

Northwestern BANKER DES MOINES

A Dominant Factor
in Finance

(Page 20)



FRANK O. WATTS
Chairman of the Board
First National Bank, St. Louis

MAY, 1929

THE NORTHWESTERN SERVES THE NORTHWEST

A Division
of
Banks and Bankers
to help you
with your
Banking Problems

A vital and important department of *Northwestern Bank* service is the Division of Banks and Bankers. The purpose of this department is to serve more effectively our correspondent banks in the Northwest.

So that they might really work *with* bankers of this territory, and understand their problems and needs, the personnel of this department is made up of men with long experience in country bank work. However, past experience is not enough to keep a department tuned to present-day banking developments so these men constantly travel through the territory, studying local conditions and discussing with local bankers the proper measures to meet these conditions.

Through this department the complete facilities of a great banking institution are

centralized for the convenience of our correspondent banks. Through this department out-of-town bankers have the benefit of the judgment and broad experience of the *Northwestern National Bank's* Board of Directors — men of outstanding leadership in northwest, national, and even international affairs.

This first hand knowledge of banking problems of the Northwest, this close contact with the general business situation, and the complete banking facilities of the *Northwestern National* are offered to you through our Division of Banks and Bankers. May we explain how this department can help you with *your* banking problems?

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NORTHWESTERN NATIONAL BANK
MINNEAPOLIS

Affiliated with The Minnesota Loan and Trust Company

Members of The Northwest Bancorporation
Combined Resources \$162,000,000

Northwestern Banker

Des Moines

The Oldest Financial Journal West of the Mississippi

Number 502

MAY, 1929

34th Year

Just Between Us

"Delighted with New Farm Department"—

"I am very much delighted to see the new Farm Department in the April issue of the Northwestern Banker. I read every word of it with a great deal of interest. I would like to meet your farm editor, Mr. C. A. Craig, sometime.

"Various stories of accomplishments of farmers, such as the Master Farmers of Iowa, would be of interest in this department. There should be plenty of material in the wonderful agricultural states to keep the Farming Department of your magazine one of the most interesting in each issue.

"I am interested in watching the development of your magazine from year to year. You have done wonders with it and I congratulate you very highly on your accomplishment."—C. J. Claassen, vice president, The Peters National Bank, Omaha, Nebraska.

"Interesting News"—

"We very much enjoy reading the Northwestern Bankers for the interesting news and many other articles it contains, and feel that we are benefitted by the ideas we receive from it. We believe that the new department started this month, entitled 'Farms and Farming,' will prove to be interesting and helpful."—W. J. Nieman, American Mortgage & Securities Co., Manchester, Iowa.

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Northwestern Banker May 1929

Effective
April 1, 1929



SECURITY-FIRST NATIONAL BANK OF LOS ANGELES

UNDER NATIONAL CHARTER,
IS CREATED WITH

Resources	\$600,000,000
Capital	30,000,000
Surplus	15,000,000
Undivided Profits .	5,000,000

Through Consolidation of the

Los Angeles - First National Trust
& Savings Bank

AND THE

Security Trust & Savings Bank of
Los Angeles

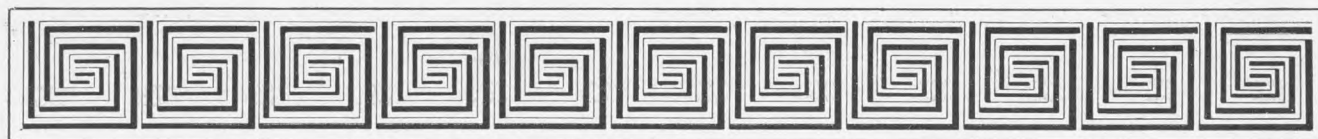
The "SECURITY-FIRST NATIONAL" combines in one organization the banking skill, the great resources and the varied capacities for service of two institutions which have been for many years leading banks of Southern California.

The branches of the new bank extend from Fresno and San Luis Obispo on the north to the Imperial Valley on the south. In nearly every one of the cities which comprise the Los Angeles metropolitan area the new bank is a leading financial institution. It affords complete commercial facilities and also operates savings and trust departments.

The SECURITY-FIRST NATIONAL COMPANY, — identical in ownership with the new bank — has capital assets of **\$6,000,000**. It will continue the business of the Security Company and the First Securities Company, selling bonds and securities and participating in underwritings. Operating over a wide area of very high per capita wealth, the SECURITY-FIRST NATIONAL COMPANY offers exceptional distribution facilities.

Henry M. Robinson
CHAIRMAN
OF THE BOARD

J. F. Sartori
PRESIDENT, AND CHAIRMAN
EXECUTIVE COMMITTEE



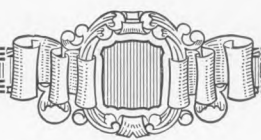
Announcing Change of Name

On Monday April 8 the name of the Merchants National Company of Saint Paul was changed to

FIRST SAINT PAUL COMPANY

As the name, Merchants National Company, was adopted very recently, it was changed to First Saint Paul Company in order to identify the Company handling the investment business, with The First National Bank of Saint Paul with which The Merchants National Bank was consolidated on March 25, 1929.

The First Saint Paul Company is closely affiliated with the First National Bank of Saint Paul through the same stock ownership, and continues to conduct its general investment business with no change in officers, personnel, or policy. The First Saint Paul Company and the Merchants Trust Company, which is also affiliated with the consolidated First National Bank, occupy banking quarters on the ground floor of the Merchants Bank Building, Fourth and Robert Streets, as heretofore.



FOR YEARS

this bank has followed an unchanging policy of constant loyalty to its customers and correspondents, serving promptly and accurately each day and month and year; and has developed its facilities and resources to offer every banking service with the responsibility of an adequate capital structure and with the mature judgment of an experienced personnel.



RESOURCES OVER SIX MILLION DOLLARS



E. W. MILLER, *President*
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 S. C. KIMM, *Assistant Cashier*
 R. L. PENNE, *Assistant Cashier*
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The COMMERCIAL NATIONAL BANK

WATERLOO, IOWA

CAPITAL AND SURPLUS — ONE-HALF MILLION DOLLARS



Keenly alive to the responsibility of its name, history and position, the First National Bank of Chicago, with First Union Trust and Savings Bank, offers correspondents every advantage which resources, experience, facilities and modern management can supply in a Chicago banking connection.

**The First National
Bank of Chicago**
Affiliated
**First Union Trust
and Savings Bank**

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EDWARD J. JENNETT
ASSISTANT CASHIER

MELVIN H. THIES
ASSISTANT CASHIER

Northwestern Banker May 1929

Auto Dealers' Profits Increase **115%**

IN 1927 The Studebaker Corporation of America organized a Systems Division to assist its dealers in making better profits. During that year 65 dealers asked for the co-operation of this department. The total profits of the group for the year were \$436,655.49.

For the year 1928 this same group of dealers reported net profits of \$941,121.55, an increase of 115.76% over 1927.

There are substantial profits in retailing the up-to-the-minute line of beautiful, powerful Studebaker automobiles.

To guide and protect the dealer Studebaker offers:

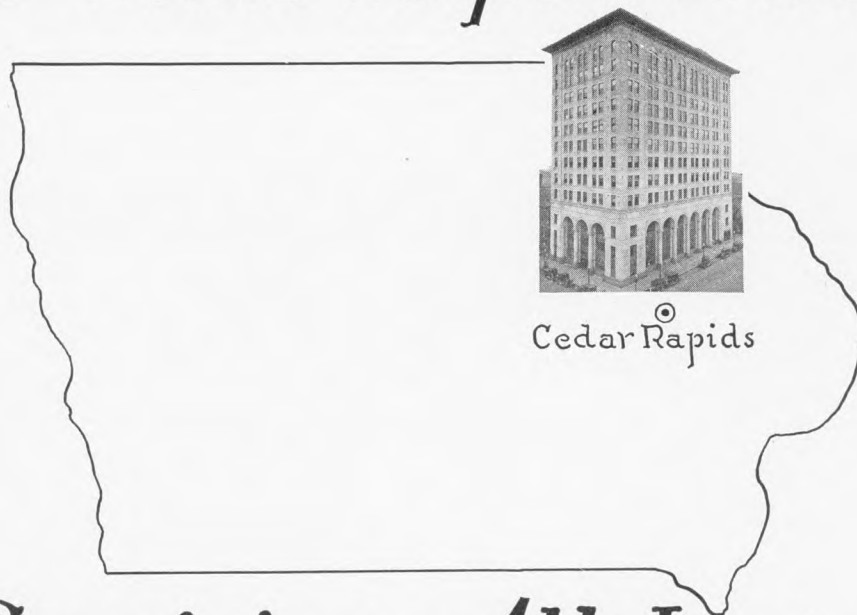
- Accounting System
- Budget Control
- Sales Procedure
- Courses in Salesmanship
- Service Schools
- Piece-Rate — Flat-Rate Service System
- Used Car Pledge
- Used Car Merchandising Plans
- Advertising
- Price Protection
- and much other co-operation.

STUDEBAKER

America's Friendliest Factory



A Cedar Rapids Bank



Servicing All Iowa

Fixing Responsibility

—on a single efficient organization is always more satisfactory than dividing it among many.

By placing all your correspondent business through the Merchants National Bank you save endless bother, eliminate needless expense, and are sure of prompt handling of items.

You get to know us—we are glad to cooperate with you. Experience soon tells us how you want things done, and we do them that way.

Let the Merchants National be your banking headquarters in Cedar Rapids.

This is Group Meeting month. Plan to attend the meeting of your Group.

MERCHANTS NATIONAL BANK

Cedar Rapids

Iowa

CONTINENTAL ILLINOIS COMPANY

CHICAGO

231 South La Salle Street

Underwriter, wholesaler and
retailer of investment securities

Offices:

New York

Minneapolis	Milwaukee
Cleveland	St. Louis
Kansas City	Des Moines
Houston	Wichita
Atlanta	Omaha

Capital • 20 million dollars

MEMBER
FEDERAL RESERVE



ORGANIZED
1877

There Are No Weak Links

—in the Cedar Rapids National correspondent service “chain”. Every department of our bank—every individual in that department—is trained by experience and teaching to know *what* to do, and *how* to do it. The result is a smooth, precision-like handling of your items to your entire satisfaction—no weak spots in the “chain”.

We can prove it to you.

*This is Group Meeting
month. Plan to attend
the meeting of your
Group.*

OFFICERS

Glenn M. Averill, Pres.
E. M. Scott, Vice Pres.
C. C. Kuning, V. P. and
Cashier
Van Vechten Shaffer,
Vice Pres.
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Walter Allison
R. D. Brown
O. A. Kearney

The
Cedar Rapids National Bank
Cedar Rapids, Iowa



Attend Your Group Meeting

This is group meeting time in many states and no better opportunity is afforded each year to discuss various banking problems than at these gatherings of bankers from four or five counties represented by their group associations.

There is no business or profession that we know of that is as well organized and satisfactorily conducted as the banking business. From the county associations on up to the National organization, every part of the country and every department of banking has its own organizations and as a rule functions most satisfactorily.

Just as the American Home is the unit upon which we build our nation; so the individual bank occupies the same responsibility in our national and state banking structure.

When the representatives of these individual units gather together in their group meetings, matters of vital interest are discussed, whether it has to do with interest on deposits, service charges, secondary reserves, or bank advertising, they are all talked over with interest and profit to every banker present.

The banker who stays home from his own group meeting and thinks he knows it all, will wake up some morning and find that his competitor is two jumps ahead of him because he has gathered new ideas and new suggestions from other bankers when he rubbed elbows with them at his own group meeting.

Small Banks Are Successful

In this issue of THE NORTHWESTERN BANKER you will find a very interesting article by Ralph Pickett based on an analysis of bank failures during the past several

years. This article takes bank failures of all kinds in Iowa and analyzes them on the basis of the capital of these institutions and the interesting point which is developed is the fact that the smaller banks as a group had fewer bank failures than many of the larger groups.

Heretofore the feeling has been that smaller banks were not so well managed and therefore, the majority of failures had been among the smaller institutions but this analysis proves otherwise.

As a matter of fact, it shows that the greater number of failures was in the group of banks having a capital of \$50,001 to \$99,999.

We have been led to believe for so long that if a thing is big it is successful and usually this is true, but in the case of successful bank operations in Iowa, the smaller banks have been just as successfully operated and more so in many cases than some of the larger institutions.

Our Bootleg Money

We have had several articles in THE NORTHWESTERN BANKER in the past month or so on the effect of bootleg money on the stock market.

In this connection it is interesting to note that on February 13, "the total of loans made by weekly reporting member banks of the Federal Reserve System in New York City, to brokers and security dealers on stock and bond collateral, amounted to \$5,568,000,000, of which \$2,612,000,000, or 47 per cent consisted of loans for account of others than banks and bankers—mainly corporations. These loans are entirely outside of banking control and in making them the banks act merely as agent, charging a small fee for the service."

Certainly no one can blame the larger corpora-

tions for loaning their money where they will get the greatest amount of interest. As a matter of fact, bankers all over the United States have sent their money to New York in the last three or four years and placed it on call because of the high interest rates and the liquid security back of their loans.

The Federal Reserve System and correspondent banks may work out some plan to reduce the money loaned on call by banks during speculative periods, but neither the Federal Reserve Board nor members of the system will be able to control the loaning powers of corporations when these corporations want to place their money on call.

Having a Fresh Mind

The President of one of the largest banks in the United States was raised in a small country town, has never been to college, never rode on a Pullman train until he was twenty-one, and yet today he is considered one of America's most successful banking executives.

Some time ago we were discussing the qualities which have made this man a success, with one of his associates. This associate was a vice-president, who had had all the benefits of education, of European travel—in fact he had degrees from two or three universities, and was a walking encyclopedia.

This vice-president said: "The reason that our President is so successful is because he has a fresh mind. He brings to every problem a mind free from accumulated facts, statistics and formulas which might obstruct his final decision."

"The trouble with my mind," says this vice-president, "is, that whenever a problem is presented, I go back into my memory and recall everything that I have ever read or heard about the subject, and consequently my thinking is all cluttered up with past reading, and I do not bring the freshness to the discussion of the problem at hand as does our President."

We are sure no one would take this as an indictment of the value of education, because its advantages are everywhere apparent, but we do believe that it points out the necessity for concentration of the highest degree if we are to be a success in the banking business.

In his very interesting book, "The Art of Thinking," by Ernest Dimnet, the well known Frenchman, has this paragraph on "Interior Solitude," which he calls concentration. He says:

"As exterior solitude is the reduction of human beings and even of objects around us

to a minimum, concentration is the elimination, one after the other, or by one sweeping effort, of all images foreign to a train of thought. This train of thought is often spontaneous; we then call it absorption. Common parlance rightly unites all mental conditions of this kind under the term 'to think'. As long as whirlpools of uncontrolled images fill our brain we are not supposed to think. The moment images of the same nature come under our observation we know we think and simultaneously we become unconscious of most things extraneous to our thought."

So we say, if you would have a fresh mind in analyzing the problems that are presented to you constantly in your business, study how you can best concentrate on the subject at hand by eliminating everything that is foreign to that subject.

New Business from Old Customers

Every bank has considered at some time the problem of increasing its present business from customers already on its books.

Surely it should be easier to get present customers who are familiar with your institution to increase their business with you than it is to first get them on your books.

The trouble with many banks is that after they once get a customer and his account they proceed to forget all about him.

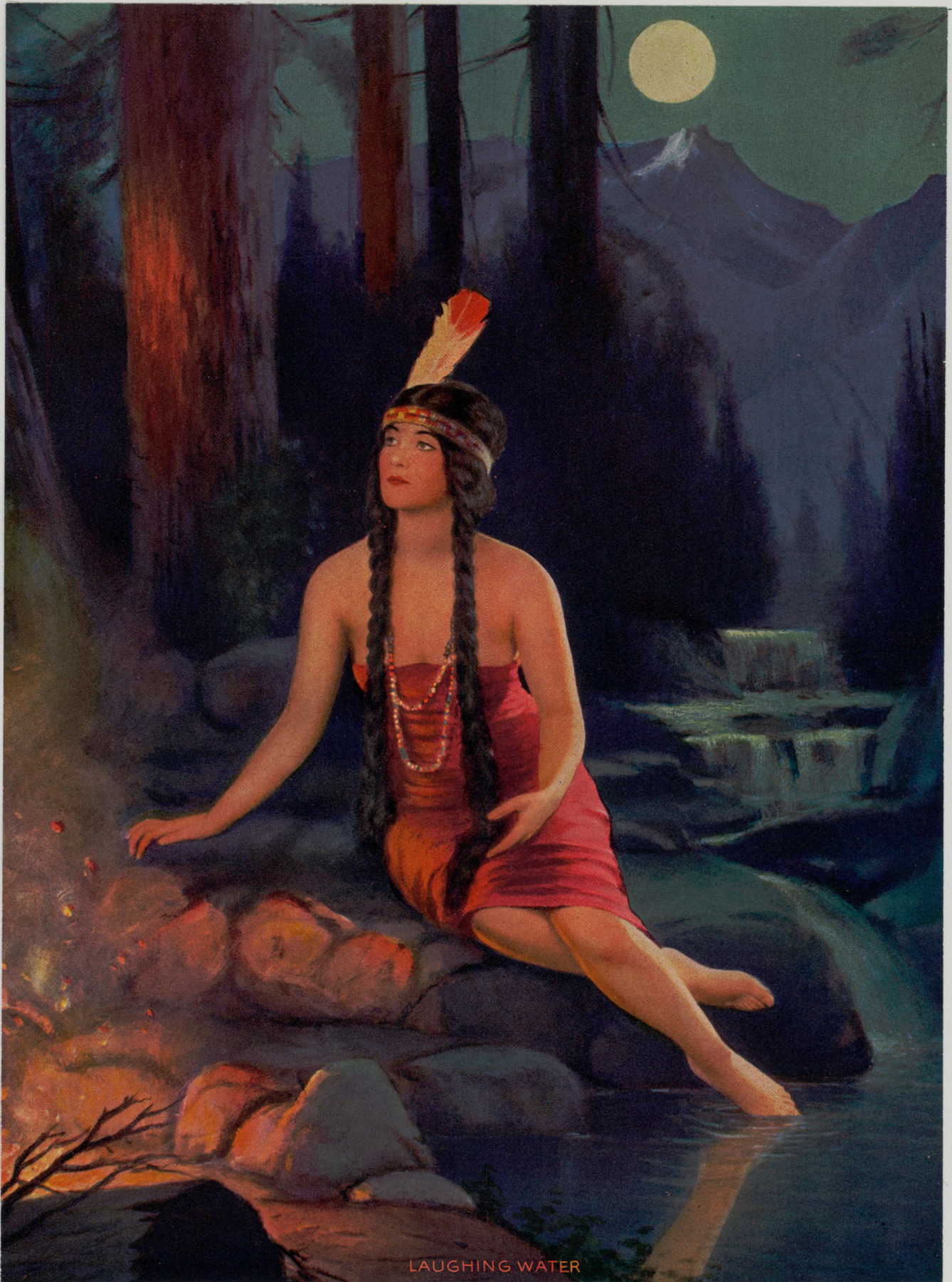
We know of one bank customer who opened a checking account and a savings account with the leading bank in his city. The savings account amounted to \$480 and remained at practically this same level for about three years without his bank even suggesting that the account be increased.

During that time he had bought bonds and stocks and radios and automobiles and many other articles of merchandise. This customer asks the question, "Is it unethical for a banker to speak to his customer about an account which remains inactive for three years at the same figure so far as the principal is concerned? If we had that kind of an account in our store we would investigate the account to find out why that customer wasn't doing more business with us."

We are just wondering if you don't have some of those customers' accounts on your books which are remaining inactive for some time.

We venture to say that a personal letter from you suggesting that they increase their savings account would show material results within the next thirty days.

Why don't you try it?



LAUGHING WATER

“LAUGHING WATER”

This idealized Indian picture is from the studios of Mrs. Woolfenden in Detroit, the color work being done by Mr. Engerle, a leading Chicago artist.

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The Thos. D. Murphy Company
Red Oak, Iowa

Northwestern Banker May 1929

Cold Storage Banking

The Northwest needs big men who will work for constructive measures whereby the farmer may be assured of a stable income.

WHAT is it that in the calm and still of night arouses a northwest banker, as in quiet relaxation, he lays upon his bed so white?

He, the president and controlling interest holder of a bank which has stood like a rock of Gibraltar, having weathered the late period of depression and now stands as an outstanding institution in the community known as his territory. Has he not whittled down his losses, and has he not passed and deferred the payment of dividends to clean his bank of determined and anticipated losses, and now has his bank in the Honor roll? Has he not created a large secondary reserve, through careful investments in low interest bearing securities, to add to his cash and due from banks? Has he not through these careful and cautious methods created confidence among his depositors, thereby reacting in an increase of his total deposits?

But, what is that certain something that causes him to start up in the night, certainly it is not his careful investments? Perhaps it is the realization that he is not doing in his community, the things that make for the betterment of the community in which he lives. He has not made a capital loan to a farmer or business man, since the period of depression commenced, but through his untiring efforts has succeeded in collecting the greater part of the ones he had among the assets. He has not loaned money to a farmer for improvements on his farm nor for the purpose of buying an adjoining farm and has been skeptical of loaning money for the purpose of feeding cattle or to buy corn with which to feed.

The Result

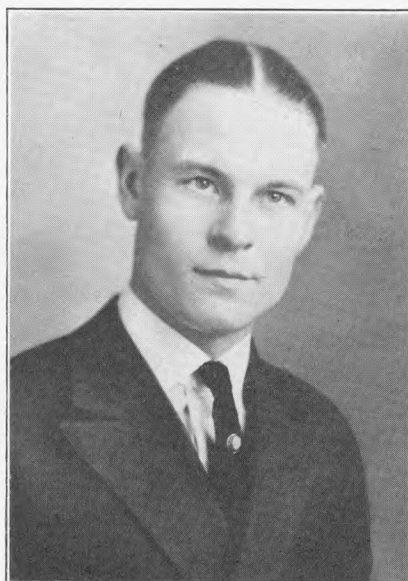
THE result is, his deposits have increased, due primarily to an enlarged territory caused by failures in neighboring towns. Further, through his careful investments in eastern industrial and public utility bonds, he has assisted in the expansion of eastern industry and business, but has done nothing for agriculture and the livestock business. Practically no assistance has been rendered to his local people in their chosen occupation, which

and FARM

RELIEF

By A. L. LAWRENCE

Alcester, South Dakota



A. L. LAWRENCE

was chosen from necessity rather than choice, in some cases. In other words he has made a cold storage bank of one which once served the community in which it was organized and the purpose for which it was chartered and that was to further the interests of the community in which it operated.

"We're All Farmers!"

"You bankers are 90 per cent farmers by virtue of serving farming communities and the first move is for each individual banker to become a leader in his community since you have not only the interests of the northwest at heart, but are familiar with local conditions . . . Why not make a fight, remembering that we flourish in prosperity and languish in adversity?"

This change in the banking methods carried out in certain localities in the northwest will ultimately result in the demoralization of the honorable and justifiably profitable business of farming and stock raising and will not expand or extend farming operations. The change has not been brought about wholly by the banker, nor has the banker assisted in bringing it about for any personal gain, but in reality has acted contrary to his purpose of mind, in investing the funds of his bank, outside his territory and state, where he is obliged to accept a smaller but safer return thereon. For has he not stood by with bowed head while brother bankers have gone down and taken the count. The impression thereby received has caused him to

take a more firm hold on the reins with a set determination to stay in the buggy.

This lost faith and the financial stress of the farmer is causing a gradual deterioration of farms and farm improvements throughout the northwest. Some of the better farms are in the process of foreclosure and have no owners for the present, foreclosure on other farms is inevitable. Title is eventually vested in an eastern loan company, who does not want land, but finding it a drug on the market, offers it for sale at a price not commensurate with its value, thereby establishing the price to be paid in bona fide sales of adjacent farms. Not finding a market for the land, absentee landlordism results, which, of course, is detrimental to a condition already deplorable.

Moreover, this condition will exist until the business of farming is placed on a more solid foundation and is made more attractive to the younger generation, and there is nothing that will make it more attractive and keep the young folks on the farm, than a stabilization of farm prices. This, together with absentee landlordism is making farming and farmer's loans undesirable and unsubstantial,

as a loan to a tenant farmer who has no secondary reserve, such as the farm on which he resides, is not desired by the conservative banker who has seen and experienced the depression of the last decade.

The northwest, which comprises the agricultural states must organize with this in mind and through an interstate cooperation, send senators from their respective states who are of a uniform mind and will work in unison, men who are big enough politically and of like politics, who will go to Washington, not only to vote for or against those bills that are a direct or indirect benefit to eastern capital and industry, but who will as a body propose and support constructive measures, where-

(Turn to page 42, please)

Northwestern Banker May 1929

AS A CLASS, I consider loans to our farmers rather a preferred line and we often give them the advantage of longer maturity and sometimes a preferred rate, though today many Iowa bankers find themselves with only 25 to 35 per cent of their deposits loaned to this class of borrower.

Another reason for my preferring to loan money to our local farmer is that if anything goes wrong with the loan and the borrower defaults, you can at least go out and quarrel with him about it and see where he lost your money, whereas if the default is on outside paper, all that you can do is charge it off and say nothing—though in fairness, I must say that our losses on commercial paper and other investments of this kind, have been negligible.

The desirable farmer applicant is borrowing very little money at this time for the reason that during the years past he has been hurried, prodded and urged to get his debts paid so that we now find him in a very unwilling frame of mind to borrow money—but he is again making money and as he does, he will enlarge his operations and improve his buildings or buy additional land and again come to the bank as a desirable borrowing customer.

Diversification is just as necessary in farm paper as in any other line. Live stock loans where the borrower has the feed with which to prepare and finish his cattle or hogs for market very seldom lose the lending bank any money. Chattel mortgage loans, if we can get a two to one margin of security, invariably pay out even though it may be classed as a "capital loan" by our bank examiners.

In our chattel mortgage loans—both live stock and general farm security, we have same checked on the farm at least once and sometimes two or three times, a year and find that it pays in maintaining our security and a desirable respect of the borrower from the lending bank.

Where a tenant borrower does not have this margin of security of twice the amount of loan, we ask for additional security in the way of an endorser, preferably the landlord, as this does away with any conflict of interest between the bank and the landlord.

When we were hit by the deflation period some years ago, there was a great deal of concern as to the tenant farmer but the working out of this condition showed him to be much better off than the land owner with an excessive encumbrance on his farm. The amount of his indebtedness was not so large and a reasonable advance in the price of farm products paid off his



GEORGE J. SCHALLER

LOANS TO FARMERS

By GEORGE J. SCHALLER

*President, Citizens First National Bank
Storm Lake, Iowa*

indebtedness while the same advance did not keep up the carrying charges on heavy real estate indebtedness. I am sure that the losses in our state have been much larger with the borrower who thought he was a farm owner than with the tenant who to begin with, did not have as large a line of borrowed money.

It must, however, be admitted that in making loans that we do not find the general morale and reliability among our borrowers that we knew fifteen and twenty years ago. In those days, when a man borrowed money from a bank he began to plan from the day that he made the loan on how he would repay it at maturity. In other words, his objective was to get the loan paid, while today the objective in many cases, seems to have been reached when the borrower has succeeded in procuring a loan.

In serving an agricultural community, it is, of course, a very laudable ambition of every banker to have all of his line of credit taken up at least once a year but I hardly agree it would be advisable to make this a hard and fast rule outside of live stock paper and a borrower who may be strictly a "grain farmer."

If your borrower pays his interest and you have a margin of security either direct

or in his responsibility, why ask him to pay simply to turn around and find some one else to loan the money to? We, however, have one rule that we do adhere to very closely, and that is that we carry no "split" borrowing lines and if we do find a farmer borrowing from us and another bank, we ask him to immediately take up his borrowings from us.

In making loans to the farmers as well as to other lines, it should not be our aim to so conduct our business that we have no losses, but rather to *so conduct our business that we have a sufficient earning capacity to absorb losses*, paying dividends and put a reasonable amount to surplus each year.

I, of course, would not want you to understand that we are endeavoring to make losses for we are constantly fighting to hold them at a minimum. In this way, do we furnish our respective communities with the kind of banking facilities that they have a right to expect. A bank to be an asset to its community, must take a reasonable risk with its customer for if you so conduct your business that you never have a loss, you

may be a community liability.

Full credit information is just as essential in making loans to our farmers as to any other class of borrowers and I have been much interested in watching the development of the

Credit Clearing House Association. It would be a wonderful advanced position if it might be uniformly installed but the fact remains that it will be a long time before these associations can be operative in all of our country districts.

Experience has shown as one of the greatest handicaps of the independent country bank, in many cases, the lack of proper credit analysis not only on outside paper but on paper originating within its own territory, and this in turn is what leads to our losses. The ability of the note-maker to repay should be the first question to enter your mind and my mind when we are approached for a loan and furthermore, you cannot always rely on the judgment of the applicant as to his own ability to repay and that brings us down to the financial statement for all borrowers which in turn, shifts the responsibility as to whether the loan is desirable or not, squarely to the banker.

It is our job as bankers, to keep the loans within the ability of our borrowers to repay and very seldom are we warranted in carrying along a debtor whose margin of security is gradually growing smaller—better to close the transaction with some loss than to continue.

(Turn to page 42, please)

Examiner Smudge Meets With the Board—and HOW!

By ROSCOE MACY

HAVING gone over the books and accounts of the Waterville Savings Bank, State Bank Examiner Augustus J. Smudge has now called the board of directors together, and is ready to review with them the results of his examination. Present are five directors: the Chairman, the Oldest Director, the director from "down Hingham way," the Deaf Director, and Cashier Duffelburg.

CHAIRMAN: Well, gentlemen, I believe you've all met Mr. Smudge, here, the bank examiner, who is making the regular examination of our business. There are some things he wants to go over with us, and this meeting is called for that purpose. Please go ahead, Mr. Smudge.

SMUDGE: In verifying the accounts of this bank, I find several irregularities, such as excessive overdrafts, unpaid checks carried in the cash balance, securities held elsewhere unevidenced by receipts, and other similar matters which will be considered as we come to them. For the present, I wish to call attention to the fact that the Borrowers' Statement file is incomplete—inexcusably so—thus making it necessary for me to take up the investigation of several lines which might have been passed without comment had the statements been adequate. (*Examines note-book.*) First, I have listed a loan of \$432.00 to Adam Bixwell, three months past due, no interest paid. What's the situation there, gentlemen?

DEAF DIRECTOR: How's that?

CHAIRMAN: Director Williams is pretty deaf, Mr. Smudge. You'll have to raise your voice a little.

SMUDGE: (*Slightly nettled, shouts a repetition of his question.*)

OLDEST DIRECTOR: Let's see, now—I don't know about that there loan; ain't that the Bixwell that married the oldest Starret girl—old Eph Starrett's son-in-law?

CASHIER DUFFELBURG: No, no; this is the other Bixwell. He married one of the Sloecum sisters, from down your way, Amos (*nodding toward the Director from "Down Hingham Way"*).

OLDEST DIRECTOR: You don't mean

Sadie Sloecum? Why, I went to school to her grandmother, back in Indiany. She was plenty strong on book-learning, all right, but a little weak on discipline. Why, I recollect the time when me and one of the Holloway boys —

SMUDGE: What about this Bixwell paper, now? What has he got?

DIRECTOR FROM "DOWN HINGHAM WAY": Let me see, now, he's got a hundred and sixty-seven acres—or is it a hundred and sixty-nine?—anyway, it's a fractional quarter up in Hickory Holler. Just across the road from the old Miller estate, and —



"I find several irregularities, such as excessive overdrafts, unpaid checks carried in the cash balance, securities held elsewhere unevidenced by receipts, and other similar matters, which will be considered as we come to them."

SMUDGE: How much against it?

DUFFELBURG: Why, nothing. It's clear.

SMUDGE: Owe any other debts?

DUFFELBURG: Not a penny.

SMUDGE: Then why hasn't this note been paid, or renewed? Doesn't sound quite reasonable, if you'll excuse me.

DUFFELBURG: Why, people up Hickory Hollow way have been snowed in ever since the first of the year. I don't suppose Adam's been to town in seven or eight weeks. I'd have mailed him a renewal, but the mailman hasn't been able to make that route for two months now.

SMUDGE: Well, if you men are sure this note's all right, we'll pass it; under the circumstances, I'll not even refer to the fact that it's past due. Now, here's a note on feeding cattle, with a small balance unpaid, but your records indicate that the cattle have been sold.

DUFFELBURG: Yes, that's the Aaron Davis note. He struck a poor market, and

didn't hold his money together on them; he's good for the balance, though.

DEAF DIRECTOR (*cupping his hand behind his ear*): How? What's that you say?

DUFFELBURG (*shouting*): I say, Aaron Davis—cattle note—poor market!

DEAF DIRECTOR: Oh, yeh. Puts me in mind of the time the feller out Kansas way shipped in a load o' sheep, and they didn't bring enough fer to pay the freight, so they wired him fer to send more money fer to pay up the freight bill, and he wired right back: "Got no money; sending some more sheep." Heh! heh! heh!

SMUDGE (*somewhat impatiently*): You say this Davis is good for the balance of his note? All right—what's he got?

Duffelburg explains that Davis is a well-to-do tenant farmer, with no other indebtedness.

SMUDGE (*impressively*): Now, I find one excess loan in your note-case, and if I'm not mistaken, it's on one of your directors. (*Eyeing the Deaf Director.*) Aren't you J. H. Williams?

DEAF DIRECTOR: How's that? I'll have to ask you to speak louder,

son; my hearing ain't so good.

SMUDGE (*loudly*): I say, isn't your name J. H. Williams? Well, I find two \$5,000 notes here, both signed by you—one jointly with S. H. Griggs, and the other with Lester Griggs. That makes \$2,000 or better in an excess loan.

DEAF DIRECTOR: You say I'd better let Les alone? Well, mebbe you're right, young man; mebbe you're right. But, you see, he's my sister's youngest boy, and I thought I'd just help him out a little, bein's he'd had a bad year.

SMUDGE (*desperately*): No, no! I say, it's an excess loan, and you'll have to take up the excess.

DEAF DIRECTOR: Oh, sure; I'm gonna take it up, all right, pervidin' Les can't pay it. That there loan's all right, bub; don't you worry about that one minute.

SMUDGE: But you'll have to take it up at once; I can give you a reasonable time to raise the money, but it must be

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RALPH PICKETT

Editor's Note—The article on this page is reprinted from The Journal of Business of the University of Chicago, and is used with the permission of The Journal of Business and the author, Mr. Pickett. Due to its length we are publishing the article in Two Parts. Part One starts on this page. Part Two will appear in our June issue.

PART I

DURING the last six years more than 3,800 banks in the United States have been forced to suspend operations. The usual explanation for this large number of failures points to the weakness of a system composed of a large number of small banks. Thus the American Bankers Association states that "an excessive number of banks induces cutthroat competition and tends to undermine conservative standards in the granting of credit." It is also felt that during the fifteen years preceding the trade reaction in 1920 the organization of a large number of new banks and the "resulting overdevelopment of banking is more responsible than any other factor for the banking disasters of subsequent years." A comparison of bank failures by states and Federal Reserve districts leads to the further conclusion that "ample evidence of the

The Size of FAILING BANKS in Iowa

By RALPH PICKETT

Assistant in Economics and Business, University of Chicago.

unhappy consequences of excessive numbers and inadequate size in banking is clearly to be found in the geographical distribution of failures of the last six years."

One student of banking finds that "during the decade 1910-20 charters were granted to an enormous number of new banks, a number far in excess of the requirements of the country." The remedy suggested is that "a decided increase in minimum capital requirements would do much to restrict the number of banks within more desirable limits" and with this should be combined the specific grant of power to the appropriate authority to decline or approve new charters where the community is already well served by banking institutions. Another, writing specifically of Iowa conditions, finds that the character of the Iowa banking structure with its many small banks and low capital requirements, and inadequate supervision by the state banking department, is a fundamental cause of bank failures. Inflation and deflation—even the type of Iowa banker, largely without training in economics and with an extremely localized view—are also considered causes of the

unhappy banking situation in the state. A study made by the Federal Reserve Board emphasizes the important part played by small banks in increasing the number of failures. It is stated that "the banks which suspended both in 1924 and 1925 were for the most part small institutions." It also pointed out that "although a large proportion of the suspending banks were small institutions, it should be noted that most of the banks of the country are relatively small banks and that the proportion of small banks is largest in those regions in which most of the suspensions occurred." It is further suggested that "the sections of the country in which suspensions were most numerous were also the sections in which the number of banks was relatively large in proportion to the population and in which the communities served by banks are of relatively small size."

Another investigation of bank failures finds that "the average size of 2,112 state banks that failed in thirty states since January 1, 1919 (until August, 1925) was \$342,000 in resources, while the resources of the average active state bank in these states for the same period of time was \$675,000. The average state bank that failed was, on the whole, but half as large as the average active bank. It may therefore be concluded that the small bank is about twice as likely to fail as the average-sized bank."

Thus, while none of the foregoing writers finds the sole cause of bank failures in the small bank, all consider it a weak spot in the banking structure. Suggested remedies include a higher minimum capitalization than exists as a first step in banking reform. A frequent recommendation is a minimum capital of \$25,000. The American Bankers Association considers the limitation in the number of

TABLE I
PERCENTAGE OF GROUPS OF BANKS, CLASSIFIED ACCORDING TO SIZE, TO TOTAL BANKS IN OPERATION, JUNE 30, 1921, AND TO TOTAL FAILED BANKS, 1920-27*

Group by Size of Capital	Percentage of Total Number in Operation, 1921	Cumulative Percentage Number, 1921	Percentage of Total Number of Failures, 1920-27	Cumulative Percentage Failures, 1920-27	Percentage of Total Liabilities Banks in Operation, 1921	Cumulative Percentage Liabilities Banks, 1921	Percentage of Total Liabilities Failed Banks, 1920-27	Cumulative Percentage Liabilities Failed Banks, 1920-27
\$ 10,000.....	8.57	8.57	8.20	8.20	1.85	1.85	2.84	2.84
10,001-24,999.....	15.62	24.19	13.77	21.97	5.51	7.36	5.79	8.63
25,000.....	25.01	49.20	24.59	46.56	12.29	19.65	14.01	22.64
25,001-49,999.....	12.39	61.59	13.77	60.33	8.49	28.14	10.78	33.42
50,000.....	21.67	83.26	19.67	80.00	22.48	50.62	18.85	52.27
50,001-99,999.....	4.69	87.95	8.52	88.52	6.02	56.64	12.51	64.78
100,000.....	7.34	95.29	6.88	95.40	14.03	70.67	16.08	80.86
100,001-200,000.....	2.82	98.11	3.28	98.68	11.00	81.67	9.57	90.43
200,001-300,000.....	1.11	99.22	0.33	99.01	7.67	89.34	1.43	91.86
300,001-500,000.....	0.41	99.63	0.98	99.99	4.21	93.55	8.15	100.01
Over 500,000.....	0.35	99.98	0.00	99.99	6.45	100.00	0.00	100.01
Total.....	99.98	99.99	100.00	100.01

*Compiled from reports of the comptroller of the currency and the Iowa superintendent of banking. The data upon which the percentages in this table are based are contained in footnote 22, p. 72.

"The American Bankers Association considers the limitation in the number of banks 'a long and essential first step toward the attainment of safety in banking.' A minimum capital of \$25,000, and preferably of \$50,000, is recommended."

banks "a long and essential first step toward the attainment of safety in banking." As a part of a program of limiting the number of banks chartered to the needs of the community a minimum capital of \$25,000, and preferably of \$50,000, is recommended.

These statements constitute a severe indictment of the small bank, and, if true, justify the proposals for its elimination. The accuracy of these charges is open to serious question, however, and, if the charges are not correct, proposals for strengthening the banking system by the elimination of the small bank are without adequate foundation.

The writers quoted correctly state that the greatest number of failures has been among the small banks. But the equally significant fact that small banks constitute the largest class of institutions in operation fails to receive equal consideration. The test of the relative survival power of the small bank is, not the absolute number of failures, but the ratio of failures to the total number of banks in this group as compared with the ratio for other groups of banks.

The present study undertakes an analysis of failures by size of bank. Its purpose is to determine whether, as frequently charged, the small bank constitutes a weak spot in the banking system. The investigation covers all chartered banks in the state of Iowa for the seven-year period ending June 30, 1927. It

is thought that Iowa offers an especially fertile field for such a study. A state with less than 2,500,000 inhabitants, Iowa led all states in total number of banks during the decade 1910-20. A corollary of the large number of banks was the small bank.

It is proposed to examine separately the records of failures for banks of various sizes. June 30, 1921, was selected as a representative date for the grouping of banks in operation near the beginning of the period. These were accordingly divided into eleven groups upon the basis of amount of capital. The total number and total liabilities for each group were determined. A list of all banks failing between June 30, 1920, and June 30, 1927, was compiled, and these banks were also divided, upon the basis of the amount of capital, into eleven groups. The total

number and total liabilities for each group was then computed.

The percentage of failed banks to total banks, and the percentage of failed bank liabilities to total bank liabilities, was found for each group. A comparison of the percentages thus obtained shows the relative survival strength of the various groups. By this method it is possible to avoid the common error of considering only the absolute number of failures in each group of banks.

It should be indicated at this point, that Iowa banking development has been characterized by an excessively rapid increase in the number of banks. This fact is contrary to the usual impression and also runs counter to statements by serious students of banking. Thus O. M. W. Sprague, deploring the rapid increase in

ing a real increase of \$16 in per capita bank resources.

During the same period average resources per bank changed from \$385,000 to \$737,000. Dividing these figures by the same index numbers, the results are 401,000 and 346,000, a decrease of \$55,000. Thus Iowa banking during the decade ending in 1920 was characterized by a 33.54 per cent increase in the number of banks, a 6.96 per cent increase in per capita bank resources, and a 13.44 per cent decrease in average resources per bank. These percentages, based upon figures adjusted for changes in the price level, suggest that although the increase in banks was rapid during the period, it did not attain the excessive proportions frequently pictured by the critics of Iowa banking.

Iowa banking structure and its development may be briefly noted. On June 30, 1921, there were 1,349 state and 354 national banks. These varied in size from one class of state institutions having a minimum capital requirement of \$10,000 to six banks—and three national—with capital stock exceeding \$500,000. In addition to the 1,703 chartered institutions, there were many private banks doing a regular commercial banking business. The estimate of the comptroller, based upon voluntary and incomplete returns, placed the number of such banks at 182 in 1919. Private reporting agencies place the number much higher. For the purposes of the present

study it is sufficient to indicate that this group aided materially in swelling the total number of independent banks in the state.

Until recent years Iowa banking development was characterized by relatively few failures. There is a record of the failure of 52 banks—35 state and 17 national—during the period from 1863 to 1913. The depression in agriculture, beginning in 1920, created a banking crisis in Iowa. As a result, this state, in which banking had enjoyed a consistent record of comparatively few failures throughout its entire history, entered upon a period of tremendous losses from bank failures. During the seven years ending June 30, 1927, 55 national and 250 state banks were forced to close their doors. Thus under the supposedly panic-proof Federal Reserve

TABLE II

A COMPARISON, BY GROUPS, OF STATE AND NATIONAL BANKS IN OPERATION, 1921, AND OF FAILED BANKS, 1920-27*

GROUP BY SIZE OF CAPITAL	PERCENTAGE OF NUMBER OF BANKS, 1921		PERCENTAGE OF FAILED BANKS, 1920-27		PERCENTAGE OF TOTAL LIABILITIES, 1921		PERCENTAGE OF LIABILITIES OF FAILED BANKS, 1920-27	
	State	National	State	National	State	National	State	National
\$ 10,000.....	10.82	0.0	10.00	0.0	2.73	0.0	3.33	0.0
10,001-24,999.....	19.72	0.0	16.8	0.0	8.16	0.0	6.70	0.0
25,000.....	25.13	24.58	26.00	18.18	14.46	7.74	14.68	10.10
25,001-49,999.....	13.56	7.91	14.00	12.73	10.99	3.25	10.89	10.09
50,000.....	17.94	35.87	17.20	30.91	22.76	21.89	20.84	7.38
50,001-99,999.....	3.78	8.19	5.60	21.82	5.66	6.79	8.44	36.11
100,000.....	5.71	13.56	6.40	9.09	12.50	17.22	14.73	23.84
100,001-200,000.....	2.07	5.65	2.40	7.27	9.41	14.31	9.06	12.47
200,001-300,000.....	0.74	2.54	0.40	0.0	5.71	11.78	1.68	0.0
300,001-500,000.....	0.29	0.85	1.20	0.0	3.64	5.38	9.55	0.0
Over 500,000.....	0.22	0.85	0.0	0.0	3.97	11.63	0.0	0.0
Total.....	99.99	100.0	100.0	100.0	99.99	100.0	99.99	99.99

*Compiled from reports of the comptroller of the currency and the Iowa Superintendent of banking.

banks throughout the country during the decade 1910-20, says that "In Iowa, for example, a state in which there was no increase in population, there were more than twice as many banks in 1920 as in 1910." An examination of the number at these two dates disclose that in 1910 there were 325 national and 951 state banks—a total of 1,276. In 1920 there were 358 national and 1,346 state institutions—a total of 1,704 chartered banks in the state. The increase for the decade was 33.54 per cent, or only one-third that assumed by Mr. Sprague. Per capita bank resources were \$221 in 1910 and \$525 in 1920. The increase is more accurately shown if these figures are divided by the Bureau of Labor Statistics index numbers for the years 1910 and 1920 (96 and 213). The resulting figures are 230 and 246, indicat-

system almost six times as many banks failed during the seven years from 1920 to 1927 as had closed during the 50 years from 1863 to 1913 preceding the establishment of the system.

An analysis of banks in Iowa in 1921, classified in groups according to size, suggests the significant features of the banking structure. The \$25,000 capital group, containing slightly more than one-fourth of all banks, constituted the largest class. Second was the \$50,000 capital group, with 21.67 per cent of the total banks. It is to be expected, therefore, that if failures occurred at the same rate among all groups, the small banks would contribute the majority of all failures. Roughly, this is what happened. Failures among the \$25,000 group were 24.59 per cent, and among the \$50,000 group, 19.67 per cent of the total. All banks with a capital of \$50,000 or less—these may be termed the small banks—constituted 83.26 per cent of total banks in operation, and 80 per cent of bank failures for the period. This indicates that the comparison is slightly favorable to the small bank. See Table I.

The comparison between small and large banks may be made in terms of liabilities involved in failures. The \$50,000 group had 22.48 per cent of the liabilities of all banks in 1921. The \$25,000 group, ranking third among the groups in point of numbers, contained 12.29 per cent. Banks in the \$50,000 group had 18.85 per cent of the liabilities of all failed banks; those in the \$25,000 group, 14.01 per cent. All banks with \$50,000 or less capital had 50.62 per cent of total bank liabilities in 1921 and 52.27 per cent of the liabilities involved in failures. Measured in terms of liabilities, the record of the small bank is slightly less favorable than that of all banks with a capital of over \$50,000.

A closer examination of failures by groups of banks will contribute to the comparison. The three failed banks with a capital of \$300,001-500,000 had liabilities of \$12,724,000. These were almost as large as the total liabilities of the 67 banks having a capital of less than \$25,000 which failed during the period. The 10 banks failing in the \$100,001-200,000 group had total liabilities of \$14,941,000 as compared to the \$13,473,000 liabilities of the 67 banks in the two groups of smallest banks. The tremendous losses from failures among large banks is further illustrated by the 21 failures in the \$100,000 group. The liabilities of these banks were \$25,105,000. Compare with this the 75 failures in the \$25,000 group where liabilities of the failed banks amounted to \$21,878,000. These figures are cited, not as showing the relative strength of small and large banks, but to indicate the extent and serious nature of failures of large banks. This problem is neglected by those critics who urge the

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A DOMINANT FACTOR IN FINANCE



F O. WATTS, Chairman of the Board, of the First National Bank in St. Louis, the largest National Bank west of the Mississippi, is a striking character and dominant factor in the financial world. Early in life he exhibited the elements of marked executive ability, and these executive tendencies have developed rapidly under his progressive career; he is today rated by many authorities as one of the most able executives in banking circles.

Another strong point in Mr. Watts' character is his ability to assimilate, classify and retain information, with the result that he is considered authority in matters of finance. His personality, executive ability, and his wide knowledge of financial affairs have made him the logical choice for many posts of honor and responsibility both local and national. As a very young man, he was president of the Tennessee Bankers' Association, and was later called to the presidency of the American Bankers' Association. He has been president of the St. Louis Clearing House Association, the St. Louis Bankers' Club, the Tennessee Society, was for several years a Class-A director in the Federal Reserve Bank and at present is a member of the Advisory Council of the Federal Reserve Bank, representing the Eighth district. His prominence as an authority on bank organization led to his appointment on the organization committee of the new \$100,000,000.00 Foreign Trading Finance Corporation.

Mr. Watts was born in Paducah, Kentucky, in 1867. He received a liberal education in the public and preparatory schools in Tennessee, and assumed his initial banking responsibility when he was chosen cashier of the First National Bank of Union City, Tenn., in 1888, serving subsequently as president of the First National Bank of Nashville, Tenn., and later as president of the First and Fourth National Bank of the same city under a large consolidation which was conceived and worked out by him long before it became the usual thing to consolidate banks. He came to St. Louis in 1912, as the President of the Third National Bank, succeeding the late Charles Huttig, and while directing this bank he conceived the big consolidation of the Third National Bank with the St. Louis Union Bank and the Mechanics-American National Bank, as the First National Bank in St. Louis.

Mr. Watts was made President of the new First National Bank, which office he held until January, 1928, when he was elected Chairman of the Board, and Walter W. Smith, Senior Vice President, was elected President to succeed Mr. Watts.



BESSIE Q. MOTT

By

BESSIE Q. MOTT

*Chairman of the Advisory
Directorate of the National
Committee for Woman's
Financial Education*

WHEN a woman or a girl has to choose a career, there are two main points for her to consider regarding any particular opening that presents itself. They are, first: Are there any possibilities in it? Second: What are the possibilities, if any?

Banking as a possible career for woman is so new—comparatively speaking—that before attempting to answer the above two questions, it would be well to see how the conditions arose that opened up such a very exclusive field to the sex that had hitherto been barred.

The need of women in banking—I use the word “need” advisedly—has grown out of the lack of understanding and adaptability of men. For centuries finance with all its operations and ramifications has been a man’s profession—a man’s game—played by men with men and for men. There was thus entire understanding, sympathy and cooperation, and these factors created an atmosphere and evolved a system entirely masculine. This was all right so long as it remained masculine.

Within recent years changes in the social scheme have brought women “out of the kitchen” into the market place—the

BANKING

as a

CAREER for WOMEN

market place of money. Women are to be found in all trades, in all professions, and in all grades of all these trades and professions. Some of them are earning money, some are making money, and some are handling money.

These things being so, woman naturally enters the doors of the bank, as a depositor and as a borrower. Each of these operations brings her into contact with at least one official of the bank, and endless trouble has been caused by a mutual lack of understanding, leaving the question of sympathy entirely out of consideration.

