

# MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley & Southwest

NOVEMBER, 1975

## Congress Considers Financial Institutions Act—Page 114

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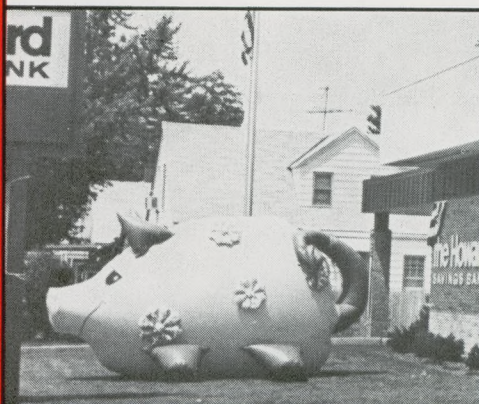
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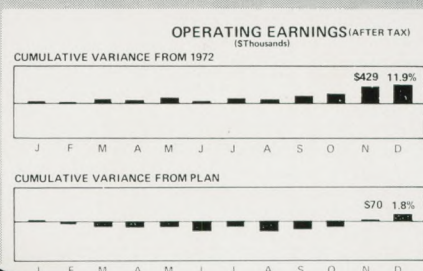
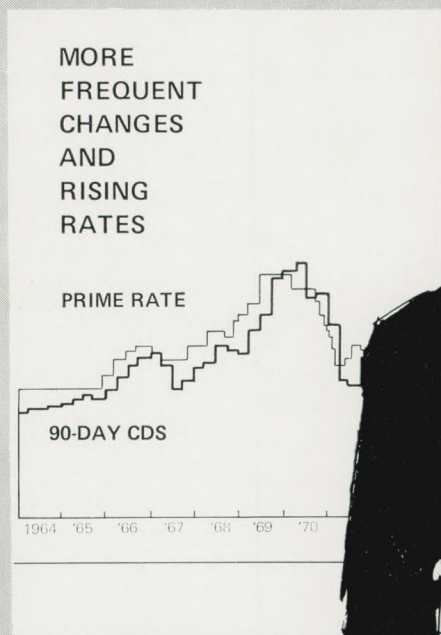


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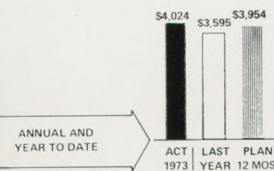
## MARKETING ISSUE

# **Interdependence...** **and asset and liability management**



**EARNINGS PER SHARE**

YEAR TO DATE	VARIANCE FROM
ACT \$4.69	
LAST YR \$3.64	LY \$1.05 28.8%
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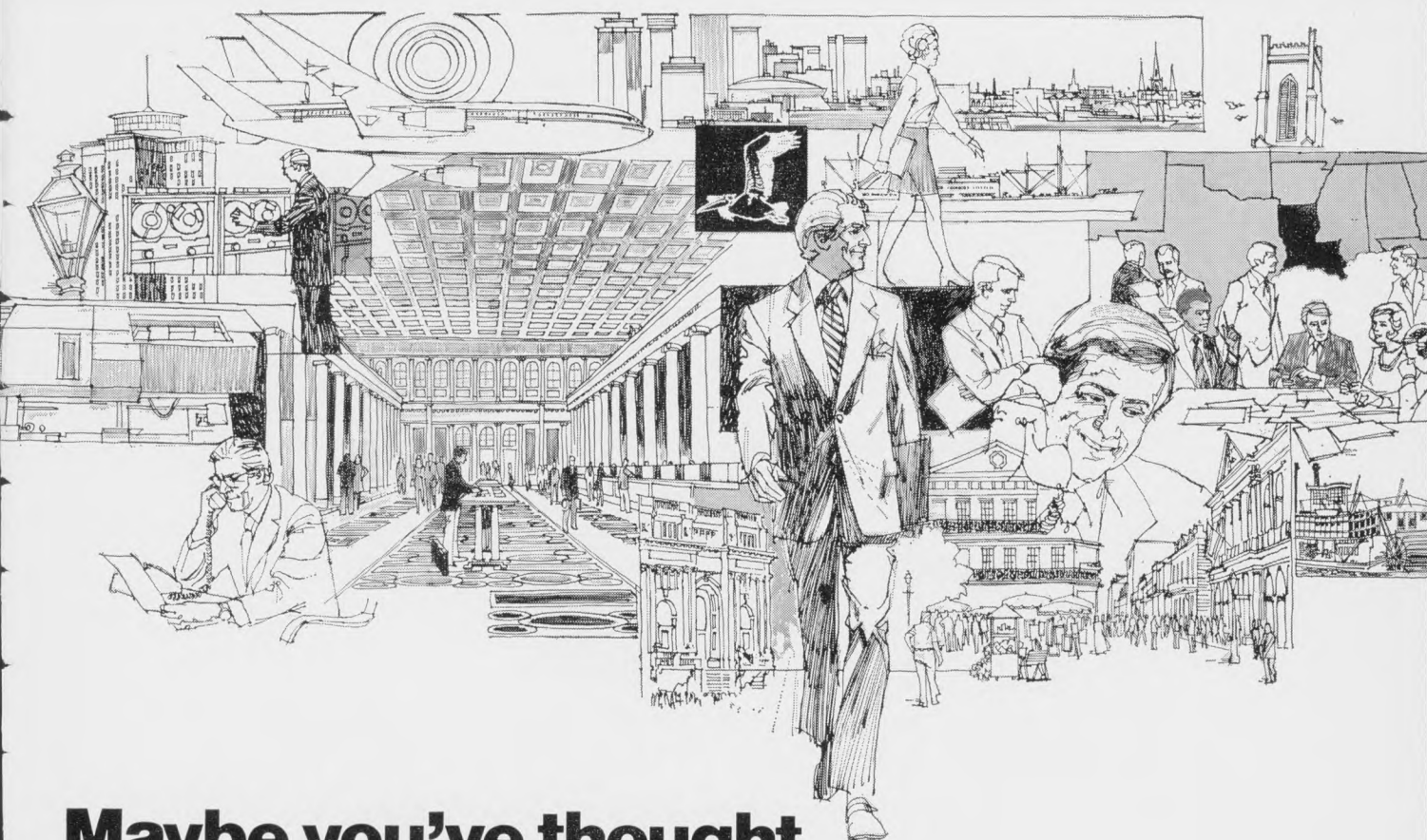
credit quality? Is my liquidity adequate? Is it possible that I'm borrowing short and lending long? What value am I placing on my money inventory?

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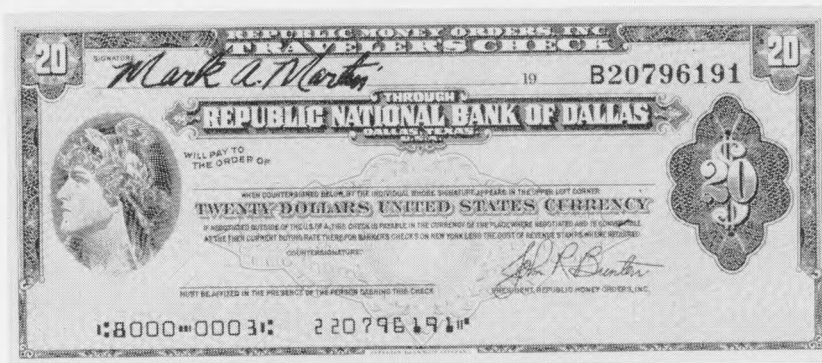


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# Convention Calendar

## November

- Nov. 11-21: ABA National Commercial Lending School, Norman, Okla., University of Oklahoma.
- Nov. 16-18: Association of Registered Bank Holding Companies Fall Meeting, Palm Beach, Fla., the Breakers.
- Nov. 16-19: ABA Agricultural and Rural Affairs Conference, Houston, Shamrock Hilton Hotel.
- Nov. 20-21: ABA Mid-Continent Trust Conference, Minneapolis, Hotel Radisson.
- Nov. 20-21: Robert Morris Associates Real Estate Lending: Control and Loan Service Workshop, New Orleans, Royal Orleans Hotel.
- Nov. 20-22: ABA Meeting With Comptroller of the Currency, Austin, Tex., Lakeway Inn.
- Nov. 30-Dec. 5: ABA National Commercial Lending Graduate School, Norman, Okla., University of Oklahoma.

## January

- Jan. 11-14: Robert Morris Associates Financial Statement Analysis Workshop, Atlanta, Omni International.
- Jan. 18-21: ABA Risk & Insurance Management in Banking Seminar, Reston, Va., Sheraton Inn.

## February

- Feb. 1-5: 24th Assembly for Bank Directors, Honolulu, Sheraton-Waikiki and Royal Hawaiian hotels.
- Feb. 8-11: ABA National Trust Conference, Atlanta, Peachtree Plaza.
- Feb. 8-20: ABA National Installment Credit School, Norman, Okla., University of Oklahoma.
- Feb. 9-March 3: Kansas, Missouri and Nebraska Bankers Associations' Intermediate School of Banking, Lincoln, Neb., University of Nebraska.
- Feb. 11-13: ABA Bank Investments Conference, New York City, Americana Hotel.
- Feb. 15-20: ABA Community Bank CEO Program, Santa Barbara, Calif., Santa Barbara Biltmore.
- Feb. 15-21: ABA Operations/Automation Division Business of Banking School, Fort Worth, American Airlines Learning Center.
- Feb. 22-27: ABA National Personnel School, Bloomington, Minn., Radisson South.
- Feb. 24-25: Robert Morris Associates Regional Workshop on Lending to Finance Companies, Chicago.
- Feb. 25-27: ABA Construction Lending Workshop, Columbus, O., Ohio State University.

## March

- March 7-9: ABA National Credit Conference, Atlanta.
- March 7-12: Kansas, Missouri and Nebraska Bankers Associations' School of Basic Banking, Lincoln, Neb., University of Nebraska.
- March 14-17: Robert Morris Associates Financial Statement Analysis Workshop, Boston, Colonnade Hotel.
- March 14-18: Independent Bankers Association of America Convention, Honolulu, Sheraton Waikiki Hotel.
- March 21-24: ABA Trust Operations/Automation Workshop, New York City, Americana Hotel.
- March 21-26: Kansas, Missouri and Nebraska Bankers Associations' Commercial Lending School, Lincoln, Neb., University of Nebraska.
- March 30-April 9: ABA National Commercial Lending School, Norman, Okla., University of Oklahoma.

## April

- April 1-3: ABA Meeting With Comptroller of the Currency, Lincolnshire, Ill., Marriott's Lincolnshire Resort.
- April 4-6: ABA Midwestern Regional Bank Card Conference, Cincinnati, Stouffer's Inn.
- April 4-7: ABA National Installment Credit Conference, Miami Beach, Fla., Fontainebleau Hotel.
- April 10-13: Association of Reserve City Bankers Annual Meeting, Palm Beach, Fla., the Breakers.
- April 11-14: Robert Morris Associates Financial Statement Analysis Workshop, Denver, Cosmopolitan Hotel.
- April 18-23: Robert Morris Associates Loan Management Seminar, Bloomington, Ind., Indiana University.

# MID-CONTINENT BANKER



The Financial Magazine of the Mississippi Valley & Southwest

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# The Banking Scene

By Dr. Lewis E. Davids

Hill Professor of Bank Management,  
University of Missouri, Columbia

## Is Disclosure Really Necessary?

JOHN J. CUMMINGS, president, Industrial National, Providence, R. I., recently testified on the topic of disclosure on behalf of the American Bankers Association before the Senate Committee on Banking, Housing and Urban Affairs. That committee is headed by William Proxmire, who usually isn't sympathetic to the problems of bankers.

Few bankers would disagree with Mr. Cummings' conclusion, that all disclosures by banks should be meaningful to investors and shouldn't invite misinterpretation or distortion. He also said that standards of disclosure should be applied uniformly among banks and all public corporations. Finally, Mr. Cummings added that all disclosed facts and judgments should be "material," otherwise, disclosure becomes an exercise in futility.

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***"Chemists say one must be a chemist to understand the legally required disclosures printed on many consumer products."***

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It's much easier to phrase a broad concept of bank policy than to spell it out. The Comptroller of the Currency, in his corporate disclosure regulations 36 Federal Register 2522, parts 10-18 of Title 12 CFR, takes close to 40 pages in the Federal Register, in small print, in an attempt to come to grips with the treatment of disclosure by his office.

Most bankers view disclosure as being applicable only to banks having more than 500 shareholders, or those that are "public," and subject to Securities & Exchange Commission rulings. Also included are members of regulated bank HCs.

Because of that, most bankers probably have considered the topic of disclosure as being in the purview of the giant money-market banks. Such bankers increasingly are recognizing this attitude as myopic. The entire history of disclosure began with the large institutions—banks or other industries—and then worked down until the small firms such as the local filling station, were covered.

I'm not going to discuss the technical aspects of the new disclosure regulations and proposals, but will concentrate on the more philosophical aspects of corporate disclosure regulations.

One factor to keep in mind is that bankers, as any group, have been taught that a bank's most confidential and sensitive business can be misunderstood easily by individuals and agencies, who only look at the data from a singular, partisan view. Certainly, the way in which the social advocate views a rejection of a substandard mortgage application is different from that of a bank regulator. In turn, the bank's shareholder would have a different view of the same situation than the FHA, and so forth.

In addition, many states have unrealistic usury laws, which tend to discourage, for instance, mortgage lending in lieu of purchase of good quality, high-yield market instruments. We then wind up with a "can of worms": No matter what the banker does, there is sure to be some constituency in opposition to the banker's decision—a decision made with a better understanding of the bank's role than could be made by any outside group.

The types of disclosure called for on the part of banks not only is contrary to the time-tested practices of the past; in a perverse way, the disclosure advocates often are identified with societal

power groups, which have insisted on their *own* rights to privacy. They don't want banks to be able to keep credit files involving such data as their social security numbers, their race or gender, age or census tract, but they want the banks to provide them with disclosure involving these very factors. Further, they want to be able to use such simplistic data to "prove" that the bank has not done what they wish it to do.

One only need look at the side panel of a box of breakfast food to detect disclosure trends. The required list of chemicals and ingredients will show how some types of disclosure—probably *most* types—are seeking an elusive "will-o'-the-wisp" approach to "truth," "fair trade" and "ingredients."

This concept of overkill will be counter-productive. It will not accomplish a social benefit. It won't provide the layman with a reasonable assurance of fair treatment.

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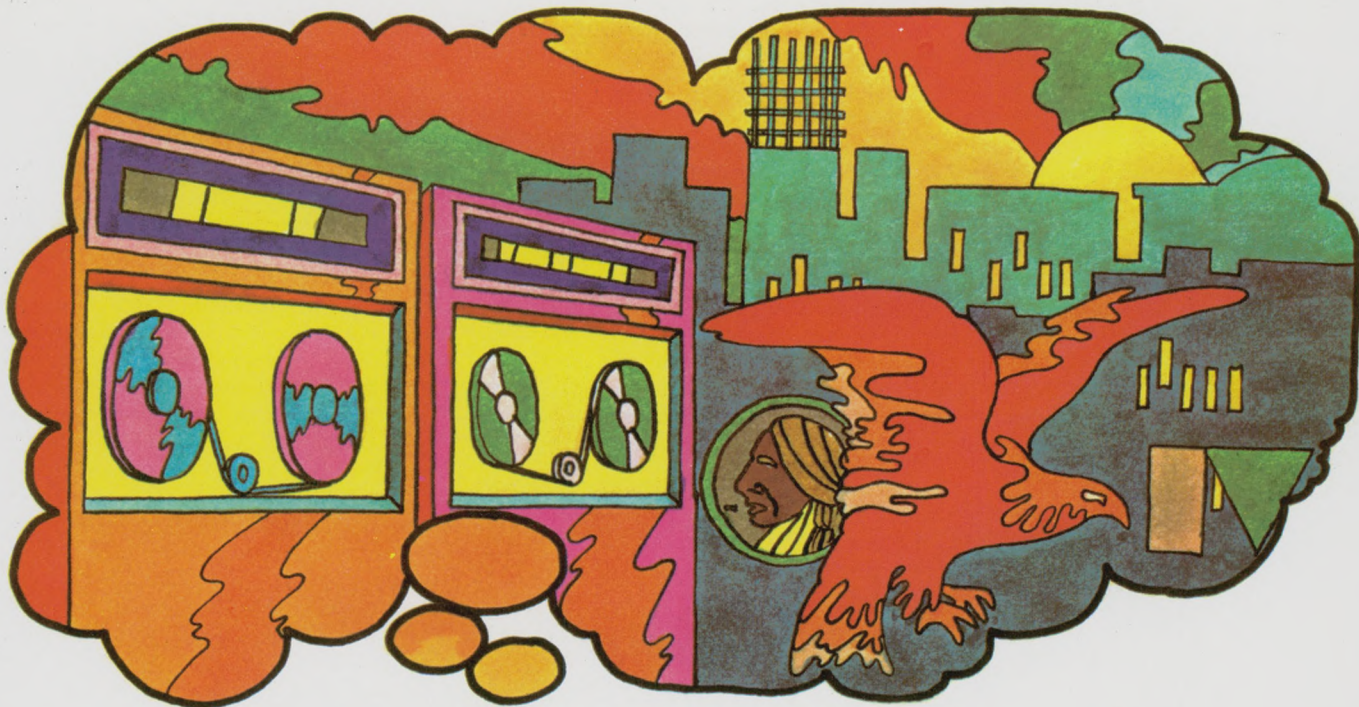
***"Let the advocates of more disclosure prove that the benefits will exceed the costs."***

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Why not take out a recent copy of Regulation Z and ask a class of college seniors to read it, then have them work out a simple interest rate determination? I've done so, and the answers I received were as numerous and different as the individuals in the class.

I once asked a group of chemists what they felt was the layman's meaning of the disclosures called for on many consumer products, and they, too, found the so-called "disclosures" to be of dubious value to the public. They indicated that only those who had majored in chemistry in college

MID-CONTINENT BANKER for November, 1975



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# TheFourth



would know what the disclosures accomplished.

One must recognize the trade-offs in time and effort many companies have made to comply with disclosure regulations. The small, new organization, the one that should be encouraged, has this additional hurdle to jump. Thus, the goals and objectives of the disclosure have been redirected to create a non-productive bureaucracy, discouraging competition.

The Library of Congress has released a study showing that the yearly cost to business of filling out federal forms is over \$40 billion—more than

our entire national income in 1933!

Today, the average businessman is spending 20% more of his time in filling out government forms than he did just a year ago; next year, he will be spending more time on the forms (with additional disclosure requirements) than he did this year.

Bankers are among the first to be called upon to fill out such forms and reports. They also are the target of a step-up by Washington and state governments for additional disclosure. The problem is not withering away. It's getting worse.

The young leaders in our colleges

haven't recognized this. They want "disclosure" to a degree that bankers—who haven't been on a college campus for a decade or so—can't appreciate.

We all agree with the *concept* of reasonable disclosure as stated by Mr. Cummings. The difficulty is in converting reasonable disclosure into accurate and meaningful definitions that accomplish what was intended. There are grounds for questioning the meanings and the integrity of many definitions developed by regulators, legislators and the like. In banking, we have words, such as "branches," defined by legislation, courts and regulators, and all disagree on some fundamental aspects.

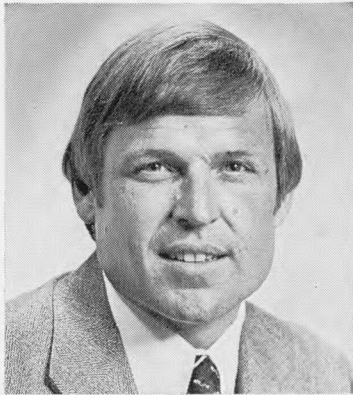
In academia, we have such Orwellian definitions: a "full time student" is one who takes at least half a "full-time" class load. A "clock hour"—the usual length for a class—is 50 minutes.

A Federal Home Loan Bank Board (FHLBB) release on the board's Fair Housing Information Survey resulted from a study involving banks and S&Ls. It cost the FHLBB thousands of dollars, not to mention the cost to financial institutions. The study's goal was disclosure of discrimination.

The FHLBB deserves high grades for its own frank disclosure, but as a student of the subject—and as a taxpayer—I feel the study has proved my point. Following is an extract of one of its major points: "A manual check for accuracy of census tract numbers on randomly selected addresses showed that substantially less than half the census tract designations were correct (46% in Washington, D. C., 38% in Cicero, Ill.). Fully one-fourth of the addressees could not be converted into census tracts because the address information was insufficient."

Mr. Cummings mentioned the term, "materiality." At this time, there are at least two Ph.D. theses being written on "materiality," and the American Institute of Certified Public Accountants has done yeoman duty in this area, but one needn't be a Ph.D. or CPA to question the use of a study in which a random testing shows that one or more significant objective areas are substantially less than half correct.

Those voices calling for restraint in the proliferation of legislation and regulations, with their attendant inaccuracies or needless "disclosures," have had little success to date. My suggestion is to apply the following test to demands for more disclosure: Let those who would add disclosure burdens to society first disclose and prove that the benefits will exceed the costs, and that the disclosed data will be accurate within the concept of materiality. • •



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# NEWS OF THE BANKING WORLD



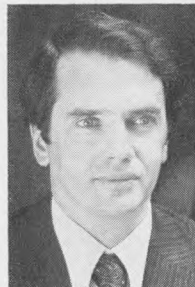
STOCKMEYER



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VOSE



SMITH

• **C. Boyd Stockmeyer**, chairman and chief executive, Detroit Bank, will receive the 1975 International B'nai B'rith Humanitarian Award at a \$100-a-plate dinner November 18 at Cobo Hall in Detroit. The award is for "distinguished and enduring contributions of a humanitarian nature" and will be presented on behalf of the B'nai B'rith Foundation of the United States.

• **Earl L. Bimson**, senior vice chairman, Valley National of Arizona, Phoenix, will take early retirement at year-end, but plans to remain on the bank's board. Mr. Bimson, who headed the Bank Administration Institute, 1968-69, joined VNB in 1946, was president, 1967-73, and senior vice chairman since 1973. For six years, he was a faculty member of the School for Bank Administration, University of Wisconsin.

• **Sharnia "Tab" Buford**, president, Douglass State, Kansas City, Kan., was installed as president of the National Bankers Association last month, moving up from president-elect. The NBA is a trade organization started in the '20s for Black people, but currently representing Blacks, Mexican-Americans, American Indians, Puerto Ricans, Cubans and other Hispanic Americans. The association represents 71 minority banks throughout the country.

Two other Mid-Continent-area bankers were elected to the NBA's board—George Brokemon, president, Highland Community Bank, Chicago; and Leonel Garza, president, Metropolitan National, McAllen, Tex. Henry Warren Sewing, founder of Douglass State, received the NBA's Richard Robert Wright Award during the group's annual con-

vention in Seattle. The award is the highest given by the NBA for outstanding leadership and community and economic development reflective of the life, philosophy, and achievements of Major Richard Robert Wright, former slave, educator, financier and co-founder and first president of the NBA.

• **John S. Rippey** has been appointed legislative director of the Association of Registered Bank Holding Companies. He formerly was assistant to the Fed for legislative matters.

• **Charles A. Vose Jr.** has been named president, First National, Oklahoma City, succeeding Gerald R. Mar-

shall, who has been elected chairman and CEO, Capital National, Houston. Mr. Vose, who is 32, joined the bank in 1965, working in commercial loans. During the past three years, he has been involved with overall management of the bank and its parent company, First Oklahoma Bancorp., Oklahoma City. In 1974, he was named bank vice chairman, a position he will retain. Mr. Vose also is a director, Founders Bank, Village Bank and Northwest Bank, all of Oklahoma City. Prior to joining First National, Mr. Marshall was president, Liberty National, Oklahoma City, and senior vice president, First National, Dallas.

• **Harrison V. Smith** has been elected an executive vice president, Morgan Guaranty Trust, New York City. He joined the bank in 1946 and heads its trust and investment division. Mr. Smith formerly was a senior vice president.

• **Tristan E. Beplat**, retired senior vice president and deputy general manager, international division, Manufacturers Hanover Trust, New York City, has received Japan's "Second-Class Order of Merit." He was so honored because, as Allied occupation official in charge of banking, Mr. Beplat expedited and shaped the postwar recovery of Japan's banks and other financial institutions.

• **Gail W. Pohn** has been named director of bank organization by Comptroller of the Currency James E. Smith. Mr. Pohn retains the title of assistant chief counsel, which he has held since 1970, and continues as advisory counsel to the Comptroller's law department in the bank operations area.

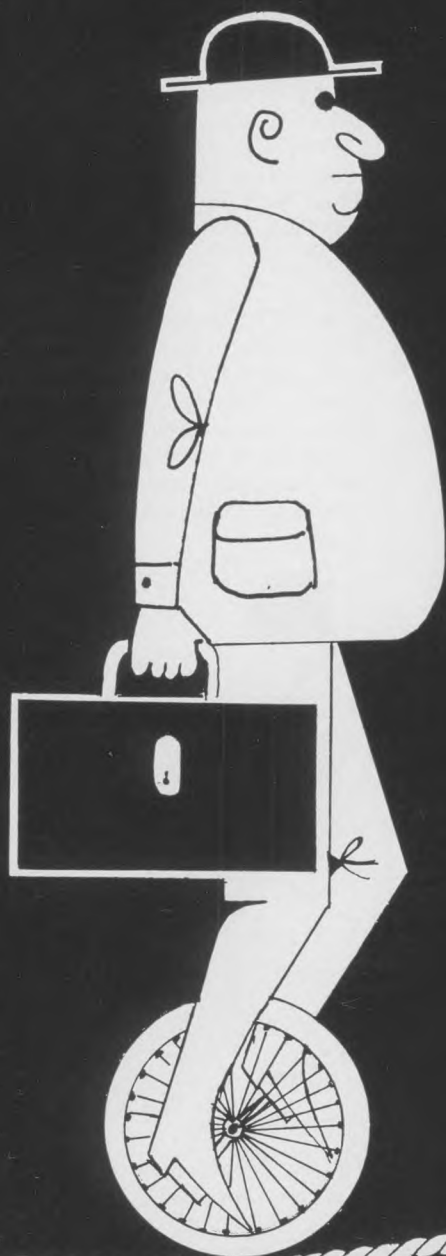
## Chester C. Davis Dies

ST. LOUIS—Chester C. Davis, 87, former president, Federal Reserve, St. Louis, died September 25 in Winston-Salem, N. C., where he had been living.

Mr. Davis began his career as a newspaperman and was appointed by President Franklin Roosevelt to be director of the Agricultural Adjustment Administration in 1933. When the law on which the AAA was based was declared unconstitutional by the U. S. Supreme Court in 1936, Mr. Davis was named to the Fed Board of Governors.

He resigned in 1941 to become president of the St. Louis Fed, served a short time in Washington, D. C., as war food administrator and returned to the St. Louis Fed presidency in 1943. Mr. Davis retired in 1952 and then served as an adviser on farm credit problems in India and was a visiting professor in agricultural economics at the University of California.

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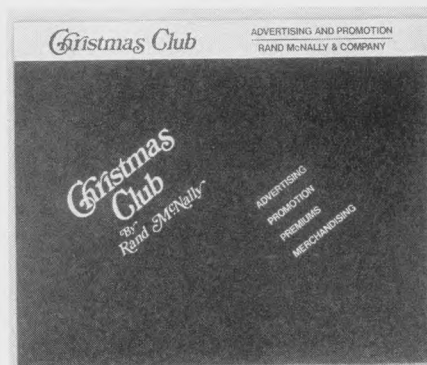
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• **Forbes Products Corp.** Pictured is the plastic literature rack marketed by Forbes Products Corp., Rochester, N. Y. Constructed of vinyl plastic, it is collapsible for mailing. The rack is said to be ideal for holding credit card applications and informational brochures and a variety of colors are available. The racks can be imprinted with one color or multiple colors. Write: Forbes Products Corp., 1465 Jefferson Road, Rochester, NY 14623.

## New Products and Services

• **Impact Specialties Corp.** The "Million Dollar Savings Bank" has been introduced by Impact Specialties Co., Des Plaines, Ill. Constructed of papier mache, the coin bank is designed to look like a bundle of greenbacks, complete with rubber bands that appear to hold the bills together. A removable rubber plug is in the bottom. Write: Impact Specialties Corp., 395 Munroe Circle South, Des Plaines, IL 60016.



• **Rand McNally & Co.** A new Christmas Club promotion kit has been introduced by Rand McNally & Co., Skokie, Ill. The two-part brochure includes suggested items, such as stuffers, displays, merchandising materials, etc., and gives specific instructions and guidelines on how to use them effectively. Suggested radio scripts, newspaper ad glossy prints, "how to run a contest" and other low- or no-cost promotional ideas also are outlined. Write: Rand McNally & Co., 8255 North Central Park Avenue, Skokie, IL 60076.

• **AES Technology Systems.** The DRS 800 is a new information recording system that marks, encodes, separates, assigns batch numbers, calendar dates, etc., at high speeds. The unit is a keyboard operated logic system for the automatic implementation of audit trail and marking procedures, permit-

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AA	Gary, Ind. Environmental Impr. Rev.	U. S. Steel Corp.	6.20%	2-1-85
S & P				
A	East Chicago, Ind. Pollution Control Rev.	Inland Steel Co.	6 3/4% 8 1/8%	6-1-85 6-1-85

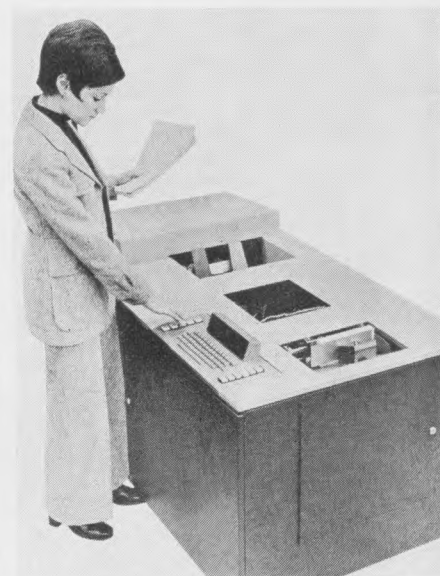
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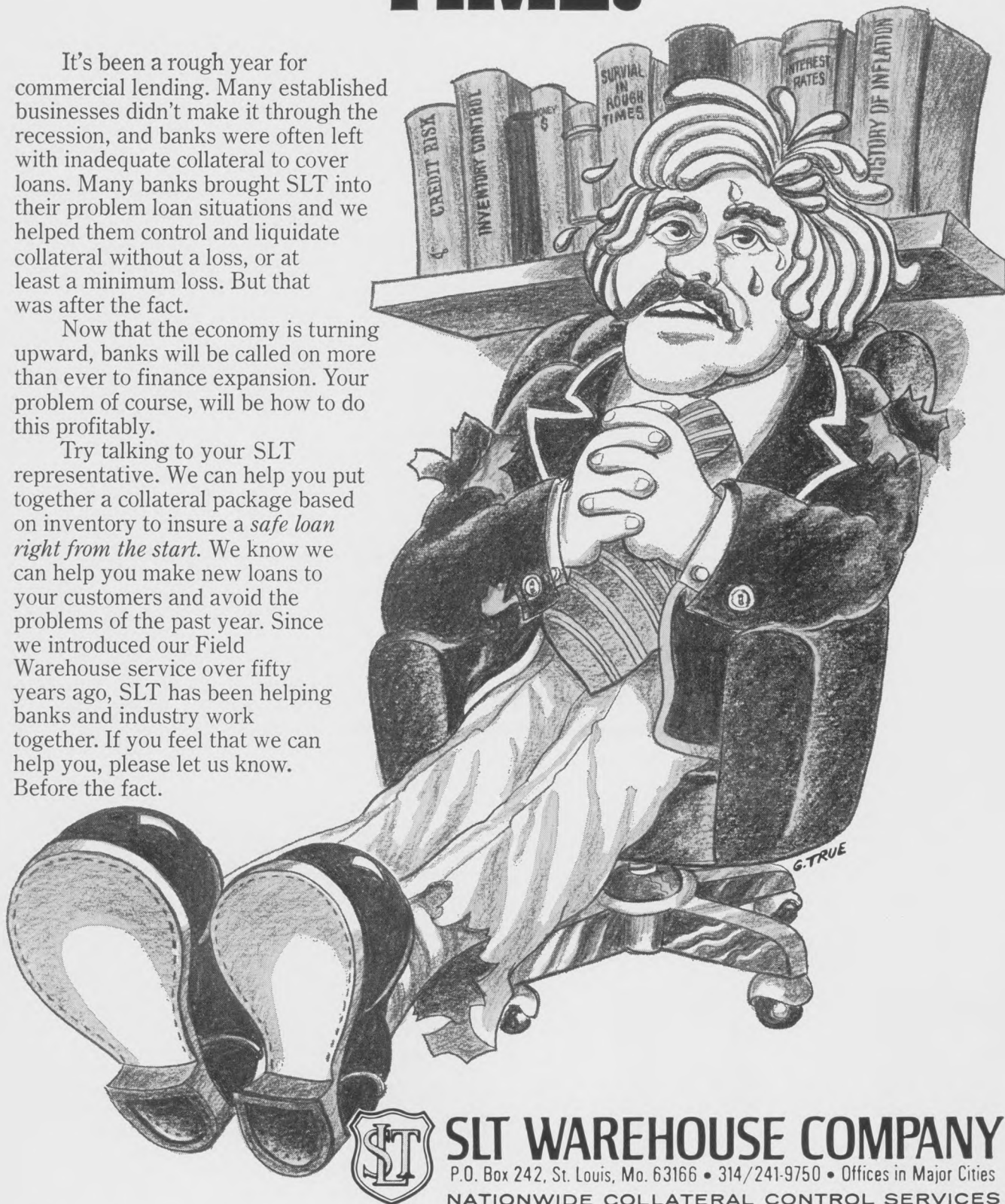
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# YOU'VE HAD A ROUGH TIME!

It's been a rough year for commercial lending. Many established businesses didn't make it through the recession, and banks were often left with inadequate collateral to cover loans. Many banks brought SLT into their problem loan situations and we helped them control and liquidate collateral without a loss, or at least a minimum loss. But that was after the fact.

Now that the economy is turning upward, banks will be called on more than ever to finance expansion. Your problem of course, will be how to do this profitably.

Try talking to your SLT representative. We can help you put together a collateral package based on inventory to insure a *safe loan right from the start*. We know we can help you make new loans to your customers and avoid the problems of the past year. Since we introduced our Field Warehouse service over fifty years ago, SLT has been helping banks and industry work together. If you feel that we can help you, please let us know. Before the fact.



## SLT WAREHOUSE COMPANY

P.O. Box 242, St. Louis, Mo. 63166 • 314/241-9750 • Offices in Major Cities  
NATIONWIDE COLLATERAL CONTROL SERVICES

## Valley National of Phoenix Offers Convenience Services

Holders of Valley National of Phoenix' Valley National Banking Card—a checking and check guarantee card—will be provided with an array of convenience features.

The series of services includes personalized identification features, a guarantee on personal checks and a new way to write a check.

The card features a photograph of the owner as the main item on the front of the document. In addition, personal checks will be guaranteed by the bank for up to \$100 on the face of the card. Higher limits will be guaranteed with authorization. The National Banking Card will be honored at participating businesses and at the bank's 156 offices.

Card holders reportedly won't have to produce more than one form of identification. The card can be used with a substitute form—called the Valley National Banking Check—for a personal check. The alternate has the same guarantee features as a personal check presented with the card.

Using the alternate system, a shopper in a grocery can present the card instead of writing a check. The merchant then can fill out a banking check form, including the amount of purchase and an imprint of the card. The shopper signs it and receives a receipt. The

## New Customer Services

form is sent to the bank and is handled like a check, with the original returned to the customer after processing.

Bank officials say the card will be provided to qualifying customers at no charge and merchants won't be charged a discount to participate in the program.

### Manny Hanny Money Order Said to Offer Improvements

Manufacturers Hanover Trust, New York City, has introduced a new international money order (IMO), which offers a higher limit of \$1,000 in addition to other improvements.

The old IMO, introduced in 1971, could be issued in amounts to \$250.

The new IMO eliminates the need to predesignate a foreign bank on which to draw a draft or to send an advice, something which Manufacturers' officials foresee will reduce mail and draft

problems, such as tracing payments, duplicate payments and stop payments.

The new money order includes a distinctive style of printing, including imprinting of the issuing bank's logo. Safety features are incorporated to prevent unauthorized duplication.

The purchase transaction of the IMO is said to be complete in less than one minute, while encashment by the overseas bank is made immediately after the document is endorsed by the payee in person, is verified for safety features, agrees with the IMO specimen held by the overseas bank and has two signatures: a facsimile of that of a Manufacturers Trust officer and a counter-signature not requiring verification.

### Simplified Loan Contract Offered By Capital National of Austin

Capital National, Austin, reportedly has become the first bank in Texas to introduce a simplified consumer loan contract. The contract, which is signed by individuals and some businesses that borrow money from the bank, relies on everyday language where possible, rather than legal terminology.

Following an idea pioneered by First National City Bank, New York City, officials at Capital National felt the new offering would buttress the consumer-oriented stance the bank takes in the community.

• **Bank Building Corp.** Roger W. Grimshaw has been named manager of sales for the central division of Bank Building Corp., St. Louis. His territory covers an area including Illinois, Indiana and Missouri. Mr. Grimshaw joined BBC in 1973 as manager of sales, real estate services division. Prior to that, he was president, Executive General, Cincinnati.

• **Christmas Club a Corp.** John H. Guinan, president, Christmas Club a Corp., Easton, Pa., has been elected to the additional post of CEO. He joined the firm in 1969 as vice president and general manager and was named president in 1972. Prior to joining Christmas

## Corporate News Roundup

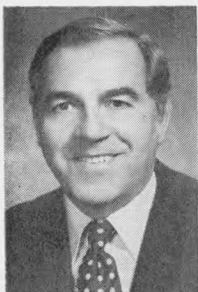
Club, Mr. Guinan was vice president, Diebold, Inc., Canton, O., and before that was in sales management, Burroughs Corp., Detroit.

• **Nytco Services, Inc.** William W. Harrison has been named vice president/manager, Memphis Office, Nytco Services, Inc., St. Paul. Mr. Harrison has been with Nytco since 1972 in the

Atlanta Office. Prior to that he was with Lanier Business Products, Atlanta, and before that, Fourth National, Columbus, Ga.

• **James Talcott, Inc.** Donald W. Jacobus has been elected assistant vice president, business finance division, and Chicago district manager, James Talcott, Inc., New York City. He is responsible for marketing, sales administration and new business development. Prior to joining Talcott in April, Mr. Jacobus was a commercial banking officer, LaSalle National, Chicago.

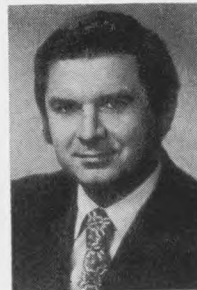
• **Carter H. Golembe Associates, Inc.** An agreement in principle has been reached for the merger of Carter H. Golembe Associates, Inc., and Baxter & Co., both Washington, D. C., consulting firms. Carter H. Golembe will continue as chairman and CEO, while Nevins D. Baxter will become a senior associate of the firm, which will be called Golembe Associates. Mr. Baxter also will be a member of the company's management committee and of its board. Before founding Baxter & Co., Mr. Baxter was vice president and director of economic research and consulting, Mathematica, Inc.



GUINAN



HARRISON



GRIMSHAW

**In 1954,  
Insured Credit Services  
originated the idea  
of privately insured  
home improvement loans.**

**Today,  
1,062 banks  
are glad we did.**

ICS insured home improvement loan portfolios enjoy a **guaranteed** profit return with 100% credit protection against every unpredictable default such as bankruptcy, divorce, strikes and recessionary causes.

We can demonstrate how your ICS protection program provides a significant **increase in profits**, compared to other types of loans.

The Insured Credit Plan, with its guaranteed high profitability, complete default protection and on-going counseling services, enables lending institutions to expand and diversify their lending operations in the growing property improvement market.

For complete details on the advantages of the Insured Credit Plan, call or write William F. Schumann, President, today.



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312/263-2375

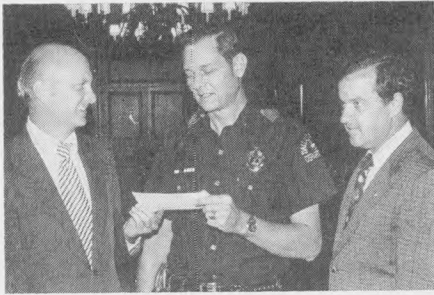
*America's No. 1 insurer of home improvement loans.*

*Plucky Patrolmen:*

## Bank's Educational Grants Given for Police Schooling

Under a program instituted in 1955, Deputy Chief Jack L. Davis of the Dallas police has received a \$3,000 scholarship from that city's Republic National. He will attend the Southern Police Institute, University of Louisville.

So far, 21 Dallas policemen have been recipients of the award, which is intended to further the officers' educations, thus helping make Dallas a better city, according to a bank spokesman.



Charles H. Pistor Jr., pres., Republic Nat'l of Dallas, presents \$3,000 scholarship check to Deputy Chief Jack L. Davis of Dallas police as Police Chief Don Byrd looks on. Initiated by bank in 1955, award helps local policemen to further educations.

*In Illinois:*

## Bank Receives Award For Handicapped Aids

First Security Bank, Downers Grove, Ill., has been presented with a special plaque engraved with the universal symbol of the handicapped by the Governor's Committee for the Handicapped of DuPage County. The award was in



Lois Sachs Johnson, ch., Ill. Governor's Committee for Handicapped, DuPage County, presents special award to Kim Schlytter of 1st Security Bank, Downers Grove, for bank's efforts in providing facilities, services for handicapped.

# Community Involvement

recognition of the bank's efforts in providing special facilities and services to the physically handicapped.

First Security was designed to accommodate people in wheelchairs, the aged, the blind and others through level sidewalk construction and wide-entrance doors, a sit-down check desk and teller window. A special section of safe deposit boxes is set aside to permit direct access, and a deep coupon booth is provided.

Braille checks are being offered at no charge to customers with no or limited sight, and the bank has won an award for advertising excellence from the Chicago Financial Advertisers Association for an ad about the Braille program.

*In Dallas:*

## Bank-School Cooperation Opens Doors of Learning

By becoming part of the Dallas Independent School District's "Adopt-A-School" program, Exchange Bank has helped an area school provide supplementary educational services to students on a one-to-one or small-group basis.

The program, which is designed to provide remedial training in basic skills, gives assistance to the school's professional staff.

Exchange Bank allows employees time off, with pay, to work at Rusk Junior High School, in the field of their choice. The bank's staff volunteers for the program, providing a total of more than 40 man hours weekly.

*Blight Avoidance:*

## Banks Initiate Campaigns To Beautify Communities

Two Chicago-area banks have begun campaigns to beautify and improve their local communities by setting aside monies to be loaned for the purpose.

Officers at State National, Evanston, Ill., concurred with city officials that the best way to stop blight from happening there would be to provide loans to homeowners so improvements could be made before decay could begin. The bank and the newly formed Evanston Housing Rehabilitation Board have pledged \$1 million for the loans.

First National, Cicero, Ill., in conjunction with local businessmen and

tradesmen, has launched what a bank spokesman calls a "major community-wide improvement and beautification program." A "substantial amount of money" reportedly has been set aside, a move that is planned not only to beautify, but increase the value of homes and create new jobs.

According to the State National spokesman, individuals could apply for loans by approaching the bank, the Rehabilitation Board, or those owning properties not in compliance with city standards might be contacted by the board.

First National, Cicero, has invited firms and tradesmen to enroll in its campaign. Those participating will display special beautification posters and will be identified in future bank advertisements.

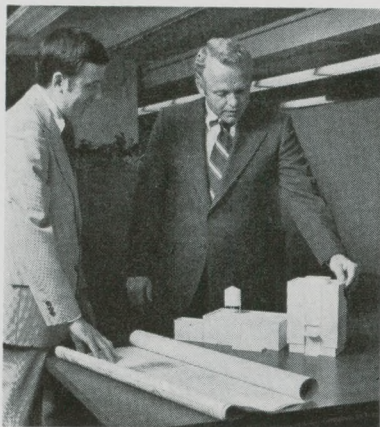
## Miniature Bank Promotes Safety



Pictured (l. to r.) are Allan C. Bloomquist, a.v.p., FBT Bancorp., Inc.; Mayor Jerry J. Miller and Edward A. Mangone, v.p., First Bank, all of South Bend, Ind., with the miniature of the bank in "Safetyville," a miniature village in a local park where children are taught pedestrian and vehicle safety. The bank donated \$500 to the project.



