columbia (Mo.) National building is example of contemporary construction that includes charm and elegance of an older era. Bank was built by Bunce Building Corp., St. Louis.

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to build with  
in Louisville*

**Louisville Trust  
Bank**

*The Right Bank*



Our new home on Louisville's Riverfront is scheduled for completion in early 1972.

Member: FDIC; FRS



## Little Hope

(Continued from page 21)

the contracting manager concept, whereby the manager performs all the functions of a general contractor. He is involved in the job from the beginning and can make available to the project his considerable first-hand knowledge of costs and methods. Under this arrangement, many contracting managers are willing to guarantee the maximum price of a project at an early stage of construction.

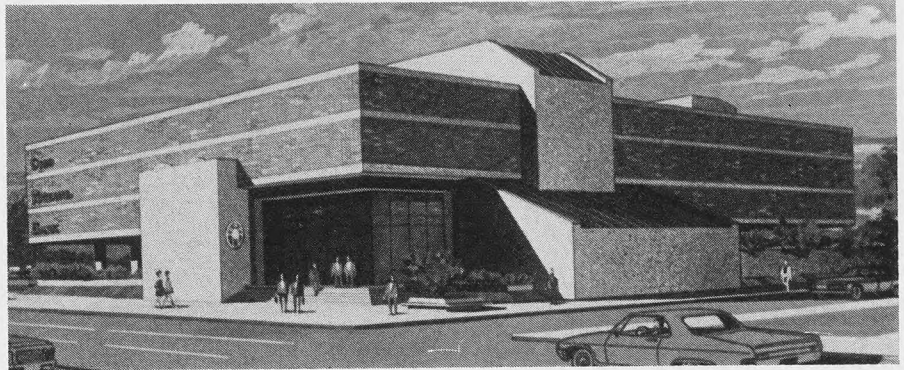
One builder replied that the only way to reduce construction costs was to design projects around prefabricated units, thereby taking advantage of the lower cost of machine-produced components.

Another builder reported that the use of modular construction can permit a reduction of from 10% to 15% in construction costs and a 33% reduction in building time.

Use of modular units that are pre-designed and pre-engineered eliminates the usual four or five months of client-architect planning as well as endless hours of client executive time.

This builder says that all the options of conventional construction are available with modular units, including fac-

## Double-Duty Structure



Ohio National, Columbus, is constructing this operations center and branch. The operations center will serve the EDP needs of 100 BancOhio affiliates and bank correspondents. The four-story building will contain more than 140,000 square feet of space. It is being built by the Austin Co., Cleveland.

tory-applied exteriors. An important benefit of modular units is the fact that they can be occupied while the exterior treatment is being completed. • •

### May Avenue Bank Announces Several New Appointments

OKLAHOMA CITY—May Avenue Bank recently made several new appointments. Joseph T. Crepps has joined the bank as executive vice president and advisory director. Formerly, he was a vice president at First National.

Also named an advisory director was

James T. Elder, senior vice president. He has been with the bank since 1952 and has been senior vice president since 1969.

Other promotions included Yale B. Scurlock and Michael T. White to assistant vice presidents and Larry D. Sproul to assistant cashier. Before joining the bank, Mr. Scurlock was with CIT Financial Services and Mr. White was with a finance company in Longview, Tex. Mr. Sproul has been with May Avenue Bank since 1962 and is manager of its drive-in facility.



# ICB expands Tellervue Banking To Second New Orleans Location

In the last four months, International City Bank has twice captured the imagination of the banking community with new total TV offices, the first of their kind.

Installation of Mosler Tellervue equipment at ICB's West Bank Office in September is now followed by a similar installation at our new Gentilly Office, ICB's sixth office since its founding in 1966.

Banking by closed circuit television is another in

a long list of ICB service innovations, setting it apart as a pioneer of progress. Next time you're in New Orleans, come see how fast "firsts" keep us growing.

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CITY BANK**

AND TRUST COMPANY

321 ST. CHARLES AVE. NEW ORLEANS, LA. 70130

University Office Carrolton Office West Bank Office Plaza Tower Office Gentilly Office  
Feret at Jefferson 2331 S. Carrolton 2140 Gen. De Gaulle 1001 Howard 3231 Gentilly





Officials of First National, Dallas, and Prudential Insurance Co. inspect the night-lighted model of the planned \$80-million First International Building. From l. are: Robert H. Stewart III, ch., and W. Dewey Presley, pres. of bank; Duncan Macfarlan, sr. v.p. in charge of Prudential's Southwestern Home Office, Houston; and Raymond Thompson, general mgr. of real estate developments, Dallas Office of Prudential.

## First National of Dallas, Prudential Insurance Co. To Construct Skyscraper

DALLAS—First National and Prudential Insurance Co. have jointly announced plans to construct a 56-story skyscraper, to be called the First International Building, in Dallas. Soaring 710 feet above street level, the skyscraper will be about 80 feet taller than the adjacent First National building and is due for completion in 1974.

The \$80-million project will involve three structures. The silver, mirror-walled International Building will have two levels below ground and 56 above with about 1,800,000 square feet of space.

Each face of the building will mirror the developing downtown Dallas area since the curtainwall will be of double-thickness insulated glass with a warm silver tint. More than one-half million square feet of reflective glass will be required to surface the new building. Structural provisions will be made for a future heliport on top of the First International Building.

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A drive-up banking facility providing 10 drive-up teller stations also will be constructed, along with a 325,000-square-foot, self-park garage, which will accommodate 1,000 vehicles.

All three structures will be interconnected with tunnels below street level and connected with the present 52-story bank building. First National banking operations will be included in the new structure as well as in the present building.

Robert H. Stewart III, chairman, and W. Dewey Presley, president, commented on the factors involved in the decision to launch the project: "Believing in the continued growth of Dallas, we are confident that demands for first-class office space in the central business district of Dallas will accelerate with the opening of the new Dallas-Fort Worth regional airport. Both large and small firms from more congested parts of the nation already are seeking new headquarters locations.

"... The First International Building will be able to accommodate even the largest space needs of major corporations. . . . We believe both the building and its tenants will make a significant contribution to the growth of Dallas."

### Five Receive New Appointments At First National of Memphis

MEMPHIS—First National recently made several new appointments. Promoted were: Ralph Colley, senior vice president; Melvin Stockburger, vice president; Michael G. Jones and William E. Lee, correspondent bank officers; and Miss Joanne Woody, bond department officer.



COLLEY

Mr. Colley is in charge of the Tennessee territory in the correspondent bank division. He has been with the bank since 1936 and in the correspondent department since 1950.

Mr. Stockburger is assistant manager of the information systems division, the automation and data processing section of First National. He joined the bank in 1962 and was named assistant vice president in 1969.

Both Mr. Jones and Mr. Lee are correspondent bank representatives for Arkansas. Both have been with the bank since 1969. Miss Woody, in charge of the bond department inventory, joined the bank in 1969 in the municipal bond department.

# 10 reasons to take your municipal bond business to Continental Bank.

**1. Location.** In many ways, Chicago is the nation's best location for any business. At Continental Bank we're in touch with local situations and have better knowledge of the credits. This means we can provide a larger Midwestern inventory in addition to general market offerings.

**2. Service.**

**3. Information.** At Continental, we continuously monitor market trends through the Munifacts wire system and our own New York office. We also have direct lines to major dealers across the nation. Most important: Feedback from our busy shoulder-to-shoulder sales operation. It all helps our municipal specialists give you the kind of market data you need to make better decisions.

**4. Service.**

**5. Performance.** Continental's trading desk is the most active in the Midwest. That means a ready market always available for your liquidity needs. And our computer-pricing program lets you make faster, more accurate investment decisions based on your bank's portfolio goals.

**6. Service.**

**7. Reputation.** Continental Bank is a leading dealer and underwriter with \$4 billion worth of issues purchased last year for more than 5,000 customers. You can take advantage of our expertise and buying power to fulfill your bank's investment objectives.

**8. Service.**

**9. Service.**

**10. And more**

**service.** To try our "more service" approach to your portfolio planning and performance, call one of our municipal specialists at 312/828-4296. He'll describe how we can keep you current with the market and help coordinate your investment decisions for improved earnings.



## CONTINENTAL BANK

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

MID-CONTINENT BANKER for December, 1971

Principals on First of St. Louis correspondent conference program included (from l.) bank Pres. Clarence C. Barksdale, ex-newscaster Chet Huntley (luncheon speaker) and bank Ch. Edwin S. Jones. Mr. Huntley predicted an "ugly showdown" between labor interests and the rest of America, resulting from the continual demand on the part of labor leaders for wage hikes that are out of proportion with productivity.



## First of St. Louis Hosts Correspondents At Silver Anniversary Conference

**M**ORE THAN 1,200 bankers from 19 states helped First National of St. Louis observe its 25th annual conference of bank correspondents last month.

The bankers were filled in on what's new in banking by First of St. Louis officers; discussed public relations, investments and trusts and bank lending policies in workshops; witnessed EDP demonstrations; heard ex-newscaster Chet Huntley give his views on the national situation; and filled out the usual opinion poll.

The poll, a popular tradition at the conferences, revealed that attendees expect President Nixon to win handily in 1972. Bankers also indicated they fully support the President's economic policies. The majority, when asked who Mr. Nixon's running mate would be in

1972, named Mr. Agnew, although Treasury Secretary John Connally Jr. came in a close second. The bankers predicted that Senator Edmund Muskie would be the Democratic candidate.

Other poll questions covered such subjects as the unemployment rate. Almost half the respondents predicted a lower unemployment rate for 1972, but 36% said there would be little or no change.

Frank K. Spinner, host bank senior vice president, predicted that 1972 would be a good year, but growth would not be as good as the Nixon Administration expects. "Interest rates will continue to move lower with the prime rate declining to 5% sometime in the first half of 1972," he said. "As rates charged by banks decline, so also will interest paid be reduced," he continued.

He said that the one factor that could derail any improvement in the economy and cause a recession throughout the western world would be a failure to establish new exchange rates that will provide fair and competitive trade relationships.

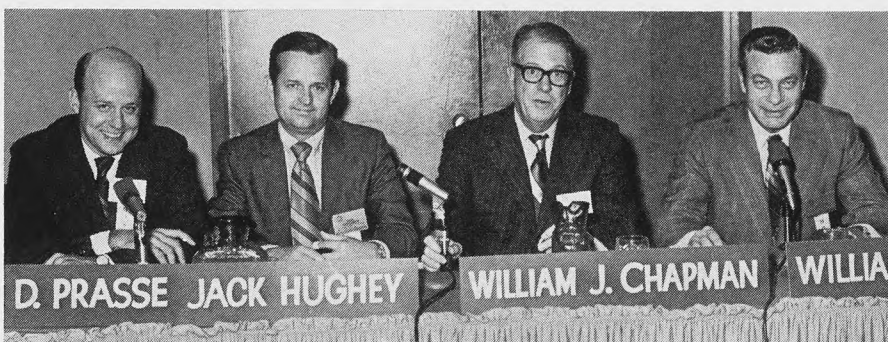
Mr. Spinner further predicted that the stock market, as measured by the Dow-Jones industrial index, has an excellent chance of breaking the 1,000 barrier by next November.

Benjamin C. Korschot, senior vice president at St. Louis Union Trust, said that the present weakness of stock prices has about bottomed out. "We believe that stock prices should be gradually advancing in the weeks and months ahead, as the economy continues to recover and corporate earnings begin to expand," he said. He also said that any further meaningful decline in stock market averages seems unlikely.

William S. Salter, vice president, First of St. Louis, said that foreign trade was extremely important to St. Louis and the Midwest. He said that middle American foreign trade has risen in four years from \$18 billion to \$25 billion. "During the past decade, exports from Missouri alone grew over 250% to a total of \$850 million in 1969," he said.

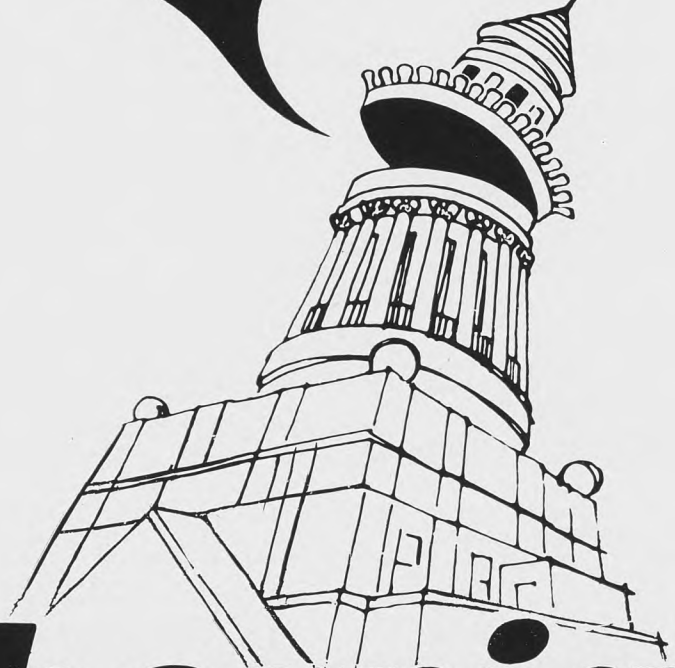
Bankers were urged to become more innovative in their operations by participants in the "What's New in Banking?" program. Taking part were Edwin S. Jones, chairman; Ferd Vogt, assistant vice president; Walter Klostermeier, senior vice president; Louis A. Ruebling, cashier; Leroy B. Chasteen, assistant auditor; Mr. Salter; and Red Burkhardtmeier, John Rowe, Emil E. Schuster, Sam Fanara and Paul Ross, all vice presidents.

Workshop participants included Clar-



Bank lending policies workshop at First of St. Louis correspondent conference featured panel of bank officers (from l.) Ronald D. Prasse, v.p.; Jack Hughey, a.v.p.; William J. Chapman, sr. v.p.; and William G. Travis, v.p. Mr. Chapman was moderator.

We're everything  
you want  
a bank to be.



**Hibernia  
National Bank  
IN NEW ORLEANS**

ence C. Barksdale, bank president; C. Arthur Hemminger, vice president; Lawrence P. Quigley, assistant vice president; Mr. Spinner; William J. Chapman, senior vice president; Jack Hughey, assistant vice president; and William G. Travis and Ronald D. Prasse, vice presidents.

Participants from other banks included Horace Dunagan Jr., president, First State, Caruthersville, Mo.; and Paul H. Knoblauch, president, First National, St. Charles, Mo. • • •

## Continuous Banking Offered in Birmingham By First Western Bank

BIRMINGHAM, ALA.—Through the installation of an automatic banking system and an after-hours depository, First Western Bank offers its customers the conveniences of being able to do most of their banking automatically, 24 hours a day.

According to Charles Jager, First Western president, the bank has done extensive research to pinpoint the services used by most of its customers.

Six basic services were revealed to be the most common—check cashing; savings withdrawal; loans, checking ac-



First customer uses First Western's automatic banking system as Pres. Charles Jager (c.) and V.P. Ron Fountain look on.

count deposits; savings account deposits; and loan payments.

"No longer will our customers be limited to 9-to-5 banking hours," Mr. Jager said. "We are now providing the services used most often by our customers on a 24-hour basis, seven days a week."

The heart of the automatic banking system is a Diebold MD400 Automatic Teller. The bank will supply its customers, who apply for the new service, with special First Western Master Charge cards. Each card is coded in such a way that only First Western's card, and no other Master Charge card, will be accepted by the system.

Along with his card, each customer will also be given a secret personal identification number.

To cash a check, make a savings withdrawal or secure a small loan from the bank, the customer inserts his card in the machine, keys in his personal code number on a 10-digit keyboard on the panel and, in an average of 14 seconds, an envelope containing \$50 in cash will automatically be dispensed.

Each customer may use the new First Western system three times a week. If a card is inadvertently inserted a fourth time within a one week period, a sign will be flashed on the panel indicating that the transaction is not valid. In any case, the card will be returned to the customer.

The new system is also equipped with a "hot card" memory bank. The number of each lost or stolen card reported to the bank will be coded into the system. If use is attempted with any of these cards, the system will retain the card and dispense no currency.

In conjunction with the automatic banking system, First Western has installed a Diebold after-hours depository. Deposits for checking or savings accounts and loan payments may also be deposited here on a 24-hour basis.

"We feel one of the great values of this specialized service will become pronounced when our customers need money in a hurry and the bank and their favorite stores for cashing checks are closed," Mr. Jager said.

## Millikin National Sponsors Public Service Projects

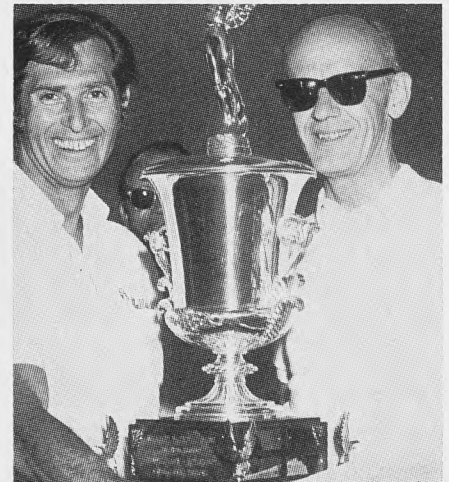
DECATUR, ILL.—Millikin National recently found two ways to show concern for its community—by conducting a check fraud clinic as a public service to local retailers and by sponsoring a trophy in a power boat regatta!

About 126 retailers attended the clinic, designed to reduce losses from fraudulent check cashing. Panel speakers at the clinic were: Mrs. Gladys C. Stevens, assistant to the officers of the education and development center, First National, Chicago; W. F. Hill, vice president and cashier, Millikin National; C. R. Evans, detective, Decatur Police Department; Basil G. Greanias, Macon County state's attorney; Anthony Sherman Jr., special agent in charge, U. S. Treasury Department, Secret Service division, Springfield; and Donald T. Sullivan, assistant special agent, U. S. Department of Justice, FBI, Springfield.

The bank also offered a 3½-foot silver trophy to the winner of the Grand Prix hydroplane race, part of the competition of the Illinois State Championship Races. More than 200 boats entered the competition on Lake Decatur.



Shown at Millikin National's check fraud clinic are: (from l.) Don Chapman, a.v.p.; Bill Hill, v.p. & cash.; and Mrs. Gladys C. Stevens, First National, Chicago.



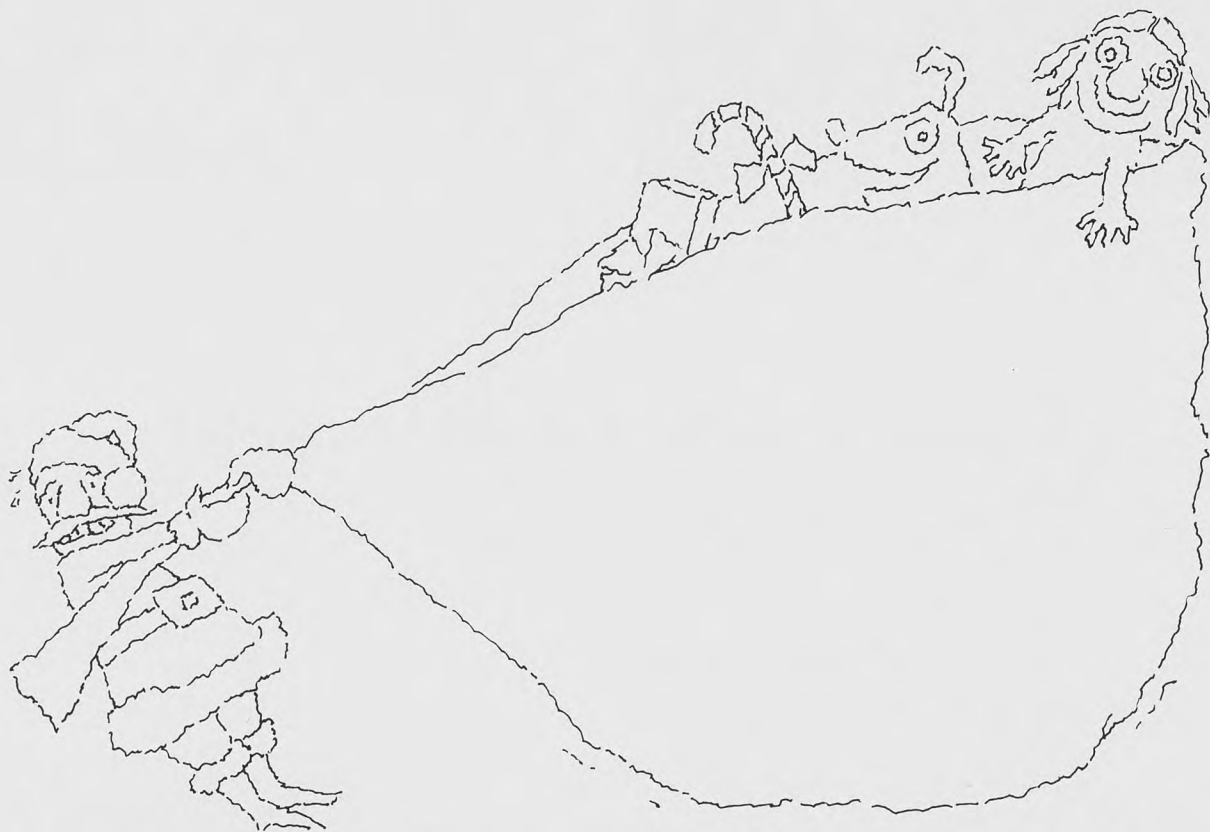
Denny Wells (l.) receives trophy for his victory in the hydroplane Grand Prix race on Lake Decatur. Presenting the trophy, sponsored by Millikin National, is George J. Armstrong, v.p.

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**If 1971 has been slow as Christmas**

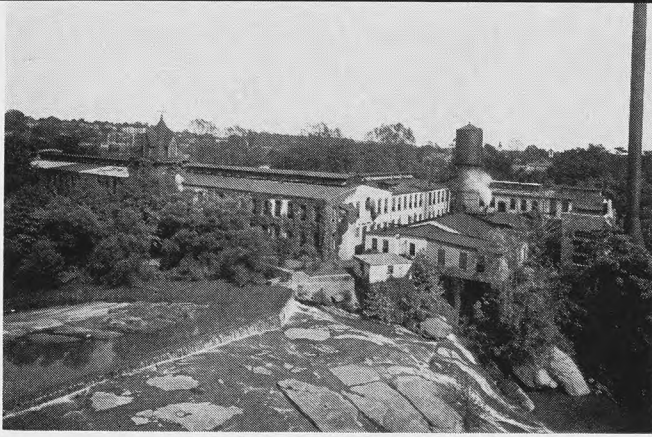
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correspondent, and we'll offer top level  
involvement to make good things happen  
fast. Call Chattanooga 615-265-3581.

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Old, abandoned cotton mill (left) was eyesore in Greenville, S. C., with broken windows and tall weeds. However, Citizens & Southern Nat'l of South Carolina transformed site by razing mill and erecting



attractive structure (right) for its new Greenville Main Office. C&S also cleaned up area, including Reedy River, and dammed stream in foreground. Photos by Coxe-Greenville.

# Community Involvement

*Banks Are Sponsoring Such Projects  
As TV Program on Drugs, Health Fair  
In Efforts to Improve Their Cities*

**W**HEN BANKS undertake projects to make their communities better places in which to live, such programs may consist of anything from sponsoring clean-up projects to teaching people how to handle their personal finances to providing funds for a day care center. Descriptions of these and many other such projects came in after MID-CONTINENT BANKER editors sent letters to banks asking how they were doing in the "corporate-responsibility" field.

