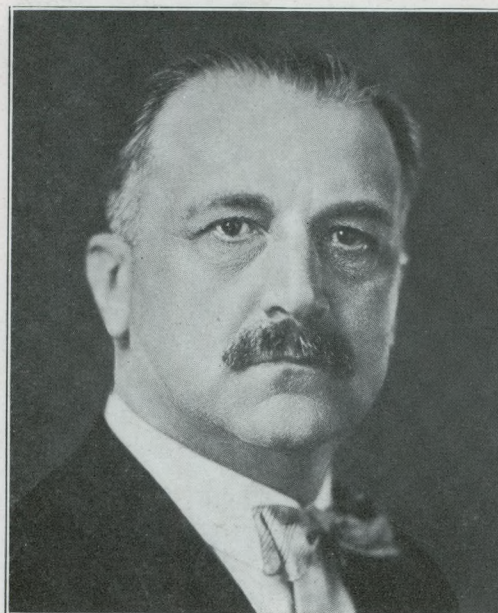


Northwestern BANKER DES MOINES

June, 1930

Head of World's Largest Bank
Holding Company Retires

(Page 20)



A. P. GIANNINI
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Northwestern Banker

Des Moines

The Oldest Financial Journal West of the Mississippi

Number 515

JUNE, 1930

35th Year

Just Between Us

Observing Childhood

The little girl was a timid little soul, and her father was trying to reason her out of her fears. He tried to tell her that there was nothing to fear in mice and frogs and bugs.

"Papa," she asked, "ain't you 'fraid of bugs?"

"No, dear."

"Ain't you 'fraid of snakes?"

"No, dear."

"Papa, ain't you 'fraid of nothing else in the whole world but just mamma?"

Applying for a Job

Employer: "Why did you leave your last place?"

Young Lady Applicant: "I was caught kissing my boss, sir!"

Employer: "Er-rum, you can start here in the morning."

The Signal

"Miranda, whassat light shinin' in yo eyes?"

"Tha's my stop light, Rastus."

Write it in your heart that every day is the best day in the year.—*Emerson.*

Killing time—what an odd expression. Time is the stuff life is made of. Time is the dimple in the cheek of possibility. Kill time and you murder opportunity. Kill time and you stab every favoring chance.—*Gordon.*

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A June List *of Bank Investments*

OUR list of current investment offerings for June includes eight short term bond and note issues which are especially suited to the needs of banks. There are various maturities from six months to five years; coupons 5 and 6 per cent; yields from 5.00 to 6.50 per cent. Full details will be sent promptly on request.

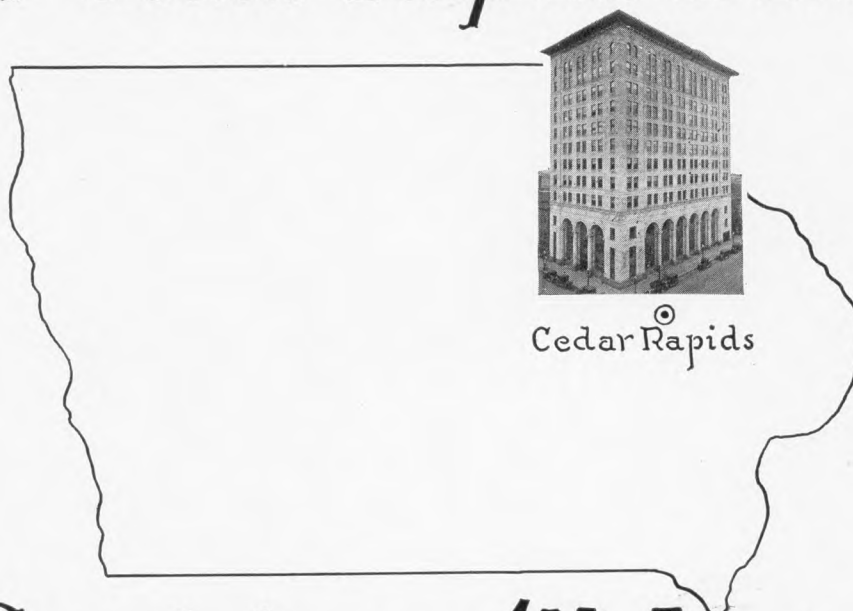
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come this opportunity to
meet fellow bankers in
a round table discussion
of bank affairs.

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NORTHWEST BANCORPORATION

COMBINED RESOURCES OVER \$483,000,000
MINNEAPOLIS, MINNESOTA





Shall We Revolutionize or Reorganize?

system must be crystallized into the question of whether we shall revolutionize or reorganize our present banking system.

Many financial minds have thought that we should completely revolutionize our present banking structure.

Others have felt that this would be a great and grave mistake, and that we should reorganize gradually and carefully and continue to follow the paths which have been found satisfactory and successful in the past, and make what conservative changes are necessary in order to strengthen our present system.

One of the strongest advocates for reorganizing our present system and improving it along the lines which have been found successful in the past is Benjamin M. Anderson, Jr., economist of the Chase National Bank of the City of New York, who recently delivered an address before the North Carolina Bankers Association, and which is published in this issue of *THE NORTHWESTERN BANKER*.

Mr. Anderson brings out the following points:

1. Bank failures have been local and have been due to unsatisfactory agricultural conditions in that particular district.
2. The proposed chain, group and branch banking movement leaves out small banks, which are the ones which should be helped and assisted.
3. Cities of 10,000 population and banks with \$100,000 capital or more have practically had no trouble. Therefore it is the smaller banks which have been in difficulty.
4. Great branch banking systems have suffered by business depressions the same as unit banks. Such systems which have been affected have been in Denmark—Canada, with 400 branches—and branch banks in China, Italy, Japan and Austria, have all had losses.

5. One bank to 750 or 1,400 people is too small to adequately take care of a proper return to the officers and stockholders of such an institution and to make it sufficiently strong to be of benefit to the community.
6. Lack of diversification has been attributed as the cause of bank failures. This can be and has been overcome by diversification through correspondent banks. A bank which has not loaned all of its money locally but has had its correspondent bank handle it for them has continued to operate satisfactorily.

These are some of the important points which Mr. Anderson brings out, and he also emphasizes these suggestions by saying: "We do not need branch banking either for the purpose of securing diversification or for the purpose of bringing about a seasonal flow of funds from region to region. The system of correspondent banking relations has accomplished this for many decades, and good bankers everywhere know how to do it."

Some of the remedies which Mr. Anderson points out are as follows:

1. Consolidations of smaller banks in communities where one bank could do the work of three.
2. State legislation giving the state banking authorities power to accomplish this plan of consolidation.
3. An amendment to the National Bank law permitting National banks to have branches where states allow State banks to have them.
4. A limited extension of branch banking by state law might be helpful in some states.

Local financial independence is much to be desired according to Mr. Anderson, and he says that "we are moving much too fast and too far in the direction of centralization." This is the one point which has been emphasized by many economists against the group idea.

"I believe in the general system of local financial

independence," says Mr. Anderson. "I am opposed to having the bankers of one city dominate the banking of another city. I believe that this country ought to have in every city several strong independent financial institutions interested in the local community and dealing as principals with the banks of other cities rather than acting merely as their agents. I believe that our system of correspondent banks gives us all the financial interdependence that we need, and that the services which a correspondent bank in a great city performs for the banker in a smaller place make it unnecessary for him to have the elaborate facilities which a great bank has."

Let's not revolutionize our great banking system—but let's reorganize it when and where it is needed for the best interests of all.

Banking and Politics

Banking and politics will always have much in common, because laws are being passed both by state legislatures and by Congress governing the operations of financial institutions throughout the country.

Sound legislation of the right kind which will benefit both the depositors and the stockholders is always welcomed by every intelligent and right thinking banker.

However, when a Bankers Association or member thereof is attacked by individuals seeking political power, the effect is always bad and the result unsatisfactory.

The South Dakota Bankers Association has been the target for some time of Attorney-General M. Q. Sharpe of that state.

Thomas O'Brien, President of the South Dakota Bankers Association, in an address delivered before the group meetings last month, defended the Association on the work which it has been doing.

Mr. O'Brien points out that the reason for Mr. Sharpe's attack on the Association was because there had not been greater enthusiasm on the part of South Dakota bankers toward Mr. Sharpe's candidacy for governor.

Be that as it may, any Attorney-General who makes such statements as Mr. Sharpe has made certainly must be exceedingly biased and prejudiced, regardless of the causes which are actuating those prejudices.

Mr. Sharpe believes that the South Dakota Bankers Association should be abolished; that no South Dakota banker should hold a public office in the state; that the Superintendent of Banks should not be a banker; and that other similar idiotic suggestions should be inaugurated.

We are quite sure that it would be unconstitutional to prevent bankers from holding public office in the state.

At the present time in South Dakota the only citizens who are disfranchised are idiots, incompetents and convicts, and Attorney-General Sharpe certainly pays a fine compliment to the bankers of his state when he puts them in that class.

Mr. O'Brien answers very nicely the argument that the Superintendent of Banks should not be a banker, by saying that in that case then the Attorney-General should not be a lawyer, and the head of the Board of Health should not be a doctor, and the engineering department should not be headed by an engineer.

For many years we have been personally in touch with the officers, committees and actual work being done by the South Dakota Bankers Association, and the Superintendent of Banks, and in all our years of contact with them the Association has done a constructive work and the Superintendent of Banking has helped to carry on the duties of his office in an efficient and businesslike manner.

It certainly is a shame and a disgrace to allow any public official to make a political football out of an Association so absolutely worthwhile and necessary to the future development of South Dakota as the State Bankers Association.

The only answer to Mr. Sharpe's derogatory statements will be for the bankers to "say it with ballots" whenever he runs for any office.

Big Fish in Little Puddles

At a recent meeting of the American Management Association in New York, J. P. Jordan, of the firm of Stevenson, Harrison & Jordan, pointed out that as companies increased in size, either through natural growth, absorbing other companies, or being absorbed by other companies, the men who were big fish in little puddles become little fish in big puddles; with the result that they lose the sense of responsibility originally felt. They become, therefore, less efficient as producers.

This problem will become increasingly important as bank mergers continue, both in smaller communities and in larger ones, because the same principle applies.

The man who was president of a bank yesterday and becomes vice-president of a consolidated bank may not feel as important or as much responsibility as he felt previously. If this is the case he will not put in as much effort to make the merged institution a success as he might otherwise have done.



"THE RED BIRD"

Painted by Rudolf Ingerle with the collaboration of Mrs. Woolfenden. Mr. Ingerle is a celebrated Chicago artist and president of the Chicago Art Society

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The Thos. D. Murphy Company
Red Oak, Iowa

THE Committee on Banking and Currency of the House of Representatives at Washington has been holding a highly important set of hearings on the subject of group, chain and branch banking. It is giving very special consideration to a proposal that the National Bank Act be amended, so that National banks may have the power to extend branches throughout "trade areas" which may overlap State lines, which may be as wide as Federal Reserve districts, and which may even overlap Federal Reserve districts in cases where a city's "trade area" runs beyond a Federal Reserve district. National banks, under this plan, would be empowered to do this whether the States consent or not. National banks located in one State could invade another State whose laws prohibit branches of banks chartered elsewhere. The primary purpose of this proposal is to arrest the failures among small banks in country districts. A secondary purpose is to give the National bank charter such an advantage over State bank charters that the National banking system will grow at the expense of State banking systems. The theory of "parity" between State and National banks is definitely abandoned, and the purpose is to give National banks a definite and great advantage over State banks.

The main emphasis is placed upon the arrest of bank failures. During the nine year period June 30, 1920, to July 1, 1929, about five thousand banks, nearly all of them in agricultural communities, closed their doors and tied up deposits of approximately \$1,500,000,000. (The average of deposits is thus very small for these failed banks, being only \$300,000). The figures for the year 1929 show no decline in the rate of failures among these small banks.

The proponents of this widespread extension of branch banking outside the city of the head office apparently intend to make use of the recent rapid development of group and chain banking, by adopting legislation to permit the groups and chains to transform themselves into branch systems.

With much sympathy for the main purpose which lies behind these proposals, sincere proposals made by able men who undoubtedly have the good of the country bank at heart and who undoubtedly have a great deal of knowledge of country bank conditions, I am, none the less,

Are We Rushing Through a "Stop" Signal?

A discussion of branch banking throughout Federal reserve districts, and the advantages and disadvantages of group and chain banking.

By B. M. ANDERSON, JR.,

*Economist, the Chase National Bank,
New York City*

obliged to disagree radically both as to their diagnosis and as to their prescription. The causes of the failures of small country banks are to be found in special circumstances which have little to do with the general question of chain, group and branch banking versus unit banking. And the remedy proposed would touch and help very few of the existing country banks which are in a weakened condition.

We do not need to make a revolution in the general banking system of the United States because of conditions in small banks in stricken agricultural regions. Other, much more moderate, proposals may be made which would be much more

"The adoption of the proposed Federal legislation authorizing National banks to establish branches throughout 'trade areas' as wide as the Federal Reserve Districts or even, in certain cases, wider, would be like the firing of the starter's pistol in a race. It would initiate one of the fiercest competitive struggles the country has ever seen among the powerful banks in each of the districts for supremacy throughout the district."

effective from the standpoint of the goal aimed at.

Leaves out the Small Bank

AT THE end of 1929 there were in the United States 24,645 banks and 3,547 branches, or a total of 28,192 banking offices. Of this total of banking offices there were 6,353 banks and branches that belonged to branch banking systems and chain or group banking systems or to both. This leaves 21,839 banking institutions that are definitely "independent unit banks." The overwhelming number of our banks is thus outside of chain-bank, group-bank or branch-bank systems. On the other hand, on the same date, the branch, chain and group banking systems had total loans and investments of approximately thirty billion dollars, leaving twenty-eight billion, five hundred millions of loans and investments for the 22,000 independent unit banks.

This figure, thirty billion dollars, however, gives a very exaggerated picture of the extent to which the movement has gone.

From the standpoint of the question in hand, we may take out the many billions represented by the great New York banks whose

branches are all within the city of New York or else in foreign countries, and the bulk of whose loans and investments are in any case not in branches but in the head offices. A similar reduction can be made for a number of other important cities. Of the banks that belong to chains or groups, but operate no branches, there were on this date 1,984, with total loans and investments of \$4,913,000,000, the average of loans and investments being about \$2,500,000. In addition, there are 119 banks, belonging to chains or groups, that operate branches, with total loans and investments of \$6,264,000,000, or an average of \$52,600,000 per bank.

These figures show the immense disparity in average size between the banks that have gone into chains and groups, and the small country banks that have been failing, with average deposits of \$300,000. The existing chain and group bank move-

ment is primarily a movement which is bringing relatively large banks together. In exceptional cases, it is including some of the small banks which the legislative proposals are designed to help. Even in these cases, it is not taking in those that are weak and failing. I should not know how to draw a constitutional legislative proposal which would compel good bankers to absorb weak and failing banks! Further, from the standpoint of what is administratively possible, the managers of a great group-bank system can contemplate with some equanimity the absorption of sixty million dollars of banking resources in a dozen well organized banks in sizeable cities, when they would very properly shrink from the task of taking over sixty millions of banking resources scattered among two hundred banks in very small towns.

Size of the Failed Banks

OVER forty per cent of the failed banks were situated in towns and villages having a population of less than 500 persons. Over sixty per cent were in towns of 1,000 people or less. Eighty per cent were in towns of 2,500 people or less. Ninety-two per cent of the failures were in places having less than

Northwestern Banker June 1930



The amazing thing is that the country bank has come through as well as it has, with chain stores displacing local merchants, and with country customers following the new paved roads into the larger cities.

10,000 people. Of the remaining eight per cent of the failures, a high percentage was in very small banks in larger places.

From the standpoint of capitalization, sixty-three per cent of the failures were among banks having \$25,000 capital or less. Seventy-one per cent were in banks having less than \$50,000 capital, and eighty-eight per cent among banks having less than \$100,000 capital.

During the last nine years there were no failures at all of banks having capital of two millions or more, and there were only four failures among banks having over one million capital.

Practically, it may be said that for cities of 10,000 or more people, and that for banks with \$100,000 capital or more, there has been no problem of sufficient magnitude to justify extraordinary concern, or to call for more than local attention.

Certainly there is nothing in the experience of the past nine years, as revealed in the foregoing figures, to justify a legislative revolution in our banking situation, or to justify the creation of giant branch banking systems, with enormous capital, ranging over "trade areas" which may equal or even exceed Federal Reserve districts in size. Much more moderate measures would apparently be indicated.

Causes of Bank Failures

THE first and foremost cause of the large number of bank failures since 1920 is the great boom in agricultural prices and land values before 1920, the collapse of agricultural prices and land values following 1920, and the adverse conditions in agricultural communities which have since continued. The second great cause is real estate speculation in the period since 1920, in certain important sections of the country, notably Florida and some adjacent States.

This is strikingly evidenced by the geographical distribution of the failures, which are largely centered in four Southeastern States, namely, Florida (123 failures), Georgia (305 failures), South Carolina (191 failures), North Carolina (110 failures), and in a second group of agri-

cultural States, namely, Minnesota (378 failures), Iowa (467 failures), Missouri (246 failures), North Dakota (444 failures), South Dakota (315 failures), Nebraska (307 failures), Kansas (194 failures), Montana (191 failures), Oklahoma (227 failures), Texas (217 failures).

During this same period, all of New England had only twenty-six failures. New York had only twelve failures, and Ohio had only thirty-six. New Jersey had none at all. The failures were concentrated, in other words, in the regions which had been most affected by the agricultural boom and collapse, and by the real estate speculation in Florida and adjacent States. This concentration of the problem in special areas again would raise the question as to whether Federal legislation, affecting banks all over the country, is called for, or whether—in so far as the matter calls for banking legislation at all—it is not a matter for the States most concerned, with such concurrent legislation on the part of the Federal government as would permit National banks to have the same branch-banking rights that State institutions have in these States.

From the standpoint of the contrast between our unit banking system and the system of branch banking, it may be observed that the same grave sequence of events, namely, the war, the boom of 1919-20 and the collapse of 1920-21, which undermined so many of our small agricultural banks, also undermined great branch-banking systems in many parts of the world. These include a great bank in Denmark, a great bank in Canada with four hundred branches, the Banque Industrielle de Chine in China, with its widespread branches and its power of note issue, and the Banca di Sconto in Italy, with branches spread all over that country. More recent troubles of the same sort, deferred consequences of the same causes, have occurred in Japan and Austria. *An incomplete record shows, also, for the United States, that 226 banks, with deposits of \$102,000,000, belonging to chain systems, failed during the period we are considering.* And it is further to be observed that in all these American

agricultural States the great bulk of the unit banks, measured in resources, survived the shock, and that in every State the majority of the unit banks in number stood intact.

The situation was very greatly aggravated in many of these States by the excessive number of very small banks. No community can possibly provide adequate resources, competent officers, and experienced directors for one bank to every 750 of its inhabitants as in North Dakota, or to 1,400 as in Iowa. And the situation in these States was not exceptional; on the contrary, an excessive number of banks have been established throughout those sections of the country that are mainly devoted to agriculture."

New Jersey's total immunity from bank failures in the past nine years is probably due in part to the fact that New Jersey's banking authorities are not over-ready to grant charters to new banks, unless there is real evidence that a new bank is needed, and that the Federal Comptroller is influenced by the State policy when granting National bank charters in that State.

The situation was complicated further for many small country banks by the withdrawal of an important source of revenue which they had formerly enjoyed, namely, the making of exchange charges on checks drawn against them for which remittance was expected in another place. Their checks, when presented over their counters, they paid at par. But when they were expected to make remittance to other places, they very generally made a liberal (and often excessive) "exchange charge," which was an important source of revenue. The Federal Reserve System of par collection of checks has largely wiped out this source of revenue for very small banks.

Again, the institutions chartered by the Federal government for making mortgage loans reduced an important source of revenue which many of these small banks had, in acting as intermediary in the making of mortgage loans.

At the same time these Federal farm loan agencies brought into the agricul-

(Turn to page 38, please)

HOME NURSING FOR BANKS

By ROSCOE MACY

THE professional Bank Doctor is coming to be a common phenomenon in those sections which have suffered bank troubles during the past few years. He is likely to appear any morning, on short notice, at the door of an institution which is in failing health, to open up the medicine kit containing his favorite remedies and nostrums, and prescribe a course of treatment, usually remaining to see that it is faithfully carried out. As in the case of any other profession, some bank doctors are successful; others are the merest quacks, who expect to accomplish a cure by the laying on of hands and the repeating of magic formulae.

Sometimes the patient attains a complete recovery; other cases terminate in lingering or sudden death. An operation is frequently deemed advisable, and as in the surgical profession, even a successful operation occasionally results in the death of the patient, and the sad bereavement of its stockholders and depositors.

Some of us have given deep thought to the situation; realizing that the high cost of the services of a good bank physician places those services out of the reach of many banks, we have worked out a system of home nursing and pathological treatment, covering the more common forms of bank ailments, and the results of our study are now ready for publication.

Our suggestions for treatment of the commoner forms of bank diseases are set out below. In all cases, we advise consultation with the old family bank doctor, but if you cannot afford the services of a specialist, you may find assistance in regaining your financial health through the use of the curative treatments we suggest. Whether your own bank is suffering from fallen arches, vault weakness, float, housemaid's knee, sluggish circulation, anemia of the note-case, vice presidential flat feet, floating checks before the eyes, shooting pains, or a combination of these commoner disorders, it is our hope that you will find relief through following one or all of the courses of treatment we prescribe.

"Pain in the Neck"

NEURALGIA: This disorder usually takes the form of a pain in the neck. Quite frequently it may be traced to the presence of some foreign body on your premises—a calendar salesman, an officious examiner, or an inquisitive stockholder.

Treatment: To bankers who feel this invariable symptom—a pain in the neck—we recommend the immediate use of cold applications, not upon the neck, but upon the foreign body which is causing the



"The mere sight of certain fungi—such as bank examiners—may produce a condition of extreme nervousness"

trouble. Remember that the foreign body must be expelled; if the cold applications don't work, try vigorous massage with an old automobile crank, or other nonpliable instrument.

AMNESIA: (Loss of Memory) In its most virulent form, this disease attacks cashiers and other bank officials, who immediately develop an inability to remember which money is their own and which belongs to the bank. If not checked, the malady is likely to prove fatal to the strongest institution. In its milder forms, *amnesia* produces a tendency to forget public funds interest payments, tax remittances, and note due notices. Frequently the first symptoms noticed are outdated calendar pads, inactive clocks, telephone calls from the county treasurer, and the like.

Treatment: The virulent form of *amnesia* calls for immediate amputation. The milder cases will usually yield to such homely remedies as red tourniquets on the finger, or the point of a pin, applied where the trousers are thinnest.

ELEPHANTIASIS: This disease is dangerous only when it attacks such sections of the anatomy as Expense and Other Real Estate accounts. Its germ, when injected into Deposits or Undivided Profits, forms a very beneficial serum for the prevention and cure of many chronic bank troubles.

Treatment: Any form of heroic and

vigorous reducing exercise will ordinarily cure the malevolent phase of this disease, and is likely at the same time to induce the development of its positive, or benignant phase.

INSOMNIA: This disease, in a bank, is highly contagious. When a bank officer is attacked by it, the first symptoms are usually an overdraft on his personal account, and the collection of his salary in advance. Unless checked at once, it is likely to sweep through the force, and is communicated eventually to depositors, in which case it is almost invariably fatal. Its manifestations are pathological, taking the form, in most cases, of a sense of approaching calamity; the mere sight of certain bacteria—such as bank inspectors, or check-cashiers—is sufficient to produce a condition of extreme nervousness, which leads naturally to the mistreatment of applicants for credit.

Treatment: Bank *insomnia* is a disease which must be checked in its incipency, if at all. The first victim of the malady, even though he be the Chairman of the Board, or Vice President in Charge of New Business, must be isolated and given first aid. Have another officer of equal rank sing to him, or recite "Touissant L'Ouverture" in his immediate vicinity. As soon as he is able to walk, fan him with a hairbrush in the region of his coat tail, and tell him to go home and stay there.

INDIGESTION: This malady is ordi-

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narily induced by a condition of faulty elimination in the note-case.

Treatment: Unless the bank is growing rapidly, approximately as many notes should come out of its case each year as go in. The remedy for constipation in the note-case, then, is the stimulation

of the processes of elimination. If a copious perspiration is induced on the brow of the cashier or other officer in charge of collections, immediate improvement will be noticed. This perspiratory condition will naturally be communicated in the course of time to chronic debtors who come

in contact with the case, and will result in restored circulation, and the consequent replacement of the wornout tissues in the Past Due file.

HERNIA: (Rupture) This trouble is commonly the result of some violent over-exertion. Often the ill-advised banker, for example, will try to carry too many farmers, or to raise his deposits more rapidly than his territory justifies; when the strain becomes too violent, something naturally has to bust. (Yes, Oswald, that's correct; it's usually the bank.)

Treatment: A truss is advised for the reducible hernia. This may be easily made at home by anyone who is skillful at reducing capital loans and eliminating all depositors-by-mail except those who occasionally mail checks instead of notes, to cover their overdrafts.

"Chronic Irritations"

SCARLET FEVER: This malignant disease may fasten itself either upon a member of the force or a customer of the bank. It is always traceable to some condition which produces a chronic irritation; hence its frequent occurrence in the banking business.

Treatment: There is a great deal of disagreement as to the preferable method of treatment for customers' scarlet fever. Some authorities advocate the setting up of a counter-irritant behind the grille, but the generally accepted remedy, in the words of our staff physician, is: "Soft soap thoroughly and treat with liberal applications of soothing syrup."

HALITOSIS: The ravages of this dread disease continue to take their toll in the ranks of the customers of some of our best banks. It is probably more prevalent in the banks of Italy and other garlic-consuming countries than in our own territory. However, no bank is immune.

Treatment: Alleviation of this distressing condition simmers down at last to the question: Who shall wear the gas mask? Most banks find it simpler and less expensive to equip the teller than the depositor.

The foregoing list does not begin to exhaust the category of bank diseases, but our laboratories are short-handed and the reports of our chemists are as yet incomplete. It is probable, then, that another chapter dealing with the intensely interesting and informative results of these researches will be published later.

The Criticism

A clergyman who rides to his church in an auto received an anonymous letter calling his attention to the fact that the Lord never rode to church in a car. The clergyman read it from the pulpit and added:

"If the writer of this letter will come next Sunday properly saddled and bridled I will be glad to follow the Lord's example and come to church as He entered Jerusalem."

Head of World's Largest Bank Holding Company Retires

(See Cover Photo)

RETIREMENT as an executive of all companies in which he has been an officer, marked the sixtieth birthday anniversary of A. P. Giannini, founder of Transamerica Corporation—the world's largest bank holding company, last month.

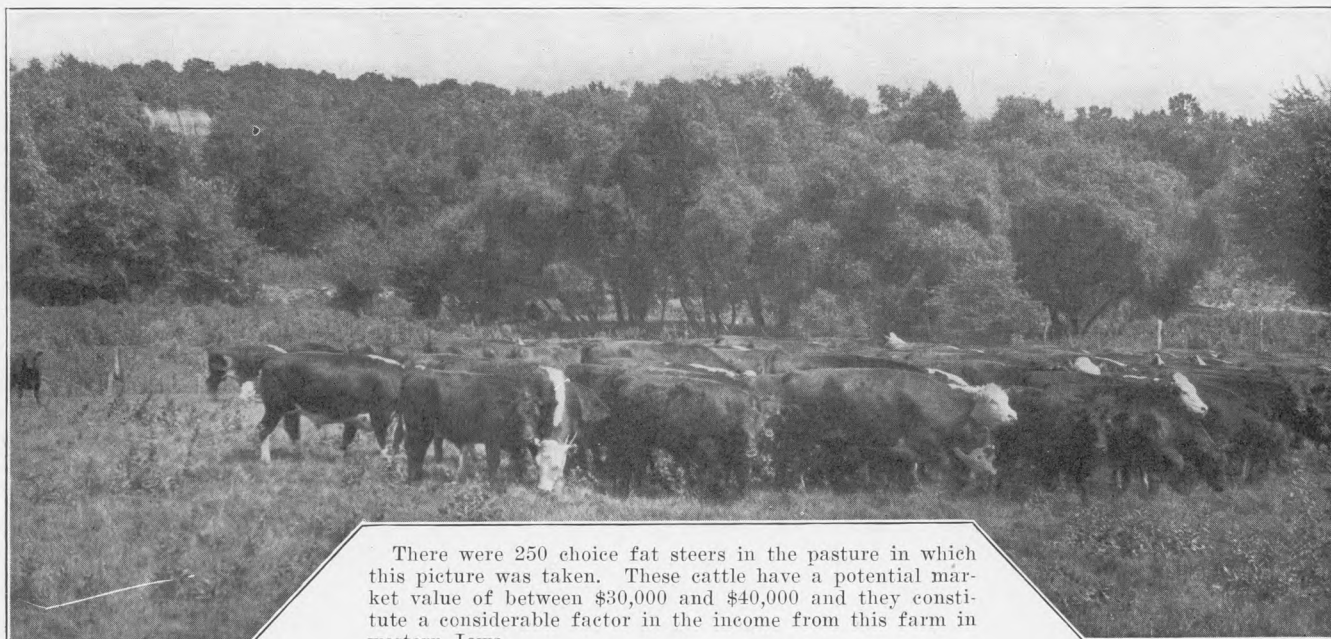
WHEN I turned over the presidency of the Bank of Italy to my successor in 1924, I made the statement then that I would retire as an active officer from all organizations with which I was connected when I reached the age of 60," said Giannini. "While I shall continue as a director of our various companies and possibly go on the boards of others, as well as serve, without compensation, as chairman of the advisory committee of Transamerica Corporation, I will hold no executive office. I am definitely off the pay roll. This is the time, I think, to express my appreciation to our stockholders, our customers, and to the members of the staff of our various organizations—without whose generous and whole-hearted cooperation the success of our undertakings would not have been possible. We have, beyond a doubt, the finest and most loyal group of people in our institutions to be found anywhere in the world.

I ALSO want to thank the press for its fairness and courteous treatment. In this connection, I can say that for more than 25 years, while I have been engaged in banking and financial activities, I have always found the newspaper men friendly, ready to help, and willing to keep inviolate every confidence I have given them.

ALL of the so-called 'Giannini interests' are now vested in Transamerica Corporation and it is my hope that hereafter they will be known as Transamerica interests and not Giannini interests. The conduct of the affairs of all these companies will be under the direction of Elisha Walker, and the other executives associated with him."

DURING the time that Giannini has been at the head of his great financial enterprises, he has never received salary from more than one corporation at any time and has held office only in those organizations for whose creation he has been responsible.

GIANNINI will sail on the Mauretania from New York, June 11, with Mrs. Giannini and their son, V. D. Giannini, for a year's absence abroad.



There were 250 choice fat steers in the pasture in which this picture was taken. These cattle have a potential market value of between \$30,000 and \$40,000 and they constitute a considerable factor in the income from this farm in western Iowa.

FARMS *and* FARMING

WHAT is the most valuable part of the farm?

The instant answer of a majority of the men from whom this question is asked is that the fertile corn ground which will produce fifty to eighty bushels an acre is the most valuable.

Comes the alfalfa grower who tells of yields of from two to five tons of alfalfa per acre.

But what of the good blue grass pasture? Many a cattle feeder in the corn belt will tell you that his pasture makes him more clear profit than any other part of the farm. For one thing, his investment in pasture is comparatively smaller than in the arable fields.

Pasture must be used, of course, to show a profit. It takes thrifty cattle, bought right and fed intelligently, to pay dividends on pasture land. Not all feeders favor turning cattle on pasture, of course, but many who finish their steers in the feed lot, carry some feeders on pasture during the summer months.

A canny old farmer who has amassed a considerable portion of this world's goods remarked to the writer not long ago that "a bit of rough land is a blessing in disguise because it makes a man keep some livestock and no man can make a success of farming without cattle and hogs."

IOWA 4-H CLUB GIRLS will meet at Iowa State College on June 10th to 14th, while the club boys will meet there the following week on June 16th, 17th and 18th. Minnesota club boys and girls will meet at the University of Minnesota, June 3d to 6th.

By C. A. CRAIG

Farm Editor

A CORN YIELD contest is a feature of the work of extension agronomists in Minnesota this year and a determined effort is being made to locate the highest yielding strains so that they can be recommended to the farmers and the production per acre thereby increased.

SOUTH DAKOTA had 112 crops clubs for 4-H club members with 745 individuals last year and enrollments for the current year are showing a very healthy interest in these projects. Last year the state crops champion was Morrie Oien, of Minnehaha county, who, among other things, produced forty bushels of corn to the acre in 1927, sixty bushels in 1928 and sixty-eight in 1929.

CORN BELT STATES are feeding more cattle this year. The increase for eleven corn belt states showed 3.4 per cent more on feed on April 1st, as compared with the same date a year ago. Iowa showed an increase of 8 per cent, Nebraska figures were the same while Minnesota showed an increase of 6 per cent and South Dakota 10 per cent.

SUMMER FALLOWING as a means of controlling fields badly infested by weeds is urged by extension agronomists in the corn belt states. R. E. Johnston, of South Dakota, says that it is a mistake to try to raise a crop this year on fields that are too weedy and suggests that the

presence of Canada thistle, quack grass and some of the other more noxious weeds might make it feasible to take the fields out of production for a year and eradicate these pests.

MIDDLEWESTERN STATES aren't worrying much because the 1930 census is apparently showing a small decrease in the number of people living on farms. Farming, like industry, has made rapid progress the last decade with the result that more work per man is possible than could possibly have been done in 1920.

In Iowa, for instance, where early indications are for a decrease of 1½ to 2 per cent in the farm population, there were 55,000 tractors on the farms of the state on January 1st, or one for every fourth to fifth farm. This was an increase of 13 per cent over the previous year and this spring is seeing an unprecedented demand for tractors and power farming implements dealers report.

All this can mean but one thing—that the machine age is sweeping agriculture and that the hired man of yesterday has been replaced by improved machinery. Hired help has been plentiful throughout the corn belt this spring.

It is likely that there will be no hue and cry from the harvest fields this summer and fall for men to help save the wheat crop. An increasing volume of the small grain crop in the middle west and southwest is being harvested by combines and this means a reduction in the number of men required for harvesting and threshing.

(Turn to page 66, please)

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Northern Trust Company in Remodeled Home



The newly remodeled home of the Northern Trust Company of Chicago

THE enlarged and remodeled home of The Northern Trust Company, on the northwest corner of La Salle and Monroe streets, was formally opened to the public last month following construction work which has occupied a year.

The opening marked the bank's fourth expansion in its four decades of Chicago service and came as Chicago was preparing for its "Century of Progress," the forerunner of which, the World's Fair in 1893, gave the then young Northern Trust Company the foundation of its foreign business through its appointment as official World's Fair depository.

Two new floors, making a total of six and two lower levels, have been added to the building and it has been remodeled throughout in accordance with the most modern ideas in bank construction. The bank will occupy all floors so that it continues to be the only loop bank using its entire building for its own business. The new floors add 31,826 square feet of space.

A feature of the remodeled structure is the incorporation of the latest developments in noise control and the control of atmospheric conditions.

Special sound absorbing ceilings which shorten voice and machine ranges have been installed throughout the building. These, and a special desk spacing plan based upon their effect, do away with the necessity for private offices. On the banking floors, desks of all officials are in the open, making them easy of access for customers and permitting the bank to maintain its traditional close personal contacts despite its increased size. The trust department, which always has been an important part of the bank's business and

in which it is considered a pioneer since it is credited with having written the first insurance trust on March 18, 1891, also is devoid of private offices although a few conference rooms are provided there.

Air throughout the building is supplied by an "artificial weather" machine. This takes in the outside air, washes it in water, filters it through oil, cools it or heats it, humidifies it or de-humidifies it and turns it out always at the proper temperature and humidity for the best maintenance of health and efficiency. The machine changes the air in the building completely every 10 minutes and so perfect is its operation that it has permitted the construction of entire rows of offices as well as three dining rooms entirely without windows. The building is the only one in Chicago completely equipped with such apparatus.

As another means of maintaining its personal contacts, the bank has put into effect the dual unit tellers' cage system. This permits tellers to both pay and receive to a limited number of customers divided into groups alphabetically and allows each teller to know by a maximum number of the persons with whom he deals. New semilow type cages have been installed in the commercial banking department on the second floor and in the savings department, which with the bond department and a tastefully decorated women's consultation room, now occupies the first floor.

The third floor is devoted to personal trusts and the fourth is given over to offices and the dining rooms for directors, officers and employees. The fifth and sixth provide space for divisions of the trust

and banking departments. Three new type high speed elevators for customers and two more for employees give ready communication between departments.

Solomon A. Smith, is the present president of the institution. He is a son of Byron L. Smith, who founded the bank, and a grandson of Solomon A. Smith, who was the Civil War president of Merchants' Loan and Trust Company.

The Northern Trust Company opened its doors for business August 12, 1889, with three officers and four employees. Today it employs over 500 persons. Its directorate is composed of A. Watson Armour, Sewell L. Avery, Albert B. Dick, Jr., DeForest Hulburt, John T. Pirie, Kersey Coates Reed, Edward L. Ryerson, Jr., Martin A. Ryerson, Walter Byron Smith, John Stuart, Ezra J. Warner and Mr. Smith. Of these, Martin Ryerson was a member of the original board.

The Northern Trust Company's history has been one of steady growth. After its first year, it moved to the Chamber of Commerce building for additional space and for the same reason moved back to the Rookery in 1897, occupying a part of the ground and second floors. It bought the old Bryan Block on the site of its present home in 1904 and in 1906 moved into the building which it built there.



SOLOMON A. SMITH
President, The Northern Trust Company

It Was Just a Mere Suggestion but the SURETY PAID IN FULL

THERE isn't a bank in the state that appreciates old friends and customers more than we do. At the same time, business is banking, every application must be considered on its merits, and from the standpoint of safety only," the president of the Popular Bank pointed out.

"I get you," Elwood Merritt agreed, but there was a surly undertone beneath the velvet glove of his glib and glowing conversation.

"And if the security back of your proposal is ample, then we'd be pleased to give it our favorable consideration."

"Well, suppose I get Arthur H. Hatfield to go on my note by way of surety, how'd it be?" demanded Merritt.

"If you can get Hatfield on your note it's good for anything up to \$10,000," replied the banker.

"Well, I'll bring the note down this afternoon, or I may have to go to Deerpark to see Hatfield. He's to the new mill up there part of the time. If that's the case I'll probably go to St. Louis to order my supplies on this Brankley contract, and in that case I'll mail the note to you from Deerpark."

"That'll be quite satisfactory, and as soon as the note reaches us with Hatfield's signature thereon, the proceeds will go to your credit at once," the banker assured him, and from this point on the reader is referred to the following correspondence from the files of the Popular Bank in a brown paper folder labelled "Elwood Merritt."

(Letter)

Deerpark, Thursday,

President,
Popular Bank,
Populartown, Ark.
Dear Sir:

According to our conversation at the bank yesterday, I am enclosing \$4,000 note with Hatfield as surety. As I told you, I am going on through St. Louis to order the cement and steel for the Brankley contract, and I'll want the note to go to my credit at once, for I'll be up in St. Louis maybe three weeks and will be giving checks for the stuff I'm buying that will get to Populartown before I do.

By THE LEGAL EDITOR

Please wire me at the Hartley House, St. Louis.

Yours truly,
Elwood Merritt.

(Telegram)

Elwood Merritt,
Hartley House,
St. Louis.

Note received—proceeds credited your account today.

Popular Bank.

(Letter)

Popular Bank,
Dear Sir:

Re yours of even date notifying me that Elwood Merritt's \$4,000 note fell due yesterday and is unpaid, and asking me to pay as surety. As you know, Merritt lost some money on the Brankley contract,

"Under the language of the statute the requirement to sue must be unconditional," said the Arkansas supreme court. "It contemplated a peremptory requirement of the surety to the creditor to commence suit forthwith. This notice is merely advisory. It does not contain a demand nor requirement for the creditor forthwith to commence suit. If he (the creditor) wished to exonerate himself from liability he must give such notice as to leave no option with the party notified."

but he's still got quite a lot of plant and machinery out to the works, and the bank's got a lien on some of it, too, at least Merritt hinted so at the one time. Why don't the bank take the stuff you've got a lien on now, apply the value of it to his note, and then sue in the Circuit Court and get a judgment for the balance?

Yours truly,
Arthur H. Hatfield.

Whereupon the bank handed the note to Harry West, the bank's attorney, West wrote Hatfield, he handed the letter to J. R. Hartley, his attorney, and Hartley wrote West in the following terms:

"Mr. A. H. Hatfield has handed me your letter of recent date re the Merritt note. You seem to have overlooked the following significant facts:

"1. Hatfield was merely a surety on the note—your own letter admits that.

"2. Section 998 on the Banking Code of this state is as follows:

"Any surety on any overdue note may by a written notice require the holder thereof to forthwith commence suit against the principal debtor, and if such suit is not commenced within thirty days from the service of such notice, then the surety shall be relieved from liability to the holder."

"3. Hatfield by his letter notified the bank to start suit against Merritt—no such suit has been started and over thirty days have elapsed since the receipt of said notice by the bank.

"I will not rub it in by pointing out that according to the admitted facts and the state law that I quoted for your benefit, your bank has no action against Hatfield that would not be laughed out of any Court in this State."

Yours to hand, West replied. You have evidently overlooked the case of Glenn vs. Union Bank decided by the Supreme Court of Arkansas and found in 233 S. W. reporter 789. If not you'd know that Hatfield's letter isn't a legal notice, that making a suggestion isn't "requiring."

Better come across and save getting laughed out of court when you put in a defense founded on Hatfield's letter and the judge gets hold of the Glenn case.

Yours truly,
W. B. West.

The story ends here, as far as the Merritt file is concerned, but the bank books show that Hatfield paid in full three days later, and the account was duly "closed."

LEGAL NOTE: In the Glenn case on which West relied, and Arkansas Statute contained a provision along the same lines as laid down in the Hartley letter, and the surety wrote a letter to the bank that held the note, saying: "My advice would be for you to take legal steps to collect the debt." The bank did not sue the principal debtor within 30 days, and the surety claimed that he was clear, but the decision was against him and in favor of the bank, on the ground that the notice in question

(Turn to page 69, please)

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Branch Banking for Country Towns

THE plan for financial service in villages and hamlets too small for profitable operation of an independent bank through establishment of branches by strong institutions located in county seat towns or other population centers is highly constructive and commendable, in the opinion of C. T. Jaffray, president of the Soo Line, chairman of the board of the First Stock Bank Corporation and a director and former president of the First National Bank in Minneapolis.