## Bank on more from Mercantile...



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The point is, at Mercantile, you get all the services you'd expect from one of America's largest correspondent banks. And more.

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# The On-Line Dilemma.

**With the investment you've already made in automation, can you afford to go on-line? With EFT, off-premise tellers and at-home banking on the horizon, can you afford not to?**

**Here's how First Chicago Data Corporation is helping banks, \$20 million to \$250 million in size, go on-line without going haywire.**

Your bank is growing along just fine; then the competition jumps a mile out ahead and you're suddenly drowning in a tidal wave of withdrawals.

You're not the only banker having this nightmare. The current rash of news about electronic banking marvels of the near future is causing restless nights for a great many in your profession.

And here's the puzzling dilemma. With the money you've spent automating by yourself or through a data processing servicer, how can you justify changing over to an on-line set up? And if you find a way to justify it, how can you be sure it will be right for the future?

## **BASIS<sup>®</sup> EDP. Making on-line make sense.**

That's where First Chicago Data comes in. It's a newly formed subsidiary of The First National Bank of Chicago; made possible through an acquisition of a computer operation of a Chicago-land retail banking group.

Since 1968, they have been implementing a complete and integrated on-line system for banks called BASIS<sup>®</sup> EDP.

While the majority of banks are located in the Chicago area, 12 of them are located in Minnesota. They are served by our unique Regional Information Processing Center whose success effectively extends our ability to

provide on-line service to all four corners of the continental U.S.A.

But what's most impressed us about the system is not its success or inventiveness, but its productivity. A grassroots kind of productivity that makes sophisticated on-line technology affordable, that simplifies rather than complicates communication, and most importantly, provides any bank with an on-line information base enabling it to respond competitively in any direction electronic banking decides to move.

### *Central information file*

All customer information is gathered on computer disc files and each customer's account information is in-

## The On-Line Dilemma. (cont.)

terrelated. Inquiry, file search, updating, data collection and calculating are performed by the computer; your staff having input and output access through voice or visual response terminals. *This system automates virtually every accounting service in your bank.*

### Terminal flexibility

The majority of BASIS EDP functions can be initiated and completed over a 12-button Touch-Tone telephone; the computer responding by voice. This means you can have an interactive computer terminal where needed at the lowest possible cost. In situations where voice response takes too long, or hard-copy is needed, visual display screens or teletypewriter-like terminals are provided. And a printed log is kept of all these transactions including voice.

BASIS EDP also offers many outstanding day-to-day operational advantages. One common name and address file for all banking systems. Automatic funds transfer. Automatic reorder of MICR documents. Detailed overdraft notices to make pay/return decisions easier. Plus over 100 on-line functions that handle everything from account opening to account closing.

### BASIS® EDP Applications

1. Demand Deposit
2. Savings
3. Certificates of Deposit
4. Consumer Loans
5. Check Credit
6. Mortgage Loans
7. Commercial Loans
8. General Ledger
9. Single-Pocket Proof and Transit
10. Safe Deposit Billing and Inventory
11. Payroll
12. Fixed Asset Accounting
13. Bond Portfolio
14. Personnel/Profit Sharing
15. Check Reconciliation
16. Marketing Information and Management Reports

### BASIS® EDP.

#### Making on-line affordable.

While many flexibilities have been built in, BASIS EDP is designed as a "one best system" in order to maximize economies.

### Combined statement

All customer activity is reported

to the customer once a month on one piece of paper. This eliminates the expense of multiple mailings. Our combined statement is also set up so that selective, cross-selling messages can be printed right on the form.

### Reduced paper costs

Since so much information is gathered and available on-line, printing costs are cut to the bone. We also provide computer output on microfilm that delivers customer records on microfiche for economical storage on-or-off-premise. Signature cards are also duplicated on low-cost microfiche; so sets can be made available at multiple locations with fast reference provided through the computer.

### Stabilized unit cost

The unit cost of BASIS EDP services over the last 6 years has only increased about 4½ percent. And you probably cannot point to any other banking service that has held its cost-line so well in that period.

### BASIS® EDP.

#### Sharpening your competitive edge for tomorrow.

BASIS EDP systems are designed today to serve as a foundation on which tomorrow will be built.

We have already conducted successful pilot operations with off-premise tellers, automatic teller machines, and other magnetically-encoded card reading telephone terminals, including transaction telephones.

With the advent of proof machines that record MICR data on cassettes, banks on our system will be able to transmit activity directly from cassettes to our computer, eliminating the need to move documents daily to the computer center by surface transportation.

### Banking at home?

Many BASIS EDP functions can be performed over a Touch-Tone telephone. If bank employees can do them at various work stations, why not

bank customers from their homes, offices, plants, shopping centers, or merchant locations?

The system is already capable of handling direct customer inquiries. Using a simple security code, selected customers can get their checking or savings account balance by phoning our voice-response computer. Once inquiry is mastered, customers can transfer funds from one account to another, make loan payments, or even activate a personal line of credit directly over the telephone.

In the future, arrangements could be made for the customer to pay utilities, doctors, or merchants directly through the computer without having to write or mail a check.

Imagine what would happen to your growth if you were the first bank in your area to offer these kinds of services.

For more information on how and when BASIS EDP can make going on-line practical for your bank, contact your correspondent banker at The First National Bank of Chicago or contact First Chicago Data Corporation directly. Call Tom Markle or Copeland Schmidt at (312) 881-2327.

**FirstChicago**  
The First National Bank of Chicago



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# Installment Lending

## Fed's Creditor-Antidiscrimination Regs Proposed to Stop Marital, Sex Bias

THE FED has revised proposed regulations implementing the Equal Credit Opportunity Act (ECOA), which took effect October 28. The new regulations are intended to eliminate discrimination by creditors on the basis of gender and marital status.

All types of lending institutions, including banks and credit card issuers, are affected by the ECOA.

One important revision is that companies won't be required to give specific reasons for denial of credit—a simple statement informing the applicant of the denial is all that is needed.

Additionally, the proposed regulations no longer would forbid the lender from using titles such as Mr., Mrs., Miss or Ms., but applicants would have the option to use or not use the title.

Lenders would have to maintain

credit application files for only one year, rather than two, as was proposed originally. Questions pertaining to alimony, child support and maintenance income would be allowed on applications, but would be treated as regular income, if it is likely that they will continue.

Questions concerning birth control practices or child-bearing intentions wouldn't be allowed, but applicants could be queried on probable continued ability to repay in the case of a pregnancy.

The following statement would have to appear on credit applications: "The Federal Equal Credit Opportunity Act requires that all creditors, including banks, savings and loan associations, small loan companies, retail stores and others, make credit equally available to all creditworthy customers without regard to sex or marital status. The federal agency which administers compliance with this law concerning this (type of business) is (name and address of appropriate agency)." This clause would have to be added to credit applications no later than June 30, 1976.

Under the ECOA, value can't be assigned to gender or marital status in a credit-scoring plan; income can't be discounted on those bases and credit can't be discontinued due to a change in marital status.

After November 1, 1976, information about a credit account that is supplied to a credit checking agency must be in the name of both spouses, if both use the account. Until that time, the account will be in both parties' names, only if requested in writing by the applicants.

While the preceding regulations are proposed, the Fed expects further changes to be necessary, so different requirements will go into effect at different times. ••

### ABA Releases Four Manuals On Installment Credit

The American Bankers Association has released four new manuals on installment credit: *Collection Policies and Procedures*, *Marketing Bank Services*,

*Principles of Credit Evaluation* and *Open-End Credit*.

Developed by the ABA Installment Lending Division, the books are an introduction to a planned series of 12 dealing with important installment credit subject areas. All four were written by Dr. Robert H. Cole, professor of marketing, University of Nebraska, Lincoln.

*Collection Policies* gives the pros and cons and delineates the pitfalls of the business. Techniques are included to help the credit officer establish guidelines beneficial to bank and consumer.

*Marketing Bank Services* suggests approaches that may enable banks to develop their share of the market plan. The manual investigates bank competition: credit unions, S&Ls and finance companies.

*Principles of Credit Evaluation* tells why consumer credit has attained such importance in the economy of today. It also outlines the banker's role.

*Open-End Credit* is an examination of various plans of that type in use today and discusses how they've helped change commercial bankings' image.

### Stansbury Named President Of Consumer Bankers Assn.

Paul L. Stansbury, senior vice president, Valley National, Phoenix, was named president of the Consumer Bankers Association during its 55th annual convention in Colorado Springs. He will serve as chairman of the board of governors and executive committee and succeeds Robert E. Tobey, first vice president, National Bank of Detroit. Mr. Tobey becomes a member of the association's board of governors and executive committee.

Named first vice president of the CBA was Mason G. Alexander, senior vice president, Citizens & Southern National, Columbia, S. C., while James L. Smith, senior vice president, Security Pacific National, Los Angeles, was elected second vice president. Both will serve on the CBA executive committee.

The association's executive vice president and treasurer, Robert A. Fischer, and its secretary, Margaret E. Goldsmith, were re-elected.

Mid-Continent-area bankers appointed to three-year terms on the CBA's board of governors were J. Reed Coggin, vice president, Third National, Nashville, and John W. Hughes III, vice president, First National, Chicago. Lloyd L. Neuman, president, Lafayette (Ind.) National, was the Mid-Continent-area banker chosen to serve on the executive committee.

## Whip Inflation Now Special Offer From HOTEL ADOLPHUS Dallas

The Hotel People Always Want to Come Back to

\* **15%** discount on any bedroom any Sunday, Monday, Tuesday, Wednesday, or Thursday

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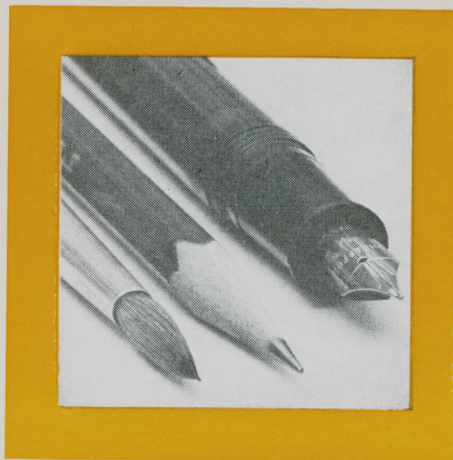
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\*Sorry, but discount is not valid if you are attending a convention or meeting in the Hotel.

PLEASE BRING THIS AD WITH YOU TO RECEIVE DISCOUNT

# Mississippi A Great Place To Learn

Mississippi knows that its future depends upon the quality education of its young people. That's why sixty percent of the State's general fund is spent on education, one of the highest percentages in the nation. With 43 junior and senior colleges and universities spread across our State, Mississippians know they have an opportunity for quality education. 🌳 Vocational and technical centers play an important role in the education scene, too. A state-wide system of 69 training centers enroll almost 100,000 students in various fields. 🌳 Mississippi is a great place to learn. If you want to find out more about Mississippi, its people, and its educational facilities, First National is the best place to get the story.



 **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

# MAGIC

MGIC'S SYSTEM FOR GOVERNMENT PRO

MGIC'S

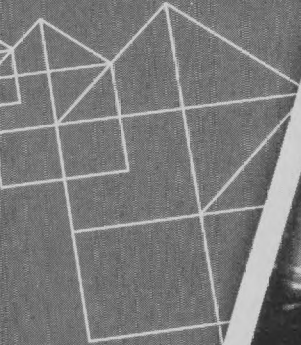
# MGIC

## Better Homes For More People

### The Private Insurance of Home Mortgages

A Study of the Mortgage Guaranty Insurance Company  
System, Consideration and Satisfaction on the  
Part of Borrowers and Lenders

Author: Robert  
Professor of Urban Planning, Columbia University



### MGIC FACT BOOK

A PROFILE OF THE  
BACKGROUND, FUNCTIONS  
AND FINANCIAL STRENGTH  
OF THE NATION'S  
LEADING MORTGAGE  
GUARANTY INSURANCE  
COMPANY

FIRST EDITION

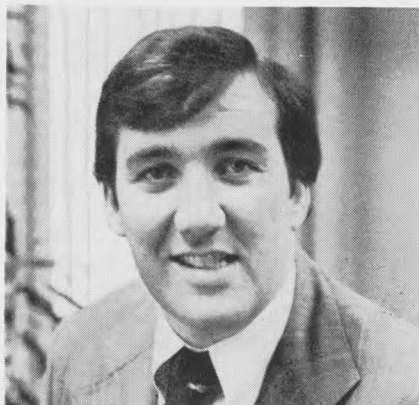
Innovator



MGIC secondary market conference and exp



# “Proven reliability... in my opinion that’s what MGIC is all about.”



**Thomas P. Cronin,**  
**Second V.P. and**  
**Director of Loan**  
**Placement, Advance**  
**Mortgage Corp.**  
**(a subsidiary of**  
**Citicorp), tells how**  
**MGIC’s initiative,**  
**service, and leader-**  
**ship pace the entire**  
**private mortgage**  
**insurance industry.**

“In my position at one of America’s leading mortgage banking companies, I’m constantly evaluating MI companies. And for my money, Mortgage Guaranty Insurance Corporation is an even better resource today than it was in the beginning.”

**How long have you been doing business with MGIC?**

“We started in 1972, when Advance Mortgage Corp. first began dealing with mortgage insurance companies. We were well aware of Max Karl’s founding principles, which now have proven their merit for nearly two decades. Mr. Karl literally created what is today a \$34 billion industry.”

**True, MGIC created the MI industry. What have they done for you lately?**

“They never seem to stop coming up with innovations that benefit lenders. Their initiative in establishing a secondary market was a lead for the entire industry. Because of its national ‘reach’, MGIC’s secondary market facility gives lenders far broader marketability of loan portfolios.

“Some investors *insist* on MGIC insurance before negotiating a deal. This reflects acceptance by the lending industry of the strength and protection offered by MGIC.”

**What is your reaction to the MAGICUS system for government loans?**

“MGIC provided the catalyst in MAGICUS to help get the new government and special loan programs off the ground. At the outset, there was a lot of confusion about FHLMC, GNMA, and FNMA programs. MGIC’s

individual counseling, MAGICUS seminars, and Loan Processors’ Kits helped strip away the cloak of mystery. It showed every facet of the financial community how to efficiently use these new programs. I’d say MAGICUS helped trigger broad lender participation.”

**Besides innovation, why do you deal with MGIC?**

“Broadly speaking, MGIC fulfills their commitments. We’ve never had a service need that they didn’t meet on-the-double.

“Then there’s MGIC’s great financial stability. With their outstanding geographical dispersal and customer diversification, MGIC has the greatest spread of risk of any mortgage insurer.”

**Could you sum up what you feel MGIC offers?**

“Certainly. Innovation, integrity, product development, service, and leadership—which add up to proven reliability. Which is why we consider MGIC a prime source for our private mortgage insurance needs.”

**MGIC**  
**Better Homes**  
**For More People**

Mortgage Guaranty Insurance Corporation  
A Subsidiary of MGIC Investment Corp.  
MGIC Plaza, Milwaukee, WI 53201

# NEWS ROUNDUP

## News From Around the Nation

### CD Reserve Requirements Cut

The Fed has reduced reserve requirements on CDs with maturities of four years or more from 3% to 1%. The move was made to encourage banks to seek more long-term deposits and was also directed at meeting seasonal needs for bank reserves over the coming months and help growth of the money supply.

The Fed estimated the reduction would have the effect of freeing \$350 million in reserves for circulation.

The Fed cautioned that in no case could the average of reserves on all varieties of time and savings deposits at banks be less than the 3% minimum level specified by law.

### Portions of RESPA Suspended?

The U. S. Senate has voted to suspend some provisions of the Real Estate Settlement Procedures Act that require home buyers to be given detailed information about closing costs.

The provisions, which would be suspended for a year, are so unpopular in real estate and banking circles that the bill has been termed noncontroversial in Congress; thus, the House is expected to go along with the Senate.

The bill would suspend a requirement that buyers get 12 days' advance notice of the exact cost of closing a home transaction. It would also suspend a buyer's right to be told the previous price paid for a house.

### Securities Disclosure Broadened

Effective December 1, the FDIC will adopt broadened disclosure rules for about 325 insured state nonmember banks having registered securities. The revisions are being made to make the rules similar to corresponding rules by the Securities & Exchange Commission.

The rules have been revised to require a five-year summary of operations with management analysis in bank registration statements and annual reports. The revision also requires additional disclosures regarding business, properties, legal proceedings, trading market, nonbanking lines of business, insiders' ownership of bank securities and changes in accountant.

Financial statement requirements for annual and quarterly reports are expanded and rules for security holders' proposals in proxy statements are revised.

The regulation does not require certification of the financial statements of registered banks, but the FDIC is continuing to consider the question of mandatory certifi-

cation for such nonmember banks, or some subgroup of such banks grouped by size, number of shareholders, amount of trading in securities, or otherwise.

### Bank-Insurance Interlocks Hit

The Justice Department has challenged interlocking directorates involving Bank of America and Crocker National, San Francisco; Bankers Trust, New York; and several of the nation's largest insurance firms, charging violation of Section 8 of the Clayton Act, which deals with antitrust matters.

Defendants have issued statements that the suits will provide an opportunity to clarify the law. Most of the banks involved have stated that the provision of the Clayton Act does not apply to banks and has never applied to banks throughout the more than 60 years since the act was passed.

### Bank Securities Role Studied

The Securities Subcommittee of the Senate Banking, Housing and Urban Affairs Committee has announced a major study of the role of banks in the securities industry.

The study could ultimately lead to legislation that changes the ways that both banks and brokerage firms do business. However, no changes are expected for several years.

The study is said to be the first major examination of whether changes are needed in the Glass-Steagall Act, which governs the involvement of banks in the securities industry.

### Payable-Through-Drafts Studied

A joint study by the Fed and ABA has concluded that payable-through-drafts have become a permanent part of the payments system. The drafts currently account for nearly a billion dollars in transactions each business day.

The study revealed that the drafts play a more important role in the settlement of financial transactions than was believed, that they will continue as a necessary element in the nation's payments system and that banks should restrict their use to essential applications and discourage any usage that unnecessarily delays settlement of financial transactions that would result in increased prices of services to bank customers.

The drafts are used in insurance claims, interline railroad settlements, reimbursement of salesmen's expenses and field purchasing agent drafts.



# Fresh Flowers.

The all new floral checks from Harland.



**HARLAND**

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# Personality

DOLLAR BILLS



## Draw Maximum Interest Everywhere!

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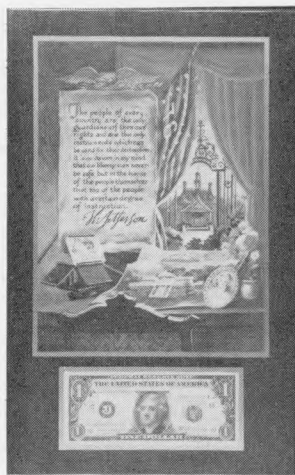
### for an Exciting Christmas Promotion!

LEGAL — REAL U.S. CURRENCY  
PERMITTED BY U.S. GOVERNMENT

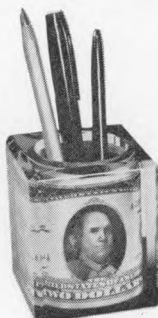
Classic Line of  
LAMINATED  
PLAQUES

and

Personality  
DOLLAR BILLS



## for a FANTASTIC Bicentennial Campaign



### ... the "Ultimate" in Personalized EXECUTIVE GIFTS

"Personality Dollar Bills" are genuine U.S. currency and our letters of approval from the Treasury Department go back to 1967; copies of letters sent on request. Single bills are negotiable because the die-cut photos which are applied over Washington can be removed . . . they are done so beautifully that it looks like the Mint printed them.

Our unique product is very successful. "Personality Dollar Bills" retail in stores for \$3.95 — people are fascinated and love to collect them. We have over 500 world famous personalities in stock, including every President.

We can also "Personalize" Dollars with photos of your choice . . . bank executives, clients, employees, etc. What a sensational gift! Our Plaques and Lucite pieces are elegant and

beautiful decorative pieces for your offices, as well as appealing account openers. You are in the business of money so here's your chance to display and promote your product in a unique manner.

The Government has ruled that "Personality Dollar Bills" can be shown on television as long as they are on videotape and not film. They can be attractively displayed in your lobby and windows. And like you, your customers will be amazed and curious. Can you imagine seeing Santa Claus Dollars on the TV screen?

Please send for our complete catalog. Enclose \$3.95 if you wish a sample Santa Claus Dollar, sent in an attractive engraved Christmas Gift currency envelope.

**THURSTON MOORE and ASSOCIATES**

MEMBER: American Numismatic Association • Advertising Specialty Institute  
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LEFT: Hancock Bank Pres. Leo W. Seal Jr. beams approval of record of sales calls maintained by Mrs. Nancy Gambrell as part of "Together We Grow Club" at bank. RIGHT: Suell R. Grimm (r.), Hancock a.v.p.,



makes sales call on local merchant as part of officer call program that has been instrumental in boosting bank's assets.

## At Hancock Bank:

# Total Officer Effort Key to Success Of Business Development Program

By **JIM FABIAN**  
Associate Editor

**H**OW CAN ONE best assess the success of an employee sales program? By the bank's growth? Certainly! But bottom line figures are not the only means of determining the degree of success of such a program. Important factors are the willingness and enthusiasm of employees to work hard at bringing in new business.

Few banks can equal the new business track record established at Hancock Bank, Gulfport, Miss., currently celebrating its 75th year. Since the institution of its sales program six years ago, Hancock's assets have more than tripled—from \$65 million to more than \$200 million.

The officer call program was one of the major contributing factors to this impressive rate of growth. More recently, two additional sales programs have been made operational, with another one coming on stream next year.

Hancock's program was researched and tailor-made for the bank by Dee Hamilton, vice president, at the direction of President Leo W. Seal Jr. Mr. Hamilton was dispatched to banks around the country to investigate their programs and gather ideas that could be put to use at Hancock Bank.

Mr. Hamilton's canvassing resulted in Hancock's officer call program. It also led to the development of business

relationships with numerous out-of-state banks, and, eventually, to the appointment of Mr. Hamilton as chairman of the education committee of the ABA's Marketing Division and his appearance as speaker at numerous ABA and BMA events.

Hancock's business development program consists of three separate selling efforts, carried out by three different groups of employees. Basic to the success of these efforts, Mr. Hamilton makes clear, is the solid backing of top management. Also important are open lines of communication, so that personnel know exactly what is expected of them in the development of new business for the bank.

The officer sales program is the heart of Hancock's outreach to the business community. Participation is mandatory and every bank officer knows that his advancement with the bank is directly related to the manner in which he goes out after sales.

Each officer is responsible for making one sales call per week, with at least one such call per month made to a firm not currently doing business

with the bank. Officers are assigned to teams and members of the various teams take turns serving as team captains.

Each year is divided into quarters and for the first three quarters, members of teams operate interdependently. During the final quarter, they operate independently. This means that, for the first nine months of the year, every member of a given team must meet his sales call quota before any member of that team receives a reward. Awards consist of dinners for two at Gulf Coast restaurants once each quarter.

The final quarter's reward is an invitation to join the bank's President's Club and attend the annual President's Dinner. Nothing is more prestigious at Hancock Bank than an invitation to the President's Dinner, held annually in January. Officers work independently of their fellow team members during the fourth quarter so that, should they have been prevented from receiving rewards during the first three quarters because of poor performance by a member of their team, they can qualify for the President's Club during the fourth quarter, no matter how their teammates perform during that period.

Officers are required to submit reports of their calls which are routed to the business development department,

from which any necessary action is taken. They then find their way to President Seal's office for personal review. Call reports are evaluated according to their content. According to Mr. Hamilton, about 95% of the reports represent genuine calls.

To assist officers with leads for calls, the business development office arranges for printouts listing all commercial accounts at the bank with balances over \$1,000. There is a continuous on-going program to assign every commercial account to the most appropriate officer; and to provide each officer with a printout of his or her accounts each month; however, generally, there are no restrictions placed on any staff member in the bank who feels he or she can make an effective call on any account.

Team captains are urged to maintain close contact with their team members and to provide encouragement and any assistance that might be needed in making calls.

According to Mr. Hamilton, a legitimate sales call is one made outside the bank, generally at the customer's place of business, rather than on the golf course or at some social gathering.

The success of the officer sales program prompted Mr. Hamilton to initiate a second-level program for department heads and key employees below officer level. While the basics of this program are similar to the officer program, participation is not mandatory. There are no teams and each person wishing to participate can win free dinners each quarter after making 15 legitimate sales calls during that period. Participants are eligible for the President's Club and they are encouraged to call on their peers in clubs and organizations—and on business firms that they feel comfortable calling on. Participants realize that their sales work provides excellent training experience for promotion to officer status and they are encouraged to seek the assistance of officers in making their calls.

A third program is available for everyone below officer rank. This is an employee incentive effort entitled "Together We Grow" and is run by volunteers on the honor system. Normally, three-quarters of the bank's staff participate and anyone making one productive sales call per month during a year's time is eligible for the President's Club.

Instead of free dinners, participants receive commissions geared to the value of the new business. The commissions are paid twice annually—at vacation time and at Christmas. Each participant is issued a tent card that is placed on his desk or work area. Each month,

provided a successful call has been made and recorded, a gold star is placed on the tent card for all to see.

A fourth program, not yet implemented, will involve bank directors. To be called "Orbit 80," the program will begin next year and extend through 1980. Directors will be encouraged to make sales calls to qualify for all-expense-paid vacations and membership in the President's Club. Mr. Hamilton says "wife pressure" will be cultivated to the utmost in this program. He said that directors normally are not enthusiastic about free dinners, hence the travel incentive.

How successful has Hancock been in getting its officers and employees to beat the bushes for new business? Results for 1974 and the first half of 1975 show that every one of the bank's 60 participating officers made his or her quota during that period—and then some. More than 4,000 calls were made and reported in 1974 by this group. Mr. Hamilton said this reflects the tremendous effort on the part of the bank's entire officer corps, both individually and collectively. He said many of the calls produced tangible results in new and increased business. Each officer not only became a member of the President's Club and attended the President's Dinner, but he received a President's silver engraved cup.

A number of members of the staff sales calling program met or exceeded their minimum quota and became members of the President's Club and were awarded President's Cups at the dinner in 1975. This program was initiated in mid-1974 and approximately 300 calls were made in the third and fourth quarters.

Sixteen members of the employee incentive program group qualified for the President's Club out of the 162 who participated. All 162 received recognition in the bank's employee news publication as did all members of the President's Club.

The president's dinner provides the bank with an opportunity to thank participants and to encourage them to continue in their efforts to bring new business to the bank, Mr. Hamilton said.

President Seal stated the bank's sales philosophy at the most recent President's Club dinner: "In these changing times, it is becoming harder to attract and keep good bank customers, particularly in view of so much and such varied and diversified competition. In order for the bank to continue to hold its dominant position in the community, selling the bank's services has to be an integral part of the job description of everyone on the bank's staff."

As Hancock Bank's success has been closely associated with its sales outreach, so, too, have the officer's and staff members' career paths been related to their performance in the sales-call programs.

More than 1,000 banks in all 50 states, plus 44 foreign banks, have called upon Hancock Bank to share its business development program with them. Hancock Bank has honored all of these requests and as a result, now has a network of bank contact-friends across the country—and around the world! • •

Cover Photo:

## An Inflatible Piggy Bank Draws New Customers

Motorists and pedestrians in the Runnemede, N. J., area must have been surprised and confused to see a giant, inflatable yellow piggy bank on the front lawn of Howard Savings Bank's new office. Howard Savings is headquartered in Newark.

No, Howard Savings wasn't remodeling the vault or instituting a new type of deposit system. The piggy bank was there to draw attention to a grand opening.



The bank is located on a heavily traveled highway, and officials say the piggy, the brainchild of Dynamic Displays, Detroit, attracted passers-by in droves. Many parents reportedly went to the bank to photograph their children with the inflatable bank and asked where it could be found once the display was concluded.

Other attractions during the event included free \$5 savings accounts to any "Howard"—persons with Howard as a first, middle or last name—and the oldest, youngest, tallest and smallest Howards to register won an extra \$100. The contest drew 151 Howards, ranging in age from two months to 84 years. The tallest measured 6' 5 3/4".

Newspaper ads and radio commercials were used to bring in new customers, and one Howard official said it's quite likely that the piggy bank and contest would be used at the next bank opening.

This is sample of newspaper ad Citizens Fidelity, Louisville, published to invite public to participate in its "grow-your-own-garden" project last spring. These ads were developed by McQuade, Bloomhorst, Indianapolis. About 2,100 families signed up for garden plots.

## Bank-Sponsored Gardens Find Favor With Public



**When we say "Come grow with us," we really mean it.**

Most any morning or afternoon you'll discover fresh vegetables and produce aren't the only good things growing on the four Citizens Fidelity Family Farms around Jefferson County. Thousands of the Louisville area families who've answered our invitation to garden are experiencing growth themselves.

For many families, it's a way to do something in the face of inflation and rising food costs. And to awaken again to those American values of self-reliance and personal satisfaction.

Others are gaining a greater appreciation for their own relationship to the soil. There's also the healthy feeling of unused muscles being flexed and strengthened.

And something else is very much alive and growing on the four Citizens Fidelity Family Farms. It's a sense of community, the realization that we're all in this together.

Come grow with us. It's something you can do at Citizens Fidelity Bank in a lot of growing ways.



**Come grow with us.®**

©Members of Citizens Fidelity Bank & Trust Company. Photo: 1966

**I**T WAS "back to the soil" for about 2,100 Louisville families this past summer because of a project sponsored by Citizens Fidelity Bank. Under the program, called "Family Farms," the bank provided plots of ground where these families grew their own fruits and vegetables. The idea proved so popular that the bank probably will sponsor it again in 1976.

A similar project—called "Rent a Garden"—was started in the spring of 1973 by First National, Council Bluffs, Ia., and has become an important part of its public service effort.

The Citizens Fidelity plan worked like this last summer: The bank arranged for up to 5,000 20 x 40-foot plots at four locations. Any family, whether or not it was a customer, could contract for as many plots as it wished by paying \$20 per plot. This fee was charged to cover the bank's expenses in preparing the ground, fencing the areas and providing security and expert advice. All the ground was completely prepared in advance of the April 15 inauguration of the program—plowing, disking, soil testing and fertilizing, if necessary. Participants did have to supply their own seeds and utensils. The bank estimated the seed bill for a typical plot to be \$15.

Each of the units, called "Family Farms," was fenced to protect it from animals and vandalism, and security people were on duty around the clock. Citizens Fidelity arranged for an experienced gardener to be available during daylight hours at each location to help families plan their crops and solve any problems.

Each applicant received an ID card allowing him to go to his plot, as well as a copy of 10 suggestions on how to be a good gardening neighbor.

Late last summer, Citizens Fidelity sent questionnaires to its gardeners and, based on the replies, believes the project was highly successful. The survey went to 2,166 families who had gardens. They represented approximately 3,000 gardens because many families rented more than one plot. The bank received 858 replies to the survey. About 95% of the respondents



Harold W. Booth, then pres., First Nat'l, Council Bluffs, Ia., donned overalls and straw hat to pose for picture that was used in bank's ads on its "Rent a Garden" program. He holds basket loaded with types of vegetables that could be grown by public in bank's gardens. Mr. Booth, who thought up garden idea for bank, now is chief financial officer & treas., Blue Cross & Blue Shield, Chicago.

rated their own gardens as successful, and 93% rated the overall project as successful. The average savings was \$100.10 per gardener, and about 95% of the comments made on the survey form were favorable to the project.

Citizens Fidelity discovered that this kind of project brings with it a number of unexpected problems. Among those it had not anticipated was the large amount of refuse that resulted when the gardens were cleared out for replanting. As Joan Sinclair, assistant public relations director, put it, "We may now have the world's largest compost pile." Then there was an unexpected drought in July and August and a dust situation at one of the gardens that affected a nearby residential area.

There were not as many looting problems as the bank had expected, with few such cases being reported. Many of the theft complaints came from gardeners who had left their gardens unattended for two or more weeks during the harvesting season. The bank suspected that some gardeners, noticing that another garden was not being tended and that the vegetables were going to waste, decided to harvest the crops themselves.

Toward the end of the project, there were a few unplanned events. One of these was a "swap meet" at which family gardeners could trade excess produce. Frequently, especially with first-



**TOP:** Booker Robinson, member of board and former pres., Citizens Fidelity, Louisville, rests while cultivating his plot at one of bank's "Family Farms." Any person, bank customer or not, could—by paying \$20 fee for each plot—take part in project.

**SECOND FROM TOP:** These two women are neighbors who got together to share garden under Citizens Fidelity "Family Farms" program. Neither woman had tried gardening previously.

**THIRD FROM TOP:** Youngster shows some of the vegetables that were exchanged at swap meet, at which family gardeners could trade excess produce.

**BOTTOM:** Citizens Fidelity reported that gardeners took considerable amount of pride in their gardens. Many of them put up signs with name of garden like one pictured here.



time gardeners, one fruit or vegetable would be overproduced and another underproduced. The swap enabled the gardeners to trade their excess for someone else's. In cooperation with Louisville United Against Hunger, the bank also gave away some of the over-produced crops.

Another end-of-season event was a "State Fair Family Gardener" exhibit, with about 30 entries of both canned and fresh produce. The bank believes this exhibit was a fine testament to the quality of the vegetables grown in the gardens.

Almost every kind of vegetable was grown, including zucchini, squash and pumpkins. Some of the most unusual were grown by a local anesthesiologist, Dr. Dorothy Y. Ma. Homesick for Chinese food, Dr. Ma obtained some oriental vegetable seeds from mainland China. She planted black beans from Shantung, snow peas from Shanghai, green cabbage, lettuce and winter melons.

While the gardens seemed to have filled a genuine community need, said Miss Sinclair, the bank didn't break even financially on the project, as it had hoped. However, in addition to helping Louisville residents reduce their food bills, the bank received some excellent publicity. National coverage included a front-page article in the *Wall Street Journal*. United Press-International picked up the story, and variations of it appeared in the *Miami Herald* and *Chicago Daily News*, as well in smaller papers in Arkansas, Indiana and Massachusetts.

Some of the specialized publications that carried articles included *Bank-Americard World*, *Horticulture* and International Harvester's company paper.

Local coverage in the *Courier-Journal*, *Louisville Times* and other publications also was good.

The "Rent a Garden" project at First National of Council Bluffs, Ia., was started in 1973 by President Harold W.

Booth, who now is chief financial officer and treasurer, Blue Cross & Blue Shield, Chicago. The program has been continued under the management of Vern Knop, senior operations officer. Mr. Knop, with a farming background, has the expertise to make the project successful, according to Bob Olson, marketing officer.

Originally, the bank provided two tracts of land, but went down to one for two reasons: 1. There's been a decrease in demand for the gardens because there now are more such gardens in individual yards. 2. Better security can be provided with just one entrance and exit.

Mr. Olson said an aggressive publicity and advertising effort probably could result in about 3,000 persons taking part in "Rent a Garden" each year. However, he continued, First National is concerned primarily with meeting the needs of Council Bluffs residents and, therefore, has "soft sold" the garden program. Many participants previously have come from Omaha (in Nebraska), which borders Council Bluffs.

It would be difficult to estimate how many pounds of fruit and vegetables are grown in the gardens each year, but Mr. Olson used his own experience to point up how valuable it is to have such a garden. He and his wife grew enough vegetables that they gave some to their neighbors, canned and froze a lot for themselves and didn't have to buy any in stores for the whole year. Some estimates are that this amounts to more than \$300 in grocery-bill savings.

Before starting the project in 1973, First National chose the two sites (now one) and determined that each garden plot should be 1,000 square feet, laid out in 30 rows, each row 10 feet long. The bank does the land leasing, planting, fertilizing, and machine weeding and even provides hail insurance. Each gardener is responsible for hand weeding and gathering the produce. The bank consulted with a seed firm to see what should be planted for the best results in that area and what type of equipment was needed for proper planting and growing a hearty crop. The bank then bought two tractors, a seed planter and transplanter and all necessary accessories.

Because the gardens are a nonprofit venture, the bank charges \$10 for each garden, and applicants don't have to be bank customers.

At a news conference in April, 1973, to announce the program, Mr. Booth was dressed in coveralls and blue shirt with red bandana and straw hat. A

(Continued on page 94)

# Color TVs Offered in Lieu of Interest Bring Deposit Windfalls to Banks

## Bank in New Jersey Features Magnavox TVs

A FAMOUS name in home entertainment products can be a valuable tool in securing new deposits, according to Barton E. Harrison, vice president, First Peoples National of New Jersey.

The bank has used a host of Magnavox appliances, especially the firm's 19-inch color TV sets, to bring in new business over the past two years.

According to Mr. Harrison, First Peoples National was the first commercial bank to utilize the Magnavox color TV set as an incentive. In order to receive one of the sets, customers were obliged to purchase \$1,000 five-year CDs. They could also purchase more expensive CDs, in which case they received a TV plus interest. The bank also arranged for a one year in-home service contract at no cost.

To kick off the promotion, the bank arranged to have a trailer full of TV sets parked in its lot. The name "Magnavox" was prominently displayed on the trailer, so those driving by the bank couldn't miss the fact that the bank was offering high-quality TV sets in lieu of interest.

It took only eight working days to empty the first trailer of its load of 250 TVs and a second trailer was ready to take the place of the first one. Customers received their sets right from the trailer, put them in their cars, and took them home.

By the time the promotion ended, the bank had disposed of more than 3,000 TV sets and had in excess of \$5 million in new deposits. Mr. Harrison said that any set that was defective was replaced immediately by the supplier.

Last Christmas, the bank offered a variety of Magnavox entertainment products (see ad). Anyone purchasing a \$4,000 CD for five years could take home a home entertainment center, a color TV, a digital clock radio and a portable radio. A total of four different Magnavox packages was offered and anyone depositing \$100 in their Golden Opportunity passbook account could purchase a portable radio for \$15.95.

Mr. Harrison said that, of the many premium promotions his bank has offered, Magnavox color TVs were found to be highly successful. ••

## Wrap up Christmas Shopping with our Buy 'n' Save Plans

(all quality Magnavox products)

**INVEST \$4,000 for 5 YEARS** and receive, in lieu of interest, these 4 items:  
MAGNAVOX 22" COLOR STEREO ENTERTAINMENT CENTER  
100% Solid State FM/AM Tuner, Amplifier & Track Tape Player, Microcassette Record Changer and Repeat System  
MAGNAVOX 19" 100% SOLID STATE COLOR TV  
FM/AM DIGITAL CLOCK RADIO  
FM/AM PORTABLE RADIO (PACKAGE 1)

**INVEST \$1,200 for 3 YEARS** and receive, in lieu of interest, these 2 items:  
12" BLACK & WHITE PORTABLE TV SET  
MAGNAVOX DELUXE COMPLETE STEREO FM/AM RADIO AND PHONO  
with Solid State Tuner, 4-Speed Cassette Player & 4-Speed Micro-Changer & Repeat System (PACKAGE 2)

**INVEST \$1,300 for 5 YEARS** and receive, in lieu of interest, these 3 items:  
MAGNAVOX 15" PORTABLE COLOR TV Complete with stand  
SOLID STATE FM/AM DIGITAL CLOCK RADIO  
Deluxe Stereo FM/AM RADIO-PHONO with built-in 3-Track Stereo Garage Band (PACKAGE 3)

**INVEST \$100 for 1 YEAR** and receive, in lieu of interest, this 1 item:  
MAGNAVOX CASSETTE TAPE RECORDER AND PLAYER with FM/AM RADIO & 4-Speed Micro-Changer (PACKAGE 4)

**INVEST \$100 for 1 YEAR** IN A GOLDEN OPPORTUNITY PASSBOOK ACCOUNT AND YOU CAN PURCHASE THIS:  
FM/AM PORTABLE RADIO FOR JUST \$15.95 PLUS TAX  
(PACKAGE 5)

Other interest-bearing savings plans available pending up to 8% annual yield on 1 1/2% Savings

Handbill for First Peoples Nat'l illustrates four buy-and-save plans featuring Magnavox products.

**save at CNB and get a color sony of your own**

**NEW! SONY TRINITRON™ COLOR TV**  
• Racio Sharp color! • Heavy • Riformer  
• Automatic color and over-kill glow  
• Solid state circuitry — UHF and SHF  
• 4-Input picture/measured diagonal

**SAVE \$1000 Or More For 4 Years**    **SAVE \$2000 Or More For 30 Months**    **SAVE \$5000 Or More For 1 Year**

**SPECIAL OFFER REPEATED DUE TO POPULAR DEMAND!**  
Because of popular demand, Commercial National Bank again offers three ways you can get a COLOR SONY TV! (1) make a one-time savings deposit for \$1000 for 4 years; (2) \$2000 for 30 months; and (3) \$5000 for one year — AND RECEIVE your new Sony Color TV in place of interest on your deposit! You get advance interest — immediately — in the form of this great, 13-inch Sony Color TV! For information about our savings program — or the Sony TV — please call Tony Masonry (913) 771-0021.

**FREE TRANSISTOR RADIO!**  
Bring in, or send me a friend who makes a deposit and receives a Sony Color TV and we'll give you a handy, SONY TRANSISTOR RADIO — FREE!

**CNB COMMERCIAL NATIONAL BANK**  
4TH & MINNESOTA AVE. • 810 PARALLEL PARKWAY • (813) 371-0021 • MEMBER F.D.I.C.  
KANSAAS CITY, KANSAS 64101

## Commercial Nat'l, KCK, Scores With Sony TVs

PREMIUMS have long been utilized to build deposits, but often a bank's management has to see the results of a well-planned promotion at its own shop in order for the practicality of premium use to be realized and appreciated.

Such a promotion was undertaken at Commercial National, Kansas City, Kan., recently. Bank management was aware that there was a need for new money to make up for the decline that was being experienced due to the urban development going on in downtown Kansas City. As businesses and people left the area, the bank's deposits and savings accounts reflected the decline.

Since the need was for immediate new money, the bank's vice president in charge of marketing, Lloyd O. Burton, and Alden F. Hays, account executive at Owens/Neds Division of Batz, Hodgson, Neuwoehner, Inc., the bank's advertising agency, came up with a first for Commercial National—the offering of Sony color television sets in lieu of interest. Because of the quality and recognizable value of the TV sets, it was felt such an offer would offset the effectiveness of the many premium promotions sponsored by other banks and thrifts in the area.

The promotion was timed to coincide with the mid-year money movement and savers' attention was called to the offer by the bank's TV and newspaper advertising that featured as its theme, "Save at CNB and get a color sony of your own." The agency capitalized on Sony's own advertising efforts, thus the use of the "Sony—ony" alliteration, which was well-established in the Kansas City area.

Anyone could walk into Commercial National and walk out with a TV set if they did any of the following: made a time savings deposit for \$1,000 for four years, a \$2,000 deposit for 30

This is newspaper ad that attracted attention of savers in Kansas City area. Ad offered free transistor radios to anyone bringing in a friend who opened an account qualifying for a TV.



Admiring Gold Key Award from National Premium Manufacturers Representatives Association are (from l.) B. J. Ruysser, pres., and Lloyd O. Burton, v.p. & adv. dir., Commercial Nat'l; and Zane Peavey, representing premium manufacturers.

## Commercial Nat'l Scores (Continued)

months or a \$5,000 deposit for one year.

Direct mail and lobby posters were used to advertise the promotion in addition to TV and newspaper ads.

During the first week of the promotion, the bank handed out more than 80 TVs. This volume was a strong indication that the bank had selected the right premium and that the right premium would do the job for the bank.

As in most premium promotions, some of the response came from unusual places and in unusual ways. Two national bank examiners, who were making a routine examination of Commercial National, opened accounts and carried away their TV sets. Customers came in from out-of-town (actually from a six-state area), many of whom were travelers or salesmen. They made their deposits and took their TVs home with them. One woman carried hers all the way to North Carolina!

Prospects heard of the offer through word-of-mouth. One woman from out-of-state heard about it from her daughter. She mailed a check to the bank and had her TV shipped to her. A local attorney opened two accounts and had one of the TVs shipped to his daughter in Dallas.

At the height of the program, the bank was receiving up to 50 phone calls a day inquiring about the promotion. The bank used "test names" in its advertising (different fictitious names of the person to call appeared in each advertising medium) to enable a determination to be made which media was producing the most results.