Women had never been trained in the fundamentals of banking practice. The opening of an account, the proper handling of a checkbook, the difference between a note and a draft, presented great difficulties to her. And the monthly bank statement was an insoluble mystery. When in need of cash for specific temporary

purpose, she might consider selling something or even pawning something, but the thought of asking her banker for a loan was horrible to her, and the idea that the banker might be more anxious to make the loan than she to get the money was simply ridiculous.

That was one side of the matter. The other side is that the tellers and other officials were used to dealing with men who knew what they wanted and understood the necessary formalities, and who spoke the language. The teller found himself in difficulties when face to face with a woman who was not quite sure of what she herself wanted, and who could not begin to understand why there were so many formalities to be complied with, so many apparent difficulties, so much unnecessary red tape. The banker’s attitude generally was: “For the Lord’s sake, keep the women out of it!”

That attitude is obsolete. The up-to-date banker recognizes the fact that women handle a great deal of money, and that he wants and can get his share of the business arising out of the handling of that money. He has also recognized that not all the difficulty has been due to lack of understanding on the woman’s part. Analogous

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difficulties have arisen before. A man whose early education in banking was acquired in a state where the industry was mainly concerned with machinery and hardware, got a position in a bank in another state and found himself dealing with an agricultural community. He found himself confronted by a different class of depositors, a different set of conditions, a different atmosphere. And he found it entirely possible to adjust himself.

The banks are now trying various ways to adjust themselves to the changing social-financial conditions. They are making various experiments to find a way to accomplish this adjustment. Women's departments have perhaps been the most important manifestations of these attempts. It must be admitted that this particular form is not entirely satisfactory. Occasionally—under the management of an exceptional woman—the wom-

an's department has been a success from the point of view of the bank and its stockholders; that is to say, it has shown a profit, is able to attract new business and to hold that business.

The chief reason for the somewhat unsatisfactory results obtained through the woman's departments is that woman objects to being segregated. Once she has passed through the early stages and has been initiated into the mysteries of banking practice—the outside mysteries—she wishes to be regarded as a full-fledged customer of the bank, entitled to all rights, privileges, consideration and service. And there is always an element of doubt remaining in her mind as to whether the women that she has to deal with in the bank are quite as experienced, quite as capable of helping her as the officials who are attending to the more serious side of the business.

Both of these objections had, it must be admitted, some element of justification. In the early days of the experiment, there were not enough women qualified in the knowledge of banking, and consequently the choice for the head of a woman's department had to be made for some other reason. Personality counted; social standing carried great weight. The president of the bank might give a friend of his a chance to show what she could do. There was always, in case of need, some male official or officer of the bank who could be called on to solve any problem beyond the range of the lady manager's experience. This, in itself, was a very great drawback, as it confirmed the woman depositor's opinion as to the lack of authority and understanding on the part of the woman she had to do business with. Now, the method of judging any male
(Turn to page 44, please)

THE NATIONAL BANK and THE RAILROAD BONDS

A CUSTOMER had employed a national bank to sell railway bonds on commission, a dispute arose in connection with the matter, and one of the parties raised the formidable sounding question of "ultra vires."

"It is beyond the powers of a national bank to engage in such a transaction at all," this party contended, putting the "ultra vires" point in plain and understandable English. And he was right.

In a banking case reported in 77 Federal 129, the Federal courts decided that a national bank has no such power, and the Maryland court (in 42 Md. 581) has arrived at the same conclusion.

"To the usual attributes of banking, consisting of the right to issue notes, to discount paper, and to receive deposits, the law adds the special power to buy and sell exchange, coin and bullion; but we look in vain for any grant of power to buy or sell such securities on a commission basis," is the reasoning of the Maryland court.

Deaf as a Post

A AND B approached the receiving teller's window in a New York bank. A had money in hand, B—apparently—had none. A pushed the money through the wicket, and B said, "That's to go to my credit."

"Sure," the teller agreed, crediting the

By the Legal Department

money to B. A few weeks later a New York lawyer—acting for A—demanded that the bank credit the deposit to A, and threatened to sue the bank if it were not done.

"B said in A's presence that the money was to go to B's account, and A opened not his mouth," the teller pointed out.

THE COURT SAYS

"Where one of two innocent persons must suffer by the act of a third, he who enabled such third person to occasion the loss must sustain it."

"We can prove by a dozen doctors that A's as deaf as a post—couldn't hear a sixteen inch cannon in his back yard."

"I didn't know that."

"If you didn't it was your own fault, and the bank's responsible for your carelessness," the attorney argued, and the New York Supreme Court ruled in his favor.

"The question is, who produced the mistake? It is a principle not controverted, that where one of two innocent persons must suffer by the act of a third, he who

enabled such third person to occasion the loss must sustain it," said the court in ruling in A's favor.

The Cashier's Endorsement

THE cashier shall have no power to endorse any note until such power and authority shall have been given such cashier by the board of directors in a regular meeting," a Missouri statute provided. A Missouri cashier had made a bad loan, the bank directors forced him to pay the doubtful note, and take it over, the cashier endorsed the note, sued the borrower, and the latter relied on the statute.

"There was no resolution of the board of directors authorizing you to endorse," the borrower pointed out.

"Yes, but the directors knew all about it—the statute is for the protection of the bank, and does not help you to evade an honest debt," the cashier retorted, and the Missouri Court of Appeals ruled in his favor on this point.

"The knowledge of the officers and directors of the bank was the knowledge of the bank itself. Consequently the borrower cannot be harmed, and is raising a question in which he has no interest," was the reasoning of the court.

Depositor and Trustee

An Iowa depositor wished to withdraw
(Turn to page 45, please)

MATRIMONY and MR. HALE

By PARALEE M. WINFROW

(A two-part story)
PART 2

OUR second meeting was a sad and spiritless affair. Marguerite read the reply from the Headquarters which was in part as follows:

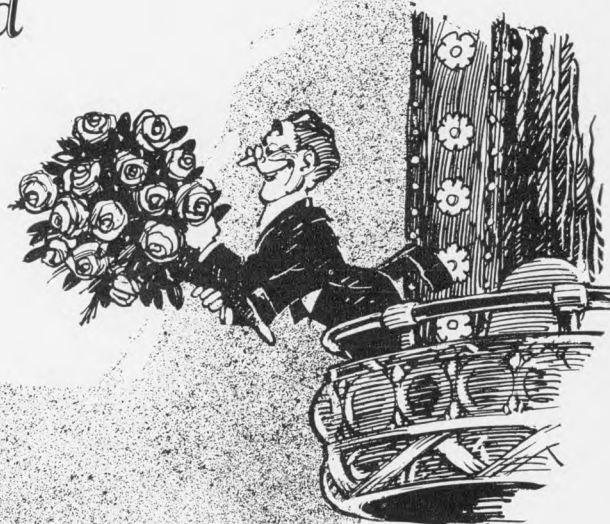
"We regret to state that Mary Coates left our employ in June, 1927, and at this time is located at Yess Bay, Alaska, where she and her husband are engaged in the salmon canning industry. We are sending Mrs. M. Telfair, a veteran installation woman, who we are sure will do as much for you as Miss Coates —." A lot of use we could make of their Mrs. Telfair! So this was that!

"The girl was foolish," Marie avouched, after a silence in which we were all too east down to speak, "to marry a man who would take her to a frozen wilderness thousands of miles away when we could furnish her with a husband only a few hours ride from her gay Chicago, and whose —".

"And whose disposition before breakfast is a worse peril than a hungry Alaskan brown bear," I intruded. Bachelor bankers, we observe, in order to be at their desks by nine, the time the bank opens, must postpone breakfast until a time when they can most unnoticed slink out the side door and over to the Griddle Shop for cakes and coffee. Any bachelor's stenographer will tell you that this first half hour in the morning working with an unfed man is nothing short of a hardship.

Before the session was over, we concluded that it was very probable that Hale's subsided interest in women had been aroused anew by the pretty dark eyed Miss Coates, only to be quenched again by bitter disillusionment, and this at the waning age of forty-seven, we knew was deadly. We felt that, even though she had chosen the other man, she or her type would always be his ideal. And who knew anything about a copy of Miss Coates running about in Mayfield unattached?

Our third meeting marked the passing of three weeks of the month's time we had allotted ourselves to revengefully throw our V. P. into the shackles of matrimony—three eventless weeks which brought no long-haired madonna across Leonard Hale's bachelor path. "Things



"She nodded to Hale with her soul in her eyes"

must happen," our President stressed. "Must we resort to a matrimonial bureau?"

We studied the pattern of the parlor rug in shame. Emphatically, we vetoed the aid of a bureau, and with grim determination, each took on the aspect of "The Thinker". In deep meditation we are a queer looking lot. Marguerite always runs her fingers through the back

Editor's Note: The story on this page is the second and final installment of a two-part story under the above head. Part One appeared in the April issue of the NORTHWESTERN BANKER.

of her short hair absently. Marie rests her fair Titian head on her hand with her sweet bland face in another and better world. Janet has to close her eyes to get next to anything unusual like an idea. Mary must sit on one foot. And I find myself so near to biting my newly manicured nails that I come to with a sudden jolt and lose the thought.

No Flappers

HE DOESN'T like flappers," shivered Janet, seriously.

"I know," I said. "I remember when there was a vacancy in Hale's office and Tootie O'Day, a high school youngster with a sagging shoulder from wearing her shorthand medals, but who shaved her eye-brows and whose rouge was a bit too

evident, applied with complimentary recommendations from the principal of the school, but Hale couldn't even give her a tryout."

"Yet," brought up Marguerite, "he hired Calista Green!"

There was no use arguing that point with the girls. We all knew Calista had more 'phone calls that didn't pertain to business than all the rest of us put together and not only 'phone calls, but bank johnnies—not the timid type that would hang around the side door in the dead of winter, but the black derby type that would drape itself over Hale's counter and read Hale's paper, while Calista finished her letters.

"But Calista was subtle," I sighed. "You know her speed, even did her eloping with her jealous Bob in Archie Hamilton's roadster!"

"Anyway," dismissed Marie, "it's a wife we are trying to get placed and not a stenographer."

"There's George Hassel's widow, Loubell, who has been drinking at the fountain of youth ever since she has had her hands on her husband's money," I suggested, knowing how well we all loved Loubell Hassell. She was fond enough of Hale, goodness knows. Her affairs were always just too tangled up to unravel by herself and how she loved being dumb! She would pop in unannounced, dressed like a sweet girl graduate and nerve her way past the stenographer into Hale's office. "Here I am again, Lennie!" she would chirp mischievously, and the client in interview, be he ever so promising, would automatically take to his heels, while Loubell dumped her sumptuous furs, gloves, bag and frilly perfumed kerchief on Hale's very important looking desk and settled her overweight in her favorite
(Turn to page 71, please)

Northwestern Banker May 1929

FARMS and FARMING

IN THIS ARTICLE
 How to Prevent Erosion
 Farm Management
 Best Hog Market
 Seed Corn Infection
 Keeping Farm Records
 Limestone for Alfalfa

Editor's Note—The "Farms and Farming" department is a regular feature of the NORTHWESTERN BANKER. Readers are invited to ask questions on farm problems, writing to the "Farm Editor, Northwestern Banker." Your answer will appear on this page.

By C. A. CRAIG
 Farm Editor

farmers at the annual cattle feeders day on May 1st.

JEANNE TELLIER of Dakota county, Annie Pederson of Hubbard county, Alden Flygare of Martin county, and Donald Gibson of St. Louis county have been chosen as the Minnesota representatives at the national 4-H club camp to be held at Washington, D. C., in June.

COMMUNITY clubs of South Dakota discussed the tremendous loss from farm fires at the community club meetings during April. The Iowa legislature passed an act authorizing the levying of taxes by townships and villages for the purchase and maintenance of rural firefighting equipment.

NEARLY A fourth of Iowa's spring pigs are farrowed during the latter part of March and the first part of April, according to Prof. E. L. Quaife of the extension division of Iowa State College. The remaining three-fourths are farrowed during the latter part of April, May and early in June. Professor Quaife advises that it is sound business to push the early pigs so that they may be sold in September or early October. A better market usually is available then than a little later when the heavier runs strike the market. Plenty of grain is available on most farms in the corn belt this year to rush the pigs for the early fall market.

YEARS AGO it was sufficient to test seed corn to see if it would grow. That day has passed and now the farmer who would get maximum results from crop production must see that his seed is not diseased (Turn to page 46, please)

recently when Dan H. Otis of Madison, Wisconsin, director of agricultural commission of the American Bankers Association met with the agricultural committee of various middle western state organizations.

The farm bureau and the local bankers are cooperating in splendid fashion in Iowa and a meeting of the bankers, county agents and extension service of Iowa State College at Ames recently revealed various points of contact.

One of the most popular forms of agricultural project is the encouragement—financial and moral—of the boys' and girls' club work by the local banker.

Other enterprises in which the bankers are working with the farmers include that of liming acid soils so that alfalfa and sweet clover may be grown and of encouraging better methods of accounting by farmers and better business methods.

SOUTHERN PLANTERS are said to be good customers of Nebraska growers of seed potatoes. Seed grown in the western part of the state has been tested in experimental plots at Hastings, Florida, and has proven entirely satisfactory, according to Prof. H. O. Werner of the Nebraska experiment station.

MOLASSES, alfalfa and protein supplements fed with corn are being tested out on cattle at the University of Minnesota animal husbandry department. Results of the tests will be given out to

THE soil is the basis of the wealth of most of the middle west states so that any waste of the soil is a definite loss.

Thousands of tons of fertile top soil are being washed down the Missouri and Mississippi rivers and on out to the sea each year. This loss from erosion or washing of the soil has assumed such alarming proportions that the annual loss from a single corn belt state is estimated at as high as \$30,000,000.

Much has been said the last few years about the depletion of soils in Illinois and Minnesota through constant cropping. Vast sums have been spent to replace this lost fertility by use of commercial fertilizers but soil specialists estimate that the loss through erosion is even a more serious problem than that suffered by cropping.

The acreage of cornbelt land that has become unfit for cultivation due to erosion is running into the millions so manifestly something must be done about it.

The most feasible plans suggested are:

1. Damming and filling of gullies and ditches.
2. Terracing of steep hillsides to check the rapid flow of water after heavy rains.
3. Improvement of the physical condition of the soil by plowing under leguminous crops and thereby inducing better soil drainage.
4. Reforestation of steep hillsides.

Conditions alter the circumstances under which these various plans may be used. Terracing and improvement of the physical condition of the soil are largely preventive measures while the damming of ditches and reforestation are corrective.

Terracing may be done by plowing around the hillsides and then establishing the terrace by means of an ordinary road grader.

BANKERS AND FARMERS have much in common when it comes to proper soil handling and efficient management of farm operations. This was brought out



Dams properly constructed as shown on the left, will help prevent erosion and make it possible to farm the ditches. Some hillsides that are badly washed are suitable for reforestation. This picture at the right was taken on the Indian reservation near Tama, Iowa, and shows how trees may be grown successfully on land that otherwise is going to waste.

LET'S MAKE THE LAW MEAN SOMETHING

By M. PLIN BEEBE

President, Bank of Ipswich, Ipswich, South Dakota

Editor's Note—On this page appears a part of a talk made by Mr. Beebe before a recent gathering of the Sheriffs of the State of South Dakota. Mr. Beebe is Chairman of the Protective Committee of the South Dakota Bankers Association.

YEARs ago the bankers realized that there had grown up a class of criminals who made a specialty of attacking banks. The banks realized that to combat these specialized criminals it was necessary to have investigators to assist the officers in the apprehension of this class of crooks. Hence, for their own protection, the bankers of the United States formed the American Bankers Association. This was followed by the formation of various state associations. Both associations have protective departments which endeavor to keep and maintain as complete a file as possible on those criminals who operate against banks. They also maintain a staff of specialized investigators to assist the local officers in causing the apprehension of criminals who operate against banks. These men are simply to assist the local officers and in no way are they to supersede them.

These various associations are constantly seeking causes of crime and are gathering what facts they can concerning crime and criminals. They report that, at the present time, there is an increase in crime more particularly among the younger element. The facts and figures as given us by the various penal institutions show that the majority of the inmates today run from 20 to 30 years, while years back they were from 40 to 50 years in age.

We find that in communities where citizens take advantage of their electoral privileges they have a much higher class of officers than in communities where citizens do not vote.

In 1928, 55 per cent of the crimes of violence against banks were daylight jobs, 56 per cent of which were confined to five states, of which California had 30 per cent.

Statistics show that each year the greater part of crimes against banks are confined to a few states. There are definite reasons for this. Crooks use their heads when sober. Their sole aim in life is to get cash and not get caught. Consequently,

they operate where the criminal laws are more favorable to them and where law enforcement is most lax. Public sentiment enforces or does not enforce the laws.

A few years ago the yeggs defied all the time-honored traditions of the mounted police in the Provinces north of us and started burglarizing Canadian banks. The Red Coated Boys were amazed. The Pro-



M. PLIN BEEBE

vincial police were chagrined and the Canadian stood aghast at the nerve of the Yankee yegg.

Here is the other side of the story. For several years after that Canadian raid whenever we got a yegg, all we had to mention was the fact that we believed the Northwest Mounted Police wanted him. We immediately had a man who was most willing to tell us everything and in fact confess to any crime that would save him from the Canadian courts and prisons. When it is all said and done law as a deterrent to crime is limited to its enforcement. In other words, if you, as sheriffs of this state, do not enforce the laws we now have there is little use in having any stronger or better laws. New York state has been endeavoring to educate its people along law enforcement

lines. This has been followed by its modernizing its criminal laws, which was followed by creating greater efficiency and providing its law enforcement officers with better equipment. It also now has a very efficient state police. This movement has reduced serious crimes in that state by 50 per cent. The Baumes law which provides life for fourth offense caused a marked departure of the criminal class from that state.

The first hours after the commission of a crime are worth more than weeks of time thereafter to your sheriffs. There is no question but that a weakness exists in our laws after the arrest. Too much time elapses between the arrest, hearing and trial. You sheriffs are not to be criticized for the laxity of our laws, and the only criticism I might make is that after you have got your man and believe him guilty, that you wait to see what the state's attorney is going to do. Forget that there is any such animal and go right after the crook and sew him up before his attorney or anyone can reach him or your state's attorney can bungle the conviction by being too slow or endeavoring to be polite and courteous to the criminal's attorney under the guise of professional courtesy and a lot of bunk of that character. State's attorneys seemingly forget at times that they are representing the State of South Dakota and that the crook's lawyer has only one thing in mind which he is generally well paid for and that is to free his client and thereby make a reputation for himself.

The office of the state's attorney in this state has been used too long as a post-graduate course for "budding" young attorneys. By reason of this sentiment this state has paid a terrific toll. I am speaking from experience and personally should have little to say on this score as I was one of those young graduates 20 years ago. You cannot do your work efficiently and secure the conviction unless you have a state's attorney who is a real prosecutor and is on the job mentally and physically 24 hours each day the year around. The state should be represented by only the best lawyers at all times. Statistics show that convictions rest 70 per cent with the state's attorney, 20 per cent with the sheriffs and police and but 10 per cent with the courts.

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Northwestern Banker May 1929

Iowa's Soil Is Her Best "Security"

By FRANK B. YETTER

Vice President, American Commercial and Savings Bank, Davenport, Iowa.

CORN is King—and Iowa is his seat of Empire. The cash value of the 1928 corn crop, based upon a 70-cent price, amounted to nearly 350 million dollars. The total yield was approximately 480 million bushels. That is 125 million in excess of any other state's production. It represents more corn than is produced in the world, outside of the United States. It represents more value than the whole wheat crop of Canada, or the Argentine. It represents more of value than the combined output of all the gold mines in the United States.

That is a lot of corn, isn't it? But it isn't too much. Nor has it ever been too much. Never is there any left over, not even after many successive "bumper crops." Why? Well, it happens that Iowa is the largest consumer of her own corn. Only 15 per cent of it appears in the market, as grain. The other 85 per cent is placed in Mother Nature's Magic Laboratories, there to be converted into pigs and beef, poultry and Percheron horses, mutton and eggs, human brain and brawn and roses in the cheeks of the fair daughters of Iowa, whose complexion is the envy of their sisters everywhere—and the despair of cosmetic manufacturers throughout the world.

The time is not far distant, in my opinion, when the farmers of Iowa will, in the exercise of their sound business judgment, reduce the acreage planted to corn, and wipe out the 15 per cent surplus heretofore available for the market. Why? Because Iowa acreage is too valuable to be devoted to the production of corn at the prevailing prices. This acreage is worth more, much more, than its present valuation. It is worth \$500.00 an acre, as against its 1929 valuation of \$200.00. The factory owner is not the only fellow who can employ modern scientific methods to increase output and profits. The Iowa farmer recalls that somewhere it is written: "Go thou, and do likewise."

Productive soil is the safest, most permanent, "security" known, and the richest block of it in the world, of equal size, is the State of Iowa. Low price for high value is no longer allowed to continue in the world of industry or finance. This is evidenced by the universal practice of recognizing the excess value in the form of stock dividends, and in the multiple capitalization of merged enterprises of various kinds. In general, the procedure is scientific, prudent, and highly profitable.



FRANK B. YETTER

All of the factors which operate to justify this method, when applied to such enterprises as I have mentioned, are present in the soil. This makes it inevitable that the idea will be extended to farm land values. It means that the price of Iowa farm acreage will rise, steadily but surely, until the \$500-per-acre price is reached, to become the base for future valuation. Then the Iowa farmer will sit on top of the world, instead of being subject to alien price-dictators, the football of politics, and the afterthought of statesmen. Then he will take command of his own economic situation, and control it. Then he will adopt the sound policy of raising corn, and other farm products, on his own terms,

A part of a recent address by Mr. Yetter before the members of The Prosperity Club, Chicago.

as does the manufacturer in industry. Then he will fix his prices, to return him an adequate reward for honest effort, plus "dividends on his capital stock." Others have always fixed the prices of the things the farmer had to buy, because that is the law of trade, and the only incentive to effort and ambition. The Iowa farmer is now convinced that is a good rule, to be applied both ways, for the first time and from now on.

When this policy is in full operation, there will be no corn on the market except profit-making corn. The Iowa farmer knows that he, and the other farmers in the corn land states, now produce the practical maximum of corn, and that nowhere can the supply be increased by demand. This means that he will realize a fair profit on the corn he does raise, or absorb it in his own "factory," and devote his acreage thereafter to more profitable lines.

What does all this signify? I believe that it involves the certainty of corn at the fairly stabilized price of \$2.00 a bushel.

At this satisfactory stage of "the market," we will leave the subject of corn, turning it over for further consideration to those who will have to adjust their "budgets" and "surveys" to this impending price revision.

Iowa is the agricultural capital of the world, with 35 million acres of land, 98 per cent of which is tillable (and we can raise goats on the other 2 per cent), with never a drouth or a crop failure. She produces 10 per cent of all the food in the

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Convention Calendar

May 12-16—I. B. A. Governors.....	White Sulphur Springs
May 14-16—Texas Bankers Association.....	Galveston
June 6-7—South Dakota Bankers Association.....	Rapid City
June 11-12—North Dakota Bankers Association.....	Minot
June 11-12—Wisconsin Bankers Association.....	Milwaukee
June 12-15—California Bankers Association.....	Sacramento
June 17-19—Minnesota Bankers Association.....	Minneapolis
June 24-26—Iowa Bankers Association.....	Des Moines
July 19-20—Montana Bankers Association.....	Billings
Sept. 30-Oct. 3—American Bankers Association.....	San Francisco
Sept. 30-Oct. 3—Association of Bank Women.....	San Francisco
Oct. 13-18—Investment Bankers Association.....	Quebec
Oct. 30-Nov. 2—Financial Advertisers Association.....	Atlanta

This Chicken Raising Is a Very Important Matter

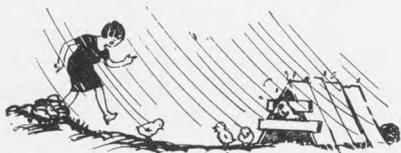


LYDA COLLINS

DEAR HELEN: This morning the subject of my discourse will be chickens. Not the human specie, as I told you, but the lowly hen which lays so many golden eggs for you to consume and whose by-product brings a return of millions and billions of dollars to our fair state.

Did you ever think who was responsible for this enormous revenue? None other than the farmer's wife who toils morning, noon and night, while the season is on to produce the new crop of "biddies" which keeps the cycle circling.

She is the one that is up at sunrise to feed and water her flock; to let the young chicks out of their coops when the dew has disappeared from the grass; to rush, put and get them all under shelter and get soaked to the skin herself when one of those sudden, summer thunder storms threatens to drown the work of weeks and



months and to see that her flock is properly protected for the night before she goes to bed. She has even been known to go out in the middle of the night and shoot off a shotgun to scare away the "booger" that she thought was lurking about. It might be anything from one of those black kitties with a white stripe down its back to a chicken thief. You may count upon it that she is right on the job, night or day.

This chicken raising is a very important matter.

It may mean a new coat, a new rug, a college education for some boy or girl, money to pay the interest on the loan at the bank, maybe the taxes or to help to pay the mortgage on the farm. No wonder then, it is the chief topic of conversation among the women of our community at certain times of the year.

When I came here it was music to my ears to hear this talk. I had always been interested in chickens, just a hangover from a childhood love of live things. I had pets galore. Four canaries, a mocking

bird, a parrot, pug dog and big brother's coach dog. In the spring, along about Easter time, the seed stores would usually have some fluffy chicks in the window and how I longed to have them. They were absolutely tabooed and no amount of coaxing could produce anything but a reiteration of the many good reasons why chickens could not be raised on a city lot.

You may imagine my delight, when I found a chicken coop on the property which we bought and an opportunity to try my hand at something that I had always wanted to do. There were the same good arguments advanced again about raising chickens in town that I had heard many times in my youth, but finally all obstacles were overcome and the parting shot was, "You needn't expect any help from me," from the man of the house.

Dear me suz, what a busy time it was from then on with poultry journals! Every breed of chicken was discussed pro and con. Black ones were discarded because of black pin feathers—not appetizing when dressed—lower market price; cochins of all kinds because of the feathers around their legs which would freeze in winter; White Rocks? Get dirty when confined in a small pen; Orpingtons? Want to set all the time; Plymouth Rocks? Too old fashioned; Rhode Island Reds? Yes. Easily dressed—sweeter meat—good all-around chicken. The family insisted that it was the color that won me (my auburn locks, Helen). They said I wanted to be artistic and have even the poultry flock match up.

Then came the question where to get the eggs to set. Might as well have the best. No harder to raise than scrubs, so the settings were from those breeders whose advertising was the most convincing.

It was a lot of fun getting things going, setting the old clucks, marking the calendar when the various hatches were due and seeing the fluffy little things break out of the shells.

It was the talk of the town, too, when it became known that the new banker's wife was going to raise chickens.

"My gosh!" said one old man. "She's hard up for somepin to do. They say she can play the pieanna and sing and what does she want with chickens!"

Such disgust! It was warranted, I admit, but nevertheless there was a friendly interest in my project which spread to the whole town.

As the constant dripping of water will wear away the stone, so the constant

By LYDA COLLINS

"The Banker's Wife"

chicken talk wore down the resistance of the man of the house and, although there wasn't much interest displayed at first, yet he WOULD listen and advise and look at my fast growing flock.

There was only one more setting that I wanted. It was to be extra special. I even got a poultry catalogue into the "Skipper's" hands. It seemed to awaken more interest, more enthusiasm, and I was happy. We were having more fun out of this order than any of the others. I saw him thumbing over the pages several times. He got almost gay in his chicken talk. When I decided from whom I wished to get this next setting he did the ordering himself and sent the letter with the money order. He even helped me set the old hen and watched her carefully so we would have a good hatch.

It seemed more people than ever were interested in my chicken raising. The boys in the bank would ask me about it and customers on the street would stop me and chat very often. I thought we had the nicest, friendliest little town in the world, to be interested in a business that had no romance in it for them.

There was great excitement in the family when the hatch was due. They were beautiful chicks, *all but two*. Such queer looking birds you never saw. They had such long necks and big thighs, all out of proportion to the rest of the body. And fight. The minute they were out of the shell they were at it. Such a laugh as the head of the house let out when he saw them.

The neighbors came over to inspect my strange fowls. The boys from the bank



came and laughed long and loud when they saw them. The "Skipper" often brought home some friend and they would invariably shout with laughter when they saw them. I knew they were queer, but didn't think they were such monstrosities enough to cause such hilarity.

I had been razzed before in my young
(Turn to page 48, please)

Northwestern Banker May 1929

Constructive Recodification of Iowa Banking Laws Concluded

WITH the signing by Governor Hammill on April 12th, of the banking laws covered by House File 402 and its companion bill Senate File 420, Iowa banks and bankers have more reason for self congratulations.

Never since the first banking laws were placed upon the statute books of Iowa has anything so complete, so far visioned and so constructive been done in the way of modernizing and revitalizing Iowa banking requirements.

These statutes, as completed and passed, virtually amount to a recodification of the entire structure of Iowa banking laws and banking requirements. To Iowa they are as important and as solidifying to its banking structure as was the McFadden bill of 1927 to the interests of the national banking system.

President Ray Nyemaster of the Iowa Bankers' Association, the chairman of the banking legislature committee, C. C. Jacobsen of Sioux City, the individual members of that committee, Frank Warner, the tireless secretary of the Association, the State Banking Department, and L. A. Andrew, Superintendent of the State Banking Department, all of whom have unselfishly and consistently given of their time, experience and ability to the work of recodifying the banking laws, have received and have justly deserved the unstinted praise of all interested in better banking requirements and better banking conditions in Iowa and elsewhere.

Superintendent of Banking, L. A. Andrew, said "This banking bill is unique in that it is one-half for and one-half restrictive of the banks affected."

The bill will by some restrictions make impossible or at least minimize the possibilities of the reoccurrence again of some situations which arose during the recent inflation period and it will legally place Iowa's state banks more nearly on a competitive level with the national banks. In this way it operates in a state way much as does the McFadden act as a national banking measure. In any case it really legalizes by making a part of the bank law rulings that have been in effect particularly during the administration of Superintendent of Banking, L. A. Andrew.

The Department in recent years has

found it necessary to rule on certain fundamental banking problems and the soundness of its rulings is shown by the inclusion of many of them as sections of the definite banking laws.

The new law authorizes twenty examiners, but does not as a matter of fact increase the number because recent emergency acts have resulted in the Banking Department using as many as nineteen examiners, so that the new law does not really increase the actual number of examiners.

It also raises the minimum capitalization of new savings banks to \$25,000,

making illegal, with the outside activities of a great many banking officials which have sometimes resulted in consequences embarrassing to the bank itself. It also requires that state banks shall receive a statement with all applications for loans over \$500.

While the section referring to interest rates on time deposits does not become effective until January 1, 1930, it is a wide spread interest. It will limit the rate of interest on time deposits to 4 per cent per annum—unless the bank desires to show them as bills payable and the depositor waives his preference in case of insolvency of the bank.

Another section of particular interest is that referring to bank drafts and cashiers' checks given for clearing between banks in the same town. This section would make bank drafts and cashiers' checks given for clearings between banks in the same town, by presentation or by mail, and drafts given to transport money—a preferred claim against all other preferences including depositors.

The law as passed requires the authority of the board of directors before any officer or employe can pledge any part of the bank's assets.

Another important section stipulates that surplus and undivided profits of banking institutions shall henceforth be taxed as moneys and credits.

The new law, like the national banking laws, provides a penalty for giving false statements for credit.

From now on under this new law all public funds will carry an interest rate of 2 per cent instead of 2½ per cent, "on collected daily balances" which means that a "float" charge may be made for collecting public fund checks and drafts.

The question of penalty which any officer or employe of a bank should receive for taking deposits for a bank already insolvent is permanently cleared up by absolving such officers and employes from penalty unless such deposits were received "with intent to defraud or receiving financial benefit therefrom." This will make it impossible in the future to punish an honest bank officer who has done everything in his power to keep his bank solvent.

It also places on a par with national (Turn to page 30, please)

Legislative Committee of the Iowa Bankers Association

C. C. Jacobsen, Chairman, Sioux City

Fred J. Figge, Ossian F. E. Sheldon, Mt. Ayr
M. W. Fitz, Manson C. E. Beman, Oskaloosa
R. D. McCullough, Wapello W. G. C. Bagley, Mason City
Ray Nyemaster, President I. B. A., Davenport

These individuals, cooperating with the officers of the Association, the State Banking Department through L. A. Andrew, Superintendent, the Banking Board and the Banking Committees of both branches of the Legislature, have been largely responsible for giving Iowa fine, constructive, revitalized and modernized, State Banking Laws.

which makes them the same as state and national banks. While this requirement now becomes law it has, as a matter of fact, been in effect for some time because the Department has for a long time past required by ruling an original capital of \$25,000. It also requires banking institutions to build up a surplus of at least 20 per cent of their capital. This will apply particularly to new banks because under our law of 1923 practically all of our existing banks have the required surplus. New banks, however, will be required to have it from the start and then must lay aside not less than 10 per cent of the net annual earnings until the surplus has reached 50 per cent of the capital stock.

Another important section, and a practical one, makes it impossible hereafter for officers or employes of a bank to sell real estate or insurance without first obtaining an approval of the board of directors of their bank. This will do away, by

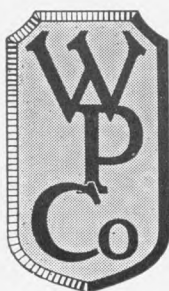
The **WHITE PHILLIPS COMPANY**
INVESTMENT BANKERS
 DAVENPORT, IOWA CHICAGO, ILLINOIS

MAY INVESTMENTS

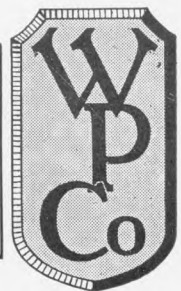
WE OWN AND OFFER, SUBJECT TO PRIOR SALE:

			Maturity	Price	Yield
\$160,000	4¾%	Cedar Rapids, Ia., Waterworks	4-1-31-38		4.50%
93,000	4½%	Scott County, Ia., Primary Road Refunding	5-1-35-44		4.40%
150,000	5%	Washington County, Ia., Primary Roads	Opt. 5-1-34	101.768	4.60%
200,000	5%	Clayton County, Ia., Primary Roads	Opt. 5-1-34	102.216	4.50%
80,000	5%	Monona County, Ia., Primary Roads	Opt. 5-1-34	101.768	4.60%
70,000	5%	Mills County, Ia., Primary Roads	Opt. 5-1-34	101.768	4.60%
50,000	4¾%	Marshalltown, Ia., Waterworks	10-1-33	100.589	4.60%
300,000	4¾%	Jackson County, Ia., Primary Roads	Opt. 5-1-34	101.108	4.50%
25,000	6%	Southern Cities Pub. Serv. Co. Debentures	5-1-49	99.00	6.09%
50,000	5½%	Florida Power Corporation First Mortgage	1-1-79	94.00	5.87%
40,000	5%	Central Illinois Public Service Co.	5-1-56	99.50	5.07%
18,000	5%	Texas and Pacific Railway Company	4-1-79	99.50	5.03%
25,000	5%	Nevada-California Electric Company	4-1-56	94.50	5.39%
15,000	5%	West Texas Utilities Company	10-1-57	94.50	5.38%

Complete descriptive circulars on the above offerings gladly furnished upon request.



**THE INVESTMENT
 BANKING HOUSE OF SERVICE**



Northwestern Banker May 1929

banks all state banks and trust companies doing a commercial business in so far as necessary legal reserves are concerned.

Another very important feature of the bill is that it increases the amount loanable on marketable non-perishable staples and on livestock up to 40 per cent of the market value of the staples when covered by insurance and when the market value is not less than 120 per cent of the face amount of such obligation or when the stock feeder shall have sufficient corn and rough feed to fatten his livestock and when the loan on said livestock does not exceed the purchase price. Thus it will be seen that the State Banks may double the present amount that they can loan to business houses and farmers. Under the present law they could only loan 20 per

cent of their capital and surplus. This is similar to what the McFadden Act granted to national banks.

The State Bankers Association through its officers, secretary and legislative committee, the State Banking Department, the Bank Board, and the banking committees of both branches of the legislature have by cooperative effort given to the bankers and to the people of Iowa a banking law structure as comprehensive, as well-defined and as solidly constructed as that possessed by any state in the union. The recodification of our banking laws involved a great amount of work and time, all of which has been spent to the everlasting benefit of all those who have any contact with banking in this section.

It is fitting and appropriate that the

final passing of Iowa's new banking law should come at the time when the rank and file of her banks are in better shape than they have been for a great many years. With the present splendid condition of Iowa's banks, backed by the encouragement of constructive banking laws and practical businesslike restrictions, there is promise of a continued era of sound and profitable banking for both banks and their customers.

Supplement Work of Chartered Banks

Loan corporations occupy an important position in Canada's financial structure, according to a report on these institutions by American consul Emil Sauer, Toronto, which has just been issued by the Commerce Department as a trade bulletin. The chief purpose of these loan corporations, the bulletin explains, is to make loans on real estate, this form of investment not being permitted the chartered banks. The loan corporations can accept deposits from the public and against these checks are drawn having the same currency as bank checks and which are passed through bank clearing houses. In consequence of their taking deposits, it has become an established obligation on the part of loan corporations to keep part of their assets in liquid form.

Canadian loan corporations originated in the Province of Ontario and it is there that the chief development of these institutions has taken place. At present there are twenty-six such corporations operating in Ontario, the assets of the three largest comprising about 70 per cent of the total combined assets of all loan associations in that province.

Real estate mortgages comprise about 75 per cent of the total assets of these loan corporations, the remainder being made up of collateral loans, United Kingdom, Dominion and Provincial bonds, etc. Of their total liabilities approximately 65 per cent are liabilities to the public and 35 per cent to the shareholders.

While Canadian loan corporations have no exact equivalent in the United States, it is pointed out that in many ways they are comparable to American building and loan associations.

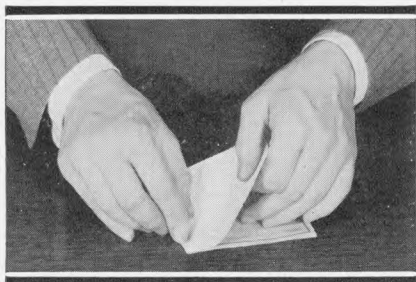
Back Drive on Frauds

The drive on bankruptcy fraud being waged by the National Association of Credit Men has won commendation from three members of President Hoover's Cabinet, according to Stephen I. Miller, executive manager of the association.

Dr. Miller said that A. W. Mellon, Secretary of the Treasury, R. P. Lamont, Secretary of Commerce, and Attorney General Mitchell have endorsed the country-wide protective movement being carried on by business through the credit organization.

THE FIRST GENUINE CHECK PAPER

THE NEW SUPER-SAFETY HAS REMARKABLE FOLDABILITY



THE most frequent abuse a check receives is folding. With the modern widespread use of checks has come multiplied handling and the need for check paper that can withstand repeated creasing without weakening.

The new Super-Safety Paper, designed for check use exclusively, has remarkable ability to withstand continued sharp folding. Its foldability is five times that of the usual check paper. Bend and crease this fine new paper as you will. Crush the fold flat with your thumb-nail. It will take a great deal of such punishment without a sign of weakening, tearing, or cracking.

Other features of this superlative new kind of check paper are its *durability*—at least seven times longer lived than ordinary check paper . . . its *fine writing surface*—smooth as satin, yet a surface on which ink instantly takes without blurring or running . . . its *strength*—long tough fibers and little sizing give this paper powerful resistance to cracking or tearing.

Depositors appreciate distinction in

the checks their bank supplies. The new Super-Safety Paper will be appreciated both for its excellent appearance and for the service of protection it provides for depositors' funds. Erasure or the use of ink eradicator is immediately exposed. And to prevent counterfeiting, The Todd Company guards every sheet of the new Super-Safety Paper as the government guards bank-note paper.

The coupon will bring you samples and prices of this first genuine check paper. See this handsome new Super-Safety Paper, available in six attractive colors—an *unusually* distinctive paper available from no other source but The Todd Company. Sold only on individual order. Surprisingly low in cost. A distinction for your bank, a protection for your depositors. Every banker will be interested in seeing the handsome new Super-Safety Check Paper and in putting it to comparative tests. Complete information on request. Return coupon today. Bankers' Supply Division, The Todd Company. (Est. 1899.) Rochester, Chicago, New York, St. Paul, Denver, Dallas, Birmingham.

Bankers' Supply Division 5-29
THE TODD COMPANY

1149 University Avenue, Rochester, N. Y.

Send me more information about Super-Safety Checks made of the new Super-Safety Paper.

Name of Bank _____

Name of Officer _____

Street _____

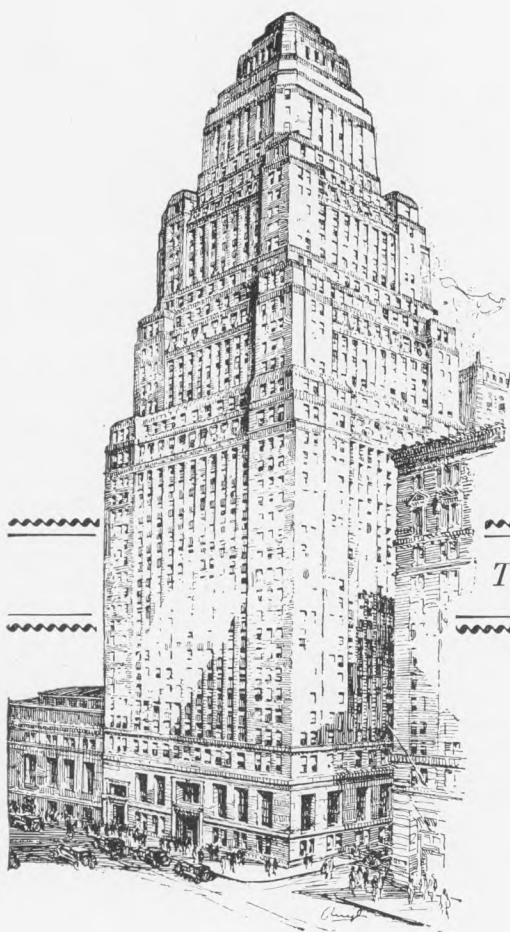
Town _____ State _____

\$5,000 - \$10,000 - \$25,000 BLOCKS

best for Bank Bond Accounts

Blocks of this size make the account easier to handle and command a more ready market than odd lots. We recently examined a bank's bond list of a par value of \$1,400,000, which contained *247 different issues in blocks of two, three and four bonds each*. It was an unwieldy account, showing dangerous disregard for marketability. Larger blocks of bonds in half as many issues would save this bank much embarrassment if it were suddenly necessary to liquidate.

Affording sound security and satisfactory yield—enjoying an active market with narrow price fluctuation due to early maturities—Short Term Notes meet banking requirements for more liquid secondary reserves. Each week The Equitable issues a selected list of these securities. For a copy, call or write our local representative, who is in constant contact with The Equitable's main office in the center of Financial New York.



THE EQUITABLE TRUST COMPANY OF NEW YORK

11 BROAD STREET

The Equitable's main office in the center of Financial New York

Ralph B. Wells, *Manager*

CHICAGO:

105 South La Salle Street

Telephone: State 8312

District Representatives:

BALTIMORE • PHILADELPHIA • SAN FRANCISCO • ATLANTA
FOREIGN OFFICES: LONDON • PARIS • MEXICO CITY

Home Office: 11 Broad Street, New York, connected by direct private wire with Chicago Office.

Total resources more than \$550,000,000

Northwestern Banker May 1929

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford De Puy

CHARLES E. SIGLER was recently appointed assistant vice president of the Central Union Trust Company of New York. Mr. Sigler has been connected with the company since 1906. He was formerly assistant secretary, receiving the appointment in 1920.

Mr. Sigler is a graduate of Lafayette College, Easton, Pennsylvania, class 1904.

HENRY L. DOHERTY, multimillionaire and head of the H. L. Doherty Company, recently married his nurse.

Mr. Doherty's bride was the former Mrs. Percy F. Eames who lived in Marshalltown, Iowa.

Mrs. Eames had spent the last two years as Mr. Doherty's nurse in the Battle Creek Sanitarium.

HARRY A. BRYANT, a Parsons, Kansas broker, offered Marion Talley a 160-acre farm provided she would retire to it and live on it after her successful career with the Metropolitan Opera Company.

Miss Talley, however, refused to accept the farm on that condition, no doubt because she had in her earlier life known something of farming and besides she probably thought the songs which her beautiful voice might sing were more interesting than the songs of the pigs, chickens, and cows.

C. J. WEISER, president of the Winneshiek County State Bank, commenting on the article in the *NORTHWESTERN BANKER* for April by Dr. C. W. Phelps on "How to Get Ahead Financially" said, "I am awfully glad to know what the true method of proceeding is in order to get ahead financially. 'First decide on a definite plan; second, get the plan started working immediately; third, seek strong financial advice.' But it didn't say anything about how to get the money to start with. Maybe his next article will enlighten us on the subject. Simply following those three rules won't bring home the bacon. You've got to get out and saw wood just like you and I did for I don't think anybody handed you a definite program to build upon and I know they didn't give me one."

CLARENCE BLISS, of the Department of Trade and Commerce of Nebraska, has already sent out notices to state banks that assessments of one-half of one per cent based upon average daily

deposits shown by statements of December 31, 1928, shall be levied to the credit of the Guarantee Fund.

Estimated upon total deposits of \$250,000,000 the assessment will net approximately \$1,250,000 according to Mr. Bliss.

Although Guarantee Fund special assessments amounting to \$620,000 for the last half of 1928 are now tied up under a district court injunction in connection with the recent state bank suit, the status of that case can in no way effect collection of 1929 assessments, according to Mr. Bliss.

GRANT McPHERRIN, President of the Central State Bank of Des Moines, is receiving letters every day indorsing his candidacy as treasurer of the American Bankers Association, the election of which will take place when the financiers of America foregather at San Francisco September 30th to October 3d.

Mr. McPherrin has long been active in the affairs of his own association and of the American Bankers Association. He was former president of the state bank section and made a most enviable record for himself at that time.

GEORGE L. OHRSTROM, 34 years of age, and head of the investment banking house which bears his name, will erect the world's tallest building in down-town New York. It will be 63 stories high and will adjoin the four-story United States Assay office and across from the three-story J. P. Morgan building.

The building will rise 840 feet, 48 feet higher than the Woolworth Building in New York and 31 feet higher than the Chrysler Building being erected at 42d Street and Lexington Avenue of the same city. The structure will cost \$20,000,000 and will be known as the Bank of Manhattan Building.

The only trouble we can see with all the tall buildings they are building in New York and elsewhere is that by the time they get up to the top there will not be enough space made for suitable landing of the planes of the tenants who occupy the buildings, and we are sure that this will be a necessary requisite in the next few years of every well-built office building.

JOSEPH S. McCOY, government actuary, calculates that there is some \$5,150,000,000 worth of property inherited annually in this country.

All of which indicates that the crop of golfers who can give their *entire* time to the business of chasing over the fairways is increasing annually.

EDWIN D. FOREMAN, JR., vice president of the Foreman National Bank, has built Chicago's first smokestackless skyscraper. The heating of the new Foreman skyscraper has been accomplished by tapping the giant boilers of the Conway Building adjoining the new structure.

Minnesota Venison



Bankers living in Iowa, Nebraska, North and South Dakota please note how fortunate your brother bankers are who live in the great state of Minnesota.

S. McEwan of St. Paul, who sent us the above snapshot, did not tell us whether he kept his table supplied with venison constantly or not, but from the picture Mr. McEwan and his friends must have had several royal "feeds" when this magnificent specimen from Minnesota's north woods was reduced to juicy steaks and roasts.

No Hurry

The telephone bell rang persistently, and the doctor answered the call, "Yes?" he said.

"Oh, doctor," came the reply, "something has happened to my wife. Her mouth seems set and she can't say a word." "Perhaps she's got lockjaw," said the doctor.

"Do you think so? Well, if you're round this way any time next week I hope you'll drop in and see what you can do for her."



Says Secretary Andrew Mellon: “Buy Good Bonds”

THIS recent advice of the Secretary of the Treasury to prudent investors has attracted nation-wide attention. Mr. Mellon gave as his reasons the comparative low price and relative high yields of bonds and the fact that it is easier to select a sound bond than a sound stock.

That this counsel of an investment expert of long experience and seasoned judgment is being heeded is proved by the increasing strength of the bond market.

In Iowa hundreds of conservative banks that are buying bonds are customers of this reliable investment house. Their patronage indicates the soundness of our offerings and the satisfactory character of our service.

Write our Burlington office, without obligation, for our latest list of selected bonds suitable for bank investment.

W. D. Hanna and Company

BONDS FOR INVESTMENT

Burlington, Iowa

Pioneer Bank Building
Waterloo

The Laurel Building
Muscatine

The Higley Building
Cedar Rapids

BANK CHANGES IN BRIEF

Iowa

New Banks

Farmington—Farmington State Bank. Capital \$25,000. Surplus \$10,000. W. A. Logan, president. E. A. Ebersole, cashier.

Emmetsburg—Central Savings & Trust Co. Capital \$30,000. Surplus, \$10,000.

Lineville—Lineville State Bank. Capital \$25,000. Surplus \$5,000. Harvey C. Duncan, president. Ralph Davis, cashier.

Change in Officials

Nashua—R. W. Clappitt elected cashier of Nashua State Bank.

Emmetsburg—Jack Edge becomes cashier of new Central Savings Bank.

Corydon—C. R. Shriver becomes assistant cashier of Commercial National.

Richland—R. M. Butler elected assistant cashier of First Savings Bank.

Maquoketa—Opal Bowman resigns position with American Savings Bank.

Mason City—Irving Jensen becomes assistant cashier of new Northwest Savings Bank.

Solon—Neil Thomas resigns as assistant cashier of Farmers State Bank.

Atlantic—M. B. Nelson resigns as vice president of Farmers Savings Bank.

Nebraska

Consolidations

Deshler—Farmers & Merchants Bank merges with Deshler State Bank, forming Farmers & Merchants Bank.

Grand Island—Nebraska State Bank buys Farmers State of Alda.

Wood River—Citizens State and Farmers State merge under name of latter.

New Banks

Mintare—Application has been made for a national charter here.

Bloomfield—Nebraska State Bank re-organized, and will soon open.

Ainsworth—National Bank of Ainsworth opens with C. T. Bowen as president and Hans Rohwer as cashier.

Change in Officials

Laurel—A. A. Soderstrom resigns as cashier of Security National Bank.

Hartington—S. H. Morten resigns as cashier of Hartington Bank.

Lincoln—Byron named vice president and cashier of National Bank of Commerce. A. A. Held elected assistant vice president of same institution.

Benson—B. C. Ranz elected president of Farmers & Merchants Bank.

Minnesota

New Banks

Holloway—Farmers State Bank. Capital \$20,000. Surplus \$6,000.

Sauk Rapids—The Union State Bank. Moorhead—First National Bank. Herbert Hallenberg, president.

Consolidations

Granite Falls—Granite Falls Bank takes over First National Bank.

Change in Officials

St. James—A. E. Sundt resigns as assistant cashier of Citizens & Security National Bank.

Duluth—S. W. Gilpin named vice president and trust officer of City National Bank.