The working out of such a plan, Mr. Jaffray declared, would be a great and forward-looking step toward stabilizing the banking business in the northwest and assuring the people and business enterprises in small communities of safe depositories for their funds, while also extending them whatever banking services are needed. Had such a system of branch banks been in existence in Minnesota and the other northwest states in 1920, the ninth district would have had only a fraction of the 1,400 or more bank failures from which their people have suffered during the last 10 years, he pointed out.

Towns Need Service

MR. JAFFRAY voiced hearty approval of the suggestion made recently by A. J. Viegel, Minnesota commis-



C. T. JAFFRAY

sioner of banks and one of the members of the state commerce commission, who urged that the state government authorize strong banks to set up branches in nearby villages. Scores of Minnesota communities which need banking service have none today, Commissioner Viegel said. Many of them had banks which have been closed in recent years.

"Mr. Viegel is working along correct lines in his suggestion that branches of strong county seat banks be established in communities that need banking facilities," Mr. Jaffray declared. "He has gotten to the heart of a very important subject."

"The reason that banks have failed in so many small towns and that these communities are without banking service is that they were not large enough to support banks on a basis of profitable operation. To be strong and to function as a safe depository for its community, a bank must be profitable."

"But the little banks have lost two of their main sources of revenue the last few years. They no longer are allowed to charge exchange in checks that their customers send out of town. The Federal Reserve Bank requires that such checks be remitted for at par. Also the small country banks have been deprived of their profit from the carrying and the sale of farm mortgages. This land loan business has been taken away from them by the Federal Farm Loan Board, the State Rural Credit Commissions and the Joint Stock Land Banks."

Would Help Business

IN MANY instances, the business, available in their communities was not sufficient to yield a profit, with the exception of a few. (Turn to page 69, please)

Walter E. Devlin to Write Special Series of Articles on Bank Sales and Advertising for the NORTHWESTERN BANKER

STARTING with the July issue, the Northwestern Banker is happy to announce the publication of a series of a half dozen special articles on bank sales and bank advertising by Walter E. Devlin, nationally known writer, financial sales and advertising counsel, president of Devlin & Bennett, Inc., of Chicago, which firm is now acting as Advertising and Sales Counsel for the Wisconsin, Indiana and Illinois Bankers Associations. Devlin and Bennett, since their organization four and one-half years ago, have served more than 3,000 banks in the United States and have been particularly active in assisting banks in the installation of service charges.

Walter E. Devlin, president of the company, was formerly associated

with Lord, Thomas & Logan, one of the largest advertising agencies in the world and also spent many years in the investment and financial field, having at one time been associated with a bank in a medium sized town, so he has a very excellent understanding of not only the banking business but also the business of sales and advertising.

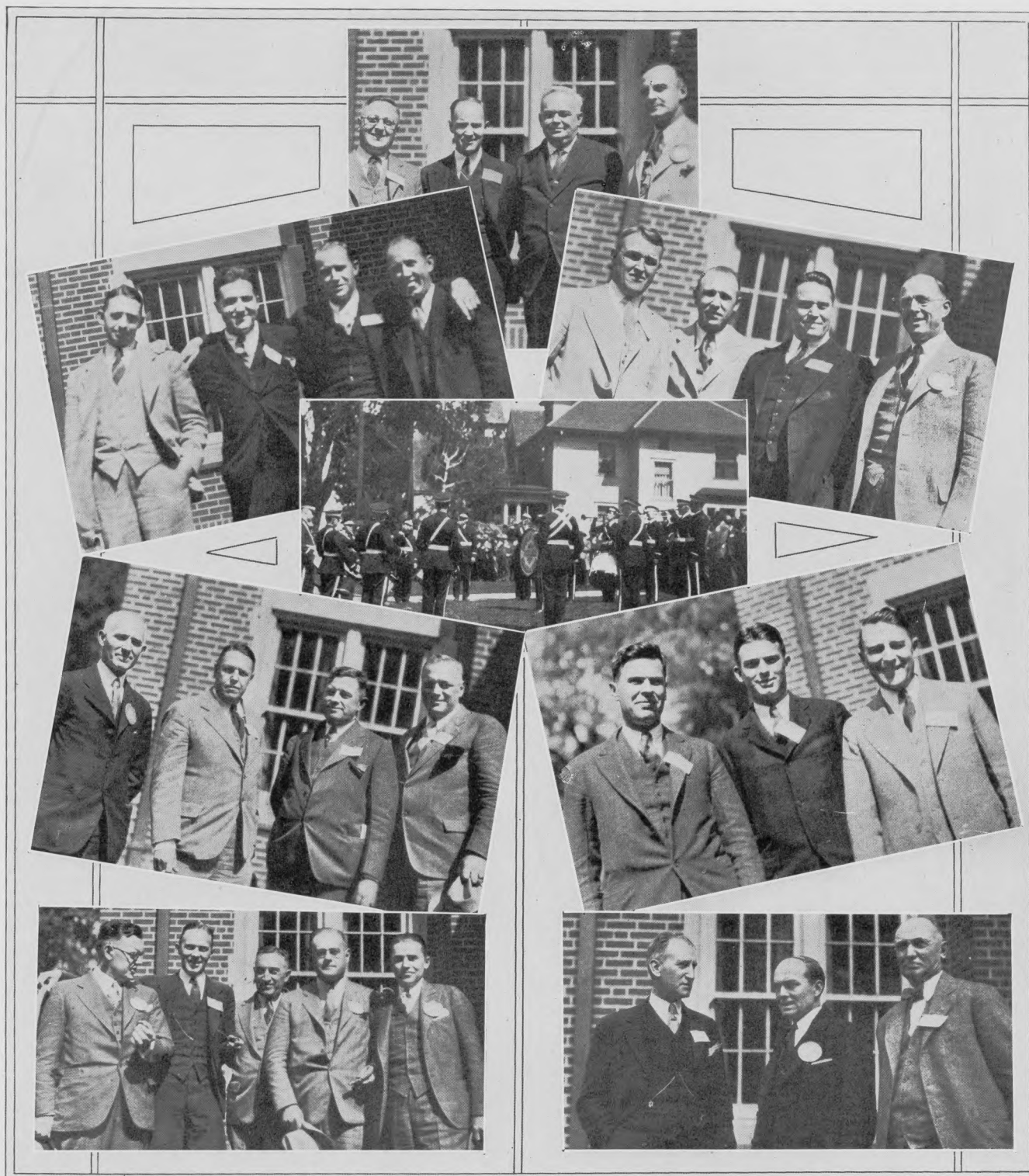
These articles will cover—

- (1) Convincing the customer of the values of the various services sold by banks through advertising and salesmanship, including checking account, savings account, safe deposit box and investment services.
- (2) Cooperative advertising. The subject will be discussed from

the standpoint of showing banks they all have the same thing to sell and they could save considerable money by doing a cooperative job rather than to individually spend money for newspaper advertising and direct mail.

- (3) How to sell and advertising savings accounts in competition with higher rate investments.
- (4) How to sell the value of cash reserves to the public.
- (5) The value of the right kind of copy, art and layout in advertising.
- (6) The banker of tomorrow will not only know the mechanics of the banking business but it will be necessary for him to be a superlative salesman.

IOWA GROUP MEETING SNAPSHOTS



Snapped at the meeting of Group Six, Iowa Bankers Association, held May 12, at Indianola: Above, center (left to right) N. E. Kelly, cashier, Altoona Savings Bank, newly elected secretary of Group Six; Roscoe Macy, cashier, First State Bank, Lynnville, new president, Group Six; L. A. Andrew, Iowa banking superintendent and C. C. Jacobsen, vice president, Security National Bank, Sioux City. Second panel, left photo, Owen P. McDermott, of Carleton D. Beh Co., Des Moines; Harold C. Neu, Hallgarten & Co.; Harold B. Eekey, Metcalf, Cowgill & Co., Des Moines; and Jack Sparks, Carleton D. Beh Co.; Second panel, right photo, Van Vechten Shaffer, vice president, Cedar Rapids National Bank; Carl Roberts, cashier, Farmers State Bank, Boone; Will Miller, vice president, National Bank of the Republic, Chicago; and Frank B. Yetter, vice president, American Commercial and Savings Bank, Davenport; Center photo, a view of the Indianola American Legion Drum Corps in action; Next panel, left photo, Clarence Diehl, vice president, Iowa-Des Moines National Bank and Trust Co.; Robt. L. Leach, president, Adel State Bank; N. P. Black, cashier, Perry State Bank; and Ivan O. Hasbrouck, cashier, Iowa State Bank, Jefferson. Right photo, Stoddard M. Robinson, cashier, First National Bank, Indianola; Robert Root, of G. L. Ohrstrom Co., and Hugh G. Little, cashier, First National Bank, Prairie City. Lower panel, left photo, Robert Lough, manager, Bond Department, Drovers National Bank, Chicago; Alden S. Bagnall, assistant cashier, Stockyards National Bank, Chicago; C. H. Stephenson, cashier, Bankers Trust Co., Des Moines; E. R. Harris, First National Bank, Chicago; Carl Mesmer, assistant vice president, Bankers Trust Co., Des Moines; Right, photo, Don L. Berry, vice president, Worth Savings Bank, Indianola; Frank Warner, Secretary, Iowa Bankers Association; and Will H. Lane, president, First National Bank, Indianola.



Above, left to right, first photo: (Snapped at the Northwood meeting) C. M. Dopler, Chicago bank analysis expert; A. O. Rye, president, Worth County State Bank, Northwood; and A. S. Lund, vice president and cashier, First National Bank, Northwood. Center, C. J. Wohlenberg, president, and Carl C. Wohlenberg, vice president, Holstein Savings Bank. Right, Dave Mitchell, Iowa manager for the Continental Illinois Company; Frank Covert, assistant cashier, Drovers National Bank, Chicago; and Clint Varnum, Sioux City, Metcalf, Cowgill & Co.

Iowa Group Meetings Best Ever

APPROXIMATELY 2,500 Iowa bankers attended the group meetings throughout the state in the two-week period from May 12th to 23rd inclusive. This year showed one of the largest and most enthusiastic series of meetings ever held by the Iowa Bankers Association.

Starting with the meeting of Group 6 at Indianola on May 12th, the meetings followed continuously until the meeting at Clinton on May 23rd, with the exception of Saturday and Sunday, the 17th and 18th.

Approximately 200 bankers attended the meeting of Group 6. Following the morning registration and the conference of the officers of the County Bankers Association, the main program of the meeting was held with the principal addresses by the Honorable J. W. Foster, of Des Moines and Clyde Doolittle, general counsel of the Iowa-Des Moines National Bank and Trust Company. The afternoon was devoted to entertainment.

Group 7 held their meeting at Marengo on May 13th. Approximately 230 bankers registered during the morning session.

Professor M. Mortenson, head of the dairy department of the State College at Ames, Iowa, gave an interesting discussion on the subject, "Use More Butter." One of the main points brought out by Mr. Mortenson was that people of the United States are only using a small percentage of all dairy products that could be consumed with proper education by the dairy interests of America. He suggested as a possibility an advertising campaign, national in scope, which would produce at an infinitesimal cost per pound to the producer, an annual budget greater

than that carried by most of the advertisers of the nation.

During the afternoon session, Chas. E. Miller, an Albia attorney, talked humorously and seriously on the subject of "Our Neighbors." Other discussions were made by W. G. C. Bagley, Mason City, president of the Iowa State Bankers Association, by L. A. Andrew, and Secretary Frank Warner.

Keosauqua and the banks of Van Buren county entertained Group 10 on Wednesday, May 14th. After the morning registration the 12:00 o'clock luncheon was served in the gymnasium of the new modern high school building.

The main address of the day was given by Professor Carl E. Leib of Iowa City, who took for his subject, "Banking and Business—Looking Ahead."

At 3:30 the bankers adjourned to Lacey-Keosauqua State Park where golf and bridge were enjoyed by the bankers and their wives.

The Lacey-Keosauqua Park is a large tract of land that has been set aside by the government as a recreation center for southeastern Iowa. It contains possibly the most rugged and natural beauty of any place within the state. A modern highway circles the entire tract, winding over hills and into valleys, affording the traveler frequent glimpses of the Des Moines river and the valleys through which it flows. When the landscaping has been completed the park will unquestionably draw countless thousands of tourists to southeastern Iowa and historic Keosauqua.

Although the meeting of Group 9 at Leon was not as largely attended as some

other sections of the state, the bankers of that city had prepared a wonderful program of speeches and entertainment for the visitors. The program committee is to be congratulated upon the entertainment program and the beautiful decorations in the hall in which the luncheon was served.

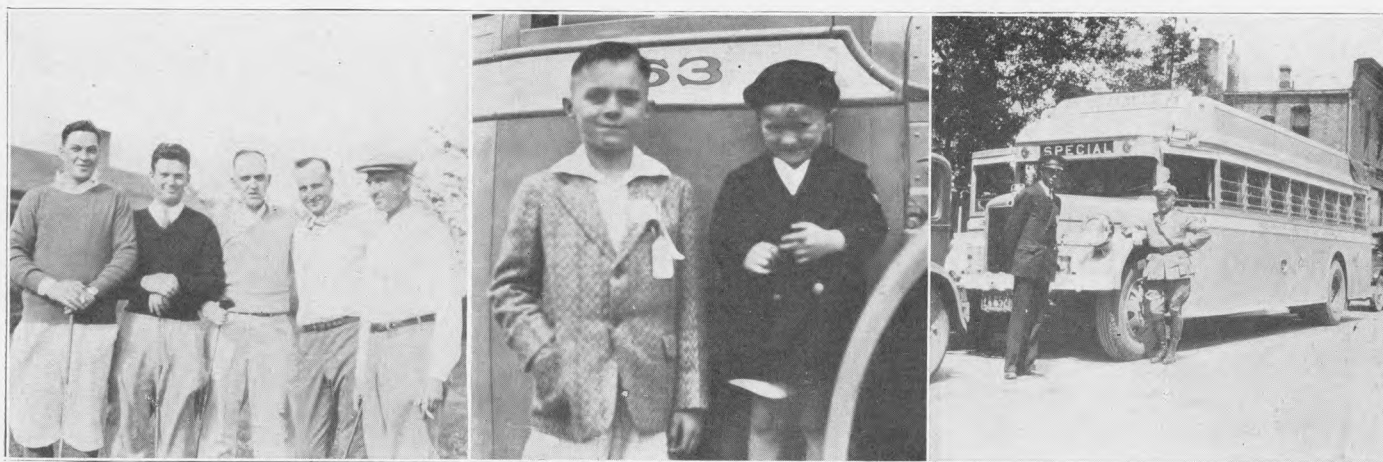
The principal addresses of the afternoon were given by Professor L. G. Allbaugh of the Ames Agricultural College and by P. C. Taff, Assistant Director, Extension Division, of the Ames Agricultural College. Professor Allbaugh took for his topic, "Agricultural Outlook Information," and Mr. Taff, "Soil Saving Program."

The afternoon was devoted to music, readings, and a chalk talk, reports of the committees together with their resolutions, and later in the afternoon a free movie program at the Strand Theatre.

On Friday, May 16th, the members of Group 5 met in Sidney. Two hundred sixty-five bankers registered at the morning session which was one of the largest gatherings in the entire state.

As at Leon, the bulk of the program was held during the morning. Mr. J. R. Cain, Jr., vice president of the Omaha National Bank, gave the principal talk of the day. Mr. Cain refused to consider his remarks as an address but talked more or less informally "over the desk," as it were, to the bankers present. He was followed by President Bagley and Secretary Warner.

The large attendance rather taxed the facilities of Sidney during the luncheon but the ladies who served the delicious meal handled the serving in a most commendable manner.



Above, snapped at the Mason City, Iowa, golf course, a group of care-free financiers, including (left to right) Leland J. Andereck and Robert Root, of G. L. Ohrstrom & Co.; Fred H. Wray, vice president and cashier, the Pioneer National Bank of Waterloo; Irvin B. Bleeker, cashier, the Rath State Exchange Bank of Ackley; and Clarence Diehl vice president, Iowa-Des Moines National Bank and Trust Co. Center, Clifford Crowe and Carl Wohlenberg, Junior, both grandsons of C. J. Wohlenberg, of Holstein. Right, George and "Kewpie," the affable generals of the 1930 Iowa group meetings

Golfing and movies at the Strand Theatre entertained the bankers during the afternoon.

After a two-day intermission the meetings started again in Holstein on May 19th. Two hundred sixty-three bankers registered at the morning session of Group 1.

The morning session was devoted to banking business, meetings of the county, group and state officers, and was held in the East Room of the Turner Hall. At 10:30 the trust conference meeting was called to order in the main hall by Ralph B. Dalton, of Le Mars, chairman of Group 1. James Hart, of the Iowa-Des Moines National Bank, spoke on, "Trust Department Organization and Its Relation to Its Clients." Discussions followed, and adjournment until 1:30. Noonday luncheon was served in the Turner Hall and also the basement of the Holstein Savings Bank.

Chairman Dalton called the afternoon meeting to order at the appointed hour.

The lecture on Russia, given by E. G. Fox, was instructive and very interesting. Mr. Fox is the chief electrical engineer of the Freyn Engineering Company of Chicago, which has a three hundred and fifty million dollar contract with the Soviet government to modernize present factories and to install new plants. He has been in Russia for two years, part of the time accompanied by his wife, a daughter of Mr. and Mrs. C. J. Wohlenberg, and he just arrived here from Russia on his annual vacation. Mr. Fox positively knows the present condition, and he says it is certainly astonishing to see the wonderful progress made the past few years.

The address by L. H. Cook of Des Moines, chairman of the State Board of Assessment and Review, closely held the attention of all present, especially the bankers. Mr. Cook explained the present tax situation as he finds it, and poli-

tics was totally absent from his entire review of present taxing problems.

Bankers and their wives from eleven counties of northwest Iowa, numbering nearly 400, gathered at Spencer on May 20th to attend the meeting of Group 2.

The morning was spent in registering and getting acquainted. The presidents and secretaries of the county associations met at the Farmers Trust and Savings Bank at 11:00 o'clock to discuss mutual problems.

R. T. Pullen gave the address of the afternoon, taking for his subject "Co-operative Marketing of Farm Production."

The afternoon was devoted to a program at the Spencer Golf and Country Club. Additional entertainment was furnished in the evening when a banquet was given at 6:30, followed by a musical program and later a dance.

The address at the meeting of Group 3 at Northwood on May 21st was given by George J. Schaller, president of the Citizens First National Bank, Storm Lake. He took for his subject, "Finance and Farming." Other addresses were given by Harold V. Bull, cashier of the First National Bank at Mason City; C. M. Doppler, member of the firm of Edward R. Burt & Company, Chicago; L. A. Andrew, President Bagley, and Secretary Warner.

A banquet was held at 6:30 in the Northwood high school followed later in the evening by a dance at Northwood Music Hall.

The members of Group 4 met in Oelwein on May 22nd. Herbert V. Prochnow of the First National Bank of Chicago discussed the question of "Safe Banking" in his address.

The speaker declared bankers could not expect directors to direct intelligently if

they do not give these directors information.

Speaking of checking accounts, Mr. Prochnow said the service charge on small accounts should take into consideration the activity of the account. "One individual with a \$50 account may write four checks, another twenty checks," he said, and this should be given consideration. About seven of every ten accounts are unprofitable to the bank, unless a service charge is made, the speaker declared.

In closing, he advised the bankers to put emphasis on quality rather than quantity of business; on profitableness rather than on totals.

The final meeting, that of Group 8, in Clinton, on May 23rd, wound up the series. The constructive program was about equally divided between morning and afternoon, the morning being devoted to the business meetings and the afternoon to the addresses. J. H. Hudson, of the Illinois Chamber of Commerce, delivered the main address.

As Seen From the Special

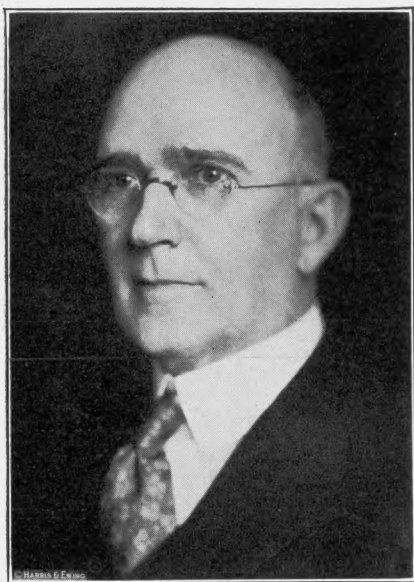
About 21 Iowa and Chicago bankers made the rounds of the group meetings on a special Pickwick-Greyhound bus chartered for that purpose. A definite time schedule was carried out with minor exceptions.

"George" the porter, who has been making these trips with the bankers for the last 10 years seemed to get a big kick out of the proceedings and was his usual competent self in looking after the luggage, mail, et cetera.

Clarence A. Diehl contributed much to the enjoyment of the trip by winning a box of cigars at Marengo by most closely guessing the number of dollar bills in a

(Turn to page 76, please)

Will Attend June Conventions



W. G. EDENS, Vice President
Central Trust Company of Illinois



ALDEN S. BAGNALL
Assistant Cashier, Stock Yards National
Bank, Chicago



WILLIAM N. JOHNSON,
Ass't Vice President Northwestern
National Bank, Minneapolis

TO SOME people, June is a month for brides—but to bankers of the middle west it is a month for conventions and scores of bank officials New York, Chicago, Minneapolis, Omaha and other cities have already made their reservations for the Iowa, Minnesota and South Dakota conventions which take place this month.

In this issue of the NORTHWESTERN BANKER appear the likenesses of a number of bank officials who will be in attendance at the June conventions.

From the Foreman-State National Bank, of Chicago, will come Basil I. Peterson, second vice president, who will attend both the Minnesota and South Dakota conventions. V. L. Bartling, second vice president, will attend the Iowa convention.

A notable delegation will represent the Central Trust Company of Illinois. W. G. Edens, vice president and E. M. Wanger, will attend the Iowa convention at Daven-

port, while G. L. Fischer will be attending the Minnesota meeting at St. Paul.

The Northwest Bancorporation, will, as usual, have a large delegation at all the meetings. The South Dakota meeting at Aberdeen, June 11-13, will be attended by William E. Briggs, vice president and Guy D. Combes, assistant cashier of the Northwestern National Bank. The Iowa convention will see William N. Johnson, assistant vice president of the Northwestern National Bank, doing the honors for



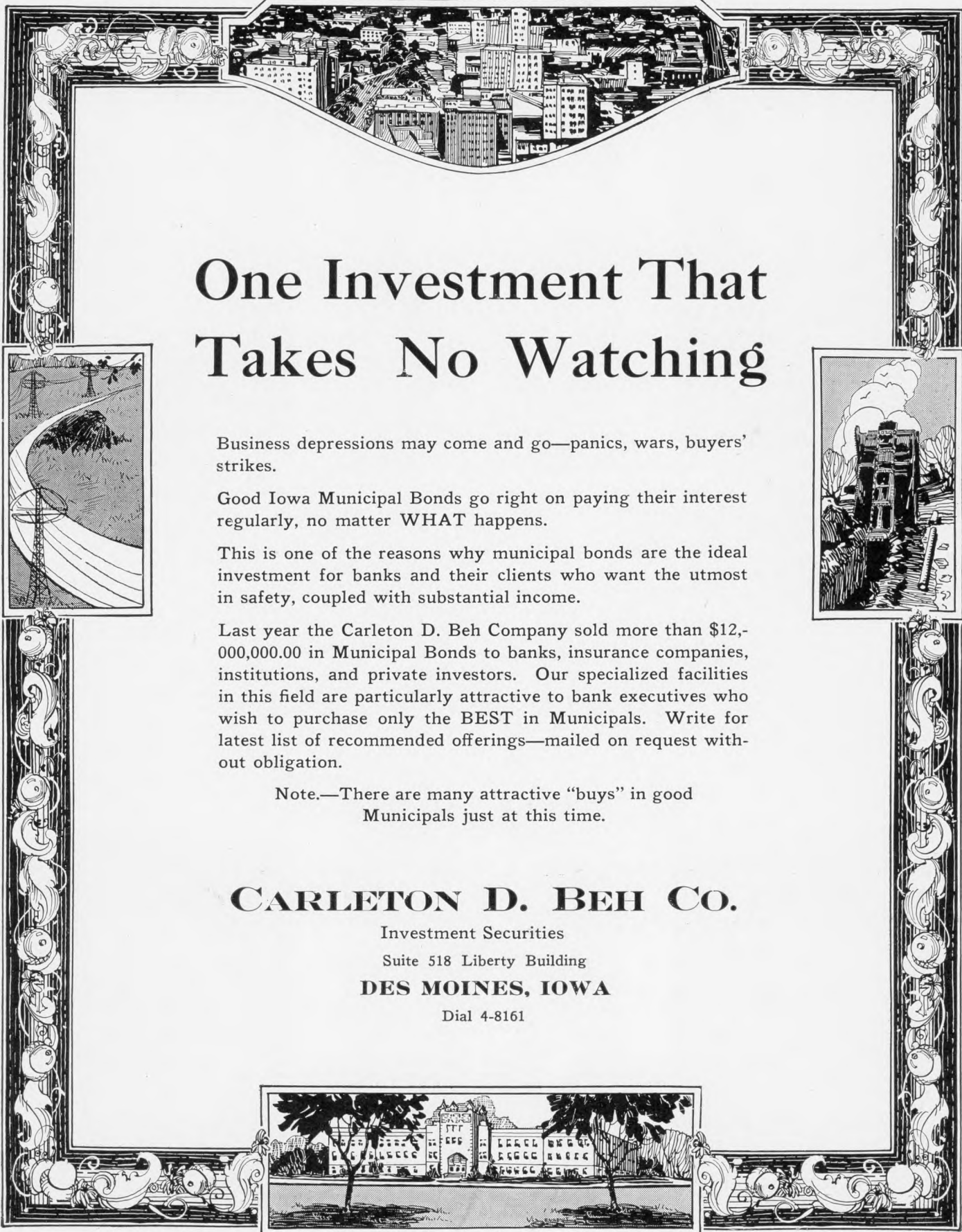
CHRIS J. HUSTON
Representing W. B. McMillan & Co.



ROGER S. HUME,
Ass't Vice President Northwestern
National Bank, Minneapolis



FRANK COVERT
Assistant Cashier Drovers National Bank,
Chicago



One Investment That Takes No Watching

Business depressions may come and go—panics, wars, buyers' strikes.

Good Iowa Municipal Bonds go right on paying their interest regularly, no matter WHAT happens.

This is one of the reasons why municipal bonds are the ideal investment for banks and their clients who want the utmost in safety, coupled with substantial income.

Last year the Carleton D. Beh Company sold more than \$12,000,000.00 in Municipal Bonds to banks, insurance companies, institutions, and private investors. Our specialized facilities in this field are particularly attractive to bank executives who wish to purchase only the BEST in Municipals. Write for latest list of recommended offerings—mailed on request without obligation.

Note.—There are many attractive "buys" in good Municipals just at this time.

CARLETON D. BEH CO.

Investment Securities

Suite 518 Liberty Building

DES MOINES, IOWA

Dial 4-8161

Meet Them at the Convention!



G. L. FISCHER
Central Trust Company of Illinois



ROBERT E. MACGREGOR,
Vice President Northwestern National
Bank, Minneapolis



BASIL I. PETERSON
Second Vice President, Foreman-State
National Bank, Chicago

the firm. At the Minnesota convention in St. Paul, June 16-18, Robert E. Macgregor, vice president, William E. Briggs, vice president, Roger S. Hume, assistant vice president and William N. Johnson, assistant vice president of the Northwestern National Bank, in addition to numerous other Bancorporation officials will be on hand.

Charles B. Mills, former Iowa banker and now president of the Midland National Bank, of Minneapolis, will be at the Iowa convention to chat with his many

friends. V. E. Hanson, vice president and J. K. Cornelysen, assistant cashier, will cover the South Dakota meeting for this institution.

From the Chatham Phenix National Bank and Trust Company, New York City, will come Robert P. Brewer, vice president and Paul L. Hardesty, assistant vice president, to attend both the Iowa and Minnesota meetings. Mr. Hardesty, as a former Chicago banker, will meet a

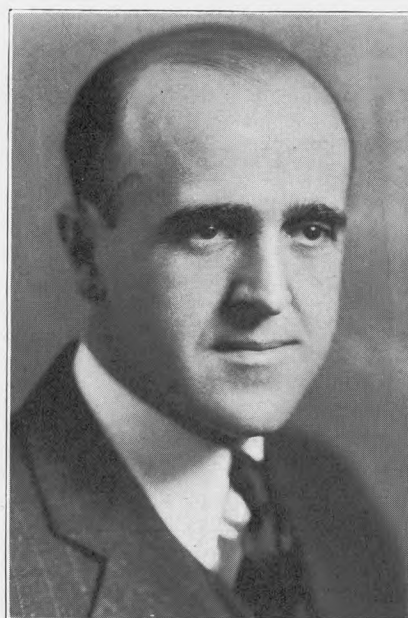
host of mid-western friends during his convention trip.

G. L. Ohrstrom, well known New York and Chicago investment house, is sending salesmanager for its western territory, Paul E. Lundquist, to attend the Iowa convention. Mr. Lundquist was formerly with the Northern Trust Company, Chicago.

From the Drovers National Bank, Chicago, two inveterate travelers will swoop down on the Iowa convention.



W. H. MILLER,
Vice President The National Bank of the
Republic, Chicago



GUY D. COMBES,
Assistant Cashier Northwestern National
Bank, Minneapolis



E. M. WANGER
Central Trust Company of Illinois

Facilities to Safeguard Your Investments

The proper maintenance of your investment program is a complex problem. To assist you in obtaining the most favorable investment results for your bank and its customers, Metcalf, Cowgill & Co. Inc., offer you the broad facilities for research and the comprehensive investment experience available through this organization.

And in serving you, we are providing a service to your community as well. When your funds are put to work in various diversified industries and sound mid-western enterprises they provide new employment and help to create new wealth.

*Correspondence is invited
in regard to your
investment requirements*

Metcalf, Cowgill & Co., Inc.

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DES MOINES

CHICAGO
SIOUX FALLS

SIOUX CITY
CEDAR RAPIDS

"We'll See You at the Convention"



WILLIAM E. BRIGGS,
Vice President Northwestern National
Bank, Minneapolis



P. L. WILLETT,
Assistant Secretary Central Hanover
Bank and Trust Co., New York



H. R. DREW
Vice President National Bank of the
Republic, Chicago

They are Frank Covert, assistant cashier and George A. Malcolm, vice president. These two gentlemen are old-timers at any Iowa meeting.

From Omaha, John Changstrom, newly elected vice president of the Omaha National Bank, will attend both the Iowa and South Dakota conventions.

The National Bank of the Republic, Chicago, will send two capable and well known vice presidents, W. H. Miller, to attend the Iowa convention and H. R.

Drew to do the honors at the Minnesota meeting.

Grover Rinehart and C. M. Nelson, vice president and cashier, will represent the Northern Trust Company of Chicago, at the Iowa meeting while Fred A. Cuscaden, vice president and Bayless W. French, assistant cashier, will represent this institution at the Minnesota meeting.

The Stockyards National, of Chicago, as usual, will be most agreeably repre-

sented by Alden S. Bagnall, assistant cashier, at the Iowa convention.

The Central Hanover Bank and Trust Company, of New York, is sending Assistant Secretary P. L. Willett, to attend the Iowa meeting, with W. H. Suydam as the firm's representative at the Minnesota convention. Mr. Suydam is vice president of the bank.

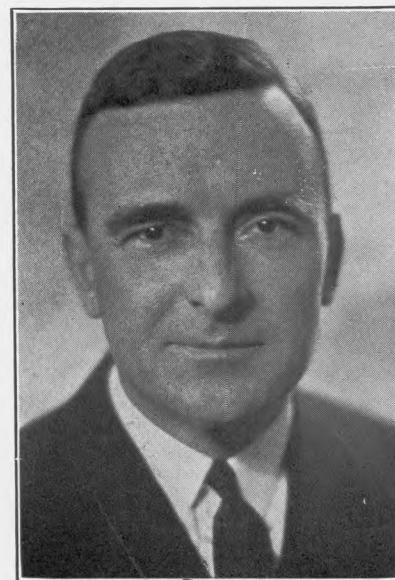
Chris J. Huston, newly appointed representative for W. B. McMillan & Co., will attend the Iowa convention at Davenport.



V. L. BARTLING
Second Vice President, Foreman-State
National Bank



PAUL E. LUNDQUIST
Western Sales Manager, G. L.
Ohrstrom & Co.



FRED A. CUSCADEN
Vice President, Northern Trust Co.
Chicago

Northwestern Banker June 1930

Regular Reinvestment

A sound basis

for secondary reserve management

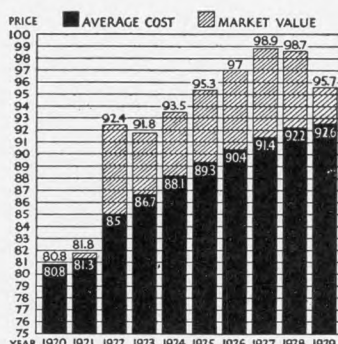
The chart below illustrates the course of annual average bond prices during the past ten years and the average cost of bond holdings based upon a policy of regular investment each year. Secondary Reserves constructed to provide for bond purchases regularly each year during this period have resulted in an average cost of bonds held, substantially below present market prices. Income return based on average cost is also very satisfactory.

An examination of bond sales indicates that bankers who attempted to secure large speculative profits from bonds were heavy purchasers during the last stages of the period of rising prices in 1927-1928. The portfolios of their banks naturally show a bond cost above present market levels. This indicated loss has seriously affected earnings and the proper functioning of the Secondary Reserve Account.

A Secondary Reserve structure based upon specific requirements and providing for regular reinvestment year by year will incorporate a high degree of stability and assure a satisfactory income in accordance with the trend of long term interest rates. It will keep at a minimum the danger of incurring drastic losses from mistakes in judgment regarding market movements.

It will assure the proper functioning of the reserve under practically all circumstances.

For 37 years, A. G. Becker & Co. has assisted banks in the construction of their reserves. Our experience has been acquired through contact with banks, large and small, in all parts of the country, during periods of depression and prosperity. This experience is at your disposal at any time without obligation to you.



A. G. Becker & Co.

Sound Securities for Investment

100 SOUTH LA SALLE STREET, CHICAGO

54 PINE STREET, NEW YORK

Northwestern Banker June 1930

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford De Puy

FRANK WARNER, secretary of the Iowa Bankers Association, tried out the special motor bus plan this year for the group meeting regulars and found this was more convenient and economical than using the special train. Of course the boys didn't have quite as many opportunities to sing the Stein song or purchase cheese sandwiches at midnight as they did have when the colored boys took care of them on the special train.

There is one thing sure about Frank Warner—he is always trying to work out the best plan for all concerned and maybe next year he will decide that airplanes will be the best mode of conveyance.

GRANT MCPHERRIN, president of the Central National Bank & Trust Company of Des Moines, who stopped off in New York for a visit after the executive council meeting last month, told the story which seems to be going the rounds of Wall Street, that since some of the big mergers in New York they have so many vice presidents now that they have to come in the back door so people will not think there is a run on the bank.

RICHARD W. HILL, national secretary of the American Institute of Banking, has been making addresses before the chapters of the A. I. B. throughout the country and among other examples that he uses of men who have climbed from the bottom to the top are John H. Puelicher, president of the Marshall & Ilesley Bank of Milwaukee, who started in as a discount clerk and rose to his present position, and Rudolph S. Hecht, who started in as foreign exchange clerk and is now president of the Hibernia Bank & Trust Company of New Orleans.

Many other examples could be pointed out of bankers today who have climbed the ladder of success and have been helped by their work in the American Institute of Banking.

M. A. GRAETTINGER, secretary of the Illinois Bankers Association, is having a great deal of attention drawn to his plan of having independent banks form themselves into voluntary chains and to surrender certain police powers to a central office, but to retain absolute control over their own business as long as it is properly conducted.

This is somewhat the same plan as has been adopted by independent grocers in their struggle with chain stores.

One financial writer commenting on this

plan, said: "Nothing quite like this has been proposed before. Such a plan of course faces many difficulties. The Illinois bankers as a whole are definitely set against chain, group and branch banking. Whether they will go so far as to band themselves into voluntary chains to prevent themselves from being absorbed involuntarily, is doubtful. Officials of the Illinois Association report, however, that their project has been submitted to a number of bankers and has been favorably received."

IF YOU THINK CHICAGO is such a bad place in which to live, you should read what the last issue of the *Rotarian* said about this Windy City. The point of the whole matter is that the international convention meets in Chicago this month and so they are singing the praises of the big city.

Here is a sample of how they are dishing up the adjectives and a pretty good job of it you must admit:

"Chicago! Metropolis of youth and power, blood relative of every nation in Europe, scion of the Twentieth Century, creative and impetuous, merges culture with commerce, combining in towering skyscrapers marts of trade and temples of art and worship. Here live a people restless, unsatisfied, exuberant—building today and destroying tomorrow in order to build anew—a people who have achieved in the span of a century a spacious, beautiful community whose museums, galleries, scientific schools have contributed to knowledge and happiness and lessened human misery. Here is a city of great halls of learning—a city youthful and dominating, taking nothing for granted—a city that could snap its fingers at tradition and appoint as head of its world-renowned university a youth of thirty!"

BISHOP JAMES CANNON, JR., of Washington, D. C., and a member of the Methodist Episcopal Church South, is being brought to account by the general conference because of his activities in the stock market.

The question the brethren will have to decide is whether he was speculating or investing, and if he was investing they certainly can have no right to call him to account.

On the other hand, if he was deliberately gambling and it can be proven that he was, that may be another story.

There is one thing sure that if the mat-

ter were put to a vote of his laymen where he had been an active preacher before he became a Bishop, our guess is that they would vote to give him a clean bill of health because the chances are that 90 per cent of them were or are in the market.

GEORGE E. ROBERTS, in speaking of the chain store situation in his last bulletin, says, "The inevitable competition between chains is already limiting their expansion and the capable 'independent' is no nearer extinction than he was twenty years ago."

The good independent merchant, like the successful independent banker, will always have a place in any well organized community.

A. J. VEIGEL, state commissioner of banks of Minnesota, in recent addresses before Minnesota bankers, has been advocating a law which he believes would improve the present banking structure in his state and would allow one branch bank in a community which does not have an existing bank, should that community desire such a branch.

He emphasizes that a branch bank could not be established except in a community without one. No bank could start a branch more than 20 miles from the main office.

Gross earnings in state banks have increased materially in the last two years, according to Mr. Veigel, as they were \$48.36 per \$1,000 resources in 1928 as compared with \$63.10 in 1929.

Also he points out that there are 157 villages which ten years ago had one or more banks, which now have none and that about half of these should have some banking service.

"Loans on securities by commercial banks," according to the CONTINENTAL ILLINOIS BANK AND TRUST COMPANY, "during the past seven years outran commercial loans more than five to one and outdistanced deposits almost three to one. If this trend continues it will involve changes in loaning technique, in banking policies and management, perhaps in the very structure of the American banking system."

One thing is quite sure—that if American industries continue to grow as they have in the past, there will be more and more securities issued and that being the case it stands to reason that loans on such securities will have a very prominent place in the future of American banking.

FRANCIS H. SISSON, vice president of the Guaranty Trust Company of New York, in an address before the Advertising Federation of America convention in New York, in discussing how the banker looks at advertising, expressed the view that: "In many fields the banker has dis-



Ease in Money Stimulates Bond Market

THE world-wide easing of credit and the downward revision of the rediscount rates early in May were extremely beneficial factors in the bond market. The fact that cheap money is in sight for some months at least promises a continuance of stronger bond prices.

The steadily decreasing production of gold is having its effect in a reduction in commodity prices throughout the world. This should, in turn, result in constantly higher prices for fixed income securities. Bonds thrive in eras of easy money rates and low commodity prices.

Iowa bankers who buy bonds find, among our selected offerings, both the high quality and the diversification they require. Also, for many bankers throughout the state, our service has proved of practical value. Investment inquiries invited, without obligation. Also ask for our June bond list. Please address our Burlington office.

W.D. Hanna and Company

BONDS FOR INVESTMENT

Burlington, Iowa

Pioneer Bank Building, Waterloo

The Higley Building, Cedar Rapids

The Laurel Building, Muscatine

covered that the use of advertising cannot only develop new markets but create new industries and greater uses for the old. In his own immediate field he has had to revise his entire attitude toward advertising as a business factor. He has come to realize that whatever service it is proper to perform in banking or elsewhere it is equally proper to sell to those who can use it, and that wherever human need is met it is proper to make a human presentation of it."

Advertising is a power and force which is recognized by manufacturers and merchants everywhere and bankers who are alive and alert to make their institutions the real success that they should be are using this modern method of salesmanship to link up with their forward looking program.

FRED I. KENT, chairman of the Commerce and Marine Commission of the American Bankers Association, in a recent report indicates that "During the first three months of 1929 securities issued amounted to about two billion eight hundred million dollars. The rights that had to be taken up came to another billion and a half, making a total of over four billion dollars in securities that had to be taken up in three months. National income available for the purchase of securities was about a billion eight hundred million for the three months. New securities were being issued at a much greater rate than we could absorb and it was time to call a halt."

Business and commerce are being re-adjusted to a sounder and better plane and our new period of prosperity cer-

tainly is developing on a better foundation.

R. S. HECHT, chairman of the Economic Policy Commission of the American Bankers Association, in a recent report expresses the opinion that the commission "does not believe that so-called 'trade area' branch banking is likely to gain the support of any large percentage of the banking fraternity."

Governor Young of the Federal Reserve Board, on the other hand, favors the trade area branch banking and is opposed to nation-wide branch banking at this time.

The whole question is now being studied very carefully by the banking and currency committee of the House; in fact, all those who have testified so far before the committee believe that whatever new development comes in banking "that there will always be room for vigorous independent unit banking competitors."

GEORGE A. STARRING, secretary of the South Dakota Bankers Association, is getting so many advance reservations for the big meeting at Aberdeen, June 11th to 13th, that he expects the boys are going to have to sleep in the parks and the beautiful women at the Y. W. C. A., and he is looking for an attendance of 350 to 400.

As usual, George has a fine program prepared and it will pay in dividends to every banker who attends.

A. N. MATHERS, president of the Nebraska Bankers Association, in speaking before the group meetings in his state recently, pointed out that there had been too many banks created in Nebraska and this was the reason for whatever financial difficulties had arisen in his state.