The promotion was still in high gear

prior to the Christmas season, so the premium was changed to a stereo set, also manufactured by Sony. Although the stereos moved well, they proved to be less appealing than the TVs, simply because there's always room for another TV around the house, while most homes have but one stereo set.

As of October 1 of this year, Commercial National had taken in a total of more than \$2 million and had given customers more than 1,500 TVs and stereo sets in lieu of interest. Management was convinced that it had a winner on its hands.

Mr. Burton cited the advantages of the promotion: It reached people that the bank could not reach in any other way and it caused the people to act immediately. The promotion proved the point that the money was "out there" waiting for an incentive to draw it to the bank. The promotion proved that a commercial-correspondent bank could compete favorably with any other financial institution that was well established in the "retail" financial field.

Additional proof that Commercial National's program was a winner was the presentation of a Gold Key Award to the bank by the National Premium Manufacturers Representatives Association at that group's annual conference. Criteria for the award included objectivity, quality, creativeness and suitability of timing.

Any banker who is hesitating to take the plunge into the use of incentives can take heart from the experience of Commercial National—a bank whose management has been convinced that incentives can do the job! • •

## Threat to Crime:

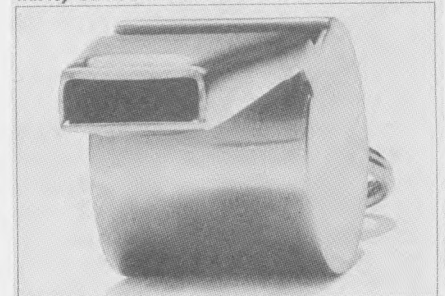
### 'Blow the Whistle' Offer Urges Citizen Involvement

How can a citizen "blow the whistle" on crime? Through the HelpALERT program of First National, Fort Worth, in cooperation with the police department, citizens of that city have the opportunity to do just that.

The bank sells metal whistles—the kind used by traffic cops—for 75 cents. The whistles are to be used to summon police when a crime is seen being committed. The shrill noise they produce can be heard for blocks and reportedly is a deterrent to attackers.

Many cities—Chicago and New York, for instance—are said to have used similar plans with good results.

This toy can be a real blow to crime in Fort Worth.



#### HelpALERT our community:

The First National Bank of Fort Worth is proud to announce the HelpALERT program. This program is designed to help citizens in Fort Worth and surrounding areas to help police fight crime. The program is a partnership between the bank and the police department. Citizens can buy whistles for 75 cents and use them to summon police when a crime is seen being committed. The whistles are a real blow to crime in Fort Worth.

First of Fort Worth

This is ad for HelpALERT, crimefighting program of First Nat'l, Fort Worth. People can buy whistles at bank for 75 cents and use them to summon police when crime occurs.

Here are other ways in which the whistle could be a handy "tool":

- Obscene phone callers can be discouraged with a loud blast.
- One could whistle for help if trapped or injured inside the home.
- A loud whistle could be used to awaken the household in case of fire.
- On camping trips, each member of the party should have one to use in case he becomes lost.

Besides the advertising it has used in the program, First National urges people to "spread the word" by telling others about it.



# Testimonial Ads Prove to Be Good Vehicles For Sustaining Interest in New Services

WHAT DO YOU DO for an encore after you've introduced three new bank services and told the public just about everything there was to know about those services?

This was the situation facing Henry Lammers, vice president in charge of marketing for First Midwest Bancorp., Inc., St. Joseph, Mo. First Midwest controls four northwestern Missouri banks, including First National, First Stock Yards and First Trust in St. Joseph, and Home Bank in Savannah.

According to Mr. Lammers, previous ads about the three new services—Guaranteed Check Cards, Ready Cash Reserve and Automatic Savings—had been written about the products and their benefits. But it was time for a new approach—one that would keep interest alive in the new services, rather than one that would merely repeat previously published information.

Mr. Lammers said his staff had done some informal customer interviewing about the degree of satisfaction customers had about the new services. The feedback from the interviews sparked a new tack for the HC's advertising.

By **JIM FABIAN**  
Associate Editor

"The objective of this new campaign was to tell the product story from the customer's point of view, using a semi-testimonial approach," Mr. Lammers said. He labeled the ads "semi-testimonial" because the headline copy was testimonial in nature while the balance of the ads told about product features.

The bold headlines in the ads attracted attention and the good-sized informal photos of the testifiers gave authenticity to the headlines. Mr. Lammers said he was careful to use headlines that were strong, believable statements about the products.

The first testimonial ad for the Guaranteed Check Card service featured this headline: "You couldn't get me to give up my Guaranteed Check Card. It takes the hassle out of my shopping." The photo under the headline showed the testifier holding her Guaranteed Check Card while standing in the aisle of a supermarket.

The text of the ad read as follows: "If you don't have a free Guaranteed Check Card, talk to someone like Nancy Green who does. We're betting they'll tell you it *does* take the hassle out of cashing checks.

"It insures that your personal checks for cash, merchandise or services will be welcome at any of almost 700 participating local merchants.

"All you have to show is your Guaranteed Check Card and the store clerk automatically knows there is no risk in accepting your check—the card *guarantees* payment on your checks up to \$100 from any of the First Banks.

A second ad talked about the same service from the merchant's point of view. Its headline: "I don't like asking people for check cashing identification any more than they like showing it. Guaranteed Check Cards make it more comfortable." The testifier was an employee of one of the merchants honoring the card. Mr. Lammers described the approach as being "over the shoulder of the merchants and the merchants' sales people." He said this approach gave the customer a better understanding about check cashing identification and at the same time made points with the merchant. He said merchants provided good feedback about the entire ad program.

A testimonial ad pushing the HC's Ready Cash Reserve service bore this headline, appearing over the photo of a young man: "With Ready Cash Reserve I can write my own loan anytime, anywhere, for anything I want." Mr. Lammers said this ad was slanted to the 25-35 age group, as it is the heaviest user of credit cards and small installment loans.

The headline really told the story, he said. "It's a strong benefit to the reader in knowing that the funds are available any time, anywhere, for anything." The service enables customers who qualify to obtain a line of credit up to \$3,000 that is activated by as little as a \$10 overdraft.

The ad pointed out that most major credit cards and most charge accounts charge for their services and that they are not as convenient as Ready Cash

**"I don't like asking people for check cashing identification any more than they like showing it..."**

**Guaranteed Check Cards make it more comfortable."**



Linda Barnett is an employee at one of the almost 700 participating local merchants that honor Guaranteed Check Cards. If it were up to her, everyone would have a Guaranteed Check Card.

A free Guaranteed Check Card insures that personal checks for cash, merchandise or services will be welcomed. All you have to show is your Guaranteed Check Card and the store clerk automatically knows there is no risk in accepting your check.

...the card guarantees payment on your personal checks up to \$100 from any of the First Banks. The Guaranteed Check Card makes cashing your checks as easy as if you were the bank president.

You can apply for your free Guaranteed Check Card when you open a checking account at any of the five convenient First Bank locations. Or, call Norma at 279-2721. She'll answer any question you may have.

The First Banks... where helping you comes first.

FIRST NATIONAL BANK  
4th & First  
FIRST STOCK YARDS BANK  
Linncoln Exchange Building • King Hill Plaza Center



FIRST TRUST BANK  
222 Franklin Avenue  
HOME BANK OF SAVANNAH  
501 West Main, Savannah, Missouri

**"We've tried to do a lot to satisfy your banking needs... but the best is yet to come."**



You've probably noticed the local banks have finally awakened to some of your needs. The idea of banks competing for your business by offering more and more service was a long time coming.

We hope you feel the First Banks have been leaders in this community with innovative customer-oriented programs that satisfy your banking needs. For instance:

Our free Guaranteed Check Card program guarantees your checks up to \$100 at almost 700 participating local merchants. It simply takes the hassle out of your check cashing. The Ready Cash Reserve program enables

you, after qualifying, to write your own bank loan for anything you want, any time you want. And, you save 50% in interest from most popular credit cards. It also protects you from embarrassing overdrafts.

We also offer you an automatic savings program. It allows you to deposit money into a savings account automatically from your First Bank checking account. A great way to save money before you have a chance to spend it.

There's more to come. We're making plans now to better our services for your future. You'll be hearing from us.

The First Banks... where helping you comes first.


FIRST NATIONAL BANK  
4th & First  
FIRST STOCK YARDS BANK  
Linncoln Exchange Building • King Hill Plaza Center



FIRST TRUST BANK  
222 Franklin Avenue  
HOME BANK OF SAVANNAH  
501 West Main, Savannah, Missouri

Two of series of "semi-testimonial" ads by First Midwest Bancorp., St. Joseph, Mo. Ad at left calls attention to Guaranteed Check Cards by giving viewpoint of merchant. Ad at right sums up campaign, using words of Roger Hegarty, pres., First Nat'l, St. Joseph, who promises "the best is yet to come."

MID-CONTINENT BANKER for November, 1975



**FIRST NATIONAL BANK**  
ST. JOSEPH, MISSOURI

MY SAVINGS GOAL IS:

TRIP TO CAYMAN ISLANDS

MY GOAL IS TO ACCUMULATE USING THE PLAN BELOW

\$ 700.00 BY 07-28-75

AUTOMATIC SAVINGS	DEPOSIT DATE	REMINDER SAVINGS
25.00	10 <sup>TH</sup> OF MONTH	
25.00	25 <sup>TH</sup> OF MONTH	

FROM ACCOUNT NO.	% OF GOAL ACHIEVED	ABOVE AMOUNTS TO BE DEPOSITED BY ME.
102377	94%	

SAVINGS ACCOUNT NUMBER: 811106    STATEMENT DATE: 02/26/75    PAGE: 1

MR. HENRY P LAMMERS JR  
3509 W COLONY SQUARE  
ST JOSEPH MO 64506

One of the unique features of First Midwest Bancorp.'s Automatic Savings program is the "goal orientation." When signing up for the service, the customer establishes a savings goal and decides how much he can put toward it on a regular basis. The monthly statement has space to list the goal as well as the percentage of the goal achieved by the statement date. The illustration shows how a goal to the Cayman Islands for a mythical customer is reported on the top portion of the monthly statement.

Reserve. The ad copy also pointed out that the service costs nothing until it is used.

To highlight the HC's automatic savings service, Mr. Lammers chose a couple in the 35-or-older age bracket because this is the age at which people normally begin saving in earnest. In developing an effective headline for the ad, the staff reviewed the frequency of reasons listed for saving. Payment of taxes was one of the leaders, so the headline stated: "Thanks to Automatic Savings we won't have to borrow money for taxes this year."

When customers sign up for the plan, they are asked to state their savings goal, how much they want to save, when they will need the savings and how much they can afford to save each month. The banks in the HC group set up plans to fit the customer's requirements and, after approval, they arrange to deduct the monthly savings from the customer's checking account on an automatic basis.

Besides similar formats, each ad carried a line advising readers that they

could call "Norma" at the bank to answer their questions about any of the services. Mr. Lammers said Norma didn't receive a lot of calls, but those she did receive provided good feedback from both present and prospective customers.

As an additional tie-in, each ad included a humorous note, such as "Ready Cash Reserve makes writing your own loan as easy as if you were the bank president."

Thus, it was fitting that the final ad in the campaign featured Roger Hegarty, president, First National, St. Joseph. Above his photo was the headline: "We've tried to do a lot to satisfy your banking needs, but the best is yet to come." The ad copy reviewed the three services featured in the other ads and told customers: "We're making plans now to better our services for your future. You'll be hearing from us."

Mr. Lammers said the entire ad campaign did a nice job of summarizing the banks' new products and telling the products' stories from the customer's point of view. • •

**Local Scenes:**

**Watercolor Premium Deal Nets \$750,000 for Bank**

"We painted the Town!" was the slogan that ran in large newspaper ads to inform residents of Conroe, Tex., that Conroe Bank was offering watercolor prints of local scenes.

Purpose of the promotion was to increase the bank's savings and checking accounts. Anyone depositing \$100 or more into a new checking account or \$25 into a new or existing savings account was entitled to one free watercolor.

Those who desired all of the six paintings in the group could obtain them by making additional \$25 depos-

its to their savings accounts, which entitled them to purchase paintings for \$4.95 each. Frames were available, also at \$4.95, but with no qualifying deposit necessary.

Each of the six scenes was reproduced in a limited number of individually rendered copies, according to Mrs. Gertie Spencer, vice president. Since each reproduction was hand painted, no two copies were identical.

Statement stuffers were also used to promote the painting offer. The stuffers featured illustrations of the six watercolors. Scenes depicted included the business section, local oil fields, a covered bridge, the railroad station, a sawmill and a plantation home.

The promotion, which ran for eight weeks, brought three-quarters of a million dollars to the bank.

**Goodbye, Gloom:**

**Bank's 'Good News Reports' Show Life's Brighter Side**

There was good news in the Dallas newspapers last summer, and much of it was found in ads run by First National. Printed to resemble a page of the paper, the bank's "Good News Report" contained only the brighter side of the day's events.

Run during the summer months, the series quoted sources such as *Time*, *Business Week* and *Money*, giving evidence that the economy is on the upswing. No section was missed: One edition of "Good News" had a horoscope promising that "confidence would be rewarded"; and a weather forecast said the climate would be "clearing and brighter."

CONTENTS      THE GOOD NEWS REPORT      CLIMATE

FIRST EDITION    PHONE NO. 734-8000    DALLAS, TEXAS 75275    FREE

GOOD NEWS FOR THE METROPLEX.

**Optimism Mounts as Economy Rebounds.**



**Why The Good News Report?**

**Quotable Notables**

**Save! Earning High Interest on Savings Accounts, Certificates.**

**Bank Cards Offer More Services.**

**Over 400 New Businesses Open, Expand in July.**

**GOOD SIGNS.**

**Horoscope**

**Bank Cards Offer More Services.**

# Call Maurine.

When Red Ward and Wilbur Waters are out, Maurine minds the bank, or at least those matters that relate to correspondent banking.

After many years of experience in dealing with various divisions of Fourth National, Maurine

Berry knows the ropes.

No matter what co-bank service you need,

Maurine knows how to get the job done.

If Red and Wilbur are out, call Maurine.

You might like her better than

Red and Wilbur anyway!



**(918) 587-9171**



Call Maurine, the better banker's banker.

TULSA, OKLAHOMA

# Banks, Thrifts Hop on Marketing Bandwagon To Sell Themselves, Services to Public

## Power Tools Make Versatile Premiums; Used to Draw New Savings, Home Loans

**P**OWER TOOLS have proved themselves to be versatile incentives, both for bringing in new accounts and increasing installment loan volume.

Heritage First National, Lockport, Ill., used Rockwell power tools to generate \$976,200 in new money. Customers depositing \$500 or more in a new or existing savings account could take home a power tool for as little as \$10. Those depositing \$5,000 or more could get most of the tools at no cost. Tools offered included a cordless electric garden spray, a jig saw, a  $\frac{3}{8}$ " single speed drill, a circular saw and a hedge and shrub trimmer.

The incentive promotion was timed to precede Father's Day and more than 277 fathers found power tools from Heritage First National among their gifts that day.

Twenty-eight new accounts were opened and deposits were added to 175 existing accounts in the \$500-\$5,000 category. Seventy-four power tools went to people depositing more than \$5,000 in 58 new accounts and 16 existing accounts.

Amarillo (Tex.) National gave away a circular saw, saber saw, sander or drill with each direct home improvement loan over \$2,000 during a three-month period early last year. Net advances



Joseph J. Wallace (l.), personal banking division, Heritage First Nat'l, Lockport, Ill., assists customer with power tools. Promotion brought in nearly \$1 million in new savings money.

were \$71,000, which was an appreciable increase over figures for a year earlier. The offer was repeated this year, and the promotion helped the bank raise its home improvement ad-

vances to \$101,000. The average amounts of the loans made during the first promotion was \$1,200; it increased to \$1,800 for the second promotion.

The bank opened each of its campaigns with full-page newspaper ads, statement stuffers and billboards, plus a series of 30-second TV commercials aired during news programs to catch the male audience. Bank employees initiated the promotion by wearing buttons, and signboards calling attention to the promotion were prominently displayed. The power tools were exhibited under a glass dome.

The circular saw was the most popular tool. It was selected by about half the borrowers. Next in popularity were the drill, saber saw and sander.

A bank in Indiana staged a similar promotion, featuring the same tools. Customers opening home improvement loans of \$800 or more were entitled to one free tool. A blitz advertising campaign included large weekly newspaper ads, a dozen billboards and 78 60-second radio commercials on three stations.

After the first 10 weeks, net advances for home improvements were 70% above the bank's year-earlier volume. ••

### Books Move Credit:

#### Handyman's Book Premium Boosts Check Credit Sales

Continental Bank, Chicago, stimulated applications for its Check Credit service by offering a free copy of *Better Homes & Gardens Handyman's Book* with each approved application.

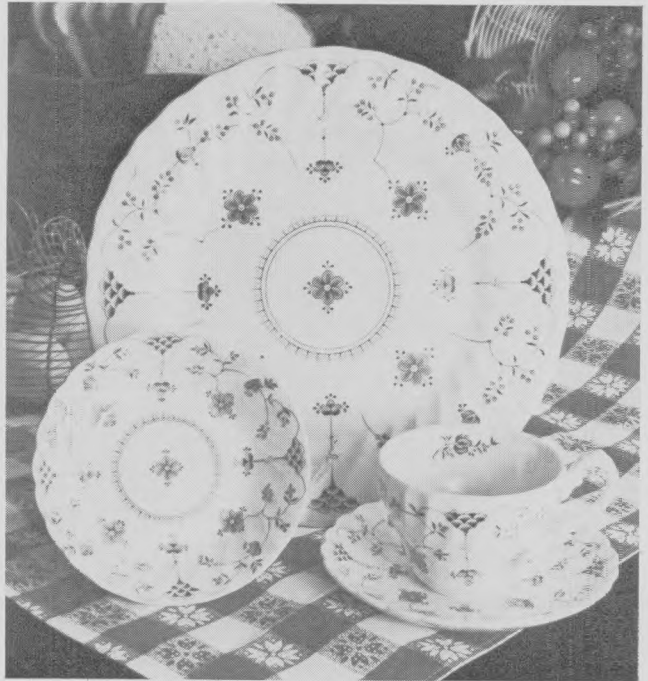
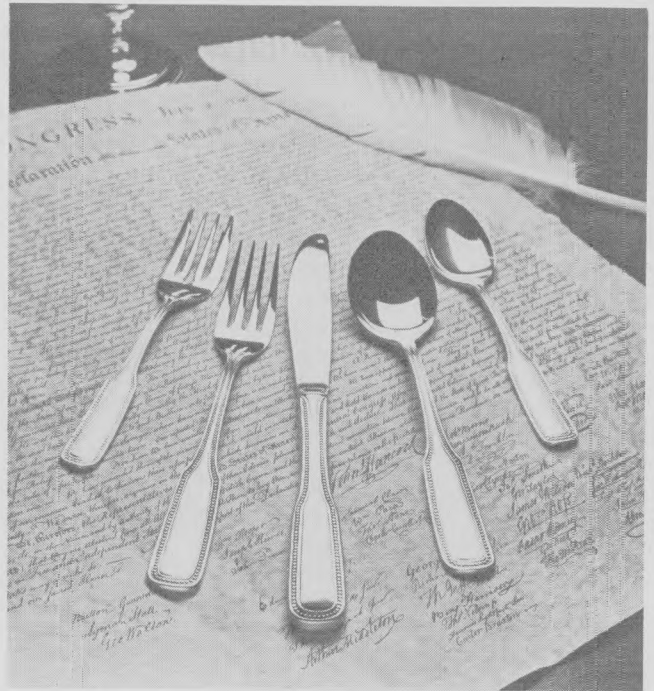
The book contains step-by-step instructions for more than 1,000 home improvement projects. It normally sells for \$8.95.

Check Credit is an unsecured line of revolving credit against which consumers write their own loans using special checks. Credit lines range from \$500 to \$3,000 in multiples of \$1,000, depending on the customer's credit history.

According to the bank, the promotion, which was conducted primarily through direct mail, generated about 35% of the average yearly total of new accounts and about 30% of the average yearly dollar total of new credit lines.



Amarillo (Tex.) Nat'l used "loan arrangers" theme in promoting power tool premium program. This is portion of mailing piece sent to customers.



## BICENTENNIAL ...from Salem

Four very timely Bicentennial promotions from Salem:

- Georgetown Stoneware
- 1776 Stainless
- Silverplated Goblets
- Yorktown Ironstone

... so appropriate during our 200th Anniversary celebration. We have co-ordinated for the Bicentennial in product and packaging.

All Salem products are part of complete programs for generating new customers and new deposits. They include a complete support package: displays and advertising materials, direct mail

pieces, internal control and report forms, personnel training, market exclusivity, successful track records, and return privilege of unused merchandise.

Write for more information:

**SALEM CHINA COMPANY**  
**SALEM SILVERSMITHS**  
 South Broadway Extension  
 Salem, Ohio 44460

Better yet, phone Jay Keller: (216) 332-4655



# Banks Can Attract University Accounts By Use of Ads That Appeal to Students

WHEN A BANK is located in a university town, its marketing people have to speak in the idiom of the student and young adult set. And it helps if the bank's advertising is creatively different from that of its competitors.

The people at Bank of Illinois, Champaign, proved that such an approach brings results. Champaign—and its twin city, Urbana—is the home of the University of Illinois and every fall some 30,000 students settle in on campus. Some 22% of all new students open local bank accounts, and Bank of Illinois has been working hard to get its share of them.

The bank had used various media to contact new students, but it found the best was to advertise in the issue of the student newspaper that is sent to all new students in late summer. But how could the bank's marketing people attract the attention necessary to carry the day against the ads of the bank's competitors?

Director of Marketing Gary T. Wikoff came up with a two-pronged approach that not only attracted student attention by using jargon which, at that time at least, was in the student idiom, but by making it exceedingly convenient for students to open new accounts by mail prior to their arrival at the university.

Mr. Wikoff arranged for the bank's newspaper ad to include a gummed-paper business reply envelope facsimile. The facsimile, when moistened and glued to any envelope, turned that envelope into a postage-paid reply envelope, preaddressed to the bank. Also included in the ad was a coupon that constituted an application for an account.

The catchline for the ad was "The Best Rip-off in Town," which appeared in large type. The ad instructed students to "rip off" the gummed facsimile and stick it on any envelope. Readers were also advised to include the account application coupon and place it inside the envelope, including \$50 to open an account.

The text of the ad read as follows: "Here's a rip-off that puts money in the bank for you. It also eliminates the hassle of running all over town to open your checking account. And who needs that? Particularly when you will be busy with the problems of registration, buying books and moving in. Plus, your checks will be waiting for you when

## THE BEST RIP-OFF IN TOWN

Here's a rip-off that puts money in the bank for you. It also eliminates the hassle of running all over town to open your checking account. And who needs that? Particularly when you will be busy with the problems of registration, buying books, and moving in. Plus, your checks will be waiting for you when you arrive on campus.

To make this offer, decide which type of checking account you want . . . fill in the application . . . put in your deposit of at least \$50 in an envelope . . . then rip off the gummed label and stick it to your envelope . . . then drop it in your local mailbox and we've got a checking account.

By the way, this rip-off will also get you a FREE PHOTO ID to make it easy to cash your checks and a FREE academic calendar to help keep you organized.

**STUDENT ACCOUNT**  
• First \$5 credits free  
• Just 10¢ for each check written  
• No minimum balance required  
• Quarterly statements  
• Free photo ID

**REGULAR ACCOUNT**  
• Free \$5 checks free  
• No charges with \$100 balance  
• Just \$1.50 charge per month below minimum balance  
• Free photo ID

**WITH EITHER OPTION:**  
• Checking receiver ready to use when you get to campus  
• Checks imprinted with your local address  
• Free photo ID good for cashing checks anywhere  
• Free Academic Planning Calendar

**ASK ABOUT FACE CASH—LETS YOU BANK ANYTIME, MAKE DEPOSITS AND WITHDRAWALS, 24 HOURS A DAY, 365 DAYS A YEAR**

**Bank of Illinois**  
CHAMPAIGN, ILL. 61820  
PARKSIDE STATE AT UNIVERSITY  
CHAMPAIGN, ILL. 61820 (PHONE 362-6001) MEMBER FDIC

LOCAL ADDRESS \_\_\_\_\_  
HOME ADDRESS \_\_\_\_\_  
SOCIAL SECURITY NO. \_\_\_\_\_  
NAME \_\_\_\_\_  
 Check  Regular Account  
 Student Account  
(Minimum initial deposit must be \$50)

Enclosed in deposit of \_\_\_\_\_  
DO NOT WRITE OR SIGN THESE IT IS AN ENVELOPE AND WILL NOT BE POSTAGE PAID

Bank of Illinois  
Champaign, Illinois 61820

Bank of Illinois  
Champaign, Illinois 61820



This is copy of ad that appeared in newspaper sent to all new students at University of Illinois prior to opening of classes.

you arrive on campus.

"It works like this: Decide which type of checking account you want, fill in the application, put it and your deposit of at least \$50 in an envelope. Next rip off the pre-gummed label and stick it to your envelope. Then drop it in your local mailbox and you've got a checking account.

"By the way, this rip off will also get you a free photo ID to make it easy to cash your checks and a free academic calendar to help keep you organized."

According to Mr. Wikoff, results were good. The bank achieved a 10% increase in accounts and a greater proportion than usual of new accounts came in through the mail. He said many students "walked" the ad into the bank because they had been attracted by its unusual style.

The cost of producing the ad was slightly higher than normal, due to the gummed paper insert. However, the bank saved by not including its own envelopes. Total cost per-thousand impressions was \$8.25.

Mr. Wikoff said bank marketing departments should explore all cost-saving possibilities that will maintain quality and increase response. He pointed out that the bank's gummed label permitted students to reuse envelopes, thereby scoring a plus from the environmentalist's point of view. ••

## Aid to Banks:

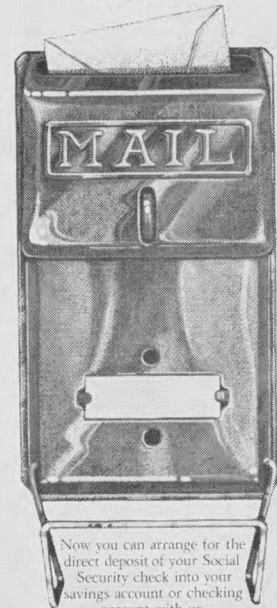
### Banks Use Marketing Kit To Get Security Checks

Bankers desiring to attract direct-deposit social security check accounts are putting bigger chunks of their advertising budgets into marketing programs to catch the eyes of social security check recipients. They know that direct deposit of these checks offers opportunities to increase time and demand deposits, to say nothing about locking in good customers for the bank.

An aid to marketing this service is available from Madison Avenue Associates, Nashville. The service provides banks with slick proofs of three different newspaper ads, complete except for the bank's logo; two 60-second and two 30-second radio spot announcements explaining the direct deposit system; and red, white and blue counter cards for the bank's lobby.

Bank of Oak Ridge, Tenn., was one of the first banks to purchase the direct

Isn't your Social Security check too valuable to spend time here?



Now you can arrange for the direct deposit of your Social Security check into your savings account or checking account with us.

Merely fill out an authorization form at the bank. You indicate what kind of account you want your checks deposited to. We do the rest.

Direct deposit of Social Security checks. It just makes sense.

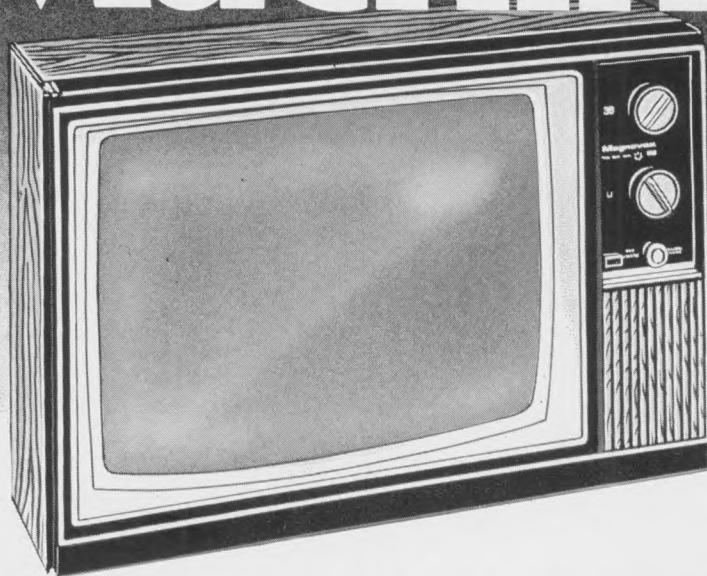
First

NATIONAL BANK OF LAUREL

This is one of three newspaper ads included in Madison Avenue Associates' direct deposit of social security check promotion.

MID-CONTINENT BANKER for November, 1975

# Watch This Money Machine



We know this is really a Magnavox 19" portable color television, but to many of our friends in the banking business, it's a money machine!

It's a money machine to the bank marketing officer in New Jersey who used it to gain 3,200 time deposits. And, it's a money machine to the banker in Baltimore who added 1,600 time deposits to his bank's accounts in less than six months. In both cases, most certificates were purchased by new customers, representing an opportunity to cross-sell other bank services.

We guarantee our price . . . full return privilege on unused product . . . exclusivity in your market area . . . and our products carry their regular retail Warranty.

Offer this (or other Magnavox products) to your customers as advance interest, and watch the Magnavox money machine go to work for you.

For further information, send us this coupon, or call collect: (219) 432-6511; ask for Fred Williamson.

Magnavox Premium Sales  
Dept. 794  
1700 Magnavox Way  
Ft. Wayne, IN 46804

MCB-1

SEND ME FURTHER INFORMATION ON THE  
MAGNAVOX CD PROGRAM

Name \_\_\_\_\_

Bank \_\_\_\_\_

Address \_\_\_\_\_

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

## For Your BICENTENNIAL PROMOTIONS

- For Branch Openings
- New Account Promotions
- Anniversaries — Gifts



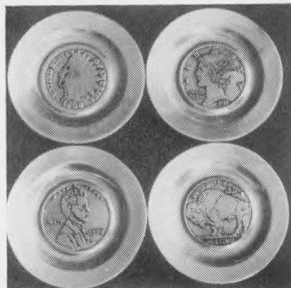
**LIBERTY BELL COIN BANK**

A collector's item to commemorate America's Bicentennial celebration. The exact replica is sand cast and hand finished in the manner employed by colonial craftsmen. The liberty bell bank is a perfect collector's item, 3 3/4" x 3 1/8", overall height 5 1/4", with a metal free-swinging clapper.



**UNITED STATES GREAT SEAL PLATE**

This handsome 8 3/4" Peuter-Mac Ware plate is individually sand cast by skilled artisans using the same technique employed by early American craftsmen. With the Great Seal of the United States as the diametric motif, you will love these plates not only for their historic appeal during the Bicentennial period, but also for their continuing value and usefulness in the years to come.



**COIN COLLECTOR'S  
Plate Series**

Depicted in these classic commemorative plates are famous American coins sand cast and hand finished. Each is 5 3/4" in diameter with finely detailed enlarged coin replicas.

These items are excellent both in quality and price. All are sand cast and hand finished for lasting beauty. Truly collector's items.

For brochures or other details, please write or call

**FINANCIAL PROMOTION CO.**

P.O. Box 4025  
Harrisburg, PA 17111  
717/564-5515

deposit marketing service kit from Madison Avenue Associates. Donald I. Carpenter Jr., vice president, said that he was pleased with the design of the newspaper ads and counter cards and the cost of buying the package was considerably less than it would have cost to develop the promotional materials through the bank's advertising agency.

He said Madison Avenue Associates provides a "real service to banks of all sizes, but particularly to those banks whose advertising budgets are limited, enabling them to offer professionally prepared, quality advertising at a low cost."

Bruce Plummer, vice president, marketing, Citizens Central Bank, Murfreesboro, Tenn.—another bank using the package—said, "I have been pleased with the ad package . . . in that it provided me with a tool to announce to my customers that we did handle this promotion." He said the newspaper ads were well done and the radio scripts were direct and to the point, thus eliminating the possibility of any error on the bank's part in explaining the social security direct deposit program to customers.

### 'Jet Banking':

## Customers Get Their Wish; Faster Service Provided

Connecticut Bank, Hartford, placed questionnaires in each of its offices to learn its customers' attitudes and opinions about banking. Thousands of the questionnaires were completed, and most found fault with the amount of time involved in banking.

"Jet Banking" was the answer.

What is Jet Banking? It's a package of five new services:

- Saturday hours were begun, during which drive-up windows are open between 9 a.m. and noon at 51 of the bank's 84 offices.

- 'Jet Deposit' boxes were installed, allowing customers to make deposits and make loan or credit card payments simply by filling out an envelope form and dropping it in the box at any branch.

- A "Jet Teller" directs customers to the next available teller.

- A teller window for check cashing only, called "Jet Check Cashing," was begun.

- The "Jet Account Form" was introduced. It is a single, abbreviated form for opening nearly any kind of account available at Connecticut Bank.

Other changes have been made to offer more efficient service at the bank. Tellers' work has been streamlined—the time needed to authorize and com-

plete a check-cashing transaction has been cut in half.

Connecticut Bank reports it plans to introduce more time-saving services in the coming months.

### A Double Celebration:

## Bank Combines Observance Of 125th Anniversary With Nation's Bicentennial

When a bank's anniversary falls on July 4, the nation's birthday, there's double cause to celebrate. National City Bank, Evansville, Ind., founded July 4, 1850, has the honor of having been founded on Independence Day and—since this year was its 125th birthday—the bank spent a year building up to this milestone.

National City began by publishing a series of newspaper ads during the past year based on the theme, "National City . . . for 125 years a bank for the changing times." For instance, one ad focused on car loans by featuring two pictures, one of a man standing next to a Model T Ford, the other of a man getting into a 1975 convertible. Copy under the former photo read, "In the '20s, we put fellows like Fred in their new cars." Under the modern picture, copy read, "Today, we do the same for their grandsons." Other ads in the series included ones on home-improvement loans and on National City's checking account program called Supercheck.

The "changing times" theme also was used in the bank's 1974 annual report, which contained old and new pictures of Evansville and of the bank and its former and present officers.

For the anniversary week itself, the bank sponsored—on July 3—a half-hour TV program with a 5½-minute introduction on the Evansville community as it was and a two-minute "close" on the bank, along with a 21-minute documentary, "Patriotic Music: Its Influence on U. S. History." Screen actor Barry Sullivan was the narrator.

To complement the TV special, National City held a week-long "unbirthday" party, so called because the bank has always been closed on its birthday since it's a national holiday. During the week of June 30-July 3, the bank gave away 125 gifts, including 10 colorful, American legend wall hangings that depict the American eagle, Liberty Bell and Old Glory.

The celebration was topped off with publication of a historical booklet containing pictures of and information on Evansville's and the bank's past and present.



# There's more to opening a new account than opening a new account.



We have a *new* audio-visual presentation called **NEW ACCOUNTS-LASTING ACCOUNTS**. It's designed for the people in your new accounts area . . . and it's designed to help those people help your new customers get exactly the services they both want and need.

Call it a refresher course. **NEW ACCOUNTS-LASTING ACCOUNTS** covers the step-by-step process of opening a new checking account. A new, optional section has been added to help your people recognize natural opportunities for cross-selling other banking services. Some simple, yet often overlooked ways of determining and meeting the customer's exact needs are shown. It was developed through extensive research with bankers and bank groups.

In general, **NEW ACCOUNTS-LASTING ACCOUNTS** deals with the basics of good customer relations and should help your new accounts staff give your customers the best service possible. Talk to a DeLuxe representative. Perhaps you'll discover a training opportunity, some good ideas and a way to remind your new accounts people that there's more to opening a new account than simply opening a new account.

**DELUXE**  
**CHECK PRINTERS, INC.**

SALES HOURS • P.O. BOX 3399, ST. PAUL, MN. 55165  
STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

# 'Sesame Street' Stars Are Success at Bank

"Big Bird" and "Bert and Ernie," characters seen on the "Sesame Street" TV program, reportedly were a success when they appeared at Farmers & Merchants Bank, Centre, Ala., during a special day for the children.

With special events representing nearly all groups in town—Farm Day, the "60 Upper Party" (for senior citizens), Customer Appreciation Week

and a New Teachers Dinner—officials felt the children had been left out. So, using TV and radio advertising, the new event was announced, and a large crowd of children was on hand to greet and talk with the celebrities, according to a bank spokesman.

"Big Bird," a seven-foot-tall feathered creature, was played by a member of Farmers & Merchants' marketing

department. He is 6'5" tall and, with a costume he'd previously worn in an elementary school chapel program, measured up to the role he had chosen to play. The costume was made by his wife.

"Bert and Ernie," puppet characters on "Sesame Street," were portrayed by a pair of boys wearing papier maché head masks.



LEFT: "Big Bird," accompanied by "Bert and Ernie," arrive at Farmers & Merchants Bank, Centre, Ala., during special day for children at institution. Trio are characters from "Sesame Street" TV show. CENTER: Children, obviously pleased with appearance of "stars," begin to con-

gregate around bank's front door as trio prepares to enter. LEFT: Officials called day a great success, as can be seen by crowd of well-wishers around "Big Bird." Characters were played by marketing officer and two boys in costume.

## Premium Supplier Rep Can Be Useful In Planning All Aspects of Promotion

HOW CAN a reputable premium supplier help the marketing function of a financial institution? In many ways, says Mrs. B. J. Sells, assistant vice president for advertising and public relations at Great Midwest Savings, Milwaukee. Mrs. Sells was a speaker at an incentive workshop sponsored by the National Premium Sales Executives, Inc., held recently in Chicago.

In the beginning, Mrs. Sells said, premium programs were simple. Perhaps three items—a tea kettle for \$300; a blanket or a skillet for \$1,000; and an electric coffee pot for \$5,000.

But when the premium houses realized the huge potential that existed "out there," they began to put together sophisticated programs, she said.

It isn't unusual for me to see three or four premium supplier salesmen daily. It's important that I do, she said. Even though it's time consuming,

it serves to give me a good idea of what's available—not to mention what the competition is doing.

Premium salespeople are good at their jobs—they have to be, she continued. Part of their job is to get the marketing person sufficiently enthused to recommend his program to management. The enthusiasm he has for his program sells you and provides you with the enthusiasm you need to sell the program to management.

This enthusiasm is also essential when "selling" employees on the promotion, Mrs. Sells said. As the salesman has sold you, you must sell the employees. You will find that many employees are negative, so you must be enthusiastic and positive in order to convince them that the new program is absolutely terrific.

There are times when a promotion doesn't work, she said. This is when

you thank your lucky stars that you are dealing with a reputable premium house. Before you sign any order, she advised, question the salesman closely. Ask him about the supplier's return policy. Ask if there is an assessment charge for returns. Ask him if the supplier will replace defective merchandise. Ask if you will be issued a credit or a check. Since you may not purchase your next program from that supplier, you don't want a credit.

It's important to determine if the supplier can meet your demands, especially if your demands can be large, she said. If your program is a huge success and your inventory is short, how fast can you be resupplied? This is an important thing to determine, since your institution has a good amount of money tied up in publicity for the promotion.

The premium supplier's sales representative must be trusted, she said. If you can't trust him, don't work with him. Always keep in mind that he knows—or should know—what programs are good and what programs are being sponsored throughout the country. Ask him to show you tearsheets of



around money the finest is **STEEL-STRONG**

TRADE MARK ®

**1 AUTOMATIC COIN WRAPPER**

Amounts and denominations automatically indicated by patented "red bordered windows". Amounts in windows always in register... eliminates mistakes. Accommodates all coins from 1c to \$1.00.

**2 TUBULAR COIN WRAPPER**

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

**3 RAINBOW COIN WRAPPER**

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

**4 DUZITALL COIN WRAPPER**

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

**9 BANDING STRAPS**

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

**5 OLD STYLE COIN WRAPPER**

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

**6 KWARTET COIN WRAPPER**

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

**7 FEDERAL BILL STRAP**

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

**8 COLORED BILL STRAP**

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

SEE YOUR DEALER OR SEND FOR FREE SAMPLES

**THE C. L. DOWNEY COMPANY • HANNIBAL, MISSOURI • DEPT. MC**

MID-CONTINENT BANKER for November, 1975

successful promotions to back up his statements. Don't hesitate to ask for names and phone numbers of people in other institutions so you can check up on the success of programs.

These contacts can be helpful, she said, by sharing information and warning you of problems.

Keep in mind that many salespeople sell several accounts in the same general area. If the salesperson tells you what he has sold to your competition, do not deal with him because he will likely tell your competition what you are planning, she advised.

The reputable premium representative wants your program to succeed, Mrs. Sells said. Thus, he will give you excellent service. He can usually speed up a slow delivery. He can give help with advertising by providing glossies, layouts, radio and TV scripts. He can keep you posted on trends and can be a source of information on defective merchandise that has infiltrated the market.

Furthermore, she said, he knows that if you have a successful program with his merchandise, you will probably buy from him again. ••



This is portion of crowd that attended free barbecued chicken dinner at Community State, Huntington, Ind. Bank was celebrating its 25th anniversary.

### For 25th Anniversary: Bank Entertains 3,500 At Free Chicken Dinner

Community State, Huntington, Ind., invited the entire community to its 25th-birthday party, which was highlighted in several ways.



Robert Hafner (l.), pres., Community State, Huntington, Ind., wears chef's hat as he greets guest at free barbecued chicken dinner bank held to celebrate its 25th anniversary.

The climax came on a July Saturday, when a free barbecued chicken dinner was served on the bank parking lot to about 3,500 persons. The food was dispensed by directors, officers, employees and their spouses. Besides chicken, the guests ate apple sauce, potato chips, bread and butter and drank lemonade.

The crowd was so large that the overflow had to be served on a nearby street.

The bank led up to the barbecue by having its personnel conduct a house-to-house solicitation of the entire county during June and by serving free hot dogs in its lobby each Friday during July. More than 3,000 persons availed themselves of the hot dogs. Also during July, daily drawings were held for barbecue tongs and paring knives. The

grand prize, given away at the close of the celebration, was a microwave oven.

### Keep on Biking:

### History of 'Pedaling' Is Lobby Highlight

Central Trust, Cincinnati, featured a display of bicycles in its Main Office lobby. The showing traced the vehicle's history.

Set up in conjunction with the Cincinnati Cycle Club, the display included an early English "Penny Farthing," so called because of a back wheel measuring one quarter the size of the front, the value relationship between the farthing and the English penny. The "Penny Farthing" was manufactured around 1870.

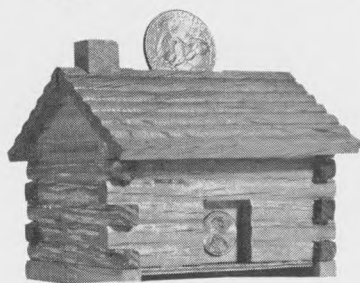
Bicycles from nearly every part of the western world were represented and from all segments of history. Also included were modern-day bikes: one of eight or nine 10-speed Graphite "Line-Seekers" in existence, a Huffy Tandem and others.



Richard Franz, sr. v.p., Central Trust, Cincinnati, discusses antique and modern bicycles with customer. Bikes from various countries were displayed at bank.

1776 **BI-CENTENNIAL** 1976

## Log Cabin Bank



Made in USA of assorted woods

This Lincoln Replica Coin Bank is truly a Collector's Item! An exceptional incentive for new customers, and for upgrading savings accounts. Priced as low as 1.50 each in quantity.

**SATISFACTION GUARANTEED**

Write on your letterhead  
for a free sample

**Quality Incentives**  
Inc.

1305 U. S. HIGHWAY 31, SOUTH  
HARTSELLE, ALABAMA 35640

PHONE: 205/773-4595

# Your big correspondent advantage:



## Our big Southwestern Division.

Your advantage comes from our Correspondent Banking Department being an integral part of our Southwestern Division. That means whenever you correspond with us, you have an automatic link with four other highly specialized departments.

Two of those departments cover businesses typical throughout the Southwest — our Agricultural and Petroleum/Chemical Departments.

And the other two — our Bond and International Departments — can help you wherever you do business.

Our Southwestern Division, the only organization in the territory like it, is just one of the ways we're working to provide you with the best correspondent service.

Make the most of your correspondent advantage now. Stop by or call Alan Snodgrass, head of the Southwestern Division, today. (817) 336-9161.

