

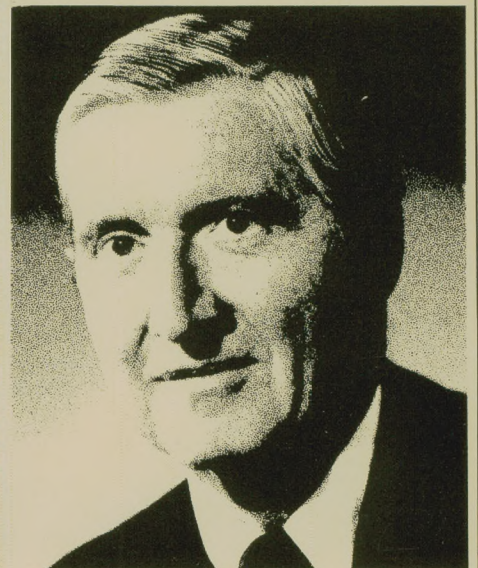
MID-CONTINENT BANKER

(ISSN 0026-296X)

The Financial Magazine of the Mississippi Valley & Southwest

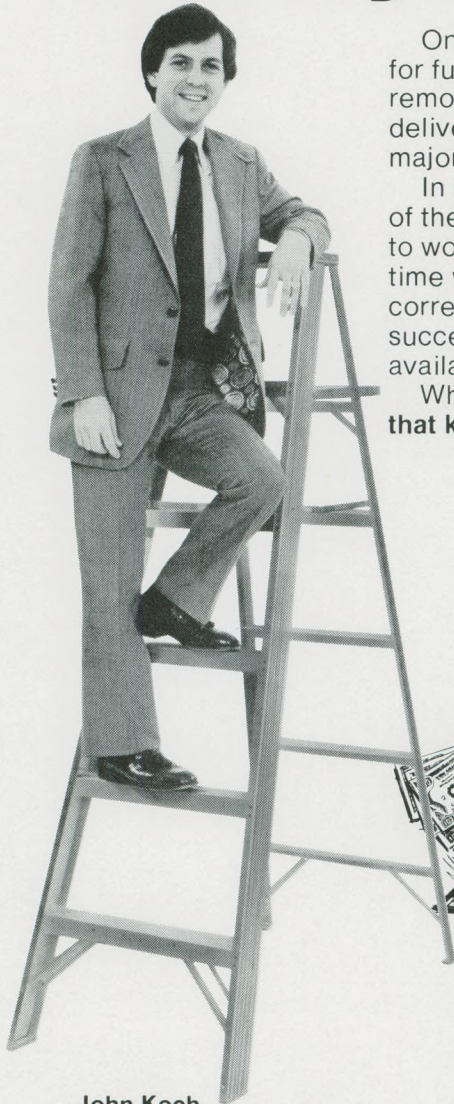
SEPTEMBER, 1979

New Orleans: ABA Convention City



John H. Perkins
President

The Resource That Knows Time is Money— Liberty Professionals.

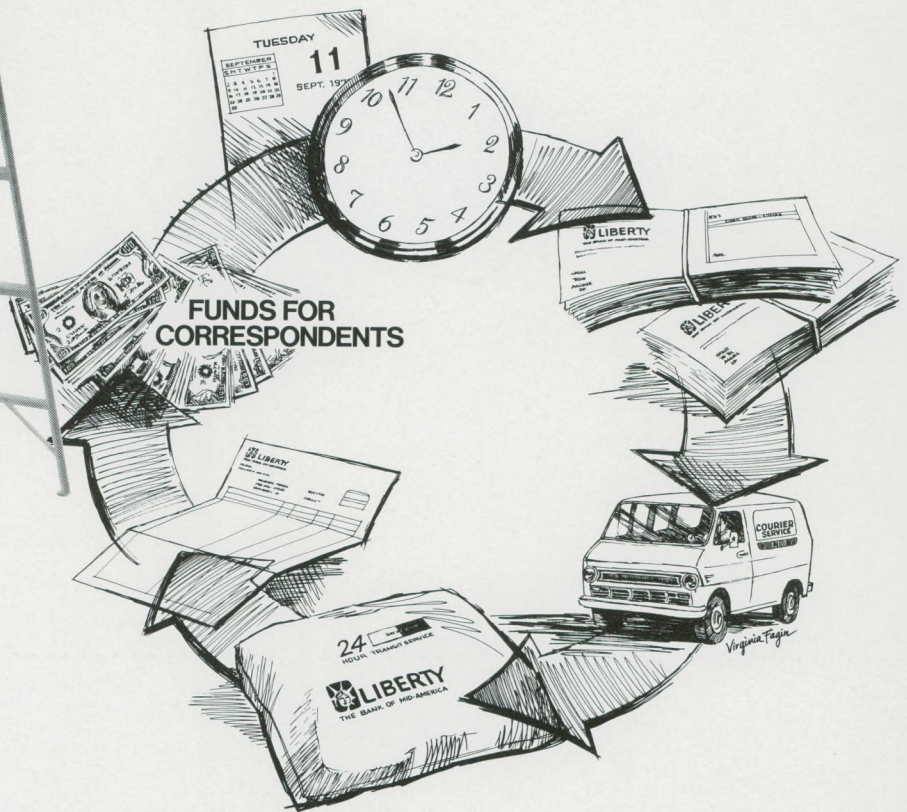


John Koch
Assistant Vice-President

One of our correspondents recently experienced a strong demand for funds. The problem was made more difficult by their comparatively remote location. It took two to three days for their cash letter to be delivered to Liberty for clearing. This delay in collecting funds was a major obstacle to our correspondent's cash flow.

In keeping with Liberty's commitment to problem-solving — the mark of the true professional — we negotiated with a bank courier company to work out a re-routing schedule and a daily pick-up service. Delivery time was reduced to one day and collection time was cut in half. Our correspondent was immediately able to take a major step up its success ladder by reducing float which, in turn, made more funds available for investment and improved the bank's overall liquidity.

When correspondents have float problems, we offer **the resource that knows time is money — Liberty Professionals.**



Original pen and ink by Oklahoma artist, Virginia Fagin, was commissioned by Liberty for the series, "Art in Business."



LIBERTY

THE BANK OF MID-AMERICA

The Liberty National Bank and Trust Company / P.O. Box 25848 / Oklahoma City, Oklahoma 73125 / 405 / 239-6164 / Member FDIC

MID-CONTINENT BANKER is published monthly except semimonthly in May by Commerce Publishing Co., 408 Olive, St. Louis, Mo. 63102. September, Vol. 75, No. 10. Controlled circulation postage paid at Fulton, Mo.

Somebody has to set the standards.



The William Mason Decoy.

Handcrafted in 1915 with the ultimate in skill, patience and care. Reflections of nature in color and detail. Masterpieces by necessity. From Colombia to the Chesapeake, the standard for weekend sportsmen, craftsmen, collectors. Then, and now.

Deluxe.

Since 1915, dedicated craftsmen. People who demand of themselves the ultimate in skill, patience, performance. The result: quality

financial products and services. Functional tools that meet your needs and satisfy your expectations. By necessity.

Deluxe.

Then, and now—the standard.

You see, others may try to imitate, but there's only one Deluxe.

 **DELUXE**
CHECK PRINTERS, INC.

Introducing TheChoice PakSM from

The only prepacked travelers transaction time without

Now there is a prepack system for selling travelers cheques that saves time without antagonizing customers.

It's TheChoice PakSM from Thomas Cook. And unlike other prepacks, TheChoice PakSM does not restrict your customers' purchasing choices. In amounts. Denominations. Or style of wallet.

"How would you like it?"

In most travelers cheque transactions, there is a lengthy dialogue between customer and

teller concerning the amounts and denominations. TheChoice PakSM system eliminates this unnecessary and often confusion-filled discussion. Without sacrificing customer freedom of choice in the process.

No more red faces. TheChoice PakSM also saves time by ending confrontations over specific amounts. While other prepacks limit customer choices to \$50 multiples, TheChoice PakSM enables your tellers to fulfill immediately requests for any amounts.

There are no excuses to make. No embarrassing apologies. No time-consuming explanations. No dissatisfied customers.

The choice of checkbook-style security, too.

TheChoice PakSM also gives customers a choice of manner



TheChoice PakSM offers customers a wide range of denominations. And that's just part of the choice.



Customers can choose a wallet—or the highly secure and highly preferred checkbook format. Both under one cover.

Thomas
L00-000-000
Number 0000 0000



Thomas Cook:

cheques that shorten shortening customer tempers.

for carrying their cheques. Either wallet-style, like other prepacks, or the highly secure and highly preferred checkbook format. Your customer gets both in one with TheChoice Pak.SM

Thomas Cook is TheClearChoice. Thomas Cook Travelers Cheques are accepted in every country of the world.

Only Thomas Cook has a written payment guarantee, so the cheques can be accepted with confidence anywhere.

And now only Thomas Cook offers the ultimate convenience of TheChoice Pak.SM



TheChoice Pak'sSM application is easier and simpler to fill out. It gets customers off line quicker.

TheClearChoice
Thomas Cook
 Travelers Cheques

To learn all the details of The Choice PakSM system — including its operations benefits for you — call W.A. Maas, Sr. V.P., 212-921-3774.

OR
See us at the American Banker's Association National Conference in New Orleans
 October 6-10.
 Booths 464 and 465.

Twice as Nice

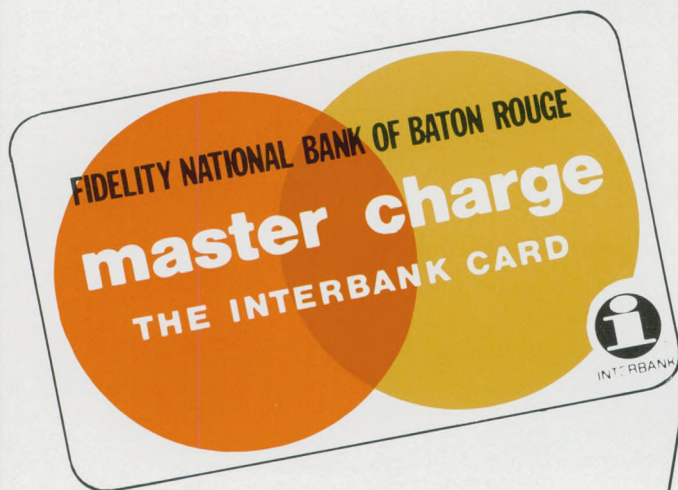
Fidelity National Bank offers complete processing on both Master Charge and VISA in our Bank Card Center in Baton Rouge

Now you can make things twice as nice for you and your customers, with full service through one bank instead of several.

Fidelity's new and modern bank card computer system provides you with:

- greater profit opportunities on both Master Charge and VISA services
- direct line communications (for special VIP customers in a hurry)
- quick authorization for your merchants (one phone number and one call does it all)
- competitive discount rates on local or chain merchants (an excellent incentive for attracting new accounts)
- data capture available for banks which already offer both cards.
- Master Charge/Visa, ATM or private card embossing and incoding at very competitive prices.

To find out more about how Fidelity can make things twice as nice for you and your customers, call either Harry Garrett, Vice President and Manager of Fidelity's Bank Card Center, or Whit Morris, Vice President and Marketing Manager at (504) 387-4084.



FIDELITY
NATIONAL BANK
OF BATON ROUGE

P.O. Box 1606
Baton Rouge, Louisiana 70821

**Your total
bank card
processing center**



HARRIS BANK®

Consolidated Statement of Condition

ASSETS	June 30, 1979
Cash and Due from Banks	\$1,146,215,338
Interest-Bearing Deposits at Banks	506,026,371
Investment Securities:	
U.S. Treasury Securities	389,581,952
State and Municipal Securities	370,252,335
Other Securities	21,161,149
Total Investment Securities	<u>780,995,436</u>
Trading Account Securities	261,811,632
Federal Funds Sold and Securities Purchased under Agreement to Resell	245,039,416
Loans, Net of Unearned Income	2,926,963,824
Allowance for Possible Loan Losses	(27,319,341)
Direct Lease Financing	55,116,327
Bank Premises and Equipment	88,274,979
Customers' Liability on Acceptances	188,688,310
Other Assets	132,821,752
Total Assets	<u>\$6,304,634,044</u>
 LIABILITIES	
Demand Deposits	\$1,425,546,134
Savings Deposits and Certificates	832,378,027
Other Time Deposits	883,960,922
Deposits in Foreign Offices	1,276,608,416
Total Deposits	<u>4,418,493,499</u>
Federal Funds Purchased and Other Short Term Borrowings	1,146,955,501
Acceptances Outstanding	196,691,662
Accrued Interest, Taxes and Other Expenses	93,155,230
Other Liabilities	120,094,909
Total Liabilities	<u>5,975,390,801</u>
 STOCKHOLDER'S EQUITY	
Capital Stock (\$16 Par Value) Authorized, Issued and Outstanding 3,137,815 Shares	50,205,040
Surplus	155,305,960
Surplus Arising from Assumption of Convertible Capital Notes by Parent Company	2,673,900
Undivided Profits	121,058,343
Total Stockholder's Equity	<u>329,243,243</u>
Total Liabilities and Stockholder's Equity	<u>\$6,304,634,044</u>

DIRECTORS

CHARLES M. BLISS
President and Chief Executive Officer

STANLEY G. HARRIS, JR.
Chairman of the Board

ANGELO R. ARENA
*President and Chief Executive Officer
Marshall Field & Company*

JOHN W. BAIRD
*President
Baird & Warner, Inc.*

JAMES W. BUTTON
*Special Assistant
to the Chairman
Sears, Roebuck and Co.*

O. C. DAVIS
*Chairman of the Board
Peoples Gas Company*

KENT W. DUNCAN
Executive Vice President

SAMUEL S. GREELEY
*Chairman
Masonite Corporation*

HUNTINGTON HARRIS
*Trustee
Estate of Norman W. Harris*

DONALD P. KELLY
*President,
Chief Executive Officer
Esmark, Inc.*

JOSEPH B. LANTERMAN
*Chairman
AMSTED Industries Incorporated*

CHARLES MARSHALL
*President,
Chief Executive Officer
Illinois Bell Telephone Company*

ARCHIE R. McCARDELL
*Chairman of the Board and
Chief Executive Officer
International Harvester Company*

ARTHUR C. NIELSEN, JR.
*Chairman of the Board
A. C. Nielsen Company*

FRANK C. OSMENT
*Executive Vice President
and Director
Standard Oil Company (Indiana)*

MARY PETRIE
*Treasurer
The University of Chicago*

THEODORE H. ROBERTS
Executive Vice President

JOHN J. SCHMIDT
*President
Sante Fe Industries, Inc.*

DANIEL C. SEARLE
*Chairman of the Board
G. D. Searle & Co.*

B. KENNETH WEST
Executive Vice President

EDWARD J. WILLIAMS
*Chairman and Chief Executive Officer
McGraw-Edison Company*

As of June 30, 1979, standby letters of credit amounted to \$197,959,257.

Harris Trust and Savings Bank

Wholly owned subsidiary of HARRIS BANKCORP, Inc.

MAIN BANKING PREMISES: 111 West Monroe Street, Chicago, Illinois 60603

BANKING FACILITIES: 311 West Monroe Street, Chicago, Illinois 60606

Board of Trade Building, Chicago, Illinois 60604

INVESTMENT DEPARTMENT REPRESENTATIVE OFFICES: New York; St. Louis

TRUST DEPARTMENT REPRESENTATIVE OFFICE: Scottsdale, Arizona

INVESTMENT ADVISORY REPRESENTATIVE OFFICE: West Palm Beach, Florida

INTERNATIONAL OFFICES: London; Mexico City; Nassau; Paris; São Paulo; Singapore; Tokyo

ORGANIZED AS N. W. HARRIS & CO., 1882 • MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION, FEDERAL RESERVE SYSTEM

Does your correspondent bank have what it takes to be tops in the central Midwest?



We do— and you're looking at them.

If one of these people isn't calling on you now, they should be.

These are the Mercantile Bankers. They're making life easier for officials in several hundred banks in a 10-state region in and around Missouri.

But even aggressive representatives aren't enough to make Mercantile Number 26. It takes services, too. Lots and lots of them. The kind of services you'd expect from New York and Chicago. Mercantile makes them available right here in the heart of America.

Bond and Investment Services. With a staff tuned into domestic and international money markets. A service office on Wall Street. And comprehensive safekeeping services.

Check Clearing Service. Active in two Fed Districts (Mercantile Trust Company in the 8th, Mercantile Bank & Trust in the 10th). 200 direct send points and couriers throughout the country. We also help with float and cash letter analysis.

Loans of All Types. Overline. Direct corporate. Bank stock. Personal. Mercantile has more loan capacity than any other bank in St. Louis or Kansas City.

Data Processing. Regional convenience with centers in Kansas City, Macon, Springfield and St. Louis. Overnight turn-around in most cases.

Trust Services. 300 professionals in our Trust Department manage \$2.25 billion in personal, corporate, tax, pension and profit-sharing trusts.

International Banking Services. In this fast growing area, we handle exchange rates, currency and

travelers' checks for individuals. Import-export market investigations and letters of credit for corporations. Mercantile maintains the only bank brokerage operation in the interior U.S.

Your Mercantile Banker. No matter which account officers you work with, they'll be tops in the business. With names like John McClure, Dan Jasper and Tom Fitzgerald in St. Louis.

These are men willing to get involved—to the point of helping you solve internal marketing and operations problems. Isn't there something they can do for you?

For more information, get in touch with a Mercantile Banker today.

Central Group, Banking Dept.
Mercantile Trust Company N.A.
St. Louis, Mo. (314) 425-2404

We're with you.

**MERCANTILE
BANK**

Convention Calendar

- Sept. 16-19:** ABA National Personnel Conference, Washington, D. C., Capital Hilton.
- Sept. 16-28:** ABA National Installment Credit School, Norman, Okla., University of Oklahoma.
- Sept. 19-20:** Association for Modern Banking in Illinois annual convention, Chicago, Continental Plaza Hotel.
- Sept. 23-25:** ABA Loan Administration/Servicing Seminar, St. Louis, Sheraton-St. Louis Hotel.
- Sept. 23-26:** Bank Administration Institute Conference on international accounting, auditing and tax issues, Miami, Omni International Hotel.
- Sept. 23-26:** Bank Marketing Association annual convention, New Orleans, New Orleans Hilton.
- Sept. 23-27:** Bank Administration Institute EDP audit conference, Chicago, Continental Plaza Hotel.
- Sept. 26-28:** Conference of State Bank Supervisors District IV meeting, Santa Fe, N. M., Inn at Loretto.
- Sept. 30-Oct. 3:** Bank Administration Institute community bank presidents' forum, Colorado Springs, Colo., the Broadmoor.
- Oct. 6-10:** ABA annual convention, New Orleans.
- Oct. 21-24:** Bank Marketing Association corporate marketing conference, Atlanta, Peachtree Plaza.
- Oct. 21-24:** Consumer Bankers Association annual convention, Hot Springs, Va., The Homestead.
- Oct. 21-Nov. 1:** ABA National Commercial Lending School, Norman, Okla.
- Oct. 22-23:** Robert Morris Associates Loan Quality Control Workshop, Kansas City, Alameda Plaza.
- Oct. 24-26:** Robert Morris Associates/Bank Administration Institute Seminar on audit perspectives of loan review, Kansas City, Hilton Airport Plaza Inn.
- Oct. 24-27:** 38th Assembly for Bank Directors, White Sulphur Springs, W. Va., The Greenbrier.
- Oct. 31-Nov. 2:** ABA International Operations Workshop, Chicago, Water Tower Hyatt House.
- Nov. 4-6:** ABA Underwriting Clinic, Chicago, Marriott O'Hare.
- Nov. 4-8:** Bank Administration Institute annual convention, Los Angeles, Bonaventure Hotel.
- Nov. 7-9:** Association of Bank Holding Companies fall meeting, Tarpon Springs, Fla., Innisbrook.
- Nov. 11-14:** Robert Morris Associates Annual Convention, Washington, D. C., Washington Hilton.

"Letters to the Editor"

To the Editor:

I want you to know that we deeply appreciate the space you gave in your journal to the new AIB educational program. We believe this program with its focus on banking-related curriculum will do a great deal to enhance the effectiveness of banker education as provided through the AIB. I'm glad to see that you evidently concur.

The AIB will be implementing other changes in the near future, and I hope we can count on you to help communicate these also. I truly believe that the AIB will be an incomparably better organization in a short time.

Again, thank you very much.

Gary Mulder, Director
Education and Field Relations
American Bankers Association

MID-CONTINENT BANKER for September, 1979

MID-CONTINENT BANKER

The Financial Magazine of the Mississippi Valley & Southwest

Volume 75, No. 10 September, 1979

COVER: Illustrations of New Orleans reproduced here are by the noted New Orleans artist, Joseph A. Arrigo, and are used with his permission. Copyright 1976.

FEATURES

- 38 ABA CONVENTION PROGRAM**
Kissinger, special-interest groups to be spotlighted
- 50 1979 IN BANKING: PREPARATION FOR NEXT DECADE**
Interview with ABA President John H. Perkins
- 60 SPEAKERS BUREAU OF TRAVELING BANKERS**
ABA-sponsored program keeps consumers informed on financial matters

SPECIAL SUPPLEMENT (Between Pages 60 and 105)

- BG/5 BAKER'S DOZEN WILL BOOST BANK PREMIUM OFFER
- BG/8 SHOULD FINANCIAL INSTITUTIONS PLAY A ROLE IN ASSISTING 'SINGLE' PARENTS?
- BG/10 DYNAMIC 60S CLUB BOOSTS BANK'S BUSINESS
- BG/15 BANKS HARVEST \$1.4 MILLION FROM 'SEED MONEY' CAMPAIGN
- BG/25 DEPOSIT TRANSACTIONS UP 640% IN S&L FREE-FOOD CAMPAIGN
- BG/27 MONDAY MORNING MEETINGS KEEP MEMPHIS BANK PERSONNEL INFORMED
- BG/30 IDEAS . . . YOU CAN USE!

DEPARTMENTS

- | | | |
|--------------------------|------------------------|-----------------------|
| 11 THE BANKING SCENE | 18 INSTALLMENT LENDING | 26 SELLING/MARKETING |
| 13 SECURITY | 20 COMMERCIAL LENDING | 28 LET'S TALK SELLING |
| 14 OPERATIONS | 22 WASHINGTON WIRE | 30 BANKING WORLD |
| 16 COMMUNITY INVOLVEMENT | 24 REGULATORY NEWS | 32 EFTS |
| 34 BANK INVESTMENTS | 36 CORPORATE NEWS | |

STATE NEWS

- | | | | |
|--------------|--------------|-----------------|----------------|
| 146 ALABAMA | 149 INDIANA | 150 LOUISIANA | 152 NEW MEXICO |
| 146 ARKANSAS | 149 KANSAS | 150 MISSISSIPPI | 152 OKLAHOMA |
| 148 ILLINOIS | 150 KENTUCKY | 150 MISSOURI | 153 TENNESSEE |
| | 153 TEXAS | | |

EDITORS

Ralph B. Cox

Publisher

Lawrence W. Colbert

Assistant to the Publisher

Rosemary McKelvey

Editor

Karen Kueck

Assistant Editor

Carole Hollander

Editorial Assistant

Advertising Offices

St. Louis, Mo., 408 Olive, 63102, Tel. 314/421-5445; Ralph B. Cox, Publisher; Marge Bottiaux, Advertising Production Mgr.

Milwaukee, Wis., 161 W. Wisconsin Ave., 53203, Tel. 414/276-3432; Torben Sorensen, Advertising Representative.

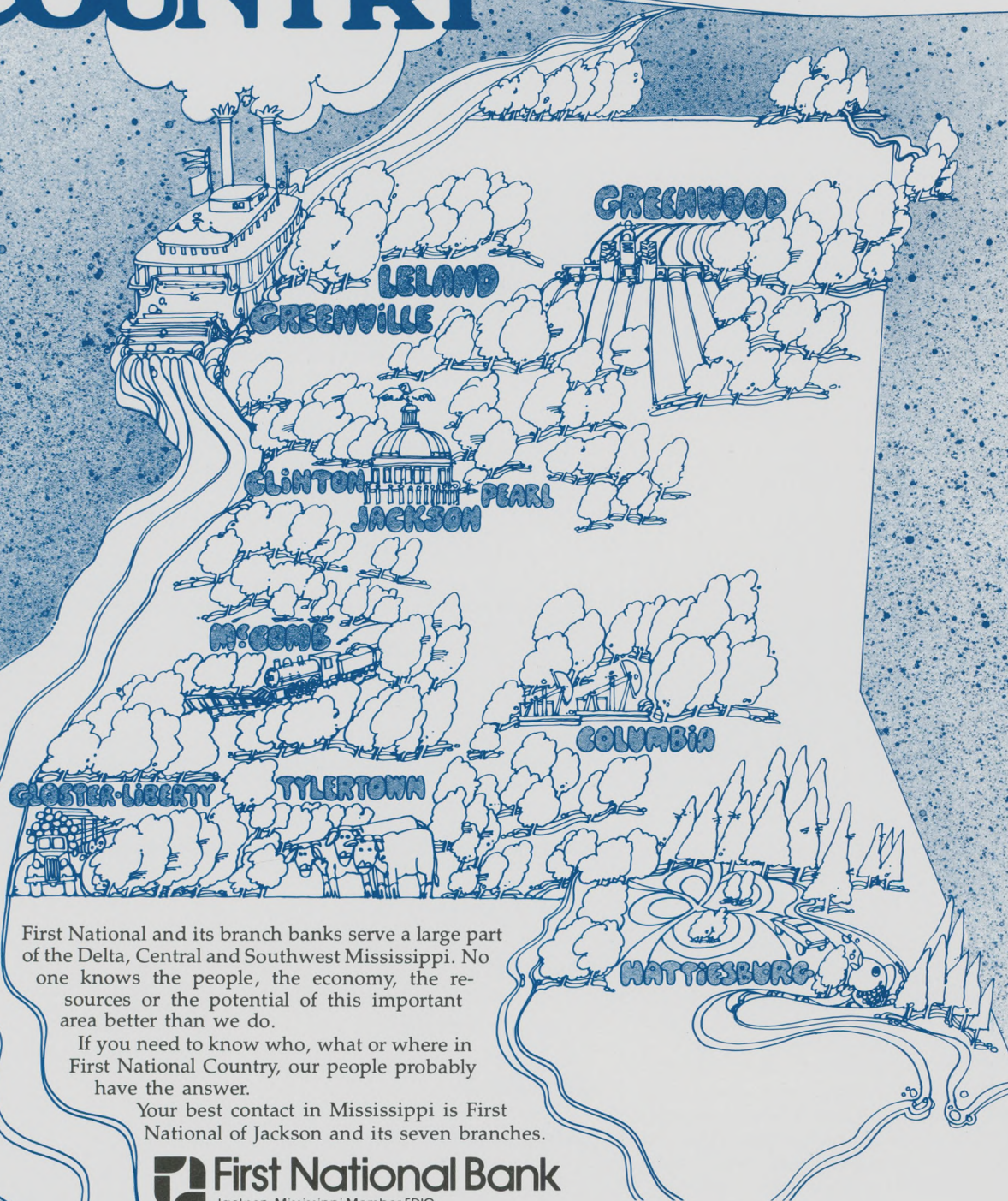
MID-CONTINENT BANKER (publication No. 346-360) is published monthly except semimonthly in May by Commerce Publishing Co., 408 Olive St., St. Louis, Mo. 63102. Printed by The Ovid Bell Press, Inc., Fulton, Mo. Controlled circulation postage paid at Fulton, Mo.

Subscription rates: Three years \$24; two years \$18; one year \$11. Single copies, \$1.50 each. Foreign subscriptions, 50% additional.

Commerce Publications: American Agent & Broker, Club Management, Decor, Life Insurance Selling, Mid-Continent Banker, Mid-Western Banker and The Bank Board Letter.

Officers: Donald H. Clark, chairman; Wesley H. Clark, president; Johnson Poor, executive vice president and secretary; Ralph B. Cox, first vice president and treasurer; Bernard A. Beggan, William M. Humberg, James T. Poor and Don J. Robertson, vice presidents; Lawrence W. Colbert, assistant vice president.

FIRST NATIONAL COUNTRY



First National and its branch banks serve a large part of the Delta, Central and Southwest Mississippi. No one knows the people, the economy, the resources or the potential of this important area better than we do.

If you need to know who, what or where in First National Country, our people probably have the answer.

Your best contact in Mississippi is First National of Jackson and its seven branches.

First National Bank
Jackson, Mississippi Member FDIC

BRANCHES: Amite County Bank, Gloster/Liberty; Citizens Bank of Hattiesburg, Hattiesburg; Columbia Bank, Columbia; Commercial National Bank, Greenville/Leland;

First National Bank, McComb; The Bank of Greenwood, Greenwood; Tylertown Bank, Tylertown

The Banking Scene



By Dr. LEWIS E. DAVIDS

Illinois Bankers Professor of Bank Management
Southern Illinois University, Carbondale

Multi-Tiered Bank Regulation

A NEW and important buzz phrase is circulating in Washington. It is "multi-tiered bank regulation."

Those who prefer to avoid the contamination of Washington still must become conversant with the concept. Basically, the idea behind multi-tiered bank regulation is that it does not make much sense to regulate a small community bank in Mule Shoe, Tex., the same way that giants like Bank of America, San Francisco, Citibank, New York City, or Continental Bank, Chicago, are regulated. It simply is not workable to call for thousands of our nation's smaller institutions to comply

"It is simply not workable to call for thousands of our nation's smaller institutions to comply with the technical complexities and verbiage in many, if not most, of the regulations that are now in effect."

with the technical complexities and verbiage in many, if not most, of the regulations that are now in effect.

It is not clear who should be given credit for the recent development of the multi-tiered-regulation concept. Many bankers and other business people say they have needed attorneys and CPAs to translate recent regulations — and often even their attorneys and accountants were not sure of the precise meanings of the regulations. One has only to page through the amendments to and interpretations of Regulation Z (Truth-in-Lending) to be sympathetic with the plight of bankers who are being drowned in unnecessary government interference. Bureaucrats held there

was a need for the regulation — and never had to defend their costs relative to benefits.

It is not only bankers who have embraced the logic that governmental red tape has reached a counterproductive level that is intolerable. Bank regulators themselves have found it out the hard way. They, too, have had trouble interpreting their often inconsistent and imprecise regulations.

It should be noted that Washington legislators have been guilty of violating the 11th commandment — they are guilty of the sin of hubris. This means they are guilty of wanton insolence and arrogance as a result of excessive pride or passion based on the belief that they know what is best for all of society; that society is not capable of knowing what its own needs are.

Legislators such as Senator William Proxmire (D., Wis.) have awakened gradually to the fact that they themselves have erred in their well-intended, but fumbling, efforts to save society from enemies and villains whom they perceive to be businessmen, including bankers.

Some legislators now are saying that the complex and often ill-conceived legislation they created to protect society from big business has been misapplied. That is, that big business can hire the expert and high-priced lawyers and accountants to comply with the regulations (and pass the cost on to the consumer), but the small businessman and banker cannot. Ergo, big businesses are in compliance and can expand while the small firm withdraws from the complex areas, reducing competition and moving society toward more monopoly.

Thus one partial solution, it is believed, could be multi-tiered regulation. That is, exclude smaller institutions from some of the regulatory overkill.

FDIC Director William M. Issac is quoted recently as stating, "Community banks may be exempted from some of the current regulations so as to relieve their paperwork burden."

Most bankers, academics and business people I have discussed this concept with feel it is a step in the right direction. That is, if legislators and regulators promptly follow up on their stated good intentions. Prudence suggests that it would be optimistic, however, to expect that more than a modest amount of exemption (relief) will be extended to community banks.

The exact true and overall costs of

One partial solution could be multi-tiered regulation. Community banks may be exempted from some of the current regulations to relieve them from the regulatory overkill small banks are experiencing.

over-regulation can never be known. There are direct costs to be sure, but indirect costs and incremental costs are substantial.

To illustrate: *The Wall Street Journal*, reporting a survey made by *Personnel Journal*, recently noted that personnel departments at American companies grew in size by better than 25% between 1976 and 1978. Most of this growth was necessitated by needs of businesses to comply with reporting requirements of state and federal agencies. Incidentally, while the departments' sizes grew by a bit more than 25% in that period, monetary costs of the typical personnel department grew about 34%. Two of our most

(Continued on page 138)

We'll even work at your customer's place. Nights. It's all in a day's work for **Ætna Money**.

We do more than make financing programs, credit lines and cash advances available. We make them available professionally and flexibly.

Even if it means working with your customer after hours or on weekends, in his plant or office.

Even if it means expanding credit lines so that we can provide more working capital—or money for an acquisition or any other special purpose.

Even if it means refinancing existing equipment or setting up a loan to purchase new equipment.

We are national in scope which means we can work with your customer no matter where the company or its divisions are located. And we'll

work with you so that your bank can maintain its present relationship.

Service like that is what makes **Ætna Money**SM different. Why not discover the difference it can make for your customers and your bank? Call your **Ætna Business Credit** representative for more information.

You get action with **Ætna**.

Ætna **Ætna Business Credit, Inc.**
One of the **ÆTNA LIFE & CASUALTY** companies

© Ætna Business Credit, Inc., 1979



Service is the difference between **Ætna Money and other money.**

180 North LaSalle Street, Chicago, IL 60601 (312) 346-8370
One Main Place, Dallas, TX 75250 (214) 651-0361
530 North Water Street, Milwaukee, WI 53201 (414) 272-3102



By OSCAR W. JONES
Director
Loss Prevention Services
Scarborough & Co.
Chicago

Safe-Deposit Sloppiness Means Losses

OPERATION "SLOPPI." Sounds warlike, doesn't it? But perhaps it's time to make that beach-head landing to clean out sloppy operations that creep in and grow insidiously — somewhat like overhead.

One isn't always aware sloppy operations are taking place. They slide in to the day's work quietly, and then, without anyone realizing it, they are part of the routine. That they are with us no longer is in doubt, because the net results are increased losses — a high cost to pay for carelessness.

"Surrendered boxes should be examined immediately and must not be rented until the lock has been changed and new keys made. Contents found in a surrendered box should be handled in the manner provided for contents of drilled boxes."

Nor are sloppy operations usually intentional. Because of pressure, tension and desire to serve the customer, we do things a prudent person never would do after a little thought. Lobbies are crowded with customers; currency in circulation is nearly five times what it was 10 years ago; flow of items from your bank has become a real operational problem. Making out deposit slips for customers; delivering night depository bags to unauthorized employees; accepting securities for safekeeping without the precaution of proper receipts, etc., etc. — these are just a few of the many "accommodations" that, in the long run, are not favors to your many customers, and that cost your bank money. *Now* is the

time to put a stop to these extracurricular activities, to eliminate wherever possible those practices that are beyond services called for under good banking procedure, to consider carefully the unfavorable effect on your public relations should "Operation 'Sloppi'" give you some uncomfortable moments.

There's no single bank department that is not vulnerable to unintentional carelessness. Let's consider what happened just the other day to a banker friend of ours whose day (with many to follow) was completely ruined, largely because he had not taken precautions in his safe-deposit-box operation. Imagine yourself in his shoes. What would you do if one of your box renters found that \$20,000 he thought was stored safely had disappeared?

We're going to tell you the story of this disappearance and how it could have been avoided. Our friend is a wiser man because of this, and his experience may lead you to review your own vault-department procedures, may point out areas in which *you* can "tighten up" and prevent a safe-deposit-box loss in *your* bank.

Early one morning, a box renter appeared at the bank. This man had a locksmith in tow and explained that, inasmuch as he had lost his key, his box would have to be opened forcibly. Because the bank had no key (a point in its favor), the officers consented, and the work was begun in the presence of witnesses. The smith found that an unusual effort was needed to remove the box. When it finally was extricated, witnesses saw that one side and the corresponding partition of the cubicle were badly twisted. Obviously, some one had been tampering. This fact soon was unmistakably clear, because \$20,000 that had been placed in the box no longer was there.

It was apparent that entry must have

been made through an adjoining box. The key to this second box — belonging to a man from a neighboring town — was found to be kept at the bank for "convenience" and accessible to any employee. It took no great deduction to see that someone had taken this key, opened the box and used some method to pry through the partition into the box containing the hoard. Subsequent investigation showed just that. Eventually, a former employee of the bank admitted to authorities that he had entered the box after hours, using a cold

"Maintenance of proper safeguards in the safe deposit box department is of great importance in minimizing potential liability. While states' laws vary as to applicability to operations of a bank's safe deposit box department, certain principles are common to most states."

chisel to force an opening once he had gained access to the adjoining box by use of the key left on the premises. At the same time, he admitted entering three other boxes, keys for which also were accessible to any bank employee.

From that point, the story runs a familiar trail, so we'll not go into details of legal proceedings against the culprit. What *does* interest us is: What caused this embarrassing loss, and how could it have been prevented?

Actually, the first responsibility in this case was that of the customer — to the extent that he stored cash in his lockbox. This is a practice that must be discouraged.

Cash in boxes invites trouble. Aside
(Continued on page 132)

Self-Resetting Program for Postage Meters

POSTAGE-METER customers can reset their meters themselves on their own premises under a new remote-meter-resetting system (RMRS) developed by Pitney Bowes, postage meter manufacturing and marketing firm. In the past, all postage meters had to be reset at a post office by Postal Service personnel.

St. Louis' Mercantile Trust already has begun operations as the sole lock-box bank for the RMRS and reports volume of payments processed is expanding, as had been expected. Pitney Bowes determined that St. Louis was the best lock-box point for the system after conducting a sophisticated mail-time study.

Under the new system, postage-meter customers reset their meters using a resetting number they receive by telephone from Pitney Bowes' computer center in Connecticut. Customers who use the RMRS must de-

posit funds in trustee accounts before resetting their meters. At each resetting, postage is paid from the account on the customer's behalf.

All deposits made to the trustee accounts are received and processed by Mercantile's lock-box operation. Mercantile's computer in St. Louis then communicates with Pitney Bowes' Connecticut computer center, permitting updates of customers' postage-meter accounts on the same business day. Each day, Mercantile transfers the previous day's receipts to the system's trustee bank, Hartford (Conn.) National.

A substantial portion of revenue collected by the postal service through postage meter settings is expected, eventually, to be collected through the RMRS. In 1977, \$6.1 billion was collected through postage meter settings. Mercantile estimates that within five years, its lock box operation will be

processing more than a million postal meter deposits annually.

To facilitate processing of deposits for the system, as well as a rapidly growing volume of remittances for other corporations, Mercantile last year became the first bank in the central Midwest to install Amer-O-Matic TRP System 500 remittance processing equipment. The Amer-O-Matic equipment, which utilizes a PDP 11/45 mini-computer and several automated work stations, has permitted Mercantile to combine and automate several

Under the new system, postage-meter customers reset their meters using a resetting number they receive by telephone from Pitney Bowes' computer center in Connecticut. Customers who use the RMRS must deposit funds in trustee accounts before resetting their meters.

steps in the processing of payments that had been performed manually.

"We selected the TRP System 500 because we felt the approach Amer-O-Matic has taken in designing its equipment makes it the best choice for us in the long run," Jerome J. Sandweg, vice president, financial services, says. "Amer-O-Matic is the only manufacturer of remittance processing equipment that has solved some of the problems encountered in handling certain types of remittances we anticipate that we will be processing in the future."

The equipment has the capability of optically reading the dollar amount of remittances and automatically encoding the amount on the check's MICR line. Adjustable read heads permit it to scan the customer's print line regardless of where it is placed. The TRP System 500's compare feature enables it to balance remittances with checks item by item, and the equipment automatically captures remittance data.

In processing deposits for the RMRS, the TRP System 500 captures all data from the MICR line for transmission to Pitney Bowes. ●●

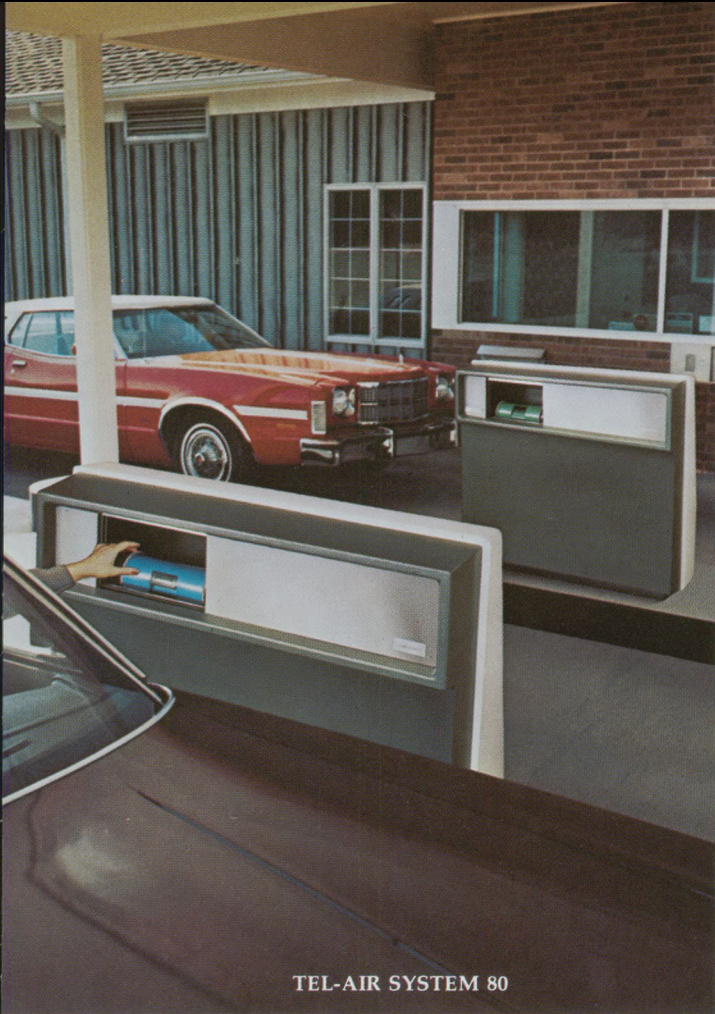
DATA CARD'S SERVICE BUREAU . . . A TURNKEY operation offering

- Total embossing/encoding and mailing capabilities with minimum turnaround time and tight security.
- Ability to do all or part of the job including the manufacture of plastic cards.
- Support services to direct and supervise your individual card program.

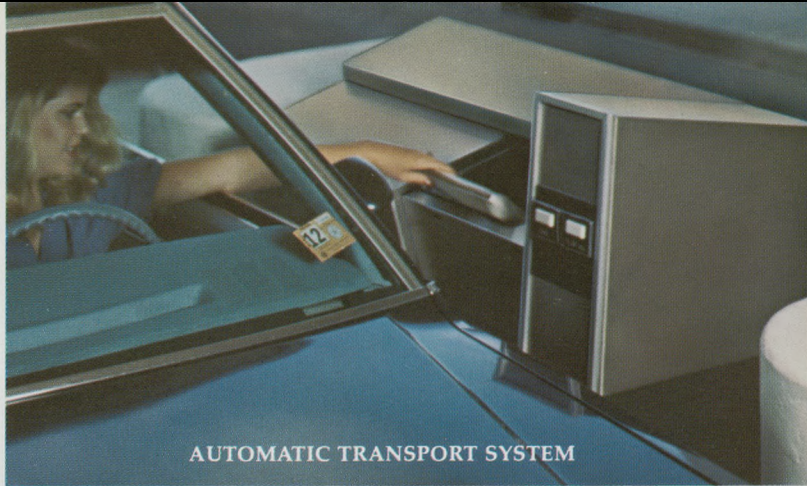
From start to finish . . . DATA CARD'S
SERVICE BUREAU . . . a complete TURNKEY
operation at a competitive price.



P.O. Box 9355 • Minneapolis, Minnesota 55440
612 933-1223



TEL-AIR SYSTEM 80



AUTOMATIC TRANSPORT SYSTEM



ALARM AND REPORTING SYSTEM

Three of 12 exciting new products from LeFebure.

The new **Tel-Air System 80** is a drive-up system with utility and reliability built into every feature. From elegant fiberglass kiosks to color-coded "See-through" Carriers, Tel-Air 80 means better customer service, at a surprisingly low cost.

Another new drive-up product is the **Automatic Transport System** which features a new cable rail concept for teller/customer convenience. Underground transport carries transactions weighing up to 25 lbs. from kiosk to teller and return. Now, you can offer an important new service to your commercial trade.

Also new from LeFebure is the **Proprietary/Central Station Alarm and Branch Reporting System**. Designed to be flexible, reliable and cost effective, this system combines and simplifies a variety of banking details. It provides surveillance and controls all alarms while simultaneously gathering data, processing events, and storing information from branch operations.

Additional new LeFebure equipment includes: Under-counter Tel-Air Teller Terminals; 15 foot Drive-up Window Units; Vault and Safe Alarm Systems for Grade A and Grade

B U/L Certification; Double Key Changeable Locks for Safe Deposit Boxes; Motor Banking Closed Circuit Television Identification System; A Series of Combination Locks with unique lens for protection against spying; A combination Handle and Key Changeable Lock for Teller Pedestals and Protection Systems for Depositories.

LeFebure also continues their tradition of innovation with the first U/L listed vault door.

Here are a dozen solid reasons why you should talk to your LeFebure Sales Engineer. Do it now.

LeFEBURE

Division of Walter Kidde & Company, Inc.

KIDDE

Cedar Rapids, Iowa 52406

Community Involvement

Car Poolers Save:

Reduced Parking Fees For Three in a Car

Third National, Nashville, is encouraging employees at its downtown main office to conserve gasoline through car pooling by offering reduced parking rates and free bus service from a parking lot to the office.

The program, called Third's Ride and Conserve (TRAC), is receiving widespread acceptance, according to Carl Sneed, Third National vice president for advertising and public relations.

The TRAC program utilizes a parking lot leased by the bank several blocks from the office. Employees who regularly have at least three persons in their car both to and from downtown are permitted to park at a reduced rate. Other employees also may use the lot, but must pay the full rate.

A shuttle bus to the office is available to employees in the early morning hours, while in the afternoon, city

buses may be ridden back to the lot free of charge.

"It offers our employees two ways to save," says Mr. Sneed. "First, by conserving fuel through car pooling and second, by taking advantage of the reduced rate for parking. We believe incentives like this can show leadership in our nation's efforts to reduce energy consumption."

Feeling Good:

Screening Tests Given At Bank's Health Fair

Capitol Bank, Chicago, sponsored a free two-day community health fair titled "To Your Health." The public was invited to attend the event, which was held in the bank's second-floor community room. Four free health screening tests for hypertension, diabetes, hearing and foot problems were conducted. Also, the health fair included special demonstrations on cardio-pulmonary resuscitation, the Heimlich maneuver and breast-cancer detection. Literature on all aspects of getting and staying healthy were made available, and volunteers were on hand to answer questions.

"Capitol Bank is sponsoring the health fair as a community service," said Gil Mazzolin, bank chairman. "We're proud to have the cooperation of the city health department, the Chicago Heart Association, the American Cancer Society, the Cancer Prevention Center and the Illinois College of Podiatric Medicine." By bringing the specialties of these organizations together, the bank offered a valuable program from which the entire community — young and old — benefited.

Helping the Blind:

Statements in Braille Available at Bank

Braille bank statements are being offered to any visually handicapped person free of charge, thanks to a joint venture by the Oklahoma League for the Blind (OLB) and Liberty National, Oklahoma City.

Banking has been one of the hardest things with which a blind person has



Blind person tries out braille checkwriter assisted by Liberty Nat'l, Oklahoma City, customer counselor Marlene Disney, while another customer waits his turn.

had to cope. Liberty National's braille statements make it possible for a blind person to go through the same accounting procedure every sighted person uses to balance a checkbook without relying on someone else for help.

Checks for the blind are available in two styles. Raised letter-line checks are printed in raised ink on a larger than regular blank for touch identification. Stylus checks are standard-sized checks that are placed in a special metal guide. The guide has slotted openings for date, payee, amount and signature as well as braille cells for recording transactions on the check stub.

Statements will be brailled at Liberty National on braille machines on loan from the OLB until the bank receives its own machines.

LeRoy Saunders, executive director of the OLB, says, "As far as we know, this is the first time any bank has offered this kind of service to blind persons in our state."



This is logo for Third Nat'l of Nashville's ride-and-conserve program.

**TRY US
FOR YOUR NEXT
ENVELOPE
REQUIREMENT***

MISSOURI ENVELOPE CO.
10655 GATEWAY BLVD.
ST. LOUIS, MO. 63132
Phone 314/994-1300

*Ask for our new Plastic Sizer® Template —
Free with your first inquiry.



THE NEW BANKING SYSTEM Walls that aren't really walls. Privacy achieved with open space and flexibility. No closed doors. No inflexible hallways or offices. You're looking at an area in a major bank using the most efficient system in commercial design today . . . modular. The system, one of several we offer, and the design came from us, Arrow Business Services. Modular office systems are just one of the ways we'll make every square foot you have work for you, flexible enough to change as you do. We have 16,000 square feet of ideas in our showroom and 25,000 square feet of active inventory to back them up. With our bank experience, we're sure to have the right idea for you. Give us a call.



BUSINESS SERVICES, INC.
an affiliate of Memphis Bank & Trust
3050 Millbranch • Memphis, Tennessee 38116
901/345-9861

The Case Against Credit Controls

Edward J. Kane, "Good Intentions and Unintended Evil: The Case Against Selective Credit Allocation," *Journal of Money, Credit and Banking*, 9 (February, 1977), pp. 55-69. (Single copies available for \$4.50 from Ohio State University Press, 2070 Neil Ave., Columbus, OH 43210.)

WITH growing concern about credit controls . . . it is useful to review this excellent article on the economic and political realities of selective credit controls. This article is important because it provides numerous pithy insights into the way that economic and political realities interact in credit markets.

The unique contribution of Mr. Kane's paper is that it demonstrates how controls spring not only from eco-

Once controls are enacted, "In the economic arena, ways are devised to make them less effective." However, "as long as supporters remain united and politically powerful, the balance of true social benefits and costs (if unfavorable) remains secondary to the intended benefits."

conomic forces operating solely through the economic system, but also from economic forces operating through the political system. Further, it shows that once controls are enacted, they will tend to generate economic forces to evade or contravert them. Evasionary economic forces may be relatively weak in the short run, but in the long run, they will gain in their strength and importance. As institutions develop to

This article was reprinted with permission from the July-August issue of *Monitor*, published bimonthly by the Credit Research Center, Krannert Graduate School, Purdue University, West Lafayette, Ind.

provide economically desired goods and services in spite of politically imposed regulatory obstacles, those institutions, in turn, will gain political power. They then will use their newfound political power to support the regulatory superstructure that gave them birth and sustenance. As a result, Mr. Kane shows that once regulations are imposed, they will tend to gain a life of their own (with accompanying political support) even if they are ineffective at achieving their objectives.

Mr. Kane cites a number of examples to illustrate his thesis. Among them is an interesting description of the effects of "prohibition." The most pertinent, and most detailed, examples, however, apply to the effect of deposit-rate ceilings. There, he shows that prohibition of interest payments on demand deposits and regulation of interest payments on savings deposits have led to additional complications. In particular, he notes that these restrictions led to the giving of free "gifts" to depositors (which then came to be regulated by regulators), provision of a multitude of "free" or below-cost services to depositors and (during periods of high interest rates) "disintermediation," as funds flowed out of depository institutions into direct investments. Such regulations also have spawned development of real estate investment trusts (which he feels may have served mortgage markets less efficiently than the institutions they displaced) and money market mutual funds. These institutions, in turn, have gained political power and have a vested interest in arguing for maintenance of rate ceilings on depository institutions, which now are their potential competitors. Thus, even though Mr. Kane thinks it desirable that deposit-rate ceilings be abolished, he notes that such proposals "have continually foundered on the political difficulty of designing and putting across a compromise package of compensatory changes in the nation's financial structure that would underwrite adjustment costs and otherwise reconcile opposing interests of concerned sectors."

In his discussion of selective credit controls, Mr. Kane notes that controls include "any kind of subtle or unsubtle penalty or inducement to reduce or enhance a particular group's access to funds." They are popular with regulators because they "generate no explicit cost or subsidy entries in the federal budget." Further, costs associated with such programs take "the form of inefficient uses of productive resources (e.g., in additional activities required either to comply with, to enforce or to circumvent the restraints)." Thus, the "diffuseness and the difficulty of measuring these costs make them appear much cheaper to politicians than they truly are."

He notes that controls are politically popular because "supporting coalitions seek controls as ways to better them-

Proposals to abolish deposit-rate ceilings "have continually foundered on the political difficulty of designing and putting across a compromise package of compensatory changes in the nation's financial structure that would underwrite adjustment costs and otherwise reconcile opposing interests of concerned sectors."

selves. Elected officials are attracted to them as a matter either of ideology (i.e., for so-called higher motives) or of self interest." Further, he notes that "To nonideological politicians, controls appear twice blessed. They can score points with the electorate both when they impose controls and when they vote them out later if and when their costs have been revealed to be excessive." Also, "voting controls in and out on demand establishes lawmakers' good intentions and disposition to act against pressing problems." Thus, officials will resist pressures for

(Continued on page 136)

The Tight Money Trap.



At ICS we know it's easy to fall into. But there's never been a better time to market higher yield property improvement loans. We guarantee it.

Tight money means loan dollars *must* be concentrated where they return *the most productive yield*. Risk-free property improvement loans provide excellent returns. And, with new home costs mushrooming, Americans are investing billions in improvements to existing property.

ICS, the world's leading insurer of property improvement loans, can tailor an HIL program to expand your portfolio volume and build profits in this important area. We get at the bottom line by cutting through red tape. Here's what you get:

Greater yield. Property improvement loans generate substantially greater income than most other types of consumer loans. And net yields to lenders average 25% more under the ICS plan than under FHA Title I.

Risk-free security. 100% protection against every predictable default. Strikes, divorces, skips, bankruptcies, layoffs.

Greater flexibility. ICS tailors a program to your needs. Amounts. Terms. And *all* types of improvements are eligible.

Fast, comprehensive service. Claims are paid in days—not weeks or months. ICS offers portfolio review and evaluation on a continuing basis, plus a proven marketing program to help broaden your HIL volume.

Financial stability. Insurance provided by Old Republic—world's largest insurer of consumer credit with full-line coverage in the lender insurance field.

Over 1600 institutions are already profiting from the ICS plan. Let us show how we can help increase your portfolio profitability.

Call William F. Schumann, President, (312) 621-9400, for a plan tailored to your needs.

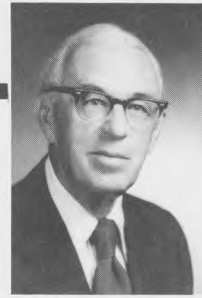
INSURED CREDIT
SERVICES
INC.

America's No. 1 insurer of property improvement loans.

307 N. Michigan Avenue • Chicago, Illinois 60601 • 312/346-8100

A SUBSIDIARY OF OLD REPUBLIC

Other Subsidiaries: Old Republic Life Insurance Company, Old Republic Insurance Company, Old Republic Mortgage Assurance Company, Title Insurance Company of Minnesota



By **DAVID A. ROBINSON**
President
Dave Robinson, Inc.
Melrose, Mass.

Receivables Good Security for Loan?

ACCOUNTS-receivable lending is a uniquely flexible device to assist the thousands of businesses whose borrowing requirements must be geared more to sales than to balance sheets and where the lender does not feel comfortable with an unsecured loan for the amount involved. Companies that find receivable financing particularly useful include the following:

1. New companies that have not established a sufficient track record to indicate their ability to repay an unsecured loan.
2. Companies that have created a new product that suddenly takes off and whose borrowings need to be tied directly to increasing receivables.
3. Businesses that are heavily seasonal where loans can be secured and repayment can be made in concert with the ebb and flow of the season.
4. Companies that have suffered losses and whose financial condition and history will not support unsecured loans.
5. Companies suffering from over-expansion or "conglomeritis" that need more funds than are available on an unsecured basis to tide them over until they adjust to their new size and perhaps to their new type of operation.
6. Companies that have suffered catastrophes such as fires, which have partially or entirely destroyed company assets. In such events, receivable financing often can buy time until the companies are operating smoothly again.

These are only a few of the cases when loans based on security of receivables can be the best, and sometimes the only, method of financing a company that needs more funds than can

David A. Robinson is a secured financing consultant with more than 30 years' experience. He operates his own consulting firm and directs many New England banks on accounts-receivable and inventory lending. During his career, he has been an officer of Walter E. Heller & Co. and James Talcott Co.

Mr. Robinson is the author of a book, "Accounts Receivable and Inventory Lending — How to Establish and Operate a Department," published by Bankers Publishing Co., 210 South St., Boston, MA 02111. He will conduct a seminar October 29-30 in Chicago on "Accounts Receivable and Inventory Lending: How to Both Organize and Operate a Department." He conducted a similar seminar in June in New York City.

be provided on an unsecured basis. It must be kept in mind, however, that receivable borrowers are *marginal* borrowers in relation to the amount they need. Therefore, a bank has to rely greatly on the ultimate collectibility of its collateral to pay the loan even under liquidation conditions.

Fundamental Procedures. The word "security" when applied to receivables has a different connotation than when applied to other types of collateral. For example, value of machinery or real estate can be determined by examining cost records or by using experienced appraisers. Furthermore, value of such assets can be determined on an ongoing basis by the application of prudent depreciation schedules. Not so with receivables. The value pledged to you today can be different both as to quantity and quality than that pledged yesterday, and it will be different again tomorrow. What then can we do to be sure that every day's collateral will be of sufficient value to cover the loan outstanding against it?

First, let me say there is no checklist in the world that, even if followed meticulously, will guarantee your collateral always is sufficient to cover your loan. Handling of a revolving loan on the security of receivables demands constant surveillance, imagination and, should there be any larceny in your borrower's heart, a fair amount of luck.

