

NORTHWESTERN *Banker*

OCTOBER
1939



ROBERT M. HANES
President, American Bankers Association
President, Wachovia Bank and Trust Company
Winston-Salem, North Carolina

SEEN AND SAID AT SEATTLE

Pages 11 to 15



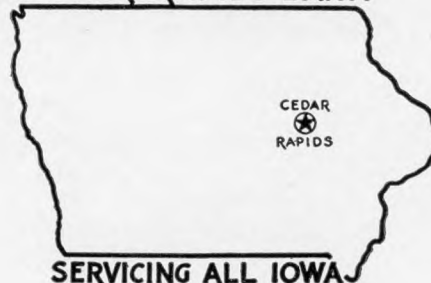
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Cedar Rapids Iowa

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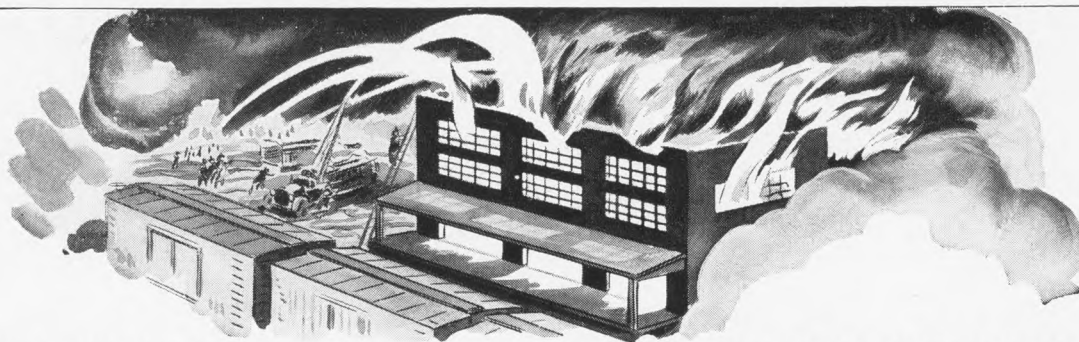
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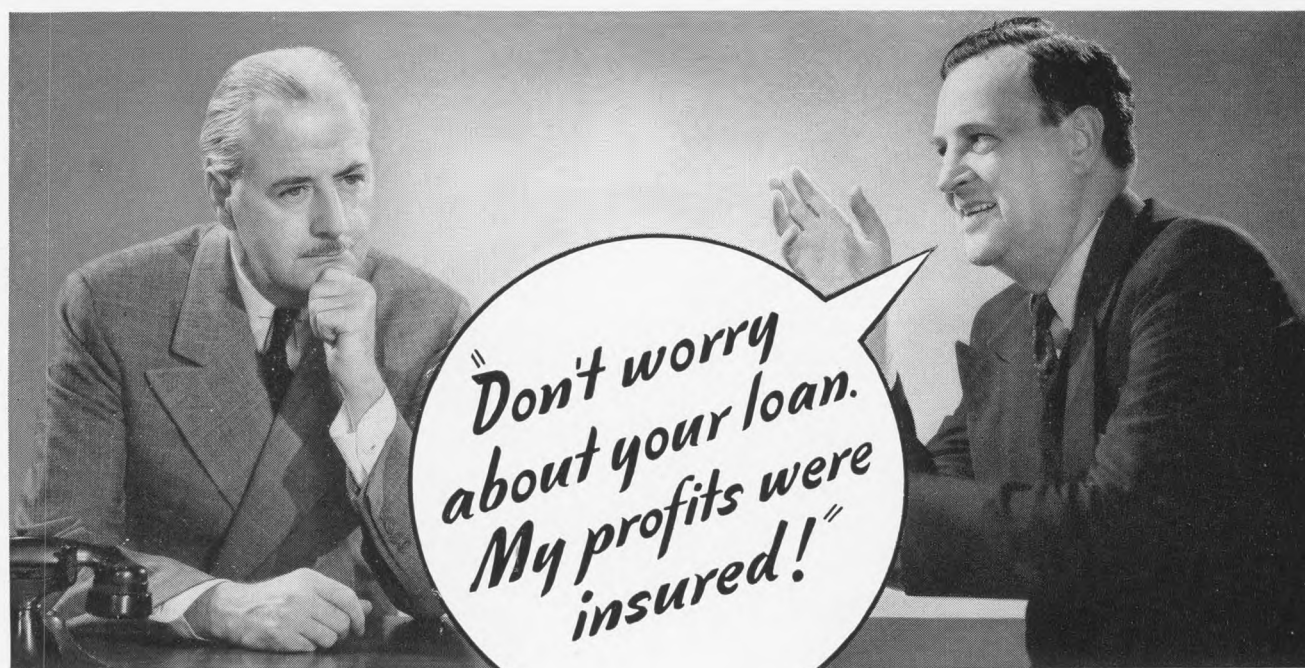