So many answers were received describing the various projects that the original one feature scheduled for the October issue developed into a continuing series. The first article did appear in October, followed by another in November and one this month. As MCB editors learn about other programs of this kind in the future, they will report them.

## Physical Improvements

*By Billy J. Silver, Vice President-Advertising & Public Relations, Citizens & Southern National Bank of South Carolina, Columbia*

Citizens & Southern National of South Carolina was practicing beautification, restoration and area improvement long before the national spotlight was focused on such activities. Winner of two national landscaping awards for landscaping in Charleston, the bank sets an example all over the state for beautification of parking areas and offices. In Spartanburg, Florence, Sumter and Camden, C&S offices have won local awards for landscaping. At our Anderson Office, a man-made lake adds restfulness to the grounds.

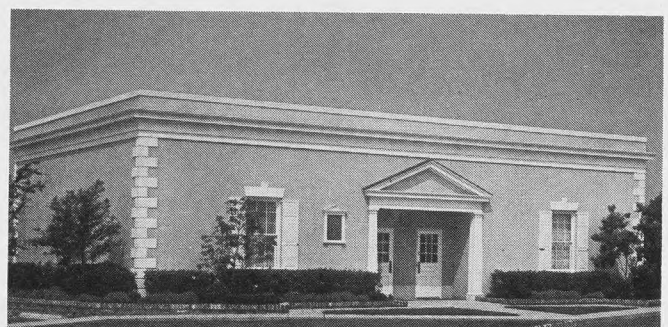
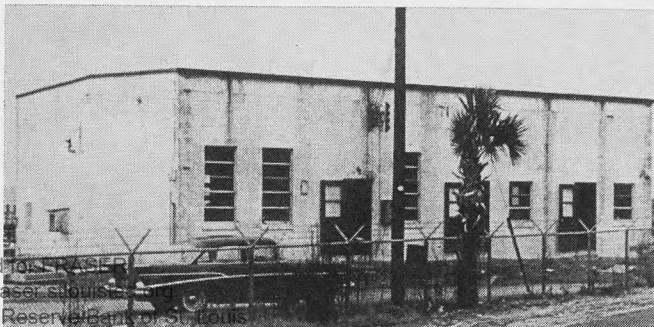
Perhaps the two most dramatic instances of area improvement were in Greenville and in Charleston. In 1960,

when the bank planned a new main office in Greenville, an old, abandoned cotton mill, only two blocks from the center of the business district, was purchased and razed. This had been an eyesore, with windows broken out of the big rambling structure and weeds growing tall on the grounds. C&S cleaned up the whole area, including the Reedy River. The stream was dammed, and the handsome bank building erected on the river's shore was beautifully landscaped. Some of the property was given to the highway department, thus allowing the building of a new thoroughfare that opened up considerable land for business expansion.

In 1963 the city of Charleston opened up a new boulevard along the water front. On the main traffic intersection was an unused concrete garage. Heavy enough to have been a bomb

C&S of South Carolina turned unused concrete garage (left) into handsome quarters (right) for its Lockwood Drive Office in Charleston. Structure, heavy enough to be bomb shelter, was erected by Navy

during World War II, and became property of city after Naval mincraft base was moved from there. Bank took long lease on building.





## Johnny made the "Mojo" scene



"Mojo" may sound like a new dance to you, but it means something entirely different to the drug abuser. "Mojo" means dope.

In the world of drugs there is a special language, a descriptively rich shorthand, that covers almost every aspect of the abuser's life as affected by his habit.

Difficult to understand? You bet it is. But the Young Lawyers Section of the Mississippi Bar Association is taking that first step toward greater understanding.

With the cooperation of local junior high school administrators, drug abuse and its impact on society and individuals is explored in three one-hour sessions over a three week period.

Participants do not preach or moralize to the students . . . honest, straight-forward answers, both legal and medical, are freely given.

Youth today demands honesty and the challenge of growing drug abuse is being honestly met in Mississippi.

Innovative action is taking place in Mississippi to seek a better tomorrow for all people.

## First National Bank

Jackson, Mississippi • Member: FDIC

BRANCHES Amite County Bank, Gloster/Liberty;

Commercial National Bank, Greenville/Leland;

First National Bank, McComb;

The Bank of Greenwood, Greenwood;

Tylertown Bank, Tylertown

shelter, it was built by the Navy during World War II. When the Naval mine-craft base was moved, the land and buildings became the property of the city. C&S took a long lease on the old garage and turned a "sow's ear into a silk purse!" Imagination on the part of the architect and the landscape designer made an eyesore into an attractive banking facility.

C&S certainly is the only bank in the United States with banking offices in two 18th-century buildings. The 50 Broad Street Office was built for the Bank of South Carolina in 1798. The original elaborately carved woodwork and marble tile floor speaks for the vision of bankers only 22 years after the Declaration of Independence!

The Blake House Office, dating from 1797, also in Charleston, is in a building owned by the Historic Charleston Foundation. An historic building, once the home of Mrs. Arthur Middleton, wife of one of South Carolina's signers of the Declaration of Independence, it had fallen into disrepair and was used as a tenement. C&S took a long lease, which enabled the Historic Charleston Foundation to restore it to its former beauty.

Hugh C. Lane, C&S Corp. chairman, believes that beautification and restoration are good business. He knows that the bank's efforts in area improvement have stimulated other businesses to work in this direction. In the long run, everyone benefits—the people who live in the area, the bank's stockholders and the customers.

### Drug Film Sponsored

Utica National, Tulsa, sponsored "11:59—Last Minute to Choose" on prime-time TV. The film, about teen-aged and young adult drug addiction, is described as revealing, sometimes shocking and even sickening. The stars were all addicts, the scenes real. The film was preceded by an introduction from the bank's president, V. M. Thompson Jr., who announced that commercials would be withheld.

The local communications media went all out to publicize the film. Editorials and free commercials urging listeners, viewers and readers to watch the film were commonplace. One radio station went off the air to encourage its listeners to turn their TV sets on to watch the film.

Viewer response was overwhelming—letters and phone calls to the TV station and bank (even to its ad agency) were voluminous. However, not one crank call or complaint was received.

"The film was a real shocker," said Dick Barber, Utica National's senior

vice president. "We had been looking for a vehicle to show our concern and somehow become a more positive part in the solution of today's problems. The drug film proved to be a great beginning for Utica National."

A copy of the film, made available by the bank to interested parties and civic groups, has an impressive waiting list. One group outside Tulsa rented a movie house to accommodate more viewers.

### Health Fair

Manufacturers Hanover Trust, New York City, held a "health fair" one Saturday at its 125th Street Branch.

With the bank's blessing, the Department of Health took over the branch's premises for a five-hour program that brought a record response. Before medics, nurses and local volunteers closed up shop, several hundred Sickle Cell, lead poisoning, tuberculosis and blood pressure tests were made; more than 500 chest x-rays were taken, and children under five were inoculated against measles and rubella.



Youngster howls disapproval at having to undergo Sickle Cell test during "health fair" at branch of Manufacturers Hanover Trust, New York City. Bank turned premises over to Health Department for five hours one Saturday, and tests were made for various diseases; blood pressures were taken, and shots were given for measles and rubella.

Continental Illinois National, Chicago, has two community projects going—one in minority lending and the other in family financial education:

### Minority Lending

By Roland W. Burris, Second Vice President in Charge of Group 4B

Continental Bank's minority lending and government financing section, Group 4B, is part of the small and medium-size business section of the met-



Phil Carraro (r.), minority business counselor at Continental Bank, Chicago, discusses display strategy with Joe Maxwell and Caesar Crawford, owners of supermarket on city's south side. Mr. Carraro is one of several young commercial bankers at Continental Bank who have volunteered to help Chicago minority businessmen granted Small Business Administration loans through bank.

ropolitan division. Group 4B works independently and with the federal government's Small Business Administration in making loans to small business and minority entrepreneurs.

Presently our loan portfolio consists of 52 loans. A rough dollar percentage breakdown of the types of businesses we have committed funds to is: service, 33%; retail, 38%; wholesale, 7%; manufacturing, 11%; other, 11%.

Approximately half these loans were made to establish new businesses and half were for funding existing businesses, with about an even split between specific requirements (working capital and inventory are the most common) and expansion.

Under SBA regulations covering a 90% guarantee, we can lend up to \$350,000. Of our present loans, 19 are in excess of \$50,000, and the mean loan is slightly in excess of \$70,000. We are proud of the fact that of all the loans approved, only four have failed.

A majority of the loans on the books now are to members of minority groups. In the broad economic sense, the main purpose of these loans is to aid the economic development of the inner city. Although it is hard to typify our borrowers, it would be correct to say that all have some business exposure—most in the industry in which they are currently employed. Our experience has been that industries of a manufacturing or wholesaling nature provide greater employment opportunities and we particularly attempt to develop this type of business, despite the fact that the majority of our current customers are in the retail and service industries.

All loans that carry the guarantee of the SBA are fully collateralized to the extent that such collateral is obtainable. Not only do we perfect liens on all inventory, receivables and other assets of the business, but we look also to the

## BANKING SERVICES FOR THE SEVENTIES

Dick Wagner is a resourceful professional banker. He's the head of a First team of banking specialists who travel thousands of miles each month. He gathers facts, exchanges ideas, takes a firsthand look at correspondent problems . . . correspondent needs.

The insight he gains supplies direction to our large staff of creative specialists . . . experts in every phase of banking procedure. These

men are devoted to the development of original programs, unique services and efficient problem-solving methods to benefit correspondents and their customers.

When you want full service thinking, put Dick Wagner on the spot. Tell him your problems. You can expect straight and profitable answers. Call (918) 560-5160.

# put Dick Wagner on the spot



*you deserve MORE... Think First!*  
**The First National Bank & Trust Company of Tulsa**



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

MID-CONTINENT BANKER for December, 1971

personal assets of the borrower for additional security. We also insist on having the first position and require other creditors to sign an agreement subordinating their debt to ours, not only in terms of repayment of principal and interest, but also in the event of a possible default. Additionally, we always have the principals execute personal guarantees, primarily for moral purposes. Seldom does the value of the collateral exceed the value of the loan.

Repayment of principal and interest is commonly scheduled over a five- to seven-year period. Because many of our customers who are starting new businesses have a debt-to-equity ratio in excess of 4:1, we attempt to arrange repayment schedules in such a manner that the impact of debt service on the company's cash flow is reduced, especially during the critical, formative first year of operation. Frequently, the first repayment of principal will not be scheduled for three to six months after the initial disbursement, and the final payment often will be ballooned in the expectation that it will be renegotiated in the future.

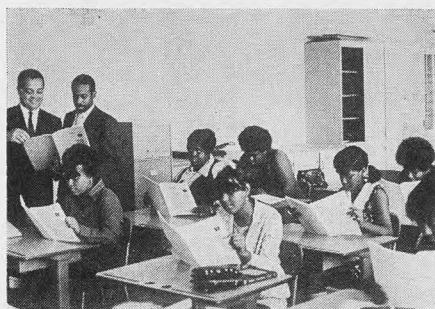
### Family Financial Education

By David W. Stewart, Product Manager

A unique program of financial education, designed to help consumers become better managers of their personal finances, currently is being offered by Continental Bank.

The Family Financial Education Program (FFEP), as the project is called, seeks to attack a widespread social problem arising from lack of financial knowledge and excessive accumulation of debt. This problem is one that haunts millions of families and leads often to bankruptcies, garnishments and personal tragedy.

FFEP consists of two programs: one for adults and one for high school students. Each group represents a differ-



Business education students at Dunbar Vocational High School on Chicago's south side read "Managing Personal Income," one of two booklets used in high-school level Family Financial Education Program. Continental Bank has supplied FFEP without charge for past year to public, private and parochial schools in Chicago.

ent level of economic knowledge and money-management experience.

The high school program, begun in 1969 after a two-year period of development and pilot testing, uses two teaching guides—"Managing Personal Income" and "Accepting Credit Responsibility." Subjects discussed include how to stretch your paycheck farther, how to get the most for your dollar when buying on time, how to plan expenses week to week and how to develop and keep a good credit rating. Students simulate real-life situations, including the use of credit contracts, dummy checks and deposit slips.

Materials for high school use are supplementary. They are particularly suited for home economics, business education, social science or math courses.

The program has been supplied by Continental without charge for the past year for use by students in Chicago's public, private and parochial schools. It also is being used by high schools in more than 300 other cities across the nation through sponsorship by banks in those communities.

The adult program, which was also developed and tested over a two-year period, was made available in 1971 for classroom use by business firms and by social agencies. It concentrates on basic information about common family problems found in everyday living. Each student uses a 64-page workbook while the instructor follows a more detailed 88-page leader guide.

Titled "Wise Use of Buy Power," the booklets describe the money problems of a fictitious family. Participants then use this family's experiences as a basis for an exchange of ideas on how to handle common personal money-management situations. The workbooks contain problems to be answered, blank forms to be used in learning how to open and maintain checking and savings accounts and specimen contracts for discussion of what to look for and what to avoid when financing a purchase.

The booklets also give information about the Truth-in-Lending law and list legal and social agencies where consumers can turn for help if they suspect fraud or misrepresentation.

The bank believes the program could become part of money-management classes sponsored by business firms, social and governmental agencies (including the Armed Forces, Job Corps centers, prisons and Urban Progress Centers), labor unions and other industrial groups. Other possible users are consumer education classes offered through adult education centers, evening schools and churches.

The adult materials will be provided without charge within the city of Chicago to nonprofit, privately funded social agencies that have consumer-education classes. A nominal charge will be made for copies requested by other groups.

Neither adult nor high school materials contain advertising for the bank. Its name appears in small type only as necessary to protect Continental's copyright.

### Public Forums

The Gary-Wheaton Bank, Wheaton, Ill., has begun a series of free public forums to focus attention on significant issues of the day. The first forum was called "Economy in Crisis."

A panel of experts representing the federal government, securities field, academic community and international financial community discussed the President's wage- and price-control measures and the future of the nation's economy.

### Medical Building Loan

First National, St. Louis, and the National Bank in North Kansas City have agreed to make a construction and long-term loan for erection in North Kansas City of a medical building to be called Professional Building North. Both banks are First Union, Inc., institutions.

The medical building will have a value in excess of \$2 million. It will be owner-occupied by a group of doctors on the staff of the North Kansas City Memorial Hospital and is being built on property adjacent to the hospital. Construction began July 1. • •

### Beemsterboer Ends Bank Career; Was Bond Salesman in Indiana

CHICAGO—Matthew Beemsterboer, vice president in the bond department, Northern Trust, has retired after almost 40 years of service. For 25 years, he served as a retail bond salesman with responsibility for maintaining and calling on accounts in the Indiana retail sales area.



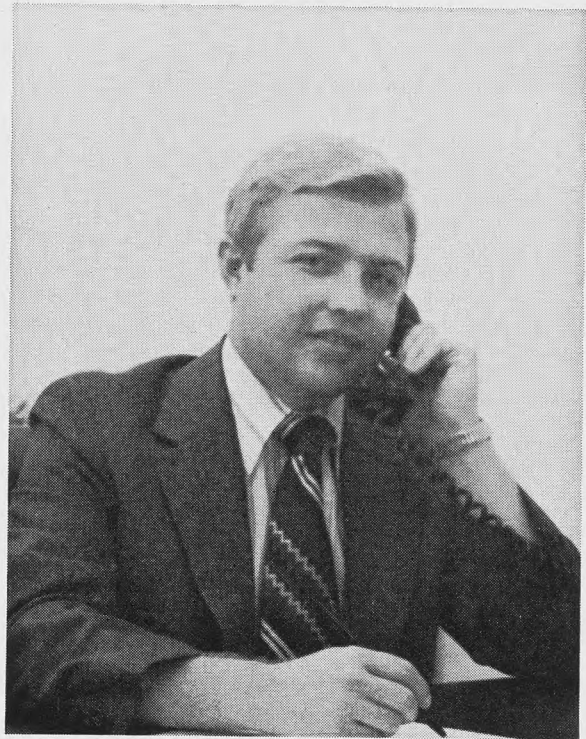
BEEMSTERBOER

Mr. Beemsterboer joined Northern Trust in 1932. He worked in the check processing, teller operating, investment research and bond departments and was elected assistant manager in the bond department in 1950. He was named second vice president in 1960 and vice president in 1966.

# Behind every good man, there are other good men at First American.



FRANK MORRIS, Vice President



DONALD R. MULLICAN, Assistant Cashier

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.

#### **TRANSIT DEPARTMENT**

For your specific need, you can go directly to an expert. As an example, the transit department will provide immediate action on the following: cash letters . . . fastest collection or transfer of funds . . . transit systems assistance . . . information about check collections under the Uniform Commercial Code.

In Tennessee use WATS line 1-800-342-8392,  
bordering states use WATS 1-800-251-8514.

## **FIRST AMERICAN NATIONAL BANK**

Nashville, Tennessee / Member F.D.I.C.

MID-CONTINENT BANKER for December, 1971

# Soda Pop Giveaway Sparks Lobby Traffic, Makes Friends

GIVING AWAY bottles of soda pop isn't going to make a bank's deposits zoom overnight, but such a promotion can result in a substantial increase in lobby traffic and make many friends for the bank, particularly among the soda-guzzling set.

This was the experience of Jefferson-Gravois Bank and Northwestern Bank in St. Louis. Both banks are units of General Bancshares Corp., a multi-bank holding company.

The promotion was part of the Miss Teen-Age St. Louis contest, sponsored nationally by bottlers of Dr Pepper to select a Miss Teen-Age America. The local Dr Pepper bottler supplied all the tools of the campaign—roughly 400 cases of Dr Pepper six-packs and something like 30,000 copies of a 3 x 7-inch certificate, each of which explained how the promotion worked and carried an identifying number.

Each customer of the two banks making a deposit of \$25 or more received one of these certificates each time he made a deposit. The certificate explained that if the number it bore was drawn in a sweepstakes, the recipient would be entitled to a six-pack of Dr Pepper.

The certificates were given away for 30 days and at intervals during this period numbers were drawn and posted on display boards within the banks. At the end of the 30 days, all such numbers were posted. The tie-in with the Miss Teen-Age contest resulted from the fact that each six-pack carton contained an entry blank for the Miss Teen-Age contest.

Both S. T. Hofmeister, president of Jefferson-Gravois, and F. V. Kussman, secretary-treasurer of Northwestern, are agreed that the giveaway made friends for their banks. Mr. Hofmeister said that deposits were up for the 30-day period compared with month-earlier figures, but considered such an increase for so short a period meaningless. As he put it, "Deposits probably would have increased anyway at this time of year."

Northwestern Bank is located in an area that is definitely "inner-city." Jefferson-Gravois Bank is in a deteriorating area populated largely by blue-collar whites, most of whom are in the lower wage brackets.

Mr. Kussman believes a promotion of this type would be of value to a bank only in such neighborhoods. At his

bank, even the adults were elated when they won a free six-pack, while at Jefferson-Gravois delight was limited more to young people. What happened, of course, was that many adults gave the certificates to teen-agers.

Mr. Hofmeister emphasized that the promotion brought large numbers of people into the lobbies to check the lucky numbers, people who probably would not otherwise have come in. His bank issued approximately 17,000 certificates and gave away some 250 six-packs. Northwestern Bank issued about 10,000 certificates, but gave away close to 350 six-packs. Of course, at both banks many of the lucky numbers were never redeemed.

Technically, neither bank spent anything on the promotion. Although the promotion was featured in advertisements in neighborhood newspapers and on radio spots, such costs came out of the banks' regular advertising budgets.

"The main thing it did for us," Mr. Hofmeister explained, "was that the giveaway caused a lot of comment. Any time you get people talking about your business it's good for your business." • •

## Full-Branch Custom Banking Center Opened at New York's Chemical Bank

NEW YORK—Chemical Bank recently opened its first full-branch custom banking center. The center is an

expansion of a pilot program the bank started about two years ago on the course-level facility of its branch at



Chemical Bank's new custom banking center has a central information hub with platform officers at desks set at angles. The bank says the contemporary atmosphere encourages contact between personnel and customers.

Two Penn Plaza.

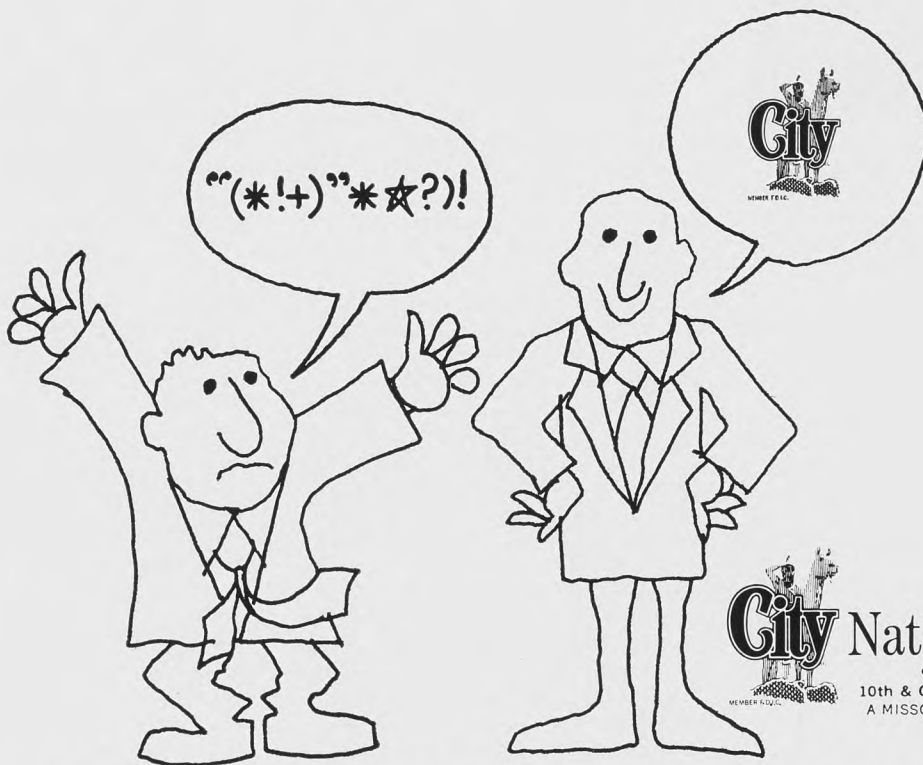
Norborne Berkeley Jr., executive vice president, metropolitan division, said about the center, "It will, in effect, give the average depositor the type of personalized attention that has traditionally been reserved for corporate clients of the bank and it will be done in the heart of a major retail district."

At the custom banking facility, hostesses greet and guide customers to platform officers at desks set at angles from a central information hub. Posters turn walls and windows into advertisements for the bank's services and introduce personnel through life-size photographs. Specially designed directional signs—the kind used in airline terminals—hang from the ceiling above the broad expanse of a tellers' counter.

Regarding the environment of the center, George Klopfer, manager, said, "At CBC we're trying to take some of the anonymity out of banking and make it a person-to-person business. Too often, a customer deals with personnel at a branch that look on him only as an account number and not as an individual. We, as a bank, want to have individuality and so we must respect it in our customers."

MID-CONTINENT BANKER for December, 1971

# This is no blankety blank bank.



**City National Bank**  
& Trust Company  
10th & Grand • Kansas City, Mo.  
A MISSOURI BANCSHARES BANK

Swear by it, but never at it. That seems to be the attitude of our correspondents toward the City. Try us for our complete selection of top-grade municipal and general obligation bond availabilities. Just one of the many good reasons for coming to the City.

MID-CONTINENT BANKER for December, 1971



Miss Carla Pate, Dallas model, was featured in TV commercials for Louisiana National Bank's Picture Checks. She is shown here with oversized check with her photo on it.