In spite of these caveats, however, receivables lending can be rewarding both to the bank and the borrower if a few fundamental procedures are followed. For example:

Documentation. Be sure your documentation and filings are complete in every respect and that they give you sufficient flexibility to adjust conditions of the loan if at any time you feel insecure. In this regard, a competent and experienced attorney should be a part of your team to guard against any possible attacks on your liens.

A principal job for unsecured creditors' attorneys is to find holes in your documentation or procedures for the benefit of their clients. The secured creditor can hope for, but not necessarily expect, help and cooperation from the debtor or his other creditors. Furthermore, if your loan winds up in court, you cannot expect the court to attempt to protect your rights. It must be assumed the court will protect the debtor and the unsecured creditor, while the secured creditor protects himself.

Financial Reports. Watch the financial health of your borrower via frequent financial statements plus field examinations of his books. As a general rule, unaudited interim financial statements should be submitted to you on a quarterly basis. In addition, a certified statement should be submitted at the end of your borrower's fiscal year. These plus examinations on a 60- or 90-day basis by your field examiner should keep you pretty well informed

(Continued on page 120)

This article is reprinted with permission from *Journal of Commercial Bank Lending*, published by Robert Morris Associates.



IF YOU CAN'T MEET YOUR CUSTOMER'S LOAN NEEDS, SOMEONE ELSE WILL.

Make GECC your alternate financing source and you can say good-bye to saying "no."

Sometimes your best customers grow bigger than your lending capacity. You don't want to lose them, but you may not be prepared to commit the resources it would take to meet their needs.

General Electric Credit Corporation can help. We can provide those larger loans your commercial and industrial customers are looking for—or participate jointly with you to limit your risk.

With a wealth of financial know-how and over \$6 billion in receivables, we can be a continuing source of funds to your clients—even when other money sources start drying up.

And don't be afraid to ask for the unusual. GECC can tailor a loan to fit your client's needs to a tee—a revolving loan based on receivables and inventory, a term loan secured by fixed assets, or a package combining both.

To find out how GECC can help insure that your best customers remain your best customers, call John Prizer at (203) 357-4705.



**General
Electric
Credit**
CORPORATION

Administrative Offices:
260 Long Ridge Rd. • Stamford, CT 06902

New Fed Chairman in Bankers' Spotlight

INITIATIVES by Paul A. Volcker, new Fed chairman, will be a key focus of attention for bankers and others in the coming months. Monetary and economic policy head the list of concerns, and, in addition, it is expected that Mr. Volcker's viewpoint on the Fed-membership issue and related matters will contribute to the further shaping of pending legislation on Capitol Hill.

Mid-July approval by the House of Representatives of a bill dealing with the Fed issue signaled the start of new Senate deliberations on the series of questions that are part of that issue. Action by the House was seen as preserving forward momentum for legislative consideration of the issue, though not necessarily as determining final contents of any such legislation.

The House Financial Institutions Supervision Subcommittee approved a measure that would overturn a federal court ruling that would make illegal, as of January 1, 1980, banks' automatic transfers from savings to checking, credit unions' share drafts and S&Ls' remote-service units.

As of this writing, Senate Banking Committee Chairman William Proxmire (D., Wis.) was known to be drafting a new approach to the Fed issue. It was expected that during September the Senate Banking Committee will consider both the House bill and Chairman Proxmire's proposal.

The House bill (H.R. 7), as amended during a statesmanlike exchange between House Banking Committee Chairman Henry S. Reuss (D., Wis.) and ranking Republican William J. Stanton of Ohio, would grant to the existing 5,664 Fed-member banks an

\$18-billion (or two-thirds) reduction of reserve requirements. Reserve requirements would apply to transaction (checking-type) deposits only, except for short-term Eurodollar time deposits in the event all other countries imposed a Eurodollar reserve requirement.

This reserve reduction, virtually all observers believe, would halt and perhaps reverse attrition of Fed membership. At present, the central bank's reserve structure covers approximately 72% of the nation's deposit base. In the event this reserve reduction failed to halt attrition of Fed membership, and if the central bank's deposit coverage slipped to 67.5% or less, certain mandatory reserve-holding provisions would be triggered into effect. (These mandatory provisions were contained in the original, un-amended version of the bill.)

Members of ABA's Banking Leadership Conference had endorsed the reserve-cutting Freedom of Choice Amendment to H.R. 7 offered by Rep. Stanton because the amendment was the only alternative to the mandatory approach taken by the bill.

However, anticipating new initiatives in the Senate Banking Committee (and now possible new approaches to these questions by Chairman Volcker), members of the Banking Leadership Conference concluded that their ultimate legislative goal with respect to the Fed issue is true competitive equality under a system of universal reserve requirements applying to any and all financial intermediaries.

Looking ahead specifically toward Senate action on this issue, the banking leaders concluded that the practical legislative goal for the banking community in the coming months is the following:

- For monetary policy purposes, the Fed should be authorized to impose reserve requirements on transaction accounts offered by any and all financial intermediaries. Reserve requirements set by the Fed should apply to transaction account deposits only.

- Recognizing that allowance of size

considerations among financial intermediaries may facilitate resolution of the issue, these reserve requirements could be structured to apply a lower reserve ratio to each intermediary's net transaction-account deposits below a certain level, with a higher reserve ratio on net transaction-account deposits above that level.

- Recognizing the basic differences including cost factors inherent in interest-bearing transaction-account balances, a lower reserve rate should be established for such accounts than the level established for non-interest-bearing transaction account balances.

Restitution Orders. Increasingly serious customer relations, legal and paperwork problems being engendered by restitution orders under Truth-in-Lending Act regulations are being

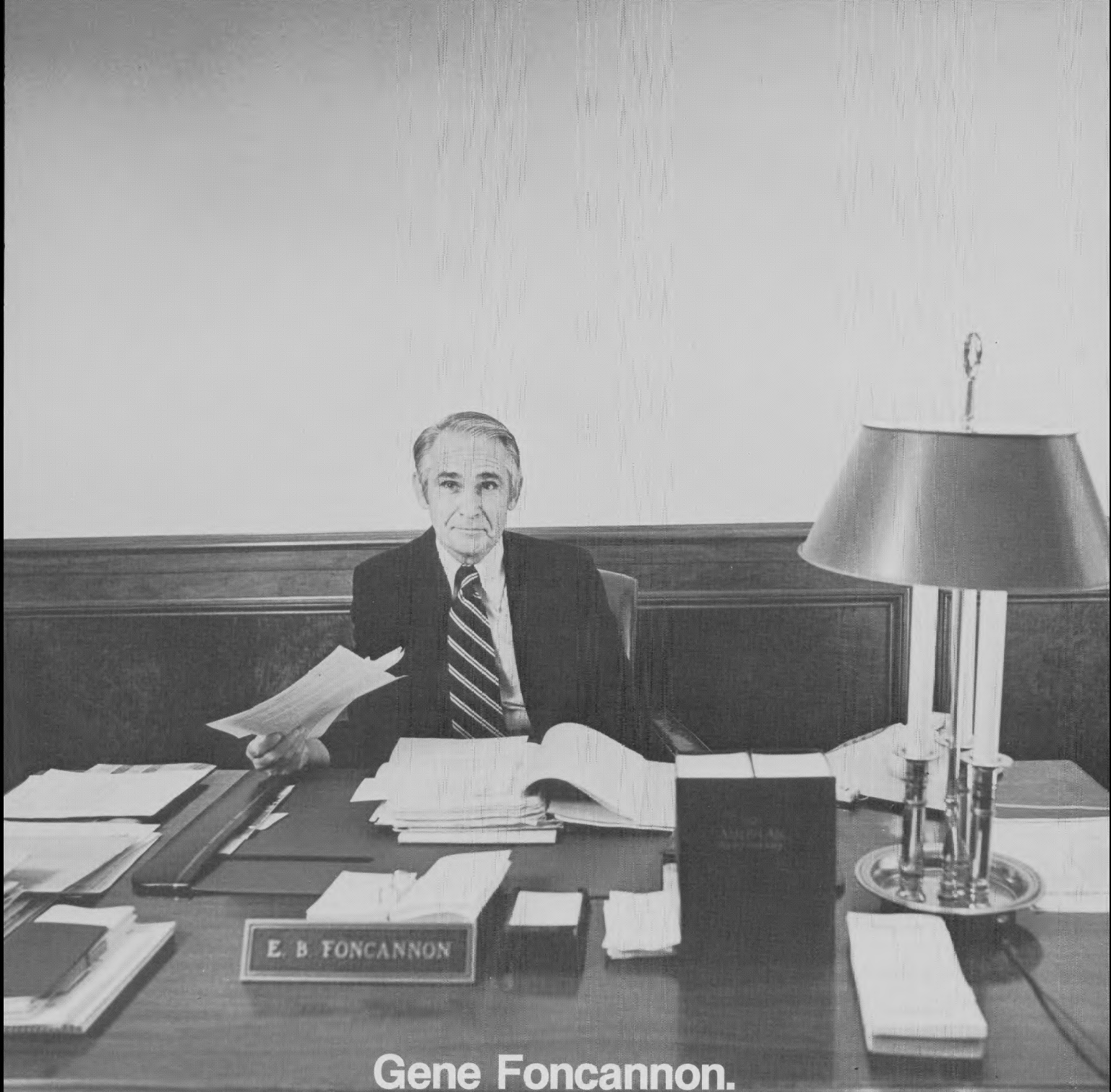
H.R. 7 . . . would grant to the existing 5,664 Fed-member banks an \$18-billion (or two-thirds) reduction of reserve requirements. Reserve requirements would apply to transaction (checking-type) deposits only, except for short-term Eurodollar time deposits in the event all other countries imposed a Eurodollar reserve requirement.

taken up by the ABA. Even such basic elements of law as statutes of limitations seem to have been abrogated by some restitution orders.

Bankers are expressing particular resentment at being ordered to state in writing to customers that Truth-in-Lending disclosure errors (which in the vast majority of cases were clearly inadvertent) constituted violation of federal law and regulations. In addition, record searches ordered by consumer compliance examiners costing many thousands of dollars often are found to turn up only instances of minimal customer reimbursement.

(Continued on page 116)

Editor's Note: This column was prepared by the ABA's public relations division.



Gene Foncannon. Livestock loan specialist.

Gene Foncannon has spent his lifetime as a professional in agricultural pursuits.

He will be more than happy to work with you on livestock participations, consultations, or other agriculturally-oriented problems in your bank.

The other Correspondent Division

specialists are George Dudley, John Fowler, Bill Dexter, John O'Connor, Bill Weis, Dean Howard, Don LacKamp, Bob Shultz and Paul Ward.

They will be happy to help you with transit, securities, loan participations, credit inquiries, money market transactions, grain drafts and collections.


CharterBank
FIRST NATIONAL BANK
OF KANSAS CITY

10TH AND BALTIMORE □ BOX 38 □ KANSAS CITY, MO 64183
(816) 221-2800 □ MEMBER FDIC

Regulatory News

Single-Premium Annuities Possible for Nat'l Banks Under CofC Proposal

The Comptroller is asking for comments by September 25 on a proposal to allow national banks to sell single-premium annuity contracts. The Comptroller's office says it was approached by three insurance companies and one insurance agency seeking to involve national banks in promotion and sale of such annuities.

Under the proposed program, a national bank could enroll a customer in an annuity plan underwritten by an insurance firm and accept deposits in the amount of the single premium. Those deposits would be used to establish segregated accounts in the bank, with such deposits owned by the insurance company for the benefit of the designated annuitant.

The Comptroller's office has designated certain areas of concern by soliciting comment on 10 specific questions ranging from the applicability and effect of federal and state banking and securities laws to the positive or negative intangible effects a bank may realize by being identified with such a program in its community.

The advance notice put out by the Comptroller on the proposal also solicits comment on potential advantages the program may offer for middle-income investors, as well as the need for distribution or disclosure of certain information to customers who enroll.

Informal questions or requests for a copy of the advance notice should be directed to Thomas P. Vartanian, attorney, at 202/447-1880.

Management Interlocks Act Implemented by Revision Of Fed's Regulation L

The Fed has revised its Regulation L to implement the new Depository Institution Management Interlocks Act (Title II of the Financial Institutions Regulatory and Interest Rate Control Act) with respect to financial institutions supervised by the Fed.

General purpose of the Interlocks Act is to foster competition among depository institutions (banks, S&Ls, mutuals and credit unions) and their depository HCs (bank and S&L HCs) and their affiliates. To this end, the act

— which became effective last March 10 — prohibits certain interlocking relationships of management officials among (non-affiliated) depository organizations.

At the same time it adopted revised Reg L, the Fed proposed four amendments to the reg and requested public comment on these proposals. They concern what existing management interlocks should be "grandfathered," provisions for termination of interlocks that become prohibited by changes in circumstances, criteria for determining whether an individual serving as a management official is a representative or nominee of a principal shareholder and whether the term "person" should include corporations and other businesses as well as natural persons.

As adopted, the reg is effective immediately. However, written views or arguments concerning it, as well as comment on the proposed amendments to it, will be received through September 17.

Interlock rules issued or proposed by the Fed follow publication in January of proposed regs under the Interlocks Act and consideration of comments received. The final regulation addresses certain issues not raised in the January proposals.

General Prohibitions. In accordance with the Interlocks Act, revised Reg L generally prohibits the following types of interlocks:

- Except for institutions with assets of less than \$20 million, a management official of a depository institution or a depository HC may not serve as a management official of a non-affiliated depository institution or HC if offices of both (or offices of depository-institution affiliates of both) are located in the same standard metropolitan statistical area (SMSA).

- Regardless of the size of a depository institution or HC, a management official of one such institution may not serve in a similar capacity with another such institution if offices of both (or offices of depository-institution affiliates of both) are located in the same community (the same or contiguous or adjacent cities, towns or villages).

- Regardless of the geographic location of a depository institution or HC, a management official of a depository organization (or offices of an affiliated organization) with assets exceeding \$1 billion may not serve at the same time as a management official of a non-

affiliated depository institution or HC with assets exceeding \$500 million or an affiliate of such an institution.

The act makes an exception permitting a management-official interlock between credit unions.

Exemptions. There are certain exemptions. For instance, exemptions may be granted, for up to five years, in cases of institutions that are located in low-income or economically depressed areas; are controlled or managed by members of minority groups or are controlled or managed by women.

Withdrawal-Penalty And Interest-Rate Regs Issued by Fed Agencies

A series of amendments to regulations governing payment of interest on deposits became effective August 1. As announced by the Fed and FDIC, the changes:

1. Subject to interest-rate ceilings repurchase agreements of less than \$100,000 with maturities of 90 days or more. To prevent undue hardship, a three-year phase-out period is provided. During this period, banks may issue such RPs without regard to interest-rate ceilings so long as the total amount outstanding does not exceed the amount outstanding on August 1.

2. To make arrangements for an appropriate phase-out program, banks with substantial amounts of such RPs outstanding should consult with their respective federal regulatory agencies — national banks with the Comptroller, state-member banks with the appropriate Fed bank and insured non-member banks with the FDIC. RPs issued in denominations of less than \$100,000 with maturities of less than 90 days continue to be exempt from interest-rate ceilings to facilitate continued use of such RPs, particularly those traditionally used for cash-management purposes by small businesses and local governments.

3. Require waiver of penalties for early withdrawal of a time deposit in the event of a depositor's death. This waiver applies to all outstanding time deposits as well as to deposits issued after the effective date.

4. Require banks to waive the penalty for early withdrawal of a time deposit where the depositor has been officially declared mentally incompetent. This would apply to all outstanding time deposits as well as to deposits issued after the effective date.

5. Authorize banks, with the depositor's consent, to make a withdrawal of a time deposit at any time after the effective date.

(Continued on page 36)

Need investment advice?



We can help!

Solid investments made today can mean extra strength and growth for your bank or your customers tomorrow.

Contact Bank of Oklahoma for free investment counseling. We'll help you translate your bank's unique needs and goals into specific investment objectives. Then we will help you identify your best opportunities and alternatives. If you're considering U.S. Government securities, Federal funds, state and municipal bonds and notes, or money-market instruments of any type, that's all the more reason to call us. We can help you identify your best investment alternatives.

It makes good business sense!



**BANK OF
OKLAHOMA** [®] _{NA}

P.O. Box 2300 / Tulsa, OK. 74192

Our Capabilities Expand Yours

Contact Rob Rainey, Investment Division Manager, Doug Keffer, Department Manager, Steve Woodley, Monty Butts, Phil Burns, or Tom Toburen (918) 588-6781.

Member FDIC

Bank's Marathon a Fair for Michigan City

A MULTI-FACETED bank-promotion program became a mini-fair for an entire community. Marathon was the key idea that resulted in the development of a 24-hour Smart Saver Marathon held at the main office of Citizens Bank, Michigan City, Ind. From that one word came the idea to keep the bank open in a continuous noon-till-noon promotion. Entertainment, food and round-the-clock drawings for \$5,000 in prizes were used to attract crowds.

A grand array of entertainment started at noon on a Friday. Art Wartha, bank vice president and events chairman, signed up a variety of local talent. There also was a Car Push Rally with local automobile dealers trying to prove who had the lightest, most maneuverable compact car. Through it all, a travel service showed travel films in a mini-theater on the bank's first floor.

To give sustenance to bankers and attendees alike, several food concessions were available. Local radio stations did live remote broadcasts from the bank. WMCB-FM, an all-night station, had hourly reports throughout the marathon. WIMS did a popular hour-and-a-half Saturday morning show from the lobby. Both captured



Couple opens Smart Saver Account at Citizens Bank, Michigan City, Ind., marathon while bystander enjoys contents of Smart Saver mug.

the event's excitement with interviews, sounds from actual performances and colorful descriptions. Another crowd pleaser was a pair of searchlights that crisscrossed the night sky, leading the curious to the marathon.

To this combination of sales promotion and carnival atmosphere, Fred Miller, Citizens Bank marketing director, added other marathon ingredients. His plan was to let those groups who normally raise funds by conducting marathon kinds of events hold them for 24 hours during the bank's promotion. Five groups agreed to do their marathon at the Smart Saver promotion.

From starter's gun at noon on Friday

until the drawing for grand prizes at noon on Saturday, the Smart Saver Marathon was an enjoyable way to spend a few hours. Fun and games prevailed; however, the sales aspect was not neglected. Advertising for the marathon carried the Smart Saver name and tied in with the general, all-media campaign announcing the new service. The theme was carried out with the Smart Saver logo and colors, signage, decorations, name tags and generous distribution of brochures.

Employee-hosts greeted people at the door, presenting gifts and encouraging them to learn more about Smart Saver while they were there. New accounts staff were available to talk with them or they could watch a continuous slide presentation.

The bottom line has still to be written. Most of the indicators are good. Nearly 2,500 persons registered for the prizes and comments were positive. The local paper gave generous publicity and an editorial on the benefits of such a promotion to the city. The mayor and area merchants echoed these sentiments.

The bank will continue the promotion's hard-hitting media campaign to sell the Smart Saver concept. ●●

Faculty of Oil Pros:

Solutions to Oil/Gas/Mineral Management Problems

The third annual trust oil and gas seminar will be presented by the trust department of Republic National, Dallas, October 4-5 at Hilton Inn, Dallas. The two-day seminar is designed to encourage trust officers and employees directly responsible for administration of trusts and estate accounts that contain oil, gas and mineral properties to find practical solutions to management of these properties.

"The enthusiastic response to last year's seminar indicated to us that this type of professional program fills a real informational need," says Jerry L. Nelms, vice president, Republic trust properties group.

For the most part, seminar faculty will consist of members of the trust oil

and gas section, probate group and business development group of Republic National. The bank long has maintained a staff that includes most of the professions represented in the exploration and production segment of the oil industry. These include engineering, geology, land, title record and accounting. Most of the staff was employed by oil companies prior to developing careers in the trust industry.

Each seminar participant will receive a comprehensive course manual presenting complete policies and procedures guidelines for daily management of oil, gas and mineral properties in trusts, estates and agencies.

Banking and Radio:

Cold Million "Cash Grab" Puts Bank on the Air

American Bank, Kansas City, and local Radio Station WDAF 61-Country cooperated in promotion of a \$1-million "Cash Grab." The contest entitled the winner to grab all the cash possible in one trip in 61 seconds from the bank's vault, which contained \$1 million in cash.

Bank officials were indebted to the efforts of security guards and bank employees, who kept the cold million safe during the bank's promotional grab and American Bank's pains were well rewarded. In addition to the promotional value of the contest, American Bank gained a new certificate of deposit, which the winner purchased with the \$6,100 collected during the "Cash Grab."

In the class of correspondent bankers, three Senior Vice Presidents head the list... Lynn Hobson, Gus Morris and Jim Newman. They also happen to head the Correspondent Bank Department at one bank... Memphis Bank & Trust. They carry those titles and that kind of responsibility for good reason.

Their experience and knowledge is senior among the area's correspondent bankers. Under their leadership,

Memphis Bank & Trust is building the fastest growing Correspondent Bank Department in the South.

With a full staff behind them, they deliver a range of services senior by comparison including: Transit, Data Processing, Visa and Master Charge, Draft Collection, Investments, Federal Funds, Safekeeping, Credit

Assistance, Loan Participation, Trust Services, Wire

Transfers and Business Referrals. They can provide expert advice on Insurance, Regulatory Affairs, New Banking Services, Advertising and Marketing, Training Personnel... even the designing of bank facilities.

Our seniors are pure class. Give them a call.

In Tennessee, 1-800-582-6277.
In other states, 1-800-238-7477.



**MEMPHIS
BANK &
TRUST**
MEMBER F.D.I.C.

The Senior Class '79



Let's Talk Selling

By **JOHN R. GINSLER**
President
Financial Training Resources
Glen Ellyn, Ill.

How to Make Effective Joint Calls

ON THE premise that two heads are better than one, it is not unusual for two or more officers to collaborate on a sales call. While a joint sales effort can improve the competence and confidence with which a call is made by enabling the collaborators to pool their knowledge and skills, it does require a double investment of selling time and expense. Keeping in mind that the average cost of a sales call made by a single person is more than \$90 today, you should give careful consideration to whether a joint selling effort really is necessary and how to best employ that effort when it is required.

Anticipating resistance is "one of the most crucial elements of planning a joint sales call, since effectiveness in resolving a customer's misunderstanding, doubts and fears . . . often is the key" to your goals being realized.

When to Make Joint Calls. Selling situations that benefit from a joint selling effort include the following:

1. When complex customer needs involving technical services require the expertise of a service specialist in defining needs and explaining need-satisfaction. This most commonly involves sales of trust, cash management, leasing, data processing and international services.

2. When major or complex credit needs require higher lending authority or specialized credit expertise.

3. When presence of a senior bank officer will facilitate setting up a meeting with customer's senior man-

agement to expedite decision-making process.

4. When introducing backup or administrative personnel to customer so that he knows whom to contact when calling officer is not available. This helps build customer confidence in depth and quality of bank's service capacity.

5. When introducing new calling officer as change occurs in account responsibility. This is essential to maintaining stability and continuity in servicing account relationship.

The type of joint sales call that should be avoided is the "security-blanket" call, where two officers accompany each other with no purpose other than to overcome the fear they both feel about making sales calls. The notion that two insecure people somehow add up to one confident sales call not only is erroneous, but results in wasteful use of both their time and the customer's time. Better to put such time to acquiring the service knowledge and selling skills required to make a productive sales call.

How to Plan Joint Sales Calls. While planning is vital to achieving productive results on any sales call, it is critical to the effectiveness of a joint sales call, because of the double investment of time, effort and selling expense it entails. Planning a productive joint sales call involves these important steps:

1. *Review existing situation.* As the officer responsible for the sales call, you should provide your collaborator with full briefing about what you already know about the prospect/customer you'll be calling on, including needs that have been previously identified, services currently being used and nature of competitive relationships. This helps define what needs to be determined on the upcoming call and avoids wasting time in

developing information already known from prior sales calls.

2. *Discuss selling strategy.* To provide purposeful direction to the joint sales call, you should discuss and confirm with your collaborator:

- Needs to be examined during the sales call and how they've been determined through either a prior survey call, analysis of financial statements, feasibility study, etc.

- Need-satisfying services and capacities to be proposed during the sales call and bases for selecting them in terms of benefits to the customer, benefits to the bank and advantages versus competition.

"Deciding on tactics to be used and who should do what during a joint sales call should be governed by what you plan to accomplish on the call and what each of you is qualified to contribute."

- Action goals you expect to accomplish as a result of the joint sales call and basis for setting the goals, such as what has been accomplished on prior sales calls, what your collaborator will contribute on this call and the decision-making authority of the person on whom you're calling.

3. *Determine selling tactics and roles.* To ensure achievement of desired action goals, you must think through and agree on selling tactics needed to accomplish your goals and who is to be responsible for what, prior to making the sales call. Failure to do so frequently leads to a communication breakdown, where the "left hand" works at cross purposes with the "right

(Continued on page 110)

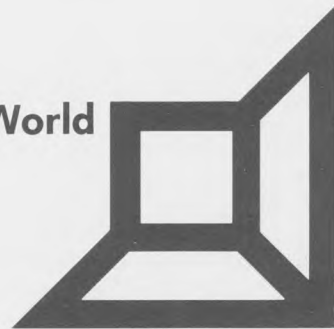
MID-CONTINENT BANKER for September, 1979

It's A Pleasure...

To introduce Sue Loughrey of Interior World. She has just joined our firm and will offer you the same design services that you have been receiving from Beverly Anderson. She is ready to design the look you want. At your bank... at your pleasure.



Interior World

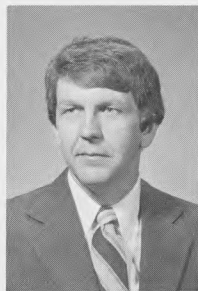


124 Seventh Ave., South ■ Nashville, TN 615/256-3017

NEWS OF THE BANKING WORLD



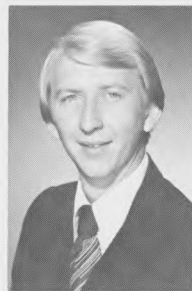
VOLCKER



GLASS



LACEY



LOWERY



BOLL

• **Paul A. Volcker**, president of the New York Fed, has been named chairman of the Federal Reserve Board by President Carter. He replaces G. William Miller, who was named Secretary of the Treasury, and will fill the 13 years remaining in Mr. Miller's term. Mr. Volcker entered banking in 1951 at the New York Fed and later served as under secretary for monetary affairs in the Johnson and Nixon administrations. Also, he has served in management positions at Chase Manhattan Bank, New York

City, and as vice chairman/Federal Open Market Committee.

• **Marion E. (Ed) Lowery** has been named correspondent banking officer for Third National, Nashville, and will be responsible for the bank's correspondent relationships in southern middle Tennessee and north Alabama. Mr. Lowery previously was with Commerce Union, Nashville.

• **Bradley G. Glass** has been appointed senior vice president of the St.

Louis Fed. He will have senior responsibility for the bank's operations, which include data processing, data systems, data communications, check, cash and securities departments. Before joining the Fed, Mr. Glass was vice president/operations and automation, Third National, Dayton, O.

• **Leslie M. Boll**, vice president/international banking, Mercantile Trust, St. Louis, has been elected vice chairman, Mid-America Council on International Banking. Also, he serves as one of nine members of the National Association of Councils on International Banking. Raymond J. Lacey, vice president, Credit Lyonnaise, Chicago, was elected chairman, and Miss Patricia A. Seago, of Marshall & Ilsley Bank of Milwaukee's international department, was elected secretary.

• **Philip J. DeChiara**, vice president, Continental Illinois National, Chicago, has been elected chairman of the Council on International Banking. He joined his bank in 1963 and has administrative responsibility for Continental's Edge Act banking subsidiaries in New York, Los Angeles and Houston. He has been a council member for more than 10 years and has served as its vice chairman and treasurer. Other council officers include Vice Chairman/Treasurer Leonard A. Back, vice president, Citibank, and Secretary Robert M. Vislocky, vice president, Morgan Guaranty, both of New York City.

• **Marvin Duncan** has been promoted to assistant vice president/economist at the Kansas City Fed. He is an agricultural economist in the research division and went to the bank in 1975.

For all your correspondence, contact The First Team.

It takes teamwork to coordinate the variety of correspondent services you need. And The First has the team to do it.

Correspondent banking at The First puts you in constant communication with both domestic and international money markets. Our comprehensive list of correspondent services includes overline assistance and computerized record keeping. And correspondent banking with The First also puts important related services at your fingertips—with easy access to our Agricultural, Energy, International and Bond departments.

Wherever you're located, you'll find The First of Fort Worth has the people and the programs to serve your correspondent requirements quickly, efficiently and expertly. So team up with The First. For more information call us at (817) 390-6333.

The First.

 **First of Fort Worth**

One Burnett Plaza, Fort Worth, Texas 76102
Member First United Bancorporation • Member F.D.I.C.



We're not called The First for nothing.



Frank Nichols, Senior Vice President, directs Correspondent Bank Division services.

Jim Burkholder, Assistant Vice President

Wayne Whisman, Assistant Treasurer

Three reasons for better service

- Frank Nichols, Jim Burkholder and Wayne Whisman are dedicated to giving you excellent service.
- You can count on getting it quickly, pleasantly, and efficiently from the Louisville Trust Bank. One convenient number—502/566-1607...and you get action...no runaround to waste your time.
- Louisville Trust Bank's growing correspondent banking group is backed up by every other bank employee. That means that, regardless of the type of counsel or financial service you need, it's available instantly through our Correspondent Bank Division. The emphasis

still continues on a quality of personal service that really contributes to your growth as well as ours. It can be pension plan... operations information... portfolio investment service... key executive personnel placement... or the usual loan participation.

□ Whatever your needs—in any area of your bank or ours—give us a call... Frank, Jim or Wayne!

Louisville Trust Bank

One Riverfront Plaza
Louisville, Kentucky 40202
502/566-1607

Member Federal Reserve System
Federal Deposit Insurance Corporation

S&L Offers Checking Accounts Via Bank

IN AN unusual symbiotic relationship, First Federal, Lincoln, Neb., has begun offering a zero-balance checking account to its customers through Chase Manhattan Bank, New York City.

The new savings account, called MoneyNow, will pay 5% interest on deposited funds until they are transferred automatically to Chase through a pre-authorized bill-paying mechanism.

Customers of First Federal, in opening a MoneyNow account, will simultaneously open a checking account at Chase and authorize bill-paying transfers to the New York bank.

While the effect will be that of an interest-bearing checking account, the customer actually will have an account in both institutions. Names of both firms appear on the check. However,

once the account is opened, the customer will deal only with First Federal.

MoneyNow will be the first account of its kind to be offered by a savings institution, according to L. F. Roschewski, senior vice president of the thrift.

Savings institutions have been prohibited by federal regulations to offer checking accounts. This law, and various others governing services that may be provided by financial institutions, are now under review by Congress and the courts.

Checks will be truncated (truncated) by Chase to avoid additional paperwork by the financial institutions and the customer. The customer creates a duplicate copy when the check is written. This duplicate, plus a monthly statement from First Federal,

should be sufficient for record keeping and proof of payment.

With truncation, check information is transmitted electronically and is faster, safer and cheaper than traditional check-clearing procedures, according to electronic banking advocates.

"Truncation will save the customer the trouble of sorting and filing canceled checks. Duplicate copies and a monthly statement will make record keeping easier, if the customers will accept the new system. We think they will," Mr. Roschewski says.

First Federal, Nebraska's second-largest financial institution with \$850 million in assets, was among the first to introduce statement savings and plastic cards. It established its first remote-service units in Hinky Dinky supermarkets in 1974. ●●

BAI Establishes Center To Study EFT Security

PARK RIDGE, ILL. — A Center for Bank Data Security, a concentrated program of research and education on security of funds and bank information handled electronically, has been established at the Bank Administration Institute.

George W. Steffen, a BAI principal EDP audit specialist, has been named director of the center. He joined the BAI in 1974.

BAI President Ronald G. Burke says the center was established because "Advancing microcomputer technology and the increasing use of electronic systems to transfer funds and information are leading to data security problems. Today both large and small banks are taking advantage of this new technology each in its own way. But both are facing an unprecedented need for expertise in implementing internal controls for bank electronic operations. The minicomputer revolution is just beginning, which means that the 1980s will see a rapid expansion in this area of bank management."

Mr. Burke says the center will help identify the most serious issues and assess new technology while exchange-

ing information through research studies and educational programs.

Several research projects already are underway, he says. One addresses liabilities confronting a bank that offers funds-transfer services on a large scale. Points of greatest vulnerability will be identified and recommendations for monitoring and controlling them will be developed. Another study concerns the investigation of electronic personal-identification techniques. A third project will outline a model data security program and suggest how it can be implemented.

ACH Schedule Improvement Okayed by NACHA Board; Pilot Program Planned

WASHINGTON, D. C. — Directors of the National Automated Clearinghouse Association (NACHA) have approved a plan to improve ACH services — particularly funds availability and deposit-deadline schedules. According to newly elected NACHA President John J. Houseman, these schedule changes should benefit financial institutions, corporations and consumers. Mr. Houseman is senior vice president, Irving Trust, New York City.

To test the feasibility of the new time schedules, says Mr. Houseman, ACHs in four Fed districts will exchange payments in a pilot program during late summer. Following successful completion of the pilot, the remaining ACHs will be phased into the program over several months beginning this fall. Specific schedules will be determined by local ACHs and local Fed banks.

The pilot program will use cash-concentration debits as type of payment, thus allowing corporations to collect funds on deposit from other financial institutions on an overnight basis.

NACHA amended its rules covering exchange and processing schedules to allow for two time schedules for inter-regional transmission of data between originating and receiving ACHs. The first scheduled time is 8 a.m.-noon (eastern standard time). The second scheduled time is 11 p.m.-1 p.m. (EST).

The additional processing cycle will provide financial institutions with five additional hours for initiating ACH entries such as direct deposit, pre-authorized bill payments and cash concentration. Thus, the ACH schedule improvement will provide next-day funds availability.

Our idea of correspondent banking:

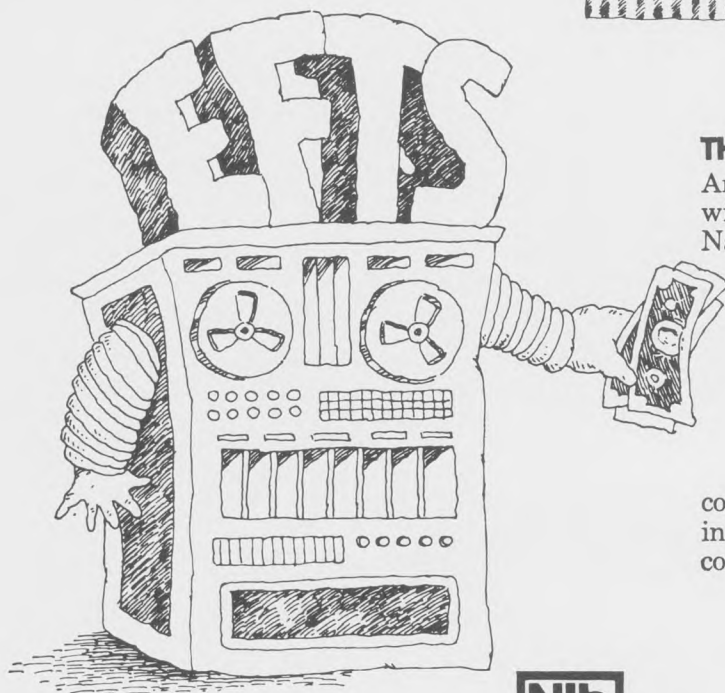


THE COMMITTEE OF ONE.

Our people are real, live, experienced correspondent professionals, with years of correspondent banking behind them. They aren't management trainees or just goodwill ambassadors, so they can okay loans or services — like our new EFTS services — on the spot. Without going through unwieldy, time-wasting committees.

WE CALL YOU BY NAME. NOT BY PHONE.

You see, National Boulevard believes in person-to-person, eye-to-eye contact with the management of every correspondent bank. Right there at the correspondent bank. So things get done faster, friendlier.



THE FUTURE STARTS TODAY.

And now our individualized services will be better than ever, because National Boulevard is ready for EFTS.

Electronic Funds Transfer Systems. For instance, our Central Information File is capable of transmitting information to correspondent banks. Soon, checking and savings accounts will be on line.

Then, step-by-step, every correspondent service will be fully integrated into the system for more convenient, better banking.



The bank for the New Downtown
NATIONAL BOULEVARD BANK
OF CHICAGO

400-410 North Michigan Ave., Chicago, Ill. 60611 Phone (312) 836-6500 Member FDIC

Bank Investments

Medium-Grade Tax Exempts + Insurance

THE commercial bank investor in tax-exempt bonds may be missing an opportunity to obtain high tax-exempt returns with safety on lower-rated medium-grade issues, according to the American Municipal Bond Assurance Corp. (AMBAC).

"Typically, banks buy 10-12 year securities to stabilize their liquidity," says Matt Sullivan, vice president. "These notes or bonds usually are A- or AA-rated general-obligation bonds (Moody's or Standard & Poor's) indicating their relative strengths in the market place. They generally are issued by states, counties or cities, which in many instances come to market only once in a great while. The strong credit position of their issuers assures their bonds of a high rating, which also assures strong demand for them and lower yield. The yield premium on them frequently results in their proving to be a less economic investment than lower-rated, medium-grade issues. However, the medium-grade issues are more difficult to assess as to quality and select with safety," Mr. Sullivan says.

A recent example of this occurred during the trading period of 3/29/79 to 4/5/79 when Fairfax, Va. (AA-rated), State of Florida (A-rated) and Glen Lake School District, Michigan (AA-rated) came to market with issues showing an average annual yield of 5.58%, in 10 years.

"These issues sold well," notes Mr.

Sullivan, "even at the relatively low yields they offered. During the same period, Wichita, Single-Family Mortgage, Kansas (AA-rated), Allegheny County, General Hospital Revenue, Pennsylvania (A-rated) and Carson Redevelopment Agency, Residential-Mortgage Revenue, California (A-rated) came to market offering an average annual yield of 6.37%, in 10 years. However, many bank investors ordinarily would not buy these lower-rated revenue bond issues. Special purpose, non-utility revenue bonds, such as those payable from hospital revenue or home mortgages, are not considered to be super-secure. After all, buying a bond is similar to lending money. For banks, these lower-rated special-purpose bond issues usually are not considered to be proper investments," according to Mr. Sullivan.

Now, however, banks can invest in these higher-yielding, medium-grade bonds with safety, if they utilize municipal bond insurance. Municipal bond insurance guarantees timely payment of principal and interest on municipal bonds if they should default as to payment, for any reason at all. It is coming into wider use by wealthy individuals and institutions, including banks, as well as by financial professionals who manage municipal bond mutual funds and investment trusts.

"For example, given the two previously mentioned investment selections that a bank could make — tra-

ditional high-grade general-obligation issues versus insured medium-quality revenue issues — there would not be much controversy as to which of the two groups of bonds was the most rewarding investment. In the case of the lower-rated revenue bonds, with an average yield of 6.37%, an insurance guaranty policy on them would cost the equivalent of approximately 22 basis points. After subtracting this insurance premium, which is tax deductible for banks, the net yield advantage is 77 basis points in acquiring the revenue bonds and insurance as compared to the higher-rated general-obligation bonds."


The primary appeal of municipal bond insurance is threefold. First and most basic, it increases security — it provides two sources of payment instead of only one. This is significant because municipal bonds are not risk free; they carry some stigma of insecurity in the minds of many investors. Second, the risk analysis of the insurer in qualifying issues as to their insurability affords a high degree of assurance as to the investment merit of approved medium-quality bond issues. And, third, even with the added protection of the insurance, banks and other types of investors can obtain higher net yield on their investments with insured protection.

"AMBAC does not suggest that banks that traditionally have bought the highest-grade bonds change their investment policy completely, to the end of buying only medium-quality bonds with insurance," Mr. Sullivan says. "Banks should have a portion of their portfolios invested in the most marketable types of securities," he reports. "But a portion of a bank's investments, perhaps 50%, often can be invested in medium-grade bonds at their greater rate of return, particularly now that insurance is available for them," Mr. Sullivan points out.

MGIC Indemnity Corp., sister company of AMBAC in writing insurance for investment-quality municipal bonds, writes policies guaranteeing timely payment of principal and interest on credit-worthy tax-exempt bonds in portfolios of \$50,000 par value or more. ••

Temporary Banking Facilities

For Sale or Lease



Portable Units

MPA SYSTEMS

5'x8' • 8'x20' • 12'x40' • 14'x70' • 28'x70'
Available throughout the Mid-Continent Area

4120 Rio Bravo El Paso, Texas
(915) 542-1345 or (915) 542-1461



E F F I C I E N C Y

"Busy as a bee" isn't just idle talk. A master of efficiency, the bee works diligently, gathering pollen in tiny sacs on his legs. He carefully prepares this substance into honey for the workers or royal jelly for the queen.

At Harland, we give check service the royal treatment with dedicated efficiency. Printing is quick and accurate. Products are convenient and effective. Sales assistance is fast and firsthand.

When you want efficient, personal check printers, call Harland. We will make a beeline to your bank.

HARLAND

JOHN H. HARLAND COMPANY • CHECK PRINTERS • P.O. BOX 105250, ATLANTA, GA. 30348

Corporate News



COSSEBOOM

LAIRD

• **Bank Building Corp.** Roger A. Cosseboom has been appointed financial project director and member of the firm's corporate construction and estimating staff, and Robert A. Laird has joined the firm's St. Louis headquarters staff as personnel director. Mr. Cosseboom joined Bank Building in 1966 as a construction superintendent. Prior to joining the firm, Mr. Laird was director of compensation/personnel development, Rouse Co., Columbia, Md., and director of placement/development, Olin Corp., Stamford, Conn.



GILLIGAN

CLARK

VANDEGRIFT

• **Diebold, Inc.** Robert W. Clark has been appointed vice president, quality assurance, bank/systems division of Diebold. Nelson R. Vandegrift and Thomas J. Gilligan have been named assistant corporate controllers of this Canton, O.-based firm. Mr. Clark joined the company in 1963 and had been vice president/general manager of its Lamson Co., Syracuse, N. Y.

• **Doane Agricultural Service, Inc.** Joan Harre has been named media account representative, and Stan Allen has been promoted to senior research

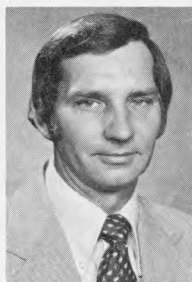


HARRE

ALLEN

associate, both in this St. Louis-based company's marketing research division. Miss Harre will be responsible for sales and servicing clients in the media. She has been with Doane since 1974. Mr. Allen, who has been with the firm since 1976, will be responsible for setting up focus-group interviews for clients of both multi-client and special studies. Also, he will provide statistical support for client surveys, including computer packages and software applications.

• **Aetna Business Credit, Inc.** Patricia A. Bergh has been appointed business development officer/intermediate term lending in this firm's Midwest marketing center, Chicago. She will be responsible for developing new business and referral sources for the company's intermediate-term-lending activities in Chicago and the Midwest. Before joining Aetna, Miss Bergh was a business development officer for Hong Kong & Shanghai Banking Corp., Chicago.



DRATNOL



BERGH

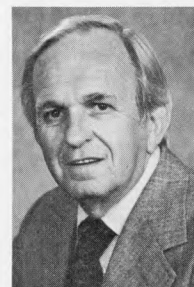
• **SLT Warehouse Co.** Art Dratnol has been promoted to district manager of this St. Louis firm's New Orleans office. Previously, Mr. Dratnol was based in the firm's Memphis office.

• **Financial Shares Corp.** Catherine A. Hayden has joined this Chicago company as assistant vice president, training division. Previously, she had been manager of training development for a worldwide training development firm.

• **Cummins-Allison Corp.** William H. Klotz has been named president/chief operating officer of this firm's office products/automated money systems division. Joseph H. Thomas has been named president/chief operating

officer of its data systems division. Mr. Klotz joined the firm in 1952, and Mr. Thomas joined in 1973. Cummins-Allison is located in Elk Grove Village, Ill.

• **Hattier, Sanford & Reynoir.** Gilbert Hattier Jr., who was a partner for 38 years in this New Orleans investment banking firm, retired July 31 and withdrew from the partnership. The remaining partners, J. B. Sanford Jr. and Gus A. Reynoir, will continue the partnership under the Hattier, Sanford & Reynoir name and at the same location as when Gilbert Hattier Jr. was with the firm.



PEARCY

• **Geo. D. Barnard Co.** Joe Percy has been promoted to president/chief administrative officer at this St. Louis-based firm. Bill Graham was elected first vice president. Barnard, a printing and micrographics firm, has been serving financial institutions in the Midwest, Southeast and Southwest 107 years. It has divisions in Waco, Tex., Albany, Ga., and Milwaukee.

Regulatory News

(Continued from page 24)

itor's consent, to apply the new early-withdrawal penalty that went into effect last July 1 to all time deposits. The minimum penalty is three months' loss of interest if the deposit matures in one year or less and six months' loss of interest if the deposit matures in more than one year.

5. Clarify that funds added to an existing time account are subject to the ceiling rate of interest in effect at the time the additional deposit is made.

6. Increase from 5% to 5¼% the interest-rate ceiling payable on time deposits with maturities of 30-89 days. This is the same rate banks may pay on passbook-savings accounts. S&Ls and mutual savings banks generally are not permitted to issue time deposits of less than \$100,000 with maturities of less than 90 days.



When fiscal support of the Health Sciences Center is called for, The First is there to respond.

The University of Oklahoma Health Sciences Center is a unique Oklahoma and regional resource. Its integrated, leading edge research, training, and health delivery systems compare favorably with the finest to be found anywhere.

And through the years, The First has been privileged to be among those most concerned with the Center's well-being. For example, since 1975, we've purchased \$28.3 million in revenue bonds to finance various projects; the latest being a \$7 million plus issue for additions and improvements to the steam and chilled water plant that serves the Complex.

Our support of the Center's activities remains unequivocal. Its work must continue, and indeed expand to ascertain, assimilate and implement the latest in medical advances. At The First we're doing all we can to bring just such a scenario about.



OVER \$100,000,000 CAPITAL STRUCTURE
MEMBER F.D.I.C. / A SUBSIDIARY OF
FIRST OKLAHOMA BANCORPORATION, INC.

THE FIRST NATIONAL BANK AND TRUST COMPANY OF OKLAHOMA CITY

MID-CONTINENT BANKER for September, 1979

37



Aerial view of New Orleans, site of 1979 ABA convention, shows: 1. French Quarter. 2. Monteleone Hotel. 3. Marriott Hotel. 4. International Trade Mart. 5. Hilton Hotel. 6. Rivergate (where convention will be headquartered). 7. Fairmont Hotel. 8. Hyatt Regency Hotel. 9. Louisiana Superdome.

Kissinger and Special-Interest Sessions To Be Spotlighted at ABA Convention

HENRY KISSINGER, Secretary of State in the Nixon and Ford administrations, and Senator Russell B. Long (D., La.) will be featured speakers at the 1979 ABA convention at the Rivergate in New Orleans October 5-10. Mr. Kissinger and Senator Long will appear at the October 8th morning session.

Invited to speak the next day are Paul Volcker, new Fed chairman, and John B. Connally, former Texas gover-

nor and Treasury Secretary under President Richard Nixon.

Other October 9th speakers will include Comptroller of the Currency John G. Heimann, FDIC Chairman Irvine Sprague and FDIC Director William M. Isaac.

Following "early-bird" registration October 5, a participatory session of community bankers October 6 will focus on coping with federal legislation and regulations, areas in which com-

munity bankers play a key role in formulating and implementing ABA policy. That will be followed by a major panel presentation, "Investment Strategies for the '80s," an analysis of forces affecting American and international financial markets as the new decade begins.

On October 7, the day will begin with a fellowship gathering, led by a prominent Southern Baptist leader, and including inspirational musical



Old and new are pictured in this Mississippi River scene in New Orleans. Sternwheeler Natchez floats by International Trade Mart (l.) and Marriott Hotel (r.).

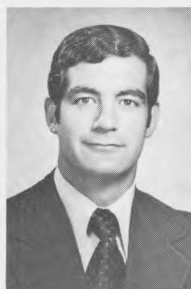
ABA Convention Speakers



KISSINGER



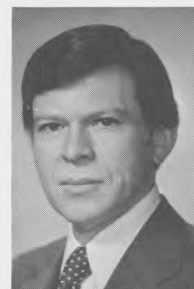
LONG



ISAAC



SPRAGUE



HEIMANN

presentations. That afternoon, there will be a presentation on bank public relations and communications with emphasis on consumer-banking issues.

A "welcome to Louisiana" reception that evening will highlight the rich cultural and historical traditions of Louisiana and New Orleans, where the ABA convention will be held for the first time in 44 years.

At the October 8th general session featuring Mr. Kissinger and Senator Long, ABA President John H. Perkins will make a major address and preside, and ABA Executive Vice President Willis W. Alexander also will speak. Mr. Perkins is president, Continental Illinois National, Chicago.

A major forum that afternoon will consist of a debate, "Free Market Versus Government Intervention." Differing points of view will be given.

At the October 9th morning general session, senior financial and monetary experts will head the list of speakers, and ABA officers for 1979-80 will be elected.

That afternoon, there will be sessions in which bankers will be able to meet directly with senior officials from the Comptroller's office, FDIC and Fed.

A gala reception the night of October 9 will carry a Mardi Gras theme.

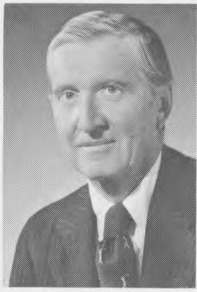
On the final day of the convention, October 10, a panel discussion will cover the federal legislative and regulatory outlook for 1980, with emphasis on banking issues the second session of the 96th Congress may resolve.

An exhibit hall with about 350 booths sponsored by more than 180 firms — together with an activity center offering special entertainment and information opportunities for bankers and their spouses — will be open during regular hours October 6 through October 9.

The activity center will include a hospitality area for community bankers and their spouses.

Instead of a separate spouses' program this year, the ABA's 1979 convention has been structured to include

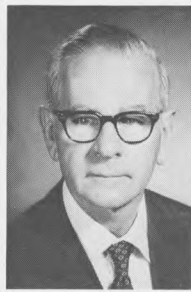
ABA Officers—1978-79



PERKINS
President



HOPE
President-Elect



MILLIGAN
Chairman
Governing Council



SMITH
Treasurer



ALEXANDER
Executive
Vice President

John H. Perkins, ABA president, is president, Continental Illinois National, Chicago. C. C. Hope Jr., ABA president-elect, is vice chairman, First Union National, Charlotte, N. C. A. A. Milligan, chairman of the ABA's

governing council, is president, Bank of A. Levy, Oxnard, Calif. Thomas R. Smith, ABA treasurer, is president, Fidelity Brenton Bank, Marshalltown, Ia. Willis W. Alexander has been ABA executive vice president since 1969.

ABA Candidates



GUNDERSON



SOLSO

Lee Gunderson, pres., Bank of Osceola, Wis., is the official nominee for ABA pres.-elect for 1979-80, and Virgil E. Solso, pres., Oregon Bank, Portland, is the official nominee for ABA treas. Mr. Gunderson, a banker since 1952, joined Farmers & Merchants Bank, Greenwood, Wis., in 1961 and, in 1966, went to his present bank, first as e.v.p./CEO and moving up to pres. in 1976. Mr. Solso entered banking in 1937 at Washington Trust Bank, Spokane. In 1952, he helped found Citizens Bank, Oswego, Ore., which became Citizens Bank of Oregon and then, in 1969, was merged with Oregon Bank. He became its pres. when Orbanco, Inc., was formed as the HC for Oregon Bank.

sessions of interest to both bankers and their spouses throughout the program.

Topics to be covered by the 19 special-interest sessions will include:

"Save Money and Don't Return the Checks," "Lending Policy and Credit Administration for the Small/Medium-Sized Banks," "Retail Banking in a Plastic Environment," "Organize Your Bank for Compliance,"

"How to Think Like a Director," "Planning for Profit," "Deposit Generation — Managing Under High Cost," "Investment-Portfolio Management," "Why Form a One-Bank Holding Company?," "What Is Your Bank Worth?"

"Agricultural Credit: The Apparent Horizon," "ABA Controlled Group Bonding Plan," "Focus on Human Resources — Incentive, Motivation, Affirmative Action, EEOC," "How the New Bankruptcy Law Affects Your Bank Procedures," "Government Relations Workshops," "The Asset/Liability Balance Act — Management's Teeterboard," "Don't Give Your Services Away," "How Changes in Correspondent Banking Will Affect You" and "Coping With the Financial Institutions Regulatory Act." ●●

Van Bibber Elected Chairman Of ABA Housing/Real Estate Div.

John Y. Van Bibber, executive vice president, Liberty National, Louisville, is the newly elected chairman of the ABA's Housing and Real Estate Finance Division. He was elected during the ABA National Conference on Real Estate Finance, held recently in Phoenix.

R. Van Bogan, president, Fidelity Bank, Carmel, Ind., was elected vice chairman. Both men will take office during ABA's annual convention, Oct. 6-10 in New Orleans.

Seeks Convention Spot

CHICAGO — The National People's Action (NPA), based here, sought — but was refused — a place on the program of the ABA's annual convention October 5-10 in New Orleans. The ABA turned down the request because "the convention program has been completed and speakers selected many months prior to" the group's June request.

ABA E.V.P. Willis Alexander wrote the NPA that the proper forums for discussing urban problems with community leaders should be a series of workshops held by the ABA during the year on topics relating to inner-city redevelopment.

According to a statement released by the NPA, it is "stepping up its fight" with the ABA for increased lending by banks in city neighborhoods and will present its case in New Orleans "whether we're on the agenda or not."

The NPA, headed by Gail Cincotta, a Chicago housewife, accused the ABA of fostering a dismal record on neighborhood redevelopment and said that, under the NPA's new strategy, it will call on individual bankers across the country by letter and by telegram to support its demands.

Taking a Look At the City Care Forgot

By CAROLE HOLLANDER
Editorial Assistant

A brief description of New Orleans to assist ABA conventioners meeting at the Rivergate Exhibition Center on Canal Street, October 5-10, 1979.



STREETS LAID OUT on a swampy soil, a tiny levee built to protect against the river's moods — so began a capital for French Louisiana being built under the direction of Sieur de Bienville and John Law in 1718. The Duc d'Orleans reigned in France at the time. In his honor the new settlement was named Nouvelle Orleans.

Settlers came in the form of exiled French misfits, speculating merchants, farmers, soldiers and slaves. Acadians (Cajuns) from Nova Scotia settled into the bayous, farming and trapping to make a living. Along with these people and their various styles of living, there developed a totally new culture, the Creole, a result of intermarriage between New Orleans' French and Spanish populations.

By 1814 control of the Mississippi and New Orleans was still not firmly planted with any one of the vying powers (France, Britain, Spain, and the United States). An irregular army led by Andrew Jackson and assisted by the dashing and controversial Jean Lafitte ended the War of 1812 between the United States and Britain, settling permanently the issue of control of the area. The site of the Battle of New Orleans now is within Chalmette National Historical Park on the Mississippi near Industrial Canal.

History has given New Orleans a heritage visitors find compelling. Out of the spirit of the Cajuns, the luxury and fashion of the French court and the

influence of the peppery Creoles, a city developed rich in refinement, diversity and gaiety. One notable legacy of the past is the French Quarter.

The French Quarter is the site where Bienville and Law first ordered construction for the town of New Orleans. The district is bordered by Canal, Rampart and Esplanade streets and the Mississippi River. Within the bounds of Vieux Carré (old square) await welcoming paths to walk and unique sights to see. Welcoming visitors are many highly ornate homes such as Casa Faurie, built in 1801 for the grandfather of French impressionist Edgar Degas; Maison Seignouret; Maison LeMonnier; Soniat House; the haunted LaLaurie House and others. Brilliant examples of wrought-iron artistry lace the Quarter. Notable is the Cornstalk Fence, which was cast in Philadelphia and shipped by sea to New Orleans in 1834.

Jackson Square, landmarked by a statue of Andrew Jackson astride a rearing horse, is across the street from the Vieux Carré's French Market, which contains a farmer's market, bistros, cafes, restaurants, crafts stalls, shops and street vendors that stream through the passageways.

St. Louis Cathedral is another landmark. It is the oldest cathedral in the United States. Not far away from it sits the Presbytere, which originally served as a small monastery for the Capuchin order.

Also found in the Quarter are colonial government buildings like the Cabildo and Spanish Arsenal; the naughty-nice New Orleans Ballroom, where quadroon mothers displayed their daughters to white gentlemen as possible concubines; the great Pontalba buildings, designed to be luxury apartments and shops, and the Old Ursulines Convent. Especially interesting are the Old Louisiana State Bank, built in 1821 with its wrought-iron monogram interwoven into the balcony, the Old Bank of the United States, built in 1800, and the Old Bank of Louisiana, built in 1826, which served as the hub of the city's finances for many years.

When "Americans" started moving into New Orleans around the turn of the 19th century, the Creole population in Vieux Carré did not welcome them. This snubbing resulted in development of the Garden District, which competed strongly with the already established Creole community. The Americans built their own church, town square, city hall, cemetery, theater, hotel and railroad. Elegance pervaded the district's architecture, which is a commingling of West Indian, southern plantation, Victorian and Louisianian influences. Magazine Street, lined with antique shops, art galleries and boutiques, and historic homes with fabulous interiors, draw visitors to the Garden District.

(Continued on next page)

New Orleans 1979

All that glitters in New Orleans is not old. The Superdome, termed by experts "the most usable public building ever designed in the history of man," is the largest enclosed stadium in the world. The imposing International Trade Mart building affords visitors a ride in a glass-enclosed elevator to an observation deck 31 stories high. The view from the deck takes in the city, the Mississippi and its crescent and gulf ports. In the Gulf of Mexico, offshore oil rigs work to keep the life's blood of American industry flowing. Offshore rigs can be approached on the deep sea fishing boat, the S. S. Miss Mississippi, leaving from Empire, La., if reservations are made on the previous Monday. Call in New Orleans (504) 282-8111.