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OCTOBER
1939
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NORTHWESTERN *Banker* DES MOINES

FORTY-FOURTH YEAR

NUMBER 627

Oldest Financial Journal West of the Mississippi River

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Audit Bureau of Circulations
Financial Advertisers Association



Across the Desk From the Publisher

By Clifford DePuy

Interest Rates May Increase Because of War

It is quite likely that interest rates will increase because of the war.

It will be due to an accelerated advance of industry which in turn will be borrowing more money to carry on its activities.

While we all hate and abhor war, it is nevertheless a fact that war supplies will be manufactured in the United States and furnished to the warring nations. This being so, we will have an expanding economy in this country and that in turn will mean the employment of idle capital.

The law of supply and demand will become effective and interest rates are quite likely to increase.

This point was emphasized by Harold M. Sherman before the Toronto Convention of the Financial Advertising men when he said:

"Today, this war situation in Europe may very readily bring about a rise in the interest rates which are determined by the supply and demand of and for investments. It is an unhappy fact that Europe's misery may prove to be America's profit. Need for war materials and supplies, with or without a change in the neutrality law, will bring expansion of certain industries calling for funds and a highly accelerated activity in the stock, bond and loan markets. Putting people back to work may have immediate effect upon the banking system as a whole.

"Meanwhile, the decreased interest rate is a worrisome item. Many banks, having subscribed to Government issues at low rates, are loaded. If private industry should revive, under the stimulation of existing war conditions, bankers would be quick to invest large amounts elsewhere. Such a development might eventually force higher rates for Federal issues, since there would be more

attractive investments possible in private enterprise."

The war in Europe may have brought to an end the long downward curve of low interest rates which have been in effect for the last several years.

Can We Prevent Political Control of Banking?

No intelligent banker argues against the proper regulation of banking.

But the political control of banking by politicians is neither desirable nor necessary in the United States.

Whether the increased pressure of dictatorial desires and demands by the powers at Washington because of the war abroad will cause further political control of banking remains to be seen.

In our opinion, the political control of banking can be prevented from making any further strides if a strong and active opposition to such ideas is developed by members of the banking fraternity themselves.

Stephen H. Fifield, assistant vice president of the Barnett National Bank of Jacksonville, Florida, and newly elected president of the Financial Advertisers Association, expressed his opinion recently on this subject, when he said:

"Political control never did, is not now doing and never will make for sound banking, the kind of banking that will develop sound and lasting community prosperity. You will notice I said 'control', not regulation. Bankers to my knowledge have never objected to proper Government regulation, and have objected only to political control because it jeopardizes those rights and privileges which belong to a free people. This job of public relations is a big job, but is our job—not the politicians."

We thoroughly agree with Mr. Fifield when he

said that this job is a job of public relation and a job for the banks to do and not for the politicians, if we are to prevent political control of banking in the United States—and it must be prevented.

Nine Billion Could Be Spent on U. S. Goods

On a "cash and carry" basis, the question asked just how much money would Britain, France, and Canada have for the purchase of American goods.

Belligerents who have defaulted on United States loans cannot borrow in the United States in ordinary ways. But if allowed to purchase our goods and pay for them when they get them and take them away in their own ships or on a "cash and carry" basis, there is approximately \$9,000,000,000 available in the case it is a long war, according to the best estimates made of British, Canadian and French funds in this country.

The foreign investments of these countries amount to some \$8,300,000,000 which includes \$2,600,000,000 in bank deposits and short term credit, plus \$4,000,000,000 in marketable securities and \$1,700,000,000 in direct investments.

In addition to this, these governments could take over the holdings of their nationals, thus making a total of \$9,000,000,000 available in case of a long struggle.

Such purchases would, of course make a great increase in the demand for American goods.

