

Northwestern BANKER

DES MOINES

The Next President
of the
Investment Bankers Association

(See Page 28)



TROWBRIDGE CALLAWAY
Presidential Nominee Investment Bankers
Association

OCTOBER, 1929

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of great
Significance

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La Salle and Washington Streets

Northwestern Banker

Des Moines

The Oldest Financial Journal West of the Mississippi

Number 507

OCTOBER, 1929

34th Year

Just Between Us

The A. B. A. Convention

San Francisco is far from the middle west, and consequently most of our readers will not have been able to attend the annual convention of the American Bankers Association held around October 1, in the Golden State. However, several advance reports and addresses already released appear in this issue and will give our readers an idea of the problems discussed at the convention.

Next month in our November issue, readers will find some of the outstanding convention addresses and reports featuring the coverage that this publication always strives to give such important conventions.

Thank You, Mr. Fletcher

W. G. Fletcher, president of the Farmers Savings Bank of Williamsburg, Iowa, was anxious to secure some data and charts on the cost of operation of typical Iowa country banks, so he wrote to the NORTHWESTERN BANKER for assistance. Through the kind aid of the office of the secretary of the Iowa Bankers Association, we were able to locate and send to him exactly the kind of a report he desired, prepared by the bank analysis committee of the Iowa association.

Mr. Fletcher says: "Many thanks for the sheet of costs of Iowa banks. It is exactly what I wanted. The NORTHWESTERN BANKER is so full of good practical material that we all read it with much interest each month."

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1863



1929

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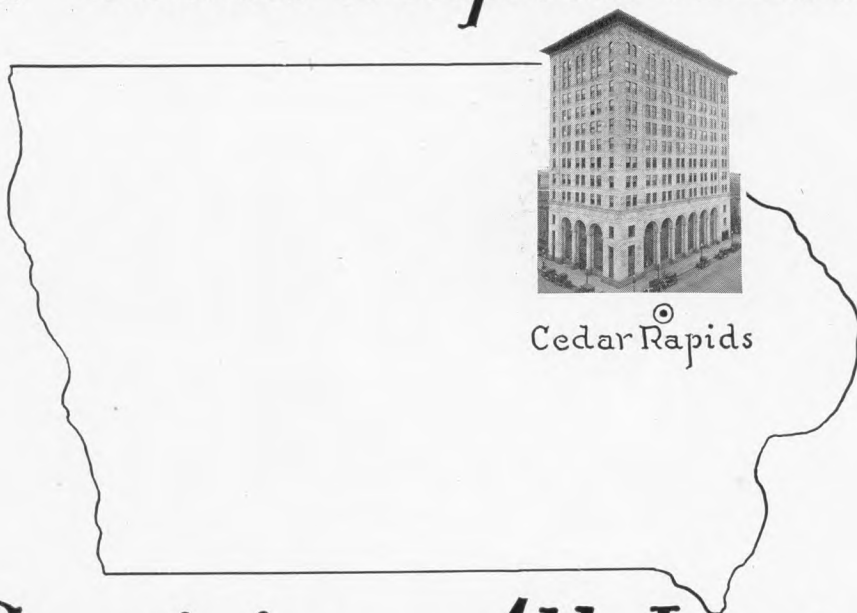
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A Cedar Rapids Bank



Servicing All Iowa

NO TWO BANKS

—have exactly the same requirements when it comes to correspondent service. Basically, perhaps, much the same methods would apply to all, but there still remains that intangible, the personal element.

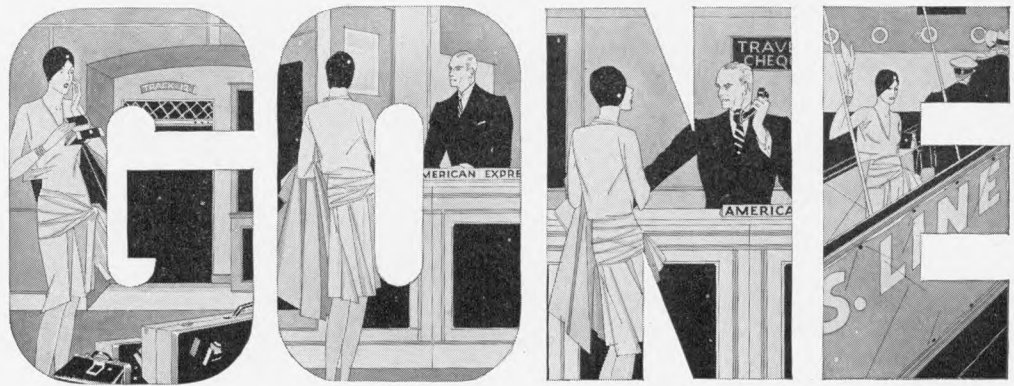
Careful attention to the individual requirements of each client, a distinct personal touch, is what makes Merchants National service so satisfactory. Customers' needs guide our service, always.

MERCHANTS NATIONAL BANK

Cedar Rapids

Iowa

My money is



- my trip is ruined

Thus exclaimed a young lady who recently arrived in New York from Pittsburgh. She was bound for Europe, her steamer was soon to sail but she had unfortunately left her Travelers Cheques at home.

A stranger in a strange city it seemed that her trip *would* be ruined—until she went to the American Express—and then things began to happen. She was advised to telephone her home in Pittsburgh and arrange for some one to take her cheques to the local American Express office. The Resident Manager there, realizing the urgency of the matter, telephoned to the American Express headquarters at 65 Broadway, New York, that he had received the cheques. The young lady established the necessary identification and new cheques were issued to her immediately. She caught her steamer, thankful to the organization back of American Express Travelers Cheques and grateful to the bank which recommended the sky-blue travel currency.

Bankers know the story of Ameri-

can Express refund service but this particular transaction, though unusual, happily illustrates one of the unique service advantages of American Express Travelers Cheques.

There are more than 26,000 Express offices throughout the United States and Canada forming a network of near-at-hand service stations always ready to assist your clients who carry American Express Travelers Cheques.

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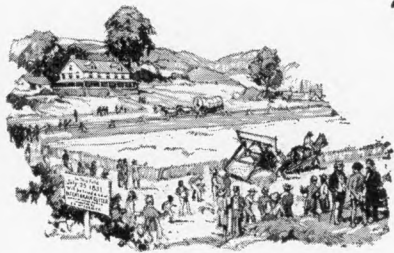
Houston



Capital · 20 million dollars

Great Emancipators

—the Reaper in 1831
and now the



FARMALL

A HUNDRED YEARS AGO, while men and women toiled for their daily bread in the fields of the world, Cyrus Hall McCormick built a strange machine which did the work of several men. That machine was the McCormick Reaper. On the heels of the Reaper, both Agriculture and Industry leaped forward with great strides.

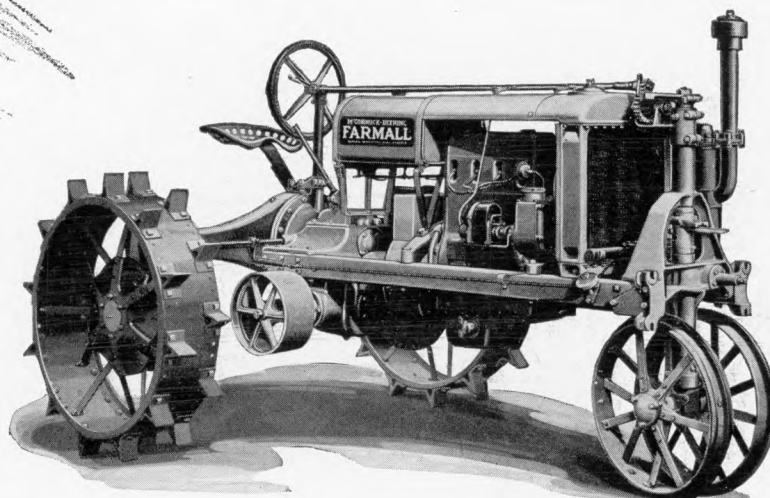
TODAY another invention is creating another far-reaching revolution in farming. This machine is the McCormick-Deering Farmall, the first true all-purpose tractor. In time to come, the invention of the Farmall will stand with the invention of the Reaper in the schoolboy's history book.

The Reaper began man's emancipation from hand labor in the harvest. The Farmall now frees him from dependence on slow animal power.

The harness, the curry comb, and the pitiless whip are being put in the corner where the cradles and sickles of old have gathered the dust of generations. Even on the row-crop farm, where the horse makes his last stand, there is no longer any sound reason for keeping him. A thousand farmers have already joined the Horseless Farmers of America. In farming, just as in industry throughout the world, the capacity of the machine and the power of the motor are taking up the burden of the human race.

The FARMALL, with 2 or 4-row planter, plants from 25 to 60 acres of corn in an 8-hour day. Cultivates 2 or 4 rows; with 4-row outfit it cleans 35 to 50 acres a day, and in later cultivatings 50 to 60 acres a day. Handles all haying jobs, cutting a 14-ft. swath with 7-ft. Farmall-powered mower and 7-ft. trailer mower attached, also rakes, loaders, etc. Plows two furrows, pulls all seed-bed implements, and operates grain and corn harvesting machines. Available for all drawbar, belt, and power take-off work.

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In addition to its representatives in London, Paris, Berlin and Sydney, Central Hanover has established another resident representative office at 501 Roque Saenz Pena, Buenos Aires, Argentina.

This is a logical recognition of the increasing importance of South America in our foreign business relations. Central Hanover resident representatives cooperate with local banks ensuring its customers the maximum in service in the financing and expediting of shipments and reliable trade information.

The services of the foreign department as well as the complete banking and trust facilities of Central Hanover are at the disposal of its correspondents and friends in the banking world everywhere.

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CHICAGO



Condensed Financial Statement

FEDERAL SURETY COMPANY

DAVENPORT, IOWA

As of March 31, 1929

As submitted to and approved by the United States Treasury Department.

ASSETS	LIABILITIES
Cash -----	Capital Stock -----
\$1,232,154.42	\$1,290,000.00
Call Loans -----	Reserves:
100,000.00	For losses -----
Stocks and Bonds -----	404,098.30
1,295,253.90	For Unearned Premiums -----
Real Estate Mortgage Loans -----	729,572.52
701,118.25	For Commissions, Taxes, etc.
Interest & Dividends Due and	91,585.12
Accrued -----	Other Liabilities -----
83,610.14	146,568.30
Due from other Companies -----	Surplus, net -----
119,472.15	1,712,459.67
Due from Agents -----	
596,850.98	
Miscellaneous Assets -----	
245,824.07	
<hr/>	<hr/>
Total Net Admitted Assets -----	Total Liabilities -----
\$4,374,283.91	\$4,374,283.91

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President

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Vice President

CHARLES PAUSNER
Vice President

FRANK B. YETTER
Vice President

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Correspondence solicited from agents of unoccupied territory

“A National Institution of SERVICE”

HERE'S HOW—

to

- Build small unprofitable savings into profitable accounts
- Revive dormant savings accounts
- Establish a Real Estate Loan Department
- Advertise for large construction loans
- Advertise for small housing loans
- Solicit correspondent bank accounts
- Sell commercial banking to business men
- Sell the checking account as a financial service
- Inaugurate and announce the service charge on checking accounts
- Meet trust objections in selling
- Fit trust advertising into a general campaign
- Analyze the trust department
- Prepare institutional copy for investment houses
- Develop sales promotion for investment houses
- Coordinate sales, buying, advertising and sales promotion for investment houses

————— TO FIND OUT—ATTEND THE —————

Fourteenth Annual Convention

FINANCIAL ADVERTISERS ASSOCIATION

HOTEL BILTMORE

OCTOBER 30

TO

NOVEMBER 2

ATLANTA - GEORGIA



THEY ARE BOTH OUR CLIENTS

and we serve their very different
needs with equal enthusiasm

AMERICAN
COMMERCIAL AND SAVINGS
BANK
DAVENPORT, IOWA

Northwestern Banker *October 1929*



Appraising the Northwest

If there is any one impression that can be gained from the amazing growth of the group banking idea in the northwest, it is the conclusion that the executive heads of these groups have fully sensed the richness and possible development of the great northwest.

In reality, it is an empire of its own, richer than the wildest dreams of ancient kings. Take the combined states of Minnesota, Wisconsin, Iowa, North and South Dakota, Montana, peninsular Michigan and Nebraska and you have an empire equalling in area, Germany, France and Spain combined, yet populated by only 11,000,000 people, as compared with 124,000,000 inhabitants of the three European countries.

What are the economic facts regarding this great area? It is the leading dairying section of America. It produces one third of all the wheat and corn of the country. It raises almost all of our flax. Its iron, copper, silver, gold and coal mines seem inexhaustible. It is a producer of butter, cheese, poultry, barley, oats, rye, pork, beef, wool and lumber. It is virtually a self-sustaining area, whose people could live indefinitely if shut off forever from the rest of the world. And, through its tremendous iron, coal and waterpower resources, this area could—and will—add to its industries without limit.

These facts are evidently in the minds of the group banking leaders who have torn down the Chinese walls that seem to have previously subdivided this great area into small sections and are thinking in terms of a northwestern Empire.

Touching on this subject at the A. B. A. convention in San Francisco, Trevor O. Hammond, Montana banker, made this comment:

“Secondary industrial development in the

Northwest is well under way, but, if it is to hold and expand its markets, it must have the financial resources which its competitors likewise have, and which the individual institution is unable to supply.

“No part of the country has richer or more varied resources than the states in this district. Their citizens are not content that the only benefit they derive from these resources be their extraction; they want a chance at the increment incident to their processing into finished articles of commerce.

“They want to turn their wheat into bags of flour; their flax and zinc and lead into paint; their iron ore into road graders, safes, filing cabinets, barb wire; their copper into wire and rod and brass and bronze; their manganese into steel alloys; their hogs into hams and bacons; their peas and beans and corn into canned articles of the grocery store—their thousand and one other raw products into such shape that they will be ready for the consumer.”

Serving the Small Borrower

A year ago the banking world was startled by announcement from the National City Bank of New York that it was about to inaugurate a small loan service whereby borrowers might borrow up to a thousand dollars without collateral, and without service charge, at six per cent interest, but with the notes signed by other responsible parties.

A year has elapsed and now comes the statement from the bank that while the first year's operation was conducted without profit, as expected, the increasing volume of business gives promise that the service will soon pay its own way.

Figures on the first year's business are ex-

tremely interesting. More than fifty thousand New York families were aided by this plan and loans totaling sixteen and one-half million dollars were made. Losses are described as "negligible." This is attributed by the bank to the fact that interest of three per cent compounded monthly, was paid on the deposits as they were made.

The average borrower is described as thirty-four years of age, in the same position for five years, earning \$2,755 per year, married and the parent of one child. The average loan made was \$320.

Medical and dental service was the major purpose for which loans were made, with the payment of other debts and loans, purchase of home equipment and business emergencies following in that order.

All in all, the experience of this bank offers an interesting study, and on the surface, appears to be optimistic, although it may require another year or two of operation to tell the tale.

Bankers' Licenses Unnecessary

As might well be expected, the committee on the licensing of banks and bankers, in its report at the American Bankers Association in San Francisco, had little if anything to report.

Headed by Secretary W. W. Bowman of the Kansas Bankers Association, the committee reported that there are no states in the Union having or considering the licensing of bankers, except in a limited way in Nebraska, where bank executives, charged with the responsibility of making loans, are required to secure a license from the state.

Furthermore, the committee declares the licensing of bankers is impracticable and useless. To quote from their report:

"The appointment of a public examining board with the requirement that all who enter banking shall appear before them and pay a license fee," says the committee, "is but an added piece of useless machinery, adding nothing to efficiency. Good bankers become better bankers, not by being branded by some public board, but when diligently and patiently they have received training in banking and when the grace of God rules in their hearts."

Raising the standards of qualification of all those who now or may in the future hold official positions in banks is eminently desirable, says the committee, but this cannot be accomplished by legal fiat nor by rituals prescribed by an administrative board. The law can do little or nothing to qualify men to be good bankers, it says.

This is sound logic, indeed. An honest banker

is not made more so by an engraved diploma, nor is conservative banking engendered by the payment of a license fee.

It Costs Money to Die

The remarkable growth of trust company business is direct testimony that bankers are increasingly aware of the hazards of estate settlements. Well might they be, in view of the fact that, according to a recent survey conducted by the Central Hanover Bank and Trust company, estates of the United States during the years 1927 and 1928 showed an average shrinkage of 18.09 per cent in the process of settlement. It costs money to die.

That the trust companies have their work cut out for them is clearly shown in this report, taken from government figures. Of the 18.09 per cent, debts and mortgages accounted for half the shrinkage, while the balance was due to funeral and administration expenses, and federal and state estate and inheritance taxes.

On estates of from \$100,000 to \$28,000,000, corporate stocks made up 38.02 per cent of the entire estate, with bond holdings totalling 15.59 per cent. This is the composition of the average estate:

Real estate, 18.72 per cent; government and municipal bonds, 8.17 per cent; other bonds, 7.42 per cent; corporate stocks, 38.02 per cent; cash, notes and mortgages, 11.44 per cent; life insurance, 2.72 per cent; miscellaneous property, 13.79 per cent.

Trust companies and the trust departments of our banks, have a real problem in cutting down this 18.09 per cent shrinkage, for its solution lies in the proper preadministration of estates.

The Right Kind of Farm Relief

The Hawkeye proverb, originated in Des Moines by a business firm, that "Of all that is good, Iowa affords the best," seems a verity again this year, with the announcement that Iowa will soon begin harvesting 422,379,000 bushels of golden corn. That is the kind of farm relief that the state needs most.

Along with Iowa, Nebraska will this year produce about 192,000,000 bushels, Minnesota, 146,000,000, and South Dakota, 94,122,000. Iowa's corn crop is rated as ten per cent over the state having the next largest crop, which indicates that Iowa will be unusually favored this year, since the price is comparatively high.

Truly the middle west has much to be thankful for this fall, as the farmer begins to figure his year's income.



"HERE'S LUCK"

This outdoor picture was painted by Frank Stick. Mr. Stick is a companion and friend of Zane Grey, writer of outdoor subjects

Northwestern Banker October 1929

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The Thos. D. Murphy Company
Red Oak, Iowa

Whether unit, chain, group or branch banking will dominate our financial system in the United States will be determined during the next few years. Whichever system renders the best service will survive. In any event, each bank, whether a unit, or group member, has something to sell and it should be sold at a profit.

You Have Something to Sell—

DURING the past 17 years, the average gross income of all national banks from earning assets has remained practically unchanged. Operating expenses, including interest paid have increased almost 50 per cent. The result being a 48 per cent decline in net profits. The 100 per cent increase of the ratio between capital investment and deposits has enabled some banks to continue to maintain a fair return. However, this cannot go on indefinitely. If banks are to increase their net profits, they must increase their gross income without increasing their operating expenses. There are three main avenues opened: 1. To increase the net return on earning assets. 2. To increase the selling price of the services. 3. Better operating or production methods. Efficient management.

Bank management can be divided into five divisions:

1. Financial operation. This is properly termed the "heart of the bank." Inefficient loan administrations have been the cause of more bank failures than any other single factor. It deals with the conversion of the depositors' funds and invested capital into earning assets, including the setting up of proper secondary reserves and investment accounts. Papers to follow will take up the discussion of this division more in detail.

2. The second division is operating or production of service. The handling and recording of transactions. Serving customers in accordance with the best policies. Setting up the proper organization to do it. Making the proper studies. Enabling the best possible service being rendered to customers at the lowest cost, and yet have satisfied enthusiastic employees.

3. Analysis of costs. This is a very important function of bank management. To know how much it costs you to do business. If you do not know your cost, how are you going to sell your service at a price to yield proper profits? Whoever heard of a manufacturer simply putting an arbitrary price on his product without knowing the cost. Yet that is what is being done in banking business every day. Cost analysis covers departments—production, and all accounts, in-

SO

SELL IT!

By **WALTER E. DEVLIN**

President, Devlin and Bennett, Inc., Chicago.

(From an address before Indiana Bankers Association)



WALTER E. DEVLIN

cluding savings. An excellent paper on bank costs analysis will be read later.

4. The next or fourth division is profiting on the information gained from the analysis of costs. A cost analysis without application is worth very little. A banker a short time ago said his bank had employed a firm of specialists in cost analysis work to make a thorough diagnosis of his bank. A complete report was made. The officers and directors studied it very carefully. It was discussed for a short time. The report was put into the files. I has been there ever since. That was

about two years ago. No action was taken in any way. Analysis of costs are of little value unless definite action is taken based on the information uncovered.

The fifth division and a very important one is the development of profitable business. Note I say profitable business.

The last two divisions, taking action in the correction of conditions uncovered through analysis and research, and the development of profitable business are practically the same. Both are direct profit builders.

One unprofitable practice corrected will not be sufficient to increase the income of a bank to offset all increased operating expenses. It will be the correction of many wrong conditions uncovered through careful study and cost analysis of each department.

Checking account department:

1. Service charge on low balance checking accounts.
2. Service charge on unprofitable check accounts.
3. Penalty for NSF checks.
4. Float charges.
5. Charge for imprinting check books.
6. Increase balances in present checking accounts.

Savings account department:

7. Correct method for computing interest.
8. Pay no interest on Christmas clubs, tax clubs, etc.
9. Pay no interest on small balances.
10. Reduce savings interest rates to 3 per cent.
11. Build balances in present accounts.
- Miscellaneous:
12. Fair charge for cashier's checks, drafts, etc.
13. Safekeeping of securities.
14. Purchase of securities.
15. Telegraphic transfer of funds.
16. Service charge on small loans.
17. Amortization of small loans.
18. Penalty on overdue notes.
19. Eliminate overdrafts.

You have noticed the charge—"Nineteen Ways That a Bank Can Increase Their Income." Putting any one of these practices into effect will not increase profits in a big way. But the combination of them all will work wonders. No well-

Northwestern Banker October 1929

informed banker needs reminding that bank profits are not what they should be. He knows it and has known it for several years. The indispensable nature of bank service entitles banks to an investment return at least on a par with industrial earnings, yet General Motors Corporation last year with one-fourth of the invested capital earned more money than all national banks combined.

An analysis of costs without action is of little or no value. After the analysis of costs are made the next step is to bring about the proper action. This can be done through salesmanship and cooperation.

Salesmanship is persuading the customer to accept your viewpoint in the sale and purchase of goods or services. The study of the principles underlying salesmanship is a study of the principles underlying the influencing of human behavior.

In the old days it used to be a generally accepted theory that salesmen were born, not made. Today sales organizations have definitely discarded the old idea. They no longer equip their salesmen with information about the company they are to represent and the products or service they are to

sell, but also give them information on the principles of salesmanship and the application of these principles in selling their particular product or service.

The object of the training is to show the salesmen effective methods used in presenting a service or commodity which he feels will be of value to a client. There should be no more reason for opposition to a plan of teaching your employees to become salesmen than the plan of teaching prospective lawyers how to present cases in court.

A salesman is one who creates values in the customer's mind. Know your services and be convinced of their value. Learn how to present your services so as to compete successfully for your portion of your customer's dollars—competition is keen.

When one of your customers gets hold of a dollar, thousands of manufacturers spending millions of dollars in advertising and selling are literally screaming to secure a portion of that dollar. Real estate dealers, mortgage houses, building and loan associations, bond houses, are advertising and using intensive sales methods employing excellent salesmen all with the purpose of selling their investments. Manufac-

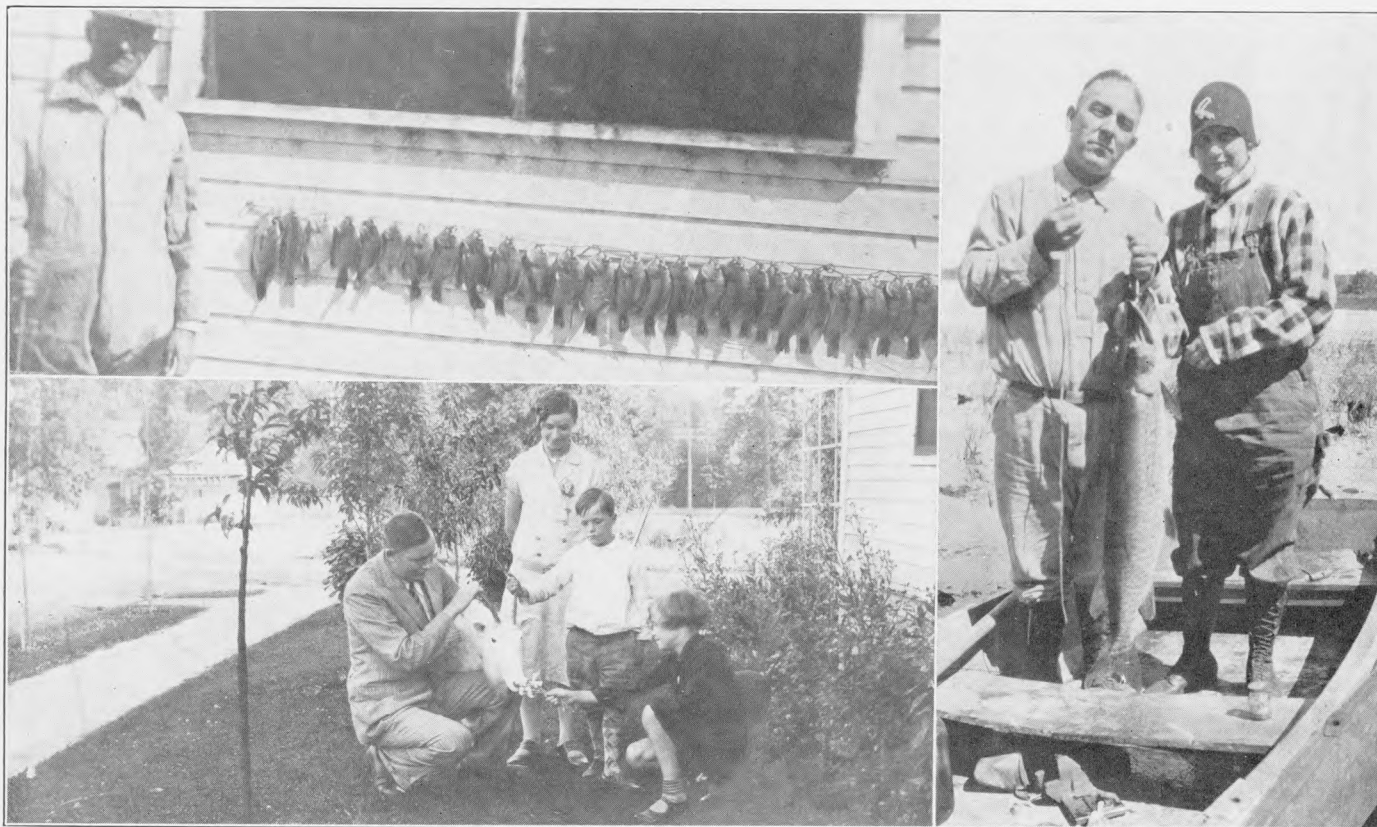
turers of radios, automobiles, pianos, and other luxuries are spending millions to keep their factories busy. As a result there is little or nothing left for the depositor to put into the bank. Why? Because you have not convinced him of the values that he would receive. Most banks do not use the new sales and advertising methods to compete with other lines of products and investments.

The majority of bankers are not thoroughly sold on the value of the service they are rendering. The time has come when the public should be better informed. It is a big job and cannot be done quickly. But there is one thing certain—working with tried and tested selling principles, there is no question but what the banker can meet successfully present day competition.

In a pamphlet entitled "Survey of Bank Operating Ratios" issued recently by the clearing house section of the American Bankers Association it states: "It is significant that while many banks answered that a service charge plan was in effect, a large number failed to show revenue from this source. From the experience gained

(Turn to page 75, please)

IN THE GOOD OLD SUMMER TIME



The vacation season for bankers is almost over, but memories linger on in snapshots. Above, left, a fine string of fish caught this summer by F. E. Boyd, president of the First National Bank, Colfax, Iowa, near Lake Andes, South Dakota. Below, left, A. E. Welle, cashier of the Avon, Minnesota, State Bank, his wife and two children, feeding a "wild goat," near Coeur D'Alene, Idaho, snapped on their western trip this year which extended to Seattle, then down to Tia Juana, Mexico and home through the Mojave desert. Mr. Welle says, however, "it is a mounted goat's head." Right, E. L. Gookin, cashier, Lucas Co. National Bank, Chariton, Iowa, and wife, with a muskie they caught at Shingobee Lake, near Akely, Minnesota.

PUTTING THEM UP—AND HOW!

By ROSCOE MACY

CAREFUL investigation discloses a great deal of uncertainty in the mind of the average banker as to the proper attitude to assume upon the sudden appearance in the bank of a bandit, or a group of bandits. It is certainly true that one cannot be too careful in matters of this kind; the business reputation of a lifetime may stand or fall accordingly as the banker comports himself in such an emergency. Unfortunately, there is nothing in the etiquette books to serve as a guide, and the situation is one in which we must write our own rules.

It is possible to live down the most egregious social blunder, but the banker who, while furnishing impromptu entertainment for a holdup gang, commits an error of etiquette, is likely to find himself immediately incapacitated for living it (or anything else) down. And so, entirely aside from the fact that these unexpected occurrences are apt to upset the day's routine to some extent, and leave some extra work for the janitor, there is a more serious side to consider.

Probably the safest primary assumption in these cases is expressed by paraphrasing the department store ad: "The bandit is always right." If he insists that you have some bonds in the safe or vault, you'd better produce some for him—even though they are only fidelity bonds. When he says he can perform his work better with you and your associates lined up facing the wall, or lying on the bank floor, it is best to accept his judgment in the matter; however strong the inclination to argue the question out with him. Do your best, in all cases, to place him at his ease.

Pick Out a Soft Spot

THIS quaint propensity of the stick-up men for stretching bankers and sub-bankers on the floor with their faces down is becoming more and more noticeable from day to day. I suppose the idea is that if you are placed in that position, you will not know they are robbing your bank until it is too late. The procedure may be illogical—but what can we do about it? The best plan, then, is to do as you are told; possibly they will let you spread some newspapers under you, if you are wearing the nobby new fall suit—and few bankers possess new suits.

Are you prepared even for the first request that will come to you when the bandits appear: the suggestion that you "stick 'em up?" Had you thought of the possibility that you might rip out a seam, in



your good-humored haste to comply with the request? Imagine your discomfiture if that should happen to you, in the presence of a bandit whom you had never seen before in your life! Why, you couldn't ever look him in the face again!

The garment workers do not seem to have made any provision for a contingency such as this, so I have had my wife perform some simple alterations in my banking costume. All that is required is two or three gussets, or accordion pleats, under each arm; these will give the necessary freedom for the most urgent sticking-up. In my own case, I must admit that the good woman is not likely ever to take a first prize for either plain or fancy sewing at the world's fair, and her first attempt at the installation of this device was not exactly satisfactory. As nearly as I could tell, she had simply installed the gussets in the wrong spots, and on my way to the bank the first morning, I was stopped repeatedly to answer inquiries as to "why was I walking that way?" or "was the rheumatism bothering me again?" When I learned, on my arrival at the bank, that I couldn't even raise my arms to unlock the door, I saw at once that something was wrong, and with a borrowed needle and thread, I easily corrected the trouble, as I usually do in cases of this sort. The ease of mind which now comes to me with the thought that I am ready to enter a contest with any banker in this section, and stick 'em up with the speediest of them, has been well worth the time and effort I spent on these few gussets, if that is what they are.

For Absolute Privacy

ANOTHER essential step is to have your vault curtained off into two compartments. A banker occupies a position of responsibility before the public, and he cannot be too observant of the amenities and conventions of society. It should therefore be understood by the bank force that, in case a hold-up gang insists on locking everybody in the vault, one of these compartments shall be for the female help, and the other for the men. Otherwise, there is no telling what people would say, when they learned that you had all been locked up together in that dark vault. They might even accuse you of having engineered the hold-up yourself!

Of course, it is possible to go too far in your preparations for entertaining bandits. Personally, I have always been suspicious, for example, of all devices having to do with the releasing of deadly gases in case of burglary. I am inclined to think it would only be a corroboration of general public opinion concerning myself, when I accidentally released the gas during banking hours, and asphyxiated all our employees. People would only say, "I told you so."

We had an employe once who worked out a neat scheme involving a trap-door in the floor, which could be released by pressure of a button, when the bandit was in the proper position above it, and the scoundrel would immediately find himself down in the basement with the mice running all over him. The button releasing

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The simplest legal questions are sometimes the hardest to answer and the ones that appear most difficult are often the easiest of solution. In the article below the Legal Editor makes quick work of some of the "twisters" that frequently stump the country banker.

CAN YOU ANSWER THESE LEGAL QUESTIONS?

By the Legal Editor

THE forwarding bank and the insolvent collecting bank figure in a recent decision of the Iowa Supreme Court reported in 212 N. W. 124, where the evidence showed that an Illinois bank sent a draft to an Iowa bank for collection, the drawee gave the Iowa bank a check on his account, to cover the draft, but his account was overdrawn at the time and remained in that unsatisfactory state until the Iowa bank closed its doors three days later.

Consequently, the check was never paid, or even charged to the drawee's account and the Illinois bank claimed that it was a preferred creditor for the amount of the check.

In ruling that there was no preferred claim, the Supreme Court of Iowa said:

"It is too clear for argument that the insolvent bank never recognized any money in payment of the sight draft and that no money belonging to the intervener ever came into the hands of the receiver. That this is essential to the establishment of a preference on the theory of a trust is too well settled to require citation of authorities. Conceding that the Illinois bank was entitled to impress a trust upon whatever was received by the Iowa bank in payment of the sight draft, all it received was a worthless check."

The "Man of Straw"

X HAD bought 10 shares of national bank stock from Y, and paid for it, but, before the stock was actually transferred, X learned that the bank was in dire financial straits and channels.

"Z isn't worth a plugged copper—in fact he's known as the town 'deadhead.' Why not have the stock transferred to him and thereby evade the usual stockholder's liability?" the tempter suggested.

"Suits me," Z agreed, the stock was registered in his name, the bank went on the rocks—and the receiver tried to hold X.

"The bank having been, in fact, insolvent at the time of the transfer of the

stock to Z—which fact is not disputed—X remained, notwithstanding such transfer and as between the receiver and himself, subject to the individual liability imposed by the law," said the United States Supreme Court in ruling against X.

The Convenient Minor

A HAD bought stock in a national bank from B. "Put it in my son Henry's name," A ordered, the transfer was made, the bank became insolvent, and the receiver "went after" A.

"Henry's the stockholder—take the mat-

THE POSTDATED CHECK

"If a postdated check falls on a Sunday or on a legal holiday, presentment for payment cannot be made until the day following. Presentment on the preceding day is irregular and the bank is not bound to pay on that day," says a standard authority on this point.

ter up with him," A suggested.

"He's under 21 years of age, and we're going to assess you," the receiver maintained.

"An infant cannot become the purchaser and transferee of shares so as to relieve the transferor of liability, even although the transfer to the infant be registered," said the Federal courts in ruling in the receiver's favor.

A Question of Identification

ON MONDAY the X bank issued a \$1,000 deposit certificate to A, who, to the knowledge of the bank, could neither read nor write.

On Tuesday, B presented the certificate to the Y bank, stated that he was A, and asked for the cash.

"You'll have to endorse it," the cashier told him.

"I can't write," B averred, made "his mark" on the certificate, the Y bank col-

lected it from the X bank, and paid the proceeds to B.

On Wednesday A informed the X bank that he had lost the certificate, and demanded his cash.

"Pay him and sue the Y bank," the X bank's attorney advised, and the court upheld his opinion.

"The X bank had the right to rely on the Y bank's identification of the person to whom it paid the money," the court said.

The Post-Dated Check

IF A gives B a post-dated check, the date arrives, chances to be a Friday, and B presents the check, and gets his money, no question of law, ethics or morals can arise, and if every day were a week day, this little item would not be penned.

Suppose, however, that the date of the check falls on a Sunday, and B is "at a standstill" as to whether he should present the check on Saturday or Monday.

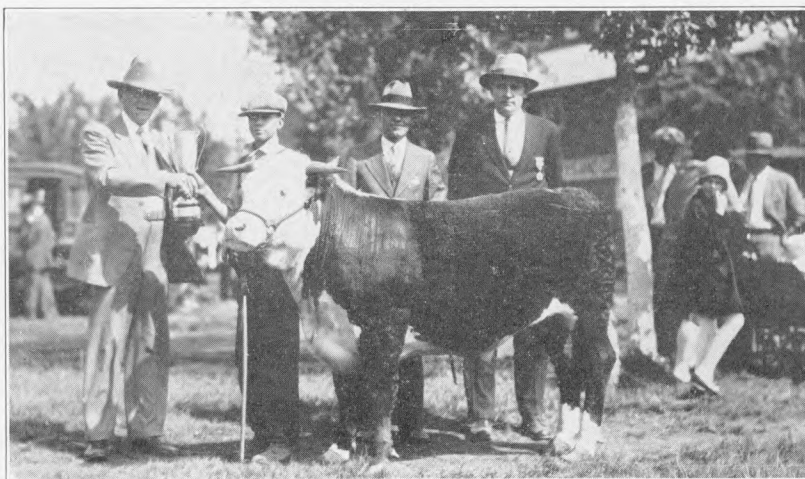
"If a post-dated check falls on a Sunday or on a legal holiday, presentment for payment cannot be made until the day following. Presentment on the preceding day is irregular, and the bank is not bound to pay on that day," says a standard authority on this point.

On Saturday A gave B a check on a Missouri bank, and at midnight on Sunday B handed the check to the cashier of the bank on which it was drawn.

"Put it to the credit of my account the first thing in the morning," B ordered.

As soon as the bank opened the next morning A stopped payment of the check, and B sued the bank on the ground that the delivery of the check to the cashier under these circumstances was in law an acceptance of the check by the bank.

"The drawer may countermand payment at any time before payment is actually made or a written acceptance given by the drawee," said the Missouri courts in deciding in the bank's favor.



Gov. W. J. Bulow congratulates Alan Bogue of Beresford on having the champion 4-H club baby beef at the South Dakota State Fair at Huron

IN THE state, district and county fairs all over the country the boys and girls' club work has come to occupy a position of great importance. A few years ago the fairs were putting in premiums for club shows in order to help out club work which they considered a worthy enterprise.

Now the club shows attract more people to the fairs than any other feature that they can offer. It's almost a case of the sideshow becoming bigger than the "main tent."

The possibilities of club work are almost unlimited. This is true as regards the showing of livestock and other forms of club work at shows and fairs, as well as to the possibilities of the younger generation on the farms of the middle west working out improved methods of agriculture and discovering a new love for the farm that comes only with tasks well and profitably done.

MANY OF THE COUNTY fairs have passed into oblivion and many others are slated for the scrapheap. High overhead spells the death sentence for many of them.

In their place is coming the county club show for boys and girls' livestock demonstration teams, the county club achievement show and with some of these is being combined the farm bureau and extension project achievement day for farm women.

The fact remains that any fair or show must be founded on solid ground with education and wholesome amusement as prime requisites.

MINNESOTA FARMERS are waging war on noxious weeds. Andrew Boss, vice director of the Minnesota Agricultural Experiment Station, suggests that fall

Farms and Farming

By C. A. CRAIG

Farm Editor

plowing, followed by constant working of the ground until the soil is frozen will be helpful in control of Canadian thistles, sow thistles and quack grass.

DR. M. A. JULL, chief poultry husbandryman with the United States Department of Agriculture, was the speaker at the recent state convention of the Iowa Poultry Improvement Association.

Iowa is making a strenuous effort to improve the quality of the poultry produced and marketed. This state has the record for producing the greatest volume of poultry and eggs of any in the United States.

During the months of September and October a series of meetings are being held throughout the state. The federal and state departments of agriculture, the county farm bureaus, the extension service and produce dealers and producers are cooperating in discussing ways and means of improving quality.

Sanitary means of production are being urged and this is the principal means of combatting avian tuberculosis which is causing economic loss in both poultry and hogs.

SOME CONTROVERSY EXISTS over whether or not it is necessary to tramp silage. Farmers who filled their silos last year without tramping differ somewhat on their statements of results.

If a silo is to be filled without tramping it is probably necessary to keep in mind that best results are ordinarily obtained when the silo is filled slowly and when plenty of moisture is available either in the

green corn or in water added if the corn stover is dry.

THE CORN CROP in the intensive portion of the corn belt promises to be better than in most parts of the country.

Missouri, of course, has a poor prospect as has southern Illinois and western Nebraska. Most of Iowa, northern Illinois, southern Minnesota and Wisconsin, eastern Nebraska and southeastern South Dakota generally have a good outlook. Hot, dry weather in August caused a revision downward in crop estimates but the boost in price made up for this in most instances. Favorable weather during the month of September has caused the corn to mature quite satisfactorily and there is every prospect of good quality.

THE ANNUAL WARNING to select seed corn early has received a new angle the last year or two.

Germinating qualities are of paramount consideration, of course, but another inducement to pick seed corn early is to insure maturity before frost. Still another is the fact that diseased seed is causing considerable difficulty in producing weak stalks even in cases in which the corn does germinate. Specialists say that early maturing ears selected early will tend to do away with much of this danger. Quick drying of seed corn under artificial heat is also said to help prevent disease damage.

IN CHEROKEE COUNTY in northwestern Iowa the twenty-second annual plowing match was held not long ago. It is the only affair of its kind in Iowa and one of the few in the middle west.

Tractor plowing has been added within the last few years and both horses and motorized power competition feature the

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Northwestern Banker October 1929

When the Banker's Wife Goes to a

By LYDA COLLINS

"The Banker's Wife"



LYDA COLLINS

COUNTRY SALE

The country sale is not only a fine place to mingle with the farmers but also to do a little missionary work for the bank

Dear Helen:—You probably have never heard of a "Country Sale," have you, but it is like the "cob house," an institution individual of the great agricultural country in the Middle West and an important item in the business of a country banker. The commission derived from these sales is all profit and it amounts to considerable if you get the business. Not only that but it is a fine place to mingle with the farmers and do a little missionary work for the bank.

The boys usually clerk these sales but sometimes a request comes for the "skipper" and they make quite a fuss over him. He eats in the house with the auctioneer and any special guests the man of the house cares to invite. The meal usually takes the form of a banquet. The crowd is served a lunch of sandwiches, pickles, cake and hot coffee outside somewhere. This is scheduled for eleven-thirty, with the sale starting at one o'clock.

Great News Source

WHO has these sales? The farmers who are closing out, retiring to live in town or perhaps a renter who is moving and needs the money to pay off his obligations at the bank. Everything is sold from household goods to live stock. Everybody goes not only to buy but for the fun of it and a man can pick up more news at one of these sales than a woman can over the back fence in a week. Friends of the lady of the house help cook and mingle with the crowd or play cards after the noon work is over.

I go too when a special invitation is sent me and bid along with the rest of the crowd if there is something offered that I want. I've picked up some fine antiques in this way, much to the amusement of the crowd.

I got a reputation for buying "old junk" at our Saturday afternoon sales which are held through the summer back of the bank. People bring anything they want to sell and get rid of and it is auctioned off. The boys knew I liked old walnut furniture and put me wise when some old pieces were to be sold. It got to be quite a joke that the banker's wife liked that old stuff instead of the nice, shiny, new oak.

I got a reputation for buying "old junk" at our Saturday afternoon sales which are held through the summer back of the bank. People bring anything they want to sell and get rid of and it is auctioned off. The boys knew I liked old walnut furniture and put me wise when some old pieces were to be sold. It got to be quite a joke that the banker's wife liked that old stuff instead of the nice, shiny, new oak.

One day when one of our pioneer friends was having a sale, we were both invited. The dinner was fine, as they were good cooks at this house. After the sale got started the women folks went out to see what was doing.

Pretty soon from out the granery they brought an old walnut day-bed, so ancient it had slats and pulled out in front so it could be used as a double bed with a straw tick.

A shout of laughter went up as the auctioneer held it up for the crowd to see. Then I could hear in an undertone, "Where's Mrs. Collins, where's Mrs. Col-

of the year. That auctioneer, unconsciously, knew the psychology of the crowd and if he could get them livened up and bidding early in the game the sale would go well. It did.

The fun of it was, Helen, I really wanted that day-bed. It was a real find and is one of the loveliest pieces of furniture I have in my house since it has been refinished.

Before we left that afternoon, the man who held the sale told me I did not have to take the old thing as they just did it for a joke. He was simply flabbergasted when I told him I really wanted it and soon saw that the joke was on him.

These sales aren't all fun, though.

Sometimes the snowstorms rage, the wind howls and the temperature drops below zero. The clerk's fingers get so cold he can scarcely hold the pencil in his fingers to write down the names of the purchasers and the prices paid.

The bank has a complete outfit of sheep lined coat, leather vest, lined overshoes and mittens for these stormy winter days.

The auctioneer tries to get on the sunny side of a barn or shed so the crowd won't get too cold and leave.

It sometimes happens that the woman isn't a good cook or a neat housekeeper and then the boys get their dinners at home before they start.

There is always some "hanger-on" that pops up beside the car just as it is about to start and wants to go with the boys so he will be invited to eat in the house with them. Almost every country bank has one of these pests. We have ours.

One day the boys had one of those "not-so-good" places to clerk.

The fellow pushed himself in even when the car was filled. When they got out the car was filled. When they got out (Turn to page 104, please)

BANKERS KNOW THIS

"These country sales are not all fun, however. Sometimes the snowstorms rage and the wind howls and the temperature drops below zero. The clerk's fingers get so cold he can scarcely hold the pencil in his fingers to write down the names of the purchasers and the prices paid!"

lins?" and I knew it was a put up job and they expected me to bid.