Havin' Fun on the Bayou

Nature has afforded New Orleans interesting ocean and lake fronts and the bayous, sluggish lake and river tributaries. Along Bayou St. John and part of the lakefront of Lake Pontchartrain, there ran an old route to New Orleans from the Gulf of Mexico. This old route is now lined with historic attractions. Near the French Quarter is the Old U. S. Mint, which is being restored, Fort St. Jean, Fort St. Ferdinand and Congo Square — originally a gathering ground for Indian cere-

monies and later the scene for slaves dancing the Bamboula dance to pulsing drums. Along the Bayou St. John, plantations were built during the 1800s. Enormous City Park, which is located in the area, was once part of the Louis Allard Plantation.

The gulf shore that runs east of New Orleans is dotted with coastal towns offering a resort atmosphere with water sports, golf, tennis and night life. Gulfport, Biloxi and Ocean Springs in Mississippi are three towns on the Gulf of Mexico that offer a variety of things to do. Between Gulfport and Biloxi runs a man-made 300-foot-wide, 26-mile-long sand beach.

All That Jazz

Jazz is America's one indisputably homegrown art form. It has been said that the art was born in the bawdy houses of Storyville in New Orleans; that it came out of a black culture part free-men-of-color Creole, part slave. In bordellos where they were allowed to entertain, blacks segregated from the main white culture turned their experience into music, using handmade instruments to give testimony. Jazzmen such as King Oliver, Louis Armstrong, Jelly Roll Morton, Sweet Emma Barrett, Al Hirt and Pete Fountain derive from New Orleans. Preservation Hall, as its name purports, is preserving traditional jazz by offering

performances, often with "old timers" making up the talent. Al Hirt Club, Pete Fountain's French Quarter Inn and the Blue Angel (*the* place for Dixieland jazz) are all on world-famous Bourbon Street, but good jazz performances happen all over town. A street vender called Fat City Snow Cones is rumored to have been the cool and humble originator of Fat City, the fastest-growing area in Louisiana offering entertainment, food and boutique shopping. It has become a city within a city.

Jambalaya, Crawfish Piya

In New Orleans, cuisine means Creole cookin' and Cajun fare. There's nowhere else to have beignets (square fritters without holes served with strong chicory coffee called *cafe au lait*) in the French Market. Grandma makes gumbo, which is any variety of soup/stews made with beef stock, vegetables, meat, chicken, crabmeat and shrimp added to ham, onions, pepper and okra. Sassafras is used to flavor this mixture, which can be put together in a myriad of ways. Folks eat jambalaya — rice cooked with ham, sausage, chicken, shrimp or oysters and seasoned with herbs. Exploring the variety of dishes unique to New Orleans is quite an adventure in itself.

Far from complete, here is a list of restaurants offering distinctive food:

Andrew Jackson, 221 Royal, Reservations.

Antoine's, 713 St. Louis, Reservations.

Arnauds, 813 Bienville, Reservations.

Begue's, Royal Sonesta Hotel, Reservations.

Brennan's, 417 Royal, Reservations.

Broussard's, 819 Conti, Reservations.

Chez Helene, 1540 N. Robertson.

Christian's, 3835 Iberville, Reservations.

Commander's Palace, 1403 Washington, Reservations.

Court of Two Sisters, 613 Royal, Reservations.

Delmonico's, 1300 St. Charles, Reservations.

Elmwood Plantation, 5400 River Rd., Harahan, Reservations.

Felix's, 739 Iberville, Closed Monday.

Galatoire's, 209 Bourbon, Closed Monday.

New Orleans Skyline.



This and That

Mardi Gras – Fat Tuesday. It has been secretly organized by the Mystic Krewe of Comus since 1857, when a group of young men clandestinely prepared plans for the first fantasy parade. Elaborate costumes and floats fill the streets and a ball is held, these days at the Rivergate Convention Center, to climax carnival festivities. Mardi Gras is mystery, glitter and happy excitement. During Mardi Gras, New Orleans is a splendorous royal court given over to having a splendid time.

When the Saints . . . When a black jazz man is taken from the church to his grave, a dignified band plays mournful dirges to a slow drumbeat. After the man is "freed" and the mourners turn to leave the cemetery, the recessional becomes a lively jazz parade to celebrate a friend's liberation.

Dem bones, dem bones. Dem dry bones. The ground in much of New Orleans is so close to sea level, it has become necessary to place many graves above ground, using various kinds of vaults. The lines of vaults create the impression of a miniature city. Many of the graves have been decorated with "everlasting" flowers made of glass and beads on twisted wire. Monuments in the Cities of the

Dead highlight the history of New Orleans through the people they commemorate.

When You Do That Voodoo. Voodoo came to New Orleans with West African slaves, who added their symbols and rituals to Christianity. For 70 years, a free mulatto conjure woman, Marie Laveau, who was the undisputed queen of voodoo, had an impact on the image of New Orleans. Secret, illegal ceremonies that made use of whiskey, snakes, chants and wild dancing were held regularly in her backyard. Marie Laveau's gravestone is in St. Louis Cemetery No. 1. It is marked with crosses hewn by loyal followers. Even today for a small payment, a "gris gris" (gree gree) will give magical assistance to a client wishing to attain some secret desire.

Steamboat or Trolley. Get around and explore. There are buses, street cars, carriages, ferries, limousines and riverboats that offer a variety of tours and activities for those new to town.

The St. Charles Streetcar, running past the Garden District, is one of the few remaining streetcar lines in the country. And you can get to Delmonico's or the Pontchartrain Hotel (long regarded as one of the top 10 eating places in the country), if you're going to either for dinner. Clang,

clang; it's worth 30 minutes of your stay!

A visitor Information Center is located at 334 Royal (phone 522-8772). It is operated daily from 9 a.m. to 5 p.m. by the Greater New Orleans Tourist and Convention Commission and the Louisiana Tourist Development Commission. It has available brochures and information on all aspects of the city and state. There is also an Entertainment Hotline (phone 821-1111) that makes available the most current information on what's up in New Orleans. ●●

Vignette Address Corrected

In the "New Orleans Lagniappe" section of the August issue of MID-CONTINENT BANKER, the editors described a magazine, *Vignette*, which contains a complete digest of tourist spots, maps, history and trivia of the Crescent City. However, we were given and, in turn, gave our readers incorrect information on where to write to obtain copies of this publication. The correct address is:

Vignette Magazine
246 Audubon Blvd.
New Orleans, LA 70118

Send \$3 to cover cost of the magazine — \$1.95 — and postage — \$1.05.

Jonathan, 714 N. Rampart, Reservations.

Kolb's, 125 St. Charles, Closed Sunday.

LeRuth's, 636 Franklin, Gretna, Reservations.

Louis XVI, 829 Toulouse, Reservations.

Masson's, 7200 Pontchartrain, Reservations.

Moran's La Louisiane, 725 Iberville, Reservations.

Pascal's Manale, 1838 Napoleon, Reservations.

T. Pittari's, 4200 S. Claiborne, Reservations.

Pontchartrain Hotel, Caribbean Room, 2031 St. Charles, Reservations.

Romanoff's, 3322 N. Turnbull, Metairie, Reservations.

Royal Oak, 197 Westbank Expressway, Closed Sunday.

Rib Room, Royal Orleans Hotel, Reservations.

Tortorici's, 441 Royal, Reservations.

Versailles, 2100 St. Charles, Reservations.



Ahhh, New Orleans!

City of Epicurean Delights, Famed French Quarter, Entertainment of All Kinds

By GIL T. WEBRE*



* Gil T. Webre is a veteran newspaper reporter with the Times-Picayune Publishing Corp., publisher of the New Orleans *Times-Picayune* (morning and Sunday) and *New Orleans States-Item* (evening).

A HHH, NEW ORLEANS. A most interesting city.

Ahh, New Orleans. Soon-to-be home of the 1979 American Bankers Association convention (the reason for this piece), current home of the New Orleans Saints (football), former home of the Utah Jazz (basketball) and sometimes home of Mardi Gras (police strike).

Ah, New Orleans. A city of epicurian delights. Where else can you eat at some of the world's finest restaurants (to name but four: Galatoire's, LaRuth's, Brennan's and Antoine's) or savor red beans 'n' rice (at Buster Holmes Restaurant and Bar on Burgundy Street) or bite into a giant mufalatta (Italian poor boy salad) sandwich made from freshly sliced

meats at Progress Grocery on Decatur Street.

But so much for this food talk. We could go on all day with it and tell you of small and smaller restaurants and sandwich shops all over the city. There's Mother's for poor boys, Mount Fuji for Japanese foods, Visko's for seafood, Chan's Far East for Chinese . . . this could go on forever.

Let's talk banking. Since just about everything else in New Orleans has a story behind it, there's no reason for banking to be different.

Let's start off with a couple of "Did you knows."

The first: Did you know that there were many ways to make your mark in early New Orleans banking?

The second: Did you know that the first two banks to be organized in New Orleans were also the first two to go belly-up, one because its charter ran out, the other because of too many negative gains (I've been wanting to use that term for years) in its ledger?

To back up the first statement, we turn to the register of deposits of the New Orleans Savings Bank, which is carefully preserved in the Louisiana

TOP: This photo of Carondelet Street in New Orleans appears — from age of autos — to have been taken sometime in 1920s. At extreme left, columned structure is old Canal Bank. Tall structure at left is home of Nat'l American Bank. Columned tower in center sits atop Hibernia Nat'l. At curve in street is building that formerly housed New Orleans Branch of Atlanta Fed.

BOTTOM: Principal banking room of what was La Banque d'Etat de la Louisiane (Louisiana State Bank) now is grand salon of famed Manheim Galleries of antiques. Designed in 1820 by Benjamin Henry Latrobe, one of architects of Capitol in Washington, D. C., building served as banking room and living quarters of family of Richard Relf, cash., until 1870, when bank was liquidated. Semicircular directors' room was converted in 1969 into fabulous Manheim Jade Room and today houses what is reputed to be one of largest and finest collections of salable jade carvings in world. Their value alone exceeds by far former bank's total resources.

MID-CONTINENT BANKER for September, 1979

Division of the main branch of the New Orleans Public Library.

The New Orleans Savings Bank saw its light of day in 1832, and its first depositor with a legible handwriting was David Daniel, a carpenter. The bank ceased to exist, according to the book, a decade later.

The best we (meaning I) could figure, this savings bank was a forerunner of today's credit unions, because monies deposited in it were put the same day into the Louisiana State Bank, the Bank of New Orleans (no relation to today's BNO, which developed from a small loan company), the Canal Banking Co. (forerunner of today's First National Bank of Commerce) or "other such banks."

New Orleans Savings Bank had some unusual regulations.

One related to size of deposits: \$1 or more, but no fractional part of a dollar accepted.

Another to withdrawals: \$100 or more required a two-week notice before it would be allowed.

Still another to interest: 5% on all exceeding \$5, which was also the minimum withdrawal.

In today's WWB (wonderful world of banking), social security numbers are a near must for record-keeping and identifications.

The New Orleans Savings Bank solved the identification problem by noting in its deposit register such personal items as: Timothy Crane: a bricklayer who works with Mr. Stevens; Dennis Daveney: 40-year-old little man; Harold Maxwell: young man, no whiskers; Patrick Roach: tall slender man, thin white face.

And the bank figured out ways of having joint accounts. When Henry Weber and James Matherne opened one, the register noted: "Neither one can draw without the other. One tall, the other short."

However, when Mary and James Gillen deposited \$300, it was noted that either one could "draw" the amount.

What does all this have to do about people making their "marks" in banking?

A significant percentage of those who entrusted their dollars to the New Orleans Savings Bank were Irish, English or German immigrants. And many were illiterate.

So they made their marks in the book, and it's interesting to note the marks had characteristics as distinctive as signatures. Of the several hundred in the register, no two really look alike.

Some resemble the letter "X," others the "plus" sign and still others a "crucifix."

MID-CONTINENT BANKER for September, 1979



This is famous DIX note that allegedly gave nickname of "Dixie" to South. These notes were circulated by Citizens Bank of Louisiana and came to be known as "Dixies." From this developed Dixie's Land and, eventually, Dixieland or Dixie. Dix is French word for 10. (Photo courtesy Historic New Orleans Collection.)

Some were steady. Others wiggly. A few were shaky.

One was both wiggly and shaky. It belonged to John P. Ladeu, who on May 12, 1834, did "hereby assign all my monies (say, \$100) in the New Orleans Savings Bank unto Timothy Mack."

Was it settlement of a gambling debt? Don't know, but by his mark you could tell Mr. Ladeu was not at all pleased with the action.

Now about those first two banks that went belly-up. Before getting into this, we have to throw out a few dates: 1699, 1718, 1762, 1800, 1803, 1805, 1811 and 1818.

With these dates burned firmly in mind, let's start matching them with events.

That first date was when Louisiana, as we almost know it, was settled by the French, when Iberville set up a fort of sorts near Biloxi on the Gulf Coast of Mississippi.

The second, 1718, was when Iberville's younger brother, Bienville, settled what's now New Orleans.

The third, 1762, marked the ceding of Louisiana by France to Spain, while the fourth, 1800, is when Spain gave it back to France.

In 1803, the U. S. bought the place, for less than a good block of downtown New Orleans would cost today. Then, in 1805, the first banks opened.

The last dates? Those are when they went under.

Logic tells you the banking history of New Orleans started under the French, but that's not correct according to most historians.

When the French had New Orleans the first time around, the place was no more than a mud-hut village with

bunches of mosquitoes (which we still have) and alligators (which are on the comeback).

Although there were some French livres in circulation, much of the commerce was through barter, and most of the early colonists thought more of saving themselves than saving money.

The situation improved when the Spanish took over, and the "French Quarter" — which tourists delight in today — was primarily Spanish in character, built after fires destroyed most of what was French in the city.

Still, though, there were no banks as we know them.

When the French came back for their second go-round, they really didn't have much chance to do anything. Although the France of Napoleon owned Louisiana for three years, it actually administered it for a month between the time it received the colony from Spain until it turned it over to the U. S.

And that's when banking started.

In 1805, two banks arose out of the sinking soils of New Orleans: The First Bank of the United States and the Bank of Louisiana.

The First Bank went under in 1811, when its charter was not renewed under the federal administration. Bank of Louisiana went down in 1818 under its own power. As it was liquidating, the Louisiana State Bank stepped up to take its place.

Before going any further, let me assure you that this bank is no longer in existence. But let me also assure you that if you're a banker coming to New Orleans for the ABA convention, there is almost an even-money chance that your wife, or you, or both will leave some of your money in the bank

building and walk out with an antique rather than a passbook.

The Louisiana State Bank Building at 403 Royal (corner Conti) in the French Quarter now houses Manheim Galleries, one of New Orleans' premier antique stores.

The building, so-so from the outside, striking from the inside, is one of the city's most historic. It was designed by Benjamin Henry Latrobe, one of the architects of the national capitol.

The building itself was completed in 1822 by Benjamin Fox, after Latrobe's death. The bank itself stayed at the Royal Street location until 1867, when it moved to the growing banking area of Camp and Gravier. (On December 31, 1870, the bank was liquidated.)

If you visit that old bank building while in New Orleans, it's more than worth your while to walk catty-corner across Royal to the antebellum-looking

Louisiana Tourist Commission office.

If you expect me to say that was also a bank building, you're right. And it was also a dance hall, a courthouse, an American Legion post and spiders' nest.

That building belonged to the Bank of Louisiana (a popular name if there ever was one), which was chartered in 1824. The building itself was completed in 1826 at a cost of \$80,000 (\$25,000 more than Latrobe's building) and was a real showplace.

But the bank couldn't survive the Civil War, so the building became a merchants' exchange. When that failed, it fell into disuse and became, as one newspaper called it, a spiders' nest.

Then, in 1871, it became a music hall, the Philharmonic Circle. When it opened in July of that year, a New Orleans newspaper reported: "A large

number of people passed a pleasant evening in the old bank building corner Royal and Conti streets, listening to artistic music and sipping potent beverages. The establishment appears to be a combination of beer saloon and musical and theatrical diversions and is already in favor with citizens who patronize public resorts. The orchestra is very small, and the hall neatly arranged, although the rooms were all together too small to accommodate all who called yesterday."

Three years later, the structure was transformed into the "New Court" building, and justice (New Orleans style) rather than beer was served.

Later, other court buildings made the old building obsolete, and eventually it was turned into an American Legion hall, then recently into a tourist center. (It is, incidentally, one of the few places you can get complimentary coffee.)

Next to opening and closing, banks and bankers no doubt enjoyed moving best of all. So it was with the Louisiana State Bank in July, 1867, as we see in the newspaper of the day:

"Louisiana State Bank. That solid old bank the Louisiana State is making very thorough preparation for opening its business on the 1st prox. at its new domicile on Camp Street. One of its most complete operations has been the clearing out of all the old circulation which was on hand. The accumulation had been enormous. It was contained in 15 large trunks, and took one of the omnibuses and a large wagon to transfer it (with the committee we presume) to the Gas Works, where it was committed to flames, in the presence of the directors. The amount thus destroyed was \$8,184,302.50 and made a magnificent. . . ."

Historically, the golden age of New Orleans banking was in the 1830s, when some of the largest banks in the country were in the Crescent City. For instance, a Treasury Department report showed that Union Bank of Louisiana had more loans outstanding than any other of the country's "deposit (sic) banks." It had \$7.8 million on its books, compared to \$5.3 million for the Bank of Virginia and its branches and \$5.2 million for the Manhattan Co.

It was during this era that the city grew, and banks were chartered by the state to help in that growth. For instance, the old Canal Bank (which came out of the bank holiday of the '30s as the First National Bank of Commerce) was chartered in 1831 to build the New Basin Canal from Rampart

Louisianians Served in Top ABA Posts



HECHT



GLADNEY

Two Louisiana bankers have served the American Bankers Association as officers. The late Rudolph S. Hecht was ABA president in 1934, and William B. Gladney was ABA treasurer in 1951-52.

Mr. Hecht was elected president of Hibernia Bank, New Orleans, in 1918, when he was 33 and thus one of the youngest bank presidents in the nation. Only 12 years before, he had joined the bank as a clerk in the foreign department. He became chairman of the newly formed bank, Hibernia National, in 1933. Before going to New Orleans, Mr. Hecht was a banker in Chicago at National Bank of the Republic, which later became Commercial National. He died January 18, 1956.

Mr. Gladney, now 81, is vice chairman, Fidelity National, Baton Rouge, where he was vice president, 1938-44; president, 1944-54; vice chairman, 1954-60; vice chairman of the board and executive committee chairman, 1960-75; and vice chairman of the board and member of the advisory board since 1975. He entered banking in 1917 with Ouachita National, Monroe, as bookkeeper, then spent the following years with Commercial National, Shreveport, 1918; Citizens National (now Ouachita National), Monroe, 1918-26; and Bastrop Bank (now Bastrop National), 1926-38.

(Continued on page 54)



Charles E. Foret
Vice President
and Manager

Jus Help'n



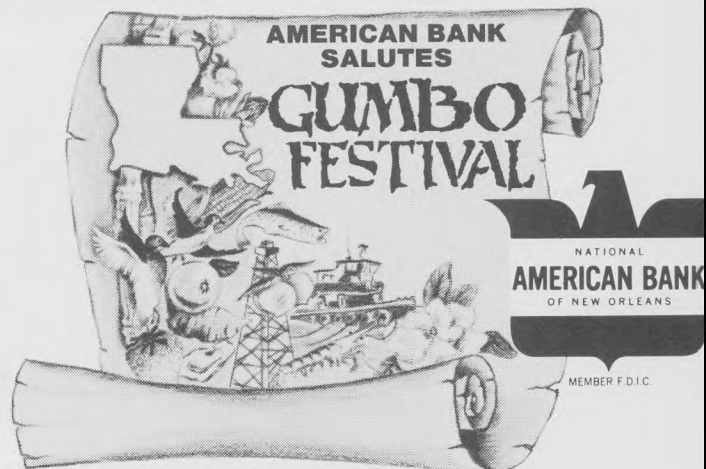
Carroll Griffith
Vice President

that's what friends are for

"C'est magnifique! Bon appétit!" say Master Chef 'Pierre' Foret and friend 'Antoine' Griffith shown above using just the right ingredients to help the folks at Bridge City, Louisiana serve the best Gumbo you ever tasted.

If your specialty happens to be banking—not gumbo—and you need help with your banking problems, don't trust to 'pot luck'. Call banking expert 'Pierre' Foret at (504) 525-7761. (Friend 'Antoine' can be reached at the same number.)

The Gumbo Festival had its origin in 1973 at Bridge City, La. and is celebrated annually in early October. Special Events: Creole Gumbo; Pageant Building Competition; Art Exhibit; Continucus Live Entertainment; Gumbo Cooking and Eating Contest; Baking Contest; Beautiful Child Contest; Pee-Wee Gumbo Bowl; Game Booths; Camper Site.



A salute to Festivities in Louisiana
(One in a series by the National American Bank)

NATIONAL AMERICAN BANK CORRESPONDENT BANKING DIVISION

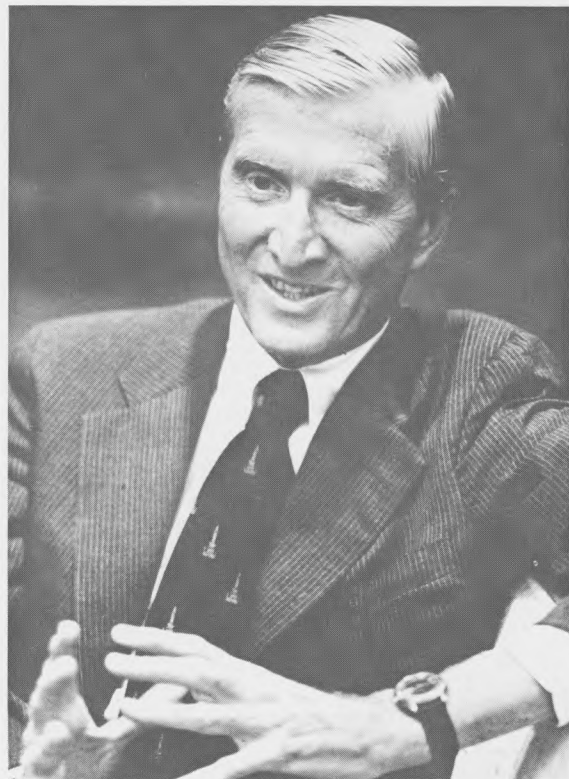
200 Carondelet Street • New Orleans, La. 70130 • 504/525-7761

The Year in Banking: Aggressive Preparation For Decade to Come

An Interview

With ABA President

John H. Perkins



EDITOR'S NOTE: John H. Perkins, president, Continental Illinois Corp. and Continental Illinois National, Chicago, has had a busy two years as part of the ABA leadership, first as president-elect (1977-78) and now as president (1978-79). As a result, he is well acquainted with the problems, questions and challenges facing commercial banking. Mr. Perkins graciously took time out from his busy schedule to answer some questions he and the ABA believe to be among the most important now facing banking.

Q. Do you think that 1979 will be viewed someday as a watershed year for banking?

A. I think it is safe to take that position now. This year, bankers were able to take part in framing major proposed changes to the structure of the Federal Reserve System that will keep the Fed both strong and politically independent. This year, we began to attack some of the crucial day-to-day problems faced by bankers who must deal with a regulatory burden that has clearly gotten out of hand. One step that ABA took was to file a lawsuit to block the new proposed Truth-in-Lending enforcement guidelines and to force some rethinking on this unclear and unstable regu-

lation. We believe the situation with Truth-in-Lending has become impossible and must be resolved. We believe bankers have done their level best to comply with the impossibly complicated regulations. The retroactive approach to enforcement that recently developed has created unfair and unjustified problems that must be corrected by legislation. However, we clearly could not wait until this process is completed in the light of recent regulatory developments. This has been a year of aggressive preparation for the decade to come.



Q. If you had to capsulize your year as president of the ABA, how would you do it?

A. From almost any perspective, this has been a year of rapid change. The uncertain economy has provided a dramatic backdrop to all that has gone on both inside and outside of banking. Against this backdrop, and to a large extent because of it, there has been substantial movement on many legislative issues facing bankers. But we must not lose sight of the broader banking issues. While legislation and regulation are always in the forefront, continued and gratifying progress has been made in the banking professions area, education and the AIB in particular and the communications program.

Q. Would the progress of the Fed-membership issue illustrate this?

A. I think so. Few pieces of banking legislation I have witnessed have gone through transformations as complete as this attempt to stem the exodus of member banks from the Fed. The House bill, H.R.7, as

What can we do for you?

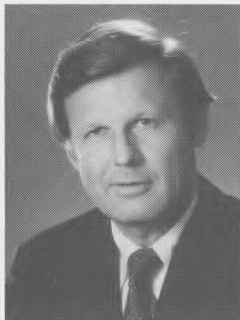
Just ask any one of these Commerce Bankers attending the ABA Convention.



James M. Kemper, Jr.
Chairman



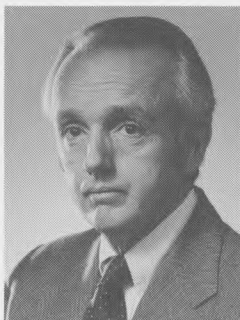
P. V. Miller, Jr.
Vice Chairman



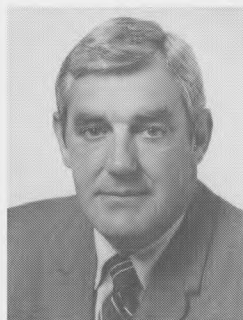
David A. Rismiller
President



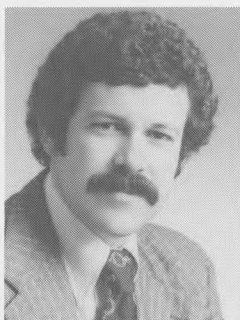
B. M. Lamberson
*Vice Chairman,
Commerce Bancshares, Inc.*



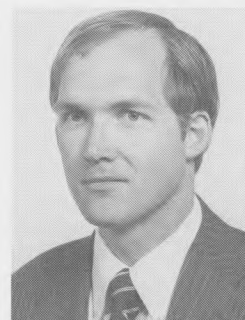
John R. Owen
Executive Vice President



Fred N. Coulson, Jr.
Senior Vice President



John J. Williams
Senior Vice President



David W. Kemper
Vice President



Commerce Bank
of Kansas City^{NA} MEMBER FDIC

9th & Main 10th & Walnut 12th & Charlotte
234-2000

passed just before the August congressional recess, has gone from a measure that would have made a major change in our traditional dual federal-state system of bank regulation and voluntary nature of Fed membership to one that provides both a framework for improved monetary policy for the central bank and for addressing the present excessive cost of belonging to the Fed for member banks. There are many more hurdles this bill must go over as it is considered by the Senate, but I think much of the progress that has occurred on this bill is due to the growing political maturity of the banker. Our dialogue with our federal lawmakers has been excellent, and the ability of such government relations tools as the ABA's Banking Leadership Conferences have helped to both harness and develop further this ability. This is the year the ABA's consensus process as carried out by hundreds of banker-delegates to the association's Banking Leadership conferences proved both its value and its authority beyond all doubt. The base of banker knowledge of the most complex questions facing us has never been broader, and that is an encouraging sign indeed.



the related problem of the dollar and international monetary system. Paul Volcker is an old friend, who has long experience and a great appreciation of the problems and his role, as well as a keen insight into the practical side of banking and finance. Focus of this leadership on our dominant problem of inflation should encourage us all.

Q. What do you see as our most pressing economic problem — as citizens and as bankers?

A. That problem is certainly inflation, as I suggested above. It will require a long-term change in attitude and consumer practices before we turn it around. I sincerely believe there are things that can be done to promote an actual and psychological "inflation offensive." One thing bankers can do is find ways to re-establish the savings habit in the consumer. As you know, the percentage of disposable income that has been finding its way into savings accounts is at an all-time low point. During past periods of high inflation, adjustments in the Reg Q ceilings have had some positive effect on the rate of consumer savings. Somewhat higher interest on savings accounts coupled with the much-talked-about tax break for savers would supply a start for helping to re-establish the savings habit — taking money from the inflationary spiral and applying it instead in the needed areas of capital formation. I think this kind of government action to help banks encourage savings would be a useful tool. However, the proposed IRS scheme to have holders of short-term CDs pay taxes on interest not yet credited to their accounts is a step in the wrong direction. Bankers should re-emphasize their role as a community resource for financial advice as well as for advice on bank services. The potential in our nation's 14,000 banks for dealing directly with consumers, finding ways to help them fight inflation on a one-to-one level, is a powerful tool that needs to be fully realized to get us all out from under the defeatist frame of mind that accompanies inflation.

Q. What other ways have bankers grown politically?

A. I think banker support of the ABA's political action committee — BankPac — definitely is grow-

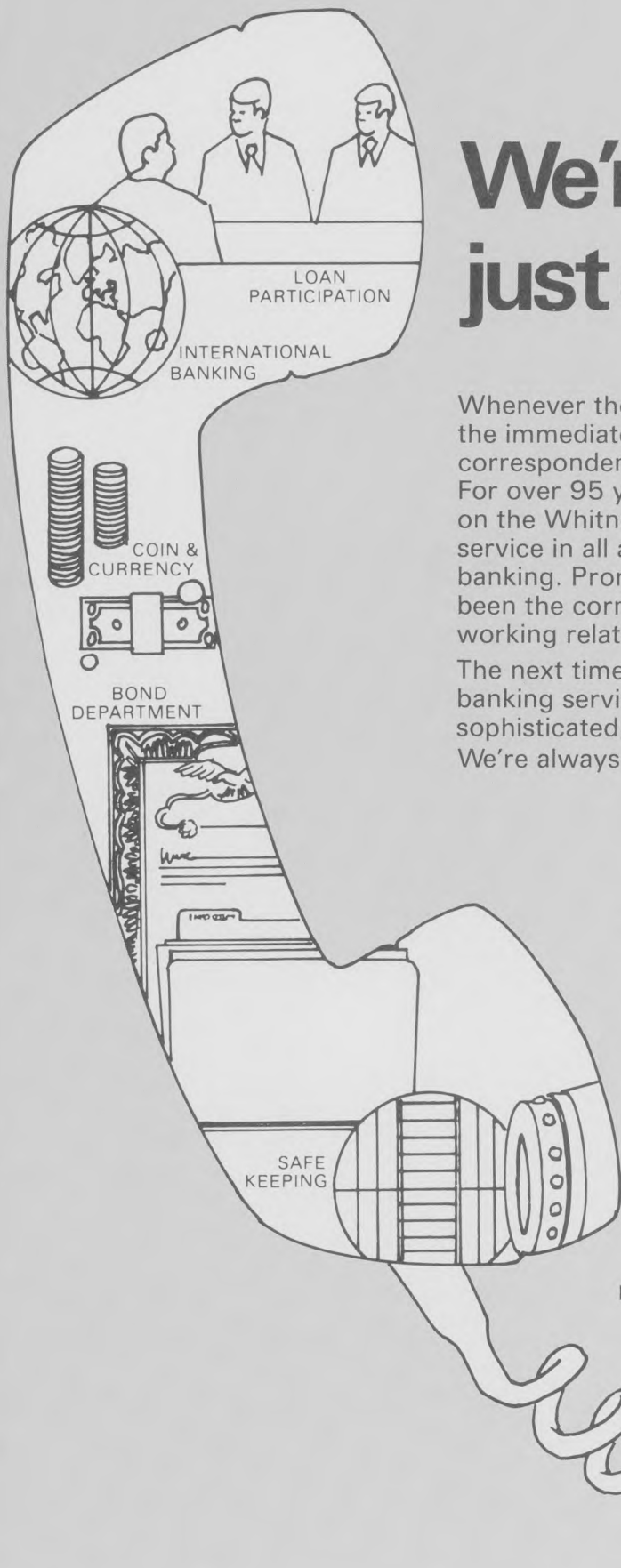
Q. What are some other highlights of this year's action on bank regulation?

A. I think we can view considerable progress on that front. Both Congress and the regulators have shown a willingness to accommodate on many issues. The Senate has passed a simplification measure for Truth-in-Lending which, while not going as far as bankers would like it to, does provide a constructive start. One of the first actions taken by Congress when it reconvened in January was to repeal the subsection of last year's Financial Institutions Regulatory Act that could have cost bankers millions of dollars in redundant and not very helpful notices to customers of their privacy rights. Our direct work with the regulators resulted in more and more areas where the Reg Q differential favoring thrifts has been eroded. For the ABA, this also has been a year of "follow-through" on regulatory problems, ranging from workshops and publications on laws such as the Community Reinvestment Act (CRA) to our efforts to assure that consumers are not taxed on income they have not yet received from short term CDs that pay interest at maturity only and that mature after the end of the tax year. I would say the

environment for dialogue between bankers and regulators has been an active one and one we should continue to expand, nurture and develop.

Q. What is your view of the "new" men in the top slots at Treasury and the Fed?

A. Bill Miller as Treasury Secretary will bring his considerable energies and abilities to focusing on crucial and overriding questions of the long-range problem of inflation and



We're always just one call away.

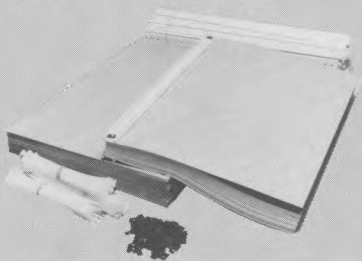
Whenever the situation arises that demands the immediate attention of a reliable correspondent bank, just call on the Whitney. For over 95 years, bankers have counted on the Whitney's expertise and dependable service in all areas of correspondent banking. Prompt personal service has always been the cornerstone of our successful working relationships.

The next time you need correspondent banking services, large or small, simple or sophisticated, just pick up the phone. We're always just one call away.

Use this WATS number for
Correspondent Banking
Department
1-800-535-9151
IN LOUISIANA USE:
1-800-562-9016

Whitney
NATIONAL BANK OF NEW ORLEANS
Reliability in banking since 1883

SAVE TIME, MONEY AND EFFORT



Spend less money storing cumbersome data printouts. Belmont's Special Bankers Kit binds printouts neatly in rugged "Durafile". The special Slide-Lock Binders allow easy insertion of additional data. When full, merely lock permanently with lock nuts and use the top mechanism again and again. Kit will accommodate 50 binders. As low as 75¢ each in quantities. Includes covers, 6" posts, and slide-lock mechanisms.

Write or call for full information



**BELMONT
PLASTICS**

P.O. Box 2892
Laguna Hills, CA 92653
(714) 770-2967

SINGLE INTEREST INSURANCE

For Installment Loans

BLANKET SINGLE
INTEREST

INDIVIDUAL SINGLE
INTEREST PROGRAMS

- Automated
- Manual

PROTECT YOUR LOANS
AGAINST THOSE PHYSICAL
DAMAGE LOSSES.

CONTACT US ABOUT A
PROGRAM FOR YOUR BANK.

call or write:



**G. D. VAN
WAGENEN CO.**

1678 Northwestern Bank Bldg.
Minneapolis, MN 55402
(612) 333-2261

ing. Bankers are becoming increasingly aware of this vehicle for channeling political contributions to committees that count in Congress. I think bankers are increasingly appreciative of this completely legitimate part of the political process, and their support of those who stand up for business and for banking is something of which all of us can be proud. I view it as a highlight of my year as ABA president that Bank-Pac now is active in every state.

Q. What direction do you forecast for "Full-Service" banking in the 1980s?

A. This year, we have seen dramatic illustrations of the change our industry is undergoing. Competitively, we have seen a gradual blurring of borders of what distinguishes a bank from a thrift. The court decision that declared credit union share drafts, S&L "remote-service" ATMs and bank automatic-transfer programs illegal will make it necessary for our federal lawmakers to provide a more formal framework to deal with retail services of financial intermediaries. The next decade will see us in stiffer competition with banking's other competitors — money market mutual funds that compete with all depository institutions, finance companies and "acceptance corporations" active in the consumer loan area and similar unregulated and often uninsured businesses operating in what once was strictly banking territory. With the projected growth of electronic banking, with the changing competitive scene, I think we safely can say there will be more difference in banking in the 1980s than perhaps in any other recent decade. We are just starting to see the lines drawn now. ●●

Ahhh, New Orleans

(Continued from page 48)

Street to Lake Pontchartrain. The canal was filled after World War II, and now the Pontchartrain Expressway follows its path.

Banks also were chartered to build hotels: with the Improvement Bank constructing the St. Louis Hotel in 1834 (now the site of the Royal Orleans Hotel) and the Exchange Bank in 1835 chartered for the St. Charles Hotel (now the site of a parking lot).

Earlier, in 1829, the New Orleans Gas Light & Banking Co. was chartered to finance gas lighting for the city.

Citizens Bank of Louisiana — one of the most interesting banks formed for a specific purpose — was obligated to dig a canal, but also is credited with giving rise to the term "Dixie."

True or false, we take no stand, but this is how the Dixie story goes.

On the back side of its \$10 notes, the bank had "DIX," French for the numeral 10.

Citizens was chartered in 1833. Late in the decade, its teller, C. W. Cammack, made arrangements with banks in Cincinnati to circulate its "DIX" notes in the Midwest. The bank, which lasted to 1911, was strong and its paper good. In 1857, it withstood a two-day run and survived, while others about it fell.

But that was after the bank's currency was widely held and river boatmen (or so the story goes) looked forward to going south to pick up some Dixies. From this developed Dixies' Land and eventually Dixieland and Dixie.

Just think. If the bank had simply called its 10s Ten, Confederate troops might have rallied singing:

*"Southerners, hear your country
call you,*

Up! lest worse than death befall you!

*To arms! To arms! To arms in
Tens!*

*Lo! all the beacon fires are lighted,
Let all hearts be now united.*

*To arms! To arms! To arms in
Tens!*

Chorus.

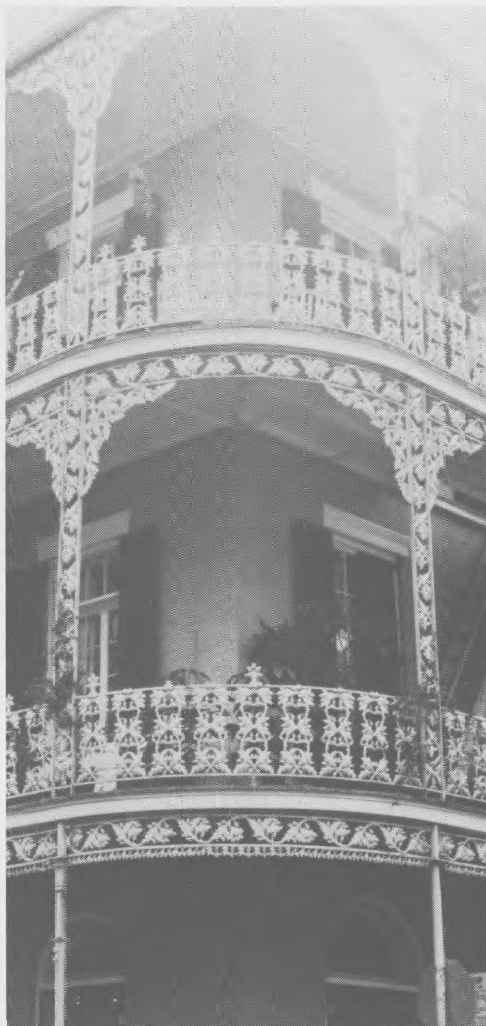
*Advance the flag of Tens! Hurrah!
Hurrah!*

A number of the historic New Orleans banks survive. Others are fairly new, and even these have interesting stories behind them.

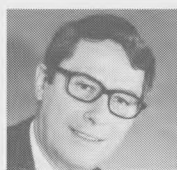
Take the Bank of New Orleans & Trust Co., no relation to past Banks of New Orleans. It opened its doors on October 11, 1943, with a staff of 13 plus (all second hand) two typewriters, two adding machines, a check protector and two bookkeeping machines.

Its founder and president was William J. Fisher, who had a small-loan background and who had specialized in consolidating accounts for people. He was one of the most respected men in New Orleans banking circles and was responsible for arranging the financing in the early 1950s for a grocer named John G. Schwegmann Jr., who has a chain of giant supermarkets in the New Orleans area and who has since captured as much as

See you in New Orleans



CROSBY KEMPER



JERRY SCOTT

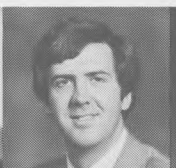
We're looking forward to meeting and greeting our colleagues from nearly a thousand correspondent banks while we're in New Orleans. See you there!

 **UNITED MISSOURI BANK**
OF KANSAS CITY, N.A.

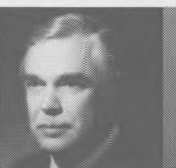
United we grow. Together.
P.O. Box 226 • Kansas City, Mo. 64141
816-556-7000



JOHN KRAMER



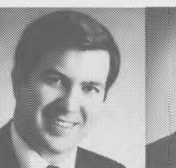
DICK KING



WALLY BECK



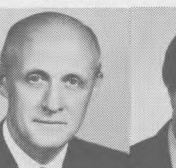
E. L. BURCH



MIKE FLEMING



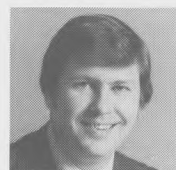
HAROLD HOLLISTER



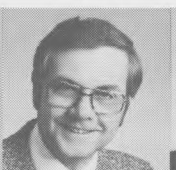
L. E. COX



STEVE BLACKBURN



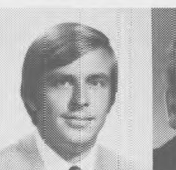
PHIL STRAIGHT



GEORGE CREWS



DUNCAN KINCHELOE



KIRK VAUGHAN



JACK BEETS



TED CAUGER



DICK BROOKS



CROSBY KEMPER, III

MID-CONTINENT BANKER for September, 1979

half of the retail food sales of the city.

BNO started life as the Progressive Industrial Bank and, at the end of its first year, had resources of \$1 million, including deposits of \$780,000.

In 1947, the bank became known as the Progressive Bank & Trust Co. Finally, in 1960, its name was changed to BNO.

Mr. Fisher relinquished his post as president in 1957, at which time Lawrence A. Merrigan was elected president, with Mr. Fisher remaining chairman of the board. In 1958, Mr. Fisher died, and since that time no one has served as chairman.

How big is the bank today?

Its staff is 715. It now has a main office, plus 17 branches.

It also has assets, as of June 30, of \$523,907,000, including deposits of \$418,374,000.

If BNO was a World War II baby, National American Bank was a child of World War I. It opened its doors in 1917, and its home office, the 22-story American Bank skyscraper, was as up to date as possible when it opened. (One of its amenities was "women's rest rooms on every floor," according to a brochure put out for its opening.)

The bank prides itself on being one of the two New Orleans banks that took no extended holiday in the Depression.

When the Treasury Department permitted banks to reopen in mid-March, 1933, the American did, and its president, John Legier, had stacks of money piled high in the cashier's cages to instill confidence in both worker and customer.

Later Mr. Legier said that was the best single day for new accounts

American ever had.

President of the bank now is George C. Vath.

At year-end 1918, when the bank was an infant, it reported total resources of "nearly half a million dollars." Now the bank has total resources of \$382 million. Its deposits exceed \$335 million.

The real War Baby in New Orleans banking has to be the First National Bank of Commerce, because that baby's been through many of them. It's a successor (through many name changes and at least one extended holiday) of the Canal Bank & Trust Co. and, yes, the Citizens Bank of Dixie fame.

Before going further, it must be noted that in 1911 Citizens Bank went into liquidation. At the Historic New Orleans Collection, a private museum on Royal Street, there is a brochure saying just as plain as day, "The Liquidators have declared on the 31st day of January, 1911, a first liquidation dividend of \$125 per share on 3,802 shares, amounting to \$475,250, and have remaining assets composed of bonds, notes and real estate, which should, when realized upon, pay a further dividend to the stockholders of at least \$100 per share."

Well, liquidated or not, Citizens continued operation until 1924, when it was merged into the Canal-Commercial Trust & Savings Bank. The resulting institution then was listed as one of the nine largest banks in the country.

The present First NBC is a successor to that bank. Canal Bank went into liquidation in 1933, and in May of that year the National Bank of Commerce

was formed.

Over the years, the First NBC went through many mergers and consolidations. Besides the two "biggies" in its history, other banks include Louisiana National, Provident Bank, Security Bank & Trust Co., City National, Commercial Trust & Savings Bank and Marine Bank & Trust Co.

President of First NBC is Thomas G. Rapier. The bank now has assets of \$919 million.

Hibernia National also is one of New Orleans' rich-history banks. As the name implies, Hibernia is an Irish bank, or at least it started out that way. It was organized in 1870, and its organizers carried such names as Montgomery, Burk, Fitzwilliams, McCloskey and Conery.

Hibernia did take a bit of a holiday during the Depression. It went into that period as Hibernia Bank & Trust and came out as Hibernia National. It was reorganized and reopened April 22, 1933, the same day as the National Bank of Commerce.

(The only New Orleans banks totally shot down during that period were Continental Trust and Interstate Trust. Continental didn't survive its holiday while Interstate made it through 1933, but was closed by the state banking commissioner in January, 1934.)

President of Hibernia today is Martin C. Miler. It has total assets of \$885 million and deposits of \$721 million.

Without a doubt, Whitney National is the largest New Orleans bank. It has total resources of \$1.68 billion and deposits of \$1.3 billion. Its president is Patrick A. Delaney, who worked his way up through the organization.

Whitney, of "The Whitney" as many social-conscious New Orleanians call it, dates back to 1883, when it issued 4,000 shares of stock at \$100 each. In 1905, capital stock was increased to \$2,500,000 and in 1919 to \$2,800,000. That was the last new-stock issuance.

Like most present-day banks, Whitney has had some consolidations and buy-outs in its past. A significant one occurred in 1908, when it purchased Central Trust & Savings Bank.

From this, a situation developed whereby Whitney National Bank formed an affiliated state bank, Whitney Trust & Savings Bank. Basically, stockholders in the senior bank also were stockholders in the savings bank.

After the holiday in 1933, the senior Whitney bank opened immediately, while the trust and savings bank was closed for a few days before reopening. The pair formally merged in the summer of 1933. ●●

**This is no
ordinary
bank directory.**



\$40* standing order

\$60* single issue

*Plus shipping and handling

**AMERICAN
Bank Directory**

6364 Warren Drive
Norcross, Ga. 30093
(404) 448-1011

What's so special about the American Bank Directory? It's the only desk-top national bank directory, so compact you can hold it in one hand. ABD's convenient thumb-indexed, two-volume format makes it easy to locate complete, essential facts and figures on every bank and multi-bank holding company in the nation. But that's not all. The American Bank Directory is still America's lowest-priced complete bank directory. That's what's so special. Call or write today to order *The Extraordinary* Bank Directory.



Communicating

...through service,
cooperation and
continuity.



Call Doug Lore

LA Wats 1-800-462-9511

Miss/Ala/Ark/Tex Wats

1-800-535-9601

 **First NBC**
New Orleans



We stand strong in the Mid-South!

...with complete Regional Bank Services.

This team is constantly on the go assisting Mid-South bankers professionally with their banking requirements. There are good reasons why we are one of the largest correspondent banks in the Mid-South. Take a step by calling our representative serving your area. Let us show you how we have become one of the leading regional correspondent banks.

The Correspondent Department of Mississippi's Regional Bank

Barney H. Jacks
*Senior Vice President and
Manager*

Bill Lloyd
*Vice President
Northwest Mississippi
& Arkansas*

Jimmy L. Walden
*Assistant Vice President
Southeast Mississippi
& Southwest Alabama*

Harry Lambdin
*Regional Officer
Southwest Mississippi
& Louisiana*

Ed Keeton
*Vice President
Northeast Mississippi,
West Tennessee &
Northwest Alabama*

Ann Lacoste
*Administrative
Assistant*

*Main Office:
Jackson, Mississippi
Area Code 601 354-8097*

**In Mississippi Call Toll Free:
1-800-222-7640**



Grow with Us

**DEPOSIT
GUARANTY**
NATIONAL BANK Member F.D.I.C.

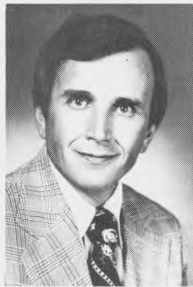
Bankers Form Group To Inform Consumers On Financial Matters



BATEMAN



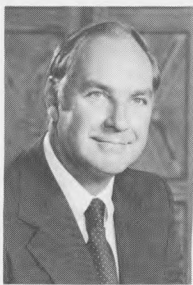
HILLIARD



KILLMON



NEFF



ROSENTHAL



SWEARINGEN



SMITH



TANNER



WAITE



THOMSON

A MAJOR national program designed to increase public understanding of banking and to inform consumers on financial matters will get underway this month. It is under the ABA's sponsorship and was created in response to the continued confidence consumers have in their individual bankers as shown in national surveys, increased complexity of economic conditions and growing financial sophistication of today's consumer.

The cornerstone will be a series of media and speaking tours by 23 banking executives discussing personal money management, banking services and a broad range of economic banking issues.

This information-sharing effort is known as the "Banking Adviser" program, with the 23 banking advisers all holding positions of responsibility in their banks, which are small, medium and large and are located in all regions of the country.

In a recent ABA sampling of 450 bankers from 100 metropolitan areas, bankers indicated their customers' areas of highest interest to be inflation, money-management advice, availability and use of new banking services, credit information and savings plans.

The banking advisers will brief local news media, make public appearances before consumer groups, appear on TV and take part in radio news and talk shows. These traveling bankers, many of whom are presidents of their institutions, will be prepared to discuss questions about banking, such as bank profits, interest rates and who controls them, protection of privacy, credit availability, mortgages and loans.

Advisers include experts in consumer credit, retirement planning, investment advice and estate planning.

To avoid the appearance of self promotion, the bankers will not appear in their own banks' market areas. ●●

Ten of the 23 participants in the ABA's new "Banking Adviser" program are from the Mid-Continent area. They are:

Thomas B. Bateman, pres., First Nat'l, Mansfield, La.; Herbert H. Hilliard, v.p., First Tennessee, Memphis; Richard L. Killmon, a.v.p., Texas Commerce, Houston; Francine I. Neff, v.p., Rio Grande Valley Bank, Albuquerque; Richard A. Rosenthal, ch., St. Joseph Bank, South Bend, Ind.;

Esther Smith, v.p., Commerce Union Bank, Lebanon, Tenn.; Eugene Swearingen, ch. of executive committee, Bank of Oklahoma, Tulsa; Ray U. Tanner, pres., Second Nat'l, Jackson, Tenn.; Karen Thomson, v.p., St. Joseph Valley Bank, Elkhart, Ind.; and Mary George Jordan Waite, ch./pres., Farmers & Merchants, Centre, Ala.

The other 13 advisers are: Ernesta Barnes, v.p., Seattle Trust; John Chrystal, pres., Iowa Savings Bank, Coon Rapids; Jack D. Davis, e.v.p., United Bank of Arizona, Tucson; Norman M. Dean, pres., United Bank, Greeley, Colo.; Michael Dickerson, pres., Pilgrim State, Cedar Grove, N. J.; Oliver Hansen, pres., Liberty Trust, Durant, Ia.; Frank S. Harkins, e.v.p., Bank of Raleigh, Beckley, W. Va.;

Thomas E. McCaskill, v.p., Manufacturers Hanover Trust, New York City; Sandra McLaughlin, v.p., Mellon Bank, Pittsburgh; James T. Miller, e.v.p., Kanawha Banking & Trust, Charleston, W. Va.; Leslie W. Peterson, pres., Farmers State, Trimont, Minn.; Doris M. Tarrant, pres., United Jersey Bank, North Montvale, N. J.; and Rusty Watson, marketing dir., Bank of A. Levy, Oxnard, Calif.

Help Stamp Out Director Liability Risk

With These Four Board-Related Manuals



(1) **BOARD POLICY ON RISK MANAGEMENT.** This new 160-page manual provides the vital information a board needs to formulate a system to recognize insurable and uninsurable risks and evaluate and provide for them. Included are an insurance guideline and checklists to identify and protect directors against various risks. *Bonus feature:* A model board policy of risk management adaptable to the unique situations at any bank. Every member of your bank's board should have a copy!

QUANTITY PRICES
 2-5 copies—\$14.50 ea.
 6-10 copies—\$13.50 ea.

(2) **THE EFFECTIVE BOARD AUDIT.** This 184-page manual provides comprehensive information about the directors' audit function. It outlines board participation, selection of an audit committee and the magnitude of the audit. It provides guidelines for an audit committee, deals with social responsibility and gives insights on engaging an outside auditor. It includes checklists for social responsibilities audits, audit engagement letters and bank audits. No director can afford to be without a copy!

QUANTITY PRICES
 2-5 copies—\$16.50 ea.
 6-10 copies—\$15.50 ea.

(3) **THE BANK BOARD AND LOAN POLICY.** Just off the press! This revised and expanded manual enables directors to be a step ahead of bank regulators by providing current loan and credit policies of numerous well-managed banks. These policies, adaptable to any bank situation, can aid your bank in establishing broad guidelines for lending officers. *Bonus feature:* Loan policy of one of the nation's major banks, loaded with ideas for your bank! Remember: A written loan policy can protect directors from lawsuits arising from failure to establish sound lending policies! Order enough copies for all your directors!

QUANTITY PRICES
 2-5 copies—\$9.00 ea.
 6-10 copies—\$8.00 ea.

(4) **CONFLICTS OF INTEREST.** Conflicts of Interest presents everything directors and officers should know about the problem of "conflicts." It gives examiners' views of directors' business relationships with the bank, examines ethical pitfalls involving conflicts and details positive actions for reducing the potential for conflicts. Also included is the Comptroller's ruling on statements of business interests and sample conflict-of-interest policies in use by other banks which can be adapted by your board.

QUANTITY PRICES
 2-5 copies—\$9.00 ea.
 6-10 copies—\$8.00 ea.

THE BANK BOARD LETTER
 408 Olive St., St. Louis, MO 63102

..... copies, Board Policy on Risk Management	\$
..... copies, The Effective Board Audit	\$
..... copies, Bank Board & Loan Policy	\$
..... copies, Conflict of Interest	\$
Total Enclosed	\$

Name Title

Bank

Street

City, State, Zip

(Please send check with order. In Missouri, add 4.6% tax.)



C'EST MAGNIFIQUE!

..... That's what financial institutions have been saying throughout the country about W.M. Dalton's French lead crystal program. This elegant 24% leaded crystal, Verite pattern, is available exclusively through W.M. Dalton for continuity programs in financial institutions.

Write or call collect

W. M. Dalton & Associates

11 Penns Trail, Newtown, Pennsylvania 18940

Telephone: (215) 968-5051

A Clear-Cut Guide to Understanding Complex Consumer Regulations

Desk Guide To Consumer Regulation Compliance Procedures



1. Truth in Lending REGULATION Z

PURPOSE AND SCOPE
Regulation Z, 12 CFR 226, promulgated by the Federal Reserve Board implements Title I of the Consumer Credit Protection Act (15 USC 1601) (enacted 1968). Originally known as Truth in Lending, this title includes three major pieces of legislation: the Truth in Lending Act (the Fair Credit Billing Act) and the Consumer Leasing Act of 1976.

The purpose of the truth-in-lending provisions of the regulation is to assure maximum disclosure of credit terms so that consumers may compare more intelligently the various credit terms available and choose the most favorable one. These provisions also govern the advertising of consumer credit terms and require a disclosure of certain information in the fair credit billing process.

The act which Regulation Z implements are consumer legislation and thus apply only to consumer credit and loan transactions. To be considered consumer credit, an extension of credit must be:

- made to a natural person
- made primarily for personal, family, household, or

7/228-2/p
7/228-2/p

- ★ Developed for the community bank by IBAA in cooperation with Deloitte, Haskins & Sells, Washington, D.C.
- ★ Highlights information your bank must have for complying with consumer regulations
- ★ Referenced to the appropriate regulation or legislation
- ★ Supplemented with model forms and notices
- ★ To be updated, as needed, at a moderate cost

ORDER TODAY

MAIL TO:
Independent Bankers Association of America
Sauk Centre, MN 56378

SEND ___(copy) (copies) of IBAA's DESK GUIDE TO CONSUMER REGULATION COMPLIANCE PROCEDURES. BILL ME AS FOLLOWS:

1-4 copies: \$19.95 each plus shipping
5-9 copies: \$16.95 each plus shipping
10 or more: \$13.95 each plus shipping

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

AT YOUR FINGERTIPS . . . HIGHLIGHTS OF THESE REGS:

- Truth in Lending Act (Reg Z)
- Fair Credit Reporting Act
- Equal Credit Opportunity Act (Reg B)
- Fair Debt Collection Practices Act
- Home Mortgage Disclosure Act (Reg C)
- Real Estate Settlement Procedures Act (Reg X)
- Fair Housing Act
- Community Reinvestment Act
- Interest on Deposits (Reg Q)
- Federal Regulatory Agency Regional Offices

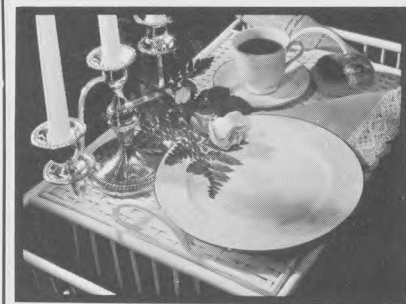
Build Profitable DEPOSITS

When your objective is attracting low-cost deposits, come to the professional. Come to Salem, where you have more proven, complete programs to choose from; more promotional experience to depend on.

We offer programs based on a variety of quality products, each with an outstanding record of success in building profitable deposit balances.

We also provide complete professional support for your program, plus staff training, market exclusivity and a 100% return privilege.

To start building profitable deposits at minimum cost, drop us a note or call Ralph LaHue or Jay Keller at 216/337-8771.