American and Canadian Dollars

Americans have invested in Canada \$4,000,000,000. Canadians have invested in the United States \$1,000,000,000.

Upon the average, Americans are receiving 6 per cent on the money they have invested in Canada while the Canadians are receiving only 3 per cent on the money they have invested in the United States.

This would look like Canadian investments on the whole have been very satisfactory, and as a matter of fact they have been.

This very interesting analysis of Canadian and American investments was pointed out by Floyd S. Chalmers, editor of the *Financial Post* of Toronto when he spoke before the Financial Advertisers Association at the Royal York Hotel.

In his remarks he said, "A generous part of the new wealth created in the United States during the last war and after was invested in Canada.

"Before the war American investors had between \$500 and \$750 millions invested in Canada.

Today United States dollars to the number of 4 billions are invested here. Our biggest mortgagee is no longer John Bull but Uncle Sam.

"United States interests control 2,000 separate companies in Canada. These include 1,000 industrial companies; over 100 mines, over 100 utility companies and an infinite variety of financial, merchandising and other enterprises.

"The United States can have but few complaints as to the results its investors have achieved with the money that has so freely poured into this country. The United States has lost hundreds of millions in its foreign investments. But not much has ever been lost here.

"At the end of 1935 the United States had some \$6,000,000,000 invested in foreign dollar loans. And here is how these investments stood:

"Of the money invested in Germany 99.6 per cent was in default.

"Of the money invested in other Latin-American countries 76 per cent was in default.

"Of the money invested in China 100 per cent was in default.

"And what about Canada? Of the money invested in Canada and Newfoundland, 4.3 per cent was in default.

"Not only has American Capital been well protected here, it has also earned a very handsome return.

"Canada pays the United States each year in interest and dividends \$200 millions more than we earn on our own investments in the United States.

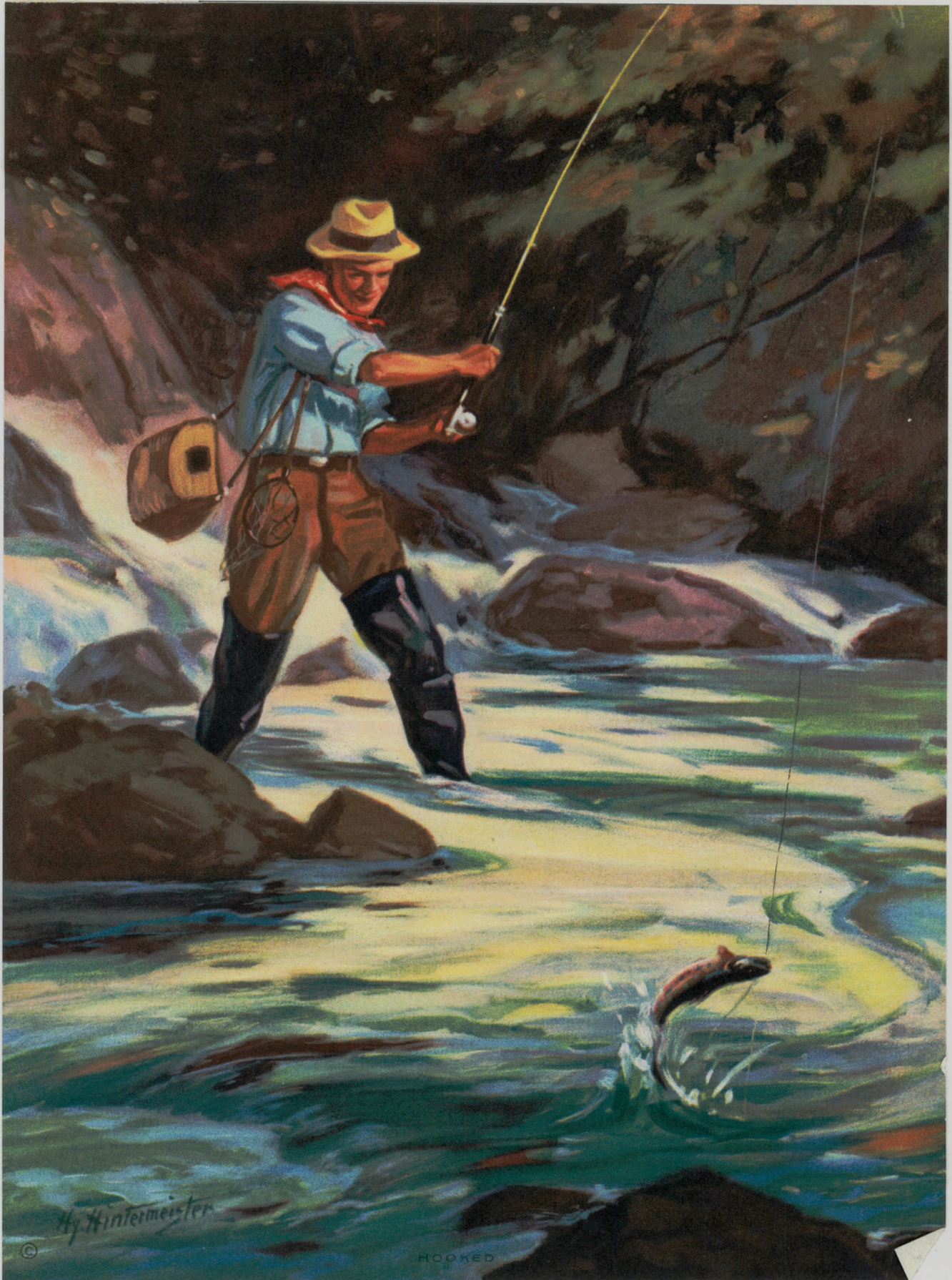
"The average American has invested in Canada \$30. On it he receives \$1.75 in cash each year or nearly 6 per cent.