The auctioneer, of course, had a long tale to tell of its having been sent out here from some beautiful eastern home with some barrels of "relief" when the grasshoppers ate up everything, even to the shingles on the roof, of its comfortableness, the many, many restful naps old Grandpappy Burns had had on its soft slats and downy straw tick, and a lot more wise cracks to get the crowd good natured.

He then asked for bids. Immediately some one shouted "Five cents!" I called "ten" and away we went, with the crowd roaring with laughter.

When the bid reached a dollar the auctioneer knocked it down to me and the fun was over, but the crowd was good natured and in a buying mood and they told me afterwards this was one of the best sales

How We Solved the Check Filing Problem

ALTHOUGH many of the larger banks of the country are well organized with special departments, plenty of well equipped filing space and carefully trained clerks to handle the problem, the job of taking care of customers' checks, after charging and canceling them, is still a big one in most financial institutions.

In too many banks, it seems, this job of filing away the cancelled checks of customers as they are paid and getting them ready to hand back, with statements of accounts, at the end of each month is considered "nobody's business," meaning that a number of different clerical people have a hand in it.

This practice is very liable to lead to errors in filing and consequently in matching up the statement with canceled vouchers. Checks really belonging to John Jones will too easily get mixed up with those of John Jonas. Unless a definite responsibility for handling the filing work is placed upon an individual, or group of clerks, who can be made to appreciate the importance of carefulness, considerable trouble is apt to result from errors of this sort.

Another reason for placing this work in the hands of those clerks who are best qualified to conduct it lies in the desire of the bank to give prompt and efficient service to its customers in the return of their paid checks. If the work is properly organized to give this service as it should be given, the bank will benefit greatly as well as gain the approval of its patrons, because this material will be regularly and quickly transferred from its files into the hands of its customers where it belongs.

Within the past few years the idea of placing the responsibility for filing customers' checks upon the bookkeepers who handle the posting of individual ledgers and statements has become a very popular one.

Equipment for bank bookkeepers, in the

Describing a time and labor saving method for handling a daily routine duty that is for most banks an expensive and troublesome one

By JOSEPH BELLIS

Guardian State Bank, St. Paul, Minnesota

way of a combined sorting, posting and filing desk, has been designed by office equipment engineers and such furniture has been installed in the bookkeeping rooms of a great many banks.

The drawers of such desks are fitted with removable trays in which checks can be filed, behind guides bearing the names of accounts, the idea being that each bookkeeper takes care of this job of filing away the checks pertaining to the accounts he handles, doing it at a certain time each day after posting and proving has been finished.

This plan has proved very successful. First, it has placed the filing obligation and duty where it belongs—on the bookkeepers, who know the signatures on checks better than any other clerks could

know them and who can therefore, in all fairness, be held responsible for the correct handling of this important duty.

Next, it has demonstrated certain time, labor and space saving economies. It has eliminated the need for check filing cabinets set up in the bookkeeping department or in the vaults. The convenience of having the trays in which the checks are filed right in the desk drawers enables each bookkeeper to keep up with this job currently in a minimum amount of time spent at it each day. The plan has, in many cases, eliminated from the bank pay roll the salaries formerly paid to clerks who were retained to take care of check filing.

But, this plan, like all other innovations, presented its drawbacks in certain cases and left room for improvement.

Having experienced some difficulties in handling this entire check filing and statement issuing problem in our bank for a long time, especially in the years during and after the great war, when efficient clerical help was at a premium, we set about to study ways and means to improve our situation.

We had in mind, as an ideal in attainment, some sort of a method whereby the actual filing of checks could be accomplished simultaneously with the posting of

the payments to the individual ledgers and the placing of these checks in a sort of receptacle that would insure against any possibility of their being ever mixed up with those of accounts to which they did not pertain.

This trend of thought led us to the necessity of perfecting a device of an entirely new type than anything on the market at that time. The sort of device required, of course, was something in the way of a combination of a statement posting tray and a check filing cabinet. There seemed to be "no such animal" then existent.

With the assistance of filing equipment (Turn to next page)



Revolving the lower tray into posting position

Northwestern Banker October 1929

engineers, over months of experimental activity, a device was constructed which we called a "self-filing, posting tray." A photograph of the installation of this equipment made in our bookkeeping department will be seen here. This installation is in effect today exactly as it was made over three years ago and it has proved immensely practical and highly satisfactory in every way.

This device, now being manufactured and marketed under the trade name of "Check-o-matic" bank bookkeeping equipment, consists of a double tray unit, one tray being suspended above another on a revolving frame so that the bottom tray can be brought quickly and easily up to the position of the top one when checks have been posted to statements in the latter and filed away.

The two trays are necessary, of course, in order to provide sufficient space or capacity for the statement sheets and the checks of the total number of accounts handled by a single bookkeeper in a bank of average commercial activity. The double unit will actually provide space for housing from eight hundred to a thousand accounts with from twenty thousand to twenty-five thousand checks for the thirty day period.

The trays are so constructed that a recessed bottom holds the checks in three partitioned compartments running from front to back of the tray length. An individual name guide is set up in the unit for each account, the name being typed on a label that is inserted into the celluloid tab of the guide. This label can be removed from the guide when the account closes, making the guide usable for another account and these guides really take the place of the individual name guides that would otherwise be used in a separate check filing cabinet.

The tabs on these guides are arranged in four positions across the width of the tray, making a perfectly "visible" setup of the statement system and thus materially increasing the speed of posting and reference.

In front of each guide is placed the statement sheet for the account of the name appearing in its label. This guide and the one just in front of it form, by means of long tab projections cut on their bottom edge, which extend down into the recessed tray bottom, a three compartment, closed pocket or filing space, in which the checks of that account are stored away.

The actual routine operation of bookkeeping with this equipment is carried on as follows:

After checks have been posted to the individual ledgers and before the run is to be made to the statement system they are, of course, put through the canceling machine. This cancellation of checks prior to the reconciliation of the ledger and statement runs is necessary to the opera-

tion of the system because checks are to be filed "automatically" as statements are posted. It offers a big advantage, too, as a safeguard against fraudulent operation on dormant account because, at no time after the proof of posting, are un-cancelled or un-filed checks lying around anywhere in the department.

When the statement clerk is ready to post checks and deposits, the "Check-o-matic" device is brought into position near the bookkeeping machine and the work begins. There is no change whatever in operation of the bookkeeping routine with this device over what has always been standard practice in the bank. The only difference is that the statement clerk, as she replaces the statement sheet in the tray, after posting the charges to the ac-

count, files away the checks she has charged, *at the same time*. The sheet is removed from the machine with the right hand, the checks are placed in their compartment, on end, with the left hand and the operator passes on the next account affected.

When the bookkeeper has gone entirely through the accounts in the top tray she grasps a lever releasing the lock that holds it in top position and revolves the lower tray up into posting position. Then she proceeds as before to complete her posting run to her section of the books. When she is through posting, all her checks are filed away, exactly where they belong, without any extra time or labor being expended. They remain there, *without pos-*

(Turn to page 28, please)

The 1929 "Quota Club" of Robert S. Strauss & Co.



THE real estate bond house of Robert S. Strauss & Company recently held a unique sales convention on board the steamship North American, of the Chicago, Duluth and Georgian Bay Transit Company.

The Quota Club, which represents the star salesmen of the organization, was called into Chicago for a Quota Club sales convention, which was opened at the Hotel Sherman with a banquet luncheon, after which the entire party embarked on the steamship North American.

The following day the party toured Mackinac Island in horse-drawn carriages. This unique island resort which has been very popular for years, has never allowed automobiles to be used on the island and everything has been done to retain its natural beauty. From Mackinac Island the boat carried them through beautiful Georgian Bay to Parry Sound, a quaint Canadian town located in the 30,000 islands

district, which is one of the most beautiful and charming spots in North America.

The next day the boat stopped at Detroit for a short tour in sight-seeing busses of the automobile city and Windsor. The same evening the boat made a stop on its way to Buffalo at Cleveland, arriving in Buffalo early the following morning, where specially chartered busses took the entire party for a tour of Buffalo and Niagara Falls, taking in all the points of interest in this internationally known resort and beauty spot. Leaving Buffalo that night, they arrived in Detroit Sunday about noon, where the party was transferred to private chartered Pullmans on the Michigan Central Railroad to bring them back to the Windy City.

While on board the North American, several interesting meetings were held in the ballroom and were presided over by Carroll S. Felter, director of organization, and Orville B. Price, director of sales.

NEWS BULLETIN



No. 943

Des Moines, Iowa

December 13, 1965

Congress Starts Hearings On Fed Rate Action Today

"I think the Congress should move immediately in the Second Session of the 89th Congress to put an end to Fed Chairman William McChesney Martin's power to thumb his nose at the President, the Congress and the American people."

This is the recent statement made by Wright Patman (D. Texas), chairman of the House Banking and Currency Committee, who has announced that an investigation will start today into the Federal Reserve Board's discount-rate rise. The hearings will be held by the Joint Congressional Economic Committee.

The Fed, directly defying the Johnson Administration, raised the discount rate to 4½ per cent from 4 per cent to head off inflation following requests by New York and Chicago Fed Districts. At the same time, it said member commercial banks may pay as much as 5½ per cent annual interest on certificates of deposit and other time deposits maturing in 30 days or more. Previously, the limit was

4½ per cent on those of 90 days or more and 4 per cent on those of 30 to 90 days' maturity. The interest rate ceiling on savings accounts at commercial banks was left unchanged at 4 per cent. Other Fed districts, meeting separately were expected to follow suit.

The Federal Deposit Insurance Corporation approved the Fed ruling and raised to 5½ per cent the maximum rate which state banks may pay on time deposits but urged the banks to use "utmost caution" in putting higher rates into effect.

The Fed vote to raise the discount rate was by only a 4 to 3 margin. C. Canby Balderston was one of the four voting in favor of the increase, and his term expires in January. President Johnson will have an opportunity to name a successor whose thinking is more in line with that of the Administration.

Most of the larger banks in the major financial centers have increased their minimum lending rate from 4½ to 5 per cent. Ma-

ior banks in New York, Boston, Los Angeles, Philadelphia and Chicago have raised their quoted rates on certificates of deposit. Some newly posted rates went as high as 4.75 per cent, but all were under the new ceiling.

Concern is being expressed by a number of well-known country bankers and by supervisory authorities that the sharply increased maximum interest rate might tempt some banks to offer a much higher interest return for such deposits, thus tending to drain CD money from other banks. This could be a serious threat to banks who have acquired "new money" during the past year or so and increased their loan volume accordingly.

FDIC Chairman Randall stated that "banks in money-market centers may feel under pressure to move to a somewhat higher rate structure implied by the boost in the interest-rate ceilings, but smaller banks should be under no compulsion to follow suit, because of the different circumstances under which they operate." It is true that rural banks are not necessarily affected by the prime rate, but they could be affected

(Continued back page)

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IOWA NEWS

ADEL: H.B. Jacobson, president of the Dallas County State Bank, has announced the move of Vice President Leland Goodrich from the Redfield Office to Adel. Lee Struble, assistant cashier, will manage the Redfield Office.

ADEL: Mrs. Orville Wagner, an employee of the Brenton State Bank for nine years, has been elected assistant cashier.

COUNCIL BLUFFS: The First National Bank is constructing a new drive-in facility near Manawa, according to President Dale Ball.

DECORAH: Robert Duden, vice president and cashier at Security Bank and Trust Company, has been elected the president of the local Chamber of Commerce.

INDIANOLA: Don Russell has been elected assistant cashier at Peoples Trust and Savings Bank.

INWOOD: H.A. Henrickson, director of the Inwood State Bank, has been named Citizen of the Year by the local Kiwanis Club.

IOWA CITY: The First National Bank plans a drive-in office at the Towncrest Shopping Center.

JEFFERSON: Jim Meyer, agri-

cultural representative for the Home State Bank, recently received his master's degree in agricultural education.

OSAGE: Miss Margaret Hendry, receptionist and secretary at the Home Trust and Savings Bank, has completed 25 years there.

RED OAK: Lewis Lowe, 35, assistant vice president at the Houghton State Bank, has been named president-elect of the local Chamber of Commerce.

RIVERSIDE: Approximately 1,000 persons attended the recent open house at the new Peoples Trust and Savings Bank building.

NEBRASKA NEWS

LINCOLN: Robert Crosby, one of condemned killer Duane Earl Pope's court-appointed attorneys, has reported that a motion for a new trial would be filed. Pope was convicted and sentenced to die in the electric chair for killing three persons in the Big Springs bank robbery which took place six months ago. His conviction and sentencing came Friday, December 3.

OAK: Thieves broke into the Scroggins and Company Bank recently, looting safe deposit boxes and making off with at least \$200 in cash.

It marked the third time the bank had been broken into since its founding in 1898, according to J.L. Scroggin, bank president.

OMAHA: The Omaha Chamber of Commerce has honored Harry A. Stanley, the cab driver who was instrumental in assisting police in the apprehension of Gregory A. White, convicted robber of the First National Bank of Omaha. F. Phillips Giltner, executive vice president of the bank, presented Mr. and Mrs. Stanley with a check at a special luncheon.

OMAHA: The South Omaha Stockyards National Bank has also presented an award to cab

driver Stanley for his heroic action. Mr. Stanley has two children, a daughter and a son who is an Army Chaplain serving in Germany.

OMAHA: From the more than 35,000 official entry blanks deposited during First National Bank of Omaha's Fabulous Football Fanfare, the lucky first prize winner was Myron J. Bena, an employee of the Union Pacific Railroad, who won a trip to the Orange Bowl for himself and his wife on New Year's Day.

ST. EDWARD: The Bank of St. Edward has increased its capital to \$50,000.

WAUSA: The Commercial State Bank recently celebrated its 40th anniversary. N.T. Tie-mann, president of the bank since 1957, is a candidate for governor of Nebraska.

MONTANA NEWS

HAVRE: Richard Bohn has been elected an assistant cashier at Citizens Bank of Montana.

HELENA: William B. Andrews has been elected president of Union Bank and Trust Company, succeeding John Carlson, who was elected chairman of the board.

MINNESOTA NEWS

ADA: The board of directors of the Ada National Bank was reorganized recently and L.J. Peterson was named chairman of the board and president of the bank, succeeding the late A.A. Habedank.

CLOQUET: The First National Bank has increased its surplus account to \$600,000 with the transfer of \$100,000 from the undivided profits account.

GREEN ISLE: Mrs. Lydia Masemann, assistant cashier at Citizens State Bank, died recently. She had been employed by the bank for 25 years.

HIBBING: Richard A. Maki,

WORLD'S FINEST

complete line of
financial equipment from
one reliable source.



CEDAR RAPIDS, IOWA 52406

formerly assistant cashier at The First National Bank, will join The Batavian National Bank, LaCrosse, Wisconsin, December 27, as assistant vice president.

KENYON: Duane Schaper and David Redfield have been elected assistant cashiers at Security State Bank.

OAKLAND: Robert J. Sapp has been named vice president and assistant manager at Crocker-Citizens National Bank main office here.

PRESTON: Wils A. Garratt, president of the Farmers and Merchants State Bank, has been appointed a member of the Country Bank Operations Committee of the American Bankers Association.

MINNEAPOLIS: The First National Bank headed a group which recently purchased a \$2.5 million bond issue of the City of Rapid City, South Dakota, the bank has announced.

MINNEAPOLIS: Directors of First Hennepin State Bank have voted to increase the surplus account by \$50,000 to \$200,000.

MINNEAPOLIS: Calvin A. Merriman has been appointed sales manager of J.M. Dain & Company.

MINNEAPOLIS: Several meetings have been scheduled this week by the Federal Reserve Bank of Minneapolis for the purpose of explaining its functional cost analysis program. Conferences slated for the upcoming week include the following: Tuesday-Holiday Inn, Eau Claire, Wisconsin; Wednesday-Kahler Hotel, Rochester; Thursday-Inn Towne Motel, Mankato and Monday(December 20)-Federal Reserve Bank, Minneapolis.

SOUTH DAKOTA NEWS

ALPENA: Officials report a recent unsuccessful attempt to break into the Alpena American State Bank.

BOWDLE: Open house will be held by Bowdle State Bank on December 19, in its new building. Party for correspondents and bankers will be December 17, according to officials of the bank.

HOWARD: Funeral services were held Thursday for Arthur S. Thompson, president of the Miner County Bank.

NORTH DAKOTA NEWS

HILLSBORO: Leonard Beal, president of Northwestern State Bank, has retired from office. He will continue as a director of the bank.

COLORADO NEWS

DENVER: Encroachment of federal authorities into the traditional domain of the individual states has 'almost, if not entirely, caused the nation's dual banking system to become a thing of the past,' the president of the Colorado Bankers Association has charged.

C.B.A. President Paul L. Rice, president and chief executive officer of two Loveland banks, was backed by Colorado Bank Commissioner Harry Bloom who blames U.S. Comptroller of the Currency James J. Saxon for preventing the opening of a new Colorado Springs bank, which the Colorado Bank Board approved approximately 17 months ago.

DENVER: The election of John J. Vance to the board of directors of the Bank of Denver has been announced by President Walter C. Emery.

DENVER: Western National

BANK WANTED

Preferably a bank with assets of \$5 million or more in Southern Minnesota or Northern Iowa.

Our client, an experienced Minnesota banker, and associates are prepared to invest up to \$1 million for controlling stock in a suitable bank.

All correspondence and negotiations will be strictly confidential. Submit current statement, number of shares offered and price net to you.

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Bank last week celebrated its second anniversary in business and its first anniversary in its new quarters.

DENVER: Merriam B. Berger, chairman of the board of the Colorado National Bank, was last week awarded a silver tray, commemorating his 45 years of service to the bank.

GLENWOOD SPRINGS: Gene Curtis has been appointed assistant vice president of Bank of Glenwood.

LAMAR: The resignation of Gordon Burton as president and director of the Valley State Bank was announced recently. J. Elmer Facer, until recently a vice president of Denver U.S. National Bank, was appointed to succeed Mr. Burton.

WYOMING NEWS

AFTON: Star Valley State Bank has initiated a contest built around its newly-installed time and temperature sign whereby contestants will be requested to estimate when the sign will first record a reading of 25 degrees below zero.

JACKSON: F. Buchenroth, chairman and president of the Jackson State Bank, died on Friday, December 3.

LARAMIE: Ground has been broken for the new American National Bank.

The vast majority

of Iowa Banks

do business with

Central National Bank

& Trust Co.

5th and Locust Des Moines

Member F.D.I.C.

You can be sure your customers'
Sioux City collection items
will have our careful attention.

Send us those drafts, stocks, bonds,
notes, coupons and all non-cash items
for fast, personal service.



SECURITY NATIONAL BANK

6TH AND PIERCE STREETS • SIOUX CITY, IOWA • MEMBER F.D.I.C.

LATE NEWS

ST. PAUL, MINN.: Gerald P. Nichols has been advanced from assistant cashier to assistant vice president at The First National Bank of St. Paul. James P. Peiffer, Donald L. Swanson and David M. Hyduke have been elected assistant cashiers.

FED ACTION...

(Continued)

if savings start to flow to money-market centers due to the difference paid on time money.

Headquarters for the American Bankers Association issued a statement congratulating the Federal Reserve Governors for their action, apparently without actually polling its members. Headquarters for the Independent Bankers were inclined to withhold a statement, pending talks with members.

NATIONAL NEWS

MONTREAL: Richard J.P. Pierce has been appointed Far East representative, resident in Tokyo, Japan, for the Bank of Montreal. David B. Jewell and Derek Whittle become vice presidents of the Bank of Montreal, California, and William

M. Mader has been appointed an agent in the bank's New York agency.

NEW YORK: Election of Sidney Lanier and Frank B. Smeal as senior vice presidents of Morgan Guaranty Trust Company has been announced by Thomas S. Gates, chairman of the board. Both were formerly vice presidents.

NEW YORK: George W. Coleman, economist for the Mercantile Trust Company, St. Louis, will join the staff of The American Bankers Association on January 1, as economic adviser, according to Dr. Charles E. Walker, executive vice president of the association.

NEW YORK: John W. Bergford has been appointed senior vice president of Chase Manhattan Bank.

NEW YORK: William N. Ashbey has been named assistant vice president, investment advisory, at Bankers Trust Company. F. Malcolm Graff, Jr., has been named trust officer, personal trust.

NEW YORK: The Metropolitan Life Insurance Company has advanced Eugene A. Schmidt from vice president to senior vice president in charge of

bonds, stocks and banking.

PITTSBURGH: It has been announced by A.M. Pivrotto, Sr., president of Continental Commercial Corporation, and Francis J. Conway, chairman of Thorp Finance Corporation, Thorp, Wisconsin, that an agreement has been arrived at subject to the required approval by stockholders of both companies for the merger of Continental into Thorp.

SAN FRANCISCO: Clint Matriusciano has been promoted to assistant vice president in Bank of America's East Bay area administration program.

ST. JOSEPH, MO.: Roger A. Hegarty has been promoted from cashier to vice president and assistant to the president at the First National Bank. Jack F. Killackey will assume the duties and title of cashier in addition to that of vice president. Benton O'Neal has been advanced from assistant vice president to vice president in the correspondent department. Don F. Barnes was promoted to assistant vice president.

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Cummins Model 300 Electric Perforator, reconditioned. Box LSD, NORTHWESTERN BANKER, 306 15th St., Des Moines, Iowa 50309.

POSITION WANTED

Young, ambitious bank officer wants position in city over 25,000. Excellent work record, and varied loan experience. Send replies to Box MPY, NORTHWESTERN BANKER 306 Fifteenth Street, Des Moines, Iowa 50309.

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Desire a situation as farm rep in a country bank with opportunity to learn the banking business. Iowa State grad in agriculture with farm management experience. Box FFM, NORTHWESTERN BANKER 306 - 15th St., Des Moines, Iowa 50309.



George Harnagel

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you get what you want*

**IOWA-DES MOINES
NATIONAL BANK**

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Competing for the Depositor's Dollar

THE savings committee, after mature deliberation, decided that "The competition facing the banks in the savings business and how it can be met" was of vital importance to our business, and deserved the most careful consideration.

The committee prepared a questionnaire of eleven questions soliciting information both on competition affecting savings banks and plans successful to meet it. In the questionnaire were also included nine questions relating to building and loan associations, which in many sections of the country are in direct competition with banks for savings deposits.

Through the office of the deputy manager of the division, fifteen hundred questionnaires "To Disclose the Nature and Extent of Competition with Savings in Banks and the Methods necessary to meet it" were sent to savings bank members throughout the country. The committee regrets that only 274 replies were received, but as these came from 46 states the answers may be regarded as a cross section of nation-wide thought on the subject.

Answers to the various questions have been tabulated under subheadings to each question and in this report are given both by number and percentage. No attempt has been made by the committee to recommend any specific course of action, but it does feel the need of continued and persistent effort upon the part of savings banks to bring before their respective communities the advantages and scope of their services.

It will be noted from the summary of the questionnaire that 76 per cent of the most serious competition mentioned by the banks was due in their opinion to the desire for larger income. It will also be noted that there was considerable apathy regarding the present situation of savings business, since 26 per cent of those answering had no suggestion on how successfully to meet competition.

There are a number of prime factors which have adversely affected savings deposits in banks, either by actually reducing volume or restricting increases. Among these may be noted:

1. The higher plane of living, particularly noticeable as the period of continued prosperity lengthens.
 2. Increasing volume of life insurance written annually.
 3. The many ramifications of installment selling and budget buying.
 4. Home buying and investment of funds in mortgages, bonds and stocks for investment yield.
 5. Speculation with the aim of profit from the increase in value.
 6. The elimination, through restricted
- (Turn to page 64, please)

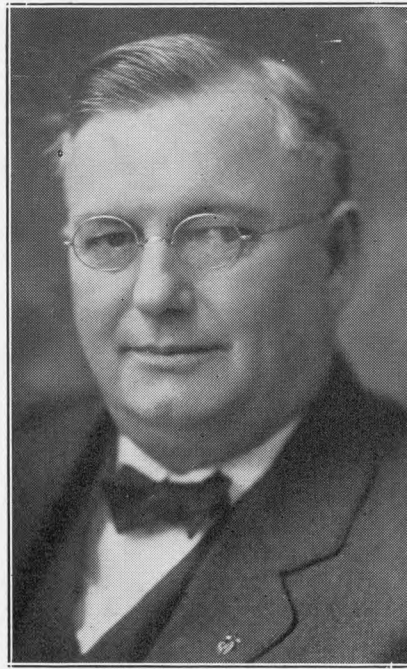
Recapitulation of Replies to Questionnaire

To disclose the nature and extent of competition with savings in banks and the methods necessary to meet it. Total number of replies 274.

I.	What do you regard as the most serious competition in the future development of savings business?		
	a. Building and loan associations.....	129	or 47%
	b. Installment financing	28	or 10%
	c. Stock speculation	27	or 10%
	d. Higher rate of return from investment.....	54	or 10%
	e. Miscellaneous	7	or 3%
	f. No answer	10	or 4%
	g. Commercial bank competition and trust companies..	19	or 7%
II.	How can banks successfully meet this competition?		
	a. Educational advertising	64	or 23%
	b. Legislation re: building and loan associations.....	54	or 20%
	c. Selling bonds	25	or 9%
	d. Advising on investment matters.....	14	or 5%
	e. Making savings deposits more readily available.....	9	or 3%
	f. Miscellaneous	30	or 11%
	g. No suggestion	71	or 26%
	h. Meet competition of building and loan associations..	7	or 3%
	(Some New England banks suggest better service and higher rate of interest.)		
III.	What is your plan or suggestion by which banks can teach the advantages of a cash reserve?		
	a. General advertising and publicity.....	88	or 32%
	b. Education	66	or 24%
	c. National campaign on thrift.....	5	or 2%
	d. Talks with individual depositors.....	13	or 5%
	e. Miscellaneous	9	or 3%
	f. No suggestions	93	or 34%
IV.	Have you any special plans for increasing savings deposits?		
	a. Newspaper advertising and publicity.....	44	or 16%
	b. Direct mail advertising	18	or 7%
	c. Employee contests	3	or 1%
	d. Special savings clubs	24	or 9%
	e. Miscellaneous	15	or 5%
	f. No plans	156	or 57%
	g. Solicitors	14	or 5%
	(A few suggested giving better service and higher rate of interest.)		
V.	Should interest be paid on savings accounts which are carried at a loss?		
	a. Yes	69	or 25%
	b. No	192	or 70%
	c. Doubtful	13	or 5%
VI.	Should the interest rate be higher on the more profitable savings accounts?		
	a. Yes	39	or 14%
	b. No	206	or 75%
	c. Doubtful	29	or 11%
VII.	What is the per cent of taxes paid by your bank to your total deposits?		
	a. To 0.1%	72	or 26%
	b. 0.1% to 1.0%	113	or 41%
	c. 1.0% to 3.0%	14	or 5%
	d. 3.0% to 5.0%	7	or 3%
	e. Over 5.0%	7	or 3%
	f. Do not know.....	13	or 4%
	g. No answer	48	or 18%
VIII.	What is the per cent of taxes paid in your state by building and loan associations to their total deposits?		
	a. To .01%	13	or 5%
	b. Small amount	38	or 14%
	c. None	63	or 23%
	d. Do not know	93	or 34%
	e. No answer	67	or 24%
IX.	What per cent of your savings withdrawals are going into the stock market?		
	a. None	21	or 8%
	b. Small amount	100	or 37%
	c. Less than 1%	4	or 1%
	d. 1% to 10%	30	or 11%
	e. 10% to 25%	17	or 6%
	f. 25% to 50%	13	or 4%
	g. 50% to 80%	5	or 2%
	h. Large percentage	21	or 8%
	i. Do not know	41	or 15%
	j. No answer	22	or 8%
X.	In your opinion are the savings withdrawn used for speculation or investment?		
	a. Speculation (mainly)	30	or 11%
	b. Investment (mainly)	151	or 55%
	c. Both	60	or 22%
	d. No answer	24	or 9%
	e. Do not know.....	9	or 3%
XI.	If for speculation, what is your suggestion as to how such money may be diverted into investment instead of speculation?		
	a. Educational advertising	45	or 16%
	b. Sale of securities	19	or 7%
	c. Personal solicitation and advice.....	21	or 8%
	d. No suggestion	189	or 69%
	(Some had no suggestion but thought people would learn by experience not to speculate.)		



LOUIS C. KURTZ



CLYDE E. BRENTON



ANDREW J. HUGLIN

Iowa-Des Moines National Joins Northwest Bancorporation

ONE of the most important developments in the banking history of the state of Iowa was recorded last month in the announcement that the Iowa-Des Moines National Bank and Trust Company has affiliated with the Northwest Bancorporation of Minneapolis, which now has combined resources of more than \$360,000,000.

The Iowa-Des Moines National Bank and Trust Company is a merger of the Iowa National Bank and the Des Moines National Bank, both old and well established institutions whose combined resources are in excess of \$42,000,000. This bank becomes the fourth largest bank of all of the thirty-eight banks and trust companies that are now members of the Northwest Bancorporation.

Clyde E. Brenton, president of the Iowa-Des Moines National Bank and Trust Company becomes vice president of the Northwest Bancorporation, and the following Des Moines men become directors: Howard J. Clark, attorney; E. C. Finkbine, president of the Finkbine Lumber Company; Fred Bohlen, president of the Meredith Publishing Company; Gardner Cowles, president of the Des Moines Register and Tribune; J. H. Cownie, president of J. H. Cownie Company; W. H.

Iowa's Largest Bank Becomes Affiliated with Great Banking Group

Brenton, vice president of the Iowa-Des Moines National Bank and Trust Company; L. C. Kurtz, chairman of the board, Iowa-Des Moines National Bank and Trust Company; Albert J. Robertson, vice president of the Iowa-Des Moines National Bank and Trust Company; F. C. Hubbell, president, F. M. Hubbell Son & Co., and Oliver Thompson, trustee, the Thompson Trust.

The Iowa National Bank was established in 1875, and the Des Moines National Bank in 1881.

Expansion Program

CLYDE BRENTON, in announcing the bank's affiliation with the Northwest Bancorporation, said it is a step in a program of expansion that should bring great financial advantages to Des Moines and the entire state of Iowa. He said it will bring to this city the united strength and support and facilities of a great bank-

ing group headed by outstanding financial leaders of the northwest.

He pointed out that Des Moines is the largest city in Iowa, which is America's greatest food producing state. Des Moines is likewise the geographical, industrial and financial center of the state, and has a population in excess of 160,000. It is one of the largest insurance centers in the west and is one of the six largest publishing centers of the United States.

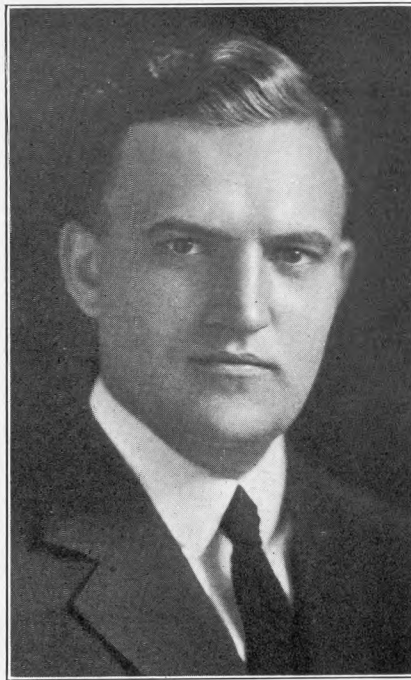
Its 400 factories turn out \$100,000,000 worth of products annually with a payroll of around \$75,000,000. The state produces 5,000,000 tons of coal per year, and its agricultural income is in excess of \$700,000,000. Iowa's manufactured products are slightly in excess of this figure.

L. C. Kurtz, chairman of the board of the Iowa-Des Moines National Bank and Trust Company, says that through affiliation with the Northwest Bancorporation, each institution will continue to operate as a unit under the management of local officers and directors in the interests of its own community, but that all are bound together by interlocking ownership. He says this will permit each stockholder to share in the profits of each entire group.

W. H. Brenton, vice president, em-

phasizes the greater service that the bank will be able to render by pooling with other leading banks of the northwest their resources and man power.

President Brenton has announced that there will be no change in the personnel of officers and directors of the Iowa-Des Moines National Bank and Trust Company through their affiliation with the bank corporation. Officers will be as follows: Chairman of the board, Louis C. Kurtz; president, Clyde E. Brenton; executive vice president, W. H. Brenton; Department of Commercial Banking vice presidents, Andrew J. Huglin, Geo. E. Pearsall; Assistant vice presidents, A. J. Warnke, and Owen P. McDermott; Department of Banks and Banking vice presidents, Herbert L. Horton, J. R. Capps, Clarence A. Diehl; Assistant vice president, E. W. Jones; Assistant cashier, O. M. Garret; Department of Bank Administration cashier, Geo. D. Thompson; Assistant vice president, Harry G. Wilson, Richard H. Collins; Assistant cashiers, James Burson, and Thos. J. Hynes; Business Development Department manager, assistant vice president, Winifred W. Scott; Assistant vice president, R. L. Chase, Jr.; Credit Department, manager and assistant vice president, Edwin F. Buckley; auditor, F. C. Davis; General counsel, Clyde H. Doolittle; Trust Company Division, vice president, Albert J. Robertson; Bond Department, manager, Leland J. Andereck; Assistant vice president, Sherman W. Fowler; Assistant cashier, Arthur H. Keyes; Trust Department, trust officer, James F. Hart; Assistant trust officers, Victor H. Pulis, W. F. Howell; Mortgage Loan Department, Manager, A. L. Kreidler.



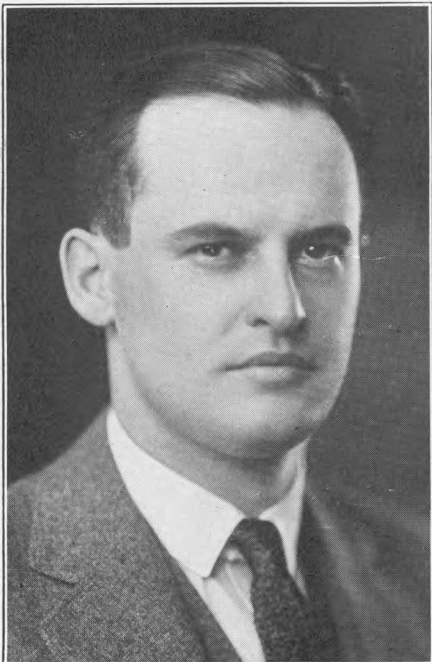
W. H. BRENTON

Three Iowa Members

THREE prominent Iowa banks are now members of the Northwest Bancorporation, including the Iowa-Des Moines National Bank and Trust Company, the Live Stock National Bank of Sioux City, which affiliated with it last month, and the First National Bank of Mason City, which has been a member for several months.

There are thirty-five leading banks and

trust companies that are now members of the Northwest Bancorporation, and include the following banks: Northwestern National Bank and affiliated banks, Minneapolis; Minnesota Loan & Trust Co., Minneapolis; The Minnesota Company, Minneapolis; Iowa-Des Moines National Bank & Trust Company, Des Moines; First and American National Bank, Duluth; First National Duluth Company, Duluth; United States National Bank, Omaha; United States Trust Company, Omaha; Stock Yards National Bank, Omaha; South Omaha Savings Bank, Omaha; First National Bank, Mason City, Iowa; First National Bank & Trust Company, Fargo, North Dakota; National Bank of La Crosse, La Crosse, Wisconsin; Security National Bank, Sioux Falls, South Dakota; First National Bank, Aberdeen, South Dakota; First National Bank, Deadwood, South Dakota; Security National Bank & Trust Company, Fairbault Minn.; Fergus Falls National Bank, Fergus Falls, Minnesota; National Bank of Huron, Huron, South Dakota; James River National Bank, Jamestown, North Dakota; First National Bank, Lead, South Dakota; First National Bank, Minot, North Dakota; First National Bank, Moorhead, Minnesota; Security State Bank, Owatonna, Minnesota; First National Bank, Rapid City, South Dakota; Live Stock National Bank, Sioux City, Iowa; Stock Yards National Bank, South St. Paul; Commercial National Bank, Sturgis, South Dakota; Citizens National Bank, Wahpeton, North Dakota; Citizens National Bank, Watertown, South Dakota; First National Bank, Watertown, South Dakota.



ALBERT J. ROBERTSON



HERBERT HORTON



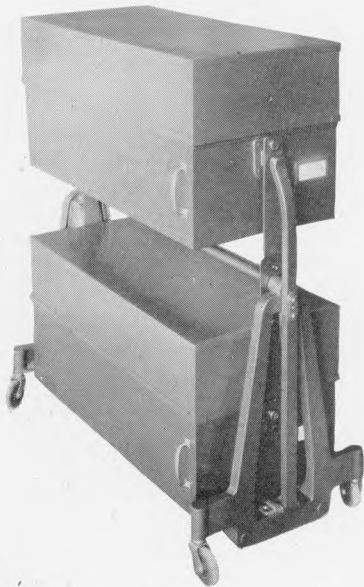
J. R. CAPPS

How We Solved the Check Filing Problem

(Continued from page 24)

sibility of becoming mixed with those of other accounts, until statement-making time at the end of the month.

We have found in our more than three years' experience with this equipment that the work of making up customers' statements with cancelled vouchers for delivery at the end of each month has been wonderfully simplified and speeded up over what it was when the old system of filing



Check-O-Matic when closed



Close-up of the Check-O-Matic in operation

checks was followed. The very fact that all the checks belonging to each account are right with the statement has eliminated all the trouble and much of the time formerly spent on this end of the month work.

Furthermore, we have found that we can answer customers' inquiries much more quickly, in fact, immediately, about checks that have come through and been paid, because the checks are always to be found right with the statement sheets as soon as they have been charged. There is no hunting around for them in unfiled bundles of checks or in cabinet drawers.

We use the individual name guides in many special ways, writing on these

Northwestern Banker October 1929

The Next President

of the

Investment Bankers Association



THE Investment Bankers Association of America has a habit of choosing big men for big jobs. Hence it is not to be wondered at that Trowbridge Callaway, of New York city, is slated as the president elect, at the Association's eighteenth annual convention to be held in Quebec, October 12—18.

MR. CALLAWAY, will succeed Rollin A. Wilbur, of Cleveland, as president of the I. B. A. He was born in Chicago, Ill., December 2, 1882, the son of the late Elizabeth J. Ecclestone and Samuel Rodger Callaway former president of the New York Central Railroad Company and organizer and first president of the American Locomotive Company. He was graduated from St. Paul's School, Concord, N. H., in 1901, and entered Harvard University, from which he received the degree of Bachelor of Arts in 1905. On leaving college he entered the employ of Harvey Fisk & Sons, investment bankers, New York City, and continued with them until 1910 when, with Stuyvesant Fish and Samuel T. Callaway, he formed the investment banking firm of Callaway, Fish & Co., New York City, in which firm he is a partner.

MR. CALLAWAY is a director of several companies a trustee of the Harvey School, Hawthorne, N. Y., treasurer of the Alumni Association of St. Paul's School and a member of the Harvard 1905 Class 25th Reunion Fund Committee. He is a member of the Episcopal Church. In 1917 he enlisted as a volunteer in the U. S. Army Signal Corps as a pilot in the air service, and was honorably discharged in 1919.

MR. CALLAWAY has served on various committees of the New York Group of the Investment Bankers Association of America and in 1927 was elected to the Board of Governors of the Association. Since 1927 he has been chairman of the sub-Committee on Distribution of the Association's business Problems Committee. Among his clubs are Harvard Club, the Institute of 1770, Racquet & Tennis, Riding, Rockaway Hunting, Polo, Beverly Yacht, and the A. D. Club of Cambridge. Mr. Callaway married Elsie MacIntosh Kellogg October 20, 1908. They have three sons and one daughter. Their home is at 34 East 68th Street, New York City.

guides memoranda of any important nature about handling special business relating to any account.

"Check-o-matic" equipment can be adapted to either a sitting or standing position in the bookkeeping department.

It takes up very little more space than the ordinary statement tray or binder with its base or rack, and especially does it offer space saving advantages in the bank when you consider that check filing cabinets can be dispensed with.

Midland National Joins Northwest Bancorporation

THE Midland National Bank and Trust Company, Minneapolis, has affiliated with the Northwest Bancorporation of Minneapolis. On last report to the comptroller the Midland had \$1,000,000 capital and surplus, undivided profits and reserves approximately \$700,000, deposits \$20,306,388, and resources \$24,580,196. The Northwest Bancorporation which embraces Northwestern National Bank, Minnesota Loan and Trust Company, and five other institutions in Minneapolis now has affiliated in this Minneapolis group, including Midland, deposits of \$128,283,614 and combined resources \$146,620,785. There are now thirty-four banks and trust companies located in Minnesota, North Dakota, South Dakota, Iowa, Wisconsin and Nebraska that are in the Northwest Bancorporation group and their combined resources are \$344,750,453.

Charles B. Mills, President, Midland National Bank and Trust Company, and E. W. Decker, president, Northwest Bancorporation, jointly announced September 24th, the affiliation which will be accomplished through exchange of Bancorporation stock. On the Chicago stock exchange and the Minneapolis-St. Paul stock exchange, Bancorporation recently has been traded in around \$98, while Midland stock with a par value of \$20 has been traded in Minneapolis-St. Paul at \$90 to \$96.

Theodore Wold, who was the first governor of the Ninth District Federal Reserve Bank in Minneapolis, when it began operating in 1914, and who now is senior vice president of the Northwestern Na-

tional Bank and vice president of the Northwest Bancorporation, was president from 1910 to 1914 of the Midland National Bank and Trust Company, which at that time, was named "Scandinavian-American National Bank."

The Midland National Bank and Trust Company is located in the Security building at Fourth street and Second Avenue South, and is close to the City Hall and Courthouse, the Minneapolis Chamber of Commerce, the grain trade and milling company and railroad offices. There will be no change as to name, location or personnel.

An Iowa Native

CHARLES B. MILLS, who succeeded H. R. Lyon as president of Midland National Bank and Trust Company in August, 1919, began his banking career with the Bank of Sioux Rapids, Iowa, in 1885, afterward becoming a member of Moe, Hulett & Mills, bankers at Sioux Rapids. Later he was executive officer of the Peoples Trust and Savings Bank, Clinton, Iowa. In addition to his present connection with the Midland, he is president of the State Bank of Laurens, Iowa, and First National Bank, Sioux Rapids, Iowa, vice president, First National Bank, Rambrandt, Iowa, and vice president, Citizens State Bank, Osseo, Minnesota.

Edgar L. Mattson, first vice president and trust officer of the Midland, is a native of Minnesota, and has been in the banking business in Minneapolis since 1888. He is past president of the Minnesota Bankers' Association, a former member of the executive council of the American Bankers' Association, former president of the National Bank Division of the American Bankers' Association, and former treasurer of the Minnesota Agricultural Society. Prior to 1912, Mr. Mattson was an officer of the Northwestern National Bank, and the affiliation of both the Northwestern National and Midland with Northwest Bancorporation has something of the sentimental for Mr. Mattson as it has for Mr. Wold.

Walton R. Murray, vice president, after years of bank experience, starting as a messenger, came to the Midland in 1915 as assistant cashier. He has been active in civic affairs in Minneapolis for years. Other officers of the Midland are: Victor E. Hanson, vice president; Trygve Oas, vice president and assistant trust officer; George G. Struthers, vice president; Arnulf Ueland, credit manager; Elmer V. Bloomquist, secretary and assistant trust officer; Cecil L. Keith, cashier; Harry

D. Davis, assistant cashier; J. Kenneth Cornelyson, assistant cashier; Linden L. D. Stark, assistant trust officer; Fred W. Conrad, assistant cashier; Lawrence O. Olson, assistant cashier; Edmund J. Wagenhals, assistant cashier, and Frank W. Peterson, auditor. Midland National Bank and Trust Company has a strong and representative directorate, made up as follows:

Frank W. Bowman, vice president, S. H. Bowman Lumber Company; Frank G. Brooberg, broker; Bernard M. Bros, treasurer, Wm. Bros Boiler & Mfg. Company; Aaron Carlson, manufacturer; H. S. Gregg, president, Gregg Manufacturing Company; Oscar D. Hauschild, secretary, Retail Lumbermen's Ins. Ass'n; James T. Hazard, James T. Hazard Company, Insurance, general agents; Charles J. Hedwall, insurance; G. L. Heegaard, president, Mandan Mercantile Company; W. C. Helm, vice president, Russell Miller Milling Company; Fred L. McClellan, president, McClellan Paper Company; John R. Marfield, president, Marfield Grain Company; Edgar L. Mattson, vice president, Midland National Bank & Trust Company; Robert L. Meech, vice president, Mandan Mercantile Company; Charles B. Mills, president, Midland National Bank & Trust Company; Walton R. Murray, vice president, Midland National Bank & Trust Company; E. H. Norblom, president, Landers, Morrison, Christenson Company; Hal C. Paris, manager, The Paris Factory; A. M. Robertson, vice president, Minneapolis Street Railway Co.; Maurice Schumacher, build-

(Turn to page 100, please)



CHARLES B. MILLS



EDGAR L. MATTSON

Safety and Profit in the Bank's Investment Account

THE committee on investments, savings bank division, American Bankers Association, was directed to study the methods employed by the smaller banks in the management of their investments in securities, and to suggest means whereby the banks might increase their earnings from this source.