Miss Betty Shingleur poses Craig Davidson for his Picture Check photo. Miss Shingleur is receptionist in main banking lobby of LNB's Home Office. Simplified Polaroid camera set-up at Home Office and all branches allows regular bank personnel to take these photos.

## Bank's New 'Picture Checks' Provide Customer Convenience, Reduce Chances of Fraud

LOUISIANA NATIONAL, Baton Rouge, now has a strong ally in its fight against fraudulent check passing. The bank has begun offering its customers photographic-identification checks. Called "Picture Checks," these checks have photos of the account holders printed on their faces.

Thirteen years ago, Preston V. Kors, LNB's vice president of marketing, and B. B. Saxon of Pike Burden Printing, Inc., worked out a similar product called "Photolized Checks." At that time, the product received much favorable publicity through national TV, newspapers and magazines. Law enforcement agencies commented favorably on the security benefits derived from having a customer's picture printed on the face of his checks, and the FBI said that this picture was worth more than three fingerprints as far as identification purposes were concerned.

There were a number of operational problems connected with "Photolized Checks," however, and they couldn't be overcome then. One major problem was that customers wanting to use such checks had to bring in their own photos. This caused not only delay, but—due to the wide variation in sizes and qualities of the pictures brought in—the printing job became extremely complicated. The additional printing time and attention made costs prohibitive.

Now, thanks to Polaroid cameras, operational details have been worked out. All the pictures for these checks are taken at the bank, with a simplified Polaroid camera set-up at each branch. Regular bank personnel have been trained to take customers' pictures, and the process takes little employee time.

As a result, in only one trip to LNB, a customer can order his Picture Checks, have his photo made, see it immediately and give it his approval for use on his checks. The bank can send the picture to the printer immediately to be processed.

Standardization of size and quality of pictures greatly speeds the printing process, according to the bank, and helps hold picture costs to only a few

cents more than the cost of a regular check order. The cost to the customer is less than \$3 for 200 checks. This contrasts with the original photo-check program of 13 years ago, when major check-printing firms estimated that initial check orders would cost from \$20 to \$30.

After the checks had been on the market five weeks, LNB announced that one out of every three persons opening new accounts ordered Picture Checks. Also, more than one in five persons reorders these checks.

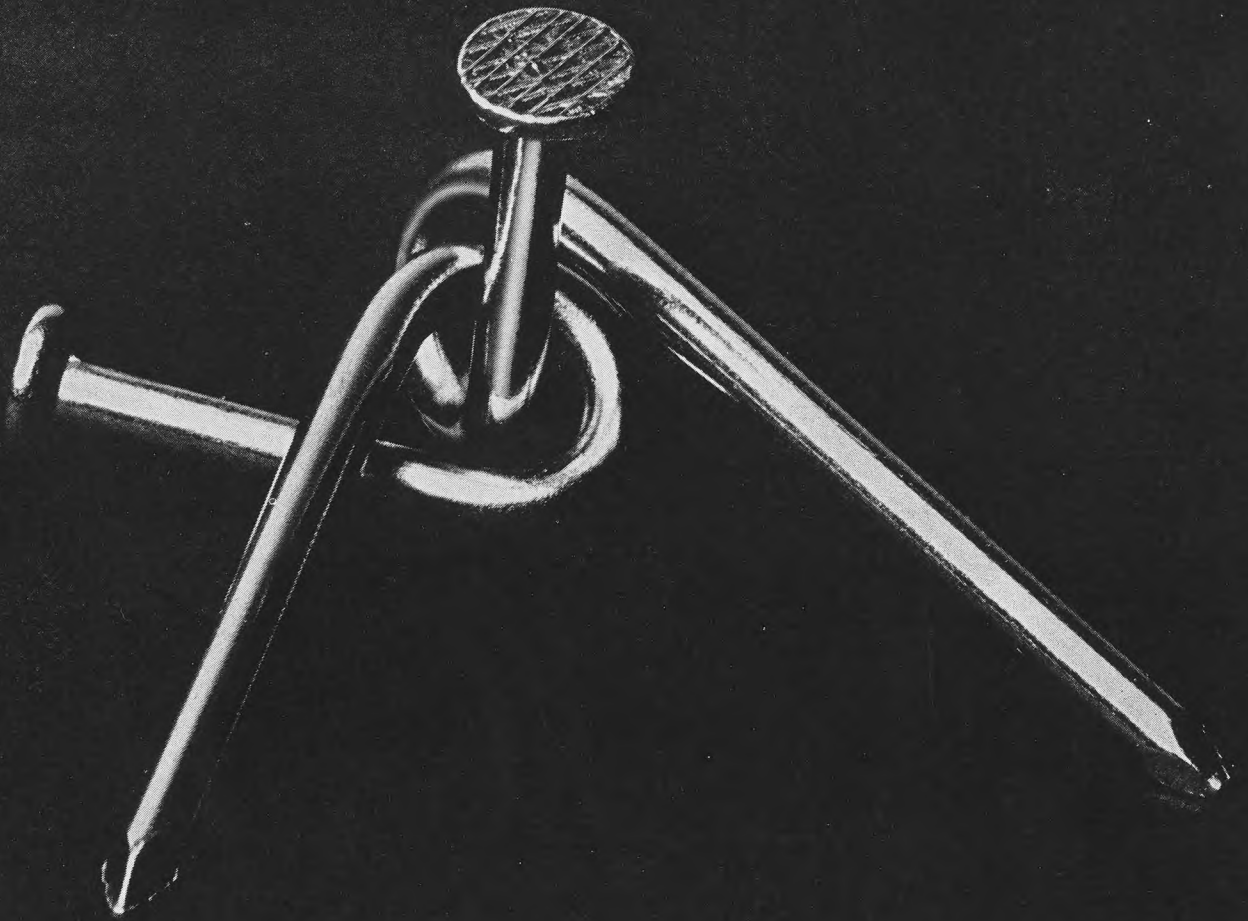
LNB had two basic reasons for offering Picture Checks. First, the bank considers them unique in contrast to the scenic and zodiac checks being offered by banks throughout the country. A bank spokesman pointed out that LNB's Picture Check service personalizes a customer's checks and, to a large extent, does away with some of the inconvenience of check cashing. They also protect both the check casher and check writer from fraud.

Secondly, LNB wanted to reduce the number of free checks their customers were getting. Twenty-one percent of the bank's checking-account customers were in this category. LNB hoped to reduce this percentage by inviting these customers to use Picture Checks. After the checks had been in use several weeks, LNB announced that they did help reduce the number of free checks, "single-line" and "free 50s."

The bank hopes that another benefit of Picture Checks will be to set its checking-account service apart from competing banks in an area where there is little difference in actual bank services.

Before offering Picture Checks to the public, LNB conducted focus group interviews in its market area. In-depth reactions to Picture Check styles and check-cashing problems were explored among small groups. As a result of these interviews, a field study was designed in which in-depth questioning was conducted in homes of a randomly selected cross section of Baton Rouge





**Jack Crigger can work things out.**

Jack Crigger, Senior Vice President  
Correspondent Banking Department

**AMERICAN  NATIONAL**

Chattanooga, Tennessee

residents. The bank found that people don't have a problem cashing checks, but they are inconvenienced, and identification is a major cause of this inconvenience. The bank also found that those interviewed were impressed with Picture Checks and said they would take the time necessary to have a picture made at the bank. They also indicated they would be willing to pay a nominally increased cost for Picture Checks.

Since the checks were first offered September 27, LNB has done only a minimal amount of TV advertising, which has been supported by newspaper ads and direct-mail pieces. Picture Check brochures are being sent as statement stuffers.

The Picture Check soon will be combined with a private-design check that will simplify the ordering process and offer attractive check alternatives at the same time. The bank emphasized there will be strong bank identity in the private design. Also, the great number of checks offered in the past confused customers and employees opening accounts and resulted in a greater amount of time required to open demand-deposit accounts.

The bank believes that, in cutting back to only two styles of checks, time spent opening new accounts will be greatly reduced. In connection with this change, the bank will produce its own check-sample book instead of offering those produced by various check suppliers.

Offering a photo-identification service is not new to LNB. The bank successfully introduced photo credit cards (Picture BankAmericard) and believes that Picture Checks will be a good complementary service. In fact, Jerry Turk, LNB's advertising manager, told MID-CONTINENT BANKER that it has been his own personal experience that his Picture Checks, coupled with his Picture BankAmericard, have made it relatively simple for him to cash checks in other cities.

LNB is making Picture Checks available to its correspondent banks and to other southern banks according to the capacity of its printer. • •

## Bank of New Orleans

(Continued from page 27)

sized that the new office was opening on Monday and each ad pictured and described five prizes that would be given away every hour on the hour on opening day. On Sunday space was increased to a full page with the headline, "Tomorrow Is Your Day." On Monday—actual opening day—full-page space was again used with the heading, "Today Is Your Day." The full-page ads described the beauty of the new building and its many conveniences and, of course, pictured and described the free prizes.

Each hour—from 10 a.m. to 5 p.m.—that the new office was open on the first day, five valuable prizes were given away through public drawings. First prize was a portable TV with a retail value of \$300; second, a movie camera and projector outfit worth \$225; third, an \$80 women's watch; fourth, a \$55 digital clock radio; fifth, a \$50 savings certificate. As a grand prize, awarded the first Friday the new office was open, the bank offered a \$1,400 stereo theater, combining record player, radio and color television.

Anyone entering the bank was eligible for the prizes. Entry blanks were available from any employee. No purchase or transaction was necessary and winners did not have to be present. Every hour on the hour the contents of the collection box were removed and five names were drawn. On Friday, October 8, entry blanks deposited throughout the week were pooled and the grand prize winner was selected.

On opening day, close to 16,000 registration blanks were accumulated, and even though many people registered twice, it is estimated that at least 8,000 went through the Main Office. Entries for the week exceeded 22,000.

To stimulate interest among the BNO family and local area opinion leaders, Mr. Steen and Mrs. Ethel S. Vernon, editor of BNO's internal publications and stockholder reports, de-

signed a series of mailing pieces possessing significant originality. These "progress reports," of which there were eight, were mailed at 30-day intervals from January through September, 1971.

"Our purpose," Mr. Steen explained, "was to achieve a format that suggested spontaneity and newsworthiness."

To do this a long strip of newsprint four by 17 inches was used. Each mailing was headed "Progress Report" and bore the appropriate number (one through eight). Each was folded so that only the heading was immediately visible. Editorial copy took the form of "a privately conducted verbal tour" of the new building. Issues one through six gave details of construction and decoration—and the thinking behind them. Number seven showed 11 full-length pictures of how BNO female employees would be uniformed. Number eight contained a personal message from President Merrigan announcing that the opening was imminent and welcoming visitors to the bank's new home. This final message was printed in French and Spanish as well as English, "Because," said Mr. Steen, "New Orleans is a tri-lingual town."

How many new accounts and how much new money did this promotion draw into the bank? Mr. Steen said that no record was kept of the new business generated and emphasized again that BNO's only purpose was to draw people through the new office.

"All we wanted was a high body count," he said. Obviously, the 22,000 registrations for the grand prize prove that BNO did all right. • •

### Bank Foundation to Sponsor Christmas TV Program

Foundation for Full Service Banks is sponsoring a new animated version of Charles Dickens' "A Christmas Carol" to be shown on ABC network television Tuesday, December 21. The foundation also has developed an array of materials that banks can use to promote customer interest in the presentation.

The special half-hour production was produced in England and uses new techniques in bringing to life the original steel engravings that illustrated Dickens' classic.

The promotional materials include a "shadow box" lobby and counter display piece, a pocketbook "Treasury of Christmas Past" containing seasonal stories and poems and a statement enclosure. These materials were developed by the Full Service Banks Advertising Co., the foundation's official sales promotion agency, and may be purchased with order forms supplied by the foundation, which is located in the Philadelphia National Bank Building, Philadelphia, Pa. 19107.

### Tower Grove, St. Louis, Modernizes Drive-Up



Banners decorate new drive-up installation at Tower Grove Bank, St. Louis, during grand opening celebration recently. Modernization project included five new drive-up stalls featuring a pneumatic tube system as well as two new walk-up windows. Further construction will add a four-story addition to the main building.

# They said it couldn't be done.

## We did it.

"Put the customer's picture on his check?  
Not operationally feasible. Too expensive."  
they said.

But we did it. We made it operationally  
feasible . . . and inexpensive, too. Under \$3.00  
per 200 check order! And customer interest?  
Right now, one out of every three new  
account customers is ordering picture checks.

They said it couldn't be done . . . but we did it.

Want to know more about LNB Picture  
Checks? Call Paul Melton or Raymond  
Cole. Dial 800/272-9802, toll free.



0319

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927-1345 DL 9875432  
BATON ROUGE, LA. 70821

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DAY TO THE ORDER OF

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DOLLARS

LOUISIANA NATIONAL BANK  
BATON ROUGE, LOUISIANA

FOR

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# Complete Restructuring of ABA Approved at 1971 Convention; Allen Stults Named President

**A**PPROVAL of a major realignment of the ABA's administrative hierarchy and functional organization highlighted the association's recent convention in San Francisco. Thus, when completed, this restructuring, the ABA believes, will make the organization more responsive to banking's needs.

The delegates' action at the convention completed a three-part overhaul of the ABA's member and staff structure. Members voted on the changes by ratifying constitutional amendments and changing bylaws.

Two other phases of major association changes already had been accomplished prior to the convention:

1. Removal of the association from New York to Washington, D. C., thereby consolidating the offices in those two cities into one central headquarters operation in the nation's capital.

2. Restructuring of the ABA's staff into six functional areas—banking professions, government relations, commu-

nications, education, special activities and association services.

The change that probably is the most noticeable is the switching of the state and national bank divisions from separate groups into a single, 73-member government relations council. It is believed that this change is in recognition of the fact that major banking issues today affect the industry as a whole rather than centering on whether banks have national or state charters.

## Stults' Task Force

Reorganization plans and the proposals approved at the convention were prepared by a 17-man task force headed by Allen P. Stults, then ABA vice president, who moved up to president at the convention. He is chairman of American National, Chicago. Members of this task force represented national and state banks and state bankers associations from all over the country. The group's report was ratified in April by the ABA's

executive council at its annual spring meeting in White Sulphur Springs, W. Va.

Under the new ABA structure:

- The general convention remains "the supreme authority of the association."

- The former 154-member executive council is replaced by a 150-member governing council.

- The former 21-member administrative council is replaced by a 26-member board of directors.

- The former seven-member management committee is replaced by a six-member executive committee.

Also, the ABA now has four elected officers, instead of three: the president (now Mr. Stults); president-elect, formerly vice president (now Eugene Adams, president, First National, Denver); treasurer, still a non-chair post (now Joe H. Davis Jr., executive vice president, First National, Memphis); and chairman of the governing council, a new post (now Clifford C. Sommer, immediate past president). Mr. Sommer was president, Security Bank, Owatonna, Minn., until November 15, when he joined Northwest Bancorp., Minneapolis, as a vice president.

Under terms of the new organizational structure, about 98 of the 150 members of the governing council will be elected by the states in proportion to ABA membership. Each state having from one to 100 members will be entitled to one member on the governing council. States having more than 100 members may have one additional member on the council for each additional 200 members. They will be elected for two-year terms, with half of the full council being elected each year.

## Members-at-large

Also, 12 members-at-large, with one-year terms, will be appointed by the ABA president, after approval by the board of directors and with regard to balanced representation among national and state banks. Additionally, there will be approximately 38 ex-officio members of the governing council, as well as two appointed by the past president.

The ABA's board of directors is now responsible for administrative management of the association. The country has been divided into six regions of contiguous states, with a balanced proportion of banking units within each region. The elected state membership serving on the governing council in each of the six regions will elect one of their groups as the regional representative to serve on the board. The other 20 board members will include the ABA's four elected officers, two senior staff officers, four appointed by the president, the last two immediate past chair-



**ABA OFFICERS for 1971-72 are: (l. to r.) Joe H. Davis Jr., treasurer (exec. v.p., First Nat'l, Memphis); Eugene H. Adams, president-elect (pres., First Nat'l, Denver); Allen P. Stults, president (ch., American Nat'l, Chicago); Clifford C. Sommer, chairman of governing board and immediate past ABA president (v.p., Northwest Bancorp., Minneapolis); and Willis W. Alexander, executive vice president.**

# THE FIRST TEAM



Garth Dunn and Jim Edwards head the team that serves the Southwest.

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When you need loan assistance, commercial or agricultural, your correspondent banker at The First can get right to work finding the plan best suited to you.

So talk to a banker whose only customer is his correspondent — you. Phone (312) 732-4114.

  
The  
First National Bank of Chicago

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SYDNEY • ALSO IN LONDON: FIRST CHICAGO LIMITED  
IN NEW YORK: FIRST CHICAGO INTERNATIONAL BANKING CORPORATION  
MEMBER F.D.I.C.

MID-CONTINENT BANKER for December, 1971

# The BANK BOARD Letter

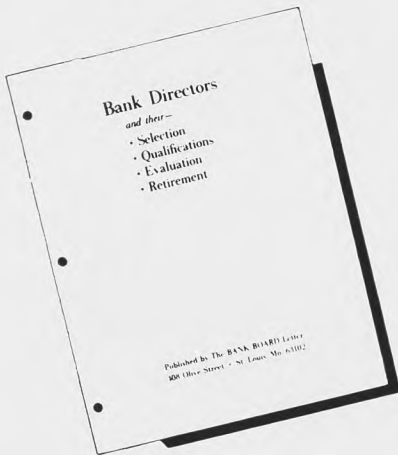
The Publication Edited Exclusively for Bank Directors

408 Olive St. • St. Louis, Mo. 63102

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## FREE

With New and Renewal  
Subscriptions to  
The BANK BOARD Letter



This newly published 24-page booklet contains valuable answers to the problem of selection, retention, and eventual retirement of directors. One section also provides the "prospective" director with ways to evaluate his own contribution to the bank.

## SALES . . . NEW BUSINESS

### Can Your Directors Help Your Bank? Do You Want Them to Help?

Are *your* directors working for *your* bank? Do you *want* them to? Do you know that directors, *when properly motivated*, can work for growth and profits at your bank?

Can you imagine board members engaging in a sales campaign that could easily add 5% in deposits to your bank in as few as three months . . . and increase your bank's stock value by as much as 25%!

Possible?

You bet! Directors of an eastern holding company are doing just that . . . and having fun besides. And perhaps even more importantly they are learning something about their own banks and they are beginning to appreciate some of the day-to-day problems faced by bank management.

A full description of this innovative new-business program was given to our regular subscribers as a special "Bonus Study" under the headline: SALES: How Bank Directors Can Help! This study can be yours NOW, when you subscribe to The BANK BOARD Letter.

Not only will you receive details of this innovative sales program (which will pay dividends to your bank for years to come),

## REFUND GUARANTEE

The unused portion of your subscription payment will be returned to you promptly, any time you feel that The BANK BOARD Letter ceases to be profitable reading.

## Check and Return this Form Promptly

The BANK BOARD Letter  
408 Olive Street, St. Louis, Mo. 63102

Name \_\_\_\_\_  
(Person authorizing order)

Bank \_\_\_\_\_

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City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

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One-year orders ONLY receive  
FREE Bonus Study & Booklet

but with your subscription (ONE-YEAR . . . NEW or RENEWAL) you will receive a copy of the 24-page booklet illustrated on the opposite page.

This booklet ALSO will be an invaluable aid to your bank in the selection, evaluation and retirement of bank directors. It will be particularly valuable as you approach the need for *year-end changes* in your board.

It will help in answering these questions: How *do* you evaluate present directors and their contribution to the growth of your bank? How should a *prospective* director evaluate himself? What are the *questions* he should *ask of himself* when he is invited to join your bank?

What about director retirement? Does your bank have a policy? Is it up-to-date . . . realistic? How do you create such a policy . . . NOW . . . and without creating hurt feelings? (This booklet will be used over and over by management . . . and the board. You can't afford to be without it!)

Naturally, you'll begin receiving monthly copies of The BANK BOARD Letter, which analyzes and interprets a wide range of information that is important . . . both to management and the board, in helping them arrive at vital decisions, quickly *and harmoniously*.

The BANK BOARD Letter is published in the popular, easy-to-read four-page newsfolder format. It is punched for easy notebook filing and once each year an index of all topics is made available so that you may refer quickly to a topic of current interest.

As you know, banking has changed and will continue to change dramatically in the years ahead. But those banks that prepare for this change . . . those that plan, plan, PLAN ahead will be the ones that lead the pack!

That is why it is so important today for management and the board *to work together as a team*. Information in The BANK BOARD Letter can help provide the background for this team spirit . . . and in many instances motivate management and the board to make that "extra" effort that often means the difference between mediocrity and excellence.

Fill out the accompanying order form and mail today (or drop us a note on your bank's stationery). The sooner you act, the quicker your bank will profit from the penetrating forecasts, judgments and advice in each monthly letter and frequent "Bonus Studies."

Sincerely yours,  
Ralph B. Cox  
ASSOCIATE PUBLISHER

P.S. If you haven't seen The BANK BOARD Letter, ask us for a sample.

## REFUND GUARANTEE

The unused portion of your subscription payment will be returned to you promptly, any time you feel that The BANK BOARD Letter ceases to be profitable reading.

Send The BANK BOARD Letter  
to those listed below

(Enclose typewritten list for additional names)

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Name.....  
Address.....  
City..... State..... Zip.....  
Name.....  
Address.....  
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men of the governing council and eight chairmen of divisions and councils.

The board will meet at least five times a year and not less than every 90 days.

The fourth and final part of the new administrative hierarchy is the six-man executive committee, composed of the four elected officers, the staff executive vice president (Willis W. Alexander) and executive manager (Edgar T. Savidge).

As for the restructuring of the ABA's functional organization, the association now has five major membership groups: banking professions, government relations, communications, education and special activities. A sixth, administrative activities, is concerned with the internal, day-to-day administrative support operations of the association.

These groups correspond to the six functional areas into which the ABA staff has been restructured. However, the association has emphasized that this, in no way, is an attempt to have the bankers' membership conform to staff function molds.

According to Mr. Stults' task force report, the banking professions group is designed to "provide the avenue of membership to the largest number of bankers." These members include those bankers with interests within the

specialized segments of banking that necessarily influence the other elements of the functional organization.

On matters affecting specialized professional segments, direction will be provided directly from the banking professions area to the other elements, and support services will be received in return. This is expected to be true especially with government relations, communications and education.

In addition, according to the plan, these four elements—banking professions, government relations, communications and education—will be tied closely together through a series of interlocking committees.

Coordination of the various programs in the banking professions group is expected to be accomplished through three new divisions and one already in existence:

- *Administration divisions*, which include insurance and protection, operations and automation and personnel administration and management development.

- *Consumer banking divisions*, which include bank charge card, deposits, installment lending, marketing and mortgage finance.

- *Commercial banking divisions*, including agricultural and rural affairs, bank investments, commercial lending,

correspondent and international banking.

- *Trust division*, which remains a division by itself.

The trust division, acting on recommendations of a committee headed by one of its former presidents, Paul I. Wren, chairman, trust committee, First National, Boston, made substantial changes in organization and practices during its annual meeting held as part of the ABA convention. Division members voted to do away with the office of chairman of the executive committee and make the division's president and vice president the top officers of the committee. Members then changed the time of the division's annual meeting to the annual ABA mid-winter trust conference held each February in New York. However, they also voted to let stand the effective date of the change in officers. Thus, although new officers will be elected at the 1972 mid-winter trust conference February 7-9, they will not take office until the ABA's 1973 convention next October in Dallas.