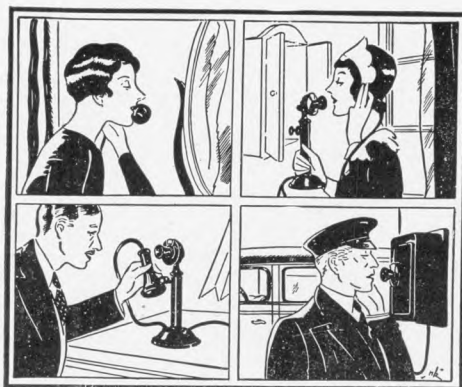
In closing his remarks, Mr. Mathers said: "Visionary politicians, unworkable laws, too many banks, drastic deflation, dishonesty and incompetency as serious and threatening as they may appear at times, can no more destroy the great sound banking and financial structure of the state than periodical hail, drought, or frost can destroy Nebraska's growing agricultural and industrial progress."

HARRY LEE, vice president of the Bank of Long Prairie, has been elected president of the Independent Bankers Association of Minnesota.

The association has been organized "to represent the rights of the independent bankers and to preserve for this state the independent local bank."

J. M. Freeman, a director of the Olivia State Bank and lawyer by profession, in addressing the first meeting of the association said: "We do not need groups or chains to give the people better banking. We are doing that ourselves. Branch banking will be a cold, crystalized,

Putting more Telephones in the Home



PRESENT day thinking puts a premium on convenience. More and more people are discovering that one telephone in the home is not enough. Many homes now have two or more, and in some cases almost every room has its own telephone or a connection for one.

The scope of the Bell System service is constantly increasing not only beyond its present frontiers, but within them. Long distance lines now bring the most widely separated parts of the United States together. Radio telephony

has brought Europe within speaking distance. At the same time, the urge for greater convenience is constantly increasing the use of the telephone in districts already served.

The continuous and growing demand for this service is a fundamental element in the security of investment in the Bell System. Equally if not more important are the progressiveness of its management and its conservative financial policy.

May we send you a copy of our booklet, "Bell Telephone Securities"?

BELL TELEPHONE SECURITIES CO. Inc.

195 Broadway, New York City



THE OLDEST SAVINGS BANK IN IOWA



THE LARGEST SAVINGS BANK IN IOWA

SOURCES OF KNOWING

*Time tested channels
of sound information*

Information is reliable depending upon the reliability of its source. One of the advantages of age and size in the banking business is the extensive facilities for *knowing* that come only with time and broad activity. The American, through its intimate friendships in all parts of the country, built up during three generations, values its connections as a great asset which it freely shares with its correspondents.

AMERICAN COMMERCIAL AND SAVINGS BANK
DAVENPORT, IOWA

LET US HELP

When you want accurate information on any subject that comes under the purview of banking, and want it quickly, phone or wire us. It is likely that we can get it for you promptly, if we haven't it on file.



Northwestern Banker June 1930

scientific matter of business. The remedy I offer is the unification, the organization of the unit bankers of the state for the purpose of maintaining their institutions against the encroachment of the branch and chain banks."

FRED A. CUSCADEN, vice president of the Northern Trust Company, Chicago, has just sent out a very beautiful book entitled, "The Fourth Decade and the Fourth Expansion," which is an invitation to the opening of the newly enlarged building of the Northern Trust Company.

This is the fourth time since the organ-

ization over 40 years ago that the physical home of the Northern Trust Company has been expanded. Two complete floors have been added and the company is in better position than ever to take care of its increasing business.

If you haven't seen a copy of this beautiful booklet I am sure Mr. Cuscaden will be glad to send you one.

Explaining It

Passenger: "Why are we so late?"

The Porter: "Well, sah, de train in front is behind, and we was behind before besides."

Are We Rushing Through a Stop Signal?

(Continued from page 18)

tural communities an unaccustomed volume of funds which were deposited with the local banks at high rates of interest, and which the local banker felt obliged to re-employ at high rates of interest. Many a small town banker, who was a good banker when his loanable resources were somewhat less than the borrowing demands of his good customers, and who could make good loans when he could discriminate among competing borrowers, found himself to be a very poor banker when he faced the unaccustomed problem of employing surplus funds. He was not trained for that.

It may be added that the well-meant efforts of the Federal government to improve the condition of agriculture by multiplying the facilities of agricultural credit have had as their main result a great and excessive increase in the mortgage debt of agriculture, without a commensurate increase in the productiveness of agriculture, and with a consequent narrowing of the margin of free income and the percentage margin of equity in land, on the basis of which the farmer could ask his banker for credit.

Very especially has the position of the very small bank in villages been weakened by the coming of hard roads and automobiles, which, in many places, have largely destroyed the usefulness of the small local village, doing away with the local merchant, the local mill, and the local church, as well as the local banker, making it possible for the people to do their business and seek their social life in the county seat and nearby larger cities. Industrial consolidations, moreover, even where leaving local factories in small places, have very often taken away the banking business which the local factory gave to the local banker, and concentrated it in larger places. The growth of chain stores has had a similar effect. The very small bank has had a difficult time in recent years, and the marvelous thing is, not that so many have gone under, but rather that such an enormous number have stood, and have even prospered, despite these adverse tendencies.

Diversification of Resources

ONE cause assigned for the failures of many small banks is that they have been unable to diversify their resources because located in a one-crop district, whereas a great bank with branches stretching over a whole Federal Reserve district could accomplish this diversification. It is true that many small banks have failed through lack of diversification of their resources, but it is also true that the majority of small banks in the same communities have survived because they have diversified their resources.



DAIRY PRODUCTS

for the nation's table . . .

By much more than a comfortable margin, Wisconsin leads all other states in the value of its dairy products. In 1925, 2,779 cheese factories and 599 creameries produced \$209,260,384 worth of butter, cheese, condensed and evaporated milk. Wisconsin manufactures 75% of the American cheese, 91% of the brick cheese and 83% of the Swiss cheese produced in the United States.

Bankers and business men wishing additional information concerning the well-diversified industrial and agricultural prosperity of Wisconsin are invited to consult First Wisconsin officers at any time.

FIRST WISCONSIN NATIONAL BANK

MILWAUKEE

Unit of Wisconsin Bankshares Corporation

THE WHITE PHILLIPS COMPANY, INC.

INVESTMENT BANKERS

DAVENPORT, IOWA CHICAGO, ILLINOIS

June Investments

WE OWN AND OFFER, SUBJECT TO PRIOR SALE:

\$104,000	4½%	Benton County, Ia., Refunding	5-1-1933-42	4.15%
54,000	4½%	Clinton, Iowa, Funding	11-1-1933-40	4.20%
44,000	4½%	Cromwell, Iowa, School	5-1-1933-50	4.25%
17,000	5%	Des Moines, Iowa, Funding	11-1-1938	4.15%
400,000	4½%	Fayette County, Ia., Primary Road	Opt. 5-1-1935	4.25%
41,000	4½%	Fremont County, Ia., Funding	11-1-1937-43	4.20%
135,000	4½%	Franklin County, Ia., Primary Road	Opt. 5-1-1935	4.25%
16,000	4¾%	Geneseo Twp., Tama Co., Ia., School Ref.	6-1-1946-50	4.30%
10,000	4¾%	Sioux City, Iowa, Refunding	1-1-1938	4.15%
100,000	4½%	Union County, Ia., Primary Road	Opt. 5-1-1935	4.25%
90,000	5¼%	Madison, No. Carolina, School	5-1-1932-52	5.00%
36,000	5%	Campbell, Mo., School Dist., No. 7	2-1-1935-49	4.80%
30,000	5½%	Clarion Twp., Bureau Co., Ill., Road	7-1-1935-41	4.80%
20,000	5½%	Oakwood Twp., Vermillion Co., Ill., Road	12-15-1936-37	4.70%
14,000	6%	Fayette Co., Ill., (St. Elmo) Sch. Dist. No. 110	6-1-34-40	4.80%
24,000	5%	Media Twp., Henderson Co., Ill., School	7-1-1933-49	4.65%
51,000	5%	Gillespie County, Texas, Road	7-8-1932-66	4.80%
46,000	5%	Lavaca Co., Tex., Road Dist. No. 1	5-15-1943-59	5.10%
93,000	5%	Lubbock Co., Texas, Road	3-10-1932-69	4.80%

Complete descriptive circulars on the above offerings will be gladly furnished upon request



THE INVESTMENT
BANKING HOUSE OF SERVICE



They have accomplished this diversification by means of their correspondent relations with great banks in great cities. They have refrained from putting all of their resources into local loans, and have placed part of them, through their correspondent bank, into open market commercial paper, or readily marketable bonds, or call loans on the Stock Exchange, or acceptances, and deposit balances with their correspondent bank to build up a "borrowing equity." When times of stress have come, they have thus had secondary reserves, and they have been able to borrow from their correspondent banks sums needed to tide them over seasonal needs and emergencies. Good banking and diversification of banking resources is perfectly possible for a small bank in a

one-crop community. We do not need branch banking either for the purpose of securing diversification or for the purpose of bringing about a seasonal flow from region to region. The system of correspondent banking relations has accomplished this for many decades, and good bankers everywhere know how to do it.

The Remedies

I SEE nothing in all of this to call for a radical change in Federal laws regarding branch banking. The problems do not extend throughout the United States. They are centered in particular States. The problems do not relate to institutions of sufficient size to be beyond the power of each State to deal with for itself.

Radical changes in the banking legislation of a good many States are undoubtedly indicated. The minimum capital required for banking in many States is far too small. *There ought to be sweeping consolidation movements among the smallest banks in many States. Many villages which now have two or three struggling banks would be much better served by one strong bank. State legislation giving the State banking authorities power to guide, and even to compel this in their discretion, would be very desirable in certain States.*

A limited extension of branch banking by State law would probably help the situation in a good many States. The National Bank Act should be amended so as to permit National banks to do in this connection what the different States allow their State banks to do.

County-wide branch banking, branch banking in groups of counties, even, in some cases, State-wide banking, or branch banking centering about three or four main cities of the State, ought, in certain States, to be permitted and encouraged. There may even be one or two cases where a State will feel itself so much in need of outside banking capital that it will welcome the branches of powerful banks whose head offices are in other States.

Mr. Platt, of the Federal Reserve Board, has made moderate proposals along the line of county-wide branch banking, having especially in mind the very small country banks, which deserve very careful study. Ambassador Charles G. Dawes, when Comptroller of the Currency, in his Annual Report for the year 1898, recommended that branch banking be authorized in communities of less than two thousand inhabitants, since many of such communities were not able to support independent banks. Many such villages would undoubtedly be better served by an inexpensive office of a strong bank, whose head office is in a nearby county seat, than they are by their local independent unit bank which is not making profits and which must charge very high rates for the limited local loans it is able to make.


It is probable that legislation along this line, authorizing banks in larger cities to establish branches in outside communities with ten thousand or less inhabitants, or even with five thousand or less, would accomplish virtually everything, with respect to the prevention of small bank failures, that branch banking could in any case accomplish. At the same time it would avoid the grave evils that would come from the sudden revolution in our general banking system, and from the destruction of local financial independence, that the larger program now under consideration would involve.

Further, such a limitation would concentrate upon the communities most in need of help the attention of the bankers who are in favor of such developments,

Our senior officers

have been recruited from every section of the country. Wherever you go, you will find some one of them not only prominently known, but intimately knowing that section and its needs. We are consequently able to offer you a sympathetic understanding of your problems, however varied or complicated.

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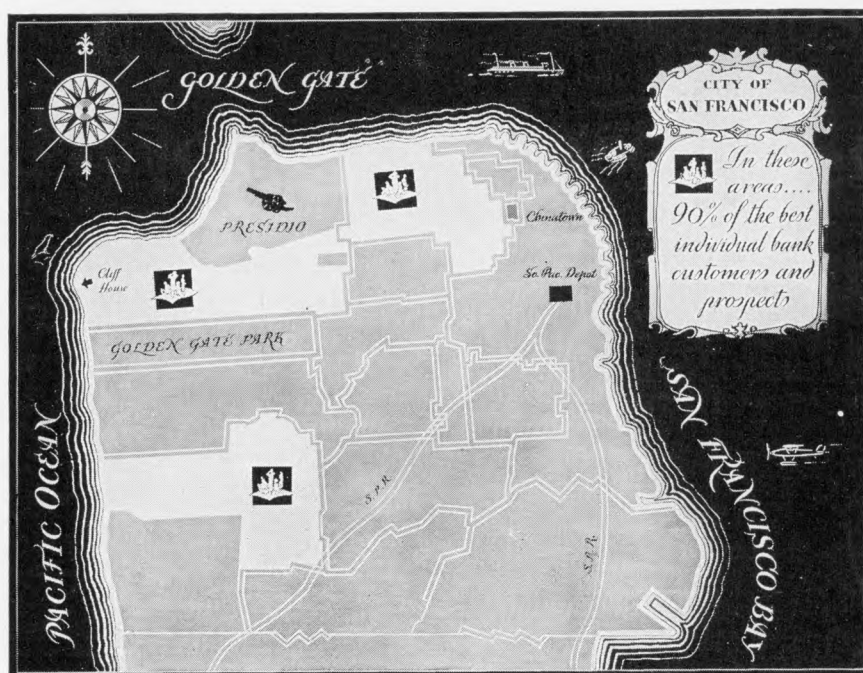
but who would be hunting bigger game in larger cities if the whole field were thrown open. Such legislation ought to be drawn in such terms as will encourage the organizers of branch bank systems to take over the existing banks, and to discourage the starting of new branch offices in places where such action would merely increase the difficulties of existing small banks. Permission to establish such new branches, competing with existing banks, ought not to be automatic, but should involve some "certificate of convenience and necessity", to be issued by the authorities only after hearings.

But the problem differs greatly in different States. The different State bankers' associations should take it up and they should carry their proposed legislation to their State capitals, rather than to Washington. The one piece of legislation needed at Washington would seem to be that the National banks be allowed to have branches in a given State on the same terms that the State banks and trust companies in that State are allowed to have them.

Local Financial Independence

WE ARE moving much too fast and too far in the direction of centralization. If an evil arises, we rush to Washington for a remedy which, even if a good remedy for part of the country, is often ill adapted to the special needs of other parts of the country, and which, if a bad remedy, makes another nationwide evil. It is far better that we should use the machinery of our forty-eight States for social and economic experiments. If they work well, other States may adopt them. If they work well in part, other States may modify them in adopting them. If the new measures are good for some States and bad for others, those that find them good may use them. If the remedies are definitely bad, as guaranty of bank deposits proved to be, we develop the fact by a relatively small scale experiment, and the country as a whole is saved. There is, for example, little danger of Federal legislation for the guaranty of bank deposits, but I should not feel so sure of this if the experience in Oklahoma and Nebraska and elsewhere had not already given us an object lesson upon the point.

I should strongly oppose Federal legislation which would force upon a State which was unwilling to accept it the branch bank system, and, above all, Federal legislation which would compel a State to admit the branch of a bank chartered in another State against its will and against its laws. Specialists in every field, eager to bring about widespread adoption of their remedies and reforms, are continually going to Congress to secure Congressional legislation covering matters which are properly matters of State concern. Congress is continually giving attention to matters which ought



WITH YOUR BEST CUSTOMERS

EVERY CONTACT COUNTS



In the districts indicated
on the map live the fami-

lies who are prominent in the civic, commercial and social life of San Francisco. It is from these families that banks attract their best individual customers. It is from these families that the army of American travelers draws recruits. • Banks establish good contacts with these customers when they are purchasing A. B. A. Cheques. They must come to the bank to buy the Cheques and it is an opportune time to offer the facilities of the bank for securities management, safe deposit, wills and trusts. They are quick to see that the pleasure of their travels will be increased if their affairs at home are properly managed in their absence. • And this contact is continued, for they will see the bank's name on the Cheques at least once a day while they are away.



A·B·A CHEQUES

CERTIFIED

OFFICIAL TRAVEL CHEQUE OF AMERICAN BANKERS ASSOCIATION

Northwestern Banker June 1930



A knight's shield offered him protection—also a bright surface on which to emblazon his coat-of-arms that all might know him and his reputation.

Your checks can serve you as modern shields, if they are made on La Monte National Safety Paper. To your customers, they offer security . . . they are safe. To you, they afford a distinctive and colorful background for the effective display of your name and emblem . . . a setting that will convey a sense of your pride and progress . . . a forceful link, too, in the advertising of your service.

We should like to show you how your emblem would look in La Monte National Safety Paper. If you will send us a sample—from a letterhead or an advertisement—we'll gladly make up a sketch for you, with our compliments. Or, if you have no individual emblem, we'll originate one for you, free of cost. George La Monte & Son, 61 Broadway, New York City.

FREE — An unusual sample book of checks, F-14, made on La Monte National Safety Paper.



to be handled piecemeal among the forty-eight States. Congress is overburdened with measures of this kind, and Washington has grown topheavy with bureaus for administering such legislation.

We need the States. They are a vital part of our political machinery, and we must be content to see them make mistakes occasionally, as part of the price which we must pay for a proper balance between centralization and local self-government. If the choice were between an infallible Congress and fallible State legislatures, the issue might not be so clear, but Congress can also make mistakes, and such mistakes are more serious than those made in a single State. The banker is not merely a banker. He is also, and first of all, a citizen. As a citizen, he may be permitted to attach a higher importance to the preservation of the fundamentals of our Federal system of government than to technical points in banking legislation.

I believe in the general system of local financial independence. I am opposed to having the bankers of one city dominate the banking of another city. I believe that this country ought to have in every city several strong, independent financial institutions interested in the local community, and dealing as principals with the banks of other cities, rather than acting merely as their agents. I believe that our system of correspondent banks gives us, in general, all the financial interdependence that we need, and that the services which the correspondent bank in a great city performs for the banker in a smaller place make it unnecessary for him to have the elaborate facilities which a great bank has. The unit banking system has gone to extremes with us in many States. There are too many very small banks. But correcting this excess of the system will leave our American banking system, I believe, far better adapted to our needs than the European system of a few great banks with a multitude of branches, with all power centered in a few great financial centers.

Parity of Banks

I CANNOT sympathize with the view that it is necessary to pass unsound legislation for the purpose of giving such supremacy to the National banking system over the State banking systems that banks would be compelled to drop their State charters and take out National charters. It is now well demonstrated that the Federal Reserve System does not depend for its success and growth upon the growth of the National banking system. Virtually all of the great State banks are members of the Federal Reserve System. Seventy-five per cent of the commercial banks of the country, measured in volume of loans and investments, are members of the Federal Reserve System. The Federal Reserve System can at any time dominate the money market,

which is dependent on Federal Reserve credit for a high percentage of its cash reserves. Through the Federal Reserve System, Federal supervision extends to the great bulk of the banking resources of the country at present.

The original purpose of the National banking system was to supply a uniform bank note issue throughout the country, and to make a market for the Civil War Government bond issues. With the Federal Reserve Act and the Federal Reserve Note, the National Bank Note has become a matter of relatively minor importance. There is no need for artificial support of the Government bond market. The National banking system is important, and it is desirable to maintain it. It has helped set good banking standards throughout the country. The Federal Comptroller's supervision and inspection of banks is better than State supervision and inspection of banks in many States—not in all. But the State banking systems are also good systems, by and large. It is thoroughly undesirable that great issues of banking policy should be settled as a mere incident to a competition between the State and National banking systems.

A Grave Practical Danger

THE adoption of the proposed Federal legislation authorizing National banks to establish branches throughout

great "trade areas" as wide as Federal Reserve districts or even, in certain cases, wider, would be like the firing of the starter's pistol at a race. It would initiate one of the fiercest competitive struggles the country has ever seen among the powerful banks in each of the districts for supremacy throughout the district. Many hasty and ill-considered consolidations would be put through. Efficiency would suffer. A great readjustment in the relations of banks and business would be necessary. It would mean competitive bidding for the stocks of the banks which would be absorbed in the great branch bank systems. It would mean an orgy of speculation in bank stocks. It would bring into play the vigorous activity of promoters, not necessarily bankers or men with capacity in bank administration, who would buy up or obtain options upon large numbers of banks with a view to selling them to competing great banks.

Those of us who believe that the primary business of a banker is banking rather than bank-stock jobbing would not welcome a situation of this sort. Within recent months a great many conservative bankers have been saying that they would dislike very much a competition of this sort, that they hope it will not be forced upon them, but that if it is forced upon them, they will, of course, act to protect their positions. I should think

that legislative restraint, rather than legislative encouragement, would be called for by tendencies like these.

Wilfred Gehr Honored

Wilfred G. Gehr, mortgage loan expert of the Union Title Guarantee Company, Inc., a division of Insurance Securities Company, attended a conference called by the Chamber of Commerce of the United States for a discussion upon "Aspects of Realty Financing Relation to Small Investments."

This discussion took the form of a Round Table Conference and was held in Washington, D. C. Mr. Gehr was one of the three men in the United States selected from the Mortgage Bankers Association invited to attend this conference. The other delegates selected were Thos. F. Clark of New Haven, Connecticut, and Walter Williams of Seattle, Washington. Mr. Gehr was selected to bring to the discussion his wide and varied experience in home financing.

Dangers of the Night

The doctor told Alias Jones not to stay out late nights.

"You think the night air is bad for me, Doc?"

"No," said the physician, "it isn't that. It's the excitement after getting home that hurts you."

PASS BOOKS AND CHECK BOOKS SHOULD REFLECT THE STABILITY OF YOUR SERVICE...



YOUR banking home was designed to create an immediate impression of dignity, efficiency, security. You employed the finest architect available. You worked out every detail with him. Good business psychology. . . . Are you equally careful in planning the pass books and check books that represent you?

Many depositors seldom see the bank with which they do business. *But they use their check books almost every day!* In time, to the individual, those books become the measure of your service.

The Todd Company has developed a luxurious line of pass books and check covers that will enhance the prestige of *any* bank. Called Antique Moorish, they closely simulate the rich carved leather of ancient Moorish craftsmen. They are sturdy, flexible and unusually good-looking. They will endure rough handling indefinitely. They are moisture-proof. Even embossed in gold with your distinguishing emblem, they cost little, if any, more than the ordinary product.

Antique Moorish is made in many styles and sizes. Some of them are illustrated at the left. But black and white cannot suggest their feel and quality or the beauty of their varied colors. See those things for yourself. Use the coupon below.

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TODD SYSTEM OF CHECK PROTECTION

Missouri-Kansas Pipe Line Company

Company and Business Missouri-Kansas Pipe Line Company is a complete unit in the natural gas industry, being engaged in the production, purchase, transportation and distribution of natural gas. Natural gas is supplied under long term contracts to public utility and industrial companies and under exclusive franchises to municipalities.

Properties The Company and its subsidiaries control properties geographically located so as to make it the logical source of supply of some of the richest domestic and industrial markets of the country.

Natural Gas Reserves The Company owns or controls the natural gas output on 410,385 acres. Competent engineers have estimated the natural gas reserves on the acreage of the Company to be in excess of 1,500 billion cubic feet—a volume sufficient to supply markets 10 times the Company's present gas sales.

Pipe Line Transmission System Exclusive of lines now under construction, the Company with its subsidiaries owns and operates 796 miles of modern pipe line together with necessary rights of way and compressor stations.

Producing Wells The Company, with its subsidiaries, controls 1,809 producing gas and oil wells. Intensive development of valuable oil leases should result in substantial increase in production and revenues.

Capitalization The Company has a strong capital structure. It has no outstanding notes, bonds or preferred stocks. Sole ownership resides in the Common stockholders, and all earnings are available for Common Stock dividends.

Dividends The Company has established a liberal policy of enabling stockholders to share in its growth. Dividends of 2½% in stock have been paid regularly since July, 1929—equivalent to an annual stock dividend of 10%.

Future Missouri-Kansas Pipe Line Company has an expansion program of tremendous scope—a program which will easily quadruple the size of the company in the next year. Note the news item to the right which forecasts the building of an enormous pipeline, which will immediately double the pipeline mileage of the company. This is the first of a series of more important announcements to come.

Record of Growth Since its inception in May, 1928, the Company's pipe line transmission system has been increased from 113 miles to over 796 miles. Gas acreage has been increased from 60,000 acres to over 410,000 acres. For the 12 months ending December 31, 1929, the Company's gas sales increased 350% over 1928. Sales for January, February and March, 1930, were largest of any quarter in the Company's history.

The Last Five Months From November 30, 1929, to March 31, 1930, total assets of Missouri-Kansas Pipe Line Company increased from \$5,582,503.16 to \$20,030,735.72, or 258%.

In the same period surplus increased from \$3,151,933.14 to \$14,042,102.73—an increase of 345%.

Ratio of current assets to current liability increased from 3 to 1 on November 30th to 55 to 1 on March 31st—an increase of 1400%.

Cash on hand and marketable securities increased from \$462,978.88 on November 30th to \$11,696,550.73—an increase of 2426%. This does not take into consideration \$737,000.00 due on partial payments for stock purchased which represents current cash collections of over \$100,000.00 a month. Properties

plants and leaseholds have been acquired increasing such investments from \$3,845,357.49 to \$7,065,122.92—an increase of 83%.

(These figures represent book value as shown by ledger accounts and do not give effect to the considerable increases in actual value that have taken place in the development of various properties.)

Conclusion The above analysis shows that Missouri-Kansas Pipe Line Company, a complete unit in the natural gas industry, has a substantial foundation with a program of development which will make it one of the five largest companies in the field. Naturally the common stockholders will be rewarded with substantial profits as this program comes into actuality.

\$15,000,000 PIPE LINE ORDER

Pittsburgh, Pa., April 28.—(P)—The Missouri-Kansas Pipe Line company has placed an order "estimated at \$15,000,000" for manufacture of pipe with the National Tube company here, J. J. Kennedy, general manager of sales of National Tube, announced tonight.

Kennedy said that any announcement as to reports that the order was for a Texas to Minneapolis gas line would have to come from the offices of the Missouri-Kansas Pipe Line company.

He said the order called for 375 miles of 24 inch pipe, 350 miles of 22 inch pipe, and numerous lateral pipes of varying sizes.

Reprint from Chicago Tribune, April 29th

We suggest the immediate purchase of this Stock at the market

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The statements made herein are correct to our knowledge and belief, but are given without any liability on our part.

Bonds and Investments

Keep Your Losses Down if You Want Profit from Bonds

By **LESLIE NEWTON**

*President, Investors' Economic Service,
Milwaukee*

THE old theory of banking was that the local needs of each community should be taken care of before any investments were placed outside. It has taken some hard knocks to cause us to realize that, however good this may have been for the community, it was not so good for the banks themselves. The essential requisite of any bank is that it shall keep sufficiently liquid to meet any unexpected demands. Except for collateral loans protected by liquid issues, most local loans are essentially non-liquid. We believe, therefore, that for a bank to have outside investments should not be at all a defensive affair, but that it is an essential of sound banking.

Commercial paper, up to a few years ago, was deservedly considered the best for a bank's surplus funds, but commercial paper today is neither so safe, profitable, or practical as it was. Rates are not only disappointingly low, but comparatively few offerings are available, and they are largely of the weaker companies. Bankers' Acceptances are not so widely used in this section of the country, and at 2¾ per cent they are far from attractive. The extraordinarily high call money rates of last year are now down to their more accustomed three per cent. Bonds have become, therefore, the most satisfactory medium for a bank's outside investments, and our discussion centers around them.

Different Conditions

IN HOLDING bonds, a banker is at once confronted with wholly different conditions. He can keep intimate track of how his local borrowers are getting along, but in buying a bond he makes a long-term loan to a distant borrower, whose progress is not automatically brought to his attention. He is asked to purchase on what is sometimes an absurd lack of information about it, and it is presented by some of the best salesmen in the world, so that he more often makes his loan to the distant borrower as a result of this salesmanship, than from a cold analysis of the loan. We shall attempt to cover some of the factors involved, and principles that we have found of definite, practical application.

It has been said of successful banking

that, "It is not so much what you make, as what you don't lose, that counts." Every successful banker knows and follows that basic principle. We cannot state strongly enough that the secret of successful bond investment also is to prevent losses. The more experience you have, the more will you be driven inevitably to this conclusion. In our work we see scores of bond lists, and we have yet to find one where this did not apply. There are many ways of increasing safely the return from a bank's bond account, but none of them are of any importance compared with aiming first at preventing losses.

Of primary consideration, therefore, is the rate of return that one should aim for. There are extremes in this as in anything else. One may aim for only the highest

*"I hope this truth will stick with you and never be forgotten
—'The secret of a profitable bond account is to prevent losses'!"*

grade issues, thus preventing losses, and free the management from criticism because of losses, but at a cost to the fund that is high. The other extreme is to aim consistently at high yields, endeavoring to see how weak an issue one can buy that will still be paid at maturity. There is a middle ground which marks successful investment, where too great risk is not assumed or too low yields accepted, but satisfactory security is obtained in combination with a reasonable yield. Figure out for yourself, some time, how much the market loss on some of your issues has cut down the yield promised. Many times a bank would have been much better off to have invested only in four per cent yields.

Must Take Necessary Loss

A SECOND major source of unsatisfactory results from a bond account is in unwillingness to take a loss. This keeps one from selling when weakness first appears, and results in having to accept an occasional very heavy loss. This

is one of the things we find it most difficult to contend with. Sell on the first signs of weakness, no matter what the results, when the cloud is no bigger than a man's hand; sell all the way down, so long as the trend of the borrower is toward further weakness; don't buy a declining issue until you know what has caused the decline, and the bottom is safely passed; and don't try to average down on purchases until there are definite signs of improvement.

Another major source of large losses in bonds is not having an investment policy. Most of us put our funds into bonds according to what we are offered, rather than according to what we should have. There is no more essential policy of investment than that of adequate diversification. For your bank there is some fairly certain percentage that you should hold of utilities, rails, foreigners, and industrials, and of the various maturities. When one has funds for investment, the very first question should be "What particular type or maturity should I look for with these funds?" Lack of this essential policy results in over-investment in certain types or maturities that render an account vulnerable to unexpected conditions, and keep it from being the bulwark of protection that it might just as well offer your bank.

The Industry Trend

AND here is a fact which will always stand you in good stead in judging an issue. There is scarcely any other factor of as great importance as the trend of the industry of which it is a part. If an industry is over crowded, and there is a lessening demand for its products, even the best in the industry cannot operate very profitably, and almost all of the issues in that industry should be avoided. If, on the other hand, the industry is meeting with expanding demand and more favorable conditions, even the weaker concerns will be able to operate profitably. Generally speaking, we would prefer the weaker issues in an improving industry, to the stronger issues in one which is going down-hill.

So much for the question of losses due to the individual borrowers. There are

Northwestern Banker June 1930

also the losses due to broad economic changes, such as we all experienced between the early part of 1928 and November, 1929. If one can tell whether conditions are working toward lower money rates or higher, he can protect himself by holding principally short-termed issues when money rates are tending to increase, and longer-termed issues when money rates are tending to decline. The difficulty, of course, is knowing just what period one is in. It is our opinion that the long-term trend of bonds is toward somewhat higher levels. We base this primarily upon the relationship which bond prices bear to commodity prices,

that of moving inversely. We believe that we are in for some years yet of declining commodity prices. We do not believe one should be much surprised at the declines we have had thus far in 1930, because during this period, the long-term trend toward lower commodity prices was supplemented by the short-term trend resulting from declining business activity. Our declining gold production, the increasing production of commodities of all sorts, and such data as history gives us, all point to declining commodity prices over a period of years. This should mean higher prices for bonds in time.

Temporarily, however, we believe the

trend is in the opposite direction, much propaganda to the contrary. Money rates have been made unduly low in this country, we believe, because of the administration's desire to stimulate business, just as they were made unnecessarily high last year because of the wish to curb speculation. We believe that business is working out its normal reaction, and that by the fourth quarter of this year, it will be comparing favorably with last year. We believe that this will result in higher prices for stocks next fall than now prevail, and we might easily have a period of run-away speculation again. Improvement in business would obviate the necessity of extremely low money rates, and there might again be the desire to curb speculation by raising them. The public is still stock minded. New offerings are coming along in large amounts whenever the bond market shows much strength. We believe, therefore, that these factors point to somewhat lower bond prices next fall than now prevail. At least, we are urging our clients to be on the safe side by giving principal attention at this time to short-term issues, and to those which appear to offer exceptional combinations of yield and security, but letting the other fellow hold the low-yielding, long term issues.

We especially advise some of the convertible issues, or those with stock purchase warrants. These must be carefully chosen, for during the past two years bonds have been offered that have been solely a gamble on what certain exploited stocks were likely to do. There are some convertibles, however, whose options allow one to take advantage of appreciation that the stocks may have over quite a period of time, and which are not selling very much above their investment value now. We strongly urge one to be always on guard against those issues whose sole claim for consideration is a temporary option on some weak stock.

Despite the statements of many bond houses to the contrary, we believe little is so important in an issue as marketability. You may never have to dispose of it, but when for any reason you do wish to sell, you will not have to accept what one or two houses may wish to offer. You will know how the borrower is getting along. You will see weakness coming long before you would in a smaller issue, and what is more, you will be able to sell at some price anyway. The big thing, however, is that when an unexpected demand is made upon your resources, you will have issues that you can market within twenty-four hours at a minimum sacrifice.

Maturities

IN PLANNING its investment program, we believe a bank should give first attention to maturities. While from a purely investment standpoint, the long-term outlook would justify a greater com-

Rule of Thumb Methods have no place

... in determining the proportion of a bank's resources that
should be held in loans and discounts, in cash, in bonds,
in commercial paper or any other valid asset

These ratios are vital to the bank's profitable operation and to the quality of service which it gives to its community. They must be decided according to such variable factors as local loan and credit conditions and the character and average duration of the bank's deposits.

Whether large or small in ratio to resources, the bank's secondary reserve of bonds should be built with a view to sound security, broad diversification, and adequate yield, rather than to capital profits. It should likewise include a liquid revolving fund of bonds of early maturity, sufficient to meet emergency demands that may not be provided for by the primary reserve of cash and Treas-

ury Certificates or other quick paper.

In assuring proper selection of securities and a satisfactory relation between the secondary reserve and the bank's other resources, the services of an experienced investment house can be of real value. The accumulated knowledge of banking requirements gained by such an investment house in serving thousands of institutions brings to bear on the individual problem a wealth of practical information.

Our broad experience in preparing detailed bond reserve accounts is available to every banker. Write today to our nearest office for the useful folder, *Sound Investment Practice for the Commercial Bank.*

HALSEY, STUART & CO.

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CHICAGO, 201 South La Salle St. NEW YORK, 35 Wall St.

AND OTHER PRINCIPAL CITIES

THE PROGRAM
THAT DOES MORE
THAN
ENTERTAIN



Every Wednesday evening thousands increase their knowledge of sound investment by listening to the Old Counsellor on the Halsey, Stuart & Co. program. Broadcast over a Coast to Coast chain of 37 stations associated with National Broadcasting Co.

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BONDS TO FIT THE INVESTOR

Northwestern Banker June 1930

CONSISTENT reader interest being the basis of greatest magazine strength, we proudly point to the fact that the NORTHWESTERN BANKER, with a subscription renewal percentage of over

80%

possesses the highest renewal subscription consistency of any sectional banking magazine with membership in the Audit Bureau of Circulations. In such reader interest you find the best assurance of advertising profit.

THE NORTHWESTERN BANKER DES MOINES

One of the De Puy Group of Banking and Insurance Magazines

Northwestern Banker June 1930

mitment in long-term issues than in short-term; the possibility of a bank's having to raise funds unexpectedly makes it absolutely necessary to carry a good proportion of short-term issues. We recommend about 20 per cent that mature within the first three years, another 20 per cent in the following five years, a third 20 per cent in the following ten years, and the remainder in longer-termed issues. This is approximately the same as that recommended by the commissioner, to have 50 per cent maturing within ten years.

A few words as to the different types of investment. We believe that public utilities offer today the best combinations of

security, yield, and outlook that the market offers, and we suggest around 40 per cent of one's holdings in them. The greatest danger in them revolves around the highly pyramided holding companies which have very little intrinsic strength and are almost wholly dependent upon continuing favorable operating conditions. Gamble on a very few of that sort if you like, but be sure that your holdings are principally in the operating companies and the stronger holding companies.

In rails, we advise around 15 per cent. It is very difficult for investors in this section of the country to appreciate their investment strength. We be-

lieve the railroads have achieved a stability that has not been equalled by any other type of corporation, and that rails offer a foundation for any investment list that cannot be duplicated. Because of the demand for them, yields are not attractive. There are few "middle ground" rail issues, and one is forced to drop from quite high-grade issues to those that are distinctly speculative. We do not believe, however, that any investment list can safely pass up at least a fair proportion of rails.

Industrials

THE word "industrial" is used to include those which have not been given a distinct name by themselves. Generally speaking, we believe that the proportion of industrials that a bank holds should not be greater than 25 per cent, for most of its other assets are loaned to industry or agriculture. Time forbids any discussion of the different industries, but there are very, very few bonds in the following industries which we would approve of a client holding: Coal, Cotton Goods, Leather, Lumber, Paper, Sugar, Woolens.

It is our belief that foreign issues offer exceptionally good combinations of yield and security, and we are accordingly advising from 10 per cent to 15 per cent in foreigners. The security of many foreigners compares favorably with that available in domestic issues, and at almost one per cent better yield. We believe that over a period of years, developments point to less danger of war, to higher standards of living the world over, to fewer and lower tariff and economic barriers, and to improving investment risks in most foreign countries. There is greater necessity, however, of care in selection, but there are scores of issues which seem to us to be entirely satisfactory for investment purposes, and whose yields are sufficient to satisfy any one.

It is our belief that a bank's outside investments hold greater possibilities of both gain and loss than any other department of the bank, and that they receive only a fraction of the study and attention they deserve. But even though you forget everything I have said, I hope that this truth will stick with you and never be forgotten—"The secret of a profitable bond account is to prevent losses."

Want American Goods

A growing demand on the part of Europe for American made goods of a modern character is seen by Ward S. Castle, executive vice president of the National Bank of the Republic, who returned to Chicago last month from abroad after six weeks study of conditions across the Atlantic.

Europe seems particularly interested in American building materials and in Italy the demand for patented and proc-

\$150,000.00
TULSA, OKLAHOMA
7%
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Maturities—One-tenth each year. Denominations—Various
FREE FROM FEDERAL INCOME TAX

The properties securing these Tax Bills are *100% improved*.
They are chosen from schedules in excess of the amount above listed, and all Tax Bills on unimproved properties are withheld from this offering.

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PRINCE & WHITELY

Established 1878

OTTO ANTONSEN, *Resident Partner*

The Investment Department of this organization
announces the appointment of

CARL HUMMELL

229 Insurance Exchange Bldg., Des Moines, Iowa

as its Iowa Representative

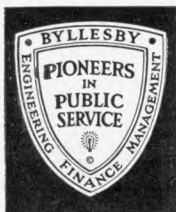
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NORTH AMERICAN TRUST SHARES

The Largest Fixed Trust in the United States

The investment portfolio of NORTH AMERICAN TRUST SHARES is composed of shares of common stock of the following outstanding corporations, deposited with Guaranty Trust Company of New York, Trustee. Over \$75,000,000 have been purchased by investors as of April 5, 1930.

Railroads

The Atchison, Top. & Santa Fe Ry. Co.
Canadian Pacific Railway Company
Illinois Central Railroad Company
Louisville & Nashville Railroad Co.
The New York Central Railroad Co.
The Pennsylvania Railroad Co.
Southern Pacific Company
Union Pacific Railroad Company

Oils

Royal Dutch Company (N. Y. Shares)
Standard Oil Company of California
Standard Oil Company (New Jersey)
Standard Oil Company of New York
The Texas Corporation

Industrials

American Rad. & Stand. Sanitary Corp.
The American Tobacco Co. (Class B)
E. I. du Pont de Nemours & Company
Eastman Kodak Company of N. J.
General Electric Company
Ingersoll-Rand Company
National Biscuit Company
Otis Elevator Company
United Fruit Company
United States Steel Corporation
Westinghouse Elec. & Mfg. Co.

Utilities

American Telephone & Telegraph Co.
Consolidated Gas Co. of New York
The Western Union Telegraph Co.

Circular showing an 18 year period of better than 13 per cent earnings will be sent on request.

We offer an attractive arrangement for bankers desirous of handling these shares. Write.

Price about \$10.25 per share

HARRY H. POLK & COMPANY

Investment Securities

Insurance Exchange Building

DES MOINES

Our current list of high grade bonds can be had on request.

LAMSON BROS. & Co.

Established 1874

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Chicago Board of Trade	Winnipeg Grain Exchange
Chicago Stock Exchange	Minneapolis Chamber of Commerce
New York Curb (Associate)	And all other principal exchanges

IOWA OFFICES

Cedar Rapids	Ft. Dodge	Mason City
Davenport	Iowa Falls	Sioux City
Des Moines	Marshalltown	Storm Lake
Dubuque		Waterloo

HOME OFFICE

166 W. Jackson Boulevard
Chicago

essed roofing and insulating goods has grown to large proportions, Mr. Castle said. Italy, he stated, gives an amazing outlook for prosperity.

"Our greatest worry about Europe right now is what will be done in the way of retaliation against the new tariff," said Mr. Castle. "The French are particularly bitter about the tariff bills as they now stand and my observation is that they are prepared to take drastic steps for retaliations should there be no modifications.

"Our foreign trade has been developed to where it can be hurt. The United States would be severely hurt if the tariff is not made reasonable. It was different in the days of the McKinley administration when the tariff was pushed up beyond all reason. We had little or no foreign trade then and it made small difference what we did.

"On the other hand, France has had a change of heart concerning the American tourist trade. In the last few weeks the French have adopted the satisfied customer idea and are expending themselves to make tourists feel that they want them to come back again next year.

"The talkies have not hurt the American motion picture industry. The substitution of native voices and language for the words spoken by American film stars is already going on and seems to be satisfactory while in the meantime the producers in Hollywood are undoubtedly meeting the situation in their foreign trade by the employment of foreign speaking actors.

"Our greatest trouble is the sort of advertising we get abroad. They know all about Capone everywhere you go but not a thing about Chicago's \$20,000,000 new Civic Opera House. The European newspapers carried big stories about the consolidation of the Capone and "Bugs" Moran interests in Chicago. What we have to do is to sell Europe on the good things of our country. Every American tourist in Europe should, without making a pest of himself, tell Europeans about the progress of America in a civic and artistic way as well as industrially."

Mr. Castle added that although the situation in India has caused a pause in England no injury to business in the island kingdom has been noticed. He said that the English textile trade showed signs of good improvement.

Perhaps She's Dead

Singer: "And for bonnie Annie Laurie I'd lay me down and die."

Listener (rising): "Is Miss Laurie in the audience?"

Modern Love

"Your sweetie sure uses plenty of make-up."

"She's my powdered sugar."

E. Raymond Dutro & Company

Reorganized

History and Business

E. Raymond Dutro & Company, an Iowa corporation, was organized February 7, 1928, as an investment company and since then has been engaged in the purchase and sale of high grade stocks and bonds.

Dutro & Company

To provide for the expansion of its activities a change was made in the capital structure of E. Raymond Dutro & Company on April 10, 1930, when Dutro & Company, a Delaware Corporation, was organized with 120,000 shares of no par capital stock for the purpose of absorbing the interests of E. Raymond Dutro & Company.