THE SALEM CHINA CO.
1000 S. BROADWAY SALEM, OHIO 44460



REMEMBER the old idea of the “baker’s dozen?” The 13th doughnut always seems to work — because customers like getting “something for nothing” when they shop.

Because successful ideas often work equally well in other fields, it is possible that this approach also could do a job for financial institutions. In premium promotions, for instance. Most such promotions do well on their own merits. But, if a little doughnut can sell more bakery goods, perhaps something a little extra might make a premium promotion even more productive.

It’s simple. Offer your premium as you always do. But then, throw in an extra “doughnut.” Tie in something that gives customers extra showmanship, extra excitement, extra fun — perhaps even an extra prize “on the house.”

That does several things. It generates additional publicity. In almost every instance, it increases lobby traffic — which, as retailers will attest, is the first step to extra business.

Most premium “doughnut” extras don’t require big budgets. Your own

Baker’s Dozen

Will Boost

Bank

Premium

Offer

By ORVILLE GOERGER



creativity is the only limit on how much you do for how little. In general, tie in with something topical. Look for ideas that add showmanship. Try to let customers participate in some way. Keep an eye open for publicity opportunities. And, of course, make sure your “doughnut” ties in logically with your premium promotion.

The number of such tie-ins is almost unlimited. Here, briefly is a “baker’s dozen” to provide an illustration of the approach:

1. Guess the First Snow Date. If you are using a blanket promotion (or anything related to cold weather), tie in with the first snowfall. Have a Snow-Guessing Derby. Invite people to guess the date the first snow will fall. Offer prizes for winners. If a winner took advantage of the blanket promotion, give an additional bonus prize. In case of ties, earliest “winning” entry received is winner.

Use an Eskimo igloo prop for contest

headquarters. Play a recording of a howling winter storm. Have styrofoam “snow balls” around. The contest will attract lobby traffic — the simulated winter scene will dramatize the coming cold weather. Together, they provide a powerful incentive to make a deposit and get a blanket.

2. Pitch Horseshoes. A boost to summer play-equipment premiums. Display gifts in an outdoor setting and include a small “horseshoe” (or quoits) court. Use soft plastic shoes. Invite customers to try three pitches with prizes for the champions at the end of the promotion. In case of multiple ties, have an elimination tournament. Provide extra gifts for winners if they made deposits during the campaign.

This is an effective way to display premium merchandise, attract lobby traffic to see it and create a desire to own it. For added publicity value, invite local sports celebrities and media people to compete against one another, with prize money donated to winners’ favorite charities.

3. Umbrellas and April Showers — go together. With an umbrella premium, add a Weather Forecast Sweepstakes — inviting participants to “guestimate” the amount of rainfall to shower down in April. Same rules as for the Snow Date event. First correct

answers received are winners. Rain-gear wardrobes make good prizes.

Use lots of rainy-day pictures as background and a tape recording of a violent rainstorm for atmosphere. For publicity, invite teams of professional weathermen to compete to determine the local champion.

4. Stage an Art Show. If your premium is in the home-decorating category, invite local artists to display their works in your lobby during the promotion. If desired, scorecards can be distributed and visitors asked to rate their favorites. Awards can be given the leaders. Allow artists to sell paintings if requested.

Another art angle is to exhibit work by local school children — with the bank offering scholarship funds to those with talent potential. In either case, such a showing can attract media coverage, produce good-image publicity and bring added traffic to the



premium-promotion area.

5. Christmas in July — is always in season, especially if the premium can be used as a gift. Decorate a Christmas tree in the lobby. Have a costumed Santa take advance orders from kiddies and give them ice cream cones instead of candy canes. Have small "gifts" — preferably an advertising novelty — Christmas-wrapped and given to all making deposits.

Cheery Christmas music on tape is a must. Build a "sleigh" (on wheels) and have Santa drive it around town. Theme: Start your Christmas shopping early here. Interesting touch: a display of old-fashioned Christmas cards.

6. Shopping Sprees Are Fun. A cooperative way to tie in local merchants with the premium promotion. Organize and produce a book of "Money-Saver Coupons," each good for a sizable discount on a stated item at a nearby retailer. The customer saves money by making a deposit, then saves more money by shopping with the coupons. The more merchants who participate, the greater the gift appeal, the more customers save.

Display coupon-available merchandise in your lobby. Have a display in each participating store to cross-sell the promotion. Run a co-op newspaper ad featuring all stores, with your bank the dominant figure. Can be a productive way to attract new, first-time prospects.

7. What's Cookin' in Cookware? Show them! If your premiums are cooking and baking utensils, blenders and processors and the like, show them in use in your lobby. An interesting way is to hire a demonstrator, showing

how the premiums are used, preparing food with them for savers to sample. If possible, hire a "name" food authority from the local paper or a prestige gourmet.

Invite men and women to enter their favorite recipes. Have outside judges select the best; use them in the lobby; give the end results a taste-test to select winners. After the promotion, recipes might be published in a Savings Cook Book to generate post-promotion publicity.

8. Giving Away Silverware? Invite premium customers to "strike it rich" in your "silver mine!" Display a "nugget" of silver of unstated weight, the bigger the better, in a protected case at the promotion. Allow each saver to guess the price of this silver on X date (priced at the market rate at that time). The first nearest-correct answer received wins either the silver or its value in dollars.

A gold nugget can be used the same way to stage a "gold rush." Either way, with the current fascination in these metals, considerable interest and publicity will be generated. Use background photos showing work in gold and silver mines.

9. Pack a Trip in Your Luggage. Folks who like luggage premiums like to go places. So help them — with a Magic Carpet Sweepstakes. Work up one (or more) tours and offer them free — via a sweepstakes — to all who visit your lobby. Have the drawing at the close of the campaign and select the winner(s). Be sure to get plenty of publicity pictures to help you cash in on post-campaign promotion.

Decorate the lobby area during the

campaign in accordance with the trip destination. Hawaii, the Caribbean, Acapulco, etc. Have tellers in some semblance of the country's native dress.

10. Potted-Plant Premiums. People attracted by such an offer like flowers and growing things. So offer them an extra dividend by inviting local garden clubs to exhibit their work in your lobby. With a little encouragement, they may even have members present to answer questions on plant care. The combination produces an interesting lure to build lobby traffic for your promotion.

Again, if desired, bring in outside judges; select the most outstanding exhibits and give awards. Both the print and electronic media should find this newsworthy and provide good-image publicity for your institution. If cost permits — or if you can work out a co-op deal with a local florist — give a single cut flower (carnation, etc.) to each premium depositor.

11. For Gardening-Accessory Premiums, consider a "Big Tomato" contest. Give each premium depositor a pack of tomato seeds (with instructions) and automatic entry into the contest. The rules: Plant your seeds, harvest your crop, then bring in the biggest tomato you've raised by a specified date. Largest tomatoes submitted win prizes. Another — and quicker — version of this contest is to give prizes for the first tomato picked (any size).

Any other vegetable, easily grown from seed, can be substituted if desired. Besides stimulating interest in

(Continued on page BG/13)

**Stimulate your business and help our athletes
to 1980 Olympic success with the official**

U.S.A. OLYMPICS SPORT BAGS

Every member of the 1980 U.S.A. Olympic Team will be carrying this very bag when representing us in the stadiums at Lake Placid and Moscow. These versatile, 22"x12" roll-type duffels are the *only* sport bags licensed by the U.S. Olympic Committee to bear the official U.S.A. OLYMPICS logo. Made of top quality, all-weather nylon, they're perfect for travel, sports or leisure activities. Available in blue or red, either one is sure to have great appeal to all age groups for their utility and 'collectible' nature. Hang-tag on every bag dispensed in *your* premium/incentive program tells recipient a donation goes to the Olympic Committee in *your* Company's name.

Plan now to be involved in this unique opportunity to tie in your Company with the prestige of the Olympic effort. Retail \$16.95. Premium cost under \$10 in quantity.

I'm enclosing \$12 for each ppd. sample. (Circle RED or BLUE).

Send full information only. No sample right now.



REDWOOD HOUSE

P.O. Box 438S • No. Arlington NJ 07032
In New Jersey 201/997-0880 • TOLL FREE 800/526-1242

BG/6

J. Edward Connelly, the leader in the Financial Marketing Field with ...

● Brand Names

- Timex
- Sunbeam
- West Bend
- International Silver
- National Semi-conductor
- General Electric
- Corning Ware
- Airways Luggage
- Anchor Hocking
- Spartus

● Exclusivity

- Money-Acquisition
- Continuity
- Self-Liquidation



Start planning your next successful promotion
by calling our Toll Free number today . . . 800-245-6532.

Should Financial Institutions Play a Role In Assisting 'Single' Parents?

CAN a financial institution — should a financial institution — become involved in problems that confront today's single parent?

"Yes!" says Jane Weidenhamer, director of the Personal Advisory Service (PAS) at Roosevelt Federal Savings & Loan in St. Louis.

A recent one-day seminar cosponsored by the S&L made it evident that the institution is on the right track in its attempt to serve as "unofficial adviser" to hundreds of divorced and/or widowed parents in the St. Louis area.

"Single parenthood is a fact of life today," says Mrs. Weidenhamer. "Divorces and deaths leave untold numbers of parents bereaved and literally bewildered by the awesome responsibility of bringing up a family alone. Many of these people need emotional and economic guidance. And while friends, family and social institutions fill part of the need, the single parent, more often than not, is left to suffer alone through his or her tragic experience."

Roosevelt Federal's day-long seminar was entitled "Managing on Your Own." It was designed to help individuals handle chores taken care of previously by their spouses. Many participants had no idea how to set up a budget, plan an estate or handle loneliness.

The workshop was held in conjunction with the St. Louis Chapter of the Theos Foundation at a local college campus on a Saturday. (Theos Foundation is a mutual self-help group for widows and widowers.)

The workshop was designed primarily for widowed and divorced men and women, but wasn't limited to such people, Mrs. Weidenhamer says.

Topics presented were planned to represent areas of particular concern to those individuals managing on their own. In addition to information sessions, various social organizations provided information tables.

Topics offered at the workshop's morning session included consumer rights, presented by a local attorney; how to handle grief, by a hospital chaplain; how to get and use credit, by Roosevelt Federal's loan marketing representative; knowing one's own worth as a person, by a counselor from a local guidance center; estate planning and wills, by an attorney; and how to handle prolonged grief, by the author of a book on the topic.

On the afternoon program were taxes and the single person, presented by a CPA; handling loneliness and living alone, by a minister; investments, by an investment broker; single parenting, by a counselor from a guidance

center; budgeting income, by Mrs. Weidenhamer; and dating and remarriage, featuring a panel.

Organizations providing information tables included Parents Without Partners, United Way, Contact, Theos, Maryville College and the University of Missouri's continuing education department.

The workshop was Mrs. Weidenhamer's idea and was an outgrowth of Roosevelt Federal's Personal Advisory Service (see adjoining article). Administration of PAS made Mrs. Weidenhamer familiar with the problems of people who were going through difficulties because of death and divorce. She realized that many of these people were not prepared to manage on their own. She made contact with various organizations designed to help individuals with such problems and soon realized there was a definite need for a workshop to tackle



JoAnne Ferrante, loan marketing representative, Roosevelt Federal S&L, St. Louis, conducts credit seminar during "Managing on Your Own" workshop held for divorced and widowed parents.

some of the problems related to death and divorce.

She says she had no difficulty obtaining speakers, all of whom donated their services. Various organizations cooperated by providing names of possible speakers, mailing lists and informational literature.

"We had no intention of making money on the workshop," Mrs. Weidenhamer says, "and we didn't. But we felt a charge of \$6 per person

should be made to assure that those registering actually would attend and to cover the cost of providing a luncheon for participants."

The workshop was publicized by newspaper advertising paid for by Roosevelt Federal.

The only exposure the S&L received at the workshop was at the two presentations made by S&L personnel. Informational brochures pertinent to topics of the presentations were dis-

tributed to participants.

Workshop evaluation forms were distributed at the session and, according to Mrs. Weidenhamer, the majority rated the event as an excellent one that was worth repeating.

"And it will be!" says Mrs. Weidenhamer. "We're in the corporate social responsibility business to stay!" ●●

S&L's Personal Advisory Service

ROOSEVELT Federal S&L, St. Louis, isn't a newcomer to the corporate social responsibility arena (see preceding article). In 1977 it started its popular Personal Advisory Service (PAS). Jane Weidenhamer, a former social worker who long has been interested in helping those experiencing difficulties in their lives, has been offering helpful services to customers and non-customers since that time.

"The philosophy behind the service," she says, "is to help people help themselves. You show them how to do something and then you ask them to try it. Before you know it, they usually learn how to do it on their own." She developed her assistance know-how while working with a St. Louis social agency, where she helped poverty-level families on a one-to-one basis.

PAS is described by Mrs. Weidenhamer as a community-wide free counseling service. Individuals seeking aid from PAS need not be customers of Roosevelt Federal. All they have to do is come in and ask for help. PAS is available at most of the S&L's branches, where it is administered by branch managers.

Financial institutions have been providing financial counseling for years in the form of seminars for widows, young marrieds or those in need of special services. But this type of counseling usually was oriented toward obtaining new business for the institutions.

People need more than financial counseling and service, she says. They need to know where to go to find help for problems such as inadequate housing, to learn whether they are

DIVORCED?

Personal Advisory Service can help you through.



It's difficult to reorganize a family's financial affairs after a divorce. Names must be changed on accounts, property documents must be re-recorded, credit cards returned and new credit applied for. At Roosevelt Federal, your personal advisor can help you identify what needs to be done and offer practical assistance... all in strict confidence.

Roosevelt's Personal Advisory Service is absolutely free. You do not have to have an account with us, nor are you under any obligation to open one. We care because your future is our future.

Call for an appointment with your Roosevelt Personal Advisor.

(314) 425-1205.

"Always something new for you."  

Home Office: 46th & Locust St. Louis, Missouri 63103 (314) 425-0200

Member FDIC

Retirement accounts are insured up to \$100,000.

Personal Advisory Service for divorced people is offered by Roosevelt Federal S&L, St. Louis, to anyone in community. Divorced people are shown how to reorganize their financial affairs by a personal adviser.

eligible for social services, to find out whether they qualify for financial assistance from government agencies, etc.

Primarily, Mrs. Weidenhamer says, PAS is a service designed to assist young single adults, newlyweds, married persons, divorced persons, widows or widowers and those facing retirement in organizing their personal, business and financial affairs.

PAS offers young single adults guidelines on budgeting and keeping track of expenses. These guidelines are designed to help single adults build sound personal financial systems.

Newlyweds are provided with details for planning their future. An inventory form for household furnishings is provided, and newlyweds are advised to notify life insurance firms and credit grantors of name changes. Information and materials to help organize a new household also are provided.

Married persons are given information to prepare them to provide for the future of their children in the event of a spouse's death. They are advised about

handling the critical business that will need to be taken care of immediately on a spouse's death.

PAS advises divorced persons about the maze of details involved in reorganization of personal financial affairs, including name changes on documents, return of old credit cards and requests for new credit, etc.

Widows or widowers are shown where to find benefits and are told about kinds of documents needed to claim social security, veterans benefits and life insurance proceeds.

Future retirees are advised how to plan a secure and enjoyable retirement through long-range goal setting and an orderly accounting of their financial affairs.

Anyone taking advantage of PAS is eligible for information about legal matters, insurance and accounting services as well as social welfare, health, recreation and educational services available in the community.

PAS is offered at no cost and the service is confidential. No one is under any obligation to open an account to receive PAS, Mrs. Weidenhamer says.

"We expect this program to establish Roosevelt Federal as a leader in expanding its financial services to the community," says Jerry Thompson, vice president/marketing. "We've always been a leader in training customer-contact people to help customers define their financial problems and to provide the tools they need to organize their financial affairs so they can determine what changes are needed to bring a sense of order to their affairs," he continued.

"We hope our service will alert indi-

(Continued on page BG/17)

Dynamic 60s Club Grows, Boosts Bank's Business

By KAREN KUECK, Assistant Editor

PEOPLE don't get older, just *better*. That's the cornerstone of Hampton Metro Bank of St. Louis' Dynamic 60s Club. And the club, which celebrated its fourth birthday this summer, is getting better, too.

It has grown steadily since its introduction. "The response has been unbelievable," says A. Joseph Williamson, vice president. "The first month we opened 800 new savings accounts."

Although there are no membership fees, club

members must be 60 years old and have a regular savings account at the bank.

"Some 1,000 new members were added to the club last year" and they found out about it through word-of-mouth advertising, Mr. Williamson says.

Now the club has more than 9,000 members who are 60 or *better* and who have more than \$32 million deposited at the \$154-million bank.

Nurturing the club's growth and its customer rapport is accomplished through ongoing social and business programs. During the summer, the bank sponsored 12 consecutive Monday-night socials in its lobby to let club members get acquainted with officers, to ask questions, to meet the new trust officer and learn about several new club services. The bank invited about 700 members per session; however, average attendance was about 200.

Keeping his Dynamic 60s customers informed is an important part of Mr. Williamson's job. At the social, he invited customers to use the bank's automated teller machine (ATM), adding that a free coupon for a Baskin-Robbins ice cream cone accompanied each demonstration. He also described the new four-year variable-rate CD that carries a \$500 minimum deposit.

Other club services include free checking, free travelers' checks, two trust consultations, free notary public, bus transportation to outings and a free quarterly newsletter.

In addition, club members are eligible to receive a safe deposit box for two years at the price of one. A monthly investment service and income-tax preparation are available.

When senior citizens join the Dynamic 60s Club, they are given a photo-identification card that helps not only with check cashing at other outlets (i.e., a grocery store), but allows them at least 10% discounts for cash purchases or free get-acquainted gifts at 140 retail locations in the bank's service area.

"The whole attitude of the club when it began and now is to deal with the financial well-being of these people," Mr. Williamson says. "We wanted to do things to help them save money and live on fixed incomes."

The bank also looks out for club members' physical health. Once a month, hospital nurses conduct



Hospital nurses (above) do routine blood-pressure tests once a month in Hampton Metro Bank of St. Louis' lobby.



Members of St. Louis chapter, American Diabetes Association (l.), conduct diabetes tests on Hampton Metro Bank of St. Louis' Dynamic 60s club members.

THE BIRTH of a GOLDEN IDEA



There's a new arrival in the premium market, and its popularity with Premium Incentive Programs is only exceeded by its popularity on the world market.

We're talking about gold. To be more specific, solid 14k gold jewelry.

And it makes sense . . .

Consider the lasting beauty and richness of gold: It does not break or wear out. In time, its worth in sentiment grows as does its actual value.

At the *GOLD EXCHANGE*, we recognize these features and have assembled a basic *Deposit Acquisition Program* of solid 14k gold necklaces, bracelets, and earrings. The success of our past programs has shown that the low acquisition price compared to the high retail markup of these items will prove to be very desirable among your depositors. For more information on our Gold Premium Program mail in the enclosed coupon or call collect for a representative in your area.

THE GOLD EXCHANGE

921 Canal Street
New Orleans, LA 70112

(504) 524-0332

I AM INTERESTED IN GETTING GOLDEN RESULTS WITH MY NEXT PREMIUM PROGRAM.

NAME _____

INSTITUTION _____

ADDRESS _____ PHONE _____

CITY, STATE _____ ZIP _____

routine blood-pressure tests at the bank. One afternoon this summer, about 400 persons were tested for diabetes by the local chapter of the American Diabetes Association.

Hampton Metro Bank started this program in July, 1975, to retain its customer base. At that time, competition in the form of two new banks' and several S&L facilities were threatening the bank because "they were being built in our own backyard," Mr. Williamson says. Also, the bank felt that the club would be a good way to keep customers informed. When it signed up club members, bank officers explained on a one-to-one basis why the bank was switching to statement savings and the benefits of direct-

deposit of social security/retirement checks.

"We knew we had a lot of senior citizens as customers and knew that any change would affect them," Mr. Williamson says. "We wanted those changes to be perceived positively and to let them know about the changes in a way that showed we cared about our customers."

In 1978, the Metro banks expanded this program to their Ellisville, Clayton and Crestwood banks. The Crestwood Metro Bank with its about 1,600 members has the second largest club in the group.

Small savers count at Hampton Metro Bank.

"Even if they have only \$10 a month



Watching ATM demonstration given by a temporary bank employee are two members of Hampton Metro Bank of St. Louis' Dynamic 60s club. Each received free coupon for Baskin-Robbins ice cream cone for viewing demonstration.

to invest, we let them know we would like to help them," Mr. Williamson adds. "Our experience has been that we have opened a lot of accounts with little money. However, our Dynamic 60s accounts by household now average more than \$6,000."

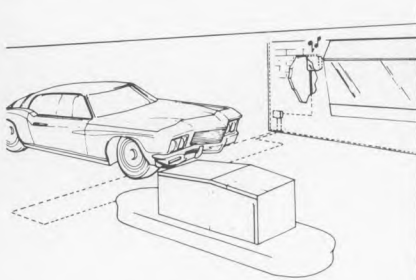
The bank announced the club via direct mail. To zero in on senior citizens, the bank compared its service-area zip codes with voter-registration rolls narrowing the mailing from about 36,000 to 12,000 announcements.

Social events include tours and outings. Annually, club members may choose among 12 tours, such as a two-day trip to Churchill Downs Museum, Louisville, a mini-vacation to Canada or a Caribbean cruise.

On Mother's Day, the bank bought 150 tickets to a Powell Symphony Hall program in St. Louis, arranged lunch and sold the package at its cost to club members. The bank then bought and gave away a corsage to every female member attending.

Obviously, the growing club is helping the bank achieve its 1981 goal of \$200 million in assets, says Jerry S. Von Rohr, executive vice president/chief operating officer. "When we projected the long-range goal in 1977, we knew that we would have to gain about \$20 million per year to meet it," he says. Assets at the end of 1978 were \$137 million and at press time were about \$154 million.

Like its Dynamic 60s members, the bank is growing *better!* ●●



OPEN

CLOSED

GUIDE YOUR CUSTOMERS TO THE FASTEST SERVICE AVAILABLE WITH

HIGH INTENSITY DRIVE-IN SIGNS

ACTRO-LITE SIGNS immediately attract and direct drivers entering the facility. The extraordinarily brilliant OPEN/CLOSED or RED/GREEN message even pierces direct sunlight. Stainless steel or statuary bronze finish. Easily installed and maintained. Versatile mounting. Immediate delivery. Satisfaction Guaranteed!

CUSTOMERS AUTOMATICALLY SIGNAL THEIR ARRIVAL WITH

DRIVE-IN ALERT

Pleasant chime sounds when car passes over electronic detection area, alerting tellers who may be away from drive-in window. Customers receive fast service. Tellers operate more efficiently. Also counts cars.

ACTRON 1351 Jarvis • Elk Grove Village, IL 60007 • (312) 364-4810

YOUR BANK NEEDS A TIE THAT SAYS THE BEST ABOUT YOU

A Chelsea-created necktie conveys the finest possible image of your company. Let's talk ideas . . . for executive wear, gifts, awards. Our people the most experienced, our long customer list the blue-book of American prestige. We'll make as few as 150 ties . . . impeccably yours. Phone or write

W.M. CHELSEA LTD.
P.O. Box 159
Scarsdale, N.Y. 10583
Tel: 914-725-2040



CUSTOM CREATED TIES, SCARVES, BADGES

Baker's Dozen

(Continued from page BG/6)

gardening, such a promotion has publicity potential that continues after the end of the campaign.

12. **Get Into Show Biz.** Offer as premiums a discount on tickets for local theatrical attractions and sports events. In many cases, you can arrange with local managers to get "passes" good for the discount offer when presented at the theater box office. You, in turn, can offer the passes as premiums for deposits.

This is virtually a cost-free premium for you and since there is no campaign closing date, it is an excellent way to bring savers back time after time. To enhance the show-biz atmosphere, display photos of stars, old theater programs, ticket stubs, etc. Background music can feature popular hit-show melodies.

13. **The "Baker's Dozen Doughnut!"** Tell savers you love them with a Valentine promotion. For premiums, feature jewelry, watches or anything suitable for a Valentine gift. Then, for the

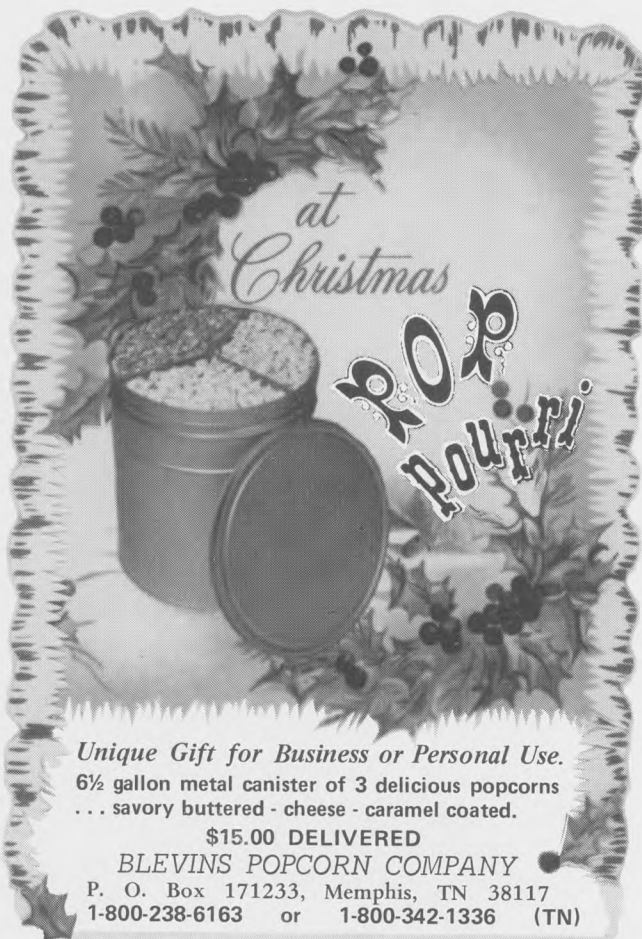
"doughnut" extra, take the saver's picture (Polaroid) and present it in a Valentine-styled photo folder — something nice for one's self or to present as a unique greeting to one's Valentine.

Or a deal may be made with a local photographer who would take the pictures (charging you a nominal fee). Then, if desired, the saver could order extra prints at an attractive price. Jewelry premiums work well on their own. It's just possible, however, that this picture-extra could induce added lobby traffic — even in drab, chilly months.

These suggestions are only brief outlines, but enough to illustrate the ideas. Modify or add to them as you wish to fit your needs and opportunities.

Whatever your premium promotion, try adding that little extra touch that generates a lot of extra interest in saver-prospects. The more excitement your promotion promises, the more lobby traffic it will produce. And, generally, the greater this traffic, the more deposits you will harvest.

Remember the baker. Bake an extra "doughnut" yourself and get set for a lot of profitable fun! ●●



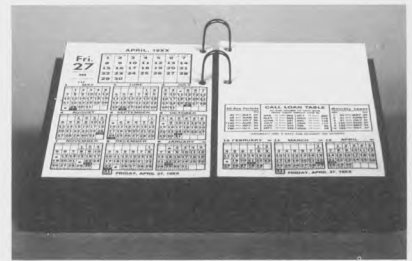
at
Christmas
POPPOURRI

Unique Gift for Business or Personal Use.
6½ gallon metal canister of 3 delicious popcorns
... savory buttered - cheese - caramel coated.

\$15.00 DELIVERED
BLEVINS POPCORN COMPANY
P. O. Box 171233, Memphis, TN 38117
1-800-238-6163 or 1-800-342-1336 (TN)

CALENDARS

Box 125
Glenville Station, CT 06830
(203) 531-7400



H-212 — The Original Heinz® Time Teller

Desk-top reference for banks, savings and loans, credit unions and other financial institutions. Invaluable for computing interest, due dates on loans, and interest-bearing days on call loans. Printed in two colors, black for calendar months, red for special reference data. Black, brown, gray or putty bases. Page size 4½" x 7½" (11.4 x 19.1 cm).

\$11.95

From Refills to Rembrandt - Here is your one-stop Catalog for all your calendar needs. Use handy coupon below to order. Complete colorful catalog available. Circle number _____ on reference card.

CALENDARS

Box 125
Glenville Station, CT 06830

Name _____

Company _____

Address _____

City _____

State _____

Zip _____

- Send Free Catalog
 Send _____ Heinz® Time Teller
@ \$11.95 each (postpaid)

- Black Gray
 Brown Putty

Check Enclosed Please Bill

TOTAL \$ _____

It all adds up, America!

More **SERVICES**

For your customers



More **TRAINING**

For your employees

More **PROFIT**

For your bank

3,000,000 AMERICANS and
1,600 BANCLUB Member BANKS
can't be wrong. Ask them! *

* In fact, many of our BANCLUB bankers will be at the conventions in New Orleans — and we will too.

BMA, September 23-26
Booths 126-127.

ABA, October 6-10
Booths 1113-1114.

For more information, write
or call us now, toll free.



Administered by:



Financial Institution Services, Inc.

725 Melpark Drive
Nashville, Tennessee 37204
800-251-8442

Banks Harvest \$1.4-Million Crop From 'Seed Money' Campaign

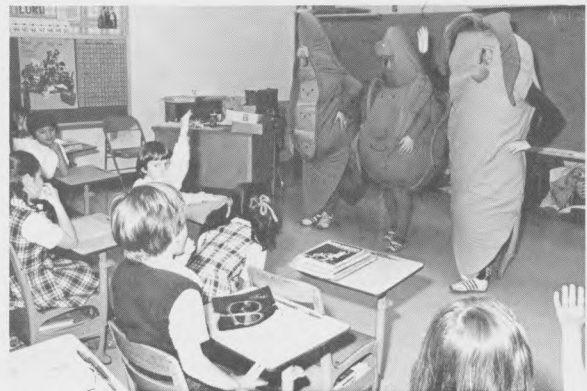
FIRST UNION Bancorp., St. Louis, cultivated more than \$1.4 million in new deposits in a 1979 spring promotion, which it labeled its Vegimal "Seed Money" campaign. Some 86% of deposits were "new" deposits, not transfers from within the First Union system, according to a bank spokesman.

The promotion, which "grew" from April 23-June 1, stirred up a lot of excitement at the HC's 18 banks and in downtown St. Louis, where over-five-foot tall animated "vegetables" walked around handing out broadsides announcing the promotion and other publicity events sponsored by the HC's lead bank, First National, St. Louis.

Those broadsides announced that customers would receive \$5 "Seed Money" by opening new accounts at any affiliate bank. Or they could receive a discount toward purchasing stuffed vegetable toys called Vegimals with a \$200 minimum deposit. Purchase price for the stuffed peas in a pod, stuffed carrot or tomato was \$6.95. Usually, the toys — made by Freemountain Toy Co., Bristol, Vt. — retail for \$19.95.



Florissant Bank employee donned tomato costume during introduction of First Union Bancorp.'s Seed Money promotion to employees. At left is carrot Vegimal, stuffed toy that was available to new-account customers for \$6.95.



Chesterfield Bank employees taught school children about growing vegetables and distributed free seeds.

Those giant "Vegetables" that introduced the campaign to potential customers introduced it first to First Union Group employees at a series of seminars. Employees from each affiliate volunteered to wear the original costumes, designed by a Washington University, St. Louis, design student, to help promote the campaign.

The giant vegetables made other public relations appearances.

Costumed employees from Chesterfield Bank visited first-, second- and third-grade students in Chesterfield to talk about growing things and gave away free packets of seeds.

Three Crystal City State employees rode a straw-filled wagon at the Annual Weekend on Wheels Parade in their town. A sign on the wagon stated, "Get a good thing growing at Crystal City State Bank." Citizens Bank of Pacific also entered them in its local parade.

Missouri State of Sedalia borrowed the costumes and sent the Veggies to the local hospital with donations of the stuffed toys for the children's ward.

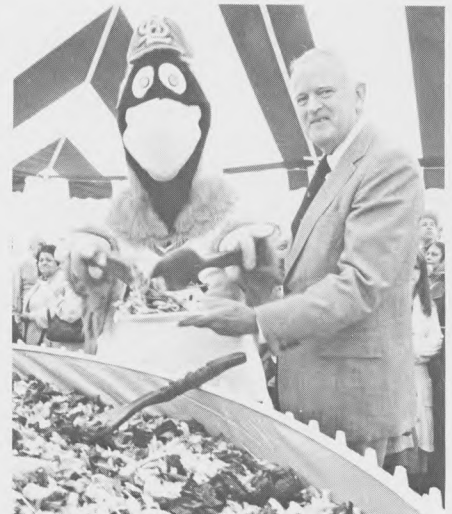
They appeared at First National of West Plains' Customer Appreciation Day at the local fairgrounds.

The costumed critters probably got their biggest exposure at two free-salad lunches, in Springfield, Mo., and St. Louis.

Potential St. Louis customers were given handouts that told them to "Toss aside your conventional lunchtime habits and start the green season by enjoying the world's largest salad. . . ." The 1,300-



This Vegimal display appeared in First Nat'l in St. Louis' lobby during premium promotion.



Fredbird, St. Louis baseball Cardinal's seven-foot "mascot," serves Edwin S. Jones, exec. committee ch., First Union Bancorp., first portion of St. Louis' largest salad. Salad was created by First Nat'l, St. Louis, as part of HC's Seed Money spring premium promotion.

pound salad was served from a "bowl" 12 feet across and one foot deep. Produce and lettuce were supplied by two local firms.

Not to be outdone by its St. Louis cousins, Bank of Springfield hosted a 1,509-pound salad free lunch. Among ingredients were 42 pounds of bean sprouts, 120 pounds of tomatoes, 52

pounds of cauliflower, 40 pounds of green peppers, 35 pounds of radishes, 100 pounds of carrots, 1,040 pounds of lettuce, 50 pounds of onions and 30 pounds of cheddar cheese. In addition, this record-breaking salad attracted \$755 in donations for KOZK, the local educational television station.

Employee apparel during the pro-

motion reflected the country atmosphere. Most customer-contact people and retail-management employees wore "Seed Money" aprons, kerchiefs, straw cowboy hats and a tomato button. Several affiliates, such as First National, St. Louis, had costume contests.

Each affiliate added its own twist to

BREAK THE POWER FILE HABIT

thousands of banks are check filing with Glide/File—we'll show you why

Glide/File lets you file and retrieve checks better and faster than ever before and lets you do it with fewer people than ever before. If that doesn't help build profits, nothing does. You get the easiest filing, readiest access, and quickest retrieval of any system; Glide/File brings the work to the clerk, and does it without motors—no maintenance, no paralyzing downtime. You

get people savings—documented check processing staff reductions as high as 50 percent are common among banks installing Glide/File. Let our experienced systems engineers analyze your bookkeeping operations and recommend a cost saving solution. Get the advantages pictured, and many more—they're all described in our new, free brochure. Send for it today.



Handy panel mounting for phone allows clerk to give instant customer or internal information without removing the checks from the file.



Signature card guides are automatically positioned to 60° working "V" for comfortable filing and signature verification.



Modular units with locking roll-down security covers expand to fit all check storage needs from smallest to largest.

**GLIDE
FILE**

UNITED BUSINESS EQUIPMENT CORPORATION

96 STONE STREET / BUFFALO, NEW YORK 14212
716-893-2722



First Nat'l in St. Louis employee, Janet Bunselmeyer, was appropriately dressed for bank's costume contest.

the promotion's theme. Employees at Peoples Bank, Branson, not only wore costumes every Friday during the promotion, but they had a "Name the Tomato" contest and a vegetable recipe contest. First National of Independence sponsored a vegetable drawing contest for employees' children and one for the public. Winners, who were selected by a high school art teacher, received \$25 Series E savings bonds and a Vegimal as first prizes; a Vegimal was second prize and \$5 savings account opened by the bank was the third prize.

Another benefit was that employees could buy the Vegimal toys for \$9.50 — the bank's cost plus tax.

The HC advertised the premium campaign via newspaper, radio and television spots. ●●

'Single' Parents

(Continued from page BG/9)

viduals to plan for future emergencies as a business does so they can set aside funds for such happenings," he says.

"We're proud that our service points people with problems in the right direction to find the right resource to fulfill their needs."

Asked what he expects Roosevelt Federal to get out of the service, Mr. Thompson says, "Credibility and a good reputation for helping those in need. We know these will flow back to us."

Expertise behind the Personal Advisory Service came from Special Organization Services, Athens, Tex., a firm that franchises the basic PAS service to financial institutions. ●●



Cretors is Popcorn. . . (and has been since 1885)

You could generate huge profits from popcorn like The First National Bank of Chicago, Or you could give popcorn away during promotions like some banks do in Florida. Either way, you're a winner and your customers know it. Write or call for the name and address of your nearest Cretors Distributor.

CRETORS AND COMPANY

3098 Charlotte Ave., Nashville, Tennessee, U. S. A. 37209



Illinois Bank Building Corporation

CONSULTANTS TO FINANCIAL INSTITUTIONS



Shown here the new corporate headquarters for Illinois Bank Building Corporation in Olympia Fields. Designed and constructed by the members of our firm, it typifies the quality and functional design offered by IBBC in the financial and commercial building fields.

IBBC

20180 GOVERNORS HIGHWAY

OLYMPIA FIELDS, ILL. 60461

312/481-2800

CHRISTMAS SPECIAL

TO: ALL BANKS & SAVINGS & LOAN ASSOCIATIONS

"A UNIQUE PROMOTIONAL PROGRAM"

WITHOUT COST TO YOU

The Bel-Air Company proposes to offer to your customers and your potential customers a FREE "8 x 10" natural color portrait of their family. This program is designed to improve customer relations and add new accounts. We provide advertising material plus trained personnel, you only furnish the location.

A FEW OF THE ACCOUNTS SERVICED BY BEL-AIR

Greensburg Deposit Bank
Greensburg, Kentucky

BRANCH OFFICE - 101 NORTH MAIN STREET
PHONE 688-2228 • P. O. BOX 476 • 7471 • 74246 1976

January 23, 1976

Mr. Fred Payne
Bel-Air Studios
2606 Dixie Highway
Louisville, Kentucky

Dear Mr. Payne:

We were greatly impressed by the promotional package made available to our customers thru your studio. We were astonished by the response we received as it greatly exceeded our expectations. As you recall, we had to increase the daily hours each day and we used three more days than we had anticipated.

We especially appreciated the courtesy extended, not only to our bank, but to our customers by your studio and your staff.

The pictures were of excellent quality and everyone was highly complimentary.

Sincerely yours,
Edmund Howard
Edmund Howard
Branch Vice President
RH/jmc

Bank National
PHONE 688-2228 • P. O. BOX 476 • 7471 • 74246 1976

January 11, 1977

Bel Air Studio & Publishers
2606 Dixie Highway
Louisville, Kentucky 40216

Gentlemen:

This is to let you know how very pleased we were with your pictures. Although we did not use the program to gain new customers, we feel very confident that the good will created by "our" give-away was well worth the effort involved. A good many of our customers have expressed their personal regards for the program.

Even though we were a bit skeptical at first, our employees were all delighted with the pictures. They were all done in a quality manner and we had few complaints from any of the participants. We would be very interested in having this promotion again sometime in the future.

Sincerely,
Roger Powell
Roger Powell
President
RD/mlh

The Ceydon State Bank
MEMBER OF FEDERAL DEPOSIT INSURANCE CORPORATION
NEW SALISBURY, DE 19161
347-2465

January 21, 1976

Mr. Fred Payne
Bel-Air Studios & Publishers, Inc.
2606 Dixie Highway
Louisville, Ky. 40216

Dear Fred,

Just a line to thank you for all your cooperation and effort in our recent "Free Portrait" promotion. We were overwhelmed with the response it received. Our situation was very well. We got a lot of traffic through our new facility not just once when the photograph was taken, but also, a second time when the profits were viewed.

It's been a pleasure working with you and your staff.

Sincerely,
Michael C. Frederick
Michael C. Frederick, Vice-President & Branch Manager
North Harrison Branch, Ceydon State Bank
MCF/jac

American State Bank
January 31, 1977

Mr. William C. Lacy
Bel-Air Studios & Publishers
2606 Dixie Highway
Louisville, Kentucky 40216

Dear Mr. Lacy:

I am writing to express the satisfaction of the American State Bank with your firm's family photograph program.

We have received many compliments and expressions of thanks from our customers in reference to the program. Many were especially pleased with the quality of the photographs.

It was certainly a pleasure to be associated with you and Bel-Air Studios and to be able to serve our customers with a quality product through our association. It is our hope that we will be able to offer the program again this year with equal success.

Yours very truly
M. G. McCullough
M. G. McCullough,
V.P. & Cashier
MGC/shc

FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION
January 26, 1977

Mr. George Payne
Bel-Air Studios & Publishers Inc.
2606 Dixie Highway
Louisville, Kentucky 40216

Dear George:

Commerce Union Bank of Rutherford County and its' customers appreciate the opportunity to take advantage of the Bel-Air Studios complimentary photograph offer.

We feel that the service provided us was courteous and prompt. The quality of the photographs was excellent. We would be pleased to participate in this program again in the future due to its positive results.

Respectfully yours,
Michael M. Cook
Michael M. Cook
Banking Officer
MJC/jh

December 10th, 1976

Mr. Fred Payne
Bel-Air Studios
2606 Dixie Highway
Louisville, Kentucky 40216

Dear Fred,

We at First Federal Savings and Loan Association would like to thank you for the excellent job you and your employees performed while working with our Association. Needless to say, they were all professionals in their field.

We look forward to working with your company again in the future.

Should you ever want a recommendation, please feel free to call on me.

Thank you again, for a job well done.

Sincerely,
Wayne Weitz
Wayne Weitz
Vice President

THE BEL-AIR COMPANY
2606 Dixie Highway
Louisville, Kentucky 40216

Please contact me, I'd like to discuss a portrait program.
 Please send me additional information on your program.

NAME AND TITLE _____
INSTITUTION NAME _____
ADDRESS _____
CITY _____ STATE _____ ZIP _____ PHONE _____



Town's Architecture Reflected In Arkansas Bank's New Home



Bank of Eureka Springs, Ark., incorporated Victorian floors, tin ceilings and turn-of-century furnishings in renovation of its new facility. Bank entices visitors in this heavily toured section of Ozarks.

DURING this centennial year for Eureka Springs, Ark., Bank of Eureka Springs is fueling the pride the community has in its heritage with the opening of its new building, which is an historically and architecturally accurate model of a turn-of-the-century bank. The care taken in building the new facility plainly says the bank believes in historical preservation and in the town's tourism potential.

The community has enjoyed a familiarity with tourism ever since its beginning. In fact, the town came into existence after word got around that what the Indians in the area had long called "the great healing spring" was being acclaimed as well by Dr. Alvah Jackson and Judge J. B. Saunders to be a treatment for various infirmities. By mid-1879, 400 people were camping in the wilderness at the site of the spring and every day more arrived.

Soon many new roads led to Eureka Springs. Rail and stagecoach service was introduced and all the trappings necessary to serve visitors and inhabitants soon made their appearance.

The Bank of Eureka Springs was established in 1912. H. Clay Willis was the first president and served until 1922. At that time, William Kappin took over and served until his death in 1930. The bank's next president stood out as a civic activist as well as a banker; Claude A. Fuller served from 1930

until his death in 1968. The board then elected his grandson, John Fuller Cross, president.

It was Mr. Cross' dream for the new facility that led to erection of a building that reflects the authentic architecture of the Ozarks instead of using the chrome, glass and concrete most other financial establishments put up. The new facility is a one-story building of native Ozark limestone and handmade red brick. Everything inside and out is in keeping with the style of the late 1800s. The limestone corners, columns, caps and sills were cut from the same limestone veins that provided the rock for other famous Eureka Springs landmarks.

The lobby and offices are filled with antiques. The bank's original Mosler ball safe was completely restored and is positioned so it is visible through the front window. Over the safe hangs a light that is left on all night. It is a tribute to the old custom of using the safe to symbolize strength and security. In days past, people walking by in the evening would look in at the safe to see that their money was secure against bank robbers. Candlestick telephones, a potbellied stove, brass teller cages, a tin ceiling and Victorian floors add to the studied authenticity.

The new bank stands harmoniously in the historic downtown area, blending in with its surroundings and pro-

viding still another good reason for tourists to visit Eureka Springs.

A community room that had been part of the bank's old facility also was preserved. The popular meeting place, offered for use free of charge to local groups, was moved across the street from the bank. Considerable care was taken to restore the newly converted building. Its limestone and woodwork complement other old downtown businesses. Inside, the Victorian theme prevails with antique wooden picture frames adorning old

scenes, letters, stock certificates, maps and other memorabilia.

Another dimension of the restoration program made use of local media. A Restoration of the Month award program was started. Each month, a certificate of excellence, signed by the bank president, has been given to a deserving recipient and a picture of the presentation run in the local newspaper. Local advertising made creative use of old-time scenes and radio copy. The first annual historical calendar was published and a picture-filled centen-

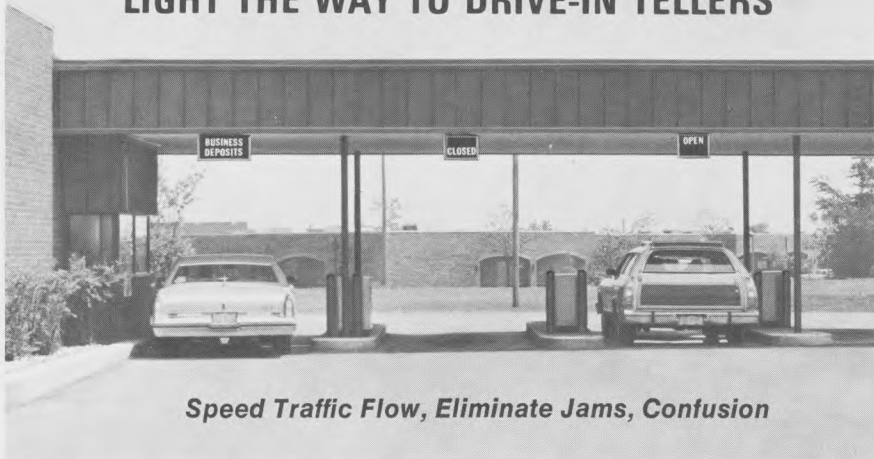
nial edition of the Bank of Eureka Springs *News* was put out that gave background about Eureka Springs and centennial events.

The bank building's formal grand opening took place in June. Employees dressed in carefully detailed period costumes for the opening, which was coordinated with other activities celebrating the city's centennial. They included a week-long birthday party centering around an old-fashioned Fourth of July feast, festival and fireworks display.

The bank has hit on a smart way to commemorate and preserve its past while meeting the needs of its customers today. The new bank is old-fashioned in motif, but in purpose it is innovative, serving simultaneously as a modern financial facility and a tourist attraction for history buffs. ••

HIGH-INTENSITY SOLAR SCREEN SIGNS

LIGHT THE WAY TO DRIVE-IN TELLERS



Speed Traffic Flow, Eliminate Jams, Confusion



Drive-in deposit facilities are intended to give customers fast and efficient service and ELECTROTEC Solar Screen Signs are designed to do just that for your depositors. They invite more drive-in business by saving time and trouble for both tellers and depositors. The high-intensity message is easily visible even in bright sunlight and can be changed by just touching a button. The exterior case is well-designed to harmonize with a modern decor and sturdily constructed of weather-proof, stainless steel to last for many years. Complete instructions make them easy to install and maintain.

Satisfaction guaranteed! Send for literature and prices. Other products include patented Lobby Control, Drive-up Alert, Automated Drive-In Control Systems

Leaders In Traffic Control Since 1961

ETC ELECTROTEC, INC.

71 GORDON ST. • ELK GROVE VILLAGE, IL 60007 • 312/439-5556

**alvarado
tells 'em
where to go
with class!**

Alvarado free standing posts and ropes give you beauty and durability, plus a wide selection of colors and finishes. The sleek post design features the Alvarado exclusive "Low Profile" base, guaranteed to provide the maximum stability. All post tops can be equipped with literature boxes or any of our numerous signs.

Please write or call for additional information on our complete line of pedestrian traffic control equipment.

**alvarado
manufacturing
company**

(213) 444-9268 ■ 686-2676
9630 FERN STREET
SOUTH EL MONTE, CA 91733

The AQS CONNECTION

brings your customers the news that affects the way they earn, the way they spend, the way they save.

How much can you tell your customers . . . about economic developments at home and abroad that could affect their pocketbooks? . . . about commodity prices that sometimes fluctuate more in a day than they did in a season a few decades ago? . . . about the economic outlook for tomorrow?

You tell your customers as much as you can, but you'd probably like to tell them more. The fact is, no single person or organization can begin to keep up with the flood of facts and figures that record the daily activity of our constantly changing, complex, global economy. What's needed today is **instant access** to news of economic developments from around the world.

The time has come for the AQS connection—an exclusive contract providing world-wide news coverage plus expert editorial assistance. Its numerous field correspondents plus an ultra-modern monitoring system which keeps AQS/BankVertising ahead of the competition, providing bankletters that your customers need to read.

THE FARM PICTURE and **MONEYWISE**, long recognized as outstanding monthly BankLetters, now bring your customers exclusive, up-to-the-minute reports as well as concise interpretations of economic data from the wide-reaching communications network of the American Quotation System—the **prime developer of a new technology for instant, visual transmission of commodity market information and world-wide economic news.**



The AQS network uses a special FM subchannel to visually transmit market data and economic news the instant it's available. Transmissions are much faster than other reporting systems.

■ Our Washington correspondent via the AQS connection reports in daily with news from the Department of Agriculture and other federal agencies whose actions affect agriculture and the commodities market.

■ Our correspondent also reports on impending tax legislation, government regulations, anti-inflationary measures and consumer protection laws that are under consideration in Congressional committees and Senate hearings.

■ The AQS connection enables us to monitor all major grain terminals, all principal U.S. and overseas commodity exchanges and all movements of grain on inland waterways or out of U.S. ports.

■ The AQS connection also enables us to monitor prices and other information coming constantly from the Chicago Board of Trade and the Chicago Mercantile Exchange as well as university and college extension services.

Hundreds of banks across the country are using **THE FARM PICTURE** and/or **MONEYWISE**, the only **BankLetters with the AQS connection**, in their customer communication and follow-up programs . . . to help their customers understand what's happening and why. Maybe the time has come for your bank to consider a similar program.

Carolyn Christenson, Washington Correspondent via the AQS connection, reports daily from the U.S. Department of Agriculture.

MONEYWISE is written and edited for the professional, managerial and business people in your community—the upper-income families who account for 80% of the bank's earnings. Every issue talks about one or more subjects closely related to banking, including taxes, money management, credit, achieving financial goals and estate planning.

THE FARM PICTURE is written and edited for the farm and agri-business customers of your bank. Page one presents the current outlook for livestock and commodity markets. Pages two and three talk about farm credit, cash flow, budgeting, tax management, record keeping and analysis, leasing arrangements and other subjects involving the farmer, his money and his banker.

All of this, plus exclusive reports from the AQS connection, insures that **THE FARM PICTURE** and **MONEYWISE** are extremely useful and well read BankLetters—and they are appreciated as a sure sign of the value your bank places on customer relationships.

Maybe it is time to seriously consider a BankLetter service—an outstanding service your competition can't duplicate. We'll show you how it can be done with a minimum amount of time and work on your part. Just write:

The BankVertising Company

3102 Research Road
P.O. Box 1568
Interstate Research Park
Champaign, IL 61820
or call 217/356-1339.

CHANGE to a BankLetter that offers complete in-house production and mailing services.



Our in-house production facilities make it easier for us to maintain quality, meet deadlines and control the cost of producing your BankLetters. THE FARM PICTURE

and MONEYWISE are produced with the best new presses, the latest bindery facilities, the most versatile typesetting equipment and one of the finest offset camera departments in the country.

Your lack of manpower or time for addressing or lack of mailing facilities is no problem when you use THE FARM PICTURE and MONEYWISE.

We make it very easy. In fact, most banks rely on us to handle their addressing and mailing.

All you do is send us your mailing list, which we program into our computer. We provide your bank with a complete set of index cards with the names and addresses on your mailing list—you always know exactly who's receiving your BankLetters. When you request an addition or correction, we send you a new file card for each change, so your mailing list is up to date at all times.

We can handle the mailing of your BankLetters in one of three ways:

(1) We can print with our BankVertising permit, address your BankLetters and mail from Champaign, Ill., directly to your customers.

(2) We can print with your postal permit, address and mail from Champaign directly to your customers.

(3) We can print with your postal permit, address and ship directly to your bank or local post office for mailing there.

Minimum mailing list using your postal permit is 200. There is no minimum when using our permit.

If you prefer, we can ship in bulk direct to your bank, and you handle the addressing and mailing. No matter which method is best for your bank, your BankLetters will arrive on time every time because we maintain strict production schedules in our own in-house printing plant.

We spare no effort to produce the kind of personalized, quality BankLetter your bank will be proud to call its own. And we provide all of the essential services to make your BankLetter one of the most effective elements of your total marketing program.

CHANGE to a BankLetter that's stood the test of time

The BankVertising Company was founded in 1958, and the first issue of THE FARM PICTURE appeared in September of that year. The first issue of MONEYWISE appeared in October, 1967. Many banks who began the BankVertising service during the early years still use THE FARM PICTURE and MONEYWISE, because these BankLetters have won many friends and influenced many customers for banks.

THE FARM PICTURE and MONEYWISE are used by successful bankers in 33 states.

For hundreds of other bankers across the country, THE FARM PICTURE and MONEYWISE are the cornerstones of public relations programs that build loyalty among customers.

To find out how THE FARM PICTURE and MONEYWISE can benefit your marketing program, please call or write:

The BankVertising Company
3102 Research Road, P.O. Box 1568
Champaign, IL 61820 217/356-1339

Many banks have celebrated their 20th anniversary of BankVertising service

First Natl Bank, Belleville, IL, 21 years
Champaign National Bank, Champaign, IL, 21 years
Citizens National Bank, Decatur, IL, 21 years
Elliott State Bank, Jacksonville, IL, 21 years
First Trust Savings Bank, Kankakee, IL, 21 years
Union National Bank, Macomb, IL, 21 years
The National Bank of Monmouth, IL, 21 years
Bank of Stronghurst, IL, 21 years
Farmers Merchants Natl Bank, Carlinville, IL, 20 years
Farmers & Merchants Bank, Carlyle, IL, 20 years
First Natl Bank & Trust, Centralia, IL, 20 years
Bank of Chenoa, Chenoa, IL, 20 years
The John Warner Bank, Clinton, IL, 20 years
Effingham State Bank, Effingham, IL, 20 years
National Bank of Monticello, IL, 20 years
Farmers Merchants Natl Bank, Nashville, IL, 20 years
Firt Natl Bank, Newton, IL, 20 years
State Bank of Piper City, IL, 20 years
First Natl Bank, Steeleville, IL, 20 years
First Trust Savings Bank, Taylorville, IL, 20 years
First National Bank, Vandalia, IL, 20 years
Irwin Union Bank & Trust, Columbus, IN, 20 years
Citizens Bank, Portland, IN, 20 years
Emmet Co. State Bank, Estherville, IA, 20 years
First National Bank, Mason City, IA, 20 years
The Citizens Bank, Abilene, KS, 20 years
First National Bank Trust, Salina, KS, 20 years
The First National Bank, Jackson, MN, 20 years
Farmers & Merchants Bank, Milford, NE, 20 years
Farmers & Merchants Bank, Beaver Crossing, NE, 20 years

The Ashton Bank, Ashton, IL, 19 years
First National Bank, Ava, IL, 19 years
Marine Trust Co., Carthage, IL, 19 years
First Natl Bk, Danville, IL, 19 years
Edwardsville Natl Bk & Tr, Edwardsville, IL, 19 years
Fairfield Natl Bk, Fairfield, IL, 19 years
Farmers Natl Bank, Geneseo, IL, 19 years
First Natl Bank, Mattoon, IL, 19 years
Ill. Natl Bank, Springfield, IL, 19 years
Churubusco St Bk, Churubusco, IN, 19 years
Clinton Co. Bk & Tr., Frankfort, IN, 19 years
Farmers Bk & Tr Co., Knox, IN, 19 years
First Natl Bank of Logansport, IN, 19 years
Peoples Bk & Tr., Mt. Vernon, IN, 19 years
Ind. Lawrence Bk & Tr., North Manchester, IN, 19 years
Tri-Co. Bank & Trust Co., Roachdale, IN, 19 years
Jasper Co. Sav. Bk, Newton, IA, 19 years

Union Bank Trust Co., Ottumwa, IA, 19 years
Commercial Tr Savings Bank, Storm Lake, IA, 19 years
First State Bank, Burlingame, KS, 19 years
The Bk of Commerce, Chanute, KS, 19 years
Citizens St Bk & Tr, Hiawatha, KS, 19 years
The First Natl Bk, Kalamazoo, MI, 19 years
Bank on the Square, Harrisonville, MO, 19 years
First Natl Bank, Fremont, NE, 19 years
Laurence St Bank, Laurence, KS, 19 years



FREE FOOD

*Deposit Transactions up 640%
In 4-Week Campaign by S&Ls*

FREE FOOD enticed S&L savers in St. Louis to deposit more than \$250,000 in their savings accounts in 30 days at their neighborhood supermarkets via the Money Matic system.

During the first full week of the promotion, deposit transactions were almost five times greater than the week before the promotion started and significantly greater than the same week a year ago, according to Ed True, president, Money Matic Corp., St. Louis.

Deposit transactions were 640% greater during the premium promotion's second week than the same week a year earlier.

In addition to encouraging customers to save, the promotion has attracted more than 1,500 new applications for a Money Matic Savings Account at one of the seven S&Ls involved. Another of the promotion's goals was to encourage customers to use their Money Matic accounts to make deposits at their participating neighborhood stores.

Two nationally advertised and two St. Louis products were used during the four-week campaign, a different product each week. The first week featured a free two-liter bottle of Coca-Cola for a \$25 minimum deposit. Following weeks featured a free five-pound bag of C&H sugar, a free variety pack of Old Vienna Potato Chips snack products and a free half-gallon of Pevely Ice Cream.