Ostrander—Chas. J. Popelka resigns as cashier of Ostrander State Bank.

South Dakota

Chartered

Fairfax—Farmers National Bank. J. N. Ellerman, president. I. E. Anderson, cashier.

Consolidations

Watertown—First National Bank takes over Florence Bank.

Alexandria—First National Bank takes over Security National.

Change in Officials

Brookings—Van D. Fishback elected president of Security National to succeed his late father.

MAKE YOUR CHECKS SAY WHAT YOU WANT THE PUBLIC TO THINK

Some banks use their checks as withdrawal forms alone; and some find an additional use . . . that of creating a favorable public opinion toward their bank.

You can make your checks say what you want the public to think about your bank . . . that yours is a bank of character, safety, strength and progressiveness. For checks are

capable of saying all these things—are fully capable of favorably reflecting the standing of your bank.

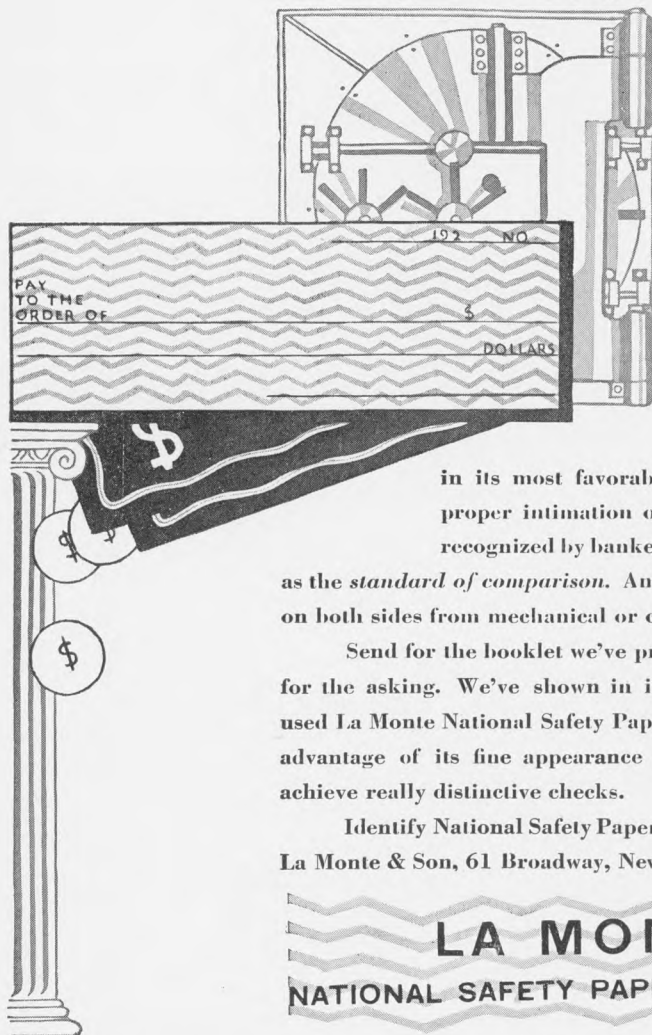
Checks made on La Monte National Safety Paper (the majority of banks in the leading cities of the country use La Monte Safety Paper) have the happy faculty of presenting your bank

in its most favorable light. They convey a proper intimation of a bank's standing; are recognized by bankers and business men alike as the *standard of comparison*. And they are safe; protected on both sides from mechanical or chemical erasure.

Send for the booklet we've prepared for you. It's free for the asking. We've shown in it how other banks have used La Monte National Safety Paper—how they have taken advantage of its fine appearance and pleasing colors—to achieve really distinctive checks.

Identify National Safety Paper by its wavy lines. George La Monte & Son, 61 Broadway, New York.

LA MONTE
NATIONAL SAFETY PAPER FOR CHECKS



Influential in the Banking Affairs of Iowa



No matter how large a bank may grow to be the completeness of its service will always be gauged to a very great degree by the friendliness of its attitude in dealing with the problems of its customers.



OFFICERS

Ed. Kaufmann President
 Ray Nyemaster Vice President
 H. P. Oetzmann Vice President
 Frank B. Yetter Vice President
 Louis G. Bein Cashier
 F. C. Kroeger Assistant Cashier
 F. A. Johnson Assistant Cashier
 J. D. Brockmann Assistant Cashier
 A. H. Hiegel Assistant Cashier
 Herman Staak Assistant Cashier
 John J. Brandt Assistant Cashier



CAPITAL
 \$1,500,000.00

Surplus and Profits
 \$1,500,000.00

Total Resources
 Over \$35,000,000.00

“The American” at Davenport is the largest bank in Iowa and one of the largest banks in the world for a city the size of Davenport.

Its influence spreads to the four corners of the state and its state-wide interests are so broad as to require practically the entire time of one executive to travel the state from end to end keeping in touch with the business of commercial and correspondent customers.

If you are looking for a correspondent bank in the rich Iowa territory, we solicit the privilege of outlining to you the complete range of our service.

Member Federal Reserve System

American Commercial and Savings Bank

AFFILIATED

American Trust Company

Davenport

RESOURCES OVER 35 MILLION DOLLARS

Another Iowa Mortgage Banking House Shows Big Gains

Enlarging to Meet Growing Demands

IN 1915 two young men of wide experience in the Mortgage Banking Business entered the Iowa Farm Loan field at Cedar Rapids, Iowa. One of these was I. C. Stanley. At that time Mr. Stanley expected to make loans only in Linn county and perhaps later in counties immediately adjoining. From this very small beginning the little company started by these men has grown into one of the largest farm loan concerns in the middle west.

Someone has said: "A real idea is the biggest thing in the world." In speaking of the steady and continuous growth of his company Mr. Stanley stated that he began business with the 'Real Idea' that a new standard of loan service was deservedly due the farmers and land owners of Iowa. This idea dared to presume and declare that borrowers are entitled to consideration. It is not a far cry back to a time when the borrower was the small end of any transaction wherein the loan of money on land was involved. Mr. Stanley states that his corporation has operated always with a keen effort to furnish a service worthy of the name, and always with a firm belief that the best interests of lender and borrower are parallel. Mr. Stanley argues that the benefits

derived from every loan transaction should be of equal value alike to borrower and lender. That the principal of "equal consideration and equal service" is looked upon with favor by all concerned is amply proven by the fact that the Stanley Securities Corporation has loaned in Iowa since 1922 upwards of \$17,000,000.00 and the little company organized to do a local business in Linn county now covers a field embracing all of Iowa and a large part of Minnesota, together with portions of Illinois and Wisconsin.

Looking backward over fourteen

years of busy farm loan service to an ever increasing clientele, the Stanley Securities Corporation shows an unbroken record of development and expansion. Five years after the company began business (1920) the loans upon the books were confined to about ten counties in Iowa and these loans naturally represented only a very small portion of the commitment available for Iowa farm loans from the funds of the life insurance companies and other great institutions represented by the company. By 1922 the company's business had developed to a point where it was found necessary to take much larger office space and add to the company's force of farm examiners and field men. To meet the rapidly growing demands of Iowa banks and local loan representatives who depend upon the company as a source of supply for farm loan funds, the capitalization of the company was therefore raised during that year to \$100,000.00.

Also at this particular time a large territory in Minnesota was added to the company's loaning field and it is interesting to note that in 1925 the statement of the company's operations discloses that a total of \$1,121,182.00 of mortgage loans were closed and sold. However, the com-



Top center:—The Higley Building in Cedar Rapids. Stanley Securities Corporation offices occupy Eighth floor. The two lower illustrations are interior views of the home office arrangement at Cedar Rapids

pany's greatest development has been made within the last four years and the business closed during the year 1928 reached a total of \$2,727,302.00, all within the State of Iowa, in addition to the farm and city loans closed in Minnesota and other territory.

At the regular annual meeting of the stockholders in 1928 it was found necessary to again raise the capitalization of the company in order that they might have sufficient funds immediately available to meet the demands of the yearly increasing volume. The Stanley Securities Corporation was therefore re-capitalized early in 1929 with a total authorized capital of \$400,000.00, divided into \$100,000.00 of common stock and \$300,000.00 of preferred stock and various changes ordered with regard to distribution of dividends, whereby the common stock was placed upon a semi-annual dividend basis and the preferred stock dividends put upon a monthly payment basis.

At this meeting the following officers were reelected:

- I. C. Stanley, president;
- H. E. Pfeiffer, vice president;
- G. E. Peck, treasurer;
- C. A. Pope, secretary.



I. C. STANLEY
President

An estimate of the gross business (figured upon the experience of the first three months of this year) places the total for 1929 at more than \$4,500,000.

The company has also developed a large business in city and town loans

during the last five years in all of the territory now covered, and is prepared to offer the same prompt service to city borrowers as in its farm loan department.

Incident to the rapid advancement of the company and in order to facilitate the handling of business more promptly and efficiently the company has lately opened branch offices at 400 Royal Union Building, Des Moines, Iowa, under the management of J. C. Mehan, Geo. N. Sherman in charge of city loan department, and E. A. Dame, cashier.

S. G. Hanson will act in the capacity of inspector for the Des Moines office and Henry H. Sanders will have charge of a similar department for the Cedar Rapids office.

The Stanley Securities Corporation feels that it owes its growth largely to the Bankers of Iowa and Minnesota, and extends to them a cordial invitation to investigate its rates, its service and its methods, believing it will be able to prove the company's claim that in prompt action and general all around satisfaction it is foremost in its field.



H. E. PFIEFFER
Vice President



G. E. PECK
Treasurer



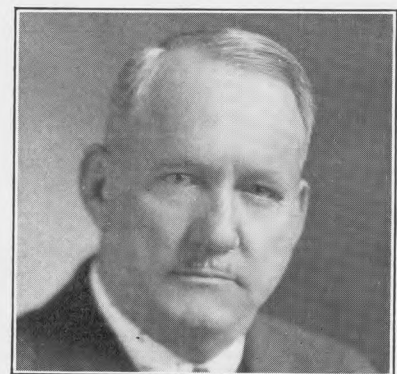
C. A. POPE
Secretary



S. G. HANSON
Inspector



HENRY H. SANDERS
Inspector



J. C. MEEHAN
Manager Des Moines Branch

Eighth Largest Bank in the United States

OUT on the Pacific Coast the merger spirit has brought into existence the eighth largest bank in the United States. At the close of business on March 30th the two largest banks operating exclusively in Southern California were consolidated to form a new bank bearing the name Security-First National Bank of Los Angeles, with J. F. Sartori as president and chairman of the executive committee and Henry M. Robinson as chairman of the board of directors.

The Los Angeles-First National Trust & Savings Bank, of which Mr. Robinson was president, dates from 1875, while the Security Trust & Savings Bank, headed by Mr. Sartori, was founded in 1889. Thus the consolidated bank has its roots deep

in the soil of Southern California. Its predecessors knew Los Angeles when it was still a frontier town struggling with its law and order problems and they played no small part in developing it into the world-famous metropolis that it now is.

With a capital account of \$50,000,000 and resources exceeding \$600,000,000 the Security-First National Bank of Los Angeles takes its place well toward the top of the giant banking institutions which are the outgrowth of the tendency toward consolidation apparent throughout the nation's business enterprises. It gives California additional representation among the "First Ten" with a bank operating in communities extending from Fresno and San Luis Obispo to the Imperial Valley.

The group of officers and the departments which will have in charge the administrative and executive phases of the

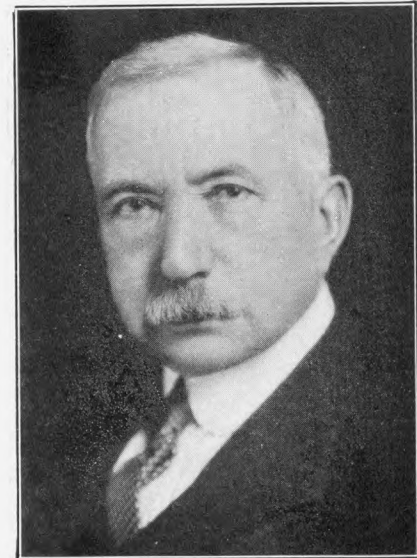
organization are housed temporarily in a central administrative office at the corner of Sixth and Spring Streets. A permanent central bank building at another site in which the enlarged activities of the



HENRY M. ROBINSON.

new bank can be properly conducted is contemplated for the future.

Under the terms of the exchange, First National stockholders received 550,000 shares of the new bank stock while Se-



J. F. SARTORI.

curity stockholders received 528,000 shares. Up to March 30th, stockholders of the consolidating bank had the right to buy stock in the new bank at \$100 per share. First National shareholders had the right to buy 55,000 shares, while Security stockholders had the right to buy 52,800 shares. There are now outstanding 1,200,000 shares of Security-First National Bank of Los Angeles, having a par value of \$25

785

out of

970
BANKS

*in Wisconsin are
correspondents of the*

**FIRST WISCONSIN
NATIONAL BANK
MILWAUKEE**



a rare composite —

These magazine qualities—
editorial vigor and authority
adapted to this territory—
typographical beauty,
fine paper—circulation*
of character and influence,
combine to make this a
great magazine—a great
magazine for its readers
—and for its advertisers.

The NORTHWESTERN BANKER DES MOINES

★ The largest A. B. C.
circulation of any
regional banking magazine

One of the De Puy Group of Banking and Insurance Magazines

Northwestern Banker May 1929

per share. The stock is currently quoted at around \$130 on the Los Angeles Stock Exchange.

Formation of the Security-First National Company as the investment arm of the new institution has been effected. It has a capital account of \$6,000,000 and is owned beneficially by the shareholders of the new bank. This company has taken over the bond and securities business formerly conducted by the Security Company and the First Securities Company, investment subsidiaries of the consolidating banks. However, both of the old investment subsidiaries will remain in existence to act as holding companies for the surplus assets of each bank. These assets will be retained by them for five years to guarantee on each side the assets contributed by each to the consolidated bank.

Both the president of the new bank and the chairman of its board are bankers of

national reputation. Mr. Sartori who organized the Security Bank in 1889 has been a bank executive in Southern California for more than 40 years, is a former president of the savings bank division of the American Bankers Association and has served for five terms as president of the Los Angeles Clearing House Association. He has also served for 20 years as a member of the committee on legislation and taxation of the California Bankers Association, was for many years its chairman and had much to do with the drafting of the California Bank Act, considered a model of banking legislation throughout the country. He has played a large part in the civic and club life of Los Angeles and is a director in many corporations.

Mr. Robinson has been a Los Angeles banker since 1920, when he became president of the Los Angeles-First National after an eventful career in the East and

Middle-West as a lawyer, newspaper publisher, banker, and director of large corporations. During the World War he served as a member of the United States Shipping Board and of the Council of National Defense. After the war he served as a member of the Supreme Economic Council of the Peace Conference at Versailles and as one of the three commissioners who evolved the Dawes Plan.

To Meet in Washington

Investment banking is to be the keynote of the financial librarians at the twenty-first annual conference of the Special Libraries Association, which will be held May 13-15, in Washington, D. C. The sessions will be held at the Mayflower Hotel, the headquarters of the Association. Mr. Ray Hall, of the Finance and Investment Division of the Bureau of Foreign & Domestic Commerce, one of the principal speakers, will discuss "Foreign Investments in our Balance of Payments."

At other meetings of this group, discussions will include "Investment Research" by Ada M. Mosher of Investment Research Corporation, Detroit; "Bibliography of Government Releases" by Marguerite Burnett, librarian of Federal Reserve Bank of New York; "Bibliography of Stocks and Bonds" by Eleanor S. Cavanaugh, librarian of Standard Statistics; and "Classification for Financial Libraries" by Ruth Nichols, Federal Reserve of Chicago.

With Stock Yards National

The Stock Yards National Bank of Chicago announces that Paul R. Winegardner will be associated with them on and after May the first.

Mr. Winegardner was with the Federal Reserve Bank of Chicago for more than eight years, later entering the investment banking field with William R. Compton Company, Chicago, from which company he goes to the Stock Yards National.

During his long service with the Federal Reserve Bank and with William R. Compton Company he has made a very wide and favorable acquaintanceship amongst bankers in the Seventh Federal Reserve District with his genial personality and ability to understand country banking conditions.

For several years he delivered many interesting and instructive talks on banking and investment topics before county bankers federation, chambers of commerce, clubs, colleges, county farm bureaus, etc., and will again, in his new connection be available for this purpose.

Mr. Winegardner will be assigned to country bank business for The Stock Yards National, covering a part of Illinois and Indiana and all of Wisconsin.

The ignorant can never adjust themselves to the unaccustomed.—Ibsen.

A New Idea . . . in Bank Statements

IN THE course of events it becomes necessary to send out bank statements. Northwestern bankers will show a sincere sympathy with the best interests of their communities when they send these out on **GENUINE CORN PAPER**. Corn paper is not new by this time but it is still novel, especially the better grades.

The Thos. D. Murphy Co. has produced some exceptionally elaborate folders on corn paper showing how **REALLY ATTRACTIVE** this product can be and what **REAL POSSIBILITIES** it does actually present from a practical standpoint. These folders are not to be confused with the samples which you may have seen elsewhere, for they are printed in many colors and gold and priced at a range for general distribution.

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Gentlemen:-

Please explain your special full color folders on corn paper. We are interested in them for statement use. This inquiry places us under no obligation.

(These folders are equally suitable for Christmas and special announcement purposes)

Fourth Largest Bank in Chicago

The final chapter in the consolidation of The Bank of America, Chicago, with Central Trust Company of Illinois was completed April 22d when the enlarged Central Trust Company opened for business in new quarters at 208 South La Salle Street.

Although the legal merger of the two banks took place several months ago, their physical merger was deferred until the new quarters were ready.

Every man and woman on the staff of the two uniting offices was retained when their business was combined. In addition, Chicago Safe Deposit Company, affiliated with the Central Trust, purchased the business of the Continental National Safe Deposit Company, which had been located at 208 South La Salle, and retained its officers and employees.

A few days before the change in location, Eugene V. R. Thayer, a figure of national prominence in banking, railroad and industrial circles, was added to the



EUGENE V. R. THAYER

directorship of Central Trust Company and was made chairman of the executive committee.

Mr. Thayer, who was formerly president of the Chase National Bank of New York and prior to that, president of the Merchants National Bank of Boston, will resume the role of active banker, taking up his residence in Chicago, after a retirement from direct participation in the field for the last few years, to attend to broad personal interests.

C. Howard Marfield, formerly president of the Bank of America, has been elected chairman of the discount committee and vice president.

James G. Alexander will continue as executive vice president in addition to which he is scheduled to become president

of the Central Securities Company, the investment organization of the consolidated banks. Preparatory to this step it is proposed that the capital of the investment company be materially enlarged in the near future and its activities similarly expanded.

In addition to the above men, the ranking officials of Central Trust Company include: Charles G. Dawes, chairman of the board; Joseph E. Otis, president; M. E. Greenbaum, vice chairman of the board; Edwin F. Mack, vice president and chairman of the advisory committee, and William R. Dawes, vice president.

Central Trust Company is now the fourth largest bank in Chicago, only the Continental Illinois, the First National and the First Trust and Savings Bank exceed-

ing it in size. It has capital stock of \$10,500,000, surplus of \$7,500,000, deposits of \$128,000,000, and resources of \$160,000,000.

Radio Tube Sales

In 1928 the retail sales of radio tubes totaled \$110,000,000. This tremendous business directly reflects the value of the standardization work of the vacuum tube section of the National Electrical Manufacturers' Association. Sales of tubes have maintained a steady and rapid rate of increase since 1919, when sales totaled only \$300,000. In 1922 tube sales reached \$6,000,000 and jumped to \$17,000,000 the following year. The succeeding years' totals reached \$36,000,000, \$48,000,000, \$58,000,000, and \$67,000,000 in 1927.



Co-operation

WILLINGNESS and the ability to perform *any* service are the prime requisites of a bank. Our unlimited facilities, here and abroad, equip us to serve you. A friendly bank where it's a pleasure to do business.

The Foreman National Bank The Foreman Trust And Savings Bank

La Salle and Washington Streets, Chicago

RESOURCES EXCEED 125 MILLION DOLLARS
WITHOUT THE AID OF CONSOLIDATION

Cold Storage Banking and Farm Relief

(Continued from page 15)

by farmers may, with the profits derived from their operations, eventually own the farms they live on, so that money may be loaned them with the degree of safety which a bank or money-lender is entitled.

When this is accomplished our northwest will be prosperous and capital attracted to it; factories manufacturing products for which we furnish the raw material will erect branch plants in our larger centers. Our local markets will thereby be stimulated and a larger return

realized by the producer. The stabilizing of farm prices, which must be brought about by constant hammering by the agricultural senators, will quell the feeling of unrest prevalent among farmers and bankers and will react in increased bank deposits and a general wave of permanent prosperity. New banks organized along conservative lines will fill the place of failed banks and community owned banks will always stand on their own resources, under trained management.

Therefore, let us keep this in mind. You bankers reading this article are 90 per cent farmers by virtue of serving farming communities and the first move

is for each individual banker to become a leader in his community, as you not only have the interests of the northwest at heart, but are familiar with your local condition and have the power and prestige to place the right men before the voting public, who have the qualifications to which I refer. Why not make a fight, remembering that "We flourish in prosperity and languish in adversity?"

Loans to Farmers

(Continued from page 16)

I would rather loan money to a good farmer than to any other class and a part of the responsibility as to whether he is a good farmer or not, rests with his banker. There is no class of people in trade or industry who lose as large a percentage of a year's time as a grain farmer. If a merchant, banker or mechanic wasted as much time, his measure of success would probably compare with some of our note-makers whose notes we have already charged out.

On the other hand, the diversified farmer who is milking cows, raising hogs, poultry and producing the feed to maintain them with, has no spare time and is making money. Bankers can do much to discourage the one kind of a farmer and encourage the other.

If we could make each individual farm a production plant—producing cattle, dairy products, hogs, poultry and grain, continually selling but not buying or speculating, the agricultural problem would be largely solved and also the safety of banks' loans to farmers.

Furthermore, the country bank has reached the time when each transaction with that bank must pay its own way which will then enable the bank to meet competition by a better rate of interest to the preferred class of farmer borrowers in its territory—who unless he can get as good a rate from his local bank as from the county seat or city bank, will gradually transfer his business to the larger town. Good roads and automobiles put every farm in the county within thirty to forty minutes of the county seat.

Much progress has been made during the past few years in putting country banks on a better earning basis but much remains yet to be done. Consolidation should continue for the benefit of both banks and communities. This was touched upon in a recent hearing before United States Senate Committee, when a senator from a western state complained about the rate of interest that it was necessary for the people of that state to pay on borrowed money. Another senator on this committee gave him a remedy in the statement that if the banking institutions in that state were organized with resources of from five million dollars upward, no customer would be paying over 6 per cent interest.

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DAY and night, the transit department of the National Park Bank is working at full speed to dispatch the cash and collection items of our many correspondents.

The
National Park Bank
of New York

Established 1856

Examiner Smudge Meets With the Board—And How!

(Continued from page 17)

taken out within thirty days, and so reported to the department.

DEAF DIRECTOR: You mean you want me fer to pay that note, son? Well, I s'pose what you say goes. (*Turns to Duffelburg, who starts to interrupt, and then changes his mind.*) Bring me my s'tificates, Bert.

(Duffelburg departs, returning in a moment with a sheaf of certificates of deposit. Smudge stares at them with open mouth.)

DEAF DIRECTOR: Pick out enough of them to pay off both notes, Bert—and be sure you pick the ones that's got interest due. If I have to pay Les's note, I'll pay Sam's, too; gonna treat 'em both alike. 'Druther they'd owe the bank than me—never did hold with loanin' money to relations—but I reckon I'll either make or save three per cent interest on this deal, anyhow.

SMUDGE (*a new note of respect in his voice*): You understand, Mr. Williams, this excess loan was a clear violation of law, and I have no choice but to demand its removal?

DEAF DIRECTOR: Now, that's all right, young man. Law's law, and I dunno but what I'm better satisfied this way, anyhow. I'm keepin' outa jail, and makin' three hundred dollars a year, besides. Well, let's get on with our rat-killin'.

SMUDGE: The following lines I have classified as Capital Loans. I hope you will be able to show good reductions on them from time to time —

HINGHAM DIRECTOR: If they're good loans, why do you want them reduced?

SMUDGE: I didn't say "good" loans; I said "capital" loans. Not liquid, you know. (*Reading list of capital loans, he comes to the "G's".*) Lester Griggs, \$5,000; S. H. Griggs, \$5,000.

DEAF DIRECTOR: Eh? How's that?

OLDEST DIRECTOR: But them notes is paid.

SMUDGE (*coloring a little*): Oh, yes, to be sure. My mistake, gentlemen.

DEAF DIRECTOR: What was that about Les and Sam, now?

DUFFELBURG (*maliciously*): Their notes wasn't liquid, J. H.

CHAIRMAN: Now, Bert—and all you gentlemen of the board—we must remember that no rule can be made that will fit each particular case. The Commissioner's regulations are conscientiously drawn to guard against what experience has indicated to be dangerous tendencies. The examiner's duty is to reconcile theory with practice in each particular examination, and I think we'll find, when Mr. Smudge sums up his findings, that he knows his business. Just now, he is dealing with the theory. Go ahead, Mr. Smudge.


(With this clearing of the air, the session proceeded to an early conclusion without further incident. The Chairman lingered for a chat with the examiner.)

CHAIRMAN: Had some experience at country banking, haven't you, Mr. Smudge?

SMUDGE: Yes; eight years.

CHAIRMAN: Well, then, I know your report will be a fair one. But I don't want you to underrate our board of di-

rectors. Take Mr. Williams, now; he really hears a lot more than he pretends. His deafness comes in pretty handy sometimes, when something comes up that he doesn't particularly care to hear. And Bently—he appears to waste a lot of time, but as he rambles along with his reminiscences, he is usually making up his mind about something, and when the time comes, he's ready with his decision. Jackson, too—he doesn't say much, but you can't beat



How Much Does It Cost You

Not to keep them CLEAN and INSTANTLY ACCESSIBLE—We mean your legal blanks and "Uniform" Insurance Forms and "Standard" Policies. Reputations are constantly in part determined by the condition of papers and documents turned out to the public by your institution—perhaps more often than you think. You know the "feel" of a new bill. That's why many banks, especially in competitive territory, try to cash checks with clean currency.

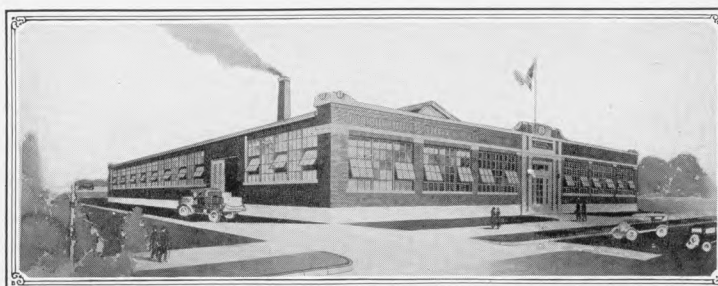
These cabinets were designed especially to keep legal and insurance forms from becoming wrinkled, dusty or fingermarked and to have them instantly available without shuffling through a whole pile of different forms. Scores of these cabinets have been sent into every state in the union. Note the convenient size! Each cabinet contains 32 small drawers divided into four general sections for usual forms and 2 large drawers for miscellaneous papers all fitted with polished label pulls. And utility isn't all; it is an attractive piece of furniture. It comes handsomely finished in either hand rubbed light or dark oak, mahogany, walnut or olive green. **AND MORE THAN THAT!**

The price of this combination style, LI-322X is only \$39.35. (L32-2 for legal blanks only, \$37.50). (Just to satisfy yourself ask your stationer if he does not want two or three times as much for the same size in any other make or kind.) Furthermore we will ship this cabinet prepaid to your station on five days' approval. If you don't find it perfectly satisfactory in every way send it back. That's fair, isn't it? Tell your secretary NOW to send for it **stating finish desired.** (Delivered price east of Cleveland, \$1.90 higher, south of Ohio River or Kansas City or west of Missouri River, \$2.90 higher to cover additional freight charges.)

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SECRETARY

his judgment on a loan. We depend, probably more than we realize, upon his opinion when a new application comes up.

SMUDGE: Yes, I worked with a board quite a lot like yours, myself, and I think I have them sized up pretty well. But I've been wondering just how you feel about that \$300 annual interest I lost you on the Griggs notes. It seemed too bad, the way that turned out, but there wasn't anything I could do.

CHAIRMAN: Oh, we'll fix that up all right. We'll get "J. H." to sign up new notes with the boys for the legal amount, and he will carry the balance himself. Even if he doesn't, the \$300 "fine" will teach us to watch our limits a little more closely. I think "J. H.", at the time, thought you were just another edition of the last examiner we had here, and was

glad of the chance to "show off" at your expense.

Well, I hope to see you again, Mr. Smudge.

The Size of Failing Banks in Iowa

(Continued from page 20)

reform of the banking structure by the elimination of the small bank.

Certain distinct tendencies are found in the state and national banking systems. For this reason it is desirable to distinguish between the two. See Table II.

The average size of state banks was less than that of the national banks, mainly because of the large number of small state banks, many of which had less capital than that permitted for those organized under national law. Banks with a capital

of \$50,000 or less constituted 87.17 per cent of the state, and 68.36 per cent of the national, institutions. In the former class 30.54 per cent had a capital of less than \$25,000, the minimum amount permitted for national banks. In the \$100,000 group state banks formed 5.71 per cent and national banks 13.56 per cent of the total, further suggesting the larger average size of national banks.

There was, however, a greater concentration of resources in the larger national banks than is indicated by the foregoing figures. For instance, banks in the \$25,000 group constituted 24.58 per cent of the number and only 7.74 of the resources of all national banks. Similarly, those in the \$50,000 group made up 35.87 per cent of the number and only 21.89 per cent of the resources of this class in 1921. The groups of largest banks further illustrate the great concentration of banking resources. The 5.56 per cent of the banks composing the \$100,001-200,000 group had 14.31 per cent of the resources of all national banks, while the 0.85 per cent, having a capital of over \$500,000, had 11.63 per cent of the resources.

(To be continued in June issue)

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS
 OVER \$65,000,000

Banking as a Career for Women

(Continued from page 22)

executives stands based upon regular grounds having little if even any taint of outside considerations.

As for the other point, it is by no means certain that the setting apart of a separate space for women customers was not prompted by a desire on the part of the management to keep the rest of the banking space free from obstruction.

Today we are coming on to a higher plane. It is the day of the woman executive. Many banks already have found women who have started as junior clerks and came up through the various stages. The experience thus acquired, plus the right kind of personality, would place a woman in line for promotion and make her a valuable executive irrespective of the sex of the customer she may have to deal with. Personality is a term capable of various definitions, but in banking practice it signifies ability to meet people, to obtain their confidence and to understand their problems.

In the above we have the full list of the qualifications required of a woman for success in a bank. The list may seem short, but it is important. Lack of any one of the qualifications would tend to make a person unsuitable for contact with the public, however strong she might be in the purely mechanical administrative work. And it is the contact with the public that is the greatest test and the point of greatest value in banking work. Incidentally, it is by contact with the public that friends are made, and it is hardly necessary to point out how great an influence friend-

ships may have in helping toward promotion.

One of the great difficulties that a woman has had to encounter in the attempt to rise in the banking world is to be found in the remains of the tradition that banking is exclusively a masculine business. In many banks women are underpaid—even more so than the lower ranks of the male workers. There is also a great reluctance to accord her the title of an executive, even in banks where the woman executive who has proved her value, is receiving a comparatively high salary.

However, all these obstacles are gradually being removed, and complete success is almost entirely in the hands of woman herself. Banks recognize the need for the woman executive and will make that recognition fuller, as they find increasing numbers of women qualified for the positions. If a woman or a girl will take up banking, not as a stop-gap, but as her life's work; if she has sufficient sense to realize that promotion is not rapid, but that she, with a little luck, may make it certain; finally, if, instead of trying to learn the whole theory by way of preparation, she will be content to enter young and to get experience in the lower stages before attempting to acquire all the knowledge necessary for the higher, there need be no limit to her ambition.

The heavy work is not easy; on the other hand it is not necessarily too heavy. It is always interesting, once the early drudgery is passed; it is in most cases reasonably well remunerated, and there is a certain amount of kudos attached to any banking position.

Legal Department

(Continued from page 22)

his deposit from an Iowa bank, and the cashier proposed an interesting alternative.

"We don't want to pay out any more cash than necessary this month," the cashier suggested, "and suppose we endorse over John Brown's note for \$5,000 that we hold under discount, and pay you the balance in cash?"

"Suits me," the depositor agreed, accepting the note, and the bank got in deep water. A creditor attempted to garnish the depositor for the note.

"I took the note fair and square on the cashier's own terms, and what I have I'll hold tight," the depositor maintained.

"The cashier had no power to dispose of the bank's assets in that way, and you hold the note as a trustee for the bank or its creditors," the "garnishor" retorted, and the Iowa Supreme Court ruled in his favor in 39 N. W. 224.

The Prophet

Mrs. Elijah: "Well, Mrs. Elisha, I hear your husband has become a prophet, too."

Mrs. Elisha: "He has not. As far as I'm concerned he's a total loss."



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If your customers take A. B. A. Cheques when they travel, they take cheques which bear the name of your bank and the signature of one of your officers. Every time they cash a cheque they are reminded of your bank.

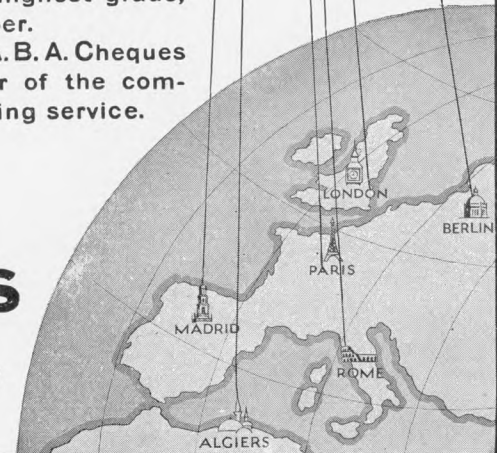
A. B. A. Cheques were established by the American Bankers Association to provide banks with a travel cheque of their own which would enjoy universal acceptance. Certified by Bankers Trust Company of New York, A. B. A. Cheques are accepted by banks, hotels, shops, ticket offices and tourist agencies throughout the world. The fact that more than 60,000,000 separate cheques have been negotiated during the past 20 years attests to the degree of their acceptance.

A. B. A. Cheques are convenient to carry, afford complete protection against loss or theft, and abroad command the favorable exchange rate of bankers' paper. The cheque itself is an instrument of the highest grade, engraved on safety paper.

Sell your customers A. B. A. Cheques—a constant reminder of the completeness of your banking service.

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Northwestern Banker May 1929



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A CONNECTION with this old progressive bank is equivalent to having your own representative at this important point. Your business will be handled with an understanding based on fifty years of experience and a thorough knowledge of local conditions.

Banks and bankers are invited to investigate our complete facilities for the dispatch of all types of out-of-town items. Inquiries will receive the prompt attention of executive officers.

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CAPITAL, SURPLUS AND UNDIVIDED PROFITS OVER \$13,700,000

Farms and Farming

(Continued from page 24)

by molds. The presence of this mold may be detected by the rag doll test.

When the seed is infected by mold or disease the application of a mercury dust—there are several available in commercial forms—is said to remedy the condition and add considerably to the yields of corn as compared with untreated seed.

R. H. Porter, specialist in plant diseases at Iowa State College, estimates that the yield of corn may be and is cut from five to ten bushels per acre due to the presence of diseases and molds. Treatment greatly reduces the loss while selection of seed early in the fall and proper care, including rapid drying, will tend to reduce the possibility of loss from this source.

ONE HUNDRED and fifty farmers in Grundy, Hardin, Butler and Franklin counties in Iowa are planning to put their business on a par if not ahead of other business concerns. They have signed to enter a farm record association which is employing a manager. The work of this manager or specialist will be to assist each farmer in opening a simple set of accounts and to check over and analyze these records from time to time. A similar organization has been going several years in Illinois and records show that members make about 2 per cent more profit on their investments than those who are not members.

The Iowa association is being organized with the cooperation of the farm bureaus of the four counties and the extension service of Iowa State College.

MANY FARMERS who have difficulty in getting a stand of alfalfa have succeeded by applying limestone in cases of acidity in the soil and have put on an application of phosphate or other commercial fertilizer as well.

Funds to Remain

The Hennepin county board of audit recently decided that it had no authority to withdraw county funds from the Northwestern National Bank, as requested by the board of county commissioners, because of labor difficulties on the site of the new bank building. At its meeting it adopted a resolution asserting that it lacked authority. Members of the board are George Hemperley, clerk of court; W. W. Heffelfinger, chairman of the county board, and Al P. Erickson, county auditor.

Colorful Story

"Heavens!" gasped the little red rooster down on the farm. "You're looking pale!"

"Yes," happily replied the little red hen. "I've finally laid another egg and I'm tickled pink."

Let's Make the Law Mean Something

(Continued from page 25)

We, of course, have sheriffs who are dead on their feet. To illustrate, a certain bank was held up in North Dakota last fall and to this day the sheriff of that county has not investigated the job. Our investigators got busy and arrested in Iowa the two men who pulled the job. The bankers, sheriff and state's attorney were notified of the arrest and asked to get out a warrant so the prisoners could be detained. The banker said he could not go to the state's attorney's office that day. In fact the whole bunch might just as well have been buried. The prisoners were held by Iowa sheriffs until 11:00 a. m. the third day and 20 minutes after he turned them loose a wire came that warrants had been issued. One of these men was arrested at El Paso recently and the North Dakota county had a fine bill to pay to bring him back. Affairs like that are inexcusable.

Our troubles are not confined to the law-enforcement end. One of our real sore spots is a banker who figures he has bought his protection by reason of his heavy insurance. He becomes an easy mark because of his laxity in providing his bank with up-to-date safety devices and his carrying large amounts of cash which invites holdups. This class, as a rule, fails to cooperate with us and the law enforcement officers. They stand willing to compromise or relent in prosecution of confirmed criminals, absolutely without regard to their duty as citizens or to protect other bankers from a like condition. Bankers of South Dakota have enjoyed the lowest rate on holdup insurance in this country until last November, a rate of a dollar per thousand. The rate has been increased 300 per cent and banks in towns of a population of under 1,000 which constitute 84 per cent of the banking towns and cities in our state, has been raised 360 per cent. We are now being forced to pay for the indifference, carelessness, selfishness and failure of certain bankers in the Middle West who have failed to do their duty as bankers and citizens.

The solution of the problem does not rest with you gentlemen, entirely, but with the public. As long as we stand by and allow the high class bootlegger to ply his trade; the press to make heroes out of the criminals and give them the front page; the indifference in many cases of the bankers to prosecute and a desire on their part to compromise a felony; the slowness of the courts; get along with a bureau of identification and up-to-date criminal laws; with a vagrancy law with real teeth in it; we cannot expect results. What we need is to adopt the English and Canadian systems of courts and prisons. In those countries a prison is made a place to which an inmate never cares to return. It would do away with our senti-



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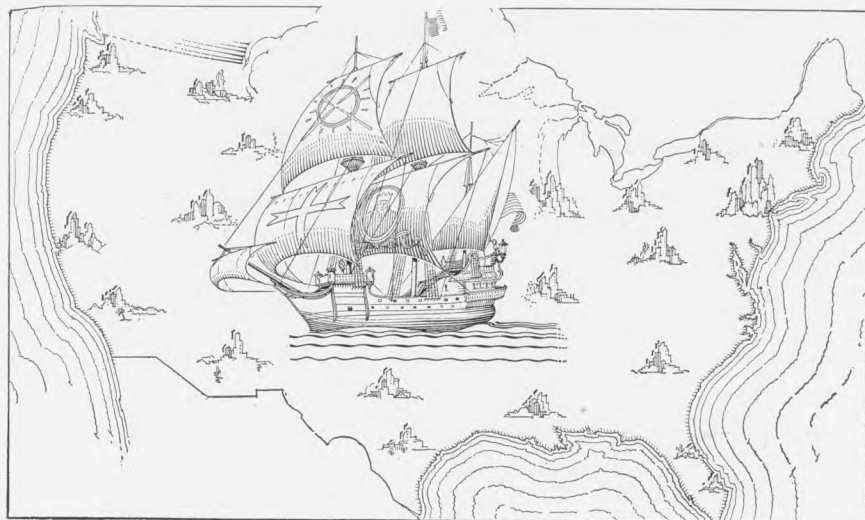
Periodically, depending on market activities, and industry and trade trends, users of Dutro Consultation Service are furnished with a confidential report on their entire securities list. This report is not a mere form letter, printed by the pound and distributed broadcast, but is a *personal, individual* and most *searching analysis* of YOUR particular holdings and investments as you have them listed with us. It is prepared for you, the owner of the securities.

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Take advantage now of the confidential consultation service of E. Raymond Dutro. Write to us, and we will gladly explain, without the least obligation to you, what such a service can do for you. You cannot afford to be without it.

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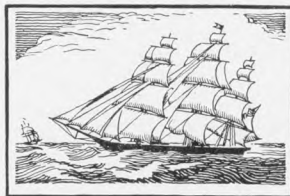
Northwestern Banker May 1929



How to bring *ocean highways* to your inland doors

With American industry daily taking a more active part in foreign trade, you never know when your customers may come to you for information about foreign banking facilities.

On such occasions you may use the Seaboard's Foreign Department as your own. Through it you can investigate foreign markets, obtain credit information, open commercial and travelers' letters of credit, make foreign collections, establish current and time deposit accounts and make foreign remittances payable in every city of the world. Send for the Seaboard booklet on foreign banking facilities.



The Seaboard National Bank

OF THE CITY OF NEW YORK

Main Office: BROAD AND BEAVER STREETS

Northwestern Banker May 1929

mental present-day method of handling our prisoners, little work, movies, libraries, bands, entertainments, liberal allowances for good behavior and easy paroles. When a prison sentence means a prison and we have a real state constabulary, then this crime wave will be stopped. The South Dakota Bankers Association absolutely believes in the state sheriff's office and instead of Mr. Minier being tied down with three deputies he should have a force of fifty men in uniform operating out of seven of the largest cities in our state. Just study the Canadian, New York, Pennsylvania or Texas systems and you will be sold on the proposition. You sheriffs have your hands full with your civil work and with the auto and gravel roads the criminal can be out of most any county east of the river in thirty minutes. If our legislature will not allow our state sheriff's office to be what it should be our association is out clean-cut to make your term of office four years, with the privilege of a second term on the theory that officers are made and not born; that you be given jurisdiction over the entire state, and that you be put on a salary basis that is commensurate with the duties you perform and the risks involved in the performance of your office.

This Chicken Raising

(Continued from page 27)

life, but nothing to which I was now subjected.

As these chicks grew and thrived, their fighting qualities developed also, as did some projections on the sides of their legs.

What were these two birds, anyway! I looked through all my poultry catalogues—all but one which I couldn't find—the one from which these eggs had been ordered, to see if any such chickens were listed.

I had been stung. This dealer had finished out the setting with some scrub eggs. He needn't think he could slip anything like that over on me and get away with it. I'd write and tell him so in no uncertain language. On bank stationery, too. Maybe that would impress him! He could just return my money, as the setting was not satisfactory, not by no means.

A lot more indignant phrases shot through my brain as I was getting ready to write. But where was that catalogue? I needed it.

Just then the dry-cleaner man came for a suit of clothes of the "Skipper's" and I hurriedly went through the pockets to take out any letters that might be left. There were some and the top one, I noticed, was from this poultry house from which these eggs had been gotten. It seemed strange that this had not been turned over to me but probably was forgotten in the rush of business.

This is what I read, Helen.

"— have put in two eggs of our best

FIGHTING STRAIN, at your request. Please explain to your wife ——"

FIGHTING COCKS!!!

A joke on mother. I didn't know whether to laugh or get mad. And this was the cause of the sudden interest in my chicken raising, the reason of being willing to attend to the sending of the "Extra Special" setting.

I won't go into detail of what followed. I'll tell you this, it took a new dress to square the deal.

I raised those birds, Helen, and they were the fightenest pair that I ever hope to see. They would fly at me whenever I went near the pen, and I had to carry a stick to protect myself. Refused all kinds of offers to sell them. Wouldn't think of such a thing. They were beauties of their kind—EXTRA SPECIAL, I guess.

One morning, late in the Fall, when I went to feed them, one was over in the corner, dead. The other one, nearly so, but he struggled to his feet, careened around trying to fight me, then dropped over dead, too. Game to the end.

I suppose it was the primitive, animal instinct of leadership which prompted the fight.

My chicken enterprise lasted two seasons. By that time I had gotten the desire out of my system and there are many good reasons why it is not best to raise chickens in town, on a small lot. That was the reason, Helen, that you and some more of our friends in the city received a fine milk-fed chicken for a Christmas present. We sold some to the farmers' wives and ate the rest of the flock. That was the end of that experience.

The Sunshine Club members are out from their hibernation of the winter. Would you like to hear something about them next time?

Yours for the lowly hen,
LYDA COLLINS.

Estimate May Be Exceeded

Income and corporation tax collections had a lead of \$14,000,000 over last year on the basis of March receipts through the sixteenth, the Treasury Department announced recently.

For that period the collection was \$109,346,000, while receipts for March 16th were \$36,842,000. Officials, however, did not profess to know whether there would be a continuation of the ratio of increase during March. If it is maintained the collection will be considerably higher than the \$515,669,000 of last March.

Fiscal year collections up to March 17th were drawing close to last year's same period, having been \$1,194,547,000, compared to \$1,204,294,000.

Total receipts of the Government for March up to the seventeenth were \$176,763,000, a gain of \$15,000,000 over last year and the proportionate deficit was somewhat reduced.

Main Line or Siding?

Your customer sees to it that his cotton and other commodities are kept moving toward their destinations.

Delays mean loss.

Are you favoring side-track methods by permitting the relative drafts and bills-of-lading to spend nights in post offices and days in bank mail racks?

Out-of-town collection items with documents attached are re-forwarded direct within two hours' time, day or night, after receipt by us.

Our Transit and Collection Departments are in continuous operation 24 hours daily.

...THE...

PHILADELPHIA NATIONAL BANK

INCORPORATED 1803

PHILADELPHIA, PA.