Dutro & Company will continue in the general securities business but will specialize in the securities of natural gas properties which it has acquired.

Natural Gas Properties

Illinois-Kansas Natural Gas Company.

Dutro & Company owns the Illinois-Kansas Natural Gas Company, which has gas reserves, leaseholds, and franchises which are being appraised by Mr. Herbert R. Davis, Consulting Engineer of Buffalo, New York, and whose preliminary reports indicate a total value for the properties of over \$500,000.

Arkansas Valley Natural Gas Company.

Dutro & Company owns twenty-five per cent of the Common Stock of the Arkansas Valley Natural Gas Company, and based on preliminary figures of Mr. Herbert R. Davis, Consulting Engineer of Buffalo, New York, it is indicated that the total value of the properties, including the completed pipe line system, will exceed Eight Million (\$8,000,000) Dollars.

What "Standard Statistics" Says

The Standard Statistics Company in a recent report on natural gas says, "Stimulated by the industrial demand for a cheap, efficient and easily handled fuel, the use of natural gas is growing apace.

"Country wide markets exist for and are in the reach of the natural gas supply of the United States.

"Acknowledging the demonstrated superiority of natural gas as a fuel, industrial companies are providing a demand which present facilities are being rapidly extended to meet."

DUTRO & COMPANY

702 American Bank Building

DAVENPORT, IOWA

Lee, Higginson in New Home

OPENING of the new business home of Lee, Higginson & Company on the bank floor of the recently completed Board of Trade Building, in Chicago, is considered of special interest because of the close association of this old banking house with the early and subsequent financing for many of the leading industrial and business enterprises of the middle west.

Removal of the offices from the Rookery, 209 South La Salle, where the firm

has been located for the last twenty-five years coincided with the eighty-second anniversary of the firm's founding, a fact which gave further significance to the establishment of the partnership in new quarters in Chicago.

A feature of the new home is a private entrance at 137 W. Jackson Boulevard, through which one passes into an attractive panelled vestibule. A private stairway rises to the lobby, reception hall, conference room and private rooms of

the partners and officials on the bank floor above.

Activity of the firm in Chicago and the middle west before and since the establishment of offices here in 1905 has given the partnership a strong relationship with the industrial and business growth in this section of the country.

The name of Lee, Higginson & Company has been identified with financing for enterprises of national and international scope, prominent among which are business concerns of such local interest as Western Electric Company, Chicago Telephone Company (predecessor of the present Illinois Bell Telephone System), Montgomery Ward & Company, Northwestern Elevated Company, Crane Co., Central Manufacturing District of Chicago, Fairbanks, Morse & Company, Quaker Oats Company, Kansas City Terminal Railway Company, By-Products Coke Corporation (now Interlake Iron Corporation), W. F. Hall Printing Company, The Nash Motors Company, Link-Belt Company, Household Finance Corporation, Cudahy Packing Company, Joseph T. Ryerson & Son, Inc., Marshall Field & Company and others.

It is interesting that Lee, Higginson & Company, themselves, sold privately the first mortgage 5 per cent bonds, which amounted to \$12,000,000, issued in part to finance the construction of the new Board of Trade Building.

Variety of Enterprises

RAILROAD enterprises, copper mine developments, telephone, electrical manufacturing, motor and power industries were assisted in their growth by the banking house. The name of Lee, Higginson & Company has been identified with financing for the railroads which were later formed into the Chicago, Burlington & Quincy and the Atchison, Topeka & Santa Fe, for the Calumet and Hecla copper mines in Michigan, American Telephone and Telegraph Company, General Electric Company, United Fruit Company, General Motors Corporation, Shell Union Oil Corporation and many other outstanding American enterprises.

No less important has been the position occupied by the firm in international finance. The name of the partnership has been linked with financing for governments and industries in Europe, Japan, Australia and South America. Recently the firm headed an international banking syndicate which arranged an advance of \$116,250,000 to Germany.

One of the most important phases of foreign activity has been the firm's development of foreign trade financing, through Higginson & Company, London, and correspondents and connections cov-

MUNICIPAL BONDS

Exempt from all Federal Income Tax

	Rate	Due	Price to yield
LAKE COUNTY, ILLINOIS			
School District No. 111	4½%	1932/48	4.40%
DURHAM, NORTH CAROLINA			
Water Works	4¾%	1933/63	4.50%
EAST FELICIANA PARISH, LOUISIANA			
School District No. 2	5½%	1932/44	5.00%
BECKVILLE, TEXAS			
High School District	5¼%	1958/68	5.25%
OLD FORT, NORTH CAROLINA			
Water Works	6%	1932/51	5.50%
MILLER COUNTY, GEORGIA			
Enterprise School District	5½%	1932/57	5.50%
LAKELAND, FLORIDA			
Refunding	5½%	1932/54	6.00%

Special concessions quoted to Banks.

Write for complete circulars.

The Hanchett Bond Co.
Incorporated 1910

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39 So. La Salle St.

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WE BELIEVE that the POWER of TAXATION is the greatest factor of safety in an issue of bonds.

The fact is particularly significant at the present time.

We specialize in Illinois Local Improvement Bonds, which are payable out of taxes, and exempt from all Federal Income taxes.

LANSFORD & COMPANY

Securities

33 North LaSalle Street, Chicago

CORPORATE TRUST SHARES

SPONSORED BY THE
ORIGINATORS OF
FIXED TRUST
SHARES

Moody's Composite Rating "A"

CORPORATE TRUST SHARES

represents an ownership interest in these 28 companies. Four shares of common stock of each, together with a Cash Reserve Fund for stabilizing distributions, are deposited with The Equitable Trust Company of New York, Trustee, for each "unit" of 2000 Corporate Trust Shares issued.

Railroads

Atchison, Topeka and S. F.
Illinois Central
Louisville & Nashville
New York Central
Pennsylvania Railroad
Southern Pacific
Union Pacific

Oils

Standard Oil of Calif.
Standard Oil of Ind.
Standard Oil (New Jersey)
Standard Oil of New York
Texas Corporation

Utilities and Quasi-Utilities

American Tel. & Tel.
Consolidated Gas of N. Y.
General Electric
Westinghouse Electric
Western Union Telegraph

Industrials

Amer. Rad. & Stand. San.
Amer. Tobacco (Class B)
du Pont
Eastman Kodak
Ingersoll Rand
International Harvester
National Biscuit
Otis Elevator
United Fruit
United States Steel
Woolworth

Corporate Trust Shares enjoy a national market. Bid and asked prices appear daily in leading newspapers from coast to coast.

Still Leading

All Fixed Investment Trusts in CASH DISTRIBUTIONS

For the calendar year 1929, Corporate Trust Share cash distributions *exceeded those of any other of the fixed type of investment trust*. Total 1929 distributions were \$1.96% per share, equal to more than 17% on the average price of the shares for the year.

Corporate Trust Shares will make another substantial cash distribution to shareholders on June 30th, 1930. Accumulations already in the hands of the Trustee, or expected to be received between now and June 30th, added to the 1929 payments, will result in a total distribution for the 18 months period *substantially in excess of any other investment trust of the fixed type for the same period*.

Moreover, the historical record of Corporate Trust Shares, covering the past 17 years, shows *larger distributions and greater percentage of return on investment than any other of the fixed type of investment trust now being offered*, assuming existence of the shares during such period.

Corporate Trust Shares are an investment *for income*.

Their unsurpassed *income record* is due to:

1. The splendid earning records of the 28 strong companies included in the portfolio.
2. The fact that holders of Corporate Trust Shares receive *all* income from the trustee portfolio, including interest on the Cash Reserve Fund.

For investors who want *maximum* income, with minimum principal risk, we unhesitatingly recommend Corporate Trust Shares. Underlying these shares are the common stocks of 28 of America's greatest corporations, listed at the left, trustee with The Equitable Trust Company of New York. No substitutions are permitted in the list of stocks. Distributions are made semi-annually, June 30th and December 31st, against coupons attached to certificates. Reinvestment of excess distributions is made possible through issuance of "rights" on coupon date.

Let us tell you more about this attractive investment. Description circulars on request.

*Priced at the Market
Dealer Inquiries Invited*

SMITH, BURRIS & COMPANY

Syndicate Managers—Central United States

120 South La Salle Street, CHICAGO

LLOYD PHILLIPS & CO., Inc.

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

ering all of the largest business centers of the world. Announcement was recently made of the formation of the partnership under French laws of Lee Higginson et Cie., Paris.

An outstanding achievement of the firm's foreign activity in recent years has been the financing for International Match Corporation, the American subsidiary of Swedish Match Company, which comprises the largest match business in the world, and for Kreuger & Toll, the Swedish holding and financing company which has developed into one of the foremost financial organizations.

In recent years the Kreuger & Toll group has been instrumental in extending loans totalling more than \$300,000,000 to European and South American govern-

ments in connection with the acquisition of concessions in the match industry.

Attainment of a leading position in the world banking field by this private American firm has been no overnight achievement. It is a reflection of the sound principles laid down by the founders of the firm, John Clarke Lee and George Higginson, and of the sedulous observance of these principles by partners of the firm through the eighty-two years since the business began May 1, 1848.

It is interesting that two grandsons of the original founders are members of the present firm. They are George Cabot Lee and Francis L. Higginson.

The partnership has grown through the years to include sixteen partners, of which three, Charles H. Schweppe, Bar-

rett Wendell, Jr., and W. McCormick Blair, are resident in Chicago.

An indication of the active part played by the resident partners in the business life of the city and middle west is the list of directorships held by them. Mr. Schweppe is a director of the Continental Illinois Bank & Trust Company, Fairbanks, Morse & Company, Marshall Field & Company, Montgomery Ward & Company, and Union Refrigerator Transit Company. Mr. Wendell is a director of Household Finance Corporation and W. F. Hall Printing Company. Mr. Blair is a director of Interlake Iron Corporation (formerly By-products Coke Corporation), and Continental Casualty Company.

Lee, Higginson & Company owns its own office buildings at 70 Federal Street, Boston, and at 37 Broad Street, New York, which house the partnership in those cities.

The new offices in Chicago occupy a position on the bank floor of the new Board of Trade Building, fronting on Jackson Boulevard more than half the width of the building.

Architectural design and decoration are in keeping with the traditional conservatism of the firm. Of particular interest, and also representative of the entire offices is the conference room, which occupies the corner where La Salle Street meets Jackson Boulevard. The walls of this room are covered with old and rare wall paper, depicting views of London, Paris and Rome.

Colonial architecture of the Georgian period was adopted as most fitting for the new offices. Particularly distinctive is the quiet dignity lent by the extensive use of fine panelling in most of the rooms and corridors.

Along the Jackson Boulevard front, in addition to the conference room, are the rooms of the partners, each of which has been given a distinguishing architectural and decorative treatment in accordance with individual tastes of the occupants. Desks, and other pieces are antiques, many of them imported from England.

From these front rooms one commands a sweeping view of La Salle Street through high, wide windows. These windows are a distinguishing feature of the bank floor of the new building.

Dumb, Like Solomon

The boots at San Diego were getting instruction in regard to firearms, when the drill sergeant asked one of the recruits: "Say, Jones, what's the first thing you do when cleaning your rifle?"

"I always look at the number," replied Jones.

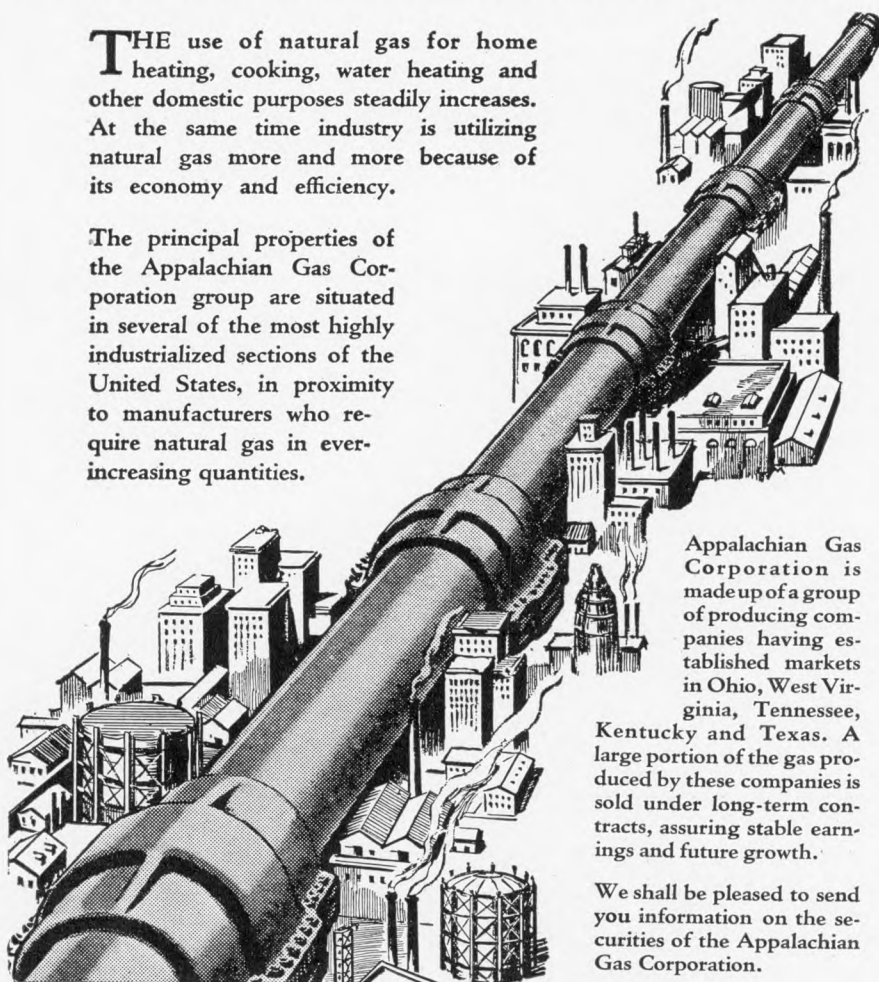
"Oh, you do," said the sergeant, sarcastically. "What's the big idea?"

"So I won't clean someone else's."—*Our Navy.*

Producing and Marketing Natural Gas within Areas of Industrial Concentration

THE use of natural gas for home heating, cooking, water heating and other domestic purposes steadily increases. At the same time industry is utilizing natural gas more and more because of its economy and efficiency.

The principal properties of the Appalachian Gas Corporation group are situated in several of the most highly industrialized sections of the United States, in proximity to manufacturers who require natural gas in ever-increasing quantities.



Appalachian Gas Corporation is made up of a group of producing companies having established markets in Ohio, West Virginia, Tennessee,

Kentucky and Texas. A large portion of the gas produced by these companies is sold under long-term contracts, assuring stable earnings and future growth.

We shall be pleased to send you information on the securities of the Appalachian Gas Corporation.

P. W. CHAPMAN & CO., INC.

115 W. Adams Street, Chicago



42 Cedar Street, New York

We Welcome

—the increased business tempo which has caused our clients to expect more of their investment house than they did a few years ago—welcome it because we have more to give them.

Members of our organization, through constant study and analysis of markets and business conditions, are alert to the rapid and ever changing factors that govern our present day investment programs. We are able to pass on to you last-minute advice and information that is helpful and valuable in planning your immediate and future investments, both for your bank and your customers.

We will welcome your inquiry.



PRIESTER • QUAIL & CUNDY • INC.



INVESTMENT SECURITIES

American Bank Building

DAVENPORT, IOWA

Listed or Non-Listed Bonds?

DISCUSSING the desirability of listed and non-listed bonds, a recent issue of "Current Bank Briefs," issued by Ames, Emerich and Co., Inc., has this comment to make:

"The question of the relative desirability of listed and non-listed bonds has been frequently debated. Many persons believe that the fact that a bond is listed assures it of a high degree of marketability and that non-listed bonds must necessarily have a lower degree of marketability. It is probably true that the listed bond which is actively traded in possesses greater marketability than non-listed bonds. It must not be overlooked,

however, that many listed bonds are seldom traded in and that these bonds have distinctly less marketability than have non-listed bonds of issues which are actively traded in by several well-established houses. The most liquid bonds, and hence those which are most suitable for a bank secondary reserve, are those of high quality which are actively traded in on the New York Stock Exchange. On the other hand, bonds which are listed on other exchanges or which are not listed at all need not be excluded from a secondary reserve account, provided an active and dependable market for them is maintained.

"In the case of the investment account

of a bank there is much to be said in favor of including both listed and unlisted bonds which enjoy good but not active markets. By sacrificing the liquidity of the security to a small extent, an increased yield may be obtained. Moreover, such securities usually experience a longer, if slower, swing in market values in response to changes in interest rates than do active listed bonds. They are thus peculiarly adapted—when purchased in the right proportion—to the needs of the investment account of a bank.

"There are two general types of general list bonds with which the banker comes in contact: the 'straight maturity' bonds and the 'serial' bonds. By 'straight maturity' bonds is meant those bonds of which all of a certain issue are due on a certain date. Serial bonds are, of course, those bonds of a single issue which are due serially over a period of years. These differences have real significance from the standpoint of the secondary reserve and investment accounts of a bank. In general, straight maturity bonds, other things being equal, are more easily marketed than are serial issues. For one thing, serial bonds are rarely, if ever, listed on any stock exchange and hence they do not come in that class of issues which are very actively traded on a recognized exchange. On the other hand, serial bonds of excellent credit standing, particularly high-grade municipal bonds and equipment trust certificates, which are practically always issued in serial form, are frequently quite liquid and are often very useful in filling in maturity gaps in a secondary reserve account. It does not make much difference whether straight maturity or serial bonds are purchased for the investment account of a bank. It sometimes happens, however, that it is possible to pick up serial bonds in odd lots which, due consideration being given to their credit position, provide a substantially greater yield than do comparable straight maturity bonds.

"In buying bonds for either the secondary reserve or investment account of a bank, the banker is confronted with the problem of selecting bonds of sound credit standing which are adapted to his needs. There are, of course, bonds whose credit position is known to every banker without investigation on his part, bonds issued by governments or corporations whose names are household words. Such issues represent but a small minority of the total among which he may choose. It is necessary for him, therefore, to obtain some information about the others, if he is selecting wisely. The large bank has a staff whose time is devoted to analyzing the credit position of many companies and which either has information or can easily procure information in regard to bonds

OUR OFFERING LIST
WILL BE MAILED REGULARLY UPON REQUEST

G M A C obligations

enjoy the protective background of highly liquid assets, with credit factors widely diversified in region and enterprise. Long regarded as a national standard for short term investment, they have been purchased by thousands of banks, institutions and individuals the country over.

*available in convenient maturities and
denominations 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

which are offered. The executive of a small bank does not have such extensive facilities at his disposal and hence must rely on the information and advice of outsiders. It is particularly essential, therefore, for a banker in this position to seek his investment counsel from those who are not only honest, but capable. His correspondent bank in the large city can frequently aid him. He should also select one or two investment bankers, after a thorough investigation of their records, upon whom he can rely. He will be particularly fortunate if he can find either a correspondent bank or an investment banker who thoroughly understands not only securities but the problems encountered in developing a sound secondary reserve account and a profitable investment account. General list bonds offer many attractive possibilities for both accounts, provided they are selected with discrimination and understanding.

Departmental Changes

W. H. Hodge, vice president and manager Sales and Advertising Department of the Byllesby Engineering and Management Corporation, announces the following departmental changes:

T. P. Pfeiffer has been appointed advertising manager of the Byllesby Engineering and Management Corporation and Standard Gas and Electric Company.

J. W. Hicks has been appointed publicity director of the Byllesby Engineering and Management Corporation and Standard Gas and Electric Company, also remaining in charge of the publications of these companies issued for executives, employees, etc.

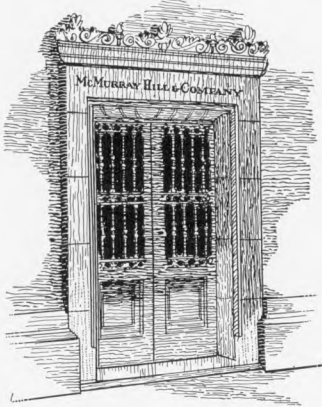
New Vice Presidents

Theodore Tefft Weldon and George E. Fink were elected second vice presidents of the Foreman-State Trust and Savings

Bank at the regular monthly meeting of the directors.

Mr. Fink has been associated with the bank for a period of thirty years. For three years he was counsel for the Illinois State Bankers Association. Mr. Weldon, formerly president of Weldon & Baldwin, an advertising agency, is a newcomer to the Foreman-State organization. He will be in charge of business development work in the Trust Department, while Mr. Fink will also devote his time to Trust Department work.

Mr. Weldon has had considerable experience in trust affairs and is well known as the author of articles on trust matters which have appeared frequently in financial magazines. He is at present writing a textbook on trust activities for the Bankers Publishing Company. The advertising agency which he headed for two years specialized almost entirely in trust accounts.



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INCORPORATED

Investment Securities

214 Sixth Avenue

DES MOINES

ORGANIZED —and Equipped —to SERVE

Bankers, everywhere, realize that information pertaining to investment problems must be complete in every detail as well as thoroughly dependable.

That such information should be rendered, only after the most thorough consideration of one's present investment holdings, together with a complete analysis of securities under inspection for purchase, is an established fact.

Bank executives, with such knowledge of appropriate investment opportunities, can carefully plan an investment program for their secondary reserves with confidence that the yield will be highly gratifying, and prompt liquidation possible when necessary.

We feel that our experience, vigilance and knowledge can be of real and definite value to you in this work. Such a service is available to all bankers in the Northwest through the Victor J. Silliman Company, Inc., without obligation.



VICTOR J. SILLIMAN COMPANY, INC.

203-205 Fleming Building
DES MOINES, IOWA

Mr. Weldon was born in Chicago and received his advanced education at the University of Wisconsin and the University of California. He is a member of the Evanston Country Club, Lake Shore Athletic Club, Town and Country Club, 317th Cavalry Polo and Hunt Club, and Sigma Phi Epsilon fraternity.

Mr. Fink is a member of the Hamilton Club of Chicago and the Swedish Club of Chicago and is a past national president of Phi Alpha Delta law fraternity. He received his advanced education at the Illinois College of Law and the University of Michigan.

New Policy

The Northwestern National Life of Minneapolis has just announced its new Modified Life policy, a non-participating contract in which life expectancy is computed on the new American Men Table. The policy is issued at a premium only slightly higher than that for term insurance, the automatic adjustment to a permanent premium, most commonly made in policies of this kind in three or five years, being postponed for many years.

The insured has the privilege of adjusting to a permanent rate on very favorable terms in the tenth year and any time thereafter until the time of automatic adjustment, which has been set at seven years prior to the end of the life expectancy period according to the new American Men Table of Mortality.

At that time the insured can elect to continue the payment of the same premium, instead of the automatically adjusted premium, in which case he may carry the policy to the end of the life expectancy period, and receive its then cash value. Or, he can take a reduced amount of insurance for approximately the same premium, and carry the policy for the balance of his life on that basis.

The use of the American Men Table in computing life expectancy extends that period from one year to three years longer, giving the policy a distinct advantage as compared with other contracts running to the end of the life expectancy period.

The policy is convertible to any higher premium non-participating form in the first ten years of the policy at the attained age, or at the original age if back premiums are paid with interest.

This policy is presented by the Northwestern National to fill the acknowledged demand for a plan of life insurance which will permit the insured, in the early years of the contract to carry his insurance at a premium lower than is ordinarily charged for a Whole Life policy, and still provide him with insurance for his entire lifetime.

"Circus in town?"

"No, this is a Christmas tie."—U. of Washington Columns.

SURETY GUARANTEED BONDS

Protect Your Customers

The fact that two old-line surety companies are willing to guarantee a bond, is in itself evidence of the soundness of the bond.

The surety companies assume a definite financial guarantee that protects the bondholder under all circumstances and, for their own protection, exercise unusual care in the selection of the issues they guarantee.

The joint and several guarantee of the surety companies, endorsed directly on each bond underwritten by us, should appeal to bankers, institutional investors and individuals as a high-grade investment security bearing a liberal yield.

We shall be glad to send you complete information about this type of investment.



Provident State Securities Company

134 North LaSalle Street
CHICAGO, ILLINOIS

Chicago Investment News

IOWA continues to be one of the bright spots on the business map according to La Salle Street investment houses. Insurance company executives likewise report Iowa and adjoining territory as being in better shape than practically any other section of the United States at the present time. Much comment has been occasioned recently by statistics which have been revealed, showing that the Hawkeye state, with a population of two and one-half million, owns more automobiles than either

By **WILLIAM H. MAAS**

*Vice President,
The Northwestern Banker.*

New York with six million population or Chicago with more than three million. Bond and security holdings of the banks in practically every section of the state, are likewise worth talking about.

G. L. OHRSTROM & COMPANY have

announced a new \$11,500,000 issue of Southern Natural Gas Corporation, 6 per cent Convertible Sinking Fund Gold Debentures. The Southern Natural Gas Corporation owns and operates an interstate natural gas transmission system recently completed and extending from the Monroe and Richland gas fields in Louisiana through Mississippi and the Birmingham district of Alabama to Atlanta, Georgia. It is one of the most extensive high pressure natural gas transmission systems ever constructed.

Missouri-Kansas Pipe Line Company

A Strong Future Position

It should be noted that the location of this company's gas reserves is not only advantageous from a supply standpoint, but also from a distribution standpoint, for the eight states from which it is prepared to operate have available an immediate market and are easily accessible to the nation's major markets.

This indicates a strong future position which should be reflected in earnings.

We recommend this Common Stock

*Quarterly dividends of 2½% in stock
—equivalent to an annual stock dividend of 10%.*

*Listed on the New York Curb and
Chicago Stock Exchange.*

Send for descriptive circular.

JACKLEY-WIEDMAN & CO.

Suite 701-702 Register and Tribune Building

Des Moines, Iowa

Phone 3-5181

THE FIRST GUARDIAN COMPANY, 105 West Adams Street, Chicago, has recently announced the opening of four offices for the development of business in Iowa. These offices are in charge of the following agents: A. R. Buswell, Sioux City; Paul Eighney, Waterloo; Chas. Quaife, Cedar Rapids; Fay G. Whitney, Independence, Iowa.

FORMAL ANNOUNCEMENT has been made by American Basic Business Shares Corporation, of New York, of a new fixed investment trust called Fixed Trust Oil Shares. In order to obtain a true cross section of the entire oil industry, the portfolio consists of leading independent as well as leading Standard Oil Companies.

This new trust differs in its plan of operation from other fixed investment trusts through its method of periodically liquidating market appreciation of the group investment. This unique provision preserves the original balanced diversification of the portfolio in a way which is not obtained by the "accumulation" or "income" type of trust.

The American Basic Business Shares Corporation is a recognized pioneer in the field of fixed trusts, having originated Fixed Trust Shares and Basic Industry Shares. It is closely affiliated with the American Depositor Corporation which sponsors Corporate Trust Shares. Wholesale syndication of Fixed Trust Oil Shares is by Ross Beason & Co., Inc., of New York, Los Angeles, and Salt Lake City and by Smith Burris & Company, of Chicago.

FORGAN, GRAY AND COMPANY, INC., have announced the removal of their offices to One, La Salle Street. David L. Shillinglaw, former resident of Des Moines, is vice president of the company.

WITH A NATIONAL REPUTATION as an insurance producer par excellence, the name of Darby A. Day, of Chicago, is gradually gaining prominence in the financial world. Through the formation

recently of the Darby A. Day Investment Company, he now heads the following organizations: Chicago Fidelity & Casualty Company; Fire Insurance Company of Chicago, and The Indemnity Company of America. He is likewise manager of the Chicago offices of The Union Central Life Insurance Company of Cincinnati. Aside from these various interests, Mr. Day is also chairman of the board of the Lawrence Avenue National Bank of Chicago. He writes with both his right and left hand; is an inspiring sales speaker. A postcard simply addressed "Darby A. Day, U. S. A.," mailed from any section of the United States would be delivered to him in Chicago with but little delay.

THIS WRITER has been accused of being a "bull" on Iowa. Here is one of the typical reasons why: An Iowa farmer, who dresses as well as any Chicago banker or bond salesman, spent a week end with us last month. He has a fourteen hundred acre farm, all under cultivation, land valued at \$175.00 per acre and upward. Applies systematic modern business methods to its operation. His live stock is valued at \$100,000.00, has ten thousand dollars invested in machinery and up-to-date equipment; lives in a \$35,000.00 farm home. Twelve automobiles, including tractors, are used on his farm. He is making money. He is one of the successful 215,000 farmers in Iowa, America's most prosperous farm commonwealth, Senator Smith Brookhart to the contrary notwithstanding.

Passes 75 Million Mark

Sales of North American Trust Shares, the largest fixed trust in the United States, have passed the \$75,000,000 mark in less than a year and three months since offering, indicating the great demand for this type of investment which has become accentuated since the market break of last fall according to advices received recently from Thomas F. Lee & Co., Inc., syndicate managers for Distributors Group, Inc., sponsors of the trust. A new monthly sales record of \$11,089,000 was established in April.

"Larger scale purchasing of fixed trust securities by investors throughout the country demonstrates clearly the hold which this type of investment has taken on the public," Thomas F. Lee, president of Thomas F. Lee & Co., Inc., points out. "The idea of a carefully diversified interest in a selected list of the highest grade stocks purchased strictly for investment has exerted a wide appeal."

North American Trust Shares is the first trust to adopt the principle of maintaining the initial balanced diversification through semiannual distribution of all securities including proceeds from the sale of rights, stock dividends and split-ups. The holder of these shares is offered rights

semiannually to reinvest that portion of the returns constituting a return of capital in additional trust shares at a discount of 50 cents per share. Through this process extraordinary distributions on a few underlying stocks are spread over the entire 28 companies, thereby increasing the investment in each and re-establishing the initial balanced diversification. Disbursements for 1929 exceeded 11 per cent on original offering price.

Stocks underlying North American Trust Shares represent 28 of the country's greatest corporate units and constitute in themselves a widely diversified interest in the basic industries of the nation.

It is significant, states Lee, that for the year to date purchases of these shares have been greatest in periods of market irregularity or weakness, demonstrating

the idea that most investors believe that the stocks underlying North American Trust Shares are attractive purchases on marked recession.

Continued growth of the fixed trust idea suggests the absorption of an increasing volume of outstanding stocks of the major corporations. This will be a growing force toward stability in that purchases of common stocks by fixed trusts represent the strictest type of investment and the possibility of these underlying shares appearing on the market in any volume through conversion is remote.

Now Has 175,000 Clients

One of the most remarkable, steady growths any company has ever enjoyed in the Northwest started from an idea conceived 36 years ago by a young Minne-

Investment Advice

Advice is a term often used and often misunderstood. Analysis rather than advice, should be the first step in any investment decision. Every corporate investor, before purchasing any type of securities should analyze thoroughly its own financial position.

Then when its individual problems are clearly defined and understood, a competent investment organization should be consulted

The National City Company, with its international buying and distributing organization, is well qualified to act in such consultant capacity. In its list of offerings will be found high grade securities of widely different classifications. From them, with the help of a National City man, investments that conform to specific needs may be selected.

The National City Company

NATIONAL CITY BANK BUILDING, NEW YORK

INVESTMENT



SECURITIES

*Offices in Principal Cities throughout the United States and Canada
and in London, Amsterdam, Geneva, Tokio and Shanghai.*

apolis lawyer. More than 175,000 individuals and businesses are now using the savings plan of the Investors Syndicate.

The Investors Syndicate was formed in Minneapolis, Minnesota, by John L. Tappan, a 24-year-old attorney. According to his plan, \$110 would be placed in first mortgages and high grade bonds as security for every \$100 of obligations to its investors. His idea also, included loaning home owners money that could be paid back on the installment plan.

On July 10, 1894, articles of incorporation were issued for the company.

Tappan had practically no capital to work on, but was convinced that the small investor should have an opportunity to increase his funds with the same degree of safety and an equal return with the large investor.

Tappan's first prospective customer

was the superintendent of the world's largest flour mills. He explained his idea, and the result was the sale of the first Installment investment certificate issued by the Investors Syndicate.

The Investors Syndicate grew step by step. With the thought in mind of establishing the company on a firm basis, the officers did not draw a salary for fourteen years after the company's organization. They depended upon commissions for their income. With this same idea in mind, dividends were not paid to stockholders for 21 years. All money was put back into the company to make it stronger and protect its investors.

In 1925, John R. Ridgway, formerly an executive of the Western Bond and Mortgage Company of Portland, Oregon, became president. Since then, the company has made its most rapid strides.

During 1928, \$78,000,000 in certificates were sold in the United States and Canada. In 1929, sales amounted to \$105,000,000. These certificates are purchased by investors, in regular payments made throughout a ten-year period, for three distinct purposes:

1. To provide parents with funds for the college education of their children.
2. To build annuity funds for protection against old age.
3. To set up business reserve funds.

It is interesting to note, President Ridgway pointed out, that many businesses are using Investors Syndicate Plan to build up reserve funds. He said that executives of these firms like the automatic features of the plan and the exemption it gives them from the worry of investment and reinvestment.

Funds accumulated by this plan are used to extend the business by taking advantage of opportunities requiring immediate cash, to retire indebtedness, to pay up bond or preferred stock issues, to liquidate a business or continue it until favorable sale is made, to supply ready cash in case of emergency or temporary financial depression.

"Many bankers throughout the United States and the provinces of Canada are listed among our certificate holders," Mr. Ridgway said. "The Investors Syndicate preaches thrift, first and last. It serves as a steadying influence in the community."

The bulk of the firm's investments are made in first mortgage loans on residence property in 28 leading cities of the North American Continent through the organization's own loan agencies.

First mortgages on improved city residential property funded by the Investors Syndicate in the year ended February 28 totaled \$9,454,433.64 compared with a total of \$5,527,410.00 for the year ended December 31, 1929, according to a report issued by the company. The Investors Syndicate has branches in 51 cities of Canada and the United States.

Becomes President

Eric F. Grundin has been elected president of the Old Colony State Bank, Chicago, succeeding Mr. Arvid L. Peterson, resigned. Mr. Grundin will continue his practice of law and devote a part of his time to the bank's activities.

Frank L. Johnson, formerly cashier of the Hyde Park-Kenwood National Bank, has been elected vice president and cashier of this bank, and has assumed his new duties.

A Correction

On page 46 of the May, NORTHWESTERN BANKER, appeared a story relating to the appointment of Claude E. Nichols, former Des Moines Banker, as an Iowa representative for the Chatham-Phoenix Corporation. It was also stated that Leo R.

Fundamentals

The present bond market exhibits conflicting conditions that often make clear judgment difficult. Despite cheap money the prices of good bonds are low and yields relatively high. We believe that bankers who follow proved fundamentals in judging values and use a moderate amount of courage in buying bonds for their bank's account will be gratified by the results obtained.

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

Brown is representing the same company in Des Moines, with George M. Peterson representing them in Cherokee, Iowa.



GEORGE M. PETERSON

Along with a photograph of Mr. Nichols, a photograph, carrying the cut line, "Leo R. Brown," but in reality a photograph of Mr. Peterson was used with this story. We are sorry this mistake took place, but to clarify matters, here-

with we are reproducing the same cut, this time properly labeled with the name of George M. Peterson.

Map of Chicago

An interesting map of the Chicago area has recently been drawn for Lansford &

Company. Added interest is attached to the drawing, in view of the recent census figures which give a population in excess of three million for the city of Chicago. In addition to the city of Chicago and Cook county, the map also enables one to quickly visualize the adjacent counties.

We are pleased to announce that

E. F. CAVANAUGH	I. A. JOHNSON
Peoria, Ill.	LaCrosse, Wis.
RICHARD F. SALOMON	W. H. McNALLY
Milwaukee, Wis.	Minneapolis, Minn.
CHRIS J. HUSTON	LEE C. SCHNAKE
Ottumwa, Ia.	Des Plaines, Ill.

are now associated with this firm in the sales department

W. B. McMillan & Co.

Members Chicago Stock Exchange

Members New York Curb Exchange, Associate

120 South La Salle St., Chicago

Underwriters and Distributors of Investment Securities

Commission Orders Executed on All Exchanges

THE TYPE OF BONDS WE OFFER IS OUR BEST RECOMMENDATION

DIRECT OBLIGATION

MUNICIPAL
SCHOOL
COUNTY
TOWNSHIP

GENERAL MARKET BONDS

Glaspell Vieth & Duncan

American Bank Building

DAVENPORT, IOWA

Phone Walnut 2236

CHICAGO, ILL.

Phone Harrison 1848

You are invited to visit and make use of our Facilities while visiting in Davenport

Lansford & Company specialize in Illinois local improvement bonds. A copy of the map may be had by addressing Mr. Paul T. Lansford, president Lansford & Company, 33 North La Salle Street, Chicago.

Win Advertising Prizes

Four companies in the Standard Gas and Electric Company system were prize winners in the annual competition of the Public Utilities Advertising Association for the best examples of newspaper advertising by member companies, according to information received by W. H. Hodge, vice president and manager sales and advertising department, Byllesby Engineering and Management Corporation.

Awards made to companies in the Standard Gas and Electric Company system were as follows: Northern States Power Company, Minneapolis, first prize in the Central Station Financial Division; Wisconsin Valley Electric Company, Wausau, and Oklahoma Gas and Electric Company, Oklahoma City, first and third prizes respectively in the Electric Commercial Division, and Pittsburgh Railways Company, Pittsburgh, second prize in the Electric Railway Posters and Cards Division.

Second prize in the Central Station Financial Division was won by the Iowa-Nebraska Light and Power Company, Lincoln, Nebraska, and third prize in the

same division by Consumers Power Company, Jackson, Michigan. Second prize in the Electric Commercial Division was won by the Edison Electric Illuminating Company of Boston. First prize in the Electric Railway Posters and Cards Division was won by the Chicago Rapid Transit Company, and third prize in the same division by the Cincinnati Street Railway Company.

The prize winning advertisements have been reproduced, together with over 500 representative public utility advertisements, in the new 1930 advertising portfolio of the Public Utilities Advertising Association, which has recently been released.

Business Improving

Business in the northwest and middle-west states shows improving tendency, notwithstanding the presence of some adverse factors, according to the Northwest Bancorporation May *Review*.

Less favorable developments noted are a slow movement of grain out of the larger centers and a decline in copper prices with effect on general business in northern Michigan and Montana.

Favorable features are an improvement in the general employment situation, a crop outlook throughout Minnesota, the Dakotas, Iowa and Nebraska that is very promising, and one of the most favorable seasons of record in Montana and the more western states for lambing and the wool crop.

The summary notes that in the northwest and middle west states, for eighteen weeks from January 1st to May 7th, the volume of checks handled by banks in thirty-three of the more important centers was \$6,179,083,000 compared with \$6,215,223,000 in the corresponding period in 1929. This was a decrease of less than six-tenths of one per cent. In contrast to this, 140 of the largest cities of the United States during the same period, exclusive of New York, showed a decline of nine per cent.

Corporation Earnings

The net earnings of 25 leading corporations in the first quarter of 1930 were almost 25 per cent less than they were in the first three months of 1929. They were about 33 per cent smaller in the first quarter of this year than in the second quarter of last year. This may be stated in still more simple fashion by noting that for each four dollars that these corporations earned in the first quarter of last year they earned only three dollars in the corresponding period this year, and that for each three dollars they earned in the second quarter of last year they earned only two dollars in the first one of this year. The earnings referred to in these comparisons are the net earnings available for dividends on the common stock.

A Representative List of Bonds

for investment and secondary
reserve accounts

yielding from 5% to 7%

	Approx. Price	Approx. Yield
CALIFORNIA WATER SERVICE CORP. 1st Mortgage 5s, 1958.....	99	5.08%
NEW YORK WATER SERVICE CORP. 1st Mortgage 5s, 1951.....	98½	5.10%
ARIZONA EDISON COMPANY 1st Mortgage 5s, 1948.....	96	5.30%
OHIO WATER SERVICE COMPANY 1st Mortgage 5s, 1958.....	93	5.50%
ILLINOIS WATER SERVICE COMPANY 1st Mortgage 5s, 1952.....	93	5.55%
TRI-UTILITIES CORPORATION Convertible Debenture 5s, 1979.....	90	5.55%
STARRETT INVESTING CORPORATION Secured 5s, 1950.....	92	5.67%
PEOPLES LIGHT AND POWER CORPORATION Convertible Debenture 5s, 1979.....	market	5.80%
OKLAHOMA NATURAL GAS CORP. 1st Mortgage 5s, 1948.....	89	6.00%
MANHATTAN COMPANY BUILDING 1st Mortgage & Leasehold 6s, 1958.....	99	6.12%
SOUTHERN NATURAL GAS CORPORATION Convertible Debenture 6s, 1944.....	market	6.33%
STATE OF SAN PAULO Sinking Fund 7s, 1940.....	market	7.56%
AMERICAN NATURAL GAS CORP. Debenture 6½s, with warrants, 1942.....	market	7.70%

Above quotations are subject to prior sale and change in price

Write for more specific information
on any or all of these issues

G. L. OHRSTROM & Co.

INCORPORATED

Insurance Exchange Building
Des Moines

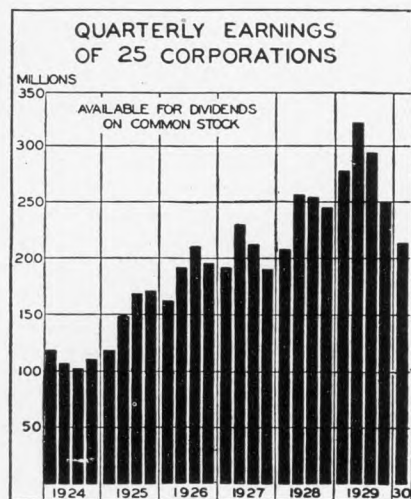
Board of Trade Building
Chicago

Offices in principal cities

The companies for which these figures have been compiled include many of the great leaders among the industrials and the utilities, such as U. S. Steel, General Motors, General Electric, and the American Telephone and Telegraph, and some of the leading railroads, such as Pennsylvania, and the New York Central. They constitute in the aggregate a fairly representative sampling from among the corporate leaders in our national business activity. Probably the recent shrinkages in their earnings have been rather less severe than those of typical smaller companies engaged in corresponding lines of work.

In the diagram the upright columns represent the aggregate net earnings of the 25 corporations each quarter during the past six years. The general trend of increase has been impressively rapid. The average quarterly earnings in 1924 amounted to 109 millions of dollars, while five years later in 1929 they had advanced to more than 285 millions, or an increase in that brief time of some 162 per cent.

The decrease in the first quarter of 1930 is a notable one, for the fall from the records made one year earlier amounts to 23 per cent, and to some 64 million dollars.