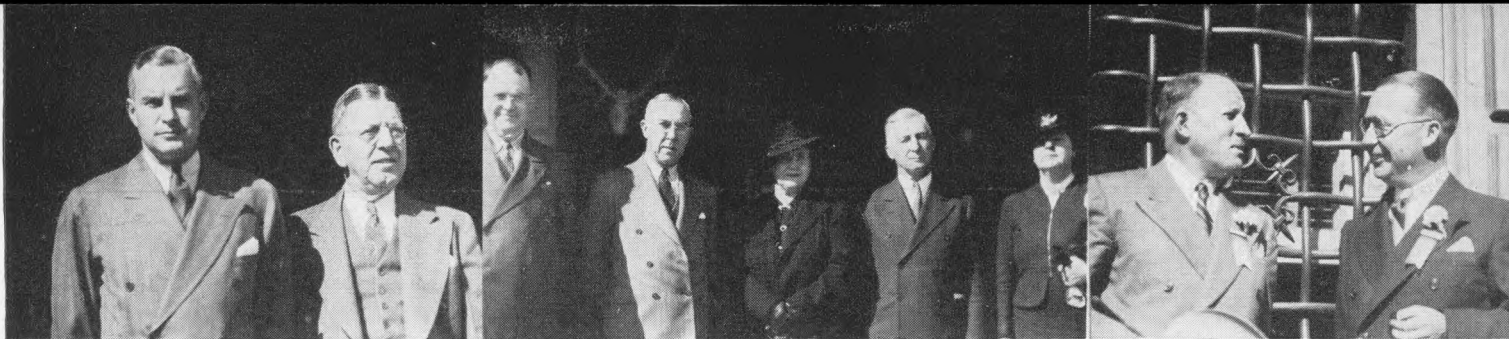
"We have about \$1,000,000,000 invested in the United States. The average investment of each Canadian across the border is \$100, in which he receives \$2.75 a year or under 3 per cent.

"The average American dollar invested in Canada earns a return twice as great as the average Canadian dollar earns in the United States."

It is quite likely that with improved business conditions the return on American investments will very greatly improve.

The important thing is that Canada and the United States are two friendly nations who in turn are investing friendly dollars in each others country all of which has its good will as well as its financial value.





Reading from left to right—**Richard R. Rollins**, vice president Bankers Trust Company, Des Moines; **J. A. Bandi**, vice president National Bank of Commerce, New Orleans; **C. F. Harris**, vice president State Bank, Gladbrook, Iowa; **R. W. Waite**, vice president Waterloo Savings Bank, Waterloo, Iowa; **Mrs. R. W. Waite**; **Mr. and Mrs. W. J. Tesch**, Lincoln County Bank, Merrill, Wisconsin; **Walter R. Bimson**, president Valley National Bank, Phoenix, Arizona; and **Charles Carey**, assistant cashier Harris Trust and Savings Bank, Chicago.