Capital and Surplus \$50,000,000

CURRENT QUOTATIONS

On a representative list of HIGH GRADE RAILROAD, PUBLIC UTILITY, INDUSTRIAL, CANADIAN and FOREIGN BONDS

Security	Bid	Asked	Security	Bid	Asked	Security	Bid	Asked
Alabama Pr. Co. 5s, 1951	100 3/4	101	Danish Com. Mun. Loan 5 1/2s, 1955	98 7/8	99	N. Orleans Term. Co. 4s, 1953	89 3/4	90
Alberta, (Canada) 4 1/2s, 1956	91 1/4	93	Delaware & Hudson Co. 4s, 1943	92 1/4	92 1/4	New South Wales 5s, 1958	91 3/8	91 1/2
American Chain Co. 6s, 1933	97 3/8	98	Denmark 5 1/2s, 1955	99 7/8	100	N. Y. Cent. Lines 4 1/2s, 2013	98 7/8	99
American Radiator 4 1/2s, 1947	97 3/8	97 3/4	Denmark, Kingdom of, 6s, 1942	103 3/8	103 3/4	New York Edison Co. 5s, 1944	102 7/8	103
Amer. Roll. Mills Co. 5s, 1948	95 3/8	95 1/2	Denver G. & E. Lt. Co. 5s, 1951	99 7/8	100	New York Pr. & Lt. Co. 4 1/2s, 1967	93 3/4	93 7/8
Am. Smelt. & Refg. Co. 5s, 1947	101 1/4	101 1/2	Det. City Gas Co. 5s, 1950	99 1/8	100	N. Y. Tel. Co. 4 1/2s, 1939	98 7/8	99
Amer. Sugar Refg. Co. 6s, 1937	103 3/8	103 1/2	Detroit Edison Co. 5s, 1949	102 1/2	102 3/8	Niagara Falls Pr. Co. 5s, 1932	102 1/4	102 1/2
Amer. Tel. & Tel. 4 1/2s, 1933	98 3/8	98 1/2	Dominican Republic 5 1/2s, 1942	95 7/8	96	Nor. Ind. Pub. Service Co. 5s, 1966	100 1/2	100 3/4
Amer. Tel. & Tel. Co. 5s, 1960	103 3/8	103 1/2	Duquesne Lt. Co. 4 1/2s, 1967	99 3/8	99 3/4	Nor. Pac. Ry. Co. 4s, 1997	89 1/2	89 3/4
Amer. Tobacco Co. 4s, 1951	87	87 3/4	Dutch East Indies 6s, 1947	102 1/4	102 3/8	Nor. States Pr. Co. 5s, 1941	100 1/4	100 1/2
Anaconda Cop. Min. Co. 6s, 1953	104 1/4	104 1/2	Edison Elec. Illum. 4 1/2s, 1930	98 1/2	98 3/4	Norway, Kingdom of, 5 1/2s, 1965	100 1/4	100 1/2
Appal. Elec. Pr. Co. 5s, 1956	98 3/8	98 1/2	Elec. Pr. Corp. (Germany) 6 1/2s, 1950	93 7/8	94	Nuremburg, City of, 6s, 1952	86 3/8	86 3/4
Appalachian Pr. Co. 5s, 1941	99 3/4	100	Finland, Rep. of, 6s, 1945	94 7/8	95	Ohio Pr. Co. 5s, 1952	100	100 1/8
Argentine 6s, 1958	99 3/4	99 7/8	Fla. Pr. & Lt. Co. 1st 5s, 1954	91 1/4	91 3/8	Ohio Riv. Edison Co. 5s, 1951	99 3/8	99 1/2
Associated Oil Co. 6s, 1935	101 3/8	101 1/2	Ft. Worth Pr. & Lt. Co. 5s, 1931	99 1/4	99 1/2	Ontario, Prov. of, 4 1/2s, 1931	96 3/4	97 1/2
Atch., Top. & S. F. Ry. 4 1/2s, 1962	98	98 1/2	France 7s, 1949	107 3/8	107 1/2	Ontario Power Co. 5s, 1943	99 7/8	100
Atl. Coast Line R. R. 4s, 1952	91 3/8	91 3/4	General Elec. Co. 3 1/2s, 1942	94 3/8	94 3/4	Ore. Wash. R. R. & Nav. Co. 4s, 1961	87 1/2	87 3/4
Australia 5s, 1955	95 3/8	95 1/2	Gen. Motors Acc. Corp. 5s, 1930	98 1/2	98 3/4	Oslo, Norway, 5 1/2s, 1946	95 3/8	95 3/4
Austria 7s, 1943	102 3/8	102 1/2	General Pet. Corp. 5s, 1940	100 3/8	100 3/4	Pacific Coast Pr. Co. 5s, 1940	99 3/4	100
Baden Consol. Mun. 7s, 1951	96 3/8	96 1/2	Ga. & Alabama Ry. 5s, 1945	85 7/8	86	Pacific Gas & Elec. Co. 5s, 1942	101 1/4	101 3/8
Bald. Loco. Wks. 5s, 1940	106 3/8	106 1/2	Georgia P. Co. 5s, 1967	97 1/4	97 3/8	Pacific Tel. & Tel. Co. 5s, 1952	103 1/8	103 1/4
B. & O. R. R. 5s, 2000	102 1/4	102 1/2	Georgia Ry. & El. Co. 5s, 1932	100	100 1/4	Panama 5 1/2s, 1953	101 3/8	101 1/2
B. & O. R. R. 4 1/2s, 1933	98	98 1/2	German 7s, 1949	105 1/2	105 3/4	Penn. Central Lt. & Pr. 4 1/2s, 1977	92 1/4	92 1/2
Batavian Pet. Co. 4 1/2s, 1942	91 3/8	91 1/2	German Cen. Agr. Bank 7s, 1950	97 3/8	97 1/2	Penn. R. R. Co. 5s, 1964	102	102 1/8
Bavaria, Germany, 6 1/2s, 1945	94 7/8	95	German Con. Mun. Loan 7s, 1947	96 3/8	96 1/2	Penn., Ohio & Det. R. R. 4 1/2s, 1977	95 3/4	95 7/8
Belgium 6s, 1955	99 1/2	99 3/4	German Ge. Elec. Co. 6 1/2s, 1940	119 7/8	120	Penn. Pr. & Lt. Co. 5s, 1953	101	101 1/8
Bell Tel. Co., Canada, 5s, 1955	101	101 1/8	Goodyear T. & R. 5s, 1957	94 3/8	94 1/2	Peoples Gas Lt. & Coke Co. 5s, 1947	102 7/8	103
Bell Tel. Co., Penn., 5s, 1948	103 3/8	103 3/4	Grand Trunk West. Ry. 6s, 1936	103 3/8	103 3/4	Pere Marquette Ry. 5s, 1956	103 3/8	103 1/2
Berlin (Germany) 6 1/2s, 1950	95 3/8	95 1/2	Grt. Nor. Ry. Co. 4 1/2s, 1976	95 3/8	95 7/8	Peru 6s, 1960	87 3/4	87 7/8
Berlin E. E. & Und. Rys. 6 1/2s, 1956	90 7/8	91	Great Western Pr. Co. 5s, 1946	100 1/2	100 3/4	Phila. Elec. Co. (Pa.) 4 1/2s, 1967	98	98 1/8
Beth. Steel Corp. 5s, 1936	99 7/8	100	Greek Gov't 7s, 1964	97 7/8	98	Pillsbury Flour Mills Co. 6s, 1943	104 7/8	105
Bolivia, Rep. of, 7s, 1969	88 3/8	88 1/2	Gulf Oil Corp., Pa., 5s, 1947	100 7/8	101	Potomac Edison Co. 5s, 1956	97	97 1/8
Boston Cons. Gas Co. 5s, 1947	100 7/8	101	Haiti Republic 6s, 1952	98 7/8	99	Pressed Steel Car Co. 5s, 1933	95 3/4	95 3/8
Brazil 6 1/2s, 1957	94 1/4	94 3/8	Hamburg, Germany, 6s, 1946	95 3/8	95 1/2	Prussia (Germany) 6 1/2s, 1951	87 7/8	88
Bremen (Germany) 7s, 1935	100	100 1/8	Hocking Valley R. R. 4 1/2s, 1999	96 7/8	97	Pub. Service Elec. & Gas 4 1/2s, 1967	97 7/8	98
Brisbane, Australia, 5s, 1957	91 3/8	91 3/4	Hudson County Gas Co. 5s, 1949	101 1/4	101 1/2	Queensland (Australia) 7s, 1941	108 3/8	108 1/2
British Columbia 4 1/2s, 1951	91 1/4	93	Humble Oil & Refg. Co. 5 1/2s, 1932	101 1/4	101 1/2	Republic Iron & Steel 5s, 1940	101 1/2	101 1/4
Brooklyn Borough Gas 5s, 1967	100 1/4	100 3/4	Hungary Kingdom 7 1/2s, 1944	100 3/8	100 1/2	Rhine-West. Elec. Pr. 7s, 1950	103 1/2	103 3/8
Brooklyn Edison 5s, 1949	103 3/8	103 1/2	Hungary Municipal 7 1/2s, 1945	92 7/8	93	Rio Grande Do Sul 7s, 1966	96 7/8	97
Brooklyn Union Gas 6s, 1947	117 7/8	118	Idaho Power Co. 5s, 1947	99 3/4	100	Rio de Janeiro 8s, 1946	105 1/4	105 1/2
Buenos Aires 6 1/2s, 1955	101 3/8	101 3/4	Ill. Bel. Tel. Co. 5s, 1956	102 7/8	103	Rotterdam (Holland) 6s, 1964	103 1/4	103 3/8
Buenos Aires Prov. 7s, 1952	99 7/8	100	Ill. Cent. Ry. 4 3/4s, 1966	98 3/8	98 3/4	St. L., Ir. Mt. & So. Ry. 5s, 1931	99 7/8	100
Buffalo Gen. Elec. Co. 5s, 1939	102 3/4	103	Ill. Pr. & Lt. Co. 5s, 1956	93 3/4	94	St. Paul Gas Lt. Co. 6s, 1944	100 1/4	100 1/2
Bush Terminal Bldg. 5s, 1960	99 7/8	100	Ill. Steel Co. 4 1/2s, 1940	97 3/8	97 1/2	St. Paul Union Stk. Yds. Co. 5s, 1946	99	99 1/2
Butte Electric Pr. Co. 5s, 1951	102 1/4	102 1/2	Ind. Mich. Elec. Co. 5s, 1957	100 1/4	100 1/2	Salvador 8s, 1948	100 7/8	101
Calif. G. & E. Co. 5s, 1937	99 7/8	100	Ind. Pr. & Lt. Co. 5s, 1957	98 1/4	98 3/8	San Joaquin Lt. & Pr. 5s, 1957	100	100 1/4
Calif. Pet. Corp. 5 1/2s, 1938	101 3/8	101 7/8	Inland Steel Co. 4 1/2s, 1978	91 3/8	91 3/4	San Paulo, City, 8s, 1952	112 3/4	112 1/2
Canada 4 1/2s, 1936	97 3/4	97 7/8	International Paper Co. 5s, 1947	93 3/8	93 3/4	San Paulo, State, 8s, 1936	105 3/8	105 1/2
Canada Nat'l Ry. Co. 4 1/2s, 1957	94 1/4	94 1/2	International Ry. C. A. 6 1/2s, 1947	95 3/8	95 7/8	Saskatchewan, Prov., 6s, 1943	98 3/4	99
Canada Pacific Rys. 4 1/2s, 1946	98 3/8	98 1/2	Interstate Pr. Co. 5s, 1957	92 3/8	92 1/2	Sauda Falls Co. 5s, 1955	101 3/8	101 3/4
Carolina Pr. & Lt. Co. 5s, 1956	99 1/2	99 3/4	Iowa Pub. Serv. Co. 5s, 1957	93 1/2	94	Saxon Pub. Wks. 7s, 1945	98 3/8	98 1/2
Cauca Valley, Dept. of, 7s, 1948	89 3/8	89 1/2	Italy 7s, 1951	96 1/2	96 3/8	Shawinigan Wtr. & Pr. Co. 4 1/2s, 1967	92 7/8	93
Cent. of Ga. Ry. 5s, 1945	100 1/4	100 1/2	Japanese Gov't 6 1/2s, 1954	100 3/8	100 1/2	Shell Union Oil 5s, 1947	97 7/8	98
Cent. Ill. Lt. Co. 5s, 1943	100	100 1/4	K. C. Pr. & Lt. Co. 5s, 1952	102 3/8	102 1/2	Sherman Hotel Co. 5 1/2s, 1930	99	99 1/2
Cent. Ill. Pub. Serv. 5s, 1956	97 1/4	97 1/2	K. C. Southern Ry. Co. 5s, 1950	98	98 1/8	Siemens & Halske, A. G., 7s, 1936	99 7/8	100
Cent. New Eng. Ry. 4s, 1961	79 3/8	80	K. C. Term. Ry. Co. 4s, 1960	87 3/8	88	Sinclair Pipe 5s, 1942	93 3/8	93 3/4
Cent. Pacific Ry. 5s, 1960	101 3/8	101 3/4	Kansas Pr. Co. 5s, 1947	94 1/4	94 3/4	Sixty-one Broadway Bldg. 5 1/2s, 1950	99 3/8	99 5/8
Cent. Pr. & Lt. Co. 5s, 1956	96 1/4	96 1/2	Laclede Gas Lt. Co. 5s, 1934	100 7/8	101	Solvay Amer. Inv. 5s, 1942	96 3/8	96 1/2
C. & O. Ry. Co. 5s, 1939	102 7/8	103	Lehigh Valley R. R. 4 1/2s, 2003	94 7/8	95	So. Bell Tel. & Tel. Co. 5s, 1941	102 1/4	102 1/2
C. B. & Q. R. R. 4s, 1949	91 7/8	92	Liggett & Myers Tob. Co. 5s, 1951	102 1/4	102 1/2	So. Calif. Edison Co. 5s, 1951	101 3/8	101 3/4
Chgo. Mom. & Gulf R. R. 5s, 1940	96	96 3/4	Lorillard Co. 5s, 1951	84 1/4	84 1/2	Southern Pacific Ry. 4 1/2s, 1968	94 1/4	94 1/2
C. Mil. & St. P. Ry. Co. 4s, 1989	83 3/8	84	L. & N. R. R. Co. 4s, 1940	93 7/8	94	Southern Ry. Co. 4s, 1956	88 3/8	88 1/2
C. & Nor. Wes. Ry. 4 1/2s, 2037	94 3/8	94 1/2	Louisville G. & E. Co. 5s, 1952	102 3/8	102 1/2	Southwest Bell Tel. 5s, 1954	102 7/8	103
C. R. I. & P. R. R. 4s, 1934	94 1/4	94 1/2	Louisville Lighting Co. 5s, 1953	100	100 1/4	Standard Oil Co. N. Y. 4 1/2s, 1951	96 1/4	96 1/2
Chgo. Union Station 4 1/2s, 1963	97 1/2	97 3/4	Lyons, City of, 6s, 1934	99 7/8	100	Standard Mill. Co. 5 1/2s, 1945	99 7/8	100
Chile 6s, 1960	92 7/8	93	Maine Cent. R. R. 4 1/2s, 1935	94 1/4	94 1/2	Sun Oil Co. 5 1/2s, 1939	100 3/8	100 3/4
Chile, Mtge. Bank of, 6 1/2s, 1957	97 3/8	97 7/8	Manitoba Power Co. 5 1/2s, 1951	98 7/8	99	Swedish Gov't 5 1/2s, 1954	103 7/8	104
Cincinnati St. Ry. 5 1/2s, 1952	98	98 1/2	Mass. Gas Co. 4 1/2s, 1931	98 1/4	98 1/2	Swift & Co. 5s, 1944	101 3/8	102
Cities Service Co. 5s, 1966	88 1/4	88 3/8	Mich. Cent. R. R. Co. 5s, 1931	99 3/8	99 7/8	Swiss Gov't 5 1/2s, 1946	102 7/8	103
C. C. C. & St. L. R. R. 4s, 1993	88 1/4	88 3/8	Mid. Steel & Ord. Co. 5s, 1936	99 1/4	99 1/2	Texas Pr. & Lt. Co. 5s, 1937	99 1/2	100
C. C. C. & St. L. R. R. 4 1/2s, 1977	93	93 1/8	Milwaukee Gas Lt. Co. 4 1/2s, 1967	96 3/8	96 3/4	Toronto, Canada, 5s, 1934	97 1/2	98 3/4
C. C. C. & St. L. R. R. 5s, 1963	100 3/8	100 3/4	Minnesota Pr. & Lt. Co. 5s, 1955	91 3/4	92	Union Oil Co., Calif., 5s, 1935	98 1/4	98 1/2
Clev. Union Term. 5s, 1973	103 3/8	103 1/2	Minn., St. P. & S. S. M. Ry. 4s, 1938	86 7/8	87	Union Pac. R. R. 4s, 1947	93 3/8	93 1/2
Cologne (Germany) 6 1/2s, 1950	94 7/8	95	Miss. Riv. Pr. Co. 5s, 1951	99 3/8	100	U. K. Gt. Br. 5 1/2s, 1937	102 7/8	103
Colombia, Rep. of, 6s, 1961	87 7/8	88	Mo., Kans. & T. R. R. 4s, 1990	84 1/4	84 3/8	United Steel Wks. 6 1/2s, 1951	86	86 1/4
Colorado Pr. Co. 5s, 1953	99	99 1/2	Mo. Pac. R. R. 5s, 1977	98 3/8	98 3/4	Uruguay 6s, 1960	98 3/8	98 3/4
Columbia Gas & Elec. 5s, 1952	99 3/8	99 1/2	Montana Power Co. 5s, 1943	100 7/8	101	Utah Lt. & Tr. Co. 5s, 1944	95 1/4	95 3/8
Columbus Ry. Pr. & Lt. 4 1/2s, 1957	92 7/8	93	Montevideo (Uruguay) 7s, 1952	100 7/8	101	Va. Ry. & Pr. Co. 5s, 1934	98 3/8	98 1/2
Commonwealth Ed. Co. 4 1/2s, 1956	96 3/4	97	Montreal (Canada) 4 1/2s, 1946	92 1/4	93 3/4	Wabash Ry. 5s, 1976	100 3/8	101 1/2
Connecticut Lt. & Pr. Co. 4 1/2s, 1956	99 1/4	99 1/2	Morris & Co. 4 1/2s, 1939	86 7/8	87	Wash. Wtr. Pr. Co. 5s, 1939	101 3/8	101 1/2
Cons. Gas. N. Y., 5 1/2s, 1945	105 7/8	106	Mutual Fuel Gas Co. 5s, 1947	102 7/8	103	West Penn. Pr. Co. 5s, 1949	101 7/8	102
Consumers Pr. Co. 5s, 1952	102 7/8	103	Narragansett Co. 5s, 1957	99 7/8	100	Western Electric Co. 5s, 1944	102 3/8	102 3/4
Copenhagen (Denmark) 5s, 1952	94 7/8	95	National Press Bldg. 5 1/2s, 1950	95 3/8	96 1/4	Western Md. Ry. 4s, 1952	79 7/8	79 3/4
Costa Rica 7s, 1951								

Bonds and Investments

BUILDING and MAINTAINING A SECONDARY RESERVE

By PAUL S. ABT

*Vice-president, Southern Illinois National Bank
East St. Louis, Illinois*

THE history of American banking from the year 1921 to 1927 is impaired by the failure of thirty-eight hundred ninety banks. This is not a very pleasant statement to make to a group of bankers, but the facts are, nevertheless true.

What were the principal reasons that forced so many banks in liquidation? The usual apologies given are frozen assets, insufficient earnings to overcome losses, overbanked communities, some criminality, and the failure to keep the assets of the bank sufficiently liquid to meet the varying conditions that were bound to occur over a period of years.

A bank to be successful must be so managed that it has on hand cash and sufficient deposits in other banks to pay the normal demands made upon it, but in addition it should have a certain percentage of first class investments that may be turned into cash on short notice to pay any and all unusual demands that may occur, or in other words, be fortified with a secondary reserve.

We are all familiar with the necessity of maintaining a proper amount of cash or primary reserves through the administration of national and state laws, but the building of secondary reserves as a banking policy is of recent origin and is practically unknown in many of the smaller communities. In fact one of my friends, who is a good banker, in Southern Illinois asked me only recently, "What is all this I have been reading about secondary reserves and just what does it mean?"

Every banker knows that one of the principal functions of banks is to loan money to worthy borrowers. It is, nevertheless, very unwise to confine loans to one class, which are commonly called local loans and are very difficult to realize upon in times of stress. Unfortunately there are many banks that have too high a percentage of local loans. In the larger cities where the liquidation of banks is given more consideration it has long been the custom to place a fair percentage of investments in securities that could be disposed of readily to replace cash reserves in case of necessity. They, therefore, have the necessary requirements of a secondary reserve.

This brings us to the natural question, "What types of investments can be considered as sufficiently secure, liquid and marketable to answer the requirements, and what regulations should be followed in establishing the proper amount of this reserve."

It is rather difficult to lay down a set of rules or say just what percentage of a bank's investments should be set aside for a reserve of this kind, as there are many local factors that make conditions vary in different banks as well as communities. Some have a substantial commercial business with a small percentage of time deposits or vice versa, others have seasonal fluctuations in deposits with a corresponding rise and fall in the demand for funds so that a fixed rule is impossible of realization.

When a selection is made of the types of investments to be included, we must also take into consideration the bank's actual condition as to its annual earning power, as several of the types mentioned ordinarily bear interest at such low rates that it would be unprofitable for the bank to carry too much of low rate investments. Especially would this be true if its earning power were low and were paying too high a percentage in interest on its deposits. In that case it would be better to hold a larger proportion of higher rate investments which are perhaps not so well secured, still retaining security, liquidity and marketability as much as possible.

It is therefore, my opinion providing a bank was sufficiently bulwarked with substantial earnings to give United States government bonds the first call in selecting investments that would be most secure and salable and subject to the least fluctuation in price. Government bonds command a wide market at all times, prices are fairly stable and in addition have the advantage of being readily pledged with the Federal Reserve Bank, which is quite a factor in obtaining temporary quick relief when needed. It is my opinion that all banks should carry some government bonds as a matter of policy, if it is at all possible to do so.

Bankers acceptances have become quite popular in recent years and an acceptance of this kind issued by a reputable bank is

without doubt a very good security to include in our secondary reserve. While the rate is comparatively low during periods of easy money, the maturities are short and they also have the privilege of rediscount with the Federal Reserve Banks, and are in every way desirable for bank investment.

All of the authorities that I have been able to find on this subject have given the preference in the section of investments to call loans. The fact that the borrower must put up satisfactory collateral of market stocks and bonds, and is payable on demand has all of the essentials of liquidity. It is a form of investment that is not generally used by the smaller banks, and as New York City is the large center for call loans, these loans are usually made through a correspondent, who acts as the agent in checking and selecting collateral. The rates are ordinarily low and in the event of a tremendous market liquidation, occasions may arise where prompt action might be necessary to avoid a loss.

Commercial paper is also considered very good investment for a secondary reserve. Prime commercial paper issued by substantial corporations of sterling worth and of unquestioned credit position are considered a good investment.

Its principal advantage is its salability when in need and its reasonable short maturity. The rates too, are sometimes low, but it is difficult for the rural bank to check credit statements accurately. This type of paper should always be purchased through your correspondent, who is familiar with proper checking methods from experience.

State, county and municipal bonds have always enjoyed a considerable popularity among banks for investment purposes, and good bonds of this type from a standpoint of safety stand second only to United States government bonds. They have one decided virtue, and that is, that they are exempt from Federal Income taxes. Many banks escape Federal Income tax entirely by carrying a sufficient amount of such obligations among its assets.

In studying them from a standpoint of secondary reserve great care must be exercised as there are marked differences existing in security and marketability.

Direct obligations of states where the percentage of debt to assessed valuation is under five per cent, are usually considered high grade bonds, and in this category also are the direct obligation bonds of our larger cities.

Bonds of this type do not enjoy the collateral privilege with the Federal Reserve Banks, but reasonable loans could be readily obtained from correspondents for temporary relief.

Both of these types are excellent material for a contemplated reserve. Direct obligation bonds of counties with a satisfactory population located in developed sections of the country with proper safeguards of low percentage of debt can also be considered available as a component part of a reserve.

Bonds of counties, cities, villages, road,

drainage and irrigation districts that do not measure up to the standards enumerated must be very carefully selected and in my opinion should have, a less than five per cent debt of assessed valuation, 10,000 population or more, be a direct obligation with a reasonable marketability before they would be included.

Domestic corporation bonds have several distinct groups, public utility, railroad bonds and industrial corporation bonds.

During the past several years there has been a great increase in public utility bonds issued owing to the many combinations among electric light, power, gas and street railway and water corporations, some of them are very well secured, and are commanding a very broad market, so they might fairly be classified as having the requirements necessary.

Railroad bonds have experienced some severe reactions since the war period. Issues of the major rail systems have made considerable recovery of their financial position, and well secured bonds of good railroad companies listed on the exchanges command a wide market and can therefore be considered suitable for our purpose.

Some industrial corporation issues may also be included, provided they survive the acid test of security, marketability and established position of the issuing company. The rate of interest obtainable on this type is perhaps better than on any previously mentioned and again great care must be exercised in their selection.

A well chosen list of foreign bonds might also be included, since 1918 many foreign governments have issued bonds sold in this country repayable in American dollars, many of them are well secured and answer our requirements. The rates are higher than on American issues, which probably accounts for their popularity. Nevertheless a war flurry in Europe or elsewhere would create quite a reaction in price levels, so that it would be better to use the shorter maturities.

It is not my intention to give you the impression that it would be necessary that all of these types of investments must be represented in the establishing of a secondary reserve. Those that I have discussed are merely a suggestion as to what a reserve might contain. Smaller banks may qualify with only two or three kinds, while the banks in larger centers would probably qualify with all of them and perhaps others, which they would accumulate in the ordinary course of a diversification of their investment account.

It is, therefore, apparent to me that to build and maintain a proper secondary reserve an analysis should be made by the management to determine the amount of investments that would be found necessary to establish such a reserve, fix the amount, agree upon the kind of securities they could afford to buy. Then instruct the officers in charge to maintain it as a fixed policy of the bank. It also seems to me that a wise provision would be to segregate the secondary reserve on the books of the bank.

Elects Two Directors

At a recent meeting of the board of directors of Bankers Trust Company C. E. Groesbeck and John W. Hanes were elected directors. Mr. Groesbeck is president of the Electric Bond & Share Company and Mr. Hanes is senior partner of the firm of Charles D. Barney & Company. Norman Dodd was appointed an assistant trust officer.

Most girls look forward to marriage as a state in which they will be able to enjoy the luxuries to which they have not been accustomed.

Sound Investments

For Banks Taking Advantage of Present Bond Prices

	Maturity	Approximate Yield
Delaware Power & Light Company <i>First Mortgage 4 1/2</i>	1/1/69	4.80%
Cumberland County Power & Light Co. <i>First Mortgage 4 1/2</i>	6/1/56	4.87%
Penn Central Light & Power Co. <i>First Mortgage 4 1/2</i>	11/1/77	4.88%
Northwestern Public Service Company <i>First Mortgage 5 1/2</i>	1/1/57	5.31%
North Penn Gas Company <i>First Mortgage & Lien 5 1/2</i>	5/1/57	5.50%
Washington Gas & Electric Co. <i>First Mortgage 5 1/2</i>	1/1/53	5.73%
National Electric Power Company <i>Secured Debenture 5 1/2</i>	1/1/78	5.72%
Delaware Electric Power Company <i>Debenture 5 1/2</i>	1/1/59	5.75%
Iowa Public Service Company <i>Debenture 5 1/2</i>	3/1/68	5.92%
Morrison Hotel (Chicago) <i>First Mortgage Leasehold 5 1/2</i>	6/1/48	5.98%
Miller and Hart, Inc. <i>Debenture 6 1/2</i>	7/1/43	6.00%
Pennsylvania Gas & Electric Corp. <i>Debenture 6 1/2</i>	3/1/76	6.02%
American Community Power Company <i>Secured Debenture 5 1/2</i>	7/1/53	6.10%
Michigan Fuel and Light Company <i>First Mortgage 6 1/2</i>	6/1/50	6.13%
North American Gas & Electric Co. <i>Debenture 6 1/2, WW</i>	1/1/44	6.15%
Gerlach-Barklow Company <i>Debenture 6 1/2</i>	2/1/44	6.20%
Keystone Telephone Company (Phila.) <i>First Lien & Refunding 5 1/2</i>	6/1/55	6.25%
Baxter Laundries, Inc. <i>First Mtge. & Col. Trust 6 1/2</i>	1/1/38	6.50%

These bonds are offered with a Bank Discount,
Subject to Prior Sale and Change in Price.

Further details will be gladly furnished on request

A.C. ALLYN AND COMPANY

INCORPORATED

Investment Securities

67 West Monroe Street, Chicago

New York
Milwaukee

Boston
St. Louis

Philadelphia
Minneapolis

Detroit
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A
Workable
Investment Program

Your investment portfolio of long term and short term readily marketable securities must be carefully supervised to provide a workable investment program.

One of the important aims of Metcalf, Cowgill & Co. Inc., is to assist bankers in maintaining the proper ratio of bond holdings diversified as to maturities and types, and to recommend offerings suited to the particular needs of the individual bank.

Safety, marketability and satisfactory yield are the primary requisites of the conservative recommendations made by this organization.

*Our current list of offerings
is available on request.*

Metcalf, Cowgill & Co., Inc.
207 EQUITABLE BUILDING
CHICAGO · DES MOINES · SIOUX CITY
SIOUX FALLS · CEDAR RAPIDS

The Investment Program of My Bank

By OMAR H. WRIGHT

*President, Second National Bank, Belvidere, Ill.
President, Illinois Bankers Association*

INVESTMENT of the funds of a bank, especially in the small communities, cannot and should not be undertaken by rule of thumb. Local affairs, general business conditions, the class of people living in the community and the banking situation there, all have a bearing upon the questions involved.

As a preliminary background permit me to cite the situation in my own town. We have four banks in a town of approximately 8,000 people. The newest one of these banks has been in business over twenty years. With one exception the surplus and undivided profits of these banks equals and exceeds their capital. They

have had uninterrupted dividend records running back many, many years. Their capital is adequate and their management proficient. We have practically no foreign element in Belvidere and a recent survey indicates that approximately 60 per cent of our people own their own homes.

Some six years ago when the bottom dropped out and agriculture generally went to the bow-wows we began to build up our outside investments. Formerly we had carried a small amount of bonds, which had been put away and forgotten. After posting ourselves as best we could, we began to buy some bonds. At that time we confined our purchases very largely to short time issues, endeavoring to build up our maturities in lieu of commercial paper because at that time the rate on good paper was slumping rapidly. Then one morning we woke up and found that we were too much burdened with industrial issues to the exclusion of other classes of securities.

We subscribed for rating books and services of this kind and had our lists checked by more or less disinterested concerns. We then went in for diversification but it took some time to bring about this much to be desired basis of proper investment.

Our resources run to about one and one-quarter millions of dollars. We have a bond account of approximately 30 per cent of this amount, including our governmental obligations, of which we are only moderate purchasers. We limit our buying to \$5,000 of any one issue except in a very few instances where we feel the situation is exceptional.

We buy some municipal bonds, those of the better class of rails, some foreign bonds, with public service, real estate and industrials having a share.

At the present time our bond account is netting us about 5 $\frac{1}{4}$ per cent and is in the main quite satisfactory.

For a long time we did not purchase foreign bonds of any kind while our friends and neighbors were making most excellent profits but for the past two or three years we have been buying some strictly governmental issues and are confining our purchases to securities of this character.

Aside from our bond investments we endeavor to maintain some 10 or 20 per cent of our resources in commercial and outside paper and this situation prevails with us at the present time.

If you will agree not to tell any of my good friends in the Federal Reserve Bank

Insurance Stocks

The record of insurance companies is so impressive from the standpoint of earnings, equities, and dividends, that most investors would include insurance stocks among their holdings if they had access to all the facts.

Insurance companies draw their income from two sources. They make a profit on their underwriting operations, and they also draw income from the investment of large sums of money representing their capital surplus, reserves, and unearned premiums.

They are, in effect, a form of investment trust. Not only do they observe the principle of diversification, but because of the scope of their investments they are able to attract the best investment brains and experience to their service. This advantage of expert investment management is further fortified by the fact that the investments of insurance companies are limited by law to securities of the highest type.

These are but a few of the reasons which account for the fact that insurance companies, on the average, double in value about every five years.

Send for descriptive booklet giving further interesting details about insurance stocks.



P. W. CHAPMAN & CO., INC.

115 W. Adams Street
CHICAGO

42 Cedar Street
NEW YORK

BOSTON ST. LOUIS MILWAUKEE GRAND RAPIDS NEW ORLEANS PITTSBURGH
SEATTLE PORTLAND SAN FRANCISCO LOS ANGELES MINNEAPOLIS PORTLAND, ME.

To Our Banker Friends



YOU have received a number of letters from us recommending the purchase of Cities Service Company Common Stock, which has more than doubled in market price since we first recommended it a year ago.

You may have thought it unusual for a House like ours, specializing in high grade investment bonds, to recommend a Common Stock so persistently and frequently as we have in the past. The reason for this seeming departure from our regular and established policy lies in the fact that Cities Service Company Common Stock is, in our opinion, an unusual investment security with a high yield and very unusual promise of materially increasing in market price.

A few of the outstanding reasons why we departed from our policy of recommending only high grade bonds and why we urge the purchase of this Common Stock are the following:

Cities Service Company is one of the two largest companies in the United States from the standpoint of number of security holders; one of the three largest companies in point of number of shares of stock outstanding; one of the ten largest companies in point of assets; is second largest producer of natural gas; second largest oil producer; and is one of the leading electric light and power companies.

The foregoing reasons and many others of equal significance make this stock one of the most attractive from an investment standpoint. The Common Stock has just been split four for one and the new stock is selling on the Exchange around \$29.50 a share, equal to \$118.00 a share on the old stock. We again recommend the purchase of the new Cities Service Company Common Stock and urge you to buy as many shares as you can.

As we are in a position to execute your order and keep you advised at all times of developments affecting this stock, we suggest that you have us execute your order.

TRUE SECURITIES CO.

David O. True, *President*

231 South La Salle Street

CHICAGO

Telephone Central 6556

of Chicago, I should like to confess that we have loans of considerable amount for us at the present time down amongst those ogres of Wall Street. In any event we don't owe the Reserve Bank any money and in fact I may say that we paid them only twenty-eight dollars and some cents in interest in 1928. We never borrow money except when we need it badly for current obligations and never for the purpose of taking part in any alluring investment undertaking.

As a real modest man or, if you wish, you can call it immodesty, nevertheless I am happy to say that at the present moment and counting in our rediscountable paper, I am quite sure we could pay off

70 per cent of our deposits within 48 hours largely as a result of our investment program, as it is being called. We have some frozen assets that we are digging away at continually and each year we are reducing these amounts, setting up reserves and having the back-bone to charge off overslow and questionable items.

I would say that the two things that are the greatest menace to the small banker is the bond salesman and the desire for yield. I have no wish to traduce the bond salesman. We have some sixty odd fine, splendid young men making our territory and I personally like many of them very much indeed but they are out to sell their commodity; their living de-

pends upon it. They are frequently filled up by the sales talk of their superiors but we must not forget that they are here today and gone tomorrow while we are compelled to meet and pay our depositors after they are gone.

There is an old adage of which you all know, which runs, "Don't put all of your eggs in one basket." Later some estimable gentlemen changed the words to read "Put all your eggs in one basket and then watch the basket." When it comes to the investment of the funds of your bank however I lean strongly toward the first couplet or perhaps a combination of them both, "Don't put all your eggs in one basket but watch each basket."

BONDS

— and short term notes of conservative character to meet the needs of banks, institutions and private investors. List of current offerings will be sent upon request.

DEWOLF & COMPANY, INC.

Investment Bonds — Established 1889

MILWAUKEE

CHICAGO

Output Tops Total

The electrical industry has seen a remarkable development during the decade since the end of the World war, according to a recent weekly report on the public utility industry by the W. B. Foshay Co. The report follows:

"During 1929 the production of electricity in the United States will be greater than the total during the first 30 years of the electric light and power industry. Its greatest development has been during the last decade.

"More than 10,000,000 homes, representing approximately 50,000,000 people, have been connected for electric service during that decade. The number of customers of electric service today is about six times as great as 15 years ago, while the production of electrical energy is about seven times as great.

"During this period of the industry's greatest growth, there has been a fundamental change in the whole structure of power development and power distribution. A change stimulated by the increasing demand for electric power which, in turn, has made possible a wider and more economic use, has elevated light and power company securities to a preferred position as investments and given lower rates to the consumer, with a greater stability of service.

"This change is the practise of interconnection of power facilities and concentration of major generation in large efficient plants."

Now With McMurray-Hill

McMurray-Hill Company, investment bankers of Des Moines, have announced the association with that company of Victor J. Silliman.

Mr. Silliman has had a comprehensive business and investment banking experience not ordinarily possessed by an individual of his age.

While he came to the McMurray-Hill organization after a successful connection with the Des Moines branch of the Henry L. Doherty Company, his first investment experience was gained in Toledo, Ohio.

When he left Toledo he was manager of the bond department of the Ohio Savings Bank and Trust Company, which position he resigned to become treasurer of the New York executive offices of the John N. Willys Companies. Through the Henry L.



VICTOR J. SILLIMAN

Doherty organization he later became connected with their Tulsa office and was transferred to the Des Moines office six months. He has been a member of that organization, "Quarter of a Million Dollar Club."

Mr. Silliman, it is understood, will devote most of his time to the municipal bond department of McMurray-Hill Company. This organization has experienced a rapid development and is now one of the important distributors and underwriters of this section.

Florida Banks Merge

Effective last month the consolidation of two large Tampa banks, the First National and the National City, creates the largest national bank in South Florida. Total resources are over \$21,000,000.

R. J. Binnicker of the First National will continue as president of the merged institutions and Charles A. Fairecloth, president of the National City has been elected a vice president of the First National. The name will continue to be that of the First National Bank of Tampa.

In 1883 when Tampa was a village of but 600 population, T. C. Talliaferro and his associates founded the Bank of Tampa, later to become the First National. Capital was \$25,000. From that modest beginning the First National has grown with South Florida aiding in the development of its territory and distinguished by its progressive views, yet financially sound and conservative management.

The two institutions will occupy the large modern banking quarters of the

First National in the thirteen story First National Building completed but two years ago. The First National Corporation will move to the third floor of the building to afford necessary room for the expansion of banking activities.

Pay Dividends

Directors of the Northwest Bancorporation, the holding company organized in January by the Northwest National Bank of Minneapolis and other important banks of the northwest district, held their first formal meeting recently and declared an initial quarterly dividend of 45 cents per share on the paid-in capital of the corporation amounting to about 700,000 shares.

This dividend, which is at the rate of 3.6 per cent annually, totals around

\$315,000 on the aggregate paid in capital of \$35,000,000. About \$30,000,000 of the stock is held by former shareholders in the 13 banks affiliated with the Northwest Bancorporation, who exchanged their stocks for shares in the new company. The remainder, about \$5,000,000, is in the hands of the investing public in Minneapolis and throughout the northwest, having been offered for public subscription in February. The stock of the Bancorporation consists of shares with par value of \$50.

Safe

Cashier (buying fur coat): "Can I wear this fur coat in the rain without hurting it?"

Salesman: "Madam, have you ever seen a squirrel carrying an umbrella?"

What Kinds of Bonds Should Banks Buy?

Should a bank buy:

- | | |
|--------------------------------------|-------------------------------------|
| <i>U. S. Government securities?</i> | <i>Public Utility bonds?</i> |
| <i>Municipal bonds?</i> | <i>Investment Trust debentures?</i> |
| <i>Special assessment bonds?</i> | <i>Industrial bonds?</i> |
| <i>Railroad bonds?</i> | <i>Foreign bonds?</i> |
| <i>Equipment Trust certificates?</i> | <i>Real Estate bonds?</i> |



These and other similar questions are discussed in a brochure prepared by our economist, Dr. Paul M. Atkins, entitled: *Bank Secondary Reserves and Investments*. We shall be glad to send any bank a copy upon request.

Ames, Emerich & Co.

105 South La Salle Street, Chicago

First Wisconsin Nat'l Bank Bldg., Milwaukee

509 Olive Street, St. Louis

New York

Philadelphia

San Francisco

Los Angeles

A Real Opportunity to Buy Bonds

A CAREFUL study of the fundamental conditions that affect bond prices clearly shows that this is an excellent time to buy good bonds. Bond prices started to decline just about a year ago and are now within a few points of the low prices established in March, 1923. The present depressed bond market is the result of a steady increase in interest rates over the past year. With time money quoted at $8\frac{1}{2}$ per cent and with very few funds available the effect on bond prices is inevitable.

By **ALFRED R. KRAMER**
Vice President W. D. Hanna & Co.
Burlington, Iowa

The bid rates on 60 and 90 day maturities are at a level of three-quarters of one per cent above the rediscount rate, an unparalleled situation. Yields on longer maturities are quoted at even higher figures. There has been considerable talk of late about raising the rediscount rate in order to bring it in line, however such action does not appear probable.

The extensive liquidation in the stock market during the past two weeks has made this step unnecessary, for the present at least. With the threat of a higher Reserve Bank rate minimized, the trend of the bond market in the immediate future is naturally dependent upon the situation in the open money markets. The extraordinary stringency which has prevailed in this market for the past several weeks has resulted in the establishment of new low levels for bond prices in general. United States government bonds held firm for a time, but finally yielded to heavy selling pressure. Bonds of all degrees of investment quality, foreign as well as domestic, have sold off sharply. Convertible bonds followed the perpendicular drops of common stocks. Until money rates ease, any recovery of substantial proportions is not in prospect. However, it is well to remember that the present "money squeeze" is only temporary. Materially easier conditions may be looked for when month-end settlements are out of the way. Interest payments and dividend disbursements between April 1st and 15th are unusually heavy. When this money flows back into the banks, relief is to be expected, and a partial recovery of bond prices should follow.

This alone is not sufficient to change the long term trend of the bond market. We still have the obstacle of time money quotations of around $8\frac{1}{2}$ per cent. However, it is well to bear in mind that the ultimate goal sought by the Federal Reserve authorities in their restrictive efforts is the establishment of easier money rates for business in general.

Granting the final success of their efforts, and the events of the past few weeks would certainly seem to point in that direction, easier credit conditions will prevail, and the effect on bond prices will be most favorable.

Interest rates will always remain high. The present situation of the money market is a direct result of overspeculation in the stock market. This will gradually correct itself and money rates will again decline to somewhere near normal. The long term bond trend is upward and once relieved of the credit strain the market will continue to advance.

If the present high interest rates were due to commodity inflation that would be another matter entirely, but there is no commodity inflation. Interest rates, over a long period of years tend to move in accordance with commodity prices. Occasionally they move contrary to them, as in the past year, but such variations are temporary rather than fundamental. Therefore commodity price trend in the long run is the chief influence on interest rates and also on the bond market. When

Government

Railroad

Public Utility

Corporation

Municipal

Foreign Securities

Analysis of present holdings, and investment lists prepared for Banks, Institutions, Trustees of Estates and Individual Investors.

ROBT. ROOT, Representative
DES MOINES

WHITE, WELD & COMPANY

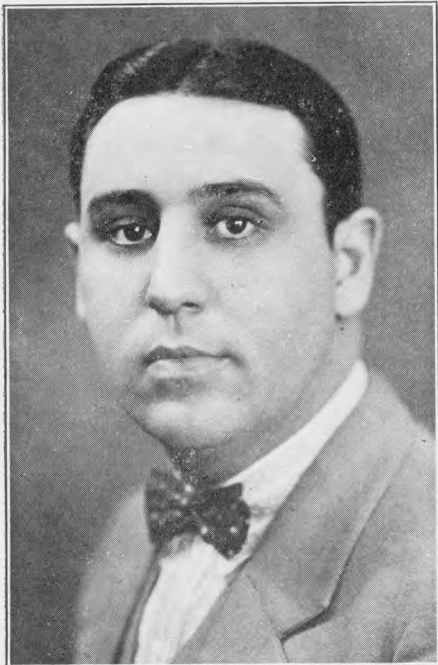
Boston

New York

Chicago

commodities increase in price, bonds tend to decline. That is because bonds are in all vital respects the same as money. They are receipts for money loaned at a specified rate of interest to be returned at a fixed date in the future. Repayment of the principal at maturity is of course assumed, and in the meantime they fluctuate in market value according to the purchasing power of their coupons. In other words, as commodities go up over a period of years bonds tend to decline, and as commodities fall, bonds tend to rise. Other factors enter into the situation temporarily such as the present money "squeeze" but over a period of time bond prices will move in the opposite direction from commodity prices.

Statistics show that commodity prices reached a peak in 1920 and bond prices established a low record. Since then the average commodity prices have almost



ALFRED R. KRAMER

steadily declined while bond prices have moved gradually higher.

There was a temporary reaction in 1923 but it was of only minor importance, the general trend of bonds remaining upward.

The commodity price trend during the same period has been toward lower levels, and every indication is that this gradual decline will continue for some time to come. This means that the future purchasing power of bonds should be greater and market values correspondingly higher. Commodity prices were fairly stable during 1928, there being no noticeable trend either way. Therefore the only answer for the decline of bond prices during the past year is the artificially high interest rates caused by overspeculation in the stock market. The stock market has been getting an undue portion of our credit

supply. This situation is now gradually clearing up.

The stock market already shows signs of faltering and is daily becoming less active. The majority of speculative stocks which have recently absorbed so much of the available credit supply will be scaled down when real liquidation occurs, as it must, in the stock market. Then interest rates will fall, bonds will once more become popular and will sell again at their rightful prices, based on their increased purchasing power.

The average investor has not been able to derive any direct advantage from the present situation as he had not been able

to loan his funds in the call money market. He can obtain an indirect benefit however by investing in good bonds whose high yields reflect credit conditions. In this way he assures himself of a high income return for a long term of years as against perhaps only days or weeks in the call money market.

Taking everything into consideration the present situation affords investors a real opportunity to buy high grade bonds.

The men who are lifting the world upward and onward are those who encourage more and criticize less.

trading...

or the buying and selling of bonds and other securities—involves often the searching out of those who have them and those who wish to buy them and the subject of the search is not infrequently an unlisted security that is not often bought or sold. (It is a work that calls for equipment, broad market contacts, fast wires and experienced operators. (Our Trading Department is operated by experts whose range is wide. Its field includes foreign and domestic issues—listed or unlisted, active or inactive. It appeals to banks and institutions as well as to individuals and it is organized to meet the most exacting demands for service.



ROBERT STEVENSON, *Resident Partner*

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Chicago Investment News

CONSOLIDATION of two well known investment banking firms, E. H. Rollins & Sons and Howe, Snow & Co., Inc., has been announced. Both houses have been active for many years in public utility financing. The future business will be conducted under the name of E. H. Rollins & Sons. Offices will be maintained in a number of cities, including New York and Chicago.

REORGANIZATION of the La Salle street brokerage firm of Packer, Cooke & Co., simultaneously with the election of James L. Cooke to membership in the

By **WILLIAM H. MAAS**

*Vice President,
The Northwestern Banker.*

Chicago stock exchange is announced. The new firm is to be known as James L. Cooke & Co., Charles S. Parker, having recently withdrawn from the firm. David A. Badenoch will be Mr. Cooke's partner in the firm.

PATTERSON, COPELAND & KENDALL, progressive Chicago institution, is looking toward Iowa for the further ex-

pansion of their gradually increasing business. Salesmen are being added in various sections of the state.

WM. W. WELSH, vice president, Baker-Kellogg & Company, Inc., specialists in foreign bonds, is enthusiastic concerning recent developments in South America. He says: "Hoover's trip around South America has turned the eyes of the nation in that direction. From 1913 to 1927 our exports to Latin America increased from \$372,520,000 to \$932,197,000; our imports from \$536,738,000 to \$1,116,135,000. Most of this development came while Hoover was secretary of commerce. Trade and investments go hand in hand, so that under President Hoover we may look forward to a fostering of our South American trade and investments."

THE CENTRAL TRUST COMPANY of Illinois, through its "Digest of Trade Conditions," reminds us that for the first quarterly period of 1929, industrial production has set new records in the majority of the basic lines. It is stated that while the outstanding examples are steel and iron and motor cars, the unusual activity has spread itself quite generally throughout all lines, with even textiles showing an improvement. Copper leads the nonferrous metals in the new activity and in production, shipments, and prices, is making a truly remarkable showing.

W. S. AAGAARD, 208 South La Salle Street, writing under the head of "Chain Store and the Oil Business," says: "With over 17,000,000 automobiles in the United States, companies engaged in the marketing of oil are virtually in the chain store business. Such companies are little affected by depressions in the oil business brought about by over-production. Over-production has in the past been responsible for a sharp decrease in the earnings of producing companies and this has left an impression in the public mind that the oil business generally is subject to sharp fluctuations."

LESTER M. ROEDER is the latest member of the staff of the well known security firm of A. C. Allyn & Company to add the tall corn state to his territory. Mr. Roeder, who will travel the northern part of Iowa, is a graduate of the University of Illinois, and prior to his present affiliation, was with E. H. Rollins & Company. The other Allyn representatives having contact with Iowa business are Messrs. J. H. Riley, Gerald Nordberg, J. B. Frazier and J. D. Casey.



**A NATIONAL CITY
MAN CAN HELP YOU**

**...when your customers
ask about
securities**

For any one of a score of reasons your bank may be called upon unexpectedly for information about the standing and market price of certain securities. If you need help in these emergencies, put through a call to The National City Company's nearest branch office. An experienced investment service man who has our world-wide investment knowledge at his command, is an avenue through which you should be able to secure the facts you wish.



The National City Company

National City Bank Building, New York

Offices in more than 50 leading cities throughout the world

BONDS · SHORT TERM NOTES · ACCEPTANCES

CHEERFUL NEWS and interesting statistics on Iowa conditions were given 100 Chicago business men and bankers by Frank B. Yetter, vice president, American Commercial & Savings Bank, Davenport, in an address before the Prosperity Club of Chicago. Within a period of six months 85 Iowa banks have invested \$10,000,000 in outside bonds, bought in the market for their secondary reserve.

Two New Presidents

The National City organization of New York recently inducted into office two new presidents—Gordon S. Rentschler of The National City Bank of New York, and Hugh B. Baker, of The National City Company. These men bring to their tasks outstanding qualifications for service in their respective fields and as a result of the changes brought about through the community of interest established between The National City Bank of New York; The National City Company and The Farmers' Loan and Trust Company, a unity of effort unique in American banking history is expected to be realized.

Gordon S. Rentschler brings to the presidency of The National City Bank of New York what is perhaps the broadest experience as an industrialist of any bank executive in the country.

His acquaintance with industrial leaders throughout the country, his first-hand knowledge of plants and equipment and the broad base upon which his knowledge of industry rests enables Mr. Rentschler to make a rapid survey of conditions at any given center and accurately size up the current position and the future outlook. In his capacity as vice president of The National City Bank of New York and assistant to the president, he has added to his industrial experience a familiarity and understanding of banking that give him unusual qualifications to serve as president of the country's largest bank.

The association of Hugh B. Baker with The National City Company dates back to the establishment of the organization in 1916 and in this thirteen-year period he has supervised the distribution throughout the world of some fifty billion dollars in new securities. Sitting in his office of the seventh floor of The National City Bank building at 55 Wall Street, Mr. Baker maintains constant touch with every section of the United States through a system of 11,000 miles of private telegraph wires, while cables hum hourly between the head office and National City outposts in the principal cities of the world.

Mr. Baker has a vast acquaintance with business men and bankers all over the country and by means of frequent trips abroad is able to keep in close contact with leaders in the world markets. He is regarded as an outstanding expert in judging market sentiment in all sections and

his knowledge has proven invaluable in the successful distribution of large issues of securities handled by the National City organization.

Bankers throughout the country have come to respect Mr. Baker's ability to gauge market trends and many of those whose institutions have investment departments look upon him as a man whose judgment they can follow and whose advice they have come to take as a matter of course in the distribution of bonds and other securities.

Personnel Changes

Harvey A. Keys has been appointed

manager of the merchandise division of Byllesby Engineering and Management Corporation, according to W. H. Hodge, vice president and manager of the sales and advertising department in Chicago. Mr. Keys succeeds J. W. Devereaux, who has been appointed assistant to Mr. Hodge in charge of special investigations. Mr. Keys has been vice president and general manager of the Equitable Sales Company of Pittsburgh, a subsidiary of the Philadelphia Company, since 1921, and is widely known for successful accomplishment in the retail distribution of electric and gas appliances. His new duties will give him supervision over appliance merchandising at all Byllesby utility properties.



BASIC INDUSTRY SHARES

Issued by

THE EQUITABLE TRUST COMPANY OF NEW YORK

Trustee

Common Stocks of
these 30 Great Com-
panies Underlie

BASIC INDUS- TRY SHARES

No substitution
may be made
from this list

Pennsylvania R. R.
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Call Loans and Farmers

A few years ago people would have listened incredulously to anyone who asserted that the farm mortgage business was being injured by high call rates. Today, however, the world has become accustomed to the thought of an intimate interrelationship among all types of lending operations whether for long or short periods, and without regard to distinctions of place or character of the financed activity. The idea that capital is kept in separate compartments labeled for investment or for current use, as the case may be, has in fact been thoroughly discredited by the course of events.

Breaking down of these old customary distinctions has been greatly facilitated of late years by the growth of institutions for concentrating borrowing demands. In no field of credit activity are the consequences of this development more conspicuous than in the market for agricultural mortgage bonds. When the farmer is an independent negotiator for funds, the success of his efforts in obtaining loans and the terms on which he obtains them are so highly individual that any connection with rates ruling in money centers for alternative uses of the sums borrowed would be impossible to establish. Before this country possessed an organized na-

tion-wide system of farm loan banks, for instance, it would have been a vain task to try to decide whether or how far the market for such loans was being affected by the pull of alternative investment openings in central money markets. In fact lending operations of every sort were much more severely localized a few years ago than they are now. Call loans were mostly lent by New York banks, while people and financial institutions that were ready to buy farm mortgages were not as a rule accustomed to place their surplus on call for speculative use.

As capital resources have become more homogeneous and less isolated geographically speaking, farmer borrowers have through farm loan banks been able to draw upon the resources of central investment markets. The penalty attached to this privilege is that they are now forced to feel the pull of alternative uses open to funds seeking these central reservoirs. Consequently it is a matter of course that today the banks that specialize in sales of mortgage bonds should be finding it hard to attract investors. The farmer borrowers whose obligations constitute the basis, and the source of income for defraying interest charges on bonds sold to the public have not been willing to pay rates of interest that would compete with those ruling in competitive lines of investment, such as the call market. Consequently the business of lending on farm mortgage security has recently shown a severe contraction.

There are, of course, other reasons for the disfavor into which the bond issues of the farm loan banks have fallen, but the speculative position is undoubtedly an external factor that has added to the increasing difficulties of placement. The situation is especially interesting as an illustration of one of the many incidental hindrances to productive activity for which the situation in the market for speculative loans is in part responsible. Today in fact the connection between business and speculation is probably more intimate than ever before because of the facilities afforded to all comers for supplying and for tapping centralized credit supplies. It may be that this country and in fact the rest of the world has been proceeding too rapidly in the work of eliminating barriers to the free movement of capital. In throwing down traditional obstructions, a certain amount of protection to specific groups of borrowers has also been sacrificed.—Wall Street *"Journal of Commerce."*

Change Par Value

At a special meeting of the stockholders of the Bankers Trust Company held recently, the necessary action was taken to authorize the change in par value of the shares from \$100 to \$10 and the increase in the number of shares from 250,000 to 2,500,000 accordingly.

Is the Bank the Place for Bond Business?

A greater number of bank officials are coming to realize each year that it is a logical and important function of the bank to provide improved facilities for handling the bond business of the community. In line with this trend, we have developed a sound plan to assist banks in securing or increasing this desirable business.