Nevertheless the earnings of these 25 leading corporations were larger in the first quarter of 1930 than in any other first quarter except that of 1929, and greater than those of any quarter prior to the spring of 1927. The disappointing reports in earnings during the first quarter largely account for the recent reactionary tendencies in the stock market, but the rate of growth of corporate earnings during the period covered by the diagram accounts in large degree for the persistent bull market of those same half dozen years.—From Cleveland Trust Company Bulletin.

Elected Directors

The American Express Bank and Trust Company has announced two additions to its board of directors. The new members

are Harley L. Clarke of Chicago, president of the Utilities Power and Light Corporation, and Sinclair Richardson, president of the Kelsey-Wilson Textile Corporation of New York.

Mr. Clarke, in addition to heading the Utilities Power and Light Corporation, serves as an officer or director of more than twenty-five utility corporations, including electric light, gas and street railway companies. Mr. Richardson is also vice president and treasurer and a director of the American Bleached Goods Company, and a director of the Lorraine Manufacturing Co. of Pawtucket, R. I., the Ponemah Mills, Providence, R. I., and Sayles' Finishing Plants, Saylesville, R. I.

Sympathy

It was the first real snowstorm of the year and the teacher felt it her duty to warn her pupils before she dismissed them. "Boys and girls should be very careful to avoid colds at this time of year," she began solemnly. "I had a darling little brother only seven years old. One day he went out in the snow with his new sled and caught cold. Pneumonia set in and in three days he was dead." The school-room was quiet. Then a youngster in the back row asked: "Where's his sled?"

"Was Maude in a bright red frock at the dance?"

"Some of her, darling; some of her."

ANNOUNCEMENT

All of the Capital Stock of Selected Shares Corporation

Sponsors and National Distributors for

Selected American Shares

has been purchased by a group of financiers who will expand its activities in the investment trust field. The complete Board of Directors, including the following, will be announced later

MAX ADLER

Director and Former Vice-President, Sears, Roebuck & Co.

Chairman of the Board

ROBERT S. ADLER

President

ALVIN H. BAUM

Executive Vice-President

Headquarters now established at

ONE NORTH LA SALLE STREET • CHICAGO

Telephone Franklin 5640

will be formally opened at a later date



5½%, Safety and a Payment Plan

SO conservative is the type of security offered by the Investors Syndicate—

That your own appraisal would lead you to expect a return of about 4½%.

Instead, this Installment Investment Certificate earns 5½%, compounded annually, which over a period of years is the equivalent of 6½% simple interest.

More than 175,000 individuals and businesses are using the Investors Syndicate Plan—

To build funds of from \$1,000 to \$100,000 by proportionately very small payments.

Ask for informative booklet, "Enjoy Money." Use coupon.

Gentlemen: Send booklet, "Enjoy Money."

Name.....

Address.....

INVESTORS SYNDICATE

FOUNDED • 1894

MINNEAPOLIS

NEW YORK LOS ANGELES

Offices in
51 Cities



Assets Over
\$33,000,000

Northwestern Banker June 1930

Selected Shares Control Changed

A new group of Chicago financiers headed by Max Adler, formerly vice president of Sears, Roebuck and Company, has been formed to enter the investment trust field, it was announced recently.

As a nucleus the group has taken over the Selected Shares Corporation, sponsor of Selected American Shares, a fixed in-



ALVIN H. BAUM

vestment trust listed on the Chicago Board of Trade. The first act of the Selected Shares Corporation under the new ownership will be to take over the national distribution of Selected American Shares stock, which has a dealer organization composed of more than 200 banks and investment houses.

The new group plans immediate expansion, according to the announcement, and a new investment trust sponsored by Selected Shares Corporation is expected to be formed and shares publicly offered within a short time.

Mr. Adler will be chairman of the board of Selected Shares Corporation and his son, Robert S. Adler, will be president. Alvin H. Baum, formerly vice president and a director of Straus Brothers Investment Company, from whom Selected Shares Corporation was acquired, will be the directing head, with the title of executive vice president and director. Associated with the company will be Herbert Rubel and Edward P. Rubin, formerly with Straus Brothers Investment Company.

The personnel of the board of directors will be announced shortly. Offices for the Selected Shares Corporation have been opened in the One North La Salle Building.

Farms and Farming

(Continued from page 21)

The robot has not replaced the man power necessary for carrying on of agricultural production but the amount of crop tended by each man has increased tremendously since 1920 and hence the decrease in farm population.

DEBATE that took place a few weeks ago in Washington has awakened echoes throughout the agricultural west. The United States Chamber of Commerce went on record as opposed to the activities of the federal farm board and recommend that it be shorn of its power. Chairman Alexander Legge, of the farm board, came to the defense of that organization as did John Brandt, of Minnesota, president of the Land O' Lakes Creameries, and Arthur M. Hyde, of Missouri, secretary of agriculture.

Chambers of commerce in many towns of the middle west as well as farm organizations have come since to the aid of Legge in defending the program of the farm board. Ugly words are being hurled at the national business organization for its alleged attempts "to strangle the only agency the farmers have to make effective for their industry the same kind of assistance formerly available only to organized business."

Meanwhile the farmers of the middle west are not as ready in acceptance of some of the program of the farm board as their complaints against the United States Chamber of Commerce might indicate. The live stock marketing plan as announced recently has drawn the condemnation of the Farmers Union marketing agency as well as others located in St. Paul, Milwaukee and St. Louis. State organizations in Iowa and some other states are said to be lukewarm in their attitude toward the live stock marketing plan of the federal farm board.

BANKERS, farmers, land appraisers, mortgage loan men and farm managers met at Iowa State College recently to consider ways and means of soil conservation and land valuation. The main topic under discussion was soil erosion which is resulting in the transference of myriad tons of the best soil in the middle west from the hilltops and hillsides to the Missouri and Mississippi rivers and thence to the delta of the latter river in southern Louisiana.

The problem must be met by better crop rotations and soil management which improves the humus content of the soil and by terracing of hillsides to prevent washing, those attending the conference learned.

"Tommy, can you tell me one of the uses of cowhide?"

"Er, yessur: It keeps the cow together."

To Members of the IOWA STATE BANKERS ASSOCIATION

*You Are Cordially Invited to Use Our Offices As Your
Headquarters During Your Visit to
Davenport, June 16-18*

AS IOWA'S oldest and largest bond house, we take special pleasure in welcoming you to Davenport, and we cordially invite you to make use of our offices as your headquarters during the sessions of the State Convention.

During our thirty-nine years of experience as specialists in Iowa Municipal Bonds, our associations with Iowa bankers have been exceedingly close. Our first customer was an Iowa banker, and it says much for the quality of our service that the bank with which he was associated is still among our valued clients.

We hope that you will feel free to make the fullest use of our facilities while here and that you will give our officers an opportunity of becoming personally acquainted with you.

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



Casualty Insurance?

Yes!

Surety Bonds?

Certainly!

Service?

Absolutely!

Write to

FEDERAL SURETY COMPANY

W. L. TAYLOR
President

Home Office

«

«

»

»

Davenport, Iowa

Legal Department

(Continued from page 23)

neither required nor demanded that the bank start suit.

"Under the language of the statute the requirement to sue must be unconditional," said the Arkansas Supreme Court. "It contemplated a peremptory requirement of the surety to the creditor to commence suit forthwith. This notice is merely advisory. It does not contain a demand nor requirement for the creditor forthwith to commence suit. If he (the creditor) wished to exonerate himself from liability he must give such notice as to leave no option with the party notified," the court said.

Branch Banking for Country Towns

(Continued from page 24)

change and mortgage revenues eliminated. Banks were forced out of business. In turn, their communities suffered. When a farmer cannot get his grain check, for example, cashed in his nearby village, he takes it to a town where there is a bank. And he spends his money there. So the smaller community suffers because of the business it has lost."

With strong, centrally located banks allowed to establish branch offices in neighboring villages, every community that has any worthwhile banking business could be assured of an institution to handle that business, Mr. Jaffray explained. Then there would be no necessity of a farmer going somewhere else to get his money and spend it, he added. The money would stay at home and every citizen and business institution of the smaller place would be benefited.

Commissioner Veigel suggested that the village branches of county seat banks be merely offices for receiving deposits and cashing checks. Mr. Jaffray favored legislation which would permit the proposed branches to offer a more complete banking service to their communities. The important thing, however, he says, is that reliable banking service be made available to communities which need it, but which are not big enough to support independent banks on a basis of profit.

Joins Northwest Bancorporation

The First National Bank of Philip, S. D., recently became affiliated with the 98 other banks and trust companies in the Northwest Bancorporation group. The Philip bank has resources of \$644,000 and deposits totaling \$571,735.

Combined resources of the 99 institutions in the group amount to \$483,000,000. J. C. Nelson is president of the Philip bank.

Iowa Bond Corporation

Investment Securities

5th Floor Insurance Exchange Bldg.

DES MOINES

Specializing in Securities

Most Suitable for Your Banks

Investment Account



Represented by

GEORGE D. THOMPSON

JAMES C. ENYART

BABCOCK, RUSHTON & COMPANY

Established in 1895

CHICAGO

NEW YORK

DES MOINES

**STOCKS BONDS
GRAIN & PROVISIONS**

Members

New York Stock Exchange

Chicago Stock Exchange

Chicago Board of Trade

DES MOINES OFFICE, Second Floor, Fleming Bldg.

Phone: Dial 4-5121

Laverne M. Barlow, *Resident Manager*

DIRECT PRIVATE WIRES

Orders Executed In All Markets

Our Juvenile Contracts Are Fast Sellers



*Royal Union Life Building
Corner Seventh and Grand Avenue
Des Moines, Iowa*

Approximately one-third of the population of our country is made up of children under fifteen years of age.

One-third of the possible prospects for life insurance in every community are, therefore, children.

Royal Union salesmen may write children from one day old and up, and without physical examination.

Our Juvenile contracts go automatically into full benefit at age five.

Royal Union Life Insurance Company

Des Moines, Iowa

A. C. TUCKER, President

Insurance

1. The insured suddenly fades from the picture and the widow receives a check from the life insurance company. She settles what bills may be outstanding after depositing the check in her bank and waits to invest the balance, thereby immediately losing the benefits to be derived from putting this capital sum to work at once. She may even spend some of the principal as income without realizing it.

2. The minute we leave our life insurance in a cash lump sum, we will always turn over to untrained hands money for investment. The recent experience in the stock market would seem to indicate that few, if any, of us are able to invest money with absolute security over a long period of time. Why then place this burden or responsibility upon a widow who is nearly always untrained and entirely unfamiliar with the relative merits of one form of investment against another. To whom shall she go for advice? Let us suppose that you have designated someone with whom she may consult. What assurance have you that that someone will be here to give her the proper kind of guidance? What better consultant could you give her than the permanent bank, trust company, or insurance company? The point is this: You and I in the creation of this estate have undertaken to replace our *own earned income*. Obviously we have failed if we do not arrange for the investment of this insurance estate.

3. Our records show that very, very often when these cash lump sums of money are received by beneficiaries, relatives appear upon the scene who are either ill, in debt, or in need of money for one thing or another. Likewise, they borrow this money to put into some business venture. We do not question the motive of these relatives, but we do say that invariably these estates are either partially or completely lost. The income method whereby one arranges for the investment of this estate in advance, saves your widow from the embarrassment of refusing such a request.

4. We who daily meet the insuring public find that a great many men have unlimited confidence in their wives' judgment to invest this principal sum and we are unable to persuade them that such a shower of cash is not the wisest and safest method of distribution. As a matter of fact, we do not believe many wives would want this responsibility, if they realized the amount of care and worry connected

The Widow and Her INSURANCE

By WM. DeLOSS LOVE

General Agent, Connecticut Mutual Life

with it. We do not question any woman's ability, but we do attempt to point out that there is an obvious lack of training in their investment judgment. Let us ask this question: Are any good investments permanently safe? Is it possible for any widow to watch her investments day by day and make such rapid changes as often become necessary to maintain a given income? Please remember this widow invariably has the care and education of her children as her major problem. We do believe that the trust companies and insurance companies of this country are set up to discharge such a responsibility and that it can more advantageously be given them.

5. Let us assume for a minute that this widow does get good sound advice in the investment of this estate as, for example, the advice of an expert who today gives

"Any income plan, however imperfect, and however far from your desire is better than none at all and you will always be at liberty at any time to make such changes and corrections in this income plan as circumstances may require!"

her a list of securities to purchase which are admittedly sound. Let us assume a variety of stocks are purchased. Time goes on and changing conditions may mean the reduction of dividends from these stocks, or the passing of these dividends altogether. What is the result? Where is that income which you and I have attempted to guarantee this widow through the medium of life insurance?

6. In view of the recent events in Wall Street, you will probably not be surprised to hear that a large percentage of insurance money is used for pure stock speculation. It would almost seem that there is an element of fate in such cases as the result of such stock speculation is invariably a total collapse of this estate. These cash estates sometimes find their way into the hands of swindlers with obvious results. Often they are entrusted to relatives who cannot repay. Again they are often spent lavishly on children, in personal extravagance, and for other reasons.

We have shown briefly the hazards of a cash lump sum estate. The advantages of the income method are obvious, but the most important are briefly as follows:

1. There is no need of the widow assuming any responsibility, nor is there any delay in the selection of investments. The estate is always at interest.

2. The income can be a definite amount and at definite intervals.

3. The family may establish a scale of living as this income is definite and certain in advance.

4. There is the advantage, at practically no cost, of corporate service and responsibility as against that of the individual.

5. The arrival of this income check is automatic and often only dependent upon the arrival of the mail man at your front door.

6. No creditor can attach the principal nor can these income payments be drawn in advance of their due date.

Delay is decidedly dangerous. It is our observation that very few people intend to turn over these showers of cash to their beneficiaries, but the actual arrangement of this distribution is one which requires considerable time and thought and consequently they postpone from day to day the creation of this income plan. We would point out that *any income plan*, however imperfect and however far from your desire is better than none at all and you will always be at liberty at any time to make such changes and corrections in this income plan as circumstances may require.

Elected President

Thomas F. Wallace, member of the Board of Directors, and of the Finance and Executive Committees of the Northwestern National Life of Minneapolis, was elected president of the National Association of Mutual Savings Banks at the annual convention at Atlantic City. Mr. Wallace is president of the Farmers and Mechanics Savings Bank of Minneapolis, having over \$65,000,000 in resources.

Mr. Wallace is the first president of the Association to be elected from west of the Alleghenies. About 600 mutual savings banks operating in 17 states and representing about \$12,000,000,000 in resources compose this national organization.

At one time Mr. Wallace was president of the Savings Bank section of the American Bankers Association. He was elected to NwNL's Board of Directors in 1924.

Northwestern Banker June 1930

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.



"Earnings Insurance"

"Business Interruption Insurance," or "Use and Occupancy Insurance" as it is termed in insurance circles, is being carried in increased amounts and by more and more concerns, according to the Continental Insurance Company of New York, which has been making a special study of this form of earnings protection.

The company finds an unusually large number of corporations are now safeguarded by this form of coverage against loss of overhead expenses and net profits in the event of fire, tornado, or other disasters which would cause a cessation of plant operations.



WM. F. DOOLEY

"This class of insurance," said William F. Dooley, vice-president of the Continental, in commenting upon present factors affecting "use and occupancy" coverage, "is a development of modern business that was originated a comparatively few years ago to protect income. It has been adopted by many of the largest corporations in the country, including the leading automobile manufacturers, which not only insure their own operations, but also protect themselves against losses resulting from the inability of companies supplying them with parts and accessories to make deliveries because of fire or other calamity. This practice grew out of an experience several years ago suffered by one of the large motor car producers which was unable to complete its cars and make shipments because its body maker's plant had been burned to the ground.

"Another interesting development has been 'use and occupancy' insurance purchased by several magazines that not only covers their overhead expenses in case their mailing of completed issues is interrupted by fire or other contingency, but also reimburses them for any money which they might have to refund to advertisers.

"Use and occupancy" insurance covers earnings rather than fixed assets. Nowadays it is not as necessary as formerly for a business to maintain huge inventories owing to the faster deliveries made possible by better transportation facilities.

"Where fire insurance and certain other forms of coverage provide indemnifications for damaged inventories, buildings and other tangible assets, 'use and occupancy' safeguards the earnings normally growing out of the use of such assets and provides funds to keep necessary working forces intact during a period of enforced idleness."

Coolidge Anniversary

Former President Calvin Coolidge has completed his first year as an insurance man. He was elected a member of the board of directors of the New York Life Insurance Company at the May meeting in 1929, and since that time has served as chairman of the agency committee, which has supervision of the more than 10,000 agents of the company. He has taken an intimate and personal interest in the details of the company's business.

He was absent from only two board meetings during the year, once last spring while on a trip to the far west, and once in January when he left with other directors and officers to address a meeting of agency directors in Florida. His address at that time entitled, "The Economics of Life Insurance," was broadcast over a national radio hook-up.

In a letter commenting upon his anniversary, received by President Darwin P. Kingsley, Mr. Coolidge wrote as follows: "My Dear Mr. Kingsley:

"On this anniversary of my election to the board of the New York Life you may be interested to know that a year's intimate acquaintance with the personnel and methods of the company has confirmed the confidence which led me to accept your invitation to become a director in May, 1929.

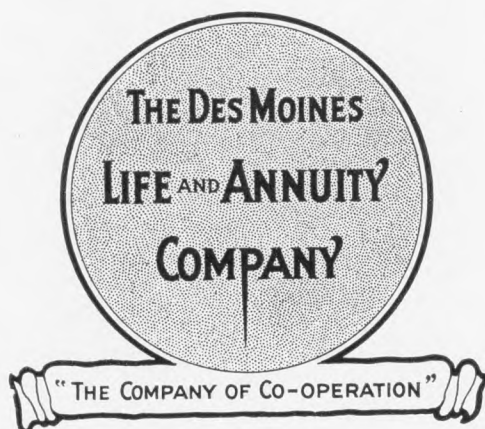
"Every forward-looking citizen ought to protect himself and his family by life insurance. If he selects the New York Life as such a medium of protection he may rest assured that his investment will have all the safeguards that sound financial management and a scrupulous sense of trusteeship can provide.

"Yours very truly,
(Signed) "Calvin Coolidge."

Limits Increased

The amount of insurance that will be written on any one life by the Northwestern National Life of Minneapolis has been raised from \$100,000 to \$250,000 according to an announcement made by the home office of the company.

While the company has from time to time accepted applications and issued policies for amounts considerably in excess of \$100,000, this is the first definite announcement to that effect. The new maximum includes current applications and previous insurance.



Where "Cooperation" Is More than a By-Word

The Des Moines Life agent in your community is equipped to service your patrons intelligently and completely.

He has modern, progressive policies fitted to the insurer's needs. He knows how to arrange a most comprehensive insurance program and provide the proper settlements that meet the personal requirements of the individual insurance buyer.

He understands the value of complete follow up service to policyholders and keeps the loss provoking lapse ratio down to a minimum by constant attention to the policyholder's interests.

Reinforcing the agents co-operation with his policyholder is the home office helps to the agent through personal selling help; prompt, obliging service, and constant contact with each agent and his policyholders.

Look up the Des Moines Life representative. You'll find him able to give the service you want your depositors to have.

Des Moines Life & Annuity Company

J. J. SHAMBAUGH, *President*

Des Moines, Iowa

Delivers Insurance Lectures

The general background of life insurance trusts, the fundamental principles upon which they are built, and many other aspects of the subject were covered by Earle L. Harrah, assistant secretary of the Foreman-State Trust and Savings Bank, in a series of four lectures delivered last month before the Northwestern University School of Law. Mr. Harrah analyzed the various kinds of life insurance trust agreements, the taxability of life insurance under the Illinois inheritance tax laws and the federal estate tax laws, and the effect of certain provisions within a trust agreement that would make it taxable.

In later lectures he covered the subject of the Illinois law against accumulation, citing leading cases, and the prerequisites set down by Illinois law for organization of trust companies.

The advantage of using a corporate fiduciary rather than an individual fiduciary was gone into also. The principal advantage, Mr. Harrah pointed out to the law students, is the fact that an individual cannot possess the continuity of existence which is possible in a corporate fiduciary.

Mr. Harrah illustrated his lectures with specific examples of what the Foreman-State Trust and Savings Bank does in administering trust estates.

Consolidation of the Argusville State Bank and the Mapleton State Bank with



EARLE L. HARRAH

the Merchants National Bank and Trust Company of Fargo, N. D., an affiliate of the First Bank Stock Corporation, has been announced by P. J. Leeman, vice president and general manager of the holding company.

Argusville and Mapleton are Cass county towns which, with the development of good roads, have become suburban to Fargo, the county seat. The Merchants National assumes the deposit liability of the two banks, totaling ap-

proximately \$170,000 and takes over assets covering the liability, the stockholders receiving the balance of assets above the deposit liability.

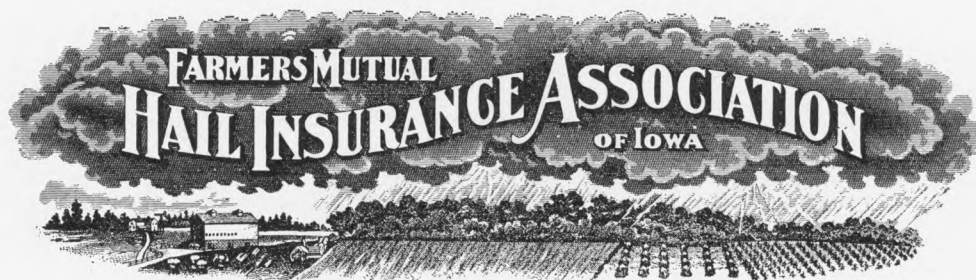
Blanket Fidelity Bonds

As a result of loss experience involving much underinsurance, and the missionary work of agents and underwriters, the blanket fidelity bond is becoming an increasingly popular form of protection with banks and other corporations, according to Wade Fetzner, president of the Fidelity and Casualty Co., of New York.

The custom of placing bonds in specific amounts on designated employees, this executive stated, has often been found wanting, either because policies have provided inadequate indemnity, or because some employees not covered by bond have proved to be the ones guilty of theft.

Besides giving an employer complete protection, regardless of which member of his staff becomes dishonest, the blanket bond, being issuable in a minimum amount of \$10,000, also tends to prevent underinsurance. In addition, the more comprehensive coverage makes possible a lower per thousand premium rate for the larger amounts.

Underinsurance is often a serious, and sometimes a fatal, matter to a bank, or other assured, when a heavy claim develops, as the company's records clearly show. Taking as typical examples, a



Over \$1,000,000 Cash Surplus

IN ADDITION to the new flat rate hail policy the Farmers Mutual is now putting out a full coverage attractive automobile policy—Fire, Theft, Wind, Hail, Transportation, Property, Liability and Collision coverage.

This is being written at a price which should interest any banker who writes this protection. \$1, 202,149.77 back of every policy issued.

Paid in losses in 1929 \$589,045.02 with a lower cost than any other association doing business in Iowa maintaining a surplus. Auto agents needed everywhere.

FARMERS MUTUAL HAIL INSURANCE ASSOCIATION OF IOWA

722 Sixth Ave., Des Moines, Iowa

Up-to-date banks install modern bookkeeping equipment to meet the demands of the speed and volume required by modern civilization. None of us would voluntarily revert to the laborious methods of a half century ago.

Yet many bankers today are not convinced that the bank fixtures installed by their grandfathers are as inadequate to meet modern speed and volume as the hand-entry method of bookkeeping.

But others are finding that *Fisher Fixtures* facilitate the handling of volume business and in addition give to a bank an atmosphere of modernity demanded in an up-to-date institution.



The Fisher Co.
BANK FIXTURE HEADQUARTERS
Charles City, Ia.

An announcement of Northwestern National's new Modified Life Policy with Adjustment Privileges—a non-participating policy with life expectancy computed on the modern American Men Table.

A PROBLEM SOLVED

TO MEET the insistent demand for a plan of life insurance which permits the insured, in the early days of his contract, to carry his insurance at a premium lower than that of a Whole Life policy, and still provide him with insurance for his entire lifetime, the Northwestern National Life has brought out its new Modified Life policy with Adjustment Privileges.

This policy is issued at a premium only slightly higher than that for term insurance, with the AUTOMATIC adjustment to a permanent premium postponed for many years. The privilege of adjusting to a permanent rate on very favorable terms is available from the tenth year. Whenever the change is made it is done at a rate substantially lower than the NET American Experience Table rate at the attained age.

Use of American Men Table

The automatic adjustment is fixed at seven years prior to the life expectancy of the insured, according to the new American Men Table of Mortality. At that age, instead of the automatic adjustment to a permanent Whole Life plan for the full face amount, he is privileged to reduce the amount of insurance on the Whole Life plan and pay a premium approximately the same as the original premium. Or he may pay exactly the original premium and continue the policy in force for its full original amount for the balance of his life expectancy period, and then receive its then cash value.

**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**
O. J. ARNOLD, President
STRONG ~ Minneapolis, Minn. ~ LIBERAL

dozen cases of losses suffered by banks through the defalcations of tellers and officers, it was found that against peculations aggregating \$597,360, bonds of only \$135,000 had been carried; fifteen mercantile companies in various lines were robbed of \$350,408 by dishonest employees, had been operating with protection of only \$92,500. Another instance involved a trust officer of a banking institution bonded for \$5,000, who managed to divert \$300,000 to his own pocket.

Some companies writing blanket fidelity bonds do not exercise the same degree of care in investigating the records and habits of workers insured under such policies as they do when covering scheduled members of a staff, because of the greater spread of risk. The Fidelity and Casualty Co., however, in the interests of sound underwriting as well as to protect employers, checks up on all employees, whether they insured en bloc or otherwise, and regardless of their positions.

This practice is followed because of the possibility of an employee in a subordinate position acting in collusion with some person not connected with his place of employment to commit a robbery. Criminal arrangements of this kind have featured certain cases of security thefts in brokerage offices where pseudo employees have obtained stocks and bonds from messengers owing to their knowledge obtained from "inside information."

Billion in Payments

Announcement is made by President Morgan B. Brainard of the Aetna Life and affiliated insurance companies that since organization, the Aetna companies have returned to their policyholders in excess of \$1,000,000,000. The announcement states that on March 31, 1930, there had been paid to Aetna policyholders in all lines the sum of \$1,019,904,000. Of this the Aetna Life Insurance Company has paid to its policyholders in eighty years \$829,497,000, of which \$626,316,000 was paid by the life department and \$203,181,000 by the accident and liability department, the balance of \$190,407,000 was paid by the Aetna affiliated companies.

The Aetna Life is the only multiple line insurance organization in America which has paid to its policyholders in excess of \$1,000,000,000. Some idea of the magnitude of these payments by the Aetna Life may be gained from the comparison that if paid out in dollar bills and laid end to end, they would extend nearly four times around the globe.

Iowa Group Meetings Best Ever

(Continued from page 27)

window display in that city. He had close competition, however, as two other members of the party came within 17 of the lucky number.

If you don't believe that the bankers of Iowa have a lot of push, you should have seen those 21 members of the party, ably commanded by C. C. Jacobsen, push that 23,000 pound bus over two hills when the engine failed to make the grade on a dirt road between Leon and Shenandoah. Two tons of bankers certainly have a lot of "yo-heave" to them when the occasion demands it.

One of the most interesting side-lights of the bus trip was the visit to the broadcasting station of the Henry Field Seed Company. Although a majority of the members were severely afflicted with "mike-fright" when it came their turn to announce their sentiments to the world at large, Clarence Diehl did himself proud with his presentation. He not only gave a wonderful little talk but clinched his point by quoting from James Whitcomb Riley.

E. C. Fishbaugh, president of the Security Trust & Savings Bank, entertained the party most royally at a steak dinner in Shenandoah, and engineered the trip through the Henry Field and Earl May stations. Although the bus was an hour late and the bankers weary from their physical exertions, the evening spent in that charming city was most enjoyable.

Sailors, with their sweethearts in every port, have nothing on bus drivers. They have one in every town. It may be the allure of a natty uniform, or it may be "personality." But whatever it is, it certainly is effective.

But there is one thing which bankers can't do. They can't sing before a "mike." The rendition of "Sweet Adeline" from the Henry Field station was terrible. At least some who were listening in said so. They said it sounded as though a wire had got crossed with the manifold and short circuited the differential.

Five New Banks Join

Five new banks have become affiliated with Northwest Bancorporation, bringing the total number of banks or trust companies in the group to 109.

Bank of Spearfish, South Dakota, capital \$25,000, surplus \$75,000 and deposits of \$1,500,000, was organized in 1882 and long has been prominent as a live stock bank. It absorbed the American National Bank of Spearfish in 1927. H. G. Weare, pioneer rancher is president, W. E. Dickey, vice president and cashier, J. M. Ramsey, assistant cashier. Board of directors comprises these three, also H. F. Dickey and H. P. Ilsley.

The First National Bank, Groton, South Dakota, capital \$25,000, surplus \$25,000, deposits \$471,000 and resources \$548,000 also dates from 1882. Officers are, W. B. Miller, president; Alex. Highland, vice

president; J. Williams, cashier; V. M. Accola, assistant cashier. Members of the board besides Messrs. Highland, W. B. Miller and J. Williams are D. E. Campbell, who is presiding judge of the Supreme Court of South Dakota and Vance E. Miller.

First National Bank in Mobridge, South Dakota has capital \$50,000, surplus \$10,000, deposits \$230,000 and resources \$290,000. F. W. Schirber is president, R. A. H. Brandt, vice president. Directors are: R. A. H. Brandt, F. H. Gannon, F. W. Schirber, J. E. Schlatter and Alex. Highland.

Manhattan State Bank, Manhattan, Montana, has capital \$25,000, surplus \$15,000, deposits \$200,000, resources, \$250,000. Officers are S. McKennan, president; Martin Jacoby and George Verwolf, vice presidents, L. D. Moritz, cashier, and A. D. Winter, assistant cashier. Besides Messrs. McKennan, Jacoby, Verwolf and Moritz, directors are W. H. Buttelman, W. M. Cowan and E. M. Wright.

First National Bank of Hillsboro, North Dakota, was organized as a state bank in 1881 by E. Y. Sarles, one time governor of that state. It became a national bank in 1893 and in November, 1929, absorbed the Hillsboro National Bank. Capital is \$50,000, surplus \$12,210, deposits, \$767,936. Officers are: Fred L. Goodman, chairman of board; Earle R. Sarles, president; P. B. Peterson, vice president; O. E. Rudrud, vice president; E. A. Iverson, cashier; Palmer E. Rudrud, assistant cashier. Directors are: A. G. Foogman, F. L. Goodman, O. S. Hanson, R. T. Jahr, P. S. Peterson, P. B. Peterson and Earle R. Sarles.

The Value of Brains

Never before in history has there been such a market for intellect above the common level applied to the various arts of industry. It is an era of recognition of the value of brains over bricks.

"Today, no business statement rests on physical assets of land, building and equipment except as tools of earning power under able management. In the analysis of security values, 'book value' has today assumed lesser significance where 'earning power,' actual or potential, looms largely in the factor of price which the investing public will pay for securities. It almost seems as if investors were groping, through stock ownership, for some way to possess a share of that factor of great value denoted as trained intelligence or inspirational genius.

"Such proven individual worth in management is today insured for vast sums, just as buildings and equipment are insured against fire. It is an age of appraisal through the market place of that most intangible, and yet most real, value—the human intellect."—Julius H. Barnes.

Valuable Rights

At a meeting of the board of directors of The National Bank of the Republic, it was voted to increase the capital of the institution from \$10,500,000 to \$11,000,000, through the issuance of "rights" to stockholders.

Instead of following the previous semi-annual practice of offering \$500,000 additional stock in one lot, the current stock increase is proposed to be divided into two installments, one of \$250,000, or 12,500 shares of the par of \$20 will be offered to stockholders of record June 20th at \$40 per share, on the basis of one new

share for each 42 shares then held. The balance of \$250,000 or 12,500 shares will be offered to stockholders of record September 20th at \$40 per share, on the basis of one new share for each 43 shares then held. Of the proceeds received in payment of the stock which will total \$1,000,000, \$500,000 will be credited to the capital account of the bank and the balance of \$500,000 will be used to augment the capital and surplus of the banks' investment affiliate, The National Republic Company.

In addition, it was voted to pay the regular 4 per cent cash dividend on June 30th to stockholders of record June 20th.

100%



RATED "EXCELLENT" as to Management, Assets, Reserves and Mortality, Central Life enjoys the support and confidence of hundreds of men in the banking profession in twenty states in which it operates.

This confidence has been an important factor in the steady, substantial growth of the company during the past 34 years.

Assets, More Than \$32,000,000

*Insurance in Force,
Nearly \$200,000,000*

Central Life Assurance Society

(MUTUAL)

T. C. DENNY, President
DES MOINES

IOWA

' 'AT HOME''

It's a feeling that we are trying to hold foremost in our contacts with our agents.

DID YOU EVER KNOW

That a Company could be human to the extent of considering every agent as a personality, and doing everything possible to make him feel "at home."

THE SECURITY FIRE HOLDS IT THEIR DUTY TO KNOW THEIR AGENTS

We have a field man in your state "anxious to Know You and Serve YOU."

Small	E N O U G H	To Know You
Strong		To Protect You
Old		To Serve You

ASSETS

1920	\$1,085,861.85
1921	1,145,225.98
1922	1,178,100.24
1923	1,274,933.70
1924	1,290,004.85
1925	1,481,724.73
1926	1,509,068.94
1927	1,588,927.26
1928	2,068,162.51

Surplus to Policyholders

\$300,653.99
350,888.71
412,192.76
493,216.00
518,108.58
601,820.30
640,548.34
701,429.94
1,060,961.97

1929 - - \$2,197,461.36 - \$1,083,103.14

We will tell you more about this Company—or our field man will call if you will tell us you want to feel "at home."

SECURITY FIRE INSURANCE CO.
OF DAVENPORT, IOWA

Iowa Convention and News Section

Iowa Convention Program

PROGRAM OF THE TENTH ANNUAL STATE CONFERENCE

of the Officers of the County Bankers Associations on "Still More Profitable Bank Administration and Operation."

Gold Room, Mezzanine Floor, Black Hawk Hotel, Davenport, 12:15 P. M.—Monday, June 16, 1930.

12:15 p. m.—"Dutch Treat" Luncheon. Music, entertainment.

1:30 p. m.—Conference called to order, G. W. Young, Jr., President, "Organization of Officers of County Bankers Associations," Secretary, Wright County Bankers Association, and Cashier, Bank of Clarion, Clarion.

1. Remarks, G. W. Young, Jr. President, "Organization of Officers of County Bankers Associations."

2. A Word from the President of the I. B. A., W. G. C. Bagley, Mason City, president of the Iowa Bankers Association.

3. Report of Secretary, Harry W. Jennings, Secretary, "Organization of Officers of County Bankers Associations," Secretary, Marshall County Bankers Association, Cashier, Iowa Savings Bank, Marshalltown.

4. Appointment of Committees.—(a) Resolution. (b) Nominating.

Program

"Farm Mortgage Exchange"—Jasper county—R. C. Macy, President, Jasper County Bankers Association, Cashier, First State Bank, Linnville. (3 minutes.) General discussion.

"Chain Store Accounts"—Poweshiek county—J. E. Bach, Cashier, Grinnell State Bank, Grinnell. (3 minutes.) General discussion.

"Railroad Pay Rolls"—Worth county—C. S. Rye, President, Worth County Bankers Association, Cashier, Manly State Bank, Manly. (3 minutes.) General discussion.

"Service Charges"—Tama county—Wesley T. Heckt, Cashier, Lincoln Savings Bank, Lincoln. (3 minutes.) General discussion.

"Charges for Due Notices"—Kossuth county—F. D. Williams, Vice President, Kossuth County Bankers Association, Pres-

ident, Iowa State Bank, Algona. (3 minutes.) General discussion.

"Savings Accounts Withdrawals"—Fayette county—Hoyt R. Young, Cashier, American National Bank, Arlington. (3 minutes.) General discussion.

"Savings Department"—Pottawattamie county—Robert W. Turner, President, City National Bank, Council Bluffs. (3 minutes.) General discussion.

"Float" and "Per Item" Charges"—Sioux county—C. A. Walhof, Vice President, State Bank of Rock Valley, Rock Valley. (3 minutes.) Cerro Gordo county—Harold V. Bull, Secretary, Cerro Gordo County Bankers Association, Cashier, First National Bank, Mason City. (3 minutes.) General discussion.

"Trend and Method of Computing Interest"—Page county—R. H. Sawyer, Secretary, Page County Bankers Association, Assistant Cashier, Shenandoah National Bank, Shenandoah. (3 minutes.) General discussion.

"Farmers Credit Statement"—Carroll county—R. M. Moehn, President, Commercial Savings Bank, Carroll. (3 minutes.) General discussion.

"Guest Speaker"—"Earnings and Expense Charts of Banks"—Harris G. Pett, Manager, Division of Research and Statistics, Federal Reserve Bank, Chicago. (20 minutes.) General discussion.

"Chattel Mortgage Loans"—Harrison county—H. W. Van Horn, Cashier, Dunlap Savings Bank, Dunlap. (3 minutes.) General discussion.

"Character and Partial Bank Loans"—Linn county—M. R. Selden, Assistant Cashier, Cedar Rapids National Bank, Cedar Rapids. (3 minutes.) General discussion.

"Bank Revenue Sources"—Crawford county—Theo. Rohwer, President, Farmers State Bank, Schleswig. (3 minutes.) Tama county—E. R. Cronk, Cashier, First National Bank, Montour. (3 minutes.) General discussion.

"Bank Earnings"—Winneshiek county—C. J. Weiser, Jr., Secretary, Winneshiek County Bankers Association, Assistant Cashier, Winneshiek County State Bank, Decorah. (3 minutes.) General discussion.

"Monthly Reports to Directors"—Franklin county—Walter T. Robinson,

Cashier, Citizens National Bank, Hampton. (3 minutes.)

"Guest Speaker"—"Correcting Unprofitable Practices in Banking"—C. M. Dopler, Manager Banking Division of the Edward R. Burt and Company, Bank Analysts, Bank Auditors, Certified Public Accountants, Chicago; Counsellor on Bank Analysis and Accounting for the Illinois Bankers Association and the Wisconsin Bankers Association. (15 minutes.) General discussion.

"Interim Receipts"—Greene county—I. O. Hasbrouck, Cashier, Iowa State Bank, Jefferson. (3 minutes.) General discussion.

"Bank Advertising"—Benton county—J. F. Traer, Vice President, Farmers National Bank, Vinton. (3 minutes.) General discussion.

"Building and Loan Associations"—Linn county—E. H. Furrow, Vice President, Merchants National Bank, Cedar Rapids. (3 minutes.) General discussion.

"Developing Bank Personnel"—Black Hawk county—Herman W. Wente, Cashier, Commercial National Bank, Waterloo. (3 minutes.) General discussion.

"Bank Employees"—Lee county—M. E. Tate, Vice President and Cashier, Security State Bank, Keokuk, Chairman Educational Committee of the I. B. A. (3 minutes.) General discussion.

"Check Kitters"—Black Hawk county—Fred H. Wray, Vice President and Cashier, Pioneer National Bank, Waterloo. (3 minutes.) General discussion.

"Banking Hours"—Iowa county—R. R. Schroeder, Secretary, Iowa County Bankers Association, Cashier, Iowa County Savings Bank, Marengo. (3 minutes.) General discussion.

"Night Depositories and Evening Banking Hours"—Polk county—Lynn G. Fuller, Vice President and Cashier, Central National Bank and Trust Company, former Bank Examiner, Des Moines. (3 minutes.) General discussion.

"Discount Rates"—Butler county—H. N. Reints, Treasurer, Butler County Bankers Association, Cashier, Kelsey State Bank, Kelsey. (3 minutes.) General discussion.

"The Present Day Country Banker"—Buena Vista county—E. M. Duroe, Vice



Left: The Davenport Country Clubhouse. Center: A putting green on Credit Island golf course. Right: A view of the Mississippi river and locks from the Davenport Country Clubhouse.



Left: A view of the Mississippi river and Le Claire Park from the foot of Main street at Davenport. Center: Airplane view of Davenport. Right: The sun dial and the sunset gun at the Rock Island Arsenal, with Davenport in the distance.

President, First National Bank, Sioux Rapids. (8 minutes.) General discussion.

"Bank Mergers"—Crawford county—H. E. Qualhiem, Executive Vice President, Crawford County Trust & Savings Bank, Denison. (3 minutes.) General discussion.

"Power Farming"—Carroll county—Henry Mohr, Cashier Glidden Savings Bank, Glidden. (3 minutes.) General discussion.

"Insured Bonds"—Cass county—O. A. Otto, Vice President, Whitney Loan and Trust Company, Atlantic. (3 minutes.) General discussion.

Report of Committees—(a) Resolutions Committee. (b) Nominating Committee.

Any Unfinished or New Business.

"Service Charge" Pamphlets—Distribution of sets of "Service Charge" pamphlets of different Iowa County Bankers Associations and city and rural banks, collected and distributed at this Conference through the courtesy of the "Banking Analysis Committee" of our State Association.

Adjournment.

SECOND DAY

Tuesday, June 17, 1930 9:00 A. M.
Capitol Theatre

1. Singing of "America" by Audience.
2. Convention called to order by W. G. C. Bagley, Mason City, President of the Iowa Bankers Association; President of the First National Bank, Mason City.

3. Invocation, Rev. Frank W. Court, Pastor, St. John's M. E. Church, Davenport.

4. Musical Program (20 minutes).
The Serenaders Quartette—David C. Nordstrom, tenor; Ruth Benkert Wunschel, soprano; Fannie Schnitger Martin, contralto; Walter K. Voss, bass.

1. Waltz Song (Faust)Gounod
2. Volga Boatman.....Russian Folksong
3. Legend of the Bells (Chimes of Normandy)Planquette
4. Moonbeams (Red Mill).....Herbert
5. One Morn I Remember (Rigoletto)Verdi

5. Address of Welcome—(a) "On Behalf of the Davenport Bankers" Mr. Jos J. Brus, Vice President, Union Savings Bank & Trust Company, Davenport. (b) "On Behalf of the City of Davenport," Hon. George C. Tank, Mayor.

6. Response to Address of Welcome—Mr. C. R. Wooden, President, Wooden Savings Bank, Centerville, and Vice President of the Iowa Bankers Association. (The Vice President assumes the Chair and presides over the Convention until the presentation of the gavel to the President.)

7. Annual Address of the President—Mr. W. G. C. Bagley, President, First National Bank, Mason City.

8. Presentation to the President of the Ivory Gavel—By Walter T. Robinson, Cash-

ier, Citizens National Bank, Hampton.

9. Response—President W. G. C. Bagley. (The President resumes presiding.)

10. President Appoints Convention Committees—(a) On Resolutions. (b) In Memoriam of Mr. A. C. Smith, former, I. B. A. President deceased during this past year.