Make the  
Most of  
What  
You've  
Got

at

# First of Fort Worth

The First National Bank of Fort Worth One Burnett Plaza, Fort Worth, Texas 76102

Member F.D.I.C.



# Jewelry Premiums Garner \$14 Million In 11 Weeks for S&L in St. Louis

A GEM of an offer!" That's the way Roosevelt Federal S&L, St. Louis, described its incentive program built around the Royal Barrington jewelry collection, and that's what it proved to be from the institution's viewpoint—a real gem.

During 11 weeks in spring, 1975, when the S&L was offering the jewelry to depositors free or on a self-liquidating basis, deposits totaling \$14,213,818 were obtained. Of this amount, approximately \$9 million was in the form of new accounts, while approximately \$5 million was added to existing accounts.

The S&L gave away or sold 6,468 jewelry pieces. New accounts obtained totaled 2,283, while 3,526 established customers took advantage of the offer. A number of the customers obtained more than one item.

The Royal Barrington collection consisted of 52 items of costume jewelry. Included were pearl necklaces, turquoise pins and pendants, earring sets, ladies' and men's rings and cufflink sets. All jewels are simulated.

The jewelry was available free for substantial deposits and on a self-liquidating basis with smaller deposits. The selection was divided into categories according to value. For example, a 22-inch pearl necklace in category one cost \$2.50 with a \$250 deposit. In category two, a 54-inch necklace cost \$5 and the \$250 deposit. In category three, ladies' and men's rings and cufflink sets cost \$10 and the \$250 deposit.

The cost of the item was reduced as the size of the deposit was increased. All pieces were free with a \$5,000 CD. After the initial deposit was made, additional purchases could be made for \$4 to \$11 with a deposit of \$50.

Contradicting the experience of most marketing personnel reporting on incentive offers, Roosevelt obtained the largest response with the highest-

## Nationally Advertised Premium Items Pull in New Accounts, Money for S&L

ONCE AGAIN, nationally advertised merchandise offered as incentive premiums has proved its power to pull in new accounts and new money.

United Postal Savings, with five offices in the St. Louis area, used this proved magnet to lift itself out of the pack and rise from ninth to third place in *net deposit growth* in its trade area for the month of August, 1975.

"Gifts Galore—the All-Time Hit Parade of Brand Name Gifts for Savers" was the headline United Postal used in large display spaces in metropolitan newspapers to kick off its campaign.

The ad went on to name 11 nationally advertised brands—Sunbeam, Chat-ham, Wear-Ever, American Tourister, Spalding, General Electric, Regal, Hed-don, Black & Decker, Toastmaster and

priced items. Category one, the lowest-priced items, attracted 1,420 buyers; category two, 2,040 buyers; and category three, the highest priced, 3,008 items.

In this promotion, Roosevelt carried no inventory, only an extensive display from which customers made their selections. A certificate was filled out and mailed by the S&L to the source of supply, Creative Resources Corp., Omaha. In the case of rings, the S&L used a ring sizer to obtain finger size and a "stick" to measure the size of an existing ring. Creative Resources supplied this equipment. ••

Proctor-Silex—under whose names merchandise could be obtained free or for a small charge when deposits of \$250 to \$5,000 were made. The premiums were supplied by J. Edward Connelly Associates, Pittsburgh.

The galaxy of premiums included 38

**UNITED POSTAL SAVINGS**  
presents  
**GIFTS GALORE**  
8 of 38 famous name brand gifts  
now on display



SUNBEAM  
CHATHAM  
WEAR-EVER  
AMERICAN  
TOURISTER  
SPALDING  
GE  
REGAL  
HEDDON  
BLACK & DECKER  
TOASTMASTER  
PROCTOR-SILEX

Select free or at special savers' prices from these groupings...

GROUP A FREE with deposit of \$250 or more	GROUP B FREE with deposit of \$1,000 or more or purchase for \$2.50 with deposit of \$250 or more	GROUP C FREE with deposit of \$5,000 or more or purchase for \$7.50 with deposit of \$250 or more or \$4.50 with deposit of \$1,000 or more
1. Manning-Bowman Corn Popper	11. Spalding Basketball	23. McCrone-Edison Hedge Trimmer
2. Sunbeam Fridge Free Combo	12. General Electric Sewing Cube Radio	24. Camouflage General Box
3. GE Radio	13. Sunbeam Alarm Clock	25. Spalding Football
4. Highbeam Personal Alarm Clock	14. Sunbeam 10 pc. Hair Clipper	26. Proctor-Silex 10 Cup Grindstone
5. Afta Sports Staircase	15. Toastmaster Automatic Toaster	27. Toastmaster Clean Operator Sharpener
6. Aquatic Smith Blue Sports Tote Bag	16. Afta Sports Tote Bag	28. Spalding Football Game
7. Toast-O-Mat Singsaws	17. Sunbeam Heating Pad	29. Manning-Bowman 2-Dial Timer
8. Regal 100" Stack Pan	18. Toastmaster Iron	30. American Tourister Tote Bag
9. Old Far Tackle Box	19. Proctor-Silex Ice Churner	31. Proctor-Silex Electric Ice Cream Freezer
10. Chat-ham Royal Box Basket	20. Wear-Ever 4 Cup Egg Processor	32. Fagotul Comb-over
	21. Wear-Ever 11" Covered Dutch Oven	33. Heddon Tail & Hair
	22. Wear-Ever 8" Covered Dutch Oven	34. Black & Decker 1/2" Drill
		35. Black & Decker Grass Trimmer
		36. Black & Decker Jig Saw
		37. GE Electric Portable Radio
		38. Luggage Set

• Highest interest rates allowed by law.  
• All gifts in stock for immediate pick-up.  
• Limit of one gift per account. Sorry, gifts cannot be mailed.  
• Selection limited to available gifts at time of deposit.

**UNITED POSTAL SAVINGS**  
8 Offices to Serve You: Richmond • 470 N. Kirkwood Road  
Downtown • 1808 Olive  
Phone: 822-9041  
1113 Marquette through Purchase  
1113 S. 10th Street through  
1113 S. 10th Street through 1113 S. 10th Street  
1113 S. 10th Street through 1113 S. 10th Street

## Valuable Certificate

With your deposit to a new or existing account, you qualify for one FREE gift or one Special Discount Purchase as follows:

AFFIX TELLER STAMP	CERTIFICATES		PASSBOOKS		WITH EACH ADDITIONAL DEPOSIT OF \$50.00 or more
	\$5,000 or more	\$1,000 or more	\$2,500 or more	\$250 or more	
ITEM I	FREE	FREE	FREE	\$ 2.50	\$ 4.00
II	FREE	\$ 3.00	\$ 3.00	5.00	6.00
III	FREE	8.00	8.00	10.00	11.00

ACCOUNT NUMBER \_\_\_\_\_  
 NEW ACCOUNT                       EXISTING ACCOUNT  
 DEPOSIT AMOUNT \$ \_\_\_\_\_

MY SELECTION IS \_\_\_\_\_

SIGNATURE OF DEPOSITOR \_\_\_\_\_

**Roosevelt**  
FEDERAL

SAVINGS AND LOAN ASSOCIATION  
HOME OFFICE: 9th and Locust • 231-8838

Roosevelt Federal used certificates to order jewelry premiums from supplier.

individual items and a total of 21 reasonably well-known brand names. The 38 items were divided into three categories on the basis of value, as follows:

Group A included nine items ranging from a corn popper to a tackle box, any one of which was available free with a deposit of \$250.

Group B contained 13 items varying from a basketball to a five-quart covered dutch oven, any one of which was

MID-CONTINENT BANKER for November, 1975

# Chances are, the Whitney has already solved your banking problem.

No, we're not omnipotent. Nor know-it-all. But we have been around a long time (more than 90 years) and we've seen a lot of the banking business as it came down the road. We've had a great deal of experience in problem solving — for ourselves, for our cus-

tomers, and for other banks. We like to share what we've learned, and in the sharing, learn some more. So talk with your man from the Whitney today. Your problems may have been our problem sometime. And if it has, you are welcome to our solution.

**Whitney**  
NATIONAL BANK OF NEW ORLEANS  
Established 1883

**Fifth Third Bancorp**  
**Consolidated Balance Sheet**  
**September 30, 1974 and 1975**  
(\$000's)

<b>Assets</b>	<b>1974</b>	<b>1975</b>
Loans . . . . .	\$448,730	392,291
Federal Funds Loaned . . . . .	79,850	75,000
Lease Financing . . . . .	10,959	5,039
Securities . . . . .	110,709	163,811
Cash and Due from Banks . . . . .	110,067	94,184
Bank Premises and Equipment . . . . .	8,382	8,021
Other Assets . . . . .	10,759	9,346
TOTAL ASSETS . . . . .	<u>\$779,456</u>	<u>747,692</u>

<b>Liabilities</b>		
Deposits		
Demand . . . . .	298,997	277,601
Time . . . . .	311,670	288,060
Total Deposits . . . . .	610,667	565,661
Federal Funds Borrowed . . . . .	65,715	75,995
Other Liabilities . . . . .	19,958	16,569
TOTAL LIABILITIES . . . . .	<u>696,340</u>	<u>658,225</u>

<b>Reserve for Loan Losses . . . . .</b>	<u>8,138</u>	<u>8,705</u>
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**Stockholders' Equity**

	<b>1974</b>	<b>1975</b>		
Capital Stock				
Authorized . . . . .	2,340,000	5,000,000		
Issued . . . . .	2,314,958	2,310,758	15,433	15,390
Capital Surplus . . . . .			36,040	35,970
Retained Earnings . . . . .			23,505	29,402
Total Stockholders' Equity . . . . .			<u>74,978</u>	<u>80,762</u>
TOTAL LIABILITIES, RESERVE AND STOCKHOLDERS' EQUITY . . . . .			<u>\$779,456</u>	<u>747,692</u>

**Fifth Third Bancorp**  
**Consolidated Statement of Income**  
(\$000's)

	<b>Nine Months Ended September 30,</b>	
	<b>1974</b>	<b>1975</b>
Earning Asset Income . . . . .	\$ 44,758	39,894
Cost of Available Deposits . . . . .	23,084	17,746
Interest Differential . . . . .	21,674	22,148
Service Income . . . . .	6,109	6,804
Operating Expenses . . . . .	17,711	17,988
Income Before Taxes and Securities Gains (Losses) . . . . .	10,072	10,964
Applicable Income Taxes . . . . .	3,491	3,797
Income Before Securities Gains (Losses) . . . . .	6,581	7,167
Securities Gains (Losses) — Net of Income Taxes . . . . .	1	( 531)
Net Income . . . . .	<u>\$ 6,582</u>	<u>6,636</u>
Earnings Per Share		
Income Before Securities Gains (Losses) . . . . .	\$ 2.84	3.10
Net Income . . . . .	<u>\$ 2.84</u>	<u>2.87</u>

**Area Code 513**

**William S. Rowe**  
President 579-5353

**Clement L. Buenger**  
Senior Vice President  
& Secretary 579-5382

**David V. Lakes**  
Vice President —  
Correspondent Banking 579-5276

**Thomas G. O'Donnell**  
Assistant Cashier 579-5279

**Thomas H. Johnson**  
Assistant Cashier 579-5295



The Fifth Third Bank  
"A Banker's Bank"  
Cincinnati, Ohio 45202



available free with a deposit of \$1,000 or for a purchase price of \$2.95 with a \$250 deposit.

Group C was made up of 16 items starting with a hedge trimmer and concluding with an AM/FM portable radio, any one of which was available free with a \$5,000 deposit or for \$4.95 with a \$1,000 deposit or for \$7.95 with a \$250 deposit.

Unquestionably, one of the reasons for the success of the promotion was the fact that for each of the three categories, the kickoff ad contained a group photo that displayed every one of the items. The prospective customer did not have to scan the list to see if any item interested him; it was right there, big and bold, in the photo.

Another attractive feature of the pro-

motion was that not only were all items on display in each of the five United Postal offices, but the merchandise was in-stock and ready to go. When the customer made a deposit, the item of merchandise desired was available immediately.

Four factors stand out to which the outstanding results obtained can be attributed: (1) Nationally advertised brands, (2) advertising copy that pictured and itemized the merchandise, (3) clear, precise statements of what the customer must do to obtain the merchandise, and (4) immediate availability of the merchandise.

These four essentials, woven into one campaign, proved to be a magic carpet to success for United Postal Savings. ••

## S&L Branch Is Open Round the Clock In 24-Hour-a-Day Supermarket

FOR A LONG TIME, financial institutions have been offering more and more services and lengthening the hours they're open to accommodate their customers. In fact, they like to think of themselves as "financial supermarkets" with all kinds of products (services) to offer. Now, the \$990-million City Federal S&L, Elizabeth, N. J., is open 24 hours a day, seven days a week—at least, at its newest branch, which happens to be located in the Pathmark Supermarket, which also is open around the clock, in Linden, N. J.

To emphasize the wide-open hours of this branch, City Federal officially opened it at the stroke of midnight, with cashiers, tellers and other personnel on hand. From then on, staff members have been working three eight-hour shifts a day to take care of deposits, withdrawals, servicing mortgage and loan applications and to carry out practically all other S&L functions.

In the first 10 days of business, the 24-hour facility processed more than 220 accounts, 35% of them between 7 p.m. and 8 a.m. the following day. There were 83 intra-office transactions, 80% being deposits and 20%, withdrawals. More than 187 checks were cashed, 40% of them during the small hours of the morning—1 a.m.-6 a.m.

During the first month the facility was open, City Federal offered a free pound of coffee to each person opening a new savings account. In addition, there was a shopping-spree sweep-



New branch (l.) of City Federal S&L, Elizabeth, N. J., is located in supermarket in Linden, N. J. Facility, like supermarket, is open 24 hours a day and offers all types of S&L services. Supermarket's pharmacy is at right.

stakes, in which \$25 gift certificates were given away daily and \$100 certificates weekly, and the grand prize consisted of \$500 worth of certificates. All certificates had to be redeemed for Pathmark merchandise.

The facility is located down the aisle from the coffee shelves and adjacent to the pharmacy department.

The S&L is using an aggressive ad campaign to support the new facility, using primarily major newspapers throughout its market area. In addition, it has run some radio spots on a New York City station's all-night talk

show, a natural tie-in to a 24-hour facility, City Federal believes.

City Federal started this 24-hour program to reach the "night people," who sleep during the day; those with only a half hour for lunch; those who work out of town, but like to bank near their homes; busy housewives and executives who travel and are constantly on the go during daylight hours and a wide spectrum of persons who like to wander around a supermarket at night or early hours of the morning.

The S&L believes it has a natural location in this branch because 35,000 persons shop in the supermarket each week. Although many of them already are City Federal customers, the association feels that Pathmark's large weekly ads will entice other supermarket customers to become City Federal depositors in between selecting their groceries and meats at the supermarket. ••

### Molasses Cookies:

### Old-Time Kitchen, Foods Kick Off Bank Exhibits

Moody National, Galveston, Tex., had a kitchen in its lobby, but this kitchen wasn't the normal type. It was a re-creation of the kind usually found in the American home around 1900.

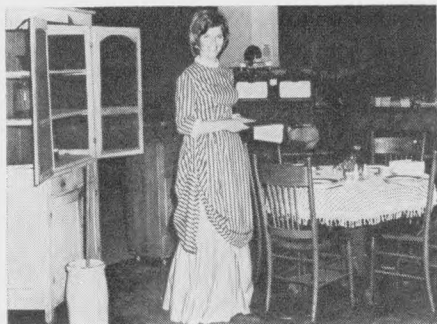
A highlight of the kitchen was the 1,000 or more molasses cookies that were dispensed to customers from the kitchen. Bank staffers, dressed in clothing typical of the turn of the century, handed out the food, which was made from a long-ago recipe, as the kickoff to Moody National's program, "Spirit of '76," an observance of the nation's bicentennial.

A volunteer group of employees, called the "Spirit of '76 Committee," who represented the bank's eight divisions, researched and assembled the exhibit, which included such gadgets as a butter churn, dough bin, kerosene can, sadiron, corn husker, iron tea kettle and assorted hand-wrought pots and pans. The "Committee" is on loan to assist in similar projects around Galveston.

Other furnishings in the kitchen were an oak ice box, a wood-burning iron-and-enamel range, round oak table with oak spindle-back chairs and a pie safe.

The molasses cookies were prepared by a local bakery, which used one of its 1886 recipes, printed copies of which were available in Moody National's lobby.

In addition, the bank, as part of the "Spirit of '76" program, has commissioned a local artist, Don Davis, to



Lynn Jolley of Moody Nat'l, Galveston, Tex., poses in re-created turn-of-the-century kitchen in bank lobby. Cookies made from 1886 recipe were given away to customers by employees dressed in period clothing. Event was kickoff of bank's series of bicentennial events.

create original pen-and-ink wash drawings of four historic buildings in the Galveston area. The artwork was displayed in the lobby, and reprints were available to customers at no charge.

Moody National also distributed bumper stickers reading, "I've Got the Spirit of '76," and has scheduled other exhibits and activities throughout the bicentennial.

#### For Professional People:

### Special Division Formed By Bank in Tennessee

A professional services division has been formed by Warren County Bank, McMinnville, Tenn., to meet needs of busy professionals and business executives in its market area.

The new division's objective is to familiarize business and professional people with banking terminology, proper execution of documents and the division's responsibilities to the bank and the bank to clients. Services offered by the division include specialized credit programs, computerized personal financial administrative programs and special trust department services.

Executive Vice President David Tarter heads the division, which was put together with the help of Dr. L. Donald Guess of Coronado, Calif. Dr. Guess is a business executive, consultant to the banking and insurance industries, educator and a practicing dentist. He's founder and president of Xelan, the Economic Association of Health Professionals, a national organization dedicated to development of individual financial strength through education and economic unity and to the free-enterprise stance of the health professions in an age of economic transition.

## S&L Promotes Savings Among Children With Puppet Shows Given at Schools

**A**N S&L in New Jersey is focusing public relations programs on opposite ends of the age category. For youngsters, City Federal S&L of Elizabeth conducts a school savings puppet show. For senior citizens, there's a 16-passenger bus to take them on shopping trips.

Purpose of the puppet show, which has been "on the road" for three years, is to stimulate student participation in the 142 schools that subscribe to City Federal's school savings program. "Sid-E-Saver Saves the Day" tells the story of the dilemma colorful forest animals find themselves in when they decide to celebrate the birthday of their friend, Betty Butterfly. Gloom momentarily settles on the forest when Thelma Thrush realizes she has only a penny and doesn't know what happened to the rest of her money; Curtis Turtle has put his money in an unsafe place (his shell) and lost it, and Oliver Owl has spent all his money foolishly.

Sid-E-Saver, the S&L's squirrel mascot, comes to the rescue by suggesting that, although it may be too late this year, they could have a big celebration next year if everyone started saving a nickel or dime regularly in their school savings accounts.

At the conclusion of the show, to the delight of the children in the audience, the S&L stages a birthday party, with balloons, cake and a gift of a "brand-new savings account" for Betty Butterfly. The reaction of students, teachers and school principals has been enthusiastic, said Patricia L. Sommers, manager of school savings for City Federal,



Patricia L. Sommers, mgr., school savings, City Federal S&L, Elizabeth, N. J., talks with "Sid-E-Saver," S&L's squirrel mascot, during puppet show S&L holds at schools to promote savings habit among students. Miss Sommers holds another character from show in her right hand.



This 16-passenger bus is sponsored by City Federal S&L, Elizabeth, N. J., to transport senior citizens to shopping areas. It operates four days each week and logs more than 1,000 miles in that time.

who operates the hand-puppet characters. The entire presentation takes about 45 minutes, with about 25 minutes devoted to the puppet show itself and the rest of the time to conversations and sing-a-longs with the children before and after the show.

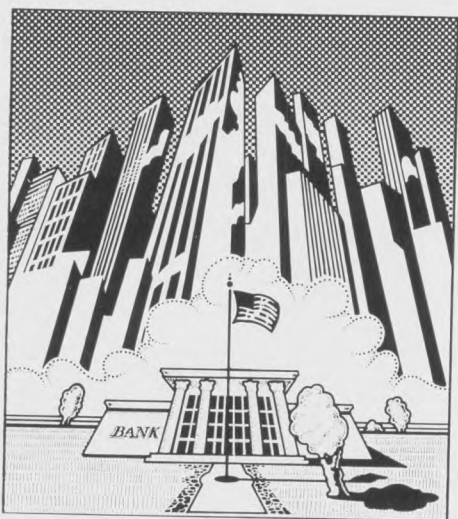
At no point during the show, said Miss Sommers, is City Federal promoted as a financial institution. Emphasis is placed not on the amount of money a student should save, but on how regularly he or she saves. The show is given at assembly programs scheduled in cooperation with school principals and has been presented before groups ranging in numbers from 40 to 800. In the 1973-74 school year, the show was given on more than 200 occasions, not only in schools participating in City Federal's school savings program, but in children's areas of local hospitals and in schools where other financial institutions were sponsoring school savings programs.

*For Senior Citizens.* The bus City Federal S&L provides for senior citizens runs in Ocean County, where many elderly people live. The vehicle serves about 15 retirement communities four days a week, transporting passengers to and from shopping centers where the S&L has branches.

The bus logs more than 1,000 miles a week and, according to Gilbert G. Roessner, president and CEO of the S&L, often is the only way many senior citizens have to get to shopping areas.

The S&L also conducts a senior discount program in cooperation with Senior Services of Ocean County, a federal and local aid service. This program provides more than 10,000 senior citizens in the area with discounts at 200 shops. The S&L's objective is to help these people stretch their dollars.

# You don't have to be a billion dollar bank to get billion dollar service.



At First National Bank in Dallas, we don't believe the quality of our correspondent banking service should vary with the size of our correspondents. You deserve consistently excellent service regardless of your size.

That's why banks from the largest to the smallest turn to First in Dallas for a wide range of important correspondent services. Loan participation, investment assistance, factoring, leasing, international services and a check collection system second to no other. Services that can provide the financial strength and operational technology to help you operate more efficiently and profitably.

So whatever your correspondent banking needs, give the people, resources and experience of First National Bank in Dallas a chance to help. Call our Correspondent Banking Division at (214) 744-8030, where there's no such thing as an unimportant correspondent relationship. Whether your assets are in the millions or billions, we'd like to talk business with you.

## First National Bank in Dallas

Member F.D.I.C.

A subsidiary of First International Bancshares, Inc.

Branch offices in London, Paris, Singapore and Cayman Islands • Representative offices in Tokyo, Sao Paulo and Beirut.

**1875-1975. You learn a lot in a 100 years.**

MID-CONTINENT BANKER for November, 1975

Stuffed Elbert:

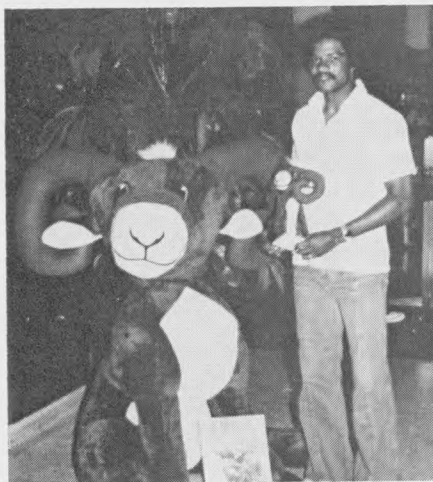
## Bronco, Bighorn Team Up To Publicize Savings Plan

First National, Denver, is using a bronco and a bighorn to publicize a new savings plan. Sound like the bank has been turned into a Noah's Ark? Well, the bronco is Haven Moses, wide receiver for the Denver Broncos professional football team, and Elbert, the bighorn sheep, is the bank's mascot and identifying trademark.

The bighorn is Colorado's official animal and "Elbert" is the family name of the state's first territorial governor.

The two made their scoreboard debut at Mile High Stadium during a pre-season game with the St. Louis Cardinals. Elbert appeared in several advertising animations on the scoreboard, while Mr. Moses helped defeat the Cardinals.

Mr. Moses, when off the football field, appears in a TV spot for the Elbert promotion, catching one of the stuffed animals which are available to customers who deposit \$200.



Haven Moses, wide receiver for Denver Broncos professional football team, appears in TV ad announcing free stuffed "Elbert," First Nat'l of Denver's bighorn sheep mascot, with deposit of \$200. Bank officials report Mr. Moses has taken advantage of stuffed toy offer.

Elbert was introduced to the public as First National's corporate symbol last spring and has been used in TV, radio and print advertising, as well as in special promotions.

The bank has adopted one of the city zoo's bighorns and named it Elbert, an occasion that was celebrated with free admittance to the zoo for one and all.

First National also has a five-year contract for advertising on the scoreboard at Mile High Stadium. The scoreboard reportedly is the only one in the U. S. capable of producing 16 different color tones. In addition, it

screens live action with audio synchronization and can reproduce recorded film and cartoon animation.

Elbert will be featured on the scoreboard throughout the season in a variety of settings.

## Free Bird's-Eye Views



Officials from Rochelle (Ill.) State (from r.) Charles Ertzinger, e.v.p., and James F. May, public relations, plot an air route while local farmers look on. The occasion was the bank's day devoted to local farmers. Rochelle State provided free airplane rides to local landowners, giving an aerial view of crops. Sixty-five persons took advantage of the offer, which was followed that night by a farm lease seminar at the bank. A capacity crowd heard Professor Franklin Reiss, University of Illinois, leading the discussion.

## To Encourage Economy:

### MacThrift Is Spokesman; Promotes Public Image

Zion (Ill.) State has called on the services of Scotty MacThrift, a character who will serve as the bank's mascot and will be featured in Zion State's printed material, advertising and at various functions.

Scotty rode the bank's float during the town's annual "Jubilee Days" parade, handing out souvenir buttons before and after the event.

The character reportedly was chosen because he reflects the thrift and financial care the bank encourages in its customers.



Scotty MacThrift, mascot of Zion (Ill.) State, stands before float he rode during recent festival in town. Character was chosen to reflect bank's emphasis on thrift, financial care.

## T-Shirts Promote Bank, Savings



Employees of Heritage Olympia Bank, Chicago Heights, Ill., model T-shirts during premium promotion featuring the garments. Customers could obtain one free shirt with a \$100 deposit to a new or existing savings account. Shirts could also be purchased at \$1.50 each. Shirts were available in either white or light blue with red and blue decoration. A total of 575 shirts were moved—415 for deposits and 160 sold outright. Shirts sport motto: "I Come First," which is takeoff of bank's motto: "At Heritage Banks People Come First."

## Banking by Telephone



**TELE-CHECKING IS HERE. 24 HOURS A DAY. 7 DAYS A WEEK.**

Why leave a lot of money in your checking account when it could be earning interest? You don't have to. With our new Tele-Checking plan you earn interest on your money and still have it available for a check setting. All you need is a regular savings account and checking account at Union Planters Bank. Then when you want to write a check for more than you have in your checking account, just telephone us. We'll move any amount from \$100 up from savings to checking. The

move you will have earned interest for the time it was on deposit. The service works in reverse, too. Support bank more in your checking account than you need. Call us, and we'll transfer \$100 or more to your savings account. Transfers can be made anytime, 24 hours a day, 7 days a week, and there's no charge for the service. It's confidential, too. To authorize a transfer you'll have a secret code to not a dime moves until you give us the "secret" word. So keep your money working harder for you. Find out about Tele-Checking at any Union Planters office.



Since September 2, commercial banks have been able to offer a bill-paying service through pre-authorized transfer of funds from a customer's savings account. Once this pre-authorization has been given to a bank in writing, subsequent transfers may be made by telephone. One of the first banks to offer what it calls "Tele-Checking" was Union Planters National, Memphis. As indicated in this newspaper ad, a depositor needs only a regular savings account and a checking account to be able to move any amount from \$100 up from his or her savings to checking account. The ad points out that the advantage to "Tele-Checking" is that the money earns interest while it remains in savings, but can be transferred immediately to checking when needed by the customer. The ad also says that this service is free, confidential (a secret code word is used) and available 24 hours a day, seven days a week.

MID-CONTINENT BANKER for November, 1975

# Musically, Roy Lawrence is strictly a listener...country-style.



## But as a Correspondent Banker, he's a virtuoso performer.

For relaxation, Roy Lawrence likes to load up his stereo with a stack of country music records and pretend he's onstage at the Grand Ole Opry.

But on the job as our Vice President/Computer Applications, Roy sets all fantasy aside to deal realistically with our more than 370 customers' correspondent banking requirements. With 27 years banking experience, Roy can be depended upon to come up with the right answers...fast.

Whatever your correspondent banking need or problem, call the Third National representative who serves your area. With home office support from experienced professionals like Roy Lawrence, he'll provide you with the kind of service you've been looking for.

Our Tennessee WATS line is 800-342-8360. In neighboring states, dial 800-251-8516.

We're here to serve you.

**THIRD NATIONAL BANK**  
**IN NASHVILLE** Member F.D.I.C.

MID-CONTINENT BANKER for November, 1975

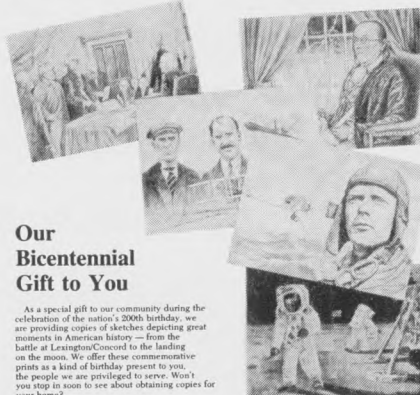
# Incentive Potpourri

LOOKING for a premium or giveaway to bring people (and deposits) to your bank? Chances are that one of the following items will "click" for you!

- You can keep your sports-minded customers' loyalty with Roster Packet mini-digests of sports information! Packets are now available covering football, hockey, baseball and golf. Each packet includes rosters, schedules, officials' signals in a form designed to fit a person's shirt pocket. Sports buffs carry these packets and refer to them constantly. Every time they do, the bank's sales message is before their eyes. Packets can be obtained for less than 40¢ each. Available from Roster Packet, St. Louis, Mo.



- An elegant premium for coin buffs is the Commemorative Coin Clock, containing replicas of four of the first legally minted U. S. coins. The clock can be used as a desk accessory or a wall ornament and has space for the bank's name. Two frames are available—gold metal or walnut. The clocks can be used as gifts for important clients or as incentives and are available from World Wide Art Studios, Covington, Tenn.



## Our Bicentennial Gift to You

As a special gift to our community during the celebration of the nation's 200th birthday, we are providing copies of sketches depicting great moments in American history—from the battle at Lexington-Concord to the landing on the moon. We offer these commemorative prints as a kind of birthday present to you, the people we are privileged to serve. Won't you stop in soon to see about obtaining copies for your home?

Your institution's name here

- Banks can help celebrate the bicentennial with a series of heritage drawings depicting 12 important people and/or events in American history, from the Revolutionary War through the present decade. Sponsoring banks can present the drawings to schools as educational material. The drawings are suitable for framing and any number of school-related projects can be devised around the drawings. Available from Financial Publications, Columbus, O.



- Another bicentennial item that can be used as a giveaway is American Flag Pin, gold-plated jewelry item that can

## Incentive Use Rising

According to the National Premium Sales Executives, Inc., bank incentive promotions are on the upturn, following a brief period of reduced activity. There have been no major legal setbacks to the use of premiums by banks and legislative bills designed to restrict the use of incentives by banks have been defeated in 10 states.

be worn as tie-tac, lapel pin or ladies' accessory pin. Pins are available for as little as 22¢ each from Brandmark Sales Co., Lincolnwood, Ill.

## Bicentennial Teapot



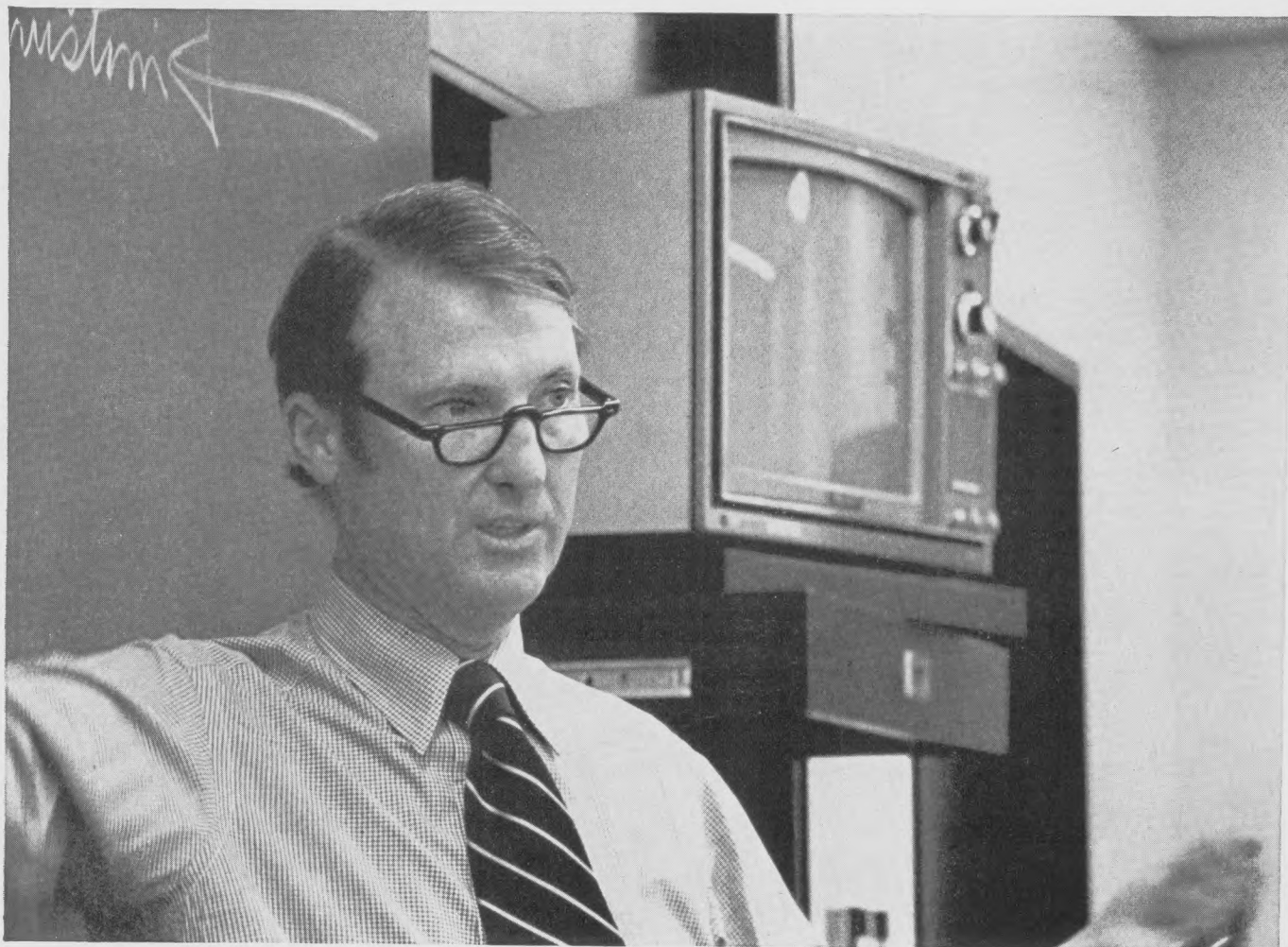
This bicentennial teapot is being offered by Salem China Co, Salem, Ohio, as a premium for short-term bicentennial promotions by financial institutions. The teapot features the Liberty Bell and the motto "Proclaim liberty throughout the land unto all the inhabitants thereof."

- A Liberty Bell coin bank is being offered as a bicentennial premium by Financial Promotions Co., Harrisburg, Pa. The bells are hand-cast in sand molds of copper toned alloys, with each bell cast in a new mold, as it is necessary to break the mold to remove the casting metal. The bells are ringable and are mounted over a coin bank base. Cost of each bank is \$5.

The bells generated \$265,000 in new deposits for First Pennsylvania Bank, Philadelphia, early this year. Security National, Washington, D. C., generated \$700,000 in new deposits with the bells in a seven-week period.

The firm also markets a bicentennial Peuter-Mac ware plate, featuring the great seal of the U. S.





Thomas H. Sloan, Vice President, Training and Development Division, Harris Bank.

## **TOM SLOAN'S TRAINING PROGRAMS HAVE CONVINCED BANKERS THAT THEY'RE OK AND WE'RE OK.**

By applying transactional analysis techniques to banking, Tom Sloan has helped hundreds of Harris Bankers to become better managers. And 500 correspondent bankers can attest to the value of his "Results Through People" seminars.

The titles of his other seminars suggest their contents—"Results Through Better Decisions," "Teaching You to Train Others," "Counseling for Results," "Communications Skills," and "Meetings, Motivation and Planning," for example.

These programs have worked for us. They can work for you, too—whether your size is \$5 million or \$1 billion. Our experience with banks all over the country proves it.

To get the full story, just get in touch with your Harris Banker or write on your letterhead to Tom Sloan.

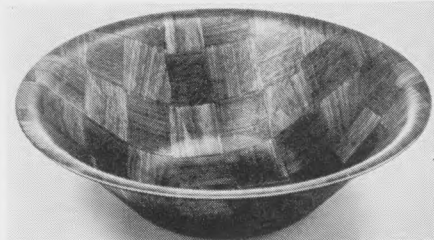


Harris Trust and Savings Bank, 111 West Monroe Street, Chicago, Illinois 60690. Member F.D.I.C., Federal Reserve System

## Plaque Honors Bicentennial



A limited number of signed and numbered plaques honoring the bicentennial are being offered to banks for use as part of their lobby displays commemorating the nation's 200th anniversary. The plaques feature more than 50 sketches of historical events etched in man/nature marble. The plaques can be used as gifts for special customers, also. They are available from Preferred Advertising, Berkeley, Mo.



- Weavewood woodenware is being offered by the Gilbertson Co., Minneapolis. Made of walnut, the ware is said to be virtually unbreakable and dishwasher proof. Its use as an incentive is said to have generated \$4 million in new deposits at a Chicago-area thrift association in 12 working days.

*Complete addresses of the firms mentioned in this article are available from the editors. Please send stamped, self-addressed envelope with your request.*

## First Amtenn Holds Statewide Meeting



Directors of First Amtenn Corp., Nashville, and its affiliates, met with the HC's corporate management, the first time for a joint gathering in the HC's history. They received updates on First Amtenn's present status, its goals and future directions. Speakers during the seminar included T Scott Fillebrown Jr., pres.; Andrew Benedict, ch.; William F. Greenwood, v. ch.; Fred H. White, e.v.p., First American Nat'l, Nashville; and F. G. Cavin, First Amtenn e.v.p. Other senior officers also addressed the group.

## Bank 'Borrows' Lobby for Trust

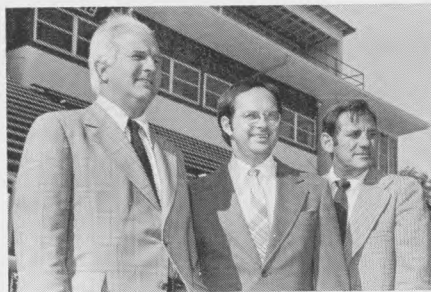
Detroit Bank has been granted permission by the Michigan Financial Institutions Bureau to operate a trust business in the Main Office of Gaylord State, reportedly the first such arrangement of its kind in the U. S.

The operation was begun October 1 under provisions of the state legislature's recently enacted Trust Structure Law.

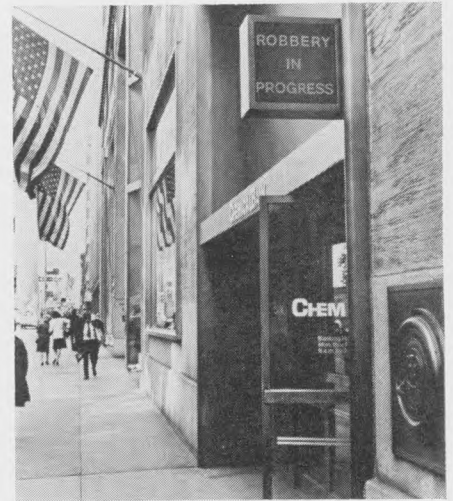
According to a bank spokesman, the law's purpose is to make trust services more convenient for customers, especially those in remote regions.

William M. Fury, trust officer at Detroit Bank, has been named resident officer-in-charge of activities in Gaylord.

## Bicentennial Football Event



American National, Chattanooga, recently presented a special salute to the nation's bicentennial at the opening home football game at the University of Tennessee at Chattanooga. Purpose of the event was to support activities for the community to reflect upon and celebrate the nation's bicentennial and to support the football team. Shown are John Wright (l.), American National president; James Drinnon, chancellor, and Harold Wilkes, athletic director, both from the university.



"Robbery in Progress" signs, like one shown here, have been installed on exteriors of Chemical Bank branches. Objective is to alert police and general public outside that robbery is taking place.

## Chemical Bank Installs Signs Designed to Reduce Number Of Robberies at Its Branches

NEW YORK CITY—Chemical Bank now has an exterior sign it hopes it won't have to use often. When this sign lights up, it says, "Robbery in Progress." The lighted alarm signs, attached to the exteriors of branches, are activated from key observation points in each branch. The objective, of course, is to alert police and the general public outside that a robbery is taking place. The new alarm system is called "Hold-up Alert—Local Transmission" (HALT).

In addition to the external-notification sign, special devices inside each office provide warnings to the personnel that a teller station is being robbed. Other staff members then are able to furnish first-hand information, which, combined with photos of the robbery taken by surveillance cameras, should help law enforcement officers identify and apprehend the criminals. As in the past, Chemical's alarm system triggers the usual silent-alarm network.

The bank believes that, with the general public as well as police being alerted, chances are greater that the police can obtain additional descriptive information about the robbers.

"We believe that the number of arrests of bank robbers—which already is very high—will be significantly increased by the HALT system," said Donald F. Cawley, vice president, security and protection. "We are confident that this new approach will make it even more difficult to commit a successful bank robbery."



# Manufacturers Hanover introduces a new international money order even your tellers will love.

## Features:

- New higher \$1,000 limit
- Your bank logo imprinted on each money order—FREE
- No charge for printing, processing and sending
- Simple and easy to fill out, purchase and cash
- Worldwide acceptance
- Unique safety features

## Your tellers will love our new IMO...

We give your tellers good reason to love our new International Money Orders. Because they're as easy to process as a domestic money order. The teller just fills out the order, obtains an official countersignature, hands it to the customer, and that's it. No complicated forms, no special approvals. One teller does it all.

## So will your customers...

We give your customers three important reasons to love the new IMO, as well. First, there's the new higher \$1,000 limit. Second, our new IMO is acceptable world-wide, so there is no need to predesignate a specific overseas bank for cashing. Their payee can cash the money order at any bank,

anywhere. And third, our new IMO is quick and easy to purchase and use.

## And you will, too...

Most important, we give your bank even more reasons for using the new Manufacturers Hanover IMO. We'll print your bank logo on the face of the money order and use your distinctive style of printing, all at no cost to you... There's absolutely no charge for printing, processing or sending the money orders to your bank... You retain all the commissions... Because the Manufacturers Hanover IMO can be cashed at any bank in the world, there's no need to send a predesignated bank an advice... We've eliminated all reconciliation problems...

The instrument contains unique safety features—and a simple stop payment cancels the instrument.

We're also including, at no extra cost, colorful promotional and advertising material to help you inform your customers of the many advantages of our new IMO.

**For more information on putting our new International Money Orders to work for your bank, contact your National Division Representative or Joseph J. Meehan, Manufacturers Hanover Trust Company, 4 New York Plaza, New York, N.Y. 10015. Tel. (212) 623-4407.**



**MANUFACTURERS HANOVER** 

# Bicentennial Promotion Ties in With Elegant Decor

**F**EW BANKS can match the elegance of decor at American National, Chicago. The bank's interior has been transformed from a typical, big-city office building into a spacious, esthetic bank done in true colonial style, containing many one-of-a-kind, handcrafted features. Once inside the bank, one might think he was in Williamsburg, Va., rather than in Chicago's Loop.

When a bank like American National undertakes a bicentennial program, it has to conform to the tasteful appearance of the premises. And when a bank like American National wants to incorporate a premium promotion into its bicentennial observance, it has to be an elegant program.