At the end of the trust division's annual meeting, its executive committee—following the Stults task force report—set up a mechanism to form government relations, communications and education committees within the division. The

(Continued on page 74)

## New Correspondent Banking Division Approved at ABA Convention

ONE OF THE NEW divisions approved at the ABA's 1971 convention is correspondent banking. Twenty bankers from around the country have been appointed to this division's executive committee. They attended a special correspondent banking forum during the convention.

Division chairman and vice chairman, respectively, are: John F. McGillicuddy,

president, Manufacturers Hanover, New York City; and Victor H. Winfrey, executive vice president, United California Bank, Los Angeles. John S. Clark, associate director of marketing for the ABA, is the division's director.

Other members are: James E. Brown, senior vice president, Mercantile Trust, St. Louis; Dale C. Smith, executive vice president, Central National, Des Moines,

Ia.; D. Raymond Riddle, senior vice president, First National, Atlanta; Robert F. Wheeler, senior vice president, New England Merchants National, Boston; J. Grant Byus, senior vice president, Texas Commerce Bank, Houston; Roger A. Lyon, senior vice president, Chase Manhattan, New York City; Charles T. Fisher III, executive vice president, National Bank of Detroit; C. Paul Lindholm, vice president, Northwestern National, Minneapolis; Marvin F. Owens, senior vice president, Central Bank, Denver;

Donald N. Baxter, vice president, Marshall & Ilsley Bank, Milwaukee; Philip L. Corneil, executive vice president, Seattle-First National; F. P. Giltner, president, First National, Omaha; John F. Goodwin, vice president, Fort Worth National; Joe L. Hamilton, first vice president, Citizens Fidelity, Louisville; Hugh L. McColl Jr., executive vice president, North Carolina National, Charlotte; James C. Merkle, president, Union Planters National, Memphis; Robert C. Suhr, senior vice president, Continental Illinois National, Chicago; and Eugene Swearingen, president, National Bank of Tulsa. • •



**EXECUTIVE COMMITTEE** of ABA's new correspondent banking division: front row, l. to r., James E. Brown, Victor H. Winfrey, John F. McGillicuddy, Dale C. Smith and D. Raymond Riddle; back row, l. to r., Robert F. Wheeler, J. Grant Byus, Roger A. Lyon, Charles T. Fisher III, C. Paul Lindholm, Marvin F. Owens and Donald N. Baxter. Eight other committee members are not pictured. Mr. McGillicuddy is chairman of the division, and Mr. Winfrey is vice chairman.



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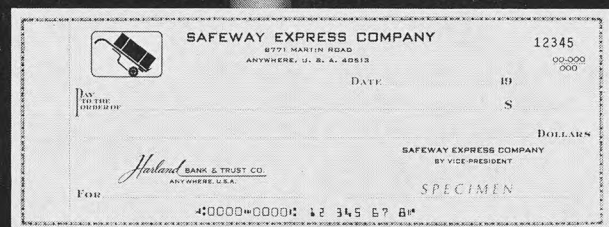
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## ABA Convention

(Continued from page 72)

new trust division president, John M. Cookenbach, executive vice president, First Pennsylvania, Philadelphia, also was authorized to name an investment committee to take over the functions of the trust investment, collective investment funds and holding businesses in trust committees. An operations committee will be formed to undertake the duties of the costs committee and the operations for trust departments committees.

In other trust division action, a trust marketing committee and an executive committee within the trust legislative council were established.

The ABA's new government relations area, which replaces the national and state bank divisions, will have a council of 73 members. They will include a chairman, vice chairman, a national bank delegation—one appointee from each Federal Reserve district—and a state bank delegation—one appointee from each Fed district. All will be appointed by the ABA president.

Mr. Stults and his successors also will appoint to the council bankers-at-large experienced in federal legislative, federal agency and state legislative subjects.

The communications division, which

will have a 32-member communications council, is designed to develop and direct communications programs and projects for ABA members and the general public.

The 24-member education division will have overall responsibility for banking education activities.

Under the new organizational plan, membership in the special activities area will consist of serving on the state association division, the membership committee or on a variety of special-interest committees. The latter will include urban affairs, government borrowing, savings bond, banking policies and practices, banking and financial research and economic policy.

Research and forward planning will be another special-activity area, and its members will report directly to the ABA's board. In effect, the research and forward planning group will supersede the monetary and payments system planning committee.

The Stults task force met eight times between July, 1970, and March, 1971, and its members and the ABA staff on the reorganization project spent an estimated 3,500 man hours working out the changes.

In a foreword to its report, the group said it concluded that the new ABA structure "should express the industry's recognition of the growing importance

of consumer banking, of the need for an industry to be engaged in long-range planning, of the ever-expanding role of the community banker and of the keen interest and involvement of banks and bankers throughout the country in public affairs." • •

### Doane Agricultural Service, Inc., To Publish Beef Sire Directory

ST. LOUIS—Doane Agricultural Service, Inc., has announced plans to publish a new service for the beef cattle industry. To be known as the Koch Doane North American Beef Sire Directory, the publication will provide a complete cross-listing of all beef sires available to American cattlemen for breeding by artificial insemination.

Charles R. Koch, who will edit the new directory, is widely known throughout the livestock industry and has been associated with several agricultural magazines.

The publication will make available a broad selection of bulls offered by all artificial insemination organizations as well as dozens of privately owned bulls that have been custom collected.

The book also will feature an editorial section offering the latest information on new developments and techniques in beef artificial insemination along with current rules of the breed associations regarding registration of calves and other material.

■ NEW YORK—Chemical Bank has promoted Paul J. Burke, Tyler W. Dann and Lawrence M. Waterhouse from assistant vice presidents to vice presidents.

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	144.05	289.88	307.82	613.86	2	24386.14
	142.25	432.13	309.62	923.48	3	24076.52
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### Mobile Home Financing Forum

LOUISVILLE—A one-day finance forum on mobile home development financing will be held January 14 during the National Mobile Home Show here. The forum will be held from 9 a.m. to noon, with a get-acquainted coffee hour at 8 a.m., at the Executive Inn near the airport and Kentucky Exposition Center.

The National Mobile Home Show—sponsored by the Mobile Homes Manufacturers Association of Chicago and Washington, D. C.—will feature more than 212 mobile homes under 13 acres of roof and is open to lenders only on January 14.

At the finance forum, there will be a review of 1971 in the mobile home industry and a 1972 forecast.

Anyone interested should write Finance Forum, MHMA, 6650 North Northwest Highway, Chicago, Ill. 60631.

# New Illinois Bank Commissioner Bartell Presents Views at IBA Conference

By **JIM FABIAN**  
Associate Editor

A FIVE-POINT plan to reduce the supervisory load of his office was presented by H. Robert Bartell Jr., recently appointed Illinois banking commissioner, at the 26th annual Illinois Bank Management Conference last month.

The day-and-a-half meeting, sponsored by the Illinois Bankers Association in cooperation with the University of Illinois, attracted a record attendance of 380 bankers to the U of I campus, Champaign-Urbana.

Other drawing cards on the program included Dr. Paul S. Nadler, professor of business administration, Rutgers University; Larry Wilson, president, Wilson Learning Corp., Minneapolis; and a number of well-known banking figures.

Commissioner Bartell recommended that supervision be based on a "carrot" rather than a "whip" approach, that a supervisor's response to any situation should be tailored to that situation, that each bank in the state be assigned to a certain supervisor and continue to be so assigned, that examinations be conducted less frequently where possible and that more attention be paid to banks needing close supervision.

He spoke of a rating scale for banks, with those rating highest to be subject to the least number of examinations. He said he hopes to work out a joint examination program with the FDIC to reduce duplication of effort and needless expense and inconvenience.

Professor Nadler spoke in his usual hilarious manner of the outlook for banking and Mr. Wilson asked bankers to attempt to put concern for others foremost in their business dealings.

Leadoff speaker Professor Carl T. Arlt, Bailey professor of money, banking and finance at the university, told bankers to expect a year of growth in 1972 that would be tempered by uncertainty because of President Nixon's economic program. "It will be a year of disappointment, frustration and profit squeeze in this controlled economy because we are groping in the fog," he said.

He attributed many of today's problems to "tragic Administration mistakes" in the past and questioned the effectiveness of much of the President's economic policy. He said the U. S. economy has "too much soundness" to be affected by the problems and there will be recovery, but not as great as the predictions of the Administration.



Philip Butler (l.) sr. v.p., LaSalle Nat'l, Chicago, program panelist, chats with IBA Pres. Lewis H. Clausen, pres., Champaign Nat'l, who greeted bankers at banquet.

Kent W. Duncan, senior vice president, Harris Trust, Chicago, said that the passing of the "go-go" economics of the last decade should have taught bankers they are courting disaster when they move sharply away from the low end of the risk scale on lending policy.

There is room for reaching here and there on particular credits to support bank and community growth, he said, but history has shown that trouble

arises when bankers stray into high-risk lending.

Brenton C. Leavitt, deputy director, division of supervision and regulation of the Fed, discussed the Bank Holding Company Act amendments of 1970. He predicted that, by the end of this year, 1,700 registered bank holding companies will control 2,600 banks. He said it is the responsibility of the holding companies to make sure customers are not coerced into doing business with holding company subsidiaries in order to qualify for bank credit.

Charles R. McNeill, executive director, government relations, ABA, stated that the 1970 amendments permit aggressive smaller banks to compete more effectively with holding companies. He said that the legislation gives the Fed continuing authority to define and refine holding company activities.

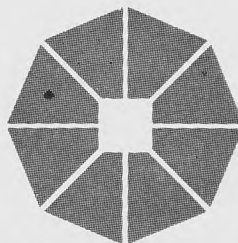
Frank Spinner, senior vice president, First National, St. Louis, said that banks don't belong in long-term bonds. He predicted that municipal bonds will disappear within the next five years, to be replaced by federal agency bonds. He predicted that 1972 will not be a good earnings year for banks and said the Fed bond market rate should drop in 1972. He said interest rates will drop until mid-year, then level out.

Philip Butler, senior vice president, LaSalle National, Chicago, predicted a

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modest rise for loan demand in 1972. He said the prime rate has lost its usefulness because it has no regard for regional or local conditions. He proposed that a regional prime rate be established. He said many banks will have to tighten their costs and put a stop to many free services and reassess the cost of other services. In this regard, he said, country banks must take realistic views of correspondent relationships with city banks. ••

**North Carolina Banker Elected  
Consumer Bankers President**

W. C. Owens, senior vice president, North Carolina National, Greensboro, was elected president of the Consumer Bankers Association at its 51st annual convention held recently in Phoenix. He succeeds William A. Allen, senior vice president, Akron (O.) National, who is now a member of the association's board of governors and executive committee.

John J. Reynolds, senior vice president, First National City Bank, New York, was named first vice president of the association and Lloyd L. Neuman, president, Lafayette (Ind.) National, was elected second vice president. Both will serve on the executive committee.

Robert A. Fischer, executive vice president and treasurer, and Miss Margaret E. Goldsmith, secretary, were re-elected.

Mid-Continent-area bankers appointed to three-year terms on the board of governors were: Raymond W. Foote, vice president, Harris Trust, Chicago; Russell R. McWhorter, president, Citizens Bank of Michigan City, Ind.; and Paul E. Norris, vice president, First National, Montgomery, Ala.

# Bank Security

## Loss-Prevention Measures Needed To Stem Crimes Against Banks

By OSCAR W. JONES

Special Representative  
Scarborough & Co.  
Chicago

ON JULY 7, 1968, Public Law 90-389 was passed and approved by the 90th Congress. Designated as the Bank Protection Act of 1968, the act required, among other things, that four federal supervisory agencies—the Comptroller of the Currency, the Federal Reserve System, the FDIC and the Federal Home Loan Bank Board—promulgate rules establishing minimum standards for security devices and procedures for banks and S&Ls falling under their jurisdictions. The act was passed as the result of an alarming rise in the rate of armed robberies, burglaries and larcenies being perpetrated against financial institutions.

Now, three years later, the act has been in effect for a sufficient period of

time to support statistical evaluation of its impact on the banking industry. Let's look at some of these statistics.

J. Edgar Hoover, in his testimony before the House Subcommittee on Appropriations on March 17, 1971, testified that a new high had been established during the fiscal year 1970, when a total of 2,786 violations of the Federal Bank Robbery Statute were reported to the FBI. This was an increase of 5% over violations reported in 1969—which had exceeded 1968—and 63% above violations in 1966.

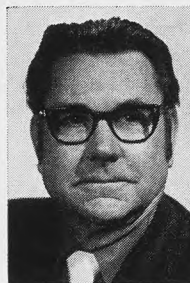
Significantly, robberies—the most serious of the crimes covered by the statute—increased 14% in 1970 over robberies in 1969.

At this point, I want to make it clear that I do not intend—by quoting these alarming statistics—to depreciate any of the merits of the Bank Protection Act. The act undoubtedly and certainly has its merits. I hesitate to imagine what the statistics would have reflected had the act not been passed and had the banks not had its support during these three years.

Statistics aside, the effect of the act has been a noticeable improvement in the relationship between banks and law enforcement agencies. This has resulted in more and quicker arrests, more recovery of stolen funds from bank robberies and in more convictions of perpetrators of the robberies. Information gathered recently by the FBI and the Detroit Police Department reveals that of 93 bank and S&L robberies in the Detroit metropolitan area last year, 70 of these had already been closed by arrests by early 1971.

But the problem still remains. Bank robberies are still rising in number each year in proportion directly opposite to the minimal increase in the number of banks being chartered.

**Internal Crimes.** Now let's look at the area where the biggest chunk of money is involved. Mr. Hoover, in his same testimony, stated that violations perpetrated by bank employees and officials by way of embezzlements, abstractions and related offenses still continue to mount each year. During the 1970 fiscal year, cases reported to the FBI reached an all-time high of 4,125, up 9% over



JONES



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1969. Amounts involved in these cases totaled almost \$73 million, more than double the record of nearly \$33 million involved in violations of this type the previous year.

A careful analysis of research on bank fidelity losses indicates that the dollar volume has increased by astronomical proportions. Insurers report increases up to 300% during the past few years.

**Fidelity Insurance.** It is no secret that generally, throughout the country, banks are paying out more money per employee in fidelity insurance costs than ever before in banking history and that many insurers have been forced to become selective to the point of eliminating all but the lowest risk banks from fidelity coverage.

In fact, if relief is not seen in the near future, there may be further limits on insurance clauses and percentage of coverage in new fidelity contracts offered to the point that banks could easily find themselves self-insuring a large share of their fidelity exposures.

**What Is the Answer?** The only answer is that:

- *First*, there must be an awareness on the part of the bankers that these conditions actually do exist.

- *Second*, there must be a program of *action* within each bank across the nation, concentrated on combating these conditions.

Bankers must admit, on reflection, that there are several extremely valid reasons for implementation of loss-prevention measures in their banks. Among these are:

1. Protection of the bank's assets from their gross exposure to: (a) embezzlement; (b) forgery; (c) hold-up; (d) burglary.

2. Protection of the lives of personnel and customers.

To accomplish these desired objectives, there must necessarily be a strong awareness within banks of the lurking dangers and some programs based on a foundation of strong personnel training.

Although books may be written on the subject of prevention of embezzlement, if they are permitted to collect dust on a bookshelf, they will not train a bank auditor in deterring a defalcation.

### Proper Employee Training

And when it comes to physical security, cameras can witness a holdup and alarm systems alert law enforcement agencies, but only proper employee training concentrates on the prime objective—that of protecting the lives of personnel and customers and of safeguarding the bank's most liquid asset—cash.

Is this the bank's 11th hour?

Only directors and the management

of each bank in the nation can answer this provocative question, for it is within their conference rooms that the answer lies. If they take the necessary affirmative action, they will provide for their banks, to the maximum extent practicable, the following:

1. Full compliance with the requirements of the Bank Protection Act of 1968, as well as all other common-sense robbery and burglary-prevention procedures applicable to their particular bank.

2. An annual audit, by a CPA firm, of the bank's condition, including evaluation of internal controls.

3. An internal audit program, preferably through employment of a full-time internal auditor, designed to deter and to detect any irregularities.

4. Internal controls having the following minimums: (a) mandatory vacations; (b) an internal system of dual control over cash, securities, customer's collateral, safekeeping items, dormant accounts, keys to unrented safe deposit boxes and night depositories; (c) separation of duties; (d) rotation of duties.

5. Adoption of a program of direct customer verification of deposit and loan accounts.

Only such affirmative action will turn the tide of the rising rate of bank losses so prevalent across the nation today.

## Convention Calendar

### MID-CONTINENT AREA (1972)

Alabama, May 17-19, Birmingham  
 Arkansas, May 7-9, Hot Springs, Arlington Hotel  
 Illinois, May 21-23, St. Louis, Sheraton-Jefferson Hotel  
 Indiana, June 14-15, French Lick, French Lick-Sheraton Hotel  
 Kansas, May 17-19, Topeka  
 Louisiana, April 29-May 2, New Orleans  
 Mississippi, May 22-24, Biloxi, Buena Vista Hotel  
 Missouri, May 14-16, St. Louis, Stouffer's Riverfront Inn  
 New Mexico, June 8-10, Las Cruces, Palms Motor Hotel  
 Oklahoma, May 10-11, Oklahoma City  
 Tennessee, May 14-17, Knoxville, Hyatt House  
 Texas, May 7-9, San Antonio

### NATIONAL (1972)

ABA, Oct. 7-11, Dallas  
 ABA Marketing Conference, March 21-24, San Francisco, St. Francis Hotel  
 AIB, May 29-31, San Francisco  
 Bank Administration Institute, Sept. 24-27, Kansas City, Muehlebach Hotel  
 Bank Marketing Association, Oct. 29-Nov. 3, Miami Beach, Americana Hotel  
 Consumer Bankers Assn., Oct. 24-28, Boca Raton, Fla.

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1. Each wants to find a group of people (one of a bank's publics) who has not heard his bank's story in a favorable way.

2. Each wants to develop a characteristic of his bank that distinguishes it from the bank across the street (each began by saying his bank was "friendlier" or "did more," but those phrases are wearing thin).

3. Each wants to add an advertising medium to the list already in his arsenal (after you have used newspapers, magazines, radio, television, outdoor, car cards, lobby posters and statement stuffers, what can you add?).

My premise is that the answer to these three needs is readily at hand, but that apathy and inertia have prevented its use. The medium that can be added to advertising's arsenal is *public speaking*.

Like any sound banker, you'll consider the cost first. Professional advertising men measure the expense of advertising in "cost per thousand." How many people hear your message for each dollar you invest? The answer,

By **LOUIS C. FINK**

**Second Vice President  
Trust Co. of Georgia  
Atlanta**

you hope, will be in the thousands; great numbers of people will be exposed to your advertising message.

A talk to a civic club does not look good in comparison. The audience may be only 50, possibly as many as 500. But consider the differences:

Your television spot commercial will run one minute and will be seen by everyone who does not leave the room or glance at his newspaper. Your radio ad will be heard rather distractedly by a man watching a busy highway. Your print ad—newspaper or magazine—will be read in a few seconds and saved for reference if the reader happens to be interested. (A man who financed his car yesterday is not a prospect for your automobile loans.)

The speaker's audience, by contrast, holds attention for 20 or 30 minutes. There are no distractions, and it is rare that anybody leaves the room. The composition of the audience is a known factor, so the message is tailored to the audience.

And the cost—in dollars—is practically zero! Oh, you may have to pay a few dollars in gas mileage, and you may want to leave some printed matter, but the cost of these is negligible.

**Is There a Market?** It should be apparent that banks have a reservoir of talent for making public speeches. Bankers are skilled in money matters, and no subject is of more general interest. Bankers work with people and should know how to project a favorable image. Bankers generally are extroverted these days; when they speak, they can make audiences like them—and like their banks.

If you have ever done any speaking, you would not ask whether there is a market for speakers. Make one good talk, and you'll be asked to other groups.

I tried to estimate the potential market in Atlanta, which boasts of more than a million people in its metropolitan area. There are reported to be 400 garden clubs. There must be 200 civic clubs—Lions, Kiwanis, Rotary, Civitan, Ambucs, Jaycees, Pilot, etc. There are certainly 200 church-related groups: men's clubs, altar societies, Sunday schools. As a guess, add 100

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**'It should be apparent that banks have a reservoir of talent for making public speeches. Bankers are skilled in money matters, and no subject is of more general interest. Bankers work with people and should know how to project a favorable image. Bankers generally are extroverted these days; when they speak, they can make audiences like them—and like their banks.'**



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trade organizations—Bank Administration Institute, political bodies, union organizations, hobby clubs (stamps, coins, hunting, nature, hiking, golf, etc.).

These are adults. The youth market is just as big, although admittedly made up of tougher audiences. But schools want speakers on banking; Scout groups want programs. So do a host of other young people's organizations.

Just the other day, our staff at the bank heard a talk by dynamic Dr. Noah Langdale, president of Georgia State University. Among other memorable things, he said, "Beware of your fellow banker who wants to make a survey. He's dangerous!"

So I'll stop. It is obvious to anyone that Atlanta could run up a list of a thousand organizations that meet regularly. Every last one of them has a program chairman searching for speakers—once a week or once a month. The 1,000 groups meet twice a month, on the average. That's 2,000 meetings, with perhaps an average attendance of 100.

The market is there.

Why don't we bankers tap it?

Because most of us are scared, scared to speak on our feet, but more to the point, scared to make a com-

mitment to be in a hotel dining room a week from next Monday.

To overcome this fear, it may be necessary for bank management to give more recognition to its men and women who are willing to deliver talks. The recognition won't come from anyplace else. Organizations (speaking generally) are notoriously unwilling to pay for a speaker. I am speaking in a local, community sense; the big national organizations do pay handsomely for the established speakers in great demand.

If the local group gives any tangible thanks to its guest speaker, it is usually a certificate or a paperweight or even a tie clasp.

Management of a bank—if it is interested in this program—must make the effort worthwhile by recognizing the banker who will make a talk and praising him if not actually rewarding him.

**Speak About What?** The individual speaker should select his own topic; I don't think anybody can speak on a subject unless he is deeply interested in it. You can't ask the head of computer operations to speak to a group of elderly women on the need to have an up-to-date will.

Think of the topics on which bankers are knowledgeable, and in which audiences have an interest: Protecting Your Estate—a natural for a trust man. Budgeting Your Income—any good installment loan man can be of real help to young marrieds. Taxes—no comment. Handling Your Assets—keeping a checkbook, using a safe deposit box, protecting a credit card. Computers—everybody is curious about them. Credit Reporting—the papers have been full of articles about the ethics of credit information. Real Estate; Building Maintenance; Laws of Contracts; The Stock Market; The Federal Reserve System; International Affairs.

These are topics on which a banker should be able to make a talk without an inordinate amount of work. He will

have to tailor his remarks to his audience. There is a difference between planning an estate for a millionaire in his 60s and suggesting the need for a will to a college senior.

If you speak to a school class, you'll have to find their level of knowledge before you go out. Are they economics majors at Harvard or a high school class who doesn't know how to define "people's capitalism?"

There is no law that says bankers have to talk about banking. If your staff includes a former All-American, or a bird-watcher, or a good cook, any of them might be available for a talk to an appropriate group. Several financial institutions keep speakers on retainers; one in Atlanta has an expert on gems and precious stones who is popular. Another used to retain a landscape architect.

**Two Things.** Someone—perhaps your marketing department personnel—has to help with any program of public speaking. First, speakers must be catalogued, their ability assessed, their availability made known. This is where most banks seem to fail: Nobody seems to have heard that they have speakers available.