"The four product premiums were chosen because of their market leadership, retail distribution, price, known value and demographic user match to target Money Matic customers," said Dick Corbet, marketing director, Carney Duffy & Corbet, Inc., the St. Louis advertising agency that handled the free food promotion.

Coupon sheets indicating the products and supermarkets where they were available were mailed to all Money Matic account customers. Also, the "product of the week" was featured in local newspaper ads, which saturated the St. Louis market area.

Unlike many financial institutions' premiums,

This ad appeared in local St. Louis papers offering free food to Money Matic depositors.

which can be obtained only at the offices of the institutions, the food premiums were available at any of almost 100 participating retail food stores, members of nine supermarket chains.

In addition, the coupons appeared in local newspapers.

"The promotion has been extremely successful in meeting our primary objective of encouraging customers to use their Money Matic cards for making deposits at their neighborhood supermarket," Mr. True said. ●●



Official Checks...a new, unlimited amount payment instrument from Travelers Express

"Official Checks" are the space age way to replace your own bank checks (cashier's checks) and at the same time reduce work and make money! How? By saving work in your back office while gaining balances or earning fees from Travelers Express. "Official Checks" are *your* checks, printed

to your design and to our specifications at no cost to you.

Now, by selling *limited* amount Travelers Express Money Orders to your customers—substituting *unlimited* amount Travelers Express Official Checks for your bank checks—you profit two ways!

Rush me information on your payment services, or call 800-328-5678.

Travelers Express 

A GREYHOUND  COMPANY

5075 Wayzata Boulevard, Minneapolis, MN 55416

Money Orders Official Checks

Your name _____

Company name _____

Address _____

City/State/Zip _____

Monday Morning Meetings Help Memphis Bank Spread 'The Word' to Personnel

Vital information disseminated quickly

THE LARGER a bank becomes, the more complicated it is to spread the word effectively among personnel. And when a bank has branches and/or affiliates, it's not unusual for the communication process to break down completely or become ineffective.

That's why Earl H. Triplett, chairman and president, Memphis Bank, inaugurated what are known as "Monday morning meetings" at the bank's downtown headquarters.

The primary purpose of the meetings is to get vital information to different areas of the bank in the shortest possible time. That's why the bank's 13 branch managers and all officers at the Main Office attend the weekly meetings. Those attending are expected to further disseminate information they receive when they return to their branches or departments.

There's a two-way flow of information at the meetings, which convene every Monday morning at 8:15 sharp in the bank's 10th-floor presentation room. Howard L. Golwen, the bank's executive vice president, conducts the meetings. He took over from Mr. Triplett a few years ago when the

latter's travel schedule became more demanding, but Mr. Triplett usually is present and provides input.

The meetings contain few surprises, according to Bobby L. Williams, vice president. Most officers with something to present call Mr. Golwen in advance and apprise him of what they intend to bring up.

Mr. Triplett started the meetings when he became bank president in the mid-'60s. At first, they were held in his office because the bank had few branches and fewer affiliates. As the bank — and meeting attendance — grew, the meetings were moved to the conference room. Finally it became necessary to obtain larger quarters, so a 60-seat presentation room was built on the 10th floor. The room, complete with theater-type seating on a sloped floor, includes two long curved wooden tables, a podium, lectern and controls that permit the person conducting a meeting to operate audiovisual equipment at the touch of a few buttons.

The room also is used for training sessions and correspondent conferences and can be utilized for



Memphis Bank holds its weekly Monday morning meetings in its 60-seat presentation room that features theater-type seating and sloped floor. Projection equipment at rear is operated by pushbuttons on podium.



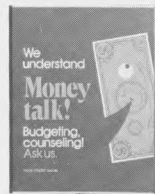
View from rear of Memphis Bank's presentation room shows podium and lectern. Long, curved wooden tables make room usable for board meetings and were supplied by bank's affiliate, Arrow Business Services.

FOCUS ON SERVICE

**SPEED
PRIVACY
EFFICIENCY**



**Single Line Teller Service
Complimentary Floor Plan
Immediate Delivery**



**Lobby
Stands**



Counter Brochure Racks



- Many Designs Available
- Custom Manufacturing—Quantity Discounts
- Finest Quality—Fully Guaranteed

**PM
INDUSTRIES, INC.**

537 BRANNAN STREET
SAN FRANCISCO 94107
415 398-6830

**Send For
Our
Brochure
Today**

Monday Meetings

(Continued from page BG/27)

special board meetings and press conferences. It's not available to the public.

Representatives of the bank's non-bank affiliates also attend Monday morning meetings. These include Arrow Business Services, Central Guardian Life Insurance Co. and Memphis Trust Insurance Agency. These representatives often provide helpful information to bank personnel, and vice versa, involving news of new firms coming to or operating in the Memphis area.

The meetings are not formal, Mr. Williams says. Since the presentation room is adjacent to the bank's dining rooms, most attendees arrive early enough to have a cup of coffee and chat with other personnel before the meeting starts. Meetings seldom last more than 45 minutes, and sometimes branch managers re-convene after a Monday morning meeting to discuss matters pertinent to their operation.

Anyone attending a Monday morning meeting can provide input that affects his or her department or the bank as a whole. For instance, those in the real estate department report on current interest rates. Mr. Triplett usually reports on the legislative scene, which is one of his specialties. News about bank customers often is presented.

Mr. Williams says the meetings don't take the place of other means of communication, such as memos, phone calls and conferences. There's no thought of holding back information until the Monday meeting. "The meetings are designed to narrow the communication gap, not widen it," he says.

If there is little information to present, a meeting will adjourn early—in as little as 15 minutes.

Other purposes of the meetings are to give praise due to bank personnel, to make announcements before information is released to the press or to raise problems and seek solutions—sometimes problems are solved on the spot; sometimes they are referred to an individual for solving.

"The Monday morning meetings have worked very well for us," says Mr. Williams. "I expect they'll continue for a good long time." ●●

Using this traffic-builder is like offering

FREE GAS!

Can improve any driver's mileage up to 33%...thereby giving FREE use of previously wasted gas dollars. Dramatically cuts down gas line visits.

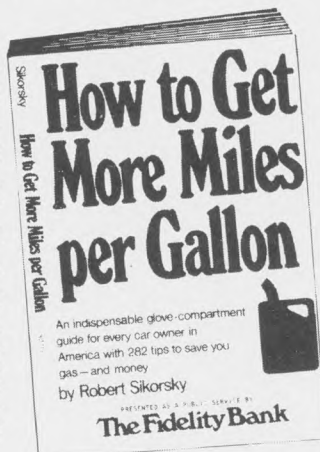
**ENDORSED BY
THE U.S. DEPARTMENT OF ENERGY**

Most definitive book of its kind. A runaway, paperback bestseller at \$2.95. Act now to get in on massive press run of exclusive, uncut premium edition. 5M cost just 68¢ including free imprint of corporate identification on front cover. (Less in larger quantity) Back cover has strong, unprecedented U.S. DEPT OF ENERGY endorsement. "If we can get 'HOW TO GET MORE MILES PER GALLON' into the hands of the average driver, we can start cutting fuel consumption right away." Written by famed Petroleum Geologist Robert Sikorsky, with technical aid from GM, FORD, SHELL OIL, and the U.S. ENVIRONMENTAL PROTECTION AGENCY, straight-forward, non-gimmicky book gives nearly 300 ways to cut skyrocketing gas costs. Spend 30 minutes with it and you'll be convinced it's the timeliest, most attention-getting public relations opportunity you've had in years.

For postpaid sample, rush \$2 today.
For full information only, write or call.

REDWOOD HOUSE

P.O. Box 438FB, No. Arlington, NJ 07032



In N.J., 201/997/0880
Toll Free 800/526/1242



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. F

Ideas . . . you can use!

Don't Drink and Drive, Says New Ad Campaign By Eastern Bank

The high incidence of automobile accidents and fatalities involving drinkers who were drunk while driving has been at a tragically high level for many years and has long had people concerned about safety on the highway. Colonial Bank, headquartered in Waterbury, Conn., decided to become involved in an effort to reduce the incidence of alcohol-related traffic accidents in the state. The fact that the Connecticut State Motor Vehicle Department recorded that 27% of the deaths that occurred in motor vehicle accidents in 1976 involved driver intoxication prompted an advertising campaign intent on communicating the tragic outcome of mixing driving with drinking.

The campaign isn't directed specifically to any one age group or any special category of driver — the statewide thrust is aimed at alerting everyone to the danger of being drunk on the road. One of the advertisements features a male lying in a hospital bed with much of his body in plaster casts. The headline and copy read: "Jimmy Got Plastered Last Night. Don't Drink and Drive." In another ad, a female stands with her head bandaged, face bruised and one arm in a sling. The message reads: "Karen Got Smashed Last Night. Don't Drink and Drive."



Colonial's public service effort was put together by advertising agency Gianetto & Meredith, Inc., Nutley, N. J. It has received the Jersey Award for Excellence in Advertising in the public-service category.

The campaign involves insertion of the advertisements in various media. They have appeared all over the state on billboards and posters attached to buses as well as in various newspapers and magazines, which ran the adver-

tisements at no charge. All television network stations in Connecticut have carried them as a public service.

Conducting a campaign that gets drunken drivers to stay off the roads in Connecticut was Colonial Bank's good idea. Considering that drunken drivers have been involved in 40-50% of traffic fatalities that have occurred throughout the nation, maybe this type of campaign is a good idea for your bank, too.

Bank's Disaster Plan Aids Flood Victims

Have you ever thought about what part your bank might play in helping a community recuperate after the impact of a natural or other disaster? Tornadoes, floods, hurricanes, earthquakes and the like can leave people and organizations weakened in their wake; weakened just when they are most challenged.

This spring in Beaumont, Tex., a thunderstorm-laden front stalled over the western and northern sectors of the town, dumping over 12 inches of water within a few hours on the unsuspecting city. The Red Cross evacuated more than 500 persons during the first few hours of the severe flooding, and disaster crews estimated a minimum of 600 homes and apartments in Beaumont had been flooded. Damage estimates ranged upward of \$10 million and the

area was declared a disaster area by President Carter.

Before flood waters had receded, the city's major financial institution, First Security Bank, had put together a public-service effort to tell its customers and citizens of the financial assistance available and to caution home owners about hazards concerning cleanup and repair.

The bank's message was delivered personally by its senior officer, Will E. Wilson, president, through television, radio and newspaper advertisements.

First Security offered assurance during the time of trouble that the bank's people and resources were available to lend a hand. The bank installed a special Hotline for persons seeking information and assistance. "The special telephone number was especially effective," Mr. Wilson said. "Hundreds of our customers and residents of southeast Texas called on First

Security for assistance as a result of this campaign." Loans processed in the aftermath of the flood included home improvement, personal and general installment.

Among precautions that the bank urged in its promotions were warnings about unscrupulous enterprises that often emerge in the wake of disasters. The bank suggested, "If you hire a contractor, get several estimates. Ask for references. And be sure you know whether you're getting a contract that is figured by the hour or cost plus job. Whatever type of repair is being considered should be planned carefully by putting ideas down on paper."

The promotional program, according to Mr. Wilson, accomplished what it was designed to accomplish. "We were concerned — for our employees and our neighbors — and we wanted to let them know First Security was ready to help."

\$500 Free Gas Promotion Gets New Customer Leads

The gas shortage is this year's big news. Think what a splash a free gas promotion could make.

To jointly celebrate the opening of a new facility and to publicize more profitable savings plans recently made available to customers, Southern National, Houston, sponsored this kind of exciting promotion. Customers and friends were invited to visit the new location and hear about the new savings plans available and to register to win \$500 worth of gasoline.

The advertising for the gas giveaway said, "Happiness is a full tank and a fuller bank account. You can get both at our new mall location. Register for \$500 worth of gas (you find it, we buy it) and ask about our new more profitable savings plans."

The registration box was a big gas can with helium-filled balloons tied to it to get attention. In the first day of the promotion, about 48 persons registered for the \$500 worth of gasoline.

People entered the contest by filling out registration cards. Later the registration cards were used as a source of



new customer leads. Letters were sent to everyone who entered the contest, thanking the present customers and confirming interest in servicing all their banking needs. The letter also thanked the non-customers for coming into the bank and offered banking services to them.

The gasoline prize was selected because these days it seems to be uppermost in everyone's mind. The promo-

tion attracted people to the new location, pushed the new savings plans, served as a source of new customers and — helped out a bit in the gasoline crisis.

Pledges to Save Energy Show People Count in Fort Worth

"People Count!" That's the theme of a newly launched energy-saving campaign among employees of Fort Worth National. The program is built around pledges by bank employees to cut gasoline consumption by leaving their cars at home at least one day each week and using other means of transportation such as car pooling or riding the bus. It was initiated by Fort Worth National's chairman, Bayard H. Friedman.

"People really do count," Mr. Friedman said at a series of employee meetings held prior to President Carter's television address to the nation in July.

"No one person can individually solve or alleviate the energy crisis now threatening our nation, but collec-

NEW PROFIT/ P.R. IDEA



Gay 90's Wagon Ltd. \$1445.00
Other models from \$479.00



The proven p.r. tools which more than pay for themselves. POPCORN and COTTON CANDY. Sold inside or outside your savings institution, these fun foods create a friendly atmosphere. Create excitement and be a good neighbor. Sell it, or give it away. A regular serving costs only 3½¢, retails @ 15¢ to 25¢. For interest/income it's great for you, and your customers.

Write today for details and success stories. Gold Medal . . . the nation's leading producer of fun food equipment.

Two Wheel Wagon with machine \$1,149.00



GOLD MEDAL PRODUCTS CO.
1825 FREEMAN AVE., CINCINNATI, OHIO 45214 • 513/381-1313



ANYWAY YOU LOOK AT IT. . .

"DRIVE-IN TRAFFIC CONTROLLER" MAKES LIGHT OF CONFUSION

LUMINOUS TUBING (NEON)

OPEN. . . GREEN

CLOSED. . . RED

Unbreakable Lexon® Shield

Our "drive-in traffic controller" is your answer to customer confusion. Uniquely designed with a sun screen, it gives maximum readability under any lighting condition, even direct sun glare. Do-it-yourself installation, it's available in various sizes and copy and you'll experience lower maintenance cost and less energy consumption. Light the way to your tellers, the Howard way. . . Teller control switch included. . . Call or write now.

5 Year Unlimited Warranty

HOWARD
SALES · SERVICE
ERECTION
ERIE, PA.

NEON & PLASTIC
SIGNS

HOWARD NEON
& PLASTIC DISPLAYS

2904 PITTSBURGH AVE., ERIE, PA 16508

Photo courtesy of First National Bank of Pa.

tively we can make a significant impact. And by letting our friends, neighbors and fellow citizens know about our program, perhaps we can point the way for others to follow," he added.

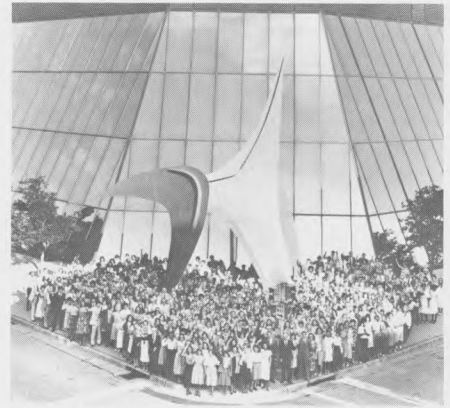
Nearly 600 of the bank's approximately 900 employees signed "People Count" cards pledging not to drive to work one day a week, thus cutting their gasoline consumption by at least 20%.

To kick off the campaign, more than 400 bank employees who signed

pledges gathered for a group photograph around the Alexander Calder sculpture in front of the main entrance to the bank building. The photograph appeared in a newspaper advertisement under the meaningful headline "People Count."

The bank is offering assistance in organizing car pools among employees and is making available monthly discount coupons to employees who ride city buses.

"There is an energy shortage," Mr.



Friedman emphasizes. "And we all have to do our part. Our contribution may be just a drop in the bucket, but we can set an example for others."



don't miss the train!

**get on the right track
for your next promotion!**

OUR Bachmann HO electric train set is on its way. When you come aboard the Bachmann express, you are on the right track to develop *new and existing savings accounts*. Average deposit produced by this train program has been \$1,800; with most of it in *regular passbook savings!*

Remember, we have all the collateral material necessary to develop newspaper ads, statement stuffers, radio and TV commercials for YOU!

For more information call or write:
GEORGE LAMPING
AS affiliated services
7870A N. Babb Skokie, Illinois 60077
(312) 679-1700

creative ideas and dependable services since 1951

Breaking the ATM Ice With Free Ice Cream

Getting people to try out those new-fangled ATMs isn't always easy. However, getting most people to enjoy a refreshing ice cream cone on a hot day is not difficult.

As an incentive to encourage customers to try new day-and-night tellers, First National of Arizona tempted ATM novices by offering free Baskin-Robbins ice cream. For a month during the summer, hostesses demonstrated at each of its new Diebold ATMs, giving any person who tried the machine a coupon good for one scoop from any Baskin-Robbins store in the state.

First National has entered the era of electronic banking with what the bank believes is the largest single installation of automatic tellers at one time in the country. A total of 45 day-and-night tellers began operating this summer statewide.

As an added incentive to encourage customers to try the new ATMs, Baskin-Robbins 31 Flavors created a new ice cream flavor called "Show 'em your Stripes," which is the phrase used to promote use of the bank's striped Western Bancard and now the new ATM system.

With more than 400,000 First National customers already carrying the cards, widespread usage of the new ATMs is expected. Enticing customers with ice cream to become acquainted with the banking service and convenience of the ATM should draw in business.

plus... THESE FOUR PROVEN DEPOSIT-BUILDING PROGRAMS FROM AFFILIATED SERVICES!

1. FIVE JEWELRY PROGRAMS
Gold-filled and solid silver Indian styled pieces . . . rings, pendants and earrings with diamonds and other precious gem stones . . . imported chains of 14K gold . . . elegant cultured pearls . . . PLUS 14K rings, pendants and earrings with fabulous CUBIC ZIRCONIA stones, probably the most perfect man-made "diamond"!

2. EMERSON SOUND PROGRAMS
One of the finest names in sound! Includes AM and AM/FM pocket radios . . . latest in clock radios and multi-bands . . . precision cassette recorders . . . even exquisite home entertainment centers with AM/FM, FM stereo, phonograph and 8-track.

3. ENTERPRISE COOKWARE PROGRAMS
Featuring DuPont SILVERTONE bonded finish: tiny metallic flakes suspended in a ceramic-like glaze provide a three-layer non-stick surface. Extra smooth; far thicker and more durable than any other coatings. 7-piece sets are available with highly polished exteriors and new French Vanilla porcelain finish.

4. C-D PROGRAMS
A series of big-ticket programs to bring in big dollar deposits! Your choice of QUASAR TV's and Micro-Waves . . . HOWARD MILLER Grandfather and other clocks . . . CHINON photo equipment including *sound* movie cameras . . . CHARM-GLOW Grills, ELECTROLUX Cleaners, STANLEY Tools, KIMBELL Organs.



CALL OR WRITE GEORGE LAMPING, PRESIDENT
affiliated services
7870A N. Babb • Skokie, IL 60077 • 312/679-1700

Premiums/Incentives:

Profit Builders for Financial Institutions



LUGGAGE

Bank: Busey First National, Urbana, Ill.

Premium: 13 pieces of soft-side luggage.

Offer: Variety of luggage available free at the \$300, \$1,000 or \$5,000 deposit levels or could be purchased at various amounts. Luggage pieces included sizes from small utility travel kit to 29" overseas suitcase.

Supplier: J. Edward Connelly Associates, 1020 Saw Mill Run Blvd., Pittsburgh, PA 15220.

Results: More than \$10 million was deposited in new and existing accounts. Some 1,416 new accounts were opened with more than \$6 million new money. During its first premium promotion, the bank went "First Class" — part of its theme — by displaying a 1978 Rolls Royce in its lobby as an attraction. Advertisements said, "Deposit \$1 million in a one-year CD and get a Rolls Royce." Two 60-second television commercials showing the car, luggage and a chauffeur were used. Newspaper ads used the same theme and radio spots included the distinctive sound of the Rolls Royce horn. "Our endeavor was not to sell a Rolls Royce with a \$1 million deposit, but to evoke interest," says Joe E. Frank, vice president, "and the theme certainly did."

CUSTOMIZED BELT BUCKLES

Thrift: First Federal Savings, Little Rock, Ark.

Premium: Customized Arkansas Razorback belt buckles.

Offer: For a minimum deposit of \$10,000, customers could receive either a free Arkansas Razorback or Arkansas State Seal belt buckle.

Supplier: Heritage Mint, Ltd.,

2221 Barry Ave., Los Angeles, CA 90064.

Results: 1,200 new accounts were opened with more than \$4 million in new money deposited. About \$10 million was deposited in existing accounts. Campaign was merchandised through newspaper, radio and television ads, billboards and staffers. The thrift decided to offer the buckles as a premium because it was an item never before offered in the Little Rock market area. In addition, the buckle tied in with sports fans' enthusiasm for the University of Arkansas football team, the Razorbacks.

The campaign generated much publicity not only throughout the state but outside it. According to Don Burks, vice president, his institution received many orders from native Arkansans living in other states. He said that Heritage Mint was extremely helpful in helping determine the number of buckles to order. Also, they were helpful in supplying him with information on pricing and about other financial institutions' campaigns which used the company's buckles. In fact, this institution was so happy with the campaign's results that it has since repeated the Razorback belt-buckle promotion.



MAGNAVOX RADIOS

Bank: Peoples National, Bay City, Mich.

Premium: Magnavox radios.

Offers: Three different sized radios free or available at various amounts depending on deposit level. Deposit levels used were \$100, \$1,000 and \$5,000.

Supplier: Conroy Company, P.O. Box 3237, Saginaw, MI 48605.

Results: Some 282 new accounts

Saves Energy!

Solar Reflective time/temp



Time-O-Matic is dedicated to conserving electrical energy and here is the result — FlipOmatic electronic solar reflective time/temperature signs. If you're tired of burned-out lights spoiling your public prestige, FlipOmatic has a better way. These strikingly new units sharpen the prestige level you strive to maintain in all your advertising. No more burned-out light bulbs to cast a poor public image. Brilliant super-glow fluorescent flippers, jet black on one side, reverse electronically to show time and temperature in F°, C° or alternating. Nighttime readability much more attractive than bulbs.

FlipOmatic reliably projects your image of service to the community 24 hours a day, 365 days a year... with no burned-out bulbs! Hundreds of installations nationwide. We'll help you do your bit in electrical conservation, too. Studies show energy savings average \$100 monthly per sign. For brochure and installations near you, just send your business card to Ed Griffin, Marketing Mgr.

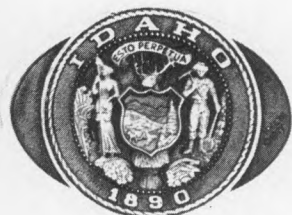
Call Toll Free 800-637-2642
In Ill. Call Collect 217-442-0611



DISPLAY CONTROLS FOR OVER 45 YEARS
Box 850F Danville, Illinois 61832

Over Half a Billion Dollars in Deposits

Last year we made a statement. This year, we are saying it again. Some of our best friends are bankers.



We started out five years ago, trying to make friends in the banking industry, with our commemorative customized belt buckle programs. It wasn't easy, but our programs soon proved themselves. As of today, we have sold and serviced over 2,000 financial institutions. We have yet to fail them. Some of our customers have realized over three and one-half million dollars a week in deposits. With a record like that, it has become easier to make new friends.



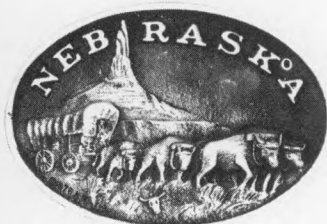
HERE IS WHAT THEY SAY ABOUT US:

Robert Lida, Director of Marketing, Fourth National Bank & Trust, Wichita, Kansas.

"Our sales of over 15,000 buckles, is testimony of the outstanding reception the buckles received in our community."

Marshall Weems, Senior Vice President & Director of Marketing, Citizens & Southern National Bank of South Carolina, Columbia, S. C.

"The South Carolina belt buckle premium promotion was extremely successful. We achieved nearly 200% of our original goal. One of the best premiums we ever ran."



Larry D. Brower, Vice President, First Security Corporation, Salt Lake City, Utah.

"The belt buckle program has exceeded our expectations in all respects, including buckles sold outright, and deposits generated. Consumer acceptance has been almost unbelievable."

Jerry D. Turk, Vice President and Marketing Director, Louisiana National Bank, Baton Rouge, Louisiana.

"Never in my wildest expectations did I dream, or even hope that the buckles would grab people's fancy as they have."



Don W. Burks, Vice President, First Federal Savings & Loan Assoc. of Little Rock, Little Rock, Arkansas.

"The buckles helped create a good public relation image for our association, and attracted a good number of new customers. We were very pleased with the results of this program."

Al Wibergh, Vice President, Arizona Bank, Phoenix, Arizona.

"One point best summarizes our opinion and confidence in your product and that, simply stated, is that we have placed an order with you for a second new buckle program for 1978."



Our work includes corporate logos, historical landmarks, state seals, and university mascots. All of our buckles are jewelry finished, numbered for registration with the American Collector, and handsomely packaged in leather pouches. We are also licensed for most professional sports. Got a marketing objective? Give us a call. We are always looking for new friends.

HERITAGE MINT, LTD.
2221 Barry Avenue
Los Angeles, California 90064
(213) 473-4538



All buckles shown are one half the actual size.

Premiums/Incentives: Profit Builders for Financial Institutions

were opened with more than \$813,000 deposited. Existing accounts gained more than \$6.2 million. The bank exceeded its goal by about \$2 million. Cost spent on premiums only per \$1,000 gained was .06¢. Bank promoted radios using "Half-Price" theme. Depositors could buy an AM-FM cassette recorder model for half price (\$50) with a \$5,000 deposit to any savings plan. With a \$1,000 deposit, its cost was \$55 and for a \$100 deposit, its cost was \$60. Campaign was merchandised with radio spots, newspaper ads and statement stuffers. The bank selected radios to reach general market and timed it for summer because everyone seems to need portable radios then, according to William Stegman, marketing director/assistant vice president. Employees could purchase radios at cost during and after the promotion. The bank held a fast-start contest among tellers at the start of the promotion. The first three tellers from the seven smallest and seven largest offices who generated the highest deposit totals during the first week, won a small radio. In addition, branches were paired off to compete against each other for a radio for an office.

Free China and Stoneware.



It makes saving at First National Bank very attractive.

CHINA/STONEWARE

Bank: First National, Kokomo, Ind.

Premium: Free place setting of china or stoneware.

Offer: With a \$50 savings account deposit, customers received a free place setting of stoneware or china. Additional place settings could be purchased at discounted prices with each additional \$25 deposit.

Supplier: J. Edward Connelly Associates, Inc., 1020 Saw Mill Run

Blvd., Pittsburgh, PA 15220.

Results: Acceptance by customers was good, according to Joseph R. Leap, vice president/marketing. Customers appreciated the opportunity to purchase quality merchandise at low cost and save at same time. "We were able to cross sell other services to new savings customers," he said. At press time, some 2,113 new accounts were opened with more than \$2.4 million deposited. More than \$2.2 million was deposited in existing accounts. Promotion ran from October 1, 1978 through June 30, 1979.

PLANTS

Bank: American National, Denver.

Premium: \$7 gift certificate for shrub, hanging plant or perennials.

Offer: Gift certificates were given to customers who did any of the following: Opened a checking account (\$300 minimum); opened/added a minimum of \$100 to savings account; purchased CD; received at least a \$1,000 home equity loan; received at least a \$500 personal loan; opened a Master Charge or Visa account or transferred existing account to bank.

Supplier: Five Denver-area nurseries.

Help Denver Grow Green

American National Bank Will Give You A \$7 Certificate To Get You Started

Everyone enjoys a greener, growing Denver. Green plants of all kinds not only beautify their surroundings, but actively improve them. They prevent erosion, shade thirsty yards and even absorb pollutants of pollution, and give longer life spans to trees and shrubs. And, they're beautiful, too!

At Denver's finest, American National wants you to grow right every way. We'll give you a \$7 gift certificate that will let you plant a beautiful shrub or a flowering plant the easiest or cheapest way. You can also apply our certificate to help growing plants in all parts of the city. This is a limited time offer. Gift certificates good at any of the participating business houses.

Simply call for using any of these services at American National Bank before May 31:

- Opening a checking account (\$500 minimum)
- Opening or adding to a savings account (\$100 minimum)
- Opening a Home Equity Loan (\$200 minimum)
- Receiving a Personal Installment Loan (\$500 minimum)
- Opening a Master Charge or Visa account, or transferring an existing account to American National

Gifts in kind, good at participating business houses. See participating business houses for details.

American National Bank

17th and Stout Streets - Denver, Colorado 80202 - (303) 572-1176 Member FDIC

Results: Some 312 new accounts with more than \$1.3 million in new money was deposited and more than \$2.1 million was deposited in 540 existing accounts. The program, which had the theme "Help Denver Grow Green," coincided with spring. It ran from April 3-May 11, 1979. The campaign, which was an offshoot of bank's annual free-tree Arbor Day promotion, was advertised via newspaper and radio. Cost per \$1,000 of deposits gained was about \$90.

FOR YOUR PUBLIC RELATIONS



PERFECT FOR ANY TYPE OF PROMOTION, ANNIVERSARY, ETC.

The Uncirculated Penny in a Bottle

IMPRINTED WITH YOUR BANK LOGO FOR ADVERTISEMENT

IN THE PAST FOURTEEN YEARS OVER FIVE MILLION OF THESE LITTLE CONVERSATION PIECES HAVE BEEN USED TO ATTRACT NEW CUSTOMERS AND TO RETAIN OLD ONES.

FOR FURTHER INFORMATION AND SAMPLES WRITE:

Penny Glass Works

730 Hundley Way
Placentia, CA 92670





Cross-Sell Other Services By Promoting Loans For Property Improvement

By **WILLIAM F. SCHUMANN**
President
Insured Credit
Services, Inc.
Chicago

(Editor's note: Insured Credit Services, Inc., is the nation's leading private underwriter of property-loan insurance. ICS pioneered the concept of privately insured property-improvement loans 25 years ago, and the company has continued to expand its services to provide a comprehensive range of portfolio review and marketing aids to the lending community. Today, more than 1,600 lending institutions nationwide are using the ICS plan, which has insured over \$2 billion in property-improvement loans. ICS is a subsidiary of Old Republic International Corp.)

WITH continued skyrocketing of home prices, there has been a further intensification of demand for property-improvement loans. This represents a significant opportunity for consumer lenders — an opportunity limited only by a willingness to go after the business.

The home owner is an excellent source for developing other types of banking relationships, and no other consumer portfolio offers the market potential available through energetic property-improvement-lending activity.

The reason is simple. Home owners are the best possible prospects for cross-selling collateral business. And when a lender helps a home owner improve his property, there is a built-in opportunity to cross-sell other, highly lucrative banking services.

There is no better time than now to promote property-improvement loans. Were circumstances different, many people might be moving from a starter home to a second home — or from a second to a third home. However, soaring mortgage rates, uncertainty about the economy and high prices for houses have taken these

people out of the new-home market. They are staying with what they have. Yet they can and want to expand existing homes and improve the livability of their surroundings.

Services for the home owner. The home owner is uniquely in need of all financial services. He needs the checking account, the savings account, the safe deposit box and more — potentially much more. Take a look at a rough profile of the average property-improvement-loan customer. Average age is 41. Primary income of the borrower averages in excess of \$1,700 per month. Add to this the large percentage of dual-income home-owning families, and we're looking at an up-scale group — certainly more so than would be the case for the automobile-loan customer, for example.

Attracting up-scale customers can mean potential for cross-selling more up-scale services. For instance, new programs — pay-by-phone, automatic transfer services and so forth — are easier to sell to the up-scale customer. A program that includes assigned personal bankers or executive and professional banking services not only attracts more up-scale customers but, in itself, is a cross-selling tool. Home owners are especially good targets for marketing the personal-banker concept.

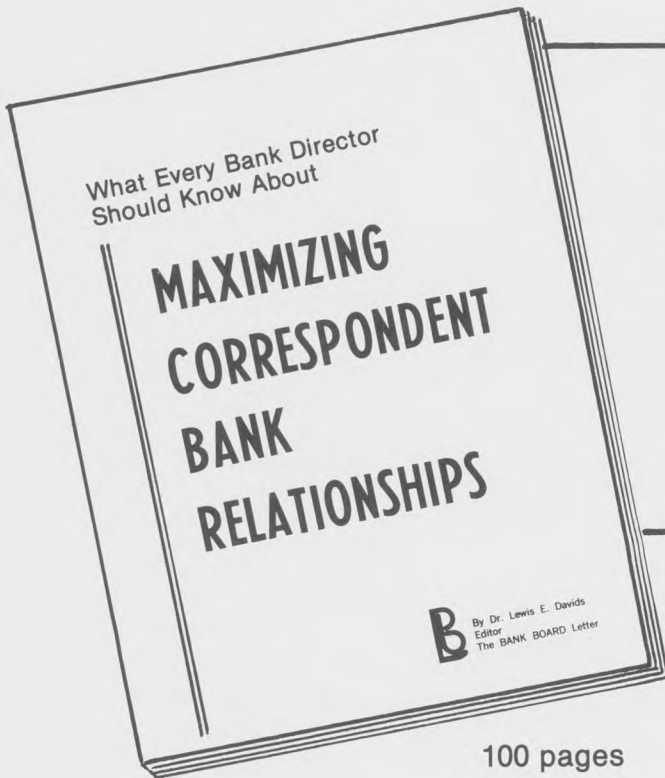
However, let's go beyond all the basic, day-to-day financial services. Look at trust services, for example, including investment-advisory services. Almost by definition, the home-improvement-loan borrower has assets

(Continued on page BG/42)

"There is no better time than now to promote property-improvement loans. Were circumstances different, many people might be moving from a starter home to a second home — or from a second to a third. However, soaring mortgage rates, uncertainty about the economy and high prices for houses have taken these people out of the new-home market. They are staying with what they have. Yet they can and want to expand existing homes and improve the livability of their surroundings."



FOR YOUR DIRECTORS — TO HELP THEM HELP YOU



100 pages

Edited by Dr. Lewis E. Davids
Editor, The BANK BOARD Letter

Directors aren't "born" correspondent banking experts. But you can help them catch up in a hurry. And it's profitable for you to do so!

This just-published manual provides vital information directors need. All correspondent facets are covered. Clearings and float analysis. Computer processing services. Loan participations. Asset management. Lines of credit and foreign exchange. Seminars and training. Group insurance and retirement plans. International service. Employee benefits. And many other services provided by correspondent banks.

This manual does even more. It helps directors APPRAISE correspondent services — to make sure your correspondent gives maximum service at the most competitive price.

This manual also warns of federal government intrusion into correspondent fields and tells how to cope with it. Simplified explana-

tions cover constraints imposed by the Financial Institutions Regulatory and Interest Rate Control Act (FIRA) — bank personnel affected by them — and complications introduced into correspondent - respondent bank set-ups.

Every detail of correspondent relations is covered in this new 100-page manual. Today, especially, it is a "must" for every bank director — inside and outside. Your bank can't afford to be without it.

What Every Bank Director Should Know About **MAXIMIZING CORRESPONDENT BANK RELATIONSHIPS**

How to get essential correspondent services at lowest prices. Appraising value of present services. Selecting correspondents who can help your bank's profitability. A timely directors' guide to give banks greatest returns from correspondent relationships.

\$10⁰⁰ per copy

(Book Release Date: October 15, 1979)

QUANTITY PRICES

2-4 copies \$9.00 ea.
5-7 copies \$8.50 ea.
8-10 copies \$8.25 ea.
11-15 copies \$8.00 ea.

SEND COUPON BELOW. ORDER YOUR COPY TODAY — AND DON'T FORGET YOUR DIRECTORS' COPIES!

ADDED BONUS

A complete description of services offered respondent banks by big-city correspondents. See if your bank is getting all your correspondents should give. Make sure you are getting your money's worth!

THE BANK BOARD LETTER
408 Olive St. Louis, Mo. 63102

PRE-PUBLICATION OFFER
GOOD UNTIL OCT. 15, 1979

_____ copies,
**MAXIMIZING CORRESPONDENT
BANK RELATIONSHIPS \$** _____

Name _____

Bank _____ Title _____

Street _____

City, State, Zip _____

(Please send check with order. In Missouri add 4.6% tax)

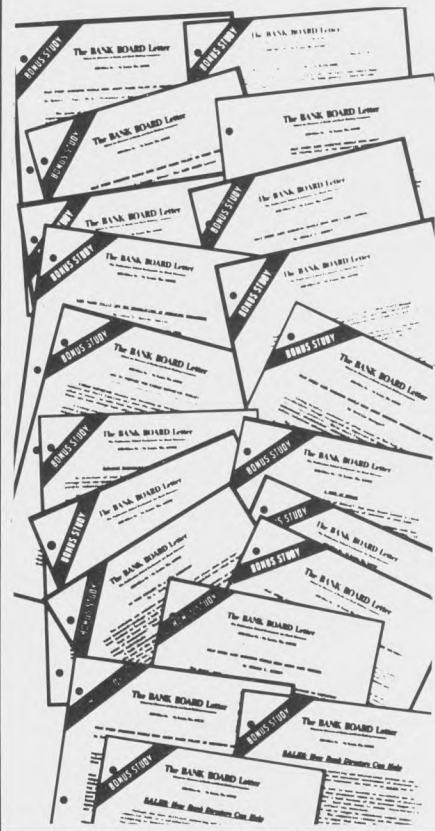
Pre-Publication Offer Good Until October 15, 1979

BG/37

What Every Director Should Know About Banking

(but sometimes doesn't)

30 Timely Studies of Vital Director Interest



Veteran directors can forget. New ones need break-in time. In either case, resulting information-gaps could bring your bank serious financial difficulties.

Protect yourself. Make sure your directors *know*. Give them this practical, dollars-and-sense update on today's priority problems. Packed with timely data and information. Written by top-ranking banking specialists.

Originally published as "bonus" additions to *The BANK BOARD Letter*, national newsletter for bank directors. Heavy demand for additional copies forced a reprinting. Now, for first time, this 30-piece director's "encyclopedia" is available in convenient packet form.

Mass printing permits lower price. Allows you to give each director a personal packet. Provides mind-easing "in-

urance" against inadvertent director oversights and financial problems.

Satisfaction guaranteed. Complete refund if *BANK BOARD Bonus Studies* fail to please you.

Latest information every director *must* know. Includes subjects such as — what every director should know about meeting with examiners — money-saving information about employee stock-ownership plans — tested procedures for courting stockholder business — deferred compensation plan for directors — establishing a business development policy — what help directors can give effectively to sales — check list of audit procedures for directors' examinations — and 23 other essential aids for sound and efficient director performance.

120 pages
\$15.00 per packet

2-5 packets \$12.50 ea
 5-10 packets \$10.00 ea
 (Order No. 200 on coupon at right)

- **Bank Directors and Their Selection, Qualifications, Evaluation, Retirement.** 42 pages. Answers key questions concerning director selection, retention and retirement. Special section: the prospective director and how he should be expected to contribute to the bank's success. **No. 101, \$5.00 per copy. (Revised Edition)**



- **Bank Shareholders' Meeting Manual.** 60 pages, 8½ x 11". Designed to aid directors of state-chartered banks, this book discusses conflict of interest, minority rights, fuller disclosure, voting of trust-held securities, preparation of stock purchase and stock option plans, also capital notes and debentures.

The manual also is helpful in updating annual shareholders' meetings at a time when stockholders are becoming more in-

sistent on receiving meaningful information at annual meetings and in annual reports. **No. 102, \$8.25 each.**

- **A Policy Manual for the Bank Board.** 24-pages, reviews typical organizational chart, duties and responsibilities of managing officers and various standing committees, loan, investment and collection policies, and an outline of a suggested investment policy. **No. 103, \$3.25 per copy.**

- **Bank Audits and Examinations.** This study, written in non-technical language, is designed to be helpful (1) to an independent accountant engaged to conduct an opinion audit, (2) to an internal bank auditor who wishes to make his work more effective and (3) to a *bank director* who wishes to compare procedures followed by his bank with the modern methods outlined. **No. 121, \$34.**

- **Management Policies for Commercial Banks.** 2nd edition by Howard D. Crosse and George H. Hempel. Substantially revised edition dealing with major policies of liability and asset management in banks. Includes examples of major policies and the relationship of policy makers and the issuing of policy. Examines lending practices, personnel, marketing

management and portfolio management and capital structure. **No. 131, \$18.95.**

- **WOMEN: The "Forgotten" Directors.** 20-page booklet. Would be most helpful to banks contemplating the election of a woman or women to the board. A national survey shows how women view their relationships to other directors of their banks, what they feel are their relationships to men and women staff members of the institution, frustrations and delights encountered in board service and what they see as today's major banking problems. **No. 145, \$2.00 per copy.**

- **Commercial Problem Loans.** A study that makes a significant contribution to improving lending skills by filling a void in the loan department's literature. The problem loan is identified in detail and a program of supervision is outlined. The volume includes a 41-page chapter on collecting problem loans and a case study of a fraud that brings all the points discussed into full play. Also included are a complete sample credit file and a hypothetical credit policy statement. Published in 1974. **No. 137, \$21.**

Order by Number Using Coupon on the Opposite Page

**Booklets
for Management
Directors-Stockholders**

• **Management Succession.** 8-page study. This has been termed the number one problem in banking. Directors have the legal duty to staff their banks and this publication provides invaluable aids to assist directors in this area. Includes a comprehensive *checklist* for management development. **No. 133, \$1.**

• **A Trust Guide for the Bank Director.** 40 pages. Since introduction of the Keogh Act (H.R. 10), many small firms and self-employed individuals have established pension trusts. Thus the number of banks adding trust functions has increased substantially. Directors of banks with new trust departments or newly elected directors of banks with established trust functions often aren't fully conversant with direction of trust activities. They will find this book to be a valuable aid. It delineates trust department examinations, policies. Includes Comptroller's Regulation 9, covering fiduciary powers of national banks, collective investment funds and disclosure of trust department assets. **No. 146, \$5.00 per copy.**

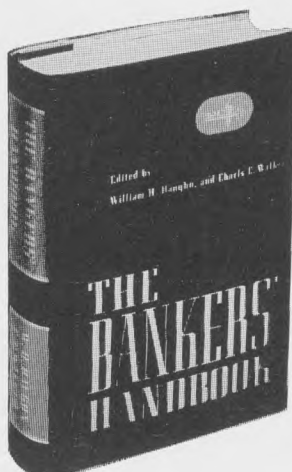
• **Leasing Principles & Methods.** For the bank interested in leasing. It's an "encyclopedia" of information that covers the entire range of leasing of capital goods, with fully documented financial instruments, of contracts, letters of credit, agreements, etc. There are chapters devoted to insurance, tax fees and tax credits. Latest rulings (for 1977) are included to give the reader a complete library on tax problems associated with leasing of airplanes, railroad cars, rolling mills, oil tankers, automobiles, television sets, etc. The author serves as a consultant to some of the nation's leading leasing companies. Over 300 pages. **No. 147, \$49.95.**

• **Bank Director's World.** This manual examines the bank director's relationships with the holding company, the CPA, legal counsel, stockholders, correspondents and advisory boards. It includes exhibits to enable directors to grasp the scope of the world of bank directorship. Both new and veteran directors can profit from the perspective this manual offers. **No. 150, \$6.25 per copy.**

• **Behind Boardroom Doors.** Provides insights into the fine points of bank board membership. Sample chapter topics: CEO selection; reimbursement; management audits; finding customers; board minutes; director fees; retainers; common law liability for director negligence; subcommittees of the board; capitalization; and influence on the economy of the community. Also, a chapter on how to open boardroom doors to establish ongoing communication between the bank and the public. **No. 151, \$6.00 per copy.**

THE BANKERS HANDBOOK

Edited by William H. Baughn and Charles E. Walker



This book is considered to be the most complete and definitive reference source covering current banking practices. It places the money knowledge of 90 of the country's leading bankers at the fingertips of the banker or bank director in a concise, analytical style. In it are the answers to most questions anyone would ask about banking. Easy to use . . . contains 11 major sections . . . in 87 chapters. Over 1200 pages! Every bank, every bank boardroom needs this reference book.

Check Box 120
\$35.00 per copy

• **Banking Tomorrow . . . Managing Markets Through Planning.** An approach to strategic, long-range planning, from initial concept through implementation. With the help of this volume you can make confident projections about the probable development of your bank in years to come. Equally important, you will find at your fingertips a wealth of practical planning techniques you can put to immediate use in your daily operations to help make these projections come true. **No. 153, \$18.50.**

• **Bank Costs for Decision Making.** This book contains a complete discussion of the nature of costs, development of bank cost accounting and its limitations. Fully explained are the three approaches to cost accounting — direct, full absorption and incremental.

One chapter is devoted to pricing bank services. Discusses factors affecting prices, pricing philosophy, and methods of pricing. Tables, charts, exhibits and a comprehensive bibliography all add to the value of this immensely practical book. **No. 155, \$18.00**

• **How to Analyze a Bank Statement.** The 6th edition of a book bankers have considered an indispensable working tool for over 40 years. This detailed guide to the financial statements that banks are required to file with regulatory agencies has two valuable uses:

1. A line-by-line description and commentary on content of the statements and explanations of the latest reporting requirements, e.g., call reports of condition, reports of income and annual reports required under securities laws.

2. Fully demonstrated techniques of analysis to those who must evaluate the relative performance of banks. Illustrated by a sample analysis of the actual statements of a large bank holding company. Numerous statistical tables are provided for use in comparing a bank's performance against industry averages.

Special features include a section on statements of bank holding companies, reproduction of important SEC regulations and a bibliography helpful for further research. **No. 160, \$34.50**

SEE OPPOSITE PAGE FOR OTHER TOPICS

Please Send These Management Aids:

101 copies \$	146 copies \$
102 copies \$	147 copies \$
103 copies \$	150 copies \$
120 copies \$	151 copies \$
121 copies \$	155 copies \$
133 copies \$	160 copies \$
137 copies \$	200 copies \$
145 copies \$	Total \$

(In Missouri add
4.6% Tax) \$
TOTAL \$

Send Completed Coupon WITH CHECK to:
Commerce Publishing Co., 408 Olive St.,
St. Louis, Mo. 63102, publishers of The
BANK BOARD Letter

**Enclose check payable to
The BANK BOARD Letter**

Name
Bank or Company
Address
City State Zip

THE GOLDEN TRIANGLE TELLER TRAINING FILM SERIES

UPGRADES PRESENT TELLERS
TO NEW PRODUCTIVITY,
TRAINS NEW TELLERS THE RIGHT WAY,
RECRUITS TOP JOB CANDIDATES,

6 KEY SUBJECTS
THE TELLER'S JOB
DEALING AT THE COUNTER
DEALING ON THE PHONE
HANDLING THE "DIFFICULTS"
"THIS IS A HOLDUP"
THE OFFICE FAMILY-TEAM

LISTED IN NEW ABA FILM GUIDE.
Available in all formats - 16mm Reels,
8m Cartridges or Video Cassettes.
Rentals can include auto-projector.
Ask for free literature
and 25-page Leader's Guide

DATAFILMS (Charles Palmer)
2625 Temple St., Los Angeles 90026
(213 - 385-3911)

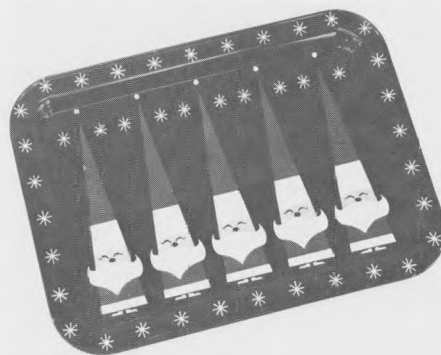
New Products and Services



• **Daktronics, Inc.** A new, solid-state time-and-temperature display that gives the temperature in both degrees Fahrenheit and Celsius is available from this firm. The one shown here hangs outside Mountain Grove (Mo.) National and has four-way visibility. Write: Daktronics, Inc., P. O. Box 299, Brookings, SD 57006.

• **C. L. Downey Co.** "Steel Strong" coin wrappers for the new Susan B. Anthony dollar are available from this firm. The new wrappers are available in the automatic and tubular series. Write: C. L. Downey Co., Colfax between Ninth and Tenth Streets, Hannibal, MO 63401.

• **Anderson Premiums.** This Deerfield, Ill., company, is offering a steel "Santa" tray for Christmas, 1979. The tray measures 12½x17 inches and has a green background with red and white Santas. It sells for 89¢ to \$1.25 depending on quantity ordered. Write: Anderson Premiums, 2955 Arrowwood Rd., Riverwoods, Deerfield, IL 60015.



Providing Temporary Facilities for Financial Institutions

You can LEASE, BUY or LEASE PURCHASE
Units Can Be Custom-Built to Your Specifications
and Your Local Codes
Serving the Temporary Banking Business Since 1960
Write or Call for Full-Color Literature

McDonald Mobile Leasing, Inc.
23800 W. Eight Mile Road • Southfield, Michigan 48034 • (313) 356-0366
A division of McDonald Mobilhomes, Inc.

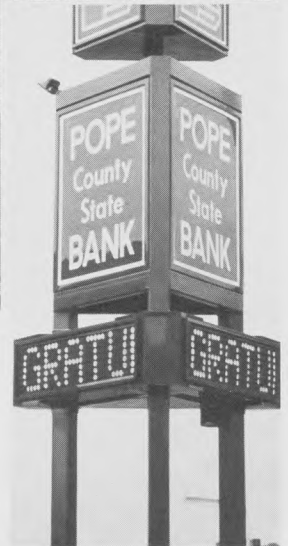


Interior view of Model 24' x 50' with four teller stations.



• **3M Co.** This adhesive-products company now manufactures light-weight display boards with durable, reusable adhesive surfaces, which allow bank employees to mount — and later remove — notes, receipts, memos, checks and/or paper currency. Papers can be positioned repeatedly and removed on this surface without tacks or pins damaging the paper. The Post-it line includes 18x23-inch card stock sheets, which are packaged with foam tape for wall mounting as “bulletin boards”; Post-it rolls available in one-inch-wide rolls, 300 inches long (tape can be put along teller-area shelves or desks); and Post-it tiles, which are available in packages of four 11¾-inch squares that can be cut with a scissors to make other sizes and shapes, if desired. Tiles can be used to refurbish heavily used bulletin boards. Write: 3M Co., Department CT9-27, Box 33600, St. Paul, MN 55133.

• **Gold Medal Products Co.** This company's first commercial antique popcorn wagon for less than \$1,000 now is available. Called the new Antique Gay '90s Pinto Pop Two-Wheeled Cart, it is equipped with a stainless steel counter for serving. The machine plugs into any 110-volt line and weighs 150 pounds. The popper requires only 25 square inches of counter space. According to a Gold Medal spokesman, the machine will produce more than 160 one-ounce (25¢) servings per hour, at a cost of 3½¢ per serving. Thus, it generates more than \$35 per-hour gross profit. Write: Gold Medal Products Co., 1825 Freeman Ave., Cincinnati, OH 45214.



**now-
a 5-character
message center!
Words change or
travel. With time
and temperature.**

Now even the smaller financial institutions can afford a message center display for advertising or public service. Daktronics Venus 500 has 32 columns of lamps with seven 15-watt bulbs per column for displaying 18" high characters. Flash on as many as 16 words of five letters, or less, plus time and temperature or run a traveling message of up to 16 words of up to 16 characters each. (The word "Congratulations" is shown traveling in the photo.) Plus time and temperature

Messages are programmed from a desktop keyboard console that lets you see the message on the screen before it appears at the message center.

At far less investment than our standard 10-character display.



Write for literature and prices —
DAKTRONICS, INC.
Box 229-L Brookings, SD 57006
Telephone 605/692-6145



FLO-GO manufactures various Directional Systems to service small branches (under 6 tellers) and large branches (over 6 tellers), and customized equipment for special applications. Post and Ropes available also.

WRITE FOR FLO-GO DIRECTIONAL SYSTEMS CATALOG, TODAY.

1011 Military Road, Buffalo, N.Y. 14217, Phone: 716-875-2423

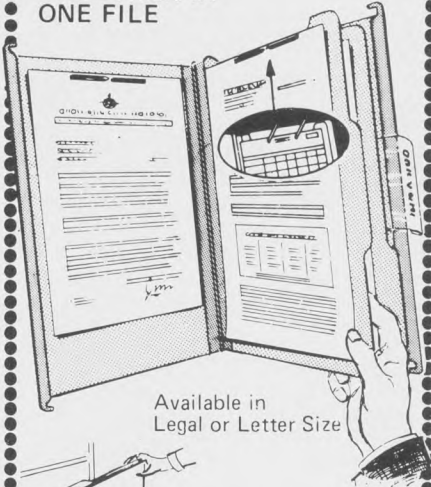
Installations in U.S., Canada, and overseas.

Reliability means **FLO-GO** Directional Equipment backed by a 1yr. free replacement warranty.

FLO-GO Equipment is automated for speed and efficiency, insures customer privacy, and gives your bank the *look of service.*

New!
a hanging
6 partition folder
for desk & filing use!

**KEEPS EVERYTHING
 TOGETHER IN
 ONE FILE**



Available in
 Legal or Letter Size



- Ideal for**
- Personnel records
 - Tax records
 - Sales records
 - Correspondence
 - Students
 - Actuarial records

Hangs conveniently in file

Hold-one subject all in one place. No loose ends--no misplaced papers. Green pressboard folders with 2 inner dividers. 1/3 cut. Inner dividers equipped with prongs 2 3/4" center to center--legal size holds 8 1/2" x 14" work sheet pads.

No	Size	10@	50@	100@
PF-410-2-HP	Letter	\$2.35 ea.	\$2.23 ea.	\$2.10 ea.
PF-420-2-HP	Legal	3.00 ea.	2.84 ea.	2.68 ea.

We'll ship on open account if you are rated. Otherwise send your bank reference or check

**Get our
 FREE CATALOG**
 Thousands of Office
 Items! SAVE! SAVE!

TAKE ADVANTAGE OF OUR FREE DELIVERY POLICY

LOCATION	SIZE OF ORDER
New York City & Nassau County \$35.00 or more, Free Delivery
50 miles of Valley Stream (Parcel)	
Post Zone 1 65.00 or more, Free Delivery
50 to 150 miles of V.S. (P.P. Zone 2) 100.00 or more, Free Delivery
East of Miss River & Mn., Ia., Mo., Ar., La. 175.00 or more, Free Delivery
All states West of Mn., Ia., Mo., Ar., La. 175.00 or more, 1/2 ship ch.

we pay 1/2 shipping if order is

A.S.H. Div. of Accountants' Supply House

546 Rockaway Ave., Valley Stream, N.Y. 11582

Please send:

Quan. _____ No. _____ @ _____

Quan. _____ No. _____ @ _____

Send me FREE Catalog

Firm Name _____

Address _____

City _____

State _____ Zip _____

Your Signature _____

Cross-Sell Services

(Continued from page BG/36)

worth protecting and increasing. Those assets alone warrant usage of a diversity of trust services — wills, investment advice, marital trusts and many others.

The opportunity always exists to seek out and cross-sell seemingly unrelated banking functions. For instance — commercial lending. You could be passing up a good bet. The home owner who comes to you for a property-improvement loan might be the owner of a small business, a decision maker or financial principal in a small, medium or large corporation. The home-improvement-loan prospect today could turn into a new commercial-banking customer tomorrow.

Lastly, don't overlook the service we began with — consumer loans. The home owner likely will be a repeat borrower.

Don't forget that property-improvement loans also enhance your reputation for community service. This can be a cross-sell opportunity all in its own. You not only have the possibility of cross-selling the improvement loan customer, but other potential customers through contact with the original borrower.

A Two-Way Street. You simply have to turn the cross-sell concept around to think of ways to promote home-improvement loans. You can easily implement ways to use information on new checking- and savings-account customers to identify home-improvement-loan prospects. Questions asked on new-account applications or during personal interviews can provide information that goes beyond credit reference material. They can, if used correctly, identify potential home-improvement-loan customers. Bank officers processing new accounts should make notes of prospects. Then you can easily use statement enclosures to let your new customers know about home-improvement-loan opportunities at your lending institution.

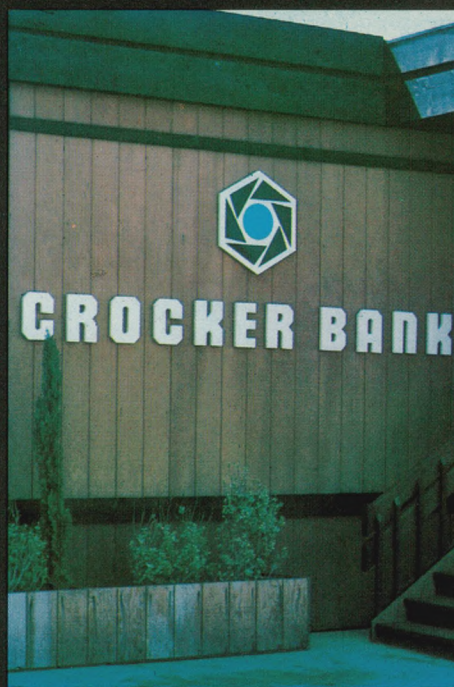
Promote Your HIL Program. At Insured Credit Services, Inc., we've counseled many of our lending institutions on property-improvement-loan promotion programs. It takes a little work, but you're in business to get business. Many conventional and

simple-to-prepare promotion pieces work to gain attention. Examples: Hand out literature and lobby displays. Newspaper and radio advertisements usually are affordable vehicles for a promotion tied into giveaway programs and reduced-finance-charge specials. Giveaways in the home-improvement-loan area can be related products — tools (hammers), ladders, even trees.