This plan works out to be attractive because:

1. It will not decrease cash on hand.
2. It will increase resources.
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Gold Embargoes

Unless the world succeeds in getting rid of its war-produced obsession that gold when obtained must be hoarded, the advertised advantages of a return to the gold standard will prove to be chiefly illusion. The maintenance of an effective gold standard depends upon the removal of artificial restrictions upon the shipment of gold. So long as obstacles to such free movement exist, the currencies of those countries that indorse restrictive practices are not real gold standard currencies but managed currencies. The knowledge that gold is held in large amounts in the vaults of a country's banks may give the public confidence in the soundness of the monetary system and thus assist efforts to stabilize the currency internally and externally. More than simple possession is required, however, to place a country definitely on a gold standard or even on a gold exchange standard.

Willingness to relinquish gold as well as ability to acquire it is part and parcel of any sort of return to the gold standard that possesses regulatory power. Nevertheless few industrial nations of importance today seem ready to dispense with all restriction upon the use of gold in external payments. They show instead a marked predilection for resorting to legal and other devices to hinder gold shipments that would otherwise be commercially profitable operations. Under the best of conditions, consequently, the gold standard as it exists today in the leading industrial States of Europe has not brought with it complete restoration of free gold payments. Furthermore, the practice of regarding foreign exchange holdings as part of the gold reserves of central banks, by increasing the opportunities for exchange manipulation add to the other conditions that interfere with the free movement of gold.

It has been generally hoped, however, that existing obstacles to a complete restoration of the gold standard would prove to be merely transitional and that, with confidence restored, hindrances would be no longer placed in the way of gold shipments when exchange rates made the transfer profitable. Recent talk of European embargoes, however, following an actual embargo imposed by Canadian banks brings evidence of a persistent desire to hoard which is the product of incomplete confidence in the permanence of recent monetary reforms. The idea that there is a minimum amount of gold that must be held tenaciously in reserves after it had been patiently accumulated has even added English minds, although the English are the people who are traditionally opposed to mechanical devices for testing the safety of their banking and financial institutions.

The great strength and the prestige of London as an international money center was built upon willingness to meet the de-

mands of all comers and to part with gold when wanted for shipment to any part of the globe. The change in attitude today is not only startling but unless it can be regarded as a temporary phase of a slow and fearful return to a lost freedom, the gold standard might as well be given up for good. Certainly when the English begin to talk of "defending" their gold reserves against further depletion by New York's speculative fraternity the time has come to ask whether gold was meant to be used or to be hoarded. If hoarded, gold can no longer be used as a regulator of international transactions. Since it has already ceased to be employed by most countries in internal transactions, its possession may soon come to represent nothing but an atavistic craving for a metal that is no longer needed.—Wall Street *"Journal of Commerce."*

Investment Trust Earnings

That American investment trusts in 1928 earned an average net income of 11.2 per cent on invested capital, and that the average of total earnings exceeds 25 per cent when unrealized profits are included, is indicated by a copyright analysis of investment trusts of the general management type compiled by Grover O'Neill & Co. with the cooperation of leading companies in this field. In order that essential information relative to investment trusts might be made available to the public, a total of 85 important companies contributed to the compilation which portrays operations and achievements for the entire year.

The total invested capital of \$520,893,196 is reported by the 85 companies cooperating in this survey of the invest-

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A Sensible Policy

After years of close analysis of factors effecting the price of bonds, call money and commercial paper, many successful bankers have established a "Middle of the Road" policy.

Wise bankers are not overlooking the importance of diversification in spite of the unusual rates obtainable in the call money market.

We shall be pleased to outline a secondary reserve policy for your institution. Many bankers have approved of this policy as being sound.

Iowa Representative

MAURICE F. LEAHY

Manager of Trading Service Department

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BROKAW AND COMPANY

105 South La Salle Street, Chicago

ment field. The total gross earnings reported by 80 companies for the year were \$61,363,835, while \$30,102,539 of unrealized profits were reported by 38 companies.

Complete figures relative to net income are given by 76 companies, which show that an average net income of 11.2 per cent was realized on the total capital invested in these companies at the end of the year. When both net income and unrealized profits of the 38 companies which made the latter figure available for publication are compared with the invested capital of these companies, it is found that their average total earnings on capital in-

vested at the end of the year was 25.2 per cent.

Bonds have been issued by 23 of the companies included in the analysis. The total of the issues outstanding comprises 27 per cent of the invested capital of the 85 companies. Of those companies which have issued bonds as a means of securing additional capital for investment purposes, 20 companies furnished statistics relative to earnings applicable to bond interest requirements, showing that interest charges were earned 5.1 times. A total of 61 companies have preferred stock outstanding, of which 57 companies reported net income available for preferred dividend re-

quirements equal to more than 3.5 times. A conservative dividend policy with respect to payments on common stock is reflected by an analysis of the 38 companies which reported amounts available for common stock dividends. These 38 companies reported a net income of \$12,981,100 and unrealized profits of \$30,102,539 or a total of \$43,083,639 available for dividends on the common stock. Of the total amount, only \$3,035,300 or 7.1 per cent was paid out to the stockholders.

A classification of the investment companies included in the analysis shows that 67 are general investment companies, 13 restrict their investments to specialized types of securities, 4 are general investment trust funds and 1 is a specialized investment trust fund. The analysis includes all important companies which have operated one year or more and reflects the growth and development of investment companies of this type.

Heads Foshay Subsidiary

The promotion of A. L. Warner to the presidency of a new organization, The Foshay Corporation, was announced recently by H. H. Henley, executive vice president of the W. B. Foshay Co., Minneapolis. The Foshay Corporation is a subsidiary of W. B. Foshay Co. and will own and operate Foshay real estate and buildings other than the Foshay Tower development. These properties include the present San Francisco building and real estate which has been acquired in connection with utilities and industrial purchases, as well as miscellaneous interests and investments of the W. B. Foshay Co.

Mr. Warner, in taking over his larger and more diversified duties, leaves a banking connection of many years. Under his direction Foshay Trust & Savings Bank, Minneapolis, has prospered and he brings to his new work the talents of good judgment and a wealth of successful business experience. As chief executive of The Foshay Corporation, he will spend his time between Minneapolis and the properties owned by the new subsidiary.

Results Released

The Institute of Economics, a division of the Brookings Institution of Washington, has released the results of an investigation of the electric light and power industry, made under the direction of Dr. Charles O. Hardy. The inquiry was based, in part, on a questionnaire sent out by the Institute in November 1927, to 52 of the largest companies, complete replies to which were received from over half of the entire industry in the United States; and it was based, in part, on all other available sources of information, including reports of the United States Census and of the National Electric Light Association.

Among the findings of the Institute are the following:

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1. During the period covered by the investigation (1920 to 1927 inclusive) the proportion of electric capacity and electric output of the country by the reporting companies increased from 30 per cent to about 50 per cent.

2. During the period covered by this report the output of the reporting companies increased more rapidly than did their generating capacity. Leaving out the depression period of 1920-21, the increase was from 35.2 per cent in 1922 to 37.9 per cent in 1926.

3. The book value of the electric properties of the reporting companies increased slightly more than did their generating capacity and slightly less than did the actual output of electric energy.

4. The facilities of the reporting companies were utilized a little more fully than were those of other companies.

5. From 1920 to 1927 the ratio of preferred stock to total capitalization doubled; the ratio of common stock and of short-term notes to total capitalization decreased; the proportion of bonds showed little change.

6. The ratio of operating expenses to gross revenue declined from 56.5 in 1920 to 43.6 in 1926.

7. Both the gross revenue and the operating expense per KWH increased from 1920 to 1921 and since then have steadily decreased.

8. From 1923 on, the ratio of gross revenues to generating capacity declined. The average selling price reported for 1922 was 2.29 cents per KWH as compared with 2.44 cents for the whole industry as reported to the United States Census. The average selling price of the reporting companies had declined to 2.09 cents in 1926.

9. The average annual output per customer of the reporting companies declined from 4,063 KWH in 1920 to 3,707 KWH in 1926. The average gross revenue per customer per year declined from \$88.43 in 1920 to \$77.55 in 1926, a decline of more than 12 per cent.

10. The percentage of gross revenue paid out by the reporting company in taxes amounted to 7.9 per cent in 1922, and it had increased to 8.3 per cent in 1926. The increase was greater in Federal than in state taxes.

Tax Excessive

Banks of Minnesota are taxed at an excessive rate, representatives of the bankers told the legislative committee on taxes in urging enactment of an excise tax law for taxation of banks in Minnesota.

The occasion was a joint hearing held by the senate and house tax committees on the measure before the legislature, providing for an excise tax of 10 per cent on the net income of the bank instead of the present system of an ad valorem tax. The committee took no action on the bill.

Representatives of the bankers said that

the excise tax plan would reduce the taxes paid by the banks in Minnesota to about 30 per cent of what they now pay.

"The present share tax imposes the highest tax on the bank which makes the greatest provision for safety through building up a good surplus," T. D. O'Brien of St. Paul, representing the bankers, told the committees. "I think that the loss to the community from having a poor bank is so great that any reduction in the tax of the bank ought not to stand in the way of enacting an excise tax law."

A smile is a light that brightens the dark places in life.

Iowa's Best Security

(Continued from page 26)

United States, 16 per cent of the nation's hogs, and holds leadership in oats, live stock, poultry and poultry products. Iowa's soil produces more wealth, each year, than all the gold mines of the world. Iowa's egg production alone is worth more than all oranges raised in the United States, and Iowa's hens produce more wealth, each year, than all of Colorado's mines. The grand total for 1928, in farm products alone, reached the amazing figure of 800 million dollars. At the present ratio of increase, we may hold our first Billion-Dollar-Farm-Year Celebration in 1930.

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Iowa County General Obligation 5% Primary Road Bonds are now selling to yield 4.35% to 4.50%. They are very attractive at such price and we unhesitatingly recommend them to banks or individual investors who are looking for high grade tax exempt securities. Write us for more detailed information.

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Building Bank Prestige Through a

By J. P. RUPPENTHAL

*Vice President and Cashier, the Russell
Farmers State Bank, Russell, Kansas*

THIRTY-FIVE or forty years ago the several newspapers of Russell county (Kans.) conceived the idea of having a local correspondent or reporter in every community.

About thirty-five years ago the writer was persuaded to report the news from his community for a paper at Lucas, Kansas. This correspondence was continued until my graduation from the rural schools.



J. P. RUPPENTHAL

Newspaper Column

A few years later I became a country school teacher and again took up reporting for the local newspaper. This was carried on for nine years, during my teaching life, and until I entered bank work at Russell, in 1907.

Still Wanted to Write

MY entry into banking did not take away the desire to write for the local papers. Shortly after taking up bank work I began to send an occasional item to the local papers, increasing them as they found a place in the local news. At times these items were given front page space and appeared under special headlines.

Over six years ago the editor of the *Russell Record* conceived the idea of carrying all my contributions under the heading, "Stockman and Farmer." Since that time my "grist" has gone to the office twice each week, coming out a product that finds a good reception among both town and country readers.

Always, the idea of being helpful to our community has prompted the items. And while it is not possible to know just what profit accrues to the people of the county because of this column, this is known: scores of people come into the bank to learn more about something that has had mention in my items. They want to know where to find a good sire; who has smut-free kafir; what kind of seed corn to plant; what success others have had with Kanota oats; what cattle are offered for sale; whose farm is for rent; when and where the next public sale is to be held. They want to know who has good milk cows for sale; where they can trade for a manure spreader; who is offering certified seed; what success Mr. White has had in feeding cotton cake.

Much of this information is available and is always freely and cheerfully given.

Sales of farm land are reported; high yields of grain get mention; exceptional cattle sales are given space; diversified effort is recommended. The success of those who cater to "the cow, the sow, and the hen," is pointed out. Through this column scores of bulls, boars, milk cows and brood sows are placed, we know. Many bunches of cattle are kept at home because of mention given them in this "farmer-stockman" column.

(Turn to page 69, please)

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In addition to Iowa Municipals, we have a well-diversified list of high-grade securities of other types suitable for banks' secondary reserves and for the investment needs of their customers. These securities include utilities, industrials, and real estate issues, many of them representing well-established Iowa corporations.

Write to Our Davenport Office for Our Current List of Sound Securities for Investment.



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Many thousands of this gigantic sum were paid to your clients.

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We can save you time and money.

**THE STOCK YARDS NATIONAL BANK
AND
THE STOCK YARDS TRUST & SAVINGS BANK
of CHICAGO**

Building Bank Prestige

(Continued from page 66)

In all these years I have just reported the things that it seemed to me would be of interest to farmers and their families. Dozens of letters testify that my writings meet with favor, and scores of men and women have told me that my column is the best part of the paper.

Has Built Good Will

THE aim of the effort in the past several years has been to be of real help to the farmer and stockman, and to build up good will and mutual understanding. In this we have not failed. Our bank is headquarters for farmers, stockmen and traders. Their deals are pulled off in our bank; they are at home with us; they come to us for information, and they leave their money with us when they sell the cattle or the farm. Our bank handles fully ninety-nine per cent of the cattle paper of our territory, and its full share of the wheat farmer's business, too. It has taken years of honest effort to build what is now evident my Stockman-Farmer column is accomplishing. The results are truly gratifying.

Addresses U. S. C. of C.

John G. Lonsdale, president of The National Bank of Commerce in St. Louis, presided at a round-table discussion on "Business Finance and the Credit Supply," held in Washington on the afternoon of May 1st, in connection with the seventeenth annual meeting of the Chamber of Commerce of the United States. The annual meeting covered a five-day period, beginning April 29th and concluding May 3d.

The round-table sub-topics dealt with "Credit Supply and Speculation in Relation to the Requirements of Business"; "New Developments of Corporate Finance"; "Community Efforts to Protect Purchasing Power Through Investment Education."

Mr. Lonsdale, who is a director of the National Chamber, Department of Finance, is being sponsored by the St. Louis Chamber of Commerce for re-election. In addition to being a director, he also is serving as chairman of the Committee on Aeronautics.

At the general session of the gathering on the afternoon of May 2d, Mr. Lonsdale delivered an address on "The Tax Dollar."

Bank Officers Elected

Appointments of D. D. Scott and George S. Jones as assistant treasurers of The Union Trust Company, Cleveland, were made at a meeting of the Executive Board of the bank recently.

Mr. Scott entered the employ of the old Citizens Savings & Trust Company in 1918. Shortly after, he entered the serv-

ice during the World War. Upon his return to Cleveland he took a position with the Union Trust Company of which the old Citizens Bank had become a part. When the Terminal Square Office was opened a little over a year ago Mr. Scott was transferred to that office and before long he was made assistant manager.

George B. Jones began his career in the

banking field as messenger for the old Bank of Commerce which is now a part of The Union Trust Company. He has worked in practically every department of the bank, and at the time of his promotion he was assistant manager of the Euclid-101st office.

Both men will continue to serve at their present locations.

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INVESTMENT SECURITIES

American Bank Building

DAVENPORT, IOWA

Chase National Report

Total resources of The Chase National Bank of the City of New York amounted to \$1,316,188,226 in response to the last call of the Comptroller of the Currency. These resources are the second largest in the history of the bank, comparing with the high record of \$1,430,308,237 established at the end of last year.

Due to the merger of the Garfield National Bank which was effected early this year, both capital and surplus of The Chase National Bank were increased \$1,000,000 each to totals of \$61,000,000. Undivided profits increased to \$18,937,918, compared with \$17,498,445 on December 31, 1928. Deposits on March 27th stood at \$1,048,009,157 against \$1,126,781,646 at the end of last year.

Reflecting decreased borrowing by the banks from the Federal Reserve institutions, the statement shows that The Chase National Bank on March 27th owed only \$8,000,000 to the Federal Reserve Bank, compared with \$50,000,000 on December 31, 1928.

Prices More Stable

Evidencing that one of the great disturbing factors of business—price instability—has diminished during the last seven and a half years as a vital economic phenomenon is disclosed by Dr. Frederick C. Mills, in a chapter on "Price Movements and Related Industrial Changes" of a survey made for the President's Committee on Recent Economic Changes by the National Bureau of Economic Research. Dr. Mills, who is associate professor of business statistics at Columbia University, finds that this period has been notable for the fact that business men are looking for profits in other directions than those sought in an era of price fluctuation.

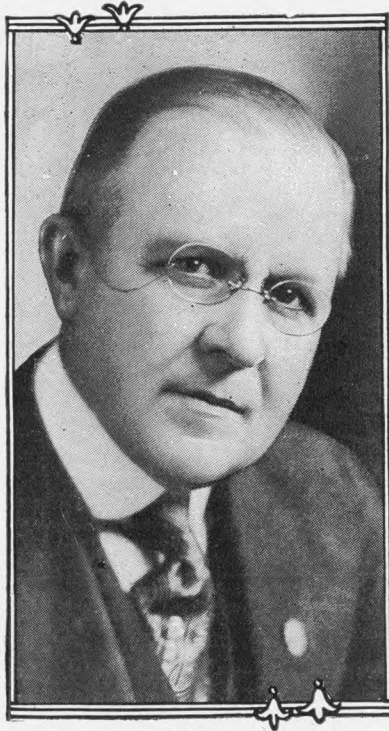
In his Chapter, Dr. Mills indicates that the speculative element, to a large degree, is going out of business; and that present and future profits are largely to be determined by a closer diagnosis of management problems to eliminate wastes and improve efficiency.

For A. B. A. Treasurer

Friends of Grant McPherrin, president of the Central State Bank, Des Moines, have begun an active campaign for his election as treasurer of the American Bankers Association, which will have its next annual convention at San Francisco, September 30th to October 3rd, this year.

Mr. McPherrin's candidacy was launched formally by recent passage of a resolution by Iowa officers of the American Bankers Association, "unanimously and aggressively" indorsing the Des Moines banker for the treasurership, and calling upon every banker in Iowa, as well as to Mr. McPherrin's friends at home and throughout the nation, to support him for the office.

The resolution praises Mr. McPherrin's ability and qualifications and goes on to point out that "Mr. McPherrin has not only served the Iowa Bankers Association with distinction and loyalty, but also has



GRANT McPHERRIN

served the American Bankers Association with similar fidelity and ability, having in recent years served as president of the state bank section, the largest section of the American Bankers Association."

Matrimony and Mr. Hale

(Continued from page 23)

chair. Then Hale's steno would rant. It would mean no dictation until five-thirty. About that time when Hale would finally have to march her politely to the exit, she would be intent upon having Lennie understand how she appreciated him. "You know, Lennie, I just don't understand a thing about business. I don't think I ever could. I should have to lose everything I own if it weren't for you," and so on and so on. And poor Mr. Hale would run his hand over his head in a gesture of exasperation, and as Loubell's sleek motor purred away from the curb he would say, "Damn that woman!" in his slow, authentic way. It would be humanly impossible to slip one like Loubell over on him.

"An Easy Shot"

THEN Damarius Humphrey would be an easy shot for Cupid," laughed Marguerite. She specializes in apples, the temptress! Damarius is another of Hale's widow clients. She has taken up fruit farming since her husband's death—in her words, "A lovelier expression than raising



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Amount	MATURITIES AND PRICES		Yield
	Maturities	Price	
\$100,000	April 1, 1930	99.75	6.25%
100,000	April 1, 1931	99.50	6.25%
100,000	April 1, 1932	99.30	6.25%
	Accrued interest to be added		
	¼% Discount to Banks		



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INVESTMENT SECURITIES
LIBERTY BUILDING
DES MOINES
TELEPHONE, WALNUT 3917

pigs," which was how poor Humphrey made an estate for her to have all of the fun of having a lawyer's constant guidance.

She was the one, who, when Hale's stenographer answered one of her requesting letters and added, as is the stereotyped custom—"Assuring you that I am always be glad to be of service to you, I am, Yours very truly"—she wrote back a poetical outburst ending with and "when I read your last paragraph, I got down on my knees and said, 'I thank God for friends like Leonard Hale,'" remembered Marie.

"Damarius is good-hearted," I said, thinking of the basket of apples she always brought in to Hale and which in turn were passed out to the clerks, "but she's too bulky, and there isn't anything in Hale's past history report that indicates that he has a failing for henna hair, even though it is on the head of one of those rare, artistic and temperamental women."

Actually, things were getting complicated! This marrying a bachelor in a specified length of time was not nearly as simple as it sounded that first evening in the dressing room.

We were cast up considerably by the three-course midnight lunch June spread before us—fruit cocktail, chicken croquettes with potatoes au gratin, pocket rolls, pineapple sherbet and angel food cake, coffee and mints.

I was working in Hale's office the following week, thinning out the credit files and I heard him call the theater and ask to make a couple of reservations. My boss came in just at a time like this, he would, and hurried me into his office to take some telegrams and I didn't get a chance to hear what the reservations were for or any more about them, but I guessed they were for the "Fantasies of 1929," a road show that was billed for our town on Wednesday. The show was an especial attraction for Mayfield, as a home girl, Gay Davis, had a song number.

As soon as I had the messages off my hands, I tipped off each of the girls on what I scented was nothing less than a date involving our victim, and they were absolutely feverish with curiosity. Needless to say, there was a "called meeting" in the dressing room after work.

"It looks as though Cupid has played a trick on us," I said. "Think of it, girls, our V. P., scorned of women, is dating for the show and almost a whole week ahead of time, at that. No last minute bid."

"It would be a joke on us if Hale was engaged all the time," suggested Janet dryly. We all went palish even under our rouge.

"Well, that's not very logical," I answered. "You know very well that you can pass this bank any hour of the evening and find Hale's light on and lazy curls of smoke rolling up from behind his

SOUND PRINCIPLES

—and good judgment will build any business, and particularly does this apply to the sale of bonds and securities. The careful and intelligent management of an investment house insures its customers that their confidence has been well placed.

Daily, with their experienced personnel, we are delivering sound, conscientious and intelligent service and advice to investors of Iowa and surrounding territory. Our sound business principles are bearing fruit.

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INVESTMENT SECURITIES

Chicago

Davenport

Des Moines

law books, his feet crossed on the edge of his desk." They agreed that this was so.

A Pretty Girl

WE WERE all crazy to see Gay Davis ourselves. She graduated in my class at school, and was voted the prettiest girl in the class, and she was an excellent typist. She was the first girl in our type-writing class to get a job. She went to work for Mardis & Hamon, attorneys. When she went east on her first vacation, she joined a show in the making and Mr. Mardis, the man for whom she worked, who is also a Sunday School superintendent, received a rocking jolt. In fact, the news that Gay Davis had turned show-girl was the same as a tremor to the whole town of Mayfield. It was no common occurrence for a girl from our town to give up the conventional safe and sane existence of typist for the venturesome, colorful vagabondish life of a chorus girl. It was a dare, no less. That, four years ago. After consistent climbing, she was coming to her home town for the first time in the celebrated musical revue, "The Fantasies of 1929." We talked this over, and it seemed that if for no other reason than to give eye witness to who Leonard Hale would take to the show, we should all go, but due to the fact that the first row in the balcony was \$2.50, the best our crowd could do was the fourth row in the second balcony.

Hale would take his date downstairs, so it seemed necessary that we send a delegate—our president—to the main floor, so that she could get the details first hand. We emptied our "candy box," June's dime bank and Marguerite loaned us enough to make up the balance from a bungalow fund her boy friend deposited in since he had given up smoking. Marie borrowed her sister-in-law's fur coat, knowing that she would be surrounded by grandeur, as only one can expect in \$4.00 seats.

The day of the show, Hale went out in the morning to the barber shop and when he returned with a haircut the odor of Rose of India hair tonic almost put his stenographer in a stupor. I could even smell it in my office. His steno reported that he was in a flighty mood all morning, laying letters aside to be answered later, hitting only the high place and hastily closing his desk and making off shortly before noon—"to be out all afternoon."

A Large Crowd

THE opera house has never accommodated such a crowd since the class day exercises in June. The throng milled in in continuous lines, buzzing and nodding pleasantly—that congenial, expectant atmosphere that prevails before a play. All we could see of the main floor from our shelf was the rear of the stage. "Gee," said Marguerite, "I'm glad we decided to let Marie sit downstairs. We would be

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foolish to run the risk of not hearing who he is bringing," passing the sen-sens.

"Almost every seat taken," observed Janet. "They won't lose on this show—jumping jelly beans, girls, look who's sitting in that box!"

We looked! There in the left balcony box sat Leonard Hale—alone! He sat there, shoulders squared, his arms folded with Napoleonic independence and pride, wearing a darkish suit and his black thinning hair polished like ebony. We shot an eye to eye astonished inquiry down the row.

Of a sudden it struck me funny that Marie would be sitting in state in her sister-in-law's mink coat in the main section below, and she never would think to look up to the balcony box to see Leonard Hale enjoying the show a la solitaire. But Marguerite, who had extended us a loan from her boy friend's bungalow fund for the purchase of the \$4.00 seat, didn't take to it so humorously. "You're clever, Sally Rand—a couple of reservations, you say?"

"That's what he said. How was I to know that a couple of reservations means one in the left balcony box?"

The orchestra was tuning up and the curtain's raising dampened a promising little argument. The show was glorious and we were thrilled every minute. Gay Davis was pretty in high school days in a middy and skirt, but she had grown up into a strikingly beautiful woman. She was tall and slim and as lithe as a willow. She looked a gilded goddess wrapped in a shimmering shawl of gold cloth, her lovely red-gold hair cropped close to her well-shaped head, and how she sang from her loft in a sliver of an illumined crescent moon dangling from the top of the stage, "Moonbeams." She used a spotlight which sent romantic moonrays into the audience as she sang. She sent her path of moonbeams directly to the left balcony box! Hale wriggled right out of his chair and leaned over the side of the box and we were frightened to death that he was going to jump over and end it all right there. He applauded her like the women in the Music Club don't. As the curtain lowered and the wild applause thundered on, Gay appeared at the wing, radiant and happy, nodding and smiling. Ushers hurried to the stage with flowers—a funeral of them! I was goose fleshy all over, I was that thrilled. Gay Davis I had working for me on the school paper as typist!

"Sally!" June leaned over to exclaim, "what is in *that* basket?" It was a tiny flat basket of blurry flowers, the handle tied with a huge bow of gold lace. It sat contrastingly apart from the towering baskets of roses and carnations. Gay took the little basket in her arm and nodded to Hale with "her soul in her eyes," so to speak, even from the fourth row in the second balcony, there was no mistake in that.

Hale's demeanor was that of a man en-

tranced. Instead of appearing embarrassed at this untimely recognition, he was positively thrilled!

We could hardly wait until we had located Marie's sister-in-law's fur coat in the animated lobby below.

"Did you see it?" we gasped in one breath, as Marie herded us into the ladies' lounge and closed the door.

"I see all and know all," chanted Marie panting for breath.

"What did you think when you didn't see him downstairs," shot Janet.

Simultaneously, Marguerite demanded, "What do you make of Hale being part of the show?"

"I tell you, girls, I know all; sit down and be calm and listen."

We did.

We Listened

"Mrs. Clara Jordon Lamb sat back of me and she was telling her theater party the secret. It came directly from Gay's mother only a few minutes before the show. Hale is no more a bachelor than I am. He's married to Gay Davis. Has been for almost a year and a half!" Marie stopped to allow this shock to seep through our very thin layers of grey matter. We sat limp with daze, registering absolutely no intelligence. Marie went on: "According to Mrs. Lamb, the reason for the secret is that Gay's manager thought, professionally, it would be much better for her to be unattached, and Hale being the old dear that he is, agreed. She has an ermine coat that he bought her last Christmas and a dinner diamond valued at around five thousand dollars."

Marie certainly had it all on tap.

"Girls, Hale sat in the box at the matinee this afternoon. The usher told me, and Mrs. Lamb says Hale is entertaining the leads of the company at an announcement dinner at the hotel tonight. "Gay is leaving the show to stay here with Hale, because she thinks he needs her."

Janet was the first to come to, being young she can stand more than the rest of us. "Whoopee!" she shouted, "let's get the rest of the bank and then a box of confetti and give him a ride!" Janet was already dashing into her wrap and out of the door at the same time. Her enthusiasm carried. We tramped after her, our hearts atune to the happy realization that Cupid, the sly old fellow, has a way of his own.

Misunderstood

Rastus had been arrested for speeding. It was his fifth offense, and as he was presented to the judge he muttered something under his breath that sounded suspiciously like an oath.

"Repeat that," thundered the judge.

"Ah didn't say nothin', Jedge."

"You did say something, and I want you to repeat it."

"Well, all Ah says, Jedge, was, God am de jedge, God am de jedge."

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ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

A. C. TUCKER, President

Installment Payment of Insurance Premiums

By EDWARD C. STONE

*United States Manager
Employers Group, Boston*

(Written exclusively for the De Puy Publications)

THE present are most interesting times so far as the insurance business is concerned, certainly so far as the casualty end of the great business of insurance is concerned. More new problems are brought to the attention of executives than ever before, and hardly a day passes but something new is brought to attention of agent or executive. Many of these problems vitally affect the business and will have a great effect upon the future of it.

Perhaps no problem of recent origin has been suggested which is fraught with such possibilities in the change of the conduct of the business as the installment payment of insurance premiums.

In a great variety of industries, in a large number of manufacturing businesses, and in the great majority of the big distributing forces of business, the installment method of payment has become definitely established as a real part of the method of doing business. Whatever may be said about the subject of installment payments when this method of paying for goods is abused, there is but little doubt that it now has a definite place in our financial and economic system.

Indeed there are comparatively few people today who have not at one time or another availed themselves of this means of paying for articles of merchandise. The number of those who are enjoying many articles, both necessities and luxuries, which otherwise they would not get except because of their ability to pay for them on the installment plan is now almost limitless. Everyone knows that this method of paying for goods is something that can be overworked and can be abused and thus result disastrously for both the borrower and the lender but within reasonable, proper limits and when availed of under proper circumstances, there is no doubt that this plan is a good one and, in addition, has done much for general business. Anyone who will care-

fully budget his expenses may avail himself of the installment method of payment and thus enjoy the opportunity of securing articles which otherwise he never could have, possibly might not be able to afford, and certainly could not enjoy.

The installment payment of insurance premiums undoubtedly has equally large advantages when properly and discreetly used. This method of payment may well apply not merely to automobile premiums but to many others, particularly those of some size, like workmen's compensation premiums. Any business man who will carefully budget his expenses, any manufacturer engaged in any form of seasonal business, and all business men who find that at certain times of the year it is a case of all money going out and little coming in, may genuinely benefit from the installment method of paying for insurance premiums. If this method be used carefully, discreetly, and wisely, it can be only of benefit to the business man.

When we have argued ourselves thus far in the proposition, the next important question which faces us is: By whom shall this installment payment be financed? Here we come to the parting of the ways, for we are instantly faced with two questions: Shall the financing be done by the company for the benefit of its policyholders, or shall it be done by the agent for the benefit of his customers? The answers depend largely upon the point of view of the company on the one hand and the agent on the other. So far as the company is concerned, the answer depends upon its viewpoint with respect to its method of carrying on its business and the manner in which it regards the business which is produced for it by its agents.

When we consider financing on the installment plan sales of articles of merchandise by large manufacturers, we generally find that they form or organize a finance company, incidental to the work of assisting them in the marketing and distribution of their products. Practically every large manufacturing concern—particularly those that make goods for the home or that manufacture automobiles—have, in their various companies that make up their particular group, a finance com-



EDWARD C. STONE

pany that attends to this matter of financing the installment payments of the articles they have to sell.

As a general rule, it should not be overlooked that the great manufacturing and distributing concerns of today that have finance companies to enable them to put into effect the installment principle carry on their businesses through employees of their own, generally through branches of their own; but in any event they look upon the business which they secure generally as their own business. In other words, they regard the customer for their articles as their own direct customer and not as the customer of the salesman or producer, and this is so because there is no intermediary between the customer and the manufacturer who occupies just the same position that the insurance agent under the American agency system of today occupies.

If an insurance company believes that the future of insurance in the United States lies in the establishment of a multitude of branch offices, or an indefinitely greater variety of district offices, and that the business should be conducted along the lines of the chain stores of today; that the business which is secured, however it may be secured, is its own business; that it owns expirations and may go out at any time to snatch up, as it were, the business produced by its agents, it obviously is interested in setting up an installment payment plan of its own whereby it is thrown into more intimate contact with its policyholders, does business more directly with them, and is thus in the position where very easily it may take the next step of grabbing off the business directly. It will may be that there are those in the business

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"Our Children's Policies offer a splendid approach," says an Indiana agent, summing up the thought of the entire Agency Organization. By offering a complete line of policies for children from birth to age ten, this Company prepares its agents to talk to prospects about a subject more interesting to them than anything else under the sun.

Phyllis Jean Black, Port Huron, Mich., a policyholder in NwNL.



**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**

O. J. ARNOLD, PRESIDENT

STRONG ~ Minneapolis, Minn. ~ LIBERAL

Northwestern Banker May 1929

who, from the observations they have made with regard to the unusual development of the chain store idea in the distribution of ordinary articles of merchandise, have come to the conclusion that the time is ripe for putting into effect, as respects insurance, that same idea. If insurance executives have come to this definite conclusion, there is no doubt that the establishment by them of a plan for installment payments is a very large step in the direction of putting into the insurance business the chain store idea.

If, on the other hand, an insurance company believes in the American agency system, or the method of carrying on the insurance business contemplated by that system, believes that the capable, enterprising, up-to-date insurance agents not merely a premium chaser but an insurance counselor, indeed if that company believes as we tried to put it in the slogan of The Employers' Group, that "Wise Men Seek Wise Counsel" and, therefore, puts forth its efforts as respects the insuring public in interesting that public in seeking advice from wise insurance counselors and urging that public to visit such counselors for aid and assistance in the work of securing the right kinds of policies of insurance, it is obvious that that company is not interested in having an installment payment plan of its own. It is, however, on the other hand, distinctly interested in helping its agents in every proper and particular way that it can by giving those agents good advice, in aiding those agents to arrange for themselves to finance their customers and, as respects an installment plan or any other method of doing the business, is concerned in giving those agents every bit of practical aid, help, and assistance that it can.

The enterprising, up-to-date, well informed insurance agent, who regards his business in the light of a real profession, performs an infinite variety of services for his customer. He has the opportunity every day in the increasing demands of business and in the increasing enlargement of the opportunities for insurance to increase the kinds of service that he renders his customers, but the fact remains that the more service such an agent can give, the more certain it is that he has in every true and proper sense earned his commission—the more surely does he make it certain that he is in no sense, as the socialist and some of the mutuals have argued, economic waste. To the very extent to which that kind of agent renders service to his customers, to that very same extent he earns everything that comes to him by way of the commissions paid to him. If, to the service he is already rendering, he adds the service which enables his customer, who may need it, to arrange for the payment of insurance premiums on the installment basis, he is adding to that service and is making it still more certain that he is not mere economic waste.

In the long run, the enterprising, wise insurance agent on the spot, "out on the firing line," is far better able to judge of the necessity of his customer to avail himself in any fashion of installment payments than can the company through any home office or even branch office executive. The enterprising, up-to-date insurance agent, who at the same time is a good business man can, in addition to giving good insurance advice, give good financial and business advice and thereby cement all the closer to himself his clients or customers. Thus does he add still further to the kind of service that he gives and so he makes it all the clearer that he is performing a genuine service for his customer and performing a real service in the business world and thus making it sure beyond the peradventure of a doubt that he never can be criticized as something which should pass out of the picture like those other methods of doing business made obsolete by some new invention.

I am very frank to say that The Employers' Group inclines to this latter theory of installment payment of premium and believes that the matter is one which the agent, himself should arrange. Indeed, we believe that the great future of the insurance business lies in the education and development of as high grade, as highly informed, and as highly expert insurance agents as is possible; that the insurance business is so highly technical that it demands the services of real experts properly to handle it, and that there is no better field to bring about the development of the business than the proper education and upbuilding of the present American agency system. Everything that we can do to assist in bringing it about that we shall have better, more capable, more informed, more expert insurance men, the more we believe we are doing that which will bring about a better understanding of insurance. In every way that we can we make an honest effort to be of real assistance to our agents everywhere, certainly so far as the ordinary problems of insurance are concerned, and, in addition, in this particular matter of installment payment of premiums, we are also eager to give to the utmost advice when called upon and to such extent as may seem reasonable and proper, and as we consider the needs of individual agents, to give other forms of advice, aid, and help.

New General Agents

The Royal Union Life Insurance Company of Des Moines announces the appointment of Messrs. Theo. J. Schaub and W. R. C. Rowan as general agents for the company in Western Pennsylvania, with headquarters in the Bessemer building at Pittsburgh.

Mr. Schaub has heretofore conducted the Royal Union general agency in Pittsburgh and adjacent territory. He is an experi-

enced and successful salesman and organizer.

Mr. Rowan has been associated with the Pittsburgh office of the Canada Life Assurance Company. He is well known in Pittsburgh. He is an expert on Estate Analysis matters and has conducted a column known as the "Estate Conservation Department" in "The Life Underwriter," which is the official organ of the Pittsburgh Life Underwriters' Association.

Start Second Year

Halsey, Stuart & Co. recently inaugurated its second year on the air with a special anniversary radio program. The program featured a talk by M. H. Aylesworth, president of the National Broadcasting Company, who told something of the service this program has rendered to the radio audience.

The program was inaugurated during a period when speculation was rampant, with the intention of providing offsetting information on the fundamentals of conservative investment. As its central character, the program has featured the Old Counsellor, whose weekly answers to investment queries from the radio audience have given him a national following.

In addition, the program has been the medium for introducing many prominent leaders in business, social, and governmental life, to the radio audience. On an

average of once a month, the company has as guest speaker a recognized leader in some field of interest to investors. Starting originally with 27 stations, the number has since been expanded to 37, and now extends from coast to coast.

Assigns Gehr to Detroit

Wilfred G. Gehr, mortgage loan expert and assistant treasurer of the Union Title Guarantee Co., Inc., (a division of the Insurance Securities Co., Group), has been assigned to take charge of the Mortgage Loan department of the Detroit Life Insurance Company.

W. Irving Moss, president of the Insurance Securities Company, Inc., recently announced the purchase of the Detroit Life Insurance Company, this making the sixth company of the Insurance Securities or Union Indemnity Group.

Mr. Gehr's assignment is only temporary. He will leave New Orleans March 26th for the Home Office of the Detroit Life Insurance Company at Detroit, Michigan.

How to Produce

How to help the individual agent produce more business was the theme of the annual convention of H. O. Wilhelm & Co., general agents for the Northwestern National Life of Minneapolis, at Omaha, Saturday, April 13th, which was attended

by about 30 Nebraska and Iowa agents. The convention was held in conjunction with the annual sales congress given under the auspices of the Omaha Life Underwriters' Association.

The convention program was informal and short talks on a variety of subjects all bearing on the main theme were delivered by nearly every agent who attended.

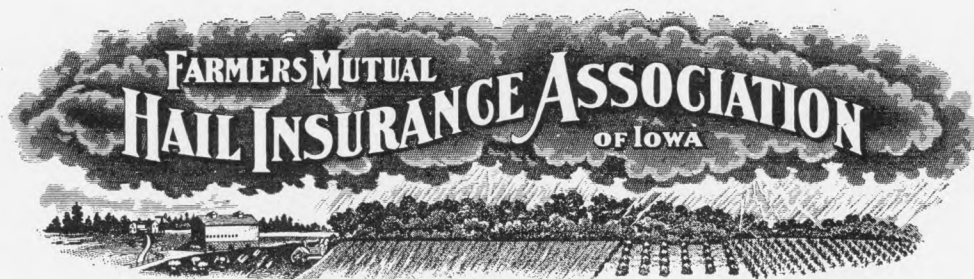
J. S. Hale, actuary; W. F. Grantges, agency director; and R. E. Whitesel, agency field supervisor, represented the Home Office at the meeting.

The convention was termed one of the most successful ever held by the agency, although attendance was cut somewhat below the expected number by bad roads which made it difficult for rural agents to make the trip by automobile as they had planned.

For the Home Office

Joseph P. Licklider, Director of Publicity and Sales Research for the Missouri State Life Insurance Company, represented the Home Office at the Company's Grand Rapids Branch meeting held there recently.

Mr. Licklider presented the agency force with a complete territorial analysis of the Grand Rapids Branch territory, and the City of Grand Rapids. He later addressed



IN ADDITION to the new flat rate hail policy the Farmers Mutual is now putting out a full coverage attractive automobile policy—Fire, Theft, Wind, Hail Transportation, Property, Liability and Collision coverage.

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FARMERS MUTUAL HAIL INSURANCE ASSOCIATION OF IOWA

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In Times of Peace

—nations spend millions for preparedness—but always before the unexpected happens. It would be too late after it happened.

Should not the citizens of your community be guided by the same spirit of preparedness? Loss from fire, lightning, or tornado may strike your community at any time and when it does—there will be no warning.

Your share in the preparedness of your community should be advising your clients to secure protection for their property in the Iowa National Fire.



*The Tall Grown
Company
in the
Tall Corn State*

**Iowa National
Fire Insurance Company**
DES MOINES

Fire, Lightning, Tornado, Automobile



the meeting on "The Area of Salesmanship."

William King, manager at Grand Rapids, reports a consistent gain in written production, representatives of this branch having turned in a total of \$1,002,208 during the first quarter of 1929, as against \$562,350.00 during the corresponding quarter of 1928.

C. E. Deming Promoted

The appointment of Clifford E. Deming as Comptroller of the National Surety Company, to take effect on May 1st was announced by Chairman W. M. Joyce.

Mr. Deming was born in Warwick, N. Y. He graduated from the School of Commerce, Accounts and Finance of New York University in 1915 and immediately joined the National Accounting Company. Two years later he went to Chicago as cashier of Joyce & Co., the Chicago agents of the National Surety Company. He returned to New York in 1921 to become Deputy Comptroller of the National and has now been appointed to succeed H. J. Lofgren, who resigned to become Comptroller of the recently organized Consolidated Indemnity Company.

Plan Convention

A "How To" convention is being planned by the Financial Advertisers Association. To be certain that the "how to" idea will be carried out fully, plans are already being carefully laid, even though the convention will not be held until the end of October in Atlanta.

In a report to the Board of Directors, Charles H. McMahon, Director of Advertising of the First National Bank of Detroit, and a vice president of the Association, explained the idea back of the "how to" plan. He said: "This is a 'how to' age. Analysis shows a desire on the part of most of us for specific information on how best to conduct our business development and advertising department. A convention that offers fifty ways to develop profitable business for a bank, a trust company, and an investment house will have a wide appeal to financial men who wish to see their institutions grow. Such a program offers an opportunity to present the ideal business building program of financial institutions with continuity seldom found in any convention except those staged by the nation's foremost successful manufacturers."

The Financial Advertisers Association membership includes a majority of the advertising managers of the principal banks, trust companies and investment houses of the country.

Announces Contest

A prize contest for business building methods was announced recently by Preston E. Reed, Executive Secretary of the Financial Advertisers Association. The

campaign is open to all members of the Association, which includes a majority of the larger banks, trust companies and investment houses of the country. The contest is in line with the Association's policy of promoting better advertising and business building methods. The contest is now open and will close on August 10th. The best plans will be selected by a committee consisting of Julian M. Case, Dime Savings Bank, Detroit; Virgil D. Allen, First Bank & Trust Company, Utica, N. Y.; Henry C. Ochs, Winters National Bank & Trust Company, Dayton; J. A. Price, Peoples Savings & Trust Company, Pittsburgh; Robert D. Mathias, Depositors State Bank, Chicago; C. E. Auracher, Cedar Rapids Savings Bank & Trust Company, Cedar Rapids; and Paul Bollinger, Harris, Small & Co., Detroit. Awards will be made at the Association convention in Atlanta October 30th. The contest has several divisions, so as to cover advertising and business building methods in all branches of the financial field.

Study Animal Diseases

Greater farm income will be assured through provision for intensive experimental laboratory work in the study of animal diseases by a new corporation announced recently.

Department of Agriculture figures reveal that hog cholera alone costs American agriculture more than fifty million dollars annually. Other preventable diseases of live stock cost the American farmer even more.

Just as scientific research led to the discovery that hog cholera could be prevented by the use of anti-hog-cholera serum, the new corporation's research laboratory will devote its attention to solving other animal diseases.

The new corporation, known as Allied Laboratories, Inc., merges five of the largest American producers of anti-hog-cholera serum and other biological products, according to S. W. Straus & Co., through whom the laboratory is being financed. Included in the merger are the Pitman-Moore Company of Indianapolis, the Royal Serum Company of Kansas City, the Sioux City Serum Company of Sioux City, the Sioux Falls Serum Company of Sioux Falls, South Dakota, and the United Serum Company of Wichita, Kansas.

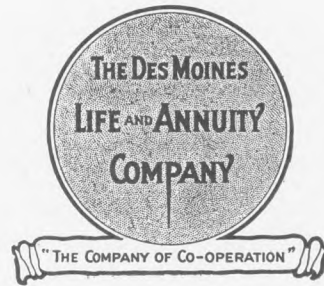
Rules of the Road

It is related that, after the locomotive had smashed a flivver at the crossing, a flapper rose from the wreckage, practically uninjured. The engineer and others gathered around.

"Why in the world didn't you stop when you saw the train coming?" asked the engineer.

The flapper was indignant.

"I sounded my horn before you blew your whistle!" she told him.



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Many things go to make up a thoroughly dependable life insurance company.

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In all of these "The Company of Co-operation" is *absolutely dependable*.

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Bankers' Wants



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Banker with 15 years' experience from the bottom up in all departments of a bank, including real estate from all angles, insurance, investments and bonds, audits, income tax, instalment contracts, secretarial, reorganization and liquidation, available for executive position. Can invest. Detail application furnished. Interview feasible. Age 30, married, best of health and habits. Address No. 3091, care Northwestern Banker.—4-5.

An Ex-service Man, with several years' banking experience and some accounting desires change to some bank or other corporation where there is plenty of work to do, and a chance for an executive position in a year or so. Can make a small investment, and make a change at most any time. Wages not the reason for change. Excellent references. Address No. 3074, care Northwestern Banker.—4-5-6.

Young man with some capital, would like to secure a position in some medium-sized city in the capacity of assistant cashier, with opportunity for advancement. Has had several years of country banking as assistant cashier. Address No. 3068, care Northwestern Banker.—4-5-6.

Opportunity—A fast-growing old line middle western life insurance company operating in Iowa, Nebraska, South Dakota and Minnesota has need for two district agents and three general agents at various points in their territory. Their experience shows them that their best

men previously had banking experience and so bankers contemplating a change are invited to correspond with this Company. A fine connection, training given and an opportunity to make a good income while learning the business. No obligation. Confidential. Tell all about yourself in the first letter. Address No. 3082, care Northwestern Banker.—2-7.

Young Man with several years of banking experience in general country banking as an Assistant Cashier wishes change to a city over 2,000 or in a medium sized bank close to a large city. Would invest in small block of stock if chances for advancement were good. Best of references. Address No. 3088, care Northwestern Banker.—4-5-6.

Position Wanted—In some good growing bank or corporation with good future. Fifteen years of country banking experience. Best of references furnished. Married, age 37, Protestant. Address No. 3090, care Northwestern Banker.—4-5-6.

Wanted—Position in good going bank, where there is opportunity for advancement. Now employed as Assistant Cashier in bank in city of 1,300 population. Could make small investment. Best of references. Address No. 3087, care Northwestern Banker.—4-5-6.

Position Wanted—Young lady. 20 years. Protestant. Competent stenographer and typist, some experience in bank work. Wish bank position, salary to start immaterial. Can furnish references. Address No. 3092, care Northwestern Banker.—5.

Lady Stenographer-Bookkeeper desires position in Iowa with trust, investment or mortgage loan firm. Understands conveying, probate and trust work; can prepare papers and handle all detail in connection therewith. Five years law and twelve years investment banking, mortgage loan and trust experience. Good references. Write No. 3093, care Northwestern Banker.—5.

Position Wanted—By young man with four years state and national bank experience. Can handle general bank work, operate posting machine, etc. Best of references. Christian faith. At present employed, but desire change. Address No. 3094, care Northwestern Banker.—5-6.

Wanted—Position as farm manager by man with education, training and experience. County agent eleven years. Wm. Dietrich, Charles City, Iowa.—5.

Wanted—Position in bank by competent stenographer and bookkeeper. Two and a half years experience. Can operate posting machine. Address No. 3089, care Northwestern Banker.—4-5.

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It is hard to tell the truth, but think how much harder it is to tell lies.

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Double Room with Twin Beds, Bath ----- \$6

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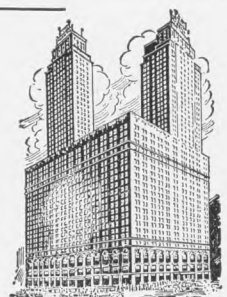
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Each with Bath, \$2.50 up**

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President

South Dakota Bank News

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Lead
Vice President.....Thomas O'Brien
Hoven
Secretary.....George A. Starring
Huron
Treasurer.....J. C. Bassett
Aberdeen



GEO. A. STARRING
Secretary

Banks Consolidate

Announcement is made that the Florence, South Dakota, bank has been consolidated with the First National Bank of Watertown. M. A. Dahle, former cashier of the Florence institution, will in future make headquarters in the Watertown bank and will be in direct charge of the Florence business of the bank. All deposits, checks and certificates of the Florence bank will be paid through the Watertown bank.

Elected President

At a recent meeting of the board of directors of the Security National Bank, Brookings, South Dakota, Van D. Fishback was elected president of the institution to succeed his father, the late Horace Fishback, Sr. Horace Fishback, Jr., was elected cashier to succeed his brother, Van. C. O. Trygstad is vice president and E. H. Carlisle assistant cashier. Mrs. Cornelia Fishback, mother of the boys, is a member of the board of directors.

Key Men Named

The state-wide agricultural organization of the South Dakota Bankers Association has been completed with the naming of the county key men, it was announced recently, by W. S. Given of Britton, state chairman of the general committee in charge. The object is to extend comprehensive aid to farmers.

Mr. Given, also chairman in District 6, works with the following district chairmen in the state committee: T. J. Frick of Yankton, 1; G. J. Moen of Canton, 2; R. H. Seydel of Menno, 3; George K. Burt of Watertown, 4; Camden Rayburn of Huron, 5; M. I. Larsen of Mound City, 7; A. K. Thomas of Rapid City, 8; R. E. Montgomery of Colome, 9, and J. A. McGillivray of Garden City, member at large.

County key men have been appointed as follows:

Group 1—Yankton, T. J. Frick, Yankton; Clay, George K. Brosius, Vermilion; Union, W. A. Schaezel, Elk Point; Bon Homme, William Thompson, Tyndall; Charles Mix, A. C. Loepp, Ravinia; Douglas, Karl Fromm, Corsica.

Group 2—Lincoln, Jay Huisman, Hudson; Turner, George Nelson, Viborg; McCook, T. S. Mayer, Bridgewater; Minnehaha, George McMahon, Sioux Falls; Miner, C. J. Boos, Howard; Lake, J. R. Shirley, Winfred; Moody, J. R. Coonrod, Flandreau.