Fortunately for the bank, there is no shortage of distinguished incentives on the market. And the marketing people at American National assembled a number of items that would complement any Williamsburg mansion and embarked on an 18-month program to present these items to the bank's customers in exchange for deposits.

The promotion, called "The American Table," offers unique reproductions of traditional American styles in glassware, holloware and pewter and stainless flatware. The promotion was conceived as a salute to the traditions of colonial times during the nation's bicentennial.

The incentives comprising "The American Table" are being offered sequentially during the promotion. For



Table featuring colonial tableware premiums is on display in lobby of American Nat'l, Chicago. Admiring crystal goblet is Allen P. Stults (r.), ch., and Richard K. Maguire, v.p., retail banking.

instance, the first offering was of lead crystal and was available from June to mid-September. The second offering is flatware, including five-piece place settings of pewterware by International Silver and All American stainless by Oneida and is available through December. Other items will be offered during the first nine months of 1976.

With a \$250 deposit, bank customers could purchase eight of either the water goblets, wine or champagne glasses for \$25 during the first portion of the promotion.

Part two features the pewterware and stainless at less than half the retail price for similar \$250 deposits to new or existing accounts. Savers have the option of buying up to 12 place settings with no additional deposits.

Matching serving pieces are available.

By the end of the promotion, customers will have had the opportunity to purchase all items making up "The American Table." According to bank officials, all the items being promoted are reproductions of tableware actually used in colonial Williamsburg. Tables showing all the items are on display at the Main Bank and its nearby facility.

TV spot commercials for "The American Table" featured the decor of the bank in addition to the "table" itself. Color photos of the table appeared in print advertising of various media.

American National has been one of the few downtown Chicago banks to shun the use of premiums—until it found a promotion that would match the tastefulness of its unique decor, providing the bank with an opportunity to promote the bicentennial, satisfy its customers' desire for quality tableware and build up its deposits! • •

## Premium Tie-in:

## Sketches Laud Bicentennial At Bank of the Southwest

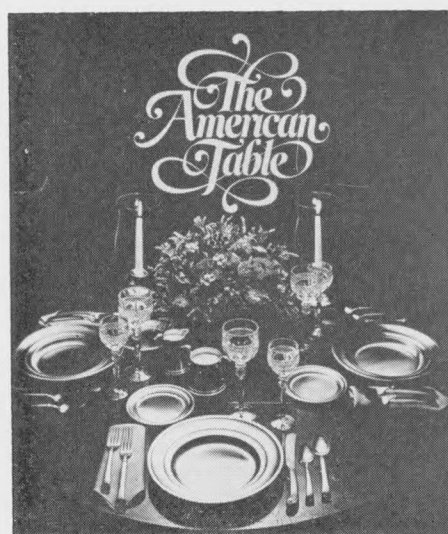
A series of 53 original illustrations depicting America's development and heritage during the past 200 years has been commissioned by Bank of the Southwest, Houston, as a part of the bank's bicentennial celebration.

The illustrations were displayed at the bank during July and will return to the bank for two more showings, ending on July 4, 1976. During the interim period, the exhibit will be on display at member banks of Southwest Bancshares.

The illustrations include scenes from colonial days, such as Independence Hall, as well as today's Alaska Pipeline. A unique feature of the illustrations is the fact that every illustrated event can still be seen today.

Seven of the illustrations have been made into large reprints and three have been made into smaller-size reprints as customer premiums for opening or adding to accounts. Prints are available for purchase by non-customers. As a part of the bicentennial celebration, a sketchbook was printed containing all of the illustrations. It is available for purchase at the exhibit for \$3.95.

On the opening day of the exhibit, the artist autographed prints and sketch-



Double-spread ads like this announced bank's "The American Table" bicentennial incentive promotion.

## In honor of the Bicentennial, we are proud to present The American Table.

Authentic reproductions of traditional American tableware available at American National in major metropolitan centers.

When a man in the 18th century of America...  
 ...the tableware that people are used to...  
 ...the tableware that people are used to...  
 ...the tableware that people are used to...

From crystal to centerpiece, one step at a time...  
 ...the tableware that people are used to...  
 ...the tableware that people are used to...  
 ...the tableware that people are used to...

Can our Table do something in four years?...

The whole Table, or part of the Table...

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American National Bank

Member of the American National Bank System

# S/V TOOL COMPANY

Can Fill  
YOUR  
Christmas sleigh  
with gifts for:

- YOUR CHRISTMAS CLUB MEMBERS
- NEW CHECKING ACCOUNTS
- NEW SAVINGS ACCOUNTS
- NEW (AND OLD) CUSTOMERS
- AUTO LOANS



You Can Afford To Give  
The Very Best

## GUARANTEED UNBREAKABLE

A complete lineup of sizes and prices in a scraper that's 100% guaranteed not to break. One that will last for years, and keep on creating goodwill year-after-year.



### MODEL S-300

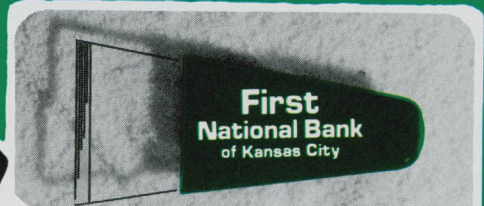
The rugged, heavy-duty windshield scraper with a blade guaranteed not to break. Big 1/4-in. plexiglass blade has molded vinyl handles. Fits any glove compartment. Will not scratch glass. Overall length is 7-in. with blade 3-in. wide.

#### PRICING

Quantity	150	250	500	1000	2500	5000
per unit	.84	.78	.73	.67	.64	.60

Prices F.O.B. factory  
Terms — Net 10

PRICES INCLUDE ARTWORK, SILK SCREENING CUSTOMER'S MESSAGE IN ONE COLOR, ON ONE SIDE. VINYL HANDLES AVAILABLE IN RED, BLUE, YELLOW, WHITE, GREEN OR BLACK.



First  
National Bank  
of Kansas City

### MODEL S-250

Same great quality as the S-300 model, in a slightly smaller, economical size. 4 3/4-in. long with a blade 2-in. wide. Handles are molded vinyl and blades are 1/4-in. plexiglass, guaranteed not to break.

#### PRICING

Quantity	150	250	500
per unit	.75	.69	.63
Quantity	1000	2500	5000
per unit	.59	.55	.52



### MODEL K-40

Compact new key chain version . . . large enough to remove ice and frost yet small enough to fit pocket or purse. Unbreakable 1/4-in. plexiglass blade with molded vinyl handle. 3 3/8-in. long with 1 3/4-in. blade.

#### PRICING

Quantity	150	250	500	1000	2500	5000
per unit	N.A.	.62	.52	.46	.43	.39

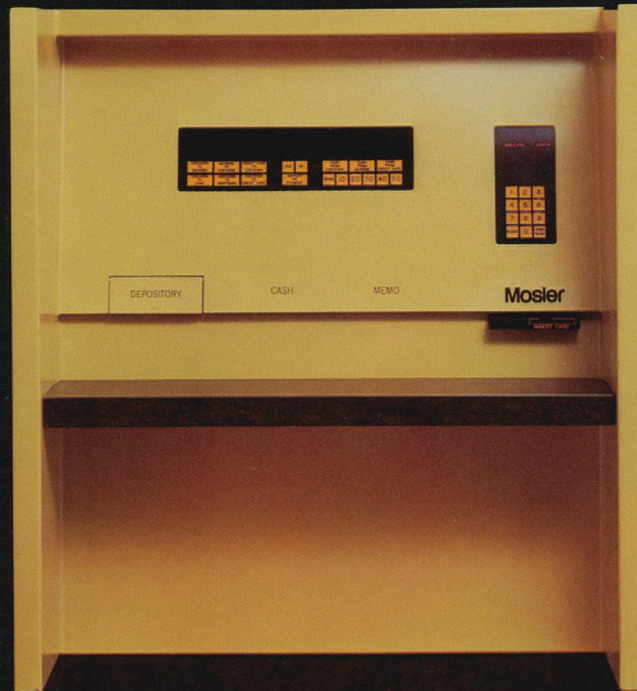
SANTA'S HELPERS WILL BE  
WORKING HARD TO FILL  
YOUR ORDER WITHIN TWO WEEKS!

NAME \_\_\_\_\_  
TITLE \_\_\_\_\_  
NAME OF BANK \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_  
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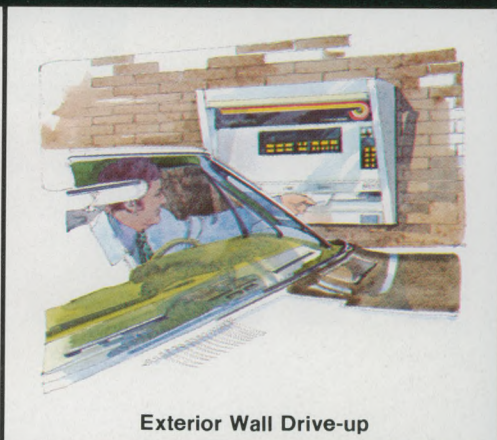
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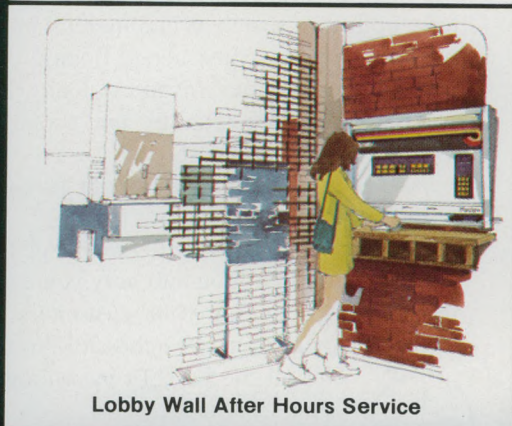
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obligation. And it protects the bank from the "villain's" role in default situations.

FACT coverage is easy to apply for, easy to get. FACT can be issued without underwriting in most instances. And in all other instances it can be requested over-the-phone with one quick, toll-free "Hot-line" call to North Central Life and approved within 24 hours of application. No medical is required.

"Hot-line" underwritten cases up to \$50,000 can be renewed without further underwriting for a period up to five years if approved originally.

FACT protection is designed for all large-scale, short-term obligations such as commercial loans, feeder loans, operating loans, construction loans, equipment loans, specialty applications, inventory loans, and supply loans.

FACT costs are rated by age, providing a lot of protection for very little cost.

And, the FACT program can provide an important extra source of profit to your bank.

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books and the demand was such that he came back three days each week during the noon hour to autograph both prints and sketchbooks.

The bank arranged to stage the exhibit at a shopping mall where Boy Scouts sold the prints and sketchbooks, retaining the proceeds.

## Unique Bicentennial Ideas Presented by Banks, Thrifts

Financial institutions still searching for bicentennial celebration ideas should note the following:

- Central Trust, Cincinnati, is offering a 3' x 4½' wall-hanging rug showing the American eagle, the flag and the Liberty Bell at reduced prices to depositors. Called "The American Legend," the rugs can be purchased for less than \$50 with a \$250 deposit in a new or existing regular savings account, a \$500 deposit opening a "Pacesetter" savings account or a \$250 addition to an existing "Pacesetter" account.

- Pennsylvania Bank, Philadelphia, distributed free stick-on emblems last Fourth of July. More than 16,000 of the cloth patches were given away. They were one inch in diameter and sported patriotic colors.

- Provident Institution for Savings, Boston, offered original watercolor prints at low liquidator prices to those depositing \$25 or more in savings accounts. Dubbed "Provident's Bicentennial Collection," the sets of eight prints highlighted Boston Revolutionary events and landmarks. The prints were priced at \$5.95 each with a qualifying deposit.

- "Headlines of History" portfolios were offered free by San Diego (Cal.) Federal. Front pages from newspapers at dramatic moments in history were included in the traffic-builder.

- An advance printing of a book covering bicentennial events scheduled across the nation provided Citizens Savings (San Francisco) with a premium that both celebrated the bicentennial and introduced a book club for savers maintaining \$1,000 or more in their accounts. The books were given away free to those who qualified.

## 'Sharing Spirit' Is Theme Of Bicentennial Exhibits

Customers and friends of First National, Evanston, Ill., are being asked to "Share Our Spirit" as the bank's bicentennial program. The bank is presenting diversified exhibits that seek to tell about the past and present of the U. S.

The bank believes that an examination of the principles and ideas that helped America flourish can stimulate

the rebirth of faith and renewed confidence in what may be achieved in the future.

In July the bank exhibited artifacts from an archeological dig, conducted by students at nearby Northwestern University. Other exhibits have spotlighted stamps, antique tools and primitive utensils, original photographs of American Indians, Indian masks and a collection of documents depicting Abraham Lincoln's personal finances.

The current exhibit features historical pictures of Evanston, arranged with the cooperation of the local historical society.

### Bank History Book

A new perspective on American history is in the offing for the nation's bicentennial. It's a 144-page book, entitled *Chartered for Progress—Two Centuries of American Banking*. It details the development and growth of America through the maturing of the country's financial institutions.

The book was prepared by two members of the staff of the Smithsonian Institution's Museum of History and Technology and parallels a feature bicentennial exhibit, "American Banking," that opened at the museum recently, sponsored by a grant from the ABA.

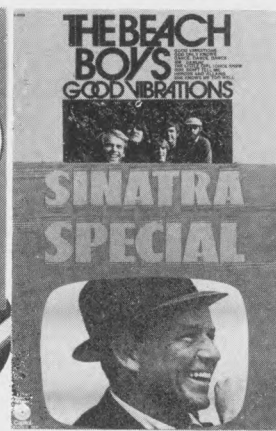
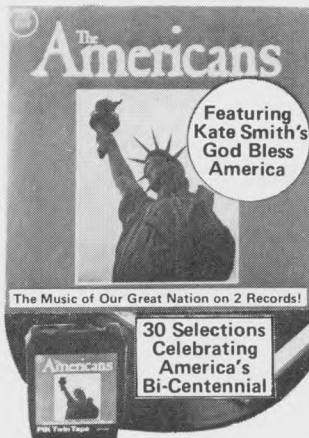
Copies of the book are available from ABA to its members for \$4.

## Amarillo Gets Liberty Bell



American National, Amarillo, Tex., has brought a replica of the Liberty Bell to town, to be used in the city's annual Fourth of July parade. The bank purchased the limited-edition bell that weighs 235 pounds and will exhibit it in the lobby throughout the bicentennial. The bell is said to be an exact replica of the original, except for its smaller size. Shown with bell in front of bank are (from l.) James R. Cook, bank president; John E. Goodman, state commander, Disabled American Veterans; and John C. Drummond, Amarillo mayor.

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# Organizing The Marketing Planning Function

By **ROGER FRIDHOLM**  
McKinsey & Co., Inc.

A BANK holding company recently sought a vice president-marketing at the holding company level. One glance at the position description, however, suggested that the company should seek out a Clark Kent type and hope he would venture into a telephone booth.

The position description did nothing less than idealize the marketing planning function (MPF) in a holding company, an anchor bank and each of the bank's business units—all combined!

Only in fairly small banks, where options are limited, should a single marketing planning unit or person be expected to perform all the functions defined by the above holding company. (A comprehensive description appears on page 66.)

Roger Fridholm, who is in the New York City office of McKinsey & Co., a management consultant firm, has worked extensively on a variety of banking problems, including overall organization structure, holding company structure and management information and control. Before joining McKinsey, Mr. Fridholm was with Benton & Bowles, Inc., a New York City advertising agency.



McKinsey & Co. has served top

If not Superman, how, then, should the MPF realistically be organized in small and large bank holding companies and in their anchor banks?

Small bank HCs have few options. It's unlikely they have enough marketing people to segment the function among more than one organization unit or more than one or two persons. They must depend on one strong person for marketing leadership. The small HC, however, should avoid three pitfalls when staffing this position:

- Appointing someone with no marketing experience who has performed so well in another job that "we'll give him a chance at marketing."
- Hiring an MBA fresh from business school who will "grow into the job."
- Filling the position with a Madison Avenue retread who is "tired of the rat race."

Small HCs should confine themselves to two practical choices: either staffing the MPF with a capable employee who has experience relevant to marketing, or hiring a competent professional (with or without a banking background) who views the position as a career opportunity. Unfortunately, smaller HCs will find it difficult to attract marketing personnel of top caliber, since salaries of marketing professionals tend to be high. A small bank HC must, therefore, be innovative, be careful—and hope for the best.

A larger bank HC has more options. First, it can segment the MPF so that a single person need not be found; the various responsibilities can be tailored to fit skills already within the organization. To the extent that strong experience is needed, but not available inside, the larger HC can go outside and pay to hire a solid professional.

Given these options, let's consider

managements of multinational companies, financial institutions, government agencies, business corporations and other institutions from 21 offices throughout the world.

Its banking practice increasingly is directed toward helping clients strengthen or put in place basic building blocks for better performance in banking such as: (a) developing new products and upgrading existing customer services; (b) improving internal productivity to deliver services more efficiently; (c) modifying pricing policies; (d) strengthening basic financial information and control processes; and (e) revising current approaches to both long- and short-term asset and liability management.

how the MPF might be organized within the larger bank HC.

## 1. At the holding company level.

At the holding company level, marketing planning essentially is a strategic function. It should focus on the competitive position of the corporation's product lines, identify strengths and weaknesses in those lines and ensure that marketing efforts of all subsidiaries are sound.

Corporate advertising or market research also might be lodged at the HC level. However, there are risks.

Advertising and market research professionals rarely are equipped with the more generalized, more quantitative skills of the business strategist. Therefore, whether advertising and market research are to be combined with the strategy function depends on the people available to staff the position.

In the strategy area, the holding company MPF should provide market-related analyses and, when necessary, market research to identify strategic issues for the corporation. These would include identifying new products or new business lines that represent opportunities for the future. The same type of analyses and research should identify weaknesses in existing product lines.

The holding company's MPF should provide comprehensive reports concerning opportunities and weaknesses to both senior management of the company and to the operating subsidiaries. As gaps in the product line are identified, the MPF should help the corporate development unit determine whether gaps should be filled through acquisition or internally.

If internally, the MPF should help a product development unit generate and analyze market information. In certain cases, the product development unit should be lodged at the HC level. One example: if the holding company is going into a business unrelated to any of its existing operations. During the product development stage, its administrative home might be the holding company MPF. As it gathers strength, it would become an operating subsidiary reporting directly to senior HC management.

## 2. At the anchor bank level.

The majority of holding companies have an anchor bank, which typically accounts for 80% or more of their total business volume. Clearly, an anchor bank of such importance—or even several banks, each with its own marketing identity—should have their own MPFs. In fact, where the bank is the HC's predominant unit, the HC staff



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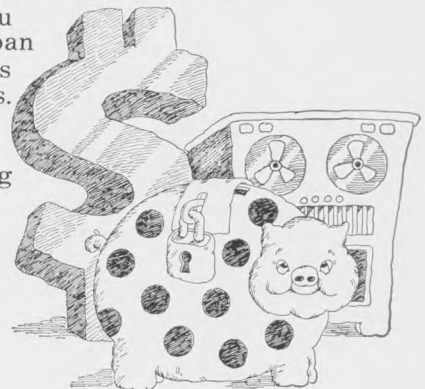


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MID-CONTINENT BANKER for November, 1975

can be held to skeletal level, to focus only on strategic issues for the holding company. Other functions, such as advertising, market research and business analysis, can be organized within the anchor bank.

In general, the MPF within the bank could parallel that of the HC. That is, it would coordinate the strategic direction of the units reporting within the bank by line of business. It also would coordinate analyses and research and serve as a review-and-challenge function to bank management concerning marketing efforts of various business units within the bank. It also would provide a central advertising and marketing research service to all business units, except in the very largest banks, where retail banking units might have their own advertising function.

### 3. At the business unit level.

Marketing planning in a business unit (a corporate banking unit, a community banking unit, a correspondent banking unit or a leasing company) differs considerably from marketing planning in HCs or even in anchor banks. The MPF within the business unit should, of course, be concerned with the strategy of that business. A marketing strategy should be devised, and program performance should be monitored against that strategy at all times. However, the staff's main em-

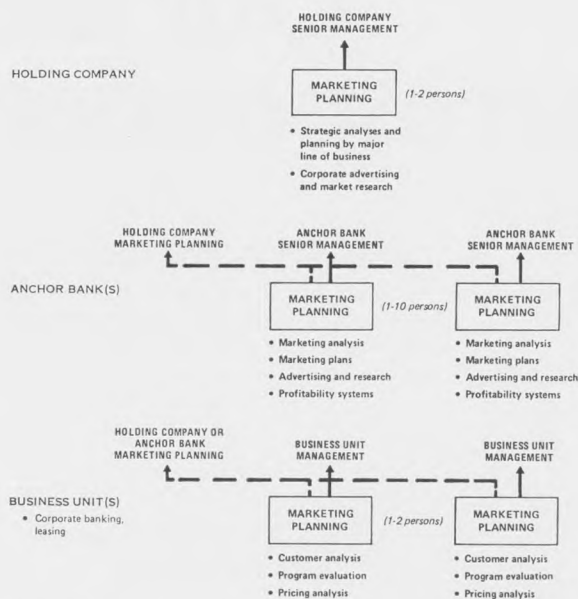
phasis would be on the business unit's short-term programs. The MPF staff would identify customers and customer groups in detail and analyze their needs. It would measure the business unit's performance among customers in terms of market share and profitability and regularly provide the business unit manager with data concerning redefinitions of marketing programs or recom-

mendations for strengthening marketing efforts.

Except in very large banks, where a community-banking business unit might support its own advertising function, the staffs of business unit MPFs tend to consist of only one or two persons. Such people tend to act as analysts and "thinkers" rather than adver-

(Continued on page 68)

CONCEPTUAL OVERVIEW OF THE ORGANIZATION OF THE MARKETING PLANNING FUNCTION IN A LARGER BANK HOLDING COMPANY



## Ideal Marketing Planning Function

**T**HE MPF, as an arm of the resource-allocation function, identifies and quantifies business opportunities and their revenue potential.

The unit's basic mission should be to initiate all of the bank's marketing planning activities, evaluate bank opportunities and recent performance, communicate marketing information throughout the organization and coordinate all marketing activities. In carrying out this mission, it would perform the following major tasks:

1. Prepare analyses of market data—e.g., in the commercial and industrial, leasing, real estate, financial intermediaries and retail markets—to help managers set goals, objectives and strategies. These analyses should focus on such variables as environmental forces at work; market size, structure and trends; competitive position (market share and share trends) and other market characteristics.

a. Develop and refine data bases to be used in analyses and prepare historical analyses and projections.

b. Work with line managers to ensure that all analyses are relevant and meaningful.

c. Develop analytical techniques for deriving the most information from the data available.

2. Supervise the design and use of market research to identify customer needs and characteristics to supplement market data analysis.

a. Work with line managers to determine information needs concerning customers and markets.

b. Direct and monitor the design and implementation of projects carried out by independent market researchers.

c. Interpret market research findings in terms of action-oriented conclusions for use by line managers.

3. Coordinate all research, analysis and program development activities carried on by departmental staff groups.

a. Spearhead specific departmental

projects.

b. Act as liaison, where necessary, with departments.

4. Assist line managers in developing their strategic and marketing action plans on the basis of the market analyses and research.

a. Ensure that there is understanding and agreement on the analyses.

b. Help develop a "marketing" style of thinking among managers and profit center managers.

5. Assist in developing pricing strategies and specific service prices, then monitoring profitability performance.

a. Provide analyses of competitive pricing and alternative profit levels at different price/volume combinations.

b. Assure that profitability-measurement systems are credible to line managers.

c. Serve as a "home" for product profitability and customer-account-prof-

(Continued on page 68)

# NATIONAL DETROIT CORPORATION



Parent Company of  
NATIONAL BANK OF DETROIT

## CONSOLIDATED BALANCE SHEET—September 30, 1975

### ASSETS

Cash and Due from Banks (including Foreign Office Time Deposits of \$648,609,048)	\$ 1,775,154,562
Money Market Investments:	
Federal Funds Sold	127,133,000
Other Investments	312,702,810
	<u>439,835,810</u>
Trading Account Securities—	
At Lower of Cost or Market	5,515,410
Investment Securities—At Amortized Cost:	
U.S. Treasury	491,291,290
States and Political Subdivisions	707,483,957
Federal Agencies and Other	57,545,024
	<u>1,256,320,271</u>
Loans:	
Commercial	1,920,678,504
Real Estate Mortgage	842,469,602
Consumer	264,573,746
Foreign Office	473,801,470
	<u>3,501,523,322</u>
Bank Premises and Equipment (at cost less accumulated depreciation of \$35,052,323)	65,032,844
Other Assets	132,446,551
Total Assets	<u>\$ 7,175,828,770</u>

### LIABILITIES, RESERVE AND SHAREHOLDERS' EQUITY

Deposits:		
Demand	\$ 1,828,708,267	
Certified and Other Official Checks	445,545,025	
Individual Savings	1,163,542,482	
Individual Time	706,644,339	
Certificates of Deposits	773,217,019	
Other Savings and Time	38,731,947	
Foreign Office	974,661,246	
	<u>5,931,050,325</u>	
Other Liabilities:		
Short-Term Funds Borrowed	\$ 516,472,025	
Capital Notes	100,000,000	
Unearned Income and Sundry Liabilities	142,907,792	
Total Liabilities	<u>759,379,817</u>	
Reserve for Possible Loan Losses		<u>69,877,145</u>
Shareholders' Equity:		
Preferred Stock—No Par Value	—	
No. of Shares		
Authorized	1,000,000	
Issued	—	
Common Stock—Par Value \$12.50	75,000,000	
No. of Shares		
Authorized	10,000,000	
Issued	6,000,000	
Capital Surplus	175,000,000	
Retained Earnings	167,838,826	
Less: Treasury Stock—51,404	—	
Common Shares, at cost	<u>(2,317,343)</u>	
Total Liabilities, Reserve and Shareholders' Equity		<u>\$ 7,175,828,770</u>

Assets carried at approximately \$507,000,000 (including U.S. Treasury Securities carried at \$45,000,000) were pledged at September 30, 1975, to secure public deposits (including deposits of \$113,384,905 of the Treasurer, State of Michigan) and for other purposes required by law.

Outstanding standby letters of credit at September 30, 1975, totaled approximately \$16,125,000.

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Henry T. Bodman Former Chairman—National Bank of Detroit
Harry B. Cunningham Honorary Chairman of the Board— S. S. Kresge Company
David K. Easlick President—The Michigan Bell Telephone Company
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A. P. Fontaine Director and Former Chairman— The Bendix Corporation
Richard C. Gerstenberg Director and Former Chairman— General Motors Corporation
Martha W. Griffiths Griffiths & Griffiths
Robert W. Hartwell President—Cliffs Electric Service Company
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Norman B. Weston Vice Chairman of the Board

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William M. Day Former Chairman—The Michigan Bell Telephone Company
Ralph T. McElvenny Former Chairman— American Natural Gas Company
George Russell Former Vice Chairman— General Motors Corporation

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## Ideal Marketing

(Continued from page 66)

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itability systems—thus directing modifications and maintenance of these systems.

6. Provide line and senior management with timely feedback on performance against market goals—to be used by top management (in conjunction with other factors) in evaluating managers and by key managers in adjusting their plans. Feedback should be in the form of a periodic report—e.g., quarterly—and should highlight:

- a. Performance versus market data—e.g., FRB, FDIC. An analysis of position should be submitted in summary form to senior management and, in greater detail, to managers directly involved.
- b. Sources of, or reasons for, poor performance, e.g., heavier competitive marketing activity—to aid managers in planning and taking remedial action wherever possible.

7. Prepare a monthly report of marketing activities and activity by competition and distribute this report to senior management and to all key managers. This report would include:

- a. Status of the marketing-activity budget.
- b. Planned advertising and promotion activities.
- c. A description of new services to be introduced.
- d. Status of the marketing planning process (at the time of the year it is appropriate).
- e. Recent important competitive activity—e.g., new services offered and advertising and promotion themes and expenditures.

8. Coordinate and/or assist in development or acquisition of customer-oriented services, based on customer needs, as identified through market research, strategic plans and inputs of line managers.

- a. Interpret market research, and managers' needs, to the systems and operations-development groups or to corporate development.
- b. Help the systems and operations development groups or corporate development screen and adapt potential new services or businesses to meet customer needs.
- c. Work with systems and operations development, the line managers involved, finance and corporate de-

velopment in estimating costs and revenues and evaluating the profit potential of new services or acquisitions.

- d. Design and implement testing programs for new services and help evaluate the results of the tests.

9. Develop and administer advertising and promotion plans in support of other marketing activities.

- a. Prepare and submit advertising and promotion budgets and plans to senior management.
- b. Direct and administer relationships with outside suppliers of advertising and promotion—particularly the advertising agency.
- c. Ensure that advertising and promotion efforts are coordinated with marketing activities of line managers. • •

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## Organizing Marketing

(Continued from page 66)

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tising and market research professionals. Frequently, the MPF is staffed through lateral transfers of strong line officers who are "passed through" a staff role to build their experience. Occasionally, an M.B.A. with experience can function well here. But a line officer who "has not made it" or "that retreat from Madison Avenue" can never function effectively in such a role.

To summarize, the illustration on page 66 offers a sample organization chart with a rough guide to staffing levels. Under each position on the chart are brief examples of the functions to be performed. These are not inclusive, but illustrate the functional differences between levels.

Organizing is one matter; to make it work is another. Because marketing planning is a staff function, it recommends, coordinates and plans. But the marketing planner is not the president of a small company and is never a line manager. To assure the success of the MPF, three key steps should be taken:

1. *Clearly define the MPF's responsibilities.* Do not expect it to deliver bottom-line results if it serves as a staff function. Its responsibilities should be planning, coordinating, reviewing performance and reporting to line senior management any failures to perform against plan.

2. *Build a strategic review process in your organization.* A review of the marketing strategy of each business unit and each major bank within the HC once each year provides the MPF with a framework for measuring programs against plan. Lack of such a

framework will impel the MPF to judge each program on its own merit—but without a point of reference.

3. *Set up a conflict-resolution process.* Disagreements among MPF staff and the line business units should be resolved through negotiation and persuasion. If strong, irreconcilable conflicts occur, these should be brought, in a proper fashion, to top management's attention. In one successful bank, for example, the business and MPF staffs advise senior management of their views when a conflict occurs—then respond to the "opposition's" view. Such conflict resolution, when handled in good faith, keeps disagreements from simmering and becoming counterproductive. • •

### AMBI Votes to Expand; New Programs Offered

The directors of the Association for Modern Banking in Illinois (AMBI) have voted to expand the organization and provide the services of a full-scale trade association for the state's banks.

AMBI's main thrust will continue in the direction of removal of anti-branch-banking statutes, but now the association will offer a number of educational programs, research, conferences, representation with federal and state governments and other services, beginning at once.

Springfield will continue as headquarters city, while AMBI officials say there is a good possibility that facilities in Chicago will soon be added. Prospective additional staff executives now are being interviewed, the spokesmen said.

In other action, Peter A. Reilly, who resigned as director of the American Bankers Association's Commercial Lending Division, has been named AMBI's executive vice president.

He fills a newly created post and will direct the association's activities from Springfield. Harry B. Allison, executive director, and Claribel Deruy, executive assistant, continue in Springfield.

Prior to joining the ABA in 1968, Mr. Reilly was administrative vice president, Security National, Long Island, N. Y., after having served as president, Raritan Valley National, Edison, N. J.

■ CLIFFORD R. SNEDEKER has been elevated to assistant vice president, operations department, Merchants National, Indianapolis.

# Strong tie: you and us.

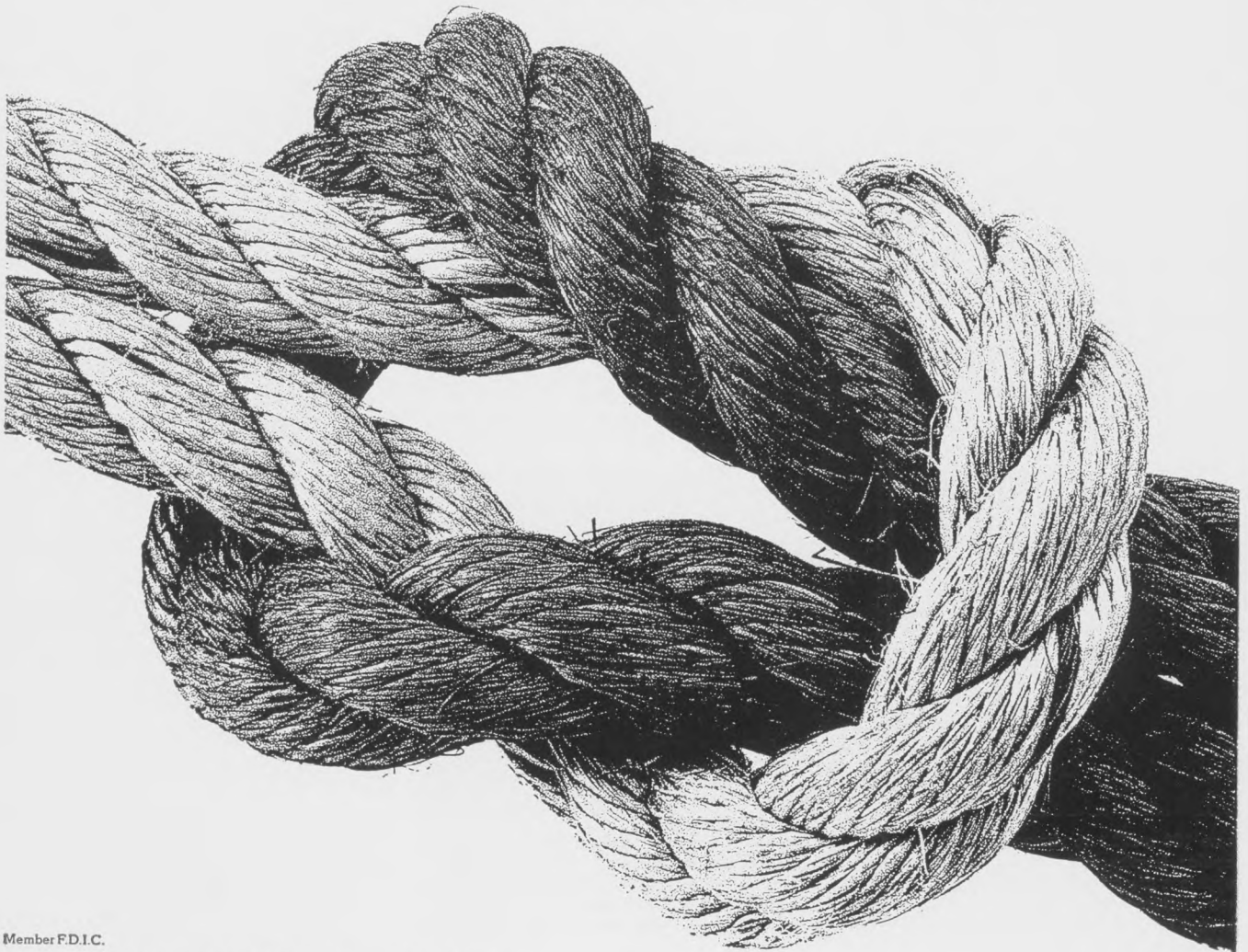
Here at Citibank, we are committed — you could even say dedicated — to the principle of cooperation with our correspondents. We regard any project on which you enlist our help — or we yours — as a joint endeavor, in which each of us has an indispensable part. And in which we work together, sharing interests and resources and experience, to achieve a common objective.

Not surprisingly, that makes for close, continuing and mutually beneficial relationships — which is what correspondent banking is all about. Because good correspondent banking, as we see it, has a single, significant purpose: to strengthen and expedite and make even more effective what either of us could accomplish alone.

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MID-CONTINENT BANKER for November, 1975

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# Johnny Appleseed, EFTS Share Spotlight At Bank Marketing Convention

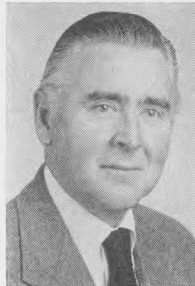
**A** LEGENDARY character and electronic funds transfer systems were in the forefront at last month's 60th annual Bank Marketing Association convention in Las Vegas.

A bank marketing program called the "Johnny Appleseed Junior Ecology Club" was awarded the "best of show" trophy in BMA's eighth annual Golden Coin Awards competition. The club serves to bring youngsters to the bank to participate in ecology-related programs that include planting trees and cleaning up the community. They also become familiar with the bank. The sponsoring bank is \$37-million-deposit McPherson (Kan.) State, and the awarding judges described the club as an excellent program for teaching children "the merits of saving money regularly and the importance of developing ecological awareness in their local community."

EFTS has become a "must" topic for almost every meeting attended by bankers, and it was much in evidence at BMA.

More than one speaker said that bankers must face up to the tough marketing implications involved with the implementation and use of EFTs.

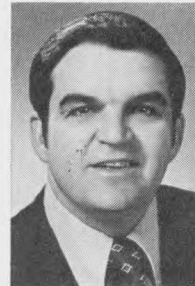
A. Douglas Kirk, Jr., vice president and director of marketing, City National, Detroit, said that nothing is going to happen in electronic money development until somebody sells something. He said that means the market-



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WHITTLE

ing area's basic responsibility is to make electronic money a reality.

Marketers should ask themselves what they need to do in the marketing area to tool up and start the selling process. They will learn, he said, that the first thing to do is to organize internally in preparation for the marketing task, which means acquiring the involvement of top management and the establishment of a commitment to get started on the job. It also means deciding exactly who in the bank will be responsible for production of an EFTS marketing plan.

Also important, he said, is the training of all key people in the basic fundamentals of EFTS, using any and all tools available.

After that, the bank is ready to educate the public, Mr. Kirk said. He suggested that the bank prepare a presentation that can be shown to various groups with the cooperation of the chamber of commerce, to broadcast

media people, to gatherings of civic organizations, unions, employee organizations, school children and especially college-level people. He said the concept is new enough that it will attract interest on the part of the public, providing the informational presentations are effectively made.

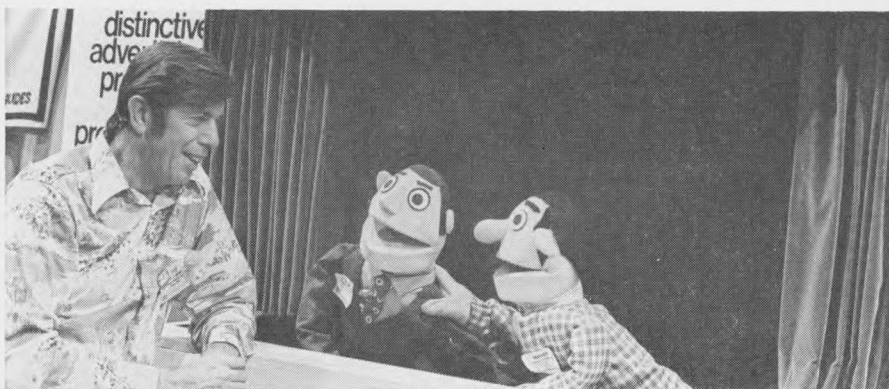
He also said that the bank marketer must convince himself that his bank is the one that is going to make EFT happen. This can be triggered by realizing the potential for business development inherent in EFTS.

Six steps were outlined to enable small banks to participate in the EFTS market by David S. Sutton, senior vice president, sales, First Ogden Corp., Naperville, Ill.

He advised that a small bank going into EFTS should first find or form a group of banks and the banks should develop an on-line system. After that, they should sharpen their marketing skills so they can compete effectively with larger banks. Also, the small banks should keep informed of EFTS happenings and stay abreast of all new developments. Lastly, they should plan carefully so they won't suddenly wake up to find that they've fallen far behind their competitors in EFT. Once momentum is lost, he said, regaining it can present insurmountable problems.

Mr. Sutton pointed out that all indications are that EFTS will eventually replace tellers, a fact that brings into question the need for traditional bank buildings with their large lobbies.

James L. Miller, vice president and director of marketing services, National Bank of Detroit, said that no bank can afford to ignore EFTS, no matter what its size, geographic location or corpo-



Some 100 exhibitors showed their "wares" and programs at the BMA convention. One of most popular booths was sponsored by an Indianapolis advertising agency, Handley & Miller. Puppets such as "Cash" Cashley and "Harry" Grubstake entertained and "conversed" with their audience. Here, "Cash" and "Harry" discuss bank advertising with Early H. Dryden, pres., Tacoma (Wash.) Commercial Bank. Handley & Miller supplies packaged ad programs to banks in 35 states.

# How to sell \$38 billion a year in Texas and never meet the public.

A look at one of the state's fastest growing industries from First City National Bank.

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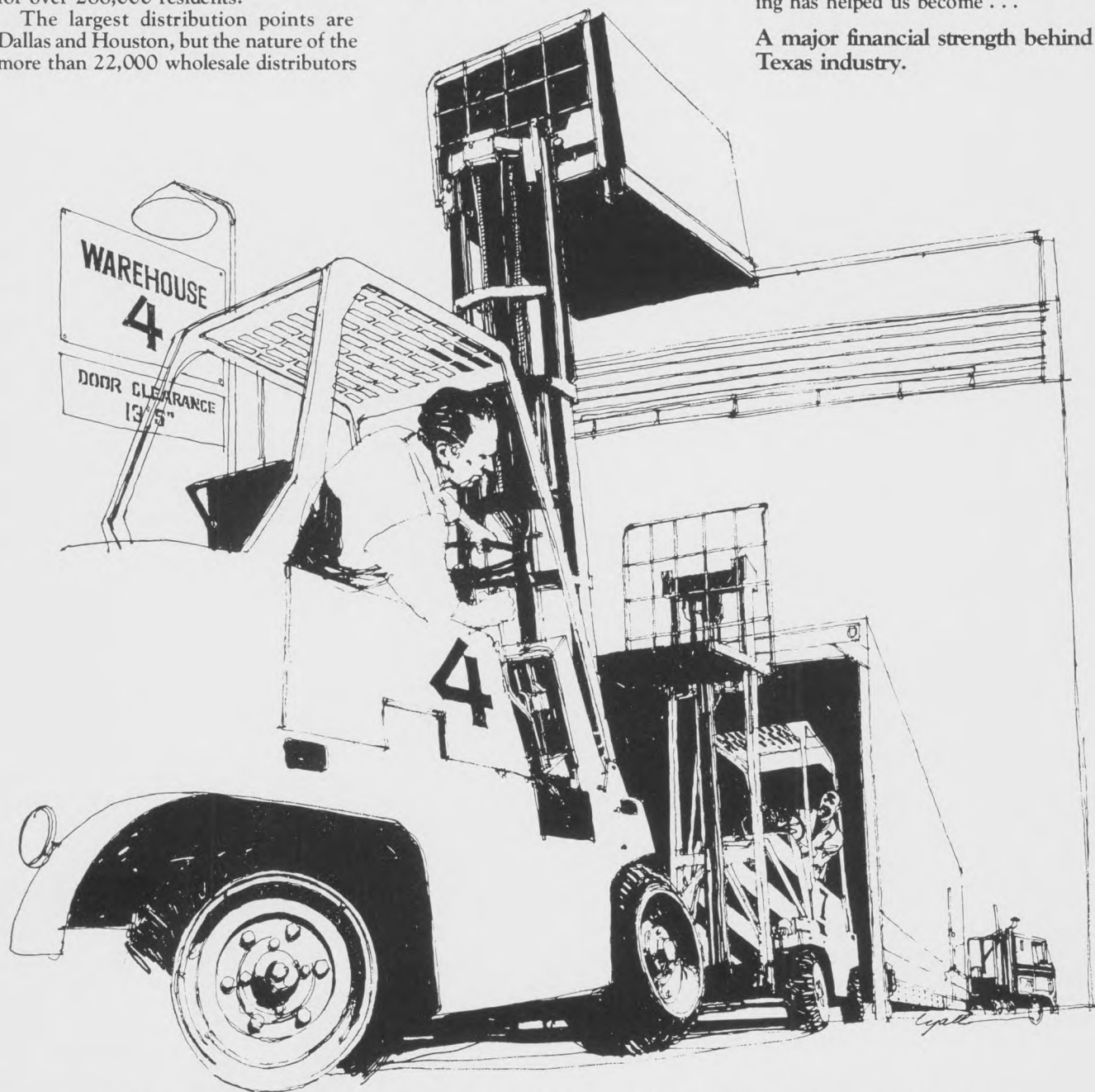
reflects the strength and diversity of the entire Texas market. Categorically, this includes automobiles, agriculture, chemicals, apparel, furniture, electrical goods, food, hardware, industrial machinery and equipment and lumber. These businesses and more contribute significantly to the healthy wholesale sales volume in the state.