Second, marketing (or somebody) should help with the preparation of the talk. I don't think talks should be read from a manuscript, so I don't recommend that marketing write a speech and let somebody deliver it. But marketing has people who know about timing and phrasing and can help the speaker prepare. If the program is big enough, marketing can hold seminars to help fledgling speakers, can—routinely—make audio-visual equipment available, and marketing certainly should help prepare slides, films or transparencies. Many speakers do not realize how much the audience enjoys visual aids and how much such aids help the speaker.

**The Payoff.** In talks such as I have described, the "sell" will be "soft."

## Quote from one farm lender to another:

“ It has served to strengthen our correspondent banking program. ”

(Ralph L. Brown,  
Assistant Vice President  
Midland National Bank  
Minneapolis, Minn.)

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(both former bankers)



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You can't go to a civic club and ask the members to move their checking accounts. But you can convince the civic club members that your bank has people with "know-how," that they are interested, that good services are available. In 30 minutes, an average speaker ought to be able to convey a fine impression of his bank, stronger and more lasting than the best advertisement.

It is tragic if the audience leaves saying, "What bank was that fellow with?" The answer is to have some sort of souvenir or folder to be left with each member of the audience. Give them something—a bridge score pad or a book of matches—with your bank's name on it. And if you want to invite them to telephone the speaker when they have a banking problem, that's ethical, too. • •

### Eight Banking Students Receive Thesis With Distinction Honor

Eight of the 155 seniors who were graduated from Southwestern Graduate School of Banking at Southern Methodist University, Dallas, at the 1971 summer session received the Thesis With Distinction honor.

All seniors at the school are required to write a thesis, or major report, as well as attend three resident sessions and submit extension work to qualify for graduation.

The Thesis With Distinction awards were presented to: Lem Crocker, assistant vice president, Corpus Christi (Tex.) State National; Thomas D. Fowler, assistant vice president, First National, Memphis; Jerry L. Holmes, vice president, Republic National, Dallas; Pierce Miller, vice president, San Angelo (Tex.) National;

Lucian L. Morrison Jr., senior vice

president and trust officer, Corpus Christi Bank; James A. Schultze, assistant trust officer and assistant secretary, St. Louis Union Trust; Donald C. Steadman, assistant vice president and trust officer, Republic National, Dallas; and Kenneth M. Williams, vice president, Texas Commerce Bank, Houston.

### Harris Trust, Chicago, Offers Audio Tape Cassette Program

CHICAGO—Harris Trust has produced an audio tape cassette program called "Sound of Business," designed to keep businessmen abreast of current economic and financial trends.

A cassette report, complete with a printed summary sheet, offers up-to-date advice from Harris economists Dr. Beryl W. Sprinkel and Dr. Herbert E. Neil Jr. They analyze the state of the economy, what's happening, where it's going and why. Other panel contributors are Harris specialists in foreign trade, international banking, investments and corporate liquidity.

The cassette program is offered on a 12-month basis, with one 30-minute tape per month. "Question-the-Experts" forms are included to give subscribers the opportunity to return topics they would like to hear discussed on a subsequent tape.

### Tension Envelope Offers Film On Selling Financial Services

KANSAS CITY—Tension Envelope Corp. has developed a film presentation called "Direct Mail Can Make You a Hero." The film deals with the selling of financial services by "hitch-hiking" sales messages with existing mailings.

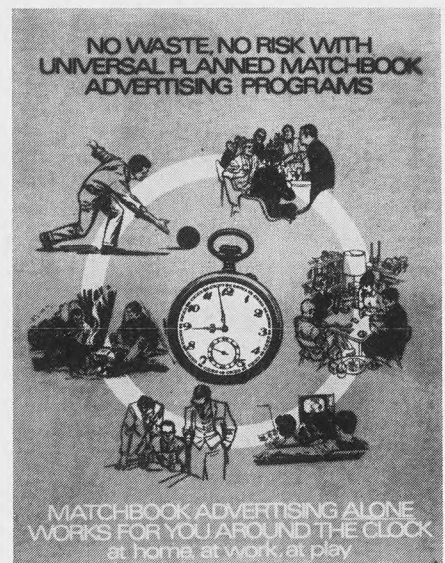
The major emphasis of the film is on cross-selling services through the mail to present patrons and additional sub-

jects include personal and commercial new account development. Several successful campaigns are examined and there are examples of modification and adaption of existing materials, equipment and activities to perform effective selling.

The 14-minute presentation is shown in a self-contained, fold-up rear-screen projector. It does not require a darkened room and can be set up in an office, ready to run, in less than a minute.

A showing can be arranged through a Tension Envelope Corp. local representative or by writing: Hero, Suite 326, Tension Envelope Corp., 19th & Campbell Streets, Kansas City, Mo. 64108.

### Advertising Manual Offered



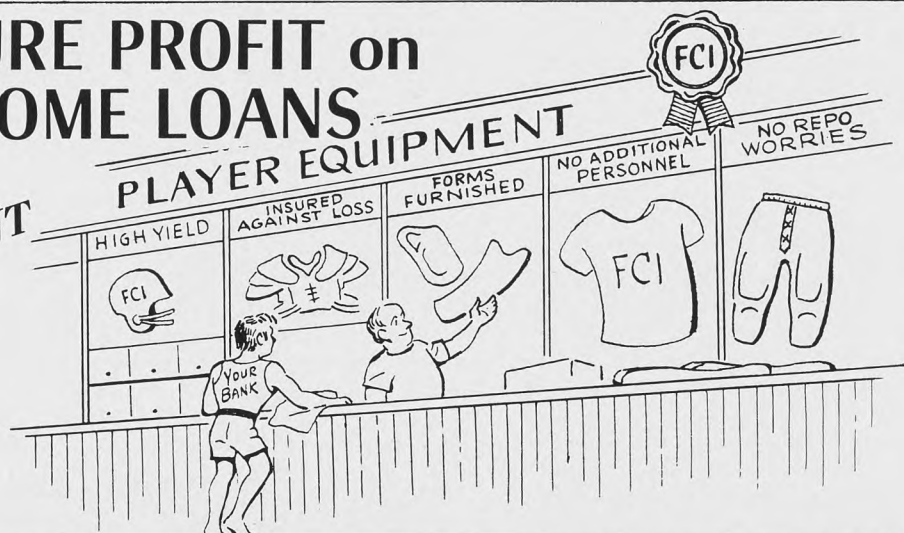
Free manual (above) gives complete details on how matchbook space advertising can be used to gain "saturation" effect and work to build recognition and create sales. The advertising programs are offered by Universal Match Division of UMC Industries, St. Louis.

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# Round-the-Clock Banking Initiated in Minnesota

**T**HE FIRST known 24-hour-a-day banking operation in the Midwest started November 15 at Edina, Minn., according to David Fleming, chairman, Americana State.

"This is true round-the-clock banking, with people instead of machines to serve our customers," Mr. Fleming said.

He said the bank, which serves Minneapolis and its southwest suburbs, is open 128 hours a week—from 7 a.m. Monday to 3 p.m. Saturday.

The bank's drive-in lanes remain open after regular lobby hours, Mr. Fleming said. Deposit customers are able to cash checks, make deposits and withdrawals and close pre-arranged loans. Checking and savings accounts may also be opened.

Americana State operated for seven

years as Edina State before changing its name in October. It recently moved next door to new quarters.

Mr. Fleming said the bank is able to offer 24-hour service because its new two-story building was specifically designed for it.

He said non-stop banking hours pose a security problem for most banks because the drive-in facility is separated from the cash supply.

"At Americana," he said, "the cash vault and the drive-in control center are in one unit and can be sealed off from the rest of the bank."

According to Mr. Fleming, a person making a deposit by car in the middle of the night is as safe as during regular banking hours.

"Our customers drive into a facility that is brightly lit, in full view of a

teller in a bullet-proof enclosure with a direct line to police. They will not have to leave their cars to transact their business," Mr. Fleming said.

Americana State is the third bank in the country to go on a 24-hour-a-day basis. The others are in Arlington, Va., and Huntington, W. Va.

Mr. Fleming said the bank decided to stay open around the clock at its new location because "we believe there is a market for it and we want to offer more flexibility in our banking services than our competitors."

He said potential users include gas stations, restaurants, supermarkets, other businesses and individuals who cannot get to a limited hours bank.

Americana's regular lobby hours run from 9 a.m. to 3 p.m. Monday through Thursday, 9 a.m. to 6 p.m. Friday and 9 a.m. to noon Saturday. • •

## Foreign Trade Symposium Presented By First National Bank, Rockford

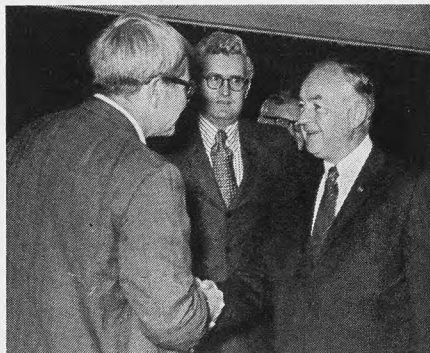
ROCKFORD, ILL.—First National recently presented an all-day foreign trade symposium for 350 businessmen, industrialists and guests. The purpose of the symposium was to provide area businessmen with knowledge of overseas markets and export financing.

The keynote speaker was Secretary of Commerce Maurice H. Stans. He emphasized there are many markets overseas desiring American goods and he urged local manufacturers and businessmen to enter into the international marketplace.

Concerning Phase II of President Nixon's new economic program, Mr. Stans said, "Public support is essential for this whole effort to succeed. The program for limited wage and price restraints will work if our industries really want it to work, if labor unions really want it to work and the public really wants it to work. It must have those commitments."

Mr. Stans also discussed opportunities in international business. He said, "Those of you in international business have a particular responsibility and an unprecedented opportunity. Before the decade of the '70's is over, I believe the continued expansion of foreign trade will become one of the leading interests of the United States.

"The economies of the world are becoming more interdependent and increasingly large numbers of Americans



Greeting Secretary of Commerce Maurice H. Stans (r.) at First of Rockford's foreign trade symposium are (from l.) John T. McCarty, asst. to the pres. of Rockford College, and Howard E. Bell, exec. v.p. of the bank.

will become involved in the jobs and the profits of foreign trade, as we have seen happen in other countries."

Throughout the symposium, specialists discussed market definitions, yardsticks of marketing, shipments and financing.

The subject of market definitions was presented by Irvin W. Lloyd, international trade specialist, U. S. Department of Commerce, and Thomas F. Slattery, manager of international marketing for the state of Illinois.

Covering yardsticks of marketing were Frank P. Baxpehler, vice president of the international division, Ludwig Industries, Chicago, and John J. Fulton, vice president of Mechanical Tool &

Engineering Co., Rockford.

The shipping of goods to foreign markets was divided into a discussion of air shipment procedures by John M. Biederman, regional sales manager, Emery Air Freight, and ocean shipments by Norman G. Jensen, vice president, Cosmos Shipping Co., Chicago.

Finance procedures were discussed by Alvaro N. Garcia, vice president, Indiana National, Indianapolis, and Joseph W. Barnett, assistant controller, Motorola Communications International, Schaumburg, Ill.

In addition to these speakers, Congressman John B. Anderson was guest speaker at the noon luncheon.

### MacDonald Named Vice Pres. Of Citizens Fidelity Bank

LOUISVILLE—F. Edward MacDonald has joined Citizens Fidelity as financial vice president. His duties include management of the financial sector of the bank, including the controller's office, accounting and auditing. Mr. MacDonald succeeds P. Booker Robinson, vice chairman, who retired December 1.

Mr. MacDonald previously was vice president of administration of Tube Turns, a division of Chemtron. He joined the company in 1957 as controller.

■ NEW YORK—Chemical Bank has named Frank J. Donahue and Paul A. Trillard vice presidents. Mr. Donahue is in the Dommerich division, the bank's factoring operation. Mr. Trillard is in Chemical's Paris Office.

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being part of  
our Christmas.*



Merry Christmas from  
the Correspondent Banking  
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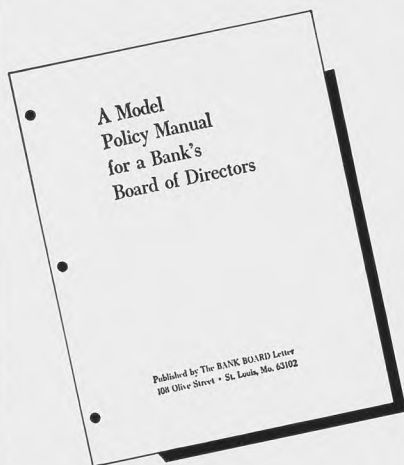
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## A Model Policy for a Bank's Board of Directors

This 24-page booklet will be a valuable addition to your bank's library, for it contains a wealth of information that will aid your board and your top management in organizational problems.

Here are some of the sections it contains:

1. A typical organizational chart.
2. Duties and responsibilities of managing officers and various standing committees.
3. Management philosophy.
4. Policies to be adopted by the board.
5. Operation and policies for the loan and discount committee.
6. Loan, investment and collection policies.
7. Outline of a suggested investment policy.

Every bank should have a *written* set of policies approved and adopted by the board. This manual can help your bank in preparing such a manual or in updating the manual you now have in operation.

SEND YOUR ORDER AND CHECK (sorry, no billed orders) TO THE PUBLISHER:

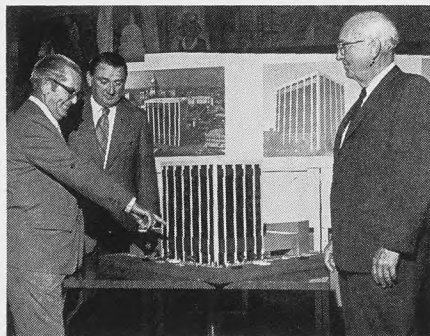
### The BANK BOARD Letter

408 Olive St. (Room 505)  
St. Louis, Mo. 63102

## Illinois News

### First National of Springfield Announces Plans to Construct New 10-Story Office Building

SPRINGFIELD—First National has announced plans to construct a new 10-story office building, doubling the size of its present building. Construction will begin in early spring and is expected to be completed in a year.



Viewing a model of First of Springfield's planned 10-story building are: (from l.) Walter Lohman, pres.; Mayor William Telford; and William Patton, ch.

Seven-story additions, atop the existing three-story structures south and west of the main bank building, will be constructed. Both the interior and exterior of the present 10-story structure will be completely renovated as one building is formed. Exterior walls will be replaced with precast concrete and bronze glass to blend the new and old buildings into a single structure.

The completed structure will have about 50,000 square feet of rentable office space. Banking activities will be moved into the new south addition as soon as it is completed, at which time remodeling of the present building will start.

### Continental Illinois Nat'l Forms Banking Subsidiary in Thailand

CHICAGO—Continental Illinois National has formed Continental Illinois Thailand, Ltd., a new investment banking subsidiary in Bangkok, set to open in early 1972.

Continental will be the first Chicago bank to have a financial service facility in Thailand, according to bank officials. The bank will be the major shareholder of the new investment bank, with the remainder controlled by Charles W. Kirkwood, American lawyer-businessman and resident of Bangkok.

### George Lockard Dies at 72; Was IBA Treasurer, 1966-67

WEST FRANKFORT—George R. Lockard, president, Bank of West Frankfort, is dead at the age of 72. He was treasurer of the Illinois Bankers Association in 1966-67.

Mr. Lockard had been with the West Frankfort bank since it was organized in 1940 and became president in 1949. Prior to 1940, he was with the old First National of West Frankfort, which closed during the Depression, First National of Anna and Cobden National. In his early years, Mr. Lockard taught school.

Mr. Lockard was the brother of Melvin C. Lockard, chairman, First National, Cobden.

### Ill. Bankers Assn. Announces Administrative Staff Changes

The Illinois Bankers Association has announced several administrative personnel changes.

Norman C. Peterson, formerly administrative assistant, was promoted to the post of assistant secretary. Elevated to officer status were: Miss Helen M. Kresich, director of communications and editor of *Illinois Banker* magazine; and Thomas W. Dardis, director of education.

Mr. Peterson, who joined the IBA in 1969, previously was director of conference and travel services for the American Dental Association. Miss Kresich has been with the IBA since 1964 and Mr. Dardis since October, 1970.

■ BANKERS TRUST, Belleville, has appointed Larry Ward assistant vice president and manager of the installment loan department.

### State Bank in New Quarters



State Bank of Orion recently moved to its new building of brick and masonry construction. The structure has private conference rooms for officers, an employee lounge and a drive-up facility.

## Seven Receive Appointments As Senior Vice Presidents At Harris Trust, Chicago

CHICAGO—Harris Trust has appointed seven new senior vice presidents and realigned its commercial banking department.

Elected senior vice presidents in the trust department were James E. Mandler, department executive, and William S. Gray, group executive in charge of all trust investment activities and deputy executive of the department.

Promoted in the banking department were Philip A. Delaney, Gregg A. Hunter, Henry S. Kahn, Harry W. Lindhorst and Fred O. Sack.

Mr. Delaney heads the new financial group, with responsibility for business with Chicago metropolitan-area banks and brokers, investment and mortgage bankers.

Mr. Hunter heads the banking services group, which includes consulting and special services for corporations and the business services division. Mr. Kahn is senior officer in charge of commercial deposit administration and chairman of the senior marketing committee in the banking department.

Mr. Lindhorst heads the new Midwest group, responsible for commercial banking business in 11 states surround-

ing Chicago. Mr. Sack is deputy group executive of the Chicago metropolitan group and chairman of a new business loan committee to increase the bank's activity in lending to medium-sized business firms in Chicago.

### Bankers Trust in New Building



Bankers Trust, Belleville, recently opened its new building. The exterior of the bank is brick with floor-to-ceiling windows, landscaping and indirect lighting of trees. The building has a night depository and a drive-up facility.

■ HARRY E. MERTZ has been elected president and a director of Republic Bank of Chicago. Mr. Mertz, formerly executive vice president, joined the bank last spring after serving as president of Des Plaines Bank. In other action, Harry A. Young Jr., attorney, was elected a director.

■ CHARLESTON NATIONAL has promoted Carl Tinder from assistant vice president to vice president and

James Scribner from assistant cashier to assistant vice president. Donald Mapes, assistant vice president and assistant trust officer, was named farm manager.

■ OLYMPIA BANK, Chicago Heights, has elected Harold C. Carlstead a director. He is the senior partner in a public accountant firm and is president of Kay Corp., which owns and operates two Holiday Inns.

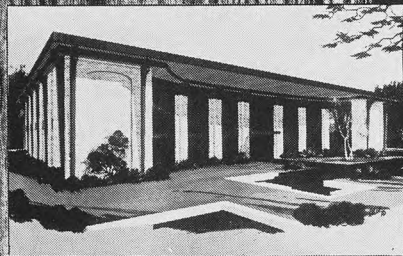
■ JOHN M. FINNEGAN has been elected vice president of Standard Bank, Evergreen Park. Before joining the bank, he was manager of the trust division at Indiana Bank, Fort Wayne.

■ BANK OF ELMHURST has expanded its drive-up facility from one to four drive-up stations.

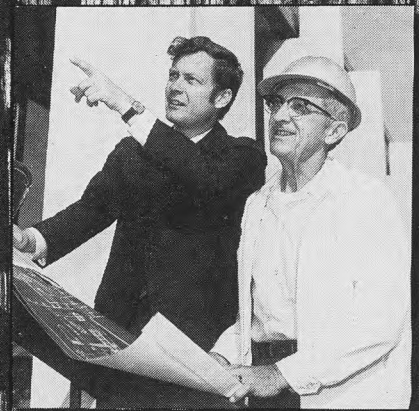
■ BERTHOLD H. SCHREIBER, vice president and trust officer, has been appointed manager of the trust department at Pullman Bank, Chicago. He replaces Thomas Purcell, vice president, who has resigned. Mr. Schreiber joined the bank as a trust officer in 1965.

■ PALATINE NATIONAL has promoted Mrs. Greta Higgins and Terence Lenio to assistant cashiers in the loan department. Mrs. Higgins has been with the bank since April and Mr. Lenio formerly was assistant operations officer at Bank of Rolling Meadows.

The bank builder that  
pays more interest.



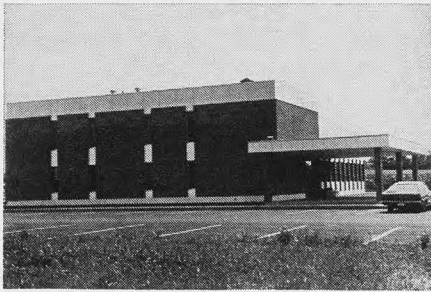
# BUNCE BUILDING CORP.



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# Indiana News

## Parke State in New Building



Finishing touches recently were put on the new building of Parke State, Rockville. The building has six teller stations, two drive-up windows, after-hours depository and parking space for 62 cars.

## Danville State Holds Opening Of New Drive-Up Facility

DANVILLE—Danville State recently held a grand opening celebration for its new drive-up, walk-up facility.

To publicize the event, along with newspaper advertising, the bank used a "Mystery Teller Window" promotion, designed by Diversified Financial Service, Chadds Ford, Pa.

Mystery gift cards were mailed to residents and were printed as coupons in local newspapers. Cardholders were invited to drop in at the bank to find out if they held lucky cards good for a choice of gifts including thermal



Danville State recently opened this new drive-up, walk-up facility.

blankets, travel bags, travel clocks and flash emergency lights. Gifts also were given to customers opening new checking or savings accounts with \$50 or more or who added \$50 to present savings accounts.

## Citizens National Promotes 4



HARGRAVE HUFF BABB HARNISH-FEGER

Citizens National, Evansville, has made four top-level promotions. Robert W. Hargrave was elected exec. v.p. and named sr. v.p.s were J. Glenn Babb, marketing; Robert G. Harnish-feger, loans; and Marvin Huff, operations.

■ ELSTON BANK, Crawfordsville, has elected as a director Mayor Will H. Hays Jr.

## Harold Yates Leaves Merchants To Join Bank in Whiting

INDIANAPOLIS—Harold A. "Bud" Yates has resigned as vice president in charge of the correspondent banking and Indiana commercial accounts division at Merchants National. Effective December 1, he became president, chief executive officer and a director of the Northwest Bank of Indiana in Whiting.



YATES

Carl S. Nelson, also a vice president at Merchants National, has succeeded Mr. Yates as correspondent bank division head.

Mr. Yates traveled all over Indiana for Merchants National during the past 7½ years. A banker for 22 years, he once worked at First National, Columbus. Mr. Yates also is a former manager of the municipal bond division in the Indianapolis office of Pains, Webber, Jackson & Curtis, Inc.

## First National, Madison, Sends Employees On Three-Day Vacation Trip to Nassau

MADISON—Labor Day weekend last September meant more than just three days off work to First National employees and their families. The bank chartered a jet and sent all employees on a three-day vacation trip to Nassau, Bahamas!

The group enjoyed sightseeing and night-clubbing, in addition to swimming, tennis, shuffleboard and deep-sea fishing. One feature of the trip was a seminar on international banking conducted by an officer of the Nassau Branch of First National City Bank, New York.

The trip was made possible by First of Madison's employee welfare fund. The bank makes a semiannual contribution to the fund, which is managed by a committee of employees. Em-

ployees do not contribute.

From this account, miscellaneous items affecting the lives and morale of employees are paid. These items include group breakfasts, picnics, dinners, cost of coffee and soft drinks, flowers for anniversaries, sicknesses, births and deaths in family groups and showers for newly-weds.

Other group activities made possible by the employee welfare fund have been family trips to French Lick Sheraton Hotel at French Lick and the chartering of excursion boats on the Ohio River.