It is assumed that the first desire of a bank is to lend locally all it safely can on satisfactory terms, thus promoting the business and growth of its own community which in turn promotes the bank's welfare. Another primary consideration is that the banker should never overlook keeping his institution liquid. The banker differs from the individual investor in that he must have liquidity, or the ability to convert his assets into cash when required. The individual may never have to sell or convert his securities, but a banker cannot make this assumption, for his deposits are at the command of his depositors at any time. In the case of savings accounts there is, of course, the time limit but even this is restricted. The banker, however, does know that a certain amount of his savings deposits will always remain untouched, and for this reason his institution can safely buy mortgages and other not easily converted assets which a commercial banker cannot safely hold. Even in the investment in securities by a purely commercial bank, it is not a bad rule never to buy any stock or bonds which do not enjoy a ready market at all times.

A fairly safe indicator of the investment situation is the interest rate for call loans on the New York Stock Exchange. When the rate has been 6 per cent or more for a long period, it is a clear indication that there is a credit strain and commercial banks would do well to have their money loaned and not invested. If the local demand does not absorb the funds of a bank, it would be well to put them on call in New York—in bankers' acceptances and in prime short time paper. This use of funds has the added advantage of being impersonal. The bank does not come in personal contact with the borrower, and therefore escapes the importunities of its clients and the—at sometimes—embarrassment in pressing a client for repayment.

It is in times when money is cheap and interest rates are low that the most careful attention should be given to the investment of surplus funds. The temptation is very strong to buy something which pays a little more than the current rate. A belief that money rates will go still lower often hastens purchases with the ex-

pectation that long term bonds will appreciate in price. While the judicious purchase of long term securities early in the period of lowering interest rates is wise and profitable, times of low interest rates are danger periods for the inexperienced banker who lacks wise investment counsel. It is at such times, when it is relatively easy for the issuing house to

Report of Special Committee on Investments, Savings Bank Division, to Executive Committee of the Division at American Bankers Association Convention, San Francisco, 9:30 A. M., September 30, 1929.

sell bonds, that the quality of bonds deteriorates.

New Issues

IT IS well to remember that new issues of bonds usually have a considerable profit for the issuing houses, and their market variations may be wide until they are well distributed and locked in the strong boxes of the investors. This is not so much the case with bonds which have been outstanding for a long time and which have become thoroughly seasoned. It is not a bad rule for an inexperienced banker without good investment advice to confine the investment in bonds for his institution to those listed on the New York Stock Exchange; although this in and of itself is not a sufficient recommendation.

Another general observation to be noted is the natural indisposition of banks to take profits or losses unless some other immediate use for the funds can be found. Most inexperienced investors are slow to stop their losses when the prices of their securities go down. It is also true that they miss many opportunities to increase their profits by selling when everything looks bright. It has been said that in banking, "It is not so much what you make as what you don't lose that counts." This applies particularly to the investment account.

In the course of its study the committee found several points in the management of the average bank investment account which should be corrected. The principal ones are:

1. No matured policy or method in purchasing securities.

2. No definite investment program.

3. Lack of knowledge of securities owned and of the types of securities which should be purchased.

4. Trend of interest rates on securities.

5. Failure to review and appraise all holdings at regular periodical intervals.

6. Exchanges.

7. Keeping funds employed.

It was found that a majority of the smaller banks purchase securities only after approval of the board of directors. This method makes it impossible for the banks to take advantage of offerings of the so-called "fast issues," by which is meant new issues which are very attractive and are quickly snapped up by large buyers, often being all sold by ten o'clock on the morning they are offered and immediately commanding a premium above the issue price. Banks which can not give an immediate answer are not called by telephone on issues of this type. It is believed the smaller banks should follow the larger ones and authorize at least one officer to purchase or sell securities without waiting for approval of the board. His principal duty should be the purchase of securities and their follow-up. This would make it necessary for him to study securities, markets, general conditions, and trends, and keep close contact with the bank's large city correspondent.

In some cases several small bankers have united in the employment of an individual expert in security values, to supervise their investment accounts, thus securing at reasonable cost wisdom and experience which no one banker individually could afford.

Buy When Wanted

IT IS believed the smaller banks would do well to follow the large financial institutions and adopt the policy of buying securities when wanted rather than having securities sold to them. Safety and fair price should be purchased instead of interest rate and what the salesman has to sell. As a rule the salesman's best efforts are put forth to sell the most profitable issue on his list, irrespective of the bank's requirements. Frequently, if he is sufficiently persistent, he succeeds. This implies no criticism of the salesman's integrity and effort. In many cases the bank would fare better to buy a lower yield and have greater security and marketability.

A record should be kept of security issuing houses and of the issues put out by them in order to know how these issues have fared marketwise when selling syndicates are dissolved, and, whether the

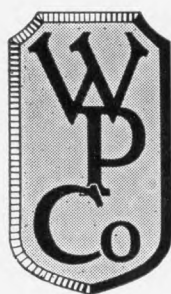
THE WHITE PHILLIPS COMPANY, INC.
INVESTMENT BANKERS
 DAVENPORT, IOWA CHICAGO, ILLINOIS

October Investments

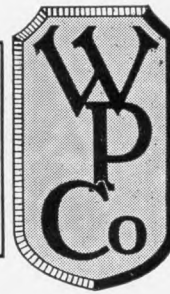
WE OWN AND OFFER, SUBJECT TO PRIOR SALE:

\$10,000	5%	Adams County, Ia., Primary Road	Opt.	5-1-1935	4.85%
22,000	4 ³ / ₄ %	Jackson County, Ia., Primary Road	Opt.	5-1-1934	4.75%
10,000	5 ¹ / ₄ %	Kossuth County, Ia., Dr. Dist. No. 166		11-1-1930	5.25%
17,000	4 ³ / ₄ %	Lee County, Ia., Primary Road	Opt.	5-1-1934	4.75%
6,000	4 ¹ / ₄ %	Sioux City, Ia., Sewer Constr.		1933-37	4.65%
21,000	5%	Wayne County, Ia., Primary Road	Opt.	5-1-1935	4.85%
12,000	5%	Worth County, Ia., Primary Road	Opt.	5-1-1934	4.85%
14,000	4 ¹ / ₂ %	Bloom Twp., Ill., Sch. Dist. No. 206		6-9-1947	4.75%
33,000	4 ¹ / ₂ %	Burnham, Ill., General Corporate		1935-1947	4.75%
20,000	4 ¹ / ₂ %	East Moline, Ill., School		1932-1947	4.70%
29,000	6%	Mill Shoals Twp., White County, Ill., Road		1930-1934	5.25%
37,000	4 ³ / ₄ %	Moline, Illinois, School		1934-1935	4.70%
45,000	5%	Veterans Park Dist., Cook County, Ill., Parks		1939-1947	4.90%
100,000	5%	Lavaca County, Texas, Road Dist No. 1		1930-1959	5.30%
13,000	5 ¹ / ₂ %	El Campo, Texas, School		1945-1951	5.25%
7,000	5 ¹ / ₄ %	Brevard, No. Caro., Street Impr.		1930-1936	5.25%
16,000	6%	Sherrard Power System, 1st Mtg.		6-1-1939	6.00%
10,000	5 ¹ / ₂ %	Maysville Public Serv. Corp., 1st Mtg.		4-1-1942	6.00%
10,000	6%	Inland Utilities, Inc., Conv. Deb.		6-1-1934	6.34%

Complete descriptive circulars on the above offerings gladly
 furnished upon request



**THE INVESTMENT
 BANKING HOUSE OF SERVICE**



house makes a market for its issues until they are well distributed and seasoned. At the same time due allowance must be given to changes in interest rates and depressing influences. No house, no matter how strong or how wise, can guarantee future prices on its securities.

Having established a definite purchasing policy, the next step is to formulate an investment program to meet the bank's requirements as to security, maturity, and liquidation. Many banks buy far more security than is necessary, irrespective of income. Others buy coupon rate or price and overlook the factor of safety. Neither is correct. A safe medium can be reached and should be the aim of all buyers. Unless regulated by state laws, the average bank does not need to hold too high a

percentage of underlying, low yield railroad and public utility bonds. A certain amount of this type is desirable to raise the average quality of the list, but not so much as to make the average yield too low. Do not make it a rule to buy only, as some do, securities rated AAA, or as others do, nothing yielding less than 6 per cent. Of the two, the former is preferable, as the possibilities of loss of principal are very limited, but it results in a loss of income. The second method is entirely wrong. A policy of this kind will surely bring losses if followed for a period of years.

Every list should have a fair percentage of short term securities, maturing in from six months to five years. In this way a bank has a flow of funds coming in which

can be counted on, also, they can be sold without great sacrifice in time of stress. The advantage of this policy has been proved to many banks during the past eighteen months.

Liquidity should receive consideration second only to security of principal. Banks which have been sold new issues of securities during the past three or four years and recently found themselves faced with the problem of raising cash through the sale of these issues were in many cases forced to take losses which were far greater than the average decline in prices, because a large part of their holdings had very limited, and in some cases only what is known as a one house market.

Great care should be taken to secure proper diversification of holdings. Not over 5 per cent of the list should be in any one company, and the following is considered a good distribution according to groups:

Governments10 to 20 per cent
Railroads20 to 30 per cent
Utilities20 to 30 per cent
Industrials20 to 30 per cent
Foreign10 to 15 per cent

After determining desirable percentages by groups, the list should be diversified geographically and the industrials by industries. Geographical diversification is desirable in the rails, also in utilities and foreigners, as depressions or disasters which may occur in one section are not apt to affect the entire list marketwise. In the industrial group selection should be made from the food, chemical, steel, oil, rubber, automobile, and other industries. Depressions which may affect one or more industries do not necessarily affect all.

Know Your Bonds

LACK of knowledge on the part of bank officials of the securities purchased has resulted in serious losses to a number of banks. While it is realized that the smaller banks cannot afford the personnel or facilities, which the larger banks maintain, to study securities, it is believed a far greater knowledge of the securities held, or under consideration for purchase, can be obtained by communication with a correspondent financial institution of size and service competent to advise, or by retaining the services of one of the statistical organizations. The opinion of either of these should be given greater consideration than the recommendation of the salesman or the firm offering the securities. Bond salesmen often state that certain banks spend far more time investigating a request for a local loan of \$100 than is devoted to the purchase of \$5,000 of bonds of a company whose name is entirely unknown to them. If one well-equipped officer with proper contacts is responsible for all purchases, this condition could not exist.

Another phase of investment in bonds
(Turn to page 60, please)

On a Desk in Every Iowa Bank

TAKE the Iowa Bank Directory from the desk of an Iowa banker, and it will be missed immediately! It is used daily by the executives of Iowa banks—the men who influence the investing public in this rich investment State—men who are themselves among the State's largest investors.

- an invaluable source of accurate information.
- referred to constantly.
- intense reader interest.
- 100% CIRCULATION, EVERY BANK IN IOWA.
- Moderate advertising rates.

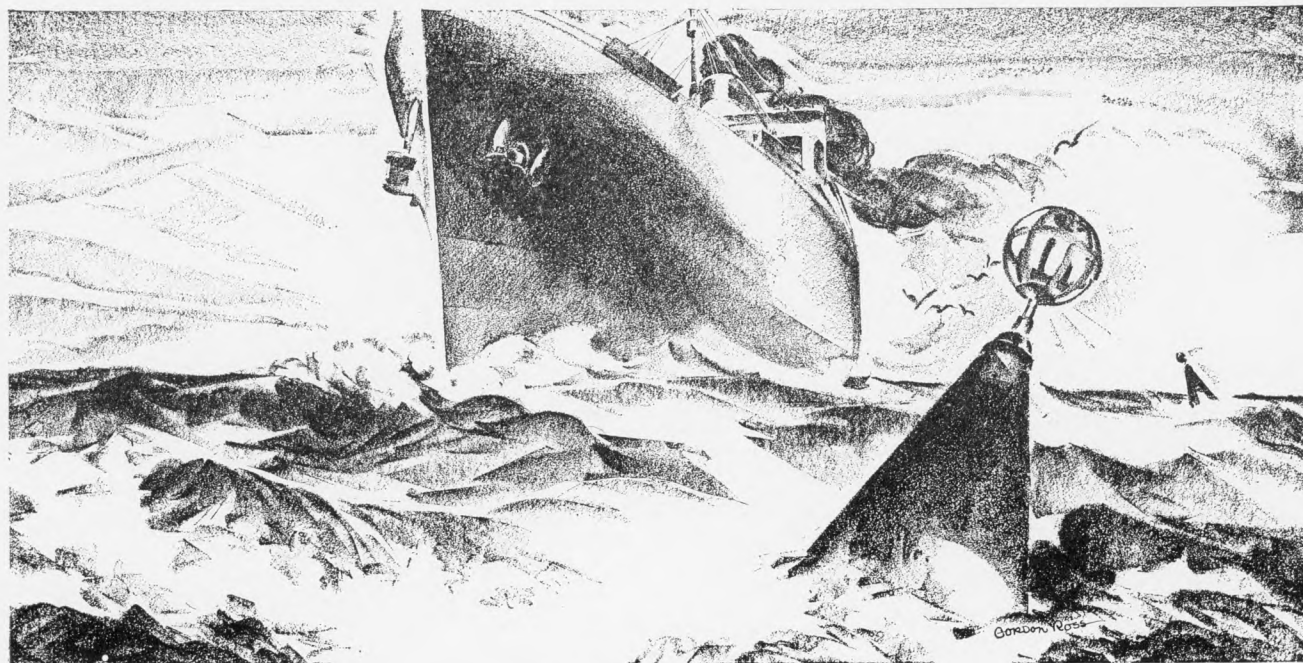
*Write for advertising rates at once,
and assure your advertisement a prominent position in the Second 1929
Edition. First forms will close soon.*

IOWA BANK DIRECTORY

Published by the Northwestern Banker

DES MOINES

Northwestern Banker October 1929



Deeper and broader channels for the ship of Modern Business

For greater usefulness
to Modern Business

The Equitable Trust Company
and

The Seaboard National Bank
announce

their consolidation as

The Equitable Trust Company
OF NEW YORK

WHEN the mammoth ships of our generation began to move their unprecedented cargoes, channels had to be broadened and deepened to make arrival and departure safe and sure. So, with the growth in trade and industry today, tending toward larger single units of manufacture and distribution, the financial channels also must broaden and deepen.

The consolidation of two well-rounded banking institutions—The Equitable Trust Company and The Seaboard National Bank—reflects this trend. It creates a bank large enough to satisfy the financial needs of our great modern corporations, yet flexible enough to meet every banking requirement of the individual.

Correspondent bankers will continue to transact their business with the same experienced Equitable and Seaboard officers, yet in addition they will find in the consolidated bank a widened range of valuable business contacts and banking facilities.

The Equitable Trust Company

OF NEW YORK

A merger of The Seaboard National Bank and The Equitable Trust Company . . . Total Resources in excess of \$800,000,000

Main Office: 11 Broad Street, New York

Offices of Out-of-Town Representatives: Philadelphia, Baltimore, Pittsburgh, Atlanta, Chicago, Dallas, San Francisco

Foreign Offices: London, Paris, Mexico City

Northwestern Banker October 1929

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford De Puy

Editor's Note:—Under the above heading, readers of the NORTHWESTERN BANKER, are being favored with a "travelog," written by the publisher, Clifford DePuy, who, with his wife, is now enjoying a three months' tour of Europe. He will visit England, Germany, Holland, France, Italy, Switzerland, Austria, and Czecho Slovakia and will describe his observations in each country.

SWITZERLAND is made up of three distinct nationalities—German, French and Italian. Realizing this, I was interested to learn how they maintained their neutrality during the war, and found that it was done very cleverly in the following manner. The German-Swiss soldiers were assigned to guard the French border. The French-Swiss guarded the German border, and the Italian-Swiss guarded the Austrian border. As a "Switzer" told us, "Believe me, our border was well guarded."

ABOUT ONE-THIRD of the laborers in Switzerland are watch makers. Over \$80,000,000 in Swiss watches are exported annually. Incidentally, I talked to a prominent jeweler in Lucerne who had three stores in Switzerland, one in New York, and one in Los Angeles, and he said that in three months in Los Angeles he did a greater volume of business than he did in twelve months in his three stores in Switzerland. (The Los Angeles Chamber of Commerce will probably not overlook this paragraph.)

SPEAKING OF THE WATCH INDUSTRY, to say nothing of the cheese business of Switzerland, our guide said that their greatest industry was to bring



tourists in with money and send them away without money, and from my own experience I think they succeed very well.

THE OLDEST DRUG STORE in Lucerne has been in the same family for generations. Over the door I read this sign, "We have medicine to cure everything but love."

AS I LOOKED at the Wilson Memorial tablet in front of the League of Nations building in Geneva, I could not help but feel that the United States had deserted its own child and left it to be brought up by other nations of the world.

Northwestern Banker October 1929

Most foreigners do not understand our attitude on this subject. I sometimes wonder if we do ourselves.

THE EFFICIENT AMERICAN woman has competition in the Italian peasant whom I saw walking along at a



rapid rate with a large loaded basket over her head and knitting all the while.

IN STRESA, ITALY, one night I saw the world's greatest salesman. He was selling a pearl (?) necklace to a crowd of boys and girls about five to ten years of age. The crowd had gathered to see his "Punch and Judy" show. But before that took place, he sold tickets for one lira, or above five cents, for a lottery ticket entitling the holder to one chance on the necklace. When enough tickets had been sold—and not before—the crude funny show began. The night I saw it, he kept the crowd at abeyance until 10:30.

AT 46 YEARS OF AGE, Mussolini is the most talked of ruler in Europe. Seven years ago with 100,000 fascisti he marched from Naples to Rome and took charge of the government without bloodshed. Everyone tells you of the wonder he has wrought during his administration in operating the railroads and industrial plants.

Some of the interesting things I learned about Mussolini, while in Italy, were these:

1. Since March 11, 1926, lockouts and strikes have been absolutely prohibited, "in defense of the interests of the nation and the continuity of production."

2. Mussolini's family lives in Mi'an and he goes to see them two or three times a year.

3. "Il Duce" works until two o'clock many nights and it is much harder to see him than it is the Pope.

4. For recreation, he plays the violin and rides horseback.



5. He has abolished all secret societies in Italy. This was done especially to eliminate free masonry.

6. Everything in Italy dates from the beginning of the fascism in 1922. Dates are written this way, "Anno VII Ere Fascista."

ANOTHER PROOF of American efficiency was brought to my mind in Rome where I purchased the August 24th issue of the Saturday Evening Post on August 23rd. I paid 8½ liras, or about 42 cents for my copy, but it was worth it because, as I wrote Craig B. Hazlewood, his article on the subject "Why the County Bank" was in it.

BEFORE COMING TO EUROPE I had heard much of the beauty of the Italian lakes, but not until I was in Bellagio did I fully appreciate them. In my diary I have written:

"Tonight we dined on the open terrace of Hotel Villa Serbelloni. Here, high up on the mountain side, Count Alessandro Serbelloni had his villa, and before him, on the mountain, Pliny the Younger had his beloved Villa tragedy.

"But tonight, the historical background of the villa and the brilliance of a Roman philosopher and writer seemed to fade away into the deep blue haze that hung over Lake Como and Lake Lecco.

"Who cared about the past? Tonight we were dining in the most picturesque place I had seen in all Europe. From my high point of vantage two lakes far down the hillside stretched out in opposite directions like great sheets of beautiful green glass with the rugged shore line impudently protruding itself into the picture like a naughty boy sticking his thumb in the jelly jar. Far away I could see faintly, oh ever so faintly, the Italian Alps, which made the background for this wonderful panorama.

"Now and then, across the lakes, a slow moving row boat glided through the water. Here and there a fast motor launch made white streaks of foam as it sped on its way. Then as the sun slipped over the edge of the universe, and the darkness seemed to envelope us, the moon came out, the grand old night watchman of the heavens. Lights appeared in the houses on the mountain sides, the lake steamers seemed like toy boats brilliantly illuminated. Far off an auto curved in and out



Babson Agrees with Mellon That Bonds Are Selling at Bargain Prices

ROGER BABSON said recently: "Of course the real bargains of today are in the bond field. Secretary Mellon may have been a little early when advising people to buy bonds last March, but he is still giving the same advice, and it is better today than ever."

Bankers of foresight throughout Iowa, as well as individual investors, are recognizing this opportunity to purchase sound investments on a very favorable basis. For many years this Iowa investment house has specialized in high grade bonds of the character well suited to banks and their conservative clients. It is our privilege to serve a large percentage of the banks in Iowa which buy bonds.

Bankers find our offerings of consistently high quality and our service of practical value. Inquiries, which should be addressed to our Burlington office, receive our prompt attention. Write, without obligation, for our October bond list.

W. D. Hanna and Company

BONDS FOR INVESTMENT

Burlington, Iowa

Pioneer Bank Building, Waterloo

The Higley Building, Cedar Rapids

The Laurel Building, Muncatine

up the mountain side as its lights appeared and then disappeared around the winding road.

"Dinner was over, but we sat leisurely for many hours as we viewed this Italian masterpiece, while the chimes of Bellagio announced to us in deep musical tones the hour of the night."

Business Shows Gain

The dollar volume of business in thirty cities in Minnesota, western Wisconsin, Iowa, Nebraska, the Dakotas, Montana and Wyoming, for the six weeks ending September 11th, gained 21 per cent over the corresponding period in 1928, and

26 per cent over 1927. Check payments through banks in these cities (debits to individual accounts as reported to the reserve banks) were \$2,254,543,000 compared with \$1,866,945,000 in 1928, and \$1,785,241,000 in 1927. Duluth had 49 per cent gain, Minneapolis 40 per cent, Mason City, Iowa, 28 per cent; Cedar Rapids, Iowa, and Superior, Wis., 22 per cent each; Sioux Falls, S. D., 16 per cent, and La Crosse, Wis., 12 per cent.

Northwest Bancorporation, in its September monthly business summary, finds this due mainly to earlier marketing of grain at prices higher than 1928.

All railroads entering Minneapolis except one registered gains over August,

1928, in grain tonnage ranging from 41 and 46 per cent by the Omaha and Northern Pacific roads to 107 per cent and 434 per cent by the Great Northern and Rock Island. Between September 1st and September 16th, there was a falling off, but receipts of all grain from August 1st to September 15th were 48,467,080 bushels in Minneapolis compared with 42,448,280 in 1928, and in Duluth 55,997,439 bushels compared with 29,179,413.

With reference to the congested condition of Minneapolis and Duluth terminals which had in them at the beginning of the new crop season more old-crop grain than ever before at a like time, Northwest Bancorporation Review says: "The fact that terminal elevators have managed to operate continuously in the northern markets speaks volumes for the cooperative efforts of producers, elevator companies and railroads. Tariffs of most of the railroads permit grain, at a cost of 2½ cents per 100 pounds over ordinary rates, to be temporarily 'stored in transit' at other intermediate country elevators that may have available bin space, situated between the source of the shipment and their terminal destination. This device among others is being resorted to at the present time."

Morris Plan Bankers Meet

The Morris Plan Bankers Association celebrated its Tenth Anniversary and the twentieth anniversary of the founding of the Morris Plan of Industrial Banking at White Sulphur Springs, West Virginia, on September 23, 24 and 25.

Representatives from Morris Plan banks serving more than 145 of the largest cities in the country attended the convention. These institutions have loaned more than one and one-quarter billion dollars and have accumulated savings accounts in excess of ninety million.

The convention program included speakers of national repute. Dr. Julius Klein, Assistant Secretary of the United States Department of Commerce, were invited to participate in the program. The Association had among its guests at the annual banquet Governor Wm. G. Conley of West Virginia.

Among the entertainment features of the convention was the annual golf tournament.

F. A. A. Program

The banker, advertising man, or manager of business development who wants to learn of the experiences of some of the most successful banks and investment houses in the United States, should attend the fourteenth annual convention of the Financial Advertisers Association which will be held in Atlanta, Georgia, October 30th to November 2nd. At this convention, each speaker will tell his experiences in building new business; the problems he has solved and the results obtained.



No More "Missing Checks" at end-of-month

—because none will be UN-FILED or MIS-FILED
ANYWHERE in the bank at ANY TIME

WITH the new Shaw-Walker combined bank check file and statement posting device, your bookkeepers can file the current checks charged to your customers' accounts *at the same time* the statement sheets are refiled after the posting operation.

This device has been tested out in a number of banks during the last three years and has given complete satisfaction in every instance. The double tray unit houses the current monthly checks and statement sheets pertaining to from 800 to 1000 accounts.

ZAISER'S

414 7th ST.

PHONE 4-3283

DES MOINES

Stationers and Office Outfitters

Every department of a bank or investment house will be fully covered in the general and departmental sessions.

The whole program of the convention has been built around the theme of "How to" organize and carry out effective new business and advertising plans. These will not be theoretical discussions. They will be the reports of some of the outstanding men engaged in the business of getting new business and retaining old business.

Actual demonstrations of how some of the leading institutions build their advertising programs, how they select their media, how they discover their advertising assets, and how they build them into business-getting programs, will be given.

Another Bank Affiliates

Another key bank in southern Minnesota, the Austin National Bank, has become affiliated with the First Bank Stock Corporation, Lyman E. Wakefield, president of the First National Bank in Minneapolis and vice president of the holding company, announced.

The Austin National for several years have been commonly known as the Hormel bank. Sixty-five per cent of its stock has been held by George A. Hormel & Company and it has served as the depository for the packing company's funds. Through exchange of stock, the holding company acquires ownership of all the capital shares of the bank and of its affiliated institution, the Austin National Company.

Founded in 1892, the second bank organized in Austin, the Austin National has grown to be one of the leading institutions in its section of the state. Three years ago, the entire capital stock of the bank was purchased by the Hormel company and by ten Austin business men, who guaranteed the deposits and reorganized the bank, extending its facilities by the launching of the Austin National Company to participate in the distribution of securities and do a general insurance business, supplementing the general banking and fiduciary functions of the bank. A trust department also was added. Since its change of ownership, the growth of the bank has been rapid. Today it has deposits of \$1,700,000 and resources of \$1,900,000 with a capital of \$75,000 and surplus and undivided profits of \$70,000.

The Austin National Company is capitalized at \$75,000 with a surplus of \$75,000. The bank owns the two-story office building in which it is housed on the corner of Main and Bridge streets.

Seaboard and Equitable Merge

Formal consolidation of the Seaboard National Bank and the Equitable Trust Company of New York has been completed, merging the identities of two out-



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	\$ 105,000,000.00
Surplus and Profits	137,069,453.40
Deposits	1,064,688,956.79

OFFICERS

ALBERT H. WIGGIN
Chairman of the Board

JOHN McHUGH
Chairman of the Executive Committee

ROBERT L. CLARKSON
Vice-Chairman of the Board

CHARLES S. McCAIN
President

Vice-Presidents

CARL J. SCHMIDLAPP
REEVE SCHLEY
HENRY OLLESHEIMER
JAMES T. LEE
SHERRILL SMITH
ALFRED C. ANDREWS
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GEORGE E. WARREN
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FRANK O. ROE
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Foreign and Trust Department Facilities

standing New York banks. The new institution, with total resources in excess of \$800,000,000 will retain the name and charter of The Equitable Trust Company of New York.

The combined capital, surplus, and undivided profits of the consolidated institution will be \$90,000,000, divided as follows: capital, \$46,500,000; surplus, \$38,500,000; and undivided profits, approximately \$5,000,000.

Stockholders of the Seaboard Bank will receive Equitable Trust Company stock in exchange for their holdings upon the basis of one and one-half shares of Equitable stock for each share of Seaboard.

It is expected that plans for an increase in capitalization and a split-up in the shares of Equitable stock will be announced in the near future.

Arthur W. Loasby, who has been president of the Equitable, becomes chairman of the board, and Chellis A. Austin, presi-

dent of the Seaboard, becomes president of the Equitable.

The Main Offices of the Seaboard were moved from the Seaboard Bank building at 59 Broad Street to the new Equitable Trust Company building at 11 Broad Street. Extensive alterations have been made on several floors of the Equitable's forty-two story building to accommodate the officers and department personnel from the Seaboard's Main Office. Quarters also have been provided in this building for divisions of the Seaboard's Trust Department, previously located at 115 Broadway, as follows: Corporate Trust, Transfer, Registration, Reorganization, and Coupon Paying.

The Seaboard building at the corner of Broad and Beaver Streets has been sold to the Manufacturers Trust Company.

As a result of the merger, the Equitable Trust Company will have eight offices in greater New York. The Seaboard's Mid-

town Office at 24 East 45th Street is to be consolidated with the Equitable Office at 45th Street and Madison Avenue as soon as remodeling of the quarters there is completed in the immediate future. Four new Equitable offices will be opened during the next few months at locations already selected in Greater New York.

Representatives of the Equitable Trust Company or its subsidiary, the Equitable Securities Company, Inc., have offices in the following cities: Philadelphia, Baltimore, Atlanta, Chicago, Dallas, San Francisco, Pittsburgh, Boston and Washington.

As one of the leading American banks in volume of foreign business, the Equitable maintains important branch offices in London and Paris and also has an office in Mexico City. Its subsidiary, the Equitable Eastern Banking Corporation, maintains offices in Hongkong, Shanghai and Tientsin, China, and has resources of \$25,000,000. S. Stern, who has been vice president of the Seaboard Bank in charge of the foreign department, assumes the same executive post in the Equitable Trust Company.

The London Office of the Equitable at Moorgate E. C. 2 is the oldest established office of any American bank in that city. It operates a branch for tourists in the West End section. The Equitable's Paris office occupies its own building at 41 Rue Cambon and maintains a staff of several hundred people. In recent years it has ranged from twelfth to fourth in clearings at the Paris Clearing House.

The Seaboard and the Equitable Trust Company both have made remarkable progress in the last few years and have developed into complete financial institutions with departments providing every type of banking service.

Japanese Banking

The dominant position in Japanese financial operations held by a group of five banks is strikingly revealed in a study of Japanese banking which has just been issued by the Department of Commerce. This group which is composed of the Mitsui, Mitsubishi, Dai-ichi, Sumitomo and Yasuda banks is commonly known as the "Big Five" and in many respects resembles its counterpart in Great Britain.

These five banks, the survey reveals, hold roughly one-third of all "ordinary bank" deposits in Japan. This concentration of assets is best realized from the fact that the remaining two-thirds is held by 1,026 banks. The 1,031 ordinary banks together held, at the end of 1928, over 78 per cent of all bank deposits in Japan. The remaining 21 per cent rests in almost equal amounts with the "special" government controlled institutions, such as the Bank of Japan, the Yokohama Specie Bank, Bank of Chosen, etc. Taking the sum total of all deposits in Japan—"ordinary bank," "special bank" and savings bank—the "Big Five" hold over 26 per

Keep Advertising Your Bank

The most successful banks of which we know are the ones which have been the most consistent advertisers.

It makes no difference how many years you have been located on a certain street in any given community, it will pay you to advertise the fact that you are anxious to secure more business.

After all, new people move into the community, others pass on, and with the constant changing of population it is always desirable to keep the prospects of your bank informed as to the service you render and where you are located.

A bank cannot advertise Thursday bargains or Saturday Special Sales, like department stores.

A bank must so familiarize the public with its name and its location that they will instinctively think of that institution when they think of doing business with a bank.

As one advertising authority has put it: "The prospect must be told why this particular bank is a good one to deal with; must be informed as to its record of achievement, the factors which contribute to its safety, and which make its service satisfactory."

Keep advertising your bank and your business will increase.

Every great business in America today has been built by the help of advertising—apply this same principle to your institution and see it grow.—*Northwestern Banker, June, 1929.*

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cent. In the case of loans the "Big Five," while still exercising an influence out of all proportion to their number, occupy a somewhat less dominant position than in deposits.

An interesting comparison is made by adding to those of the "Big Five" the deposits and loans of nine other ordinary banks. The resultant group of 14 banks is shown to control 5,062 million yen of deposits, or 54.93 per cent of the deposits of all ordinary banks in Japan proper.

The deposits of the "Big Five" are more than two and one-half times as great as those of Japan's 100 savings banks combined. The latter totaled 1,241 million yen at the end of 1928. If to that amount is added 1,743 million yen, representing deposits in the postal savings system, the resultant 2,984 million yen is less than the deposits of the "Big Five" whose 3,130 million yen compare with 1,300 million yen on deposit with the special banks.

Chicago as a Stock Trading Center

By LA SALLE ADAMS

Chicago's rise as a stock trading center has been meteoric in the last few months; even in the last few weeks. Chicago's new financial story is without parallel in the financial history of the world. Overnight, almost, this city has become an enormous factor in stock and bond trading.

When a new law went into effect on July 1st, passed earlier in the year by the Illinois legislature, a situation that had handicapped the Chicago market seriously for years was remedied. It had been the law almost from pioneer days that money could not be loaned in Illinois legally for brokerage purposes at a rate of more than 7 per cent.

As a result of that law the early months of 1929 found more than \$400,000,000 of Chicago and central west money in the New York market sent there by Chicago banks. The Chicago banks were paying the New York banks $\frac{1}{2}$ of 1 per cent as a "handling charge." That meant at the above amount of loans \$2,000,000 a year in charges.

With the interest disability removed that money is now coming back swiftly into the Chicago market. Why? Because the Chicago banks can make their own loans, at the New York call money rate, and save the handling charge.

"Show the bankers how they can make \$2,000,000 a year and, well, they'll kiss you," a man who has been a factor in La Salle street for a long time commented recently.

And here is another picture:

Two years ago a seat on the Chicago Stock Exchange could be bought for \$3,000. The highest price paid that year, after the turn came, was \$10,500. In 1928 a seat was sold for \$75,000. Last

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Can You Analyze the Value of a Security?

Guesswork, amateur opinion and the "tips" of well-meaning friends have no place in the serious business of investing for profit. Intrinsic value is what the investor must look for. To do so requires shrewd investment knowledge. Do you feel you can analyze a security and ascertain its actual value? Can you get the facts?

The statistical department of E. Raymond Dutro is engaged constantly in this business of fact finding. We have the personnel and the facilities, know what we are looking for, and know how to get the desired information. As a result we are able to give a complete classification and actual worth and income value of your present holdings or your contemplated purchases.

Our analytical service is yours for the asking, without obligation of any sort. This service is absolutely confidential, and the findings are prepared in permanent form and placed on your desk for ready reference.

Write us. Your inquiry will receive our prompt attention, and we will explain in detail what our service is, and what it would do for you.

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American Bank Building

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week a seat was sold for \$110,000. Trading on the Chicago Stock Exchange has increased 700 per cent in two years.

Now let us examine the figures to find out what the return of \$400,000,000 to Chicago from New York means to Chicago. There is in the United States today about \$5,000,000,000 in money. With that money a credit business of approximately \$60,000,000,000 is done. Sixty per cent of the money in the United States is in banks as deposits; the rest in pants pockets and tills.

Returning \$400,000,000 to Chicago, at that proportion, would put something like \$240,000,000 more in Chicago bank deposits. Probably the amount is even greater than that because this is investment money. Financial men will tell you that this money ought to be loaned fast enough so that it will build up a credit of twelve to one.

In other words, the contention of some of the ablest minds on La Salle street is that the return of \$400,000,000 in Chicago money to the Chicago market ought to increase the credit machinery of the city \$4,800,000,000.

While no financial writers have analyzed the new situation in just these terms for the public prints to date the change has apparently been sensed. Since April 1st seventy-eight newspapers in eighteen states, formerly receiving only pony reports daily, have started to receive full Chicago Stock Exchange reports. These newspapers are supplied with this service by the Associated Press and United Press.

One year ago the Chicago Stock Exchange tickers were operated only in Chicago and New York. Today 376 tickers are operated in twenty-six cities. These reach to New York on the east; Cincinnati, Louisville and St. Louis on the south; Kansas City and Omaha to the west, and Minneapolis and St. Paul to the northwest.

Service has just been authorized ex-

tending the eastern loops to Philadelphia, Baltimore and Washington. Boston, Hartford and Providence are soon to be added. Extensions to Memphis, Little Rock and New Orleans have been authorized to the south, to Tulsa, Oklahoma City, Fort Worth, Dallas, Topeka, Wichita and Sioux City to the west and southwest.

(Turn to page 76, please)

Why Group Banking?

The Northwest is going in for group banking because that section wants to make more of its great natural resources, to effect industrial and agricultural development and to reach out for wider markets than it has hitherto enjoyed, and to accomplish these ends, it must have strong banking facilities, said Trevor O. Hammond, vice president National Bank of Montana, Helena, in an address before the general convention of the American Bankers Association in San Francisco.

The Northwest is playing a large part in the group banking movement, said Mr. Hammond, and the group to which he belongs was formed because it is believed that it is the best way to facilitate and advance the present business and future growth of the Ninth Federal Reserve District, which includes the state of Minnesota, North Dakota, South Dakota, Montana, the northern part of Michigan and the northern part of Wisconsin.

"You need have no fears that we plan to become a part of a national chain," said Mr. Hammond. "This group is designed to serve the Northwest territory solely and exclusively and the distribution of its stock in small units over the Northwest makes it unlikely that control could ever pass to outside hands."

Of group banking in general and its rapid recent development, Mr. Hammond

said: "If public opinion and business progress go hand in hand with big business and merging of capital for the good of all, group banking must be the solution in those states which prohibit branch banking; and, if big business and larger units be the order of the day in other lines—then banking must follow or lead."

Mr. Hammond declared that the Northwest had been retarded in its progress and development because of unsettled and unsatisfactory general banking conditions, brought about chiefly through economic conditions. He explained that the grouping plan definitely contemplates the retention of the local management and control of the affairs of the bank in the hands of those men who have heretofore shown their capability and the central office is being set up with that defined purpose in mind. Only banks of the highest standing and of a known and long record for integrity, success and earning power have been invited to affiliate in the new movement.

Mr. Hammond said that those who had joined the group believed they had advanced five years in a few weeks. He thought that those who were committed to the Federal Reserve System must approve the group plan in theory, for within the credit limits of the group, group banking will furnish that same mobility and expansion of credit to meet seasonal and local demands that commends itself as a virtue in the Federal Reserve System.

Mr. Hammond expressed the belief that favoritism toward some industry or interest from the group management was less to be feared than the attitude of a "fickle Congress," with the power of legislation and "the impulse of politics" to change the Federal Reserve system law to the prejudice of any industry. As to apprehension about local bank officials having to give way to "clerks" under the group banking arrangement, Mr. Hammond asked whether such great railroad systems as the Great Northern and the Southern Pacific were of less service today to the communities they serve than at the time before their formation when a number of small railroad units, from which they were formed, served these territories. "Can you not see," he asked, "in the development of the strong modern railroad system from the weaker units an omen of the efficient service the future bank group will be rendering the territory it serves?"

Mr. Hammond said it must be admitted that, instead of being in advance, the banking facilities of the United States, taken as a whole, are behind the progress "of each transportation, communication and factory mass production" and far behind the general public in disposition to worldmindedness in the matter of disposing of surplus production in the world markets.

(Turn to page 76, please)

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Two and One-Half Billions In Investment Trusts

MORE than one and a half billion dollars of capital was invested by the American public in investment trust shares during the first eight months of 1929. This brings the total of investment trust funds in this country to approximately two and a half billion dollars, which will probably be increased by at least another half billion by the end of this year, according to a survey just made public by the Research Department of Lawrence Stern and Company, Chicago and New York investment bankers.

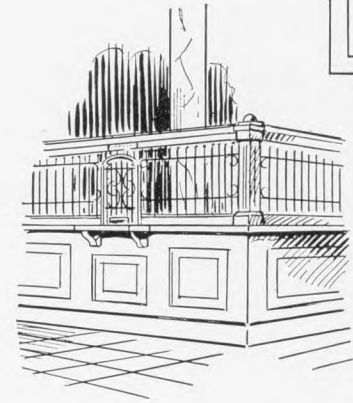
In 1928 investment trust offerings were 12 per cent of the country's total stock issues; in the first six months of 1929 they were 41 per cent; in July of this year, 60 per cent; and in August, 87 per cent. In spite of this very rapid growth, it is the conclusion of the Stern survey that the field for investment trusts is practically unlimited, and that "the large volume of capital currently being placed in such companies represents the broad swing of a major change in financing methods rather than the overdoing of one particular type of security."

A Comparison

A FURTHER interesting commentary on the magnitude of American investment trust financing is noted by the survey in a comparison with similar companies in Great Britain. The investment trust form of financing originated in Scotland and England about sixty years ago. A recent estimate places the aggregate resources of British trusts at approximately one billion dollars. In contrast to this amount, representing a sixty-year growth, the American public has already invested this year in investment trusts an amount one and one-half times as large as the total British figure.

"If the vast volume of investment trust financing in America," the Stern survey continues, "were solely the result of the public appetite for a certain type of popular security, economists might well view the large volume of this financing with concern. However, an analysis and study of the various individual investment trusts fails to reveal that any large proportion of them are without real reason for existence and a reasonable prospect for profit to the shareholders. Of course there are some weak organizations in this field—as in any other—and when any type of financing becomes extremely popular, it is unavoidable that there should be offered to the public a considerable number of ill-considered projects which have for their basis simply the desire to meet public demand rather than a sound economic basis. The number of such offerings in the investment trust field, however, appears to be smaller than might be expected. The

Modern Bank Lobbies



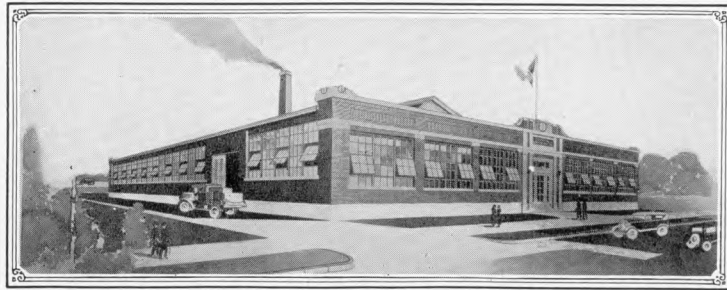
—are progressing steadily towards an ideal of perfection and beauty. It is not so much that bankers are becoming more artistic, but rather that they are learning the commercial value of beautifying the surroundings in which they daily meet their customers.

While a particular style of solid beauty pervades Fisher Bank Fixtures their real reason for existence is not overlooked, namely that of providing efficient working quarters.

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- Hotel Logan
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- LINCOLN..... Hotel Lincoln
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- NORFOLK..... Hotel Norfolk

IN SIOUX FALLS, S. D.

- Hotel Carpenter
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more important factors in this field and the great majority of trusts now being offered are sponsored by bankers and directors who are entirely capable of bringing about satisfactory results for investors through proper management of large aggregations of capital and who have sound investment programs.

"It is sometimes assumed by observers who have not studied the question deeply that the purpose of all investment trusts is simply to buy and sell securities listed on the various stock exchanges, and the question is often asked as to what difficulties may be encountered by these companies when there comes a period of protracted dullness and falling prices for common stocks.

"If the sole basis of present-day investment trust financing in this country were to operate in listed stocks, this question would be a very serious one. However, the investment trust field as it is developing is very much broader than that of mere trading in listed securities. The present tendency of the larger trusts sponsored by responsible bankers is to have a charter permitting absolute freedom of operation in any field, and, in most cases, either the primary or an important secondary purpose of these trusts is to operate broadly in some specialized field in which the bankers and directors have special technical knowledge and special advantages through their contacts and associations.

Strong Sponsorship

ANOTHER factor that makes for public confidence in this type of financing is found in the very strong sponsorship which is back of most of the larger companies. Nearly all the large banking houses in America are associated—directly or indirectly—with one or more big investment trust organizations. In fact, the larger volume of capital in the investment trust field is now represented by trusts having the sponsorship of some particular banking house or houses; and, generally speaking, the greatest public interest has been in those having such sponsorship, because of public confidence in the record and resources of well known banking organizations.

"A feature that is sometimes overlooked, but which has been especially stressed by some of the older investment trusts which have carefully studied the methods of English and Scottish companies, is the fact that an investment trust is by no means limited to the domestic securities market—even though its principal field of operation be in securities. Not only domestic securities, but also those of the entire world, are available for the investment trust portfolio. A tabulation of average levels on the various stock exchanges of the world over a period of years shows that when securities are at a high level in one country, they are apt to be at a low level in another country; and by careful

study of the international financial situation, profitable foreign investments can be made by competent investment trust managers at practically any time.

"In view of the almost unlimited field for operation—only a few examples of which have been called to attention herein—it may well be that the future development of investment trusts in the United States will far surpass in importance those which have been witnessed in the past two or three years.

"Owing to the very short time that most of the investment trusts in this country have been in operation, the stocks of these companies have been necessarily selling on a basis of future prospects rather than past performance. This condition cannot continue indefinitely and the time must soon come when these companies—as is the case with other corporations—must establish a market for their shares on the basis of their records rather than prospects."

Giannini to Seek Midwest Stockholders

Foreshadowing the extension of the Transamerica banking system into the middle west, A. P. Giannini, president of Transamerica Corporation, recently announced that 1,000,000 shares had been set aside, preferably for subscription by residents of states other than California, and an additional 1,000,000 shares for present stockholders of the corporation. This operation will place \$115,000,000 of new money in the company's treasury for investment.

Through this financing, Transamerica, which now controls or effectively controls corporations with total resources of more than \$2,365,000,000 and ranks third or fourth among American corporations in number of stockholders, expects to increase the number of its owners from 135,000 to 500,000. The greater percentage of their new owners, it is expected, will be residents of the middle west, most of its present owners being natives of California or New York.