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rate or retail orientation.

He said his bank established three primary objectives in regard to EFTS. They include establishment of a retail objective—to provide services to meet the customer's need; finding out what the customer wants in EFT services; and providing correspondents with EFT knowledge as well as technological and marketing assistance.

His bank then established an EFTS action plan, consisting of three parts: (1) development of total financial relationships between the bank and its customers; (2) expansion of EFT usage by providing a debit card that can be used in connection with point-of-sale units; and (3) expansion of its automatic teller machine network within its trade area.

Among the banks receiving Golden Coin award trophies was First National, Pulaski, Tenn., which originated and marketed a farm program with the intent of increasing its share of the agri-market, while at the same time elevating the grade of cattle being raised in its market area. The bank purchased production-tested bulls and leased them to area cattlemen for 10% of their purchase price on a six-month basis. The bank has experienced a 400% growth since the beginning of the program and deposit studies indicate it holds 65% of the agri-business in its trade area.

Bank of America, San Francisco, won a trophy for its student relations program, for which the bank developed objectives that included improving the quality of the bank's relationships with its existing student customers, reversing the decline in student market penetration by attracting and retaining more new student customers and establishing better working relationships with members of each major college community served by the bank. The bank's marketing plan consisted of a "college plan" package of services for students and a "gradplan" for soon-to-be graduates, statewide expansion of student relations representatives and an intensive advertising and promotional campaign to communicate the availability and benefits of the student relations program to students.

Colonial National, Newburgh, Ind., received a certificate of merit for its program, entitled "A Revolution in Banking." Purpose of the program was to strengthen its image as an innovative bank. This was done through four diverse types of objective plans (1) the creation of a new graphic identification program, (2) introduction of a monthly service charge on all checking accounts with less than \$400 average minimum balance or the conversion of current free accounts to a retail bank package plan, (3) extension of operating hours to a seven-day, 24-hour service with

live tellers on duty around the clock and (4) a promotion to build CD business through the offer of instant-interest premiums. The package promotion converted one-quarter of all current accounts to the package plan during its first 90 days and few customers objected to the end of free checking.

First Citizens National, Tupelo, Miss., also won a certificate of merit for its promotion of tax-sheltered retirement plans, which attracted Keogh accounts from businessmen and professional people and corporate accounts which needed trustees. The promotion strengthened the bank's overall position in the market.

Certificates of merit were also awarded to Capital National, Austin, Tex., for its totally integrated marketing program; Exchange National, Chicago, for its permanent collection of photography, part of a continuing public relations program; and Liberty National, Oklahoma City, for its "Second 200" bicentennial essay contest seeking ideas on ways to guarantee the preservation of personal liberties, individual freedoms and independence during the nation's second 200 years.

New BMA officers were installed at the convention. They are: Eugene J. Callan, executive vice president, New York Bank for Savings, New York City—president; Clifford Y. Davis, vice president-planning, First Tennessee National Corp., Memphis—first vice president; Martin J. Allen Jr., senior vice president and director of marketing, Old Kent Bank, Grand Rapids, Mich.—second vice president; and Jack W. Whittle, vice president-marketing, Continental Illinois National, Chicago—treasurer.

New directors, serving three-year terms, include Alan B. Eirinberg, senior vice president and director of marketing, Exchange National, Chicago; D. Eugene Fortson, senior vice president, First Arkansas Bankstock Corp., Little Rock; Ruth Harrison, vice president-marketing, Irwin Union Bank, Columbus, Ind.; Richard F. Langan, vice president, Morgan Guaranty Trust, New York City; Margie H. Muller, vice president-public relations, Maryland National, Baltimore; and James W. Wentling, vice president-economist and director of marketing, BancOhio Corp., Columbus. • •

■ LIBERTY NATIONAL, Oklahoma City, has announced the following promotions: Robert L. Brown, Dudley H. Deen, Carl E. Edwards Jr., John H. Harris, William Wade Lane Jr. and Ray Reier, to vice presidents, and Jacqueline Bradshaw, Robert N. Dawson, Fay Dunbar, William K. Martin and Wayne D. Stone, to assistant vice presidents.

## Abboud, Spinner Give Views On Federal Aid to NYC

WASHINGTON, D. C.—Two prominent Mid-Continent area bankers testified before the Senate Banking Committee last month when it was considering federal aid to New York City.

A. Robert Abboud, deputy chairman, First National, Chicago, urged a new law to permit what he called voluntary reorganization, as distinguished from bankruptcy. He would consolidate New York's present debt by exchanging it for 15- to 20-year bonds bearing 4% to 5% tax-free interest and acceptable by the federal government as tax credit.

To meet emergency cash needs estimated at \$1.2 billion, Mr. Abboud wants the federal government to make a short-term loan at the current interest rate for 90-day Treasury bills.

A committee representing bondholders, city employees, the city and the state would agree on a cutback on the principal of the bonds, a cut in payrolls and an increase in revenues—each of 10% to 15%.

Frank K. Spinner, senior vice president, First National, St. Louis, urged the legislators to let New York City go through bankruptcy or default on its bonds rather than bail it out with a federal grant or loan guarantee.

His thesis was that New York City's own extravagance had caused its problems and that a bail-out would set a bad example for the rest of the country.

He said that New York's default would not bring the world to an end because the market has already shown it can live with a default. He urged the Senate to take prompt action on the matter to eliminate uncertainty.

He also contended that federal aid to New York would cause poor management in other cities, taking away the incentive for school districts and other cities to try to balance their budgets. He told the senators that if they guarantee New York City, they'll have to be prepared to guarantee the entire nation.



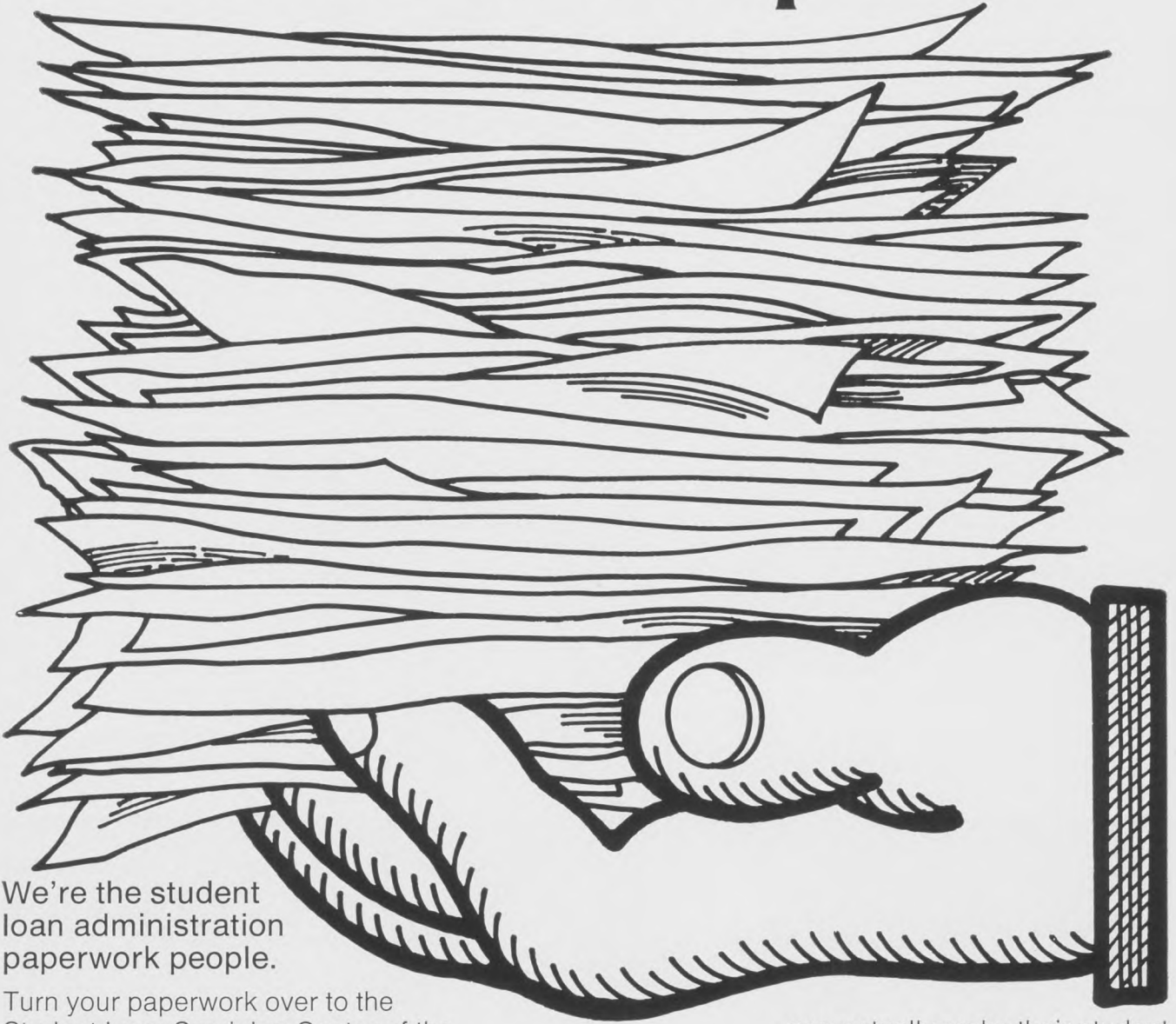
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CONFEREES AGREE:

# Marketing Efforts of Member Banks Will Determine Success of ACHs

*There's more to starting an ACH than pushing a button!*

**T**HE AUTOMATED clearing house (ACH) concept will succeed, but it will have to be sold aggressively before corporate customers see the benefits of such a system.

This was the consensus of many of the more than 300 bank operations people attending the first Conference on Automated Clearing Houses, sponsored last month in Chicago by the National Automated Clearing House Association, the Bank Administration Institute and the American Bankers Association.

The conference had barely begun before the marketing question was raised. The topic came up repeatedly during the two-day meeting, with two concurrent sessions dealing with marketing specifically and others alluding to it in a more general way. As one banker said upon leaving one of the sessions, "I thought all you had to do to begin ACH operations was to press a button, but there's a lot more to it than that!"

It was obvious that a number of bugs have to be worked out of the

By **JIM FABIAN**  
Associate Editor

ACH operations system and that there is a great need for standardization in the industry, but the monkey was placed on the marketer's back by those who said that the finest ACH operation in the world would go nowhere if the service was not purchased by corporate and retail customers.

Consumer marketing was considered to be the most difficult and critical task facing ACH groups and member banks by Bruce Richardson, check processing officer at First National, Houston, who participated in a marketing panel entitled "Marketing Customer Services Through an ACH."

Mr. Richardson said that banking is addressing itself more and more to the consumer arena, and the ACH can become a viable part of retail services. To be successful in marketing ACH services, he said, bankers must constantly keep in mind that the consumer is al-

ways asking himself, "What's in it for me?"

He cited the specific concerns of individuals viewing ACH systems that permit a corporation access to his or her personal bank account as fear of loss of control over personal finances, loss of the option of cashing a portion of their paychecks and the fact that they like to hold their paychecks in their hands on payday.

In the case of preauthorized fixed or variable amount debits, he said, consumers fear an incorrect amount will be posted to their accounts, decay loss of flexibility in being able to decide when to pay their bills and generally fail to see the need for the service.

In order to alleviate consumer misgivings, Mr. Richardson said, and to create substantial consumer acceptance of ACH services, people must be educated as to the nondisruptive nature of an ACH. They must also be educated as to the personal benefits of an ACH.

He said this could be achieved by a cooperative bank marketing effort through the bank's ACH association



LEFT: Representing three host organizations sponsoring Automated Clearing House Conference were (from l.) William O. Anderson, s.v.p., Ohio Nat'l, Columbus, representing NACHA; George D. Norton, e.v.p., Philadelphia Nat'l, representing BAI; and James H. Jarrell, v.p., Trust Company of Georgia, Atlanta, representing ABA. RIGHT: Speakers



at final session of conference included (from l.) Burwell C. Harrison, exec. dir., Florida Payments Systems, Orlando; James R. Kudlinski, Federal Reserve System, Washington, D. C.; and George S. Oram Jr., Federal Home Loan Bank Board, Washington, D. C.

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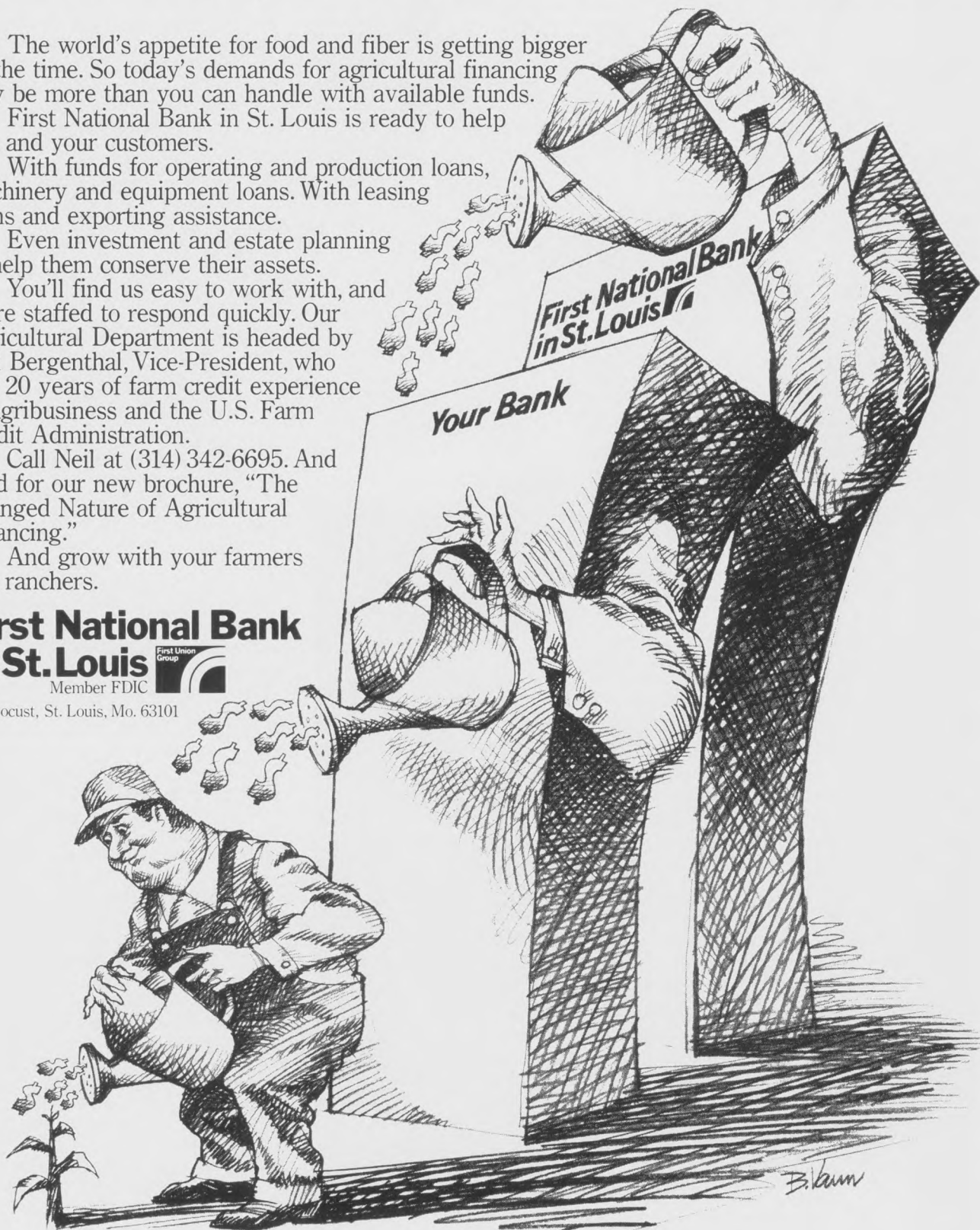
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and through the bank itself. The object is to get the customer to try ACH services. Once he does, he will like them.

Mr. Richardson suggested that ACH services can be made more attractive to corporations by improving schedules, reducing fees and offering new innovative applications. "Encourage and provide assistance to a merchant or corporation who will market the services to consumers," he said. "Coordinate and use a structured cooperative marketing program through your ACH association. Most importantly, as a bank, make the necessary commitment to staff and dollars. Do not become discouraged by slow response to, or growth of, an ACH and relegate the internal ACH thrust to a secondary product role."

Larry L. Retherford, operations officer, Central National, Des Moines, Ia., explained the team effort approach the Iowa ACH took to sign up banks in the state. A team of eight bankers split the state in two and called on all banks to sell the ACH concept. They used a sound slide program and avoided giving any sales pitches for their own banks. Of the 620 banks eligible in the state, all but one signed up. Once the banks signed, they were encouraged to go out and market the ACH services to their customers. Each bank was assessed \$11 per \$1 million in assets to set up the program, which began operations concurrent with the ACH conference.

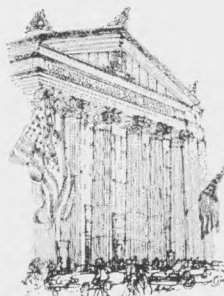
Mr. Retherford stressed the importance of having a pilot ACH services program to use as a selling tool to get other corporate business. His bank signed a supermarket chain, with a resultant 75% of its employees participating in direct deposit of paychecks. The pilot program helped the bank sell a half-dozen other firms, some of which have insisted on requiring all employees to take the direct-deposit route.

James H. Jarrell, president, National Automated Clearing House Association (NACHA), and vice president, Trust Company of Georgia, Atlanta, discussed the ultimate success of the ACH concept. He said there are both near-term and long-range reasons for optimism on the prospects for success of the ACH concept.

Among the short-term factors is the momentum that has been generated that has converted regional experiments into a national movement. He said the single most significant motivator in the ACH movement is activity by the federal government with its Air Force pay program and the planned distribution of social security payments through ACH facilities next year.

Among the long-term factors was in-

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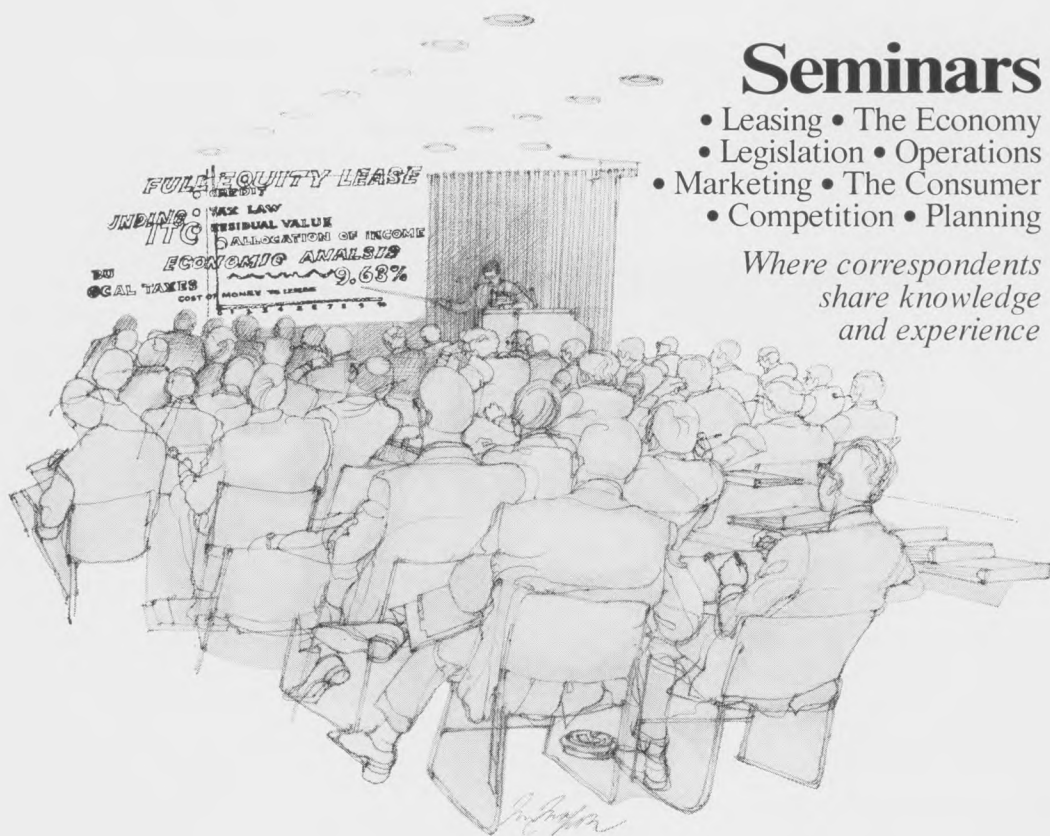


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***"The ACH is not a pipe dream, not a lead balloon, but an emerging reality."***

creased competition in the area of payment services and the belief that "we have merely scratched the surface in terms of payment services having ACH applicability."

But the factor ultimately insuring the success of the ACH movement is economics, Mr. Jarrell said. "The economic consideration represents no new perception, but it is one that has been pushed aside over the last year or two. Operational and cost pressures provided the early pressures to seek payments system improvements.

"There are readily recognizable economic benefits to the company using direct-debit and direct-credit services. These potential economies result from reduced processing costs for both debit and credit applications and enhanced funds availability for debit applications.

"The consumer," he said, "over the next few years will be confronted with economic incentives, both positive and negative, to raise his level of acceptance of prearranged payments."

The negative incentive is likely to come in the form of higher per-item charges for writing checks. Two forces will work to bring this about, he continued, the cost pressure associated with processing checks will force banks to pursue more realistic pricing of checking account services and, as the lower cost, more efficient electronic services become more acceptable payment alternatives, banks will naturally begin offering incentives to induce customers to opt for the prearranged method of payment.

By 1980, he said, it is not unreasonable to speculate that a prearranged, electronic payment will cost the bank customer considerably less than will a check.

"Certainly, the ACH is here to stay," Mr. Jarrell said. "The ACH is not a pipe dream, not a lead balloon, but an emerging reality. It is the responsibility of all bankers to see that this new system is shaped and molded in such a way that it can serve the financial industry in the most efficient and cost-effective manner possible." • •

■ **JAMES A. WHITE** has been named director of corporate finance, First Tulsa Bancorp., Inc. He will be responsible for supervising financial planning, analysis and control and financial policy of the HC and funding of the HC's nonbank subsidiaries.



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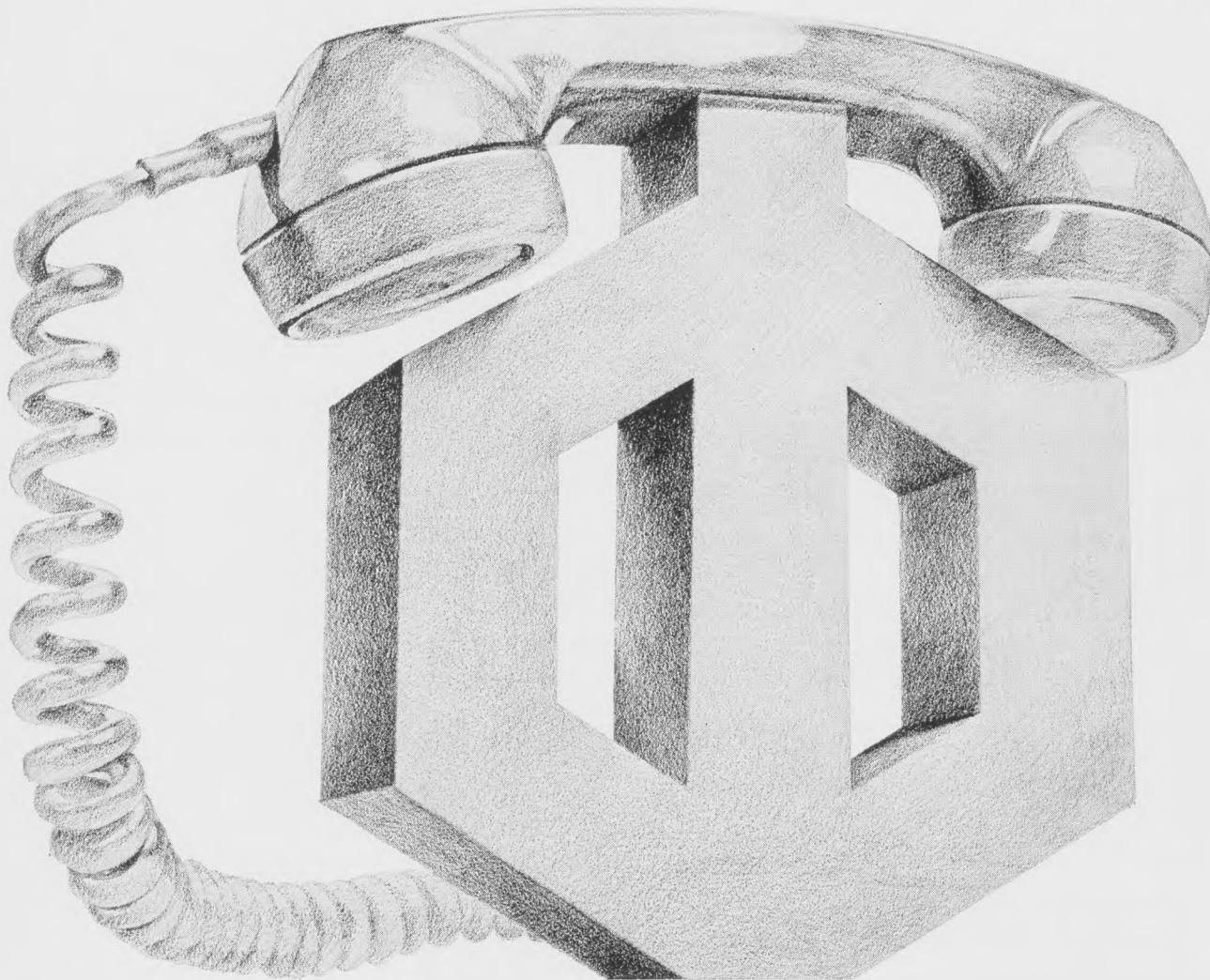
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# First of Chicago Vows Vigorous Contest In Attempt to Continue Use of CBCTs

**F**IRST NATIONAL, Chicago, whose bank-at-work customer-bank communications terminals (CBCTs) have been classified as branches by the Illinois attorney general, has said it will vigorously contest any move to block use of the machines under the state's anti-branching statute.

According to the bank's president, Chauncey E. Schmidt, the attorney general's complaint was aimed at machines installed by the bank to serve employees at four business locations under the bank's bank-at-work program. The bank's direct-deposit program, started in 1972, provides automatic paycheck deposit, free checking and related banking services to the employees of the businesses.

Mr. Schmidt termed the complaint, filed on behalf of the Illinois Commissioner of Banks, a "most restrictive interpretation . . . of Illinois' archaic unit banking law." He also said it "ignores the interest of consumers in less cumbersome, more convenient banking services."

Mr. Schmidt said that, since the CBCTs are located on private premises and are not available to the general

public, they cannot be considered as branches. The commissioner filed suit against Continental Bank, Chicago, earlier against continuation of that bank's CBCTs, located in public places in the city, terming them branches. Until the issue is decided by the U. S. District Court sometime this month, both banks are permitted to continue operating the units.

Further defending his bank's use of the CBCTs, Mr. Schmidt said that First National's general counsel is of the opinion that the application of machine technology to the direct deposit of payroll service is a specific and limited use of modern equipment to better serve existing customers.

He cited the Comptroller of the Currency's opinion that CBCTs are not branches, the admitted "mish mash" status of state branching laws decried by the chairman of the U. S. Senate subcommittee on financial institutions and the fact that the U. S. Supreme Court has recently held that moves by Citizens & Southern National, Atlanta, to circumvent Georgia's antibranching law are "procompetitive."

He said that it may take a while,

"but the light of these developments is bound to dawn in Illinois. The development of better technology and the need to make banking services more convenient to the consumer cannot be denied." • •

## Banks Keep CBCTs in Use

National banks in Chicago and St. Louis are continuing to operate their off-premises CBCT units despite the fact that the Comptroller of the Currency has temporarily rescinded his authorization for national banks to operate such CBCTs in nonbranching states.

First National and Continental Bank, both in Chicago, have told MID-CONTINENT BANKER that they plan to continue using their machines until a ruling is made on their legality by a Chicago U. S. District Court (see article on this page).

First National, St. Louis, continues to operate its two off-premises CBCTs awaiting settlement of litigation instigated by the state commissioner of banking.

The Comptroller rescinded his regulation authorizing national banks to operate off-premises CBCTs in nonbranching states when his office lost its appeal to a ruling handed down in July by a federal judge stating that CBCTs were classified as branches and thus were not legal in nonbranching states.

A final determination of the issue is expected by year-end. Meanwhile, the Comptroller has given notice that national banks seeking to establish CBCTs "must rely on the advice of their own legal counsel."

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## 'Fingertip Banking' Announced For St. Louis-Area Banks Of Mercantile Bancorp.

ST. LOUIS—Mercantile Bancorp., Inc., is introducing its new automated teller machines (ATMs) with a series of public demonstrations that began October 21 at its lead bank, Mercantile Trust. During November, the demonstrations are being held at the HC's suburban banks and in December, at Franklin County Mercantile Bank, Washington; Mercantile Bank, Farmington; and High Ridge Mercantile Bank.

The service, called "Fingertip Banking," enables a customer to conduct almost all personal banking transactions, including deposits, withdrawals, balance inquiries and transfer of funds from one account to another at any time day or night, seven days a week. Machines to be used are Diebold TABS 600 units, which are on line with





**Art Krebs**  
Arkansas-Louisiana



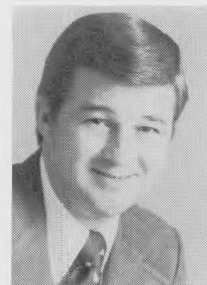
**Ben Adams**  
Missouri



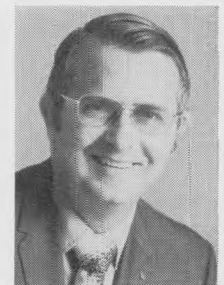
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**Duncan Kincheloe**  
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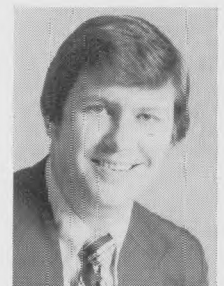
**Paul Libbert**  
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**Verne Schweder**  
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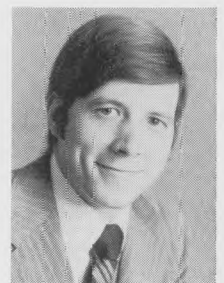
**Jack Beets**  
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**Phil Straight**  
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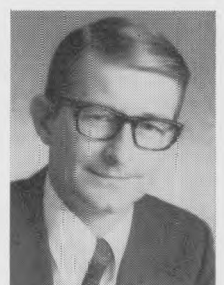
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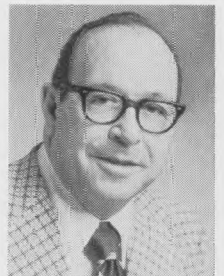
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MID-CONTINENT BANKER for November, 1975



James E. Brown (l.), s.v.p., Mercantile Trust, St. Louis, laughingly offers his own money to Lynn H. Miller, e.v.p., as they try out bank's new "Fingertip Banking" automated teller machine. ATM, manufactured by Diebold, is being introduced to customers of Mercantile Bancorp. banks in St. Louis area. Mr. Brown also is pres. of HC.

Mercantile's computer system. The service will allow a customer to make transactions on a savings, checking and Master Charge account.

During the public demonstrations, the machines are loaded with "play" money, and anyone, customer or not, may use the machine by conducting a dummy transaction.

Under "Fingertip Banking," customers of the Mercantile banks will have plastic cards and personal identification

numbers. A TV screen on the ATM will guide them through each transaction, step by step. If a customer needs help or has a question concerning the transaction, there's a telephone on the machine with a direct line to the Fingertip Banking Center, where assistance will be available at any hour.

According to Harrison F. Coerver, the HC's chief executive officer, Fingertip Banking transactions will be settled with the customer's account almost immediately, and a customer will even be able to learn his or her own checking



New automated-teller-machine program at Mercantile Bancorp., St. Louis, gets name, "Fingertip Banking" from fact that it takes only touch of finger to transact banking business on ATM, as demonstrated here.

or savings account balance because the computer system is programmed to both receive and give customer information.

Future plans call for expanding the new service to a number of Mercantile Bancorp. banks throughout Missouri.

## Shared Point-of-Sale Net Set Up by Memphis Banks To Simplify Check OKs

MEMPHIS—Four local banks are cooperating to make check cashing simpler for their customers and to eliminate the risk of bad checks by making check verification terminals available to the city's retailers. The electronic system permits merchants to determine, within 30 seconds, if funds are sufficient to cover checks presented in their stores.

The banks estimate that the system will enable a significant cut to be made in the almost \$7 million in bad checks that cross merchant counters annually in Memphis.

The system permits any checking account customer of the participating banks—First National, Commerce Union, Memphis Bank and National Bank of Commerce—to cash their checks with merchants who have installed point-of-sale terminals in their stores. More than 400 of the terminals have been contracted for.

To activate a terminal, the merchant inserts a banking card, which is issued to each customer by his own bank. The customer punches in his personal identification number. The merchant may decide either to have the amount of the check verified or guaranteed. Through a telephone attached to the terminal, the retailer communicates with a computer which verbally informs him whether to accept the check.

Cost of the service to the merchant includes a \$15 average installation charge by South Central Bell Tele-



Trying out check verification system is Earl H. Triplett (2nd from l.), pres., Memphis Bank. Others are Cullen Kehoe (l.), pres., First Nat'l; Robert L. Booth Jr. (2nd from r.), pres., Commerce Union; and Gus B. Denton (r.), first v.p., National Bank of Commerce.

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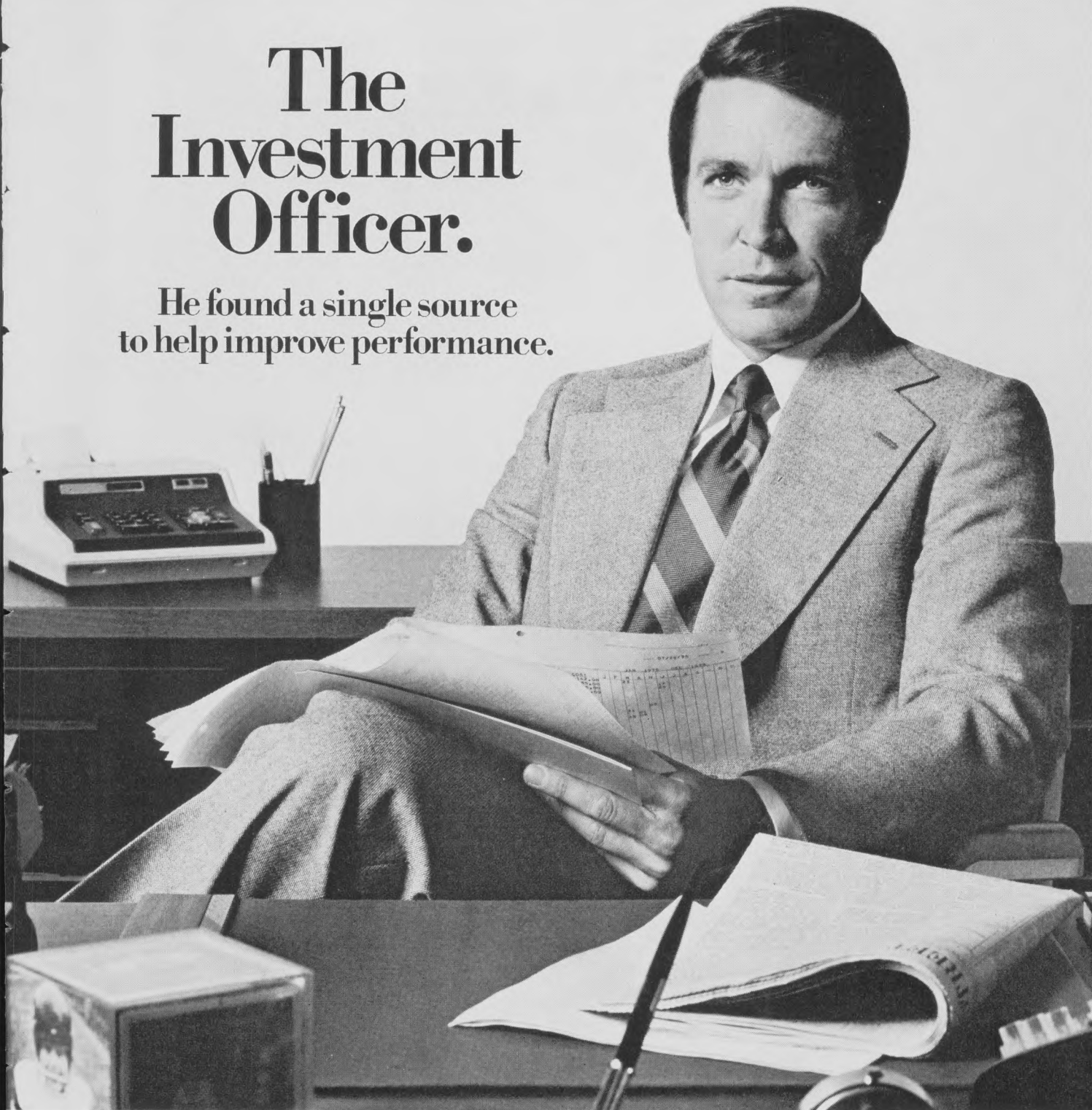
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phone Co.; a \$3.75 monthly charge by the utility for access to its telephone lines; and a \$30 fee for use of the terminal.

When a retailer asks for verification of a check, the computer confirms that there is enough money in the customer's account to cover the check at that time. A guarantee, on the other hand, means that there is not only enough money to cover the check but that the bank will hold the money to cash that particular check. Typical charges to the merchant are 15 cents for each check verification and 25 cents for a check guarantee.

## Ark. POS Check Verifications Begun By Four Banks, Four Merchants

**F**OUR BANKS and four merchants in the Fayetteville, Ark., area, in conjunction with Systematics, Inc., Little Rock, have started a cooperative point-of-sale (POS) check-verification system, to be connected through a terminal system.

Additionally, eight banks will join the project, once a pilot period is completed successfully.

The four banks participating in the initial project include First National, Fayetteville; First State and First National, Springdale; and Bank of Bentonville. The other eight banks are Bank of Lincoln; Arkansas State and First National, Siloam Springs; First National, Pea Ridge; First National, Rogers; Farmers & Merchants, Prairie Grove; and Bank of Gravette.

Merchants who will take part in the pilot project are Phillips Food Store, Bentonville; Harp's IGA and the Wal-Mart stores in Springdale and Fayetteville.

The initial project began October 10 with installation of the POS machines. Information on consumer reactions, problems and possible alternatives that can be used for more efficient service is being gathered. The pilot project is scheduled to run 60 to 90 days, when additional banks, services and merchants will be included.

Check verification will be the only service available during the test period, but in time, the system reportedly will be expanded and connected with

other systems in Arkansas and surrounding states.

Heading the northwest Arkansas project is Don Massey, who also heads a Systematics on-line teller terminal installation project in Salt Lake City. The information gained there will be used in evaluation of Systematics' EFTS efforts.

In the Arkansas project, terminals have been placed at courtesy booths in the stores. When a customer wants a check cashed, the clerk in the booth keys in the necessary information, which then is transferred to the company's Fayetteville Data Center, where all participating banks' information is on line. The computer receives the message from the terminal, checks the account for sufficient funds and returns a message authorizing or disallowing verification.

Each check-cashing process is recorded, so a limit can be set on the number of checks cashed by each customer. The whole operation is said to take less than a minute.

The proposed network will take several years to complete, according to a company spokesman. The approach is a step-by-step analysis designed to ensure the best plan in the long run, the spokesman added.

The system reportedly will be run by the four banks, which are setting up a nonprofit corporation, Northwest Arkansas Data Interchange Corp. (NADI).

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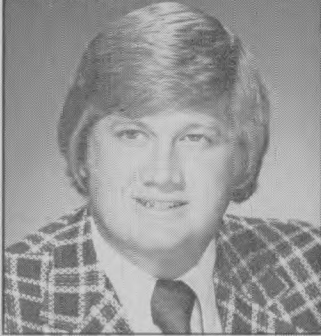
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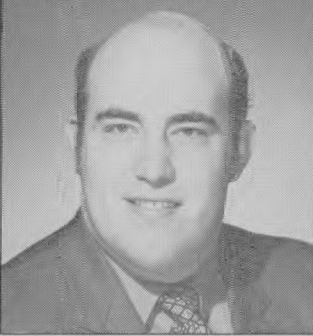
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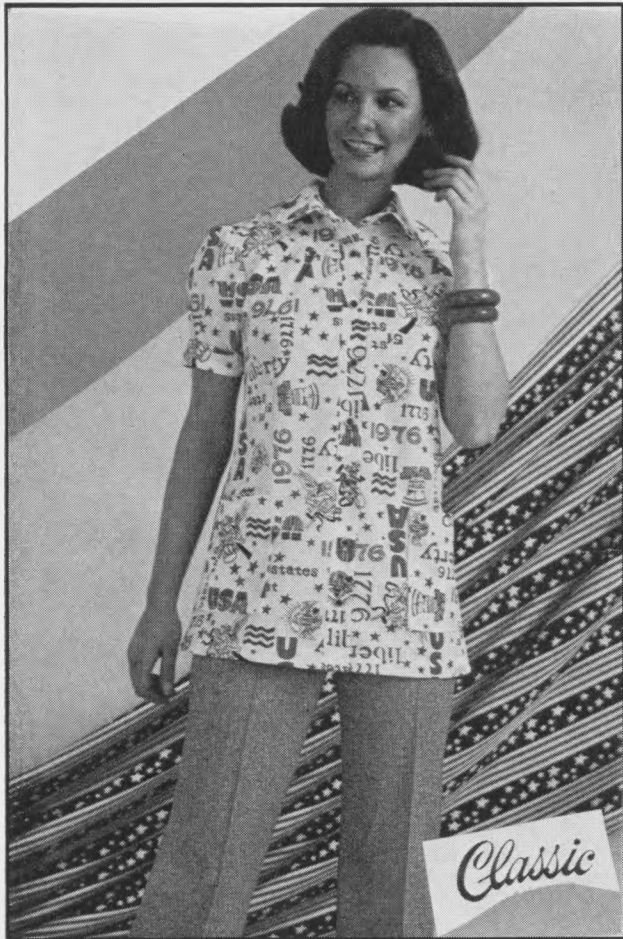
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Four of seven clothing combinations worn by employees of First Nat'l, Grand Prairie, Tex., include (from l.) white blouse, glen plaid skirt in red, navy and white and bicentennial scarf in red, white and blue stars and stripes pattern; navy jumper under plaid jacket with white blouse and solid red scarf; glen plaid skirt and jacket with red blouse and soft bow tie; red, white and blue bicentennial blouse with navy jumper.

## Fifteen-Year Veterans of Career Apparel Say Coordinated Outfits 'Can't Be Beat'

By SALLIE RAWLINGS

**F**ORTY-SEVEN women in Grand Prairie, Tex., are agreed: wearing coordinated career apparel on the job can't be beat.

These are the women employees of First National, Grand Prairie, located between Dallas and Fort Worth. Daily, they consult their dressing schedule and, from their seven clothing combinations, don the one designated for that day.

Career apparel is a long step beyond a uniform. It still identifies the employee as part of the institution, but in a positive and fashionable way which avoids conformity.

Career apparel is not a new idea to the people at Grand Prairie. They have been wearing it for the past 15 years.

Joan Braddock, an employee for 20 years who is now assistant cashier in the loan department, has seen seven different outfits and some remarkable changes in fabric.

"Back in the early sixties, we wore linen and the dry cleaning bills were something," she says. "Then we tried cotton, and, finally, textured wovens came along. What a blessing that was

in terms of taking care of the garments."

First National has come a long way from that first linen skirt and white blouse. The new career wardrobe consists of 11 red, white and blue coordinated pieces, all made of easy-care 100% "Dacron" polyester by Career Girl Manufacturing Co., Dallas. Each woman employee is personally fitted for a navy blue jumper and a navy, red and white glen plaid skirt and jacket. There are four coordinating long-sleeved blouses in solids of red and white, blue and white checks and a red, white and blue bicentennial print. Additional accessories include two belts and two scarves in solid red and a special signature scarf designed for the bicentennial in a stars-and-stripes pattern.