With a little additional effort, community co-op programs can be established. How about a joint promotion with a local lumber yard? Or a combined promotion with a local hardware store where a customer receives a certain amount of credit or buying power in exchange for his home-improvement-loan business? These are all ways of stimulating interest in the highly profitable home-improvement-loan business — ways to get customers and prospects with serious financial interests to come into your bank at a time when they are more than usually concerned with other banking services as well.

Promote Your Profits. Let's not lose sight of the most important reason for actively promoting property-improvement lending. These loans provide a strong contribution to bank earnings. Earnings generated on the average home-improvement loan are substantially greater than earnings on most other types of consumer loans. Set-up costs and costs of handling the loan once on the books are about the same for home-improvement loans as other loans. But the home-improvement loan produces substantially more income for a bank.

Promote Your Banking Business. When you help the home owner, you're investing in the assets of your community, appreciating assets. When you extend home-improvement loans to your customers and prospects, you create opportunities for other types of business. And, when you promote home-improvement loans, you establish a reputation for involvement — for meeting the financial needs of your community. In short, an effective cross-selling home-improvement-loan program can be a pivotal part of your bank's overall profit picture. ●●



Signage: A vital marketing link

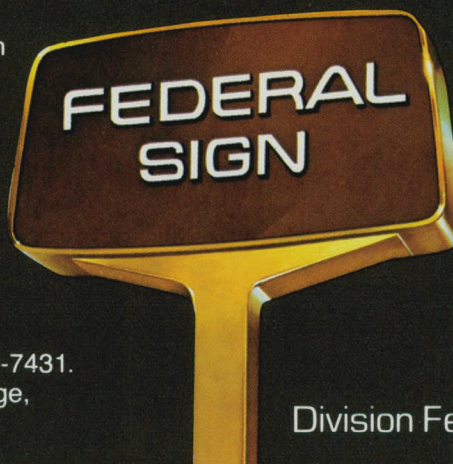
Your sign is the first impression your potential customers have of your business. Federal Sign can help you make that impression a good and lasting one.

Since 1901, Federal Sign has provided signage needs for identification, information and direction. And has a full line of electronic displays.

Offices in major cities including:

Chicago	(312) 887-6800
Dallas/Fort Worth	(817) 261-2341
Houston	(713) 522-1606
Indianapolis	(317) 925-5535
Kansas City	(816) 861-4400

Write for a brochure or call toll free 800-323-7431.
Federal Sign, 140 E. Tower Drive, Burr Ridge,
Illinois 60521.



FEDERAL SIGN
Division Federal Signal Corporation

431 CALL TOLL FREE 800-323-7431 01

**Is this a face that launched
two of the most successful savings campaigns
in recent financial history?**



You bet your Sleepy Owl it is!

Sleepy didn't single-handedly bring thousands of new customers and millions of new dollars to financial institutions in Indianapolis, Louisville and other parts of the country. He had lots of help from our variety of other cuddly critters and from his very own multi-media advertising, too. Together these elements form one of the most winsome and profitable premium packages in financial circles today. Our critters and their creative messages reach across all the barriers to appeal,

literally, to the masses. Consumers of all ages appreciate their quality and uniqueness. You will appreciate the fact that they're readily available in large quantities, easily warehoused and can be used as self-liquidating premiums. You'll also appreciate the fact that our proven premium package has already helped two major financials and several smaller ones exceed their savings campaign projections by an average of more than 70%!

Sleepy and Co. have quite a success story to tell ... it's about a comprehensive premium package that's first-quality yet affordable and it's about results. For more information about our past successes and your future ones, give us a call.



Possum Trot Corporation
Box 249
McKee, Kentucky 40447
® Telephone 606-287-8361

Heads of ABA Divisions Review Their Activities

EDITOR'S NOTE: An organization as large as the ABA needs help and cooperation of many others besides its top officers. Much of that help comes from heads of various association divisions. The bankers, although busy in their own banks, voluntarily contribute their time and expertise so that the ABA and, in turn, commercial bankers across the country, can operate effectively and for the benefit of all — the ABA, the bankers themselves and, most importantly, their customers.

Following are reports of heads of six of those divisions:

Gov't Relations Council

WILLIAM H. KENNEDY
Chairman
(Chairman
Nat'l Bank of Commerce
Pine Bluff, Ark.)

AS the prime federal legislative and regulatory policy-making group for the ABA, the government relations council deals regularly with virtually all national-level banking issues, large and small. During the past year, the government relations council has dealt with issues ranging from simplification of the Truth-in-Lending Act to implementation of the Financial Institutions Regulatory Act to monitoring effects of the Community Reinvestment Act to legislative efforts to deal with the Fed issue. Reflecting the often unfortunate realities of big government, the number of regulatory issues with which the ABA is involved has begun to exceed substantially the number of legislative issues we handle.

Nevertheless, by far the most intensely debated banking issue of the past year has been the question of how the Fed-membership problem and related questions should be addressed. In the course of numerous government relations council meetings and Banking Leadership conferences, the ABA has substantially refined its position on these issues.

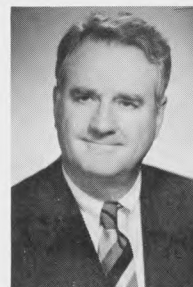
A year ago, and for much of this year, legislative proposals that were repeatedly put forward would have

achieved nothing more than requiring banks over a certain size to keep their reserves with the central bank; those proposals were stoutly opposed by the ABA on the grounds that no justification had been shown for altering the current voluntary nature of reserveholding with the Fed, especially in the absence of any legislative movement toward the goal of competitive equality between full-service banks and other types of financial institutions. More recently, the government relations council and the Banking Leadership Conference concluded that the ultimate legislative goal for the banking community should be the achievement of true competitive equality via establishment of universal reserve requirements for all financial intermediaries. This is seen as part of the ABA's overall legislative thrust toward competitive equality in all areas.

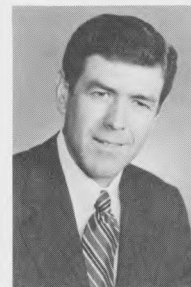
As of this writing, the House of Representatives has approved a bill that for now and the foreseeable future would not alter the voluntary nature of Fed Membership. However, that bill does nothing to advance the cause of competitive equality. Now the Senate is at work drafting its own approach to the Fed issue, and certainly the opinions and perceptions of the Federal Reserve's new chairman, Paul Volcker, will add a new dimension to consideration of these questions.

Legislation to simplify and improve the Truth-in-Lending Act to some extent twice has been approved by the Senate. That bill, plus another that has the full and unqualified support of the ABA, now is awaiting action in the House.

In the meantime, the ABA has filed a legal complaint with the U. S. District Court for the District of Columbia against enforcement guidelines and restitution orders issued under the Truth-in-Lending Act. Our complaint focuses in particular on orders by regulatory agencies to banks that they search their loan records and reimburse customers for alleged Truth-in-Lending errors going back as far as five years. Equally important, definitions of what constitutes compliance with this law have changed substantially over the years. Banks today are being ordered by regulators to make retroac-



KENNEDY



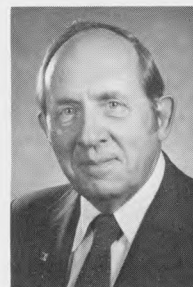
McMAHEN



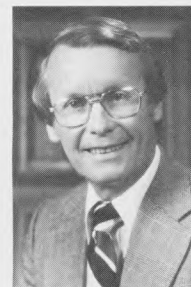
RENNER



TICE



FINSON



BONDS

tive reimbursements based on today's rules and interpretations, many of which were not in existence five years ago. To sum up our legal complaint: Unreasonable methods are being used to enforce unworkable regulations and unclear, unstable rules and interpretations. We believe the situation is impossible.

While the progress of the ABA's legal challenge of these enforcement guidelines cannot be forecast at present, it is possible that the regulatory agencies will take administrative action to grant at least a partial remedy of the problem.

Although we all tend inevitably to focus our interest on specific events of legislation and regulation, the key to understanding them is remembering that all these events are only part of some long-term processes. For example, the process of attempting to untangle and unravel the regulatory maze resulting from the Truth-in-Lending Act certainly will continue well into next year, and likely beyond. The same can be said for the numerous other regulatory and legislative issues that confront us. And even when Congress

does take final legislative action on an issue, those congressional decisions inevitably produce the start of still more processes — the regulatory and implementation and usually the compliance processes for all of us. It is on those processes that the work of the government relations council remains focused as we look toward the coming year and the start of a new decade.

* * *

Payments System Policy Coordinating Group

CHARLES E. McMAHEN
Chairman
(Executive Vice President/
Chief Operating Officer
Southwest Bancshares, Inc.
Houston)

THE payments system policy coordinating group, which provides the ABA's government relations council with policy recommendations on electronic funds transfer issues, has concentrated during the past year on the electronic banking consumer-protection portions of the Financial Institutions Regulatory Act.

In that connection, the group analyzed and participated in the filing of comments by the ABA with the Fed concerning rules setting customer-liability limits in event of loss or theft of EFT debit cards, as well as rules governing issuance of debit cards to consumers. The group also submitted comments on proposed rules that establish error-resolution procedures and set minimum requirements for information provided on terminal receipts, periodic statements and disclosure statements. Over and above specific section-by-section recommendations, the group emphasized that EFT regulations should be structured carefully so as to avoid thwarting benefits changing technology could provide.

Revised EFT regulations, which are expected to be proposed by the Fed this month, will be analyzed by the group as they are put forward. The rule-making process in this area is scheduled for completion by year-end.

The group also has been instrumental in formulating association policy on other electronic-banking-related issues, such as structural issues of sharing and deployment of EFT terminals and appropriateness of government operation of EFT systems.

* * *

Community Bankers Division

ROBERT W. RENNER
Chairman
(President
Citizens State Bank
Hartford City, Ind.)

IF I can boast about any aspect of the role played by community bankers during my year as chairman of the division, it certainly would be the increased visibility and credibility of community bankers, particularly on issues relating to government relations.

Activities highlighting this visibility started early in the year when 140 community bankers from 46 states, representing banks under \$100 million, met in Washington to discuss the Federal Reserve issue and several legislative proposals that had been introduced in Congress to alter the Fed's reserve-setting authority and composition of Fed membership.

The community bankers recommended that truly universal and uniform reserve requirements for all depository institutions set by the Fed should be the basis of any attempted solution to the Fed's perceived membership problem and that mutual savings banks, S&Ls and credit unions should be covered by the same reserve requirements that would apply to banks.

Not long after that meeting, the division held its first community bank executive conference in Kansas City, and it further provided a national platform for discussion of the Fed issues and other concerns that affect the nation's more than 12,000 community banks. That conference brought together bankers in meetings with a member of the Federal Reserve Board of Governors, economists and congressmen in a dialogue never before achieved by our area of the banking industry.

This summer, there was opportunity to share the dais with ABA President John Perkins in testimony before Congress regarding the direction and thrust of the Depository Institutions Deregulation Act of 1979. It was pointed out that non-regulated, new alternative savings instruments are among the fastest-growing financial devices in the economy and that we should be allowed a level playing field with other financial institutions in offering these services.

To further educate community bankers and to encourage bank directors to make effective and responsible

use of their time, the division added to the series of publications with the introduction of two companion publications; "The Director's Notebook" and a "CEO's Guide for Effective Board Meetings." Other books available in the series include "Focus on the Bank Director: The Job" and the "Bank Directors Seminar Notebook."

The Community Bank CEO Program, a uniquely designed education project for bank directors, reached a milestone this year when the enrollment reached approximately 750 CEOs who have participated in the program.

In all, the year has been most encouraging. However, legislation and regulation at times appear to create an atmosphere of big bank vs. small bank, holding company vs. unit bank — a splintering of the industry. Bankers must be cautious and maintain a cohesiveness to survive within a deregulated, more competitive environment. It is a message that must be taken to all facets of the banking community.

* * *

Agricultural Bankers Division

CHARLES N. FINSON
Chairman
(President
Nat'l Bank
Of Monticello, Ill.)

BANKS maintained their lead in providing agricultural credit as of January, 1979, supplying \$28.3 billion in non-real estate loans to the nation's farmers — a 10% increase over the previous year and representing almost half the nearly \$60 billion loaned by all lenders. However, there is growing concern as to how banks will continue to be a leader in supplying this level of credit.

Rural banks are being forced to compete for more expensive and more volatile funds, and farm borrowers may be faced with a higher cost factor in agricultural production as they are subjected to the possibility of generally higher interest rates — reflective of the competition for funds in the national and foreign money markets.

One of the major ongoing concerns of our division is to encourage agricultural bankers to use appropriately the guaranteed-loan programs offered by the Farmers Home Administration. This program provides business opportunity for banks as well as additional sources of funds for bank customers

and the community where a bank is located. To this end, the division introduced "A Banker's Guide to the Farmers Home Administration Guaranteed-Loan Programs," a how-to-do-it guide that is the most comprehensive and systematic presentation available on FmHA guaranteed-loan programs.

In the legislative area, the ABA supported a bill authorizing an expanded federal crop-insurance program beginning with the 1981 crop year. The new legislation is intended to replace a complex system of disaster-aid programs and includes authority for federal assistance covering a portion of the insurance premiums paid by farmers under the revised program.

In response to legislation that would create still another new program of farm-entry assistance, the ABA advised the Subcommittee on Agricultural Credit and the Select Committee on Small Business that it is in the country's interest to encourage further innovation on the part of existing agricultural lenders rather than to extend the government's role beyond the programs now available. Further, that new programs authorized by the Farm Credit Act of 1978 are adequate to meet the needs of qualified entrants to farm production; that further federal intervention could overheat credit conditions for young farmers and that farm entry should be encouraged by profit incentives, rather than offerings of liberal credit.

The year has moved quickly, but the challenges and opportunities we face will continue as America's agricultural lenders strive to meet demands posed by agriculture. Our future is bright, however, and we expect to remain leaders in providing for our nation's farmers.

* * *

Trust Division

W. KENNETH BONDS

**President
(Executive Vice President/
Chairman
Trust Committee
Liberty Nat'l Bank
& Trust Co.
Oklahoma City)**

As trust division president, I believe there are three principal areas in which we have made considerable progress. First, in the area of government relations, division committees and staff continue to pound away at the repeal of carry-over basis. Al-

though not yet repealed, we now are more comfortable that members of Congress understand our interest and support repeal. On the issue of commingled agency accounts we have moved into the formative stage of legislation for approval to offer this new service. Reporting problems still surround ERISA, but we have submitted exemption applications to correct the situation.

Secondly, educational needs were actively addressed by developing a "blue-ribbon" Trust Management School to complement our two present trust schools. Furthermore, we expanded our workshop agenda to 14 programs and published seven new texts and one comprehensive research report.

Third, in the area of leadership and commitment to the trust business, we have expanded the trust division staff to meet the needs of our active and hard-working committees. The quantity and quality of information coming from the committees and staff has impacted many trust officers and those government officials addressing trust legislation and regulations.

The nation's trust departments have had a good year.

* * *

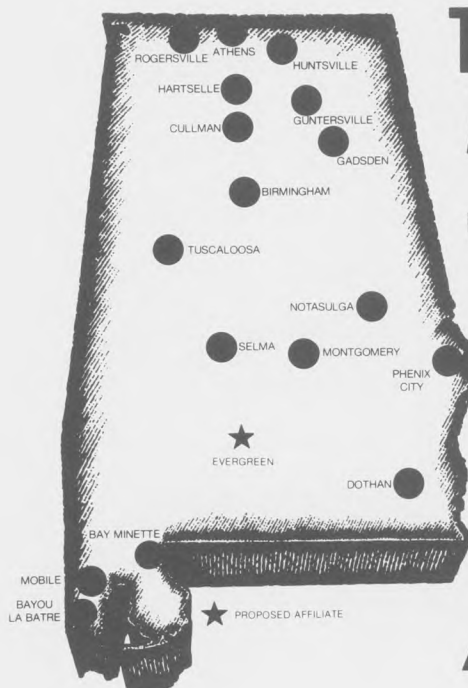
Operations/Automation Division

NORMAN J. TICE

**Chairman
(President
City Bank
St. Louis)**

THE MORE than 100 volunteer bankers who participate in management of ABA's operations and automation division are responsible for key input to the ABA government relations process on behalf of their colleagues across the country on national-level banking policies regarding legislation and regulation impacting their functions as well as for numerous educational and research activities. Through these activities, bankers are kept on the "leading edge" of operations and automation developments that affect the entire banking industry.

A member of the division's executive committee chaired an ABA Federal Reserve pricing task force, which, earlier this year, completed an exhaustive analysis of the total impact of eventual pricing of services the central bank provides to financial institutions. This



THAT'S US, ALL OVER

First Alabama has 16 affiliate banks and six bank-related affiliates, with a total of 110 convenient offices throughout the state to serve you. And more are coming.

**First
Alabama[®]
Bank**

MEMBER FDIC

input became an integral part of the association's overall consideration of the Fed issue.

Delayed availability of items in the payments system was addressed by a joint task force involving both division members and the Fed. On another front, the division has been working closely with the Department of Energy in an effort to assure that any gasoline rationing plan that may be put forward will be as workable as possible.

The division led the way in an ABA petition to the Federal Communications Commission to minimize increased charges on private-line telephone networks and also has put forward banking-industry positions on such issues as use of WATS services, electronic-computer-originated mail and advanced-communications systems.

As part of its continuing research efforts, the division has conducted initial studies of check safekeeping and now is addressing possible use of check safekeeping nationally and by individual banks in greater detail. Due to be completed later this year is a major study of the feasibility of establishing a private bank-to-bank voice communications (telephone) network.

During the past year, the operations and automation division conducted six postal seminars, three regional workshops covering bank operations and automation in general, four data-processing contingency-planning seminars, the first international operations seminar, a trust operations workshop and its annual conference. In addition, the division's highly successful Business on Banking School was expanded to offer a third session. Numerous publications of benefit to the industry also were developed.

Export Handbook

Do you have customers who are interested in expanding their export markets but need further information?

Here is a booklet that might be helpful: "A Basic Guide to Exporting."

This handbook covers such topics as how to size up foreign markets, set up sales and distribution overseas, ship, get help from the government.

Cost is \$2.20 per copy from Superintendent of Documents, U. S. Government Printing Office, Washington, DC 20402. Be certain to specify stock number 003-009-00315-6.



WHITE

KANTER

KOEHN

SMITH

LEVINE

Regulations and Trusts Head List of Topics For NABW Convention

Irving R. Levine, NBC News' economics affairs correspondent, is among the speakers slated for the 57th annual convention of the National Association of Bank Women to be held September 30-October 3 at the New Orleans Hilton.

Mr. Levine will moderate a panel on bank regulation on October 1. Panel members will include Lewis G. Odom Jr., senior deputy comptroller, Office of the Comptroller of the Currency, Washington, D. C.; M. G. Sanchez, president, First Bankers Corp. of Florida, Pompano Beach, and president-elect, Robert Morris Associates; and Ronald A. Terry, chairman, First Tennessee National Corp., Memphis, and member and past chairman, ABA government relations council.

Speaking September 30 on the convention's theme — "Putting the Pieces Together" — will be Alene Moris, president, Individual Development Center, Seattle. Also, she is an NABW Educational Foundation consultant.

Trust legislation will be the topic of workshops explored October 1 by Robert L. Bevan, ABA government relations council, Washington, D. C.; Charles Moran, senior vice president, Manufacturers Hanover Trust, New York City; and Don Thurmond, group vice president, Trust Co. Bank, Atlanta.

A workshop on banks and community economics will be moderated October 1 by Joseph C. White, senior vice president, First National Bank of Commerce, New Orleans.

A workshop on "Creating Your Bank's Image" will be conducted by Elinor Selame of Selame Design, Boston, on October 1.

Also, a workshop on "The Three Rs of Banking: ROI, ROE, ROA — How Banks Make Money" will be discussed

by Sally Narodick, vice president/manager of loan examination/review, Seattle-First National, on October 1.

Rosabeth Moss Kanter, professor of sociology, organization and management at Yale University, New Haven, Conn., is slated to kick off the general session October 2. Mrs. Kanter is author of *Men and Women of the Corporation* and partner in a Cambridge, Mass., consulting firm.

Five concurrent management workshops are slated for October 2. They include the following:

- "Banking by Values" by Hank E. Koehn, vice president, Futures Research Unit, Security Pacific National, Los Angeles.

- "Developing Employees: Coaching" by NABW Educational Foundation consultants Marjorie Sharpe, Woodstock, Ill., and Sallie Thomas, Chicago.

- "Power and Authority" by Shirley Nice, San Francisco, and Millard Mott, Seattle, both NABW Educational Foundation consultants.

- "Cross-Cultural Communication With Minorities" by Sharon Poindexter, Wichita, and Sally Schumacher, Seattle. Both are NABW Educational Foundation consultants.

- "Productivity and the Bottom Line" by Judith Hale, Chicago, also an NABW Educational Foundation consultant.

Scheduled to speak on a president's panel October 3 are Ruth I. Smith, president, First State, Kansas City, Kan., and NABW immediate past president; Sally Buck, president, Women's Bank, Richmond, Va., and LaRae Orullian, president/CEO, Women's Bank, Denver.

International banking will be the topic of Thomas Carroll, partner/international division head at Peat, Marwick, Mitchell, New York City.

Time is money.



That's why it pays to sell American Express® Financial Institution Money Orders (FIMO).

Not only is counter transaction time a breeze, but there's hardly any back-room paper work. We do it for you, including reconciling, filing, storing, tracing, and refunding.

We also print your name next to ours on every money order, then keep you supplied at no cost.

You pay us a modest fee for each money order sold, of course. But you decide what to charge your customers, so you control the profit.

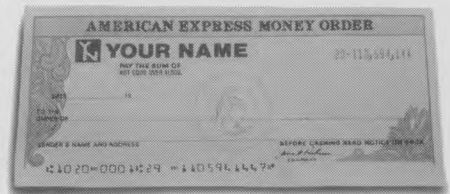
Why spend any more time than you have to on a necessary customer service when FIMO® is willing to do most of the work for you? Mail the coupon today. If you're not selling FIMO yet, you're wasting time . . . and money.

Send to: Mr. Gil Rosenwald
Vice President—Sales Development
American Express Company
American Express Plaza, N. Y., N. Y. 10004
Don't waste any time. Send FIMO information to:

Name _____
Title _____
Association _____
Address _____
City _____
State _____ Zip _____

TV-9

American Express® FIMO. The money-making money order.



Effective Calls

(Continued from page 28)

hand." Obviously, if you and your collaborator can't agree on what you're communicating, you can't expect to achieve customer or prospect agreement.

Deciding on tactics to be used and who should do what during a joint sales call should be governed by what you

plan to accomplish on the call and what each of you is qualified to contribute. For example, when making a joint sales call with a service specialist to discuss a proposal for the application of direct deposit of pay to a customer's payroll preparation needs, responsibility for the call might be divided as follows:

- *Develop receptivity:* Account officer handles by introducing service specialist by referring to prior sales call and interest expressed by the customer in improving his payroll preparation and reducing his payroll costs.
- *Discuss needs:* Account officer in-

itiates discussion by reviewing previously developed facts about payroll size and procedures. *Service specialist* asks need-defining questions, as needed, to confirm understanding of existing payroll procedures and costs and to any anticipated changes.

- *Explain need-satisfaction:* Service specialist presents proposal for direct-deposit-of-pay plan, explains how it will be implemented and installed and how it is priced. Account officer assists in explaining employee banking services that will be provided to complement the direct-deposit-of-pay plan and in resolving questions on its application.

- *Ask for action:* Service specialist handles by defining the "next-step" procedure for installing the direct-deposit-of-pay plan and confirming appropriate dates for implementing. Account officer thanks customer for action decision and indicates follow-up that will ensure proper handling of action details.

In other joint-call situations, the role played by the account officer will be considerably greater or less. For example, when making a joint sales call with a senior officer to present a financing proposal, the account officer may handle all elements of the sales call except presentation of terms and conditions of proposed financing. This segment of the sales call might be handled better by the senior officer because of the authority needed to adjust terms and conditions should give-and-take negotiation be required to gain acceptance of the proposal. On the other hand, when making a joint sales call with a trust officer to initiate discussion of investment management needs and how investment results can be improved, the account officer's role may be limited to just setting the stage for the trust officer. The latter then would handle the other elements of the sales call because of its complexity.

4. *Anticipate resistance.* This is one of the most crucial elements of planning a joint sales call, since effectiveness in resolving a customer's misunderstanding, doubts and fears or indecision often is the key to whether goals of your call will be realized. Anticipating resistance simply involves:

- Thinking through likely customer reactions to the sales call and identifying types of resistance you're most likely to encounter.

- Planning appropriate logic and tactics for resolving the resistance, such as asking questions to clarify blunt or unspecified resistance, using third-party examples to let the customer see answers to his fears or

Attention Trust Marketers . . .

WHERE ARE WE GOING AND HOW ARE WE GOING TO GET THERE?

(The Trust Business, that is)

That's the theme of our

1979

Trust Marketing Workshop

November 4-8, 1979

Sheraton Harbor Island Hotel
San Diego

For program information, write or call the Trust Marketing Department, Bank Marketing Association, 309 West Washington Street, Chicago, Illinois 60606. Telephone: 312/782-1442.



BANK MARKETING ASSOCIATION
309 WEST WASHINGTON STREET, CHICAGO, ILL. 60606



How our correspondent department makes long distance calls.

A few hundred miles of Ma Bell's cable may be great for conducting some business. But in correspondent banking, we at Liberty National think long distance falls short most of the time.

We prefer the face-to-face version of person-to-person. And that means driving instead of dialing.

By doing this, our financial banking specialists are better able to understand you and your bank's problems—

whether it
digitized for FRASER
ps://fraser.stlouisfed.org



concerns data processing, cash management ideas, a big loan to a good customer or any of the other services Liberty offers. Services you might not be ready to handle alone.

Proven fact: Specialized financial areas of banking deserve specialized personal attention.

For a personal appearance, pick up the phone and give Liberty National's Correspondent Department a call. 502-566-2022

After that, we'll start letting our actions do the talking.



Liberty National Bank

Louisville, Kentucky.

We do our corresponding in person.

doubts, outweighing price, time and other rational resistance with benefits, using number and case proof to resolve uncertainty about action and overcoming procrastination with relevant reasons for acting now.

- Deciding who will handle the resistance, based on its nature and knowledge or experience needed to deal with it.

- Practicing how to resolve anticipated resistance prior to the call to be sure you and your collaborator are comfortable with the logic and tactics needed to resolve the resistance.

How to Execute Joint Sales Calls. To convert time spent in planning a joint sales call into desired sales results, it's essential that the call be executed in such a way that joint efforts of the account officer and his collaborator reinforce each other. This involves observing the following ground rules:

1. *Set the joint sales call up with an appointment.* Because the joint sales call does require a double investment of selling time and expense, it should be preceded with a phone appointment to be sure the customer will be there when you make the call, to be sure ample time will be available to accomplish your sales goals and to establish the mutual importance of the call itself.

2. *Introduce your collaborator* by explaining his function and credentials. This can be done either when making the appointment or at the beginning of the call. For example: "Mr. Harris, this is Bill Williams, who is one of our specialists in the application of direct-deposit-of-pay plans. As mentioned to you on the phone, Bill is with me today to help explain how our direct-deposit-of-pay plan can be used to reduce your payroll-preparation time and expense and to make it easier for your employees to handle their personal banking needs each pay day." Or, "Mr. Hawkins, I'd like you to meet Fred Tompkins, who is senior vice president of our commercial loan department. I've had the opportunity to review your financial plans with him since our last visit. He is with me today to help discuss some ideas that can give you greater flexibility in financing your contemplated growth."

3. *Reduce the "two-against-one" impression* that frequently is conveyed by a joint sales call and that can cause the customer to become defensive during the call. This can be accomplished in several different ways:

- Adjust your seating so that one of you is across the desk from the customer in the direct line of communication, and the other is at the side to moderate and reinforce communication. Generally speaking, the individual who handles the dominant role during the call should take the seat across from the customer, while the individual who is handling the support role should take the sideline seat.

- Have just one of you talk at a time to avoid verbal domination of the customer. This is why it is essential to clearly define your communication roles prior to the sales call.

- Invite the customer to have one of his associates or subordinates present. This would put him on even status with you and your collaborator. This is particularly useful when the associate or subordinate will be involved in internal implementation of what you are proposing. It can save a second follow-up call.

4. *Provide backup help to collaborator when not actively involved* in executing a particular segment of the sales call. Ways that you can help reinforce your collaborator's efforts include:

- Take notes that can be used to summarize discussion of needs, to tailor explanation of proposal, to implement desired action or to resolve resistance.

- Ask clarifying questions when resistance is stated in unclear or imprecise terms.

For example: "Just to be sure we clearly understand the nature of this bad experience, Mr. Collins, how long ago did it occur?"

- Listen actively to the resistance, and suggest how it might be restated for effective answering. For example: "As I understand your question, Mr. Johnson, you're concerned about getting sufficient values from the direct-deposit-of-pay plan to warrant the time and expense that making the change from your present system will involve. Why don't we just compare the specific benefits you'll gain with the time and expense that it will entail to see if it's worth it. . . ."

- Listen to resistance, and suggest cues to your collaborator on how to resolve it. For example: "Bill, based on the concern that Mr. Timmons has expressed, he might be interested in what Acme Motor Freight found out about that same point. . . ."

When you provide active support to your collaborator in this manner, you not only make better use of your time, you also avoid the feeling of being excess baggage on the call.

In summary, two can be better than one in executing a sales call when the use of two people is appropriate to the purpose of the call, and when your collaboration is thoughtfully planned and skillfully executed.

In our next "Let's Talk Selling" article, we'll examine how to add impact to your communication through use of visual aids. ●●

- **Charter New York Corp.'s** name will be changed to Irving Bank Corp. if shareholders approve the name change at a special meeting October 17. The board of the HC, whose principal affiliate is the \$10.6-billion-deposit Irving Trust of New York City, voted in July on the change to reflect the Irving name, which has 128 years of banking history behind it.

TRUST BANKERS

1-5 Years Experience

- Trust/Estate Admin.
- Trust New Business
- Trust Operations
- Trust Investments
- Pension Admin./Sales

Bank experience necessary for these attractive opportunities with large or small banks in many areas or Midwest, Southwest, Southeast, or Northeast.

Starting salaries range \$16-30,000. Send resume in strict confidence.

ALL FEES PAID

 don HOWARD
Personnel Inc.

360 N. Michigan Ave., Chicago 60601 (312)332-2341
NYC • NJ • Chicago • Atlanta • S.F. • Dallas

NATION'S HEADQUARTERS FOR
BANKING PERSONNEL

Tender Offer

KANSAS CITY — The board of Commerce Bancshares, Inc., authorized officers of the company to prepare an offer to be made to all shareholders to purchase up to 500,000 shares of outstanding common stock of Commerce Bancshares. Total price of \$28 per share will consist of \$3 cash and the company's 10-year note for \$25 for each share tendered. The notes bear interest at 10% per annum payable quarterly. Tenders by shareholders owning less than 100 shares will be paid all cash at the rate of \$28 per share.

WILL YOUR CUSTOMER'S BUSINESS TAKE OFF WITHOUT YOU?

Your customer is into something new. Or grown into something bigger. And now you've got to decide whether your bank is still able to handle the business.

With the help of Commercial Credit, you can.

We've got 65 years experience and a full range of financing programs to help you appear larger than you are.

For instance, we can either take over your customer's loan requirements, or participate jointly with you. And because of our experience in evaluating and controlling collateral that includes inventory, receivables and fixed assets, we can help you with high leverage acquisitions and rapid growth loans you might otherwise have to turn down.

Don't let a growing customer leave you behind. Talk to a Commercial Credit representative today.

Commercial Credit Business Loans, Inc. is part of the \$5 billion Commercial Credit family of companies which offers business loans, educational services, business credit insurance, vehicle leasing, aircraft/equipment leasing and financing, factoring, collection services, real estate financing and much more.



Commercial Credit operates throughout the U.S., Canada, Europe, Japan and the Middle East.

For more information, contact the nearest Commercial Credit Business Loans Regional Financier:

Atlanta	(404)	393-4686
Baltimore	(301)	727-3338
Boston	(617)	482-0001
Charlotte	(704)	373-1721
Chicago	(312)	332-3716
Cincinnati	(513)	721-2962
Cleveland	(216)	886-6383
Dallas	(214)	692-6211
Detroit	(313)	352-2710
Houston	(713)	523-6600
Jackson	(601)	373-6252
Kansas City	(816)	474-0202
Los Angeles	(213)	386-6871
New York	(212)	481-3767
San Francisco	(415)	982-6362
Wilmington	(302)	571-0873

In Canada, contact Commercial Credit Corporation, Ltd.

We find ways to help.

**COMMERCIAL CREDIT
BUSINESS LOANS, INC.**

 a financial service of
CONTROL DATA CORPORATION

How MGIC can help

Paperwork is one of your most costly and time consuming problems.

That's why MGIC is now offering the most comprehensive paperwork assistance program in the industry.

Introducing AutoMagic.

AutoMagic cuts your paperwork two important ways: It simplifies the mortgage insurance application. And it prepares the most common forms government agencies require for loan purchases. Here's how we do it.

Through AutoMagic, we eliminate your need to individually select coverage and premium plans every time you insure a loan.

We simplify applications.

You simply select your coverage and premium plan once and we store it in our computer.

When you're ready to submit a loan, simply check the box on the AutoMagic Application, sign it and send it to us.

We'll automatically assign your selections to the loan.

Of course, you can change your coverage and premium plan selections anytime, for any loan, and as often as necessary.

We prepare forms.

Most of the information needed to complete required loan documents is contained in the loan package you send to



reduce paperwork.

MGIC. Our computer can use this information to complete the more commonly used documents.

We will prepare an Affidavit, FHLMC 13SF Mortgage Submission Voucher, FNMA 305 Mortgage Submission Voucher and FNMA 1008 Transmittal Summary. The forms you typically use for loan sales.

In addition, we'll prepare a Loan Summary Sheet for Secondary Market Sales. And an FHLMC Underwriting Review Sheet that will help you review loans to be submitted to FHLMC for purchase.

With AutoMagic, your important loan documents are accurate, consistent and neat.

You save money.

Time is money. And AutoMagic saves time three ways.

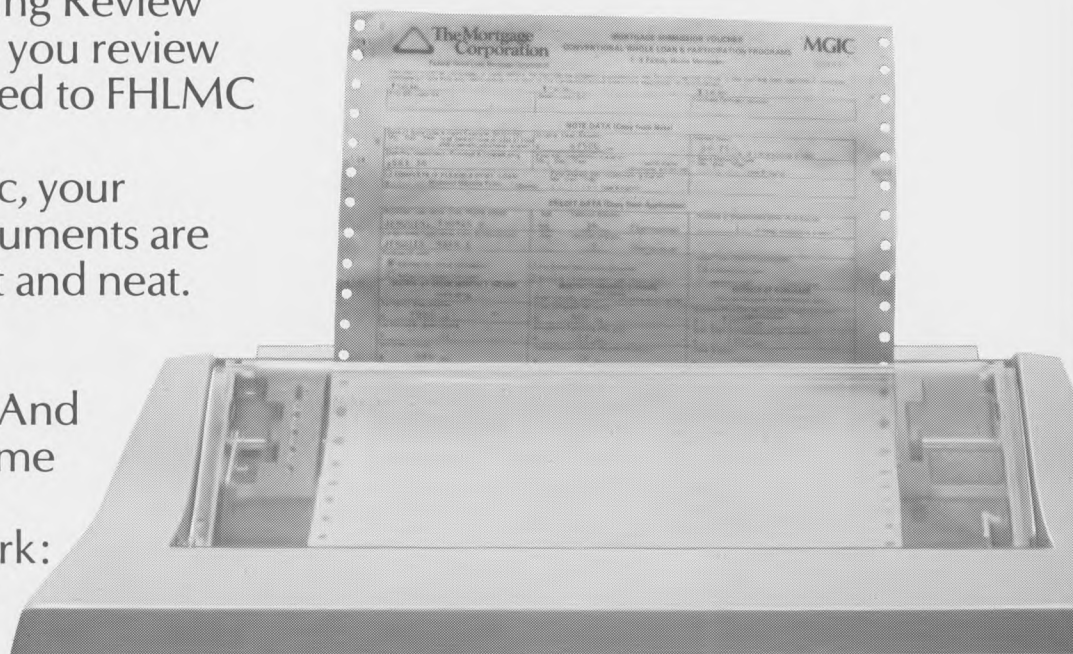
It cuts paperwork: You can save up to 15 minutes of

typing for each form.

It reduces error: With fewer repetitious forms, a loan processor will have a lower error rate.

It lowers overhead: You spend less time training personnel and maintaining an extensive forms inventory.

We'd like to tell you more about how AutoMagic can reduce your paperwork. For more information, simply call your MGIC Account Executive.



MGIC

Mortgage Guaranty Insurance Corporation.
A Member of the MGIC Investment Corporation Family.

Fed Chairman

(Continued from page 22)

The ABA is examining all possible avenues through which these actions by the regulators may be challenged.

NOW Accounts/Rate Parity. Approval of a nationwide NOW account bill (H.R. 4986) by a House subcommittee reinforces the belief that Congress will take final action this year on the general question of interest-bearing transaction accounts for all types of financial institutions.

The House Financial Institutions Supervision Subcommittee approved a measure that would *overturn* a federal court ruling that would make illegal, as of January 1, 1980, banks' automatic transfers from savings to checking, credit unions' share drafts and S&Ls' remote/service units. The bill also would authorize all types of financial institutions to begin offering NOW accounts on September 30, 1980, and it would establish a uniform interest-rate ceiling on NOW accounts for all finan-

cial institutions. The ceiling for NOW accounts in New England and New York currently is 5%.

The bill is seen as less than perfect because it fails to end the interest-rate gap between banks and thrift institutions on any other types of time and savings deposits. The ABA has been on record for over two years as supporting extension of NOW accounts nationwide for all financial institutions if the same legislation ends the interest-rate gap for all thrift institutions that choose to offer NOWs or any other form of third-party-payment account. However, movement of this bill does offer the opportunity for amendments in the direction of greater competitive equality for banks versus their non-bank competitors.

In the Senate, the Depository Institutions Deregulation Act would extend NOW accounts similarly and would raise Regulation Q deposit interest ceilings so that eventually the interest-rate gap would disappear. The ABA is urging strongly that the period for elimination of the interest-rate gap be shortened from the proposed 12 years (a two-year waiting period, followed by a 10-year phasing schedule) to perhaps five years.

Perhaps the most important point about both the House bill and the Senate bill from bankers' point of view is that neither would settle for simply overturning the court ruling on automatic transfers, share drafts and remote-service units. Such an approach would do nothing more than restore the status quo, with thrifts continuing their expansion into third-party-payment powers without having to give up any of their unfair competitive advantages.

Congressional Schedule. Along with financial issues of deep concern to bankers, Congress, of course, will be continuing its work on the Carter Administration's energy proposals and on the proposed strategic-arms-limitation treaty, as well as numerous other major issues. Congressional leaders have set October 20 as a target adjournment date, and pressures of issues competing for legislative attention certainly will continue to build as that date approaches. ●●



the uncomplicators

Lone Williams solves problems. Insurance problems. The kind that many Illinois lenders experience with their mortgage and credit insurance programs.

Lone is one of The Uncomplicators.

She's the Omaha Financial Life Insurance Company representative serving Illinois who wants to help uncomplicate your mortgage and credit insurance programs . . . to help make them simpler for both you and your customers.

An uncomplicated insurance program starts with the right kind of coverages. Easy-to-read policies. Attractive consumer brochures. Minimum health question applications. And, a billing statement that lets you know at a glance exactly where you stand.

What's more, Omaha Financial Life is a Mutual of Omaha company. That means our programs are founded on an insurance tradition of dependable protection and service.

Uncomplicate your insurance business? We can.

Call toll free: 1-800-328-1950. Or, write: Omaha Financial Life Insurance Company, 7800 Metro Parkway, Bloomington, Minnesota 55420.

Omaha Financial
Life Insurance Company® 
A Mutual of Omaha Company

Our loan participations can keep your liquidity fluid.

Maintaining liquidity in a time of high credit demand can be a severe problem. It can destroy your flexibility. Even worse, it can force you to turn away long-time customers at a time when they need you most.

The answer could be loan participations with The Northern Trust. We're actively looking for attractive participations in many areas, including installment, agricultural, and commercial loans.

Why The Northern Trust? Because we work with you as a true partner. Our calling officers are experienced professionals.

They understand how important participations can be. They have the expertise and the authority to move fast to ease your liquidity problems.

Most important, loan participations with The Northern Trust bring with them our tradition of integrity. We work to stay with our correspondents in good times and bad. We strive to build up a strong relationship which will continue for years. And we respect the relationships that you have so carefully built up with your own customers.

For more information, contact Curtis E. Skinner, Senior Vice President, The Northern Trust, 50 South La Salle St., Chicago, Illinois 60675. Telephone (312) 630-6000.

**Aren't you ready for
The Northern?**

**The
Northern
Trust**



Special-Interest Sessions Included This Year On Bank Marketing Agenda

SOMETHING NEW is planned for this year's convention of the Bank Marketing Association September 23-26 at the New Orleans Hilton. There will be concurrent sessions dealing with leading issues and special interests. The 1979 theme is "The Earnings Equation."

These sessions will consist of informal presentations by speakers with contrasting views. Each speaker will state his or her opinion strongly and will back it up with concrete experience. The moderator will work with the audience to develop lively and stimulating exchanges in challenging and enlarging on views expressed by the speakers.

Some of the topics to be explored

are: "Should NOW Accounts Be Priced as a Loss Leader or to Make a Profit?" "The Corporate Markets — Yesterday, Today and Tomorrow; Problems and Opportunities"; "What Is Most Important in Your Advertising Mix — the Message or the Reach? How to Balance Them"; "What Are Your Options to Maximize Use of Travelers Checks?" "Electronic Banking for Community Banks"; "Bank Marketing and Government Regulations"; "How Profitable Is Retail Banking?" "Who Is the Competition?" "Are Premiums Useful in Helping You Meet Your Goals?" "Tracking Opportunities in the Retail and Wholesale Markets"; "Employee-Incentive Programs — Programs That Work and How to Avoid the Bomb"; "Marketing Strategies — Should Your Bank Be a Follower or an Innovator?" "How to Compete With Thrifts."

In addition, there will be a "hot topic" (whatever that may be in the middle of September).

Convention speakers will include John G. Heimann, Comptroller of the Currency; retired Army General William C. Westmoreland; *Newsweek* syndicated columnist George F. Will; and a panel of *Business Week* editors: William Wolman, senior editor; Robert Farrell, chief, McGraw-Hill World News Bureau, Washington, D. C.; William Franklin, business outlook editor; and Gordon Williams, senior editor. The panel will be moderated by Lew Young, editor-in-chief.

As usual, the convention will feature departmentals, dawn dusters and rap sessions.

Departmentals will examine such subjects as: "The Advertising Process:

Setting Objectives, Determining the Budget, Legal Compliance"; "Officer-Call Programs: Prospecting, Measurement"; "New Products or the Changing Deposit Environment: NOW Accounts, Telephone Transfer/Bill Paying, Automatic Transfer" and "Cross-Selling Methods: Internal Support Systems, Market Segmentation, Product Segmentation."

Dawn-duster topics will include: "New Marketing Opportunities Available Through the Automated Clearinghouse Capability"; "Pricing and Costing of Banking Services" and "Orientation to Bank Marketing."

At rap sessions, convention delegates will discuss: "Selecting Media for Your Market"; "Direct Mail to Improve New-Account Growth"; "Premiums That Promote"; "Newsletters as a Marketing Tool"; "Packaged Club Accounts"; "Branch Openings" and "How to Do Research in a Community Bank."

Also scheduled is the presentation of awards — Golden Coin, Presidents' Club and Chapter of the Year — and there will be a "Best of TV" premiere.

Convention chairman is Richard F. Langan, vice president, Morgan Guaranty Trust, New York City. Current BMA officers are: president, Arthur B. Ziegler, executive vice president, Marine Midland Bank, Buffalo, N. Y.; first vice president, Norwood W. "Red" Pope, vice president/marketing, Sun Banks of Florida, Orlando; second vice president, Ronald E. Hale, executive vice president, City National, Bryan, Tex.; and treasurer, Barry I. Deutsch, manager/information and planning, Mellon Bank, Pittsburgh. ●●



Current BMA officers are (l. to r.): treas., Barry I. Deutsch; pres., Arthur B. Ziegler; 1st v.p., Norwood W. Pope; and 2nd v.p., Ronald E. Hale.

Brokers in
Financial Market
Instruments

NATIONAL MONEY MARKET IN

Federal Funds
Brokers Call Loans
Eurocurrency Deposits
Repurchase Agreements
Term Federal Funds
Bonds Borrowed and Loaned
Domestic and Euro CD's

**George
Palumbo & Company, Inc.**

Established 1963



26 BROADWAY, NEW YORK, N.Y.
10004

Cable: PALUMAC Tel: 212-269-3456
Toll Free 800-221-3330



Tom Kellogg, Assistant Vice President, Correspondent Banking Department.

As the newest member of Fourth's Correspondent Banking team, Tom comes to us with over 9 years of first hand experience in banking.

His job as Assistant Vice-President will be to put this successful experience to work for you and your customers.

Should you need commercial loan services, financial investment advice or specialized help tailored to your specific needs, Tom knows who to contact and how to get the job done.

Tom Kellogg, the man on the move for you. Call him.

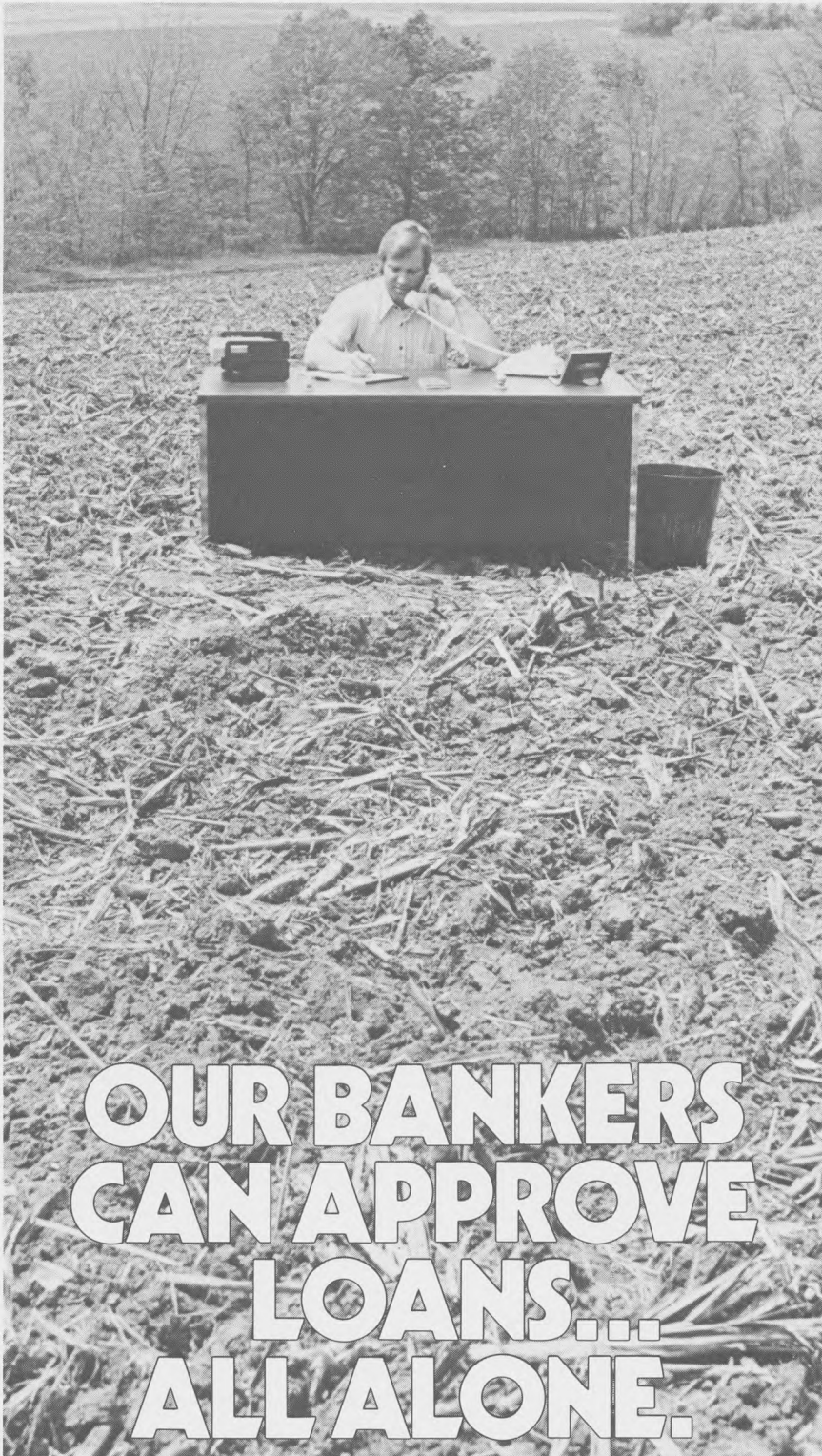
Fourth National is The Bank for Entrepreneurs, even banking entrepreneurs like you. Develop your operating strategy, then use us for that specific information only an expert can provide.

An expert like Tom.



Tulsa, Oklahoma. Member F.D.I.C.

The Bank for Banking Entrepreneurs.



**OUR BANKERS
CAN APPROVE
LOANS...
ALL ALONE.**



FIRST NATIONAL BANK

St. Joseph, Missouri 64502 Telephone (816) 279-2721

Call: Ed Boos, Bill Manning,
Dale Maudlin, Macon Dudley

Affiliate of First Midwest Bancorp, Inc.

Member F.D.I.C.

Receivables

(Continued from page 20)

of your customer's financial affairs.

The longer your borrower remains profitable, the longer you can avoid testing the *real* collateral value of the receivable pledged to you. When your customer is making progress and enjoying profits, the total of your collateral serves only as a yardstick to control the amount of the loan that can be made against it. If, however, your borrower falls on hard times, collateral values of your security can deteriorate rapidly from the amount shown on the latest financial statement or on your own collateral records.

Review of Receivables. When a receivable is created, it frequently is assumed that the sale was made to a credit-worthy customer in accordance with his order, that the goods delivered were of acceptable quality and in the amount specified and that delivery was made on time. This is not always the case. It is, therefore, imperative that the bank continually examine pledged receivables to be sure that if collection had to be made directly from an account debtor, he not only would be able to pay, but would have a minimum opportunity to dispute the correctness of any or all invoices.

A review of receivables as collateral should include the following:

1. A study of aging reports to determine number, size and age of accounts. Number and percentage of old balances to total receivables might indicate a poor credit policy or a laxness in collection efforts.

2. A review of accounts to determine diversification. Many medium-sized balances usually make for a better credit risk than a relatively few large accounts.

3. A study of accounts in which your borrower has a concentration in his receivables. The bank should check on the credit responsibility of such accounts and, if necessary, set up a ledger within the bank on which all debits and credits to the account would be posted. The bank also should set credit limits on large accounts and limit its loans to a reasonable maximum amount.

4. Contra accounts should be eliminated from the lending base on receivables. There is no question that — under liquidation conditions — an account debtor would offset whatever

guarantee

There are many reasons why you can depend on the Pro Formers of Deluxe, but one of the most important is that your satisfaction is guaranteed! If we make an error, we will correct it. And even if you make an error or have a problem, we will do everything we can to resolve it quickly and satisfactorily.

There are more than 80 standard catalog forms to fit almost any need. We will also design a custom form for less than \$25 and print it at standard catalog prices. Your forms are printed under



exacting standards of workmanship and materials, and shipped within 10 working days of the time the order is received in the plant. Satisfaction may be an old-fashioned idea, but it is a principle on which our business was built — and it is just as important as ever.

Put the Pro Formers on your team.

A free catalog and price list is available upon request from your representative or by writing us at the address below.



You Can Depend On The Pro Formers.

 **DELUXE**
CHECK PRINTERS, INC.
FORMS DIVISION/P.O. BOX 43497
ST. PAUL, MINNESOTA 55164
1-800-328-9600

was owed to him against what he might owe to the borrower.

These are only a few of the things to watch for. However, the lender should continually ask himself the question, "How collectible will these receivables be if I ever have to recover my loan — especially under adverse conditions?"

A Study of Credits. A report of credit memos issued by the borrower should be submitted to the bank no less than weekly. Credits reduce or eliminate accounts receivable, and naturally, the bank's collateral records should be reduced accordingly.

"When times get hard and pressures become intense, it sometimes happens that an otherwise honest businessman will create a fictitious invoice. After obtaining a loan on it, he will cancel it with a credit memo. A review of credits and invoices sometimes will catch this maneuver before the situation gets completely out of hand."

Credits can be issued for a variety of legitimate reasons. However, if a review shows that credits suddenly increase, it could mean that quality is deteriorating and customers are returning unsatisfactory goods.

If, at the end of a season, credits increase, it might mean that seasonal or style goods are being returned. This, in turn, might mean that merchandise was sold on a consignment or guaranteed-sale basis.

When times get hard and pressures become intense, it sometimes happens that an otherwise honest businessman will create a fictitious invoice. After obtaining a loan on it, he will cancel it with a credit memo. A review of credits and invoices sometimes will catch this maneuver before the situation gets completely out of hand.

In every situation possible, the bank should insist that the account debtor's original check be forwarded to the bank. This will permit the bank to examine check vouchers to see the size and kind of deductions taken. Deductions could, for example, represent larger cash discounts than usual — such as the 8% frequently allowed the department store trade. If this is the case, the bank's rate of advance on receivables should be lowered to compensate for the discount. Other deduc-

tions can be made from checks representing an agreement between the borrower and his customer that could be different from the borrower's stated terms.

I do not mean to imply that the usual receivable borrowers are looking for ways to defraud the bank. There is no question that the majority of businessmen are completely honest. But there also is no question that, by the law of averages, you will have collateral pledged to you, whether inadvertently or intentionally, that will not support the loan made on it. Careful and continual monitoring of collateral is the only way to approach a possible liquidation condition with confidence.

Conclusion. No discussion of accounts-receivable financing would be complete without examining the hazards inherent in this type of lending. Neither would the discussion be complete without emphasizing the enormous good this type of financing has done for thousands of businesses throughout the country. 'Countless businessmen have obtained funds through receivable financing that were not available in other ways. And banks and other lenders have been able to employ vast sums that otherwise might have been idle or not fully at work.

History has shown that most receivable borrowers have prospered and have ultimately "graduated" to unsecured financing. Borrowing on receivables has grown to a \$40-billion industry. This enormous contribution to the national economy demonstrates the value of this vital form of financing. ●●

Comm'l Lending in the '80s To Be Studied by Bankers At 65th Fall RMA Conference

Commercial lending in the 1980s will be explored and discussed during the 65th annual fall conference of Robert Morris Associates slated for November 11-14 in Washington, D. C., at the Washington Hilton Hotel.

Thomas Murphy, chairman, General Motors Corp., Detroit, and RMA President-elect M. G. Sanchez, First Bankers Corp. of Florida, Pompano Beach, will be among those giving major speeches. Robert A. Bisselle, vice president, Suburban Trust, Hyattsville, Md., is conference chairman.

Among topics to be covered will be lending to local municipalities, mortgage bankers, the trucking industry, public utilities and the fast-food industry.

In addition, sessions on successful

loan negotiating, assessing a borrower's management capabilities, economic challenges of the 1980s (focusing on food and energy), and the outlook for bank regulations have been scheduled.

The changing competitive environment for U. S. commercial banks being caused by foreign-owned banks, loan production offices, savings banks, and institutional lenders also will be discussed.

Conference vice chairman is John H. Gorman Jr., senior vice president, Riggs National, Washington, D. C.

Credit Information Exchange Book Introduces Customers to Procedure

Robert Morris Associates (RMA) has published a brochure to acquaint a bank's commercial borrowers with the process of credit-information exchange.

Commercial Credit Information Exchange: A Two-Way Street is primarily for banks to distribute to new commercial customers or others who express concern about or reluctance to participate in the credit-information-exchange process. It is not intended for sophisticated commercial customers.

The brochure was developed by the group's committee on cooperation, the National Association of Credit Management and other credit associations. It has not been copyrighted, allowing banks to adapt or modify its contents for individual use.

The brochure also may be used as an educational tool for small business owners and first-time borrowers; a giveaway to customers concerned about whether release of credit information is done professionally; an educational tool for bank personnel who need to better understand the commercial credit-information-exchange process to answer customers' questions; and as a discussion item at credit-information-exchange meetings.

● **The Federal Reserve Bank Building** in Dallas has been officially designated a historic landmark by the Historic Landmark Preservation Committee of Dallas. The committee said the honor was bestowed both for the richness of the bank's architectural design and because of the role the Fed has played in the city's development. The building was begun in 1920 and completed in 1921.



EVERY CASH LETTER SERVICE SHOULD HAVE A RUTH.

One does.

At Manufacturers Hanover, we give you a lot more than mixed-items processing, low balance requirements and flexible deadlines.

We give you Ruth Presti.

An officer with 17 years of experience at MHT, Ruth and her correspondent liaison staff are your direct and personal contact regarding cash letter matters. They devote all their time and energies to serving the cash letter needs of correspondents — advising of receipt of letters, confirming totals, informing of funds availability, expediting inquiries.

This, from the same bank that takes to the air to reduce your 0210 float. With the Early Bird Relay Service, MHT helicopters shuttle cash

letters from LaGuardia Airport to the MHT Operations Center in time to beat the 10 A.M. Clearing House deadline.

A trouble-shooter named Ruth, a relay service named Early Bird and around-the-clock processing. Three reasons why Manufacturers Hanover is a premier clearing agent for the Northeast.