Commenting on the purpose of this stock issue, President Giannini said:

"It is mainly intended in the judicious placement of the issue to advance our well-established plan looking toward nationwide development in the banking and investment field, through an introduction of our corporation to an ever-increasing number of residents in other states, and at the same time widen still more the distribution of our stock among small and permanent investors throughout the nation."

He who freely magnifies what hath been nobly done, and fears not to declare as freely what might be done better, gives ye the best covenant of his fidelity.—
John Milton.

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To country banks in the smaller cities and towns this circumstance has a practical advantage as well: not only are we able to collect the business committed to our care through the quickest and most reliable channels, but we can make telegraphic transfers to every point conveniently and with no delay.

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Bonds and Investments

What Is an INVESTMENT TRUST?

By DR. PAUL M. ATKINS

Engineer-Economist of Ames, Emerich & Co.

THE most overworked expression in the financial world during recent months seems to be "investment trust." It has become quite common to find that any organization whose major business is owning securities is referred to as an investment trust. Even holding companies of a type with which the public has long been familiar are now frequently dubbed "investment trusts." All too often even the experienced investor is misled and buys a security of a certain type of "investment trust" when he thinks he is buying another.

The term "investment trust" was introduced into our financial vocabulary from Great Britain, where it has been applied to a certain type of institution for many years. It is this same type which is now known in this country by the title "general management investment trust," to distinguish it from the "fixed" and "semi-fixed investment trusts" which have also been developed in the United States. The outstanding characteristics of a general management investment trust are: a portfolio made up of a wide variety of securities, both stocks and bonds, civil as well as corporate obligations, foreign as well as domestic, thus providing the security which a broad diversification of securities makes possible; a continuous management of this portfolio by men who are thoroughly trained, experienced, internationally minded, who are possessed of many contacts, both at home and abroad, and who are provided with a constant flow of economic and business data as a basis for their decisions in regard to changes in the portfolio of the trust. It is a cardinal principle of well managed investment trusts of this type never to buy on margin or sell short.

Is Not Speculative

IF PROPERLY administered, under normal conditions their current income from interest and dividends on their investments is adequate at least to pay current operating expenses and interest on debentures and dividends on preferred stock of the investment trust. Securities purchased by such investment trusts are usually bought because their prices are low as compared with the prices of other securities at the time. They are usually

held until their price is relatively high and funds so invested are required to purchase other securities whose prices are relatively low. In brief, the general management investment trust is an *investment* and not a speculative institution. It profits and plans to profit by the increase in the value of its holdings over a period of time, but any trading profit it may reap is a secondary consideration. In this respect it differs fundamentally from the financial trading company, which is organized for this express purpose.

The organization of both fixed and semi-fixed investment trusts is the same; they differ slightly in current operation. In both cases a group of stocks (and

General management, fixed and semi-fixed investment trusts, holding, finance and trading companies, are all frequently referred to as "investment trusts," much to the confusion of all interested. This article defines concisely the major characteristics of each and the differences existing among them, thus answering the question, "What is an investment trust?"

sometimes other securities) are purchased and certificates of beneficial interest of one kind or another are issued against them. In some instances the stocks are diversified and in other instances they include only stocks of companies in a single industry. In the case of the fixed trust, once the portfolio is made there is no possibility of any change, regardless of any weakening in the position of any security held. In order to remedy this difficulty in some measure, in the case of the semi-fixed investment trust certain substitutions from a limited list of eligible securities are permitted if they appear to be desirable. In neither case is there any continuous management of the portfolio as in the case of the general management investment trust, and hence this type of trust does not have the means for avoiding loss nor of gaining profits which are possessed by the general management investment trust. The fixed or practically fixed portfolio and

the absence of continuous management on the part of the fixed or semi-fixed investment trusts serve to mark them off sharply from the general management in-

vestment trust, which possesses both of these factors.

The holding company, which is perhaps best exemplified by numerous cases in the public utility field and certain new corporations in the financial field, is also confused with investment trusts of the type already described, and particularly with the general management investment trust. The similarities, however, are merely superficial. Holding companies are generally organized to manage, as well as finance, the subsidiaries whose securities they hold. In this respect they are entirely different from properly organized investment trusts, which take no part whatever in the management of any corporations whose securities they may happen to own. The holding company usually owns a controlling, if not a majority interest in its subsidiaries, as otherwise

it would not be in a position to dominate the policies and methods of the latter. The well administered general management investment trust, on the other hand, owns but a very small part of the securities of any company. Whereas the portfolio of the holding company is always in at least a semi-frozen condition, the

portfolio of the general management investment trust, if its affairs have been properly handled, is always in a highly liquid position. Still another difference may be noted in the fact that the holding company usually limits its holdings to a single industry, whereas most investment trusts have wide diversification of holdings.

Marked Differences

WHEN the finance company is considered, it may be noted that this type of corporation resembles somewhat both the holding company and the investment trust. A more detailed analysis reveals that there are marked differences. The major object of the finance company is to finance other companies which are not in a position to obtain long term funds directly from the public on favorable terms. There are often excellent reasons for this situation. The company financed may be one in a sound position but un-

Northwestern Banker October 1929

known to the public; it may be new and still in the promotional stage and hence unseasoned; it may be one which has been in difficulties but which has been taken over by a new management which gives prospects of solving its problems. It practically always involves participation and frequently complete control by the finance company in those corporations in which it is interested. In this respect it resembles the holding company but differs from the general management investment trust. On the other hand, it differs from the holding company because it may be interested at any moment in companies engaged in varying industries, and further, it rarely intends to retain its

interests in these concerns indefinitely, but to dispose of them as soon as they can be placed in a strong position and their securities marketed to advantage. Of course, this means that their portfolios are likely, for long periods, to be in a frozen position. This fact serves still further to differentiate them from the general management investment trust.

The financial trading corporation is the type of "investment trust," as that term is loosely applied, which has given a basis for the phrase so frequently employed, that "investment trusts are only *blind pools*." The trading company, when possessed of an equitable financial organization and honestly and capably managed,

is not deserving of the opprobrium which is frequently heaped upon it. The trading company is avowedly organized to buy and sell securities in order to make a profit by these market operations. It can buy on margin and sell short—two things which no sound investment trust ever does. When run by honest men who know their business, it probably offers the person who wishes to speculate in the securities markets a much greater opportunity for profit than he would have if he operated alone. Sometimes its portfolio includes a wide variety of securities, but more frequently its manager prefers, and properly so, to operate in only a restricted list at any one time. It is obvious that a strictly trading corporation is a speculative institution and not an investment institution like the general management investment trust. The principles upon which these two types of company operate are entirely different.

All of these several classes of corporation, when free from fraud, have a perfectly legitimate and desirable function to perform. The investor, however, should recognize the differences in objects sought, methods employed and investment position of their securities. He should particularly be careful to ascertain that he is buying that type of security which he desires when he purchases investment trust securities. It should be evident, also from the above discussion, that probably more than any of the others, the true general management investment trust combines to an unusual extent those characteristics which are desired by most investors, whether their holdings are large or small, whether they are conservative or progressive; namely, a high degree of safety, combined with reasonable opportunity for appreciation.

Iowa Building

Iowa building increased 138 per cent in August compared with the same month a year ago, according to a national survey just completed by S. W. Straus & Company.

Nine of the eleven cities reporting made gains. The outstanding gains were as follows: Cedar Rapids, 432 per cent; Des Moines, 314 per cent; Burlington, 205 per cent; Council Bluffs, 161 per cent, and Davenport, 123 per cent. Fort Dodge, Keokuk, Mason City and Sioux City also made gains.

In the comparison for August with July of this year, Cedar Rapids, Keokuk and Mason City were the only cities indicating increases.

A fool always finds one still more foolish to admire him.—*Boileau*.

He who feels the need of big words to convey his meaning, has but small meaning to convey.

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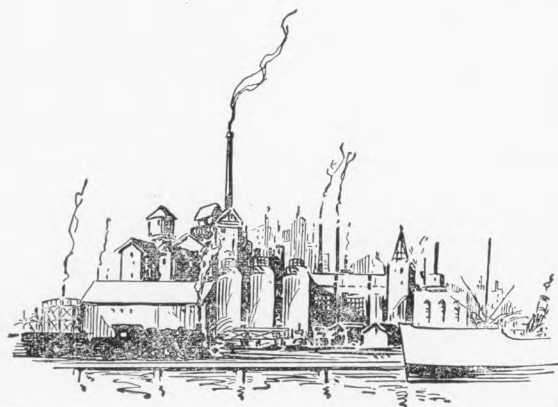


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Investment Bankers Convention

THE Investment Bankers Association of America, which holds its eighteenth annual convention October 12th to 18th in Quebec, has arranged a most attractive program for the six days during which delegates will be in this interesting city. In addition to the regular convention speakers and business sessions, much stress is being laid on the entertainment features.

Describing the beauties and attractions of Quebec, the last bulletin of the I. B. A. comments as follows:

"Quebec is truly a city of beauty, of his-

toric atmosphere, and of charm. It is alive with quaint interest. So there is no end to the little excursions around it that can be planned and made to fill the afternoons. There are historic spots without number—the Citadel, the fortified walls, the St. Louis Gate on Grande Allee, which will be reproduced on our convention badge this year, the King's Bastion, and the Plains. And there are scores of monuments, and quaint little houses, brownish churches and great cathedrals, grey convents, parliament buildings, universities packed with the art of ages, the Hotel

Dieu, the oldest hospital of its kind in America, wharfs where strange craft dock, modern shops and some almost mediaeval, mysterious, narrow streets that invite exploration. . . . You might go on forever enumerating the things to be seen in this charming place that might well be a city lifted out of seventeenth century France and planted on this side of the Atlantic.

"For a longer excursion, there is the drive to Ste. Anne de Beaupré, a world-famous shrine where miracles have been wrought ever since that day in the seventeenth century when Breton sailors, coming up the St. Lawrence, landed at Petit Cap to raise a chapel to the Good Ste. Anne in thanksgiving for having saved them from a watery grave. The way is through a bit of old Normandy, dotted with staunch little farmhouses, and along stretches of well-cultivated farmland. On the way is the majestic Montmorency Falls, tumbling 274 feet into the broad, blue St. Lawrence.

"For those who tire of exploring, there are several sporty golf courses to try the skill of the best. As in 1926, the courses of the Quebec Golf Club at Bois Chatel and the Kent Golf Links will be available for the delegates.

"Quebec, then, is an ideal spot for the Association's eighteenth annual convention. And it promises to leave as many pleasant memories as it did in 1926. It is picturesque and entertaining, quiet for those who seek a little rest from the hurry of American cities, and lively enough for those who wish to amuse themselves in extra-session hours."

Nominations for officers of the Investment Bankers Association of America, which have been announced at the association's office in Chicago, include Trowbridge Callaway of Callaway, Fish & Company, New York, as president, six well known investment bankers for the offices of vice president and thirteen to fill terms on the board of governors. Jerome J. Hanauer of Kuhn, Loeb & Company, New York, has been nominated to succeed himself as vice president, and Alden H. Little of Chicago, as executive vice president. The four new vice presidents nominated to succeed Joseph R. Swan of New York, Frank M. Gordon of Chicago, Carroll J. Waddell of Philadelphia and Joseph L. Seybold of Minneapolis are William J. Wardall, Bonbright & Company, Chicago; Sidney R. Small, Harris, Small & Company, Detroit; Henry T. Ferriss, First National Company, St. Louis, and Willis K. Clark of Geo. H. Burr, Conrad and Broom, Inc., Portland, Oregon.

Nominations to fill unexpired terms on the board of governors are as follows:

A. A. Greenman, Northwestern Trust



Bonds for Reserves

For the investment of certain funds included in the bank's secondary reserves, sound bonds of proper maturities are highly desirable. Our folder of October Investment Suggestions for Banks and Institutions—just published—describes ten representative issues offering a wide range of yields and maturity dates. A copy will be sent on request for

Folder B 20

DE WOLF & COMPANY, INC.

Established 1889 - Investment Securities

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The California Oregon Power Company
Duquesne Light Company (Pittsburgh)
Equitable Gas Company (Pittsburgh)
Kentucky West Virginia Gas Company
Louisville Gas and Electric Company
Market Street Railway Co. (San Francisco)
Mountain States Power Company

Northern States Power Company
Oklahoma Gas and Electric Company
Philadelphia Company
Pittsburgh Railways Company
San Diego Cons. Gas and Electric Co.
Shaffer Oil and Refining Company
Southern Colorado Power Company
Wisconsin Public Service Corporation
Wisconsin Valley Electric Company

Company, St. Paul, to succeed Sidney R. Small, Detroit, nominated a vice president; Albert E. Schwabacher, Schwabacher & Company, San Francisco, to succeed Trowbridge Callaway, New York, nominated president; Ralph Hornblower, Hornblower & Weeks, Boston, to succeed Herbert F. Boynton, New York, resigned.

Board of Governors

THE nominations to positions on the board of governors for regular terms expiring in 1932 are as follows:

George N. Lindsay, Bancamerica-Blair Corporation, New York; Allan M. Pope, First National Corporation of Boston, New York; Arthur H. Gilbert, Spencer

Trask & Company, Chicago; Edward Hopkinson, Jr., Drexel & Company, Philadelphia; Ralph Fordon, Backus, Fordon & Company, Detroit; George G. Applegate, George G. Applegate, Pittsburgh; James H. Daggett, Marshall & Ilsley Bank, Milwaukee; George W. Robertson, Canal Bank & Trust Company, New Orleans; Rogers Caldwell, Caldwell & Company, Nashville; Meade H. Willis, Wachovia Bank & Trust Company, Winston-Salem, N. C.

Opens Chicago Office

Of interest to bankers throughout the Middle West is the announcement of the

Bank of Athens, Greece, in connection with the opening of a representative office in the First National Bank Building, Chicago.

Added interest is attached to the announcement in that a prominent Greek Chicago banker was selected for the post of representative. James A. Poulaki, who for the past ten years has been affiliated with the foreign banking division of the First National Bank of Chicago, was appointed as representative.

The object of the establishment of the office, Mr. Poulaki explained, is to develop relationships between banks and

Invest in Ships That Bridge the World's Best Markets

WHILE our foreign trade is expanding in all directions, Europe remains by far the largest customer for American goods. Last year European countries bought 46 per cent of the \$5,128,000,000 products exported from our shores—nearly as much as the rest of the world—and this year promises an increase of trade values.

With American exporters and importers increasing their patronage of American flag ships and with recent, favorable changes in our shipping laws, United States Lines, Inc., the most important unit of our merchant marine, stands in a strong position. Its fleet of eleven fine vessels serves leading European ports.

United States Lines, Inc., Participating Preference Stock gives you an opportunity to invest in this fleet and share in a growing American business. The stock is offered at a moderate price with partial payments if desired.

Price at the Market

Listed on New York Curb Exchange and Chicago Stock Exchange

P. W. CHAPMAN & CO., INC.

115 W. Adams St.
CHICAGO



42 Cedar Street
NEW YORK



JAMES A. POULAKI

bankers in Chicago and throughout the whole Middle West. The Bank of Athens has one hundred branches throughout the countries of Greece, Egypt and an extensive net representation throughout the near East and the Balkans.

The Chicago office will also act as a clearing house in connection with any information desired by manufacturers or business interests in America relative to conditions throughout that area.

The resources of the Bank of Athens are Drs. 3,412,224,520.93.

The resignation of Mr. Poulaki from the First National Bank was the occasion of much regret on the part of the officers and employes, who presented him with a beautiful desk set in recognition of his services in that institution.

The Bank of Athens also owns the Bank of Athens Trust Company, New York, and the Athens Bankers Corporation of Boston, Massachusetts.

Greed, like a circle on the water, continues to enlarge itself until it ends in nothing.

The ladder of life is full of splinters, but we never realize it until we begin to slide down.

10,000 Shares McMurray Hill Investment Corporation

(A Delaware Corporation)

Common Stock (No Par Value)

CAPITALIZATION

	<i>Authorized</i>	<i>Present Offering</i>
Common Stock (No Par Value)	*20,000 Shares	10,000 Shares

*2,500 shares reserved against the exercise of warrants issued to McMurray Hill & Company evidencing the right to purchase such stock on or before September 1, 1939, at \$52.50 per share.

The Corporation has only one class of stock and no funded debt.

COMPANY

McMurray Hill Investment Corporation has been organized under the laws of Delaware to acquire, hold, sell and generally deal in stocks, bonds and securities—to originate and participate in and act as managers of syndicates and underwritings, and to exercise such other charter powers as its Board of Directors may from time to time conclude to exercise.

The Corporation in its operation as an investment company, will cover that field of financing which is not within the scope of the activities of the commercial bank and likewise not ordinarily included in the activities of the investment banking house.

McMurray Hill Investment Corporation affords investors an opportunity to participate under competent management in diversified investments and financial operations which are not ordinarily available to them as individuals.

PRESENT FINANCING

The Corporation will receive \$500,000 in cash from the sale of 10,000 shares of its Common Stock. McMurray Hill & Company will pay all of the expenses in connection with the organization of the Corporation, and the issuance and distribution of this stock; the above sum of \$500,000 will be net to the Corporation. Of the 10,000 shares being issued, in excess of 6,000 shares have been purchased by McMurray Hill & Company and individuals whose cooperation will be of material value in the operation of the Corporation. McMurray Hill & Company will retain for their own investment, and not to be reoffered for sale, 2,500 shares.

MANAGEMENT

In consideration of the issuance to it of the warrants referred to above, and the purchase by it of 2,500 of the shares initially issued, and without any other compensation, McMurray Hill & Company have entered into a five year management contract with McMurray Hill Investment Cor-

poration. By the terms of that agreement, which may be extended for additional periods of five years if neither party thereto elects to terminate the same, McMurray Hill & Company will assume full responsibility for the Corporation's management, subject only to the Board of Directors of the Corporation. Through its management contract, the Corporation has full advantage without expense to the Corporation of the broad contacts, underwriting experience, investment opportunities and statistical information of McMurray, Hill & Company.

GENERAL

All stock now issued or authorized is of the same class, and all shares have identical rights as to voting, dividends and otherwise.

McMurray Hill & Company may deal freely with the Corporation, even though a majority or all of the Board of Directors of the Corporation may consist of directors or officers or stockholders or employees of McMurray Hill & Company but in any transaction between them McMurray Hill & Company will accept responsibility for the fairness of all transactions.

The management contract may be terminated at any time vote of the holders of a majority in amount of the shares of stock of the Corporation at the time outstanding, but such termination shall not be effective for at least thirty days after any meeting at which such vote shall have been accomplished. The management contract is also subject to amendment by mutual consent, but the consent of the Corporation must be given by a majority of its Directors including a majority of its Directors not affiliated with the manager.

The above is subject to the complete statements contained in the Certificate of Incorporation, a copy of which may be obtained from the undersigned upon request.

Complete descriptive circular on request.

Price \$52.50 Per Share

This stock is offered by us subject to prior sale, when, as, and if issued and received by us subject to the approval of legal matters by counsel—Messrs. Winston, Strawn & Shaw, Chicago, and Messrs. Stipp, Perry, Bannister,

McMURRAY HILL & COMPANY

INCORPORATED

INVESTMENT SECURITIES

LIBERTY BUILDING

DES MOINES

TELEPHONE 4-4138

A Good Time to Buy Bonds

SEVERAL factors may operate to provide an increased demand for conservative bonds during the coming months, according to the recent Quarterly Bond Review of Halsey, Stuart & Company. The review cites the restriction in the supply of new issues and the absence of heavy inventories for the bond dealers as two factors which should serve to leave the market in a healthy condition for expansion when it develops. Going on, it points to several pertinent possibilities for increased bond market activity, saying:

"Redemptions, involving many hundred millions of dollars in bonds of conservative quality, have operated to reduce the

aggregate of fixed income-bearing securities. The liquidation of bonds by banks has also proceeded to a point where it seems reasonable to expect that the volume of bonds thrown upon the market from this source will be materially less than it has been during the past year and a half. Again, there remains very substantial and dependable outlets for a large volume of senior securities among the thousands of individuals who are little subject to speculative influences; and with the hundreds of institutions who look to bonds as their proper investment medium, and who constitute a powerful influence in the market. "Finally, the speculative wave which

has been sweeping the country—regardless of its immediate effect on the bond market—has had the effect of familiarizing thousands of newcomers with the purchase of securities. It seems entirely reasonable to expect that, as conditions change and these investors give due regard to safety of principal, they will turn in large numbers to the bond market. This applies equally to the financing corporations, which though not now large buyers of bonds, no doubt eventually will be if they settle down to conservative practices."

Real Estate Bonds

THE review then goes on to comment on the various types of securities in the bond field. It has the following to say with regard to real estate bonds:

"Some of the best values in today's bond market are to be found in the field of metropolitan real estate bonds. The higher money rates now prevailing have not merely had the effect of increasing the yield to investors (often as much as $\frac{1}{2}$ of 1 per cent or 1 per cent annually) but they have also served to further improve the quality of such issues. Because funds for new building projects are less plentiful, only those of superior quality can now pass the rigid requirements imposed by conservative investment bankers. It is a fact, too, that because of the great size of many of the new buildings erected in recent years and the broad publicity which they attract, it is not uncommon for them to have a nation-wide acceptance with investors that in a former day extended only locally. This, together with the broader distributing methods of houses of general issue now sponsoring real estate bonds, provides a degree of marketability comparable to other large and widely distributed corporation issues. From the standpoint of yield, security, and marketability, real estate bonds carefully selected, now offer greater advantages to the investor than in any recent period."

Discussing the municipal market, the review says:

"The current municipal market offers more liberal income return than has been obtainable in some time. That the values offered in this field have been quite generally recognized is indicated by the fact that there has been a better sustained demand for high-class tax-exempt obligations throughout recent months, than for other bond classifications. There has been a market preference throughout the spring and summer for bonds of long maturity, indicating that buyers have wished to avail themselves of the present prevailing attractive rates over an extended investment period. Recently a good demand has also developed for the shorter maturities, al-

KNIGHT BLANCHARD & CO.

Illinois Local Improvement Bonds

*We own, and offer with
our recommendation:*

Carefully purchased local improvement bonds of Chicago's rapidly growing suburbs, where property values are well established. Notable among these are:

WESTCHESTER, ILL.

6% Paving Bonds

Maturing 1931 to 1938

IN \$500 AND \$1000 DENOMINATIONS

The longer maturities are particularly suitable for private investment.

*At 100 and interest, yielding 6%
Exempt from Federal Income Tax
both normal and surtax.*

29 So. La Salle St.

CHICAGO

Randolph 1101

though the preference still runs to long-term bonds. There has probably been no mere signal recognition of the values available in the tax-exempt field than that reflected in the increasing accumulation of municipal bonds by life insurance companies, during the present years. Available figures indicate that these companies have increased their purchases of municipals much more rapidly during the present year than their purchases in the two other highly favored bond fields."

Conditions in other bond fields also continue very favorable, according to the review. It points out that the sale of public utility stocks has served to build up the junior equities of the companies so as to permit of improved balance in their capital structures between stocks and bonds. It points out also the desirability of industrial bonds from a strictly investment standpoint. Conditions in the industrial field are so favorable that conservative investors, seeking safety, together with a rate of income return that cannot ordinarily be obtained in industrial bonds of sound quality, will do well to consider the values that are now to be found in this field.

In conclusion, the review again emphasizes a point which it has made previously, and that is that this is a good time to buy bonds. The review says:

"Many investment opportunities now exist for the investor who prefers to follow the path of conservatism and assured income—who elects to place his reliance upon tried and tested safeguards, rather than upon boundless optimism and uncertain developments. To the serious consideration of the latter class are recommended the many attractive investment values now available."

Appointed on Committee

The appointment of Melvin Alvah Traylor, president of the First National Bank of Chicago, to serve with Jackson Reynolds, president of the First National Bank of New York, as the two American delegates on the committee which is to set up the Bank for International Settlements, is construed as a most interesting and decisive development which will tend to solidify the sentiment not only of the great middle west, but also of the south and southwest, in favor of the program of European stabilization embodied in the Young plan.

Financiers and publicists of La Salle street are aware that Mr. Traylor is not only a banker of the first rank, but he is also from birth and breeding an authentic representative of the dominating mentality of the great American interior. His career in many respects is a typical although greatly enlarged life history of the outstanding young men of his generation and rearing. He was born in Breeding, Kentucky, on October 21, 1878.

Kentucky is a "border state" where all varieties of southern and mid-western folk ways and traditions meet and mingle. The region in which Mr. Traylor was born was the original American frontier west of the Appalachian Mountains, and was settled by those who have been called the vanguard of American civilization by Roosevelt, Gilmore and other writers. This region furnished the great majority of the pioneers who later founded states in the lower Mississippi Valley and the great southwest and a very large part of the original settlers of the Pacific coast and the mining states of the Rocky Mountain region.

Undoubtedly, if Mr. Traylor ever ran for political office, his campaign manager would obviously draw the parallel of his

early life with those of Abraham Lincoln, Andrew Jackson and the other great figures who illustrate the influence of the west upon the history of this country.

Hold Golf Tournament

The First Wisconsin Group of financial institutions, Milwaukee, Wisconsin, held a golf tournament at Brown Deer course Sunday, September 15th. Over seventy-five officers and employes played. The play was medal and contestants were divided into four flights according to scores. Prizes were offered in each flight for first, second and third low gross. Arrangements were in charge of Marvin Lemkuhl and Richard Kornhauser of the First Wisconsin National Bank.

Iowa Public Service Company

First Mortgage Gold Bonds 5½% Series due 1959

Iowa Public Service Company supplies electric light and power to more than 200 cities and towns in western and north central Iowa. It also furnishes manufactured gas, water and steam heat to certain of these localities.

This section of Iowa, one of the largest agricultural communities in the world, includes a population of approximately 500,000.

Net earnings for the 12 months ended July 31, 1929, are more than 2.63 times annual interest requirements.

Over 80% of the gross earnings for this period was derived from the sale of electric light and power 14.6% from the sale of manufactured gas and the balance from water, steam heat and miscellaneous income.

Price and descriptive circular on request.

A.C. ALLYN AND COMPANY

INCORPORATED

Investment Securities

67 West Monroe Street, Chicago

New York
Milwaukee

Boston
St. Louis

Philadelphia
Minneapolis

Detroit
San Francisco

McMurray Hill Forms Investment Trust

A N NOUNCEMENT was made last month by McMurray Hill & Company, of Des Moines, one of Iowa's leading investment institutions, which in the past few years has built for itself an enviable record both in the underwriting and distributing of investment securities, of an investment corporation with an initial capital of \$500,000.00. This corporation is to be known as the McMurray Hill Investment Corporation, and was offered to the public at \$52.50 per share. The entire amount of the issue was readily over-

subscribed—this fact being in itself an indication not only of the interest of the public in this type of investments but also a reflection of the confidence reposed in this company by a large clientele.

Under its charter powers the McMurray Hill Investment Corporation may acquire, hold, sell, and generally deal in stocks, bonds and securities, and originate and participate in syndicates and underwritings.

McMurray Hill Investment Corporation has entered into a five year managerial

contract with McMurray Hill & Company. The agreement may, of course, be extended for an additional period of years, and gives to the new investment corporation without expense the experience, ability and contacts of the McMurray Hill & Company organization.

The purpose of the McMurray Hill Investment Corporation, which is new to this particular territory, is, as explained by Luther Hill, president of McMurray Hill & Company, as follows:

"It will cover that field of financing which is not within the scope of the activities of the commercial bank and likewise not ordinarily included in the activities of



BASIC INDUSTRY SHARES

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Common Stocks of these 30 Great Companies Underlie

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No substitution may be made from this list

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Union Pacific
Southern Pacific
Southern Railway
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Stand. Oil of N. J.
Stand. Oil of N. Y.
Stand. Oil of Ind.
Stand. Oil of Cal.
Vacuum Oil Co.
Amer. Tel. & Tel.
Nat'l Biscuit
Westinghouse
Pullman
General Elec.
West. Union
U. S. Steel
Amer. Tobacco
Ingersoll-Rand
Int. Harvester
Otis Elevator
du Pont
Timken Roll.
Amer. Radiator
United Shoe
Woolworth
American Can

I N one single investment Basic Industry shares provide an investment in the cream of all American industrial activity.

Underlying Basic Industry Shares are the common stocks of the 30 great corporations listed at the left. These 30 companies derive earnings from 779 additional subsidiary or affiliated companies.

Engaged in every conceivable line of business, this group operates not only in the United States, but in 35 foreign countries as well.

The combined assets of these 30 companies exceed 20 billion dollars. Surplus is more than 4½ billion dollars. Net earnings last year, available for common stockholders, was 875 million dollars.

Holders of Basic Industry Shares share in the earnings and growth of this entire group.

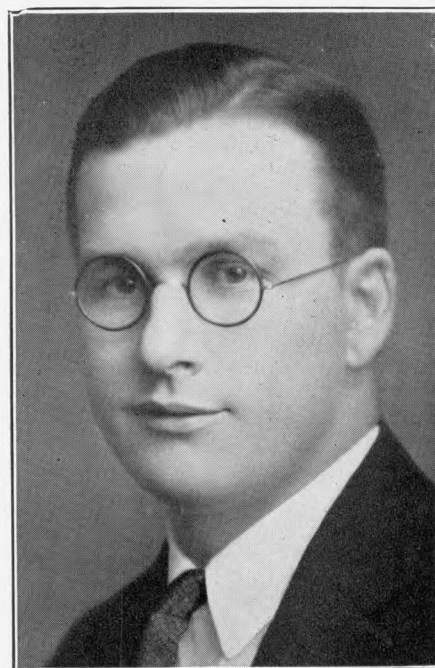
More than 200 banks and investment dealers in 40 states are recommending Basic Industry Shares—for safety of principal, generous yield, appreciation, and ready marketability. Inquiries are invited.

SMITH, BURRIS & COMPANY

Syndicate Managers—Central United States
120 South La Salle Street, CHICAGO

LLOYD PHILLIPS & COMPANY, INC.

Wholesale Representatives for Smith, Burris & Co.
Union National Bank Bldg., FREMONT, NEB.



DONALD J. McMURRAY

the investment banking house. There are many concerns which in their financing cannot go to the commercial bank and because of small size or other reasons cannot successfully do public financing. Yet such concerns when properly managed offer attractive returns. We expect to make certain investments of this character in addition to dealing in listed securities and participating in underwriting syndicates."

McMurray Hill & Company will retain for its own investment 2500 shares of the McMurray Hill Investment Corporation.

McMurray Hill & Company have during the current year originated a number of popular issues, among those being Knapp-Monarch Co., common stock; Knapp-Monarch Co., preferred stock; Viking Pump Co., common stock; Viking Pump Co., preferred stock; Katz Drug

Co., common stock; Katz Drug Co., preferred stock.

They have not only distributed a large amount of these securities in Des Moines, but through their organization and through branches which they are and have been establishing throughout the state have gained a wider distribution.

Branches up to this time have been established in Mason City, Fort Dodge, Charles City, Marshalltown, Newton and Oskaloosa. In charge of these branches are the following individuals: Harold M. Finch, Newton; Chas. A. Stoddard, Oskaloosa; D. Miller White, Marshalltown; Orin Thatcher, Fort Dodge; Marvin Wiegman, Mason City, and Russell Olds, Charles City.

The home office organization of McMurray Hill and Company is comprised of the following: Luther L. Hill, D. J.

creased efficiency. He has been particularly successful in research and surveys, and has inspired much of the newspaper and magazine advertising that has been characteristic of the south in recent years.

Heads New York Office

John Clark Sims, well known as a specialist in bank, trust company, and savings bank advertising, now heads the financial advertising department of Critchfield & Company in their New York office. This department is a new one recently installed by Critchfield & Company.

Religion is life, philosophy is thought; religion looks up, friendship looks in. We need both thought and life, and we need that the two shall be in harmony.—Clarke.

She Was Suspicious

"Does your wife open your letters?"
"No, not the business letters; only those marked 'private'."

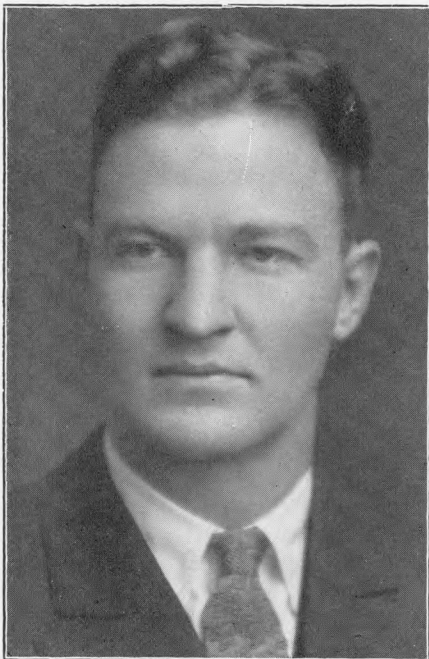
Don't worry yourself, whistle—and worry the other fellow.

The Symptoms

Husband (after first round of the holiday): Absolutely putrid course. Wish we'd never come to this rotten hole.

Wife: How many did you lose by, dear?

It is easy in the world to live after the world's opinions; it is easy in solitude to live after our own; but the Great Man is he who in the midst of the crowd keeps with perfect sweetness the independence of solitude.—Emerson.



LUTHER L. HILL

McMurray, W. E. Matthews, Victor J. Silliman, S. M. Lorenz, Fred M. Lorenz, C. S. Mugge, Fairburn Kurtz, J. Earl Hammer, Henry L. Danenbaum and Harry Bradley.

With Central Hanover

William C. Bennett has resigned as vice president of Edwin Bird Wilson, Inc., financial advertising agents, to become associated with the Central Hanover Bank and Trust Company of New York. Mr. Bennett for the past twelve years has been closely identified with the publicity work of southern banks and has specialized in trust work.

In addition to his activities in publicity, Mr. Bennett has made a close study of banking methods and has worked out many novel and constructive plans for the development of new business and in-

A NATIONAL CITY
MAN CAN HELP YOU



...when you want
to broaden your
investment view

The ramifications of modern investment are so extensive these days that you cannot hope to keep always abreast of changing conditions. Nor do you have to. Just put your investment inquiries to The National City Company's nearest office—one of our experienced service men will be glad to talk with you. Our 116 years of financial experience, coupled with world-wide investment connections, give us an investment viewpoint which you will find valuable in broadening your own.



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

Chicago Investment News

BUCKET SHOP OPERATORS who used high pressure methods of selling securities without delivering the stock, had a bad inning in the Chicago courts last month. More than a dozen houses, some of them established for a number of years on La Salle street, were closed up and the officers hailed before the authorities, a number now awaiting jail sentences. It was estimated that investors lost approximately \$500,000. While a majority of the investors were women and private citizens of the Chicago district, in some instances the houses also had established connections with banks in the so-called Chicago

By **WILLIAM H. MAAS**

*Vice President,
The Northwestern Banker*

territory. We wish to take this occasion to warn country bankers against this type of security house. The Chicago office of THE NORTHWESTERN BANKER, Room 1221, First National Bank Building, Chicago, will be glad to cooperate with any out-of-town bank desiring advance information on any Chicago investment organization. All that is necessary will be to write or wire us giving the name and address of the firm in question.

MORE PUBLIC UTILITIES financing is now being done in Chicago than in any other financial market on earth. This statement is being made freely by La Salle street statisticians and they produce figures to prove their case.

One expert has estimated that 35 per cent of the nation's public utilities financing is now done in Chicago. New York, of course, is a close second with Boston, Philadelphia, Minneapolis-St. Paul, St. Louis, San Francisco, Los Angeles, Denver and Spokane appearing in the order named.

A check-up of listings on the Chicago Stock Exchange board one day recently revealed eighty-four public utilities there with 115 stocks listed. These totaled 73,835,696 shares with a market value of \$8,246,302,000.

Recent developments appear to bear out the statement that Chicago is recognized as the primary market for this class of financing. For example, only the other day Cities Service, chief rival to the Insull utilities chain for first place in the utilities world, listed 27,000,000 shares on the Chicago Stock Exchange.

SEVERAL FACTORS may operate to provide an increased demand for conservative bonds during the coming months, according to the Quarterly Bond Review of Halsey Stuart & Company, which was published a few days ago. The review cites the restriction in the supply of new issues and the absence of heavy inventories for the bond dealers as two factors which should serve to leave the market in a healthy condition for expansion when it develops. Going on, it points to several pertinent possibilities for increased bond market activity, saying:

"Redemptions, involving many hundred millions of dollars in bonds of conservative quality, have operated to reduce the aggregate of fixed income-bearing securities. The liquidation of bonds by banks has also proceeded to a point where it seems reasonable to expect that the volume of bonds thrown upon the market from this source will be materially less than it has been during the past year and a half. Again, there remains very substantial and dependable outlets for a large volume of senior securities among the thousands of individuals who are little subject to speculative influences; and with the hundreds of institutions who look to bonds as their proper investment medium, and who constitute a powerful influence in the market.

"Finally, the speculative wave which has been sweeping the country—regardless of its immediate effect on the bond market—

OUR OFFERING LIST
WILL BE MAILED REGULARLY UPON REQUEST

A National Standard for Short Term Investment

GMAC obligations have been purchased by a clientele of nearly 8,000 banks, insurance companies, institutions and individuals, the country over. Their rating, as a national standard for short term investment, reflects established public confidence in GMAC prestige.

offered at current discount rates

GENERAL MOTORS ACCEPTANCE CORPORATION

OFFICES IN PRINCIPAL CITIES

Executive Office - BROADWAY at 57TH STREET - New York City

CAPITAL, SURPLUS AND UNDIVIDED PROFITS
OVER \$66,000,000

has had the effect of familiarizing thousands of newcomers with the purchase of securities. It seems entirely reasonable to expect that, as conditions change and these investors give due regard to safety of principal, they will turn in large numbers to the bond market. This applies equally to the financing corporations, which though not now large buyers of bonds, no doubt eventually will be if they settle down to conservative practices."

JOHN F. MOFFETT, formerly in the bond business, has a most optimistic view of the future of investment trusts of the fixed type and recently became associated with Smith Burris & Company of Chicago



JOHN F. MOFFETT

as sales manager. This firm are syndicate managers in the middle west for Fixed Trust Shares, Basic Industries Shares and Corporate Trust Shares. Mr. Moffett was formerly associated with the firm of Hambleton & Company.

Earl Moon, recently with the Chicago office of the Equitable Trust Company, resigned to become manager of the Trade Office of White-Weld & Company.

A. C. ALLYN & COMPANY are bringing out an issue of \$1,300,000, Iowa Public Service Company, first mortgage gold bonds, 5½ per cent series due 1959. It is expected that this issue will be a popular one, due to the business and territory of the Iowa Public Service Company. It supplies electric light and power in more than 200 cities and towns in the western and north central Iowa, including Waterloo, Charles City, Cherokee and Le Mars. Manufactured gas is furnished in Waterloo, Cedar Falls, Hampton, Waverly and Eagle Grove and the company also carries on a small water and steam heat business. The territory served by the company is one of the richest agricultural sections in the

world and includes a population of approximately 500,000. With a bumper corn crop in the making in Iowa, all reports indicate a healthy fall and winter business from that section.

More and more Chicago investment houses are growing enthusiastic about business in the tall corn state. H. A. Boyle, sales manager of Guibord-White & Company, Chicago, is particularly optimistic concerning Iowa and recently opened offices in Cedar Rapids and Des Moines. The Des Moines territory will be in charge of Walter Escher, former Iowa banker.

THE FIRST ILLINOIS COMPANY has recently been merged with the eastern firm of W. E. Willard & Company, Inc. Business for the middle west will continue

to be carried on through the First Illinois Company's offices at 208 So. La Salle Street, Chicago.

THE MAGIC TERM "investment trust" in modern financing and the sudden waive of popularity for securities of this name has led the general investing public into many vital misundertakings, Dr. Paul M. Atkins, economist of Ames, Emerich & Company, states in his supplement to their latest "Current Economic Briefs."

Confusion in the minds of many investors, Dr. Atkins says, is caused by the common mistake of grouping several fundamentally different types of investment corporations under one general term when, in fact, their purposes differ in essential respects and have only a superficial resemblance to the general manage-



Specialists

in the distribution and underwriting of Corporation and Municipal Bonds and junior corporate equities.

Iowa Representative

MAURICE F. LEAHY

Manager of Trading Service Department

THOMAS F. FORD

B R O K A W

AND COMPANY

105 South La Salle Street

CHICAGO

With the retirement of Mr. David O. True

the name of

TRUE SECURITIES CO.

has been changed to

MATTHEWS & LEWIS Co.

This change does not effect any of the policies of our organization which have enabled us to satisfactorily serve our clients.

The personnel remains intact with the above exception.

We appreciate the opportunities you have given us to serve you and hope we shall be privileged to continue in this capacity.

MATTHEWS & LEWIS Co.

Investment Securities

231 South La Salle Street

Telephone Central 6556

CHICAGO

ORMAN LEWIS
President

FRED C. MATTHEWS
Vice-President

FINLEY P. DUNNE
Secretary & Treasurer

ment investment trust, which has become very popular in recent years in this country.

Criticisms which have been directed against "investment trusts," especially some of those whose operations are of a speculative character, in the light of this discussion, appear to be unfounded. They are generally the result of failure to discriminate between the functions each organization is created to perform.

ANNOUNCEMENT has been made of the formation of the Illinois Securities Company, investment bankers, underwriters and distributors to individuals, banks, trust companies, estates and insurance companies. Executive offices are at 105 West Monroe Street. David E. Shanahan is chairman of the board and Max Goldberg is president of the company.

INVESTMENT SECURITIES CORPORATION, 120 So. La Salle Street, has announced that Mr. Henri L. Couteron has become affiliated with the corporation.

JOHN A. LOGAN, formerly affiliated with Blair & Company as sales manager, has been appointed city sales manager for Ames, Emerich & Company.

Report Increase in Profits

Total net profits of 749 companies in thirty-three business groups amounted to \$1,875,287,717 in the first six months of 1929, compared with \$1,448,899,219 for the same companies in the corresponding period of 1928, an aggregate rise of 29.43 per cent, according to a compilation prepared from published financial statements by Ernst & Ernst, accountants. The year 1929, from all indications, the survey states, bids fair to establish a new mark in the amount of profits which will be recorded by business when the year draws to a close.

"Business lines showing the highest percentages of increase for the first six months of 1929 include the tire and rubber, iron and steel, copper, oil, amusement, railroad equipment, chain grocery, metal product and miscellaneous mining and smelting groups. A number of industries show gains approaching 50 per cent.

"The automobile group, which is the largest of those included in the summary from the standpoint of volume of profits, excepting railroads, shows one of the smallest percentages of gain. The Ford Motor Company is not included in the tabulation, and the addition of it would doubtless change materially the picture as to the comparison of the automobile industry with others.

"Three of the thirty-three groups show a decrease in profits in the first half of 1929 compared with six months of 1928.

"It will be recalled that the downward trend of 1927 was reversed in 1928 so

that the percentage of gain in comparative profits was steadily rising throughout the latter year from a slight decrease in the first quarter to an increase of around 7 per cent for the first half, and 20 per cent for the full year, for a group of industrials. Including public utilities and railroads, there was an increase of 17 per cent for the year. While these percentages are necessarily affected to an extent by the declining profit trend through 1927, they do reflect the increasing trend through 1928, as confirmed by the fact that corporate profits for the year 1928 were 11 per cent or more greater than in 1926.

"Because of this upward trend through the year 1928 it is hardly to be expected that the results for the full year of 1929, when available, will show the same marked increase over 1928 that is reflected in the present comparison of the six months' figures. It is interesting to note in this connection, however, that whereas the first quarter of 1929 showed an increase of 28.7 per cent in the profits reported by 431 companies, compared with the corresponding period in 1928, the six months of the current year show an increase of 29.4 per cent for a group of 749 companies. In the industrial group, the percentage of gain declined from 40 per cent to 37 per cent, making no allowance for difference in the compositions of the groups, but the gain by railroads increased from 17.3 per cent to 21.9 per cent.

"Another factor which must be borne in mind in considering any comparison such as this, is that of expansion on the part of many industries, with the inclusion in the current year's profits of earnings from added units. These profits frequently are not compensated for in the figures of the previous year because of lack of reports on the businesses absorbed, covering the periods prior to their acquisition by the present corporations. This has a tendency to exaggerate the amount of difference between the two periods. Consequently the true index of gain over the preceding year is probably somewhat less than the 29.43 per cent shown as the combined increase for the 749 companies tabulated."

New Sales Director

Orville B. Price who has been in charge of Kansas for Robert S. Strauss & Company has been appointed director of sales of that firm. Mr. Price is a native of Indiana and moved with his parents to Holdrege, Nebraska, at the age of one where he was raised, as his father was a banker in that town for a great many years.

Mr. Price first entered the brokerage business in Denver, Colorado, over thirty years as a telegraph operator and has been in the investment security business ever since. For eighteen years, Mr. Price was a member of the Pittsburgh Stock Exchange with offices in that city, and is well known in investment banking.



It Is Satisfying

—to know that the investment organization with which you deal has both the facilities and the disposition to give constructive assistance and advice when questions of investment arise.

Priester, Quail & Cundy, through its officers and representatives, is prepared by broad experience to give you expert information regarding investments, and to help you solve the problem of the proper disposal of your surplus funds.

Our assistance is yours without obligation.

PRIESTER · QUAIL & CUNDY · INC.