The new outfits were initiated in June and bank customers and employees alike seemed pleased with the effect.

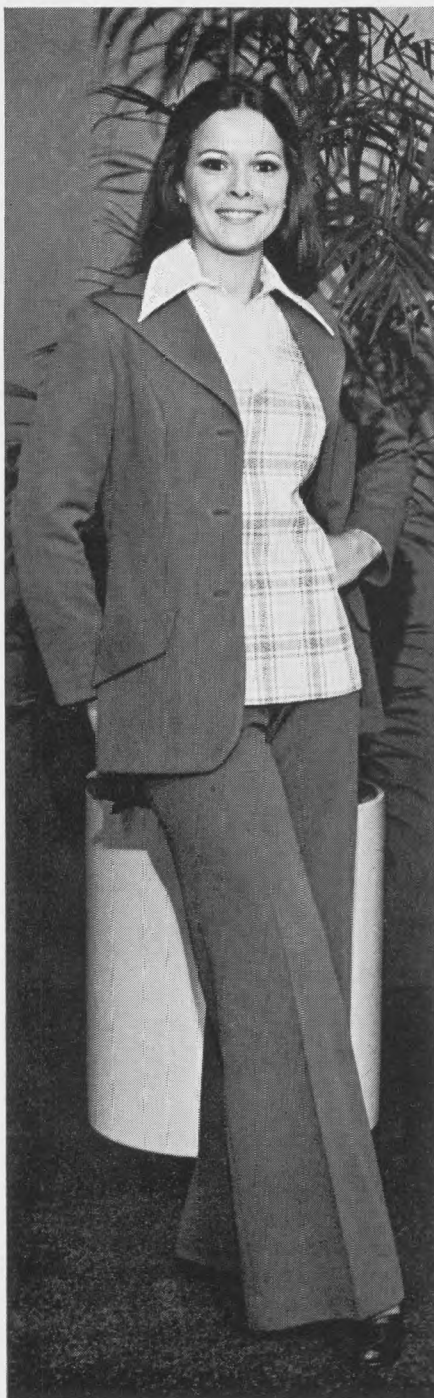
"Most of our customers comment on

the colors we wear," says Barbara Hyde, assistant vice president. "They think it's a nice way to join in on the bicentennial celebration."

That was the idea of bank president Don Hollister when he made the final decision on the apparel. That choice was made from three ensembles selected for final approval by a committee of three women employees. It was up to them to take into consideration fabric, style, color and suitability for a wide range of ages and figure styles.

"Color certainly governed my choice," Mr. Hollister said. "Even though the same colors were used in our previous career apparel, they just had to be a natural selection during the bicentennial."

First National plans to change career apparel every 12 to 18 months, though it hasn't bought new outfits so frequently in the past. It is no small investment. The bank spends \$217 to outfit each employee in the current ensemble. Yet if keeping track of the ups and downs of hemlines and other style changes keeps employees happy and interested, then, in the bank's view, it's



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worth it. It benefits the bank, too. A low employee turnover rate is directly attributable to the career apparel program.

To most First National employees, the bank-supplied clothing is a built-in boost to their income. Barbara Hyde estimates that she saves between \$100 and \$150 a month on clothing.

"Now I can buy more sports clothes or very special party dresses without feeling guilty," she says. "And with three children, there is always a need for more in the clothing budget."

Another plus for the new career apparel is the fabric. The fabrics of 100% "Dacron" polyester look stylish, feel light and supple to the wearer and are completely washable. That's an important consideration for clothing being worn by women who do a variety of jobs.

Former Teller Judy Phelps, now in bookkeeping, says she really appreciates the easy-care fabrics.

"Working behind the counter was always hard on blouse cuffs. Now I can easily get even the sleeves of the white blouse clean."

Other First National women who spend most of the day seated at desks say they have no problems with the material bagging or wrinkling. The apparel holds up well in most situations.

Providing a ready-made wardrobe may even be a selling point to potential employees. According to Vice President and Cashier Jim Lovelady, who is in charge of hiring, it certainly doesn't hurt. Most people, he said, like the idea of saving their own clothing and not having to go through the day in, day out decision of "what shall I



Bicentennial theme permeates apparel at bank with special blouse in red, white and blue plus scarf featuring stars and stripes.

wear today."

New employees are fitted with outfits after their first 90 days. During the first three months, they are encouraged to wear colors that are compatible with the career apparel, if possible.

Jessie Brummett, secretary to the cashier, handles fitting and ordering of the apparel.

"We try to fit new employees with ensembles that we have in stock," she says, "but our turnover rate is so low we often must place additional orders for our new employees. We measure for proper fit, including notation of any figure problems, such as long arms or short waists. The bank pays for any alterations after the garments arrive."

### New Apparel at Lincoln National, Chicago



Career apparel can be worn to individual preferences, yet maintain a standardized look, according to Means Services Career Fashions, Chicago, supplier of the outfits worn by employees of Lincoln National, Chicago. Bank has provided mix-and-match wardrobe in bittersweet-colored blazers, skirts, dresses, vests and slacks. Print and white blouses and designed scarves are also included in ensembles. Bank introduced its "new look" to provide visual identification of bank personnel and to enhance the service image with professional style, according to Herbert A. Dolowy, president.



With the new employee's outfit comes a monthly dress schedule. Since rank and position is not indicated by the apparel, no one will know if she has been working for 90 days, or for 900.

"The policy that we strictly enforce," says Barbara Hyde, "is sticking to a pre-arranged schedule, which means that all the women must wear the same thing on the same day. However, we have enough mix and match combinations that we don't end up wearing blue jumpers and red blouses every Friday. Or, if customers always bank on Monday, they won't see the same outfit every time they come in. We think that's important."

Career apparel has become an identifying mark of First National in



"Heather Fancy" is the name of this texturized Polyester material, featured with solid coordinates by G. Carlyle Struven, Inc., Chicago-based apparel manufacturer.

Grand Prairie. Customers often comment they like being able to identify employees outside the bank. Even more helpful is the fact that the apparel makes it easy to find an employee inside the bank during busy hours. This has helped to improve service.

For women employees at First National, career apparel is meeting a need, and constitutes a bright, positive image to the bank's customers.

### Apparel Pamphlet Available

A pamphlet about career apparel—what it is, what effect it can have, how to select it and how to sell it to employees—is available from DuPont. The pamphlet gives practical advice that can be used by any bank considering the purchase of career apparel.

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## New York's Fiscal Problems Upstage ABA Convention

**T**HE NATION'S bankers (and their spouses), some 11,000 strong, poured into New York City during the final days of September for the centennial convention of the American Bankers Association. And even though the ABA had scheduled a multitude of activities to honor the anniversary of banking's national organization, the real talk of the convention revolved around the fiscal problems of New York City, which were being aired in the press about the same time.

The question everyone was asking: Will New York City default? It is a question that still has not been answered some 30 days later as this issue of *MID-CONTINENT BANKER* went to press.

Recognizing that bankers were keenly interested in the problem—particularly those who had substantial investments in New York City bonds in their portfolios “back home,” the ABA scheduled a special session, paneled by New York officials charged with the responsibility of putting the city's budget back in balance over a three-year period. Despite detailed explanations of plans for chopping \$800 million out of a \$12.3-billion budget over a three-year span, bankers came away from the session unconvinced that New York City would not throw in the towel, at least by the end of the year.

As a matter of fact, a poll taken by the *New York Times* showed that 60% of the bankers attending the convention believed that the city faced certain default—at least on some of its outstanding securities. ABA convention delegates also were adamant in their view (by a margin of two to one) that the federal government should not assume a role in the city's fiscal crisis.

One midwestern banker was quoted by the *Times* as saying: “Why should Ohio tax dollars be used to foster fiscal incompetence?” Another banker stated: “Let the New York government work out the crisis.”

Although banker sentiment appeared to be against federal help to “bail out” the city, one prominent banker was quoted as saying: “I feel that New York economics so affect national economics that some solution will be reached, either at the state or national level.” Bankers also agreed that New York's financial crisis should serve as a warning to other cities. An Oklahoma banker was quoted: “Only a prelude to what is going to happen to everyone if self-discipline doesn't come about.” (See related article on page 72.)

ABA's retiring president, George L. Whyel, expressed these same sentiments during a pre-convention press conference. Mr. Whyel, vice chairman, Gene-

**ABA'S EXECUTIVE GROUP**—Pictured atop Waldorf-Astoria are ABA's top officers who will serve during 1975-76: Executive Vice President Willis Alexander; Chairman of Governing Council George L. Whyel; President J. Rex Duwe; President-Elect W. Liddon McPeters; and Treasurer Roger A. Lyon.

see Merchants Bank, Flint, Mich., observed that cities across the nation must begin “addressing the underlying causes” of the type of financial problems that has brought New York City to the edge of ruin.

It must be decided, said Mr. Whyel, “which services we want to finance and how much we are willing and able to spend on them. We cannot pay for every program we want, no matter how worthwhile.”

The Michigan banker then pointed to statistics that showed that over the past two decades state and local spending, now running at \$221.5 billion annually, had grown faster than any other sector of the economy. State and local expenditures, excluding federal aid, had risen from 7.4% of GNP in 1954 to 11.6% in 1974, he pointed out.

Clearly, he said, this kind of spending calls for some kind of long-range planning. Without a rational allocation of financial responsibility for government services, he told the nation's news-



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MID-CONTINENT BANKER for November, 1975

**MERCANTILE  
BANK**

media, "we have very little hope of preventing other financial crises of the kind we are seeing in New York today."

On the convention floor, Mr. Whyel commented on a number of educational tools the ABA had created to help increase public understanding of banking and to celebrate 100 years of ABA history. But the chief objective of his "administration" during the past year, he said, had been to emphasize three major themes, which, in his opinion, have major significance for the future of banking.

- The first, he said, is EFTS. No other development in banking, he said, has the same potential to alter banking relationships, shift the competitive balance and open up new possibilities for services. The banking industry, in Mr. Whyel's opinion, cannot delay on EFTS. "If we wait," he said, "we will find that our competition has overtaken us and that we are merely vestiges of a former age, using outmoded payments-system components. EFT has opened up new possibilities for customer service," he challenged, "and if we don't provide that service, we can be certain others will."

- The second theme has been to encourage bankers to improve communications—with the public, with the press, with legislators and regulators and even with other bankers, including the ABA in Washington, D. C.

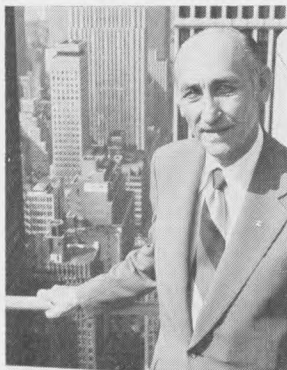
Banking is a highly confidential business, admitted the ABA leader. Therefore, he said, because of that emphasis on confidentiality, many bankers have never learned the art of communication. "We know our business and we do it well, but in today's world," he said, "that is not enough. If banking is to continue in its long-term role of public leadership, we must communicate better and more often—with those we serve, with the community at large and with those who regulate us."

Better communication is important for another reason, according to Mr. Whyel: "The truth is that some of our worst problems emerge because the public simply doesn't understand how banks serve the community."

- His third message during 1974-75, said Mr. Whyel, has been to urge bankers to become more politically involved.

According to the ABA leader, "If the public believes that banks are doing something wrong, the public will put pressure on our legislators and regulators to do something about it. Better communications by bankers can help solve this problem. But equally important, bankers must become more politically involved—through the ABA, through state associations and on a

#### ABA's Rex Duwe



The ABA is being led by a banker from one of the smallest towns in the nation. J. Rex Duwe, chairman, Farmers State, hails from Lucas, Kan., population less than 600. The grass-roots banker has established himself during his 37-year career as a community leader, political activist and banking industry spokesman, both with the ABA and the Kansas Bankers Association, which he led as president in 1971. In honor of Mr. Duwe's election to the ABA presidency, the Kansas legislature passed a resolution of congratulations and Kansas Governor Robert F. Bennett declared October 8 (the day Mr. Duwe assumed the ABA presidency) as J. Rex Duwe Day in Kansas. Mr. Duwe says that banking has been a vehicle of creative expression for him and now he's going to try to repay his debt to banking as ABA president.

one-to-one basis with legislators. One banker's personal telephone call to his senator, stating his expert views on how a bill will affect his district, can wield enormous influence on that vote. To your representative or senator," said Mr. Whyel, "the ABA is *you*."

Will the individual banker's voice be helpful in Washington, asked Mr. Whyel? Yes, he concluded, pointing to the problem of RESPA (the Real Estate Settlement Procedures Act). "On September 16," he said, "the ABA testified before the Banking Committee in favor of repeal or major amendment of RESPA. Your letters to the ABA and to the committee formed the basis for our testimony," he added. "Your voice made the difference. And it will again in the future—if we remain involved."

Bankers attending the convention showed a keen interest in predictions voiced by a panel of leading economists.

Interest rates? Only a moderate increase in '76. The business recovery, the panel predicted, would not be a rapid one, and pressures on loan de-

mand would not be so severe as to push rates up rapidly.

Inflation? Leveling off at about a 6% rate in the year ahead.

GNP? One panel member predicted a moderate increase of 4-5% next year, with stronger gains to be made in the second half of 1976.

Corporate profits? Up nearly 19%. Consumer expenditures? To increase about 2.5%. Housing starts? To rise to about 1.5 million units compared with an estimated 1.2 million units this year.

Business spending for new plant and equipment? To rise from \$113.5 billion in 1975 to \$125 billion in 1976, an increase of a little more than 10%.

Business inventories? A net increase of some \$16-\$17 billion in 1976, compared with a reduction of inventories of about the same amount in 1975.

Corporate funding? The net increase of corporate bonds in 1975 has been enormous, according to one panel member. This funding explains why commercial loans of banks have fallen sharply. In 1976, the rise in capital spending will contribute to the volume of new corporate bond issues. However, the prediction was for a lessening of corporate funding in the year ahead.

The panel generally agreed that market pressures in the long-term sectors of business financing do not look particularly strong for the year ahead. They concluded, therefore, that the key to interest-rate behavior would be affected primarily by the inflation rate, as well as Fed policies.

The ABA's economic advisory committee, meeting during the convention and issuing its recommendation, urged that the Fed maintain its current target growth rate of the money supply, gradually reducing the supply as the economy moves upward in 1976. This committee was strong in its belief that any strong stimulus "at this time" would have serious consequences later in terms of higher inflation in 1976-77.

As the convention closed, the ABA followed tradition and advanced George L. Whyel from president to chairman of the ABA Governing Council. He was succeeded in the presidency by J. Rex Duwe, who serves as president and chairman of two Kansas banks—Farmers State of Lucas and Traders State of Glen Elder.

The ABA's new president-elect is W. Liddon McPeters, president, Security Bank, Corinth, Miss. For the past three years, Mr. McPeters has served as chairman of the ABA Centennial Commission.

Roger A. Lyon, executive vice president, Chase Manhattan, New York City, was elected treasurer. • •



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# Security Nat'l Hosts Football Party

Last month Security National, Kansas City, Kan., hosted its 14th annual football party, entertaining some 700 bankers and their wives at a pre-game brunch and exciting game at nearby Lawrence, Kan., and a post-game social hour and dinner. The only unscheduled event: Kansas University lost to Oklahoma State 35 to 19. Below: some of the guests and their hosts.



LEFT: June Cooper, Peoples State, Richmond, Kan.; Bill Webber, v. ch., host bank; Mary Alice Lair, Home State, Erie, Kan. CENTER: Mr. & Mrs. Gray Breidenthal (pres. & ch.) of host

bank. RIGHT: Bob Domer, e.v.p., host bank; Mr. & Mrs. Harvey Henderson, State Bank, Saranta, Kan.



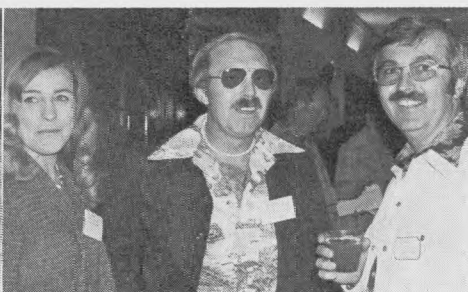
LEFT: Robert McDowell, correspondent officer, host bank; Mrs. Ocobock and Lyell Ocobock, Kansas state treasurer. RIGHT: Donald Switala,



v.p., host bank, and Mrs. Switala; and John Macleod, a.v.p., host bank.



LEFT: John Peterson, v.p., host bank; Dale Oliver, Security State, Great Bend, Kan.; and Bob Fitzpatrick, v.p., host bank. RIGHT: Mrs.



Bredwell and Jerry Bredwell, Ranchmart State, Overland Park, Kan.; and James S. Quinn, v.p., host bank.



LEFT: After morning "eye opener" and hearty breakfast, bankers and their wives board buses for Lawrence, Kan., where Kansas University



was to meet Oklahoma State. RIGHT: Dressed warmly, group waited for "starter" to send them on their way.

# Bank-Sponsored Gardens

(Continued from page 30)

photo of him dressed this way was used in newspaper ads telling about the garden project. Response to the ads was spectacular: The first few days, the bank had to assign five employees to handle the calls, letters and walk-in traffic. Soon, more than 2,000 applications had come in from Council Bluffs, Omaha and many small towns in Iowa and Nebraska. Mr. Knop took a five-week leave of absence from his bank duties to cultivate and plant the gardens, which finally numbered 2,300 that first year.

After the plotting and planting, each garden holder received a packet containing his plot number and location, a map of the garden site, a list of the vegetables planted and helpful gardening hints.

Like Citizens Fidelity, First of Council Bluffs received good publicity from its program. After it was announced in 1973, there was coverage by all three Omaha-Council Bluffs-area TV stations, three local radio stations and the Council Bluffs *Nonpareil* and Omaha *World-Herald*. The program also was spotlighted on national ABC radio, the Paul Harvey radio show and in the *Wall Street Journal*, *Forbes* magazine, Des Moines *Sunday Register*, and the *National Observer*.

The media continued to cover the program throughout that summer.

Also like Citizens Fidelity, the Council Bluffs bank ran into some problems. For instance, late spring rains delayed the planting and caused a small wash-out of some gardens, which had to be replaced.

However, with the high cost of food today and the current emphasis on ecology, garden projects like these should prove to be excellent public relations programs. • •

■ JOHN W. BLOOMER has been named senior vice president in charge of operations at American Fletcher National, Indianapolis, while Thomas J. Beaulieu has been promoted to vice president and director of corporate planning. George W. Raymond, bank real estate, and Peter B. Skelton, metropolitan division, have been named vice presidents. Elected assistant vice presidents and trust officers were James R. Blocker and Howard F. Clodfelter, while George S. Elliot, international division, and Larry B. Lytle, data processing department, have been elevated to assistant vice presidents.



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# Regulatory Agencies Propose Changes In Banks' Income, Condition Reports

CHANGES in the way banks make reports of condition and income have been proposed by the Fed, FDIC and Comptroller. According to the Comptroller's office, the changes are designed to increase public knowledge of banks' financial conditions and incomes.

Comments were invited until November 1 so that final revisions could be considered and the changes adopted no later than December 1. This will permit use of the new reports for year-end 1975.

The proposals encompass changes in specific items of information to be required and, in addition, increase the frequency of income reports. Among the more important specific items proposed to be changed in the report of condition are treatment of unearned income on loans, bad-debt reserves, capital notes and debentures, various items on loan and deposit schedules and information on foreign branches. In income reports, the two major changes proposed involve treatment of income taxes and loan-loss reserves.

Under the proposals, reporting requirements would be different for larger and smaller banks. National banks and state member banks of the FDIC with assets of \$300 million or more would file information supplementary to "universal" condition and income reports proposed for all banks. The proposed "large-bank" cutoff for insured nonmember banks supervised by the FDIC would be \$100 million in assets.

Included in this supplemental information would be maturity on breakdowns for certain types of loans and large time deposits, average interest rates earned on different types of investment securities, loan commitments at domestic offices, a consolidated report of condition for foreign branches, a maturity breakdown for selected items at foreign offices and certain geographic data grouped by location of customer, with one such breakdown for foreign branches and another for domestic offices. Supplemental-income information required of larger banks would include income effects of "non-

current" loans, a greater degree of disclosure on loan-loss experience and an income statement for foreign branches and subsidiaries.

Frequency of reporting also would be increased, particularly for income reports. Certain supporting schedules to the report of condition, now required only as of June 30 and December 31, would be required quarterly. For the spring and fall calls, reporting dates would be the last day of each quarter, thus eliminating so-called "surprise" calls. Income reports for all insured banks not classified as large banks would be required semiannually rather than annually as at present, while banks classified as large would submit this report quarterly. • •

## Special ABA Subcommittee To Study Check Processing

The American Bankers Association has established a special subcommittee charged with investigation of today's check-processing systems.

An ABA spokesman indicated that the subcommittee will identify weaknesses in check-processing systems that can be corrected through more industry education and awareness, use of processing guidelines and adoption or modification of check-processing standards.

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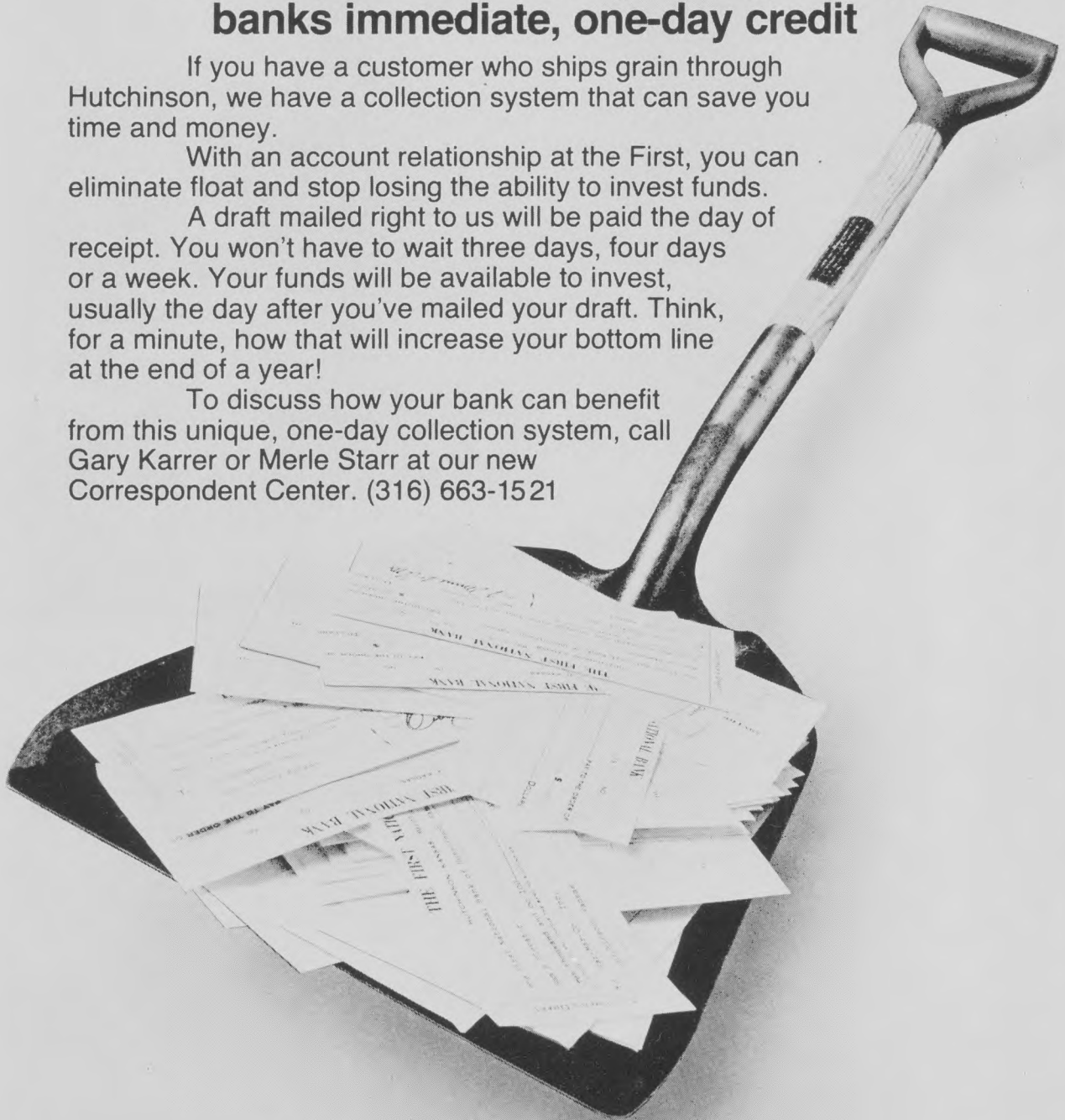
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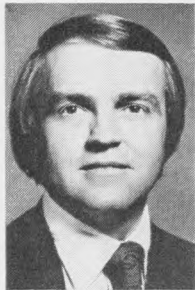
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# NEWS

## From the Mid-Continent Area

### Alabama

■ WILLIAM A. ROBERTS has been elected vice chairman at First Bancgroup-Alabama, Inc., Mobile. He is chairman and president, First National, Eufaula. In other changes at the HC, N. Q. Adams and William P. Walker have been promoted to executive vice presidents and James C. Andress has been named vice president-correspondent banking, while I. Ray Gockley has been elevated to auditor; Lance R. LeFleur, to assistant to the president;



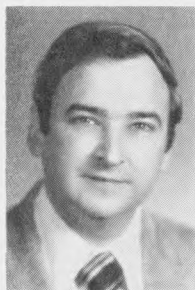
ROBERTS



ANDRESS

Robert S. Wilbanks, to assistant secretary; Robert J. Blackwell, to vice president-investments; Clarence E. Davis, to vice president-loan review; Richard M. Pennington Jr., to vice president-marketing; Robert D. Sclater, to vice president-computer services; W. M. Collins, to director of industrial development; and Harry N. Harrison, to national banking manager. Mr. Walker also has been elected a director of First Bancgroup-Alabama. He is chairman and president, City National, Dothan.

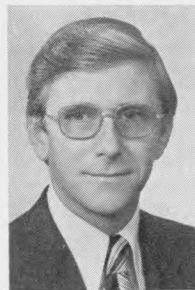
■ TERENCE C. BRANNON and John W. Thompson have been named executive vice presidents at Central Bancshares of the South, Inc., Birmingham, while H. Clayton Harrington Jr. has



BRANNON



THOMPSON



KENYON

joined Central Bank, Birmingham, affiliate bank, as vice president-correspondent bank representative. Mr. Brannon joined Central Bank in 1968, going to the HC in 1974. Mr. Thompson, who joined the HC in 1973, previously served as vice president and regional operations director at North Carolina National, Charlotte. Mr. Harrington has had 18 years' banking experience and will work with banks in Mississippi and Louisiana.

■ PETER M. KENYON, vice president, Merchants National, Mobile, has been named head of the international department, succeeding James W. Oliphant Jr., who has been named vice president-international in the industrial development department, a newly created position. Mr. Oliphant will work in the area of investments by foreign companies in Mobile.

■ ARTHUR W. BELL, assistant vice president, First National, Birmingham, has been elected president of the Alabama Association of Credit Executives. He joined the bank in 1968.

■ PHILLIP N. DAVIS has been promoted from assistant cashier to assistant vice president at Farmers & Merchants Bank, Centre. In other news, J. W. Hampton, senior vice president, has been elected president, Centre Chamber of Commerce. Named a C of C director was Thomas S. Graves, executive senior vice president. Mr. Graves also received a service pin for 10 years with the bank, while Colleen Ray, branch manager, and Jane Poovey, senior vice president, received 15-year pins.

■ LINDSAY C. SMITH has been named vice president and trust officer at First National, Birmingham, while, at Alabama Bancorp., Birmingham,

parent HC for the bank, Harry M. McMillan has been appointed vice president for governmental affairs. Prior to joining the bank, Mr. Smith was with the CPA firm of Peat, Marwick, Mitchell & Co., while Mr. McMillan previously was director of research and industrial relations with the Alabama State Chamber of Commerce.

■ SIDNEY E. TIMBIE has been elected a director at First National, Opp. He is a local businessman.

■ LOYD OZBIRN has joined First National, Russellville, as vice president. He will head the newly organized data processing center and goes there from Sand Mountain Bank, Boaz.

### Arkansas

#### New Facility in Walnut Ridge



This is an artist's rendering of the new three-story facility of First National of Lawrence County, Walnut Ridge. The building's exterior facing is of black glass that has been specially treated to reduce glare without impairing visibility from within. The full-height arches are of concrete, as is the overhanging facade. Sidewalks surrounding the bank are of limestone aggregate and a series of white boxes at curbside have been planted with trees and ground cover. The bank's lobby is two stories high, while the second floor has been arranged around a gallery overlooking the lobby. The third floor houses mechanical equipment and has about 5,000 square feet of rental office space.

■ JAMES B. PRIMM, CPA, has joined Worthen Bank, Little Rock, as assistant controller, while Raymond Mitchell has been promoted to assistant vice president and financial analyst. Mr. Mitchell will head the financial information department and will serve as project coordinator for all FABCO automated financial systems. FABCO is the Little Rock-based HC that owns the bank. Pat Jones has been promoted to assistant vice president and general accounting manager. Mr. Primm formerly was with Investors Preferred Life

and the IRS, while Mr. Mitchell joined the bank in 1935. Mrs. Jones joined Worthen in 1961.

■ MIKE ADCOCK has been promoted to retail marketing officer at Twin City Bank, North Little Rock, while Kenneth Hammonds has been named trust officer. Prior to their promotions, Mr. Adcock served as investment manager and Mr. Hammonds was Main Bank and Baring Cross Branch officer. Mr. Adcock joined the bank in 1973 and Mr. Hammonds, in 1964.

## Illinois

■ ROBERT S. ENGELMAN JR. has been elected senior vice president, American National, Chicago. Formerly a vice president, Mr. Engelman is in charge of the international banking division. William P. McFadden and John W. Patka have been named second vice presidents. Mr. Engelman joined the bank in 1964; Mr. McFadden, in 1970; and Mr. Patka, in 1966.



ENGELMAN



STASICA

■ VICTOR P. STASICA has been named vice president, Exchange National, Chicago, while Michael E. Gibson has been promoted to assistant vice president. William A. Spoo has been elevated to commercial lending officer. Messrs. Stasica, Gibson and Spoo are with the commercial banking departmental group.

■ CAROL J. LUCCHESI and John P. Farley have been elected assistant vice presidents, Commercial National, Chicago. They were assistant cashiers.

■ WILLIAM T. TRUMBULL, cashier/controller, Heritage Bank, Schaumburg, has been named to the additional position of assistant vice president. He joined the bank in 1974 and previously served as cashier, Heritage Bank, Oak Lawn.

■ WILLIAM J. MALLOY and Robert E. Reininga have been named assistant vice presidents, Harris Bank, Chicago.

MID-CONTINENT BANKER for November, 1975

## "New York and I have this love/hate thing."



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**AMBI Names Kassing President, Charlton Chairs Exec. Committee**

Lester A. Kassing, president, Jefferson Trust, Peoria, has been elected president of the Association for Modern Banking in Illinois (AMBI), succeeding Walter J. "Jack" Charlton, who has been named executive committee chairman. Mr. Charlton is president, First Trust, Kankakee.



**KASSING**

Other officer elections announced by AMBI include Gerald Sinclair, executive vice president, Salem National—vice president; Walter R. Lohman, president, First National, Springfield—treasurer; and Robert C. Humphrey, president, State National, Evanston—secretary.

Re-elected to their AMBI offices were Henry E. Seyfarth, chairman, First National, Blue Island—chairman—and Alvin J. Boutte, president, Independence Bank, Chicago—vice president.

■ **DIRECTORS** at Bank of Clarendon Hills have voted to become a member of the Charter Bank Group, which consists of Wheaton National, Bank of Northfield and Bank of Winfield.

■ **RUSSELL O. KEYS**, assistant cashier and trust officer, First National, Pittsfield, has retired after 28 years.

**Rolf Is IBA Ag President**

Frank H. Rolf, vice president, First National, Decatur, has been elected president of the IBA's agricultural division for 1975-76.

Other officers elected during the 29th annual Agricultural Credit Conference in Champaign were: first vice president, Charles N. Finson, president and CEO, National Bank, Monticello; second vice president, Bruce Otto, vice president, First Farmers State, Minier; and secretary, Richard K. Litherland of the IBA.

Myron Otto, assistant vice president and farm manager, Bank of Pontiac, and Larry Harshbarger, president and CEO, Bank of Charleston, were named to one-year terms on the executive committee. Elected to three-year executive committee terms were Lonnie G. Doan, assistant vice president and assistant trust officer, Olney Trust, and David C. Emmert, vice president, Central Trust, Geneseo.

■ **LEROY G. WARD** has retired as senior vice president, commercial lending, Citizens National, Decatur. He will continue for one year in a bank-wide advisory capacity. Succeeding him as senior commercial lending officer is Phillip C. Wise, who also has been named senior vice president and cashier. Dale P. Arnold, who is responsible for the bank's overall marketing effort, has been named senior vice president. His duties include correspondent bank marketing. Mr. Ward joined the bank in 1950, having served the previous 17 years as a national bank examiner, Seventh Fed District. Mr. Wise held a similar Fed position from 1960-67, when he joined the bank. Mr. Arnold also joined Citizens National in 1967, after working in the field of bank equipment and systems sales.



**WARD**



**ARNOLD**



**THOMPSON**



**WISE**

■ **GERALD H. THOMPSON** has been appointed senior vice president in charge of Bank of America's Chicago Corporate Service Office. Bank of America's North America division, which Mr. Thompson serves, is headquartered in Los Angeles. Mr. Thompson formerly was regional vice president for Southeast Asia and succeeds Samuel Armacost, who will head the bank's San Francisco Corporate Service Office. Mr. Thompson also will oversee Bank of America's Edge Act subsidiary, Bank of America International, Chicago. He joined the bank in 1962.

■ **JOHN DUSANIC** has been elected president, First National, Maywood, succeeding the late Louis E. Nelson. Mr. Dusanic joined the bank in 1967 and was executive vice president.

**Chairman of First Nat'l, Marshall, Completes 58 Years in Banking**

W. E. Morris, chairman, First National, Marshall, has completed 58 years in banking, 50 of which were at First National.



**MORRIS**

He began his banking career as assistant cashier at Farmers & Merchants Bank, Kimmunity, going to First National, Kimmunity, four years later. At the latter bank, he also held the position of assistant cashier.

In the period 1924-25, Mr. Morris was employed as assistant cashier at Salem State. In August, 1925, he went to Marshall State as vice president. When the bank was converted to First National in 1940, Mr. Morris was elected president, a position he held until 1969, when he was named chairman.

During his career, Mr. Morris has been active in the IBA, serving as Group Seven treasurer, 1946-47; vice president of the group, 1947-48; and group president, 1948-49.

■ **RUTH J. ERWIN** has joined Union National, East St. Louis, as vice president and cashier. From 1967 to 1974, Mrs. Erwin was assistant vice president, National of Albany Park, after having served as cashier, Bank of Highland Park. She succeeds Raymond L. Stephens, who has been promoted to vice president and comptroller. O. J. Westrich has been named vice president in charge of the installment loan department.

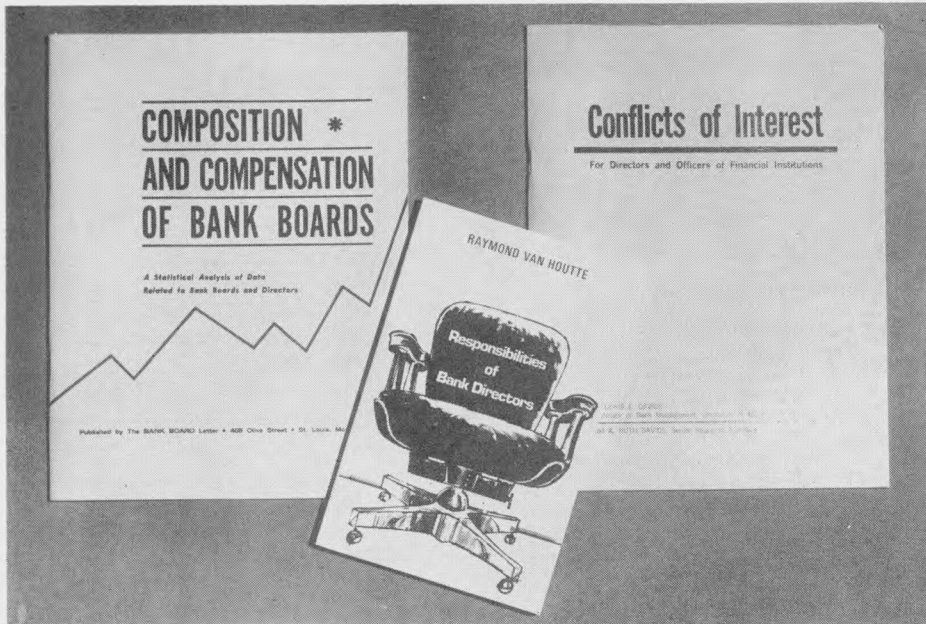
**Indiana**

■ **CALVIN E. BELLAMY** has been promoted to vice president and trust officer at Calumet National, Hammond. He also has been given the responsibility as senior officer and member of the trust department. He joined the bank in February, having had six years' trust experience.

■ **MERCHANTS NATIONAL**, Indianapolis, has announced the promotions of John O. Koontz and Joseph A. Kiefer Jr. to vice presidents. Both were assistant vice presidents and serve in the installment loan department. Mr. Koontz is assistant department manager and manager, dealers sales develop-

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lic. *Responsibilities* examines recent court decisions, investment return, continuity of management, long-range planning, effects of structural changes—HCs, branching, mergers—on competition, and more.

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gives examiners' views of directors' business relationships with the bank, examines ethical pitfalls involving conflicts, conflicts in trust departments, details positive actions for reducing potential for conflicts. Other important data are the Comptroller's ruling on statements of business interest of directors and principal officers of national banks and sample conflict of interest policies in use today that can be adapted by *your* board.

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ment program, and he joined the bank in March. Mr. Kiefer, who is responsible for installment loan operations, began his banking career in Merchants National's branch system in 1965.



McWHIRTER

■ WILLIAM E. McWHIRTER has been elected vice president at Peoples Bank, Indianapolis. He joined the bank in 1969 and was elected assistant vice president in 1974.

■ IRVIN L. KLOSKA has been named corporate banking division head at St. Joseph Valley Bank, Elkhart. He joined the bank in 1974 and is a vice president. In his new position, Mr. Kloska will direct the activities of the commercial lending, credit and corporate banking services departments.

■ MARVIN SUNDERMAN has been named assistant vice president and trust officer at Old National, Evansville, while Bill Fortson has been elected trust officer. Mr. Sunderman was a trust operations officer and joined the bank in 1966. Mr. Fortson, formerly assistant trust officer, joined Old National in 1969.

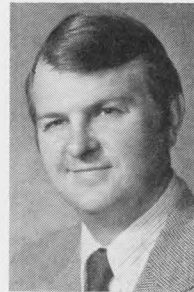
## Kansas

■ JACK M. MUELLER has been named senior vice president and cashier, Commercial National, Kansas City. W. Dean Wall has been elected assistant vice president, while James R. Krebs has been appointed investment trust officer. Mr. Mueller joined the bank in 1938 and served as manager, Kansas City Clearing House Association, 1957-69. Mr. Wall went to the bank after 10 years with Burroughs

Corp. He will be in charge of systems and programming operations in the commercial data division, while Mr. Krebs, who went to Commercial National from Security Management Co., Topeka, will be responsible for portfolio analysis and management in the trust division.



MUELLER



WALL



REDMAN

■ PETER REDMAN has been elected vice president, commercial loans, Fourth National, Wichita. He goes there from Midlantic National, Newark, N. J., where he was vice president, international department.

■ FRED SHAW has been elected assistant cashier, Tower State, Kansas City. He joined the bank as a teller trainee and most recently had been a loan and discount teller.

■ J. W. GARLAND has been elected vice president, First National, Wellington. He has had 17 years' banking experience and will have responsibilities in the areas of general loans, public relations and financial counseling for customers of the bank.

■ JEAN M. NOEL JR. has joined First National, Glasco, as marketing officer. He formerly was correspondent bank officer, First National, Topeka,

before joining Beech Aircraft, Wichita, as pension fund investment manager and investor relations manager.

■ DON RICKETSON has joined Roeland Park State as vice president and consumer loan department manager, going from Baltimore Bank, Kansas City, Mo., where he held a similar position. He has been in banking 18 years.

## Kentucky

■ CITIZENS NATIONAL, Bowling Green, has co-hosted an "Estate and Financial Problem Solving" seminar with Financial & Capital Planning Corp., Louisville. About 50 attorneys and CPAs attended. Discussion leaders included William B. Peden of the Ewen, MacKenzie & Peden law firm, Louisville—tax planning; Herman L. Lodde Jr., Financial & Capital Planning Corp.—paid insurance programs and tax savings of a trust; and bank Vice President and Senior Trust Officer John D. Grider—customer financial planning. In other news at Citizens National, the bank's annual report for 1974 has won a "Merit Award" certificate in *Financial World's* 35th annual report awards competition. The report was judged on information, journalistic excellence, design and for information primarily of interest to the shareholder.

■ GENE WELLS has been promoted to assistant vice president, commercial and mortgage loan operations, First Security National, Lexington. He joined the bank in 1962.

### Issel Chooses Basketball

Dan Issel, a correspondent representative with Citizens Fidelity Bank, Louisville, has resigned to pursue a professional basketball career in Baltimore.

With the bank since 1973, Mr. Issel had planned to continue serving Citizens Fidelity during the off-seasons, becoming a full-time banker after retiring from the Kentucky Colonels, the team for which he had been playing, but his move to Baltimore necessitated the resignation.

# CNB

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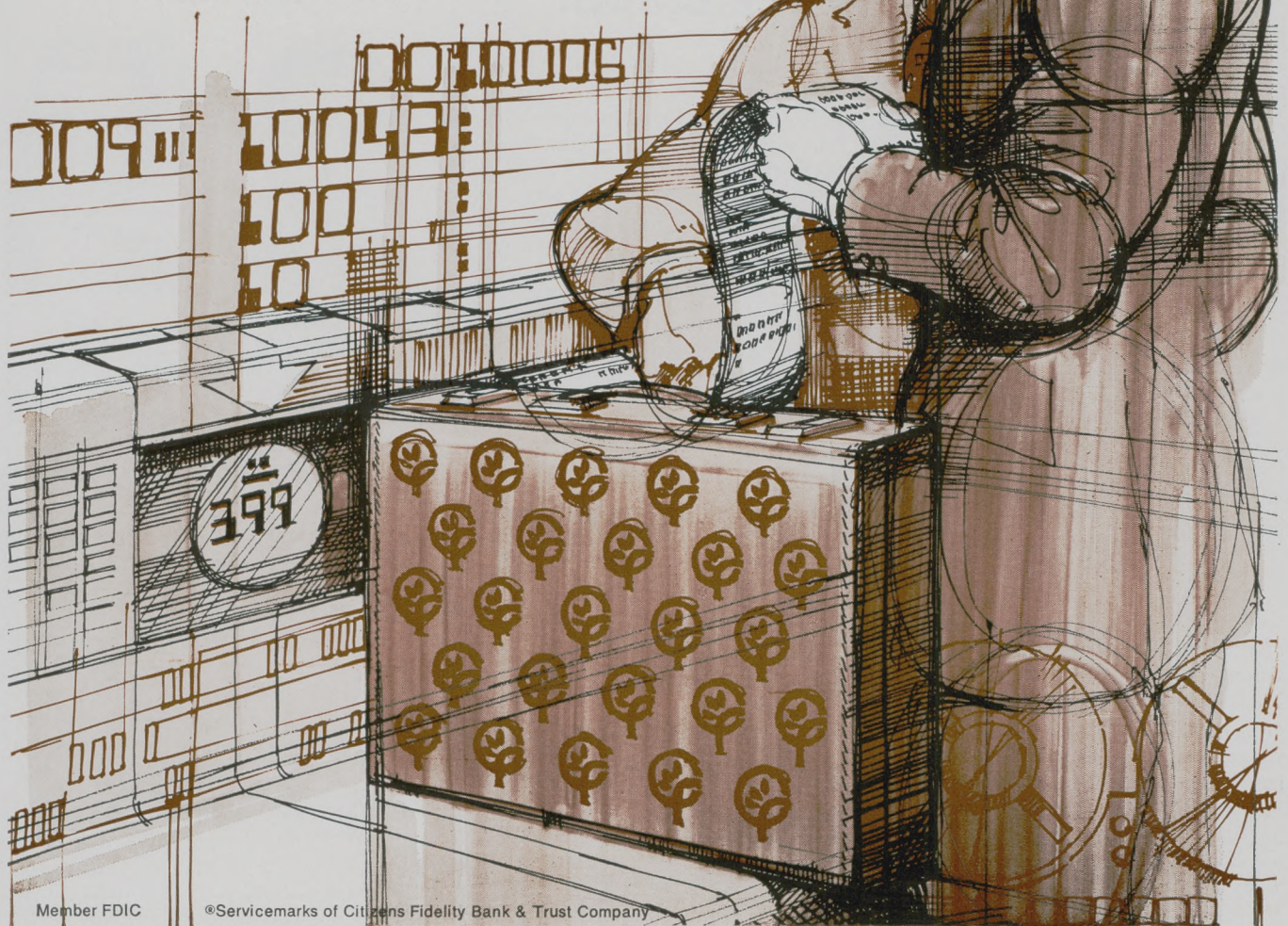
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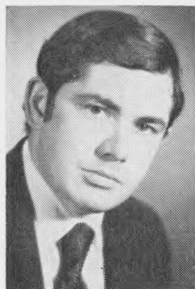
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■ **SUSAN MANN COLLINS** has been named assistant vice president, Liberty National, Louisville. She will work in the operations group, developing and coordinating the bank's electronic funds transfer systems activities. Mrs. Collins previously was an on-line specialist with Docutel Corp. and was responsible for sales in an 11-state area on the West Coast.