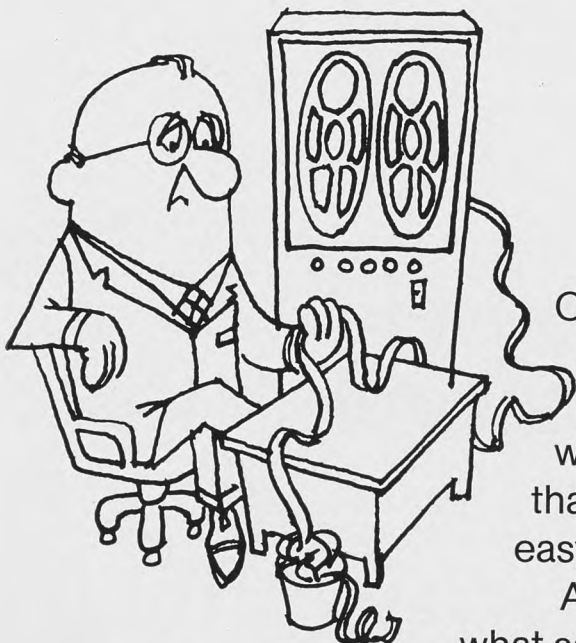
Richard M. Johnson, president, said, "We think these activities pay off in employee loyalty and interest. We have a low rate of turnover and generally a waiting list of job applicants."



First of Madison employees and families pose beside jet that took them to Nassau on a three-day vacation trip sponsored by the bank.

# Lots of banks can help you automate your services.

## But how many can help you cash in on the results?



Our Central Information File computer data bank allows us to take the customer records we've automated for you and turn that information into one easy-to-read report.

A report that pinpoints exactly what services each customer is using.

But, more important to you, those he or she isn't using.

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We were the first Master Charge bank in the country. And we're still selling our computerized charge card program to banks from coast to coast.

If you'd like to know more about what our computers can do for you, call Jim McKenzie, Henry Ormsby, Leonard Kernen, or Doug Steele at (502) 584-3211.

(In Kentucky, call 1-800-292-4574.)

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**Firstbank**  
1<sup>ST</sup> FIRST NATIONAL BANK  
OF LOUISVILLE

**Ambrose Sutherland Dies at 74;  
Retired VP of Citizens Fidelity**

LOUISVILLE—Ambrose N. Sutherland, 74, former vice president of Citizens Fidelity, died September 22. An employee of the bank for almost 50 years, Mr. Sutherland retired in 1963 as vice president in the correspondent banking department.



SUTHERLAND

Mr. Sutherland began his banking career in 1913 with Union National, which later merged with Citizens National as Citizens Union National. That bank was affiliated with Fidelity & Columbia Trust in 1944 and the merger resulted in the present bank.

Mr. Sutherland served as assistant cashier and assistant vice president in the correspondent bank department and was made vice president in 1958.

**Kentucky News**

**Bank Administration Institute  
Forms Two New Chapters**

Bank Administration Institute has formed two new chapters—Western Kentucky and Southeastern Kentucky.

Western Kentucky Chapter officers are: president, Robert L. Cave, president, First City Bank, Hopkinsville; vice president, George E. Warren, executive vice president, Sebree Deposit; treasurer, David Waddle, loan officer, Farmers Bank, Madisonville; and secretary, William E. Fuller, executive vice president and cashier, Bank of Cadiz.

Southeastern Kentucky Chapter officers include: president, Randolph Stivers, executive vice president, First National, Corbin; vice president, Howard Sallee, president, Bank of Williamsburg; treasurer, B. G. Cudd, vice president, Bank of Harlan; and secretary, H. Aubrey Bailey, assistant cashier, First State, Pineville.

**Liberty National Bank Installs  
Three New Money Machines**

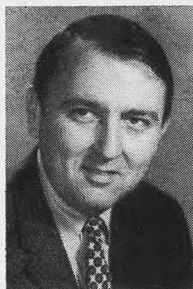
LOUISVILLE—Liberty National has installed three new Money Machines, bringing the bank's total to eight. Two of the machines are drive-up installations, which the bank says are the first such installations in the United States.

The Money Machines provide 24-hour banking service for Liberty Master Charge cardholders who can withdraw up to \$100 from checking accounts or charge up to \$100 to their Master Charge accounts.

■ SHIVELY R. MITCHELL has been elected chairman and chief executive officer of Peoples Bank, Greensburg. Mr. Mitchell, formerly executive vice president and cashier, has been with the bank since 1939.

■ FIRST SECURITY NATIONAL, Lexington, has named J. D. Reeves, vice president in charge of business development; Phillip L. Wright Jr., vice president, commercial and mortgage loans division; and Daniel W. Herald, manager of the personal loan division.

**National Bank of Commerce  
Announces Top Promotions  
And Administrative Changes**



CAMPBELL



PYEATT

MEMPHIS—National Bank of Commerce has announced top-level officer promotions and administrative changes.

Wayne W. Pyeatt, president of the bank since 1969, was named chief administrative officer. Bruce E. Campbell was promoted from senior vice president to executive vice president and was elected a director. William L. Richmond was advanced from first vice president to senior vice president.

Other promotions included: Ernest D. McDonald and E. Broughton Hoggard, from vice presidents to first vice presidents; and John S. Evans, from assistant vice president to vice president.

With the promotions came new administrative responsibilities. Mr. Campbell will be responsible for the lending, branch administration and audit and control divisions and Mr. Richmond will continue as head of the trust and investment divisions.

**Tennessee News**

The correspondent bank division, as well as the newly created special services division, will be under the direction of J. A. Sweeney, senior vice president. Mr. McDonald will continue as head of the commodity/international division and the operations and personnel divisions will be under Mr. Hoggard.

**Third National Announces  
List of New Promotions**

NASHVILLE—Third National recently announced a list of new promotions. Advanced from assistant vice presidents to vice presidents were Donald L. King, James H. Frey and Richard M. Cate.

Mr. King is manager of the Bank-Americard Center and Mr. Frey is manager of dealer relations in the finance department. Mr. Cate is a loan review officer.

Promoted from assistant trust officers to trust officers were James B. Smith, Hampton T. Davis and Wirt C. McKnight. Hugh B. Travis was named assistant vice president, Richard Holton assistant trust officer and Charles E. Winger assistant investment officer.

Elected administrative assistants were: Miss Jessie Norton, Mrs. Helen Miller, Miss Louise Heer, Mrs. Peggy Ellis, Mrs. Inez Brown, Mrs. Eva Pe-

witt, Albert Maier, Leamon Reed, Horace Simpson and George Booker.

**Citizens Bank, Hendersonville,  
Announces Two Promotions**

HENDERSONVILLE—Citizens Bank recently promoted William T. Burgess from executive vice president to president and managing director. Mr. Burgess helped organize the bank, which opened for business in 1969.

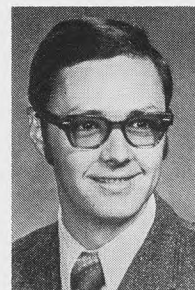
Larry Smith, formerly cashier, was promoted to vice president and cashier.



BURGESS SMITH

**United Bank of Chattanooga  
Elects Hicks Vice President**

CHATTANOOGA—Bert L. Hicks has joined United Bank as a vice president. He formerly was assistant vice president and manager of the Rossville Branch of American National. Before that, he was manager of the Park Central Branch.

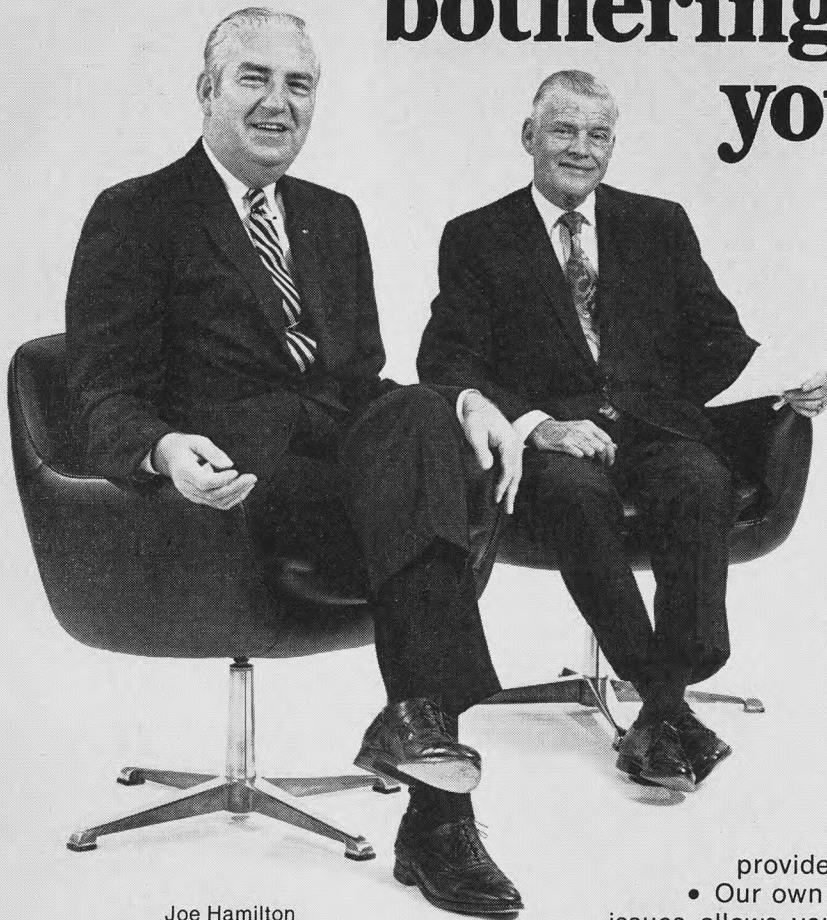


HICKS

Mr. Hicks attended the University of Tennessee at Chattanooga and received a degree from Louisiana State University School of Banking in 1970.



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# Mississippi News

## First Nat'l Guards Moon Rock



First National, Meridian, recently had the job of guarding a 3½-billion-year-old rock, that was picked up on the moon by Apollo astronauts. The moon rock was on display at the Mississippi-Alabama state fair and overnight safekeeping was entrusted to the bank. With the moon rock above are: (from l.) R. L. Garrison, special bank guard; Lloyd Royal Sr., state fair pres.; and M. D. Ellis, pres. of First National.

■ CITIZENS BANK, Philadelphia, has received permission to construct two drive-in teller facilities in Philadelphia.

■ THOMAS B. AUSTIN has been elected a member of the advisory board of directors of Mechanics Bank, McComb, branch of Deposit Guaranty National. He is president of Austin Distributing Co., Inc., and owner of Central Beverage Co.

■ DR. RICHARD H. CLARK JR. has been elected a director of First Mississippi National, Hattiesburg.

■ MEREDITH MITCHELL has been named president of the newly organized Bank of Central Mississippi, Carthage. The bank is expected to open for business next spring. Mr. Mitchell has served as vice president, Peoples Bank, Mendenhall, and as senior vice president, Farmers & Merchants Bank, Forest.

■ HARROLL D. CASTLE has been elected president and a director of First National Bank of Jackson County, Ocean Springs. He succeeds Kenneth W. Kemerly, who has resigned. Mr. Castle had been vice president of Commercial National, Laurel, since 1966.

■ JIMMY ARNOLD has resigned as manager of the Leland Branch of Commercial National, Greenville, to accept the position of vice president of First National, Crossett, Ark.

■ CARLETON FREEMAN was elected a director and chairman of the executive committee of South Central Bank, Silver Creek.

## Two Magnolia Banks to Merge As Southwest Miss. Bank

MAGNOLIA—Magnolia Bank and Citizens Savings have announced they will consolidate to form Southwest Mississippi Bank, effective January 1, 1972. The move has been approved by the FDIC.

The banks will continue to operate from their present locations. Magnolia Bank has \$7.4 million and Citizens Savings has \$3.9 million in deposits. Combined assets total more than \$13 million.

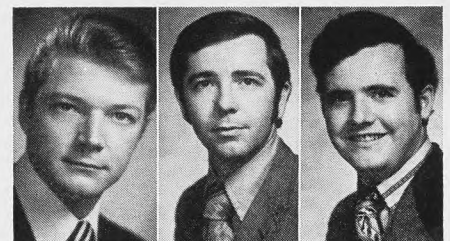
Officials of Southwest Mississippi Bank will be: chairman, A. T. Leggett Jr., chairman and president, Citizens Savings; president, Leon C. Williamson, president, Magnolia Bank; senior vice president and cashier, J. B. Lampton, vice president and cashier, Magnolia Bank; and senior vice president, George H. Leggett, vice president, Citizens Savings.

■ THOMAS C. KEITH has been elected president of Bank of Decatur, branch of Peoples Bank of Mississippi, Union. He had been serving as vice president and manager of the branch since 1966. Mr. Keith joined Peoples Bank in 1955.

■ JOHN ROSETTI and Fred G. Abney have joined Gulf National, Gulfport, as assistant vice presidents. Mr. Rosetti, previously with Associates Financial Service of Gulfport, is at the bank's Bay St. Louis Office and Mr. Abney, formerly a vice president of Bay Springs Bank, is at the Handsboro Branch.

■ NEW DIRECTORS of Farmers & Merchants Bank, Bruce, are A. D. Spratlin and William H. Morris. Dr. O. B. Crocker and Mel W. Bray recently resigned as directors.

## Deposit Guaranty Promotes 3



HARCHARIK

STEVENS

MARX

Deposit Guaranty National, Jackson, recently promoted David A. Harcharik to a.v.p., marketing department; George R. Marx to real estate officer; and James T. Stevens to asst. tr. off.

# *Bob Toburen sees 'Aye' to 'Aye' with correspondent banks!*

The "Aye, Aye!" button on his lapel, when he sits across the desk from Boatmen's correspondents or by his phone at the "River Bank," means Bob Toburen is on the same wave length with his customers.

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## BOATMEN'S

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## University of Alabama Plans To Have Chair of Banking

The University of Alabama will establish a Chair of Banking in the finance department of the College of Commerce and Business Administration. The chair will be supported by an annual \$40,000 pledge from the Alabama Bankers Education Foundation.

The announcement was made by Henry Leslie, chairman of the foundation and senior vice president and trust officer of Union Bank, Montgomery.

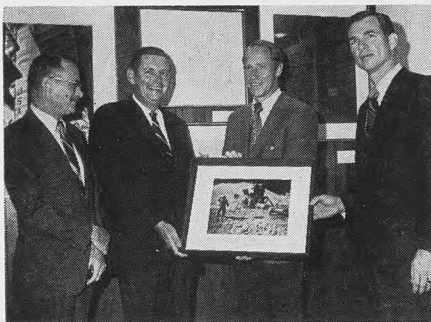
The chair is expected to be filled by September of 1972. A recognized scholar in the field of banking will be appointed from recommendations of a joint committee composed of faculty members of the college and members of the foundation's appointment committee. Head of the appointment committee is Frank Moody, chairman, First National, Tuscaloosa.

### 1st of Mobile Changes Hours

MOBILE—First National recently switched from bankers' hours to what it calls new "people hours."

The bank's Downtown Office is now open continuously from 9-4 Monday through Thursday and from 9-5 on Friday. All eight branches are open continuously from 10-5 Monday through Thursday and from 10-6 on Friday.

### Space Exhibit at Whitney Nat'l



Whitney National, New Orleans, recently exhibited "Eyewitness to Space," a collection of paintings and drawings by famous American artists commemorating the flight of Apollo 15 and the moonwalk. At the opening of the exhibit (above), Apollo 15 astronauts Lt. Col. Alfred M. Worden, command module pilot, and Col. David R. Scott, spacecraft commander, (both at right) present an autographed color photograph taken on the moon to William A. Carpenter, bank pres. At left is James Stamy, mgr., NASA Michoud Assembly Facility at New Orleans where Apollo 15's saturn booster was assembled.

■ EXCHANGE BANK, Natchitoches, recently opened its new two-story building. The structure has 8,030 square feet of space, eight teller stations, a drive-up window and parking accommodations for 14 cars.

## Alabama News

### Alabama City Bank, Gadsden, Adopts Four-Day Work Week

GADSDEN—Alabama City Bank reportedly has become the first bank in the state to adopt the four-day work week for its employees.

The bank has rotated work so that employees have three days off each week and a five-day holiday every third week. Longer banking hours are now available to customers since the bank is open from 8:30 a.m. until 5 p.m. Monday through Friday and 8:30 a.m. until noon on Saturday.

### Waggoner Joins Central Bank

BIRMINGHAM—James T. Waggoner Jr., has joined Central Bank. Mr. Waggoner was elected to the Alabama House of Representatives in 1966 and 1970 and is a member of the House Ways and Means Committee. He is a graduate of Birmingham Southern College and Birmingham School of Law.

■ J. GASTON EDMONSON has been elected vice president and cashier of the proposed Bank of the Southeast, Birmingham. The bank is expected to go into operation later this year.

■ KELLYTON OFFICE of City Bank, Goodwater, recently held the formal opening of its new building.

■ PETER P. GAILLARD has been elected an assistant cashier of Merchants National, Mobile. Mr. Gaillard, who joined the bank in 1965, will be on special assignment in loan and credit administration.

■ EXCHANGE SECURITY, Birmingham, has elected Charles S. Northen III and B. L. Brown vice presidents and trust officers. Mr. Northen joined the bank in 1960 and Mr. Brown in 1961.

■ ROBERT L. LAMPLEY has been named to the newly created post of director of public affairs at Peoples Bank, Montgomery. He has served as chief of the Montgomery Fire Department for 17 years.

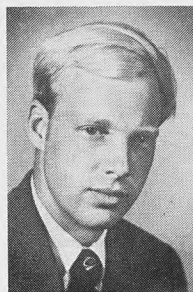
■ JACK WELCH was named vice president, buildings and services, Birmingham Trust National. He has charge of construction as well as all service functions of the bank. Formerly, he was manager of the bank's Southside Office. Miss Barbara A. McCarty, assistant vice president, was named to succeed Mr. Welch as branch manager. She joined the bank in 1957, was elected assistant cashier in 1967 and assistant vice president and assistant branch manager in 1970.

■ WILLIAM RYAN and V. Gordon Isaacson have been named assistant vice presidents of International City Bank, New Orleans. Mr. Ryan will become a branch manager and Mr. Isaacson a lending officer in the loan department.

## Louisiana News

### First Nat'l Bank of Commerce Elects Young Vice President

NEW ORLEANS—First National Bank of Commerce has promoted Christopher B. Young to vice president. He has been with the bank since 1967. He was elected assistant cashier in 1969 and assistant vice president in the metropolitan and regional division in 1970.



YOUNG

Other promotions at the bank include: Nicholas J. Bonura Jr., Philip G. Hug and Michael W. Post, assistant vice presidents; Michael A. Flick, Charles L. Romano and Michael J. Shannon, banking officers; Richard E. Hysom and Joseph F. Quinlan, retail banking officers; and Frank S. Bellavia, real estate banking officer.

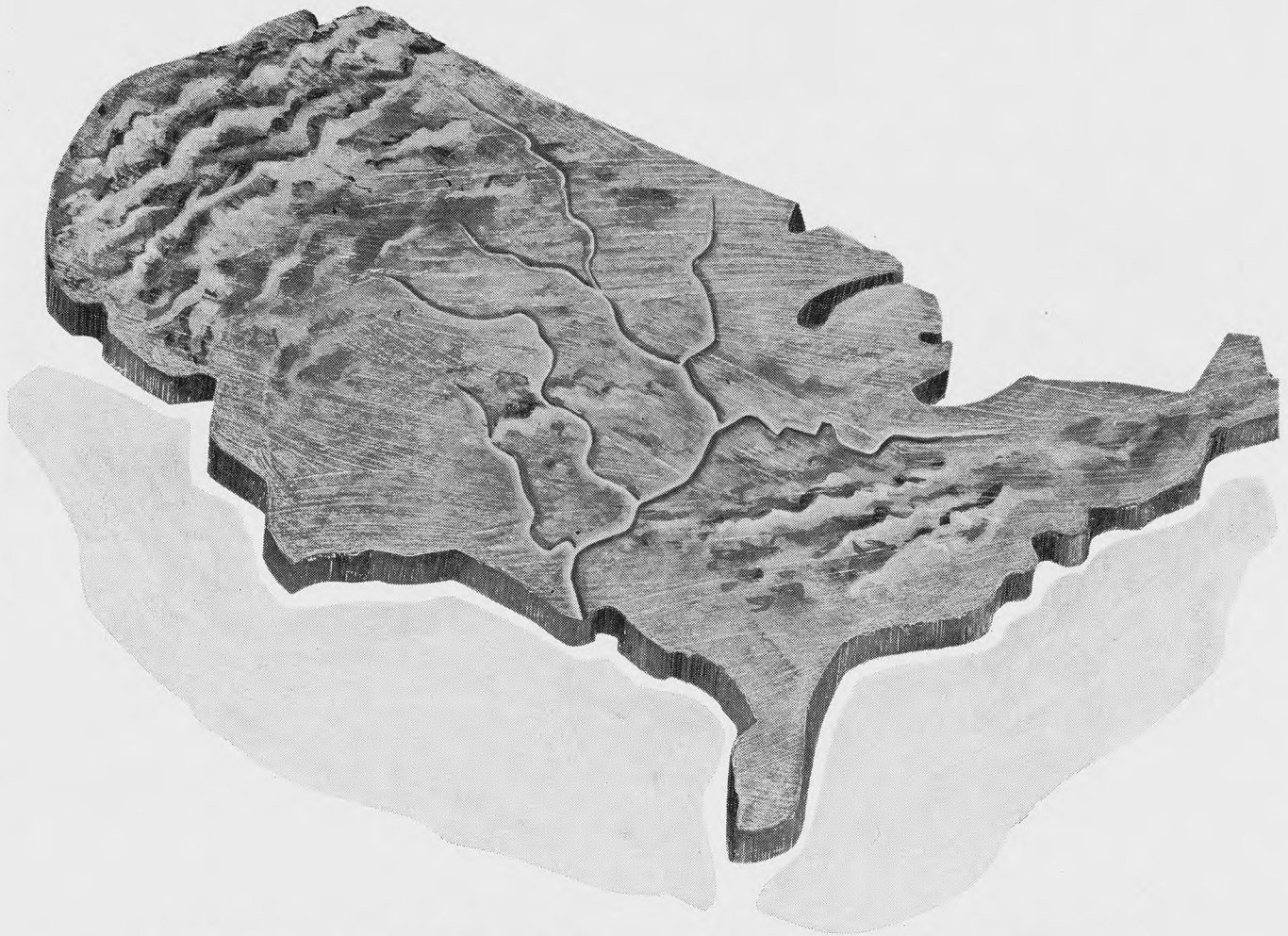
### TV Star Receives Award



Eads Poitevent (l.) presents Robert Young, star of TV's "Marcus Welby, M.D.," with the William Dameshek Award of the Leukemia Society of America, Inc. The award was given in recognition of Mr. Young's contribution in acting as spokesman for the society's television series of public service announcements. Mr. Poitevent is pres. of International City Bank, New Orleans, and pres. of the society.

### Louisiana Death

L. D. DALE, 74, director of Concordia Bank, Vidalia. He had been a director for 50 years.



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# Arkansas News

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**BANK**

## Commercial Nat'l Bank Forms Advisory Board

LITTLE ROCK—Commercial National has announced formation of a national advisory board, composed of Arkansans and former Arkansans who have achieved prominence in business, industry and the professions.

The primary goal of the board is to provide a forum through which members may draw upon their individual and collective abilities and experience to contribute to the economic and cultural betterment of Arkansas. Members will act as advisers to bank directors and staff, as well as to cooperating public and private participants.