The A. B. A. Convention In Seattle

HOW to cushion "air pockets" of American business during the present second World War now under way in Europe, whether we are in or out of the war, neutral or un-neutral, was the principle topic of discussion at the 1939 annual convention of the American Bankers Association held recently in Seattle.

This topic overshadowed every other convention thought from the moment retiring President Philip A. Benson, declared "Labor, Management and Government should act as a unit to rebuild our economy to meet the strains and stresses that war will inflict upon us" until the last notes of Singer Lawrence Tibbett's golden voice rang down the curtain on the 65th A. B. A. convention.

The election of new officers brought the elevation of Robert M. Hanes, president of the Wachovia Bank and Trust Company of Winston-Salem, North Carolina, to the presidency, succeeding Mr. Benson. P. D. Houston, Chairman of the American National Bank of Nashville, Tennessee, was raised from the position of second vice president to first vice president. H. W. Koeneke, president of the Security Bank of Ponca City, Oklahoma, was elected to the important position of second vice president and B. Murray Peyton, president Minnesota National Bank, Duluth, was named treasurer.

Andrew Price, president of the National Bank of Seattle, whose name had been mentioned for the second vice presidency, withdrew his candidacy and was named vice president of the National Bank Division, instead. C. C. Wattam, North Dakota secretary, was named president of the State Secretaries Section; Wm. S. Elliott, of

By **Ralph W. Moorhead**
Associate Publisher

Canton, Georgia, heads the State Bank Division; Roland E. Clark, Portland, Maine, was named president of the Trust Division; Melvin Rouff, Houston, Texas, was named president of the National Bank Division; and A. George Gilman, Malden, Mass., was elected president of the Savings Division.

Principal convention thoughts were these: Increased prosperity for America is directly ahead—in fact here—due to war influences. Caution, however, must be exerted for, as speaker after speaker said, after-effects of any war are bad, not good. Increased governmental control of banking can

only be offset by good banking, the kind that really means community services. But no matter what history may record in the ensuing few years, banks were never in a better position to serve America.

The Seattle convention was comparatively small, a little over two thousand in attendance, most of whom made vacation trips in connection, San Francisco World's fair, etc. One full day was devoted to a boat cruise to Victoria, B. C., which was grand.

It looks like Atlantic City for the 1940 convention.

Divisional Officers

National banks—**Melvin Rouff**, Houston, Texas, president; **Andrew Price**, Seattle, vice president.

Savings—**A. George Gilman**, Malden, Mass., president; **Roy R. Marquardt**, Chicago, vice president.

State banks—**William S. Elliott**, Canton, Georgia, president; **Harry A. Bryant**, Parsons, Kansas, vice president.

Trust—**Roland E. Clark**, Portland, Maine, president; **Carl W. Genninger**, Philadelphia, vice president.

State Secretaries—**C. C. Wattam**, Fargo, president; **L. S. Scarboro**, Denver, first vice president; and **Armitt H. Coate**, Moorestown, N. J., second vice president. **William Duncan, Jr.**, Minneapolis, and **Lauder Hodges**, San Francisco, were named to the board of control.

Executive committee—**Richard G. Stockton**, Winston-Salem, N. C., **Louis S. Headley**, St. Paul; **Preston B. Doty**, Beaumont, Texas; **A. V. Godsavé**, Seattle; **James C. Shelor**, Atlanta, Ga.; **Henry A. Theis**, New York; **Joseph W. White**, St. Louis, Missouri.