INVESTMENT SECURITIES

American Bank Building

DAVENPORT, IOWA

Safety and Profit in the Bank's Investment Account

(Continued from page 32)

and preferred stocks is the question of convertibility into stocks, or attached warrants permitting the purchase of stocks under certain conditions. It is often possible to get much safety in such securities with the opportunity for considerable gain in values should the company prosper. There have been some very striking illustrations of this in recent years. However, this question calls for careful study, wise advice, and ability to act promptly when such issues are brought out, or conditions indicate that already issued convertible bonds have possibilities of a large rise ahead of them.

Another point with which everyone handling an investment account should be familiar is the laws of the state under which the bank is chartered. Ignorance of the laws and the types of securities which the bank may hold often prevents profitable investment. A banker was offered at par a 7 per cent non-callable preferred stock of one of the largest steel companies. The banker at first declined because he said the state laws did not permit the purchase of stocks, and he was also ignorant that dividends were exempt from income tax when stock was held by a corporation. Upon having these points made clear to him, the banker purchased a block of the stock. The result is that the bank has had a 7 per cent tax free income for several years and an appreciation of over 20 per cent in principal.

An understanding of the general trend of interest rates over periods of time is also almost essential to profitable investment. If the trend is towards higher interest rates or is being sustained at a high level, the bank should confine its investment purchases to short time maturities, and should endeavor to keep liquid against the time for buying investments on a more liberal scale. When the trend has turned toward lower interest rates the bank should then buy as liberally as possible of long-time investment securities, not only for the continued high rate of interest, but for the appreciation in the prices of the securities. It is, of course, impossible, generally speaking, to tell the exact time when the change takes place in the long period trends, but much can be learned by careful study of the data which is now so liberally furnished by statistical organizations and publications, together with the advice of large banking institutions.

Eliminating Losses

ONE of the best ways to increase earnings from the investment account is to eliminate losses as far as possible. One way to do this, in addition to exercising the greatest care in purchasing, is to follow up by having a periodical review and appraisal of the list. This should be done

The Standard of Safety—

Unless a bond issue measures up to these ten standards of safety it cannot be a Robert S. Strauss & Co. issue:

1 **Ownership**—The ownership of the land must be firmly established, and a Title Guaranty Co. of repute must guarantee that the title is clear of all claims.

2 **Owner**—The owner or owners who are also the borrowers must be persons of good character and financial responsibility.

3 **Location**—The location must be studied carefully by experts to determine present and future value.

4 **Building**—The building to improve the land must be an income producer and must be adaptable to the location. If a construction loan, a completion bond guaranteeing: 1—completion of the building; 2—that the building will be free of all mechanics' liens; 3—complete in accordance with plans and specifications and completion date, must be furnished by a reputable Fidelity and Guarantee Company.

5 **Appraisal**—Well-known, competent independent appraisers must appraise the property and building to be erected and no first mortgage of over 60% of a fair valuation can be made.

6 **Trustee**—The Trustee must be a responsible trust company who will certify to the authenticity of each bond.

7 **A Serial Amortization**—The bonds must be in "serial maturities"; thereby increasing the proportion of security for the investor year by year as the mortgage is gradually reduced.

8 **Income**—The net income from the property must be in excess of the largest annual interest and retirement requirement.

9 **Sinking Fund**—The borrower must pay the trustee monthly one-twelfth of the total annual fixed charges of the issue.

10 **Insurance**—The property securing a bond issue must be thoroughly protected by insurance from destruction by the elements.

Current list of sound securities yielding 6%—6½% sent upon request

ROBERT S. STRAUSS & Co.

105 West Monroe St.
CHICAGO

150 Broadway
NEW YORK

Offices in Other Cities

Mail this
Coupon

ROBERT S. STRAUSS & CO.
105 W. Monroe St., Chicago, Ill.
Gentlemen: Please send me without obligation full investment information and current offerings.

Name.....
Address.....
City.....State.....

at least quarterly and markets should be checked at least once a week. In this way sudden fluctuations in any issues will be noticed and the reason should be learned. It was found that many banks were very careless in their method of scheduling investments. It is suggested that a schedule be made up, divided into groups (railroad, utility, industrial, etc.), showing the date of purchase, name of the issue, par amount held, the unit and total cost, yield at cost, market price, and amount and yield at market. Each of these groups should be totaled and a recapitulation of the entire list made, showing total par, amount, cost and market of each group. The total of these columns will give the total par amount held, total cost, and total market value of the entire list.

Reviews may be made of the list by an unbiased party to whom a fee is paid, and who receives no orders. There are several reliable statistical organizations whose services are available to clients at all times. Their opinions are not infallible, but are based on facts, and their records are kept as nearly up to date as possible.

Another means of increasing the earnings from the investment account is to keep the account active and make exchanges whenever advantageous. Many issues, either because of sinking fund operations, buying by the company to use surplus funds, or for other reasons, will be selling out of line with equally desirable issues. Advantage should be taken of situations of this kind to make exchanges. It is best to confine exchanges to securities in the same class. A high grade railroad or utility bond should not be exchanged for a medium grade industrial. Unless this rule is followed the list will soon become unbalanced and the percentages of diversification far from the original schedule. The practice of making exchanges may be carried too far in the effort to show large earnings. Then a downward turn in the market would quickly show a loss in the entire list, resulting in necessary write-downs and a charge against the surplus or undivided profits accounts. Issues selling near or above the call price, which prevents further appreciation, should be exchanged for others which have possibilities of appreciation. An institution should be as ready to take a loss as a profit, if the holding is deemed undesirable.

Keeping funds fully employed is another means of increasing earnings from securities. Smaller banks frequently carry excess uninvested funds and no thought is given to employing them until a bond salesman offers a new issue which may not be ready for delivery for some time. The bank would be better off to purchase an older issue and immediately employ its funds at the coupon rate instead of waiting for the new issue and receiving the rate allowed on balances by a correspondent bank.

In this connection it should be noted by the officials of the smaller banks that there is a great deal of very valuable literature on the subject of investments and that the savings bank division of the American Bankers Association will always be glad to furnish a list of such literature.

Serious for Him

Doctor: Your wife suffers from insomnia? Are there any serious consequences?

Visitor: Yes. When I come home late she is always awake.

ANNOUNCEMENT

We are pleased to announce the opening of a
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under the management of

MR. WALTER V. ESCHER

GUIBORD, WHITE & COMPANY

Incorporated

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KANSAS CITY

CHICAGO
ROCHESTER

MID-WEST STATES UTILITIES CO.

6% Convertible Gold Notes

Due July 15, 1931

Conversion of these notes into participating Class A stock carries valuable stock purchase rights, which if exercised, gives the investor a return of 10% as dividends are paid.

Complete details on request

E. H. OTTMAN & COMPANY, Inc.

Investment Securities

Bankers Building, Chicago

We recommend the purchase of

Tri-Utilities Corporation

Power—Gas—Water

Five Per Cent Convertible Gold Debentures

Series of 1929

These debentures are convertible at any time up to December 31, 1931 into 17 shares of Common Stock for each \$1000 Debenture. Common Stock is actively traded in on the Chicago Stock Exchange and New York Curb Exchange.

Price 99 and accrued interest, to yield over 5.05%

G. L. OHRSTROM & Co.

INCORPORATED

231 S. La Salle St.
Chicago

44 Wall Street
New York

Minneapolis

Detroit

St. Louis

Los Angeles

San Francisco

Philadelphia

Boston

Offers New Investment Trust

ONE of the outstanding financial developments of the past month consisted of the announcement by Metcalf, Cowgill & Co., Inc., of Des

Moines and Chicago, that this firm has offered to the investing public a new issue of 10,000 shares of stock in the Investment Administration Corporation. The stock is

priced at \$50 per share plus accrued dividends, and has been well received by investors.

The Investment Administration Corporation, of which Metcalf, Cowgill & Co., Inc., were the organizers, was organized under the laws of Delaware in October, 1928, for the purpose of buying, selling

THE steadily growing bank clientele of this house is the clearest measure of the securities it sells. We know the investment requirements of Iowa banks through ten years of personal service to them—and every security bought by Ballard-Hassett is acquired with these special requirements clearly in mind. You can find what you want on a Ballard-Hassett list.

Latest offerings on request

BALLARD-HASSETT CO.

Investment Securities

1114-1120 Commonwealth Bldg.

DES MOINES



DONALD METCALF

The reason for success in any business is the adherence to sound business practice and careful management.

Such has been the underlying idea of the Stanley Securities Corporation in its many years of successful cooperation with bankers and farmers of Iowa, until now it is outstanding among the investment banking organizations in this great State.

Stanley Securities Corporation

Investment Bankers

I. C. STANLEY, President
CEDAR RAPIDS

Des Moines Branch: 400 Royal Union Life Building

and dealing in and holding securities of any kind, subject to the discretion of its board of directors. On the completion of the present financing plan Metcalf, Cowgill & Co., Inc., will have invested in the capital stocks of this corporation more than forty per cent as much as all other stockholders combined. The company already has an excellent earnings record, with net earnings for the first year of operation in excess of \$56,000, which was the annual rate of more than 33 per cent on the capital employed. As of August 31, 1929 the corporation's pro forma bal-

DIVIDEND NOTICE

Robert S. Strauss & Co.
Cumulative 7% Preferred

The regular quarterly dividend of 1¾% has been declared on the Preferred shares of Robert S. Strauss & Co., an Illinois corporation with principal office in Chicago.

The quarterly dividend of 1¾% is payable October 1, 1929 to Stockholders of record at the close of business on September 20, 1929.

The transfer books of the company will be closed from September 20th to October 1st for the mailing of dividends.

J. H. LARSY, Secretary.
Chicago, Illinois.

ance sheet shows assets on the basis of the market value of the securities then held in excess of \$600,000. The 10,000 shares in question are convertible at the option of the holder on or prior to March 1, 1934, into Common Stock, Class "A," share for



ELVYN S. COWGILL

share; thereafter and on or before March 1, 1939, one share of Common Stock "A," for each share and one-half of participating convertible preference stock. It is planned to make application to list this stock on the Chicago Curb Exchange.

Diversified Investments


AS of August 31, 1929, the investments of the corporation are diversified as follows:

One per cent Domestic Bonds; 5 per cent Foreign Bonds; 11 per cent Public Utility Stocks; 74 per cent Industrial Stocks; 9 per cent Railroad Stocks.

In announcing their new offering, Metcalf, Cowgill & Company have this to say in regard to the growth of the investment trust idea:

"All these factors tending to enable the investment trust to provide sound, thorough and flexible management of large funds, constitute, we think, adequate reasons for the steady growth and the increasing importance of the investment trust in the financial structure of the United States. In the course of a few years it has grown from a lusty infant to strong young manhood, and it has now just begun to reach an age and strength which will give it the power of important accomplishment."

"There are sound economic reasons for the existence of large investing corporations. The value of such corporations to the individual and to the public now ap-



STABILITY and SERVICE

THROUGH specialization in municipal and county bonds this house is outstandingly equipped to serve those banks interested only in the strongest type of securities. Our list of carefully selected offerings will prove helpful to banks in meeting their investment needs.

*Write for descriptive circulars
of latest issues.*

CARLETON D. BEH Co.
INVESTMENT SECURITIES
LIBERTY BUILDING
Des Moines

**Sound Bonds
and
Selected
Investment Stocks**

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HOAGLAND, ALLUM & Co.
INCORPORATED

14 S. La Salle St. 34 Pine St.
CHICAGO NEW YORK

Better Business

Your bank is desirous of doing a better business. One way to accomplish this is to invest your funds in bonds which offer 1, Safety; 2, Short maturity; and 3, a satisfactory yield.

Our Collateral Gold Notes

have all of these qualifications and in addition carry our unqualified endorsement.



IOWA GUARANTEE MORTGAGE CORPORATION

JULIUS D. ADELMAN, *President*

SHOPS BUILDING
DES MOINES, IOWA

For Your Secondary Reserve PUBLIC UTILITY BONDS and NOTES

Popular interest in the stocks of leading public utility corporations, has created some unusually attractive investment opportunities among the bonds and short term notes of such companies. The latter are particularly suitable for your revolving fund. Our position as specialists in public utility securities enables us to make specific and valuable recommendations of immediate interest.

*Write for our Special Bank List
of current recommendations*

F. N. KNEELAND & COMPANY

INCORPORATED

105 West Adams Street
CHICAGO

pears to be adequately demonstrated. A considerable number have been organized for a sufficient length of time so that the success of this form of financial corporation has been quite definitely proved. Indeed, the factors favoring the development of such organizations are so numerous, that a steady growth in their size, number, and financial influence seems to be assured."

"For these reasons we have considered it sound policy to land our energies and organization to the creation and operation of such a company and accordingly in October, 1928, the Investment Administration Corporation was organized under the laws of Delaware."

The steady growth of Metcalf, Cowgill & Co., Inc., as an investment house has led to wide expansion on the part of this firm. At the present time offices are maintained in four cities. J. G. White, president of the company, is in charge of the Chicago office, at 120 So. La Salle Street; E. H. Johnson is in charge of the Sioux Falls, South Dakota office, at 307 Security Bank Building; The Sioux City, Iowa, office at 630 Davidson Building, is managed by Fritz Fritzon and Clint Varnum; and the Home Office in the Equitable Building, Des Moines, is of course under the supervision of the firm heads, Donald Metcalf and Elvyn S. Cowgill, both of whom have been in the securities business for many years.

Competing for the Depositor's Dollar

(Continued from page 25)

immigration, of a large number of naturally thrifty people.

This report is respectfully submitted, not with the thought that it definitely determines what our competition is and that it can be successfully met, but rather in the hope that it may be of value to savings bankers formulating their own plans.

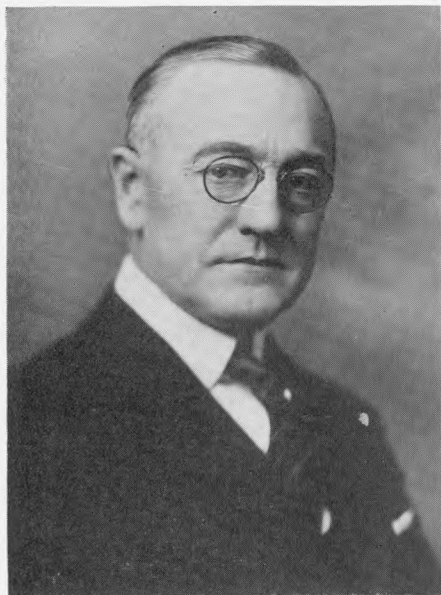
Committee on Savings—Edwin C. Estes, Henry S. Kingman, C. F. Martin, Alva G. Maxwell, Henry J. Mergler, Herman H. Reinhard, Jesse F. Wood, Arlan W. Converse, chairman.

Continental Forms Investment Trust

The outstanding event in Chicago financial circles last month was the announcement by the Continental Illinois banking group of the establishing of the Continental Chicago Corporation, an investment trust with an authorized capitalization of \$500,000,000. Public offering of an initial issue of 750,000 shares of no par preferred and 750,000 shares of no par common stock was made at \$68.50 a unit. The issue was immediately over-subscribed. An additional one million shares of the common stock were purchased by

the Continental Illinois Company, giving the corporation a paid-in capital of \$63,750,000. The stock was listed on the Chicago Stock Exchange in units of one share preferred and one share common.

Arthur Reynolds, chairman of the Continental Illinois Bank and Trust Com-



ARTHUR REYNOLDS

pany, is president of the corporation. James R. Leavell, executive vice president of the Continental Illinois Company, is vice president and Abner J. Stilwell, vice president of the bank, is secretary and treasurer.

It is the belief of Arthur Reynolds, president of the corporation, that an in-



JAMES R. LEAVELL

vestment trust established under banking auspices will find a large field of profit in furnishing capital and management to businesses and industries which are either

BABCOCK, RUSHTON & COMPANY

Established in 1895

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STOCKS BONDS
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Laverne M. Barlow, *Resident Manager*

DIRECT PRIVATE WIRES

Orders Executed In All Markets

Constant Supervision

—of your investment holdings is necessary to insure conservation of principal and to obtain the maximum return.

We are prepared to perform this service for you. You are in no way obligated when you avail yourself of our facilities for this purpose.



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Davenport

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Private Wires From Coast to Coast

Municipal Bonds

Safety of Principal
All Maturities
All Denominations
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4.25 to 6.00 per cent

Write for offerings and Bank Discounts

The Hanchett Bond Co.

Incorporated 1910

MUNICIPAL BONDS

39 So. La Salle St., Chicago

New York

Philadelphia

St. Louis

Detroit

in the early stages of development or hold unrealized prospects. "We know from experience," he said, "that there is a real need for this additional banking service.

"In the rapid march of events which has brought greater expansion during the past three years than in the previous forty," Mr. Reynolds continued, "the Continental Illinois, along with the other outstanding banking institutions, has breasted or anticipated the tide of developments. The new corporation will do what neither the bank nor its investment subsidiary has been in a position to do and will, therefore, greatly augment the existing facilities of the Continental Illinois banking organization."

In denial of rumors that a primary purpose of the Continental Chicago Corporation would be to acquire stock holdings and control of banking organizations, Mr.



ABNER J. STILWELL

Reynolds was emphatic. "The Continental Illinois does not contemplate an experiment in chain banking" was his reply to this suggestion. "We propose independent operation as a unit, with development of that unit to its fullest possibility."

Some of Chicago's most prominent men are to guide the destinies of the Continental Chicago Corporation. In addition to Mr. Reynolds, directors of the trust are: Bernard A. Eckhart, president B. A. Eckhart Milling Company; Stanley Field, president Field Museum of Natural History; Charles F. Glone of Field, Glone & Company; D. R. McLennan, president March & McLennan, Inc.; George M. Reynolds, chairman executive committee Continental Illinois Bank and Trust Company; Eugene M. Stevens, president Continental Illinois Bank and Trust Company; Edward F. Swift, vice president Swift & Company; and F. Edson White, president Armour & Company.

Have Bond Prices Turned the Corner?

CERTAIN authorities believe that bond prices have definitely touched bottom and that they are now in for a gradual rise. They see in the lower rate of bankers' acceptances at the New York Federal Reserve Bank and in the latter's increased holdings of United States Government bonds, factors that will have a substantial influence on the money market.

Whether you hold with these views or not, there is no question that good bonds are now obtainable at bargain prices. An examination of leading bond averages indicates that present yields are higher than at any other time since 1925.

As Iowa's oldest and largest bond house, we maintain at all times a well-diversified list of high-grade bonds of every type—municipal, industrial, utility, government, and railroad—and in varying maturities, suitable for the reserve requirements of banks and for the investment needs of their customers.

Our thirty-eight years of close association with banks and bankers throughout Iowa, qualifies us in a special way to be of service in the consideration of a bank's investment problems. We invite you to consult us at any time.

*Send to Our Davenport Office for Our
Current List of Attractive High-Grade
Offerings Suitable for Your Investment
Portfolio*

Geo. M. Bechtel & Co.

Established 1891

Bechtel Building, Davenport, Iowa.

First Iowa Trust Building
Burlington

Equitable Building
Des Moines

Grand Opera House Building
Dubuque

I O W A ' S O L D E S T A N D L A R G E S T B O N D H O U S E



S E R V I C E

A bank's success as a correspondent is, perhaps, best indicated by its duration of continuous, unbroken service to its individual clients.

Many Iowa banks have made the Commercial National their Waterloo banking headquarters for the past forty-six years. Such a record is worthy of note to banks considering a connection in this territory.



E. W. MILLER, *President*
 JAMES M. GRAHAM, *Vice President*
 H. W. WENTE, *Cashier*
 S. C. KIMM, *Assistant Cashier*
 R. L. PENNE, *Assistant Cashier*
 CHAS. S. MCKINSTRY, *Assistant Cashier*



The COMMERCIAL NATIONAL BANK

WATERLOO, IOWA

CAPITAL AND SURPLUS—ONE-HALF MILLION DOLLARS

The "Reloading" Scheme

In its national program to expose the principles on which fraud schemes are based, the National Better Business Bureau recently displayed in industries its weekly poster on "Re-Loading." This, the Bureau states, is a scheme of the fraudulent salesman to go back and re-work "suckers" who have proven themselves to be easy to sell.

In a communication from the Bureau to personnel managers in the industries where the posters are exhibited it is pointed out that reliable dealers sometimes recommend additional purchases of their securities but the Bureau says that the re-loading schemes of the swindler are usually predicated on either the merger appeal, the exchange of stock appeal, or the appeal based on fictitious news that will result in the stock being worth more money.

The communication reads, "In the merger scheme, a salesman will call and report that the company is about to be absorbed by another company which will result in the stock being worth considerably more and as a special concession to stockholders they are permitted to buy some more stock at the old price before the price goes up. Of course, the merger never materializes.

"In the exchange scheme, the salesman frankly admits that the stock his prospect holds is worth less than he paid but offers an opportunity to recoup the loss by trading the stock for some other which is going to be worth a high price. In this trade, however, a cash difference must be paid to obtain the new stock. The new stock is just as worthless as the old and the victim is out the additional cash.

"Favorable information' is of a wide variety. Usually it is that the stock is soon to be listed on some exchange at a higher price, but frequently the salesman will vary it according to its appeal to a particular prospect. It is always fictitious. Invariably the salesman says the value of the stock will be increased but stockholders are permitted to buy a certain 'allotment' of shares at the old price.

"The 'double reload' is sometimes worked in this 'allotment' swindle. After the prospect has bought his 'allotment' another salesman calls and poses as an executive of the company who is just checking up to see if all stockholders have been given the 'good news.' He subtly gets the stockholder to tell him that his 'allotment' was a certain number of shares whereupon the salesman becomes alarmed and claims that the stockholder was entitled to more shares than that and the first salesman was robbing him by not letting him have his full 'allotment.' The prospect is told that this first salesman undoubtedly was holding out so he could buy the additional shares himself and make the profit to which the stockholder is entitled."

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Keokuk
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We would prefer to hear only from experienced salesmen who are familiar with the Iowa field.



ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

A. C. TUCKER, President

Insurance

Insurance Stocks Are Becoming Popular Investments

INSURANCE stocks are gaining an increasingly wide distribution according to Charles D. Robbins, head of the New York investment house of Charles D. Robbins & Company. Mr. Robbins' statement is of particular interest because of the fact that his firm headed the syndicate which recently underwrote a \$3,000,000 stock issue for the Federal Surety Company of Davenport—one of the middle west's largest insurance institutions of which W. L. Taylor is president. Subsequently, Mr. Robbins became chairman of the finance committee of the Federal Surety Company.

"For many years," said Mr. Robbins, "most insurance stocks were held in the East by a comparatively small group of investors who were familiar with the profit making possibilities of such a stock, especially when held for a number of years. Two factors, however, have operated to change this situation and make possible wider distribution: 1. The quasi-public nature of the insurance business combined with the desire of insurance institutions to have their agents and the insuring public become interested in their business; and secondly, because the general investing public has discovered the attractiveness of insurance stock investment and have decided to own some of it. Barron's—the national financial weekly," said Mr. Robbins, "recently published some very significant figures with regard to the past, present and future performance of such stocks." Barron's said in part:

Paralleling the more wide-spread ownership of equities in the United States in the last few years has been the greater diffusion of ownership of insurance stocks. It is only within comparatively recent times that insurance shares have attracted the attention of the general investing public, although shrewd wealthy investors had put them away in strong boxes, as inventories or estates in recent years have shown. But insurance stocks had no listed market, and were selling at high prices, with the result that the so-called average investor took little interest in them.

"This situation has been greatly altered in the past few years. Reductions in par value and stock splitups have brought the quotations down to a price level which has resulted in substantial buying by the investing public. Notable betterment of

A Statement

By CHARLES D. ROBBINS

*President, Charles D. Robbins & Company,
Investment Bankers, New York.
Chairman, Finance Committee, Federal
Surety Company of Davenport.*

earnings, combined with this increased demand, has caused a tremendous appreciation in the quoted value of insurance stocks, amounting in some cases to over 1,000 per cent in ten years.

Really an Investment Company

"Having graduated its premiums to cover its losses, the modern insurance company makes its largest profits from wise investment of its funds. It is thus in effect, an investment company, operating largely on borrowed money in the form of premiums prepaid which must eventually be paid out in large part on losses which will occur.

"And this borrowed money costs the companies nothing. Only a few years ago, most insurance companies showed a loss on their underwriting activities,

which had to be made up out of income on investments before a profit could be shown. But more and more accurate prediction of losses and more and more careful selection of risks have now placed most of the stronger insurance companies in a position where they show a substantial profit on underwriting operations, in some cases more than sufficient to cover dividend requirements.

"As investing companies, the leading units in the insurance field have shared the huge profits which have been common to the better managed corporations of this class in recent years. Since they are working on borrowed capital which in most cases costs them nothing, a comparatively small increase in the rate of return on money invested means a large increase in net income of the company.

Difference in Investment Policies

"This very fact suggests an element of danger in buying the securities of insurance companies. The price of such securities, like that of other stocks, is based primarily on earnings record and earnings possibilities. While a well man-

This table shows profits made by investors in insurance stocks over the past ten years. Figures in parentheses are par values.

	Cost 1 share Jan., 1919	Capital added	Total invested	No. of shares now held	Recent market value	Divs. received to May 1, 1929 incl. divs.	Av. annual gain
Aetna (Fire) (100).....	\$370	\$50	\$ 420	1½	\$1,118	\$ 257	21.6
Aetna Casualty (100).....	530	50	580	1½	2,813	308	41.8
Aetna Life (100).....	695	200	895	3	4,140	248	24.4
Am. Surety (25).....	60	...	60	2	310	74	52.5
Auto (100).....	325	900	1,225	2½	1,400	82	2.0
Boston (100).....	450	...	450	3	2,775	335	56.4
Conn. General (100).....	700	500	1,200	5	11,750	504	87.7
Continental (10).....	57	...	57	3¾	319	63	54.3
Fid. & Deposit (50).....	119	...	119	1 2/3	500	100	38.3
Fid.-Phenix (10).....	370	140	510	40	4,120	526	77.1
Fire Asso. of Phil. (10).....	328	550	878	27½	1,246	310	73.4
Glen Falls (10).....	64	100	164	8	544	72	26.2
Globe & Rutgers (100).....	1,000	...	1,000	10	14,700	1,324	143.0
Great Amer. (10).....	330	324	654	34½	1,536	392	18.6
Hanover (10).....	80	50	130	13¾	1,169	79	82.0
Hartford Fire (100).....	705	550	1,255	5	5,375	820	37.3
Hartford St. Boiler (100).....	370	...	370	1½	1,290	210	29.0
Home* (100).....	450	150	600	3	1,800	315	24.0
Ins. Co. of N. A. (10).....	25	22½	47½	2¼	178	32	32.5
Maryland Casualty (25).....	85	37½	122½	2½	548	96	25.0
National Fire (100).....	355	100	455	1½	2,205	294	42.8
National Liberty (5).....	300	250	550	100	3,125	394	51.4
National Surety (50).....	170	300	470	7½	975	239	15.1
Niagara (25).....	210	150	360	10	1,800	255	44.8
Northern (25).....	102	225	327	10 2/3	1,387	173	37.0
North River (100).....	40	47	87	3 1/3	1,467	139	167.0
Pacific Fire (25).....	45	...	45	2½	400	66	89.1
Phoenix (100).....	405	100	505	2	2,000	326	34.3
Providence-Wash. (100).....	136	...	136	1½	1,380	154	98.0
Sec. Ins. N. H. (25).....	40	45	85	2	246	38	21.1
Springfield F. & M. (25).....	225	61	286	8	1,520	222	48.6
Stuyvesant (100).....	50	86	136	1 3/7	650	48	39.4
Travelers (100).....	745	192	937	2 11/12	5,782	392	53.2
U. S. Casualty (25).....	185	300	485	12	1,320	205	20.5
U. S. Fid. & Guar. (10).....	120	212½	332½	16 2/3	1,250	167	31.1
U. S. Fire (10).....	35	...	35	4	540	51	151.0

*Exclusive of rights to purchase stock in subsidiaries.

NEW EQUIPMENT

• • •

Seven new policy forms . . .
The Triple Guaranteed Option policy on which the insured may pay a level premium and have a 25 Year Endowment or a paid-up Life policy in a shorter period, or may pay a reducing premium and have a 25 Payment Life policy . . . The Guaranteed Income Bond, a contract without death benefit paying a life income to begin at ages 55, 60, or 65, and payable for ten years certain . . . The Single Premium Whole Life with Guaranteed Annuity Income and the Single Premium 20 Year Endowment with Guaranteed Annuity Income, lump sum investments with cash value always at par guaranteeing 3½ per cent annual income, with dividends bringing the average to 4¼ to 5¼ per cent . . . A participating Child's 20 Payment Life policy, rounding out the Company's juvenile line, and liberalized participating Child's 20 Year Endowment and Child's Educational Endowment policies.

Simplified "proof of death blanks" with a sales appeal—something new!

A booklet of true unsolicited letters from appreciative claimants under death and disability benefits.

Complete sales data on the Endowment at Age 85 policy bound in convenient vest pocket size.

A new Baby Health Service a step ahead of anything of its kind.

All this, *new equipment* furnished NwNL Fieldmen at three Regional Conventions held in August. Backed by this array of powerful selling helps, the Agency Organization is again scattered throughout 31 states intent on utilizing its new tools.

• • •

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, President

STRONG ~ Minneapolis, Minn. ~ LIBERAL

MORE THAN \$300,000,000
INSURANCE IN FORCE

Northwestern Banker October 1929

aged investment company can show a profit even in a declining stock market through selective investment, the rate of returns is naturally much higher in a bull market, such as we have witnessed in the past six or seven years, than in a declining or irregular market. And the ratio of resources to capital multiplies this effect.

"Of course, this is not the condition of all companies. Many states limit the classes of securities which insurance companies may hold. Especially is this true of life insurance companies, which in many cases are limited in their investments to mortgages, bonds, and a restricted amount of high grade preferred stock. It is for this reason that greater profits on investments have generally been shown by the fire than by the life insurance companies in the past few years. And for the same reason, the end of the bull market is likely to cut the earnings of life insurance companies much less than those of fire companies.

"Even within the legal limits, there are considerable differences in the investment portfolios of insurance companies. Many companies hold a large amount of stock in other insurance enterprises, and this in many cases multiplies the effect of factors bearing on the insurance business, either favorably or unfavorably. Bank stocks are another favorite form of investment, and these have shown a tendency to appreciate steadily over a long period, regardless of stock market movements. Mortgages, held in greater or less proportion by all insurance companies, are a fairly stable source of revenue, fluctuating little either in value or yield. And bonds, held usually in greater amount by life than by fire casualty companies, frequently appreciate in price with the decline in money rates which has usually followed the end of a bull movement.

Some Notable Performances

"Because of the more liberal provisions of their charters, which permit much greater freedom in choice of securities for investment portfolios, fire insurance companies have been the outstanding performers. Earnings of the most profitable of these companies have been spectacular. Globe & Rutgers Insurance Co., for example, was selling in January, 1919, for \$1,000 a share. Following a 400 per cent stock dividend in 1922 and a 100 per cent stock dividend in 1928, the purchaser of one share in 1919 would have at present ten shares on which he would have received, in the period to May 1, 1929, dividends totalling \$1,324, and which, at the recent price of \$1,470 has a market value of \$14,700. Profits, including dividends, have thus averaged 143 per cent a year. North River Insurance Co., if one had exercised rights granted by the company, would have earned for the investor almost 170 per cent annually on the total capital invested, over the 1919-28 period.

United States Fire Insurance, Providence, Washington, Hanover, and Connecticut General Insurance are other prominent examples.

"In January, 1919, the purchase of one share each of 36 insurance stocks would have involved an investment of \$10,276. Over the following ten years, an additional investment of \$5,692 would have been required to take advantage of "rights" making a total investment of \$15,968. On May 20, 1929, after receiving dividends totalling \$9,326, the investor would have had securities with a market value of \$836,478, a profit, including dividends, of \$76,386 or at the rate of about 46½ per cent annually.

The Future of Insurance

"It has been figured that the average growth of all branches of insurance in the United States, measured by total assets, over the past 25 years has been 28 per cent a year, over 12 times the rate of growth of population. With only 50 per cent of possible property values insured against loss by fire, only a small fraction of potential life insurance written, and constantly increasing fields for casualty insurance, it seems likely that the insurance business will continue to grow faster than the population, and that this growth will be reflected in the price of insurance stocks.

New York Merger

Fusion of the New York Indemnity Company, one of the largest casualty companies in the country, with the Insurance Securities Company Group, was officially announced recently by William B. Joyce, chairman of National Surety Company, the world's largest surety company, of which the New York Indemnity Company is the casualty branch. Simultaneously, Insurance Securities Company, Inc., through W. Irving Moss, its president, confirmed the addition of the New York Indemnity Company to the fleet of insurance companies owned and operated by Insurance Securities Company, Inc.

The merger of these interests marks a new and close relationship between two of the largest and most active insurance groups in the country. The announcements followed a series of meetings between W. B. Joyce, chairman of the National Surety Company, and Mike M. Moss, senior vice president of Insurance Securities Company, Inc. National Surety Company becomes a larger holder of stock in Insurance Securities Company as a permanent investment.

Meet in Washington

The regular fall meeting of the National Fire Waste Council will be held at the headquarters of the Chamber of Commerce of the United States in Washington, D. C., Tuesday, October 1st. T. F. Cunneen, manager of the National Chamber, stresses

the point that "coming as it does just before Fire Prevention Week, which is the starting point of the year's activity, this meeting looms up as especially important."

Merged with Royal Union

The Royal Union Life Insurance Company of Des Moines has taken over the business of the Roman Catholic Mutual Protective Society of Fort Madison, Iowa, which has been in business for half a century. The society, at the time of the merger, had about four and one-half million dollars of insurance in force. The Reverend Father C. B. Goetzinger of Ionia, Iowa, was president and Peter Kern general secretary and treasurer. Peter Kern, Jr., was assistant secretary.

Assets of the society have been turned over to the Royal Union, which assumes all contracts and obligations and guarantees there will never be any increase on the policies which were issued by the company. According to President A. C. Tucker of the Royal Union, the company following the merger, has more than \$145,000,000 insurance in force, with total assets exceeding thirty million and surplus of a million and one-half. The merger has been approved by the Iowa insurance department.

Peter Kern, secretary of the society, has been elected a member of the board of directors of the Royal Union. In this capacity he will be in an excellent position to assist the company in stabilizing the business which it acquires through the merger.

The society, which was organized in May, 1879, did business in Iowa, South Dakota, Minnesota and Nebraska. All local secretaries are to be retained by the Royal Union, in the capacity of collectors, and to assist the latter company in handling the business to the best interests of the society's members.

200 Billion Forecast

Life insurance now in force in the United States will double to \$200,000,000,000 before 1939, according to a prediction by Edward S. Goodwin, chairman of the finance committee of Preferred Accident Insurance Company, and vice president of Underwriters' Service Corporation.

Federal Surety Promotions

Bruce Wiles, heretofore in charge of the payroll audit division of the liability department and superintendent of the accident prevention department, has been promoted to a special representative of the executive department of the Federal Surety Company, Davenport. Mr. Wiles will continue to have charge of the safety and accident prevention work of the company.

Fred W. Haner, heretofore in charge of

\$4,000

Gone Up in Smoke . . .

. . . since you started to read this message.

Property owners in the United States suffer stupendous fire losses yearly—some of the loss this year will occur in your own community. Iowa National Fire insurance protects a large proportion of Iowa property. When a loss occurs, the Iowa National Fire's prompt payment reduces the shock to your depositor's account. A very friendly part of your banking service would be your recommendation to your depositors of Iowa National Fire Insurance.

*The Tall Grown
Company
in the
Tall Corn State*

**Iowa National
Fire Insurance Company**

DES MOINES

Fire, Lightning, Tornado, Automobile



the payroll audit division of the southern department with headquarters in Dallas, has been promoted to succeed Mr. Wiles at the home office and will have charge of the payroll audit division of the liability and workmen's compensation department.

Harry L. Risler of the home office has been promoted to the position of underwriter in the liability and compensation department.

Jos. A. Pelegrin of the home office has been promoted to the position of underwriter in the liability and compensation department.

Big Hail Policy

A record-breaking policy covering crop damage by hail to the extent of \$201,590 has been written for the Continental Insurance Company, by its local agent at Wolfe Point, Montana, A. T. Listug.

The crops protected are 16,000 acres of

wheat, 3,000 of flax, and about 1,200 acres of other grains, including barley, oats, rye and spelt.

Favorable Experience

Life insurance companies that have entered the non-medical field have had a very favorable experience with such business with very few exceptions. This is indicated by a chart showing the practice and experience of 101 members of the American Life Convention which has adopted non-medical underwriting just issued by the convention's headquarters in St. Louis, Missouri.

Of the 101 insurance companies that reported to the convention regarding their non-medical business, 80 stated this class of business has been favorable so far as their experience was concerned. One company said its experience was questionable, three stated it was about 70 per cent of

A. M. select, one 62 per cent expected 1928 ratio, another reported 49.5 per cent total business ratio and two others said the experience was slightly higher than medical examination business. Several of the companies did not report on their actual experience with non-medical.

Big Gain for August

A new business total of \$5,326,700 for August gave the Northwestern National Life of Minneapolis the best August production in its history, a gain of 43 per cent over the same month a year ago.

As three regional conventions were held during August, attended by the best producers of the company, the agency organization was necessarily out of the field for the greater part of the month. Despite this handicap, however, the total overshot the \$5,000,000 goal by a good margin. The increase over August, 1928, was made although a larger proportion of the producing forces attended the regional meetings this year than were present on the single convention trip held during August last year.

Fatalities in Canada Increase

While automobile fatalities are not so great a problem in Canada as they have been for so many years in the United States, they are becoming a major problem in the Dominion, if the record of the past two years can be taken as a criterion. Among the more than 1,200,000 industrial policyholders of the Metropolitan Life Insurance Company in Canada automobile fatalities have increased from 4.3 per 100,000 in the first six months of 1927 to 8.4 for the same period in 1929. The rate for the first six months of 1928 was 5.8. No cause is assigned for an automobile fatality rate that has practically doubled in two years by the statisticians of the insurance company.

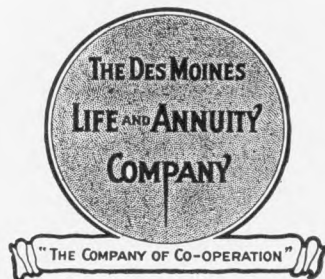
Shows Nice Gains

The Missouri State Life Insurance Company reports a most satisfactory gain in paid-for production during the past seven months of 1929, with a total of \$205,420,387, ordinary and group life, according to Hillsman Taylor, president of the company. This is a gain of 31 per cent over the corresponding period of 1928.

During July of this year \$32,388,292 of insurance was reported paid-for, as against \$20,890,275 during July, 1928. This is an increase of \$11,498,017.

Who Buys Big Policies?

The Lincoln National Life Insurance Company has made a list of the occupations of buyers of insurance policies of \$10,000 and larger for the month of June, 1929, and has suggested this list to its agents as pointers to fields where large size policies may be written. The list in-



Absolutely Dependable

Many things go to make up a thoroughly dependable life insurance company.

1. *Financial strength.*
2. *Relations with policyholders.*
3. *Relations with agents.*
4. *Measure of its service.*

In all of these "The Company of Co-operation" is *absolutely dependable*.

You can't ask for more and we would not offer you less.

Des Moines Life and Annuity Company

J. J. Shambaugh, Pres.

Des Moines, Iowa

cluded 33 salesmen, 22 merchants, 17 office managers, 15 factory owners, 11 contractors, 10 bankers, 9 superintendents and foremen, 8 doctors and professional men, 8 clergymen and teachers, 6 managers of garages and warehouses, 5 hotel managers, 4 editors and publishers, 4 lawyers and judges, 4 wholesale dealers. In addition, there were a considerable number of vocations which included 3 or less comprising aviators, florists, electroplaters, electricians, motormen, undertakers, veterinarians, abstractors, dry cleaners, and others. This is at least a good prospecting tip because others of the same vocation might be good prospects for big policies.

A Great Record

A remarkable record in the production of new business which has been virtually free from lapsation is that of Meldrum Gray, general agent at Columbus, Ohio, for the Northwestern National Life of Minneapolis.

In the four years and seven months ending August 1, Mr. Gray's personal paid-for new business totalled \$1,015,000. All of this business was in force August 1st except \$20,000 paid out in death claims and another \$20,000 surrendered for cash.

Foremost among the reasons for setting this phenomenal record, Mr. Gray places selection of prospects. Before a policy is placed by this producer, he is practically certain that it will not be lapsed. His record attests to the accuracy of his judgment.

You Have Something to Sell— Sell It!

(Continued from page 18)

in surveys it has been found that in many cases service charge plans are in effect, but are not actively used. In one case less than 5 per cent of the small accounts that should have been charged were paying a service charge."

Why? Because a thorough job of education (selling) was not done. Banks in Columbus, Ohio, thought their service charge was satisfactory. One bank had been collecting \$10,000 a year—many exceptions were made—because the customer had not been sold. Then the clearing house association decided to educate—sell—result this bank is now collecting \$45,000 a year. That's the result of scientific salesmanship. The success of the service charge is based on the fact that every customer whose account is subject to the charge should pay—NO EXCEPTIONS.

The man or woman who knows how to sell and particularly when to sell bank service is in demand today—and can about write their own ticket.

People will sit up and take notice if you sit up.



Neighbors!

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.

FEDERAL SURETY COMPANY

A NATIONAL INSTITUTION OF SERVICE

W. L. TAYLOR, President

Casualty Insurance

HOME OFFICE

Surety Bonds

DAVENPORT, IOWA

Northwestern Banker October 1929

Why the Name "Von Schrader"

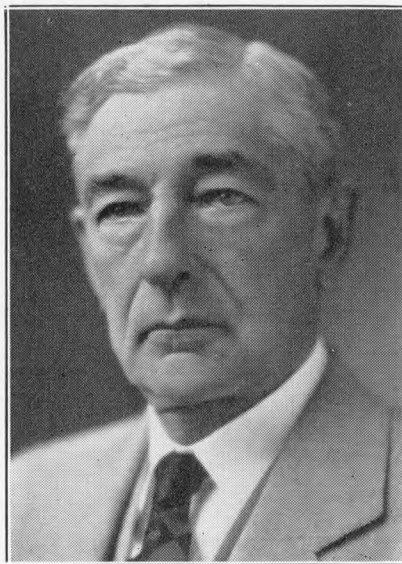
IF IT is true that coursing through the blood of many leaders and their descendants is a penchant for and a more than natural ability to succeed in a particular business or line of activity, then Iowa is certainly the home of a family long imbued with the interest to be found in banking, especially successful banking.

The Morgans represent a family that has been associated with investment banking for generations. The Hills are an example of an interest in transportation that descended from father to son and the son's son, and in this same consistent way, following an apparent and dominating urge, the von Schraders have been associated with Iowa banking history for several generations, and bid well to continue the traditional family characteristics for generations ahead.

The senior member of the von Schrader's banking family, F. von Schrader, president of the Ottumwa Savings Bank, is, from the standpoint of service, one of Iowa's oldest bankers, and is certainly one of her most successful, well liked and highly respected financiers.

Mr. von Schrader's father, Otto von Schrader, was a banker at Maquoketa. The bank which he organized there and headed for years is now the First National. He was later succeeded by another son, Charles von Schrader, who remained as president until his death a few years ago. Another son named after his father, Otto von Schrader, is today vice-president of the Eau Claire National Bank, Eau Claire, Wisconsin.

This period of history covered the time in which F. von Schrader became connected with another great American business, that of railroading, and incidentally was associated with W. C. Brown who was



F. VON SCHRADER

later to become one of the commanding figures in American transportation circles. Mr. Brown, who subsequently became president of the New York Central Railroad, was at that time superintendent of the Beardstown (Illinois) division of the C. B. & Q. R. R. Frank von Schrader was his secretary.

However, interesting as he found railroading, the banking business drafted another von Schrader and F. von Schrader organized the Ottumwa Savings Bank in 1888 with an initial capital of \$50,000.

Figures and facts best reveal the success of that bank under the von Schrader direction and management.

Here are a few of them.

1. It is one of the few banks in Iowa to enjoy a triple A rating.

Means GOOD BANKING

2. It has never missed a dividend.
3. Its earning for a period of twenty years average 35 per cent.

One might write pages about the splendid history of the Ottumwa Savings Bank and the banking acumen of F. von Schrader without saying as much as these three simple statements contain in their significance.

Mr. von Schrader's many friends hope that he contemplates no early retirement, and are glad that Iowa banking circles also include his two sons, Max von Schrader, now closely associated with his father as cashier of the Ottumwa Savings Bank, and Otto von Schrader, associated in the Iowa-Nebraska territory with Blythe and Company, Chicago Investment Bankers.

F. von Schrader is also vice-president of the South Ottumwa Savings Bank, and a member of the Ottumwa Library Board. He is a man of retiring disposition who possesses a quiet personal charm and friendly wit that has won for him, through the years, a constantly widening circle of friends.

Why Group Banking

(Continued from page 40)

Mr. Hammond said that no part of the country has richer or more varied resources than the states in the Ninth Federal Reserve District. Its fuel and energy resources include a tenth of all the potential hydroelectric power in the United States; its supply of minerals and raw materials for industry is immense; and agriculturally it is one of the most important districts in the country.