For more information, contact Ronald R. Pabian in the National Division at (212) 350-4107 or Herbert V. Fink in the Operations Division at (212) 623-3506.

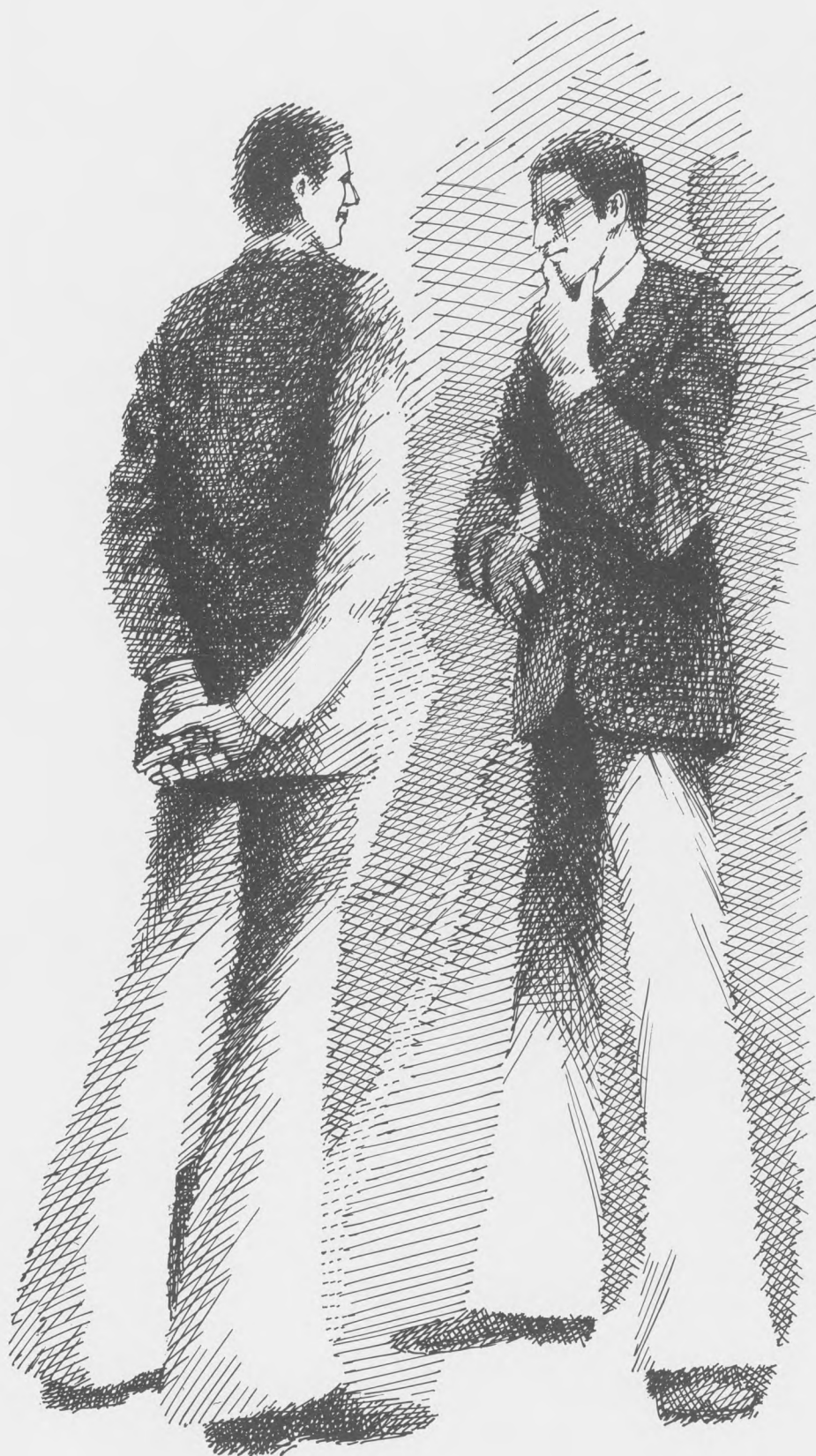
MANUFACTURERS HANOVER

America's premier correspondent bank

National Division, 350 Park Avenue, New York, N.Y. 10022

Member
FDIC

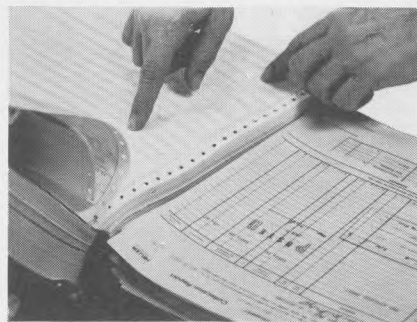
You've got one good reason to consider secured lending...



The most important reason, of course, is profit. You don't want to lose your profitable customers or prospects should they require a secured loan. But you can't ignore the fact that secured lending diverts your time and resources from your basic business and, unless you have a highly qualified staff, can become risky. However, there's a profitable and efficient way to avoid these problems... participate with Heller.

In a manner of speaking, our staff will become your secured lending department. They are not only experts, they are the experts in secured lending... the most experienced, and very likely, the best in the business. With over a half-century in the secured financing business, Heller people pioneered many of the modern lending techniques.

It's with this experience that Heller people today perform eight essential functions necessary in administering your secured loan. While your staff concentrates on your primary banking business, Heller is performing the following services to protect your bank's dollars.



Reconciliation of Agings.

Each month Heller determines which of a borrower's invoices represent eligible collateral. What differentiates our operation is that we evaluate the individual pieces of collateral in terms of their "real dollar" value, as opposed to computing their eligibility through some calendar-oriented, mathematical formula. Yet, our approach is positive, keeping a delicate balance between your collateral protection and accommodation to your customer's needs.

and at least eight good reasons to consider participating with Heller.



Field Examinations.

Field examiners conduct audits in the borrower's place of business at well-timed intervals. Each is Heller-trained to rationalize the figures, as well as balance them, and their reports often highlight correctable "conditions" before they become serious problems. Your bank receives copies of their reports.



Verification.

Frequent verification of collateralized receivables checks their authenticity, amount and terms. This way, exceptions can be personally and considerably resolved—something computers can never be taught to do.



Legal Work.

While mindful of their obligation to protect the legal positions of both Heller and the bank participant, our attorneys are also business-minded. They seek ways to make a safe loan, drawing upon their experience to avoid qualifications that may sour the dealings.

Supplemental Loans.

To maximize your customer's borrowing capacity, a secured loan may include inventory and/or chattels as well as accounts receivable.



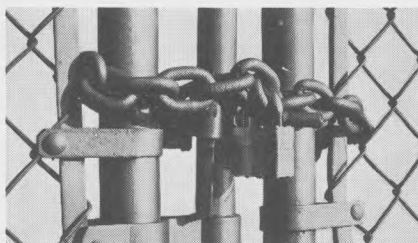
But additional controls are needed. We revolve our inventory loans and

keep them under close, continuous control. Our inventory analysts understand "auction values," and physically check beyond a book-keeper's in-and-out tallies. Chattels are evaluated by specialists in machinery and equipment.



Credit Administration.

Our account executives keep a complete current picture of the borrower's financial position, carefully following trends affecting collateral and operations. Typically this continual review leads to a reduction in bad debt expense, as our record demonstrates.



Liquidations.

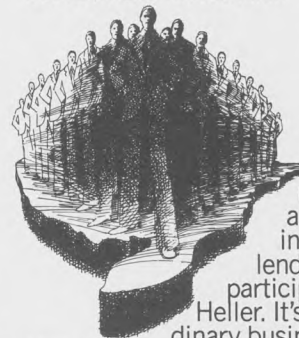
Yes, occasionally they happen. What follows is the complex and demanding period called a "workout," a time

when only the specialized experience of the lender and cool determination to "see it out" can prevent a loss. Heller's record in handling these situations, like our general expertise in secured lending, is probably the best in the business.



Processing.

In fairness to your customer, it is Heller's policy to process disbursements or pay-downs respecting the customer's loan on the day we receive the collateral or payments. Our years of experience permit instant attention without undue risk.



More and more banks are entering into secured lending through participations with Heller. It's an extraordinary business relationship. Your customer's financial needs are served. You keep your customer, continuing to provide his normal banking functions, while you generate interest income from your portion of the loan. And you have the comfort of knowing Heller is protecting your investment. Heller has lending partnerships with banks of all sizes—from those with under \$20 million in deposits to many of the nation's 25 largest banks. Find out what they've found out about this marketable, profitable lending concept. Call Heller today.

HELLER 
Financial Services

WALTER E. HELLER & COMPANY

105 W. Adams St., Chicago, Ill. 60603
New York • Boston • Philadelphia • Baltimore
Syracuse • Minneapolis • Detroit • Charlotte
Kansas City • Denver • Atlanta • Miami
Birmingham • New Orleans • Houston • Dallas
El Paso • San Antonio • Albuquerque • Phoenix
Los Angeles • Irvine, CA • San Francisco
Portland • Seattle • San Juan P.R.
Heller services available in Canada
and 21 countries around the world.

What Guidelines Are Used To Determine Involvement?

MANY BANKERS have heard there's to be reduced federal involvement in investigations and prosecutions of bank-robbery cases. This is not a new policy, but one that has been evolving over several years.

As an example, in a Justice Department letter dated April 23, 1974, to all U. S. attorneys concerning federal/state law-enforcement committees, the policy was established that cooperation between federal and state law-enforcement authorities should be predicated on federal efforts encouraging local prosecutions not only in those cases with minimal federal interest, but in all cases with strong state or local interest.

In other words, although there is some federal interest in every bank robbery, interests of both the state and federal government should be weighed carefully, according to the Justice Department, in determining whether a particular bank-robbery case should be prosecuted locally or federally. Although it has been the policy of the Justice Department to encourage U. S. attorneys to defer prosecution in bank-robbery cases to state officials, the department has refrained from establishing rigid national guidelines that would promulgate what each and every U. S. attorney would be able to prosecute at the federal level or defer to state or local prosecution.

The department has suggested certain guidelines to follow in bank-robbery situations as to whether the prosecution should be on a federal or local level. Let me name some of these factors:

1. Degree of federal investigative involvement.
2. Involvement by the offender in multistate activities.
3. Use of firearms or other dangerous weapons during the offense.
4. Prior similar offenses committed by the subject.
5. Whether there is a backlog of federal cases awaiting trial.
6. Ability of state authorities to prosecute effectively.
7. Relative sentences imposed

By JOHN T. KELLY



John T. Kelly is special agent in charge in Mississippi for the Federal Bureau of Investigation. He is headquartered in Jackson. He gave the talk on which this article is based at the Mississippi Bankers Association's 1979 convention in Biloxi.

in federal as opposed to state courts. 8. Commission of other crimes during the bank robbery.

According to the department, this policy has been well received by U. S. attorneys, and an increasing number of these attorneys have set their own guidelines for prosecution of certain types of bank-robbery matters and whether they will be turned over to a state.

Let me explain why this policy underwent some change. Today, the federal government does not enjoy unlimited investigative or prosecutive resources. Certain areas, such as organized crime and racketeering, white-collar crime and public-corruption matters, are accorded a higher priority than bank robbery matters. As a result, the investigative arm of the federal government, namely the FBI, with our budget and manpower requests being reduced, has found it necessary to establish priorities to secure the maximum benefit for the public in return for the expenditure of FBI resources, meaning ultimately

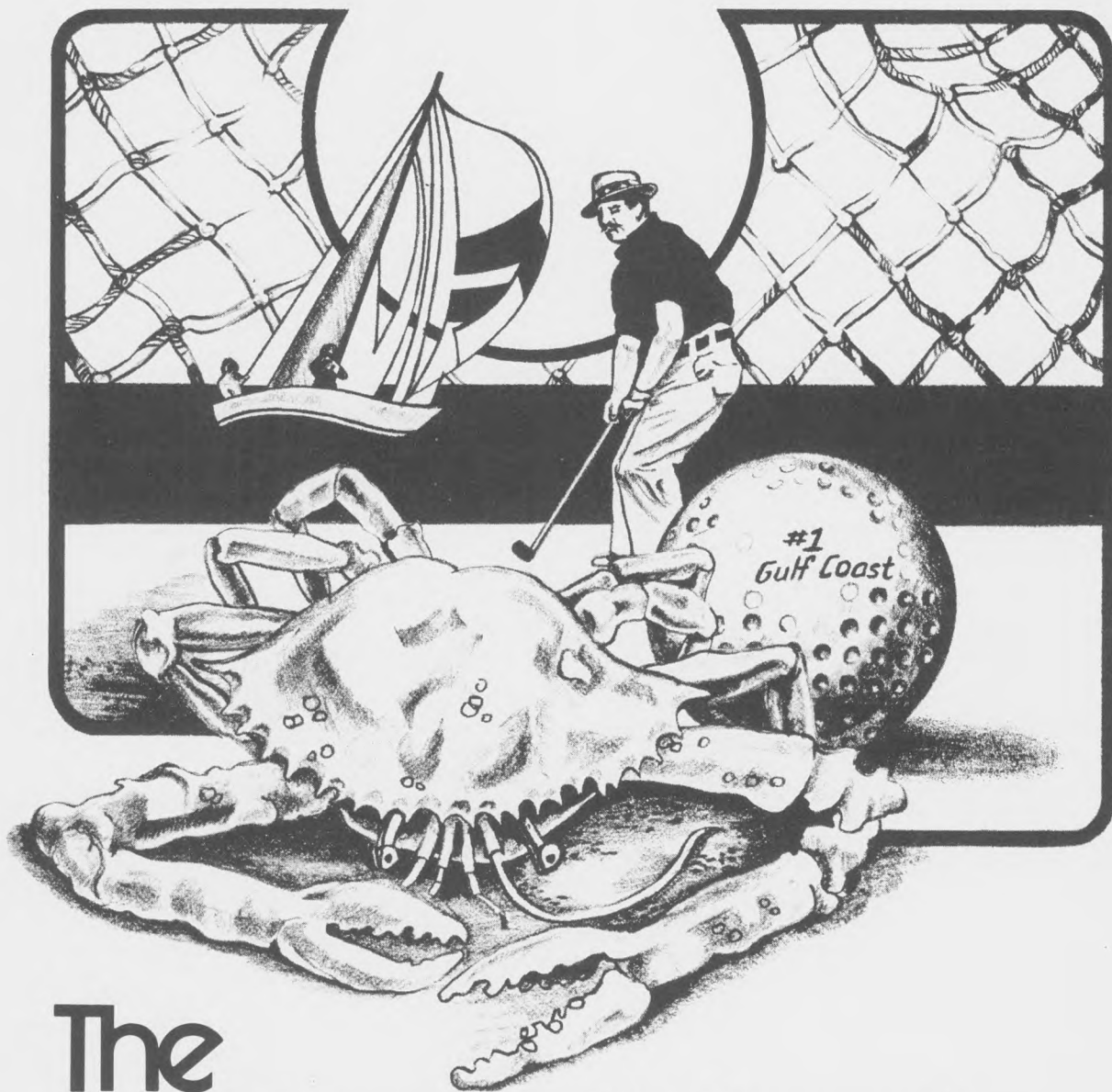
taxpayers' money. In establishing these top priorities along with the input of the Justice Department, we established areas of foreign counterintelligence, organized crime and white-collar crime. These areas, again, do not abandon the banking institutions, but are of significant interest and protection to the banking community.

However, before I elaborate on how these three priorities affect the banking community, let me allay any apprehensions or misapprehensions that the FBI would be dropping out of bank-robbery investigations. This is not so. Let me clarify our position and attitude. As I mentioned, budgetary cutbacks in money we are allowed to devote to the bank-robbery program will result in restructuring the program, but not in its destruction. As an example, in the past we have responded to any bank alarm immediately and with large numbers of agents. We still respond immediately, but our manpower involved in the response is limited.

In areas where local and state law enforcement are adequate and we have concurrent federal and local jurisdiction, we make a prompt determination of whether circumstances of the robbery would indicate that it can be handled adequately by the state or local law enforcement with limited help from the FBI.

A continuing fear of many bankers are situations where a bank robber obtains a hostage, either an employee, customer or possibly a member of the banker's family. These cases are still occurring. Nationwide, since January, 1979, the FBI has investigated 14 hostage cases involving 21 individuals being taken hostage. Sixteen of these individuals were bank employees; two were customers, and three others were passersby.

The FBI conducts numerous bank-robbery seminars, which include information concerning hostage-type incidents. Because of the importance of resolving hostage situations, the FBI



The Golden Gulf Coast

Only An Hour Away

The surf. The sand. The sun. Excellent hotels, motels and restaurants. Golfing, swimming, tennis, fishing. The good times that go with them. They're all yours on the Mississippi Gulf Coast. And they're only an hour away from the American Bankers Association Convention in New Orleans. Make plans now to stop by before or after the convention for a relaxation-filled visit.

But be careful. You may not want to leave.

HANCOCK
BANK
Gulfport, Mississippi
Member FDIC

Academy in Quantico, Va., has adopted a course in hostage negotiation. To date, in no instance wherein a dialogue was initiated between an FBI negotiator and hostage taker has a hostage been killed. That includes all categories of violations, not only those against banking institutions.

Although bank robberies receive the most publicity and terrorize bankers, bank monetary losses are almost three times as great through bank fraud and embezzlement matters. This falls under the FBI's category of white-collar crime. Crime to many in our society evokes a mental picture of a purse snatcher using a deadly weapon

"Although bank robberies receive the most publicity and terrorize bankers, bank monetary losses are almost three times as great through bank fraud and embezzlement matters. . . . Behind the mask of genial respectability, the white-collar criminal threatens our society's economic foundations."

to wreak violence on an innocent victim as he forcibly wrests her valuables from her. His brutal act completed, he flees furtively to alleys of the underworld to stalk his next victim. To the banker, crime generally is the picture of two bank robbers with sawed-off shotguns entering the bank, ordering employees to the floor or into the vault, stashing the cash in a bag, then running out the door. That mental picture accurately describes one visage of crime — violent street crime — that plagues our society.

But what of the criminal who employs cunning and guile instead of brute force, who victimizes a bank instead of a defenseless individual; who embezzles thousands instead of the pittance in his victim's purse, who inhabits the executive suite instead of the slums? A new mental picture emerges — the smiling, affable face of the white-collar criminal. Behind the mask of genial respectability, the white-collar criminal threatens the economic foundations of our society.

The U. S. Chamber of Commerce estimates that white-collar crime costs the American public about \$41 billion annually. Yet, white-collar crime exacts an even greater toll — erosion of public confidence in institutions, banks and persons from whom a me-

ticulous regard for the law is expected. In white-collar crime, bank frauds and embezzlements (BF&E) last year totaled \$85 million compared to bank-robbery losses of \$29.5 million.

Another problem concerning bankers today is computer fraud. The computer, an invaluable tool of banking, also is a potential instrument for attack. Recently an attempt on bank funds was initially successful for over \$10 million; however, the loss was substantially retrieved. The FBI is studying bank-computer frauds and has been training agents in detection of computer frauds. The potential for computer misuse is of concern to bankers. It is not only the cash-loss potential that is disturbing, but the possibility of abstraction of valuable or invaluable information, commercial or personal, which may be more significant than the cash loss.

FBI jurisdiction over computer crimes is limited by applicability of existing statutes, as is true of all violations. The only way we may open an investigation is to apply an existing statute to the facts of the crime, as when an interstate wire may be used to access a computer fraudulently, or loot in excess of \$5,000 is carried interstate.

Pending in Congress is a bill, "The Federal Computer Systems Protection Act," which would broaden federal jurisdiction and bring us into a wide range of computer investigations. The potential is such that we would have to prioritize our investigation of computer violations and concentrate our efforts on activities that impact greatest on society.

As I mentioned earlier, our three top investigative priorities are foreign counterintelligence, organized crime and white-collar crime. We have discussed some matters concerning white-collar crime such as embezzlements committed by computer

operators and frauds perpetrated by bank personnel. Organized crime, which is one of the FBI's top investigative priorities, has the potential for a deleterious effect on a banking institution.

In several FBI investigations, we have seen organized crime figures, through their contacts and front men, buying stocks in legitimate banks where they can handle the cash flow of funds, which they gain from illegal sources, and invest in legitimate business enterprises. We must do everything possible to keep organized crime out of our banking institutions.

An area of concern to bankers in

" . . . Although there is some federal interest in every bank robbery, interests of both the state and federal government should be weighed carefully, according to the Justice Department, in determining whether a particular bank-robbery case should be prosecuted locally or federally."

many parts of the country is the obtaining of bank charters. One type of investigation in the white-collar-crime area, which has occurred in some parts of our nation, has been a system of extortion-type transactions whereby banking charters were granted only as a result of a kickback to granting officials. We must be on the alert for any illegal methods such as these extortionate activities toward bankers by individuals responsible for governmental control of the banking industry.

The third category of top-priority investigations as established by the FBI is the area of foreign-counterintelligence investigations. The President, Attorney General Griffin Bell and FBI Director William H. Webster have approved our priority of foreign-counterintelligence investigations as one of our top priorities. Although I have reserved discussion of this category until last, it is not the least important but the most important. Foreign counterintelligence involves the national security of our country and investigations directed to detect foreign espionage agents from countries whose avowed purpose is the overthrow of democracy in America. If the FBI fails in our foreign-counterintelligence investigations and a foreign nation overthrows our gov-

Canada's Gold Coin on Sale



Canada's first gold-bullion coin, Maple Leaf, went on sale at Mercantile Trust, St. Louis, September 6. It is one troy ounce of fine gold, 30 millimeters in diameter and bears a likeness of Queen Elizabeth II on the front and the Canadian Maple Leaf on the back. Coin is available at the main bank, where gold bullion also is available. One million coins will be produced in initial mintage this year. Two million a year will be produced in 1980 and 1981.

"While we call Louisville home, we're proud to serve a community that's regional in scope."

—Herbert M. Richardson, Jr., Senior Vice President, Director of Regional Banking.



"Our major regional commitment is to you: to provide excellent banking service administered by experienced banking professionals.

"Our second commitment is to work with you: to expand the region's economy by attracting new business and industry.

"The goal in both, of course, is to help keep our region and its banks and businesses growing and prospering. But to do that, it takes a strong lending capability, innovative services and the expertise of a great many banking professionals.

"That's what we're committed to . . . providing the involvement, the resources and most importantly the wealth of good people to keep the region moving ahead."



Our wealth is good people.®



Member Federal Deposit Insurance Corporation

ernment and enslaves America, all previous comments about banking problems will be of no significance.

We find that governments in other parts of the world, particularly those within the hostile communist-bloc of nations, are interested in all kinds of information in this country. Classified information, such as military and defense information, proprietary information you have in your business and protect as trade secrets or business secrets and open information such as information available in the public library or information concerning economic and financial statistics of our state and country. The FBI is attempting to detect and offset hostile foreign intelligence efforts in the United States. The interest of foreign governments center primarily on technological, political and scientific intelligence as well as economic, sociological and geographical information. They also are interested in personal information about individuals who may be recruited as "spies" in an effort to gain information of value. How can we and do we deal with this threat? As an example, if we detect and identify foreign-intelligence activity in the U. S., we may render it ineffective by feeding harmless information,

keeping track of it and worrying it to death. In some situations, we keep a known hostile intelligence agent under surveillance rather than running the risk of shipping him overseas and having him replaced by another agent who will have to be identified at a future time. The third alternative is expulsion — to have foreign agents sent home, namely those who enjoy diplomatic immunity and are not subject to prosecution. Finally, we have the alternative of prosecution because espionage is a criminal violation.

Let me mention a few cases the FBI has resolved involving espionage activity in this country.

In January, 1978, an American employed by a federal agency and a Viet Nam national were arrested for passing classified State Department information to Viet Nam. Both individuals were arrested, convicted and sentenced. In another case, an offer of \$250,000 was made by a West German to an American citizen to take a cruise-missile component to a Soviet living in Cuba. The FBI arrested the American who was found guilty of conspiring to export sensitive equipment to the Soviets, and the German was convicted of failure to register as an agent of the Soviet Union.

This year, we also convicted two Soviet employees of the United Nations, and another Soviet protected by diplomatic immunity was expelled.

The Soviets continue their efforts to subvert our country through espionage activities, and it is imperative that the FBI remain vigilant and combat this menace.

I have attempted to briefly present to you an overview of the FBI's activities that concern the banking community.

I would like to encourage bankers to become more involved in political activity of their states and nation. Within their ranks, there is much talent and know-how that could be utilized for the betterment of our country. We see, as an example, regulations written and placed on our institutions by some persons who have never operated a business or met a payroll. These individuals, in a few instances, have limited expertise in their fields. They write policy and set standards that sometimes are burdensome and nonsensical to institutions, including banks. Bankers should take an active part in the leadership and development of our political institutions as someone must do it. If the void is not properly filled and we "Let George do it," George may not be the type of individual we want to set standards for our country and our states.

There is no question that we have a great country, our great United States of America. To keep this country free, we must work at it. With problems mounting, as they are today, it will take people with intelligence and know-how to meet the challenges. The banking community may offer much along this line and contribute greatly to the welfare of our country if they will become actively involved in governmental affairs.

One area of great concern that affects our democratic process is the average American voter's lack of interest. It was appalling to note the absence of qualified voters who failed to participate in the last presidential election. As an example, banks could assist and encourage people to participate in the election process by placing voting and election information in monthly bank statements mailed to customers. By setting the example, bankers, as leaders in the community, would have a tremendous impact toward influencing other citizens.

I wish to reassure you the FBI is interested in your problems, and I extend to you an offer of assistance whenever or wherever needed. ●●

Third of Biggest Ag Lenders Are in Mid-Continent Area

Thirty-six Mid-Continent-area banks are among those listed as America's 100 largest agricultural bank lenders, according to a special supplement of "Agricultural Banker" published by the ABA's Agricultural Bankers Division.

They are as follows: 13. Continental Illinois National, Chicago; 14. First National, Oklahoma City; 17. First National, Amarillo, Tex.; 23. First Wichita National, Wichita Falls, Tex.; 24. First National, Lubbock, Tex.; 29. First National, Dallas; 30. Central National, Chicago; 38. First National, Chicago; 45. Republic National, Dallas; 46. First Security National, Lexington, Ky.; 47. First National, Shreveport, La.; 48. Amarillo (Tex.) National; 49. First National, Hereford, Tex.

Also, 56. Lamesa (Tex.) National; 58. American National, Amarillo, Tex.; 60. Harris Trust, Chicago; 61. First Victoria (Tex.) National; 63. Grenada (Miss.) Bank; 66. Deposit Guaranty National, Jackson, Miss.; 70. First National, Kansas City; 71. Fourth National, Wichita; 72. First National, Lamesa, Tex.; 76. Citizens First National, Princeton, Ill.; 78. First National, St. Louis; 79. Lubbock (Tex.) National; 82. First National, St. Joseph, Mo.; 83. Security Bank, Vincennes, Ind.; 84. First National, Roswell, N. M.; 85. Illinois National, Springfield; 88. Commercial National, Kansas City, Kan.; 91. Grant County State, Ulysses, Kan.; 92. Central Bank of Alabama, Decatur; 93. Clovis (N. M.) National; 95. Corpus Christi (Tex.) National; 98. First Bank, Booker, Tex.; and 99. First National, Bartlesville, Okla.

How do you rescue your funds from costly float? Ask Chicago's Bank.



Some of those "free" services offered by the Fed may actually be pretty expensive when you consider what they cost you in float.

Take cash letters. Banks all over the U.S. are discovering that direct sends through First Chicago can provide faster availability for items the Fed — and other correspondents — would float for one or two days, sometimes more. And the extra income these funds can produce far outweighs the small fee we charge.

First Chicago's coverage is among the most comprehensive in the country, our availability schedule one of the best offered by any bank.

And we can provide a daily endpoint analysis of your cash letter to show you which items we can clear faster than the Fed or your current correspondent.

Coupon collection is another way First Chicago can help you turn float into good funds. We provide same day credit on cash items. Compare that to the Fed who credits your account only after the funds have actually been collected. And we can beat most everybody on availability.

We have more. For the whole story on First Chicago's float reduction programs, call your correspondent officer in Chicago or our regional office near you. Or phone John Ballantine, Vice President, at (312) 732-4131. Today. Before another dollar drifts away.



FIRST CHICAGO
The First National Bank of Chicago

Chicago: John Ballantine, 312/732-4131 • **Atlanta:** Norman McClave III, 404/892-0966 • **Baltimore:** Robert E. Probasco, 301/547-8700
Boston: Robert G. Barrett, 617/247-4040 • **Cleveland:** Earle C. Peterson, 216/781-0900 • **Dallas:** James A. Edwards, 214/742-2151
Houston: Clifford E. Shedd III, 713/658-1100 • **Los Angeles:** Richard D. Durrett, 213/628-0234 • **New York:** Donald Glickman, 212/751-3910
San Francisco: William R. Lyman, 415/788-4311

© 1979 The First National Bank of Chicago. Member F.D.I.C.

CRA Implementation Pledged By Urban Bankers Group

THE National Association of Urban Bankers (NAUB), at its recent annual convention in New Orleans, pledged itself to a new major programmatic thrust for the coming 12 months.

The NAUB was established in 1974 and is comprised of local chapters consisting largely of minority bank managers and officers of non-minority-owned financial institutions in metropolitan and financial centers across the country. Primary goals of the NAUB are development of professional banking expertise among members and dissemination of financial data and assistance to national and local minority communities.

The three-day convention saw more than 250 delegates add a Community Reinvestment Act Communications Program to their yearly schedule of national activities. The Community Reinvestment Act (CRA), passed into law by Congress in 1978, is intended to encourage federally insured commercial banks, mutual savings banks and S&Ls to help meet credit needs of their entire communities, including low- and moderate-income neighborhoods.

"We've received input from our membership that indicates they basically believe the CRA is an enlightened piece of banking legislation," said A. Bruce Crawley, NAUB president. "While the membership of NAUB doesn't believe the CRA can singly eliminate the financial and economic crisis facing low- and moderate-income communities, they certainly believe it's a step in the right direction for our industry."

Mr. Crawley addressed the major weakness of the act by saying: "The very communities it's designed to serve do not understand it, and many of the bankers who must implement the CRA are not sure they know how to comply with its dictates. We believe our organization should and can play a meaningful role in providing assistance and consultation in understanding the act, for both community residents and our fellow bankers."

The NAUB plans to submit the proposed program to the Comptroller of the Currency, the FDIC, the Federal Home Loan Bank Board and the Fed within the next 90 days. Those agencies were charged by Congress with CRA administration among the nation's banking and thrift institutions.

Banks that fail to comply with the act, in the regulators' opinion, are subject to having applications denied for expansion, branch openings, branch closings and for federal deposit insurance.

"We believe the regulators are anxious to receive supportive programs of this type from industry trade groups like our own, and we have to feel that our unique perspective as professional bankers will be beneficial for effective implementation of the CRA across the country," said Mr. Crawley. "We've already discussed the concept briefly with John G. Heimann, Comptroller of the Currency, who administers the CRA for nationally chartered commercial banks, and he appears to be in basic agreement with our intentions though he, of course, has not seen our formal proposal at this time."

In addition to the CRA program, delegates pledged themselves to a continuation of their training and management-development programs, to continuation of their chapter scholarships for persons interested in banking careers, to cooperation with the White House Conference on Small Business and to cooperation with the NAACP in its Sustainer Fund-Raising Campaign.

The following officers were elected: president, Mr. Crawley, First Pennsylvania, Philadelphia; vice president, Wilfred Bentley, Michigan National, Detroit; treasurer, Gover Richardson, Worthen Bank, Little Rock; secretary, Tom Schumpert Jr., Industrial National, Providence, R. I. ●●

Sloppiness

(Continued from page 13)

from possibilities of genuine loss — as in the case we discussed — customers are prone to "estimate" their hoard somewhat higher than it really is. And it is difficult to reason with a renter who "is positive" that he had more cash than that, and "it looks mighty funny" that it's not all there. Most bankers have had such experiences. The only solution is education of the renter to the wisdom of: *no cash in boxes*.

Now we come to our banker friend's mistake. If there is a cardinal rule for

the safe operation of a vault department, it is surely: *customers' keys should not be kept on the premises!*

The moment this rule is violated, for any reason whatever, possibilities of trouble and loss multiply like snowflakes in a staff "nor'easter." The wisdom, indeed the *necessity*, of this rule cannot be overstated, nor can that of its corollary: *Keys to unrented boxes should be kept in locked custody of two responsible persons.*

Again, the wisdom of this is readily seen. Our friend's trouble illustrates why access to *any* box — rented or not — should be denied to all employees. Fix the responsibility for your vault operation and you automatically eliminate channels of loss.

Maintenance of proper safeguards in the safe deposit box department is of great importance in minimizing potential liability. While states' laws vary as to applicability to operations of a bank's safe deposit box department, certain principles are common to most states.

The customer's rental contract for the safe deposit box department should be in the form approved by the bank's counsel and should be in conformity with the particular bank's applicable state laws. The contract should specify clearly identity of the person(s) to whom entry should be granted — whether singly or jointly.

Below are some common-sense guidelines to be followed in the pursuit of good internal controls to be exercised over the safe deposit box department:

1. Before entering the vault section, each customer should sign an access slip, which is compared with the signature and box number on the contract, and if satisfactory, is initialed by the vault attendant, who then enters the date on record-of-entry card. The access ticket is stamped, showing date and time of entry. It also should show time of exit.

2. No one should be allowed to have access to a vault box no matter how well known he may be to the attendant without having signed and had approved an access slip.

3. Persons other than renters or those properly authorized should not be allowed inside the vault section.

4. When the customer presents his access ticket and key to the attendant, the latter should compare numbers on the key and on the ticket. If they agree, he opens the compartment. The ticket should be initialed and set aside pending regular filing, by the attendant, who will have custody and supervision of these tickets.

5. Before the customer leaves the

SLT can help you down the middle road.

In periods of tight money, lending policies become more selective.

Yet middle-sized company borrowing needs become greater than ever.

SLT has a solution. We can set up a collateral control program for your bank that enables you to make safe, high yield working capital loans that will satisfy your customer's needs.



SLT WAREHOUSE COMPANY

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

Call or write SLT
today. We'll ride along
with you.



vault, the attendant should remove the customer's key from the lock and return it to him, leaving the compartment locked closed.

6. When the customer returns with his box, the attendant should reopen the lock and re-lock it after the box has been put in its place.

7. The attendant should examine booths after customers have vacated them and remove any wastepaper or any other contents left there. Booths should be equipped with self-locking doors.

8. Articles found anywhere in the vault premises should be delivered immediately to the attendant. If the articles consist of cash, jewelry, securities or other valuable papers, an officer should be called and a joint affidavit made as to the articles found. They then should be turned over to the auditor and given a safekeeping number and put under dual control, in the same manner as contents of drilled boxes.

9. If a customer should leave his box in a booth or in the vault, the attendant should call an officer immediately, and a joint affidavit should be prepared as to finding, condition and contents of the box. The contents then should be sealed and placed in safekeeping under dual control, in the same manner as contents of drilled boxes.

10. When a customer surrenders a box, he should be required to sign a receipt for contents of the box and a release absolving the bank from any further liability. Keys to the box should be surrendered at the same time.

11. Surrendered boxes should be examined immediately and must not be rented until the lock has been changed and new keys made. Contents found in a surrendered box should be handled in the manner provided for contents of drilled boxes.

12. The vault teller should keep a separate record of all boxes surrendered. Locks on these surrendered boxes should be changed on the first visit of the vault mechanic after the surrender date.

13. When keys to a box are reported lost, the box should be plugged until it has been forced open by regular mechanics in the customer's presence.

14. The vault attendant should have only one set of guard keys, which are held by him or the relief attendant during hours. On no occasion are these keys to be carried outside the vault section. When the vault is to be closed, the vault attendant will sign the entry book and then put the guard keys inside the vault — being checked by the officer closing the vault. In the morn-

ing, he will sign in and obtain the keys on the opening of the vault.

15. Duplicate guard keys and duplicate keys for the compartment holding keys to unrented boxes should be held in the security vault section of the bank under dual control of two officers.

16. Drilling of boxes due to arrearage of rent should be done by a mechanic under supervision of a bank officer with the vault attendant and one other person as witnesses. These three persons are to sign an affidavit as to the opening and contents of the box, if any. Contents, a copy of the affidavit and a copy of the registered letter of notice and the Postal Department's return receipt are to be sealed and marked showing name of customer, number of box, date box opened and signed on the outside by the persons making the affidavit. This package then should be placed in safekeeping under a regular number and deposited in the vault under dual control.

17. A copy of the above affidavit should be sent registered mail to the customer at his last known address, with an advice that the box has been opened, contents sealed and placed in storage at his expense.

18. It is the duty and responsibility of the vault custodian as manager of the vault department:

- (a) To study the operations of this department so as to provide a maximum of safety for both the customer and the bank and at the time render quick, adequate and courteous service.
- (b) To follow up collections so as to keep past-due rentals at a minimum.
- (c) To see that the vault department is properly equipped and is maintained in a clean and orderly manner. ●●

Keeping Defalcation Losses To Minimum Is Possible Under Certain Guidelines

No banker likes to think about having a defalcation in his institution, but it's always possible. Once such a defalcation is discovered, what can be done to keep the loss to a minimum and salvage something from the embezzlement? Oscar W. Jones, director/loss prevention services, Scarborough & Co., Chicago, discussed "What to Do in Case of a Defalcation" in the August issue of his firm's *Loss Protection/Prevention Bulletin*. Here are his guidelines:

1. In all questioning of the suspected person, there should be present at least two bank officers and, if at all

possible to arrange, the bank's attorney. Do *not* accuse the suspect of having committed any crime!

2. Notice of loss should be given to your bank's carrier as soon as possible (to Scarborough if the blanket bond is placed through that firm). Try to prevent knowledge of your report from reaching the suspected person.

3. It often is preferable to keep the employee in the bank several days so that he will be available for questioning. Of course, he should be relieved of any active duties involving the point of loss, and accounts involved should be "frozen" without delay.

4. It will help a banker to examine carefully the cage or desk or bank-owned briefcase used by the employee in question. Look for memoranda, withheld deposit tickets, ledger sheets and other papers pertinent to the loss. Because they are keys to the method and extent of the peculation, these items may save time and expense of intensive audits.

5. If possible, seal the employee's safe deposit box and freeze his bank account. This will be of great help in the determination of amounts involved, as well as in giving a bank an "inside track" on the restitution problem.

6. Withhold any compensation due the suspected employee until the final extent of the embezzlement is known. He or she probably owes the bank (or its insurer) the entire amount of his salary — and much more.

7. As soon as the adjusting attorney has had the opportunity to confer with you, to determine circumstances and amounts involved, report the full facts to the proper authorities. Ordinarily, this is the regional administrator of national banks for your district if yours is a national bank or your state banking commissioner (or his equivalent in your state) if yours is a state bank. You also should notify the FDIC, FBI and U. S. attorney in your area.

8. Avoid making any statements or promises to the accused regarding prosecution. Such matters are better left to the authorities. They know what can and must be done under the circumstances.

333 banks have now signed up for our credit life program.

Globe Life has been in credit life for only four years
and in that time 333 banks have taken advantage
of our program.

With our service backed by \$3.8 billion of life
insurance and \$233 millions in assets, plus the
great reception in the marketplace - we've got
something going

**Yes, something
pretty good is going on
here.**

We'd like to get something going for you, too.
Contact your Globe Life representative.
Call Toll Free: 1-800/654-4515



GLOBE LIFE AND ACCIDENT
INSURANCE COMPANY

GLOBE LIFE CENTER □ OKLAHOMA CITY, OKLAHOMA 73184

**Residential Servicing Clinic
Planned by ABA Sept. 23-25**

ST. LOUIS — A residential loan administration/servicing clinic, scheduled for September 23-25 here, represents a new addition to the ABA housing and real estate finance division's 1979 schedule of courses for the real estate lender.

"The clinic is designed to provide a forum for bank servicing, data processing and mortgage lending personnel to examine new developments, procedures and problems related to mortgage servicing in a banking environment," says Joseph E. Burkhart, clinic planning committee chairman and vice president, Valley National of Arizona, Phoenix.

Topics will include when to automate and how to evaluate a new system within the context of a bank's operating objectives, how to structure an effective servicing organization, servicing for investors, compliance/management reports and record retention, payment media, escrow analysis, collections, insurance and what to look for in servicing contracts.

"This is a nuts-and-bolts program that will be beneficial to bankers engaged in all aspects of mortgage loan servicing, whether it be for their own portfolios or for other investors," Mr. Burkhart says.

ABA Revises Training Program On Loan and Discount Series

A revised, updated version of the Loan and Discount Series training program now is available from the ABA's commercial lending division.

Aimed at the bank note teller, the series has four programmed training units for self-study or for use with a seminar. The programmed training unit allows a student to proceed at his own pace, and allows for immediate feedback on how well he has understood the materials.

The four books are: "The Promissory Note," "Examining the Promissory Note and Supporting Documents," "Examining Secured Notes and Supporting Documents" and "Concepts of Secured Transactions."

The Loan and Discount Leader's Guide includes program planning and seminar outlines for six sessions of 1½ to two hours each; self-study guidelines for in-bank use; four individually bound test booklets (one for each programmed training unit) and test answers.

Essential facts about promissory

notes, including calculating interest and discounting commercial paper guarantees, general collateral agreements, examining and processing documents accompanying secured notes, bonds, stocks and savings accounts and concepts of attachment, perfections, priority, default and foreclosure are taught in the seminar.

Bank of America Ranks First Among Agricultural Lenders In ABA Special Supplement

WASHINGTON, D. C. — Bank of America, San Francisco, heads the list of America's 100 largest agricultural bank lenders, according to a special supplement of the "Agricultural Banker" published by the ABA's agricultural bankers division.

As of December 31, 1978, Bank of America, the nation's largest bank in deposits, held nearly \$1.2 billion in total farm loans.

The top three bank agricultural lenders are from California. Crocker National, San Francisco, and Security Pacific National, Los Angeles, are ranked second and third, respectively.

Of the first 10 leading agricultural lending banks, five are from California, including fifth-place Wells Fargo Bank, San Francisco, and 10th-place United California Bank, Los Angeles.

Statewise, Texas leads, with 14 banks, which is the greatest number of banks listed in the ABA's top 100 bank agricultural lenders. Next is California with seven banks listed.

At the end of 1978, banks held more than \$28 billion in non-real estate farm loans, nearly half the total \$60 billion non-real estate agricultural loans held by all lenders. These figures place banks in the No. 1 position, ahead of the Production Credit associations (PCAs), which held about \$15 billion in non-real estate farm loans during the same time.

Koval and Jones Elected To Top Nat'l AIB Posts

Kenneth A. Koval, assistant vice president, Colonial Bank, Waterbury, Conn., is the 1979-80 national president of the American Institute of Banking. He succeeded Richard L. Killmon, assistant vice president, Texas Commerce Bank, Houston.

Newly elected AIB vice president is B. Mott Jones, vice president and manager/employee relation service-mortgage loan division, First Tennessee Bank, Memphis.

Credit Controls

(Continued from page 18)

controls "only when they are supremely confident in the fundamental wisdom of alternative policies."

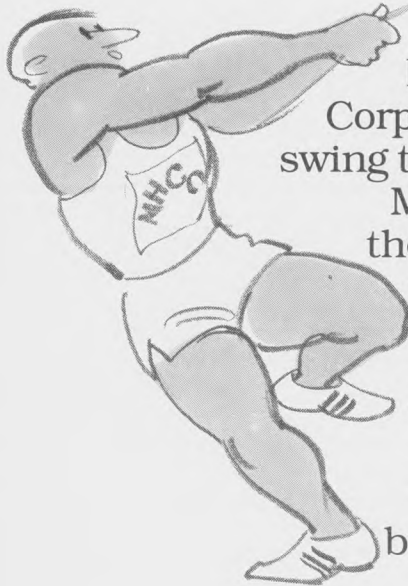
Once controls are enacted, "In the economic arena, ways are devised to make them less effective." However, "as long as supporters remain united and politically powerful, the balance of true social benefits and costs (if unfavorable) remains secondary to the intended benefits." In addition, "unintended distortions caused by the controls can be portrayed as consequences of educational and administrative difficulties summarized in the phrase 'imperfect enforcement.'" Nonetheless, "over time, unintended effects tend increasingly to reduce the intended benefits and expand a program's social costs." Further, "by outlawing 'honest' avoidance activity, bureaucrats steadily extend the reach and complexity of the control network." Also, "the less effective a set of controls appears in its first few months, the tougher and more widespread its penalties and reporting requirements tend to become. In large part, this follows from legislators' penchant for viewing the success of such programs as a test of both their sincerity and their authority."

Mr. Kane feels that selective credit controls are likely to be particularly ineffective as "they focus on pieces of paper (debt contracts) that are only loosely connected with production and purchase decisions." Thus, "trying to direct the flow of real resources with restrictions on particular classes of credit is something like trying to push heavy stones around with a long and flexible stick. Such tools work against the user's intentions as much as for them." In particular, "lenders and borrowers can and do frustrate government attempts to re-allocate credit even in the short run merely by re-classifying and relabeling loan contracts to reveal a priority purpose and by shifting their activities to unregulated . . . outlets."

Because credit is so fungible, and financial markets are so readily adaptable, Mr. Kane concludes that "a decision to establish government credit allocation would kick off a long cycle of market and political interaction. For so ephemeral a good as credit, the period of time during which net social benefits are positive could be *very* short indeed." ●●

monetary muscle

Leveraged financing to help companies with spinoffs and acquisitions.



When it's time to sell part of the business or buy a new one, Manufacturers Hanover Commercial Corporation can help swing the deal.

MHCC will advance the needed capital, using an asset-based loan, which will ensure a smooth transition between buyer and seller.

Once the new business has secured

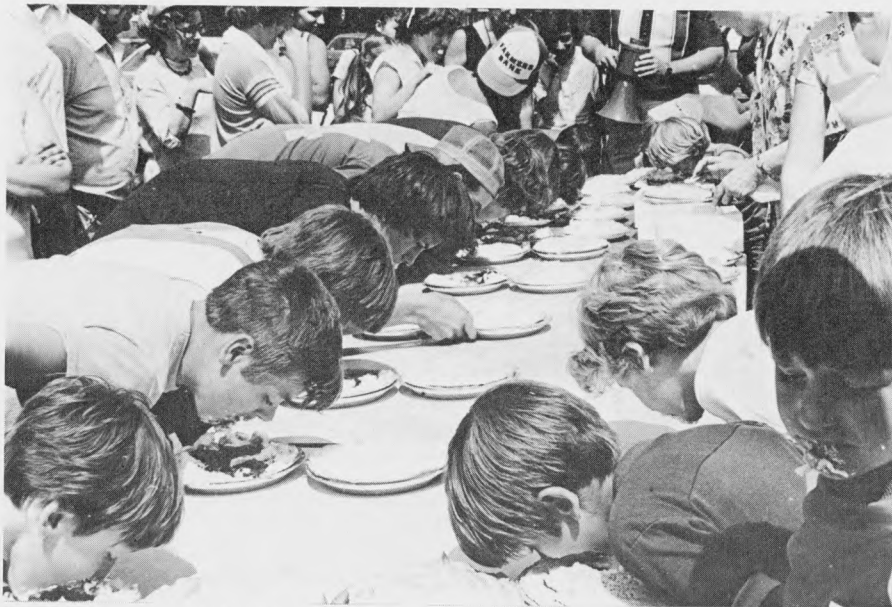
a firm hold in the marketplace, our experienced cash and credit specialists can help it take advantage of added profit opportunities. And with the monetary muscle of the \$40-billion Manufacturers Hanover organization behind us, you can be sure we'll be around to deliver on the promises we make.

For the leverage your company needs to grow, let the power of MHCC go to work for you.

**MANUFACTURERS HANOVER
COMMERCIAL CORPORATION**
It's a capital source.

1211 Avenue of the Americas, New York, N.Y. 10036 (212) 575-7320
Service Offices: 425 Shatto Place, Los Angeles, California 90020 (213) 736-1714
Jefferson First Union Plaza, Suite 2080, Charlotte, N.C. 28282 (704) 332-2689
5775-B Glenridge Drive, N.E., Suite 340, Atlanta, Ga. 30328 (404) 255-5612

Contests and Free Coins Attract Hundreds to Bank's Outdoor Show



About 20 teenagers tried to win pie-eating contest, one of many events sponsored by Farmers Bank, Princeton, Ky., during its Great Outdoors Show.

FARMERS BANK, Princeton, Ky., pitted customers, townspeople and out-of-towners against insurmountable odds during its Great Outdoors Show in June.

About 20 persons between the ages of 13-17 had to skillfully maneuver their way through cream pies to win a pie-eating contest. Some 16 persons displayed their best techniques at the casting contest.

Even children were given a chance to display their cunning. At high noon, some 100 children went on a treasure hunt. They were looking for as many of \$100 in coin they could find in a pile of straw.

In addition, some 47 persons played "beat-the-clock" as entrants in three running events. Races included 15 divisions in the one-mile, two-mile and one-half-mile categories.

Runners all received Farmers Bank T-shirts. Winners were given customized bank belt buckles. Pie-eating winners received Great Outdoors Show T-shirts.

Another insurmountable attraction was a 50-foot-high banana split. The only things attendees had to remember about this delightful contest was to bring their spoons, appetites and to be early for the first-come, first-served confection.

An all-day country store stocked

with items from the Caldwell County Homemaker's Clubs was another attraction. Proceeds from their sale were earmarked for a heart defibrillator for use by the local ambulance service.

The fun and games have escalated gradually since the first show three years ago.

"The Outdoor Show began as a way for boat, camper and four-wheel-drive dealers to display their vehicles at a central location," according to John Evans, a bank vice president. "However, because of the events, the 1979 show was the largest and most successful ever.

"The bank sponsors the event because it is both a business-builder and good public-relations gesture because it involves local business dealers and members of the community," Mr. Evans said.

He said that local merchants ran special sales on the day of the show and commented on the good customer turnout. ●●

Wells Elected President of Ill.-Mo. BMA Chapter

Fletcher E. Wells, senior vice president/cashier, St. Johns Bank, St. John, Mo., has been elected president of the Illinois-Missouri Bank Market-

ing Association Chapter for 1979-80. Also elected were First Vice President Marcy Massie, product development director, Madison Financial Corp., Nashville; Second Vice President Doris Whitten, public relations/marketing director, Community State, Salem, Ill.; Secretary Carl T. Martinson, advertising/promotion manager, Mercantile Bancorp., St. Louis; and Treasurer R. Ted Pepple, vice president, American National, St. Louis.



WELLS

Directors include Chairman Larry D. Bayliss, vice president, Boatmen's National, St. Louis; Pat Bartsokas, assistant vice president/marketing director, First National, Belleville, Ill.; Robert Bastilla, public relations director, First National, Highland, Ill.; Curtis L. Giles, vice president/marketing, St. Louis County Bank, Clayton; Ray Moliter, marketing director, Belleville (Ill.) National; and R. William Smith, president/CEO, Bank of House Springs, Mo.

Bank Regulation

(Continued from page 11)

important and conventionally used measures of economic progress in the United States are rates of increase in our per capita and national productivity. Frankly, filling out more forms and reports for Washington does add to a company's expenses and provides employment to clerks and others. But it does not add to what we conventionally view as increased production of goods and services. In fact, a good argument can be made that it does just the opposite.

I have observed an even more frightening development. The decision of able bankers to take early retirement because the regulatory red tape not only had tied their hands and frustrated them, but resulted in their recognizing their banks were inadvertently in violation of one or more compliance regulations. One CEO advised me that he had worked hard all of his



**Bank of the Southwest
can help you
be all the bank
you want to be.**

At Bank of the Southwest, our Correspondent Bankers can help you expand your services to your customers.

We can provide you with credit overlines, data processing, credit inquiries, and more. And we can provide these services accurately and quickly.

With help from Bank of the Southwest, you can be all the bank you and your customers want you to be.

Call Earl Lassere, vice president, (713) 751-6366.
Bank of the Southwest. 910 Travis, Houston. Member FDIC.

Yes.
Let us show you
a better way.

**Bank
of the
Southwest** 

life and was taking early retirement because he believed his bank unknowingly broke some complex banking or other federal regulation almost every day! He did not want to jeopardize the modest estate he had accumulated by continued exposure to regulations he did not understand.

For this community banker, the small push for multi-tiered regulation has come too late.

Certainly, a reduction in requirements that relieve community bankers of excessive paperwork is good and desirable. However, in one concept proposed, the multi-tiered approach still leaves larger banks with the existing regulatory can of worms, which is of dubious social or economic value. The political value of having a whipping boy in business should not be overlooked. Bankers can sympathize these days with oil companies, which are even more attractive targets than bankers.

The fact is that not only community bankers and money market bankers are overburdened with existing regulations, but that bank competitors are often relatively unregulated. To be specific, Merrill Lynch, Pierce, Fenner & Smith, Inc., the giant investment firm, has moved into areas of banking as have such diverse financial and nonfinancial organizations as General Motors, Sears and Penney's, not to mention credit unions, S&Ls, mutual savings banks and money market funds.

As financial intermediaries and nonfinancial intermediaries take on functions previously in the exclusive purview of commercial banks, regulations that limit banks from competing with nonbanks should be removed. Or they all should be brought under the same umbrella of ground rules. Hopefully, the common ground rules for all will be kept simple, equitable and understandable.

It is easier to suggest equality of regulation for banks and nonbanks than to achieve that goal. Most bankers and their competitors would agree with the concept, but disagree with its implementation.

However, it is important to keep on trying. As this is being written, the Fed has proposed still another change to Regulation Z. It is a step in the right direction. The change would establish a 1/8% error for disclosing annual percentage rates. If the disclosure varied 1/8% in either direction of the actual APR, it would be considered sufficiently accurate to comply with Regulation Z. It is interesting to note that the Fed proposed the change to cut the

inadvertent violations in Truth-in-Lending, which have been numerous.

This is a step in the right direction. But it is a small step on a long road.

Most regulations should have an automatic expiration date when they are enacted. To renew the regulation, regulators should be called on to prove the regulation produces more benefits than costs. I suspect that if this were to be applied, we would observe a significant decline in the application of unnecessary and often obsolete regulations and legislation.

Bankers must continue to voice to legislators, regulators, customers and media their concern with the exponential growth of bureaucratic red tape and its added costs. They also should express their pleasure and satisfaction when corrective steps are taken to cut red tape and regulations. ●●

Anderson Elected Chairman Of CUSIP Board of Trustees

WASHINGTON, D. C. — The Committee on Uniform Security Identification Procedures (CUSIP) board of trustees elected Albert M. Anderson Jr., president, Midwest Securities Trust Co., Chicago, chairman by unanimous vote.

The CUSIP board of trustees is a broadly based group of executives in the securities business charged with oversight of standards for securities processing in the U. S.

In addition to Mr. Anderson, the board elected Alan F. Rothmayer, senior vice president, American Security Bank, Washington, D. C., vice chairman, and Gerard F. Milano, associate director, ABA operations and automation division, board secretary. Each of the officers was elected for a one-year term.

In other business, the board agreed to accept oversight for Financial Industry Numbering System (FINS), used to ensure accuracy in securities transactions between dealers. CUSIP identifies securities issuers and issues in financial accounting systems.

Other CUSIP board members are Muir Atherton, Pacific Securities Depository, San Francisco; Robert T. Eckenrode, American Stock Exchange; Richard A. Edgar, New York Stock Exchange; William Jaenike, Depository Trust, New York City; C. Richard Justice, National Association of Securities Dealers; and Phillip LoBue, Pacific Stock Exchange.

Also, members include James E. Lodge, director, ABA operations and automation division; Ronald J.

McCauley, New England Securities Depository Trust; William G. Milburn, Mellon Bank, Pittsburgh; Joseph F. Morley, Securities Industry Association; John Petersen, Municipal Finance Officers Association; and Kenneth Rosenblum, Midwest Stock Exchange.

This year marks the 15th anniversary of the formation of the original CUSIP committee, which initiated automation of securities transactions. Messrs. Milburn and Rothmayer participated in the original CUSIP research and development.

Bankers' Theses Selected For Inclusion in Libraries

Five MID-CONTINENT BANKER-area bankers were among 19 who had their theses selected by the Stonier Graduate School of Banking at Rutgers University, New Brunswick, N. J., to be circulated in the permanent collections of three libraries.

A total of 292 theses/research projects were submitted by the 1979 class.

Among honored theses are "Corporate Marketing: A Review of the Concept and Actual Process" by James C. Armistead, First American National, Nashville; "Design Considerations for Customer Profitability Analysis" by Thomas H. Holcom Jr., First National, Kansas City; "A Basic Analysis of the Operation, Internal Control and Audit of Foreign Exchange Transactions in a Small Commercial Bank" by George J. Masa, FDIC, Chicago; "The Changing Role of the Compliance Examiner Within the Federal Deposit Insurance Corp." by Lawrence E. Morgan Jr., FDIC, Chicago; and "Some Effective Methods of Detering Check Swindles, Frauds and Confidence Games" by Richard S. Peterson, First National, Rockford, Ill.

The theses will be available beginning September 15 for loan to staffs of ABA-member banks, to former and present graduate school students and to other scholars who may borrow them through interlibrary loans from the ABA. The other libraries include those at Rutgers University and Harvard University Graduate School of Business Administration, Cambridge, Mass.

Students at the Stonier GSB are required to complete a thesis or research project for graduation. Since the school's founding in 1935, more than 1,000 theses have been recognized for library honors.



At last, a look at the unheard-of: an actual overline ad.

You may have noticed that not many banks exactly advertise the fact that they offer overlines to their correspondents.

But Continental Bank does. In fact, we're running this ad to make a bid for overlines—from our correspondent banks, and from a lot of other banks we'd like to have as correspondents.

We have a simple approach to each overline request we get: if our correspondent values a customer enough to lend its legal limit, we think its overline deserves some pretty serious consideration on our part.

At Continental Bank your credit requests don't go from committee to committee to committee. They go to your account manager—one officer who has the authority to say "yes" or "no" on most loans. So you get your decision fast—direct from the person who made it.