NEW OFFICERS

President

ROBERT M. HANES

President Wachovia Bank & Trust Company
Winston-Salem, North Carolina

First Vice President

P. D. HOUSTON

Chairman of the Board
American National Bank
Nashville, Tennessee

Second Vice President

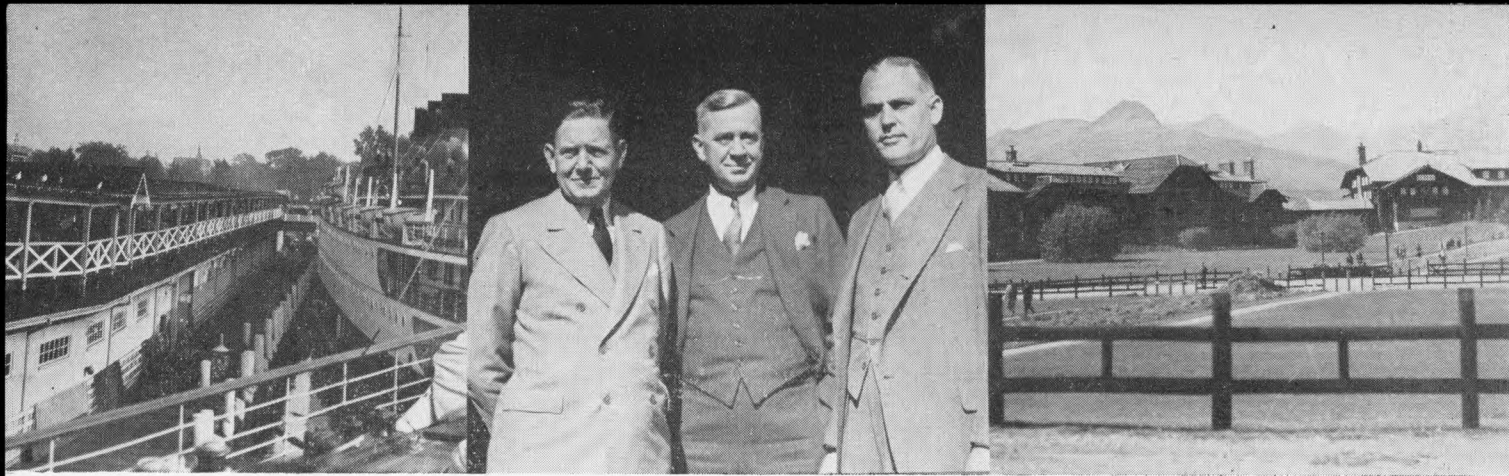
H. W. KOENEKE

President Security Bank of
Ponca City, Oklahoma

Treasurer

B. MURRAY PEYTON

President Minnesota National Bank
Duluth, Minnesota



Bankers leaving the S. S. Princess Marguerite, at the Victoria Dock; **Frank D. Williams**, vice president and cashier First Capital National Bank, Iowa City, Iowa; **Spencer L. Hart**, second vice president Continental Illinois National Bank & Trust Company, Chicago; **H. M. Turner**, assistant secretary Chemical Bank & Trust Company, New York; Bankers on the "Fall-tonic" special taking a last look at Glacier Park Hotel, Glacier National Park, where a two-hour stopover was made en route to Seattle.

Seen and Said at Seattle!

Chicago bankers overwhelmed Fall-tonic passengers with their fine hospitality on the Thursday night of their departure, with cocktail hour and a banquet at the Palmer House. It was turkey and everything, followed by dancing and entertainment from the hotel's Empire room, after which the well fed crowd boarded their special for Seattle. The Chicago Clearing House Association put on the party.

Mr. and Mrs. M. W. Ellis, Charles City, boarded the Special at Minneapolis. A horseman extraordinary, Melvin looked enviously at every galloping cowboy he spied as the train rolled over the great western plains. Outside of First Sec. Bank and Trust Company hours, Melvin devotes considerable time to the joys of riding.

R. R. Rollins, vice president, the Bankers Trust Company, Des Moines, is a camera enthusiast and began his quest for the pictorial unusual at the very first opportunity, the two hour stop at Glacier National Park. Like many other of the party, he took part in the special bus tour back in the mountains which was provided by the Guaranty Trust Company of New York at the Glacier Park stop.

John T. Hamilton, 2nd, debonair vice president of the Merchants National of Cedar Rapids, likewise captured scenic beauties in a permanent manner, through a motion picture camera, however. Merchants National was also represented by President **S. E. Coquillette** and **Mrs. Coquillette** who planned to take in the San Fran-

cisco world's fair before returning to Iowa.

State Association ex-presidents were as plentiful as olives on a Great Northern menu. Among said ex-presidents, was **W. N. Johnson**, vice president, Northwestern National Bank and Trust Company, Minneapolis, who shared a compartment with Herman C. Matzke, City National, Duluth.

Grant McPherrin, president the First Federal State Bank, Des Moines, and Mrs. McPherrin, seldom miss a national convention and were friendly members of the Seattle expedition. They didn't miss a thing, starting with the dinner and dancing in Chicago.

American National Bank and Trust Company of Chicago, had a strong delegation at Seattle, with **E. N. Van-Horne**, executive vice president, and Mrs. Van Horne and O. Paul Decker, vice president and Mrs. Decker on the Falltonic specials.