The members of the advisory board are: James E. Davis, chairman, Winn-Dixie Stores, Inc., Jacksonville, Fla.; Neil E. Harlan, senior partner, McKinsey & Co., Inc., Washington, D. C.; Henry Henley Jr., president, Cluett, Peabody & Co., Inc., New York City; Marvin Hurley, executive vice president, Houston Chamber of Commerce; James S. McDonnell, chairman, McDonnell-Douglas Corp., St. Louis; Sidney A. McKnight, executive vice president, Montgomery Ward & Co., Chicago; Charles H. Murphy, president, Murphy Oil Co., El Dorado;

Frank Pace Jr., chairman, Corp. for Public Broadcasting, and president, International Executive Service Corps, New York City; John G. Phillips, president, Louisiana Land & Exploration Co., New Orleans; Fred M. Pickens, attorney, Newport; George Stinson, president, National Steel Corp., Pittsburgh; Thomas R. Vaughan, chairman, Freeport Minerals Co., New York City; Kemmons Wilson, chairman, Holiday Inns, Inc., Memphis; and Robert E. L. Wilson III, Lee Wilson & Co., Wilson, Ark., and chairman of Bank of Wilson.

## Twin City Bank Announces Two New Appointments

NORTH LITTLE ROCK—Twin City Bank recently made two senior executive appointments. Kenneth J. Pennebaker was named vice president in charge of marketing and operations and Edward M. Penick Jr. was appointed vice president, commercial loans.



PENICK PENNEBAKER

Mr. Penick is the son of Edward M. Penick Sr., president and chief executive officer of Worthen Bank, Little Rock.

Mr. Pennebaker was director of marketing for National Bank of Detroit before joining Twin City Bank. He holds an economics degree from Eastern Michigan University. Mr. Penick was a financial institution examiner with the Arkansas state bank department before joining the bank in 1969. He was graduated from the University of Arkansas with a degree in finance in 1965.

## Marketing Conference Sponsored By Worthen Bank, Little Rock

LITTLE ROCK—"Marketing for Profitability" was the subject of Worthen Bank's recent correspondent bank workshop. About 59 guests from 30 banks throughout the state participated in the two-day session.

Dr. Charles Venus, professor of economics at University of Arkansas, discussed the economic outlook for Arkansas and the country. Gene Fortson, the bank's director of marketing, gave the bankers an overview of the marketing function, its purpose and application.

A highlight of the meeting was a one-act play, produced by the marketing division, that exaggerated the marketing problems at the hypothetical First-But-Not-Only Razor Bank of Razor, Ark. Based on what they saw and heard in the play, the bankers met to devise a marketing plan designed to alleviate the problems.

■ BANK OF BENTONVILLE has begun a \$250,000 expansion program that will more than double the size of its present building. The expansion will increase the bank's number of teller windows from eight to 12 and drive-in windows from two to four. When work is completed, the two-story building will occupy 13,242 square feet.


## Bank Holds Groundbreaking



Charles Reveley (far r.), pres., Stephens Security Bank, and directors break ground for the bank's new 4,600-square-foot building. The structure is scheduled for completion in May of 1972.



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for all mankind in  
brotherhood under God.  
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if dreams came true?  
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in Little Rock

# Texas News

## Steve Tully Joins Union State As Executive Vice President



TULLY

BEAUMONT—Steve Tully has joined Union State as executive vice president and a director. He had been vice president of Houston National since 1965 and was in charge of the correspondent bank division.

In other action at Union State, Donald E. Havins was advanced from vice president to senior vice president. He has been with the bank since it opened in July, 1970.

■ **FIRST NATIONAL**, Jefferson, promoted Edward Joseph from assistant vice president to vice president and Larry Johnson from assistant cashier to cashier.

■ **COY D. LEWIS** and Ronnie Hooks have been elected assistant vice presidents of Western National, Houston. Other promotions included William P. Anderson III to accounting officer, Robert A. Truxillo Jr. to loan operations officer and Robert M. Rathbun to loan officer.

■ **DAVID RIDLEY JR.** joined First Bank, Richardson, as assistant cashier. He had been assistant cashier at American Bank of Commerce, Grapevine.

## State Nat'l Opens New Building



The new 22-story building of State National, El Paso, is scheduled for occupancy this month. The building has 360,000 square feet of office space along with an adjoining motor bank and 600-car garage.

## Mason Welcomes Dr. Jones



Paul Mason (r.), ch., First National, Fort Worth, and Mrs. Mason (second from r.) welcome Dr. and Mrs. Joseph H. Jones to Texas Christian University during a recent reception on campus. Dr. Jones has assumed the bank's Chair of Regional Development at TCU. He also will serve as associate professor in the School of Business.

## New Guaranty Program Offered To Texas Lenders by MGIC

Mortgage Guaranty Insurance Corp., Milwaukee, has been licensed by the State Board of Insurance in Austin to offer Texas residential mortgage lenders a new guaranty program on loans that exceed 90% of the appraised value of houses.

Under the program, MGIC insurance will reduce a lender's exposure to loss by 20% on loans up to 95% of appraised value. A lender's exposure to loss on a mortgage with a loan to value ratio of 95% would, therefore, be reduced to 76% with MGIC insurance.

## Two Departments Combined At Houston National Bank

HOUSTON—Houston National has combined its correspondent banking and its national accounts departments into a banks and national accounts department. The new department is headed by George W. Gist Jr., vice president.

After working with Chase Manhattan Bank, New York, Mr. Gist came to Tennessee Bank nine years ago. The bank later was merged with Houston National and Mr. Gist was elected a vice president in 1964.

## Republic National of Dallas Promotes James L. Ervin

DALLAS—Republic National has promoted James L. Ervin from trust officer to assistant vice president and trust officer in the corporate trust division. He joined the division in 1969 and was elected trust officer in the business development section in 1970.

Other promotions at the bank included: Nolan J. Clemens Jr., accounting officer; James K. Abney Jr., auditing officer; Wayne Finch, facilities officer; and W. Lee Baten, administrative officer.

## Frost National, San Antonio, Elects Carter Senior VP

SAN ANTONIO—Weldon Carter has been elected senior vice president of Frost National. Serving as senior investment officer, his responsibilities include management of the bank's investment portfolio and public funds as well as providing counseling for correspondent bank customers.



CARTER

Mr. Carter joined the bank in 1958 as assistant vice president. In 1961, he became vice president in charge of the bond department.

## Bank Presents Doll to Museum



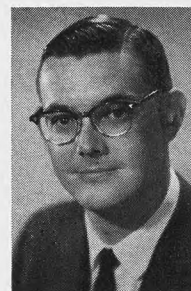
When Allied Bank International, New York, recently opened its new Tokyo Office, First National of Fort Worth, a shareholder/member of Allied, presented a Japanese Kabuki doll to the Fort Worth Museum of Science and History to commemorate the opening. First of Fort Worth's Ben Trice (l.), sr. v.p., and Theodore F. Lange (r.), v.p., international banking activities, presented the doll to Helmuth J. Naumer, exec. dir. of the museum.

## Two New Officers Elected At Beaumont State Bank

BEAUMONT—Two new officers have joined Beaumont State. Walter F. Smith Jr. is senior vice president and advisory director and Lee C. Stockholm III is assistant cashier.

Formerly, Mr. Smith was a vice president with First National, Dallas. He joined the bank in 1960 and worked in the credit and correspondent banking divisions. He was elected assistant vice president in 1965 and vice president in 1968.

Mr. Stockholm had been serving as assistant cashier with First National, Orange.



SMITH





*Jim Whitworth*

*Bill Jewell*

*Vicki Hamilton*

*John F. Goodwin*

*Charles E. Barnes*

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## New Mexico News

### Junior Board of Directors

ESPANOLA—Valley National has named eight seniors from local high schools to a junior board of directors, as part of an educational program formulated by bank officials.

The students will meet monthly at the bank and will be confronted with hypothetical situations similar to those encountered by bank officials.

■ **AMERICAN NATIONAL**, Silver City, has elected William DeSoto vice president. He joined the bank two years ago. Elected a director of American National was Derwood Knight, Albuquerque attorney. Mr. Knight also is a director of Citizens Bank, Albuquerque, Bank of Santa Fe and First National, Clovis.

■ **FIRST NATIONAL**, Hobbs, recently made three promotions. Andrew Morrow was advanced from auditor to assistant vice president and operations officer; Thomas Herndon from management trainee to auditor; and Mrs. Ann M. Kelley from bookkeeping officer to customer services officer. Mr. Morrow joined the bank in 1964, Mr. Herndon in 1965 and Mrs. Kelley in 1956.

■ **RANCHERS STATE**, Belen, has filed an application for permission to establish a branch in Rio Grande Estates. If approved, the branch will have about 1,000 square feet of floor space and a drive-up window. Construction will begin in January.

■ **FARMERS & STOCKMENS BANK**, Clayton, has announced it will begin a \$277,000 expansion and modernization program. Plans include construction of additional bookkeeping space, two drive-in windows and a new structure to house the installment loan and trust departments.

■ **SECURITY NATIONAL**, Roswell, made two new appointments. J. K. Johnson was named assistant vice president and will continue to serve as a loan officer in the installment loan department. He has been with the bank since last March. Robert E. A. Davis was elected comptroller of the bank. He came to Roswell from San Diego Trust & Savings, where he was vice president, comptroller and treasurer.

### NMBA Trust Div. Announces Election of New Officers

The New Mexico Bankers Association trust division recently elected officers at the ninth annual trust conference in Santa Fe.

The new officers are: chairman, Paul A. Fitzgerald, senior vice president and trust officer, Bank of New Mexico, Albuquerque; two-year councilman, Howard Irwin, vice president and trust officer, First National, Hobbs; three-year councilman, Forrest S. Smith, vice president and trust officer, First National, Santa Fe; and secretary, Denton R. Hudgeons, New Mexico Bankers Association, Santa Fe.

■ **H. JOSEPH ORR** has joined First National, Tucumcari, as assistant vice president. He formerly was associated with a public accountants firm in Houston and with Albuquerque National.

■ **WILLIAM J. BRENNAN** was elected vice president and trust officer of First National, Roswell.

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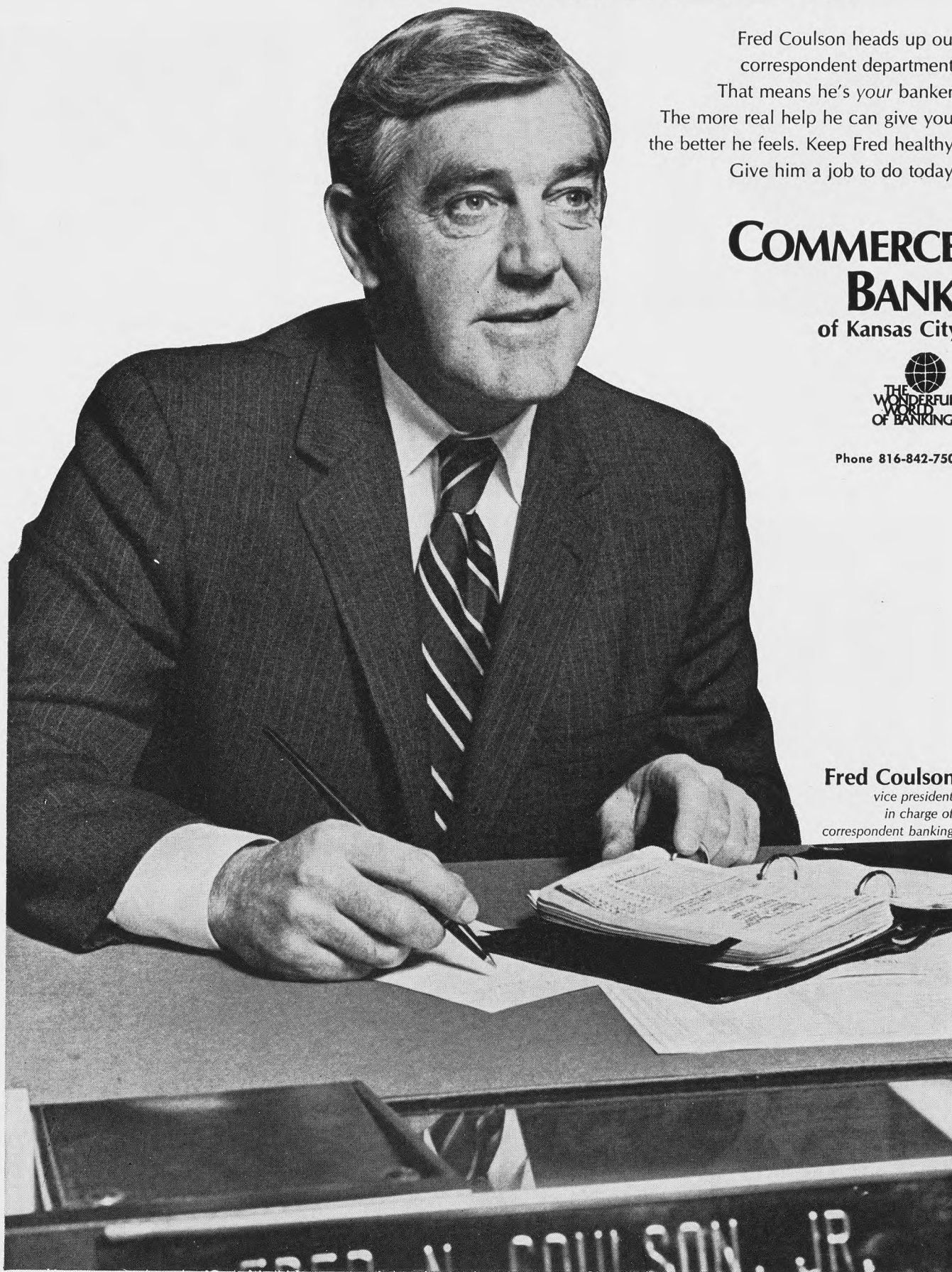
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MID-CONTINENT BANKER for December, 1971

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Federal Reserve Bank of St. Louis

# Oklahoma News

## Bank Represented at State Fair

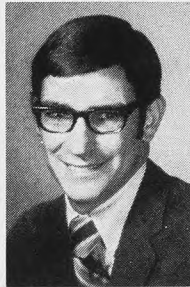


National Bank of Tulsa was on hand at the Junior Livestock Auction at the recent Tulsa State Fair, bidding on animals shown by Oklahoma 4-H and FFA young people. The bank bought nine steers, one lamb and one barrow. Above, Curt Cook, a.c. and correspondent bank representative, and Miss Lawana Price, Washita County 4-H Club, display her champion lamb, purchased by the bank.

## Seven Receive Promotions At Liberty National Bank



HILL



WEGENER

OKLAHOMA CITY—Liberty National has advanced several officers including Dick R. Wegener to assistant vice president, correspondent banking department, and James L. Hill to correspondent banking officer.

Mr. Wegener joined Liberty National in 1969, after serving two years as a national bank examiner. Mr. Hill also joined the bank in 1969 and formerly was with Ralston Purina Co.

Elected assistant vice presidents in the commercial banking department were Harry L. Deupree Jr., Carl M.

Rose and Thomas D. Swineford. Robert L. Brown was named planning officer and Garrison H. Buxton Jr. was advanced to loan administration officer.

## Bank Presented 'Footprint Flag'



Third- and fourth-grade students at Hayes Elementary School, Oklahoma City, present a "footprint flag" to Willis J. Wheat, sr. v.p., Liberty National. Under the direction of their teacher, Mrs. Geneva Williams (l.), the youngsters painted their bare feet with shades of acrylic paint and stood on the flag to make multi-colored footprints. The gift to Liberty National was inspired by an earlier visit the students made to the bank when each child received a copying machine photo of his own hand print.

■ FEDERAL NATIONAL, Shawnee, has added three new officers to its staff. They are: Dennis L. Rohrer, trust officer; Bill Smoot, mortgage loan officer; and Rollie M. Tigner, manager of the computer department.

## Junior Achievement Bank Opens

OKLAHOMA CITY—Charter ceremonies recently were held for Security Services Bank, a Junior Achievement company. The bank, staffed by 21 high school students, serves 33 other Junior Achievement companies in the city area and is sponsored by Fidelity Bank, First National and Liberty National.

## Fidelity National Sponsors Annual Art Fair



Fidelity National, Oklahoma City, recently sponsored its fourth annual art fair. More than 500 paintings by approximately 75 artists were on display at the outdoor show at Fidelity's Express Bank. First and second prizes were awarded to artists in the categories of oil paintings, water colors and graphics.

## 'Hall of Fame' at 1st of Tulsa



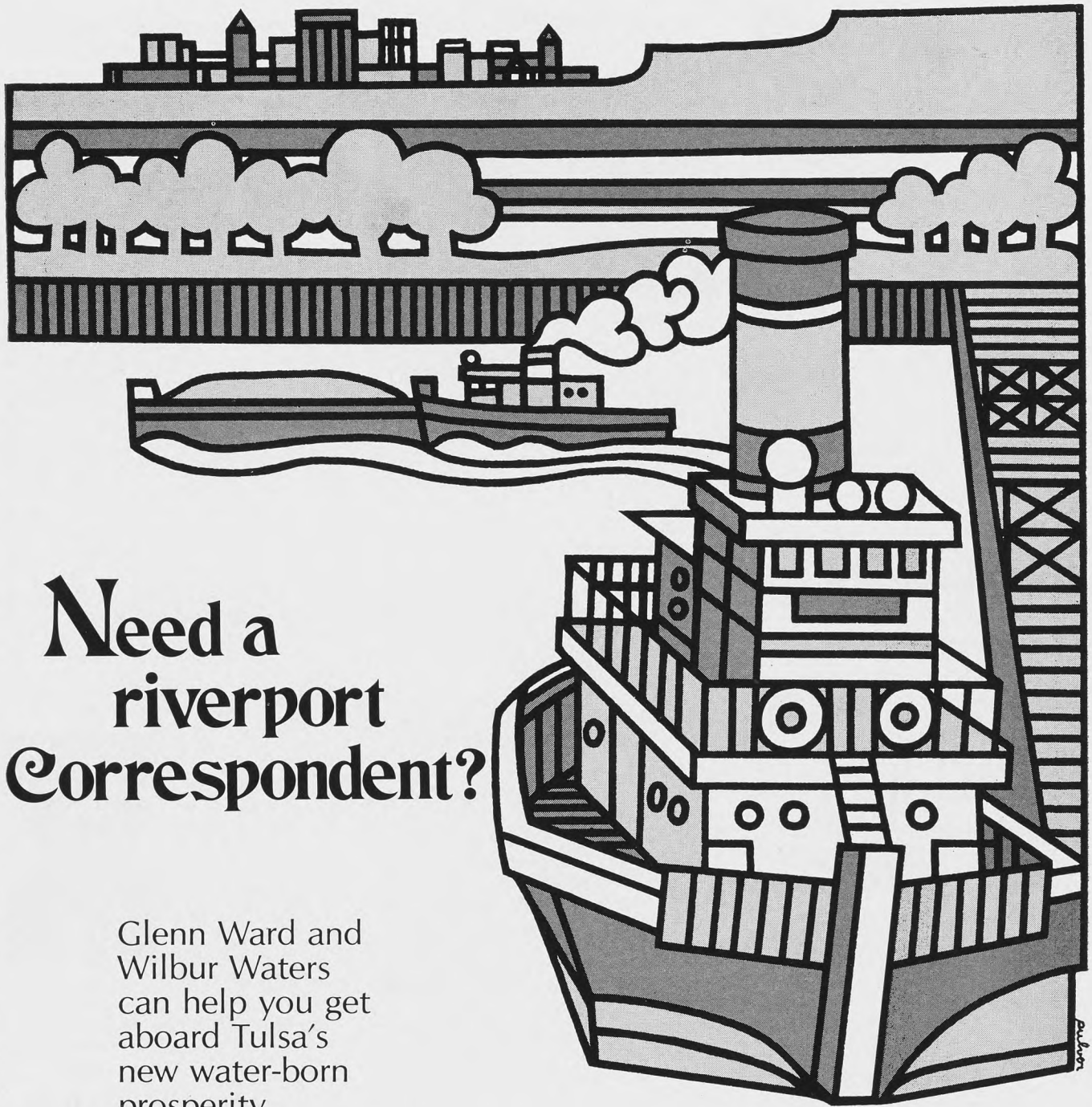
First National, Tulsa, has opened its "First Hall of Fame," a display honoring Tulsa businesses that have been long-standing bank customers. The display of business logos is located on the construction fence of the bank's First Place building project. Above, K. C. Olinger (l.), exec. v.p., and John Robertson, pres., adjust one of the signs featured in the exhibit.

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**Commercial National Bank**  
of Little Rock



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WARD

WATERS

With the increasing use of the new Tulsa Port of Catoosa—head of navigation for the 450-mile McClellan-Kerr Arkansas River Navigation System—this area is rapidly taking its place among the major riverports of the nation. By the end of this year, it is estimated that Tulsa's port will be handling up to 30,000 tons of shipping every day.

If you're looking for a knowledgeable contact in this fast-growing port city of the plains, get in touch with Glenn (Red) Ward or Wilbur Waters of Fourth National Bank's Correspondent Banking Department. Fourth is proud of the part we've played in the realization of this great dream, and we're eager to share our town's advantages with everyone.

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# Kansas News

## Blanchard Considered for KBA VP

KANSAS CITY—The name of Henry G. Blanchard, chairman of Commercial National, is being mentioned to members of the Kansas Bankers Association's nominating committee for the office of KBA vice president, subject to action at the 1972 state convention.

■ **DIRECTORS** of Fidelity State, Dodge City, recently honored B. F. Zimmerman, chairman, when they presented a portrait of Mr. Zimmerman to be hung in the bank lobby commemorating his 55 years of service.

## Johnson County National Elects Two Senior Vice Presidents



BARLOW



FRANK

PRAIRIE VILLAGE—Johnson County National recently elected John F. Barlow and Leon A. Frank senior vice presidents. Both had been vice presidents.

Mr. Barlow joined the bank in 1967. Previously, he had been with First National City Bank, New York City, for five years. Mr. Frank, senior operations officer, has been with the bank since 1960.

In other action, William E. Winton was promoted from assistant vice president to vice president. He has been with the bank's loan department since 1964.

## Young Bank Officers of Kansas Elect Officers for Coming Year

Young Bank Officers of Kansas recently held their second annual meeting at the Ramada Inn in Topeka.

New officers elected for the coming year are: president, Ben F. Boys, vice president, Independence State; vice president, Lanny Kimbrough, assistant vice president, First National, Topeka; secretary and treasurer, Bill Griffith, executive vice president, Farmers State, Oakley; and directors, Dale Esmond, executive vice president, Farmers & Merchants, Derby; Steve Smiley, assistant cashier, First National, Norton; and Garth McMillen, president, Peoples State, Coldwater.

■ **ROBERT G. BERGKAMP** has joined Merchants National, Topeka, as assistant vice president in the commercial loan department. He had been vice president of Hilltop National, Casper, Wyo., and formerly was associated with Southern California First National, San Diego.

## Kansas State University Elects Nine Bankers to Advisory Council

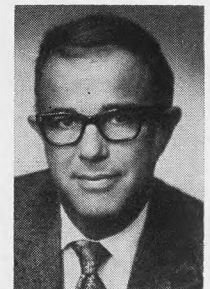
MANHATTAN—Kansas State University College of Business Administration has established an advisory council of 23 Kansas businessmen, including nine bankers.

Dr. Robert A. Lynn, dean of the school, said about the council, "This group will help us to keep our curriculum relevant, to devise new programs that may be needed and to work toward closer relationships that will benefit the college and its students."

Bankers serving on the advisory council are: James H. Cross, vice president, Home State, Lewis; Richard A. Eberhart, vice president, Hutchinson National; R. E. Frisbie, chairman, Kansas State, Manhattan; Jim Haake, director, First National, Topeka; John S. Haley, director, Capital City State, Topeka; L. D. Morgan, senior vice president, First National, Goodland; L. W. Stolzer, executive vice president, Union National, Manhattan; J. M. Thies, director, American State, Great Bend; and C. Jack Weltsch, director, First National, Olathe.