Group 3—Hutchinson, R. H. Seydel, Menno; Hanson, Julius Bertsch, Fulton; Davison, E. A. Loomer, Mitchell; Aurora, J. P. Bilbertz, White Lake; Brule, C. H. Coxe, Chamberlain; Lyman, N. J. Thomson, Presho; Jones, W. V. Jorgenson, Draper; Buffalo, Wendell Lane, Gann Valley; Jerauld, K. T. Aisenbrey, Alpena; Sanborn, F. H. Winsor, Letcher.

Group 4—Brookings, Robert Henry, Volga; Deuel, A. G. Berger, Clear Lake; Grant, P. C. Lien, Revillo; Codington, Henry Hanten, Watertown; Clark, M. J. McGillivray, Garden City; Hamlin, L. A. Jacobson, Bryant.

Group 5—Kingsbury, William Habel, Arlington; Beadle, L. O. Anderson, Hitchcock; Spink, J. D. Fargo, Redfield; Faulk, J. C. Greene, Onaka; Hand, Russell Bard, Miller; Hyde, R. J. Drew, Highmore; Potter, D. J. Hackl, Hoven; Sully, M. R. Brown, Oneida; Hughes, J. R. McKnight, Pierre; Stanley, F. R. Strain, Fort Pierre.

Group 6—Roberts, Henry Helvig, Sisseton; Marshall, F. R. Harding, Langford; Day, J. Schad, Roslyn; Brown, J. H. Kissingner, Hecla, and Robert Weidenback, Aberdeen.

Group 7—McPherson, L. E. Turner, Leola; Edmunds, K. J. Kundert, Bowdle; Campbell, M. I. Larsen, Mound City; Walworth, E. A. Walter, Selby; Corson, J. O. Van Nice, McLaughlin; Dewey, A. B. Lord, Eagle Butte; Ziebach, A. A. Karley, Dupree; Perkins, R. A. H. Brandt, Bison; Harding, W. M. Bennett, Buffalo.

Group 8—Butte, D. R. Evans, Belle Fourche; North Meade, B. Datin, Faith; South Meade, W. H. Johnson, Sturgis; Lawrence, Walter Dickey, Spearfish; Pennington, A. K. Thomas, Rapid City; Custer, T. W. Delicate, Custer; Fall River, S. J. Clarke, Hot Springs; Haakon, C. C. Inman, Philip; Jackson, L. A. Pier, Belvidere.

Group 9—Mellette, C. A. Hodson, Nor-

ris; Tripp, R. E. Montgomery, Colome; Gregory, J. H. Heyhaus, Bonesteel.

Meet in Lake Preston

The Kingsbury County, South Dakota, Bankers Association, in its regular meeting at Lake Preston, elected as officers for the coming year: Theo. H. Meyer of De Smet, president; Wm. Habel of Arlington, vice president; R. J. Skarlock of Iroquois, secretary-treasurer.

One of the leading topics for discussion was the matter of 4-H Club work which was introduced by Wm. Habel as chairman of the Kingsbury county agricultural committee. Camden Rayburn of Huron, chairman of the agricultural committee of group 5 of the South Dakota Bankers Association, gave a general outline of the work of the state and recommended that the banks take an interest in the farm boys and girls through 4-H Clubs. W. R. Hauser, assistant club leader from state college, explained the various types of clubs and what sort of work would be the most suited for Kingsbury county, considering the time of year.

Tri-County Meeting

The Tri-County, South Dakota, Bankers Association met at Woonsocket at the Sanborn County Bank recently. The following banks were represented: Bank of Gann Valley, Jerauld County Bank of Springs, Bank of Alpena, First National Bank of Letcher and the Sanborn County Bank of Woonsocket.

Mr. Howe of the department of agriculture met with the bankers in the interest of boys' and girls' farm club organization. It was voted to organize calf clubs in the various communities. The five banks represented are purchasing a car of good Holstein calves, which will be divided, with ten going to each bank for the promotion of calf clubs. They are sending an expert dairyman for the purpose of buying the calves.

Starring Honored

George Starring of Huron, South Dakota, was elected secretary-treasurer of the Central States Bankers Conference at the annual meeting at Chicago recently. Mr. Starring is now secretary of the South Dakota Bankers Association.

The Central States organization includes 14 states and extends as far east as Ohio and south to Oklahoma. Chas. B. Mylander of Columbus, Ohio, the new president, and F. B. Warner of Des Moines, Iowa, vice president, are both secretaries of the bankers associations in their respective states.

Group Elects

Alfred T. Hagen of the First State Bank, Claremont, South Dakota, was elected president of the Brown County

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Commercial Banking*

**Chatham Phenix
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New York City

Bankers Association at its monthly meeting, succeeding J. H. Kissinger of the First National Bank, Hecla.

Lee Seeman, cashier of the First State Bank, Warner, was elected vice president, and Clayton Walker, assistant cashier of the Aberdeen National, was chosen secretary-treasurer.

Biennial Report

The last biennial report of the state banking department shows the difference in the banking facilities of South Dakota at the present time as compared with the beginning of the work of the department in 1893. For that year there were 146 state banks in existence, and their checking deposits for the June call of that year were shown to be \$3,480,688. This showing dropped to below \$3,000,000 for the June call of 1895, and in 1897 to less than \$2,500,000, the lowest showing which has been made at any time since the department was established. This indicates the amount of banking business which South Dakota did in her early days as compared with the present time.

Starting in 1897, the deposits began to grow with each June showing of the state banks, but it did not get up to \$10,000,000 until June of 1905, when the number of state banks had increased to 310, and the financial affairs of the state apparently started on the up grade. The increase in deposit accounts in the state banks had jumped \$20,000,000 by June, 1909, but dropped back below that figure in 1912, and started again after that in an upward climb to the maximum which was reached in 1919, when the checking deposits in the state banks which had grown in number to 529 had reached \$71,792,214.75.

This was the peak just before the after war slump struck. From 1919, to 1924, the checking accounts in the state banks slumped from over \$70,000,000 to less than \$37,000,000 at the June call of 1924. The number of banks had also decreased in that time from 529 to 438. The slump continued to the June, 1927 call, which showed 319 banks operating, with checking deposits of a little over \$31,000,000. That appeared to be the low ebb of the bank showings. The call for June, 1923, showed practically a \$10,000,000 increase in checking accounts, with 315 banks operating, indicating that the money drawn out during the slump days was beginning to come back.

One Half Century

The First National Bank of Canton, South Dakota, Lincoln county's oldest banking institution, has announced the celebration of the fiftieth anniversary of the founding of this bank.

For this occasion they have issued an illustrated pamphlet containing interesting history and tracing the development

of progress of Canton and Lincoln county for the past half century.

Group Meetings

Annual group meetings of the South Dakota Bankers Association opened April 30 with the Group 8 gathering at Rapid City, it was announced recently by George Starring, secretary. President G. C. Smith of Hot Springs and Secretary B. E. Colby of St. Onge had charge of the program.

Other group meetings, together with the officers who will have charge, respectively, will be held as follows:

May 2—Group 1 at Yankton; President J. A. Danforth, Yankton, and Secretary F. R. Wynn, Yankton.

May 3—Group 9 at Winner; President Robert Jones, Winner, and Lloyd Mengel, Winner.

May 4—Group 3 at Mitchell; President L. M. Larsen, Wessington Springs, and Secretary D. V. Smith, Mitchell.

May 7—Group 5 at Huron; President Charles Lee Hyde, Jr., Pierre, and Secretary George M. Townsend, Huron.

May 8—Groups 2 and 4 at Brookings; Group 2, Secretary J. R. Coonrod, Flandreau, and Group 4, President C. H. Lockhart, Watertown, and Secretary Arthur Johnson, Brookings.

May 9—Group 6 at Wilmot; President Andrew Hedman, Webster, and Secretary Warren Jones, Wilmot.

May 11—Group 7 at Mobridge; President J. O. Van Niece, McLaughlin, and Secretary W. F. Mailand, Mobridge.

R. E. Driscoll of Lead, president of the state association, and State Secretary Starring will attend most of the meetings.

Vessey Death

F. G. Vessey, long resident of Wessington Springs, South Dakota, and brother of the former governor, F. S. Vessey, and former banker, is dead from paralysis. Since the Wessington Springs State Bank suspended in 1924 he has been president of the Vessey Land & Loan Co.

Consolidated

There is now but one banking institution in Alexandria, South Dakota.

At the close of business recently the Security National Bank ceased to exist as a banking institution, all its holdings being turned over to the First National Bank in Alexandria by purchase. All deposits in the Security National are now in the First National Bank, which institution will pay checks against deposits in the Security National.

Double Group Meeting

Groups 2 and 4 of the South Dakota Bankers Association will meet at Brookings on May 8th. The officers of these two groups met recently at Brookings to outline a general program. A golf tourna-

ment will be held at the Brookings Country Club in the morning. The afternoon session will be held in the Assembly Hall of the Brookings Commercial Club from 1:30 to 4:30 p. m. A banquet will be served in the Brookings high school gymnasium. Following the banquet, delegates and visitors will enjoy a big dance. An attendance of about two hundred and fifty persons is expected.

Annual Survey

The South Dakota Bankers Association is making its annual survey of banking practices in South Dakota. Twenty-nine questions are asked in a printed survey blank which was mailed to all banks in the state recently, covering analysis of accounts, service charges, exchange, minimum charge for small loans, interest on county deposits, etc.

Better Farming Ads

In the late fall of 1928 the South Dakota Bankers Association inaugurated a service of supplying country banks with better farming advertisements prepared with the cooperation of the extension service of the South Dakota State College of Agriculture. Eleven advertisements were sent out in the series. This service has now been taken over by the college entirely. More than one hundred South Dakota bankers are availing themselves of it.

Requested to Curb Crime

The Bankers Association of Minnesota, North Dakota and South Dakota and 17 trade organizations of the states mentioned recently united in addressing a memorial to governors, sheriffs, mayors, chiefs of police, and all law enforcing officials of these states, asking their cooperation in the curbing of crime.

At Chicago Meeting

The following 15 bankers from South Dakota attended the conference on commercial bank management in Chicago recently: Thomas O'Brien of Hoven, vice president of the South Dakota Bankers Association; Geo. C. Fullinweider of Huron, president of the Huron National Bank and president of the Beadle County Bankers Association; M. Plin Beebe of Ipswich, chairman of the protective committee of the South Dakota Bankers Association; R. J. Mann of Clark, president of the Clark County National Bank; Wm. C. Rempfer of Parkston, cashier of the First National Bank; Don W. DeVey, president of the Farmers State Bank of Westport; A. B. Calahan, cashier of the First National Bank of Miller; E. C. Hanson, cashier of the Parker State Bank; Scott M. Banbury of Geddes, president of the Charles Mix County Bank; R. A. H. Brandt, cashier of the Bison State Bank;



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YOU have to get close to people to understand their problems and their needs. Situated here in the great Middle West we are close enough to do that. Our years of caring for the casualty insurance and surety needs in this great field have proved this. And we carry on—soliciting your confidence and patronage.

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Casualty Insurance—Surety Bonds

W. Z. Sharpe, president of the Security National Bank of Sioux Falls; Ira A. Moore, vice president of the Minnehaha National Bank of Sioux Falls; C. V. Meyhaus, president of the Corn Exchange Bank of Sioux Falls; J. C. Vandagriff, president of the Union Savings Association of Sioux Falls, and Geo. A. Starring, secretary of the South Dakota Bankers Association.

Mr. Beebe and Mr. Rempfer were on the program.

Censorship

(Baltimore *Sun*)

"In line with practical diplomacy, furthermore, a censorship, it seems, was recognized. That does not appear to have worked great hardship on the writers, who were systematically careful of the sensibilities of the Latins, but some of the dispatches filed from shipboard were deleted by overzealous officers."

This is from Mr. Essary's article in the *Sun* recently, telling of the arrival in Washington of the Hoover party after the South American tour. If Mr. Essary's informants, who presumably were the newspaper correspondents on the tour, have given him a correct statement of the conditions which surrounded them in their work, then, it seems to us, he has stated with great moderation and restraint a set

of facts that should be regarded as insufferable.

By what authority was a censorship established over the news writers who accompanied the president-elect? They were sent on that trip by press associations and individual papers to report the important news that resulted from Mr. Hoover's appearance in the Latin-American nations. In that mission they had a status as definite, as independent and as necessary to the public as that of any other individuals or groups. They constituted the one instrumentality by which the people of this nation could hope to have an impartial record of what occurred in a momentous series of contacts between their president-elect and the nations of Latin-America. By what authority, legal, political, moral or other, were these men told, "Thus far may you go in your dispatches to be read by the American people, and no farther"? Who declared them political appendages of the tour?

By what authority do officers on shipboard set themselves up as the judges of what we shall be told and what we shall know in our political and diplomatic relations with Latin-America?

Nebraska News

H. L. GERHART, vice president of the First National Bank of Newman Grove, Nebraska, was elected president of Group

3 of the Nebraska Bankers association, at the meeting at Norfolk, April 22.

The other officers elected at this meeting are: Rollow W. Ley, Wayne, vice president; Fred W. Muller, Norfolk, secretary; A. G. Zuhlke, Bancroft, treasurer. Trustees are Ray Swanson, Neligh; Mark O'Shea, Madison, and W. E. Minier, Oakland.

Among the speakers at the various sessions and at the banquet were: C. E. Burnham, president of the First National Bank of Norfolk, who was toastmaster at the banquet; Bess Gerheart Morrison of Lincoln, former Attorney General O. S. Spillman, W. T. Riteh, W. H. Dressler, cashier of the Stock Yards National Bank of Omaha; District Judge C. H. Stewart, John T. Bressler, president of the First National Bank of Wayne.

The group decided to return to Norfolk for its convention next year.

AN EXTRA SESSION of the Nebraska legislature, to consider legislation affecting the guaranty of bank deposits and the state bank department, will be called, Governor Weaver told the legislators before they adjourned the regular session late in April.

The extra session will be necessary, he said, because of the decision by District Judge Lincoln Frost, that special assessments levied under the guaranty fund are not legal. This decision is to be appealed by the state, but pending final decree banking legislation would be impossible.

The second factor that will come before the extra session, when it is called, will be the report upon the conduct of the banking department and the guaranty fund, to be made by the investigating commission authorized by the legislature and to be appointed by the governor.

The legislature, before adjourning, reenacted the present guaranty law.

The appointment of Clarence G. Bliss as secretary of the department of trade and commerce, which has charge of the bureau of banking, was made by the governor and confirmed by the legislature. Mr. Bliss has been serving in the post, succeeding Kirk Griggs under a previous administration.

The legislature approved a measure calling for a referendum by the people of Nebraska on the question of empowering the legislature to appropriate \$8,000,000 for relief of depositors in failed state banks.

With Plattsmouth Bank

The Plattsmouth, Nebraska, State Bank has secured the services of J. Howard Davis, prominent young resident of Geneva, who is to take the place in the bank vacated by the resignation of Carl Schneider, who has resigned his position and returned to Elmwood, his former home.




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of the Tower

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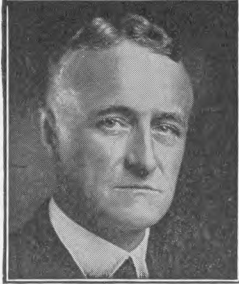
THE Pearson, located in the famous new hotel district of the near North Side, offers its guests an address of distinction and convenience. Within a few minutes' walk, or a short ride by bus or taxi, from the offices, shops, and theaters of the downtown district, the Pearson is distinguished for an atmosphere of quiet refinement, gentility, and unobtrusive service. Large, bright, airy, elegantly furnished rooms. An excellent restaurant. 300-car fireproof garage nearby.

Charges agreeably moderate throughout.
Daily Rates: Single, \$3.50 to \$6.00; Double, \$5.00 to \$7.00.



Nebraska Bank News

**Officers Nebraska Bankers
Association**



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WM. B. HUGHES
Secretary

PHIL HALL
President

WM. B. HUGHES
Secretary

To Increase Space

Increased business and a need for expansion of working quarters has made necessary the second remodeling and enlarging program at the First National Bank of Alliance, Nebraska, within a year and a half.

An additional amount will be spent for new fixtures and a remodeling of some of the offices on the second floor of the building.

When the working space of the First National Bank was enlarged a year and a half ago it was thought that there would be plenty of room available for many years. The steady growth of the bank was more rapid than anticipated and it was not long before a more crowded condition than ever existed.

Although President Frank Abegg and other officers of the bank took into consideration the possible growth ahead at the time, the steady increase in deposits and business was far greater than they had anticipated and today sees this bank with deposits of more than two and three-quarter millions of dollars and continuing to grow.

A Family Affair

The Dawson Bank, Dawson, Nebraska, was founded in 1887 by M. Riley, who was its managing officer for 21 years. He was succeeded by his son, Dan, who has been manager 21 years and is now acting in that capacity.

Prospects Bright

The business prospects for Nebraska's future are the best they have been in 10 years, T. B. Dysart, general counsel for the Peters National Bank, told the Omaha chapter of the American Interprofessional society recently.

"We have passed over the peak now, and are approaching the era of better events, regardless of what congress does for agriculture," he said.

He dwelt not only on things agricultural but spoke of several departments of general business.

"Although the railroads are crying busses and trucks are hurting their busi-

ness they will no doubt find they will eventually become the greatest revenue producer the railroads ever had.

"This will come about through development of motor vehicle feeder lines to railroad main lines."

County Bankers Meet

The Buffalo, Nebraska, County Bankers Association was in session at Ravenna recently with all county banks represented and a delegation from Kearney in attendance. J. G. Lowe, of the Farmers State Bank, of Kearney, presided as chairman, with Frank Grammer, of Pleasanton, secretary. Joe Clark, of the Ravenna Creamery Company, addressed the group, following the dinner, speaking generally of progress and advancement in the county.

With Norfolk Bank

Miss Ida Moratz, who has been employed for the last year in the First National Bank of Oakland, Nebraska, has accepted a position with the State Bank of Norfolk and has already assumed her new duties.

Mrs. A. F. Davis has filled the vacancy in the local bank.

Elect Officers

The board of directors for the reorganization of the Nebraska State Bank, at Bloomfield, has elected Jeff Gossard, president; Fred Mueller, vice president; Steve Morton, cashier; C. T. Heckt, assistant cashier. The new organization will call their bank the Union State Bank. The date for opening was not announced.

Golden Wedding

Mr. and Mrs. J. M. Hanna of Ainsworth, Nebraska, celebrated their golden wedding recently. A dinner was served to forty-three relatives of the couple.

Mr. and Mrs. Hanna are early settlers in Nebraska, having moved to Cherry county in 1883, settling on a ranch. Their nearest neighbor at that time was eighteen miles distant. Mr. Hanna and a brother, who lives at Wood Lake, drove 125 head of cattle from Minnesota to the ranch

while Mrs. Hanna drove a team and covered wagon. A son, Lloyd, who lives on a ranch south of Ainsworth, accompanied his mother on the long drive.

Mr. Hanna has been active in development of Ainsworth. He is now president of the National Bank.

Nebraska Deposits

The total deposits in Nebraska State banks on March 1st was \$248,000,000 as compared with \$252,000,000 on December 1st according to the report issued by the state banking department.

Loans have been collected so that the total now of \$172,900,000 is \$7,000,000 less than the amount the first of December.

The ratio of reserve continues high, the report states, ranging about 35 per cent as compared to the 15 per cent required by statute. The total resources are \$279,000,000.

With First Trust Co.

P. D. Marshall, chief of the Nebraska bureau of banking since December, 1926, and an executive in the guaranty fund department the past four years, announced his resignation recently.

Mr. Marshall will become an executive in the bond department of the First Trust Company of Lincoln. During the recent guaranty fund special assessment suit, Mr. Marshall was regarded as one of the state's outstanding witnesses.

He is to be succeeded by George D. Wilson, formerly of Rushville, Neb., who has been a bank examiner in the department for four years.

To Deposit Bonds

Eleven state banks in Seward county, Nebraska, have filed agreements with the board of supervisors to deposit bonds with the county clerk as security for deposits of county funds, and at a meeting the agreements were approved.

Appointed Examiner

J. Overeiley Peek received word recently that he had been appointed as a state bank examiner by Governor Weaver.

Mr. Peek has been associated with the Dawson, Nebraska, Bank for the past nine years as assistant cashier.

Ranz Heads Bank

Bert C. Ranz was elected president of the Farmers' and Merchants' Bank of Benson, Nebraska, at the regular meeting of directors. He succeeds Dr. J. M. F. Heumann. Mr. Ranz will be actively in charge of the bank, taking the place on the board of P. W. Murphy, vice president, resigned.

Other officers chosen are H. G. Hoerner, vice president, and Art O. Nelson, cashier.

Northwestern Banker May 1929

Omaha Figures

Omaha banks had \$114,439,596 in deposits at the last call.

Loans and discounts were \$67,106,713, thus showing more than 40 per cent of the deposits were not loaned out.

	Deposits	Loans
Omaha National	\$ 34,304,137	\$22,045,046
First National	26,564,850	12,338,345
U. S. National	19,553,496	8,020,335
Stockyards National.....	9,389,152	8,677,721
State Bank of Omaha.....	6,122,577	3,243,573
Livestock National.....	5,972,083	3,887,530
Packers National	3,572,222	3,260,107
Peters National.....	2,596,479	1,182,733
Union State	2,531,816	1,447,802
South Omaha State.....	1,561,166	1,014,763
South Omaha Savings....	1,017,401	1,025,811
Farmers & Merch., Benson	753,122	620,831
Bank of Florence.....	511,095	342,116

Totals\$114,439,596 \$67,106,713

The statements of the banks showed but slight change in total and individual bank figures from the call of December 31st, which follow:

	Deposits	Loans
Omaha National	\$ 36,378,759	\$23,129,739
First National	24,755,059	10,324,647
U. S. National	20,901,079	7,369,474
Stockyards National.....	8,930,920	8,953,436
State Bank	5,932,517	3,270,680
Livestock National.....	5,648,569	4,445,405
Packers National	3,226,016	1,572,343
Peters National.....	2,622,309	1,203,076
Union State	2,445,767	1,241,996
South Omaha State.....	1,705,823	1,063,084
South Omaha Savings....	1,032,218	923,800
Farmers & Merch., Benson	964,890	691,235
Bank of Florence.....	551,631	337,304

Totals\$115,135,557 \$66,151,718

Sells Stock

E. I. Ellis sold his stock recently in the First National Bank of Tekamah, Ne-

braska, of which he has been president the past ten years, to Robert I. Stout, who has been vice president the same length of time. He resigned and retires, and Mr. Stout was elected as president to succeed him.

This transaction gives Mr. Stout controlling interest of stock in the First National Bank.

Resigns

A. A. Soderstrom, cashier of the Security National Bank of Laurel, Nebraska, since the opening of the institution, has resigned his position, the resignation being announced by J. J. DeLay, president of the institution. C. A. Abeel, of Elk Point, S. D., is the new cashier.

Lincoln Promotions

Advancing from bookkeeper to cashier during twenty years of service with the National Bank of Commerce of Lincoln, Byron Dunn was chosen vice president and cashier at the last board of directors meeting. Albert A. Held, formerly of the guaranty fund commission, was elected assistant vice president.

Mr. Dunn began his work with the National Bank of Commerce at the age of twenty-one. At this time he was bookkeeper. Later he advanced to chief clerk, then to assistant cashier and from cashier to his present position.

Since September, 1925, Mr. Held has served with the guaranty fund commission as special agent, both in the field and in the office. Mr. Held left the guaranty fund commission to become assistant vice president of the National Bank of Commerce.

Opens in Ainsworth

The National Bank of Ainsworth, Nebraska, opened for business recently, having completed reorganization plans, and receiving sanction from the comptroller of the currency at Washington.

The bank was opened with C. T. Bowen in charge, and Miss Ruby Skinner as bookkeeper.

Hans Rohwer, who wired acceptance of the position of cashier, is expected to arrive from California soon.

Buys Alda Bank

The Nebraska State Bank of Grand Island, Nebraska, has purchased the business of the Farmers State Bank of Alda, Nebraska, and assumes the obligations to the depositors by taking over an equivalent amount of notes and mortgages held by the Farmers State Bank of Alda.

The Farmers State Bank has a capital of \$25,000.00, surplus of \$5,000.00 and undivided profits of \$2,200.00.

Fred Thomssen, of Alda, is president; Mrs. Bessie Carrahar, vice president; P. W. Carrahar, cashier, and the board of directors consist of the above named together with John Thomssen and F. T. Shaughnessy.

Nebraska News

APPROXIMATELY 96 per cent of the farmers in the Omaha Federal Land Bank district, which includes Nebraska, Iowa, South Dakota and Wyoming, are meeting promptly the interest on their loans, according to Secretary John Carmody of the bank.

During March the Omaha Land Bank closed net loans of approximately \$1,678,000 and total loans outstanding increased to \$167,113,945.

CHARLES T. KOUNTZE, vice president and chairman of the board of the First National Bank of Omaha, is in Europe. He will spend most of his time in France, before returning to this country. He is accompanied by Mrs. Kountze.

NEBRASKA STATE BANKS, at the close of business March 31st, were in a "normal condition," according to the report of Clarence G. Bliss, secretary of the department of trade and commerce.

"A high rate of reserve is apparent, and the average banks have cash and bonds on hand considerably over one-third of their deposits," the report states. Loans since December 31st, were collected and



Hotels of Hospitality

Hotel Fontenelle.....	Omaha, Neb.
Hotel Chieftain.....	Council Bluffs, Iowa
Hotel Lincoln.....	Lincoln, Neb.
Hotel Rome.....	Omaha, Neb.
Hotel Montrose.....	Cedar Rapids, Iowa
Hotel Capital.....	Lincoln, Neb.
Hotel Martin.....	Sioux City, Iowa
Hotel Norfolk.....	Norfolk, Neb.
Hotel Carpenter.....	Sioux Falls, S. D.
Hotel Cataract.....	Sioux Falls, S. D.
Hotel Magnus.....	Cedar Rapids, Iowa

In Los Angeles
Hotel Alexandria
\$2 up.

Operated by Eppley Hotels Company

reduced in the amount of approximately \$7,000,000.

The report follows:

RESOURCES

Loans and discounts.....	\$172,942,872.77
Overdrafts	610,837.67
Bonds and securities.....	38,312,544.74
Judgments and claims....	1,087,098.22
Banking houses, furniture and fixtures	6,102,015.82
Other real estate.....	9,216,285.68
Due from banks.....	39,329,067.91
Cash	10,934,578.83
Bankers' conservation fund	431,833.65
Current expenses, taxes and interest paid	66,914.85
Total.....	\$279,025,080.14

LIABILITIES

Capital stock	\$ 13,711,000.00
Surplus fund	6,115,569.14
Undivided profits	2,834,194.57
Dividends unpaid	9,466.62
Total deposits and due to banks	247,952,834.36
Notes and bills rediscount- ed	629,954.00
Depositors' guaranty fund	18,812.24
Bills payable	2,753,579.21
Total.....	\$279,025,080.14

THE CITIZENS STATE BANK of Wood River, Nebraska, and the Farmers State Bank of the same city were merged April 8th, and are to operate under the name of the Farmers State Bank. The death last January of W. L. Sprague, president of the Citizens State Bank was given as one of the decisive reasons for the merger. The Citizens State Bank had deposits of \$220,000, capital of \$25,000 and surplus of \$10,000 with undivided profits of \$3,000. The Farmers State Bank had \$50,000 capital and surplus and undivided profits of \$25,000.

W. DALE CLARK, president of the Omaha National Bank, has been elected a member of the board of governors and treasurer of the Omaha Community Chest, succeeding Walter W. Head, former president of the bank, who has removed to Chicago.

A TOTAL PAYMENT of \$415,984.11 was made to depositors of 13 Nebraska state banks, from the guaranty fund, in March and early April, according to an announcement by Van E. Peterson, secretary of the guaranty fund commission. The payments were made on collections of assets of the following failed banks, to their depositors: Allen State Bank, Allen; Farmers State Bank, Bloomington; Security State Bank, Creighton; State Bank of Gilead, Gilead; Farmers & Merchants Bank, Gretna; Farmers State Bank, Hazard; Bank of Dakota County, Jackson; Lakeside State Bank, Lakeside;

Citizens State Bank, Martinsburg; Mitchell State Bank, Mitchell; Farmers Security State Bank, Rohrs; the State Bank, Tilden.

R. P. MORSMAN, president of the United States National Bank of Omaha, recently returned from a trip to New York.

GUY C. KIDDOO, vice president of the Omaha National Bank, has returned from a trip of several weeks in the south.

FOLLOWING a reorganization of the Nebraska State Bank of Bloomfield, Nebraska, with 900 depositors agreeing to take a 25 per cent loss and to restrict their withdrawals to 10 per cent a month, the following directors were elected: J. B. Gossard, Dr. J. H. Mettlen, Fred S. Meuller, J. J. McCourt, J. S. Gisler, W. D. Funk and R. Wolpert.

P. D. MARSHALL, chief of the Nebraska bureau of banks since December 1, 1926, resigned, effective April 15th, to join the First Trust Company of Lincoln, Nebraska, as an executive in the bond department.

JAMES R. CONNELL, who has been the Omaha representative of the Continental-Illinois Company, left May 1st for


New York City to become associated with the New York office of the firm. Mr. Connell, a graduate of Yale University, is a member of one of the older families of Omaha. His mother, Mrs. R. W. Connell, will make her home with him in New York.

A COMPLETE INVESTIGATION of the operations of the bank guaranty law in Nebraska, including a study of the workings of the state department in charge of the bureau of banking, will be made under the direction of Governor Weaver, who was given an appropriation of \$150,000 for the work by the Nebraska legislature.

The investigation will be made under the direction of a chief examiner, to be appointed by Governor Weaver. Although it had first been proposed that an out-of-state man must be named for this post, the bill as finally passed permitted the appointment without regard to residence.

Records and books of the guaranty fund commission over the period of the past few years will be made available to the examining committee. It is probable that hearings will be held in different places in Nebraska, especially where the management of failed banks has been under fire.

WHAT MAY PROVE to be the death knell of the guaranty of bank deposits in Nebraska was the decision by District Judge Lincoln Frost of Lincoln, Nebraska,



CONDENSED STATEMENT, MARCH 27, 1929

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$3,887,530.89	Capital	450,000.00
Marketable Bonds and Securities.....	408,513.83	Surplus	90,000.00
U. S. Government Securities.....	929,045.13	Undivided Profits, Net.....	28,966.05
Stock in Federal Reserve Bank.....	15,750.00	Unearned Discount	46,375.30
Banking House and Fixtures.....	59,000.00	Reserved for Taxes, Interest, etc.....	61,428.21
Other Real Estate.....	1.00	Reserved for Dividends.....	6,750.00
Cash and Sight Exchange.....	1,682,310.84	Due Federal Reserve Bank.....	326,548.51
		Deposits	5,972,083.62
	\$6,982,151.69		\$6,982,151.69

W. P. ADKINS, President
ALVIN E. JOHNSON, Vice President
HOWARD O. WILSON, Cashier

R. H. KROEGER, Assistant Cashier
L. V. PULLIAM, Assistant Cashier
W. S. HOGUE, Assistant Cashier

LIVE STOCK NATIONAL BANK
Union Stock Yards—OMAHA

Complete Financial Service

**U.S. National Bank
Trust Company**

Omaha

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Federal Reserve Bank of St. Louis

on April 23rd, granting an injunction to the 539 state banks that had sued to prevent the collection of the special guaranty fund assessments on state banks.

Attorney General Sorensen of Nebraska announced that the case would be appealed to the supreme court.

In his decision Judge Frost took cognizance of the decision of the United States supreme court in 1911, written by Justice Oliver Wendell Holmes, that the bank guaranty law was constitutional. Judge Frost said that times have changed since then.

The banks, in their petition, had set up the claim that the assessments under the guaranty fund were burdensome and confiscatory, and endangered the entire state banking system.

The special assessments that are now enjoined are five-tenths of 1 per cent annually on average daily deposits.

The decision does not affect the regular assessment of one-tenth of one per cent, but the proceeds from the regular levy are far too insufficient to do more than pay operating expenses of the fund, and are entirely inadequate to meet the growing deficit.

In 1911, said Judge Frost, the guaranty fund presented an excellent mutual insurance plan at small cost, but now, he said, the entire state banking system is endangered by its burdensome load.

"If an appreciable number of banks become unable to sustain the duty of carrying their share, the system fails," said the judge. He added that evidence presented by the banks showed that two-thirds of the banks are now unable to keep up the assessments.

Judge Frost further commented that the fund as now operated offers no benefit to depositors, and on the contrary may injure them by destroying the credit status of the banks.

The Nebraska guaranty fund law was passed by the legislature of 1909, but did not become operative until after the decision of the supreme court in 1911.

Remedying the law has been one of the most difficult problems before the legislature during the present session, but after the decision by Judge Frost, there was a general tendency to do nothing until final decision by the supreme court.

EMIL WOLFF, vice president of the Bank of Morse Bluff, was elected president of Group 2 of the Nebraska Bankers Association, at the annual meeting held at Columbus, Nebraska, April 22.

D. V. Blatter, president of the Albion National Bank, was made vice president of the group. Herman Meyer, cashier of the Farmers State Bank of Scribner, was made secretary-treasurer. The group recommended, to be member of the guaranty

fund commission, Dan V. Stephens, president of the Fremont State Bank; R. O. Brownell of Schuyler or Emil Folda of Clarkson. The governor has one appointment to make.

Among the speeches at the meeting were those by Phil L. Hall, Jr., president of the state association; Carl Weil, vice president of the National Bank of Commerce of Lincoln; Prof. Newton W. Gaines of the Nebraska University, College of Agriculture; John E. Curtiss, chairman of the state railway commission; G. H. Gray, president of the First National Bank of Columbus, who presided at the annual banquet; J. T. Baumann of West Point, retiring president of the group; C. F. Anderson, assistant to the president, State Bank of Omaha. E. F. Folda of the Stock Yards National Bank of Omaha, conducted a question box.

The 129 going banks in the district are all members of the group, the secretary reported, placing it first in the state in membership.

The Fremont bankers who attended the meeting were Ross L. Haymond, L. E. May, Herman Beckman, J. M. Sorensen, William N. Mitten, L. G. Faltys, Lloyd Blair, Harold Uehling, D. D. Rowe, J. A. Van Anda and Allan Longacre.

The man who falls down on the job seldom lands on his feet.

DRINK Nature's Greatest Health Waters

At
America's
Finest
Resort



The Elms Hotel

EXCELSIOR SPRINGS, MISSOURI

Visitors to this finely appointed, luxurious hotel acclaim it one of the very finest resort hotels in America. Refurnished, redecorated and equipped with unsurpassed elegance, The Elms will appeal to the most fastidious or most critical guest. Here you can tone up your system, regain your health with our world famous mineral waters and baths and if you wish, enjoy all the pleasures of resort life, golfing, swimming, horse-back riding, boating, tennis, etc. For reservations or beautifully done book, fully illustrating the beauties of The Elms and Excelsior Springs, write, wire or phone F. F. Hagel, Managing Director.

The Elms is only 28 miles from Kansas City, nestling amid surroundings of natural beauty, with paved highways leading in all directions.



I. E. HANSEN
President

Minnesota Bank News

Officers Minnesota Bankers Association

President.....I. E. Hansen
St. Paul
Vice President.....R. W. Putnam
Red Wing
Treasurer.....T. A. Perkins
Windom
Secretary.....George Susens
Minneapolis
Assistant Secretary..Vida Richards
Minneapolis



GEORGE SUSENS
Secretary

Minnesota Group Meetings

Group	City	Date
1.....	Albert Lea.....	May 13, 14
2.....	Mankato.....	May 15, 16
3.....	Red Wing.....	May 17
6 and 9.....	Detroit Lakes.....	June 5, 6
7.....	Glenwood.....	May 21
8.....	Grand Rapids.....	June 8
10.....	Taylors Falls.....	May 23

Stockholders Meet

About 75 stockholders and friends of the State Bank of Hartland, Minnesota, held a meeting recently.

About 50 new share holders were added so the bank now has about 100 stockholders, nearly all local men.

Joins Bank Group

The Fergus Falls National Bank of Fergus Falls, Minnesota, has joined the Northwest Bancorporation, E. W. Decker, president, announced recently.

This bank, organized in 1882, has net assets in excess of \$2,000,000, while the capital and surplus is considerably in excess of \$200,000.

Officers of the bank are J. S. Ulland, president; V. C. Jensen, E. H. Rich and J. F. Shay, vice presidents; Henry G. Dahl, cashier, and E. C. Beimer, assistant cashier.

Acquire Fargo Bank

Acquisition of the Merchants National Bank of Fargo, N. D., by the First Bank Stock Investment Company of St. Paul and Minneapolis was announced at Fargo recently and confirmed by officers of the company. The Fargo bank has deposits of more than \$2,600,000 and capital, surplus and undivided profits of approximately \$250,000.

The First Bank Stock Investment Company was formed recently by the First National Bank of St. Paul and the First National of Minneapolis, which own the company jointly. Its purpose is to acquire control of representative banks in the Ninth Federal Reserve district.

Prince Elected

G. H. Prince, chairman of the First National Bank, St. Paul, has been reelected director of the Great Western railroad, at the meeting in Chicago. C. T. Jaffray, president of the Soo Line, was replaced by President J. W. O'Leary of the Chicago Trust Co.

Banker at Wells Buried

Funeral services for Henry Bless, Sr., were conducted recently. Mr. Bless was vice president of the Peoples State Bank of Wells, Minnesota.

Minneapolis Wins

By a 2 to 1 vote of the judges the debaters of the Minneapolis chapter of the American Institute of Banking won the decision debate from their opponents of the Omaha chapter of the institute recently following the monthly forum dinner of the Minneapolis chapter. The Minneapolis team upheld the affirmative on the question, "Resolved, that the jury system be abolished." On the team were Roy Cott, Metropolitan National Bank; Fred Chapman, First Minneapolis Trust Co.; Franz Werner, Marquette National Bank, and A. W. Olson, First National Bank. Representatives of the Omaha team were Joe G. Brewster, L. B. McDonald and Harold Marshall. The judges were Wendell O. Rogers, attorney; Clarence E. Hill, vice president of the Northwestern National Bank, and Charles Templar, debate coach at Hamline University.

New Appointments

Appointment of four additional officers of the recently organized First Bank Stock Investment Company was announced recently by George H. Prince, chairman of the company and also chairman of the First National Bank of St. Paul.

M. O. Grandgaard, vice president of the First National Bank of Minneapolis was named secretary of the First Bank Stock Investment Company; A. H. Kennedy, vice president of the First National Bank of St. Paul, was made treasurer; M. M. Hayden, assistant cashier of the First Na-

tional of St. Paul, was appointed assistant secretary and A. E. Wilson, assistant comptroller of the First National of Minneapolis, was chosen assistant treasurer.

Paul J. Leeman, vice president of the First National of Minneapolis, is president of the First Bank Stock Investment Company. R. C. Lilly, president of the First National of St. Paul and Lyman E. Wakefield, president of the First National of Minneapolis, are vice presidents of the investment company.

This organization was formed by the First National of St. Paul and First National of Minneapolis to buy controlling interests in selected banks throughout the Ninth Federal Reserve district and start new banks where they may be needed. It is owned jointly by the two First Nationals, each holding 50 per cent of the stock.

The company has an authorized capital of \$25,000,000 and with the resources of the First National Banks of St. Paul and Minneapolis represents total resources of more than \$275,000,000.

Liable for Claims

Any officer and director of an insolvent bank who accepts money from depositors with knowledge of such insolvency, are liable for claims, the Minnesota Supreme Court ruled recently.

The decision was the first and most far-reaching of its kind in the state and upheld Judge C. J. Gunderson of Ottertail county in granting \$1,632 to Abe Johnson of New York Mills, Minn., against Edward Larson and John Coulter, president and vice president, respectively, of the closed First State Bank of New York Mills. The bank was closed May 21, 1926.

Johnson alleged the bank officers had knowledge of the bank's insolvent condition when they accepted a \$2,200 deposit from him.

Joins N. Y. Bank

James L. Mitchell, vice president of the First National Bank of St. Paul will become a partner in the banking and broker-

MIDLAND NATIONAL BANK and TRUST COMPANY

Resources \$25,000,000.00

MINNEAPOLIS

Northwestern Banker May 1929

age firm of Fish and Co., New York. Mr. Mitchell has been a bank official in St. Paul since 1907.

panies and as assistant to Robert W. Webb, president.

Vice President and Director

Bernard V. Moore, deputy governor of the Federal Reserve Bank of Minneapolis was elected recently as a vice president and director of the First Minneapolis Trust Co. and its affiliated First Minneapolis Co., at quarterly meetings of directors of the two corporations. Mr. Moore will continue in his present position with the Federal Reserve Bank until May 1, when he will assume his new office as executive of the trust and investment com-

National Bank Figures

Deposits of Minneapolis banks and trust companies operating under national charters totaled \$261,441,580.76 at the last call.

The figures were made public following a call by the United States comptroller of currency for a report on the conditions of all national banks.

Loans and discounts of the Minneapolis banking institutions were \$173,131,841.98. These figures compare with total deposits of \$273,881,939 and loans and discounts of \$171,039,017 on Dec. 31, 1927.

Deposits, loans and discounts of the individual banks is shown in the following table:

	Deposits	Loans and Discounts
First National.....	\$ 90,973,905.80	\$ 53,165,066.20
Bloom. National....	1,949,508.83	550,956.96
Minnehaha National..	1,559,389.57	279,205.60
N. W. National.....	78,496,294.63	49,561,514.48
2d N. W. National..	1,298,626.43	275,091.92
3d N. W. National..	971,479.56	469,987.67
4th N. W. National..	3,514,075.77	868,257.91
5th N. W. National..	509,418.10	125,122.41
Met. National.....	11,335,849.52	7,483,903.98
Central National....	1,861,855.11	1,013,708.26
First Mpls. Trust....	24,441,218.09	22,680,469.73
Minn. Loan & Trust..	18,546,344.51	19,047,148.63
Midland National...	20,004,895.30	14,340,638.95
Trans. Bro.	2,316,804.67	320,818.54
Marquette Trust....	1,372,591.93	929,939.40
Marquette National.	2,027,845.60	1,887,588.63
Richfield National..	260,477.34	132,422.71
Totals	\$261,441,580.76	\$173,131,841.98

Becomes Cashier

Rubin Rasmusson has taken over the cashiership of the bank at Roosevelt, Minnesota. Mr. Abel, cashier for seventeen years, is retiring to look after his other business interests. Mr. Rasmusson was connected with the First National Bank of Roseau up to a year ago as assistant cashier, resigning a year ago to enter the insurance and collection business.

Huge St. Paul Merger

Named the First National Bank, a new institution will represent the merged interests of the original First National and of the Merchants National Bank, the two largest financial institutions in St. Paul.

Back of this bank are the interests of the Hill and Weyerhaeuser families, which have consolidated their financial strength to form one large institution.

The merged bank will have a capital stock of \$5,000,000 and a total capital, surplus and undivided profits of \$10,000,000.

The combined resources of the two banks amounts to approximately \$130,000,000 with total deposits of more than \$113,319,053.

The serious task of moving the Merchants National to its new quarters with the First National was completed when \$51,500,000 in cash and securities were taken from the vaults in the Merchants National building and hauled in armored cars to their new location.

The space at the First National has been enlarged by the addition of the second floor of the Northern Pacific side of the Railroad building and the bank lobby has been remodeled to provide adequate accommodation for the increased staff.

The savings and foreign departments have been established in the offices of the Northwestern Trust Co. A feature of the savings department is the new form of "cages" which are being tried out in this temporary location. They are not barred cages as is characteristic of most banks but more on the order of stalls where the tellers and clerks stand. They are protected by strong glass with spaces between

Guaranty Trust Company of New York

140 Broadway

LONDON PARIS BRUSSELS LIVERPOOL HAVRE ANTWERP

Condensed Statement, March 22, 1929

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers.....	\$171,031,148.15
U. S. Government Bonds and Certificates.....	75,558,497.66
Public Securities.....	7,365,759.22
Other Securities.....	21,767,078.93
Loans and Bills Purchased.....	457,304,383.21
Real Estate Bonds and Mortgages.....	327,976.66
Items in Transit with Foreign Branches.....	8,276,114.39
Credits Granted on Acceptances.....	86,854,137.54
Real Estate.....	9,675,655.75
Accrued Interest and Accounts Receivable.....	8,327,996.24
	<u>\$846,488,747.75</u>

LIABILITIES

Capital	\$40,000,000.00
Surplus	50,000,000.00
Undivided Profits	15,078,324.08
	<u>\$105,078,324.08</u>
Accrued Dividend	1,445,000.00
Outstanding Bills.....	624,965.00
Bills Payable.....	3,000,000.00
Accrued Interest, Reserve for Taxes, etc....	9,643,930.99
Acceptances.....	86,854,137.54
Deposits	\$600,589,620.35
Outstanding Checks	39,252,769.79
	<u>639,842,390.14</u>
	<u>\$846,488,747.75</u>

the glass stalls where the customer may talk "face to face" with the teller.

It is presumed to do away with the gloomy jail-like atmosphere of the barred cages and to give a more personal contact between the banker and customer.

If this is found convenient it may be installed in the new bank to be built adjacent to the Merchants Bank building.

The location at the site of the First National is to be temporary. When the merger of the two institutions was announced it also was declared that a \$3,000,000 16-story bank and office building will be added to the present Merchants Bank building. Work on this will start April 1, 1930.

The new bank will be headed by Louis W. Hill, chairman of the board; George Prince, chairman, and R. C. Lilly, president.

Resigns

Chas. J. Popelka, for the past 10 years cashier of the Ostrander, Minnesota, State Bank, has resigned to take effect as of May 1st. He has no plans for the future.

On the Increase

Business conditions in St. Paul are on an uptrend.

Deposits and resources of the city's seven national banks show material increases compared with a year ago. Deposits totaled \$121,399,637 with resources amounting to \$136,828,212.

Because of the merger of the First and Merchants National Banks a comparison of the totals of this year and a year ago show differences which can't be interpreted in terms of business it was pointed out.

The American, Empire and Stockyards Banks showed material gains during the year in their deposits.

The following table shows the deposits and resources of St. Paul's national banks at the last call and a year ago:

	Deposits 1929	Resources
First	\$ 92,328,588	\$103,888,612
American	15,536,357	17,028,442
Empire	4,290,719	4,864,429
Midway	2,446,805	3,024,155
Stockyards	4,580,830	5,330,456
Twin Cities	814,183	1,138,235
St. Paul	1,402,150	1,553,883
Totals	\$121,399,637	\$136,828,212
	Deposits 1928	Resources
*First	\$ 14,376,146	\$ 15,583,179
American	3,873,881	4,381,539
Empire	1,990,452	2,353,729
Midway	4,128,810	4,817,417
Stockyards	803,174	1,138,903
Twin Cities	1,280,995	1,447,383
St. Paul		
Totals	\$ 26,453,458	\$ 29,722,150

* The First and Merchants were two separate banks in 1928.

Named Vice President

S. W. Gilpin, who resigned as probate judge of St. Louis county recently, has been named vice president and trust officer of the City National Bank of Duluth, Minnesota. William J. Archer of Virginia is the newly appointed probate judge.

To Open in May

The Union State Bank of Sauk Rapids, Minnesota, one of the chain of 35 banks operated by the Union Investment corporation, is slated to open about May 20th. By that time the purchase of the former Citizens State Bank and former Sauk Rapids State Bank building will have been completed.

Duluth Merger

Consolidation of two of Duluth's largest and oldest national banks, with resources totaling \$40,000,000, was completed last month.

The new institution will be known as the First and American National Bank and will have a capital stock of \$6,000,000. An affiliated security company with initial capital of \$1,000,000 is being formed. The American Exchange National, and the

First National, the two merging banks, were established in 1879 and 1880 respectively.

Get Charter

A charter for the Farmers' State Bank of Holloway was granted recently by the Minnesota Securities Commission.

The application for the bank charter was made by B. J. Perrizo, president of the Farmers State Bank at Clontarf. The Holloway bank has a capital of \$20,000, a surplus of \$4,000 and undivided profits of \$2,000.

Buy Control

Purchase of the controlling interest in the First and Security National Bank of Valley City, North Dakota, by the First Bank Stock Investment Company of Minneapolis and St. Paul, was announced recently.



YOU may feel that your business is entitled to the personal attention and individual treatment found so valuable by those banks whom we now serve.

If so, we will be glad to outline the advantages in naming us your Chicago correspondent.

THE NORTHERN TRUST COMPANY

CHICAGO

Northwest Corner LaSalle and Monroe Streets

In the Heart of the Financial District

This is the second North Dakota bank to be purchased by the Twin Cities banking institution.

The First and Securities National Bank is capitalized at \$100,000 with a \$31,612 surplus and deposits of \$1,072,000. James Grady, Fargo, was president with C. F. Mudgett and H. P. Ellis, Valley City, vice presidents. Erle Fouks, Valley City, was cashier.

New officers and directors will be elected. The bank will be known as the First National Bank of Valley City.

Business on Increase

With farm income in 1928 about as large as that of 1927, business in Minnesota, North and South Dakota, Montana and the parts of northern Michigan and Wisconsin making up the Ninth Federal Reserve Bank district was able to show increases for the year and in some cases to establish high records for all time, the Minneapolis Federal Reserve Bank stated recently in its annual report.

The report states that "1928 was a year of progress along the lines of readjustment to the changed economic background which has prevailed since war times.

"The most convincing evidence that readjustment to postwar conditions made progress in 1928," the report sets forth, "was furnished by the records of decreasing failures and bankruptcies. This decrease continued for the second year and

the number of failures in 1928 was the smallest since 1922.

"The banks of the district experienced a year of improvement with the single exception that prices of investment securities held by many banks were lower than a year ago. Deposits increased 5 per cent and were fully as high as the postwar average. Outside of the larger cities deposits exceeded loans by 73 per cent. This situation has never before existed in the 15 years in which records have been kept. In the prewar years of 1913 and 1914 deposits exceeded loans in the rural part of the district by only 15 to 20 per cent.

"Probably the most significant change that has taken place in country banking is the trend toward fewer and larger banking units. The number of country banks in the district decreased from 3,853 to 2,503 between the peak number in 1920 and the October call in 1928.

"Agriculture has increased its acreage in crops in this district steadily since 1920. In Minnesota, North Dakota, South Dakota and Montana the 1928 acreage for the eight most important crops was 55,225,000. This represented an increase of nearly 1,000,000 acres over 1927 and an increase of 7,000,000 acres over 1919, when the expansion due to wartime conditions was at its peak."

Conditions to Improve

An industrial millenium in this genera-

tion was predicted by Carl Snyder, general statistician of the Federal Reserve Bank, New York, in his address on "Business Stability and the Growth of Trade," at the seventh annual banquet of the school of business administration of the University of Minnesota held recently.

The presentation of the loving cup, a brilliant tomato can on a candlestick, by Dean R. A. Stevenson to Henry Hilton of St. Paul, marked the beginning of an annual cup award to the most outstanding senior of the business school.

"Although speculation varies widely at times," said Mr. Snyder, in his speech, "it does not affect business and government. When credit is supported, business will run smoothly. A better adjustment of credit than in the past is coming about now.

"Science is being pushed farther and farther in the factories, and industries will lead to higher and better production and machinery and will grant more individual leisure."