11. Adopting Association Reports—(a) Agricultural, Otto C. Herman, Boone; (b) Americanization, L. A. Andrew, Ottumwa; (c) Auditing, N. P. Black, Perry; (d) Banking Analysis, R. A. Crawford, Des Moines; (e) Bank Taxation, F. B. Yetter, Davenport; (f) Educational, M. E. Tate, Keokuk; (g) Federal Reserve, H. L. Horton, Des Moines; (h) Insurance, R. L. Leach, Adel; (i) Legislative, Fred J. Figge, Ossian; (j) Organization of Officers of County Bankers Associations, G. W. Young, Jr., Clarion; (k) Rivers Development and Warehousing Committee, J. K. Deming, Dubuque; (l) Secretary's Report, Frank Warner, Des Moines; (m) Time Lock Committee, John Sieh, Spencer; (n) Treasurer's Report, C. T. Simmons, Burlington; (o) Trust Powers and Trust Business, J. M. Hutchinson, Cedar Rapids.

First Annual "Investment Conference" SPEAKERS

12. "Suggestions for a Bank's Bond Account"—Alfred T. Sihler, Assistant Vice President, First Union Trust & Savings Bank, Chicago, affiliated with the First National Bank of Chicago. (20 minutes.) General discussion.

13. "Is Present Day Bank Buying of Bonds Sound?"—Harold E. Wood, Vice President, Foreman State Corporation, affiliated with the Foreman-State National Bank, Chicago. (20 minutes.) General discussion.

14. "Analyzing Investment Accounts of Banks"—Clifton H. Merry, Sales Manager Continental Illinois Company, Chicago, affiliated with the Continental Illinois Bank & Trust Company, Chicago. (20 minutes.) General discussion.

15. "Public Utility Bonds as an Investment for Banks"—G. I. Bell, Assistant Vice President, Harris Trust & Savings Bank, Chicago. (20 minutes.) General discussion.

16. "Legal Investments for Iowa State Incorporated Banks"—L. A. Andrew, State Superintendent of Banks for Iowa. (20 minutes.) General discussion.

Meeting of the Iowa A. B. A. Members

The I. B. A. Convention will at this time be temporarily suspended and resolved into a convention of the Iowa members of the A. B. A.

17. Meeting called to order by W. G. C. Bagley, President of the Iowa Bankers Association.

(N. B.)—Mr. C. T. Cole, Jr., of Des Moines, Vice President of the A. B. A. for Iowa, resigned during this past year. President Bagley will therefore ask the Iowa A. B. A. members to select a Chairman to preside during their meeting.

18. Election of Iowa A. B. A. Officers—(a) One member of the Executive Council (to serve for 3 years) to succeed Mr. H. L. Horton of Des Moines.

(b) One member of the Executive Council (to serve for 3 years). This additional Executive Councilman can be elected and will be eligible to serve on the A. B. A. Executive Council provided that 47 additional members to the A. B. A. from Iowa are received to qualify this additional Executive Councilmanship. These additional members will have to be obtained by not later than August 31, 1930, in order to qualify this additional Executive Councilman to attend the Council Meeting of the A. B. A. at the time of its next National Convention, which will be held in Cleveland, Ohio, from September 29th to October 2nd, 1930, inclusive.

(c) A State Vice President for the A. B. A. for Iowa to succeed Mr. C. T. Cole, Jr., resigned.

(d) A Nominating Committeeman to succeed Mr. L. A. Andrew, Ottumwa.

(e) An Alternate Nominating Committeeman to succeed Mr. George J. Schaller, Storm Lake.

(f) One Vice President for Iowa for the Trust Company Division of the A. B. A. to succeed Mr. B. F. Kauffman of Des Moines.

(g) One Vice President for Iowa for the Savings Bank Division of the A. B. A. to succeed Mr. Leo J. Wegman, Carroll.

(h) One Vice President for Iowa for the National Bank Division of the A. B. A. to succeed Mr. C. C. Jacobsen, Sioux City.

(i) One Vice President for Iowa for the State Bank Division of the A. B. A. to succeed Mr. Fred J. Figge of Ossian.

19. Meeting of the Iowa Members of the A. B. A. Adjourned.

20. President W. G. C. Bagley resumes presiding.

21. Session Adjourned, 12:30 P. M.

SECOND DAY

Tuesday Afternoon, June 17, 1930
1:30 P. M.

Second Annual "Conference on Trust Business"
Gold Room, Mezzanine Floor,
Black Hawk Hotel

SPEAKERS

At Conference on Trust Business

12:30 P. M.—"Dutch Treat" Luncheon (Gold Room, Black Hawk Hotel). Music, Entertainment.

1:30 P. M.—Conference called to order by

A STRONG, progressive bank whose interests, like yours, are centered on Iowa

**BANKERS TRUST CO.
BANK**

Cor. 6th and Locust Sts., Des Moines
Capital \$1,000,000.00 Surplus \$200,000.00



W. G. C. Bagley, President, Iowa Bankers Association. Following the remarks of President Bagley, he will turn the Trust Conference over to Mr. J. M. Hutchinson, Trust Officer, Cedar Rapids Savings Bank & Trust Company, Cedar Rapids, Chairman of the Committee on "Trust Powers and Trust Business" of the Iowa Bankers Association, who will preside.

Remarks, Chairman J. M. Hutchinson.

Appointment of any Committees, Chairman J. M. Hutchinson

(a) **Resolutions Committee**—(It is anticipated that any Resolutions adopted by this Trust Conference are to be referred to "the General Committee on Resolutions" for the State Convention so that they may be considered and included as deemed best by that committee when it makes its report at the last session of this convention, Wednesday morning.)

1. **"The Relation of Attorneys and Bankers in Trust Work"**—F. H. Shimanek, Cashier, Oxford Junction Savings Bank, Oxford Junction. (10 minutes.) General discussion.

2. **"How I Am Going About It to Set Up a Trust Department in My Bank"**—Glenn S. Buchanan, Vice President, Kossuth County State Bank, Algona. (10 minutes.) General discussion.

3. **"Life Insurance Trusts and a Bank's Relation With Local Insurance Underwriters"**—Robert L. Block, American Trust Company, Davenport. (10 minutes.) General discussion.

4. **"A Proper Schedule of Fees Chargeable by Corporate Fiduciaries"**—J. M. Hutchinson, Cedar Rapids, Chairman of Committee on "Trust Powers and Trust Business" of the I. B. A. and Trust Officer of the Cedar Rapids Savings Bank and Trust Company, Cedar Rapids. (10 minutes.) General discussion.

5. **"How Can Bank Customers in Smaller Communities Be Induced to Become Interested in a Trust Department of Their Local Bank"**—C. F. Harris, Cashier, State Bank, Gladbrook and member of committee on "Trust Powers and Trust Business" of I. B. A. (10 minutes.) General discussion.

6. **"A Trustor and Life Insurance Companies"**—A trustor, living in a city, with a large income, wants to create a trust, but he is confronted with the fact that his wife or family will not be able to live in the city under the same conditions after his earning power is taken away from the estate, and hence, concludes that he cannot appoint the city bank as trustees of his estate, and concludes he may as well leave the trust with a good insurance company. What can be done to compete with the insurance company in such cases?—Clay W. Stafford, Cashier, Ames National Bank, Ames. (10 minutes.) General discussion.

7. **"Living Trusts and Are There Trusts That Banks Should Not Undertake?"**—L. B. Bartholomew, Trust Officer and Vice President, Bankers Trust Company, Des Moines. (10 minutes.) General discussion.

8. **"What Should Control in Selecting a Trust Officer and What Are the Obligations of the Trust Officer?"**—George Miller, Trust Officer, Cedar Rapids National Bank, Cedar Rapids. (10 minutes.) General discussion.

9. **"How Can Local People Be Induced to Name a Bank as an Executor of Their Will?"**—J. C. Bach, Cashier, Grinnell State Bank, Grinnell. (10 minutes.) General discussion.

10. **"What Are the Best Methods of Securing Trust Prospects?"**—Jos. J. Brus,



RAY NYEMASTER

Vice President, American Commercial and Savings Bank, Davenport, Iowa. General Chairman of Convention Arrangements

Vice President and Trust Officer, Union Savings Bank & Trust Company, Davenport. (10 minutes.) General discussion.

11. **"How Can the Trust Departments in Iowa banks compete with Life Insurance Companies, with reference to Life Insurance Trusts where these companies guarantee certain returns on the funds retained in the trust and are not subject to any local intangible tax or any income tax, either Federal or State on the Income paid to the beneficiaries?"**—E. A. Hoffman, Vice President, Toy National Bank, Sioux City. (10 minutes.) General discussion.

12. **"The Most Unique and Interesting Trust That I Have Ever Handled"**—E. R. Jackson, Trust Officer, Council Bluffs Savings Bank, Council Bluffs. (10 minutes.) General discussion.

13. **Report of Committee on Resolutions.**

14. **Unfinished business.**

15. **Any new business.**

16. **Meeting adjourned at 4:00 P. M.**

Third Day

A General and Final Convention Session
Capitol Theatre

1. **Meeting called to order by the President.**

2. **Musical Program (20 minutes).**

The Hawkeye Ensemble—Herbert Silberstein, first violin; Will Paarmann, second violin; Albert Petersen, viola; Arthur Petersen, cello; Ceno Petersen, piano.

Program

1. Overture, "The Marriage of Figaro" Mozart
2. Mignnette Friml
3. Canzonetto Friml
4. String quartet, "Old Black Joe"
5. Waltz melodies from "The Prince of Pilsen" Luders
6. Intermezzo Worsing
7. Selections from the Irish operetta, "Eileen" Victor Herbert

3. Election of Officers.

(Note: A resolution was adopted at the 1913 Convention making the election of officers the first order of business on the last day of the meeting.) The officers to be elected are as follows:

- (a) President
- (b) Vice President
- (c) Treasurer

Speakers

The Several Banking Commissioners.

The Second Annual Interstate Conference of State Banking Commissioners which conference was initiated by your State Association a year ago, will be held again at the coming Iowa State Convention at Davenport, on Wednesday forenoon, June 18, 1930. Out of nine banking commissioners in the states contiguous or neighbors to Iowa, including Iowa's own bank superintendent, the following have accepted the invitation:

4. **Talk**—"Just East of the Mississippi," Oscar Nelson, Illinois, Auditor of Public Accounts (Banking Commissioner), Springfield.

5. **Talk**—"Surrounded by Worthy Neighbors," L. A. Andrew, Iowa, State Superintendent of Banking, Des Moines.

6. **Talk**—"Criticisms and Condemnations," H. W. Koenke, Kansas, Bank Commissioner, Topeka.

7. **Talk**—"From a Neighbor to the South," S. L. Cantley, Missouri, Commissioner of Finance, Jefferson.

8. **Talk**—"Banking Ideas and Experiments in Nebraska," G. W. Woods, Nebraska, Bank Commissioner, Lincoln.

9. **Talk**—"The Unit Bank and the Regional Clearing House," C. F. Schwenker, Wisconsin, Commissioner of Banking, Madison.

10. **Address**—"Organization of the New International Bank," Melvin A. Traylor, President, First National Bank, Chicago.

11. **Report of Committee on Resolutions.** Van Vechten Shaffer, Vice President, Cedar Rapids National Bank, Cedar Rapids, Chairman.

12. **Report of any other Special Committees.**

(a) Report of the committee on "In Memoriam of Mr. A. C. Smith, former I. B. A. President, deceased this past year."

13. **Unfinished business or new business.**

14. **Receiving invitations for the 1931 convention.**

15. **Adjournment of convention, 12:30 P. M.**

Changes in Group Officers

Five of the eleven groups of the Iowa Bankers Association held election of officers at their group meetings in May.

Changes were made in Groups 2, 4, 6, 8 and 10.

The officers as they now appear on the roster of the Bankers Association are as follows:

Group 1: Chairman, R. B. Dalton, Cashier, First National Bank, Le Mars, Iowa; Secretary, F. W. Johansen, Vice President, First National Bank, Cherokee, Iowa.

Group 2: Chairman, F. D. Williams, President, Iowa State Bank, Algona, Iowa; Secretary, A. E. Anderson, Cashier, Clay County National Bank, Spencer, Iowa.



IOWA

Is The
Brightest
Spot On
The Map

SUCH authorities as Babson report Iowa to be in better condition. It has been a "long pull" from being the blackest spot on the map to that of the brightest and Iowa banks have had an important part in bringing it about.

We have been a material factor in the return to better conditions through service rendered correspondent banks in every part of the State. Our 35 years of banking experience has reacted to the advantage of those we have served.

We are working for the continued prosperity of Iowa.

GRANT McPERRIN
President

LELAND WINDSOR
Vice President

LYNN C. 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

Group 3: Chairman, A. S. Lund, Cashier, First National Bank, Northwood, Iowa; Secretary, C. C. Palmeter, Cashier, Cerro Gordo State Bank, Clear Lake, Iowa.

Group 4: Chairman, H. R. Young, Cashier, American National Bank, Arlington, Iowa; Secretary, George W. Falk, Cashier, First National Bank, Oelwein, Iowa.

Group 5: Chairman, Theo. Rohwer, President, Farmers State Bank, Schleswig, Iowa; Secretary, H. W. Van Horn, Cashier, Dunlap Savings Bank, Dunlap, Iowa.

Group 6: Chairman, R. C. Macy, Cashier, First State Bank, Lynnville, Iowa; Secretary, N. E. Kelly, Cashier, Altoona Savings Bank, Altoona, Iowa.

Group 7: Chairman, L. C. McGill, Cashier, Commercial State Bank, Independence, Iowa; Secretary, G. H. Clark,

Cashier, Commercial Savings Bank, Marion, Iowa.

Group 8: Chairman, M. H. Dake, President, First National Bank, Lost Nation, Iowa; Secretary, H. V. Butt, Cashier, First National Bank, Bellevue, Iowa.

Group 9: Chairman, P. M. Simmons, Simmons & Co., Bankers, Osceola, Iowa; Secretary, B. J. Parsons, Cashier, Commercial State Bank, Afton, Iowa.

Group 10: Chairman, B. D. Helscher, Vice President, Keokuk County State Bank, Sigourney, Iowa; Secretary, J. C. Henaman, Cashier, Wooden Savings Bank, Centerville, Iowa.

Group 11: Chairman, F. E. Skola, Vice President, Farmers Savings Bank, Kalona, Iowa; Secretary, Earl C. Huene, Cashier, State Trust & Savings Bank, Mt. Pleasant, Iowa.

Heads County Bankers

C. S. Rye, of Manly, Iowa, was elected president of the Worth County Bankers Association which held its annual meeting at Northwood recently. Other officers to be elected were: T. O. Groe, Northwood, vice president; A. C. Petznick, Grafton, secretary and J. M. Paulson, Joice, treasurer.

Sees Low Interest Rates

As contrasted with the greater part of 1929, when most banks of the United States showed high gross earnings because of high interest rates, the remainder of 1930 promises to continue to be a period of low interest rates, according to the Current Bank Brief by Dr. Paul M. Atkins, economist of Ames, Emerich & Co.

It is evident that call loans, bankers' acceptances and commercial paper are becoming increasingly unattractive to banks from the standpoint of gross earnings, says the review, but points out that the question of whether the net income produced by these sources is larger than could be procured from other sources can only be ascertained by finding the cost of administering funds in these several forms.

Accordingly, says Dr. Atkins, the present time offers an excellent opportunity to buy bonds. There is always a lag in the reaction of bond prices to a decline in interest rates, and, while interest rates will probably not fall off greatly during the next few months, it seems quite probable that, barring a temporary technical reaction, the prices of bonds will tend upward during the next few months in response to the decline in interest rates which has already taken place. Bankers have the reputation of buying bonds when prices are high and selling them when prices are low. The present period, says Dr. Atkins, offers the bankers an opportunity to buy bonds when prices are still relatively low and hence reverse this old adage.

He further expressed the opinion that the recent change in interest rates is likely to affect long term bonds more than short term obligations.

Fire Causes

As shown by the annual report of State Fire Marshal H. L. Reade, of North Dakota, matches-smoking led in the causes of fire losses in the state during the last fiscal year. Next in order, as to number of fires, was lightning in unrodded buildings, followed by stoves, furnaces, boilers and their chimneys, flues and pipes.

"You are working too hard," said the doctor.

"I know it," sighed the patient, "but that's the only way I can keep up the easy payments."—*Cincinnati Inquirer*.

The Gateway to the West

The gates to the west swing wide open this month in friendly greeting to the bankers of Iowa; a greeting as genuine as the hospitality back of it.

May your visit to Davenport be long and filled with pleasure.

The Home Savings Bank especially welcomes you and places the entire facilities of a complete organization at your disposal.

Deposits \$1,447,761.00

HOME SAVINGS BANK

George Klindt, President

P. F. McCarthy, Vice President

Hugo H. Stahl, Vice President

H. T. Hansen, Cashier

A. E. Stoltenberg, Asst. Cashier

PEOPLES
TRUST &
SAVINGS
BANK

At your service—
in Eastern Iowa
and
Western Illinois

PEOPLES TRUST & SAVINGS BANK
CLINTON, IOWA

REMEMBER IT THIS WAY—"PEOPLES TRUST"

OFFICERS

W. W. COOK, President

WM. M. WILSON, Vice Pres.

J. O. JEFFERIES, Vice Pres.

J. L. BOHNSON, Cashier

J. C. LANGAN, Vice Pres.

C. S. HARRIS, Assistant Cashier

F. W. SPALDING, Asst. Cashier

EMIL JOHANNSEN, Asst. Cashier

Plan Fine Entertainment

IN ADDITION to the splendid program which will greet delegates to the Iowa Bankers Association Convention in Davenport, June 16-18, splendid entertainment for all, young or old, is being planned by congenial Frank B. Yetter, chairman of the entertainment committee, and his willing cohorts. Frank, who always has a host of unexpected and enjoyable events tucked away for last minute usage, says this about entertainment plans:

"Mrs. Green, who has charge of the ladies' entertainment, has advised me that there will be a theatre party for the ladies, at 8:30 Monday evening;

"Luncheon and entertainment, Tuesday, at 1:00 p. m., to be held at the Davenport Outing Club and the Arsenal Golf Club, and a drive following this;

"Grand ball in the Gold Room of the Blackhawk Hotel, at 9:00 p. m., Tuesday evening.

"The ladies have also planned, some time during Monday and Tuesday, to visit our art gallery, 'A Little Bit of Heaven,' the Davenport Public Museum, and the Museum at Rock Island Arsenal, all of which are very interesting places."

For the Men

THE men's entertainment will consist of:

"Golf, Monday p. m.;

"Smoker, Monday evening, at 8:30 p. m., at Eagles' Hall, at 4th and Scott Streets;

"Base ball, Tuesday, at 3:00 p. m.;

"Grand ball, Tuesday evening, Blackhawk Gold Room, 9:00 p. m.

"Our guests are invited to play golf at the Davenport Country Club, Rock Island Arsenal Golf Club, Credit Island Golf Course, and Duck Creek Course.

"Colonel D. M. King, commandant, Rock Island Arsenal, has allowed us to issue a special pass to Rock Island Arsenal, good during the convention. This will be included in the book of tickets, for both ladies and gentlemen.

"Not only the Davenport bankers, but Davenport people generally are looking forward to this convention, and everyone will join in a most cordial welcome to the bankers and ladies."



FRANK B. YETTER
Vice President, American Commercial and Savings Bank, Chairman, Entertainment Committee

THE REGISTER LIFE
WELCOMES
THE IOWA STATE BANKERS
ASSOCIATION
TO DAVENPORT

REGISTER LIFE
Organized 1889
Brady Street, Between 6th and 7th Streets

MUTUAL LEGAL RESERVE

Hoffman Named President

Frank Hoffman, West Side, Iowa, was again elected to head the Crawford County Bankers Association, at the meeting held in Denison. Other officers serving with Mr. Hoffmann are E. W. Timm, of Charter Oak, vice president, and M. L. Runge, of Denison, secretary and treasurer. Members of the association and their wives enjoyed a banquet at the Hotel Denison. In the absence of the speaker of the evening, who was unable to be present on account of a car accident while en route from Sioux City to Denison, several members of the association made impromptu talks.

Waterloo Banker Dies

Charles A. Marsh, president of the First National Bank of Waterloo, Iowa, died recently, in a hotel at Freeport, Ill.

He was a brother of the late Wilbur W. Marsh, former national treasurer of the democratic party and widely known Iowa manufacturer, who died suddenly last December.

Marsh was returning to Waterloo by motor after attending a sale of his late brother's famous Guernsey cattle at Hinsdale, Ill.

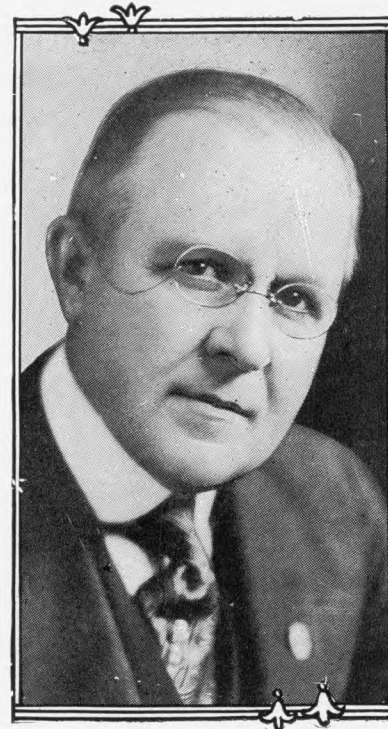
He had stopped overnight at Freeport and was stricken by heart disease, with which he long had been suffering. His chauffeur was with him.

Marsh, who was 70, leaves his widow and three daughters.

Attends Council Meeting

Grant McPherrin, president of the Central National Bank and Trust Company, Des Moines, likewise treasurer of the American Bankers Association, attended the meeting of the A. B. A. Executive

Council at Old Point Comfort, Va., last month and reports a very pleasant and profitable meeting. According to Mr. McPherrin, the principal discussion centered on the question of changing the



GRANT MCPHERRIN

A. B. A. headquarters from New York to Washington. After a heated discussion in which many participated, a resolution was proposed by John Puelicher, Milwaukee banker, that the president appoint a committee to investigate the proposed change and report on it later.

Elect Officers

At the annual meeting of the officials of the Waukon Iowa State Bank, the old officers were all accorded a re-election as follows: President, S. W. Ludeking; vice presidents, M. W. Eaton, G. W. Eaton, Frank Klees; cashier, C. H. Megorden; assistant cashiers, L. A. Fogt, Ben Ludeking, Meta Z. Fasse; bookkeepers, Nellie Beall, Evelyn Leikvold; directors, M. W. Eaton, R. J. Alexander, S. W. Ludeking, F. H. Klees, C. H. Megorden.

Bank Extends Articles

Articles of incorporation of the Luxemburg Savings Bank, Luxemburg, Iowa, are extended for a period of 50 years, according to amended articles filed with Leo L. Tschudi, county recorder. The capital stock of the bank is \$15,000.

Directors of the bank are: C. J. Ungs, New Vienna, president; Henry Gaul, New Vienna, vice president; F. X. Heinrichs, New Vienna, cashier; Henry Lake, New Vienna; Otto Anderegge and J. N. Spoden, Turkey River and E. W. Hogan, Waterloo.



IN JUNE, all roads lead to Davenport. We are expecting a 100% attendance at the convention June 16, 17 and 18, and we need YOUR presence to make it so.

And while here, make it a point to visit the Northwest Davenport Savings Bank. You will find a modern institution, equipped to render the greatest possible service to the bankers of Iowa.

Deposits \$2,589,299

NORTHWEST DAVENPORT SAVINGS BANK

J. S. Weber, President
Peter Peters, Vice President

Albert Eggert, Cashier
Herbert J. Langfeldt, Assistant Cashier



Valley Bank Building

OFFERING to Iowa banks complete and efficient banking service.

Your inquiries and patronage solicited

Valley National Bank
AND
Valley Savings Bank
DES MOINES, IOWA

Established 1872

Combined Capital and Surplus
\$1,100,000.00

R. A. CRAWFORD, President
C. T. COLE, JR., Vice President
C. O. CRAIG, Vice President
D. S. CHAMBERLAIN, Vice President
W. E. BARRETT, Cashier
C. M. CORNWELL, Assistant Cashier

One of Iowa's Greatest Industrial Plants

Few people are aware of the fact that Mason City, Iowa, originates, per year, more carloads of freight than any other city west of the Mississippi river and this immense tonnage is made possible by Denison Clay Products, made by one of the state's oldest industries, the Mason City Brick and Tile Company. The Mason City Brick and Tile Company was started in 1882, making a few common brick and drain tile for local sale. It remained only a small local concern until taken over by the late O. T. Denison. Since then this company has grown until it is now the largest producer of drain tile in the United States and probably even in the entire world. It is also the largest producer of hollow clay building tile in the entire northwest. When operating at full capacity it can produce between 1,000 and 1,200 tons of clay products per day.

For many years its principal product was drain tile. Even today the company would rather make and sell it than anything else. Drain tile made possible the present agricultural development of northern Iowa, southern Minnesota and much of Wisconsin. Because drain tile increases the basic wealth produced in a community, and because the local banker is the financial adviser of the farmer, this enterprising firm has for years helped educate the banker on problems of tile drainage.

During the past thirty years this company has developed an extensive business in silo tile, fireproofing, hollow building tile, floor tile, face tile and roofing tile beside common and face brick. The more recent developments of these are matt faced tile and roofing tile which enable one to build a home or other building with its exposed surfaces of both walls and roof of imperishable hard burned clay whose beauty of texture and color are unmarred and undimmed by time.

Elected Cashier

At a meeting of the directors of the First National Bank of Waverly, Iowa, Herbert C. Nolting was unanimously chosen to fill the position of cashier of that institution, succeeding William Weiditschka, whose death occurred recently.

Mr. Nolting has been connected with the First National for the past twelve years. Even before he finished his high school course he spent part time for six months working into the position of book-keeper, which he took immediately after he had graduated from Waverly high school. Several years ago he was advanced to the position of assistant cashier

75 Years Old
and before the Civil War

Winneshiek County State Bank

Decorah, Iowa

Capital, Surplus and Undivided Profits

\$358,005.00

The stockholders of this old and sound institution own the banks at Ridgeway, Spillville, Fort Atkinson, Highlandville, Burr Oak, Frankville, Canton and Spring Grove, all within twenty-five miles of Decorah which have:

Capital, Surplus and Undivided Profits

\$262,574.25

While the combined deposits of

these nine banks is

FIVE MILLION

Weiser-Algyer Investment Corporation

Incorporated

Authorized Capital, \$350,000. Paid in, \$175,000.

Surplus, \$30,000. Undivided Profits, \$14,441.60

Owned by the Weiser Family and R. Algyer

Welcome!



Each officer and member of the personnel of the Citizens Trust & Savings Bank extends a hearty welcome to the members of the Iowa Bankers Association when they meet in convention in Davenport on June 16, 17 and 18.

We hope your stay here will be most enjoyable and instructive. Of course you will make the Citizens Trust and Savings your headquarters, and your slightest wish voiced to any member of the organization, is the surest way to its fulfillment.

Deposit \$1,900,000.00

Citizen's Trust & Savings Bank

E. J. Dougherty, President
H. L. Huebotter, Vice President

E. H. Runberg, Cashier
G. W. Thompson, Ass't Cashier

1876

1930

The Consolidated National was established fifty-four years ago, and during all this time has kept pace with the demands necessary to render the most modern banking service.

May we serve you?

Consolidated National Bank DUBUQUE, IOWA

J. K. Deming, President
Geo. W. Myers, Vice President

Jos. W. Meyer, Cashier

and when Mr. Weiditschka's health began to fail, practically all the duties of cashier fell upon his shoulders.

Goes to Mason City

Paul E. Hoover, special examiner for the Northwest Bancorporation, has been elected executive vice president of the First National Bank of Mason City, Iowa, and will take up his new duties at once. The election took place at a special meeting of the board of the First National Bank. Mr. Hoover was also elected a director and will serve as a member of the Discount Committee.

Mr. Hoover has been connected with the Northwest Bancorporation since July,



PAUL E. HOOVER

1929, and has been in charge of the examinations of many of the larger banks which have become affiliated in this group during the year. Previous to that time, he was National Bank Examiner for the Minneapolis district, including St. Paul, Minneapolis and Duluth. He first came to Minneapolis in 1923. Previous to that time, for a period of two years, he was National Bank Examiner in Chicago.

Mr. Hoover was born in Harrodsburg, Kentucky, coming to the northwest when he was twelve years of age. His first banking experience was gained in the First National Bank of Kalispell, Montana.

Mr. and Mrs. Hoover will take up their residence in Mason City at once.

She came into the police station with a picture in her hand. "My husband has disappeared," she sobbed. "Here is his picture. I want you to find him."

The inspector looked at the photograph. "Why?" he asked.

To the bankers of Iowa who are now our agents, and to those anticipating greater profits in the field of life insurance, we extend the heartiest greetings. May your deliberations during the three-day convention be most instructive.

• • •

Total Insurance in Force \$54,000,000

• • •

Guaranty Life Insurance Co.

L. J. DOUGHERTY, PRESIDENT AND GENERAL MANAGER

DAVENPORT, IOWA

Celebrates Silver Anniversary

The Melbourne Savings Bank, Melbourne, Iowa, recently celebrated the 25th anniversary of its establishment.

Many old bank records were shown and compared with the present day systems, showing many changes in methods of securing speed and accuracy in accounting.

Besides flowers received from local people, handsome pieces were contributed by the Stock Yards National Bank, Chicago; Merchants National Bank, Cedar Rapids; Iowa-Des Moines National Bank, Des Moines; State Savings Bank, Baxter; Iowa Savings Bank, Marshalltown; Central State Bank, State Center; and Bank of Clemons, Clemons.

A six o'clock dinner was tendered the visiting bankers at Hotel Melbourne, and the others present included the local bank officials, directors and their ladies, a total of 28 plates being served.

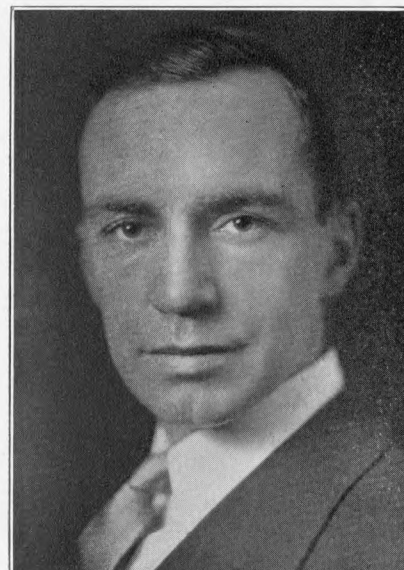
To Attend State Meetings

Robert P. Brewer, Vice President and member of the Management Committee of Chatham Phenix National Bank and Trust Company of New York, and Paul L. Hardesty, Assistant Vice President of the same bank, will attend the Iowa and Minnesota State Bankers meetings.

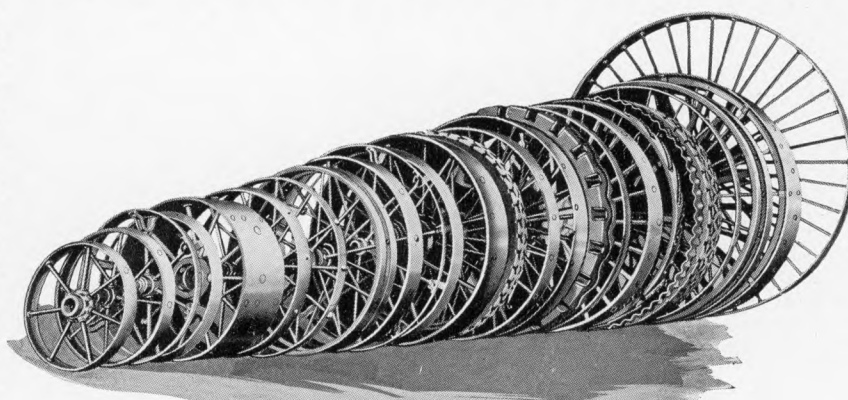
Mr. Brewer is well known as a former Oklahoma banker, having been president

and chairman of the First National Bank of Tulsa and still a director of the Phillips Petroleum and Independent Oil and Gas companies.

Mr. Hardesty, prior to his appointment with the Chatham Phenix, was a member of the official staff of the First National Bank of Chicago, and before that of the



PAUL L. HARDESTY
Assistant vice president, Chatham Phenix
National Bank & Trust Co.



Over 20,000 Steel-Spoke Wheels a Day

THIS is the age of machines. On all machines where work depends on ground motion, wheels are an essential factor. The more efficient the machine, the more exacting become the wheel requirements.

French & Hecht have specialized for years in the research and study of wheel application and engineering and have solved the wheel problem for over 6,000 different machines.

So extensive has been the experience of this organization in the development and manufacture of steel wheels for all applications that French & Hecht service means a distinct saving to manufacturers, and always the assurance of a perfect combination for every requirement.

Special wheel service is available to manufacturers, and users of wheels. Write.

FRENCH & HECHT STEEL WHEELS

DAVENPORT, IOWA

SPRINGFIELD, OHIO

WHEEL BUILDERS SINCE 1888

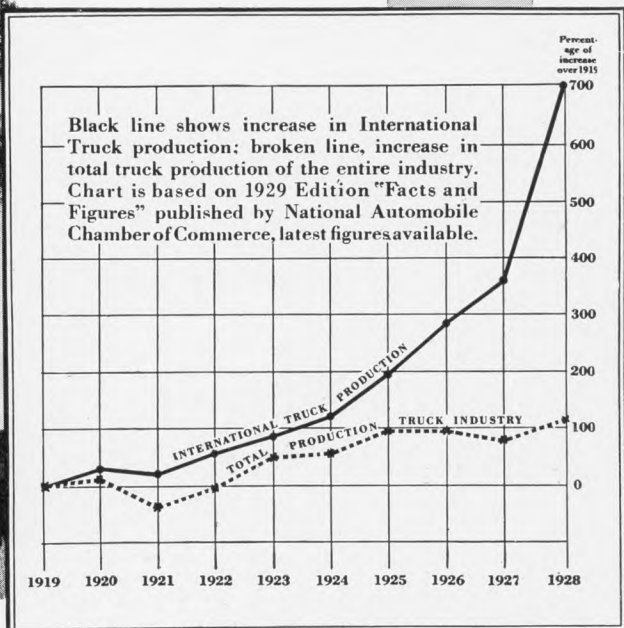
Union Trust Company, Chicago. He is one of the best known and considered one of the ablest of the younger generation of bankers.

The Chatham Phenix National Bank and Trust Company is one of the oldest and most conservative banks in New York. Founded in 1812, it was the first national bank to receive permission at Washington to incorporate the words "Trust Company" into its name. It has long been known as one of the leading independent banks in New York City. Since 1911, under the administration of Mr. L. F. Kaufman, President, it has had a remarkable growth. It has 16 branches in New York City and total resources of more than three hundred million dollars. Mr. Kaufman has the unique distinction of being the President of the First National Bank of Marquette, Michigan.

Staffed by banking officers drawn from many states and sections, the Chatham Phenix is truly national in its connections, its outlook and its experience with practically all lines of business. Bankers who have visited its main office in the heart of the Wall Street district say that it is like a home town bank in the friendliness of its welcome and its close personal knowledge of the conditions in various industries and sections.

Some people lose an hour in the morning and spend the rest of the day looking for it.—Duke of Newcastle.

This CHART Shows the Wonderful Growth of INTERNATIONAL POPULARITY



BACK in 1919 International trucks were already very popular. On the farms and in the cities, many thousands of men were saving their time and money by hauling their loads in trucks made by International Harvester. In that year Internationals were already in the front rank of production.

Yet that was only a start. Note what has happened since 1919. Although the manufacture of all trucks has only DOUBLED in the ten-year period, the manufacture of Internationals has multiplied SEVEN FOR ONE. The lines on the chart above show clearly how the need for low-cost hauling has increased the demand for this International Harvester product.

◆ ◆ ◆ ◆

International truck popularity has kept pace with the popularity of McCormick-Deering farm-operating equipment. McCormick-Deering 15-30, 10-20, and Farmall tractors and the many machines that comprise the McCormick-Deering line are rendering a tremendous service in saving labor charges, lowering the costs of production, and removing the drudgery from farm life. On every hand it is demonstrated that trucks and good equipment make the good farmer better.



International
1 1/2-ton Speed Truck

The Six-Speed Special

The scene at the top of the page shows the popular Six-Speed Special—the original heavy-duty Speed Truck with six forward speeds. Through its 2-speed axle it combines high road speed with tremendous pulling power for gumbo, steep hills, and soft fields. It has sturdy members throughout, good looks, and 4-wheel brakes. The Six-Speed Special is a great favorite for rural hauling.

INTERNATIONAL HARVESTER COMPANY
606 So. Michigan Ave. **of America**
(Incorporated) Chicago, Illinois



INTERNATIONAL TRUCKS

Fisher Company Is Steadily Expanding

DESPITE business conditions which have not been too favorable the past few years, the Fisher Company, of Charles City, Iowa, well known bank fixture manufacturers, report a good business year in prospect, with a number of contracts for remodeling several banks. Among the institutions which they have recently equipped are:

West Town State Bank, Chicago; Prairie State, Oak Park, Ill.; National Bank & Trust, Jamestown, N. Dak.; Western National, Duluth, Minn.; The Citizens, Hutchinson, Minn.; First National,

Wausau, Wis., and the First National, Paullina, Iowa.

The excellent quality of work and service furnished by The Fisher Company, in equipping banks with new fixtures and furnishings has resulted in their being recognized as authority on all matters pertaining to the planning and fitting up of banks and this has resulted in a very material increase in the volume of their business.

Many things enter into the successful completion of a bank fixture contract; close cooperation with the architect, a sincere desire to please even to the extent of furnishing more than the purchaser has a right to expect, a thorough knowledge

of materials and design, modern methods of construction, complete special equipment required for this class of work, ample capital and carefully trained experienced help.

The required knowledge to build work of this kind properly can be acquired only by years of experience, a close personal application to business and by making a constant study of the ever-changing conditions and many problems arising.

The Fisher Company has been in successful operation for a period of nearly sixty years and under the present management for about thirty years. They ship their products into all parts of the United States, into Canada and Mexico and have actually fitted up thousands of banks, stores and other places of business. Their business is managed by men who have devoted their entire lives to this line of work. They have surrounded themselves with a corps of highly trained experts in the designing and selling of business furniture and equipment; they employ only the best of experienced mechanics and have every facility for building this class of work in the largest and best equipped fixture factory in the middle west and they enjoy a national reputation for building high class cabinet work.

Fontanelle Banker Dies

W. A. Addison, cashier of the First National Bank of Fontanelle, Iowa, and president of the Farmers Mutual Telephone Company, of Adair County, took his own life, recently, by firing two bullets into his body. The tragedy occurred in the offices of the bank building and was discovered within a short time afterward.

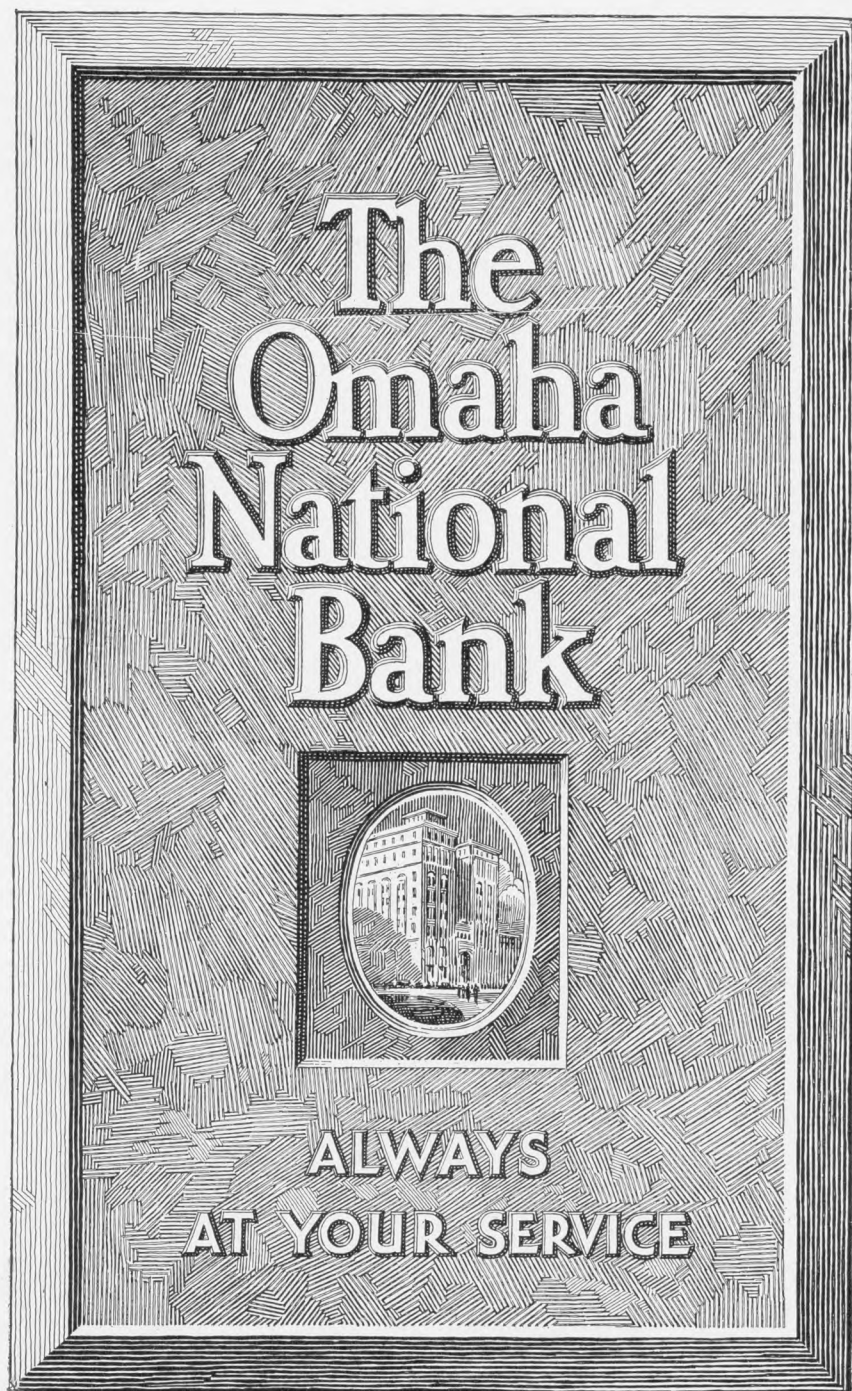
A letter addressed to Mrs. Addison stated that the bank was in excellent condition and that the reason for his action was ill health, Mr. Addison having suffered intensely for the past several months. An examination of the bank's condition confirmed this statement, the investigators reporting the institution to be one of the strongest for towns of similar size in the state.