## Raymond Joins Bank Building; Territory Includes Kansas

Allyn D. Raymond has joined Bank Building Corp., headquartered in St. Louis, as a consultant services manager with the central division. His area of sales responsibility includes Kansas, Nebraska and western Iowa.



RAYMOND

Before joining Bank Building, Mr. Raymond was a manager with Manufacturers Association, St. Louis.

■ **KANSAS NATIONAL**, Prairie Village, has elected Mrs. Mildred L. Hermetet assistant trust officer.

## Kansas Death

CHARLES L. BRUNER, 85, retired president of Burns State. He became president in 1949 and retired in 1963.

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**MERRY CHRISTMAS! HAPPY NEW YEAR!**

## Bank Percolates \$1 Million in New Money

**E**AST SIDE National, Wichita, perked up its deposits considerably this year—to the tune of \$100,000 per week, making for a total of about \$1 million in new money in 10 weeks.

What was responsible? Electric percolator premiums!

The bank and its advertising agency spared no effort in publicizing the percolator premium promotion. It used a combination of advertising media, including statement stuffers, newspaper ads in color and TV. In addition, a six-foot model was built to resemble the percolator and was topped with a rotating safety light to attract attention. The model was mounted on a trailer, which was parked at various locations throughout the city during the campaign. The display attracted a great deal of attention and the bank realized specific business through its use.

The bank also utilized special teller badges in behalf of the program. The round stick-on badges stated "Our Interest Helps PERK UP the Day." The



theme "Perk Up" proved to be so popular that several hundred badges were given out at the request of individuals and businesses.

The bank reports that the promotion resulted in an unusually high percentage of new business, most of which

was in CDs, which afforded extra stability.

When East Side National began its premium promotion, it was a \$17 million bank. Just 10 weeks later, at the conclusion of the promotion, it was an \$18 million bank.

And all because of an electric percolator premium! • •

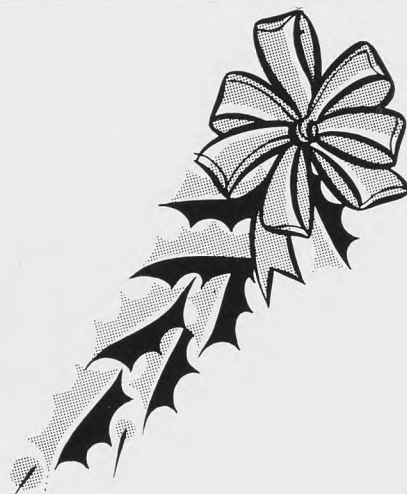
### Bank of America Develops Preferred Auto Rate Card

**SAN FRANCISCO**—Bank of America has developed a special card for automobile purchases that it is initially offering to 200,000 preferred customers.

Called the Preferred Auto Rate Card, it allows the bearer to finance a new car purchase at a preferred rate without the red tape of filling out a long loan application. Once the car has been selected, the customer presents the card, bearing his name and signature, to any of the bank's branches or to the auto dealer.

The bank designed the program to encourage new car purchases. A. R. Zipf, executive vice president, said, "We believe that increased automobile production will have a stimulating effect on the national economy and that the greatly improved pollution controls of new cars will materially aid the war against air pollution."

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## Missouri News

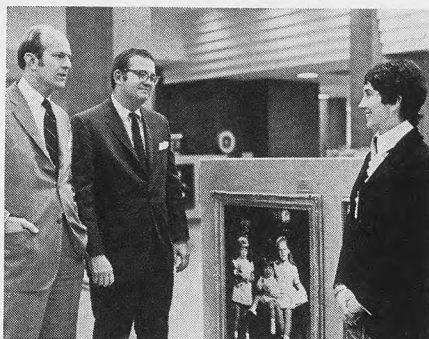
### Federal Reserve Approves Transfer of 24 Mo. Counties From St. Louis to K. C. District

The Board of Governors of the Federal Reserve has approved the transfer of 24 Missouri counties from the St. Louis District to the Kansas City Federal Reserve District. This will add 118 banks to the 1,969 10th District banks already in the area served by the Kansas City Fed.

The transfer was approved because the 24 western and north central counties are economically aligned to metropolitan Kansas City. In addition, the transfer will result in shorter and more economical check and cash delivery routes. The board noted that banks in the affected area are located from 25 to 140 miles from Kansas City compared to a range of from 165 to 290 miles from St. Louis.

The 24 counties are: Benton, Caldwell, Carroll, Cedar, Chariton, Cooper, Daviess, Grundy, Harrison, Henry, Hickory, Howard, Johnson, Lafayette, Linn, Livingston, Mercer, Morgan, Pettis, Putnam, Ray, St. Clair, Saline and Sullivan.

The 10th District presently includes Colorado, Kansas, Nebraska, Wyoming, most of Oklahoma and New Mexico and the western tier of counties in Missouri.



Mrs. Lou Charno and C. C. Barksdale (l.), pres., discuss First National's lobby exhibit with B. K. Werner, whose children's portrait appears in the show. Mr. Werner is v.p. of Insurers Service Corp.

### First Nat'l, St. Louis, Sponsors Photographic Portrait Exhibit

ST. LOUIS—First National recently exhibited a group of photographic works done by Mrs. Lou Charno, nationally known portrait photographer. The exhibit was on display in a special area on the bank's main floor.

The show consisted of more than 20 photographic portraits of prominent St. Louisans and Missourians. Among the works were portraits of Harry S. Truman; Thomas Hart Benton, artist; Johnny E. Roland, professional football player; and A. J. Cervantes, St. Louis mayor.

Mrs. Charno, who has studios in St. Louis and Kansas City, uses a photographic system that she personally developed with an 80-year-old camera. The process produces color portraits that have a three-dimensional effect and a high-fidelity color quality.

The photographic exhibit was part

### Empire Bank Displays Unique Chess Set



Empire Bank, Springfield, attracted crowds when it displayed a unique chess set, made by St. Louis artist Siegfried Reinhardt. The set, described as a "massive sculpture," includes two throne-like chairs with furry linings, a table and chess pieces and accessories. All items are made of platinum and gold and the retail value of the exhibit is estimated at \$22,500. The exhibit, which will travel to Kansas City, Los Angeles, Dallas and Mexico City, appeared at the bank through the cooperation of Stephen K. Davis, Springfield art consultant and gallery owner. Mr. Davis is the son of bank President Emeritus Keith M. Davis.

of First National's "Community Showcase" program, a continuing community-service project of the bank. The project, started 10 years ago, features lobby displays spotlighting activities of cultural as well as health, education and welfare non-profit organizations.

### Bank 244's Charter Revoked By State Banking Board

MARYLAND HEIGHTS—The state charter of Bank 244, granted in September, has been revoked by the state banking board. The bank was to have been located in Maryland Heights, a suburb of St. Louis.

The charter was appealed by Creve Coeur Bank and Fidelity Bank, Creve Coeur. The appeals challenged the charter, contending there was no demonstrated need for a new bank in the area.

Fidelity Bank has been granted a charter to operate but has not opened for business pending an appeal of its charter by Creve Coeur Bank.

### Harry Wessler Named President Of Safe Deposit Association

ST. LOUIS—Harry E. Wessler, manager of the safe deposit department, Boatmen's National, has been elected the 1971-72 president of the Greater St. Louis Safe Deposit Association. He has been active in the association since 1967.

Other newly elected officers include: vice president, Norman L. Vaughn, treasurer, Manufacturers Bank; secretary, Joseph C. Findley, assistant cashier, Lindbergh Bank; and treasurer, Miss Dorothy E. Cartlidge, assistant manager, safe deposit department, Mercantile Trust.

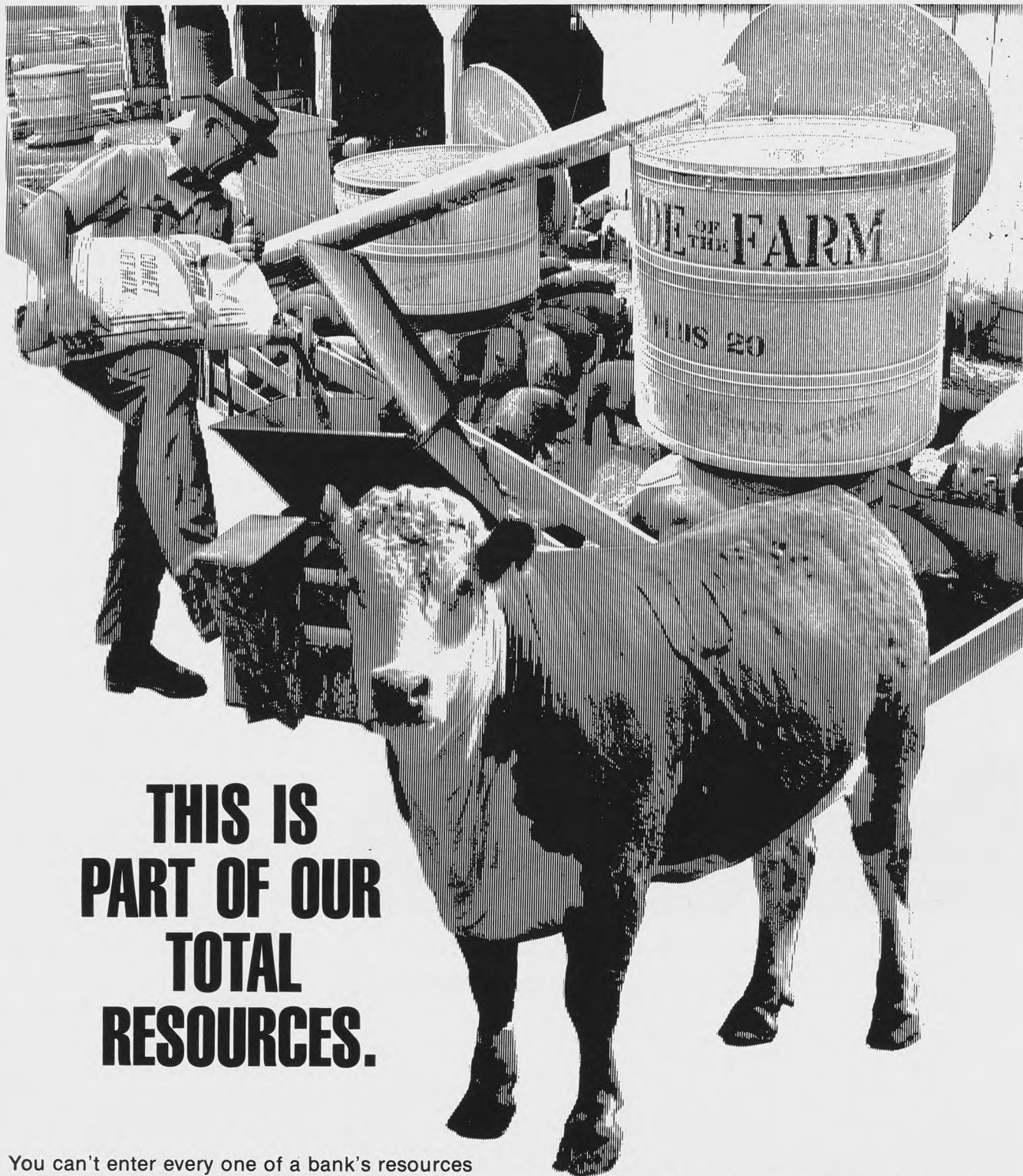
### Manchester Financial Services To Open Bank in Affton

ST. LOUIS—Manchester Financial Services Corp., holding company of Manchester Bank, has received preliminary approval from the Comptroller of the Currency to establish Affton National Bank.

The new bank will have capital of \$500,000, surplus of \$300,000 and undivided profits of \$200,000. Richard M. Reilly, vice president of Manchester Bank, will serve as president of Affton National.

■ BRENTWOOD BANK is constructing eight remote-control drive-in units that will more than double auto banking capacity. The automatic stations, visually controlled from two master windows in the bank, will replace the old drive-in banking windows. Six of the automatic units will be put into operation initially and two more at a later date.





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MID-CONTINENT BANKER for December, 1971

### Jones Elected Fed Director

ST. LOUIS—Edwin S. Jones, chairman and chief executive officer, First National, has been elected a Class A director of the Federal Reserve Bank of St. Louis. His three-year term begins January 1, 1972.

■ **AMERICAN BANK**, De Soto, has elected George D. Turner president. He succeeds the late Dr. Karl V. McKinsstry. Other changes include: J. Marshall Thompson, chairman; Robert W. Politte, vice chairman; Miss Ester M. Cundiff, assistant vice president; and D. Earl Myers, cashier.

### Mercantile-Commerce to Open Drive-In Facility Next Summer

ST. LOUIS—Mercantile-Commerce Trust has received approval from the Missouri Commissioner of Finance to establish a drive-in, walk-up facility at the intersection of Oakland and Macklind avenues.

The facility, scheduled to open in the summer of 1972, will provide banking services for individuals and businesses.

■ **MRS. PEARL LAMWERSIEK** will retire at year-end from St. Louis' Mound City Trust, where she was assistant vice

president. She has been with the bank 25 years and, before that, spent 19 years with Northwestern Bank, St. Louis. Mrs. Lamwersiek was the wife of Carl Lamwersiek, who died in 1967. He was vice president of Northwestern Bank and later vice president and a director of Bank of House Springs. Mrs. Lamwersiek belongs to the National Association of Bank-Women Inc. In NABW, she was editorial committee chairman two years, a member of the public relations committee in the Midwest Region and chairman of the Metropolitan St. Louis NABW Group.

■ **MELVYN MOELLERING**, president, Florissant Bank, received a special award last month from the Florissant Business & Professional Women for his efforts and cooperation with the B&PW in promotion and sale of Liberty Bell replica banks. The banks are on sale at the Florissant Bank, while a life-size replica of the original bell, also sponsored by the B&PW, is being displayed at schools and other public areas.

■ **PINE LAWN BANK** has announced plans to change its location from 6149 Natural Bridge to the southeast corner of Ladue Road and Highway 725. The bank will construct a new building at the site.

■ **MISS LEOLA FEDDER** will retire December 31 as vice president, Commerce Bank of Kirkwood. She has been in banking 46 years, always in Kirkwood. Miss Fedder is active in the National Association of Bank-Women Inc., which she has served as chairman of the Metropolitan St. Louis Group, as chairman of the national organization's editorial, nominating and resolutions committees and as a member of NABW's board.

■ **BADEN BANK**, St. Louis, has named Rolland L. Perry to the newly created position of personnel and operations officer. He will be responsible for personnel administration, including training and supervision of all bank personnel below officer level.

■ **HOWARD KELLETT**, chairman and chief executive officer, First National, West Plains, has been named to the board of trustees of Drury College, Springfield.

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MID-CONTINENT BANKER for December, 1971

## Two Months to Build

Prefabricated structure for Midway National, Miami, was ready to open in just two months. The newly organized bank wanted to begin serving the public as soon as possible. Builder: Panelfab International Corp., Miami.



### First of Jackson Promotes 6

JACKSON, TENN.—First National has promoted five men from assistant vice presidents to vice presidents and named a new assistant comptroller. The new vice presidents are James Freeman, Joe Gobelet, J. Ray Hight, J. Ben Shelton and George Shelton. Named assistant comptroller was Ted Moore.

• Citizens & Southern National, Atlanta, has received Fed approval to establish Citizens & Southern International Bank of New Orleans. The New

Orleans Office will be a wholly owned subsidiary of the bank and will offer a full range of international banking services. The new office is scheduled to open around the first of the year.

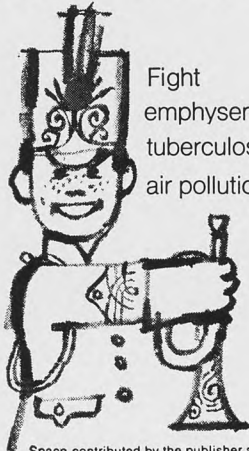
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# Exchange Security, Birmingham, Engineers Smooth Move

**H**OW DOES a bank relocate four complete departments and a hundred employees in a two-day period? Exchange Security Bank, Birmingham, Ala., called on Operations Vice President Maurice Wilhelm to provide an answer.

The data processing, Master Charge, proof/transit and installment loan departments were physically relocated in Exchange Security's new ultra-modern Operations Center, bringing a computer age "first" to Birmingham. And all the shuffling around occurred in one short weekend.

"Timing, coordination and cooperation were keys to a successful relocation," Mr. Wilhelm said. "Personnel in all departments were willing and anxious to help."

Involved in the gigantic relocation project were three moving companies, IBM, National Cash Register Co. and South Central Bell Co. Many bank employees also helped, adding to the mass of people going in and out of the Operations Center.

The actual moving started early on a Saturday morning. Each department manager was responsible for relocating his respective department. On Monday morning, normal operations resumed in all departments at top efficiency—without a break in normal work time.

Perhaps the most spectacular aspect of the relocation job was the dismantling and reassembling of two IBM 360 central processing units and component parts. The entire computer system was

manually moved from Seventh Avenue South to the new location on West Valley Avenue.

The disconnection of component parts began Saturday afternoon when the computer was shut down. Three IBM engineers dismantled the component parts and supervised their packing into moving vans. Key punch machines, office furniture and files were moved along with the computer equipment.

At the Operations Center, more than a thousand feet of heavy-duty electrical cables was laid under the raised flooring before the computer could be reassembled. However, the heavy computer machinery was dismantled, moved, reassembled and brought up to running capacity in less than 40 hours.

Mike Graham, manager of data processing, said that a move of this caliber is not uncommon, but the time factor added extra pressures. "We were operating against a deadline," he said, "and it takes a lot of cooperation to make it go off smoothly. When you attempt to move an entire computer with so many sensitive parts, everything has to operate smoothly."

In conjunction with the data processing department, South Central Bell installed an "audio response system." The telephone-to-computer system enables bank personnel to dial the computer direct and inquire into checking and savings accounts. A recorded feminine voice answers from the computer, supplying the caller with the requested

information.

The proof/transit department was transferred the same weekend from the Five Points South Office. Ten proof machines were disconnected from their old facilities by two National Cash Register technicians and reconnected at the Operations Center. The actual moving of machinery began early Saturday morning and by six o'clock that evening the move was completed.

"There were no major problems because the new positions for the machines were already marked and the moving was relatively easy," explained Mike Riley, manager of proof/transit. "The most significant part of the relocation was the organization. Everything was packed and labeled before the movers arrived," he said.

The purchase of new furniture lightened the burden for the Master Charge and installment loan departments. "The move went as smoothly as could be expected," Installment Loan Manager Paul Davis said, "but it still involved a lot of hard work. The employees cooperated and came in on Saturday afternoon to set up their own desks without being asked," he said.

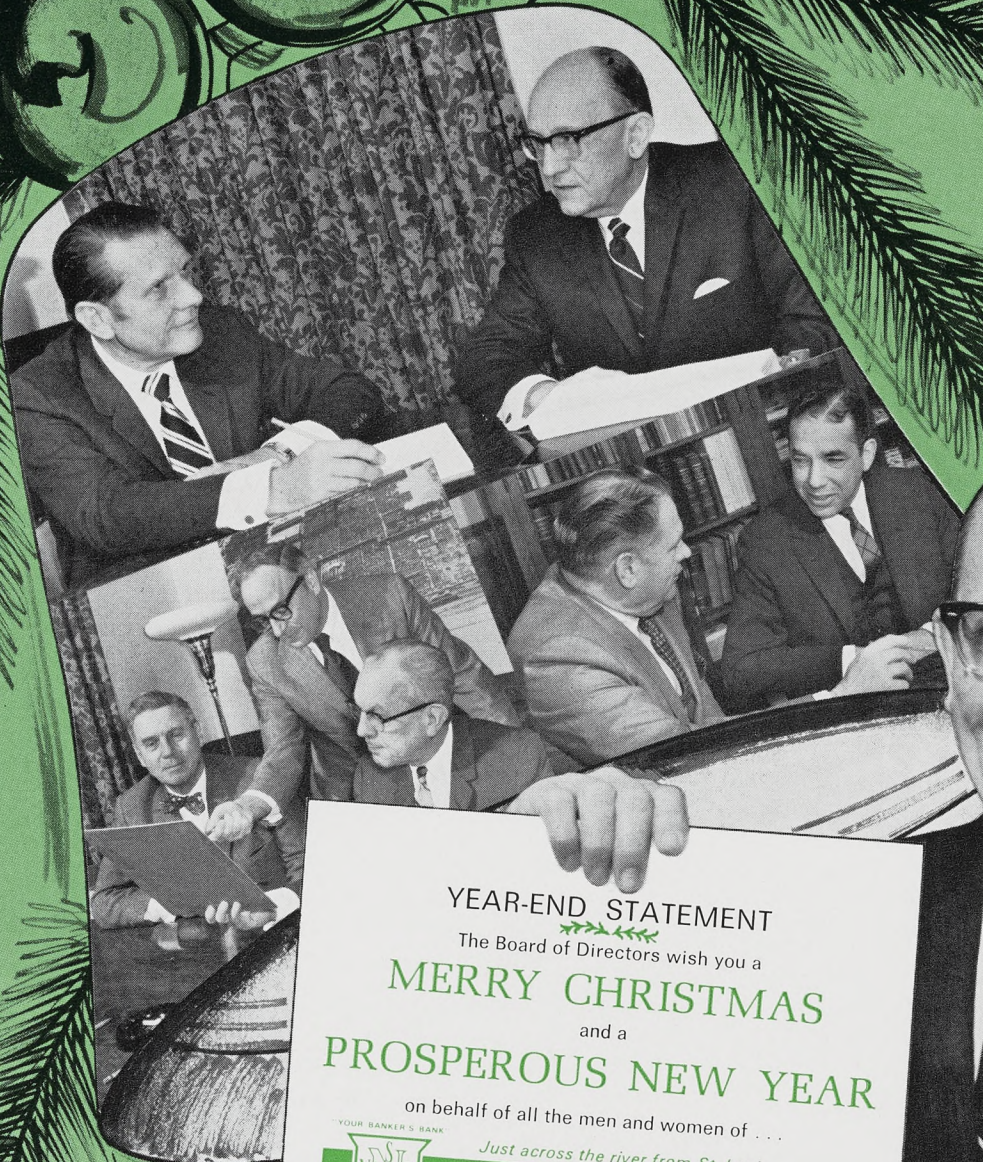
Four complete and separate bank departments are now centrally located under one roof at the new ultra-modern Operations Center. Operations Vice President Maurice Wilhelm, the man responsible for the massive relocation, saw a complicated project, which many said could not be accomplished in two days, become a reality. • •

## Topping Out Ceremony Held at Citizens Fidelity, Louisville



Ceremonies topping out the 30-story building of Citizens Fidelity, Louisville, were held in late October. Photo at left shows principals at ceremony, including (from l.) MacDonald Becker, president, Welton Becket & Assoc., architects; Maurice D. S. Johnson, chairman and CEO, Citizens Fidelity; Frank A. Orrico, president, Winman Co., and

Don Reed, Northwestern Mutual Life Insurance Co., joint developers of the structure. Middle photo: Mr. Johnson talks to crowd attending ceremony. Right photo: tree is hoisted to top of structure to complete ceremony.

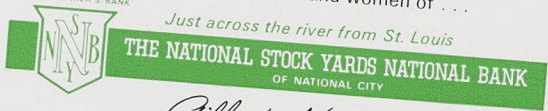


YEAR-END STATEMENT  
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on behalf of all the men and women of . . .

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