Speakers included Dean R. A. Stevenson, Maynard Redding, president of the Commerce Club, Claire Joan O'Connell, president of the Business Woman's Club; Raymond Hartz, W. J. Jameson, Jr., president of Harvard alumni in Minneapolis; J. Warren Stehman, professor of economics; J. C. Lawrence, assistant to the president, and Governor W. B. Geery of the Federal Reserve Bank of Minneapolis, and Prof. A. W. Marget.

THE HANOVER NATIONAL BANK

OF THE CITY OF NEW YORK

MAIN OFFICE
PINE AND NASSAU STS.

ESTABLISHED 1851

CAPITAL \$10,000,000
SURPLUS & PROFITS \$22,000,000

BANKING IN ALL ITS BRANCHES

HOTEL MONTCLAIR

Lexington Ave.
49th to 50th St.
New York City

New York's newest and finest Hotel
800 Rooms 800 Baths

Radio in Every Room

3 minutes' walk from Grand Central,
Times Square, Fifth Avenue Shops
and most important commercial
centres, leading shops and theatres.
10 minutes to Penn. Station.

Grand Central Palace
only 2 short blocks away

S. Gregory Taylor,
President

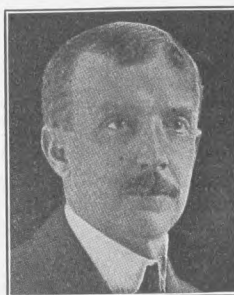
Oscar W. Richards
Manager



North Dakota Bank News

Officers North Dakota Bankers Association

President.....	M. C. Bacheller
	Grand Forks
Vice President.....	R. E. Barron
	Minot
Treasurer.....	J. I. Hegge
	Maddock
Secretary.....	W. C. Macfadden
	Fargo



W. C. MACFADDEN
Secretary

Bankers' Group Elects

P. J. Rausch of Raleigh, North Dakota, is president of the Grant County Bankers Association following the annual meeting. Other officers are J. G. Sept of Heil, vice president, and R. A. Wrucke of Leith, secretary and treasurer.

Deposits

Deposits in the two national banks of Grand Forks, North Dakota, at the last call, totaled \$6,885,742.30, while the resources of the national banks of the city were \$7,783,288.30.

The deposits shown in the spring call this year are slightly below that of the spring call of 1928 which came on February 28. In view of the fact that at this season of the year there is a daily lowering of bank deposits, the difference is entirely attributed to the later date of the call this year.

The First National Bank reported deposits of \$4,357,491.94 and resources of \$4,848,461.35, and the Northwestern National Bank gave their deposits as \$2,528,250.36, and resources as \$2,934,826.95.

Increase Safety Vaults

Contracts totaling about \$10,000 for extensive interior alterations at the Union National Bank building in Minot, North Dakota, have been awarded.

The plans and specifications for this work call for the moving of the safety deposit department of the bank from the first floor, where it is now located, to the basement of the building, and the installation of after hour depository facilities at the front of the building.

Increased safety deposit business, since the present Union National Bank building was erected five years ago, has necessitated the securing of larger quarters for this department, according to Colonel E. S. Person, president of the institution.

Banker Dies

Alfred H. Botten, Milnor, North Dakota, banker for the past ten years, passed away recently at Fergus Falls, death being caused by a carbuncle on the back of his

neck, which was the result of diabetes, an ailment which he was afflicted with, but was not aware of.

Merged in Parshall

An aggregation of deposits totaling from between \$250,000 and \$275,000 has resulted from the merging of the People's State Bank of Parshall and the First National Bank of Parshall, which was recently completed by August Peterson of Harvey, principal owner of a line of banks in northwestern North Dakota.

This is the second bank Mr. Peterson has purchased in Parshall during the last two years, having previously bought the Farmers Exchange Bank of that city, which he merged with the First National.

Mr. Peterson is president of the First National Bank; L. E. Linder of Plaza is vice president, and C. P. Kjelstrup is cashier.

The First National Bank will continue to occupy its present quarters.

Mr. Peterson is the head of a total of 10 banks in northwestern North Dakota.

Merged

Announcement that the First National Bank of Fullerton, North Dakota, has discontinued business and its deposits taken over by the Farmers State Bank of that place was made recently at the state banking department.

Resigns

Carl V. Johnson, who has been in the employ of the First National Bank of Drayton, North Dakota, for the past eight years, resigned his position recently and left for his old home at Cayuga, where he will take over the management of his mother's large and well improved farm, located at that point.

North Dakota News

M. J. GORDER has been elected assistant cashier of the Reservation State Bank, Makoti.

MISS MARTHA OVRE has been ap-

pointed bookkeeper of the First State Bank of Mercer.

MISS MARGERY STUBBINS is now bookkeeper of the Citizens Bank of Minot.

L. E. SPITZER has accepted a position as bookkeeper and teller of the German State Bank, Beulah.

M. E. SHORTRIDGE has been appointed assistant cashier of the Shields State Bank.

THE ELK VALLEY BANK, Larimore, has changed the number of its directors to five.

F. E. BENDER has accepted a position as assistant cashier of the Ashley State Bank.

HARRY E. FALK has been elected assistant cashier of the Security State Bank, Dunseith, succeeding A. J. Larson, who has resigned.

DAN F. SIMUNDS has been elected assistant cashier of the Farmers & Merchants State Bank of Verona.

MISS MINERVA HARRIS has been appointed bookkeeper and teller of the Farmers & Merchants Bank, Kindred.

THE BANK OF COGSWELL has increased the number of its directors from three to five.

F. J. PIETZ is now vice president of the Peoples State Bank of Linton.

MISS KATHRYN E. THOMPSON has been appointed bookkeeper of the State Bank of Lisbon.

Miss Mary A. Curtis has accepted a position as bookkeeper of the Farmers State Bank, Lisbon.

FERDINAND F. JUST is now bookkeeper of the Farmers & Merchants State Bank, New Salem.

MISS DOROTHY MIDDLEMAN has been elected assistant cashier of the Spiritwood State Bank.

THE FIRST STATE BANK of Grace City has decreased the number of its directors from five to three.

Matter of Experience

"You know," said the woman whose motor car had run down Jim Brown, "you must have been walking very carelessly. I am a very careful driver. I have been driving a car for seven years."

"Lady, you have nothing on me. I have been walking for over fifty years."

Northwestern Banker May 1929

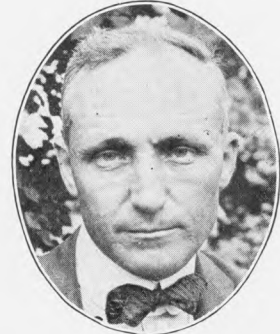
SPECIAL IOWA GROUP



CARL C. WOHLNBERG
Chairman, Group No. 1



RAY NYEMASTER, President,
Iowa Bankers Association



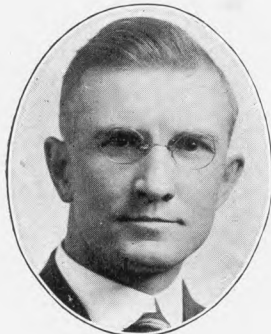
A. L. KOUT
Chairman, Group 4



RALPH DALTON
Secretary, Group 1



H. R. YOUNG
Secretary, Group 4



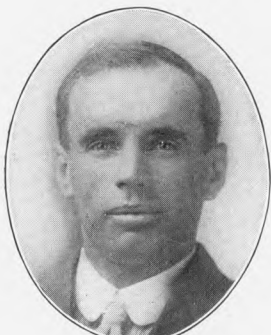
R. A. JONES
Chairman, Group 2



WALTER T. ROBINSON
Chairman, Group 3



E. S. VAN GORDER
Chairman, Group 5



R. C. BERRY
Secretary, Group 2



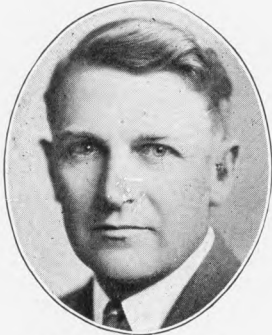
A. S. LUND
Secretary, Group 3



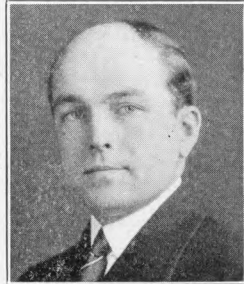
THEO. W. ROHWER
Secretary, Group 5

Northwestern Banker May 1929

MEETING *and* NEWS SECTION



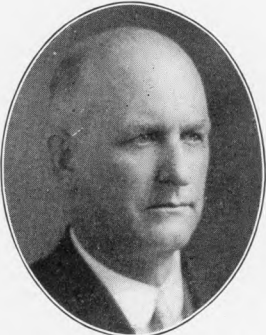
HUGH G. LITTLE
Chairman, Group 6



FRANK WARNER, Secretary,
Iowa Bankers Association



W. A. ADDISON
Chairman, Group 9



CLYDE D. PROUDFOOT
Secretary, Group 6



C. G. JONES
Secretary, Group 9



R. J. BONE
Chairman, Group 8



W. H. BABCOCK
Chairman, Group 7



RUSSELL HOWARD
Chairman, Group 10



M. H. DAKE
Secretary, Group 8



L. C. MCGILL
Secretary, Group 7



B. D. HELSCHER
Secretary, Group 10

Honor Us—By Your Presence COME!



Group four meets with a wide-open door—at
Dubuque, May 6th.

Don't fail us—and yourself—by staying away.
Old friends—and new ones—will be here!

Business is business—and you will profit by our
meeting—but we will see to it that you will al-
ways remember the Group 4 meeting as both
pleasant and profitable.

Dubuque—its bankers and citizens will wel-
come you!

While you are in Dubuque let us be of service
to you then—and thereafter.



**American Trust & Savings Bank
Consolidated National Bank
Federal Bank & Trust Company
First National Bank
The Iowa Trust & Savings Bank
Union Trust & Savings Bank**

DUBUQUE



Dubuque's recently completed general cargo terminal, a part of the half-million dollar river terminal facilities at Dubuque

DUBUQUE— The Oldest White Settlement in Iowa

DUBUQUE, where bankers of Group 4 will hold their annual meeting on Monday, May 6, has a history as the first white settlement in the State of Iowa, which dates back within a decade of the Revolutionary War times.

Its towering hills and rocky bluffs, rich in mineral deposits, marked it in the eyes of the early French explorers and settlers as the logical site for a city which would be the center and a port for the large rolling country which surrounds it on every side.

In 1785 Julien Dubuque, a French-Canadian Mineralogist, trader and adventurer, settled here, and within sight of the bluff now crowned by his monument, began to work the mines, the product of which was later destined to form the foundation of Dubuque's early growth.

One-half a century later, through the terms of the Blackhawk Treaty, a vast stretch of territory west of the Mississippi river was thrown open to general settlement.

Mining formed the first staple industry of the region. During the early years of the city's history, saw milling grew to be its most important industry. And from this industry have grown the two largest sash, door and millwork factories in the world, now located at Dubuque.

Dubuque's industrial growth has been remarkably steady over a period of many years. There are now more than 100 manufacturing establishments located within the city's limits.

Due to the fine transportation facilities provided by four railroads, the Federal

Barge Line, and 16 interurban motor truck lines, Dubuque has become an important wholesaling and jobbing center.

Some of the products which Dubuque manufactures and ships to practically every part of the country, include millwork, cabinet work, cast iron and sheet metal products, clothing, stone products, paper products and specialties; chemicals, shoes, pumps, plumbing supplies, rubber goods, insulating board and food products.

Dubuque is a city of factories, homes, schools and parks. There are now approxi-

mately 12,000 homes, and considerable development is in progress in the various residential sections of the city. Twenty-three schools, and 10 colleges, academies and seminaries furnish unusually good educational facilities. There are 15 parks and two tourist camps. The largest park, Eagle Point Park, is comprised of 158 acres situated on the crests of beautiful rocky promontories overlooking the Mississippi river just north of Dubuque.

Becomes Director

The name of A. R. Thompson was added to the board of directors of the University State Bank, Des Moines, at a meeting held at the bank, Thursday, April 18th.

Mr. Thompson is a well experienced bank man, having been actively engaged in the business for 26 years. Mr. Thompson is vice president of the Valley National Bank of Des Moines.

Other members of the University State Bank board are: R. A. Crawford, R. M. Gibson, Frank B. Hallagan, R. M. Messerschmidt, B. D. Van Meter and Chas. E. Wilson.

Talks to Lions

Harry W. Jennings, secretary of the Marshall, Iowa, County Bankers' Association, told members of the Lions club of the work of the organization, in conjunction with local officers, in tracing forgers, bogus check artists and other crooks who use their wits to gain a living. His address aroused much interest and brought forth several questions. Photographs of some

Iowa Group Meetings

	Group 4
Dubuque	Monday, May 6th
	Group 7
Grundy Center.....	Tuesday, May 7th
	Group 8
Tipton.....	Wednesday, May 8th
	Group 10
Ottumwa.....	Thursday, May 9th
	Group 9
Osceola.....	Friday, May 10th
	Group 3
Mason City.....	Monday, May 20th
	Group 2
Lake City.....	Tuesday, May 21st
	Group 5
Denison.....	Wednesday, May 22d
	Group 6
Jefferson.....	Thursday, May 23rd
	Group 1
Cherokee.....	Friday, May 24th

of the persons convicted in the local courts were displayed, together with some of their checks and drafts.

Honored at Dinner

E. R. Burkett, cashier of the First National Bank of Perry, Iowa, was the honored guest recently at a dinner held at the Pattee Hotel and presented by the Brenton organization. The occasion was the celebration of the 25th anniversary of Mr. Burkett's connection with the Brenton interests.

More than 30 representatives of eight Brenton banks located in this vicinity were present at the dinner held at 6:30 o'clock.

Following the meal a short talk was given by Mr. Clyde Brenton and the presentation of a fine watch made to the local man as a token of his long service.

Mr. Burkett started March 14, 1904, as bookkeeper, janitor, and in any other capacity, in the bank of Waukeee, at Waukeee.

He was there until 1911 when he was elected cashier of the Bank of Granger. He operated that bank until March 1, 1926, when he was made cashier of the First National Bank of Perry.

It is very doubtful whether any banker ever made a more remarkable record than Mr. Burkett. The different banks with which he has been connected have been

handled always in a first class manner; his losses have been almost negligible. After the depression of 1920 the Bank of Granger, where he was cashier since 1911, had as clean a list of loans as any bank could desire. He had no real estate and very few slow loans and his loss was almost negligible. The few slow loans he had were readily cleaned up. He has not only run the banks with which he has been connected for the benefit of the owners, but also for the benefit of the depositors and has given them a great deal of valuable assistance which has meant much to those communities. He is now connected with the First National Bank of Perry, which is growing rapidly.

Receives Numerous Indorsements

W. G. C. Bagley, president of the First National Bank of Mason City, is receiving numerous indorsements of his candidacy for president of the Iowa Bankers' Association for the ensuing year.

The convention this year will be held in Des Moines on June 24th, 25th and 26th.

Mr. Bagley has long been active in the



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Stock Yards enables
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the fastest service on Live
Stock proceeds. Your cus-
tomers will appreciate this
promptness.**

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W. G. C. BAGLEY

affairs of the Iowa Bankers Association and is recognized as one of the most successful bankers in the state.

His friends point to the fact that the Iowa Bankers Association will be fortunate in securing him as its leader because they know that he will bring to the office of the president the same energy, enthusiasm, ability and conscientious effort which he has used in building his own financial institution.

Burkett Honored

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Mr. Burkett first started with the Brenton banks at Waukee, Iowa. Later he was transferred to the bank at Granger and more recently to Perry when the First National Bank was purchased by the Brenton interests.

Iowa Vice President

Craig B. Hazelwood of Chicago, President of The American Bankers Association, has appointed C. T. Cole, Jr., vice president of the Valley National Bank, Des Moines, as vice president of the American Bankers Association for Iowa. Under the Constitution and By-Laws of The A. B. A. each state is entitled to a vice president,—Mr. Cole has the honor of filling that position.

Meet in Denison

The Crawford county bankers held their annual meeting and election of officers at the hotel in Denison, Iowa, recently. A banquet and program were a part of the affair. The entertainment was furnished by Denison high school students who had participated in the state music contest at Council Bluffs.

During the business session which followed the program, the officers of the association were elected for the coming year. Frank Hoffmann was chosen president; E. W. Timm, Charter Oak, vice president; M. L. Range, Denison, secretary-treasurer.

A theatre party at Denison Opera House marked the close of the meeting.

Book on Vigilantes

The famous Iowa Vigilantes, originated and organized to battle bank bandits, seem likely to be immortalized in both literature and the movies as the result of a book written by Dr. Thomas D. Jacobs of Durant, Iowa, himself a chief of the vigilance organization in Cedar county.

Dr. Jacobs' book entitled, "Johnny, A Modern Vigilante," contains 268 type written pages. It deals with the work of the Iowa Vigilantes and describes vividly an encounter with bank robbers, the state rifle shoot, and many other incidents in the actual life of the vigilance membership. A love story in which the hero wins his sweetheart while combating the robbers, adds to the interest of the story.

Labor rids us of three great evils: Irksomeness, vice and poverty.—Voltaire.

*Ample Facilities in Experience
and Equipment for any
Assignment*

**FIRST IOWA STATE
TRUST & SAVINGS BANK**
BURLINGTON, IOWA

Capital \$600,000.00



OFFICERS

C. A. MARSH
President
A. M. PLACE
Vice President
H. A. MAINE
Vice President

OFFICERS

WILL A. LANE
Cashier
P. W. EIGHMEY
Assistant Cashier
L. R. SWENSON
Assistant Cashier

**Work Well Done Is What
Determines Results, and
This Is Service**

*This is Group Meeting month. Plan to attend
the meeting of your Group.*

First National Bank
Waterloo, Iowa

PAGING "YOU-ALL"

Ottumwa Will Welcome You May 9th

In a spirit of mutual helpfulness hundreds of progressive bankers will meet in Ottumwa, May 9th for the Group 10 meeting.

Much good will come from this meeting because there will be many discussions of mutual problems.

These conventions represent our finest form of cooperative effort. The regrettable fact is that they cannot be held more often.

If there could be more "open discussion" of Iowa's problems by Iowa's bankers it would prove of inestimable value.

When you leave after the meeting we are certain you will go with the feeling that the Group 10 meeting was one of the finest in history—both from the standpoint of *pleasure and real profit*.

Ottumwa will be honored by your presence—and we will gladly serve you then and at all times.

CITIZENS SAVINGS BANK
OTTUMWA SAVINGS BANK

IOWA NATIONAL BANK
OTTUMWA NATIONAL BANK

OTTUMWA

What Group Ten Will Find in Ottumwa

Meeting place of Group Ten bankers is one of the most progressive Iowa cities

OTTUMWA is a city of 30,000 inhabitants and situated in the South-eastern part of this state. It has a trading radius of fifty miles in every direction, being about equal distance from Burlington, Davenport, Cedar Rapids, and Des Moines.

Situated at the junction of Federal Highways No. 63 and 34, and possessing excellent railroad facilities, it is ideally located for a retail trading and wholesale distributing center. Ottumwa has some fifty wholesale firms, among the oldest of which are the Haw Hardware Company, the J. W. Edgerly Company, wholesale druggists, Harper & McIntire Company, wholesale hardware dealers; the J. G. Hutchinson Co., wholesale grocers, and the Samuel Mahon Grocery Company whose first shipment of groceries were unloaded from a steam boat on the Des Moines River at Ottumwa in 1858.

Railroad Facilities

Our adequate railroad facilities, abundance of water supply, and close proximity to Iowa coal has resulted in the steady growth of Ottumwa as a manufacturing center. The leading industry of the city is that of John Morrell & Company, packers. The company came to Ottumwa over fifty years ago, and since that time it has grown and expanded until today this one company employs approximately 2,000 men and women. It has a capacity for handling 5,000 hogs and 500 cattle per day and is equipped with mechanical refrigeration equivalent to a consumption of approximately 1,500 tons of ice per day. John Morrell & Company also operates 15 branch houses with special agents and salesmen in the principal American cities. They own and operate a large fleet of refrigeration cars and their products are shipped all over the United States, while their export trade includes the countries of Europe, South and Central America. Ottumwa is proud of John Morrell & Company and the growth which they have made in our city.

While Ottumwa is widely known as the home of Morrell's Pride, it is not a city of bacon and hams alone. The Ottumwa Box Car Loader has the distinction of being the only factory in the world whose business is devoted exclusively to the manufacture of box car loaders and unloaders. They manufacture machines which rank from a small portable loading machine to a single unit weighing over 200,000 pounds and capable of un-

loading a railroad box car in from five to six minutes. They have such machines installed in various parts of the United States, in Europe and in South America.

The Ottumwa Iron Works is engaged in the manufacture of electric, steam and gasoline hoisting engines, roller bearing car trucks and lumber buggies, mine and industrial cars, conveyors, etc. The factory maintains a grey iron foundry in which castings weighing from a few ounces up to those weighing as high as 24,000 pounds can be made in one piece. Their equipment has been installed in mines and lumber camps in practically every section of the United States and Canada and many shipments have been made to Europe and South America.

Ottumwa has been the home of the Dain Manufacturing Company for over fifty years. The Dain Company manufactures the John Deere line of hay tools which includes the Dain System Side Delivery rakes, loaders, hay loaders, sweep rakes, stackers, and presses. It is the largest hay tool manufacturing establishment in the world. The buildings and grounds cover over twenty-two acres. They are the originators of the Dain or John Deere system of air curing of hay. The use of Ottumwa-made Dain hay tools has revolutionized hay making and is saving farmers millions of dollars each year.

Program Group Ten

Meeting Ottumwa May 9th

10:00 a. m. Registration—Hotel Ottumwa.

10:30 a. m. Meeting of County Banker associations with group chairman and group secretary with President Nyemaster.

12:15 p. m. Luncheon and business meeting. Ball room—Hotel Ottumwa.

Meeting called to order by Russell S. Howard, group chairman.

Invocation—Rev. J. E. Willis, D.D.

Address of Welcome—Hon. E. C. Manning, mayor of Ottumwa.

Music.

Talk by President Nyemaster.

Music.

Address—Herbert V. Prochnow, First National Bank of Chicago.

Talk—L. A. Andrew, Supt. of Banking.

Talk—Frank Warner, sec. Iowa Bankers Association.

7:30 p. m. Buffet supper—Wapello Club.

A cordial welcome awaits all visiting bankers at the Ottumwa Country Club, Elks Club and Wapello Club.

The Johnston Pressed Gear Manufacturing Company of Ottumwa is nationally known for its pressed steel lawn-mowers which are sold throughout the United States and Canada. Their lawn-mowers are regarded as the best on the market and are especially noted for easy operation.

A Poultry Center

Ottumwa is noted as a poultry center. We not only have five commercial hatcheries operating with the latest and most approved equipment, but Ottumwa is the home of Prof. E. H. Rucker's famous flock of Rhode Island Reds and White Leghorns, and his chickens are shipped throughout the United States and Canada and even to foreign countries. His ranch produces between 12,000 and 13,000 pedigreed chickens each season. Prof. Rucker's chickens are at the present time entered in ten official egg laying contests scattered from Florida to Michigan and Washington, and the reports show that his chickens lead in seven of the contests. In the last Iowa egg laying contest the Rucker pens not only took first place, but established the highest record ever made in the Iowa egg laying contest for their respective breed. As a part of this developing poultry business, the Barker Produce Company is a rapidly growing company manufacturing all sorts of equipment for poultry raisers.

Ottumwa is not a boom town. In fact it has never had a boom, but it has enjoyed a steady growth. 75 years ago an early Iowa historian spoke of Ottumwa as "A busy little trading point with many evidences of prosperity." We have now grown to a city of 30,000 people. It still may be said of Ottumwa that it is a busy trading point and one of the many evidences of prosperity is the fact that we have never had a bank failure in our city. Our seven banking institutions have combined deposits of over \$10,000,000.00.

Ottumwa and the surrounding territory is most excellently served by the Ottumwa Daily Courier, a publication of the highest quality, and one which maintains full Associated Press service, but a paper nevertheless which refuses to feature crimes or scandal. The plant of the Ottumwa Daily Courier is the finest newspaper plant for a city of our size in the United States. It was established in 1894 and has a circulation of over 15,000 and serves a trading territory of over 150,000 people.

Ottumwa has excellent railroad facilities. It is the railroad center of South-

Northwestern Banker May 1929

eastern Iowa and Northern Missouri. It is served by the Burlington, Milwaukee, Rock Island, and Wabash railroad systems whose various lines radiate in sixteen different directions from our city. Ottumwa is on the main line of the Burlington between Chicago and Omaha and the main line of the Milwaukee between Chicago and Kansas City. It is a divisional point for both the Burlington and Milwaukee lines. Approximately 1,500 people are employed in railroad shops, offices and other branches of railroad service with a payroll of nearly \$2,000,000 per year.

Ottumwa is a good city in which to live. We are proud of our million dollar high school building with its swimming pool, double gymnasiums, cafeteria, and auditorium which serves as a community center. In addition to the public school sys-

tem a junior college for girls is maintained in connection with the St. Joseph's Academy. There are two privately owned business colleges and several schools of music and art in our city. The roofs of our many churches can be seen scattered throughout the city reaching above the tree tops, and among them are some of the most modern and beautiful ecclesiastical buildings in America.

The charitable and philanthropic agencies in the community are given devoted leadership and support by the citizens. A Community Chest fund supporting a number of educational and charitable organizations with a budget of over \$55,000.00 was fully subscribed by an educated and patriotic citizenry.

Among these civic and charitable agencies are three fine hospitals: The Ottumwa,

St. Joseph's, and the Sunnyslope Tubercular Sanitarium; a Y. M. C. A. and Y. W. C. A. housed in very fine up-to-date buildings; an Orphans Home Finding Association with Home, a Salvation Army unit with their own building and social center and a Social Welfare bureau.

Among the clubs and lodges, there are represented most of those found in larger cities. Among some of the outstanding buildings are those occupied and owned by the American Legion, the Masons, the Knights of Columbus, the Elks, the Wapello Club, and the Ottumwa Country Club. A live and functioning Chamber of Commerce with an affiliated Junior Chamber, a Retail Merchants Association, Rotary, Kiwanis, and Lions Clubs, keep the civic spirit up to a high pitch of enthusiasm.

Ottumwa has one of the finest public libraries to be found in any city twice its size. With a large financial endowment it has been able to serve the whole community in an outstanding way. Through a number of branches and very able direction it has commended the pride and interest of a constantly growing constituency of readers and book lovers.

A striking feature of the city is the civic center in Central Park around which are grouped such public buildings as the Post Office and Federal Court building, the Public Library, and the Wapello County Court House.

In common with other American municipalities Ottumwa has been engaged in a movement toward the building of many modern and beautiful private homes. These are found scattered over the whole city including residences ranging from over \$100,000 cost down to the most humble cottage.

Among the educational and character building organizations are the Boy Scouts, the Camp Fire Girls, Girl Reserves and Girl Scouts. The Boy Scouts are exceptionally well organized and Ottumwa is the center for the administration of a considerable area, holding a large summer camp, and owning its own forested camping tract with individual troop cabins.

Our city maintains twelve municipally owned parks covering over 160 acres which affords facilities for swimming, boating, children's play grounds, tennis courts, picnic grounds, and ball parks. These parks are the recreation and beauty spots of the city. Among these parks is a very up-to-date tourist park, with cabin and garage equipment, shelter house, toilet, kitchen and laundry facilities. Especially interesting is a large community athletic field with expert leadership and direction given by the Y. M. C. A.

Perhaps the special and principal characteristics of our city is the genial spirit of good-fellowship which exists between its citizens and the willingness of its various business and civic organizations to cooperate.



"The Old Reliable"

MEMBER
FEDERAL RESERVE
SYSTEM

Thirty-four Years of Banking Progress

THE Central State Bank of Des Moines, on May 2, 1929, began its thirty-fourth year of serving Des Moines and Iowa in a financial capacity.

The steady growth in resources year by year is tangible evidence of the confidence placed in this institution by a constantly widening clientele.

The management is continually expanding its facilities to meet every requirement of correspondents and you will always find here a real welcome and sincere cooperation.

"The Old Reliable"

CENTRAL STATE BANK

of DES MOINES

Banking, Trusts and Investments
Safe Deposit Vaults

Member Federal Reserve System

Joins Extension Department

Basil I. Peterson, formerly vice president of the Stock Yards National Bank, recently joined the official staff of the State Bank of Chicago as a second vice president, it was announced by Walter W. Head, president of the State Bank of Chicago. He is connected with the bank's business extension department.

Mr. Peterson was born 39 years ago at Blair, Wis., is a graduate of Blair high school, attended St. Olaf College, Northfield, Minnesota, and later graduated from the University of Wisconsin and the Northwestern University School of Law.

He comes to the State Bank with a broad experience embracing every phase of commercial banking. Prior to his war service, he was cashier of the First Na-



BASIL I. PETERSON

tional Bank, Blair, Wis. After the armistice, he received intensive training for foreign branch service at the National City Bank of New York and spent several years at Antwerp and Brussels, assisting in the organization and management of their Belgium branches.

Upon returning to the United States he served the Chemical National Bank of New York as Middle Western representative with headquarters in Chicago. Later he was elected vice president of the Stock Yards National Bank, in charge of their division of banks and bankers.

Mr. Peterson is a director of the Wisconsin Club of Chicago and of the General Alumni Association at Madison; secretary of Group 11, Illinois Bankers Association.


Mr. Peterson enjoys a large acquaintanceship among the bankers throughout the Middle West and has been a familiar figure at the various state conventions and group meetings.

G. W. Chaney Dead

George W. Chaney, who for more than

forty years has been connected with the Miller & Chaney Bank at Newell, Iowa, died recently of heart disease, following an illness of three weeks. Mr. Chaney was a native of Illinois and attained the age of 72 years. He came to this section of the state in 1880 and settled on a farm

southeast of Newell, going into the banking business in 1888. He was a leading member of the Congregational church and always in the forefront in Newell community affairs, serving on the school board for 33 years. He leaves his wife and six children.



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Industrials Provide
7%
Returns**

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OFFICES IN 25 CITIES

Please send me full information on Foshay Financed Industrials
Yielding 7 per cent

Name.....

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Farms of Value

(Little Talks on Tiling, No. 38)

A FARM that has a constant and dependable ability to produce is one that furnishes secure investment. If it has a steady reputation as a good farm, its value is accepted by the renter, the owner, the buyer and the banker. There is no agent known that contributes more to constant, regular, "better than average" yearly production of a farm

than a thorough tile drainage system. In wet season or dry, in warm weather or cold, the tile system in the soil is ready to carry off excess water in the subsoil, or to keep the soil warm. Thus the tile equipped farm is able to maintain its even rate of production, it produces at a lower cost and gains a reputation as a "good" farm.

Encourage Tile Drainage
and Create Farms of Value.

Mason City Brick and Tile Co.
312 Denison Bldg. Mason City, Iowa

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Federal Reserve Bank of St. Louis

208
South La Salle Street
Chicago

This is the new address of Central Trust Company of Illinois—now located in larger and better equipped banking quarters in the heart of Chicago's financial district.

You are cordially invited to make it *your* business address when you are in Chicago and to use Central Trust Company of Illinois as a Chicago office for your bank at all times. It will give you the same services which you would expect if you maintained your own office on La Salle Street.

**CENTRAL TRUST
COMPANY OF ILLINOIS**

208 SOUTH LA SALLE STREET

CHICAGO



OSCEOLA— Where Opportunity Knocks HARD and OFTEN!

BY DUDLEY REID

THE location of the original Garden of Eden, long a matter of dispute, has been settled eventually by a culmination of advantages in favor of Osceola.

Situated in a diversified section of the country—with level stretches of prairie, gentle hills, pleasant little valleys, attractive brooks, winding creeks, rollicking streams, charming rivulets, sloping hill-sides, occasional stretches of timber, tinted shrubbery, beautiful flowers, and outcropping ledges of rock and limestone—all combining to form a variegated panorama and landscape of general loveliness, with Osceola for the center-piece—there can hardly remain any longer even a doubt about the primitive paradise.

Anyhow, if Osceola was not the original Eden, there is no sort of question but what it should have been.

And if Adam had been placed here in the spring time, when the town and county were at their loveliest—neither Eve, the apple, the serpent, nor any other form of mortal temptation, would ever have tempted him to leave his heavenly habitat.

O, see Ola!—Ah, see Ola!

Some pronounce it one way—some the other.

But no matter how you name the old girl, she is well worth all the time and trouble that it takes to make the look.

Splendid Location

A TOWN of a little less than 3,000 people, located on both main lines of the Burlington railway, at the junction of two big national highways (the Harding and the Jefferson, the Jefferson to be completely paved this year, the Harding in 19??) a new splendid high school building, an established and fully accredited junior college, two good banks, a public and school library, five good churches, two newspapers, three drug stores, a bakery, three barber shops, four hospitals, several physicians, a tourist camp, a golf and country club, a hatchery, a creamery, a wholesale poultry establishment, two lumber yards, several garages and filling stations, several groceries and restaurants, two or three department stores, two shoe stores, two gent's furnishing stores, furniture store, motion picture show, three hardware stores, three meat markets, a splendid court house and park, a community park, hundreds of beautiful residences, a splendid farming territory, the politest, most genial, sociable and progressive and enterprising set of citizens to be found anywhere on God's green footstool

Group 9 Program at Osceola

FORENOON

9:00 We register—I. O. O. F. hall, north side square.

9:30 We visit, while the officers of the County Bankers Associations meet with group chairman, group secretary and President Nyemaster at Lyric theater.

11:00 We convene in business session—Chairman Addison presiding.

We are welcomed by M. R. Stansell—Attorney, Osceola, Iowa.

We respond through D. V. Ferris—Diagonal, Iowa.

We receive words of wisdom from Ray Nyemaster, president Iowa Bankers Association.

L. A. Andrew, State Supt. of Banking.

Frank Warner, secretary Iowa Bankers Association.

AFTERNOON

1:00 We eat—Presbyterian Church; plate charge, \$1.50.

2:00 We hear from the home folks.

3:00 We adjourn to Osceola Golf and Country Club—

Golf on a home made golf course

Bridge or cribbage

Cooling drinks

Soothing smokes

Swapping yarns.

—where on the earth, or even in heaven, would you go to beat her?

You might eventually guess it, but it would be wiser and more satisfactory to admit it and give up.

If you want a good job, if you are anxious to start in business, if you seek to retire from the rush and grind, if you desire to educate your children, if you hanker after old-fashioned hospitality and a good time, if you aspire to all that is clean, wholesome, refreshing and uplifting in life—then you are looking for Osceola.

And the town and every citizen in it—man, woman and child—is ready and anxious to meet you, greet you, and grab you with a glad and welcoming hand.

If you have tried every place else and failed—if you have lived all the years and are still unhappy—if you have wandered over all the earth and a portion of Mexico, and are still longing and unsatisfied—

Come to Osceola!

Ambitious, Yes!

THE town of ambition—the town of push and enterprise—the town of widening hopes—the town of boundless energies—the town of illimitable advantages, and mighty few drawbacks—the town that accepts with cheerfulness, gladness and a welcoming smile everything that is offered her that is really worth while, and never gives back or rejects anything that is actually good.

Although Osceola is such a healthy town and everything is so clean, sanitary and wholesome, that if you come here you will probably live forever (unless a tree falls on you, your automobile overturns, or some careless Clarke county farmer drops an ear of corn on your head), yet, if you should get sick, remember the town has the best hospitals and physicians anywhere in creation, and you will soon be well and happy again.

There are really a thousand good reasons why you should live in Osceola, any one of which would be almost sufficient within itself to convince you, if it could only be put before you in all its clarity and force.

And there are only two reasons why you do not live in Osceola, that anybody can think of that really amount to shucks—and one is, lack of information as to the town and its advantages; the other, lack of ability to appreciate this information.

The object of this article is to present the information—and it falls to your lot to furnish the ability.

O, gentle reader, Osceola and Opportunity are knocking at your door! Happy are you, and fortunate, above all the sons of men, if you are able to appreciate, and understand, and correctly interpret, and harken unto her glorious invitation!

“Master of human destinies am I!

Fame, love and fortune on my footsteps wait.

Cities and field I walk; I penetrate
Deserts and seas remote, and passing by
Hovel and mart and palace, soon or late
I knock unbidden once at every gate!
If sleeping wake; if feasting rise before
I turn away. It is the hour of fate,
And they who follow me reach every state
Mortals desire, and conquer every foe
Save death; but those who doubt or
hesitate,

Condemned to failure, penury and woe,
Seek me in vain and uselessly implore.
I answer not, and I return no more!”

Northwestern Banker May 1929

Assistant Cashier

Ralph M. Butler has been elected assistant cashier of the First Savings Bank at Richland. Mr. Butler comes from Ringstead, Iowa, where he has been in the banking business several years.

To Mason City

After eight years of banking experience in Clear Lake, Iowa, Irving Jensen, head bookkeeper at the Cerro Gordo State bank, has resigned to accept a position as assistant cashier of the Northwest Savings Bank, Mason City's new institution.

Mr. Jensen began his banking career with the Clear Lake State Bank where he

affiliated himself until the business merged with the First National Bank. He was later employed by the Cerro Gordo Bank, a position which he has held for four years.

Locates in Corydon

C. R. Shriver, former cashier of the Clio State Savings Bank, has accepted a position as assistant cashier of the Commercial National Bank at Corydon, Iowa.

Dies in Lone Tree

Anton Fisher, president of the Farmers and Merchants Savings Bank at Lone Tree, Iowa, died at his home in Lone Tree recently.

Mr. Fisher has been a member of the Johnson county board of supervisors for many years. He is survived by his wife and a daughter, Mrs. John Krall of Lone Tree.

Appointed Cashier

At a recent meeting of the directors of the Nashua State Bank R. W. Clampitt, of Danville, Iowa, was employed as cashier, to succeed Paul T. Betz, who resigned to accept a position which would give him outside work.

Appoint H. L. Horton

C. T. Cole, Jr., vice president of the Valley National Bank, Des Moines, and vice president for Iowa of the American Bankers Association, has appointed Herbert L. Horton, vice president of the Des Moines National Bank, as a member of the executive council of the A. B. A. to succeed M. W. Ellis of Charles City, who resigned.

Assistant Cashier

Lloyd J. Guinn, recent county treasurer of Wayne County and democratic candidate for state treasurer at the last election has been elected assistant cashier of the Citizens State Bank, Humeston, Iowa, succeeding Robert Brinton, who resigned to accept a position with the Washington Loan & Trust Company of Washington, Iowa.

At the recent annual election the following officers were elected: J. A. Court-right, cashier; Geo. R. Garton and L. J. Guinn, assistant cashiers. Geo. McCulloch, president, and E. S. Williams, vice president. Directors: Geo. McCulloch, E. S. Williams, H. D. Hines, Holly Garton, W. R. Richard, C. C. Hutchinson and D. S. Moore. Deposits approximately \$500,000, being the largest bank in Wayne county.

County Meeting

Recently the Lyon County, Iowa, Farm Bureau entertained the bankers of the county and several from outside the county at a banquet at the Marietta Hotel, Rock Rapids.

Fifteen of the eighteen townships were represented by one or more couples and most of the banks of the county were represented. The following were present: Larchwood, Mr. and Mrs. Holly; Lester, Mr. and Mrs. Wilbur Oldenburg; Inwood, Mr. George Anderson; George, Mrs. John Smid; Rock Rapids, Mr. and Mrs. Chas. Shade, A. G. Miller and Jans Dykehouse; Doon, C. R. McDowell, L. J. Dehn; Boyden, Mr. and Mrs. Gerritt B. Resink; Ashton, Ben A. Stallman.

Seventy-six Years

Iowa City's first National bank, which was the eighteenth national bank to obtain a charter and the fifth to start doing

Exceptional Service

On Items in the

Omaha

Trade Territory

The Omaha National Bank



RESOURCES OVER

FORTY MILLIONS

Omaha, Nebraska

business in the United States, is about to celebrate its seventy-seventh birthday. The bank's first charter, dated July 1, 1863, and subsequent ones, the charters being renewed every 20 years, are on display in the bank window.

The bank is one of Iowa City's oldest businesses. It was first located at 112 East Washington street, in the room recently vacated by John Sunier. Later, it was moved across the street to the quarters now occupied by the Boerner pharmacy, and in 1911 was moved to the building it now occupies.

W. B. Daniels of the firm of Daniels and Fisher was the first president, and the first board of directors consisted of C. T. Ronson, W. H. Hubbard, E. P. Coman, John Daggett and G. H. Collins. It had a capitalization at that time of \$50,000.

Resources of the bank, with the affiliated Farmers Loan and Trust Company, now total more than \$4,250,000. Present officers are W. J. McChesney, president; C. M. Dutcher, vice president; Thomas Farrell, cashier; J. E. Gatens, G. R. Griffith, assistant cashiers. Directors are Marvin H. Dey, Mr. Farrell, Mr. Dutcher, Mr. McChesney, R. L. Parsons and Dean Chester A. Phillips.

Named Director

L. B. Maytag of Newton has been added to the board of directors of the Bankers Trust Company of Des Moines. Mr. Maytag's election as a director followed his purchase of a block of stock in the bank. Although he is not a resident of Des Moines, Mr. Maytag's financial and business interests are increasing there steadily.

Other members of the board of the Bankers Trust Company are Paul Beer, Dr. O. J. Fay, Henry Frankel, J. G. Gamble, J. W. Howell, J. W. Hubbell, Sol Sheuerman, B. B. Vorse, L. B. Bartholomew and B. F. Kauffman.

Annual Meeting

The annual meeting of the stockholders of the Commercial State Bank of Mediapolis, Iowa, was held recently, and the following were elected directors for the coming year: J. P. Baird, T. W. Beckman, Roy Creelman, E. F. Holsteen, Tom Hutcheroff, H. H. Martin, Ed Moehle, W. W. Meyers, Arthur McDonald, F. McDonald, E. Riepe and T. R. Richardson. These met and elected the following officers: president, Arthur McDonald; vice president, E. F. Holsteen; vice president, T. R. Richardson; cashier, E. T. Sutton; assistant cashier, A. A. Jackson.

Meet in Jefferson

The Greene County Bankers Association met recently in Jefferson, Iowa, with representatives from every town in the county. There were 26 present from the banking institutions of Greene. There was a gen-

eral discussion of matters pertaining to banking, and also plans discussed for entertaining Group Six of the State Bankers Association to be held in May. A committee of entertainment, consisting of Ivan Hasbrouck, T. R. Watts, U. W. Walton, W. W. Anderson and Verne Miller was selected. Also the following officers were elected for the ensuing term:

President, Verne Miller; vice president, H. E. Jackson; secretary and treasurer, W. D. Hallowell.

Resigns

Announcement was made recently of the resignation of M. B. Nelson as vice presi-

dent of the Farmers Savings Bank of Atlantic, Iowa. Mr. Nelson will retain his membership on the board of directors of the bank.

Mr. Nelson has been engaged in the banking business many years and was made vice president of the Farmers Savings Bank in 1921. J. A. Nelson is also a vice president of the bank, the present officers of which are C. H. Kay, president; J. A. Nelson, vice president; O. R. Patrick, cashier, and Don Snell, assistant cashier. The directors are Mr. Kay, J. A. Nelson, Mr. Patrick, John R. Heiken, H. W. Hansen, Dr. W. U. Hammer, J. N. Christoffer-son, G. V. Vedane and M. B. Nelson.

DEVELOPING into one of Iowa's foremost banks, by reason of constructive policy and broad conception of banking.

Officers and Directors

B. F. KAUFFMAN, *President*
B. B. VORSE, *Vice President*
C. H. MARTIN, *Vice President*
L. B. BARTHOLOMEW, *Vice Pres.*
E. A. SLININGER, *Vice President*
CARL W. MESMER, *Asst. Vice Pres.*
C. H. STEPHENSON, *Cashier*
S. C. PIDGEON, *Secretary*
E. R. MILLARD, *Assistant Cashier*

PAUL BEER, *President,*
The Flynn Dairy Co.

DR. O. J. FAY, *Surgeon*

HENRY FRANKEL, *Treasurer*
Yunker Bros.-Harris-Emery Co.

J. G. GAMBLE, *Attorney*

J. W. HOWELL, *Vice President*
Warfield-Pratt-Howell Co.

J. W. HUBBELL, *Vice President*
F. M. Hubbell Son & Co

S. L. SHEUERMAN, *Secretary*
Sheuerman Bros., Inc.



BANKERS TRUST CO. BANK

Cor. 6th and Locust Sts., Des Moines
Capital \$1,000,000.00 Surplus \$200,000.00

Put 'er There!

We have been looking forward for many days to the annual meeting of Group 3. We are all ready to grab your hand and welcome you to

MASON CITY

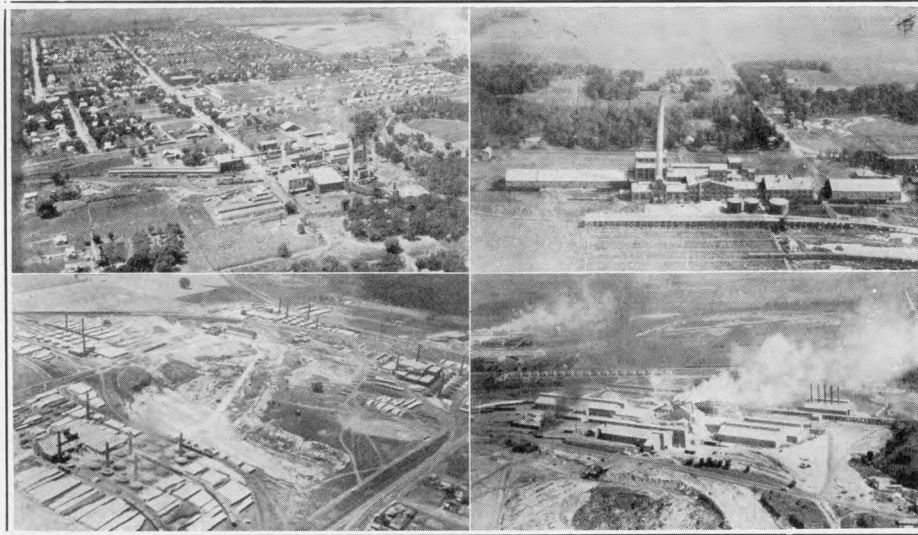
You won't need any keys to our city. The doors are wide open awaiting your arrival. The best we have is yours. We'll make you feel at home.

And when you leave we hope you will take with you interesting and helpful information, and new ideas—ideas that will make good bankers better bankers, and more efficient.

There will be entertainment for you, too, so don't forget May 20th. The bankers of Mason City, and the rest of the city, are counting on you. Be there!

**FIRST NATIONAL BANK
NORTHWEST SAVINGS BANK
FIRST NATIONAL COMPANY**

MASON CITY



Mason City's four major industries

The Industrial and Commercial Center of Northern Iowa

MASON CITY is located in a rich farming district in North Central Iowa about one hundred fifty miles south of the Twin Cities and one hundred miles west of the Mississippi River, at the confluence of Lime and Willow Creeks. It is the county seat of Cerro Gordo County, and is an important industrial and railroad center.

The development of the region in which Mason City is situated has taken place in three quarters of a century, the seventy-fifth anniversary of the founding of the city by white men being celebrated in June, 1928. In 1853 John B. Long and John Biford, from Illinois, established extensive claims on timber and prairie land on Lime Creek in the vicinity of what is now Mason City. This little settlement was named Shibolet, afterwards Masonic Grove, and finally came to be called Mason City. It was incorporated as a town in 1870 and became a city of the second class in 1881.

The city grew most rapidly from 1905 to 1920, due largely to the development of four principal industries—cement, brick and tile, pork packing, and beet sugar. Its railroad facilities—six roads branching in eleven directions,—have caused its growth as a distributing center also. To the rail facilities for distribution have been added a great mileage of paved and graveled roads and a modern airport.

Mason City factories make a wide variety of products, employing normally three thousand men and women. Its nine brick and tile plants lead the United States in the production of drain tile and hollow

building tile. Its two portland cement mills, employing a thousand men, have an output of over 12,000 barrels daily. Both plants heat their boilers from waste heat from their rotary kilns.

Jacob E. Decker & Sons pork packing plant ranks fourth among the packing institutions of the state. It has an annual kill of about 600,000 hogs, maintains numerous branch houses, especially in the southwest, and ships its product abroad as well as all over the United States. Plans



Hotel Hanford

are now under way to materially increase the output of the plant.

The American Beet Sugar factory produced over 35,000,000 pounds of sugar in 1928. The beets, which are raised principally north and west of Mason City, are a valuable source of income to the farmers. The Ideal Sand and Gravel Company plant has a capacity of 80 to 100 cars a day, being the largest of its kind between the Mississippi River and Denver. There are numerous smaller industries and some forty distributors doing a \$10,000,000 yearly business.

During the last five years heavy property investments have been made in Mason City by the International Harvester Company, which purchased a five story home; Swift and Company, which established a plant employing sixty people; the Standard Oil Company of Indiana which opened district headquarters employing one hundred people and built a \$250,000 plant; Crane Company, which built its own branch house at the cost of \$100,000; National Biscuit Company and Atwater Kent Company which established branches; and the United Light and Power Company, which invested \$1,500,000 in a new plant and office building.

Mason City is the home of a number of insurance companies, including the Modern Brotherhood of America, which is housed in its own beautiful eight story building.

Mason City has twenty-five churches, sixteen modern public school buildings, including a high school with a capacity of twelve hundred pupils, a junior college and two parochial schools, Carnegie library, Y. W. C. A., a new \$250,000 Y. M. C. A. building, three hospitals, the Iowa I. O. O. F. Orphans' and Old Folks' Home, Masonic, Odd Fellows, Elks, K. of C. buildings, and four modern hotels, including a new eight story million dollar hotel, The Hanford.

The city manager plan of government was adopted in 1927, with a non-paid council composed of leading business men of the city. The city has modern fire and police departments, water and sewer systems, fifty miles of paving and many miles

of graveled streets and a system of beautiful parks and playgrounds.

Mason City is the junction point of two great international tourist trails, the north and south Jefferson Highway, and the east and west Atlantic-Yellowstone-Pacific, on the United States highways numbers 18 and 65, respectively. The city maintains a modern tourist camp with a small daily charge for occupancy. Only ten miles distant is one of North Iowa's beautiful lake summer resorts, Clear Lake, where many people come every summer for vacations and recreation.

Added to its advantages as an industrial and commercial center, Mason City has modern homes of all types and is a splen-

did residential city, combining the advantages of the great city with the friendly freedom of the small town. There is everything to be desired in school, church, recreational and cultural life.

Sells Farm Lands

The Farmers Savings Bank of Albert City, Iowa, in a recent business transaction considered to be of outstanding importance in banking circles, disposed of all of the farm lands in its possession, according to officials of the bank.

The present board of directors of the Farmers Savings Bank includes: A. E. Peterson, C. A. Anderson, C. J. Blomgren, Carl A. Erickson, J. E. Buland and Paul

Anderson. Officers include A. E. Peterson, president; Chas. Swanson, vice president; C. E. Kindwall, cashier; C. A. Kindwall, assistant cashier, and Rudolph Danielson, teller.