"If in the Northwest we are to go forward in this age of mass production and expanding markets," he said, "we must have the service of strong banking facilities, whose interests are linked with ours and who know our problems, so that we will be independent of the distant money

centers; we must have the assistance of men experienced in the larger financial operations and world-wide market demands to get the best markets; we must have the supervision of men with a life training in banking so that we may in a measure avoid in future the ruin brought upon our depositors, directors and stockholders by the collapse of thirty per cent of the banks in the Ninth District from 1922 forward, in large measure through the mistakes of amateur bankers."

Two Michigan Banks

Affiliation with the First Bank Stock corporation, Minneapolis, of two large banks serving the metals and mining industry of northern Michigan, and the addition to the corporation's board of di-

rectors of James MacNaughton, president of the Calumet and Hecla Consolidated Copper Mining Company, were announced by officials of the corporation.

The two banks are the First National of Hancock and the First National of Calumet. They are the first banks in Michigan to affiliate with the group.

A Bird Story

Wife: "A little bird told me you were going to buy a big automobile for my birthday."

Hubby: "Hum—that bird must have been a little cuckoo."

Man blames fate for other accidents, but feels personally responsible when he makes a hole in one.



LEADING BANKS AND TRUST COMPANIES UNITE to form Northwest's strongest financial institution

A group of the leading banks and trust companies of the Midwest and Northwest have affiliated to form the Northwest Bancorporation. These banks and trust companies, located in the key cities of the Midwest and Northwest, serve this great empire of 11,000,000 people. The combined resources of the Northwest Bancorporation, amounting to over \$360,000,000, will prove a great asset in the rapid expansion of business and agriculture in the Midwest and Northwest.

More than 500 leaders in business and finance, living in all parts of this territory, have been called to the directorate of this powerful banking group and its affiliated institutions. Their intimate knowledge of the needs and possibilities of this territory will be of great value in formulating plans for future development of the Midwest and Northwest.

Already thirty-eight of the leading banks and trust companies in twenty-seven cities of Minnesota, Iowa, Wisconsin, Nebraska, Montana, South Dakota and North Dakota have announced their affiliation with this great financial institution. Already 9,000 influential men and women living in the Midwest and Northwest have become stockholders and own over 1,000,000 shares of stock in the Northwest Bancorporation, which assures sympathetic interest and an ever-increasing volume of business.



NORTHWEST BANCORPORATION

MINNEAPOLIS - - - MINN.

Combined Resources over \$360,000,000.00

Northwestern Banker October 1929



What is the NORTHWEST BANCORPORATION?

The Purpose of the NORTHWEST BANCORPORATION

THE Northwest Bancorporation was formed for the mutual benefit of its participating banks and for the upbuilding of the communities which they serve. Each bank in this group operates as a unit, under local management, primarily and always in the interest of its own community, but all are bound together by interlocking stock ownership and their interests and aims are mutual. Their voluntary association in one central organization gives each bank a share in a financial development made possible only by a metropolitan organization of commanding size. On broad lines, they will work in unison for the greater civic, industrial and agricultural expansion of the Midwest and Northwest and the prosperity of its 11,000,000 people. In this way, the Midwest and Northwest have gained a powerful financial organization operating in their own cities and owned and managed by their own business people to insure their financial independence.

OFFICERS NORTHWEST BANCORPORATION



E. W. DECKER



J. C. THOMSON

E. W. DECKER.....President
J. C. THOMSON.....Vice President and Gen'l Mgr.
ROBERT E. MACGREGOR.....Vice Pres. and Treasurer
H. D. THRALL.....Vice President and Ass't Treas.
ALEX HIGHLAND.....Vice Pres. and Ass't Gen. Mgr.
E. J. WEISER.....Vice President
THEO. WOLD.....Vice President
HANFORD MACNIDER.....Vice President
DAVID WILLIAMS.....Vice President
ISAAC S. MOORE.....Vice President
PHILIP L. RAY.....Vice President
ROBERT P. MORSMAN.....Vice President
CLYDE E. BRENTON.....Vice President
GARDNER B. PERRY.....Vice President
D. R. WEST.....Secretary
W. E. BROCKMAN.....Director Advertising and Publicity
H. HALLENBERG.....Chief Examiner
J. W. GROVES.....Assistant Secretary
JOHN DEJONG.....Assistant Secretary
WM. N. JOHNSON.....Assistant Secretary
GRANT ANDERSON.....Assistant Secretary
W. GORDON HEGARDT.....Assistant Secretary

DIRECTORS

FLOUR AND GRAIN INTERESTS

WARD AMES, JR., V. Pres., *Barnes-Ames Co.*.....Duluth, Minn.
JULIUS H. BARNES, *Grain Exporter*.....Duluth, Minn.
JAMES F. BELL, Pres., *General Mills, Inc.*.....Minneapolis, Minn.
JOHN CROSBY, Director, *General Mills, Inc.*.....Minneapolis, Minn.
FRANK T. HEFFELFINGER, Pres., *F. H. Peasey & Co.*.....Minneapolis, Minn.
JOHN S. PILLSBURY, V. Pres., *Pillsbury Flour Mills Co.*.....Minneapolis, Minn.
HENRY F. SALYARDS, Pres., *Ely, Salyards & Co.*.....Duluth, Minn.
A. L. SEARLE, Pres., *Searle Grain Co., Ltd.*.....Minneapolis, Minn.
GEORGE H. SPENCER, V. Pres., *Consolidated Elevator Co.*.....Duluth, Minn.
ADAM G. THOMSON, Pres., *A. D. Thomson & Co.*.....Duluth, Minn.

LINSEED OIL PRODUCTS

SHREVE M. ARCHER, Pres., *Archer-Daniels Midland Co.*.....Minneapolis, Minn.

MINING INTERESTS

W. P. CHINN, Gen'l Mgr., *Mining Div., Pickands, Mather & Co.*.....Duluth, Minn.
T. F. COLE, *Mining*.....Duluth, Minn.
EDWARD C. CONGDON, *Mining*.....Duluth, Minn.
GEORGE P. TWEED, *Iron Ore*.....Duluth, Minn.

LIVE STOCK AND PACKING

H. G. BLACK, Asst. Treas., *Armour & Co.*.....Chicago, Ill.
FORD E. HOVEY, Pres., *Stock Yards National Bank*.....Omaha, Neb.
ALEX HIGHLAND, Chairman of Board, *Stock Yards National Bank*.....South St. Paul, Minn.
A. G. SAM, President, *Live Stock National Bank*.....Sioux City, Iowa
JOHN E. WAGNER, Treas., *Cudahy Packing Co.*.....Chicago, Illinois

PUBLIC UTILITIES

W. B. T. BELT, Pres., *Northwestern Bell Telephone Co.*.....Omaha, Neb.
J. E. DAVIDSON, Pres., *Nebraska Power Co.*.....Omaha, Neb.
A. M. ROBERTSON, Vice Pres., *Minneapolis Street Railway Co.*.....Minneapolis, Minn.

RAILROAD INTERESTS

RALPH BUDD, Pres., *Great Northern Ry. Co.*.....St. Paul, Minn.
H. A. SCANDRETT, Pres., *Chicago, Milwaukee, St. Paul & Pacific Ry. Co.*.....Chicago, Ill.

LAWYERS

HOWARD J. CLARK, Attorney.....Des Moines, Iowa
ALBERT C. COBB, *Cobb, Hoke, Benson, Krause & Faegre, Attorneys*.....Minneapolis, Minn.
CHAMBERS KELLAR, Attorney.....Lead, S. D.
OSCAR MITCHELL, *Washburn, Bailey & Mitchell, Attorneys*.....Duluth, Minn.
EDGAR M. MORSMAN, JR., Attorney.....Omaha, Neb.
A. McC. WASHBURN, *Washburn, Bailey & Mitchell, Attorneys*.....Duluth, Minn.

INVESTMENTS

MARSHALL W. ALWORTH, *Capitalist*.....Duluth, Minn.
F. C. HUBBELL, President, *F. M. Hubbell Son and Company*.....Des Moines, Iowa
FREDERICK E. KENASTON, *Capitalist*.....Minneapolis, Minn.
S. L. PRENTISS, Pres., *The Northern Corporation*.....Winona, Minn.
OLIVER P. THOMPSON, Trustee, *The Thompson Trust*.....Des Moines, Iowa
A. C. WEISS, *Investments*.....Duluth, Minn.

LUMBER AND BUILDING MATERIALS

E. W. BACKUS, Pres., *Backus-Brooks Co.*.....Minneapolis, Minn.
E. C. FINKBINE, President, *Finkbine Lumber Company*.....Des Moines, Iowa
F. E. KEELER, Pres., *Mason City Brick & Tile Co.*.....Mason City, Iowa
W. E. MAGNER, Pres., *Cutler-Magner Co.*.....Duluth, Minn.
ARTHUR R. ROGERS, Pres., *Rogers Lumber Co.*.....Minneapolis, Minn.
H. B. WAITE, Pres., *H. B. Waite Lumber Co.*.....Minneapolis, Minn.

GENERAL BUSINESS

FRED BOHEN, *Pres., Meredith Publishing Co.* Des Moines, Iowa
 NORMAN B. BLACK, *Publisher, Fargo Forum*, Fargo, N. D.
 GARDNER COWLES, *Pres., Register & Tribune Co.* Des Moines, Iowa
 J. H. COWNIE, *Pres., J. H. Cownie Co.* Des Moines, Iowa
 JOSEPH CHAPMAN, *Pres., Donaldson Realty Co.* Minneapolis, Minn.
 GEORGE D. DAYTON, *Pres., The Dayton Co.* Minneapolis, Minn.
 C. L. HEEGAARD, *Pres., Mandan Mercantile Co.* Minneapolis, Minn.
 H. J. McCONNON, *McConnon & Co.* Winona, Minn.
 C. F. MICHEL, *Pres., La Crosse Refining Co.* La Crosse, Wis.

WHOLESALE INTERESTS

C. O. FOLLETT, *Pres., Smith, Follett & Crowl*, Fargo, N. D.
 SETH MARSHALL, *Pres., Marshall-Wells Co.* Duluth, Minn.
 N. F. RUSSELL, *Pres., Bridgeman-Russell Co.* Duluth, Minn.
 GEORGE W. WELLES, *Pres., Kelly-Thomson Co.* Duluth, Minn.

BANKERS

W. G. C. BAGLEY, *Pres., First National Bank* Mason City, Iowa
 R. E. BARRON, *Pres., First National Bank* Minot, N. D.
 CLYDE E. BRENTON, *Pres., Iowa-Des Moines Nat'l Bank & Trust Co.* Des Moines, Iowa
 W. H. BRENTON, *V. Pres., Iowa-Des Moines Nat'l Bank & Trust Co.* Des Moines, Iowa
 GEORGE W. BURTON, *Pres., National Bank of La Crosse* La Crosse, Wis.
 H. B. BUSHNELL, *V. Pres., U. S. Trust Co.* Omaha, Neb.
 EDWARD W. DECKER, *Pres., Northwestern National Bank* Minneapolis, Minn.
 R. E. DRISCOLL, *Cashier, First National Bank*, Lead, S. D.
 W. A. DURST, *Pres., The Minnesota Loan & Trust Co.* Minneapolis, Minn.
 H. J. FAHNESTOCK, *Pres., First National Bank* Watertown, S. D.
 LEE M. FORD, *Pres., Great Falls National Bank* Great Falls, Mont.
 S. S. FORD, *Vice Pres., Great Falls Nat'l Bank* Great Falls, Mont.
 G. C. FULLINWEIDER, *Pres., National Bank of Huron* Huron, S. D.
 F. H. GANNON, *Pres., First Nat'l Bank* Aberdeen, S. D.
 FRANK HORTON, *Pres., First Nat'l Bank* Winona, Minn.
 F. A. IRISH, *V. Pres., First National Bank & Trust Co.* Fargo, N. D.
 LOUIS C. KURTZ, *Chairman of Board, Iowa-Des Moines Nat'l Bank & Trust Co.* Des Moines, Iowa
 S. McKENNAN, *Pres., Union Bank & Trust Co.* Helena, Mont.
 R. E. MACGREGOR, *V. Pres., Northwestern National Bank* Minneapolis, Minn.
 HANFORD MACNIDER, *Chairman of Board, First National Bank* Mason City, Iowa
 W. A. MAHL, *Vice Pres., First Nat'l Bank* Winona, Minn.
 E. L. MATSON, *Vice Pres., and Trust Officer, Midland National Bank & Trust Co.* Minneapolis, Minn.
 CHARLES B. MILLS, *Pres., Midland National Bank & Trust Co.* Minneapolis, Minn.
 ISAAC S. MOORE, *Pres., First & American National Bank* Duluth, Minn.
 L. T. MORRIS, *V. Pres., Citizens National Bank* Watertown, S. D.
 ROBERT P. MORSMAN, *Pres., United States Nat'l Bank and U. S. Trust Co.* Omaha, Neb.
 C. A. PARKER, *V. Pres., First National Bank* Mason City, Iowa
 LYNN PEAVEY, *Pres., Security National Bank & Trust Co.* Faribault, Minn.
 PHILIP L. RAY, *Exec. V. Pres., First & American Nat'l Bank* Duluth, Minn.
 CAMDEN RAYBURN, *V. Pres., National Bank of Huron* Huron, S. D.
 ALBERT J. ROBERTSON, *V. Pres., Iowa-Des Moines Nat'l Bank & Trust Co.* Des Moines, Iowa
 W. Z. SHARP, *Pres., Security Nat'l Bank* Sioux Falls, S. D.
 J. C. THOMSON, *V. Pres. & Gen'l Mgr., Northwest Bancorporation* Minneapolis, Minn.
 H. D. THRALL, *V. Pres., The Minnesota Loan & Trust Co.* Minneapolis, Minn.
 E. J. WEISER, *Pres., First National Bank & Trust Co.* Fargo, N. D.
 D. R. WEST, *V. Pres., The Minnesota Loan & Trust Co.* Minneapolis, Minn.
 DAVID WILLIAMS, *Chairman of Board, First & American National Bank* Duluth, Minn.
 THEODORE WOLD, *V. Pres., Northwestern National Bank* Minneapolis, Minn.
 G. H. YATES, *V. Pres., U. S. National Bank* Omaha, Neb.

What the BANCORPORATION Means to the Northwest



The forming of the Northwest Bancorporation ushers in a new era for Midwest and Northwest banking. It means that for the first time a middle west and northwest institu-

tion, through its affiliated banks, can offer to the business men and industries of this territory the service of a great organization independent of other financial organizations in other territories.

The pooled resources of the Northwest Bancorporation members, amounting to over \$360,000,000, make it possible for all member institutions to share in a financial development of their communities and the Northwest not heretofore possible.

By affiliation with the Northwest Bancorporation, member banks are now in a position to underwrite bonds and other securities for the development of local business enterprises, the development of public utility enterprises, and for municipal and governmental purposes on a scale that has never been possible before. Greater facilities are available for the management of estates and trusts, and business men will now be able to obtain full lines of credit through their local banks.

In addition to pooling their resources, the banks affiliated with the Northwest Bancorporation have also pooled their banking experience and financial genius. The experience gained by these successful institutions is augmented by that of the directors—all outstandingly successful men.

Every citizen and every community interested in the growth and prosperity of the West and Northwest and the development of industry, agriculture and their own prosperity will see in the Bancorporation and the financial independence which it insures a real step forward. Through their affiliation all member banks and their communities become "working partners" with the other leading cities and financial institutions of this territory to build a greater Northwest.

NORTHWEST BANCORPORATION



MINNEAPOLIS, MINNESOTA



IOWA'S LARGEST BANK INCREASES FACILITIES

The Iowa-Des Moines National Bank & Trust Company, with resources of approximately \$42,000,000, this month announced its affiliation with the Northwest Bancorporation. This move gives to this bank, which was already the fourth largest in the Northwest, the added strength and facilities of 38 other strong banks and trust companies.

The Iowa-Des Moines National Bank & Trust Company is a consolidation of the Iowa National Bank, established in 1875, and the Des Moines National Bank, established in 1881. This consolidation, approved by the stockholders of the two banks late in August, will bring together two of the oldest and best known banks in the Midwest.

Clyde E. Brenton, President of the Iowa-Des Moines National Bank & Trust Company, in a public statement made at the time of affiliation with the Northwest Bancorporation, said that this latest step in a program of expansion was taken because he and his associates, after giving long and mature consideration to the proposal, became fully convinced of the advantages that will accrue to Des Moines and the whole state of Iowa through association with this group of leading banks.

"This association of strong, independent banks and trust companies in the leading cities of the Midwest and Northwest," said President Brenton, "will allow each bank to participate in a financial development that will bring to Des Moines the united strength, support and facilities of the affiliated banks. In

addition it furnishes the combined ability and experience of a group of men who have successfully conducted leading banks of the Midwest and Northwest for many years."

Des Moines is the largest city in Iowa, America's greatest food-producing state. The only city in Iowa with a population over 100,000, it is the geographical, industrial and financial center of the state. It is also one of the largest insurance centers in the West and one of the six largest publishing centers of the United States.

Over 400 factories in Des Moines produce an annual volume of business exceeding one hundred million dollars. Its annual payroll exceeds \$74,679,841. The network of railroads radiating out of Des Moines make it the jobbing center of the state, with over one hundred jobbing houses.

Iowa produces almost five million tons of coal a year. Its agricultural income exceeds \$713,000,000 annually. Approximately three-fifths of its population of 2,419,927 people live in cities and towns, which are manufacturing over \$760,000,000 worth of products a year.

As the center of this rich and rapidly developing territory, Des Moines is more and more facing new problems of industrial expansion. To meet these problems, it needs new banking facilities, unlimited resources and the most expert financial counsel. The Iowa-Des Moines National Bank & Trust Company believes that through its affiliation with the

IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY

AFFILIATED WITH
NORTHWEST BANCORPORATION



Northwest Bancorporation it not only increases the financial resources available to the people of this state but will also be able to give its customers improved, complete banking service.

Louis C. Kurtz, Chairman of the Board of Directors of the Iowa-Des Moines National Bank & Trust Company, explained that the plan of organization and operation of the Northwest Bancorporation provides that "each institution in the group shall continue to operate as a unit under the management of local officers and directors in the interests of its own community, but that all are bound together by interlocking ownership." This plan, he pointed out, allows each stockholder to share in the profits of the entire group.

W. H. Brenton, Vice President, emphasized the improved service which member banks will be able to render by virtue of greater strength through a centralized holding company. "With this united strength," said Mr. Brenton, "each member bank will be able to render a more complete and comprehensive service to their respective communities, pooling their resources and man-power to serve the financial needs of the Midwest in a more complete, stable and economical way."

Herbert L. Horton, Vice President, commented upon the significance of this move to the banks and bankers of Iowa. Mr. Horton said, "This announcement will undoubtedly be of great interest to bankers state-wide. All recognize the rapidly growing trend and are closely watching the developments of group banking. The sound, constructive methods of expansion and operation which are being used by the Northwest Bancorporation afford an especial appeal to all bankers throughout our section. Through our recent merger and this affiliation there has been established in Iowa's largest and capital city a banking institution



of unusual size and stability with broad connections which will provide for the banks of the state a desirable place to concentrate their reserves."

Albert J. Robertson, Vice President in charge of the Trust Company Division of the consolidated bank said: "The uniting of Iowa's largest bank with other leading banks in the Northwest brings together, on one hand, a group of men who have long enjoyed pleasant business relationships and, on the other hand, it means a union of one of the principal agricultural states with the manufacturing, mining, milling and live stock interests of Minnesota, Iowa, the Dakotas, Nebraska and Wisconsin. With the union of these diversified interests directed toward a common goal, the Northwest enters a new and important phase of development that brings us closer to a more permanent era of prosperity.

"Service is the biggest consideration today in every line of business endeavor. As the states in the Northwest grow, banking needs will increase. Unless we in the Northwest provide for this increased need, eastern interests will do it for us. The Northwest Bancorporation is composed of financial institutions managed by men whose life-long interests have been in these Northwest states, and who are vitally concerned in the future prosperity of industry and agriculture here. I regard this decision of our stockholders to unite with this group the most important financial development in Iowa for many years."

IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY



AFFILIATED WITH
NORTHWEST BANCORPORATION



OFFICERS and DIRECTORS



Louis C. Kurtz Clyde E. Brenton A. J. Huglin W. H. Brenton Albert J. Robertson

Officers

President Brenton announced that there will be no change in officer or directorate personnel, but that local officers and directors would assume additional duties in connection with the management of the Northwest Bancorporation.

- LOUIS C. KURTZ,
Chairman of the Board
- CLYDE E. BRENTON,
President
- W. H. BRENTON,
Executive Vice President



Herbert L. Horton J. R. Capps

Directors

- GEO. N. AYRES, *Vice President, Central Life Assurance Society*
- H. J. BOEKENHOFF, *President, Boekenhoff Cafe Company*
- FRED BOHEN, *President, Meredith Publishing Company*
- CLYDE E. BRENTON, *President, Iowa-Des Moines National Bank & Trust Company; President, Brenton Brothers, Inc.*
- W. H. BRENTON, *Vice President, Iowa-Des Moines National Bank & Trust Company; Secretary-Treasurer, Brenton Brothers, Inc.*
- HOWARD J. CLARK, *Attorney*

DEPARTMENT OF COMMERCIAL BANKING

- ANDREW J. HUGLIN, *Vice President*
- GEO. E. PEARSALL, *Vice President*
- A. J. WARNEK, *Ass't Vice President*
- OWEN P. McDERMOTT, *Ass't Vice President*

DEPARTMENT OF BANKS AND BANKING

- HERBERT L. HORTON, *Vice President*
- J. R. CAPPS, *Vice President*
- CLARENCE A. DIEHL, *Vice President*
- E. W. JONES, *Assistant Vice President*
- O. M. GARRETT, *Assistant Cashier*

DEPARTMENT OF BANK ADMINISTRATION

- GEO. D. THOMPSON, *Cashier*
- HARRY G. WILSON, *Ass't Vice President*
- RICHARD H. COLLINS, *Ass't Vice President*
- JAMES BURSON, *Assistant Cashier*
- THOS. J. HYNES, *Assistant Cashier*

BUSINESS DEVELOPMENT DEPARTMENT

- WINFIELD W. SCOTT, *Mgr., Ass't Vice Pres.*
- R. L. CHASE, JR., *Ass't Vice President*

CREDIT DEPARTMENT

- EDWIN F. BUCKLEY, *Mgr., Ass't Vice Pres.*
- F. C. DAVIS, *Auditor*
- CLYDE H. DOOLITTLE, *General Counsel*

TRUST COMPANY DIVISION

- ALBERT J. ROBERTSON, *Vice President*

BOND DEPARTMENT

- LELAND J. ANDERECK, *Manager*
- SHERMAN W. FOWLER, *Asst. Vice Pres.*
- ARTHUR H. KEYS, *Ass't Cashier*

TRUST DEPARTMENT

- JAMES F. HART, *Trust Officer*
- VICTOR H. PULLIS, *Ass't Trust Officer*
- W. F. HOWELL, *Ass't Trust Officer*

MORTGAGE LOAN DEPARTMENT

- A. L. KREIDLER, *Manager*

ROSS J. CLEMENS, *President, Standard Glass and Paint Company*

- GARDNER COWLES, *President, Register and Tribune Company*
- JOHN COWLES, *Associate Publisher, Des Moines Register and Tribune*
- J. H. COWNIE, *President, J. H. Cownie Company*
- E. C. FINKBINE, *President, Finkbine Lumber Company; President, Warfield-Pratt-Howell Company; President, Green Bay Lumber Company*
- W. J. GOODWIN, *President, Goodwin Tile & Brick Company*
- J. B. GREEN, *President, Des Moines Stove Repair Company*
- WM. C. HARBACH, *Capitalist*
- JOHN H. HOGAN, *Vice President, Continental Illinois Bank & Trust Co., Chicago*
- HERBERT L. HORTON, *Vice President, Iowa-Des Moines National Bank & Trust Co.*
- F. C. HUBBELL, *President, F. M. Hubbell Son and Company*
- ANDREW J. HUGLIN, *Vice President, Iowa-Des Moines National Bank & Trust Company*
- LOUIS C. KURTZ, *Chairman of Board, Iowa-Des Moines National Bank & Trust Company; President, L. H. Kurtz Company*
- F. H. LUTHE, *President, J. Mandelbaum and Sons*
- M. MANDELBAUM, *President, Central Service Company*
- JOS. MUELHAUPT, *President, Iowa-Des Moines National Bank & Trust Company*
- GEO. E. PEARSALL, *President, Iowa-Des Moines National Bank & Trust Company*
- CHAS. A. RAWSON, *President, Iowa Pipe and Tile Company*
- ALBERT J. ROBERTSON, *Vice President, Iowa-Des Moines National Bank & Trust Company*
- RALPH E. ROLLINS, *President and Treasurer, Rollins Hosiery Mills, Inc.*
- W. W. SEARS, *President, Sears Automobile Company*
- M. SLOSS, *President, Lederer, Strauss and Company*
- E. R. STOTTS, *President, Miller Sanitary Laundry Company; Vice President, Dodd & Struthers*
- OLIVER P. THOMPSON, *Trustee, The Thompson Trust*
- CARL WEEKS, *President, The Armand Company*
- FRED W. WEITZ, *Vice President, Century Lumber Company; Charles Wetz' Sons*

IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY



AFFILIATED WITH
NORTHWEST BANCORPORATION



FIRST NATIONAL OF MASON CITY PIONEER IN BANCORPORATION

THE First National Bank of Mason City, with resources in excess of \$10,000,000, was the first of Iowa's strong financial institutions to join forces with the Northwest Bancorporation.

This bank, the largest in northern Iowa, was established in 1869. It has long been identified with the MacNider interests, Mr. Hanford MacNider being Chairman of the Board. Mr. Willis G. C. Bagley, President, is also president of the Iowa Bankers Association, and is a strong supporter of the modern trend of banking toward group and chain operation for greater efficiency and service.

Mason City is the center of one of the most productive agricultural areas in the world. In addition to the great volume of business arising from agriculture, the city is now becoming a center of manufacturing and its increased industrial activities are bringing a new national prominence.

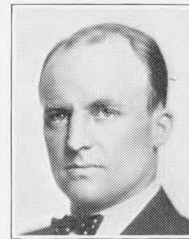
Within the Mason City territory, which includes 14 Iowa counties, there are 28,089 farms with the staggering annual income of \$98,311,500, and industrial plants employing 5,325 people, with an annual output valued at \$56,672,466 and an annual payroll of \$12,258,836.

The rapid development of agriculture and industry in this district presents new problems in financing and requires new facilities to handle business expansion. The directors of the First National Bank believe that through its affiliation with the Northwest Bancorporation it is launched on a program of expansion and has increased its facilities for service

to meet these needs. This affiliation enables it to bring to the people of Mason City and the surrounding territory the experience, advice and combined resources of many of the leading banks and bankers of the Midwest and Northwest.

This institution, like every one of the Bancorporation group, retains its local management and will continue to be operated in and for the best interests of its local customers.

OFFICERS and DIRECTORS



Hanford MacNider



Willis G. C. Bagley

Officers

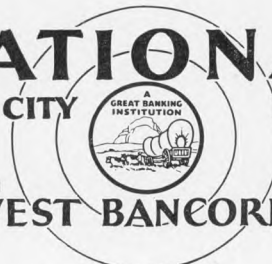
HANFORD MACNIDER.....	Chairman of the Board
WILLIS G. C. BAGLEY.....	President
CARL A. PARKER.....	Vice President
FRED E. KEELER.....	Vice President
ROBERT P. SMITH.....	Vice President
HAROLD V. BULL.....	Cashier
HARRY C. FISHER.....	Assistant Cashier
WILLIAM W. BOYD.....	Assistant Cashier
ROY B. JOHNSON.....	Assistant Cashier
RALPH E. WILEY.....	Assistant Cashier

Directors

WILLIS G. C. BAGLEY.....	President, First National Bank
ALLAN F. BECK.....	Real Estate
L. W. DENISON.....	Capitalist
F. J. HANLON.....	President, Peoples Gas & Electric Co.
FRED E. KEELER.....	Vice President, First National Bank
HANFORD MACNIDER.....	Chairman of the Board, First National Bank
CARL A. PARKER.....	Vice President, First National Bank
EARL SMITH.....	Smith & Feeney, Attorneys
ROBERT P. SMITH.....	Vice President, First National Bank

FIRST NATIONAL BANK

MASON CITY IOWA



AFFILIATED WITH
NORTHWEST BANCORPORATION

LIVE STOCK NATIONAL BANK JOINS FORCES WITH BANCORPORATION



The Live Stock National Bank of Sioux City, Iowa, is another one of the leading Midwest banks to announce its affiliation with the Northwest Bancorporation.

This bank, one of the important live stock banks of the West, was organized in 1895 for the purpose of financing the live stock industry centering around Sioux City. It is capitalized at \$200,000, and has surplus and undivided profits of \$130,813. Deposits are \$5,750,325, and resources are \$6,306,204.

In announcing this important step in a program of expansion, Mr. A. G. Sam, President of the Live Stock National Bank, said: "It is a great pleasure for me to announce the affiliation of the Live Stock National Bank with the Northwest Bancorporation. Through this union of interests, our institution will be of greater service to our many local customers and bank correspondents."

This is the fourth live stock bank to affiliate with the Northwest Bancorporation. The other three live stock banks are: The Stock Yards National Bank of Omaha, with resources of \$11,169,482; the South Omaha Savings Bank, with resources of \$1,094,310, which also brought with it the Cattle Feeders Loan Company, Inc., a company engaged in financing the live stock industry in the Omaha terri-

tory; and the Stock Yards National Bank of South St. Paul, Minnesota, with resources of \$4,810,920.

The Live Stock National Bank will continue under the same management that has heretofore served its customers.



A. G. Sam



H. B. Scott

Officers

A. G. SAM.....	President
H. B. SCOTT.....	Vice President
C. L. FREDRICKSEN.....	Cashier
M. A. WILSON.....	Assistant Cashier
W. G. NELSON.....	Assistant Cashier

Directors

H. G. BLACK.....	Asst. Treas., Armour & Company, Chicago, Ill.
T. J. DEE.....	General Manager, Armour & Company, Sioux City, Ia.
C. L. FREDRICKSEN.....	Cashier, Live Stock National Bank
F. A. GALE.....	Manager, Swift & Company, Sioux City, Iowa
S. M. JASPER.....	Swift & Company, Chicago, Ill.
A. G. SAM.....	President, Live Stock National Bank
H. B. SCOTT.....	Vice President, Live Stock National Bank
G. F. SILKNITTER.....	President, Sioux City Stock Yards Co.

LIVE STOCK NATIONAL BANK

SIoux CITY IOWA



AFFILIATED WITH
NORTHWEST BANCORPORATION



Mr. E. W. Decker, President of the Northwestern National Bank of Minneapolis and of the Northwest Bancorporation, said: "We are particularly gratified to have the Live Stock National Bank come into this group. It brings together the leading live stock banks in three of the important live stock markets of the West and Northwest.

"Statistics show that approximately 18,000,000 head were received at these three markets in 1928. The live stock industry is on the upgrade and, with the increase in production, increased banking facilities will be required. We believe that the association of these live stock banks in the Northwest Bancorporation will provide these facilities and that this industry as a whole will reflect the close association of a group of banks who are mindful and sympathetic to the needs of our basic industries."

Mr. H. G. Black, Assistant Treasurer of Armour and Company and a Director of the Northwest Bancorporation, said, "From the moment that the Northwest Bancorporation announced its group banking plan last January, we have carefully followed its growth and have become more and more impressed with the soundness of the plan and the possibilities it affords for building up this great territory.

"It affords us great pleasure to have the opportunity of becoming definitely affiliated with the Northwest Bancorporation and its splendid group of banks, and we are sure that this affiliation will result in closer cooperation between the producers and the packers."

Mr. John E. Wagner, Treasurer of Cudahy Packing Company, Chicago, and also a Director of the Northwest Bancorporation, said, "I am very much gratified to learn that the Live Stock National Bank of Sioux City, Iowa,

has become affiliated with other leading banks and trust companies in the Northwest Bancorporation.

"The live stock industry is becoming an increasingly large source of revenue to the Northwest. Statistics show that in 1928 live stock returned to each individual farmer in the Northwest an income 40% greater than 1922. These figures show the importance of the live stock industry to the Northwest, and likewise the growing importance of sound live stock banks with sufficient strength and resources with which to properly finance this important basic industry.

"The officers and directors of the Live Stock National Bank should be congratulated, because they have not only added to the bank's facilities, but have increased its capacity for service."

Mr. S. M. Jasper, Swift and Company, Chicago, Director of the Live Stock National Bank, said, "The affiliation of the Live Stock National Bank with the Northwest Bancorporation forges another strong link in the financial chain supporting the live stock and packing industries. This institution has materially increased its facilities for service in building up the bright future this community has before it. The Swift interests agreed to this plan only after feeling satisfied that the promise of carrying on well and successfully the present policy of building up the live stock and agricultural resources of this community was assured, which program we have fostered since the organization of this bank. This assurance lies in the fact that the Live Stock National Bank will have at its command the combined judgment, ability and experience of this powerful organization, represented by this large group of successful leading bankers and business men bespeaking sound administration and success for this institution."

LIVE STOCK NATIONAL BANK

SIoux CITY IOWA

AFFILIATED WITH
NORTHWEST BANCORPORATION

NATION'S BUSINESS for October, 1929



LEADING BANKS AND TRUST COMPANIES UNITE to form Northwest's strongest financial institution

A group of the leading banks and trust companies of the Northwest have affiliated to form the Northwest Bancorporation. These banks and trust companies, located in the key cities of the Northwest, serve this great empire of 11,000,000 people. The combined resources of the Northwest Bancorporation amounting to over \$267,000,000 will prove a great asset in the rapid expansion of business and agriculture in the Northwest. The Northwest Bancorporation offers complete banking facilities and service to manufacturers who are in need of banking service in the Northwest. For further information, write the Business Service Department of the Northwest Bancorporation.

Affiliated Institutions

- | | |
|---|---|
| Minneapolis, Minn. Northwestern National Bank and affiliated banks in Minneapolis | Deadwood, South Dakota First National Bank |
| Minneapolis, Minn. Minnesota Loan & Trust Company | Fairbault, Minn. Security Nat'l Bank & Trust Co. |
| Duluth, Minn. The Minnesota National Bank | Fergus Falls, Minn. Fergus Falls National Bank |
| Omaha, Nebraska First and American National Bank | Huron, South Dakota National Bank of Huron |
| Omaha, Nebraska United States National Bank | Jamestown, N. Dak. James River National Bank |
| South Omaha, Nebraska First National Bank | Lead, South Dakota First National Bank |
| South Omaha, Nebraska First National Bank | Lead, North Dakota Security State Bank |
| Mason City, Iowa First National Bank | Minot, North Dakota First National Bank |
| Fargo, North Dakota First National Bank & Trust Company | Moorhead, Minnesota Commercial National Bank |
| La Crosse, Wisconsin National Bank of La Crosse | Owatonna, South Dakota Citizens National Bank |
| Sioux Falls, South Dakota Security National Bank | Rapid City, South Dakota Citizens National Bank |
| Aberdeen, South Dakota First National Bank | Sturgis, South Dakota Citizens National Bank |
| | Wahpeton, North Dakota First National Bank |
| | Watertown, South Dakota First National Bank |



NORTHWEST BANCORPORATION
MINNEAPOLIS - - - MINN.
Combined Resources over \$270,000,000.00

This is one of a series of advertisements in a national program of advertising by the Northwest Bancorporation. This advertisement appeared in Nation's Business for October, reaching the business executives of America and carrying to them a message of strength of the Bancorporation and its importance to the territories served by its affiliated institutions.

ized for FRASER



38 STRONG BANKS AND TRUST COMPANIES have already joined Northwest's powerful Banking Institution

Banks in all parts of the Northwest are rapidly becoming affiliated with the Northwest Bancorporation. Among them are many of the leading financial institutions of this territory. The latest list of banks and trust companies affiliated with the Northwest Bancorporation is given below.

MINNESOTA

MINNEAPOLIS *Northwestern National Bank and
Affiliated Banks in Minneapolis*
MINNEAPOLIS *Minnesota Loan and Trust Company*
MINNEAPOLIS *The Minnesota Company*
MINNEAPOLIS *Midland National Bank & Trust Company*
DULUTH *First and American National Bank*
DULUTH *First National Duluth Company*
FARIBAULT *Security National Bank & Trust Company*
FERGUS FALLS *Fergus Falls National Bank*
MOORHEAD *First National Bank*
OWATONNA *Security State Bank*
SOUTH ST. PAUL *Stock Yards National Bank*
WINONA *The First National Bank*

IOWA

DES MOINES *Iowa-Des Moines National Bank & Trust Co.*
MASON CITY *First National Bank*
SIOUX CITY *Livestock National Bank*

NEBRASKA

OMAHA *United States National Bank*
OMAHA *United States Trust Company*
OMAHA *Stock Yards National Bank*
OMAHA *South Omaha Savings Bank*

NORTH DAKOTA

FARGO *First National Bank & Trust Company*
JAMESTOWN *James River National Bank*
MINOT *First National Bank*
WHAPETON *Citizens National Bank*

SOUTH DAKOTA

SIOUX FALLS *Security National Bank*
ABERDEEN *First National Bank*
DEADWOOD *First National Bank*
HURON *National Bank of Huron*
LEAD *First National Bank*
RAPID CITY *First National Bank*
STURGIS *Commercial National Bank*
WATERTOWN *Citizens National Bank*
WATERTOWN *First National Bank*

WISCONSIN

LA CROSSE *National Bank of La Crosse*

MONTANA

GREAT FALLS *Great Falls National Bank*
HELENA *Union Bank and Trust Co.*



NORTHWEST BANCORPORATION

MINNEAPOLIS - - - MINN.

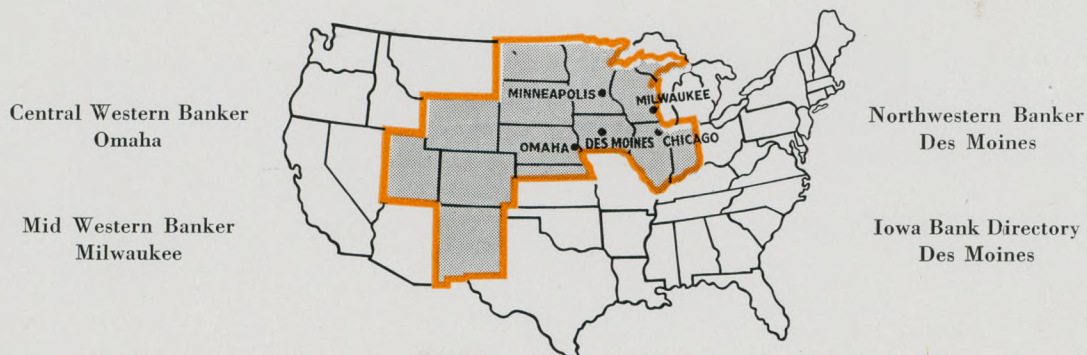
Combined Resources over \$360,000,000.00

Northwestern Banker October 1929

DO IT NOW!



YOU can reach and influence the banks and bankers of the richest territory in the world—the prosperity of which is essential to the economic stability of America—through the use of three outstanding banking publications. Each is a DePuy Publication. Each is being developed by a personal-service organization in daily contact with its territory. Each individual publication and these magazines as a group offer the strongest, concentrated bankers circulation obtainable in this territory.



Business is good in this great section! Institutions of all varieties find the States covered by the De Puy Publications a field of increasing profits! The subscribers of these publications should receive instant consideration from all lines of business—from the city bank seeking new correspondents and interested in keeping their present clients—from investment houses which recognize the bank as one of the largest purchasers of bonds and an all important factor through daily contact with depositors in the sale of market securities and from advertising agencies and national advertisers whose services or products are either bought directly by banks or financed through banks. All of these will find this banker audience a valuable group to cultivate.

DO IT NOW!

CLIFFORD DE PUY
Publisher

DE PUY PUBLICATIONS

GERALD A. SNIDER
Associate Publisher


DES MOINES — OMAHA — MILWAUKEE

MORTIMER I. STEVENS
Vice-President
Milwaukee

WM. H. MAAS, Vice-Pres.
1221 First Nat'l Bank Bldg.
Chicago

FRANK P. SYMS, Vice-Pres.
25 West 45th Street
New York

FRANK S. LEWIS, Manager
840 Lumber Exchange Bldg.
Minneapolis



IOWA SECTION


Officers Iowa Bankers
Association

President.....W. G. C. Bagley
Mason City

Vice President.....C. R. Wooden
Centerville

Treasurer.....C. T. Simmons
Burlington

SecretaryFrank Warner
Des Moines



W. G. C. BAGLEY
President

FRANK WARNER
Secretary

Sioux City Bank Affiliates With Bancorporation Group

A. G. SAM, president of the Live Stock National Bank at the Sioux City, Iowa, stockyards, recently announced the bank's affiliation with other leading banks and trust companies in the Northwest Bancorporation, a \$75,000,000 institution with headquarters in the Northwestern bank building in Minneapolis, Minnesota.

This is the fourth live stock bank to join this important group of financial institutions located in the leading cities of the West and Northwest.

In August the Stack Yards National Bank, with resources of \$11,169,482, and the South Omaha Savings Bank, with resources of \$1,094,310, of Omaha, affiliated, and more recently the Stock Yards National Bank of South St. Paul, Minnesota, with resources of \$4,810,920, announced its union with this group.

The combined resources of live stock banks now affiliated in the Northwest Bancorporation amount to \$23,380,916.

The Live Stock National Bank, one of the leading live stock banks of the West, was organized in 1895 for the purpose of financing the live stock industry centering around Sioux City. It is capitalized at \$200,000 and has surplus and undivided profits of \$130,813. Deposits are \$5,750,325 and resources are \$6,306,204.

In announcing this important step in a program of expansion, Mr. Sam said:

"It is a great pleasure for me to announce the affiliation of the Live Stock National Bank with the Northwest Bancorporation. Through this union of interests our institution will be in a position to be of greater service to our many local customers and bank correspondents. No change in management is anticipated, and the same officers who heretofore served our customers will continue to do so."

H. B. Scott, vice president of the bank,

spoke of the advantages that will accrue to Sioux City and the live stock industry through affiliation with this association of strong banks.

"This plan," he said, "allows each affiliated bank to participate in a financial development that will bring to Sioux City the united strength and support and facilities of the affiliated banks, as well as the combined ability and experience of a group of men who have successfully conducted leading banks of the Northwest for many years."

E. W. Decker, president of the Northwestern National Bank and of the Northwest Bancorporation, said: "We are particularly gratified to have the Live Stock National Bank come into this group. It brings together important live stock banks in three of the important live stock markets of the West and Northwest. Omaha, South St. Paul and Sioux City are the natural markets for most of the live stock produced in the territory served by the Northwest Bancorporation. Statistics show that approximately 18,000,000 head were received at these three markets in 1928. The live stock industry is on the upgrade and, with the increase in production, increased banking facilities will be required. We believe that the association of these live stock banks in the Northwest Bancorporation will provide these facilities and that this industry as a whole will reflect the close association of a group of bankers who are mindful and sympathetic to the needs of our basic industries."

S. M. Jasper, of Swift and Company, of Chicago, a director of the Live Stock National Bank, said:

"The affiliation of the Live Stock National Bank with the Northwest Bancorporation forges another strong link in the financial chain supporting the live stock and packing industries. With its associated banks throughout the Middle West,



A. G. SAM



CARL FREDERICKSEN



H. B. SCOTT

now members of the Northwest Bancorporation, this institution materially increases its facilities for service in building up the bright future this community has before it.

"The Swift interests agreed to this plan only after feeling satisfied that the promise of carrying on well and successfully the present policy of building up the live stock and agricultural resources of this community was assured, which program we have fostered since the organization of this bank.

Officers of the Live Stock National Bank are:

Mr. Sam, president; Mr. Scott, vice

president; C. L. Fredericksen, cashier; M. A. Wilson, assistant cashier; W. G. Nelson, assistant cashier.

Directors of the bank are: Mr. Black, assistant treasurer of Armour and Company, of Chicago; T. J. Dee, manager of Armour and Company in Sioux City; C. L. Fredricksen, cashier, Live Stock National Bank; F. A. Gale, manager of Swift and Company in Sioux City; Mr. Jasper, of Swift and Company, of Chicago; Mr. Sam, president, Live Stock National Bank; Mr. Scott, vice president, Live Stock National Bank; G. F. Silknitter, president, Sioux City Stock Yards Company.

The Omaha National Bank



*Always
at Your Service*

Northwestern Banker October 1929

Annual Picnic

The annual county picnic and banquet of the Des Moines County Bankers Association was held at the Country Club at Mediapolis on the afternoon and evening of Wednesday, September 18. There were about one hundred and fifty officers, directors and employes and their wives in attendance representing the thirteen banking institutions in the county.

The afternoon was devoted to sports and games. A baseball game between the bankers of Burlington and bankers from the surrounding towns resulted in the bankers from the smaller towns defeating the Burlington nine by the score of 3 to 2 in seven hard fought innings.

Clarence Simmons, vice president of the First Iowa State Trust & Savings Bank of Burlington took active charge of the contests and entertainment for the ladies. There was a golf putting contest with three golf balls as a prize for the winner; a discus throwing contest with a box of bridge tallies and score books as a prize; an adding contest with a fine box of stationery as a prize. The most exciting and interesting contest of the afternoon was a bandit contest. A life-sized dummy was provided as the bandit and it was explained that the men were supposed to fight bandits with guns but that it was felt that the ladies might do better with a more familiar weapon so they were provided with rolling pins. The results of the contest proved that the women could certainly make it unpleasant for any bandit who tried to hold up a Des Moines county bank.