Mr. Addison is survived by his wife, his father, Charles E. Addison, of Cainsville, Missouri, two sisters and two brothers.

Deposits Over Million

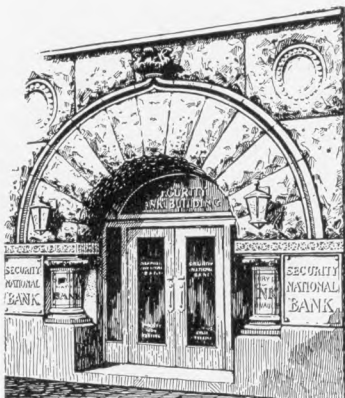
According to the last statement of the Dysart National Bank, Dysart, Iowa, that institution now has deposits totalling \$1,027,160.99. The capital stock is \$65,000 and surplus and undivided profits of approximately \$25,000.

The present officers are as follows: H. P. Jensen, president; F. H. Schmidt, vice president; Ervin Moeller, vice president; Dan Lally, vice president and J. C. Marsau, cashier.



The Omaha National Bank

ALWAYS AT YOUR SERVICE



The Security National Bank has an enviable reputation for reliability. The steady growth of our correspondent service is positive proof of the satisfaction we give our customers.

We know that we can render you such service as to make your relations with us permanent and increasingly satisfactory.

OFFICERS

Leonard R. Manley.....	President	Delko Bloem	Ass't Cashier
C. C. Jacobsen.....	Vice President	Albert C. Eckert.....	Ass't Cashier
R. Earl Brown.....	Cashier	Daniel B. Severson.....	Ass't Cashier
Elmer O. Smeby.....	Ass't Cashier		

SECURITY
NATIONAL BANK
of Sioux City



THE increasing volume of Mason City industrial activities demands a progressive bank as your correspondent in this territory.

Our steady growth has been parallel with the growth of our industries, and we can offer you a service complete to the last detail.

OFFICERS

Hanford MacNider
Chairman of the Board
W. G. C. Bagley
President
C. A. Parker
Vice President
F. E. Keeler
Vice President
R. P. Smith
Vice President
H. V. Bull
Cashier
W. W. Boyd
Assistant Cashier
H. C. Fisher
Assistant Cashier
R. B. Johnson
Assistant Cashier
R. E. Wiley
Assistant Cashier



FIRST NATIONAL BANK MASON CITY, IOWA

Resources \$11,000,000.00

Affiliated With Northwest Bancorporation

Has Substantial Growth

H. M. Swanzey, cashier of the Farmers State Bank, of Ackley, Iowa, reports a remarkable development of that institution during the past 18 months. Deposits of \$225,000 in September, 1928, have now reached the \$300,000 mark with an increase in bonds in the secondary reserve of from \$15,000 to \$90,000. Mr. Swanzey was formerly associated with the Stock Yards National Bank in Chicago.

A year ago, with the cooperation of the Iowa State College, at Ames, Mr. Swanzey



HARRY M. SWANZEY

organized a farm accounting association. The purpose of the association is to give the farmer an accurate record of his annual business and a summary of his profits and to point out where he has made or lost money. The organization now numbers about 107 members.

In Triple Merger

One of the most important business transactions in the history of Monroe County was completed when the Albia State Bank, the Iowa Trust & Savings Bank and the First National Bank of Albia were consolidated into one institution to be known as the First Iowa State Bank. The new banking institution, with an authorized capital and surplus of \$75,000 and with total resources well in excess of one million dollars, has taken over the entire assets and liabilities of the three banks and will occupy the Iowa Trust & Savings Bank building on the north side of the square.

R. T. Mason was named as president of the new institution, with A. J. Roberts as vice president, O. U. Conwell cashier and Roy T. Alford, John W. H. Griffin and Allen Mason assistant cashiers. The board of directors of which D. W. Bates, of Des Moines, is chairman, consists of nine mem-

bers. In addition to Mr. Bates, the members of the board are R. T. Mason, J. C. Mabry, A. J. Roberts, M. C. Falvey, D. M. Anderson, P. H. Hynes, H. J. Moore and W. A. Flynn.

Each of the three banks joining in the merger have been among the strongest and safest financial institutions in southern Iowa, and the consolidation was effected, officers of the new bank state, "for the sole purpose of giving the people of Monroe county a bigger and stronger institution than the county has heretofore enjoyed." Continuing, the officers of the bank state in their announcement of the consolidation, "The policy of consolidation is along the lines approved by both national and state banking departments and is in accord with the trend of the times. Changing business conditions necessitate changes in methods of banking and security of deposits is best obtained through larger and therefore stronger concentrations of capital."

All of the men connected with the "First Iowa State Bank" are bankers of high standing in financial circles of the state. President R. T. Mason was formerly vice president of the Iowa Trust & Savings Bank, vice president A. J. Roberts was vice president of the Albia State Bank and cashier O. U. Conwell held the position of cashier of the Iowa Trust & Savings Bank. Of the three assistant cashiers, Roy T. Alford was cashier of the First National Bank, John W. H. Griffin was cashier of the Albia State Bank and Allen Mason was assistant cashier of the Iowa Trust & Savings Bank.

On the board of directors, too, are bank executives of high character and long experience. The chairman, D. W. Bates, was formerly president of the Albia State Bank, and is now vice president of Home Savings Bank at Des Moines, J. C. Mabry was president of the First National Bank, M. C. Falvey was president of the Iowa Trust & Savings Bank, while D. M. Anderson was chairman of the board of directors of the latter institution and each of the remaining directors were members of the executive board of the merged banks.

Stockholders Meet

The annual meeting of the stockholders of the Citizens Savings Bank of Avoca, Iowa, was held in directors' room of the bank, May 12. Of the 300 shares of stock outstanding 280 shares were represented in person. The old board of directors consisting of L. J. Binge, E. W. Davis, John T. Hazen, Sarah E. Davis, R. Frost, R. G. Peters and J. W. Davis was re-elected for the ensuing year.

At the board of directors meeting immediately following the official personnel of the bank for the coming year as elected by the board was: president, J. W. Davis; vice president, S. E. Davis; vice president, E. W. Davis; cashier, R. G. Peters; assistant cashier, Genevieve Jacobson.

**FIRST
NATIONAL
BANK**

IN THE UNITED STATES

FACTS

**About This Bank
That Will Be of
Interest to You**


The complete and efficient correspondent service of The First National Bank of Davenport; its safe deposit vault facilities; its highly experienced bond department; its knowledge of existing territorial conditions; because it is the only National Bank in Scott and Rock Island Counties—all urge your consideration of this Bank as your correspondent in this territory.

•

*May we suggest that you
write us today?*

First National Bank

**At Second street and Main
Davenport, Iowa**

Founded with vision  *Built by Service*

Satisfaction

THE mechanics of modern banking can be handled with clock-like precision by a well-established routine.

But if the personal element is lacking there is much to be desired in the matter of satisfaction.

Our correspondent service is made a living thing by the human element it contains,—thus bringing to our customers complete satisfaction. And satisfaction is essential to permanent banking relationship.



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

Consolidation at Laurens

Forty-two years ago, when Charles B. Mills was associated with Farmer, Thompson & Helsell, of Sioux Rapids, Iowa, there was organized as a part of their chain of banks, the First National Bank, of Laurens. This bank had been in continuous business until last month, when it was consolidated with the State Bank of Laurens. The consolidated bank will be known as the State Bank of Laurens and Mr. Mills is the president.



CHARLES B. MILLS
President, Midland National Bank and Trust Co., Minneapolis

The capital of the new bank is \$50,000 and deposits, \$650,000. The State Bank of Laurens, was established sometime before the First National Bank, by the Allens, a well-known banking family.

In addition to being president of the consolidated bank, Mr. Mills is president of the First National Bank, Sioux Rapids, Iowa, vice president of the First National Bank, Rembrandt, Iowa and president of the Midland National Bank & Trust Company, of Minneapolis.

Holds Annual Meeting

The Calhoun County Bankers Association met for its annual meeting and banquet in the Guild hall at Manson, Iowa, recently. There were 130 present.

W. W. Townsend, of Lake City, president of the Calhoun county association, acted as toastmaster. The Rev. Roy H. Cox, of the Methodist Church, gave the invocation. Group singing was led by E. J. Sebern, of the Farmers' Savings Bank, of Manson.

M. W. Fitz, of the Farmers' Savings Bank, of Manson, gave the address of welcome to the members of the association. This was responded to by G. W.

Evans, of Lohrville. Mrs. Walter Jacobs, of Lake City, gave the response for the women guests. A vocal selection was given by Mrs. Roy Cox, and several musical numbers were given by the Egli brothers quartette. Donald Holdoegel, attorney of Des Moines, gave the address of the meeting.

Officers for next year elected were: president, Charles E. Bale, Calhoun County State Bank of Manson; vice president, Charles Beacham, First National Bank of Farnhamville; secretary-treasurer, Cecil Dean, Union State Bank of Rockwell City.

Annual Meeting

The annual meeting of the stockholders of the Monona State Bank was held in the directors' room of the bank, practically all the stock being represented by the stockholder in person by proxy.

An election of directors was had, resulting in the unanimous election of H. H. Smith, P. H. Humphrey, H. A. Hupfer, F. H. Howard, H. C. Fox, W. C. Kruse, William Leui and F. M. Orr. After serving the bank faithfully and efficiently as director, vice president and a member of the examining committee for 30 years and owing to his physical condition, J. W. Kregel requested that he be relieved from further services and W. C. Kruse was elected to succeed him.

A meeting of the new board of directors followed the meeting of the stockholders, at which time F. M. Orr was elected president, H. H. Smith, vice president and H. T. Orr, cashier. A substantial dividend was declared and ordered paid to the stockholders out of the earnings in semi-annual payments on June 30th and December 31, 1930, and in addition to the dividend, 10 per cent of the net earnings for the year were ordered placed in the surplus fund at the close of business December 31, 1930.

New Bank at Delta

Arrangements are under way to establish a new banking institution in Delta to replace the Delta Savings Bank. At a meeting of the stockholders in Delta, Iowa, it was decided that the name of the new financial establishment should be the "Farmers Merchants State Bank."

It is not a reorganization of the old bank, but a new one. Only those assets of the old bank which the new organization desires will be purchased.

It is capitalized for \$25,000 with a \$5,000 surplus. Joe Utterback, the president of the Delta Savings Bank, will be the head of The Farmers Merchants State Bank. The vice president is Dr. D. L. Grothaus, while F. X. Kendall assumes the position of cashier and Ralph Eastburn assistant cashier.

With the exception of Dr. Grothaus, the officers of the new bank are the same as

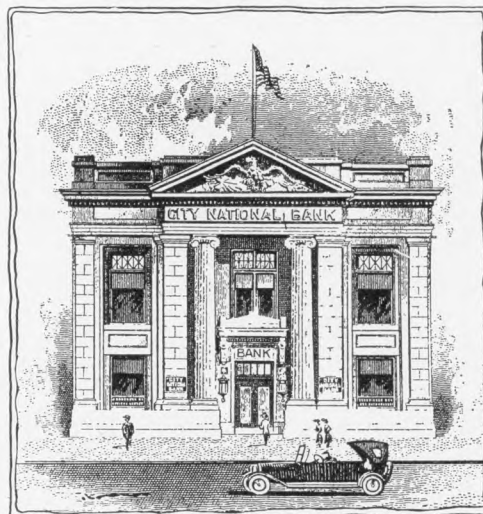
Sixty Years of Successful Conservative Banking



THE CITY NATIONAL BANK CLINTON, IOWA

With a strong Board of Directors composed of leaders for many years in various lines of Iowa business and an experienced active management, this bank furnishes conservative, safe and efficient service to its banking correspondents.

Clinton
County's
Largest
Bank



The City National Bank

CLINTON IOWA

OFFICERS

G. L. CURTIS,
President
MILO J. GABRIEL,
Vice President
O. P. PETTY,
Vice President and Cashier
J. H. NISSEN,
Assistant Cashier
H. G. KRAMER,
Assistant Cashier
H. M. OLNEY,
Assistant Cashier

DIRECTORS

C. A. ARMSTRONG,
President C. F. Curtis
Company, Inc.
A. P. BRYANT,
Manager of Operations
Clinton Corn Syrup
Refining Co.
E. J. CURTIS,
Vice President Curtis Bros.
& Co.
G. L. CURTIS,
President
President Curtis Companies,
Inc.
G. W. DULANY, JR.,
President Eclipse Lumber
Co.
Chairman Climax Engineer-
ing Co.
MILO J. GABRIEL,
Vice President
President Gabriel Lumber
& Fuel Co.
B. M. JACOBSEN,
President Clinton Thrift Co.
J. PETERSON
O. P. PETTY,
Vice President and Cashier
H. W. SEAMAN
J. O. SHAFF,
Farmer and Live Stock
Dealer
W. R. SMITH,
General Manager
Clinton Corn Syrup
Refining Co.
F. H. VAN ALLEN,
President J. D. Van Allen
& Son, Inc.



Capital - - One Million Dollars
Resources - Ten Million Dollars

We welcome the most careful investigation of our correspondent service, knowing that the evidence thus revealed will convince you fully of the advisability of making this institution your representative in Sioux City.

J. L. MITCHELL
 President

H. A. GOOCH, Vice President
FRANK R. KIRK, Ass't Cashier

JOHN P. HAINER, Cashier
L. M. ASHLEY, Ass't Cashier
GEO. J. N. SMITH, Ass't Cashier

Speed—Accuracy—Satisfaction

FIRST IOWA STATE BANK
TRUST & SAVINGS

Capital \$600,000.00

BURLINGTON, IOWA

the old bank. The new vice president replaces C. A. Burt and Mrs. Luella Brainard.

Des Moines Bank Merger Nears Completion

The physical consolidation of the Iowa National Bank and the Des Moines National Bank, which were merged several months ago into the Iowa-Des Moines National Bank and Trust Company was effected recently. All banking transactions formerly carried on at the two banks are now centered in the Iowa National Bank building.

This arrangement will be continued until the completion of the new home of the Iowa-Des Moines National Bank and Trust Company, which will be erected on the quarter block now occupied by the Des Moines National building and arcade, southeast corner of Sixth Avenue and Walnut Street.

Officers of the bank emphasized that although the centralization of the business in the Iowa National Bank building is only temporary, they have gone to considerable pains to insure that the thousands of customers will be given complete service in all departments. They pointed out that with the consolidation, patrons will find the transaction of bank business even more convenient than heretofore.

Extensive alterations and improvements have been made in the building in preparation for the expeditious handling of additional business. All private offices of bank executives have been moved from the first floor and the number of cages has been increased to twenty-six. All routine business of deposits and withdrawals will be transacted on the first floor as usual. It will be the location of the savings department, paying and receiving tellers and collection and exchange tellers.

On the third floor a large banking room has been created by throwing several rooms into one. This provides space for the desks of a number of officers having contact with the public, in addition to giving room for six note and collateral cages. Executive and loan offices will be on this floor, also a spacious directors' room and a group of private conference rooms.

At the south end of the floor will be private offices for Louis C. Kurtz, chairman of the board; Clyde E. Brenton, president and W. H. Brenton, executive vice president.

On the fourth floor will be the offices of the Iowa-Des Moines Company, the investment and the mortgage loan department.

The safety deposit department will continue to occupy the basement of the building, where the vaults have been enlarged to accommodate the 3,000 safety deposit boxes already moved from the Des Moines

National Building. Six additional coupon rooms also have been installed.

To afford easy access to departments on the third and fourth floors, a large lobby entrance has been cut in the rear of the main banking room on the first floor, opening directly upon the elevators.

Elevator lobbies on the two upper floors give the patron a full view of each floor, while a directory of all bank officials on the floor will be displayed prominently in the lobby.

Officers of the bank, beginning Monday, will be located as follows:

Third floor—Louis C. Kurtz, chairman of the board; Clyde E. Brenton, president; W. H. Brenton, executive vice president.

Department of commercial banking: Andrew J. Huglin, vice president; George E. Pearsall, vice president; Albert J. Warnke, assistant vice president.

Department of banks and banking: Herbert L. Horton, vice president; J. R. Capps, vice president; Clarence Diehl, vice president; E. W. Jones, assistant vice president; Orville M. Garrett, assistant cashier.

W. W. Scott, assistant vice president and manager, business development department; Edwin F. Buckley, assistant vice president and manager, credit department.

Fourth floor—Albert J. Robertson, vice president and head of trust company division; Clyde H. Doolittle, general counsel; James J. Hart, trust officer; Victor J. Pulis, assistant trust officer; William F. Howell, assistant trust officer; A. L. Kreidler, manager, mortgage loan department.

Second floor—Harry G. Wilson, cashier.

First floor—Sherman W. Fowler, assistant vice president and secretary of the Iowa-Des Moines Company; Richard H. Collins, assistant vice president; R. L. Chase, assistant vice president, business development department; J. Burson, assistant cashier and manager of savings department; Thomas J. Hynes, assistant cashier; F. C. Davis, auditor and Arthur H. Keyes, assistant secretary, Iowa-Des Moines Company.

Remien County President

W. R. Remien, of the Atlantic National Bank, Atlantic, Iowa, was elected president of the Cass County Bankers Association, at the annual banquet and meeting of the organization. Mr. Remien succeeds O. A. Otto, of the Whitney Loan & Trust Company Bank, of this city, as head of the association.

Other officers elected were: Wray Wilson, of Massena, vice president; J. Stahl, of Cumberland, secretary; and H. R. Gunderman, of Atlantic, treasurer. Thirty were in attendance at the gathering.

The association voted to defray all expenses of members of the Cass County

vigilantes to the joint shoot to be held by ten counties, at Council Bluffs, some time in the near future.

Various matters of interest were discussed at the business meeting. Ed. Jackson, head of the trust department of the Council Bluffs Savings Bank, was the feature speaker.

Elect Officers

Rudolph Stender, of Avoca, Iowa, was elected president of the Pottawattamie County Bankers Association, at the annual meeting held in the Hotel Chieftain. Stender succeeds Robert W. Turner, pres-

ident of the City National Bank. George O. Free, of Macedonia, was re-elected vice president. Edwin Hubbard, assistant cashier of the State Saving Bank, was named secretary, succeeding Mr. Stender. J. W. Davis, of Avoca, was renamed treasurer.

Propaganda

"Did yez hear 'bout the trick someone put over on old Hank?"

"No."

"Someone left one of dem birth control pamphlets in the henhouse, and he ain't had no eggs for a month."—*Columbia Jester.*

SEASONED

The seasoned directorate and the experienced management of the *Pioneer National Bank* are directly responsible for the remarkable growth it has enjoyed during the seventy-four years of its existence.

It means a great deal to transact business with bank officials who have spent from eighteen to thirty-seven years in the service of an institution established in 1856, whose directors average twenty-five years on the same board.

We offer to you this seasoned banking experience.

Assets over \$5,000,000



PIONEER NATIONAL BANK

Established by John H. Leavitt in 1856
Waterloo, Iowa

IRA RODAMAR
President

C. E. PICKETT, Vice President J. O. TRUMBAUER, Vice President
FRED H. WRAY, Vice President and Cashier

Reviews History of Stockyards National Bank

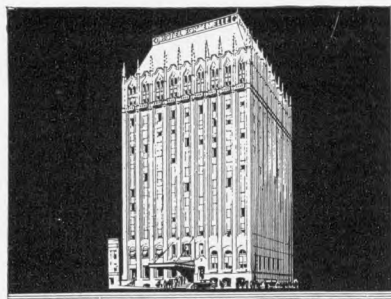
AN interesting glimpse into the historical background of the Stockyards National Bank and the Stockyards Trust and Savings Bank of Chicago, is afforded in a story that appeared recently in the *Chicago Evening American*, under the signature of C. E. Enyart, vice president of Otte and Company. Mr. Enyart, in part, said:

"Beside the gateway of the stockyards in Chicago, where hurrying thousands pass each day to and from their work, stands the unique home of the Stockyards National Bank and the Stockyards Trust and Savings Bank, a beautiful and stately structure which follows closely in architectural design the old state house in Philadelphia, better known as Independence Hall.

"This institution, with total resources of about \$32,000,000, is the oldest and the largest outlying banks in Chicago.

"The village of Chicago was surveyed and platted in 1830 and incorporated in 1833.

"Thirty-five years later, in 1868, the Union Stockyards National Bank was organized. Its first president was Samuel Nickerson, in later years the president of the First National Bank of Chicago.



Enjoy Omaha Hospitality

at

THE FONTENELLE

Omaha's Finest Hotel

THE Fontenelle is the Social and Civic Rendezvous, the Hub of Business and Pleasure Travel and the Center of Things Going On in Omaha.

Noted Dance Bands Play
Noon and Nightly in
the Main Restaurant.

350 Rooms \$3 to \$5 350 Baths



"Omaha's
Welcome to the
World"

Northwestern Banker June 1930

"It had an original capital stock of \$100,000.

"Andrew Johnson had become President of the United States following the assassination of Abraham Lincoln in 1868, sixty-two years ago. The country was just beginning to recover from the effects of the civil war.

"Chicago was a rapidly growing town, hardly a city, and what is now Chicago's great South Side largely was composed of vacant prairies, swamps and the stockyards.

Weathered Storms

JUST three weeks after this bank was started, Chicago was practically wiped out by one of the most disastrous fires the world has ever known. They say that Mrs. O'Leary's cow started the conflagration and if she did she was directly responsible for a property loss in excess of \$200,000,000.

"The Stockyards National Bank played an important part in the magic reconstruction period of Chicago.

"In 1873 the city was hit by a great financial panic but emerged under the leadership of Lyman J. Gage, then a director of the bank.

"There followed in 1893 the world's fair, which it is said only Chicago could have produced and made successful in those days and under existing conditions. The world's fair was really the foundation of Chicago's great South Side, and the Stockyards Bank takes pride in the part it played in the development of that great section of our great city.

"Founded with the idea of assisting in every possible financial way the development of the livestock industry, it showed a steady growth, and at the expiration of its original charter assumed the name of the National Livestock Bank.

"This in turn, after a term of years, was followed by the Livestock Exchange National Bank, which was simply the earlier name for the present Stockyards National Bank.

"This bank has been and is now a leading financial institution of the livestock industry.

"The list of its board of directors, past and present, reads like a roll of honor of prominent Chicagoans.

"Such names as Lyman J. Gage, Secretary of the Treasury during McKinley's administration; John B. Sherman, Nelson Morris, John A. Spoor, Arthur G. Leonard and those of several members of the Armour, Swift and Morris families are included.

Capital and Earnings

AMONG its former presidents are W. A. Heath, at present chairman of the Federal Reserve Bank of Chicago, and Melvin A. Traylor, now president of the First National Bank of Chicago.

"The bank's home, a replica of the shrine of the American Liberty, Inde-

pendence Hall, is located at 4150 S. Halsted street.

"The latest financial statement of the Stockyards National Bank shows capital of \$1,350,000; surplus, \$5,000,000; undivided profits, \$332,821; reserves, \$101,955, and deposits, \$19,250,705.

"The statement of the Stockyards Trust & Savings Bank, the stock of which is trusted for the stockholders of the national bank, is as follows: Capital, \$337,500; surplus, \$337,500; undivided profits, \$196,936; reserves, \$164,674, and deposits, \$8,898,332."

The Stockyards National is particularly well known to Iowa bankers through their frequent contact with one of the bank's most popular officials, Alden S. Bagnall, assistant cashier, who travels this territory. Mr. Bagnall was present at the Iowa Group meetings and will attend the state convention in Davenport.

Plan Annual Program

Leading bank and investment librarians, members of the Financial Group of the National Special Libraries Association, have planned a diversified program of activities for the twenty-second annual convention of that organization to be held in San Francisco, June 18th to 21st. The Financial Group is well known to commercial and investment bankers through its annual display of a "model financial library" at the American Bankers Association and Investment Bankers Association Conventions, and through its distribution at these conventions of literature on the formation and selection of books for bank and investment libraries.

An outstanding feature of the Financial Group session on Wednesday afternoon, June 18th, will be an address by Howard Whipple, noted California banker and author of magazine articles on banking subjects. Another speaker at the same meeting will discuss aids in investment research with particular emphasis on western sources of research material.

The second group meeting will be confined to a study of the everyday problems of financial libraries. A review will be made of magazine articles and books in the field of finance, appearing during the past year. Other subjects which the group will consider are handling of newspaper clippings and placing of magazine subscriptions.

Plans for the group program are in the hands of Miss Dorothy Watson, Bankers Trust Company, New York, who is being assisted in arrangements by Miss Eleanor Cavanaugh, Standard Statistics Company, New York; Miss Ethel Baxter, American Bankers Association, New York; Miss Marguerite Burnett, Federal Reserve Bank, of New York and Miss K. Dorothy Ferguson, Bank of Italy, San Francisco. Miss Margaret Reynolds is vice president of the Association.



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

South Dakota Convention Program

Program of Thirty-Ninth Annual Convention

South Dakota Bankers Association
Aberdeen, South Dakota,
June 11-12-13, 1930
Wednesday, June 11th

10:00 a. m.
to

1:00 p. m. Registration. Lobby of
Alonzo Ward Hotel.

1:30 p. m. Golf Tournament at Aber-
deen County Club. For
Members, Associate Mem-
bers and Guests. No
Green Fees for those Reg-
istered.

Registration Continues.

8:00 p. m. Open House — Mezzanine
Floor, Alonzo Ward Hotel.
Meeting of Executive
Council.

Thursday, June 12th

8:00 a. m. Breakfast for 1930-31 Offi-
cers of Group Associations
and Officers and Execu-
tive Council of S. D. Bank-
ers Association.

8:00 a. m. Registration Continued.

10:00 a. m. Special Entertainment for
Visiting Ladies.

10:00 a. m. Morning Session in Alonzo
Ward Ball Room.

Call to Order — Thomas
O'Brien, President.

Invocation—Rev. John E.
Booth, Pastor of First
Evangelical Church.

Address of Welcome—John
Wade, Mayor of Aberdeen.

Response—A. B. Cahalan,
Vice President.

President's Address —
Thomas O'Brien.

Treasurer's Report — H. E.
Edmunds.

Secretary's Report—Geo. A.
Starring.

Appointment of Commit-
tees.

RECESS.

1:00 p. m. Luncheon for Registered
Ladies at Aberdeen Coun-
try Club.

1:30 p. m. Afternoon Session in Alonzo
Ward Ball Room.

Music: Duet — (Selected)
Miss Louise Milligan and
Professor Paul Pence.

Address: "Looking Ahead
for South Dakota,"—W.
C. Allen, Aberdeen, Presi-
dent of South Dakota
State Chamber of Com-
merce and Publisher of the
Dakota Farmer.

Address: "The Associated
Press"—R. P. Howard,
Sioux Falls, State Cor-
respondent, The Associ-
ated Press.

Address: "Fighting Finan-
cial Fraud"—Dr. B. F.
Battin, New York City,
Resident Vice President,
the National Surety Com-
pany.

6:30 p. m. Banquet at the First Pres-
byterian Church. *Toast-
master*, Hon. Geo. H.
Fletcher. Admission by
Registration Ticket.
Awarding of Golf Tro-
phies. Special Entertain-
ment.

9:00 p. m. Dance at Trianon Ball
Room. Merry Makers Or-
chestra. Admission by
Registration Ticket.

Friday, June 13th

9:30 a. m. Morning Session in Alonzo
Ward Ball Room.

Address: "A Few Legal
Phases of Banking"—I. A.

Churchill, Huron, Counsel
for South Dakota Bankers
Association.

Address: "The Northwestern
Business Situation" — O.
S. Powell, Minneapolis,
Statistician for the Fed-
eral Reserve Bank.

Address: "A Suggestion for
Law Enforcement" — E.
G. Wilkinson, Milesville,
President, West River
Stock Growers Protective
Association.

Address: "A Way to More
Banking Profits"—W. L.
Brooks, Bemidji, Minne-
sota, President, Northern
National Bank.

RECESS.

12:00 m. Golf Breakfast for Visiting
Ladies at Aberdeen Coun-
try Club.

1:30 p. m. *Afternoon Session in Alonzo
Ward Ball Room.*

Reports of Standing Com-
mittees:

Five Minutes Each

Agriculture—C. L. Chase,
Willow Lake.

Cost Analysis—Don W. De-
Vey, Westport.

Insurance—M. F. Patton,
Mitchell.

Legislation—W. F. Mailand,
Mobridge.

Protective—M. Plin Beebe,
Ipswich.

Public Relations — Ira A.
Moore, Sioux Falls.

Service Charges — L. M.
Larsen. Wessington
Springs.

Standard Forms—Geo. C.
Fullinweider, Huron.

Taxation—J. W. Bryant,
Mitchell.

Report of Auditing Com-
mittee.

Report of Resolutions Com-
mittee.

Election of Officers.

Selection of 1931 Conven-
tion City.

ADJOURNMENT.

Meeting of Executive Coun-
cil.

Special Meetings

The following meetings have no con-
nection with the South Dakota Bankers
Association but they are held at this time
for the sake of convenience.

(1) 5:30 p. m.—Thursday, June 12th

Meeting of Members of the American Bankers Association

Chairman, Clarke Bassett, State Vice
President.

Purpose: To elect

1. A State Vice President to Serve One
Year.

Northwestern Banker June 1930



Sell Your Farms Easier and at a Higher Price . . .

Do you have one or more farms on your hands that you had to take over on mortgage foreclosure? Tile drainage will sell them easier and bring you a higher price—enough more to leave you a nice profit over the cost of the tiling.

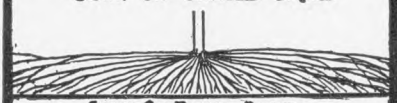
Keen business farmers know that tile drained farms give larger yields, give a crop every year, and give them a larger net income from their year's work than do undrained lands. That is why they will pay more for them.

Tile the wet spots, and the cold and slow spots, on your farm. You will get a larger income while you own them, and they will sell easier and to a better advantage.

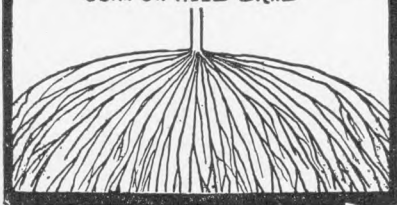
Mason City Brick and Tile Company

312 Denison Building
Mason City, Iowa

CORN ON UNTILED LAND



CORN ON TILED LAND



Accountants

Oldest firm in Des Moines
Call us for certified work
MUEHLE, REAM & McCLAIN
1106 Commonwealth Building

Steel and Copper Engraved

STATIONERY, BUSINESS
ANNOUNCEMENTS AND CARDS
For quality work address
Wallace-Homestead Co., Des Moines

2. A Member and an Alternate Member of Nominating Committee.

3. State Vice Presidents for:

State Bank Division

National Bank Division

Savings Bank Division.

Trust Company Division.

(2) 4:30 p. m.—Friday, June 13th

Meeting of State Bankers for the Election of a Nominating Committee for Depositors Guaranty Fund Commission. (In accordance with Sec. 9006, South Dakota Revised Code. 1919.)

Incorporate at Gregory

Articles of incorporation have been filed with the secretary of state by the Northwestern Bank of Gregory, South Dakota. Most of the stock in the bank is owned by the Northwest Bancorporation of Minneapolis. The board of directors consists of L. H. Nollkamper, William Nollkamper, H. E. McKee, J. A. Fulwider and Carl Von Seggern, all of Gregory. The capital stock is \$25,000.

Two Banks Become One

The new First National Bank of Howard, South Dakota, has been merged with the Miner County Bank, and will continue to function as the Miner County Bank in its present location.

Gorder Heads Bankers

C. O. Gorder, Deadwood, was elected president of group eight of the South Dakota Bankers Association at its group meeting at Spearfish. Guy Bailey, White-wood, was elected vice president, and B. E. Colby, St. Onge, secretary-treasurer. Walter Dickey, Spearfish, is the outgoing president.

More than 100 bankers attended the meeting, representative of Butte, Custer, North Meade, South Meade, Pennington, Fall River, Haakon, Jackson and Lawrence counties. Mr. Colby presided.

Bankers Elect

H. W. Shaw of Parkston, was elected president of group three of the South Dakota Bankers Association. Tom Brisbane of Woonsocket, is vice president and J. M. Patton of Mitchell, is secretary.

South Dakota Banks Join Chain

Acquisition of four new banks, three in South Dakota and one in Montana, was announced by the Northwest Bancorporation, bringing the number of units in the holding company to 109.

The new members are the Bank of Spearfish, Spearfish, S. D.; First National Bank, Groton, S. D.; First National, Mobridge and Manhattan State, Manhattan, Mont.

Group Bankers Elect Officers

The largest attendance in the history of the South Dakota Bankers Association occurred this year when bankers and their families attended the eight Group Meetings throughout the state. According to report issued by George A. Starring Secretary of the Association, 375 banks were represented, with a total attendance of 1,044.

Group One

The officers are: president, F. S. Strobehn, Wagner; vice president, Scott Banbury, Geddes; secretary-treasurer, Jack Kaberna, Wagner. The Executive Committee includes: Bon Homme—R. W. Griffith, Avon; Charles Mix—H. F. Warner, Geddes; Douglas—E. E. Dubes, Armour; Clay—M. J. Chaney, Vermilion; Hutchinson—J. W. Ullmer, Menno; Turner—F. E. Jackson, Hurley; Union—Lawrence Authier, Elk Point; Yankton—J. M. Lloyd, Yankton.

The 1931 meeting will be held at Wagner.

Group Two

The officers are: president, Claus Hegnes, Baltic; vice president, P. J. Kennefiek, Dell Rapids; and secretary-treasurer, H. W. Mitchell, Madison. The Executive Committee includes: Lake—C. A. Stensland, Madison; Lincoln—Louis Jacobs, Lennox; Miner—B. R. Laird, Fedora; Minnehaha—O. V. Meyhaus, Sioux Falls; McCook—Wm. Hoese, Spencer; Moody—A. B. Larson, Egan; Turner—Earl Hansen, Parker.

The 1931 meeting will be held at Madison.

Group Three

The officers are: president, W. H. Shaw, Parkston; vice president, T. M. Brisbane, Woonsocket; and secretary-treasurer, J. M. Patton, Mitchell. The Executive Committee includes: Aurora—F. R. Loevinger, White Lake; Brule—W. A. McMillan, Pukwana; Davison—J. M. Newell, Mount Vernon; Hanson—Jacob Schiltz, Alexandria; Hutchinson—A. G. Bauer, Dimock; Jerauld—L. M. Larsen, Wessington Springs; Jones—C. E. Lange, Murdo; Lyman—F. A. Smith, Oacoma; Sanborn—W. A. Anderson, Letcher.

The 1931 meeting will be held at Mitchell.

Group Four

The officers are: president, F. A. Olson, Toronto; vice president, A. R. Johnson, Brookings; and secretary-treasurer, Geo. K. Burt, Watertown. The Executive Committee includes: Brookings—Robert Henry, Volga; Clark—W. A. Hicks, Carpenter; Codington—Henry Hanten, Watertown; Deuel—A. G. Berger, Clear Lake; Grant—Geo. Berg, Stockholm; Hamlin—C. N. Halvorsen, Castlewood. Nominated to Executive Council—J. A. McGillivray, Garden City.

The 1931 meeting place has not yet been selected.

Group Five

The officers are: president, Russell Bard, Miller; vice president, H. A. Kopperud, Lake Preston; secretary-treasurer, Geo. M. Townsend, Huron. The Executive Committee includes: Beadle—L. O. Anderson, Hitchcock; Faulk—J. P. Shirk, Fauton; Hand—C. W. Gardner; Ree Heights; Hughes—L. L. Branch, Pierre; Hude—R. J. Drew, Highmore; Potter—R. Richardson, Gettysburg; Spink—M. J. Twiss, Doland; Sully—Arthur J. Owens, Onida; Kingsbury—T. H. Meyer, DeSmet.

The 1931 meeting will be held at Huron.

Group Six

The officers are: president, J. H. Kissinger, Hecla; vice president, J. Schad, Roslyn; and secretary-treasurer, Robert Weidenbach, Aberdeen. The Executive Committee includes: Brown—A. T. Hagen, Claremont; Marshall—V. E. Swenson, Langford; Day—Andrew Hedman, Webster; Grant—W. S. Given, Milbank; Roberts—Henry Helvig, Sisseton.

The 1931 meeting will be held at Milbank.

Group Seven

The officers are: president, Charles Christen, Roscoe; vice president, R. A. H. Brandt, Bison; and secretary-treasurer, Peter F. Gores, Mobridge. The Executive Committee includes: Campbell—W. C. Peterson, Pollock; Corson—H. W. Bat-

zer, Morristown; Dewey—Hans Johnson, Isabel; Edmunds—H. C. Gross, Bowdle; McPherson—A. H. Schumacher, Eureka; Perkins—J. K. Clark, Lemmon; Walworth—Jacob Helm, Java; Ziebach—O. S. Nygaard, Dupree.

The 1931 meeting will be held at Mobridge.

Group Eight

The officers are: president, C. O. Gorder, Deadwood; vice president, Guy Bailey, Whitewood; and secretary-treasurer, B. E. Colby, St. Onge. The Executive Committee includes: Butte—T. C. Gay, Belle Fourche; Custer—Geo. Havens, Custer; Fall River—G. C. Smith, Hot Springs; Haakon—J. C. Nelson, Philip; Jackson—L. A. Pier, Belvidere; Lawrence—George Blake, Spearfish; Meade—Harold Walker, Sturgis; Pennington—E. M. Gentry, Hill City. Nominated to Executive Council—W. B. Penfold, Belle Fourche.

The 1931 meeting will be held at Belle Fourche.

New Bank at Huron

The Security National Bank of Huron, S. D., organized under the sponsorship of the First Bank Stock Corporation, had its formal opening Saturday, May 17, in the new banking structure just completed

on the corner of Wisconsin Avenue and Third Street.

The new Security National is planned as a key unit of the First Bank Stock Corporation group system in South Dakota. It is capitalized at \$200,000 with a paid in surplus of \$50,000 and undivided profits of \$10,000, the largest initial capitalization of any bank ever organized in the state. It becomes the 12th affiliate of the First Bank Stock Corporation in South Dakota.

Fred D. Greene, formerly of Miller, is president. With him in the management are associated Max Royhl, Huron attorney, vice president; C. W. Boteler, cashier; C. C. Smith, assistant cashier, and Gladys Murray, assistant cashier.

Directors include: H. A. Wagner, T. T. Parker, Max Royhl, A. R. Hannum, Dr. Harry D. Sewell, F. D. Greene, J. A. Miner, Ralph Jones, and C. W. Boteler.

Jones: "Sorry, old man, that my hen got loose and scratched up your garden."

Smith: "That's all right—my dog ate your hen."

Jones: "Fine. My car just ran over your dog."

The greatest mystery about a human being is—the manner in which he contrives to put in twenty-four hours a day. —*Sinclair Lewis.*

LIVE STOCK NATIONAL BANK

SIoux CITY, IOWA



SPEED up collection on your live stock items to Sioux City by using our specialized service. Our strategic location at the stock yards plus 35 years of experience assures prompt and efficient service.



AFFILIATED WITH NORTHWEST BANCORPORATION
Combined Resources over \$478,000,000

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 as cashier or manager of a good country bank in a town of 1,000 or better. Seventeen years of executive experience, can take full charge of bank. Highest references from bankers and Nebraska banking department. Age forty years. Can invest if necessary. Address No. 3133, care Northwestern Banker.—6

Trust man available. An exceptionally successful trust man, who has excellent reasons for desiring a change. Has had 14 years' experience as cashier and trust officer in a national bank, and has changed positions but once during that time. Is law trained, and a strong advertising man. Fully competent to take care of all the details of organizing and conducting a trust department successfully. Address No. 3132, care Northwestern Banker.—6

Wanted—Position in some good going bank or corporation in real live school and church town. Would invest in small block of stock after position proves to

be satisfactory. Over 15 years of banking experience. Am still employed, serving the bank for ten years as cashier. Married, age 39, Protestant. Good references. Available on sixty days' notice. Address No. 3134, care Northwestern Banker.—6-9

High Type Security Salesmen: One of Iowa's oldest bond houses is seeking capable and successful salesmen to represent it in Sioux City, Dubuque, Davenport and Council Bluffs. Preference will be given to those having experience as producers. Inquiries confidential. Address No. 3135, care The Northwestern Banker.—6.

Bond Department Opening: An Iowa investment house has opening for high calibre man in bond department to call on banks and fraternal organizations. Man with banking experience or connections preferable. Address No. 3136, care The Northwestern Banker.—6.

Position Wanted: As cashier or assist-

ant cashier in good bank. Age 27 years, single, American, Protestant. Six years experience in all lines of banking. Was assistant cashier when bank closed. Address No. 3137, care The Northwestern Banker.—6.

An Idaho man was fishing in Lake Cresson recently. He caught a big bass, the biggest he ever had landed in his long and busy life. He was elated. He was crazed with joy and he telegraphed his wife: "I've got one, weighs seven pounds and it is a beauty."

The following was the answer he got: "So have I, weighs ten pounds. Not a beauty—looks like you. Come home."—*Life Aetna-izer.*

Lost Time is never found again; and time enough always proves little enough. —*Benjamin Franklin.*



The New Morrison, when completed, will be the world's largest and tallest hotel, with 3400 rooms.

CHICAGO'S MORRISON HOTEL

Corner Madison and Clark Streets

Closest in the City to Stores, Offices, Theatres and Railroad Stations

1,950 Rooms Now 500 Being Added

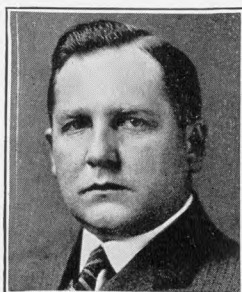
Every guest room is outside, with bath, running ice water, bed-head lamp and Servidor. Each floor has its own house-keeper and the hotel's garage has extensive facilities for car storage. Rates are extremely moderate—\$2.50 up—because valuable subleases at this location pay all the ground rent and the saving is passed on to the guests.

The Tallest Hotel in the World . . . 46 Stories High

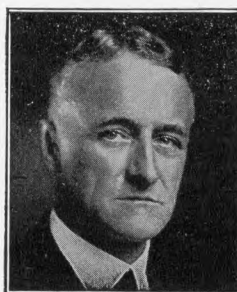
Write or Wire for Reservations

Nebraska Bank News

Officers Nebraska Bankers Association



A. N. MATHERS
President



WM. B. HUGHES
Secretary

President.....A. N. Mathers
Gering
Chairman of the Executive Council
.....A. O. Riley
Hastings
Treasurer.....Denman Kountze
Secretary.....Wm. B. Hughes
Omaha

Has Sixty-fifth Birthday

This month marks the sixty-fifth birthday of the Otoe County National Bank, at Nebraska City, Nebraska. The banking institution was organized in May, 1865, with a capital of \$50,000 and with Julian Metcalf as president.