C. R. Wooden Presidential Candidate

Numerous friends of C. R. Wooden, president of the Wooden Savings Bank of Centerville, Iowa, are urging his candi-



C. R. WOODEN

dacy for the presidency of the Iowa Bankers Association in 1930.

Mr. Wooden's many friends point to his activity during the war; the fact that he has been county chairman and group chairman and president of the County Bankers Association of Iowa, and also that he has worked on the Vigilance Committee and that he is now a member of the Agricultural Committee of the Iowa Bankers Association. Mr. Wooden has also done a great deal of work for the Good Roads Association and in addition to all of his activities has had time to develop a very strong and substantial financial institution.

In view of the fact that southern Iowa has not had a president for some years, his friends believe that it is time for that section of the state to be represented and they feel sure that Mr. Wooden would most fittingly represent not only southern Iowa but the entire state.

Iowa Man Promoted

Robert Finlayson, son of W. R. Finlayson, president of the First National Bank of Grundy Center, Iowa, has recently been appointed resident manager for the Industrial Acceptance Corporation of New



Capital - - One Million Dollars
Resources - Ten Million Dollars

Prompt, intelligent service is rendered correspondent banks by every good bank, but the outstanding feature of the **FIRST NATIONAL BANK OF SIOUX CITY** service is our real co-operation in meeting the needs of correspondent banks in the extension of credit and helpfulness in securing high class investments for their secondary reserve.

WE INVITE YOUR ACCOUNT

DIRECTORS:

- | | | |
|---|---|--|
| R. J. ANDREWS
Real Estate and Insurance | RALPH J. HALEY
President, Haley-Nooley Co. | W. S. KNAPP
President, Knapp & Spencer Co. |
| F. B. BUCKWALTER
President, The Buckwalter Co. | A. S. HANFORD, SR.
President, Hanford Produce Co. | W. A. KLINGER
Constructor |
| E. C. CURRIER
President, Hansen Glass & Paint Co. | H. A. GOOCH
Vice President | J. L. MITCHELL
President |
| DAVE DAVIDSON
President, Davidson Bros. Co. | JOHN B. KEEFE
Secretary-Treasurer, M. L. Flinn Paving Co. | D. C. SHULL
Attorney |
| E. B. FLINN
President, M. L. Flinn Paving Co. | | HENRY G. WEARE
Ranchman and Banker |

York, in St. Louis, Mo. Mr. Finlayson went with this company last September and has been selling its commercial paper in the southwest with Oklahoma City as headquarters. This promotion is made possible by the promotion of the Chicago manager to Paris, the St. Louis manager to Chicago and Mr. Finlayson to St. Louis. Mr. Finlayson is only 22 years old and graduated last June from Coe College at Cedar Rapids.

Change Interior

Recently a change was made in the arrangement in the interior of the Citizens First National Bank in Storm Lake, Iowa, in the interest of relieving the crowded condition of those working with the book-keeping machines, and those serving as tellers and stenographers. The bookkeeping machines have all been removed to the balcony of the building, in the glassed-in room just west of the rooms occupied by the abstract department of the bank.

Officers of the bank also report that on April 1st the annual 10 per cent dividend to the stockholders was paid out, and that the past year was one of the most satisfactory in the history of the institution.

Business Stronger

Business activity in Waterloo, Iowa, in the first quarter of 1929, as judged by bank clearings, car loadings and money order business, was materially stronger and the volume much greater than for the same quarter in 1928.

This improvement is noted not only locally, but in a national scope. The percentages of increase there and elsewhere are quite similar, which means much to that community as it is both a railroad center and an agricultural machinery manufacturing center.

A steady increase in volume of business is noted on every hand save only in postal receipts, which decreased 14 per cent. This was due to change in postal rate affecting third class matter, a class of mailing business that has tremendous volume in Waterloo.

If consideration were given to mail business in general the volume would show a healthy growth, but receipts were less because of the rate cut which saved money for many Waterloo industries.

The following summarizes the increase shown the first quarter of 1929 over the first quarter of 1928:

Bank clearings, 35 per cent.

Car loadings, 9 per cent.

Money order business, 8 per cent.

Bank clearings everywhere are taken as a measure of volume of trade. They represent the value of all checks passing through the clearing house association. Bank clearings are a commercial barometer. The gain over a year ago was extraordinary—more than one-third in volume over the first quarter a year ago.

1876

1929

Our Present Customers

—know the nature and quality of the service rendered by the Consolidated National Bank. We believe we could number many more Iowa banks and bankers among our clients if we could tell them about the Service Which Really Serves.

We would appreciate hearing from you at any time.

This is Group Meeting month. Plan to attend the meeting of Group 4 at Dubuque, May 6



Consolidated National Bank

UNITED STATES DEPOSITORY

DUBUQUE, IOWA

J. K. Deming, President

Geo. W. Myers, Vice President Herman Eschen, Secretary

Jos. W. Meyer, Cashier

STOP!

—when you get to Denison. It will be worth your while.

Denison bankers are pleased to have Group Five meet in their city on May 22nd. We want you to have an enjoyable time, and also an instructive one. We are endeavoring in every way to make arrangements for your pleasure and profit.

We expect a 100 per cent turnout, and are laying our plans accordingly.

May we count on you?



Commercial Bank
Crawford County Trust & Savings Bank
First National Bank
DENISON

The Hub of Crawford County

DENISON, where bankers of Group 5 will meet May 22d, was founded by, and named after, Jesse W. Denison in 1856.

Mr. Denison was the agent for the Providence Western Land Company, which bought 50,000 acres of land in Crawford and Harrison counties in 1855. In looking about for the site of a town they picked the ground which is today covered by the city of Denison and their judgment has been more than confirmed by the development of the town.

Their main reasons for selecting this location were that it was about 65 miles northeast of Council Bluffs, 90 miles southeast of Sioux City, 120 miles northwest of Des Moines and 75 miles southwest of Fort Dodge, thus giving it plenty of territory from which to draw trade and the opportunity for development into a prosperous trading point. Located at the forks of the Boyer and East Boyer rivers, it would necessarily be upon the line of future railroads. Their foresight was correct, as the main line of the Chicago & Northwestern railway was built down the East Boyer Valley and the Illinois Central line from Fort Dodge to Council Bluffs down the Boyer Valley. In addition to these two trunk lines, the Chicago & Northwestern has a branch from Denison to Mondamin.

Crawford County, of which Denison is the county seat, is one of the best agricultural counties of Iowa. Being settled largely by people of the German and Scandinavian races it was formerly given almost entirely to stock raising, but recently has developed into quite a dairy district. This change was brought about largely through the efforts of the Armour Creameries, a plant of the Armour Company located at Denison, which, besides



Court House, Denison, Iowa

manufacturing butter and cheese, does a large business in the packing of eggs and poultry.

The Gold Bond Products Company, manufacturing syrups and various kinds of drinks, the Doud Milling Company, making Fidelity flour, pancake flour and various lines of chicken and hog feeds, the Petersen Sheet Metal Works, the Rollins Cement Block Factory, all serve a wide territory with products which are appreciated wherever they are used.

Few towns have so many and fine public buildings. A court house in the center of the city costing \$150,000, a federal post office building, a \$75,000 moving picture house, a Carnegie public library, in addition to the many privately owned store buildings, give Denison an appearance of wealth and stability of which many larger cities might be envious.

The Hotel Denison, which has 55 rooms and is now building an addition of 26, is well equipped to care for the transient travelers.

The city's three banking institutions—the First National, William Adams, president, W. A. Glotfelty, cashier; the Craw-

ford County Trust & Savings, Dr. C. W. Carr, president, H. E. Qualheim, cashier; the Commercial, Peter Miller, president, J. W. Miller, Jr., cashier—have combined deposits amounting to nearly three million dollars, giving assurance that there is money sufficient to supply all legitimate demands. The Commercial, in addition to its general banking business, has added much to the growth and prosperity of Denison and surrounding community through the activities of J. W. Miller, Jr., in the real estate and loan business.

Denison takes care of its people and those of a large surrounding territory in amusement and recreational lines, with a moving picture house, with seating capacity of 600, a municipally owned sanitary swimming pool, an athletic park equipped for baseball and track sports, and a nine hole golf course laid out on an eighty acre tract adjoining the town, which is said by experts to be one of the sportiest courses in Iowa.

It has been said that a live town is reflected in its newspapers. If this be true, Denison must be alive, for it supports two of the best weekly papers in the state, both housing well equipped plants in brick buildings owned by the proprietors. The *Denison Review*, R. P. Connor, owner and publisher, and the *Denison Bulletin*, owned and published by H. C. Finnerm and Otto Vosgerau.

A sketch of Denison's activities would not be complete without mention of its Chamber of Commerce. Holding semi-monthly business meetings, after a dinner served in its own rooms and with its own kitchen and dining room equipment, this organization may well take a large part of the credit for the progress the city has made in the last thirty years since its first meeting.

To Remodel

Extensive plans for the remodeling of the Second National Bank of New Hampton, Iowa, are now under way.

Cashier C. B. Phillips and one of the directors, F. W. Brown, were in Chicago and purchased a vault recently.

This vault will be the last word in fire proof and burglar proof construction and as complete in detail and convenience as can be had.

A new front is to be put into the building, which will also be a pride to everybody connected with this institution as officer, stockholder or depositor.

The inside of the bank will have fine new fixtures beside the vault and will be made larger and roomier throughout.

New Bookkeeper

Floyd Manor entered the Williamsburg, Iowa, Savings Bank recently as the new bookkeeper to succeed Ed Lewis who will soon retire after three years service to join his parents who reside at Chattanooga, Tennessee. Mr. Manor enters the bank now to become familiar with the new duties before Mr. Lewis retires.

Announce Marriage

Announcement is made of the marriage of Miss Leona Gertrude Anderburg, daughter of Mrs. Will Werderman of Anamosa, to Bernell A. Dress, son of Mr. and Mrs. R. A. Dress of Monticello, on December 1st at Chicago.

Mrs. Dress attended business college at

Clinton, and has been assistant cashier of the Amber, Iowa, Savings Bank for the last five years.

Mr. Dress attended Columbia college at Dubuque and Iowa State college at Ames.

Merged

The Citizens State Bank and Farmers State Bank of Mitchellville, Iowa, began operations recently as a single institution.

The new bank is the only one in the town. Its officers will be those of the Citizens State Bank. They are: H. F. Craig, president; W. E. Grismer, first vice president; E. T. Martin, vice president and chairman of the board of directors; G. B. Barrett, cashier, and R. J. Wilkinson and E. L. Pearson, directors.

Northwestern Banker May 1929



D-F-D-SWIMMING POOL



BUSINESS STREET SCENE



BUSINESS STREET SCENE



BUSINESS STREET SCENE



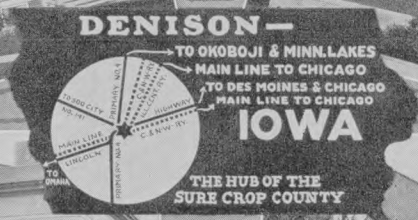
DENISON HOSPITAL



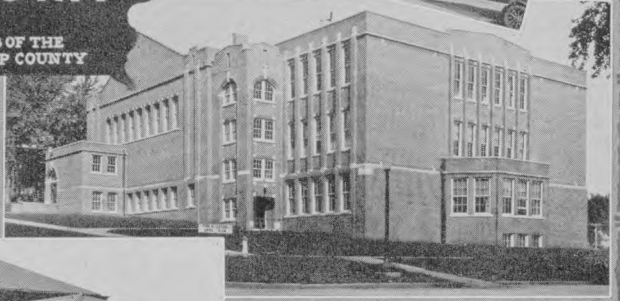
CRAWFORD COUNTY COURT HOUSE



POST OFFICE



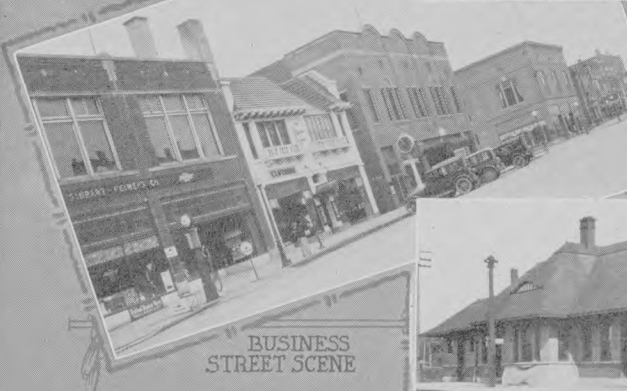
CITY LIBRARY



NEW GYMNASIUM



C AND N-W-STATION



BUSINESS STREET SCENE



ILL. CENTRAL STATION



BUSINESS STREET SCENE

FERGUSON STUDIO-PHOTOS

Returns to Work

Miss Ruth Perry, assistant cashier at the Farmers State Bank of Traer, Iowa, has returned to her work after an absence of several months due to ill health. Miss Hilda Moeller of Dysart took her place at the bank.

Ames Resources

The resources of the four banks of Ames, Iowa, total \$3,812,748.57, according to statements made at the last bank call. Loans of all banks total \$2,135,105.37, and cash and sums due from banks equals \$587,583.98. Deposits total \$3,286,201.01.

Heads County Bankers

Robert W. Turner, president of the City National Bank of Council Bluffs, Iowa, was elected president of the Pottawattamie County Bankers' Association at the dinner meeting of that group in the Beaux Arts room at the Hotel Chieftain recently. More than twenty-five bankers attended the meeting.

Other officers elected were George Free of Macedonia, vice president; J. W. Davis of Avoca, treasurer, and Rudolph Stender of Avoca, secretary. Mr. Turner, the new president, was secretary of the association during the last year.

The vigilante organization of the county was reviewed at the meeting. Sheriff Percy Lainson was a guest. Mr. Turner said that he believed the Pottawattamie vigilante system was the strongest in the state.

For Ninth Time

Fred Zabel, assistant vice president of the Union Savings Bank & Trust Co., was again named dictator of Davenport lodge, No. 28, L. O. O. Moose, at the recent election of officers. It was the ninth consecutive time he has been elected to the office.

A Good Road

Warning the reader that the first stretches may be rather rough, but holding hope of smoother going, "The Happy Highway," a booklet recently issued by the State Bank of Chicago, takes the reader on a picture tour through the many departments of that large Chicago financial institution. The booklet is well named in that it points out that those who follow through on some sort of systematic saving will surely travel a "Happy Highway" on their road to independence and old age. And, of course, the "Happy Highway" leads directly through the State Bank of Chicago.

The little book is exceedingly interesting and instructive, and well worth the reader's while. Its producer is to be complimented on having completed a real piece of work.

The election which costs the most to the candidate is worth the least to the people.



The Personnel of Our Directors tells this interesting story

The Directors of the FIRST NATIONAL BANK of Davenport all are men of wide and varied experience.

Each offers an enviable record of achievement in his own business. And their activities are not in one field, but in all the essential industries;—manufacturing, retailing, mining, lumbering, publishing and law.

That means that their interests cover a wide range and the ability of this Bank to serve its customers is equally wide.

This breadth of experience of our Directors and with the splendid banking facilities we offer you, make the FIRST NATIONAL BANK of Davenport a valuable Banking connection in this territory.

IRVIN J. GREEN
President

E. J. BETTENDORF
Manufacturing

GEO. W. CABLE
Lumber

WM. M. BRANDON
Cashier

CHAS. GILCHRIST
Coal Mines

JOE R. LANE
Attorney

F. W. MUELLER
Building Materials

HENRY W. NEUMAN
Retail Automobiles

M. N. RICHARDSON
Timber Lands

CARL RICHTER
Clothing

AUG. E. STEFFEN
Capitalist

FRANK D. THROOP
Publisher



First National Bank

At Second street and Main
Davenport, Iowa

Founded with vision

Built by Service

JEFFERSON GREETES YOU!

The bankers of Greene County extend to you—the bankers of Group Six—their heartiest greetings in anticipation of your arrival in our county seat.

You will come to a real community when you come to Jefferson, a community that is out to make this Group Meeting a huge success.

The banks and bankers of Greene County are looking forward to your coming—eager to make new friendships, and renew old ones with the hearty handclasp of good-fellowship. It will be a pleasure for us to serve you in every way.

Come early—and stay as long as you can.

Greene County Bankers Association



Scene from No. 2 tee, Jefferson, Iowa, Golf Course

Jefferson—Child of the Middle West

THIS city, where you will be guests May 23, 1929, will celebrate its 75th anniversary on the 12th day of August of the present year. During the period since 1854 a "lot of water has run under the bridge," and you see here the more or less finished results of the ordinary progress of a midwest city.

Green County, of which Jefferson is the county seat, was first settled 80 years ago, or in the spring of 1849, when Troman Davis, of Medina County, Ohio, built his cabin about seven miles southeast of Jefferson close to the Coon river. Mr. Davis and most of his family are buried on a plot of ground upon his original land entry, although he has one son, James Davis, now a resident of Grand Junction.

The first court house here was built in 1856, and stood on the west side of the public square. It cost \$2,000. A second court house was erected in 1870-71, which gave way to the present fine new structure in 1915-16.

Much interesting early history is to be associated with this locality. When Jefferson was organized much wild game could be found hereabouts, including deer and elk in great numbers. This wild life for the most part disappeared in the winter of 1857, when the cold started with a heavy rain, ending in a blizzard which raged three days. The rain matted down the grass so the elk and deer could not get to it, and the animals died by thousands. On one field six miles southeast of Jefferson, 60 dead elk were found the following spring, while all over the region the carcasses of elk and deer were plentiful.

Jefferson's first bank, a private one, was organized by Mickel & Head, the partners being Reuben Mickel, and Mahlon and

Albert Head, and it commenced business in the fall of 1866. This later became the Greene County Bank, still a private corporation, continuing as such until September, 1892, when it was changed to the Greene County State Bank. In July, 1906, this was incorporated as the First National Bank, with a savings department known as the Green County Savings Bank.

The second bank in Jefferson was the City Bank, organized in 1876, and it was a private institution owned originally by Charles Bofink, M. B. McDuffie, John J. Russell and F. M. McGee, all of whom are now dead. McGee was the first cashier.

The Jefferson Savings Bank was opened for business in May, 1893, with F. M. Franklin, E. H. Carter, J. A. Henderson, S. B. Anderson, J. W. Huntington, Joe Carroll, Thomas Fowler, Samuel Jay and C. G. Cockerill as incorporators. J. W. Huntington was cashier.

After January 4, 1926, Jefferson was without a bank for two months. During this time the citizens organized a clearing house, which was conducted in the lumber offices of Messrs. E. A. and F. D. Milligan, with connections formed with the Continental & Commercial Bank of Chicago. This organization was highly successful, furnishing a local clearing house for checks, and providing an opportunity for business men and others to deposit their money, secure exchange, etc. During this period the clearing house did a business as high as \$130,000 per day.

This institution ceased to do business upon the opening of our two new banks, the Jefferson State Bank on March 2nd, and the Iowa State Bank on March 4th, 1926.

Jefferson also has a number of small factories. The Tip Top Manufacturing

Company, a builder of hog houses, hog feeders and brooder houses, during the rush season which begins about September 1st lasting until April 1st, employs from 36 to 48 men, working in two shifts with a payroll of approximately \$1,000.00 per week.

Another manufacturing concern is the Thermogray Company, which manufactures electric water heaters, the most economical water heater on the market, and also electric time switches. The Iowa Stock Remedy Company is a thriving factory of stock remedies and regulators, operating throughout the entire corn belt and with salesmen in a number of nearby states. The Legore Knife Company, makers of about 18 different styles and sizes of high grade steel knives, is another of the companies.

Opens in Mason City

A continual stream of visitors, considerable activity at the deposit windows and the good wishes of two score of business institutions expressed in floral gifts featured the recent opening day of the Northwest Savings Bank in Mason City, Iowa.

From the time the institution opened its doors at 9 o'clock until late in the afternoon the banking room was constantly filled with men and women who came to see the start of a new banking institution in the city. As favors the men received cigars and the women their choice of roses or carnations.

The room was gay with the colors of flowers and plants that stood in baskets and pots about the desks, stands and windows, while at their desks or in the lobby greeting the visitors were E. H. Wagner, president; C. O. Wilkinson, executive vice

president; R. P. Lien, cashier; Irving C. Jensen, teller, and Miss Lenore Gulbranson, at the statement window.

Slightly Lower

The loop banks in Des Moines, at the recent call, showed total resources of \$69,629,240.94.

Total deposits aggregated \$60,676,303.80, and loans and discounts were \$35,690,000.

Bank executives said two conditions have operated to hold deposits at a lower level than they otherwise would have been. They pointed out that speculation on the New York Stock Exchange has taken some money which ordinarily would have been in local savings or checking accounts and that the Iowa mud roads have kept farmers from marketing farm produce. It was said that as a usual thing, farmers are de-

positing money at this season of the year, but the impossibility of getting grain and livestock to shipping points has necessitated borrowing on the part of many farmers to meet interest payments.

In New Quarters

Enlarged quarters for the trust and bond departments of the Des Moines National Bank have been completed. Forces of the two departments moved into the new quarters recently.

The new offices are a part of the Des Moines National Arcade building. Entrance to them is through the main bank building, to the east of the former quarters of the two departments.

Commodious offices for Clyde H. Doolittle, manager of the trust department, and Leland J. Andereck, manager of the

bond department, are provided in the new arrangement of offices.

"The changes were necessitated by the rapidly increasing business of both departments, as well as of the general banking department of the bank," Mr. Kurtz said.

Goodnow Dead

George Goodnow, 66, chairman of the board of directors of the Union National Bank of Ames, Iowa, and heavily interested with J. G. Tilden in the Tilden Manufacturing Company, died of diabetes recently at his home in Highland Park, Chicago suburb. Mr. Goodnow had for many years been a consulting engineer in Chicago.

With J. G. Tilden, A. H. Munn, C. G. Lee and others of Ames in December, 1926, Mr. Goodnow acquired from the heirs of the W. M. Greeley estate the controlling interest in the Union National and Union Trust and Savings Banks. The two organizations were consolidated as the Union National and Mr. Goodnow was elected chairman of the board.

County Secretary

J. Miller Redfield of Cherokee, Iowa, was elected secretary of the Cherokee County Bankers Association at its annual meeting held at Hotel Lewis at Cherokee recently. Lee Woods of Meriden, is president; Lorin Ferrin of Cherokee, vice president; and L. Christenson of Aurelia, treasurer.

Mr. Redfield is a son of Mr. and Mrs. F. G. Redfield of Des Moines, and is well known in Buena Vista county. He has been assistant cashier of the First National Bank at Cherokee for some time. This is the same bank with which Loren Parker is connected.

At your service—

**in Eastern Iowa
and
Western Illinois**

**PEOPLES
TRUST &
SAVINGS
BANK**

Peoples Trust & Savings Bank
CLINTON, IOWA.

Remember it this way—"PEOPLES' TRUST"



Valley Bank Building

Established 1872
Combined Capital and Surplus
\$1,100,000.00

THE *Des Moines* business of Iowa banks is *invited*. These banks are thoroughly equipped in every department.

Valley National Bank
AND
Valley Savings Bank
DES MOINES, IOWA

R. A. CRAWFORD, President
D. S. CHAMBERLAIN, Vice President
C. T. COLE, JR., Vice President
C. O. CRAIG, Vice President
W. E. BARRETT, Cashier
JOHN H. GINSBERG, Asst. Cashier
C. M. CORNWELL, Asst. Cashier

Bank Help

Thoroughly experienced office men and women furnished to the employer without charge.



**Commercial
Employment Bureau**
Merchants Bk. Bldg. St. Paul

*“Thoughtful Bankers
Consult
The Fisher Co.”*

You Should Attend

—the Group Meetings this year

It is a good thing to meet and mingle with others in the same line of business. You will exchange ideas, get new and fresh viewpoints, and learn many things that will help you to render better service to your customers.

And the Fisher Company, also, is daily seeking further knowledge whereby it can better serve you, and all the other bankers in this great middle-western territory.

If you are contemplating new building or remodeling plans this summer, let the Fisher Company help you and your architect select the proper fixtures.

Our suggestions are yours, without obligation.

The Fisher Co
BANK FIXTURE HEADQUARTERS
Charles City, Ia.

Northwestern Banker — May 1929

Meet in Ames

Ray Nyemaster of Davenport, president of the Iowa State Bankers' Association; President R. M. Hughes of Iowa State college; P. C. Taff, assistant director of the college extension service; Walter B. Skinner of Runnels and D. H. Otis, director of the American Bankers' Association agricultural committee, were the speakers

at the recent meeting of the county agents and officers of county bankers' associations held at Ames.

Otto Hermano of Boone, chairman of the agricultural committee of the State Banking Association, opened the meeting by explaining its purpose as one to determine what further steps the bankers of the state can take to aid the farmers.

In the past, he pointed out, the bankers have encouraged such projects as liming the soil and the growing of leguminous crops. It is the purpose of the association to continue such work for the mutual benefit of both parties, he said.

Speakers were Dr. O. R. Sweeney, head of the chemical engineering department of the college, and R. K. Bliss, director of the college extension service.

Heads A. I. B.

New president of the Sioux City chapter, American Institute of Banking, is M. C. Eidsmoe, employe of the Woodbury County Savings Bank, who was elected at the annual business meeting of the organization.

C. L. Adams, employe of the First National Bank, was elected vice president; L. Nowaki, employe of the Live Stock National Bank, secretary, and Roy A. Schessler, employe of the Toy National Bank, treasurer.

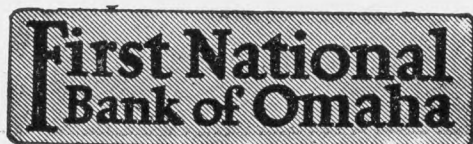
Mr. Eidsmoe also was chosen as the chapter delegate of the national convention of the institute to be held in Tulsa, Oklahoma.

I am not so lost in lexicography as to forget that words are the daughters of earth, and that things are the sons of heaven.—Samuel Johnson.

Complete Banking Service

This institution renders a complete banking service to correspondent banks, both in domestic and foreign transactions. You are invited to make this bank your Omaha headquarters when you are in the city.

F. H. DAVIS
President



C. T. KOUNTZE
Vice President
and Chairman

Your Representative at the Stockyards !

The Only Bank located at the Stockyards -

OUR SERVICE

Placing ourselves in the position of our correspondent client, we try to handle his account as we think he would want it taken care of, were he doing it himself. That method makes a difference. We will gladly demonstrate.

This is Group Meeting month. Plan to attend the meeting of your Group.

The Live Stock National Bank

of **SIoux CITY** **IOWA**

THE ONLY BANK LOCATED AT THE STOCKYARDS

OFFICERS

A. G. SAM
President

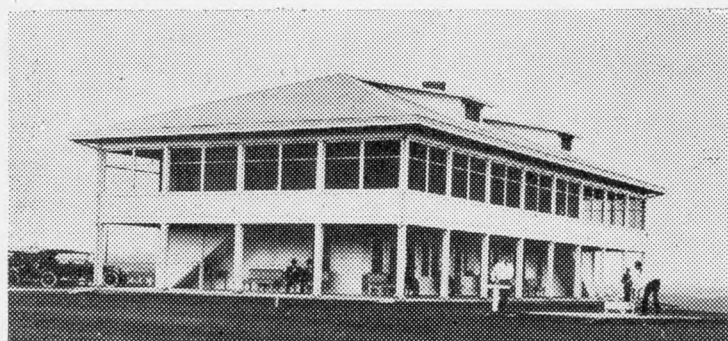
H. B. SCOTT
Vice President

C. L. FREDRICKSEN
Cashier

M. A. WILSON
Assistant Cashier

W. G. NELSON
Assistant Cashier

When GROUP ONE Meets in CHEROKEE—a Friendly City



The 19th Hole of the Cherokee Country Club.

CHEROKEE is to be host to the bankers of Group 1 on May 24th. This group was the guests of Cherokee four years ago and the conference was a very real success. Meetings were held at the Country Club and were generally attended. The size of the meeting is attested to by the fact that 421 covers were laid for the evening meeting. A number of committees representing the Cherokee County Bankers Association are now completing details of a program that assures a conference quite equal to that of four years ago and one that every banker in the group should participate in.

Just a word, as to Cherokee city and county. Cherokee city has a population of 5,000 (4,992) to be exact. This, of course, does not include the 1,350 patients at the Cherokee state hospital. It is the geographical as well as the trade center and county seat of the county. Other progressive and substantial towns of the county are Aurelia, Cleghorn, Larrabee, Marcus, Meriden, Quimby and Washta, and these groups are cooperating with the city of Cherokee in offering the hospitality of city and county.

Essentially an agricultural county, the industrial interests of Cherokee county are steadily gaining in importance and include farm implements, food products, and clothing specialties. Known as one of the leading feeder counties of the state, its dairy and poultry interests, while in second and third place in value of products, play an important part in the agricultural prosperity of Cherokee county. The city of Cherokee has an exceptionally good live stock market and this has much to do with the volume of finished live stock that is assembled in Cherokee and marketed.

Cherokee is essentially a friendly city. A city in which you will enjoy a stay of an hour or for an extended period. It has the customary utilities of light, power, gas, telephones, sewer and water. The latter is supplied from deep wells of rare excellence and purity. The leading church denominations have fine church buildings and strong memberships. The same can be said of the leading fraternal orders. From an educational standpoint, Cherokee is fortunately situated. The public school system includes high school, junior high school and three grade schools, with over a thousand pupils. Cherokee also has parochial high and grade schools. Mt. St. Marys Academy, a boarding and day school for girls, has a fine school building and equipment and in the twenty years that it has been conducted has established an enviable reputation for its scholastic attainments. Steps are now under way to develop this into a junior college for girls, offering a standard two years' college course. Cherokee ranks high in musical circles. A number of orchestras and bands are maintained, including the municipal band, maintained by the city of Cherokee.

Cherokee affords fine recreational facilities. Tomahawk field, an athletic field and playground of 14 acres, is owned by the public schools. Tourist park, an attractive public park owned by the city, has complete playground equipment, dining hall and refectory. It takes its name from the fact that a portion of the park is set aside as a tourist camp, which is supplied with all modern camp conveniences, including new cabins with concrete floors. The park is located on the bank of the Little Sioux river.

Cherokee's stores are deservedly popular and serve a growing list of patrons coming from a wide territory. Their excellence is known and each year shows a larger group of patrons of northwest Iowa depending upon them for their finer merchandise, that cannot be secured at home stores. Her many excellent cafes and hotels and her modern theaters also contribute much to the pleasure of a visit to Cherokee. A well equipped tourist bureau is maintained by the Chamber of Commerce and service is rendered without charge, and the general public is asked to avail themselves of its conveniences.



The Playground in the Tourist Park in Cherokee.

STATEMENT OF CONDITION
OF
**THE CITY NATIONAL BANK
OF CLINTON, IOWA**

MARCH 27, 1929

RESOURCES

Time and Demand Loans . . .	\$6,059,416.48
U. S. Bonds,	466,885.48
Stock in Federal Reserve Bank	19,500.00
Banking House and Real Estate	95,306.75
Bill-of-Lading Items-in-Transit	65,564.20
Cash and Due from Banks and U. S.	906,106.35
	<hr/>
	\$7,612,779.26

LIABILITIES

Capital	\$ 300,000.00
Surplus	350,000.00
Undivided Profits	192,488.19
Reserved for Interest and Taxes	90,000.00
Circulation	300,000.00
Deposits	6,380,291.07
	<hr/>
	\$7,612,779.26

DIRECTORS AND OFFICERS

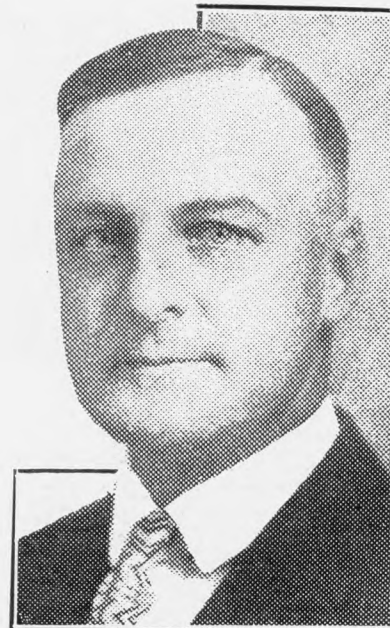
- ALFRED C. SMITH,
President
G. L. CURTIS,
Vice President,
President, Curtis
Companies, Inc.
G. W. DULANY, JR.,
President, Eclipse
Lumber Co.
Chairman, Climax
Engineering Co.
H. W. SEAMAN,
President Clinton Wire
Cloth Co.
M. J. GABRIEL,
President Gabriel
Lumber & Fuel Co.
J. PETERSON,
Peterson-Bowman Imple-
ment Co.
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Dealer
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President
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E. J. CURTIS,
Vice President Curtis
Bros. & Co.
C. A. ARMSTRONG,
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General Manager
Clinton Corn Syrup
Refining Co.
A. P. BRYANT,
Manager of Operations
Clinton Corn Syrup
Refining Co.
F. H. VAN ALLEN,
V. P. and Sec'y.
J. D. Van Allen & Son,
Inc.
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V. P. and Treas.
Towles & Hypes Co.
O. P. PETTY, Cashier

- J. H. NISSEN,
Assistant Cashier
H. G. KRAMER,
Assistant Cashier

Urge Jacobsen Candidacy

The many friends of C. C. Jacobsen, popular vice president of the Security National Bank of Sioux City, Iowa, and also president of the First National Bank of Mapleton, Iowa, are urging him to become a candidate for the presidency of the Iowa Bankers Association.

Due to his long and close connection with the state association, Mr. Jacobsen is



C. C. JACOBSEN

well known to all Iowa bankers. He was at one time president of the Monona County Bankers Association and served as chairman of Group 1. In 1925 he was vice president of the State Association and this year is chairman of the association's legislative committee, which has recently aided so materially in the enactment of what many bankers consider the most important banking legislation in the history of the state.

Destroys Building

A recent fire practically ruined the one-story frame building of the Farmers and Merchants State Bank of Manchester, Iowa.

The fire, thought to have originated from the pressing machine, was discovered by a passerby and the alarm given. Both trucks responded and adjoining buildings were saved.

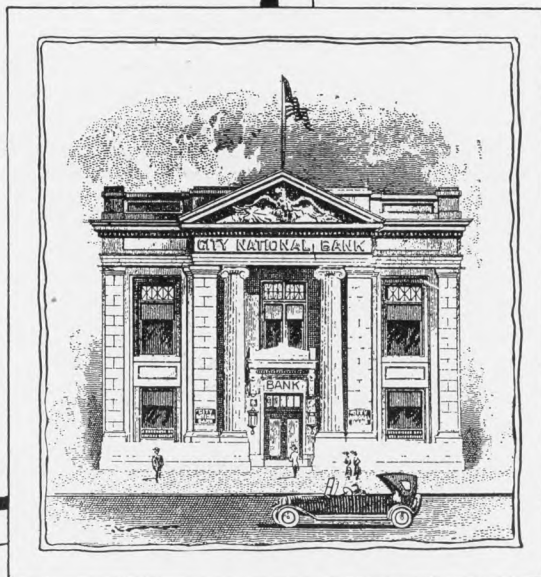
Cool Facts

Teacher: "If coal were ten dollars a ton, and you ordered forty dollars' worth, how much coal would be delivered?"

Johnny (thoughtfully): "Three tons."

Teacher: "Why, Johnny, that's not right!"

Johnny: "I know it ain't, teacher, but most of them do it just the same."



The
City National Bank
CLINTON IOWA

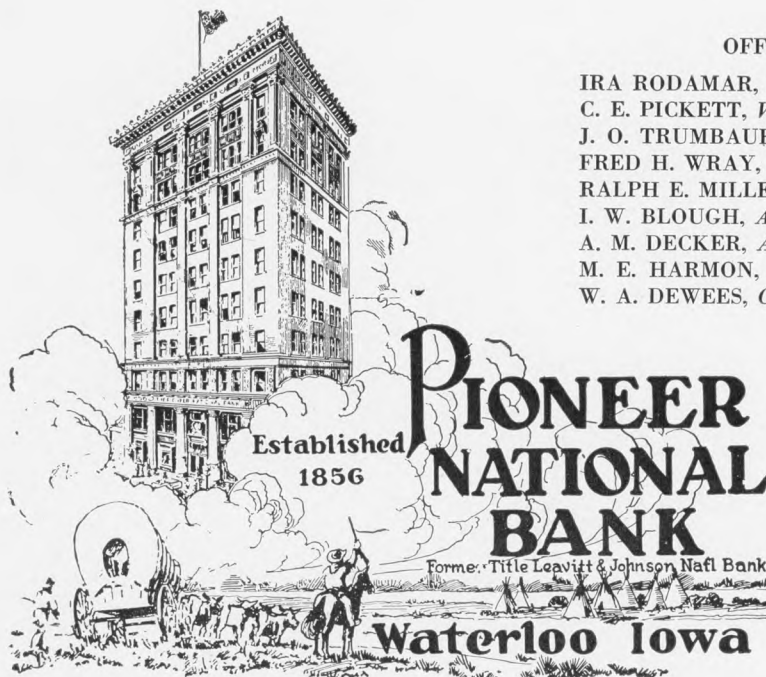
Northwestern Banker May 1929

Attend Your Group Meeting...

Registration records show a falling off in Group Meeting attendance since the year 1925. If there ever was a time when bankers needed to get together and talk over their problems, it is right now. Attend, rub shoulders with your neighbors and meet your correspondent bankers. You can't help but receive some benefit from the contact and discussions. We will look for you.

OFFICERS

IRA RODAMAR, *President*
 C. E. PICKETT, *Vice President*
 J. O. TRUMBAUER, *Vice President*
 FRED H. WRAY, *V. Pres. and Cashier*
 RALPH E. MILLER, *Ass't Cashier*
 I. W. BLOUGH, *Ass't Cashier*
 A. M. DECKER, *Ass't Cashier*
 M. E. HARMON, *Ass't Cashier*
 W. A. DEWEES, *Credit Manager*





SALMON P. CHASE, *Secretary of the Treasury under LINCOLN*

The Chase National Bank

of the City of New York

PINE STREET CORNER OF NASSAU

Capital	\$61,000,000.00
Surplus and Profits	79,937,918.04
Deposits (March 27, 1929)	1,048,009,157.21

OFFICERS

ALBERT H. WIGGIN
Chairman of the Board

JOHN McHUGH
Chairman of the Executive Committee

ROBERT L. CLARKSON
President

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WILLIAM P. HOLLY

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ARTHUR M. AIKEN	ROBERT J. KIESLING	GEORGE G. MILNE, JR.
		FRANK M. TOTTON

Comptroller
THOMAS RITCHIE

Foreign and Trust Department Facilities

Northwestern Banker May 1929

Executive in Charge

E. A. Ebersole recently resigned his position as assistant cashier of The State Central Savings Bank of Keokuk, Iowa, to go to Farmington as cashier and executive in charge of the new Farmington State Bank. Mr. Ebersole, by his eight years of capable service with The State Central, is well deserving of the opportunity afforded by the opening of the new Farmington Bank. W. A. Logan, vice president and director in The State Central Savings Bank, is president of the new institution, and J. I. Annable, secretary and director of the Iowa State Insurance Company, is its vice president.

Heads Group Ten

The chairman of Group 10 for the past year has been Russell S. Howard, vice president of the Mahaska County State Bank of Oskaloosa. B. D. Helseher, vice president of the Keokuk County State Bank of Sigourney, has acted as secretary. Group 10 is one of the most active of the Iowa groups, and President Howard's administration has met with the hearty approval of all members. Members and visiting bankers are looking forward to the Ottumwa meeting on May 9th. An interesting program of business and pleasure has been arranged by a committee of Ottumwa bankers with Max von Schrader, cashier of the Ottumwa Savings Bank, as chairman.

The Litmus Test

"Now, Mary, when you bathe the baby, be sure and use the thermometer to test the water."

Returning an hour later, the mistress asked:

"Did you use the thermometer?"

"No mam. I can tell without that. If it's too hot the baby turns red and if it's too cold, he'll turn blue."

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912.

Of The Northwestern Banker, published monthly at Des Moines, Iowa, for April 1st, 1929. State of Iowa, County of Polk, ss.

Before me, a Notary Public in and for the State and county aforesaid, personally appeared H. H. Haynes, who, having been duly sworn according to law, deposes and says that he is the Associate Editor of the Northwestern Banker and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper the, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations.

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Clifford DePuy, 555 Seventh St., Des Moines, Iowa; Editor, R. W. Moorhead, 555 Seventh St., Des Moines, Iowa; Associate Editor, H. H. Haynes, 555 Seventh St., Des Moines, Iowa; Business Manager, Gerald A. Snider, Des Moines, Iowa.

2. That the owner is DePuy Publishing Co., 555 Seventh St., Des Moines, Iowa; Clifford DePuy, 555 Seventh St., Des Moines, Iowa.

3. Stockholders, none.

H. H. Haynes, Associate Editor.
Sworn to and subscribed before me this 3rd day of April, 1929.

Earl S. Linn.
(My commission expires July 4, 1930.)

IN THE DIRECTORS ROOM



Why the Cow Died

A barrister spoke on behalf of his client whose cow had been killed by a train: "If the train had been run as it should have been ran, or if the bell had been rung as it should have been rang, or if the whistle had been blown as it should have been blown, both of which they did neither, the cow would not have been injured when she was killed."

Horrors!

A guide showing an old lady over the zoo took her to a cage occupied by a kangaroo.

"Here, madam," he said, "we have a native of Australia."

The visitor stared at it in horror.

"Good gracious," she said, "an' to think my sister married one o' them!"

A Smile

No one has ever added up
The value of a smile;
We know how much is a dollar's worth
And how much is a mile;
We know the distance to the sun,
The size and weight of earth;
But no one here can tell us just
How much a smile is worth.

Being Himself

"So your name is George Washington," said the old lady.

"Yessum," replied the colored boy.

"I'll bet you try hard to be like him, don't you?"

"Like who?"

"Like George Washington, of course."

"Ah kaint help bein' lak George Washington, 'cause dat's who I is."

The Correct Solution

Two women in a train argued concerning the window and at last one of them called the conductor.

"If this window is open," she declared, "I shall catch cold and will probably die."

"If the window is shut," the other announced, "I shall suffocate."

The two glared at each other.

The conductor was at a loss, but he welcomed the words of a man who sat near. These were: "First open the window. That will kill one. Next, shut it. That will kill the other. Then we can have peace."

Maybe Louisville

Waitress: "Hawaii, gentlemen. You must be Hungary."

First man: "Yes, Siam. And we can't Rumania long, either. Venice lunch ready?"

Waitress: "I'll Russia to a table. Will you Havana?"

F. M.: "Nome. You can wait on us."

Waitress: "Good. Japan the menu yet? The Turkey is Nice."

F. M.: "Anything at all. But can't Jamaica little speed?"

Waitress: "I don't think we can Fiji that fast, but Alaska."

F. M.: "Never Mind asking any one. Just put a Cuba sugar in our Java."

Waitress: "Sweden it yourself. I'm only here to Servia."

F. M.: "Denmark our bill and call the Bosphorus. He'll probably Kenya. I don't Bolivia know who I am."

Waitress: "No, and I don't Carribbean. Youse guys sure Armenia."

Boss: "Somoa you wisecracks, is it? Don't Genoa customer is always right? What's got India? You think maybe this arguing Alps business?"

Customer: "Canada racket! 'Spain in the neck."

Dead Giveaway

A fashionable city tailor had taken his daughter into partnership with high hopes of the future upon her graduation from college, but the situation was distinctly not so good.

"I'm ruined!" he mourned. "What an idiot I was to let her get in the business with me!"

"What's happened, old man?" asked a sympathetic friend.

"Why, the first thing she did was to change the name to Ye Olde Clothes Shoppe."

What's the Use?

Miss Modernette was having a terrible time selecting a hat and was still unsatisfied after the exasperated clerk had brought out the entire stock.

"I want a hat that's mannish!" she snapped.

"Yes, miss, how about this one?" the attendant replied, bringing out the last of the assortment.

"Not mannish enough."

"But, miss," the other sighed wearily, "it's a man's hat."

A Golf Story

Club secretary: "I say, you know you simply mustn't drive from in front of the box. You can drive from as far behind it as you like, but you mustn't drive from in front of it."

New member: "Drive, hell! This is my fourth stroke."

Business Methods

A couple of rival but friendly shopkeepers were talking things over.

"When does your opening sale close?" asked the first.

"When our closing-out sale opens," the second replied.

Going Fishin'

Two elderly men, both extremely deaf, met on a country road. "Dave" had a fishing pole in his wagon. When he saw his friend "Jim" he stopped the horse.

"Goin' fishin'?" shouted "Jim."

"No," "Dave" replied. "I'm goin' fishin'."

"Oh," said "Jim," "I thought mebbe you was going fishin'."

Personal Liberty

The mayor: "You are charged with running your car sixty miles an hour, smashing a telegraph pole, going through a plate glass window, and injuring six people. What do you say?"

Lovely young lass: "Don't the fifteen dollars I pay for my license entitle me to any privileges?"

Bye-Bye

He was a slick-haired sheik and he was superbly conscious of all his manifold physical attractions as he drew his car up beside a solitary girl hiker on a lonely road.

"How about a ride, girlie?" he smirked.

"Are you going east?" she asked.

"Yes," he replied, preening himself.

"Look out for the ocean."

On a Salary Basis

To a Jewish ex-service man an acquaintance remarked: "So you were in the army, Ikey?"

"Oh, I vas in the army," was the proud response.

"Did you get a commission?"

"No; only my vages!"

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THE NORTHWESTERN BANKER AND THE TERRITORY IT COVERS

PUBLISHED BY DEPUY PUBLISHING COMPANY
555 Seventh Street, Des Moines

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GERALD A. SNIDER Associate Publisher	H. H. HAYNES Associate Editor
M. I. STEVENS Vice President	WM. H. MAAS Vice President

Chicago Office: Wm. H. Maas, 1221 First National Bank Bldg., Phone Central 3591
Milwaukee Office: M. I. Stevens, 68 E. Wisconsin Ave., Phone Broadway 4916
Minneapolis Office: Frank S. Lewis, 840 Lumber Exchange, Phone Main 3865

Official Publication of
THE SOUTH DAKOTA BANKERS ASSOCIATION
THE IOWA FARM MORTGAGE ASSOCIATION
THE IOWA INVESTMENT BANKERS ASSOCIATION





Des Moines National Bank

The Group Meetings

As usual, there will be some of the officers of the Des Moines National in attendance at every meeting, and we always welcome the opportunity of greeting our many good friends among the bankers of Iowa.

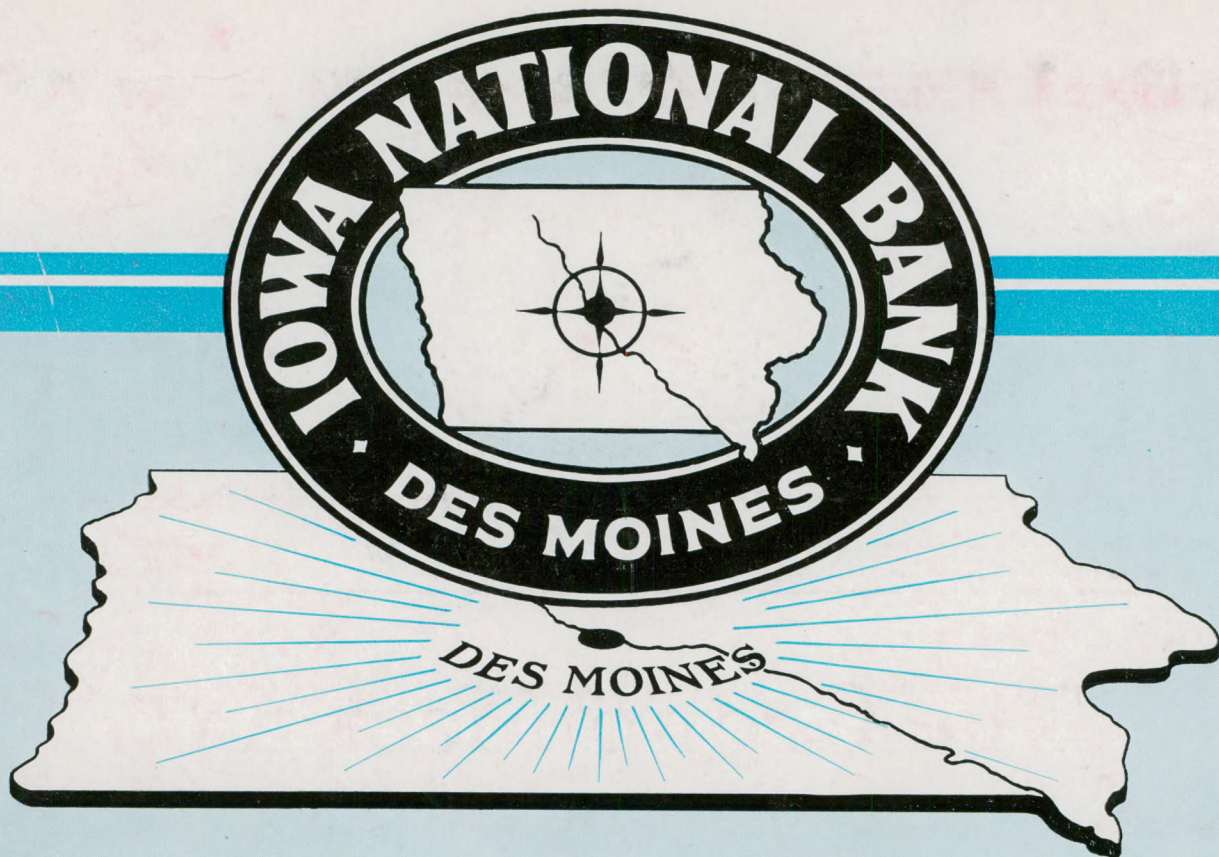
OFFICERS

LOUIS C. KURTZ, President	GEORGE D. THOMPSON, Cashier
ANDREW J. HUGLIN, Vice Pres.	OWEN P. McDERMOTT, Asst. Cash.
HERBERT L. HORTON, Vice Pres.	LELAND J. ANDERECK, Mgr. Bond Dept.
CLARENCE A. DIEHL, Vice Pres.	ARTHUR H. KEYES, Asst. Mgr. Bond Dept.
RICHARD H. COLLINS, Asst. V. P.	CLYDE H. DOOLITTLE, Tr. Officer
EDWIN F. BUCKLEY, Asst. V. P.	VICTOR H. PULIS, Asst. Tr. Officer

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JOHN COWLES	JOS. MUELHAUPT
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FRED W. WEITZ	

Capital \$ 1,000,000.00



First Correspondent for Iowa Banks

By every test — central location, quick service, conservatism, responsibility, size, age, organization, facilities and contacts — the Iowa National Bank should stand first in the list of correspondents for Iowa banks. When you select the Iowa National for your Des Moines correspondent account, you confirm the choice already made by strong and conservative banks throughout the State.



IOWA NATIONAL BANK
DES MOINES SAVINGS BANK AND TRUST COMPANY
DES MOINES

Established 1875

Resources More than \$25,000,000