At six-thirty a full course dinner was served by the ladies of the Presbyterian church of Mediapolis.

The after-dinner program was presided over by F. L. Houke, president of the Des Moines County Bankers Association. J. E. Berry, cashier of the Citizens State Bank of Mediapolis, in a clever and humorous way welcomed the bankers to Mediapolis.

For Fifty Years

Nineteen hundred twenty-nine is the fiftieth anniversary of the organization of the First National Bank of Hull, Iowa. This bank was organized in 1879 by Davidson Brothers who were pioneers in the early history of Hull—then Pattersonville—as a private bank. It was changed to the Bank of Pattersonville in 1886, later under state supervision, and later to Bank of Hull when the name of the town was changed, and in 1898 the law being changed and requiring the name "State" in the corporation name, the name was changed to the State Bank of Hull, under which name it continued until 1903, when it was nationalized and the name was changed to the First National Bank of Hull.

County Shoot

Thirty-two members of the Buena Vista County, Iowa, Vigilance Committee participated in the most enthusiastic rifle and pistol shooting contest in the history of the organization, at the Renshaw hill range recently.

Ed Sundholm, of Albert City, won first prize in the rifle contest, making a score of 121. Jack Liercke, of Storm Lake, was second, scoring 119, and Carl Kjolhede, of Newell, third, scoring 113. O. D. Peterson, of Marathon, took high honors in the pistol shooting, with a score of 86. Clyde Stewart, of Storm Lake, was second, scoring 82, and Ed. Sundholm, of Albert City, was third, scoring 78.

Every town in the county with the exception of Linn Grove was represented in the contest. The shooting began at 9 o'clock in the morning and wasn't completed until 7 o'clock in the evening.

The rifle contest consisted of 200 yards range at slow fire. Each contestant shot 10 rounds standing, 10 rounds sitting and 10 rounds prone. The pistol event was 25 yards, slow fire, with a 4-inch bull's eye. Prizes of \$10 for first place, \$5 for second and \$3 for third were given in both classes of shooting.

Banker Stricken

As a result of his injuries when knocked down by the robbers of the Emmet County State Bank, of Estherville, Iowa, M. K. Whelan was taken to the hospital recently with a stroke. He had been doing nicely and was thought to be on the rapid road to recovery. He had been visiting at home with friends. He went up stairs to retire and as he went to hang something up in a closet the stroke came on. It was thought he would not live until he reached the hospital.

Resumes Work

Melvin Sattre, the Burr Oak, Iowa, banker, who has been recuperating from a serious operation and illness for several months, resumed his duties at the bank recently. He is looking good and feeling good and friends and customers are all pleased to see him back at his desk in the bank.

Dies in Oregon

E. F. Riley, former well-known Clarke County, Iowa, banker, died at his home in Portland, Oregon, recently, at the age of 90 years. He left Clarke county in 1891. At that time he was owner of the bank now known as Simmons and Company.

Mr. Riley came to Osceola in 1864, soon after his graduation from the law department of Ann Arbor University in Michigan. Previous to coming here he had practiced law in Mount Gilead, Illinois, for about a year. He opened law offices

in the county when he arrived and ran a real estate and abstract business in connection with his professional practice. In 1878 he started a private bank and until the time he left the county, was closely associated with it.

Returns From Vacation

Miss Irene Conant, assistant cashier in the State Bank, of Gladbrook, Iowa, returned recently from Bayfield, Wisconsin, where she had spent her vacation and escaped a siege of hay fever, from which she suffers each year. While in Bayfield she had an opportunity to witness the way forest fires are fought, having been

only a few miles from the burning regions.

Forty Years Old

The State Bank of Waverly, Iowa, which noted its fortieth birthday recently, opened for business September 16, 1889, in an old brick building that stood on the site of the present banking house.

It was a small institution but was backed by substantial business men. It has grown to be one of the leading banking houses in that section of Iowa.

The following are the officers of the bank at this time:

G. A. Grossmann, president; A. J. Wile,

IN SELECTING this bank to handle your account in Des Moines, you have the advantage of working with an organization which is particularly well qualified both in resources and in personnel to take good care of the business of out-of-town banks, especially those in Iowa.

BANKERS TRUST CO. BANK

Cor. 6th and Locust Sts., Des Moines
Capital \$1,000,000.00 Surplus \$200,000.00



vice president; G. O. VanDerveer, cashier; E. H. Moehling, assistant cashier; C. C. Runyard, assistant cashier; Otto Bredow, bookkeeper; Fred Keseberg, bookkeeper; C. E. Moehling, bookkeeper; Raymond Downing, clerk; Theresa Donovan, stenographer.

The directors are G. A. Grossmann, A. J. Wile, William Luhring, O. H. Mitchell, F. P. Hagemann, W. F. Fritz, C. C. Runyard, H. E. Moehling, G. O. VanDerveer.

To Reduce Capital

The State Bank of West Union and the Fayette County National Bank, the two oldest banks of West Union, Iowa, con-

template the reduction of their capital stock to the extent of \$95,000. The State Bank has a capital of \$90,000 and will reduce this to \$45,000, while the Fayette County National has a capital of \$100,000, which will be reduced to \$50,000. The matter will be taken up by the stockholders. This move will require a majority vote of two-thirds of the stockholders voting for the proposition. Both banks are overcapitalized, and there is little doubt but that the stockholders all favor the move.

Notices calling for the special meetings of both banks are mailed. The State Bank meeting is called for the 9th and the Na-

tional on the 15th day of October, for the purpose of voting on such an amendment to the articles of incorporation.

Heads Clearing House

Glenn Brown, president of the Iowa Trust and Savings Bank, was elected president of the Dubuque Clearing House association, succeeding the late Maurice Brown, at the annual meeting. William Lawther, president of the First National Bank, was elected vice president, and William M. Kretschmer was reelected secretary and manager. The six Dubuque banks are members of the clearing house association.

To Boost Savings

A new idea in savings banks was put into use recently by the First National Bank of Council Bluffs, Iowa, with the installation of a bank-dispensing slot machine in front of the institution's building.

The machine will deliver a small bank for a dime, the dime to be refunded by the First National upon the opening of an account. The bank purchased by the dime is shaped like a tape line case and is about three inches in diameter. It will hold any coin up to a quarter.

On one of the faces of the bank is a movable chart that reveals the weekly savings necessary for people of different ages in order to acquire any sum from \$5,000 to \$25,000 by the time they are 50 years old.

Atlantic Man Dead

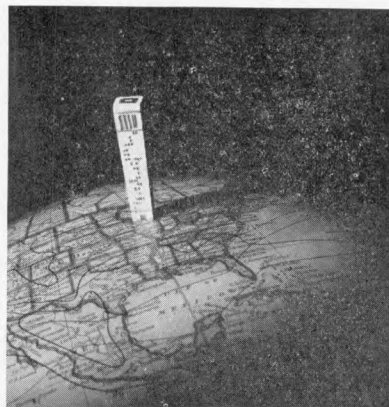
Word was received in Des Moines recently of the death in an Omaha hospital of Thomas Hayes Whitney, 52, vice president of the Whitney Loan and Trust Company of Atlantic, Iowa. Whitney, the son of Frank H. Whitney, founder of the city of Atlantic, had been ill only a short time.

Heads County Bankers

George F. Downey, cashier of the Farmers Savings Bank, Edgewood, is the new president; C. C. Pust, cashier of the Littleport Savings Bank, the new vice president, and J. J. Mathews, cashier of the Strawberry Point State Bank the new secretary of the Clayton County Bankers Association as a result of the annual meeting which was held in Elkader, Iowa, recently.

No set program had been prepared for this meeting, but one of an informal nature was given. Charles Johnsen, president of the Citizens State Bank of Chicago, gave an interesting talk and a number of county bankers, including D. D. Murphy and V. T. Price of Elkader; F. M. Orr of Monona, and Chas. Adams of Guttenberg, discussed questions of interest to the bankers.

A number of committee reports were



A BROADER OUTLOOK

Appreciation of the financial problems of Wisconsin's greatest industrial enterprises as well as those of 785 Wisconsin banks and 200,000 Milwaukeeans, has given this institution a broader outlook on Mid-West business and financial conditions which customers and correspondents find an important element in the constructive service we offer.

FIRST WISCONSIN NATIONAL BANK MILWAUKEE

Cuba Still Belonged To Spain



THAT seems *and*
was a long time
ago, and yet this bank
was well established
on a foundation of
integrity, service and
safety even before the
Spanish war.

THE policies of 1895,
which built our repu-
tation, are still the guid-
ing principles of this busi-
ness. Thirty-four years of
consistent growth and
uninterrupted payment
of dividends are back of
this most complete bank-
ing service.



*Personal Attention to
Correspondent Accounts*

GRANT McPHERRIN
President

LELAND WINDSOR
Vice President

LYNN G. FULLER
Vice President and Cashier

D. BOYD BRANN
Assistant Vice President

CENTRAL NATIONAL BANK AND TRUST COMPANY — OF DES MOINES —

UNDER U. S. GOVERNMENT SUPERVISION

FORMERLY THE CENTRAL STATE BANK

also given to the group which numbered fifty-eight in all.

Carry Little Currency

The Sibley, Iowa, banks are announcing that in the future they will carry only enough cash on hand to meet the usual needs of their daily business. This is being done in an effort to cope with the bank robbing situation, which is serious in that section of the country.

Ample currency reserves will be carried in correspondent banks which will be available on short notice. The banks request that anyone wanting cash to exceed \$200, give them at least twenty-four hours

notice in order that the currency may be sent.

Conclude Convention

The concluding session of the two-day convention of the Toy Associated banks ended in the directors' rooms of the Toy National Bank in Sioux City, Iowa, with a question box conducted by C. C. Childs, vice president of the Farmers Loan and Trust Company.

About 42 bankers attended the annual conference which consisted of lectures on banking, questions pertaining to developments of trusts, and discussion of banking laws.

Candidate for Director

George J. Schaller, president of the Citizens First National Bank, Storm Lake, Iowa, announces his candidacy for Group 3, Class A, directorship of the Chicago Federal Reserve Bank, that is, the directorship to be filled by those banks in the



GEORGE J. SCHALLER

Seventh Federal Reserve District having a capital stock and surplus below \$200,000.

Mr. Schaller is widely known throughout Iowa and the central west. He has made an outstanding record as a banker. His own banking career, coupled up with that of his family, extends far back into the pioneer days of Iowa, making a record, the continuity of which has given him an appreciation of banking for the group of banks he seeks to represent on the board of the Federal Reserve Bank of Chicago, which is probably second to none.

Mr. Schaller's bank is one of the largest of the Group 3 banks in the state of Iowa; is located in a county seat town of 4,500 population. While he has kept in close contact with his many friends in banking institutions of the larger centers throughout the central west, yet he has always prided himself on being among the so-called "rural" bankers. Probably no banker in his state is better known to his colleagues than Mr. Schaller. For years he has been active on the committees of the Iowa Bankers Association and two years ago served as its president. Many throughout the Seventh Federal Reserve District, and even the Mississippi Valley, will recall his able address entitled "Loans to Farmers" given before the Mississippi Valley Conference called by the American Bankers Association in Chicago on March 28, 1929.

His many years of banking experience



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-Neeley 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

have shown Mr. Schaller to be most constructive, conservative and sound, and with it all a man who has human and sympathetic qualities. His qualities as a business man and as an individual have ever pushed him out to an ever widening circle of respect and esteem from among all who have come to know him both in and outside his state.

Quarters Remodeled

The Second National Bank of New Hampton, Iowa, recently opened their doors to the public as a formal opening for inspection of the new modern banking institution. This bank stands on the old site, and was built without closing its doors or without the removal of any of its business to any other place.

The bank has added quite a lot of new equipment such as four adding machines, two posting machines, four typewriters, a bus which weighs 600 pounds and is used to carry valuable papers, etc., into the vault each night. The bank has had installed a fine lighting and ventilating system which includes an electric fan in the center of the office room.

The officers of the bank are G. M. Bailey, president; S. E. Johnston, vice president; C. B. Phillips, cashier; A. H. Griffith, assistant cashier; Vida Sewell, assistant cashier; Ethel Flurry, teller; Marjorie Mitchell and Geraldine Phillips, assistants. Directors, G. M. Bailey, S. E. Johnston, C. B. Phillips, F. W. Brown, Tom Dowd and Matt Meyer.

Chickasaw Bankers Meet

The bankers of Chickasaw county, Iowa, and their ladies enjoyed an afternoon and evening outing at the New Hampton Golf and Country Club recently.

This group began to gather early in the afternoon and visited with one another. Others tried golfing on the new golf links, not yet quite ready, but a golfer has a wonderful time on this sporty links.

At 6:30 o'clock a plate banquet was served to the sixty-one bankers and their guests. The service was given by a special committee of lady members of the New Hampton Golf and Country Club.

During the time of the dinner a short program was held. C. C. Sheakley acted as toastmaster and remarks were made by C. B. Phillips, M. F. Condon, A. N. Kout, Otto Koerth and Walter Trusty.

Couple Resigns

Mr. and Mrs. Harry Huff have resigned as assistant cashier and bookkeeper at the newly organized Union State Bank, at Rockwell City, Iowa. Mr. and Mrs. Huff had held similar positions with the First National Bank in that city for ten and eleven respective years. They have announced no plans for the future, aside from that of remaining in Rockwell City



*The wide range of the
banking activities of
The First National Bank
urges its selection
as your
banking connection
in this territory*

*It is the only National Bank in the
Tri-Cities—as well as Scott and
Rock Island counties*

First National Bank

*At Second street and Main
Davenport, Iowa*

Founded with vision Built by Service

Attend Omaha's Big Party

AK-SAR-BEN STOCK SHOW

and

NEBRASKA'S DIAMOND JUBILEE

Make this bank your downtown headquarters when you come to Omaha to attend the stupendous Stock Show and Jubilee November 1 to 8. There will be eight great days of fun and exposition . . . something for everyone.

F. H. DAVIS
President

**First National
Bank of Omaha**
FIRST TRUST COMPANY

C. T. KOUNTZE
Vice President
and Chairman



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

For Sixty-four Years

—a constantly increasing margin of leadership in the attributes that make for unsurpassed correspondent service.

"Try the First National First"

First National Bank
Waterloo, Iowa

for an indefinite rest, before again entering business.

Celebrate Anniversary

The twenty-sixth anniversary of the founding of the First Trust & Savings Bank was celebrated by a big picnic at the City Park, in Ida Grove, Iowa, attended by the officers and stockholders and members of their families, making a company of about a hundred persons.

President A. Sykes presided over the program that followed. He stated that the past year had been one of very healthy growth for the institution and its cash assets and second reserve are the largest in the history of the institution. The deposits have increased \$100,000 since a year ago and the footings in the statement of assets and liabilities have also gone up \$100,000, now standing at better than \$900,000.

Banker Dead

Frank Hoese, banker, of Merrill, Iowa, and owner of much land in Plymouth county, rated to be a millionaire, died recently at his home in Merrill. He had been sick about a month.

Mr. Hoese, 65 years old, had been a resident of Merrill and Plymouth county all his life. He was born on a farm.

Besides owning the Bank of Merrill and much property in the town, Mr. Hoese also was owner of the Security Bank of Hinton.

Surviving the banker are Mrs. Clara Lerch, a sister, and Frank Lerch, a nephew, both of Sioux City, and Will Hoese, Spencer, South Dakota. Mrs. Lerch at present is touring Europe and at the moment is in Germany. J. C. Van Nimwegen, Merrill, was Mr. Hoese's partner.

Annual Picnic

The annual picnic of the American Commercial and Savings Bank of Davenport, Iowa, recently held at Spring Brook, was the largest attended and most enjoyable in the history of this well known financial institution.

Officers, directors and employes, together with their families, made up a merry group of 300 people. A. H. Hiegel was chairman of the committee on arrangements.

The afternoon was spent in various contests and games, with golf as a popular amusement for the men, and bridge and other card games for the women folk.

At 6:30 o'clock an appetizing chicken dinner was served. The evening was devoted to dancing.

Goes to Chariton

Ralph McClain of Des Moines, has accepted a position in the State Savings Bank of Chariton, Iowa, taking the place

of Mr. House, who has moved to Missouri. Mr. McClain has been connected with a Des Moines bank and is experienced in that line of work.

Head Vigilantes

R. A. Jones of Storm Lake, Iowa, is the new chief of the Buena Vista County Vigilantes. He was appointed head of the vigilantes by Sheriff "Tony" Thompson, upon the recommendation of the Buena Vista County Bankers Association, and succeeds Charles W. Lierke, who recently resigned. A leader for each town in the county is to be named, but the names of the leaders have not been announced as yet.

Annual Meeting

The Des Moines County Bankers Association met recently in annual meeting in Burlington. Officers were elected and committees were appointed and plans made for the annual bankers' picnic.

The officers elected were: President, Frank L. Houke, vice president of the Merchants National Bank; vice president, J. E. Berry, cashier Citizens State Bank of Mediapolis; secretary and treasurer, F. H. Riepe, cashier Sperry Savings Bank.

Resigns

Recently A. C. Hauck, cashier of the First Trust and Savings Bank of Alta, Iowa, announced that Mrs. O. E. Arney who has been employed at the bank for the past few months has resigned her position. Mrs. Arney, in company with her mother and sister, plan to take an extended motor trip through the east.

Goes to Chicago

John W. Nichols has resigned his position as cashier of the Walnut State Bank, Walnut, Iowa, and has accepted a position with the Continental Illinois Bank and Trust Company of Chicago, Illinois. Mr. Nichols, who has been connected with the Walnut bank since 1923, will enter the business extension department in the Chicago bank.

Dividend

The quarterly dividend, amounting to \$60,000, was declared recently at a meeting of the board of directors of the American Commercial & Savings Bank, held at the Davenport Chamber of Commerce. The dividend, payable October 1st, represents 4 per cent of the capital stock of \$1,500,000.

Elected Cashier

At a meeting of the board of directors of the Alta Vista State Bank held recently, Joe Menges of Arlington, Iowa, was hired as cashier for the new bank to be opened. The action of the board was

Fifty-nine Years of Successful Conservative Banking

Statement of Condition

of THE CITY NATIONAL BANK

of Clinton, Iowa

September 16, 1929

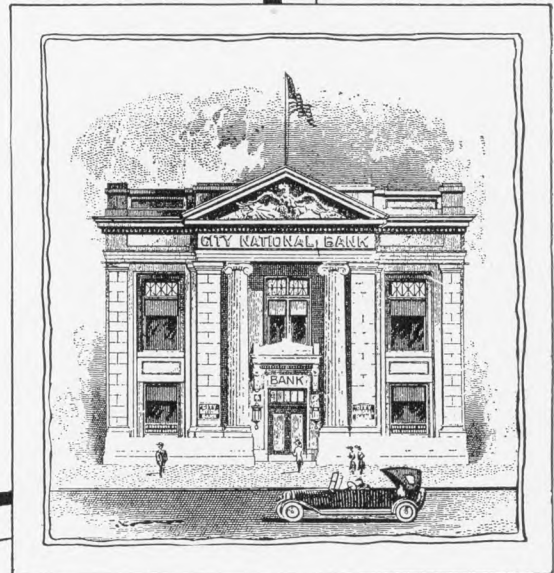
RESOURCES

Time and Demand Loans.....	\$6,082,001.60
U. S. Bonds.....	484,385.48
Stock in Federal Reserve Bank..	19,500.00
Banking House and Real Estate	93,427.46
Bill-of-Lading Items-in-Transit.	78,059.15
Cash and Due from Banks and U. S.	910,998.90
	<hr/>
	\$7,668,372.59

LIABILITIES

Capital	\$ 300,000.00
Surplus	350,000.00
Undivided Profits	225,133.50
Reserved for Interest and Taxes.	90,000.00
Circulation	300,000.00
Deposits	6,403,239.09
	<hr/>
	\$7,668,372.59

Clinton County's Largest Bank



The
City National Bank
CLINTON IOWA

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,
J. O. SHAFF,
State Senator
Farmer and Live Stock Dealer
- B. M. JACOBSEN,
President
Clinton Thrift Co.
- E. J. CURTIS,
Vice President Curtis Bros. & Co.
- C. A. ARMSTRONG,
Pres. C. F. Curtis Company, Inc.
- W. R. SMITH,
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.
- H. S. TOWLE,
V. P. and Treas.
Towles & Hypes Co.
- O. P. PETTY, Cashier

- J. H. NISSEN,
Assistant Cashier
- H. G. KRAMER,
Assistant Cashier

1876

1929

A WORTHY BACKGROUND

The Consolidated National Bank provides a thoroughly substantial and well-organized background for the handling of your correspondent items in Northeastern Iowa and Northwestern Illinois.

The same ideals and sound business principles which enabled the officers and directors of this institution to build it up to the position it now occupies, are your assurance of the quality of service always at your disposal.



Consolidated National Bank

UNITED STATES DEPOSITORY

DUBUQUE, IOWA

J. K. Deming, President

Geo. W. Myers, Vice President Herman Eschen, Secretary

Jos. W. Meyer, Cashier

taken after having carefully studied and investigated all of the applications received for the cashier position. Mr. Menges had been in personal contact with the members of the board several times and after making a thorough investigation of Mr. Menges' past record and qualifications, the board unanimously voted to hire him. Their action was approved by the state banking department.

Resigns

B. H. Runge, cashier of the First National Bank of Charter Oak, Iowa, who has been connected with this institution 25 years, has tendered his resignation, effective at once, because of ill health.

Mr. Runge began his duties as janitor of the bank over 25 years ago, being promoted from time to time, and has been cashier 10 years. He has been prominent in town affairs, serving as secretary of the board of education 13 years, besides holding other public offices. He has been mayor three and one-half years, his illness forcing him to resign this position also.

A. B. A. Treasurer

With his election as treasurer of the American Bankers Association conceded as THE NORTHWESTERN BANKER goes to press, Grant McPherrin, president of the Central National Bank and Trust Company, accompanied by Mrs. McPherrin, is in San Francisco attending the national convention of the bankers September 30th to October 3rd.

In spite of the fact that no opposition had developed to his candidacy up to within two weeks of the convention, Mr. McPherrin was reticent about claiming the honor, and would go no further than to admit that he has a "fair" prospect of election."

Retires

On account of ill health, W. S. Farquhar, president of the First National Bank of College Springs, Iowa, announces that he is retiring from the banking business, and has turned over sufficient assets of the bank to the Citizens State Bank of Clarinda, which bank has assumed the liabilities of the First National Bank of College Springs to its depositors.

A. I. B. Meeting

Members of the Tri-city chapter of the American Institute of Banking met in the first meeting of the new season at the Davenport, Iowa, Chamber of Commerce. Members of the four cities were present.

Business of the meeting included the outlining of plans for the year's work, as well as for social activities. This year there will be classes in banking fundamentals, standard economics and public speaking.

Best Since War

"Iowa is in the best shape financially it has been since the war," L. A. Andrew, state superintendent of banks, told members of the Des Moines Credit Men's Association recently at the first fall meeting of the association.

Mr. Andrew explained that the gain in bank deposits in Iowa is in excess of \$1,000,000 a month, and that with the prospects of a larger corn crop than any other state in the union, all indications point to an excellent fall and winter business season.

County President

E. A. Gaukel, cashier of the Ute, Iowa, State Bank, was selected by the Monona County Bankers Association as its president for the ensuing year at the business meeting of the association held at the annual picnic at Whiting recently.

Buy Machine Gun

Ambitious bank robbers who come to Buena Vista county, Iowa, with designs upon the cash in local banks, will be greeted with a warm reception, in which a new machine gun purchased by the Buena Vista County Vigilance committee will play a prominent part.

This machine gun is of the newest type and can be operated by one man. It may be carried about easily and is capable of shooting 800 45-calibre bullets a minute. When its trigger is pulled, it releases a veritable stream of fire and spits forth 50 shots the first three seconds. What it could do when trained upon a group of bank bandits would be plenty. The new "artillery" will be placed in a position where it can command a straight view of the front and rear of all Storm Lake banks at all hours of the day. It will be manned by a competent gunner. It will also be used in chasing gunmen.

Oakland Savings Bank

W. L. Spencer, president of the Oakland Savings Bank of Oakland, Iowa, reports that his bank has never passed a dividend since 1912. The bank has doubled its capital from \$25,000 to \$50,000 without putting in any new money, and still has a surplus and profits account of more than \$25,000.

The Oakland Savings Bank is one of the older banking institutions in Iowa, and its officers and directors are to be commended for their careful management which has contributed to its growth.

Boone Bankers Meet

Members of the vigilante association of Boone county, Iowa, bankers and bank directors and their families gathered at Nic-O-Let Park recently for the annual bankers picnic. There were more than 150 persons in attendance and many fea-

tures were enjoyed during the day. All banks in the county were closed at noon that employes might join for the picnic.

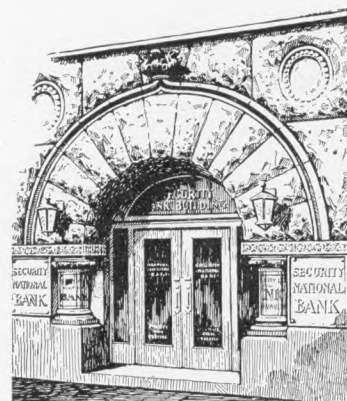
Frank P. McDonald of Boone acted as the generalissimo and had charge of arranging for the program and other events of the day. The people assembled at 1:30 o'clock and immediately the sports program was launched. The vigilantes en-

gaged in a shoot just for the sport, not entering into any competition. In the horseshoes competition Roy Bass and William Eldien, Jr., came off victors.

Grinnell State Bank

Deposits of the Grinnell State Bank of Grinnell, Iowa, stood at \$749,000 the first of last month, with total resources of

There's an intelligent reason behind everything we do here at the Security National Bank. That's why the service we offer, and give, is just a little better than you get anywhere else.



OFFICERS

- Leonard R. Manley.....President
- C. C. Jacobsen.....Vice President
- R. Earl Brown.....Cashier
- Delko Bloem.....Ass't Cashier
- Albert C. Eckert.....Ass't Cashier
- Daniel B. Severson.....Ass't Cashier
- Elmer O. Smeby.....Ass't Cashier

Let us prove it to your entire satisfaction.

SECURITY NATIONAL BANK

of Sioux City

HAVE YOU CUSTOMERS CALIFORNIA BOUND?

Whether they are coming as permanent residents, or for a short stay, you will render them a genuine service by giving them cards of introduction to . . .

SECURITY-FIRST NATIONAL BANK OF LOS ANGELES



J. F. SARTORI
President and Chairman
of the Executive Committee

HENRY M. ROBINSON
Chairman of the
Board



This Bank has Branches, which are complete Banks, in all parts of the Los Angeles area, and in 61 communities in California, extending from Fresno and San Luis Obispo to the Imperial Valley.

We have arrangements for giving information, maps, etc., to new arrivals in California which materially aid their comfort and pleasure while in the State.



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
C. T. COLE, JR., Vice President
C. O. CRAIG, Vice President
A. R. THOMPSON, Vice President
D. S. CHAMBERLAIN, Vice President
W. E. BARRETT, Cashier
JOHN W. GINSBERG, Assistant Cashier
C. M. CORNWELL, Assistant Cashier

\$860,500. The Grinnell State is capitalized at \$60,000, and has surplus and undivided profits of \$60,890.

Gives Radio Talk

Irvin J. Green, president of the First National Bank of Davenport, Iowa, gave a radio address on September 27th over WOC, Davenport. His subject was "The Federal Reserve System and Stock Market Operations."

Buy Road Bonds

The Boone State Bank of Boone, Iowa, bought the entire issue of Boone county road bonds which were offered recently.

Improvements

The Valley National Bank of Des Moines has been making some recent improvements in its interior. Two new cages are being installed to handle increased business. Two up-to-date transit machines have been purchased. The transit department is being reorganized, while a proof department is one of the new features.

Midland National Joins Northwest Bancorporation

(Continued from page 29)

ing contractor; Augustus L. Searle, president, Searle Grain Company, Ltd.; Samuel L. Sewall, vice president and treasurer, Minneapolis Iron Store Co.; George J. Sherer, capitalist, and Andreas Ueland, counsel.

For an Emergency

The victim had been properly patched up, both broken legs set, six stitches under the chin, plaster cast around the chest, and a small silver inset in the skull.

"By the way, Doc," he whispered, as the weary surgeon gave one last proud look at his handiwork, "I don't know just when I'm going to be able to pay you for all this. I've got a few hundred laid by in the bank, but to tell you the truth, I'm saving that in case of an emergency."

Four Dollar Annual Dividend

The boards of directors of the Chase National Bank of the City of New York and Chase Securities Corporation have declared quarterly dividends on the \$20 par value stock of the bank and the no par value stock of the Securities corporation, aggregating \$1 per share on the 5,250,000 shares of the corporation. These dividends are payable October 1, 1929, to stockholders of record at the close of business September 11, 1929. The transfer books will not close.

Grasp an idea and work it out to a successful conclusion. That's about all there is in life for any of us.—*Edward H. Hariman.*

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"



We Specialize in Bank Envelopes of every Style

Northwestern Banker October 1929



THOMAS O'BRIEN
President

South Dakota Bank News

Officers South Dakota Bankers
Association

President.....Thomas O'Brien
Hoven

Vice President.....A. B. Cahalan
Miller

Secretary.....George A. Starring
Huron

Treasurer.....H. E. Edmunds
Yankton



GEORGE H. STARRING
Secretary

Noon Hour Closing

Both of the Frederick banks have adopted a plan to frustrate daylight bank robberies which may be generally adopted by the banks of all South Dakota towns outside of the larger cities.

In Frederick and other smaller towns of the state it has been customary during the noon hour for the bank staff with the exception of one person to go out to luncheon, the one left in the bank going out for his own luncheon when the others have returned. With only one person in the bank during the noon hour the time is opportune for daylight bank holdups.

Hereafter, under the new plan adopted by the Frederick banks, both banks will be closed during the noon hour and the entire force will go to luncheon at the same time and return together, so there never will be less than two or three of the bank staff in the banks.

Bank Is Remodeled

Remodeling of the Pierre, South Dakota, National Bank building has been completed and business is being carried on in the newly decorated building. New fixtures have been installed and the floor level lowered.

Deposits Higher

Report of the Bank of Monroe, South Dakota, the only institution of its kind in Monroe, shows that during the past 12 months the checking deposits have increased about \$35,000 and now total more than \$100,000. The total deposits, including checking and time deposits, now are approximately \$265,000, which is regarded as a good showing for so small a town as Monroe. These amounts will be materially increased when the large grain crop is marketed.

Install Depository

An after-hour depository has been installed at the American State Bank of Yankton, South Dakota, for the convenience of the bank's patrons. This modern service provides a safe depository for those who care to avail themselves of the service and is designated to relieve deposi-

tors of the necessity of carrying over cash which is received after banking hours.

To Rapid City

Walter Johnson, lately vice president of the Commercial National Bank at Sturgis, South Dakota, and newly elected vice president of the First National Bank of Rapid City, has arrived to take up his new duties.

National Charter

Plans for the establishment of a new national bank in Madison, South Dakota, were announced recently.

Application for a charter for the new institution has been made by J. J. DeLay, who now holds the positions of president of the First National Bank at Beresford and president of the Security National Bank at Laurel, Nebraska.

The proposed bank will have a capital of \$50,000 and a surplus of \$10,000.

Elect Officers

Three new officers were elected at the annual meeting of directors and officials of the First National Bank of Rapid City, South Dakota.

A. K. Thomas was elected vice president, as was Walter H. Johnson, Sturgis. Noel W. Klar was elected cashier. Mr. Johnson is an official of a Sturgis bank. He will spend part of his time in the bank in Rapid City.

The complete list of officers of the bank is:

A. S. Halley, president; I. M. Humphrey, A. K. Thomas, and Walter Johnson, vice presidents; Noel Klar, cashier; James Noble and Walter Halley, assistant cashiers.

New Bank

Chamberlain, South Dakota, is to have a new banking institution. It is announced that the state department of banking and the depositors' guaranty fund commission have approved the charter for the proposed bank, which will be named the Brule County Bank.

Officers of the bank, it is stated, will include H. I. Lawrence, Pierre; W. B. Mar-

tin, Pukwana, and E. D. Roberts, Pierre. The bank will have a capital of \$25,000.

Custer Banker Dead

A. J. Wigness, cashier of the First National Bank of Custer, South Dakota, and president of the Commercial Club, after several months of struggle against a complication occasioned by tuberculosis of the bone, died at the Sisters Hospital at Hot Springs. His body was brought back through Custer, from where it was escorted by a caravan of Custer business men to Rapid City and from there sent to his home near Fargo, North Dakota. Although Mr. Wigness had been in very poor health the past three months none of his friends had anticipated that the end was so near. His death came as a shock to the community.

In New Home

The Miners and Merchants Bank of Lead, South Dakota, has occupied its new home, completed after several months' work of remodeling. The front is of terra cotta with stained glass windows. The interior is of marble and travertine, with inlaid mahogany furniture and woodwork.

Bank Robbed

A lone bandit, bewhiskered and dirty, held up and robbed the Security State Bank of Mobridge, South Dakota, of \$4,000 recently. The cashier, Ludwig Christiansen, was knocked unconscious and the robber made a clean getaway.

There were no witnesses to the robbery.

The bandit forced Christiansen to open the bank safe, from which he took a shipment of currency and silver. When he recovered consciousness the cashier found that his watch and a cameo ring had been taken.

The cashier described the robber as being about 30 years old, dirty and unkempt. He wore overalls.

Resigns

Resignation of O. B. Wallace of Pierre, South Dakota, assistant superintendent of banks, and appointment of James B. Lambertson of Sioux Falls as his successor, was announced by the state banking department.

Mr. Wallace, who has been connected with the banking department for five years, and assistant superintendent for the last year, will leave for a position in the business extension department of the Continental Illinois Bank and Trust Company, Chicago.

Mr. Lambertson is former president of the South Dakota Bankers Association.

Takes Wool Pool

Announcement has been made that the First National Bank of Watertown has taken over the task formerly handled in *Northwestern Banker* October 1929

Now
Open
IN
NEW YORK

The
HOTEL
GOVERNOR
CLINTON

OPPOSITE PENNA. STATION

New York's new
hotel truly ex-
pressive of the
greatest city. 1200
pleasant rooms
each with Servi-
dor, bath, circula-
ting ice water and
radio provisions.

ROOMS from \$3

E. G. KILL, General Manager

31st
Street

7th
Ave.



New York of financing the South Dakota wool pool, involving \$350,000.

The announcement was made by Carroll H. Lockhart, cashier of the bank, who has supervised wool pool operations. The financing was handled last year through the National City Bank of New York, but was transferred to Watertown this year because of proximity.

County Meeting

With each town in the county represented, Centerville, South Dakota, bankers were hosts recently to the bankers of the county and their families at a dinner served on the screened porch at the club house at Gunderson park. About sixty were in the group, including a few guests not members of the county association.

After the dinner, Robert Peterson, president of the county organization, asked Jas. T. Thomson to give a talk welcoming the visitors. Mr. Thomson extended a welcome to the visitors not only for that evening but for all time to make use of Gunderson park for their group meetings, for their picnics and for their family gatherings.

Other speakers were Geo. Nelson of Sioux Falls, Geo. Schultz of Sioux Falls and C. H. Hornbeck.

Putting Them Up—And How!

(Continued from page 19)

this machinery was to be in the front teller's booth, and he was to operate it with a pressure of his toe. There were two principal objections to this device. The first was that it was rather difficult to explain how we would get the bandit to stand in the right spot at the right time.

Another was that our first teller was subject to occasional attacks of St. Vitus dance, and there was a possibility that he might have one of these at a time when the mayor, or Governor Hammill, or someone like that, happened to be standing on the trap-door. So we had to abandon that plan.

Many Disadvantages

THIS same fellow wanted to install a machine gun under the counter, also to be operated by pressure of the toe, in case the hands were occupied in reaching heavenward. This arrangement also appeared to have its disadvantages. There was a chance, for instance, that our customers would find out about it, and we might lose some business. Of course, in case of a run on the bank, we would have been glad to let the knowledge leak out, but in the ordinary course of business, we suspected that some of our customers might be a bit timid about bringing in their deposits if they knew about the gun. And we didn't have enough depositors so that we could afford to take a chance on shooting any of them. It wasn't difficult to contemplate the idea of shooting some of the people who were in the habit of appearing before our counter, but the machine gun, of course, might not know which were which. You can't expect too much from a machine gun.

The code of etiquette which should govern a banker during an unforeseen hold-up may be summed up in the words: "Be natural." If you feel like fainting when the leader pokes his gun in your ribs, go ahead and do it. That may save you a clip on the ear later on.

Above all, be considerate of the feelings of your unexpected guests. Remember

Why Tile Drainage Loans Are Safe

(Little Talks on Tiling, No. 41)

Where can you find a better farm loan than for tile drainage? Think what Tile drainage does. It gives the farmer larger yields per acre from the same labor and the same expense for seed and other overhead costs. Often this increase in yields per acre is as much as

100%. It can be depended on to repay the cost of the improvement in one to three years, after which this increase is all clear profit. It will do this in practically any clay soil whether low or high, flat or rolling. What loan could be safer or more constructive?

Larger Yields from Same Land and Labor Repay
Loan in from One to Three Years.

Mason City Brick and Tile Co.

312 Denison Bldg.

Mason City, Iowa

that they are often sensitive to slurs upon the nature of their calling. If you happen to have a relative in the profession, mention the fact. If you can't do that, you can at least avoid insidious remarks that may cause your callers untold mental anguish. Remember that to spoil their day for them by an ill-considered word is likely to be the equivalent of spoiling your day also.

Farms and Farming

(Continued from page 21)

contest. No attempt is made to see who can plow the most or the fastest, but rather is the emphasis placed on the quality of work. In order to qualify in this match straight, well defined furrows are required and the neatness, the covering of all trash and the back furrow are taken into consideration.

As a result of this plowing match, farmers in the country take a great deal of pride in the craftsmanship which they are able to exhibit in plowing their ground.

THAT PORK PRODUCTION can be on a profitable basis is the idea being "sold" to Iowa and Nebraska farmers on special trains being run this fall on the Burlington and Northwestern Railroads in cooperation with the agricultural colleges of the two states.

In southern Iowa the latter part of September one of the convincing arguments in favor of intelligent selection of breeding stock, feeding of balanced rations and raising of pigs under sanitary conditions was the inclusion in the exhibits on the train of some live hogs raised under these conditions.

C. VERWERS of Van Wert produced seventy-three pigs from eight sows that weighed 240 pounds each, while George Bycroft of Brooks, Iowa, produced seventy-five pigs from ten sows that averaged 253 pounds each. Mr. Verwers' cost of production was 7 cents a pound, while Mr. Bycroft's pigs cost him 6½ cents to produce. Both men raised these hogs on clean ground. Pigs from both herds were on the Burlington train and Mr. Bycroft accompanied the train to tell how it was done.

Joins Financial Agency

Joseph R. Murphy, who for the past year has been associated with the Corn Exchange National Bank and Trust Company, Philadelphia, in the position of assistant cashier in charge of correspondent relations, has resigned to accept a vice presidency of Edwin Bird Wilson, Inc., financial advertising agency, with offices

in New York, Chicago, Atlanta and Los Angeles.

Mr. Murphy is a graduate of Oglethorpe University of Atlanta, was assistant secretary of the Georgia Bankers Association for a number of years and for six years was business manager of the *Southern Banker*.

He will have charge of the southern business of the Wilson Agency, with headquarters in the Atlanta office, succeeding William C. Bennett who has removed to New York as a member of the official staff of the Central Hanover Bank and Trust Company.

In accepting the position with this well-established financial advertising agency, Mr. Murphy is returning to his home city and will have charge of a territory in which he is well and favorably known to a host of bankers.

Education Complete

"Did you give your daughter that copy of 'What Every Girl Should Know?'" asked dad.

"Yes," replied mother despondently, "and she's writing a letter to the author suggesting a couple of dozen corrections and the addition of two new chapters."

The man who is stuck upon himself finds it hard to get out of his tracks.



Increased Financial Resources for the LIVESTOCK INDUSTRY

The affiliation of the Live Stock National Bank with the Northwest Bancorporation insures the live stock industry of this territory the complete support of this powerful banking organization.

This bank now has available for the business interests of the Stockyards

the pooled resources of the Northwest Bancorporation, amounting to over \$365,000,000. It will continue to use all its resources and facilities for the financing and upbuilding of the livestock industry, and invites you to make it your representative at the stockyards.

OFFICERS

A. G. SAM, President
C. L. FREDRICKSEN, Cashier

H. B. SCOTT, Vice President
M. A. WILSON, Assistant Cashier

W. G. NELSON, Assistant Cashier

LIVE STOCK NATIONAL BANK

SIoux CITY IOWA



AFFILIATED WITH
NORTHWEST BANCORPORATION

Bankers' Wants



This department of THE NORTHWESTERN BANKER is to assist subscribers in obtaining goods or service hard to find. It is free to subscribers. To non-subscribers the charge is five cents per word. Use it. ASK US, as we can tell you where to buy anything you need in your bank or for your bank. TELL US, as your "want" will be published under the above heading free of charge. In answering classified advertisements which have key numbers please enclose a two-cent stamp. This is used to forward your letter.



Position Wanted—By man 50 years of age with 25 years' country bank experience. Fully competent to take management of country bank but will accept subordinate position. Active, rapid, accurate. Experienced in insurance agency work and in conveyancing and examining titles. Best of references. Address No. 3111, care Northwestern Banker.—10.

Position wanted as cashier or assistant cashier in a good bank in city of 1,500 or more, by married man 34 years old, who has had over 12 years' banking experience, the past five years being with the Iowa Banking Department in receivership work, still employed. Could make small investment. Best of references. Address No. 3104, care Northwestern Banker.—9-10-11.

Wanted: Position as Assistant Cashier in County Seat bank, preferably in Central or Western Iowa. Eight years' experience as Cashier in small country bank. 45 years old; married; Protestant. Address No. 3110, care Northwestern Banker.—10.

Position Wanted—In good growing bank or corporation, in a good school town. Would invest in small block of stock if chances for advancement were good. Fifteen years of banking experience. Am now employed, for past nine years cashier of country bank. Am married, age 38, Protestant. Reliable references. Address No. 3099, care The Northwestern Banker.—8-1.

Bank bookkeeper wanted—Single man with some experience, willing to work. Address No. 3112, care Northwestern Banker.—10.

Position Wanted—Young lady desires position as bookkeeper in bank in Iowa. Three years' experience in bank and can furnish good reference. Address No. 3107, care Northwestern Banker.—10.

Cashier's or Assistant Cashier's position in medium sized bank is sought by married man 34 years old. 10 years' experience. 6 years small country bank, and 4 years with one of the largest Mid-Western Banks. Prefer connection with stock investment. Presently employed as Office Manager with large mercantile institution. Address No. 3113, care The Northwestern Banker.—10.

Young lady interested in work in small town bank; must take dictation, operate Burroughs Posting and Adding machines, Underwood typewriter, make self generally useful. Address Exchange Bank, Marcus, Iowa.—10.

Wanted—Good used Oliver typewriter, 12-inch carriage preferred. Address No. 3106, care Northwestern Banker.—10.

Man 29, with six years' banking experience, wants position in good bank. Can furnish reference. What have you? Address No. 3108, care Northwestern Banker.—10.

Wanted—An assistant cashiership in a country bank in a good farming community; 30 years old, 12 years of country banking. Married. Scandinavian. Small town desired. Address No. 3103, care Northwestern Banker.—9-10-11.

Wanted—Married man, thirty-seven years old, Protestant, thirteen years' experience in all lines of general banking, wants bank connection where hard work will be appreciated and rewarded. Experienced in credit, insurance and farm

loans. Cannot make investment but might consider later. Will gladly furnish references and arrange for personal interview. Address No. 3109, care Northwestern banker.—10.

The Banker's Wife

(Continued from page 22)

there the boys told him to go in the house and get a good seat at the table. He did.

I won't tell you about the surroundings but anyway—this fellow isn't quite so nery now. He doesn't push himself in where he isn't wanted quite so often.

The bank is beginning to bill these sales now that will take place throughout the winter until the first of March.

Queer, that you should ask me about our Study Club at a time when its the talk of the town. Maybe I'll tell you what's happened and maybe I won't. We'll see.

Yours for the Country Sale,

The Doctor's Blunder

"What's the matter, Rastus, you seem as mad as a wet hen?"

"Well, why shouldn't I be? The doctor what operated me foh pendicitus went and sewed me up wif white thread."

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319 W 48TH ST. N.Y.

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450 Rooms 450 Baths

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For two ----- \$5

With Twin Beds ----- \$6

Double Room with
Twin Beds, Bath ----- \$6

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Closest in the city to offices,
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All outside with bath, running ice
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Nebraska Bank News

Officers Nebraska Bankers Association



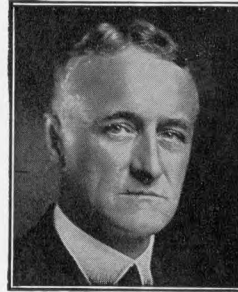
PHIL HALL
President

President.....Phil Hall
Greenwood

Chairman of the Executive
Council.....P. R. Easterday

Secretary.....Wm. B. Hughes

Treasurer.....Arthur L. Coad
Omaha



WM. B. HUGHES
Secretary

Statement of Condition

George Woods, Nebraska Bank Commissioner, in a statement of the condition of the 688 state chartered banks at the close of business, June 29th, made early in September, posted deposits aggregating 220 million dollars, divided as follows:

Deposits subject to check, \$85,275,860.44; demand certificates of deposit, \$20,436,406.88; time certificates of deposit, \$96,935,811.63; savings accounts, \$15,653,778.26; certified and cashiers checks, \$1,062,133.45.