Today the capital surplus and profit of the institution reaches the 690,000 mark. Minute books in the bank's books date back only to 1910, when O. A. Kimmel was president and William H. Pitzer, vice president. The remaining 45 years are blank as far as actual records are concerned.

The present personnel of the bank includes: H. F. Meyer, vice president; A. E. Stocker, cashier; H. H. Teten and J. D. Stocker, assistant cashiers; J. F. Cole and Ralph Christie, bookkeepers and Katherine Bosworth, stenographer.

Acquires Bank Holding

C. L. Ellis, of Stratton, Nebraska, has acquired an interest in the Farmers State Bank, at Hemingford and moved to that city. He will be in partnership with Clyde Ray and Otto Uhrig in the bank and he will hold the position of vice president.

Mr. Ellis has been in the banking business for a long time, and is a former examiner of national banks.

Complete Reorganization

Reorganization of the Bank of Monroe, Nebraska, has been completed, the new organization has received its charter from the state banking department and opened for business May 19.

R. E. Wiley, for many years a prominent resident of that community, is president; John Lammers, vice president; F. C. Harris, cashier and Chester L. Larsen, assistant cashier. Wiley, Harris, Lammers, Charles I. Lightner and William Kummer comprise the board of directors. The bank has about 20 stockholders, all business men and farmers of Monroe and vicinity.

Mr. Harris, who will be actively in charge has had nineteen years' experi-

ence in the banking business—seven years in the First National, at St. Edward; two years in the Newman Grove State Bank and seven years in the Potter State Bank. He came to Monroe from Potter about three months ago. Mr. Larsen, who will be his assistant, came to Monroe recently from Newman Grove where he had two years' experience in the banking business. Messrs. Lammers, Lightner and Kummer are all well known farmers living near Monroe.

The new organization has taken over the building and fixtures and some of the good notes of the former bank which closed last October.

The bank started business with a paid up capital of \$24,000; surplus of \$4,800; cash reserve of 110%; assets totaling \$83,000 and deposits of about \$54,000.

Will Reorganize

Reorganization of the Bank of Florence, Nebraska, was assured at a meeting of the stockholders when a committee of five was named to take charge of affairs and complete plans for the re-opening. The committee is composed of H. L. Helfrich, William Barber, Jacob Weber, William Stoltenberg and J. C. Suttie. State Banking Commissioner George W. Woods, declared there should be no heavy losses.

St. Paul Banks Nationalize

Both of the state banks of St. Paul, Nebraska, nationalized recently. The St. Paul National Bank and Citizens State Bank becomes Citizens National Bank. Both have a capital of \$25,000, surplus of \$15,000 and deposits approximating \$450,000.

Pauline Paul Arterburn is president of the St. Paul National, and F. R. Haggart vice president and cashier, and Frank J. Taylor is president of Citizens National, and F. T. Shaughnessey, cashier. Determination to get away from state legislative uncertainties is given as reason for change. Both have set aside assessments due in 1930, and await outcome of pending litigation.

Pioneer Banks in Boot

"Idaho Bill"—whose real name is Col. B. F. Pearson—doesn't believe in banks.

This Nebraska man, who ropes wild animals, carries his money in his boots—and he carries a lot of it in big denominations, his roll probably being a couple of ten thousand dollar bills and a few thousand dollar bills. But he has never lost a cent to robbers.

Once, while on a visit to Norfolk, Idaho Bill displayed his roll to a party of friends, among whom was Congressman Edgar Howard. Even though he was among friends, Idaho Bill pulled out a six-gun along with the roll, and the gun is the reason why robbers never have taken his roll.

"I never saw so much money in one roll in the hands of one individual in all my life; just let me feel it for the historical value," Congressman Howard told Idaho Bill. And for a few moments, bills of \$5,000 and \$10,000 were passed around for inspection.

Colonel Pearson has spent all of his early life amid the hardships of the American frontier. He was an old-timer on the Oregon trail in the days when Indian fighting was the pastime.

Despite his number of years, Idaho Bill still captures wild animals for circuses, a pastime that he has been at for many years. He spends much of his time in Mexico, where he captures many of the wild animals.

Thedford Bank Reopens

The Citizens State Bank, Thedford, Nebraska, closed by its officers March 31st, reopened for business without a cent of loss to its depositors.

The institution has been reorganized without the depositors being forced to accept a write-down of their deposits, which totaled \$55,000 at the time of closing. J. W. Mann is the new cashier.

Group Three Meets at Norfolk

For the annual meeting of Group 3, of the Nebraska Bankers association, Norfolk, as usual, was the convention city. Two hundred thirty-three bankers attended, being welcomed to the meeting by President H. L. Gerhart of Newman Grove and Mayor John F. Dudgeon of Norfolk. The response was by S. D. Thornton, Jr., of Neligh, president of the Security State Bank.

Because of the absence of President A. N. Mathers of the state association, who was in Washington and had been detained there on business, Secretary William B. Hughes, of the association, spoke. Reports were made by Fred W. Muller, secretary, and A. G. Zuhlke, treasurer.

R. I. Stout, president of the First National Bank of Tekamah and a member

Northwestern Banker June 1930

of the regional clearing house committee of the state association, outlined the work of the regional clearing houses and urged that the fifth in Nebraska be established in the Norfolk territory.

George W. Woods, state bank commissioner, discussed the present method of bank examination and the problems of his department.

The following officers for the coming year were elected:

President, Rollie W. Ley, president National Bank of Wayne; vice president, W. F. Wenke, cashier of the Pender State Bank; secretary, Fred W. Muller, cashier, Security State Bank, Norfolk; treasurer,

A. G. Zuhlke, vice president, First National Bank, Baneroff.

At the banquet, J. R. Cain, Jr., vice president of the Omaha National Bank, was toastmaster, and A. H. Bolton of Sioux City, was the principal speaker.

SECRETARY WILLIAM B. HUGHES, of the Nebraska Bankers Association reports a liberal response to the proposal for the establishment of a state-wide credit bureau. Asking for an expression of opinion from every bank, he points out the features of the plan, as follows:

"This plan of giving the association a

list of your borrowers, without amounts, costs you nothing but a little clerical work in making up the list.

"You are then privileged to ask for the lists of your nearby banks with which you might possibly have duplicated loans unknown to yourself; but if you feel that these would not be helpful to you, and you do not purchase them from the bureau, then this state-wide credit bureau does not cost you anything."

UNDER THE AUSPICES of the state college of agriculture, the bankers association again this year sponsored a two-day bus trip with a short course study on soils and farm management. The Mortgage Bankers Association of Nebraska cooperated.

THE OMAHA DIVISION of the American Institute of Banking has elected G. F. Kroeger, of the trust department of the Omaha National Bank, as president; Milton F. Barlow, United States National Bank, vice president; Karl G. Kaide, First National Bank, Council Bluffs, Iowa, secretary; Harold K. Albus, Omaha National Bank, treasurer.

WITH A CAPITAL STOCK of \$30,000 the City National Bank of Greeley, Nebraska, opened its doors May 1st. Officers are J. M. McQuillan, president; P. J. Rooney, vice president; Frank Horan, cashier. Greeley had been without a bank since December 28, 1929.

Death of Frank Boyd

Frank Boyd, Vice President of the Omaha National Bank, died May 17th, following an illness of several weeks.

Mr. Boyd had been connected with the

MIDLAND BANK

LIMITED

A Complete Banking Service

The Midland Bank offers exceptional facilities for the transaction of banking business of every description. It has offices in the Atlantic Liners "Aquitania" "Berengaria" "Mauretania" and with affiliated banks operates over 2500 branches in Great Britain and Northern Ireland.

The offices in Poultry and at 196 Piccadilly are specially equipped for the use and convenience of American visitors in London.

Head Office: POULTRY, LONDON, E.C. 2

Overseas Branch: 122 OLD BROAD STREET, LONDON, E.C. 2

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HOTEL
PRESIDENT

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Room with private **Bath**
for **\$2.50**

A room with both Bath and Shower, \$3-\$3.50
Rooms for Two at \$3.50-\$4.00-\$4.50

LOCATION
"Just around the corner
from Everything!"

S. J. MITCHELL,
Resident Manager



FRANK BOYD
Born, December 19, 1868
Died, May 17, 1930

Omaha National Bank since 1892 and enjoyed an unusually wide acquaintance both among bankers in Nebraska and adjoining states and among bank officials throughout the country. He was a member of the Reserve City Bankers Association for many years and invariably attended its meetings.

Mr. Boyd was born in Des Moines, Iowa, December 19th, 1868, the son of Mr. and Mrs. Cyrus Boyd. The family moved to Ainsworth, Nebraska, in 1884 and Mr. Boyd became a clerk in a general merchandise store at the age of sixteen. Later he was employed in a bank in Ainsworth. He came to Omaha in May, 1892, as a clerk in the Omaha National Bank. He was made assistant cashier in 1901, cashier on January 9th, 1917, and vice president on May 10th, 1917.

Funeral services were held Monday, May 19th, with burial at Forest Lawn cemetery, Omaha.

MEMBERS OF GROUP SEVEN, Nebraska Bankers Association, meeting at Alliance, Nebraska, elected Charles Finagan, of Hyannis, Nebraska, president; R. E. Knight, of Alliance, vice president and H. B. Olson, of Lisco, secretary. They voted to hold the 1931 convention at Hyannis. All speakers at the meeting were unanimous in their expression of opinion that "a dawn of a better day" is at hand for Nebraska banking.

GROUP FIVE, Nebraska Bankers Association, on convention, at Kearney, Nebraska, made G. J. Taylor, of North Platte, president; A. T. Reynolds, Amherst, vice president and F. J. Stibal, Ogallala, secretary. The 1931 convention will be held in North Platte.

McCOOK, NEBRASKA, was the meeting place of Group Four, of the Nebraska Bankers Association, when Dale S. Boyles, of McCook, was elected president, E. B. Woods, of Bartley, vice president; and Vern Manahan, of Hastings, was re-elected secretary. President A. N. Mathers, of the State Bank Association, in an address, said "Visionary Banking Laws" of 1909 and the excess number of banks had brought about the ruinous conditions of the past years in banking, but expressed the belief, echoed by the other bankers, that banking in Nebraska would enter its most prosperous era this year.

Clearwater Bank Reopens

The Citizens State Bank, of Clearwater, Nebraska, closed October 21, last, re-opened with capital stock of \$20,000 and \$1,000 in surplus. J. W. Bennie is president and H. D. Miller, cashier.

In the reorganization process, the state banking department reported, depositors

of the old institution accepted an 85 per cent reduction in their accounts.

This is the 31st bank reopened under the legislative plan.

Is Assistant Vice President

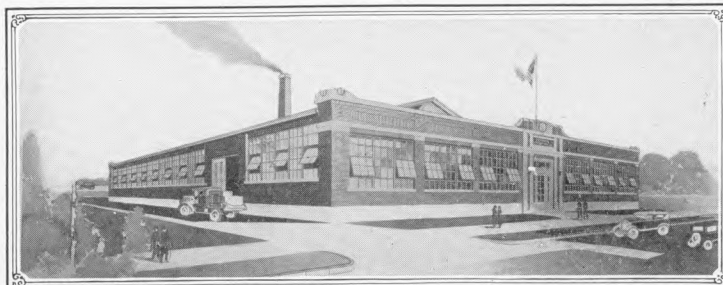
The Central Hanover Bank & Trust Company of New York has announced the appointment of William R. Hanrahan as assistant vice president. Mr.

Hanrahan has been associated with the Central Hanover Bank & Trust Company since October, 1928, and at the time of his appointment was assistant treasurer.

Relations

Tommy (reading paper): "Daddy, what are diplomatic relations?"

Father: "There are no such people, my boy."



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EDWIN G. RAGSDALE
SECRETARY



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Live Stock National Bank of South Omaha
Union Stock Yards
OMAHA

Hold Annual Meeting

Election of officers and selection of next year's convention city closed the annual meeting of the South Dakota Bankers Association in Sioux Falls.

H. A. Jacobson of Vermillion, was elected state chairman; William Owsley of Aberdeen, vice chairman; George Schad, Milbank, northern zone chairman; J. C. Drew, Murdo, western chairman, and James E. Stout of Canova, southern zone chairman.

The next meeting place will be at Aberdeen next May.

Elected Vice Presidents

Otis T. Alvison and John A. Changstrom have been elected vice presidents of the Omaha National Bank. Mr. Alvison retains also the title of cashier which he

has held since 1921. Mr. Changstrom has been assistant cashier.

"This action," said W. Dale Clark, president, "represents the advancement in both instances of men who have been with our institution for many years, who entered its employ in relatively minor capacities and who have won deserved promotion through successive steps by the service rendered the bank and its customers."

Mr. Alvison began work as an office boy, August 3rd, 1890. After advancement through various departments he was made cashier, January 11th, 1921.

Mr. Alvison is a graduate of Omaha High School, is treasurer of the Nebraska Humane Society and is a member of the Athletic, Happy Hollow, University, Lions and Elks Clubs and various Masonic orders.

Mr. Changstrom was employed by the Omaha National Bank, September 2nd,

1905, having previously been with the First National Bank at Council Bluffs for several years. He was made assistant cashier January 11th, 1917, since which time he has been particularly concerned with the bank's relationship with its correspondent banks.



OTIS ALVISON

Mr. Changstrom is chairman of the Good Will Committee of the Chamber of Commerce and is now on the trade trip conducted by this committee. For many



JOHN A. CHANGSTROM

years he has been a director of Carter Lake Club and is director and treasurer of the Masonic Children's Home. He is also a member of the Athletic, Elks, Noon-Day and Concord Clubs.

The best of all ways to lengthen our days is to steal a few hours from the night.
—Thomas Moore.

The Fourth Decade *and the* Fourth Expansion

Six spacious banking and trust floors stand completed. Providing facilities for prompt service they allow room for a growing clientele to enjoy the closest contacts with our organization. In them The Northern Trust Company carries the spirit of personal banking and trusteeship into its fifth decade.

THE NORTHERN TRUST COMPANY

Northwest Corner LaSalle and Monroe Sts.

CHICAGO



R. W. PUTNAM
President

Minnesota Bank News

Officers Minnesota Bankers Association

President.....R. W. Putnam
Red Wing
Vice President.....C. B. Brombach
Minneapolis
Treasurer.....T. A. Perkins
Windom
Secretary.....George Susens
Minneapolis



GEORGE SUSENS
Secretary

Minnesota Convention Program

THE Hon. Roy A. Young, of the Federal Reserve Bank and Dr. Benjamin Anderson, Jr., economist for the Chase National Bank, are two of the prominent speakers scheduled for the 41st annual convention of the Minnesota Bankers Association, to be held June 17-19 at the St. Paul Hotel in St. Paul.

Describing the program and entertainment in brief, Secretary George Susens and President R. W. Putnam, have issued the following bulletin:

ADVANCE CONVENTION HIGHLIGHTS

Registration, Tuesday at the St. Paul Hotel. Golf and other forms of entertainment during the day. Smoker in the evening.

The Annual Handicap Golf Tournament will be held this year on the beautiful course at the Somerset Country Club on June 17th, commencing at 1:30 o'clock. Attractive and appropriate prizes will be awarded the winners. Everyone is invited. Please register before playing golf. Information concerning the tournament may be had at the registration desk.

Informal Get Together Smoker, Tuesday evening, June 17th, eight o'clock. A Practical Demonstration Showing How a Good Board of Directors Functions. A talk by Ralph Parlette, humorist. Other interesting forms of entertainment and typical "Smoker" refreshments.

Entertainment for Ladies, Wednesday, at one o'clock a luncheon will be given for all of the ladies at the Saint Paul Hotel in the Roof Garden. Prizes will be awarded at the bridge party following the luncheon.

Theatre tickets will be presented upon request at the time of registration for those who wish to avail themselves of the privilege.

Entertainment for everyone, Wednesday evening, June 18th, St. Paul Athletic Club.

There will be a vaudeville performance in the main dining room, followed by dancing both in the main dining room and the gymnasium. Buffet supper will be served in the main lounge room.

Complete program will be mailed later.

R. W. PUTNAM, *President*.

GEORGE SUSENS, *Secretary*.

The speakers are:

Hon. Roy A. Young, Governor Federal Reserve Board, Washington, D. C., formerly Governor of Minneapolis Federal Reserve Bank. Should give up-to-the-minute banking information.

Dr. Benjamin M. Anderson, Jr., Economist, Chase National Bank, New York. A national authority on financial subjects. His subject is, "The Financial Situation."

Earle Brown, head of Minnesota High-

way Patrol. There are great future possibilities under this system. Bankers should cooperate.

Chas. Collisson, of the Minneapolis Tribune. Presents some new farm figures just out. His subject is, "Agriculture's Great Come Back."

Ralph Parlette, of Chicago, famous writer and humorist lecturer. He will make your "sides ache" at the Tuesday evening smoker. His subject is, "Go On South! The Best Is Yet to Come!"

Independent Bankers Organize

County bankers of five congressional districts in Minnesota met at Glenwood recently and organized the Independent Bankers Association "to represent the rights of the independent bankers and to preserve for the state of Minnesota the independent local bank."

The Independent Bankers Association of Minnesota is the first state-wide organization to be instituted in the United States for the purpose of maintaining the independent or unit form of banking. Need of such an organization, it was pointed out, is due to the growing tendency toward branch and chain banking, which delegates to the convention stated, gives evidence of being evolved from the present form of group banking, now having its largest development in the Northwest.

Officers elected by the Independent Bankers Association are:

President, Harry Lee, vice president, Bank of Long Prairie; vice president, Oluf Gandrud, vice president, Swift County Bank, Benson; treasurer, W. W. Churchill, vice president, Union National Bank, Rochester; executive council, A. P. Stoll, president, Farmers & Merchants

SUCCESSFUL banking and trust service as Minneapolis correspondent for Northwest Banks.

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NATIONAL BANK AND TRUST COMPANY
Where Second Avenue South Crosses Fourth Street
MINNEAPOLIS

Affiliated With
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Combined Resources
Over \$483,000,000.00





Real Cooperation

that embraces 130 different services is the basic reason for the phenomenal growth of the Republic, which is today one of the country's outstanding bankers' banks.

*Ask us for particulars
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The National Bank of the **REPUBLIC** ... OF CHICAGO ...

Banking—All Departments

AFFILIATED

**CHICAGO TRUST
... COMPANY ...**

Complete Trust Service
Real Estate Loans

**THE NATIONAL
REPUBLIC
... COMPANY ...**

Investment Securities and
Corporate Financing

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We Specialize in Bank Envelopes of every Style

State Bank, Pierz; Theodore Aune, president, Glenwood State Bank, Glenwood; B. F. Du Bois, president, First State Bank, Sauk Center; Henry Sampson, president, Bank of Elbow Lake, Elbow Lake; N. H. Tallakson, cashier, Bank of Willmar, Willmar; Secretary, Robert D. Beery, Long Prairie, Minn.

To represent the association at the Congressional Bank Hearing in Washington, Elmer E. Adams, president, First National Bank, Fergus Falls; J. R. Chappell, vice president, Merchants Bank, Winona.

The next meeting of the Association has been set for 3 o'clock in the afternoon, June 17, at St. Paul. Notices of the meeting will be sent to all independent bankers of the state.

Secretary Beery was elected at a meeting of the executive council immediately following the convention. His home is in Long Prairie and he is a banking official of long experience, having been a national bank examiner and also a public examiner for the state of North Dakota.

Next to the actual organization of the association the matter of representation before the hearing now being conducted by the committee on banking and currency of the House of Representatives of Congress was deemed of paramount importance. In so far as the convention had been advised no independent bankers have been subpoenaed to appear before the committee to present the viewpoint of the unit banker. The convention deemed it highly imperative that the unit banker be given such representation and went on record unanimously in favor of the selection of representatives to appear before that committee.

Approximately 75 bankers attended the convention, bad roads and recurring rain storms having cut the attendance about in half, according to the list that had signified their intention of attending the meeting. Having been held in the north central part of the state most of the attendance was from that area, the congressional districts represented being the First, Third, Sixth, Seventh and Ninth. The farthest south delegates were from Rochester, Stewartville and Watertown.

The convention had been called by the Pope County Bankers Association. In the absence of Vern Weaver, cashier of the Farmers and Merchants State Bank of Lowry, president of the Pope County Association, Theodore Aune, of Glenwood, president of the Glenwood State Bank, acting for Mr. Weaver, called the convention to order.

New Cashier Named

Helmer Lind, of Princeton, Minnesota, has been chosen to act as cashier of the Farmers & Merchants State Bank, at Zimmerman, taking the place of Henry P. Rust, who has resigned and will leave that village. Mr. Lind has been employed at

the First National Bank, at Princeton, for the past year.

Mr. Rust has been employed as cashier at the Zimmerman bank for the past eleven years.

Elected Group President

W. H. Jarmuth, of Heron Lake, Minnesota, was elected president of the Second District Group, Minnesota Bankers Association, at the closing business session of the convention.

St. James was selected as the convention city for 1931. Other officers elected were Percy E. Lewis, of Madelia, vice president; L. T. Meyer, of Westbrook, secretary-treasurer. The executive committee is composed of P. D. Belcom, of Mankato and W. T. Morgan, of Pipestone, besides the other officers.

A resolution indorsing work being done by the protective division of the state association to prevent bank robberies, was adopted by the convention.

Assigned New Posts

Eugene C. Glasgow, assistant cashier, has been assigned to duty in charge of the Northwestern National Bank's new savings department at Sixth Street and Marquette Avenue, Minneapolis. He was for several years manager of the business service department of the bank and was made assistant cashier last year. Henry L. Bergquist, formerly manager of the bond department of the bank, has been appointed manager of the business service department.

With Company 41 Years

William A. Durst, president of the Minnesota Loan & Trust Co., Minneapolis, recently celebrated the forty-first anniversary of his entry into the service of the institution. In 1889, Mr. Durst came to Minneapolis from his boyhood home at Monroe, Wisconsin, and obtained a job as bookkeeper with the Minnesota Loan & Trust Co., which had just been organized. He has been connected with the company without interruption since then. Congratulations from friends in Minneapolis and many other cities were received by Mr. Durst.

Attains Majority

The Midland National Bank and Trust Company of Minneapolis, became "of age" when it celebrated its twenty-first birthday. The bank was organized May 17, 1909.

At the time of its organization, Midland National had five officers and nine employees. Today it has sixteen officers and one hundred twenty-five employees, according to C. B. Mills, president. Resources have increased over that period from about \$600,000 to more than \$22,000,000.

Banks Chartered

Two Minnesota banks were issued charters by the state commerce commission it was announced by A. J. Veigel, state commissioner of banks. The Union State Bank of Thief River Falls, organized to take over the First and Peoples State Bank of Thief River Falls, was given a charter and the Union State Bank, of Marietta, received the other.

Cashier Resigns

Mr. O. H. Hitzemann tendered his resignation to the director of the First National Bank, of Swanville, Minnesota, to take effect June 1st. Mr. Hitzemann has been cashier of the bank for the past 24 years.

Mr. John J. McRae, who for the past 23 years has been assistant cashier, was elected cashier.

Seeks Bank Charter

An application for a charter for the Farmer's State Bank, of Webster, Minnesota, in Rice County, was filed with the state commerce commission recently by William W. Pye, of Northfield and others. The bank would have a capital of \$20,000. A hearing will be held June 10.

Thrifty Sandy

Sandy (to his daughter): "Young McPherson has asked me for your hand, and I have consented."

Daughter: "You dear old dad!"

Sandy: "So never mind going to the dentist's now to have that tooth pulled—wait until you are married."

The man who kills time murders opportunity.—*Boston Herald.*

"THE TIME HAS COME

—to use advertising as it was intended to be used, to stimulate business. Never has there been a time for a clearer test. There are no adverse factors except the mental hazards of last year's stock slump in men's minds. The obstacle is psychological not physical."

ERNEST ELMO CALKINS,
In the Review of Reviews

In Buying Advertising Why Overlook Permanence ?

Art calendars carry your message the year round because of utility plus attractiveness. Blotters keep the message on the desk. Booklets—bride, baby, graduation—are kept always because of sentimental value.

THE LONGER THE MESSAGE LASTS—
THE LESS ITS COST TO YOU!

May we submit our proposition?

The Thomas D. Murphy Company
Red Oak, Iowa

The Birthplace of Art Calendars

NEW YORK CHICAGO TORONTO LONDON

Calendars — Direct Mail — Blotters — Holiday Greetings — Booklets
Fans — Maps — Gift Leather — Advertising Pencils

Northwestern Banker June 1930



On June 2nd, 1930—The Chase National Bank, The Equitable Trust Company and Interstate Trust Company were formally merged as

THE CHASE NATIONAL BANK

of the City of New York

*Statement of Condition at Close of Business, June 2nd, 1930**

RESOURCES

Cash and Due from Banks	\$ 592,458,308.83
Loans and Discounts	1,435,359,900.64
U. S. Government Securities	228,710,596.93
Other Securities	106,580,632.51
Real Estate	34,771,643.58
Redemption Fund—U. S. Treasurer	386,825.00
Customers' Acceptance Liability	\$172,184,069.87
Less Amount in Portfolio	20,018,289.14
Other Assets	1,001,374.98
	<u>\$2,551,435,063.20</u>

LIABILITIES

Capital	\$ 148,000,000.00
Surplus	148,000,000.00
Undivided Profits	60,723,478.27
Reserved for Taxes, Interest, etc.	9,744,827.59
Dividend, Payable July 1, 1930	5,550,000.00
Deposits	1,916,236,313.91
Circulating Notes	7,736,500.00
Acceptances	\$176,775,899.86
Less Amount in Portfolio	20,018,289.14
Liability as Endorser or Maker on Acceptances and Foreign Bills	156,757,610.72
Other Liabilities	94,501,162.90
	4,185,169.81
	<u>\$2,551,435,063.20</u>

Each Shareholder of The Chase National Bank is also the holder of a like number of shares of Chase Securities Corporation. Capital funds of Chase Securities Corporation, which are in excess of \$125,000,000, are not included in the bank statement.

**This statement does not include the statements of any of the affiliated organizations mentioned below*

*Head Office—Pine Street corner of Nassau • Equitable Trust Branch—11 Broad Street
Forty-five other branches in Greater New York*

FOREIGN OFFICES

LONDON, England (2)	HAVANA, Cuba	CRISTOBAL, Canal Zone	PANAMA CITY, Republic of Panama
LONDON REPRESENTATIVE: 14 Cornhill, E. C. 3			PARIS REPRESENTATIVE: 1 Boulevard Haussmann
BERLIN REPRESENTATIVE: Unter den Linden 57			ROME REPRESENTATIVE: Piazza Mignanelli, 3

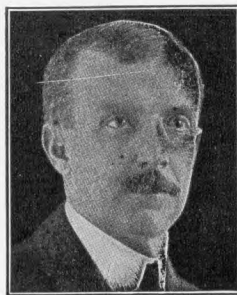
Affiliated Organizations:

CHASE SECURITIES CORPORATION	•	AMERICAN EXPRESS COMPANY
EQUITABLE EASTERN BANKING CORPORATION	•	AMERICAN EXPRESS BANK & TRUST COMPANY
THE CHASE SAFE DEPOSIT COMPANY	•	THE CHASE BANK (PARIS—MEXICO CITY)

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

Director of Bank

George Laney, Bismarck, has been named a member of the board of directors of the First National Bank of Napoleon, North Dakota, according to an announcement made by F. B. Heath, cashier.

In Consolidation

Consolidation of the Argusville State Bank and the Mapleton State Bank with the Merchants National Bank and Trust Company of Fargo, North Dakota, an affiliate of the First Bank Stock Corporation, was announced recently by P. J. Leeman, vice president and general manager of the holding company.

Argusville and Mapleton are Cass County towns which, with the development of good roads, have become suburban to Fargo, the county seat. The Merchants National assumes the deposit liability of the two banks, totaling approximately \$170,000 and takes over assets covering the liability, the stockholders receiving the balance of assets above the deposit liability.

Bank at Langdon

Affiliation of the Northwestern, of Langdon, North Dakota, with the First Bank Stock Corporation has been announced by L. W. Scholes, vice president of the holding company. The Langdon bank becomes the 20th affiliate of the First Bank Stock Corporation in North Dakota and the 105th member of the group.

The Northwestern Bank is capitalized at \$25,000 with surplus and undivided profits of \$25,535.42. Its officers include:

President, T. J. Smith, Grand Forks; vice president, A. O. Aune, Langdon; cashier, L. C. Wick; assistant cashiers, Gus Hartman and E. H. Lorens.

Mr. Aune is an addition to the executive staff. He was formerly cashier of the Farmers State Bank, of New Rockford, which was absorbed by the First National of New Rockford, an affiliate of the First Bank Stock Corporation.

Merger Effective After May 31

The physical consolidation of the Equitable Trust Company of New York and the Interstate Trust Company with the Chase National Bank became effective after the close of business May 31st. The three banks concluded business as separate institutions on Saturday, May 31st and reopened on Monday, June 2nd as a consolidated organization, which will function under the name and character of the Chase National Bank of the City of New York.

Stockholders of the three banks and their affiliated securities corporations approved the merger at special meetings on April 24th and ratified the plans agreed upon by the respective boards of directors for carrying it into effect.

The present home of the Chase National Bank, at Pine Street, corner of Nassau, will be the head office of the consolidated bank. The present main office of the Equitable Trust Company at 11 Broad Street, will be operated as an important unit of the consolidated bank, with complete facilities for handling clients' business. As soon as stockholders gave official approval to the merger, alterations were started at the head offices of both the banks in connection with carrying out the physical merger. Offices were prepared in the Chase National Bank Building for Winthrop W. Aldrich, who will become president of the consolidated bank, and for several senior officers of the Equitable. Alterations were made in the Equitable to provide for the transfer of a number of Chase officers to 11 Broad Street. With completion of the merger, the enlarged Chase National Bank now has fifty-two offices in New York City and Brooklyn and seven foreign offices located in Europe, Latin American countries and the Orient.

Capital Increase

The day following the formal opening of its newly remodeled and enlarged banking home The Northern Trust Company,

one of Chicago's big downtown banks, announced an increase in capital which with stock purchase rights means upward of \$4,400,000 to present stockholders.

The board of directors of the corporation has recommended the calling of a special meeting of the stockholders to be held on June 24, 1930, to authorize the increase of the capital stock of The Northern Trust Company from two million dollars (\$2,000,000), consisting of twenty thousand (20,000) shares of the par value of one hundred dollars (\$100) each, to three million dollars (\$3,000,000), consisting of thirty thousand (30,000) shares of the par value of one hundred dollars (\$100) each, that is to say, an increase of ten thousand (10,000) shares.

In making the proposed increase of capital stock, it is planned to give to the stockholders of record at the close of business on June 25, 1930, the right to subscribe pro rata for the ten thousand (10,000) new shares of stock at the price of three hundred dollars (\$300) per new share, on the basis of one new share for each two old shares held. It is then planned to pay annual dividends on the increase capitalization at the rate of eighteen dollars (\$18) per share, which is six per cent (6%) on the purchase price of the new stock.

The business of the corporation has been constantly increasing in volume. In order to provide additional space for the public in its various departments and to provide adequate working accommodations for its growing organization, the bank has just completed extensive additions and improvements to its building. These additions and improvements have all been paid for out of its Reserve Accounts. With the bank's facilities ready for the expanding needs of all its departments, the directors believe that it is now advisable for the institution to have a larger capital structure.

The present capital structure of The Northern Trust Company is two million dollars capital, three million dollars surplus and approximately four million dollars undivided profits, a total of nine million dollars. When the proposed ten thousand (10,000) shares of new stock have been subscribed and paid for, the corporation will have three million dollars of additional corporate funds. Of these additional funds, one million dollars will be added to the capital account, and two million dollars will be added to the surplus account, and in addition, there will be transferred to the surplus account one million dollars from the undivided profits account. The corporation will then have a capital structure of twelve million dollars, made up of three million dollars capital, six million dollars surplus and approximately three million dollars undivided profits.

"Duly Addressed and Deposited in the Post Office



Do you give no more thought to the collection of out-of-town items than the quoted language of the law requires the notary to give to notices of dishonor?

Mail matter sent to us is called for at the Post Office at frequent intervals by day and night. Collections are forwarded promptly to place of payment or through not more than one intermediary.

See that your important collections and troublesome cash items are "duly addressed" to this bank, and thus secure the advantages of our continuously operating transit and collection service.

All items received at par.



...THE... PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Capital and Surplus \$50,000,000

Returns From Florida

F. H. Rawson, Co-Chairman of the First National Bank and First Union Trust and Savings Bank, returned to his desk recently after spending ten weeks in Florida.

Mr. Rawson stated that while being out of intimate touch with business for such a long period he would not care to express himself in detail on the outlook, there seemed to be more optimism and better feeling existing at the present time than when he left for the South on February 1.

Mr. Rawson found Florida conditions slowly righting themselves and considering the numerous jolts the state has received, beginning with the real estate deflation in 1925-6, followed shortly after by the terrific hurricane and later by the fruit fly, it has shown a fine spirit and should gradually come back. Real estate conditions apparently are stabilized and if not at the bottom are almost so. Miami and Miami Beach have had a splendid winter from the tourists. At all times the hotels have been well filled. There has been and is still continuing a lot of fine residence building taking place at Miami Beach where values now on the best avenues are up to what they were before the real estate deflation.

Morrison Enlarging

A city is as great as its citizens make it, and Chicago is destined beyond question to become the world's largest metropolis. Harry C. Moir, president and general manager of the Morrison Hotel, will no doubt go down in history as one of the outstanding men who helped to make Chicago.

Mr. Moir has just announced the letting of contracts to John Griffiths and Sons for the erection of a new 21-story addition to the present Morrison Hotel. It is to cost \$3,250,000.00 and will contain 500 additional rooms. It will also contain stores and banquet halls. It will be erected on the property which the Moir Hotel Company has controlled for some years, on Madison Street, immediately east of and adjoining the present hotel building.

In commenting on the project, Mr. Moir said: "The Morrison Hotel has been enjoying an unusually high percentage of occupancy, and is in a very prosperous condition; this, and the fact that I am a thorough believer in Chicago and its future, has prompted me to take part in President Hoover's program for the stimulation of business progress generally, and the building industry in particular, by undertaking to build the addition at this time, rather than to delay it for a year or more."

The erection of this new addition will mark the passing of another famous Chicago landmark. One of the buildings to be removed is the Edelweiss building.

IN THE DIRECTORS ROOM



Mistaken Identity

A certain young man was recently speeding merrily along the road when he caught up with a party of children on their way to school. He asked them if they cared to ride, and for an answer they piled into his Ford until it was so completely filled that one little girl had to sit in the driver's lap. She was a plump little thing and the driver cuddled her close to keep her away from the steering wheel. "Do you like school?" he asked her.

"Yes, sir," she lisped.

"Do you go every day?"

"I haven't missed a day this year," the little girl replied.

"Good little girl!" said the driver, kissing her soft cheek. "Do you like your teacher?"

"Yes, sir," said the little girl, "I'm the teacher!"

And the Ford nearly went into the ditch!

Procrastination

When a worried-looking man applied for a settlement of a claim for fire insurance, the agent asked: "Much damage?"

"Not much," the man said; "just a door."

"How much would a new door cost?"

"About \$5."

"When did the fire happen?"

The man hesitated a moment, and then replied: "About thirty years ago."

"Thirty years ago?"

"Yes."

"And you've waited all these years to report it?"

"Yes."

"How did that happen?"

"Well," said the man, "my wife has been at me to do something about that door ever since it was burned, and I couldn't stand it any longer."

Appearances Misleading

"Were you a slave, Uncle Tarr?"

"Nussah, Cuhnel; but 'bleeged to yo' for de 'terrygation, dess de same, sah. I isn't old enough. Ise been mar'd fo' times; dat's what makes me look all dis-integrated dis-uh-way, sah."

He is not only idle who does nothing, but he is idle who might be better employed.—*Socrates.*

An Error

The chief engineer and the master mechanic had spent the evening together. For obvious reasons, the M. M. was a little hesitant about going home.

"I'll tell you what to do if you don't want to disturb your wife," said the chief.

"When you get in the house, undress at the foot of the stairs, fold your clothes neatly, then creep quietly up the steps to your own room."

They met the next morning at the plant. "How did you get on," asked the chief.

"Rotten," replied the M. M. "I did just as you told me. I undressed at the foot of the stairs. I folded my clothes neatly. I crept quietly up the steps. But when I reached the top—it was the elevated station!"—*The Fire Box.*

Real Devotion

An old lady of seventy, returning after sixty years' absence to her native Scottish village, called on a friend of her youth, now ninety.

Said she: "Though I've been lang away, an' I have na written ye, I've never forgotten ye. I've looked regularly to see your death in the papers."

Why Antiques Soar

Dealer: "It's a genuine antique, sir."

Customer: "But you are asking a fearful price for it."

Dealer: "Well, sir, look how wages and the cost of materials have gone up!"

A Chicago actress came into a lawyer's office and said to him: "I want a divorce."

"Certainly," said the lawyer. "For a nominal fee I will institute proceedings, and should experience little difficulty in procuring it for you."

"What do you call a 'nominal fee'?" asked the actress.

"Five hundred dollars," said the lawyer.

"Nothing doing," retorted the lady. "I can have him shot for ten dollars."

Our hope for eternal life in the here-after does not spring from a longing for a spiritual existence, but grows out of our love for life upon this earth, which we have tried and found good.—*Robert J. Shores.*

The highest and most lofty trees have the most reason to dread the thunder.—*Charles Rollin.*

Snores in Opera

"Tell me, does your husband snore?"

"Oh, yes, indeed, so delightfully."

"What?"

"Yes, really he is so musical, you know, his voice is baritone. He only snores operatic bits, mostly Aida."

"This is the finest car that I ever owned."

"But to me it sounds like a boiler factory in full blast."

"That's just the point. I can't hear my wife in the back seat."

"How'd you get that smudge on your face?"

"Well, honey, the car broke down and I had to fix it."

"Since when do you grease your car with red grease?"

A live-wire salesman rushed up to the home of a doctor in a small village about 3 a. m. and asked him to come at once to a distant town.

The doctor cranked his flivver and they drove furiously to their destination.

Upon their arrival the salesman asked, "How much is your fee, doctor?"

"Three dollars," said the physician in surprise.

"Here you are," said the salesman, handing over the money; "the blamed garage keeper wanted \$15 to drive me over when I missed my train."

A mother and daughter were listening to a band in the park.

The mother asked, "What's that they're playing, Mary? It sounds to me like Wagner."

"No, I don't think it's Wagner," said Mary. "I think it's Chopping. I'll go to see."

On her return from the bandstand she said, "We were both of us wrong. It says, 'Refrain from Spitting.'"

Sub-Editor: "I see here that a naval officer was badly cut in opening a wine bottle. What kind of heading shall I put to it?"

Chief: "Oh, just say: 'Serious accident to British man-of-war in attempting to get into port.'"

Lost: A precious moment, set with golden opportunities. No reward offered for it cannot be recovered.—*Exchange.*

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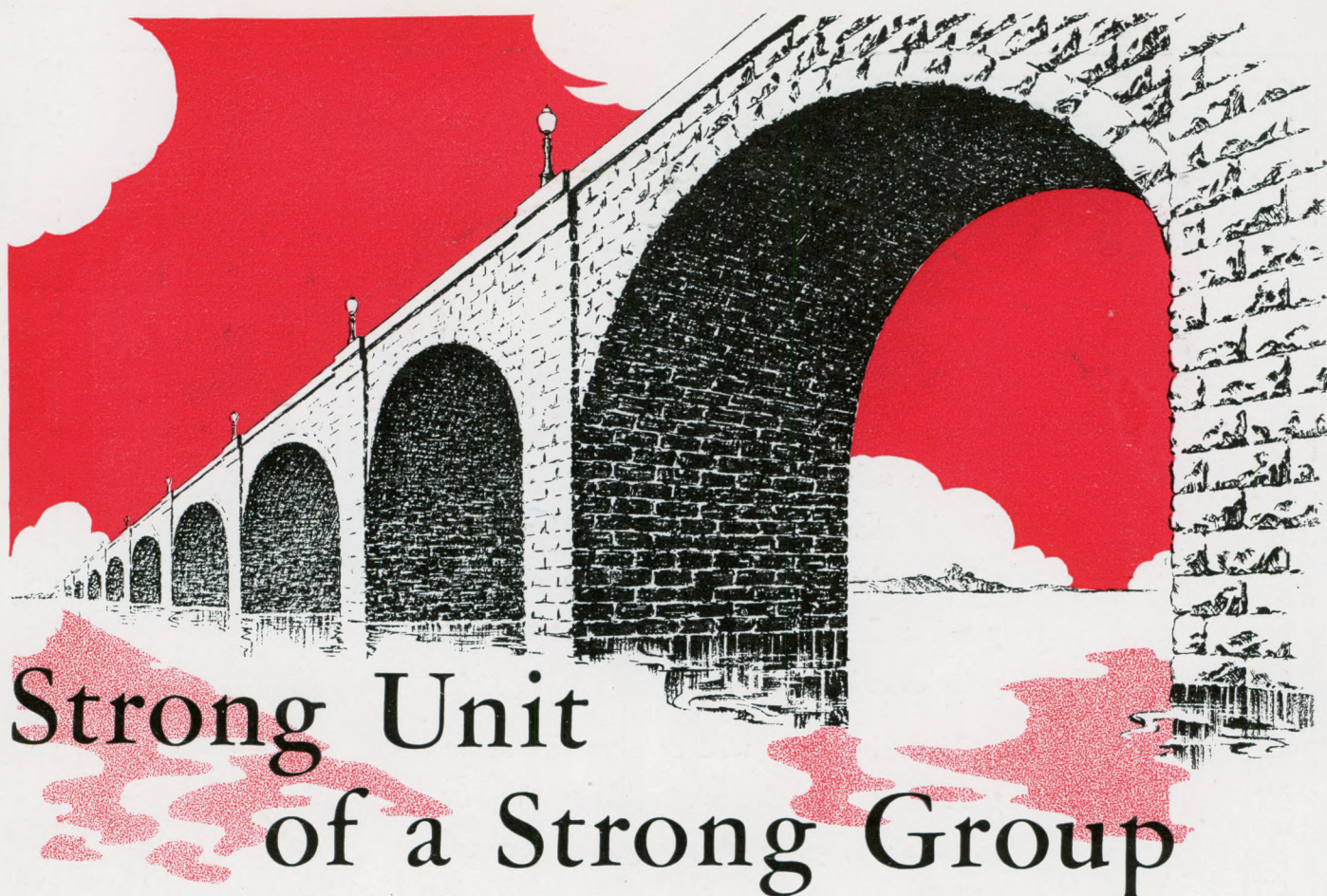
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