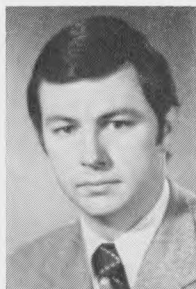
■ **WILLIAM T. SIMPSON**, vice president for financial planning, Citizens Fidelity, Louisville, has been named financial planning department manager, replacing Michael N. Harreld, who was named marketing department manager. Mr. Simpson joined the bank as a trust officer in 1973, after having served as president, Kentucky Academy.

## Louisiana

■ **PATRICIA LaCOUR** has been elected administrative officer and credit department manager at Guaranty Bank, Alexandria. She joined the bank in 1973.

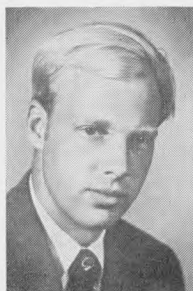


ELLIS



MAY

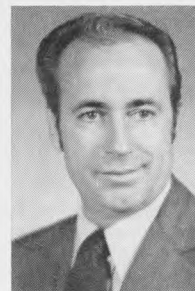
■ **C. B. "TOBY" YOUNG** has been advanced to senior vice president and loan administration manager, First National Bank of Commerce, New Orleans. Lawrence Ellis has been elected vice president and eastern regional manager, national accounts; Jay P. Hundley has been named vice president and assistant manager, real estate; and Tommy May has been elevated to vice president and western regional manager, national accounts. Named assistant vice presidents were Ronald K. Tomlin, real estate, J. Charles Freel, cash management, and John D. Vetter, who also was named data services manager. Mr. Young joined First NBC in 1967; Mr. Ellis, in 1970; Mr. Hundley, in 1971, and served as assistant vice president, correspondent banking, 1972-73; Mr. May joined the bank in 1972; Mr. Tomlin, in 1973; and Mr.



YOUNG



HUNDLEY



DeVUN



HARRINGTON

Freel, in 1974. Mr. Vetter went to the bank from Cincom Systems, Inc., Cincinnati.

■ **DANIEL A. DeVUN** has been promoted to vice president, Whitney National, New Orleans, while Sidney G. Larguier Jr. has been named assistant vice president. Elected assistant cashiers were A. Ross Dozier, Frederic Gonzales Jr., Mary Lee K. Heumann, Bailey H. McBee, M. Cleland Powell III and Ronald R. Pustanio. Mr. DeVun joined the bank in 1953; Messrs. Larguier and Gonzales, in 1948; Mr. Dozier, in 1971; Mrs. Heumann, in 1970; Mr. McBee, in 1973; Mr. Powell, in 1972; and Mr. Pustanio, in 1962.

## Mississippi

■ **THIERRY MILLION** of Lyon, France, is working at Deposit Guaranty National, Jackson, in an accelerated management training program, studying operations of the bank. Mr. Million currently is enrolled in the second year of a three-year course of study at the Institut Superieur du Commerce in Paris, France, in which each student must have four-to-six months' outside experience with a business firm before beginning the program's third year. Prior to going to the bank, Mr. Million worked for a Paris chemical products company. After completing his assignment with Deposit Guaranty, he will resume his classes in Paris.



Thierry Million (l.) of Lyon, France, discusses banking in America with Julian L. Clark, pres., Deposit Guaranty Nat'l, Jackson. Mr. Million is a student at Institut Superieur du Commerce, Paris, France, who is fulfilling outside study requirements by working at bank.

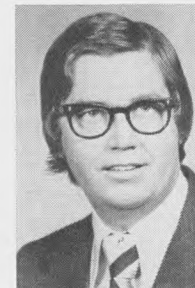
■ **H. CLAYTON HARRINGTON JR.** has joined Central Bank, Birmingham, Ala., as vice president-correspondent bank representative. He will work with banks in Mississippi and Louisiana. Prior to joining Central Bank, Mr. Harrington, an Aberdeen native, had 18 years' banking experience.

## Missouri

■ **JOHN P. DUBINSKY** has been named president, Mark Twain Bancshares, Inc., St. Louis. A director and executive committee member of the HC, Mr. Dubinsky also is vice chairman, Mark Twain Parkway Bank, Chesterfield, an affiliate bank. He joined the HC in 1967.



DUBINSKY



WILSON

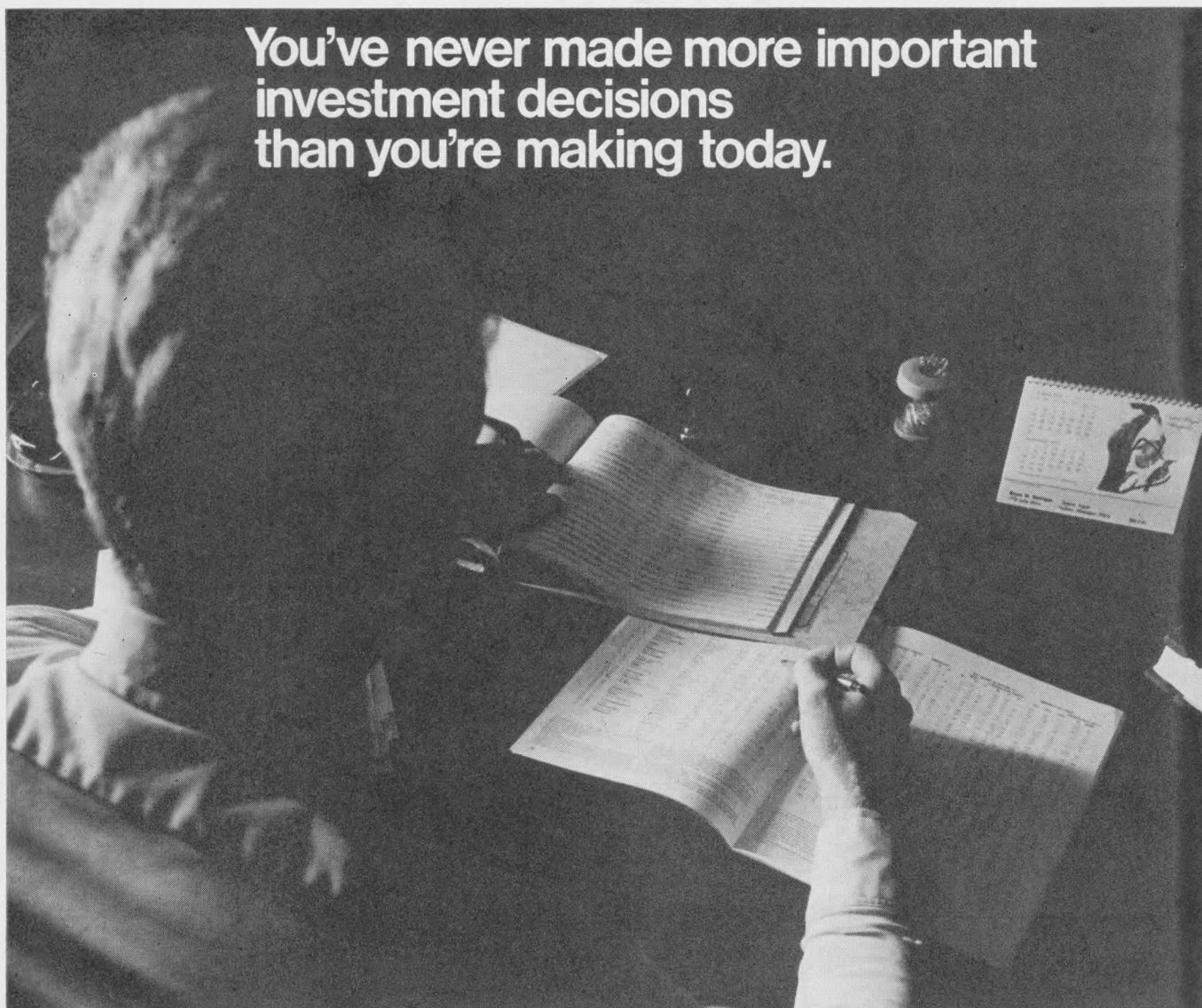
■ **MARTIN J. WILSON** has been named cashier, Bank of Wheaton. He formerly had been assistant auditor, First National, Joplin, which he joined in 1968. Both banks are affiliates of First Community Bancorp., Joplin.

■ **KENNETH O. OLSON** has been elevated to assistant vice president at Boatmen's National, St. Louis. In other promotions at the bank, David G. Hendrix has been elected assistant trust officer; Betty Berry, John Harris and Jeanne Wolf have been named operations officers; and James T. Guenzler has been promoted to data processing officer.

■ **BANK OF PERRYVILLE** has transferred \$100,000 from undivided profits to surplus. Its capital account now is \$200,000; surplus is \$1 million, and undivided profits are \$1.1 million.



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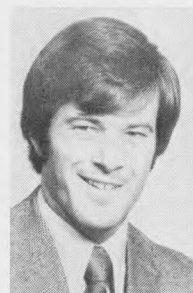
Jackson, Mississippi; Grow with us; Member F.D.I.C.;  
Branch Banks: Greenville Bank, Greenville, LeFlore Bank,  
Greenwood; Mechanics Bank, McComb; City Bank & Trust Co.,  
Natchez; Farmers Exchange Bank, Centreville; Monticello Bank,  
Monticello; Newhebron Bank, Newhebron, and offices in  
Clinton and Pearl.

■ UNITED MISSOURI BANK, Warrensburg, has announced the promotions of George F. Juhl and James A. Tivis to assistant vice presidents.

■ DONALD R. OLINGER has been elevated from assistant cashier to assistant vice president, United Missouri Bank, Brookfield. He has been with the bank since 1972.

■ JAMES R. FINKS has been elected executive vice president, United Missouri Bank of Jefferson County, Arnold. He goes there from Mark Twain State, Bridgeton, where he served as vice president and cashier.

■ RICHARD E. McEACHEN has joined Commerce Bank, Kansas City, as senior vice president, trust division. He formerly was senior vice president in charge of new business development in the trust department at First National, Kansas City, where he had worked since 1962. In other news at Commerce Bank, Jack Messall has been named vice president, installment loan department. He has served as that department's manager since joining the bank in September. William C. Temple has been elected vice president, trust division, and has been with the bank since 1972.



LAWTON



PENDLETON

■ MICHAEL T. LAWTON has been appointed a sales engineer with LeFebure's St. Louis branch. LeFebure is headquartered in Cedar Rapids, Ia. Mr. Lawton will sell LeFebure banking equipment and security systems in a 17-county area in southeastern Missouri.

■ SYDNEY Y. PENDLETON has joined St. Louis County National, Clayton, as vice president. He will direct data processing activities. Mr. Pendleton formerly was with Action Data Services, division of Control Data Corp., St. Louis.

■ DANIEL L. SCOTTEN has been elected president, Commerce Bank, Columbia. Prior to his election, Mr. Scotten had been controller and treasurer, Commerce Bancshares, Inc., Kansas City, HC for the bank. He joined the HC in 1972.

■ DEAN EDWARD KASPER has been named president, Commerce Bank, Tipton. He previously was executive vice president. Prior to joining the bank, Mr. Kasper was with Lexington Bank, a Commerce Bancshares affiliate bank. He succeeds Bernard Rullman, who has resigned to accept a new position with the HC, Commerce Bancshares, Inc., Kansas City. Mr. Rullman will remain as a director of Commerce of Tipton.

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### Arthur F. Boettcher Dies

ST. LOUIS—Arthur F. Boettcher, 72, died of heart disease October 9. He retired in 1968 as chairman of the executive committee, Boatmen's National.

Mr. Boettcher joined the bank in 1918 as an office boy. After being named manager of the credit department in 1926, he advanced through several posts to senior vice president, commercial loan department, in 1958. He became chairman of the executive committee in 1965. Mr. Boettcher was a director of Boatmen's when he retired and an advisory director at the time of his death.

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Larry brings special understanding to your banking needs. The unique understanding that can only come from shared experience. So whatever the size of your bank or community, he knows what you're talking about.

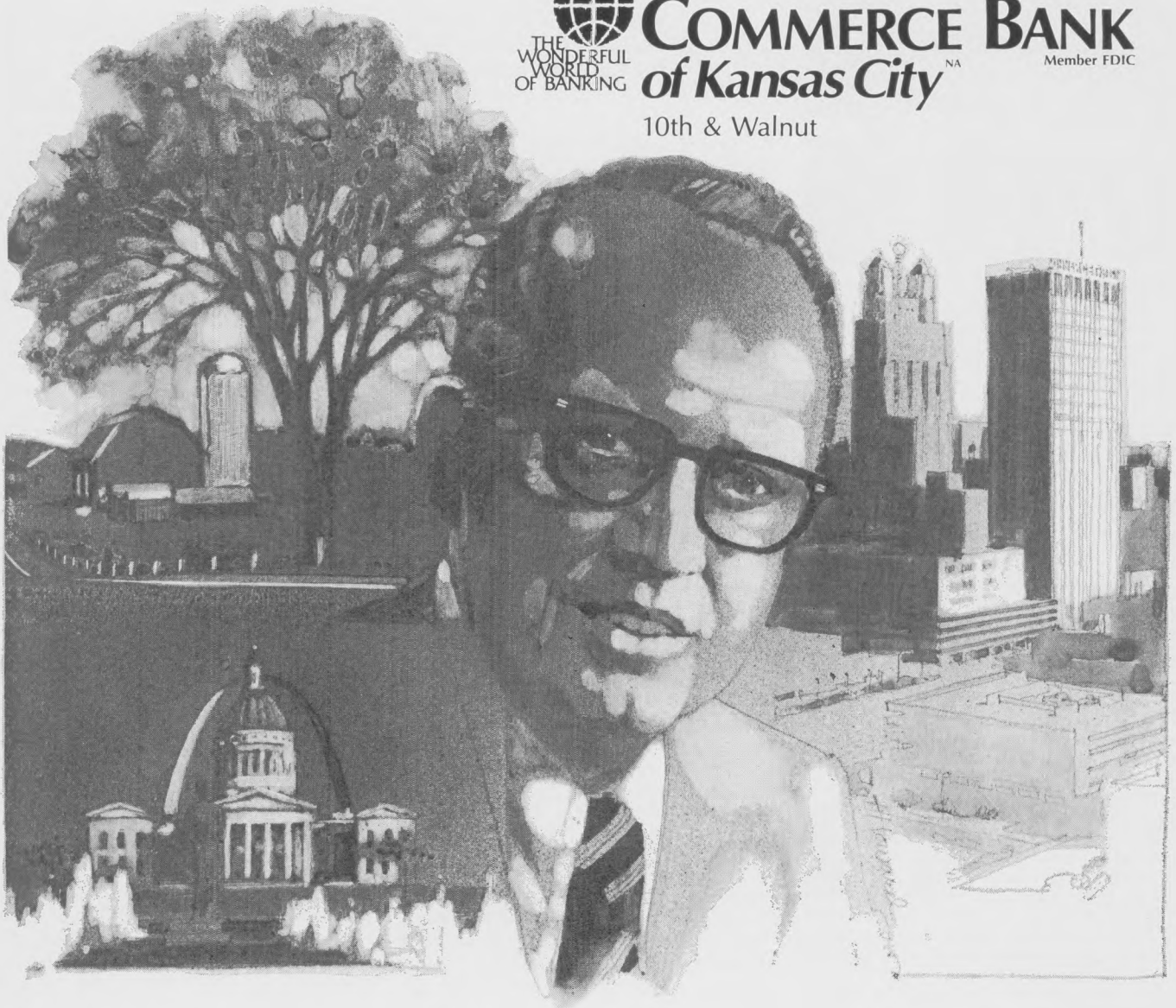
When you need help, call the man who's been there.

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**COMMERCE BANK**  
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■ **UNITED MISSOURI BANK**, Jefferson City, has opened its new building. Theme of the event was "Declare Your Independence From HO-HUM Banking." The ribbon-cutting was done by State Lieutenant Governor William Phelps; R. Crosby Kemper, bank chairman; John S. Kreighbaum, president; and City Mayor Robert L. Hyder. Mr. Kemper also is chairman, United Missouri Bancshares, Inc., Kansas City, which owns the Jefferson City bank. Over 1,000 guests attended the reception that kicked off the celebration, and each received a special bicentennial quarter mounted in a card as a souvenir. The building features a poured-in-place concrete facing having a ribbed texture, a sloped bronze skylight covering the lobby and a skylight covering the north stairway. The building has 10,200 square feet of space.



Pictured (from l.) are John S. Kreighbaum, pres., United Missouri Bank, Jefferson City; R. Crosby Kemper, ch.; State Lt. Gov. William Phelps; and Jefferson City Mayor Robert L. Hyder, cutting ribbon during grand opening of bank's new building.

■ **AN AGREEMENT IN PRINCIPLE** has been signed for the purchase of the 10,000 outstanding shares of Park Bank, St. Joseph, by United Missouri Bancshares, Inc., Kansas City. Regulatory approval is pending.

### Thomas L. Ray Dies

Thomas L. Ray, 62, e.v.p., Mercantile Trust, St. Louis, died October 21 in Washington, D. C., of an apparent heart attack. He also served Mercantile as ch., investment portfolio committee; head, bond and investment department; and was a member of the asset and liability and executive committees. Mr. Ray joined the bank in 1945 as a bond salesman and was named s.v.p. in 1969, being advanced to his last position in February. He also was a dir., Mercantile Mortgage Co., a subsidiary of Mercantile Trust.



■ **ROBERT E. SMITH** has been named vice president and managing officer, Commerce Bank, Willard, going from Commerce Bank, Fenton, where he had served as vice president and board secretary.

■ **FIRST NATIONAL CHARTER CORP.**, Kansas City, has announced plans to acquire Bank of Ladue, while the HC's affiliation with Excelsior Trust, Excelsior Springs, has received regulatory approval. An agreement in principle has been reached with stockholders of Bank of Ladue for the proposed acquisition.

■ **LESLIE M. BOLL** has been named assistant vice president, Mercantile Trust, St. Louis. Mr. Boll has been head of operations, international banking division, since September.

■ **STEPHEN G. MEDLER** has joined County Bank of Chesterfield as vice president, going from Missouri State, St. Louis, where he was assistant vice president. County Bank of Chesterfield, a subsidiary of County National Bancorp., Clayton, is scheduled to open in early 1976.

■ **PATRICIA LOEHR** has been elevated to assistant vice president at Boatmen's Bank of West County, Ballwin, while Randall A. Schmidt has been named cashier. Mrs. Loehr has 20 years' banking experience and will be in charge of business development. Mr. Schmidt formerly was in the operations division, Boatmen's National, St. Louis.

■ **DOUGLAS A. WALKER** has been elected trust officer at the United Missouri banks of St. Louis, Ferguson, Kirkwood and Jefferson County (Arnold). Mr. Walker is a St. Louis attorney and former partner in a law firm. His bank duties include estate planning and trust administration, and he will serve as the nucleus for the formation of a fully staffed trust department. The four banks are affiliates of United Missouri Bancshares, Inc., Kansas City.

■ **WILLIAM SCHNEIDER** has been named assistant cashier, Citizens Bank, University City.

**Died:** Charles W. Bauer, 73, of a heart attack, in his home in St. Louis County. Mr. Bauer joined Clayton National in 1936 as cashier. When that bank consolidated with St. Louis County National, Clayton, in 1946, under the name of the latter, Mr. Bauer was elected vice president and cashier, operations, a position he held until his 1965 retirement.



P. V. Miller Jr. (l.), pres., and James Kemper Jr., ch., Commerce Bank, Kansas City, cut cake in honor of bank's 110th anniversary during "birthday" party and reopening of Walnut St. lobby. In addition to cake, guests were served cocktails.

■ **COMMERCE BANK**, Kansas City, has celebrated its 110th anniversary and the reopening of its Walnut Street lobby. Begun by Francis R. Long in 1865 as the Kansas City Savings Association, it was rechartered as the Bank of Commerce in 1882, one year after Dr. W. S. Woods took control. It later became National Bank of Commerce. In 1900, Dr. Woods organized Commerce Trust, which specialized in personal accounts, and both were housed in the same building, the National Bank occupying the Walnut Street lobby, while Commerce Trust used the 10th Street lobby. William Kemper was the Commerce Trust president. The two banks merged in 1922 under the name of the latter. After Mr. Kemper's death in 1938, his son, James Sr., was elected chairman, being succeeded by James Kemper Jr. in 1964, the year the bank's headquarters building, Commerce Tower, was completed. In 1966, Commerce Bank organized Commerce Bancshares, Inc., a non-registered HC, which became a registered HC one year later.

■ **JOHN B. MICKLE** has been elected president, Gateway National, St. Louis. He went there from North Carolina National, Charlotte, where he was metropolitan area manager and assistant vice president.

■ **BROADWAY NATIONAL**, Kansas City, has announced the promotions of Diane Drews and Phillip M. Hadley to assistant cashiers. Miss Drews joined the bank in 1972, while Mr. Hadley has been with Broadway National since 1974.

■ **MARJORIE M. HOLTZ** has been elected assistant cashier, Boatmen's National of North St. Louis County, and manages the bank's new Jamestown Facility.

**Business outlook uncertain?**

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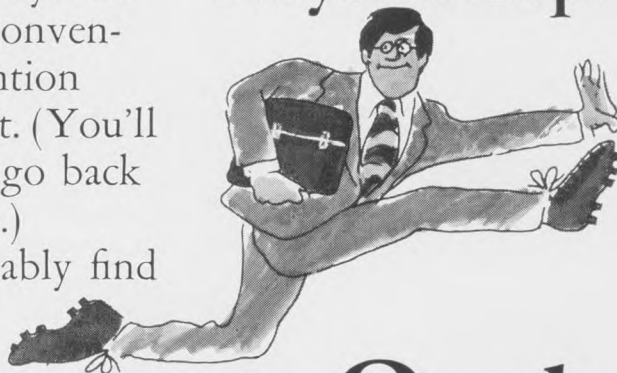
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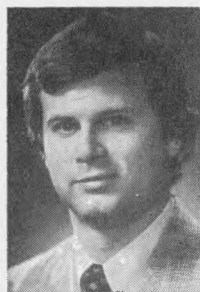
**Celebrating 25 years of go-getter service**

MID-CONTINENT BANKER for November, 1975

109

## New Mexico

■ **GEORGE WILLIAM PORTER** has been named a correspondent banking officer, Commerce Bank, Kansas City, with responsibilities for New Mexico and Texas. He joined the bank in 1973.



PORTER

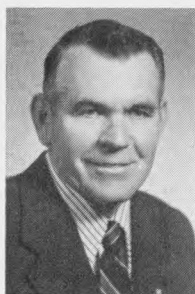
■ **GEORGE MANSUR**, executive vice president, First National of Lea County, Hobbs, has been elected to the additional office of vice chairman, while Lewis B. Nance, senior vice president and controller, has been named senior vice president and trust officer. Mr. Nance will head the trust department, following the indefinite leave of absence taken by Richard E. Schorse, who was vice president in charge of that department. Robert B. Strickland III has been elevated from assistant vice president to vice president. Mr. Mansur, who has been a director of the bank since its 1949 beginning, began active management duties in 1960 and serves on the executive, trust, trust investment and marketing committees. Mr. Nance has been with First National since 1967 and Mr. Strickland, since June.

## Oklahoma

■ **CLAYTON WOODRUM** has been elected senior vice president of finance, Bank of Oklahoma, Tulsa, while George Nowotny has been named vice president for community affairs and Thomas Wright has been elevated to assistant vice president. Mr. Woodrum goes to

the bank from Peat, Marwick, Mitchell & Co., Tulsa, which he joined in 1965. He will be responsible for accounting, planning, controller and all financial relationships in the bank and will serve as senior vice president, finance, Banc-Oklahoma Corp., Tulsa, of which the bank is an affiliate. Mr. Nowotny, who has served three terms in the Arkansas House as minority leader, has had an energy and governmental consulting business since 1961. Mr. Wright serves in trust operations. He joined the bank in March.

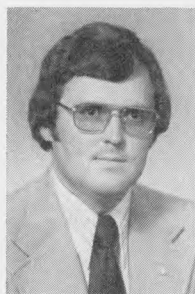
■ **FIRST NATIONAL**, Oklahoma City, has announced the promotions of Albert J. Bezdicek and Vassar E. Lewis to vice presidents and trust officers, while William A. Andrews, W. Alan Davis and John S. DeFrees have been named vice presidents. Jim D. Burgar has been elected assistant vice president and Robert E. Oliver, Robert E. Williams Jr. and Dan L. Graham have been elevated to assistant auditors. Messrs. Bezdicek and Lewis joined the bank in 1973; Messrs. Andrews, Davis and DeFrees, in 1974; Mr. Burgar, in 1972; and Messrs. Graham, Oliver and Williams, in 1971.



BEZDICEK



LEWIS



ANDREWS



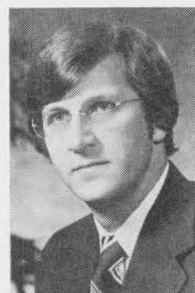
DAVIS



DeFREES



NOWOTNY



WOODRUM

■ **HOWARD J. BOZARTH**, vice chairman, Fidelity Bank, Oklahoma City, has been named by Governor David Boren to be chairman, Oklahoma Industrial Finance Authority. His appointment is subject to approval of the Oklahoma Senate when in session. The OIFA was formed by the legislature in 1959 and is carrying 140 loans totaling approximately \$17½ million.

■ **GILBERT DICK** has been promoted from assistant vice president to vice president and cashier, First National, Clinton, while F. A. Sewell III has been elevated from assistant vice president to vice president. Mr. Dick joined the bank in 1963 and Mr. Sewell, in 1972.

■ **LARRY T. HUGHES** has been elected executive vice president, Security Bank, Ponca City. Formerly a senior vice president, Mr. Hughes has been with the bank since 1962. He replaces James R. Eatherly, who resigned to become CEO, First National, Tonkawa, in which he has bought a controlling interest.

■ **ANTHONY STOCKTON** has joined First National, Tahlequah, as vice president and cashier. He will be in charge of operations and goes there from Liberty State, Tahlequah, where he served as assistant vice president and cashier.

## Tennessee

■ **JAMES C. MEBANE** has been elected vice president and loan administrative officer, Hamilton National, Knoxville. Steveson R. Hodson has been named assistant vice president and manager, Norwood Branch, while Evelyn Key has been elevated to investment operations officer, investment division. Mr. Mebane goes to the bank from Blount National, Maryville, where he served as vice president. Mr. Hodson joined Hamilton National in 1966 and Mrs. Key, in 1949.

■ **EDNA SULLIVAN** has been promoted to business development officer, City National, Memphis, while Janet Caughley has been named administrative assistant. Both have been with the bank since its 1974 beginning and Miss Caughley is executive secretary to Fred W. James, president and chairman.

■ **THIRD NATIONAL**, Nashville, has announced the promotions of Richard D. Holton to vice president and trust officer from trust officer and Warren A. Seely Jr. to vice president from assistant vice president. Margaret Louise

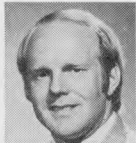


# Charles Rice, a banker's banker.

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Lee Daniel



Charles  
McNamara



Bill Hellen

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**BANK OF OKLAHOMA**

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Heer has been named assistant vice president, having formerly served as operations officer. Mr. Holton joined the bank in 1969; Mr. Seely, in 1967; and Miss Heer, in 1947.

■ **FIRST TENNESSEE NATIONAL CORP.**, Memphis, has announced the extension to March 30, 1976, of the agreement to consider a proposed merger with Pioneer Bank, Chattanooga. According to an HC spokesman, if the HC board should recommend consummation of the merger during that period, approval by shareholders of Pioneer Bank would be required to make the merger final. Regulatory approval has been given for the merger.

■ **WILLIAM H. TIPPITT JR.** has been promoted to vice president at First American National, Nashville, while James C. Armistead Jr. and Jeffrey M. Bradley have been named assistant vice presidents. Mr. Tippitt manages the Donelson Office and joined the bank in 1956. Mr. Armistead, a commercial loan officer, metropolitan accounts, joined First American in 1969, as did Mr. Bradley, who is in the bond department.

## Texas

■ **W. ALLEN GAGE**, senior vice president, Cullen Center Bank, Houston, has been appointed chief administrative officer. Bedford F. Hunter has been named vice president and controller, while Bill S. Graham has been elected vice president and cashier. In news at the bank's affiliate HC, Cullen Bankers, Inc., Houston, an agreement in principle has been reached for acquisition of San Felipe National, Houston. The proposal is subject to negotiation and execution between the participants and to regulatory approval. The HC also announced its intention to issue approximately 135,000 shares of its common stock, probably before the end of this month.

■ **W. B. LAWRENCE**, executive vice president for administration, First National, Amarillo, has retired after 47 years with the bank. He joined the old Amarillo Bank in 1928, working part time while attending high school. That bank merged with First National in 1935. He became a full-time banker after graduation, working in the book-keeping and tellers departments and was elected assistant cashier in 1944. Mr. Lawrence was elevated to cashier three years later, was named vice presi-



GAGE



LAWRENCE

dent and cashier in 1962 and attained his final position in 1969. Additionally, Mr. Lawrence was elected a director in 1957 and was designated a Chartered Bank Auditor by the Bank Administration Institute in 1968. He was the first president of the BAI's Panhandle Chapter.

■ **MICHAEL D. WILLIAMS** has been elected vice president and comptroller, First City National, Houston. Named vice presidents were W. McComb Dunwoody, corporate finance; Ernest P. Izard, teller and vault services; Robert Hugh Poer, custody services; and Joe M. Smith, loan review.

■ **NATIONAL BANK OF COMMERCE**, San Antonio, has announced the promotions of James W. Barr and Milan R. Lalick to vice presidents and Manuel A. Anaya to assistant vice president. Mr. Barr joined the bank in 1949 and manages the NBC facility at Lackland Air Force Base; Mr. Lalick joined the bank in 1953 and is the proof transit department manager; and Mr. Anaya, who is in the business development department, went to the bank in 1958.

■ **DAVID E. RICHARDS** has been elected senior vice president and chief credit officer, West Loop National, Houston. He has four years' experience in commercial lending and eight years' experience as a national bank examiner.

### R. C. "Ben" Trice Dies

**R. C. "Ben" Trice, 51, s.v.p., First Nat'l, Fort Worth, died October 7 in a Fort Worth hospital. He began his banking career with Bank of Commerce, Fort Worth, in 1950, going to First Nat'l in 1956 as a.c. Named a.v.p. in 1958, he became controller in 1963. He continued to rise through the ranks and attained his last position in 1968. In 1972, Mr. Trice helped organize First United Bancorp., Fort Worth, parent HC for the bank, and served as v.p. for the HC. He also was an advisory dir., Gateway Nat'l, Fort Worth, and dir., Citizens Nat'l, Temple, both HC affiliates.**



■ **J. FRANKLIN ALLEN** has been elected president of Houston State and Robert B. Davis has been promoted to vice president. Mr. Allen has been a vice president at Houston State since its 1973 opening, while Mr. Davis joined the bank last January.

■ **STOCKHOLDERS** of Mercantile National Corp., Dallas, have approved a change in name to Mercantile Texas Corp. and reincorporation in the state of Delaware. The name change and reincorporation are subject to regulatory approval.

■ **DAVID HAGGARD** has been named controller, First National, Temple. He goes there after five years with Republic National, Dallas, where he was senior financial analyst in accounting systems.

■ **STEVEN S. JONES** has joined First Professional Bank, Houston, as vice president. Prior to that, he was commercial banking officer, metropolitan department, First City National, Houston.

■ **FROST BANK**, San Antonio, has announced the elections of Arcadio Herrera, commercial department, and Jan E. Saltzman and Holly J. Smith of the executive offices to administrative officers. Mr. Herrera joined the bank in 1968; Miss Saltzman, in 1971; and Miss Smith, in 1974.

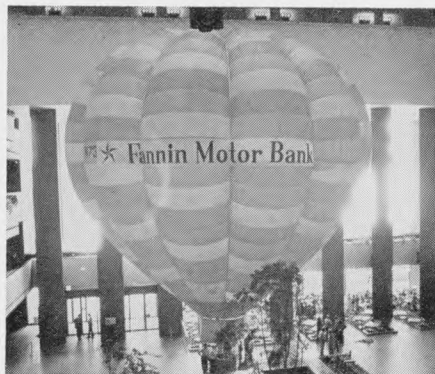
■ **FIRST NATIONAL**, Dallas, has promoted the following to vice presidents: Edward L. Bale Jr., James M. Jordan, Homer R. Northen, Vaughn C. Pearson, Joseph B. Stedman and G. Lee Weaver. New assistant vice presidents include William A. Cameron, Larry L. Helm, Samuel P. Henry, Carey J. Jackson, A. Cole Stephens and Earl M. Worstell Jr.

■ **WALTER F. JOHNSON** has been elected chairman and CEO at First National, Abilene, while Kenneth T. Murphy has been named president, succeeding Mr. Johnson. Mr. Murphy was executive vice president.

■ **TOM MATHIS** has been elected vice chairman, Parkdale State, Corpus Christi, while Traylor Dixon Sells Jr. has been named president and CEO. Mr. Mathis has been with the bank since its 1957 beginning, having joined the bank as executive vice president. He became president in 1958. Mr. Sells most recently served as chairman, president and CEO, First Security National, Dallas, and was senior vice president and director, First Security National Corp., Beaumont.



## An Inflated Greeting



A special greeting was provided during the Independent Bankers Assn. of Texas' first annual convention in Houston by Fannin Bank, Houston, in the form of this hot-air balloon. The lighter-than-air craft, which is tall as an eight-story building, was inflated inside the 30-story atrium of the Hyatt Regency Hotel, headquarters for the convention.

■ **DOAK M. WORLEY** has been elected senior vice president and bond and investment division manager, National Bank of Commerce, Dallas. Prior to joining the bank, Mr. Worley was with the Blyth Eastman Dillon & Co. investment firm in Houston.

■ **BYRON A. FREDERICK**, formerly vice president and trust officer, has been elevated to senior vice president and trust division manager, Southwest National, El Paso. He joined the bank in January, going from Lakeside National, Lake Charles, La., where he served as vice president and senior trust officer.

■ **FRANK C. WILSON** has been named executive vice president and director, Ridglea Bank, Fort Worth. He previously was associated with the Ernst & Ernst accounting firm and with Continental National, Fort Worth. In other news at Ridglea Bank, a spokesman indicates the bank is planning to establish a trust department.

■ **B. J. WILLIAMS** has been named president and CEO of Exchange Bank, Houston, in the Saks Fifth Avenue Center of Fashion. Prior to that, Mr. Williams was senior vice president, Houston National, in charge of retail banking. He began his banking career in 1963 with Texas Commerce Bank, Houston, going to Allied Bank of Texas, Houston, one year later.

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### STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION (ACT OF AUGUST 12, 1970: SECTION 3685, TITLE 39, UNITED STATES CODE)

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9. For optional completion by publishers mailing at the regular rates (Section 132.121, Postal Service Manual) 39 U.S.C. 3626 provides in pertinent part: "No person who would have been entitled to mail matter under former section 4359 of this title shall mail such matter at the rates provided under this subsection unless he files annually with the Postal Service a written request for permission to mail matter at such rates."

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RALPH B. COX, *Publisher*

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# Controversial Financial Institutions Act Starts Move Through House and Senate

*It Would Blur Distinctions Between Banks, S&Ls, Allow Credit Unions to Offer Checking Accounts*

**D**ISTINCTIONS between commercial banks and S&Ls will be almost indistinguishable if a bill approved last month by the Senate Banking, Housing and Urban Affairs Committee becomes law. The proposed legislation, called the Financial Institutions Act, is both complex and controversial and has been pending in Congress since 1973.

A similar bill has been approved by a subcommittee of the House Banking, Currency and Housing Committee. The House study of financial reform is called the Financial Institutions and the National Economy—or FINE Study.

Both actions are the first real step taken toward passage of new financial legislation, but it still faces an uncertain future. One FHLBB representative believes it won't be passed as an entire package before 1980.

In general, the Senate legislation would permit bank-like checking accounts and consumer loans to be offered by S&Ls, interest payments on certain checking accounts, authorize national charters for mutual savings banks, repeal interest ceilings on government-insured home mortgages and attempt to divert more savings money into credit for home buyers.

The measure also would extend for another 5½ years the government's authority to set interest-rate ceilings on deposits in financial institutions.

One major section of the Senate bill would try to give equal tax treatment to all financial institutions. This part of the legislation has drawn sharp criticism in the past. Of course, the Senate Banking Committee cannot change tax laws, and committee members made it clear they don't want to see the nontax provisions take effect without enact-

ment of the tax provisions. Thus, the bill's fate depends on whether the House tax-writing committees, both busy with other work, will agree to the tax sections in the Financial Institutions Act.

The Senate bill would allow federally chartered S&Ls to offer consumer loans and checking accounts, but they would have to relinquish some tax advantages and some freedom on deciding the mix of their investments.

Federally chartered credit unions, too, would be allowed to offer checking accounts.

To regulate the nation's money supply, the Fed would set required reserves against the new thrift institution and credit union checking accounts.

During the next 5½ years, the thrifts would be allowed to pay more interest on savings than commercial banks if this differential should be needed to maintain stability in the mortgage market.

Checking accounts on which all fi-

ancial institutions would be able to pay interest would be similar to the negotiable orders of withdrawal (NOW) accounts currently offered only in New Hampshire and Massachusetts. Then, on January 1, 1977, the usual kind of checking accounts—demand deposits—could draw interest, although the Treasury Department would have authority to postpone this change for another year.

Omitted from the Senate bill was a "truth-in-savings" proposal that would have required financial institutions to disclose to customers various details about interest paid them.

The bill would abolish interest-rate ceilings on mortgages insured by the Federal Housing Administration (FHA). Opponents of these ceilings maintain they're meaningless because the rates usually are lower than prevailing market rates, and lenders thus charge extra fees to make up for the low official rates.

The House proposal is similar to the one in the Senate. The House measure would allow interest on checking accounts and would make mandatory an interest differential of at least 0.25% between savings accounts at S&Ls and banks.

The House bill would eliminate the prohibition on NOW accounts, but there wouldn't be any interest-rate differential for such accounts at banks or S&Ls.

Both the Senate and House bills would require mortgage lenders to tell the Department of Housing and Urban Development (HUD) the number and total amount of loans they're making by census tract or zip code. The objective would be to discourage lenders from "redlining" or refusing to make loans in neighborhoods judged to be risky.

## Corporate Savings Accounts

WASHINGTON—Commercial banks will be able to offer passbook-savings accounts to corporate customers beginning November 10. Under new FDIC and Fed regulations, corporations can deposit up to \$150,000 in such accounts at any one bank. The annual interest rate is 5%.

The banking agencies said the change will allow firms to earn interest on temporarily idle funds and should affect small businesses in particular. The latter often don't have funds to invest in large-denomination CDs or money market instruments, such as Treasury bills.



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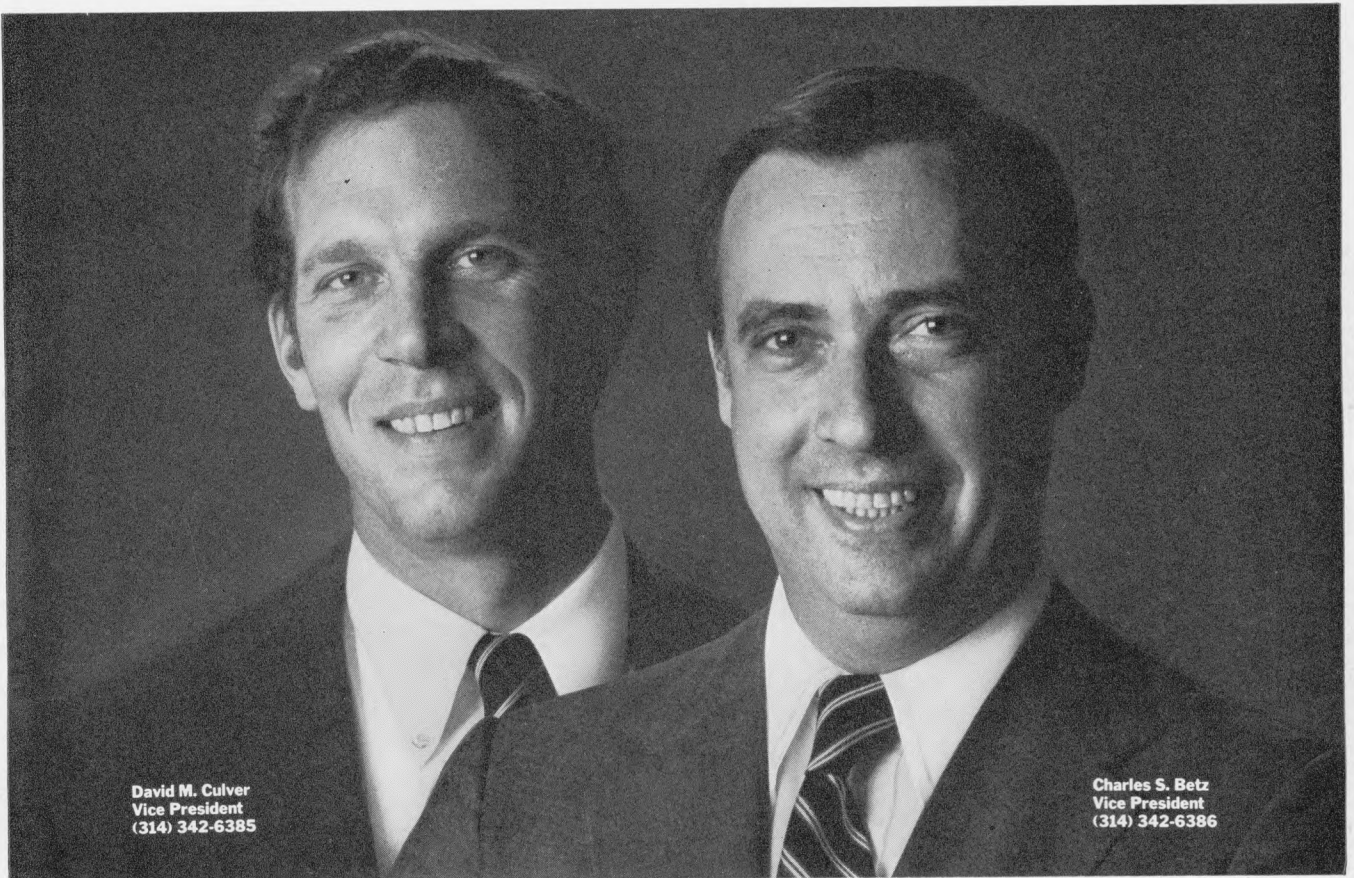
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