Mr. Woods announced that the banks included in the report now have 20 per cent cash reserves, considerably in excess of the amount required by law, and a bond reserve of 16 per cent.

Loans and discounts or mortgages amounted to \$156,498,766.98.

The detailed report:

Resources: Loans and discounts, \$156,498,766.98; overdrafts, \$335,615.97; bonds and securities, \$36,868,645.83; judgments and claims, \$1,727,331.75; banking house, furniture and fixtures, \$5,941,435.11; other real estate, \$8,215,435.19; due from banks, \$37,052,511.14; lawful reserve bank or other reserve agents, \$125,132.17; cash, \$8,546,225.18; current expenses, taxes and interest paid, \$27,453.85; total, \$255,338,553.17.

Liabilities: Capital stock, \$18,091,000; surplus, \$5,847,713.89; undivided profits, \$2,515,762.49; reserve for dividends, contingencies, interest, taxes, \$690,903.22; individual deposits subject to check, \$85,275,860.44; demand certificates of deposit, \$20,439,406.88; time certificates of deposit, \$96,935,406.88; savings deposits, \$15,656,778.26; certified and cashiers checks, \$1,062,133.45; due to banks, \$5,079,290.99; notes and bills rediscounted, \$679,869.95; bills payable, \$3,018,019.38; depositors guaranty fund, \$46,002.59; total, \$225,338,553.15.

To Reorganize

Reorganization of the Farmers State Bank of Collegeview, Nebraska, was voted by depositors at a meeting at which the depositors' committee made its report.

In delivering their report, members of the depositors' committee announced that those who had money in the bank would suffer considerable loss if the bank reopened, instead of going into receivership. When the bank is first opened, they said, not over 10 per cent can be realized on deposits.

Cashier Dies

William C. F. Lumley, 52, cashier of the First State Bank of Beaver City, Nebraska, died at Rochester, Minnesota, after a surgical operation. He leaves a widow, daughter and a son.

Convention Speakers

Among speakers who will address the convention of the Nebraska Bankers Association in Omaha November 6 and 7 are: S. P. Arnot, president of the Chicago Board of Trade; T. B. Paton, Jr., assistant general counsel of the American Bankers Association, New York; H. N. Stronck, bank management specialist of Chicago; Carl D. Ganz, cashier of the Farmers and Merchants Bank, Alvo, Nebraska, and J. V. Webster, cashier of the First National Bank, Chadron, Nebraska.

Nearly 1,500 state and national bankers of Nebraska are expected. General sessions will be at the Paxton.

Vote to Reorganize

Several hundred depositors of the Brunswick State Bank at Brunswick, Nebraska, voted unanimously to proceed with plans for its reorganization, after the situation had been outlined for them by State Bank Commissioner Woods, who also laid down the requirements that will have to be met before the institution is allowed to resume business.

A committee comprising H. C. Johnson, E. Rich, S. Greenamyre, L. H. Hoffman, and L. G. Jensen was appointed to act on behalf of all the depositors in going over the notes and other assets with the state bank examiner in charge. This committee will report to the depositors at another meeting and its recommendations will be subject to their approval.

Bank Liquidates

Liquidation of the Potash State Bank at Antioch, Nebraska, through the payment to depositors of the full amounts due them and formal action by the stockholders dissolving the corporation, is announced by State Commerce Secretary Bliss, with whom a certificate has been filed to that effect. The institution was a very small one and was under control of the first State Bank at Alliance, which has arranged to continue banking service to the former's patrons who desire it.

H. A. Copesey, president, and Charles Brittan, vice president, of the Alliance bank held the same positions, respectively in the one that has been liquidated. Antioch was a boom town which grew up during the war when several potash plants were established there to produce farm fertilizer and munition materials by evaporating water from the shallow ponds in the vicinity. After the war, when supplies of German potash became available once more, the industry fell into decline and the plants were closed and dismantled.

Little remains of the once flourishing town, and the Potash State Bank was closed for want of patronage to support it.

Opens in Sutton

The Sutton, Nebraska, State Bank opened for business with the following officers:

President, W. F. Hoerger; vice president, William Levander; cashier, Freda J. Adkins; assistant, Ed Kirchhefer; Directors, W. F. Hoerger, William Levander, Freda J. Adkins, Ed. Kirchhefer, Dr. J. M. Welch.

The bank is reorganized with \$50,000 paid-in capital.

Soon Completed

With \$357,000 deposits having been signed by the depositor's committee in charge of the reorganization of the American State Bank, Kearney, Nebraska, only 10 per cent additional signers are necessary before the reorganization can be completed.

Committee members aver that the reorganization for the institution is assured. According to bank officials, the remaining 10 per cent, composed for a large part of small depositors, will be collected soon.

Reopens

The St. Libory, Nebraska, State Bank reopened for business recently, with a complete new reorganization.

M. Alden, a lumber dealer at St. Libory, is president of the rehabilitated bank; Ralph Haggart, St. Paul attorney, is vice president, and Ben B. McNair, recently of Kimball, is cashier. These three, with Charles Bosselman and Alfred Dammann, are the principal stockholders and constitute the board of directors.

Northwestern Banker October 1929

The capital stock of the reorganized bank is \$15,000 and the surplus is \$3,000, all paid in. The stockholders are all new.

With Omaha National

M. L. Van Horne is now in Omaha, where he will be placed in charge of the real estate department of the Omaha National Bank.

After graduating from the Pawnee City high school Mr. Van Horne attended the University of Nebraska, then returned to begin his banking career under the tutelage of his father, president of the Farmers State Bank. Later he made connection with the Farmers and Merchants State Bank at McCook, where his business ability was soon recognized. After being at McCook a short time he was engaged as a special agent of the state banking department and placed in charge of several banks by the department. Leaving this position, he was elected cashier of the Farmers State Bank at Easton, Missouri, where he has been for several years.

Retires

Following a record of long years of active association with several of the community's most prominent institutions, several of which he helped to found, J. L.

Evans, pioneer resident of Hamilton county and Aurora, Nebraska, has resigned from all official connection with the Farmers State Bank. The action came as a surprise to scores of Mr. Evans' old acquaintances and many of his business associates. Approaching the age of 70 and with health impaired, Mr. Evans decided to free himself from all large business responsibility at once and put the decision into immediate action.

Resigns

Frank J. Young, Norfolk, a banker in northeast Nebraska for the past twenty-seven years, and for the past six years connected with the Norfolk National Bank, is now treasurer of the Nebraska Fur Farms north of Madison.

Mr. Young resigned his bank post and commenced his new work at the farm recently. In his capacity as treasurer for the corporation he will have charge of all disbursements. Prior to coming to Norfolk, Mr. Young was identified with the Farmers National Bank at Pilger.


Float Charges

The Nebraska Bankers Association Record, in an official statement recently regarding float charges, had this to say: "We have hoped for the day when our

member bankers would lend a responsive ear to the suggestion of a charge on all out-of-town checks deposited by customers or cashed for them, but we have found every time we broached the subject to a banker, that it seemed too much of a departure from established customs, and we never felt that those with whom we talked about it would take action.

"We are delighted to find that the First Nebraska Regional Clearing House association at Fremont is seriously considering the question, having discussed it thoroughly at one meeting, adopting resolutions favoring such float charges, and will give it further consideration, and possibly definite action, at a meeting to be held in Fremont some time this month.

"The transportation of moneys or credits around the country is a distinct service performed by the banking business and is not included in the tacit understanding with customers when they open their accounts. The bank agrees to accept money over the counter and pay it back over the counter on demand. It does not agree to go to some other town for the money nor to pay it back in some other town. Bankers are perfectly justified in making a charge when a customer, who has money at some other point, asks the bank to go there and get it for him, which he does ask when he deposits a check on a bank in some other point."



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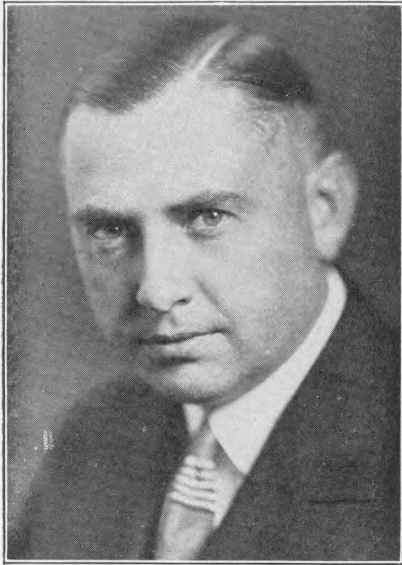
for a room equipped with bath, circulating ice water and **RADIO!**

Single.....\$2.50, \$3.00, \$3.50
Double \$4.00, \$4.50, Twin Beds \$5.00

NEAR BUSINESS, SHOPPING
and THEATRE CENTER

Omaha National Elects

Ray R. Ridge has been elected a vice president of the Omaha National Bank. Mr. Ridge is now vice president of the First National Bank of St. Joseph, Missouri. He will assume his new duties in Omaha about November 1st.



RAY R. RIDGE

Mr. Ridge is thirty-five years old. He entered the service of the First National Bank of St. Joseph twenty years ago as a mail boy and was successfully promoted through various posts in the bank's organization. He has been active in affairs



C. J. FLOWERS

of the Missouri State Bankers Association and in the American Institute of Banking. During the war Mr. Ridge served in France with the 356th Infantry of the 89th Division. He is an active member of the American Legion.

In announcing Mr. Ridge's election, Walter W. Head, chairman of the board, said: "Mr. Ridge brings to his new activity in the Omaha National Bank a thoroughly ripe banking experience. He is a young man of fine character and it is a great pleasure to me to be able to associate him with our organization."

W. Dale Clark, president of the Omaha National Bank, also announces the appointment of Mr. C. J. Flowers as an assistant cashier, effective November 1st. Mr. Flowers is now assistant cashier of the Gentry County Bank of Albany, Missouri. He is twenty-nine years old and a graduate of the University of Missouri.

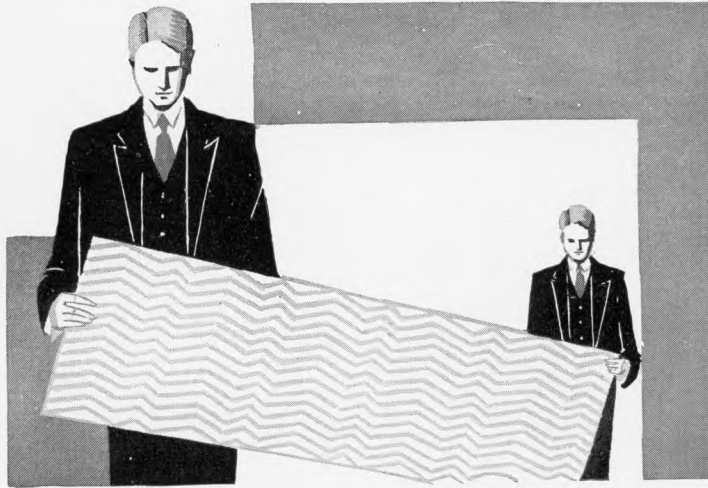
With Omaha National

Ray R. Ridge, vice president of the First National Bank of St. Joseph, has been elected vice president of the Omaha National Bank.

Mr. Ridge, who is now 35, began working for the bank 21 years ago, as office boy, while going to high school. He was elected vice president in 1925.

He has been president of the St. Joseph Credit Men's Association and for the past three years has been chairman of the county division of the Missouri Bankers Association.

He will take his new position November 1st.



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Side by side in the sample book of checks made on La Monte National Safety Paper you will find the names of nationally known banks in all sections of the country.

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Compare your own checks with the samples in this little book — which is yours for the asking. George La Monte & Son, 61 Broadway, New York.



FREE — An unusual sample book of checks, 14-L, made on La Monte National Safety Paper.

Will Be Repealed

A prediction that the Nebraska Bank Guaranty Fund law will be repealed by the 1931 legislature was made in Columbus recently, by State Senator James A. Rodman, of Omaha, in his debate with Attorney General C. A. Sorenson, of Nebraska, on the much discussed guaranty fund system. His prediction followed an attack upon the present system during which he termed its successful operation an economic impossibility.

Attorney General Sorenson argued for the retention of the guaranty fund "until at least the 50,000 depositors who have lost money in failed banks are paid in full." The question was: "Resolved, that the Nebraska Guaranty Fund law be retained."

The debaters were billed as the feature attraction of the second day of the mid-Nebraska exposition.

For Seventy-Two Years

The Merchants National Bank, oldest in Nebraska, was 72 years old September 19th.

The bank started September 19, 1857, as Cheever, Sweet & Company, became successively James Sweet & Company, James Sweet National Bank, Merchants National Bank.

"Bob" Marnell and "Jim" Shewell, cashier and president, have been associated with the institution since 1886 and 1897 respectively, while Fred Homeyer, a director, has been associated with the

institution in various capacities, from a clerkship upward, for 43 years.

Consolidated

The Nenzel State Bank, of Nenzel, Nebraska, consolidated their resources with those of the Ranchers State Bank, of Cody recently, and its customers will now be served by the Ranchers State Bank at Cody.

The reason given for the consolidation is to better serve the community by the concentration of resources into one large bank, with a view to better service to their customers.

To Reorganize

Three more banks in Nebraska are likely to be reorganized and reopened through composition settlements with depositors, as the result of meetings held with their patrons by State Bank Commissioner Woods. These are:

Security Bank at Meadow Grove, Farmers & Merchants Bank at Edison, Farmers State Bank at Clarks.

At each place a depositors' committee was named to canvass the situation and ascertain how much bad, doubtful and slow paper will have to be taken out, together with real estate, and to arrange for cancellation of the old capital stock and resubscription for the shares in cash.

"It is practically certain that the Edison and Clarks banks will both be restored to solvency," said Commissioner Woods. "We had fine meetings there and the depositors were of one mind that their communities should not be left without banking facilities."

Another Dividend Increase

The National Bank of the Republic of Chicago has announced another increase in its regular dividend rate. The latest increase was voted at the September meeting of the Board of Directors when it was voted to make a quarterly payment of 4 per cent, or 80 cents a share, on the \$20 par stock, as compared with 3 per cent, or 60 cents a share, previously paid.

This latest advance puts the stock on a 16 per cent annual basis, or \$3.20 a year, as compared with 12 per cent, or \$2.40 a year, previously paid. The current dividend is payable September 30th to stockholders of record on September 24th.

An Expert Slicer

A recent college graduate applied in the local butcher shop for a job. The butcher looked him over carefully and then said: "We need an energetic young man to run the slicing machine. Have you ever had any experience?"

"I used to play golf."

It's still possible to find pay dirt. Little Willie gets a nickel for washing his neck.



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have been developed by this bank for the use of its correspondents—services that offer definite help in securing new business and increasing business—

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Minnesota Bank News

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Red Wing

Vice President....C. B. Brombach
Minneapolis

Treasurer.....T. A. Perkins
Windom

Secretary.....George Susens
Minneapolis



R. W. PUTNAM
President

GEORGE SUSENS
Secretary

Affiliates with Northwest Bancorporation

THE Stock Yards National Bank of South St. Paul last month announced its affiliation with 38 other leading banks and trust companies in the Northwest Bancorporation group.

At the same time, E. W. Decker, president of the Northwest Bancorporation and the Northwestern National Bank, Minneapolis, announced the appointment of Alex Highland, president of the Stock Yards National Bank, as assistant general manager of the Northwest Bancorporation. Mr. Highland will become chairman of the board of the Stock Yards National Bank, and will be succeeded as president by F. A. Birch, now vice president.

The Stock Yards National Bank has capital, surplus and undivided profits of \$545,934, deposits of \$4,492,015 and resources of \$5,210,920. Banks and trust companies affiliated in the Northwest Bancorporation have total resources of \$360,000,000.

The Stock Yards National Bank of South St. Paul is the third live stock bank to unite with the Northwest Bancorporation. In August, the Stock Yards National Bank and the South Omaha Savings Bank became affiliated with the Bancorporation, bringing with them the Cattle Feeders Loan Company, Inc., a company engaged in financing the live stock industry and doing a business of approximately \$6,000,000 annually.

According to a statement made by President Highland, the Stock Yards National Bank of South St. Paul, one of the pioneer live stock banks of the Northwest, was organized in 1897 for the purpose of financing the live stock business centering at the South St. Paul market and caring for the financial requirements of the trade territory tributary to it. "As this community has grown, its financial needs have increased, so that, in becoming affiliated with other important banks which are sympathetic to the needs of the live stock

and allied industries, we greatly increase our capacity for service to this community."

President-elect F. A. Birch said, "Many advantages will accrue to South St. Paul



ALEX HIGHLAND

and the live stock industry by virtue of this affiliation with leading banks and bankers throughout the Northwest who are sympathetic and responsive to the needs of this territory. On the board of the Northwest Bancorporation are to be found outstanding men representing every important basic industry. From the packing industry, there are H. G. Black, assistant treasurer, Armour and Company; John E. Wagner, treasurer, Cudahy Packing Company; Ford E. Hovey, president, Stock Yards National Bank, Omaha; on our own local board, C. A. Cushman, general manager of Swift and Company, South St. Paul, and Cyril E. Sheehy, general manager, Armour and Company, South St. Paul, to be elected.

Altogether there are seventy directors

wh manage the affairs of the Northwest Bancorporation. Twenty-eight are bankers and forty-two represent important diversified interests of the Northwest."

Alex Highland, St. Paul, who now becomes assistant general manager of the Northwest Bancorporation, will also be elected a director. Mr. Highland, the second St. Paul man to be chosen to serve on the Bancorporation board, has had 25 years' experience in the country bank field. For fifteen years he was vice president of the Aberdeen, South Dakota, National Bank, and on April 1, 1921, became president of the South St. Paul Bank. Mr. Highland was president of the South Dakota Bankers Association in 1918. During his banking career, he has had a wide diversity of experience and has specialized in the live stock end of the banking business.

"The management of the Northwest Bancorporation is very much gratified to have the services of Mr. Highland as assistant general manager. His years of experience in live stock, one of the principal and fastest growing businesses in the Northwest, will enable us to keep better attuned to the needs of this industry and help us to give this important industry the type of financial service that it requires," said Mr. E. W. Decker, president of the Northwest Bancorporation.

New Building

The First National Bank of St. Paul, which is affiliated with the First National Bank in Minneapolis and 42 other northwest banks in the First Bank-Stock corporation, announced completed plans recently for the new bank building which it will erect at a cost of \$2,500,000 at Minnesota and Fourth Streets. The new bank and office building will have 21 stories, with frontage of 130 feet on Fourth Street and 100 on Minnesota, and will adjoin the present Merchants Bank Building, located at Robert and Fourth Streets.

George H. Prince, chairman of the First National Bank, said that the work of clearing present structures off the site

**MIDLAND
NATIONAL BANK**

and

TRUST COMPANY

Resources \$25,000,000.00

MINNEAPOLIS

would be started within a few weeks and construction will get under way immediately after that work is finished. The structure designed by the architects will differ somewhat in style from the Merchants Bank building, but will be related sufficiently in general appearance to form a harmonious development.

Gives a Dinner

Three hundred persons attended a dinner in the Leamington hotel, Minneapolis, recently, that marked the last act in the dedication of the Foshay tower. The dinner was given by officials of the W. B. Foshay Company, in honor of the men and women who played a part in the dedication ceremonies. Among the guests were city officials, officers of the Third

infantry, officials of women's clubs, newspaper men and employes of the firm who took part in making arrangements for the dedication. Motion pictures of the ceremonies were shown after the dinner.

Resigns

J. A. Rickert, for the last six years vice president and manager of the Federal Intermediate Credit Bank of St. Paul, has resigned his position.

No announcement of the resignation or the reason for it was made at the time. F. H. Klawon, president of the bank, confirmed the report of his resignation, but declined any comment or announcement of reason for the change. No successor has yet been appointed, Mr. Klawon said.

With Bond Company

John S. Getchell, sports writer and golf editor of the *Minneapolis Daily Star* for the past seven years and also secretary and treasurer of the Minnesota Golf Association, has entered the securities and financial field as a member of trading staff of Blyth & Co., Chicago and New York investment banking house. His headquarters will be in Minneapolis at the northwest office of Blyth & Co., which was established six months ago, when the corporation acquired the business of the Northland.

Affiliates

The Farmers National Bank in Alexandria, Minnesota, has affiliated with the First Bank Stock Corporation, Paul J. Leeman, vice president and general manager of the holding company announced. The Alexandria bank is the 44th financial institution to join the group which now has units in 30 cities in the Ninth Federal Reserve district with total resources in excess of \$372,500,000. Twenty of the group's banking houses are situated in Minnesota and include the First Nationals and their subsidiaries in Minneapolis and St. Paul.

The Alexandria bank was founded in 1901. It serves a dairying and highly diversified agricultural territory in Douglas county. The district experienced a severe banking crisis in 1925, three of four banks in Alexandria closing. The Farmers National was the only bank in the city to survive, after withstanding a run of several days' duration. Today the bank has resources of \$1,119,000 and deposits of \$987,123.10. It is capitalized at \$100,000 and has a surplus of \$25,000. The bank owns its own modern banking building. Constructed of Vermont granite, it is one of the show places of the city.

Oversubscribed

The issue of 200,000 shares of stock of the First Bank Stock corporation, Minneapolis, was oversubscribed by more than 10 to one, according to estimates by officials of the First Minneapolis Company. Applications for at least 10 shares to each one available in Minneapolis have been received from local investors since plans for the offering were announced and the same ratio of oversubscription is reported from other cities where there are banks affiliated with the corporation, indicating an equally strong demand throughout the ninth reserve district.

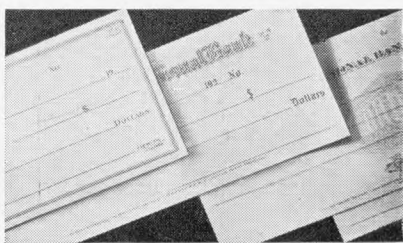
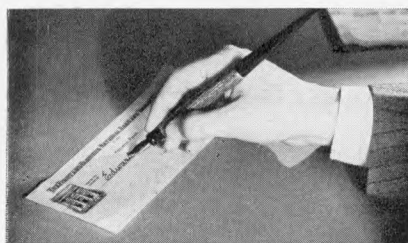
Consolidations

Negotiations for approximately 50 consolidations are under way among state banks of Minnesota, A. J. Veigel, Minnesota commissioner of banks, said recently.

In the past six years, Mr. Veigel stated, 147 bank consolidations have been accom-

THE NEW SUPER-SAFETY

THIS PAPER DESIGNED EXPRESSLY FOR CHECK USE
HAS AN EXCEPTIONALLY FINE WRITING SURFACE



The surface of check paper is a very important characteristic to every one who makes out a check. The new Super-Safety Paper — designed expressly for check use—has a remarkably fine writing surface. A pen glides smoothly over it and the ink "takes" immediately, penetrating well into the long fiber structure of the paper without, however, causing any lateral blur or feather. The result is a very clearly written check. And one in which the penetration of the ink makes erasure almost impossible.

But a good writing surface is only one of the superiorities of this remarkable new paper—made solely for check use. It has five times or more greater ability to resist sharp and repeated folding, without weakening. Its durability has been increased seven times over that of other check papers. Its long, tough fiber and little sizing give a remarkable resistance to wear, tear, fraying and mutilation, without contributing bulk or brittleness.

There is an unmistakable air of quality at once noticeable in the appearance and "feel" of the beautifully tinted new Super-Safety Checks as well as in their unusual strength and long life. Another appreciated feature of these attractive checks is the service of protection they render depositors' funds in



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Depositors recognize and appreciate the distinction of these handsome checks and their unique service of protection. Your bank can profit by their use. The new Super-Safety Checks are surprisingly low-priced. Let us give you the complete story of this new check paper. Compare it with ordinary papers. Return the coupon for samples. Bankers' Supply Division, The Todd Company. (Established 1899.) Rochester, Chicago, Brooklyn, St. Paul, Denver, Dallas, Birmingham, Buffalo, Des Moines, Boston.

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Send me more information about
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Super-Safety Paper.

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Name of Office: _____

Street: _____

Town: _____ State: _____

DISTINGUISH YOUR SERVICE WITH SUPER-SAFETY CHECKS ON THE NEW CHECK PAPER

Northwestern Banker October 1929

plished by state banks of Minnesota, thereby improving and strengthening the position of banks in the state.

The number of state banks operating in Minnesota has been reduced by 388 since 1920, when 1,166 banks were doing business under the supervision of the Minnesota banking department. There are now 778.

Merged

First National Bank of Buhl recently took over the Kinney State Bank of Kinney, Minnesota, A. J. Veigel, state banking commissioner announced.

The Kinney Bank had capital and surplus of \$16,800 and deposits of \$122,000. The Buhl Bank has capital and surplus of \$52,000 and deposits of \$349,000.

Adds Stock Yards National

The Northwest Bancorporation added the third live stock bank to its growing group of affiliated banks and trust companies with the announcement of the acquisition of the Stock Yards National Bank of South St. Paul. This brings to 32 the total of institutions affiliated with the large organization.

The newly affiliated bank is the first one in the St. Paul metropolitan area to join the Bancorporation.

Coincident with the announcement, E. W. Decker, president of the Bancorporation and the Northwestern National Bank of Minneapolis, made public the appointment of Alex Highland, president of the Stock Yards National Bank, as assistant general manager of the Bancorporation. Mr. Highland will become chairman of the board of the Stock Yards National Bank and will be made a director of the Bancorporation. He will be succeeded as president of the South St. Paul bank by F. A. Bireh, now vice president.

The new member of the Bancorporation group has capital, surplus and undivided profits of \$545,934, deposits of \$4,492,015 and resources of \$5,210,920. Banks and trust companies affiliated with the Bancorporation have combined deposits of \$234,626,732 and total resources of \$270,983,142.

Visit St. Paul

From 400 to 500 Chicago and Eastern bankers were St. Paul visitors September 24th.

They stopped as the guests of the St. Paul Clearing House on their way to San Francisco to attend the annual meeting of the American Bankers Association.

The bankers arrived on four special trains. After an automobile tour of St. Paul they were taken to Minneapolis for luncheon.

The committee in charge of the entertainment in St. Paul consisted of R. W. Lindeke, vice president of the First National Bank, chairman; C. E. Johnson,

vice president of the Empire National Bank; H. B. Humason, vice president of the American National Bank, and Otto M. Nelson, vice president of the First National Bank.

New Charter

A charter was issued recently to the American State Bank of Erskine, Minnesota, by the state department of commerce, according to A. J. Veigel.

It authorizes capital of \$20,000, surplus of \$4,000, while the bank will begin business with \$2,000 in its undivided profits fund. C. M. Berg is president and I. I. Stenerson is cashier.

Merged

Merger of the Farmers State and the First National Banks of Springfield, Minnesota, became effective with the

former institution taking over the latter.

The personnel of the Farmers State will remain the same, with August Lipetzky as president, August Nieman as vice president, F. E. Pieschel as cashier and Miss Hattie Dahmer as assistant cashier. C. H. Asch, cashier of the First National since its organization 23 years ago, becomes a vice president of the Farmers State. J. S. Watson, president of the First National since its organization, will retire.

The new institution will be known as the Farmers & Merchants Bank.

Celebration

Resources of the Farmers & Merchants Bank of St. James, Minnesota, having passed the million dollar mark, the officers and stockholders entertained the citizens recently at a picnic at Long Lake.



**Time Is Money
—Save It**

When you advise your customers to have their live stock proceeds deposited in this bank located at the heart of the world's greatest live stock market—you are suggesting the quickest way to make these proceeds available for your advice and credit.

They will appreciate this service and you will profit by the earlier credit.

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



Discuss Country Banking

Country banking in all its phases will be the main topic of discussion at the Tri-State bankers conference which will be held at the Nicollet Hotel, Minneapolis, on November 14th. It will be held under the auspices of bankers' associations from Minnesota, North and South Dakota. Among the topics to be discussed will be loan policies, bonds and other investments, increase of earnings and elimination of loans. Group and unit banking also will be given a prominent part on the program. Presidents of the bankers' associations of the three states are Robert E. Barron, Fargo, North Dakota; Thomas

O'Brien, Huron, South Dakota, and R. W. Putnam, Red Wing, Minnesota.

Organization Completed

Organization of the Bank Shares corporation, the new bank holding company formed to control the Marquette National Bank and Marquette Trust Company of Minneapolis and their affiliated Chicago-Lake State Bank, has been completed, with Ralph W. Manuel, president of the Marquette institutions, as president of the corporation. The company was incorporated under the laws of South Dakota.

The officers and members of the board

of trustees, governing body of the corporation, are all Marquette bank and trust company officials. The executive staff, in addition to Mr. Manuel, the president, includes: William F. Kunze, mayor of Minneapolis, who was active as vice president and trust officer of the Marquette institution, as vice president; Olaf H. Odin, cashier of the Marquette National Bank, secretary; Malvern H. Manuel, treasurer, and Jesse Van Valkenburg, attorney.

Affiliate

The First National Bank of Mankato, Minnesota, and the Mankato Loan and Trust Company, with combined resources of \$4,520,000, affiliated recently with the First Bank Stock Corporation, George H. Prince, president of the corporation, announced.

The First National of Mankato, which was organized in 1868, was the first national bank established in Mankato and the seventh in the state. The trust company was formed in 1913, at which time both institutions moved into a new building on the site occupied by the bank since its inception.

Scandia Banks Merge

The Scandia State Bank and the Farmers State Bank of Scandia, Minnesota, with combined resources of approximately \$750,000, consolidated September 23rd, A. J. Veigel, state superintendent of banks, announced. Negotiations for the merger have been completed.

The consolidated bank will retain the name of the Scandia State Bank. The Farmers State Bank was organized in 1917 and the Scandia in 1907. The merger will give Scandia one of the largest banks in Washington county.

To Amend Act

A tentative agreement to amend the national banking act to make possible reenactment of Minnesota's laws to tax national banks, which were held invalid by the United States supreme court in March, 1927, has been reached between representatives of the bankers and the Association of States on Bank Taxation, it was announced by Senator George H. Sullivan of Stillwater.

His announcement is of far-reaching importance to Minnesota and more than 30 other states which have been unable to tax national banks under their old system as a result of the United States supreme court decision. Minnesota has not reenacted new laws pending federal legislation amending the national banking act, but is continuing to receive taxes from national bankers under a "gentleman's agreement," between bankers of the state and legislators first drawn in 1927 and repeated once more at the last session.



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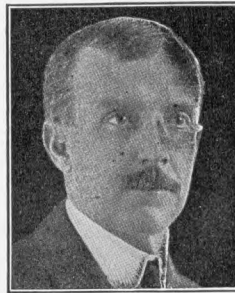
North Dakota Bank News

Officers North Dakota Bankers Association

President.....R. E. Barron
Minot

Vice President.....J. E. Davis
Goodrich

Secretary.....W. C. Macfadden
Fargo



W. C. MACFADDEN
Secretary

To Lend Money

The Federal Intermediate Credit Bank of St. Paul, has completed arrangements and is now ready to lend money to North Dakota farmers on grain stored under the farm warehousing act.

This was announced by F. H. Klawon, president of the bank. The money will be lent by rediscounting the paper of agricultural credit corporations entitled to do business with the bank.

Although the storage certificates are being issued by the grain storage bureau in North Dakota under the act, Mr. Klawon said, no applications for rediscounting of loans on them have come to the bank.

Mr. Klawon also announced that a total of \$4,000,000 in loans to cooperative grain marketing organizations has been authorized for the season thus far and that more applications are expected. Of the \$4,000,000 authorized, he said, only about \$250,000 has been borrowed.

In New Quarters

Opening for business in its new quarters in Grand Forks, North Dakota, the Red River National Bank and Trust Company is now located in the old First National Bank building at the corner of Third Street and DeMers Avenue.

When the Security building quarters are entirely vacated and some improvements are made the space will be occupied by the Northwestern Trust Company, which is now occupying quarters with the First National Bank at the corner of DeMers Avenue and Fourth Street.

In Good Condition

North Dakota needs no sympathy from anyone, its banking conditions are sound and in view of the strides made toward complete diversification in farm methods the outlook is decidedly promising, according to R. R. Wolfer, president of the National Bank & Trust Company, of Jamestown, North Dakota.

The prospect of a reduced grain crop will be offset largely by the returns on dairy products and poultry as well as other features of the diversified farming

program which already is well developed and conditions generally point to a good year.

Grain and feed shipments are being held back all over the state with the prospect of better prices at future dates and the greatest problem facing the farmers and elevator men is lack of storage facilities.

Heads County Bankers

M. E. Mortenson, of Rolette, North Dakota, was elected president of the Rolette County Bankers Association at the annual meeting of the organization in Rolla. He succeeds J. H. Engh, of St. John.

Other officers elected were: Mr. Engh, vice president, succeeding A. O. Graham, and Oscar Hjelt, of Rolla, secretary and treasurer, reelected. Better bank protective measures was the main topic of discussion.

Representatives from Rolla, Rolette and St. John banks were present at the meeting. V. D. Lord and C. J. Lord, of Cando also attended. The former represented the North Dakota Bankers Association.

Merged

The Riba State Bank and the Farmers & Merchants State Bank, both of Plentywood, North Dakota, have merged and will continue business under the name of the Farmers & Merchants State Bank, in its present location. The boards of directors of the two banks merged and the new institution's board will be made up of the combined personnel of the old banks.

The officers of the new bank are: A. Riba, chairman of the board; C. B. Bull, president; L. V. Hanson, vice president; Wm. Erickson, executive vice president, and Paul Kurtz, cashier.

Elected President

L. E. Callahan, of Munich, North Dakota, was elected president of the Cavalier County Bankers Association at the annual meeting held in Langdon.

An interesting talk on matters of interest to the group was given by Vine D. Lord, of Cando, who is a member of the

executive council of the State Bankers Association.

Other officers elected were C. J. Graber, Alsen, vice president; L. C. Wick, Langdon, secretary; T. L. Tillisch, Osnabroek, treasurer.

Cavalier county bankers attending the meeting were: H. G. Halverson, Milton; Hans J. Dahl, Osnabroek; Henry Baker, Loma; L. E. Callahan, Munich; L. C. Wick, Langdon.

Land Moving

Additional evidence of increased activity in farm land purchases in North Dakota is pointed to by the Greater North Dakota Association in comparing the recent statements on the conditions of state banks and trust companies and national banks in this state.

The association notes that the state banks and trust companies' report for June 30th, shows a total of \$4,292,981.92 in "other real estate" (farm lands,) as compared with \$6,332,838.76 in 1926, a reduction of 32 per cent.

National banks show a reduction of 48 per cent from \$3,399,000 in 1925 to \$1,744,000 on June 30, 1929. The total reduction in both classes of banks since the peak has been 37 per cent, the total of \$9,731,838.76 of four years ago being reduced to \$6,036,981.92 on June 30th of this year.

Meet in Bisbee

Vine D. Lord, Cando, North Dakota, was elected president of the Rolette-Towner County Bankers Association at a meeting held recently. Other officers named are M. E. Mortenson, Rolette, vice president, and Oscar Hjeldt, Rolla, secretary-treasurer.

North Dakota News

W. E. FULLER has been elected cashier of the Bank of Monango, succeeding A. H. Hammond, who has resigned.

ALICE SWENSON has accepted a position as bookkeeper and stenographer with the Northwestern Trust Company, Grand Forks, succeeding Laura Nelson.

LENA G. ANDERSON has been elected assistant cashier of the Tappen State Bank, succeeding Ruby Brakke, who has resigned.

P. M. SEVERSON has accepted a position as assistant cashier of the First International Bank, Landa.

THURSTON K. LEE has been appointed bookkeeper and teller of the Bank of Stanley.

F. HANNEMAN, formerly vice president, is now cashier of the First State
Northwestern Banker October 1929

Bank, Kulm, succeeding H. E. Ganz, who has resigned.

THE FIRST STATE BANK of Rogers re-opened with the following officers and directors in charge: C. J. Christianson, president; Chas. M. Paulson, vice president, and A. M. Kiland, cashier. Directors: M. O. Grangaard, Chas. M. Paulson, John Aygarn, C. J. Christianson, and T. E. Christianson.

THEODORA B. JULSETH has been elected assistant cashier of the Rolette State Bank.

J. O. WAHL has been appointed teller for the First State Bank, Denhoff.

CHAS. S. BREARLEY has been elected cashier of The First State Bank of Merricourt succeeding Glenn Farrar, who has resigned.

Trust Company Idea Gains

Trust companies have gained widespread popular acceptance and have won the confidence of the nation, said A. V. Morton, vice president of the Pennsylvania Company for Insurance on Lives and Granting Annuities, of Philadelphia, and president of the Trust Company Division, in addressing the division at the American Bankers Association Convention in San Francisco.

There are now more than 3,200 active trust departments in this country, Mr. Morton said, whereas only 165 were in operation before 1900. In the decade 1900-1910 a total of 342 trust departments were opened; in 1911-1920 there were 665 more established, this being the period in which the national banks entered the trust field; but the greatest increase has come since 1920, 1807 having been established in less than nine years.

Four large trust conferences were held during the past year, Mr. Morton reported, one in each section of the country.

Achievements of the Trust Company Division cited by Mr. Morton include the preparation of a complete and well-rounded trust advertising campaign, which is now being used by 524 banks and trust companies, and the distribution recently to all banks and trust companies with active trust departments of a 50-page booklet embracing a recommended plan, with special forms, for checking the performance of trust duties.

A nationwide inquiry showed that there had been a 49 per cent increase of appointments of trust companies or departments as executor and trustee for 1928, as compared with the preceding year. The campaign of the Trust Company Division against double taxation on the securities of non-resident decedents has now resulted in 36 states being on record by law against such taxation.

Mr. Morton said: "There is every indication that 1929 will go down in the annals of corporation fiduciary service as a record-breaking year, both in the volume of accumulated wealth entrusted for conservation and in the number of Americans who have named trust companies and trust departments of banks in their wills to settle their estates. It is estimated that more than \$1,000,000,000 in life insurance will be brought within the protection of trust agreements during the year 1930. A greater proportion of estates will be settled by banks and trust companies this year than ever before. There can be little doubt that the day of the individual trustee is waning and that the trust idea is taking hold more firmly than ever.

"Perhaps the most spectacular phase of the trust business has been the growth of the life insurance trust. It is estimated that more than \$2,000,000,000 is now protected by trust agreements. The business insurance trust is the newest form.

"In surveying the development of trust business during the past year, three trends stand out—the marked increase in trust funds, the tendency toward diversification in trust investment and the growing use of personal selling of trust service."

"Discharged"

"You say you weren't intoxicated!" the judge snorted. "Well, maybe you can explain how you came to be lying on the street where this officer found you."

"It's this way, your honor," the prisoner at the bar made clear easily. "You see, I'm a bricklayer's helper, and the officer found me in front of the building where I work. The building is so high that when I dropped a hammer on Saturday morning—I didn't work Sunday, of course—well, on Monday morning when I came to work the hammer hit me on the head."



THE size and compact character of our organization make it possible for us to serve correspondent banks in a careful, individual way. Nothing is delegated to clerks which should have the decision and experience of an officer.

THE NORTHERN TRUST COMPANY

Northwest Corner LaSalle and Monroe Streets

CHICAGO

IN THE DIRECTORS ROOM



The Worst Feature

The town was in a turmoil when the 11:58 straggled in and the stranger dropped off at the railroad station. All about him, strong men had bowed their heads in grief and weak men had given way utterly.

"Why the excitement about here?" the stranger wanted to know.

"Well," one of the least gloom-stricken expounded, "young Jim Bingham has skipped out with old Jed Perkin's pretty young wife and twenty thousand dollars of the bank funds—and the whole town was expecting him to pitch us to victory over Barnesville this afternoon."

One Is Enough

Sandy MacGregor, after being twenty years in Canada, went back to Scotland to visit his brother Hugh. Hugh recognized Sandy at once, for his features had changed very little. Sandy on the other hand, couldn't believe that the man who greeted him was his brother. Hugh had been smooth-shaven, but this man's face was covered with a full beard. At length Hugh exhibited an old scar on his chin which satisfied his younger brother of his identity.

"Why on earth did ye grow that great beard, Hugh?" exclaimed Sandy.

"Well, mon," replied Hugh, "you know you took the razor with ye when ye went to Canada."

A Deep Thinker

The members of a colored church had decided to fence in the cemetery in order to add to its appearance. The work of raising the necessary funds was assigned to Deacon Williams, who was making a personal canvass when Brother Jones hove into sight.

"Brother Jones," said the deacon, "can't you-all donate some small contribution to de fund for fencing in the cullud cemetery?"

"I dunno as I can," replied Brother Jones. "I don't see no use in a fence around the cemetery. You see, dem what's in there can't get out, and dem what's out sho' doan wanta get in."

Famous Fairy Stories

"I'll pay you next week."

"You'll double your money in a year."

"It'll make 90 miles an hour."

"The tires are as good as new."
"Why, dear! I never look at any other woman."

"You don't look a day over twenty."

"Not guilty."

"These eggs are strictly fresh."

"Every thread is pure wool."

"Fair and warmer tomorrow."

Concentration

The sting of the hornet is a little thing, but it has been known to lift 200 pounds of meat two feet in one second. That's concentration!

A Silver Lining

Mrs. Knowall took a great interest in the doings of all the neighbors. It was a great day for her when a new arrival came to the house on the opposite side of the street, and she watched with interest as the furniture was removed from the van and carried into the house.

"Well," said her husband when he returned from business in the evening, "have you found out anything about the social standing of the new folks across the street?"

"Not yet," was the reply. "They have no car."

"No?"

"Yes, and they have no pom, no phonograph, no radio, and not even a grand piano. I can't imagine what they have got."

"Humph!" remarked friend husband, sardonically. "Perhaps they have a bank account."

When Adam in bliss

Asked Eve for a kiss,

She puckered her lips with a coo,

With looks quite ecstatic,

She answered emphatic,

"I don't care Adam, if I do."

The Trials of a Cop

A Minneapolis traffic cop at a busy corner saw an old lady beckon to him one afternoon. He held up a dozen autos, a truck and two taxis to get to her side.

"What is it, lady?" he asked rather impatiently.

The old lady smiled and put her hand on his arm. "Officer," she said in a soft voice, "I just wanted to tell you that your number is the number of my favorite hymn."

The Modest Hero

"So you were at the battle of Is-sur-Tille!" she enthused. "And did your company lose heavily?"

"Yes'm, they did," assented the bashful vet. "That is, they did until they caught me with them loaded dice."

Why Not Pulverize It?

"If I cut a beefsteak in two," asked the teacher, "then cut the halves in two, what do I get?"

"Quarters," replied the boy.

"Good. And then again?"

"Eights."

"Correct. Again?"

"Sixteenths."

"Exactly. And what then?"

"Thirty seconds."

"And once more?"

"Hamburger," cried the boy in exasperation.

Heredity

"Chicken stealing again, Rastus?" said the judge. "Have you anything to say, any excuse this time?"

"'Deed, yes, Jedge," replied Rastus "it ain't mah fault, Jedge, it's de fault ob mah high-up ancestors."

"How so?"

"Well, Jedge, mah ancestors dun come over in de Mayflower, an' evah since Ah was born Ah has an uncontrollable desire foh Plymouth Rocks!"

Profitable Authorship

He: Is your brother, the author, still writing for money?

She: Yes, but papa never answers him now.

Heartless Editor

Contributor: "I hope you are carrying out those ideas I wrote you about?"

Editor: "Did you meet the office boy with the waste paper basket?"

Contributor: "Yes."

Editor: "Well, he was carrying out your ideas."

For the Dog

"What are you taking those cuspidors home for?"

"I'm taking them home to my dog."

"What kind of a dog do you have, anyway?"

"Spitz."

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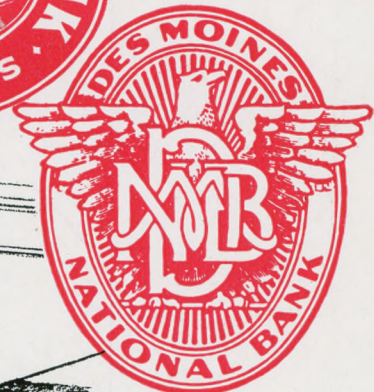
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JOINED—

For Greater Strength and Usefulness

IN IOWA'S capital city, at the state's hub and natural business center, this newly enlarged and strengthened bank now takes a place among the foremost financial institutions of the mid-west. Formed by the merger of the Iowa National Bank and the Des Moines National Bank, and further affiliated with the Northwest Bancorporation, this enlarged organization gives Iowa a bank of commanding caliber and widespread influence.

In its added facilities for the prompt and accurate handling of all banking detail, and continued policy of personal helpfulness, it offers to correspondents and business interests of the entire trans-Mississippi basin a connection that should prove of decided value. Its staff includes all those with whom customers have enjoyed friendly relations in the past, who will, with these greater means at their disposal, be prepared to serve you ably in all correspondent matters.

IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY



AFFILIATED WITH
NORTHWEST BANCORPORATION

Combined Resources Over \$360,000,000