Call John Tingleff at 312/828-2191 with your request. If we can get together with you over an overline, Continental might just become more important to you overall, as a correspondent. And that's exactly what we're trying to do.

We'll find a way.



CONTINENTAL BANK

231 SOUTH LA SALLE STREET, CHICAGO, IL 60693

Continental Illinois National Bank and Trust Company of Chicago.

Bank Uses Kit in Effort To Attract New Business For Itself and Its Area

NORTHERN KENTUCKY, according to the state's Department of Commerce, will be one of the state's top growth areas during the next 25 years. Peoples Liberty Bank of Covington isn't just sitting around waiting for that prediction to come true. The bank has begun a comprehensive new-business-development program aimed at attracting new business to the area and new accounts to the bank.

Keystone of the program is a three-faceted presentation kit designed by K. D. Stearley Advertising of Louisville, a firm specializing in bank marketing and newcomer promotions. "The kit will help project our image as an area leader in community involvement," says Ralph Haile Jr., bank president, who also proudly points out that Peoples Liberty, with assets exceeding \$100 million, is the largest bank in northern Kentucky.

Peoples Liberty has helped spearhead Covington's business and community redevelopment effort. The city, located on the Ohio River across from Cincinnati, is the focal point of northern Kentucky's "Rhineland of America" theme. President Haile was one of the organizers of the Covington Urban Redevelopment Effort (CURE), which linked Peoples Liberty and other Covington financial institutions in a community-wide revitalization program.

The business-development kit includes seven "community-data inserts" featuring information on local tax rates, government, emergency numbers, schools, attractions, utilities, transportation and other community resources. A detailed map of the Main Strasse and Old Town redevelopment districts in Covington also is included, as well as a "business-opportunity brochure" directed toward potential investors.

The brochure discloses data on growth and impact of tourism revenues in Boone, Campbell and Kenton counties, as well as area demographics. New area developments are highlighted, and a portion is devoted to Peoples Liberty's services. A reply mail card encourages individuals or businesses to request further information.

The map in the kit pinpoints Peoples Liberty's seven northern Kentucky locations and industrial



Business-opportunities kit being offered by Peoples Liberty, Covington, Ky., provides demographic information on income, effective buying power and market trends. Zoning areas as well as actual and potential industrial sites in tri-county area are depicted graphically on bank's northern Kentucky map.

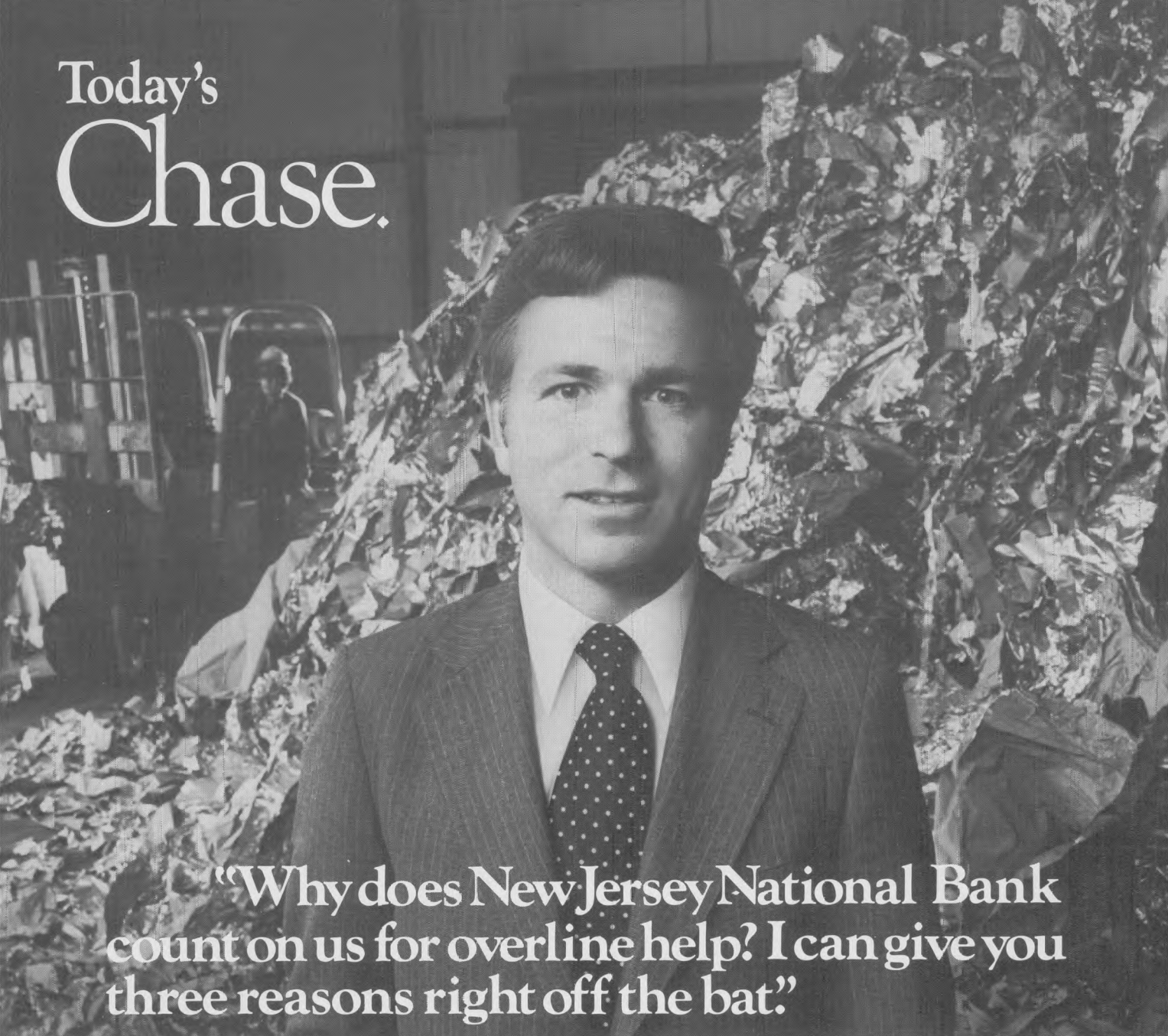


Lynn Moore finds Peoples Liberty's newcomer/business-opportunity kit helpful in conveying essential information on northern Kentucky area to prospective investors and future bank customers. She says, "It shows new customers we are aware of their needs for information on the area as well as on our banking services. It really opens the door for new business."

sites suitable for future development. The close-up map of Covington's redevelopment area highlights points of interest, ongoing projects and current zoning areas.

The kit is being advertised in the local press, the

Today's Chase.



“Why does New Jersey National Bank count on us for overline help? I can give you three reasons right off the bat.”

MEMBER FDIC © Chase Manhattan Bank, N.A. 1979

John J. Leahy, Vice President/Senior Relationship Manager, Correspondent Banking

For more than ten years, New Jersey National Bank in Trenton has counted on Chase to provide overline support in loans to its largest customers. The reasons for such a successful lending partnership are numerous. And Jack Leahy, Chase correspondent banking Relationship Manager for New Jersey National, is pleased to talk about some of them.

“I’d say that the first reason for our close working relationship with our neighbors at New Jersey National is our ability to respond quickly to their loan requests. When they give us all the details of a proposed loan participation, they know that we’ll most likely have an answer for them in just 48 hours. They’ve always appreciated this.

“But that’s not the only consideration. You see, one of New Jersey National’s largest customers, Yates Industries, uses scrap copper in the manufacturing of copper foil for electronic circuits. It’s a unique process, and Chase’s electronics industry technical specialist has been able to provide valuable input on the industry—knowledge that helps

us better understand Yates’ borrowing requirements. It’s that added expertise we can bring that builds even greater confidence in the overall relationship.

“New Jersey National’s ability to confidently support their customer is another reason. This confidence has been developed over many years based on mutual respect for the professionalism within each financial institution. As you can imagine, New Jersey National is very pleased with the continued strong support provided by Chase. And, if my correspondent banks are happy, so am I.”

Nobody responds faster

Do you need a fast, knowledgeable response on a loan participation? Contact your Chase correspondent banking Relationship Manager. He or she is ready to help you meet the borrowing needs of your customers.



CHASE

Midwest edition of the *Wall Street Journal*, *Cincinnati Magazine*, *Aufbau* (a German language newspaper) and banking/S&L trade magazines in Kentucky and Ohio.

In addition, the kit was introduced to realtors at a hospitality session held at the bank's main office. Each guest realtor received a copy of the kit and a quantity of special refer-a-cards, which can be used to direct inquiries to the bank.

Although the program had been in operation only two weeks as of this writing, Vice President George R. Archbold reports response already has been good, with some "rather large projects" being possibilities for the area.

President Haile explains the versatility of the new kit. "This marketing tool (with modification) will be used as a newcomer kit. It gives an inside track on a specific market."

K. D. Stearley, the kit's originator, says, "This is one of those rare programs in advertising that has both short-range and long-range benefits. First, it has immediate value in the bank's new marketing efforts. Secondly, once the program is underway, it is perpetual and can be updated regularly according to the bank's needs. It becomes a goodwill builder and selling tool for the bank as well as a real asset to the area's development groups." ●●

Davids, Skouby, Russell, Culp To Lead Directors' Seminar September 20 in St. Louis

ST. LOUIS — An intensive one-day seminar entitled "The Bank Directors' Conference" will be held at the Sheraton St. Louis Hotel September 20. The second annual conference will be sponsored by St. Louis University School of Business and Administration.

Workshops will be conducted on evaluating bank management, what to know about being a director, conflicts of interest and bank directors' liability and economics of banking in the '80s — impact of inflation. Charles E. Lord, senior adviser to the Comptroller of the Currency, will give the keynote address on the Financial Institutions Regulatory and Interest Rate Control Act (FIRA).

Seminar leaders include Lewis E. Davids, Ph.D., editor, *The Bank Board Letter*, professor of bank management at Southern Illinois University-Carbondale and a regular

columnist in *MID-CONTINENT BANKER*; J. Richard Skouby, secretary and general counsel, Mercantile Trust, St. Louis; F. Garland Russell Jr., St. Louis Fed senior vice president, and Joseph Culp, investment banker, A. G. Edwards Co., St. Louis.

Registration fee covers all conference materials, luncheon, refreshments and cocktails. An income-tax deduction is allowed for educational expenses. For more information on the conference, contact Jan Hill, St. Louis University, (314) 658-2334.

Two-Day Seminars Designed To Keep Bankers Up to Date With Changing Environment

MADISON, WIS. — The University of Wisconsin-Extension's Management Institute has developed a series of seminars designed to keep bankers aware of management techniques needed to keep up with the rapidly changing banking environment.

They include the following: "Selecting and Training Bank Employees," to be held September 27-28; "Tax, Estate and Financial Planning," October 8-9; "Planning Your Bank's Future," October 24-25 (explores independent banks vs. one-bank holding companies); "Law Update: New Pitfalls in Business Law," November 15-16; and "Employee Communications and Motivation for Bankers," December 6-7.

Program fees — which range from \$150 to \$250 per seminar — include notebook and all program materials, luncheons, scheduled dinner meeting and refreshment breaks.

For more information, write Management Institute, University of Wisconsin — Extension, 432 N. Lake St., Madison, WI 53706.

Two Chicago Banks Closed; Deposits, Other Liabilities Assumed by Third Bank

CHICAGO — Independence Bank has assumed deposit and other liabilities of two banks here — Guaranty Bank and Gateway National. The single offices of the latter two banks opened July 16 as facilities of Independence Bank and are operating in those locations until the assuming bank completes other plans to continue providing banking services at an appropriate location in the immediate neighborhood. All depositors of the two closed banks automatically became Independence Bank depositors and suffered no losses.

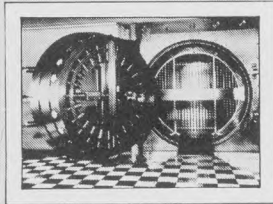
Independence Bank was established in 1964 and is one of the largest black-controlled commercial-banking enterprises in the country. The FDIC points out that Independence Bank, in putting forward its successful bid for the two closed banks, made it possible to continue banking services in the trade areas of the failed banks under minority ownership and control.

Guaranty Bank, opened in 1946, was closed July 14 by Illinois Bank Commissioner William C. Harris. Comptroller of the Currency John Heimann closed Gateway National on the same day. The FDIC was named receiver of both institutions. Subsequent purchase and assumption transactions with Independence Bank were made possible with the FDIC's assistance and avoided the necessity for a statutory payoff of the estimated 5,200 deposit accounts in Guaranty Bank and 7,300 deposit accounts in Gateway National and prevented financial losses and delays to owners of deposits exceeding the statutory insurance limit (generally \$40,000). Necessary approvals for purchase and assumption transactions were received from Illinois, the Fed and FDIC.

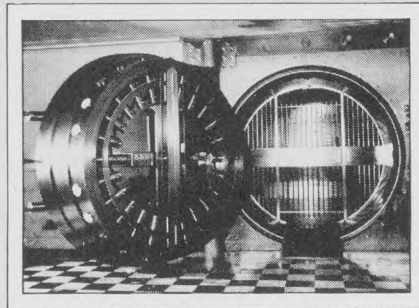
NACHA Elects Officers

WASHINGTON, D. C. — John J. Houseman, senior vice president, Irving Trust, New York City, was elected president of the National Automated Clearinghouse Association (NACHA) at its recent board meeting. He moved up from NACHA vice president and remains on the executive committee.

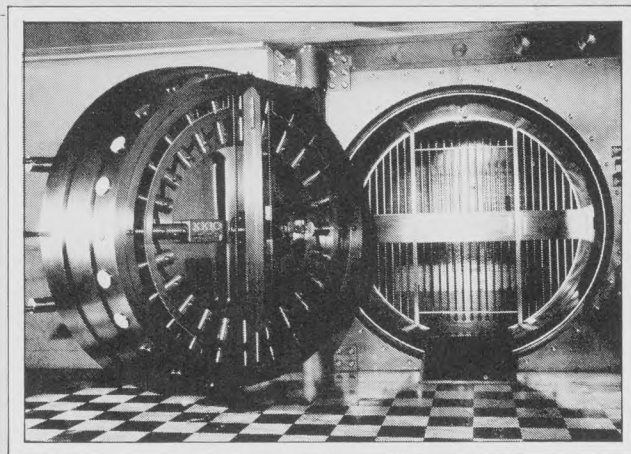
Other new NACHA officers are: vice president, Alastair Carlyle, senior vice president, Manufacturers National, Detroit; and secretary/treasurer (reelected), Charles H. Chappas. He is associate director for NACHA support at the ABA here and also is on NACHA's executive committee. Mr. Carlyle is on NACHA's board and also was named to its executive committee.



BANKS COME IN



ALL SIZES...



**...and you'll find detailed
information about every single one
in the North American
and International Editions of
Polk's World Bank Directory**



R·L·POLK & CO.
publishers

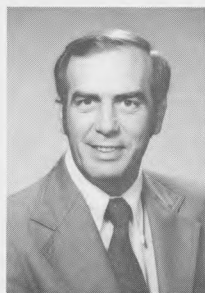
P. O. Box 1340, Nashville, Tennessee 37202
Telephone 615/889-3350 Cable Address ENCYCOBANK

NEWS

From the Mid-Continent Area

Alabama

■ **FRANK J. ANDRADE**, First National, Mobile, has been promoted to vice president from assistant vice president, correspondent banking, where he has been assigned since 1972. He joined the bank in 1964.



ANDRADE

■ **ALABAMA BANCORP.**, Birmingham, has promoted four officers to senior vice presidents: W. Scott Bowling Jr. served as vice president and chief accounting officer since 1977. Prior to joining the HC in 1975 he was employed by First National, Louisville, and Arthur Andersen & Co., New Orleans. Maria B. Campbell joined Alabama Bancorp. as secretary and counsel in 1973. Miss Campbell clerked with the U. S. Circuit Court of

Appeals in Miami and practiced law for three years with a Birmingham law firm. She is a member of the Alabama, Georgia and Florida Bar associations. Fred W. Sellers has served as vice president and head of administration since 1976. Prior to joining the HC in 1973, he was employed by Ernst & Whinney, Winston-Salem, N. C., and by Citibanc Group, Inc., Alexander City, as comptroller. William E. Thompson joined the HC as general auditor in 1974. He is a chartered bank auditor and certified internal auditor. Prior to joining the HC, he was assistant vice president and regional audit manager, North Carolina National, Greensboro.

■ **FIRST NATIONAL**, Birmingham, has announced promotions to vice presidents of Thomas M. McCulley, manager of marketing communications, and Ernest R. Stewart, Trussville Branch manager. Thomas A. Broughton III, commercial loan officer, main office; Hubert F. Atkinson, trust investment officer, and John M. Gaffney, national accounts officer, have all been promoted to assistant vice presidents. Dorothy S. Farmer, assistant trust officer, has been promoted to trust officer in the trust tax section.

■ **TAYLOR HARDIN** will join Central Bank, Montgomery, as vice president on his retirement as commissioner of mental health. He will have statewide responsibility for coordinating industrial-development activity for all member banks in the system. General Hardin retired from the National Guard with the rank of major general. His career has been oriented toward legal, fiscal and administrative activities with major emphasis on fiscal and administrative functions, including extensive intra-governmental action with the legislative branch.

■ **WAYNE MALONE**, president, First National, Russellville, received two honors at the annual meeting of the Alabama chapter, Leukemia Society of America, Inc. He was nominated to the society's board and was awarded the volunteer-of-the-year award for his performance as chapter vice president.

Arkansas

■ **STATE FIRST NATIONAL**, Texarkana, has announced that E. Bruce Malcolm and Jerry W. Turney have been promoted to vice presidents. Mr. Malcolm is head of the investment department. Prior to joining

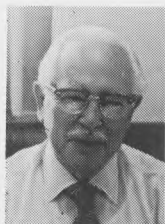
Got people or job problems?

The Midwest, Southwest and Rocky Mountain areas are dynamic growth areas. The personnel needs for this region's banks are vast.

Financial Placements has earned the trust and confidence of hundreds of banks and bankers throughout the area. We can help you find the right person for that important bank position.

Put us to work for you. Call or write today for our fee schedule and guarantee.

In our twelfth year of serving the region's bank personnel needs.



Tom Cannon

FINANCIAL PLACEMENTS

A division of Bank News

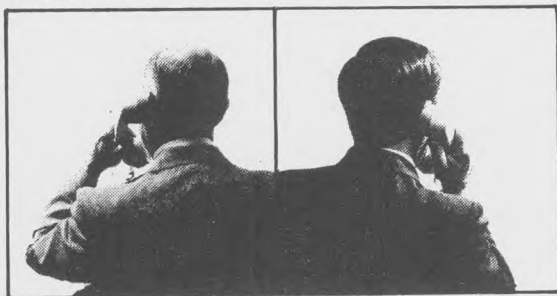
912 Baltimore Avenue, Kansas City, Missouri 64105 / 816-421-7941



Tom Chenoweth

If it can't be done phone-to-phone, we'll be there face-to-face.

No matter how much distance there is between you and our correspondent bankers, we promise you this: We're going to be more than a voice on the other end of the phone.



One phone call to Jim (left) or Jack (right) will get you started.

Jim Andress and Jack Andrade will see to that. They work hard to make sure each of our correspondents get the personalized service they've come to expect from us over the years.

And the professional service, too. In data processing, operations, marketing, international banking and investment securities. Even services in such specialized areas as land management, geology, forestry and oil exploration.

It's all covered in a free brochure we'd like to send you. Just call toll free. In Alabama (800) 672-6709 and in the Southeast (800) 633-6710.

One phone call to First National will get you started. And, whenever you're ready, it will get you Jim or Jack face-to-face.



First National Bank of Mobile

P.O. Drawer 1467, Mobile, Alabama 36621. A First Bancgroup-Alabama, Inc., Affiliate Member FDIC.



the bank in 1973, he was employed by North Dallas Bank and more recently was director, small business development, for the Texarkana Chamber of Commerce. Mr. Turney assumed his present capacity as manager, North State Line Branch, in January. He joined the bank in 1961. John L. Dalby and Elizabeth Greisser have been made assistant cashiers. Mr. Dalby serves in the operations division as manager of the Max-24 department; Elizabeth Greisser is manager of the credit department.

■ **TWIN CITY BANK**, North Little Rock, has promoted four employees. Sandra Rogers has been made operations officer. She joined the bank in 1979 and has worked in the operations area continuously. Susan Butcher is now a marketing officer, deposit administration department. Miss Butcher joined the bank in 1978 after serving First National, Little Rock, in operations. Gerry Sullivan, Rose City Office, and Howard Chapin, Lake-wood Office, have been promoted to branch officers.

■ **RANDY OATES** has joined Union National, Little Rock, as vice president/manager, marketing division. Prior to joining Union National, he was manager of retail marketing, Worthen Bank, Little Rock.



OATES

Illinois

■ **CONTINENTAL BANK**, Chicago, has announced that Fidel L. Lopez has joined the bank to work on issues centering around neighborhood redevelopment. He was formerly executive director of REHAB: The Housing Resource Center, Chicago, which assists with neighborhood rehabilitation. Mr. Lopez is a certified architect and is currently a Rockefeller Fellow in finance and management in the University of Chicago's MBA program. James M. O'Keane, vice president, has been appointed to head a new section in the oil and gas lending division. Previously, Mr. O'Keane was assigned to European headquarters, London.

Banker's Son a Winner

MORRISONVILLE — First State's president and owner, Dean Pratt, is proud of his 17-year-old son Ray. Ray, a junior at Morrisonville High School, recently high jumped 6'9" at the Area Best Meet in Decatur and again at the All Comers Meet in Springfield.

Ray is listed in "Who's Who Among American High School Students." He works in the bank during summer vacation and plans to attend college and major in accounting and banking.

■ **PAUL A. CELLA** has joined National Boulevard, Chicago, as assistant vice president. Prior to joining the bank, Mr. Cella served as loan officer, corporate banking department, First National, Chicago.

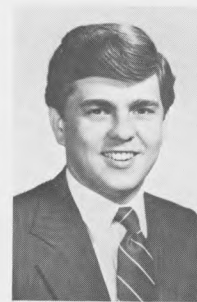
■ **NORTHERN TRUST**, Chicago, has promoted Harry C. Francis, bond department/foreign exchange division, to vice president. John P. Sakowski, New York office, has been promoted to second vice president. In the trust department, Victor S. Nelson and Dennis Sadilek were promoted to vice presidents.

■ **JOHN L. GREGG** assumed the presidency at Community Bank, Galesburg, on retirement of Richard Schwarzwald, bank president since 1974. Mr. Gregg has been with First State, Round Lake, for the past eight years as vice president and loan manager.

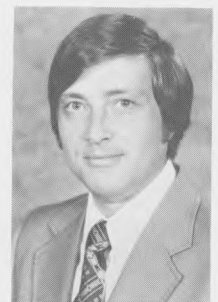
■ **CHICAGO CITY BANK** has named six for promotions. Thomas W.

Brinnehl has been promoted from assistant cashier to assistant vice president, operations; Daniel G. Carroll, bank counsel, has been made assistant vice president/legal department; Sandra Gascoyne will serve as secretary to the board; Arthur J. Pedgrift has been promoted from trust officer to assistant vice president and trust officer; James D. Thompson has been promoted from commercial loan officer to assistant vice president, and Elberta Smith, supervisor, savings area, has been made assistant cashier, operations department.

■ **CHARLES R. ASHER** has joined Diebold, Inc., Canton, O., as a sales representative. Mr. Asher will work out of Peoria and will be responsible for accounts in that area.



CARPENTER



ASHER

■ **JOHN A. CARPENTER** has joined the Association for Modern Banking in Illinois (AMBI) as manager, AMBI membership services department. This new staff position includes working to develop programs, counseling members on legislative/government action and providing a field liaison to the membership.

■ **JACK L. SUTHERLAND**, formerly executive vice president, Mercantile Bank, Kansas City, has been named president, United Bank of Illinois, Rockford. Mr. Sutherland is replacing Norbert E. Schwarz, who resigned recently to open a local financial consulting firm. Mr. Sutherland also previously worked for Commerce Bank, Kansas City, and the state of Missouri.



SUTHERLAND

Bank Honors Customer



At the age of 95 years, Minor Evans Botts, Evanston, is the oldest living trust customer of Harris Bank, Chicago. Helping him celebrate are Cornelia L. Brooks (c.), v.p., personal trust development division, and Sally J. Foster, trust rep.

Indiana

■ JACK E. KESSELRING has been appointed sales engineer by LeFebure, Cedar Rapids, Ia. Mr. Kesseling will operate out of the Indianapolis branch and will be concentrating on a 20-county area in northeastern Indiana and northwestern Ohio, including the markets of Fort Wayne, Marion and Lima, O.



KESSELRING

■ RUSSELL R. WELTY recently joined Doane Agricultural Service, Inc., St. Louis, as a farm manager/consultant in Doane's Dayton, O., office. Mr. Welty's initial responsibilities will include managing some 13 grain and livestock farms consisting of 3,000 acres in Ohio and eastern Indiana. Prior to joining Doane, Mr. Welty was employed by the Royster Co. as manager of sales/promotion, Crestline plant.

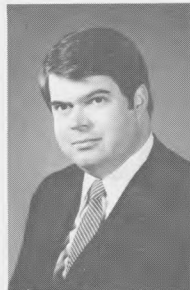
■ BETTY L. McHENRY was appointed assistant vice president, credit department, St. Joseph Valley Bank, Elkhart. Mrs. McHenry will have overall responsibility for operation of the credit department.

■ FIRST BANK, South Bend, has appointed John F. Fox vice president and trust officer, head of personal trust and probate administration. With 18 years of experience, Mr. Fox comes from Maryland National, Baltimore, where he was vice president, trust and probate area. Peggy B. Carberry and James M. Grenert have been elected assistant vice presidents at First Bank. Mrs. Carberry will be director of public relations, and Mr. Grenert will be

assistant manager, installment loan department.

■ JACK K. MATTHYS has been appointed senior vice president and director, commercial loan department, St. Joseph Bank, South Bend.

Kansas



MOFFETT

■ JAMES L. MOFFETT has been elected vice president/trust investment officer, Commercial National, Kansas City. He will be responsible for management of the division's investment portfolio. Mr. Moffett has more than 18 years' investment-banking experience in a variety of trust and investment-management positions for several metropolitan-area banks. Prior to joining Commercial National, he

New RMA Group Formed

The Central Kansas Group of Robert Morris Associates (RMA) — the national association of bank loan and credit officers — was formed this summer. Operating under RMA's Missouri Valley Chapter, the subchapter's primary purpose will be to provide RMA members in the Wichita area with local programs that will contribute to their professional development.

An official election of officers and directors will be held in October. Until then, P. R. Mullen, senior vice president, Central State, Wichita, and Marilyn B. Pauly, assistant vice president, Fourth National, Wichita, will serve as acting chairman and acting secretary, respectively.

operated his own investment counsel firm.

■ JORDAN HAINES, president, Fourth National, Wichita, has been elected chairman of the Kansas board of regents to serve until June 30, 1980. Mr. Haines was first appointed to the board in 1977 and his current term ends in 1981. The board of regents is responsible for the state's six public universities with approximately a \$464-million annual budget.

■ FIRST NATIONAL, Wichita, has promoted the following: Al L. Williams, from assistant manager/personal loan department to assistant vice president/personal loans; Pat Stevenson from personal loan officer to assistant vice president; and Gail Johnson to commercial loan officer.

■ EDWIN T. COONS has joined First National, Hutchinson, as assistant vice president/trust investment officer in the trust department. He entered banking in 1972 at Fourth National, Wichita, as assistant vice president/trust investment department. Before that, he was a stockbroker.

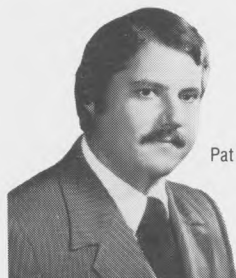
■ KANSAS STATE, Wichita, has elected Ronald L. Goin, data process-

Kansas Banker Killed

PEABODY — Grant E. Avery, 24, chief teller/bookkeeper at Peabody State, was murdered in August after he was abducted from his home during an extortion attempt.

His father, Wilbur E. Avery, the bank's president, was summoned to his son's home and told an armed man (who hid behind a door and demanded money) that a time-lock system on the bank's vault would prevent him from getting money until the next day. The father was told to leave.

Authorities located the younger Mr. Avery's body two miles north of town along railroad tracks and found his automobile in Wichita. They have since arrested two youths — one a juvenile — for the crime.



Pat Baldwin

We make portfolio management easier for you!



**COMMERCIAL
NATIONAL
BANK**

6th and Minnesota Ave. • Kansas City, Kansas 66101 • Member F.D.I.C.

Max Dickerson



ing, an assistant vice president and promoted the following assistant cashiers to assistant vice presidents: Randall L. Kopsa, business development; W. Randall Summers, Gregory K. Wilson and Richard C. Schopf, loans; Robert J. Karst, data processing; and Michel Straub, accounting. In addition, Jane Bulman has joined the bank as auditor. Prior to joining the bank, she was an auditor at Coleman Co. and accountant at Cessna Aircraft.

■ **RONALD R. LANG** has joined First National, Chanute, as assistant vice president/loan officer. Before joining the bank, he was manager of a consumer finance office in Chanute.

■ **STEVEN J. KELLY** has joined Security State, Great Bend, as an assistant cashier/consumer loan department. Prior to joining the bank, he was assistant bank credit-card manager for Commerce Bank, Topeka, where he had been employed since 1974.

Died: E. W. Oakes, 80, chairman, State Exchange Bank, Yates Center, and director, First National, Wichita, on August 13. Following graduation from Washburn University, Topeka, Mr. Oakes worked at the old National City Bank, New York City, then went to Wichita in 1922 to work at First National, where he remained until retiring in 1970.

Kentucky

■ **DAVID D. YORK** has joined Paducah Bank as vice president. Previously, he was employed in the correspondent bank division, First National, Louisville.



YORK

■ **FIRST NATIONAL**, Louisville, has named both Walter R. Byrne Jr. and Duane D. Rowe vice presidents. They had been senior regional banking officer and research manager, respectively. Also, Dennis R. Hendrix, president/CEO, Texas Gas Transmission Corp., Owensboro, has been appointed to the board of First Kentucky National Corp. and its primary sub-

sidiaries, First National and First Kentucky Trust, also of Louisville.

■ **SECOND NATIONAL**, Lexington, has opened a temporary branch on the site of the future Harrodsburg Road Branch at the corner of Pasadena Drive. It is the bank's ninth location in the Lexington area. William D. Marcum, present manager of the bank's Gardenside Branch, will manage the new facility.

■ **PIKEVILLE NATIONAL** has purchased a block of property that contains the old Pikeville High School building, now being used by the Kentucky Business College. The property was acquired for the bank's future expansion. However, no definite plans for the property have been made.

Louisiana

■ **FIRST NATIONAL BANK OF COMMERCE**, New Orleans, has promoted Nancy C. Robichaux to accounting officer; appointed Eugene O. Jenkins Jr., as assistant vice president/manager, Harrison Avenue Office, and Fred M. Lay as assistant vice president/manager, Gentilly Woods Office. Also, Robert A. Maczewski has joined the bank as accounting officer. Miss Robichaux joined the bank in 1978 as an accountant. Mr. Jenkins went to the bank in 1969 as a merchant service representative in the Bank-Americard department. Mr. Lay joined the bank in June after serving as branch manager of a Jefferson Parish bank for the past seven years. Prior to joining the bank, Mr. Maczewski was senior analyst-costs and standards at another New Orleans bank.

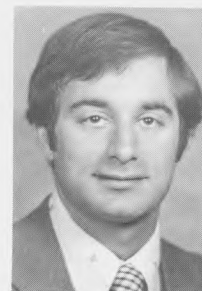
■ **BANK OF NEW ORLEANS** has named Thomas Bellinger senior executive vice president. Prior to joining the bank, Mr. Bellinger was senior vice president/chairman of credit policy committee, American Security Bank, Washington, D. C. He will be responsible for BNO's commercial loan and real estate divisions and international department. Also, John Hampden Lewis has been named executive vice president of the bank, where he is manager of the supervised loans department. He joined the bank in 1975.

Mississippi

■ **HANCOCK BANK**, Gulfport, has announced promotions of five bank officers and elections of five new officers.

Those promoted are: Connie L. Spiers, from assistant vice president to vice president; Daniel L. Edwards and Nancy Wood Morse have been promoted to assistant vice presidents and trust officers; Virgil T. Johnson has been made assistant vice president; and Richard P. Moran, branch officer. New officers elected are: Mark P. Hathcock, assistant branch officer; Charlene Roberts Henry, assistant loan officer; T. G. (Ernest) Landrum Sr., business development officer; Arthur H. Parker, assistant operations officer, and Wanda Hicks Stout, assistant loan officer.

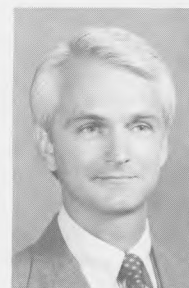
■ **DEPOSIT GUARANTY NATIONAL**, Jackson, has announced promotion of E. Anthony Thomas from assistant vice president to vice president, national department. Mr. Thomas joined the bank in 1971. Edward A. Wilmesherr has been promoted to assistant general counsel in the legal department where he has served since 1973.



THOMAS

Missouri

■ **BOATMEN'S NATIONAL**, St. Louis, has announced the election of Stephen N. Lawrence to senior vice president, retail banking division. Prior to joining Boatmen's, Mr. Lawrence was with Central National, Richmond, Va., where he served as senior vice president, retail banking group. Mary E. Barrows has been elected vice president, commercial banking division, specializing in corporate banking services. Mrs. Barrows



LAWRENCE



BARROWS

was with Manufacturers Hanover, New York City, where she was most recently supervising officer, cash management division.

LASATER



■ DONALD E. LASATER, chairman and chief executive officer, Mercantile Bancorp., St. Louis, was elected president of Civic Progress, succeeding R. Hal Dean, chairman and chief executive officer, Ralston Purina Co. Active members of Civic Progress are drawn from the ranks of CEOs of large companies with headquarters in the St. Louis area.



DOWLING

LEE

GOLDSTEIN

■ MERCANTILE TRUST, St. Louis, has elected Paul T. Dowling, chairman and chief executive officer of Nooter Corp., St. Louis, to its board. Jerry Goldstein has been elected senior vice president, Mercantile Bancorp., and John H. Lee has been elected senior vice president, Mercantile Trust. Mr. Goldstein joined Mercantile Trust as vice president, financial services division, banking department, in 1975. His new assignment with Mercantile Bancorp. will include long-range and new-product planning. Mr. Lee has been a member of Mercantile Trust's data processing staff since 1960. He currently is responsible for management of all data processing activities. Wayne L. Smith II has been promoted from assistant vice president to vice president, Mercantile Trust, and Ronald P. Lo has been elected a Mercantile Trust vice president, Far East division, international banking department. James R. Davis, trust department, and Mitchell Bernstein,

formerly a banking officer, have been promoted to assistant vice presidents.

■ MERCANTILE BANCORP., St. Louis, announced it has reached agreement to sell receivables of its wholly owned subsidiary, Franklin Finance Co., headquartered in Clayton, to Associates Financial Services Co., Inc., Dallas. Franklin was acquired in 1974. It is anticipated that the transaction will be completed within 60 days.



CAMPBELL

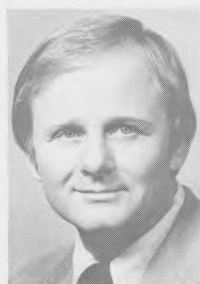


ROWE

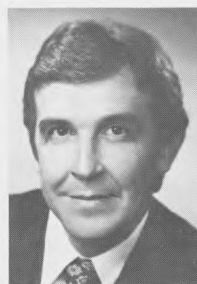
■ EDWARD L. CAMPBELL, assistant vice president, First National, St. Louis, has joined its correspondent banking division and calls primarily on northern Missouri banks, with assistance from Assistant Vice President Quinn Fox. Mr. Fox's primary responsibilities are with southern Missouri banks. Mr. Campbell previously was sales manager for First National's data processing area and called on correspondent banks.

■ JOHN W. ROWE, vice president, First National and First Union Bancorp., St. Louis, has been selected to take part in the St. Louis Leadership Program (1979-80), sponsored by the Danforth Foundation. He was one of 47 individuals chosen from about 200 nominees. The program's goal is to develop a network of community leaders who can call on one another to help solve problems and promote positive change in the St. Louis region.

■ CHARLES A. GARNEY has been elected to the board of United Mis-



GARNEY



FRASIER

souri Bancshares, Inc., Kansas City. Mr. Garney is owner and president, Garney Companies, Inc., which is primarily a heavy construction company based in Kansas City.

■ KENNETH L. FRASIER has joined Bank Building Corp., St. Louis, as a consultant services manager, central division. He will be responsible for representing the corporation in metropolitan St. Louis and portions of Missouri. Mr. Frasier was a marketing vice president, Information System Development and NLT Computer Services, both of Kansas City.

■ FIRST MIDWEST BANCORP., Inc., St. Joseph, has announced Benton O'Neal, executive vice president, will be working closely with senior management in formulation and implementation of policy. His primary responsibility will be in business development efforts. Mr. O'Neal also remains senior vice president, First National, the HC's lead bank. Edward J. Boos, vice president, First National, will take over responsibility and supervision of the agricultural/correspondent department, in which he has worked since joining the bank in 1973.



O'NEAL

BOOS

■ ST. LOUIS COUNTY BANK, Clayton, has announced three additions to the staff. Richard E. Drummond has been named vice president and trust officer and will have responsibility for managing new business development activities of the trust department. Mr. Drummond had been vice president, Mercantile National, Dallas. Anne L. Gagen, new assistant vice president, has joined the commercial real estate loan department. Miss Gagen formerly was assistant vice president, Commerce Bank, St. Louis. Robert E. Foppe was made trust operations officer and will have

overall responsibility for trust department operations. Mr. Foppe had been trust operations officer, First National, Waukesha, Wis.

■ LEE W. McNORTON has joined Florissant bank as vice president with responsibility for marketing and operations. He formerly was president, Boatmen's National of North St. Louis County in the Florissant area.

■ LEO C. RICE has joined Commerce-Manchester Bank, St. Louis, as vice president, international division. Mr. Rice formerly was with First National in St. Louis's international division.

RICE



■ RUSSELL A. CARTER JR. has been named district installation manager, Diebold, Inc., Canton, O. Mr. Carter's new duties include directing installation activities in the St. Louis district. He joined Diebold in 1969.

New Mexico

■ FIRST NATIONAL, Santa Fe, has promoted Dora Archuleta, branch manager, Cerillos Road Office, to vice president. Joann Montoya, branch manager, Alameda Office, has been transferred to the Main Office and promoted to assistant vice president.

Joplin to Join Albuquerque Nat'l

Charles A. Joplin, former president, New Mexico Bankers Association, will join Albuquerque Nat'l October 1 as head of its correspondent banking division. Most recently, he was president, Security Nat'l, Roswell, which he joined in 1973. He entered banking in 1955 at First Nat'l, Lubbock, Tex. In 1957, he joined Republic Nat'l, Dallas, and attended law school at night. A year after graduating, he returned to Lubbock as v.p., Citizens Nat'l. He worked for two other banks before joining Security Nat'l, Roswell. He was NMBA president, 1977-78.



Scholarship Winner

ROSWELL — Greg Madsen has become the first recipient of the Steve Lusk Memorial Scholarship to Eastern New Mexico University-Roswell. The fund was set up by James K. Lusk, president, Roswell State, and Mrs. Lusk as a memorial to their son, who was the victim of a fall last year at Bottomless Lakes State Park. Mr. Madsen is a graduate of Roswell High School.

■ C. A. ROHNE has been promoted to senior vice president, Western Bank, Truth or Consequences, and has assumed the additional duties of cashier following the resignation of Joe Sherman, who is going into church work. Mr. Rohne was named vice president and senior trust officer in 1976.

■ ROY E. HUDDLE JR., executive vice president, First National, Espanola, has been appointed New Mexico state director for Bank Administration Institute (BAI). Mr. Huddle will coordinate membership activities, serve as liaison officer between local chapters of BAI and the national board and represent bankers from New Mexico at the national convention during his two-year term.

HUDDLE



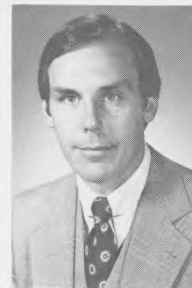
■ CLINT STONE, assistant vice president, Union National, Chandler, has been promoted to vice president/marketing and commercial loan officer.

■ LARRY T. HUGHES, executive vice president, Security Bank, Ponca City, has been elected bank president. He has been with the bank since 1963. Chairman Larry E. Stephenson will continue as CEO, and Mr. Hughes will serve as chief operating officer.

■ BENNIE HAWKINS, assistant cashier, First National, Broken Arrow, has retired after 23 years of service. She joined the bank in 1956 as a teller/transit clerk. In 1966, she was promoted to assistant cashier.

■ FIRST NATIONAL, Bartlesville, has named Ronald E. Swigart senior vice president and Allen K. Morgan vice president. Mr. Swigart joined the bank in 1969 and had been vice president, data processing department, since 1976. Mr. Morgan joined the bank in 1973 and had been an assistant vice president since 1976.

KENNEBECK



■ BANK OF OKLAHOMA, Tulsa, has promoted Alan W. Kennebeck to vice president/manager, trust operations. Mr. Kennebeck went to the bank in June from Boatmen's National,

Oklahoma

■ FIDELITY BANK, Oklahoma City, promoted four employees in its computer services division, which provides complete data processing services to more than 90 banks throughout the state. Elected assistant vice presidents were Adrian Pollard, director, computer operations department, and Robert Love, director, systems development department. Mr. Love recently joined the bank from National Sharedata Corp., Oklahoma City. Ken Pierce was elected systems officer/director, technical support department, and Jerry Baker was elected assistant cashier/manager, automated services unit.

New Bank Commissioner

Robert Y. Empie, pres. of United Oklahoma Bank (formerly Stockyards Bank), Oklahoma City, is scheduled to become state banking commissioner this month. Governor George Nigh appointed him to the post last month to succeed Harry Leonard, who resigned last November to become pres./CEO, First National, Muskogee. Deputy Bank Commissioner Don Van Horn has informed the governor he wants to leave the department on appointment of a new commissioner. Mr. Empie, former pres., Oklahoma Bankers Association, became pres. of his bank in 1963. He also is a lawyer.



St. Louis. New assistant vice presidents are: Robert L. Lavender, regional lending; Mike Templeton, corporate services; Richard W. Weyand, commercial real estate loans; George T. Spencer, bank card services for medical practices, and John N. Lewis, manager, compensation/benefits.

BENEDICT



■ **ANDREW BENEDICT**, chairman, First Amtenn Corp. and First American National, Nashville, has retired effective August 1. However, both boards retained his services on a contractual basis. Although he will not have formal management responsibilities, he was designated chairman and will continue to preside over meetings of both boards and will continue to maintain offices at the bank. He entered banking as a runner in 1935 at American National (now First American National), Nashville. He was elected assistant vice president in 1942, vice president in 1946, executive vice president in 1951, president in 1960 and chairman in 1969. He is immediate past president, Tennessee Bankers Association, which he now serves as chairman.

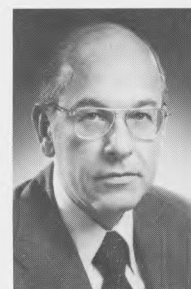
Texas

■ **BANK OF THE SOUTHWEST**, Houston, has named Ben B. McAndrew, senior vice president, manager of corporate banking. He will continue as manager of the metropolitan department, which — with the national department — makes up corporate banking. Vice President Berry L. Allen will be manager of the national department. Prior to joining Bank of the Southwest a year ago, Mr. McAndrew was assistant vice president/commercial lending, Morgan Guaranty Trust, New York City, and vice president of another major Houston bank. Also, Murray E. Brasseux was named vice president, energy division. Elected assistant vice presidents were Gilbert Hicks IV, metropolitan;

Ray F. Kansteiner, custody; and Rick L. Reynolds, executive banking.

■ **FROST NATIONAL**, San Antonio, has promoted Howell D. Boyd to senior vice president/marketing department. He joined the bank as head of marketing in 1974. Also, Sally A. Wilson was promoted to assistant vice president, national and metropolitan accounts.

■ **FORT WORTH NATIONAL** has promoted Roy McDermott, who is advertising department manager, to vice president. He joined the bank in 1951. Also, Irvin S. Farman, vice president/director of public relations, has been elected chairman of the Fort Worth Library advisory board. J. Don Williamson, president, Williamson-Dickie Manufacturing Co., Fort Worth, has been elected a bank director.



McDERMOTT



FARMAN

■ **STEPHEN V. RUSSELL** has been promoted to vice president/director of investor relations at Republic of Texas Corp., Dallas, HC of Republic National, Dallas. The bank has promoted the following to vice presidents: Jean-Paul Samuel, international department/London branch, and Sidney J. Adams, trust officer. Promoted to assistant vice presidents were Basil R. Bigbie, correspondent banking department; Pauline M. King, personnel division; H. Clinton Roberts Jr., real estate department; and James W. Parmley, time credit division.

■ **VIRGIL PRATHER** has joined Prestonwood National, Dallas, as assistant cashier. Previously, he was with a bank in east Dallas.

■ **JOHN BROWN** has been elected installment loan collections officer, First City National, El Paso. Mr. Brown joined the bank in 1977 as a collector, credit card department, and was promoted to collections manager in 1978.



SWANSON

TOWNSEND

BUSH

■ **FIRST NATIONAL**, Oklahoma City, has named James L. Bush, special industries group (comprised of the energy and agriculture departments), and Kenneth W. Townsend, investment division, executive vice presidents. Elected senior vice president was Larry M. Swanson, industrial group. New vice presidents are Terry Aimone, energy division; John Brown, trust officer; Dave Christofferson, energy division; Bill Davis, trust officer/trust real estate department; Ralph Dean, First Arcade Bank; Rick Dunn, credit department; Jerry Hudson, regional lending; Bob Langley, trust officer/business development and trust; Ron Moreland, real estate; Richard Pralle, correspondent banks; Barry Sobral, financial division; and Fred Youree, discount department. Also, H. E. Boecking Jr., president, Boecking Machinery Inc., has been named an advisory director.

Tennessee

■ **THIRD NATIONAL**, Nashville, has promoted the following: Wirt C. McKnight to first vice president/head of trust division; Alden H. Smith Jr., to senior vice president and chairman of trust administration committee; and Charles E. Winger to senior vice president/investment management head. Previously, all were vice presidents. They will assume their new responsibilities October 1 on retirement of John O. Ellis, bank executive vice president/head of trust division.



BOYD



McANDREW



Fed Answers Regs Questions

Randall C. Sumner, examiner in St. Louis Fed's consumer affairs dept., answers common questions about federal regulations that affect most banks. Information given here reflects Mr. Sumner's opinions, not necessarily those of the St. Louis Fed or the Board of Governors.

Q. What is the effect of recent amendments to Regulation Q on member-bank repurchase agreements?

A. Effective August 1, 1979, Regulation Q was amended to subject member-bank repurchase agreements of U. S. government and agency securities of less than \$100,000 issued for terms of 90 days or more to the deposit interest-rate ceilings of Regulation Q. Repurchase agreements issued in amounts of less than \$100,000 for terms of less than 90 days continue to be exempt from the interest-rate ceiling, although such agreements may not be automatically extended or renewed. Also, note the regulation contains a three-year phase-out program whereby member banks may continue to issue repurchase agreements, otherwise subject to Regulation Q interest-rate ceilings, so long as the total amount outstanding does not exceed the amount outstanding on August 1, 1979.

Q. What changes have the August 1st amendments made in the penalty for early withdrawal of a time deposit?

A. Regulation Q now requires the waiver of penalties for early withdrawal of

a time deposit in the event of a depositor's death. In addition, member banks now are required to waive the penalty where the depositor has been declared mentally incompetent. Both waiver provisions will apply to all outstanding time deposits as well as to deposits issued after the effective date.

Q. May the penalty for early withdrawal of a time deposit effective July 1, 1979, be applied to time deposits issued prior to that date?

A. Yes. Member banks, with the consent of their depositors, may apply the new early-withdrawal penalty to time deposits issued before July 1, 1979, even where those time deposits are not extended or renewed on or after July 1, 1979. As amended, the new minimum-required early-withdrawal penalty is a forfeiture of three months' interest on the amount withdrawn where the time deposit has an original maturity of one year or less and a forfeiture of six months' interest on the amount withdrawn where the time deposit has an original maturity of more than one year. No reduction of interest to the savings rate is required.

Howard Neon & Plastic Displays	BG/31
Illinois Bank Building Corp.	BG/17
Independent Bankers Association of America	BG/3
McDonald Mobile Leasing, Inc.	BG/40
PM Industries	BG/28
Penny Glass Works	BG/35
Possum Trot Corp.	BG/44
RP Financial Marketing, Inc.	BG/11
Redwood House	BG/6, BG/28
Salem China Co.	BG/4
Sormani Calenders	BG/13
Time-O-Matic, Inc.	BG/33
Travelers Express	BG/26
United Business Equipment Corp.	BG/16

Index to Advertisers

Aetna Business Credit	12
American Bank Directory	56
American Express Co. (Money Order Div.)	109
Arrow Business Services, Inc.	17
Bank Marketing Association	110
Bank of Oklahoma, Tulsa	25
Bank of the Southwest, Houston	139
Belmont Plastics	54
Boatmen's National Bank, St. Louis	155
Chase Manhattan Bank	143
Commerce Bank, Kansas City	51
Commercial Credit Business Loans, Inc.	113
Commercial Nat'l Bank, Kansas City, Kan.	149
Continental Bank, Chicago	141
Data Card Corp.	14
DeLuxe Check Printers, Inc.	3
DeLuxe Check Printers, Inc. (Forms Div.)	121
Deposit Guaranty National Bank, Jackson, Miss.	58-59
Don Howard Personnel, Inc.	112
Fidelity National Bank, Baton Rouge	6
Financial Placements, Kansas City	146
First Alabama Bank, Montgomery	107
First National Bank, Chicago	131
First National Bank, Fort Worth	30
First National Bank, Jackson, Miss.	10
First National Bank, Kansas City	23
First National Bank, Louisville	129
First National Bank, Mobile, Ala.	147
First National Bank, St. Joseph, Mo.	120
First National Bank, St. Louis	156
First Nat'l Bank of Commerce, New Orleans	57
First Oklahoma Bancorp.	37
Fourth National Bank, Tulsa	119
General Electric Credit Corp.	21
Globe Life & Accident Insurance Co.	135
Hancock Bank, Gulfport, Miss.	127
Harland Co., John H.	35
Harris Trust & Savings Bank, Chicago	7
Heller & Co., Walter E.	124-125
Insured Credit Services, Inc.	19
Interior World	29
Le Febure Corp.	15
Liberty Nat'l Bank & Tr. Co., Louisville	111
Liberty Nat'l Bank & Tr. Co., Oklahoma City	2
Louisville Trust Co.	31
MGIC-Indemnity Corp.	114-115
MPA Systems	34
Manufacturers Hanover Commercial Corp.	137
Manufacturers Hanover Trust Co.	123
Memphis Bank & Trust Co.	27
Mercantile Bancorp., St. Louis	8
Missouri Envelope Co.	16
National American Bank, New Orleans	49
National Boulevard Bank, Chicago	33
Northern Trust Co., Chicago	117
Omaha Financial Life Insurance Co.	116
Palumbo & Co., Inc., George	118
Polk & Co., R. L.	145
SLT Warehouse Co.	133
Thomas Cook Travelers Cheques	4-5
United Missouri Bank, Kansas City	55
van Wageningen Co., G. D.	54
Whitney National Bank, New Orleans	53

Index to Supplement

(For Advertising Appearing Between Pages 60 and 105)

A.S.H.	BG/42
Actron, Inc.	BG/12
Affiliated Services	BG/32
Alvarado Mfg. Co., Inc.	BG/20
Bel-Air Co.	BG/18
Bankvertising Co.	BG/21-24
Bank Board Letter	BG/1, BG/37-39

Blevins Popcorn Co.	BG/13
Chelsea Ltd., Wm.	BG/12
Connelly Associates, J. Edward	BG/7
Cretors & Co.	BG/17
Daktronics, Inc.	BG/41
Dalton & Associates, W. M.	BG/2
Data Films	BG/40
Downey Co., C. L.	BG/29
Electrotec, Inc.	BG/20
Federal Sign Div., Federal Signal Corp.	BG/43
Financial Institution Services, Inc.	BG/14
Flo-Go Signal System	BG/41
Gold Medal Products Co.	BG/31
Heritage Mint, Ltd.	BG/34

FOR SALE — 2 No. 450 N.C.R. proof machines. We will entertain any offer. Contact: Steve Staeden, Roswell State Bank, P. O. Box 2057, Roswell, New Mexico 88201. Phone: (505) 622-4240.

FOR SALE: 8 Burroughs TR-102 electronic teller machines. 9 NCR 1550 electronic teller machines. \$895. each. 5 NCR 279-301 online or offline teller machines. Changed computer centers. Used only 12 months. \$2300. each or best offer. Call (512) 837-6783.



Phil Setterlund (left) and Vic Granda specialize in check processing.

Check Processing

- **TECHNOLOGY** • Boatmen's check processing equipment incorporates the latest technology, assuring you of efficient processing.
- **AVAILABILITY** • We constantly monitor direct sends to provide the customer with the best availability schedules possible.
- **TWENTY-FOUR HOUR SERVICE** • Around the clock processing to turn your transit items into collected balances.
- **PERSONAL SERVICE** • Most of all, Boatmen's prides itself on personal service, the personal service that is so important in today's business world, but all too many times is forgotten.
- **A BETTER WAY** • Call 425-3600 for a better way in correspondent banking.



**THE BOATMEN'S
NATIONAL BANK
OF ST. LOUIS**

100 N. Broadway • St. Louis, Mo. 63102 • 314-425-3600

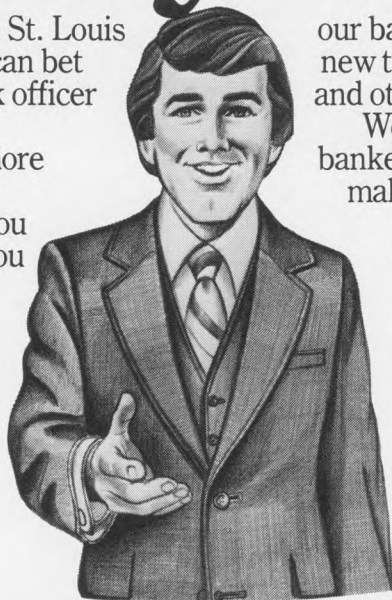
What you see.

When First National Bank in St. Louis is your correspondent bank, you can bet you'll see your own personal bank officer on a regular basis.

And if you need to see him more frequently, you will.

Of course, he's available to you by phone almost every day. So, you can get fast, on-the-spot service whenever you need it.

Your First National Banker really knows his business—and how it can help your business. He'll keep you up-to-date on all



our bank's services, on recent legislation, new technology, competitive practices and other developments.

We put a lot of faith in our correspondent bankers. We give them the authority to make decisions for us and to make loans in our behalf. You can put your faith in them, too.

If you're not already seeing a First National Bank in St. Louis correspondent banker, you should call Bart French today at (314) 342-6967. He'll make sure you see one soon.

What you get.

Good as he is, your correspondent banker cannot do all the work connected with your bank's account.

That's why First National Bank in St. Louis maintains special staffs to give you daily assistance for daily needs.

For example, our people have developed "Rabbit Transit" check-clearing systems that can improve your earnings, because your transit items become collected balances rapidly.

Another way we can help you is with our Fed Funds, investment and safekeeping capabilities. Our performance record in this area is highly regarded throughout our industry.

We also offer your bank the services of our skilled data processing team. They can bring to your operation reliable and sensible systems for getting your work done.

Our capacity for overline lending, based

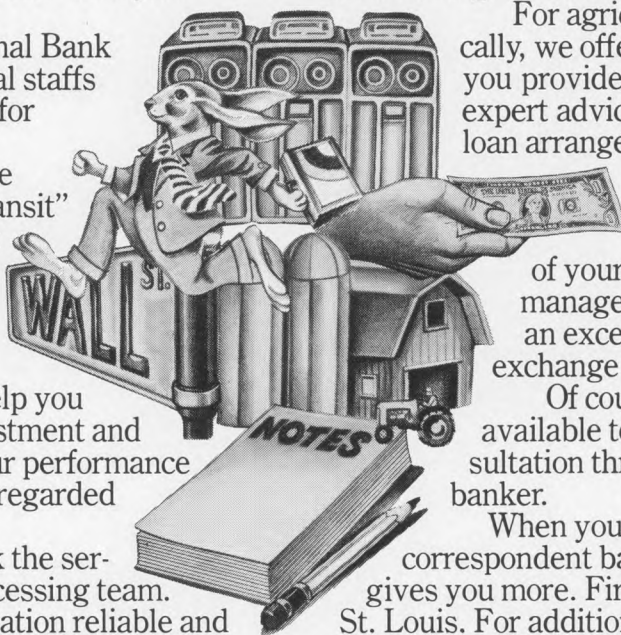
on our sizable assets, allows you the opportunity to make larger loans than you otherwise might.

For agricultural loans specifically, we offer specialists who can help you provide your customers with expert advice as well as flexible loan arrangements.

We sponsor timely seminars where you and other top management of your bank meet with the top management of our bank. This is an excellent opportunity for us to exchange ideas and share expertise.

Of course, we are always available to you for individual consultation through your correspondent banker.

When you want to get more from a correspondent bank, get with the bank that gives you more. First National Bank in St. Louis. For additional information or an appointment with a correspondent banker, call Bart French at (314) 342-6967.



First National Bank in St. Louis

A First Union Bank

Member FDIC