Passing a large lumber camp in eastern Washington, we saw this big sign: "The only way to beat the **Townsend Plan** is to think up a better one."

While both Falltonic Specials out of Chicago were crowded, Harry Wilkinson, veteran editor of the "Chicago Banker" and originator of the Fall-and-Springtonics, said there were more than a hundred last minute cancellations. War incidents and shaky bond markets evidently kept many bankers at home.

Col. Wm. G. Edens, Terminal National Bank, Chicago, headed the Committee on Train Transportation in his usual efficient style and officiated as MC at the Blackfeet Indian ceremonial at the Glacier Park stopover. His son "**Bill**," who was at one time a national bank examiner in Iowa, is now with the Continental Illinois National Bank and Trust Company, Chicago, personnel department.

E. L. Johnson, veteran Waterloo banker who would doubtless pop up in Hawaii—if there was a banking convention there—solved the problem of meeting and visiting with all his friends on both the special trains which ran about ten minutes apart. At one stop when both sections were at the same station, he left Section Two, boarded Section One, and hitchhiked thereon for a couple of hours until one train caught up with the other. **E. L.** was deeply interested in Minnesota and North Dakota areas where he loaned millions of farm mortgage money during his early mortgage banking days.

Falltonic True Story (overhead and no names mentioned) "All night I dreamed that rain was coming through the roof of the car and I squirmed and tossed trying to keep it from dripping down on me. Came the dawn, and so help me, right above in the baggage rack was an open bottle of Scotch, dripping down on my face!"

C. F. Harris, vice president, State Bank of Gladbrook, was a Seattle atten-dee, and misses very few state or national conventions. He thinks



"Bud" Allen, vice president Continental Illinois National, Chicago; W. W. Campbell, president National Bank of Eastern Arkansas, Forrest, Arkansas; John T. Hamilton II, vice president Merchants National Bank, Cedar Rapids; Mrs. S. E. Coquillette; and Mr. Coquillette, vice president Merchants National Bank, Cedar Rapids; the Victoria Girls Drill Team which entertained two thousand visiting bankers during their trip to Victoria.

that every banker owes it to his bank to go to conventions and get new ideas on bank operation. Mr. Harris also makes one trip per year to New York city to keep abreast of the times.

Discussing the recent convictions in Louisiana, where the state "U" president and other Huey Long followers were recently given jail sentences, Falltonic passenger Val H. Murrell, Shreveport banker says the situation is now well in hand. "Our present governor, Mr. Earl Long," he says, "is actually planning to present a bill to the state legislature making it a crime for public officials to steal public money" . . . You can't beat that southern humor—or the southern poker player, either.

The Fargo Forum, live-wire Fargo daily paper, pulled a good publicity stunt, by flooding the Special trains with their Friday evening paper containing a two column special editorial addressed to the bankers and extolling the virtues of North Dakota. The editorial began "Howdy, Ladies and Gentlemen, welcome to the Gateway City of the Great West. You are in Fargo, North Dakota, or were, when you received this paper." The editorial went ahead to give interesting North Dakota facts and figures and also on the front page were pictures

of Messrs. Irish, Scott and Wattam, with this postscript: "We're putting on some of our best friends to join up with you, Fred A. Irish, president of the First National; Frank R. Scott, president, the Merchants National and C. C. Wattam, secretary of the North Dakota Bankers Association. You'll find 'em likeable folks—and we have lots and lots more just like them."

Carl L. Fredricksen, president, the Live Stock National Bank of Sioux City, and Mrs. Fredricksen, were on hand to greet their many friends, having driven out by motor. They took in the scenic spots of Canada en route. Another Iowa banker who motored was B. A. Gronstal, president of the Council Bluffs Savings Bank, who, with Mrs. Gronstal, took in the Black Hills, Lake Louise and Glacier National Park en route.

Some of the Seattle entertainment committee members were reported to have worried a bit as to whether visiting bankers would be frightened out of the boat trip to Vancouver on account of submarine war activities, particularly after the announcement by President Roosevelt that submarines had been sighted near the American coasts. However, no one seemed concerned as proved by the big crowd that took the boat trip. Evidently all agreed

with Mr. Roosevelt's jovial guess that they might have been Swiss or Bolivian subs.

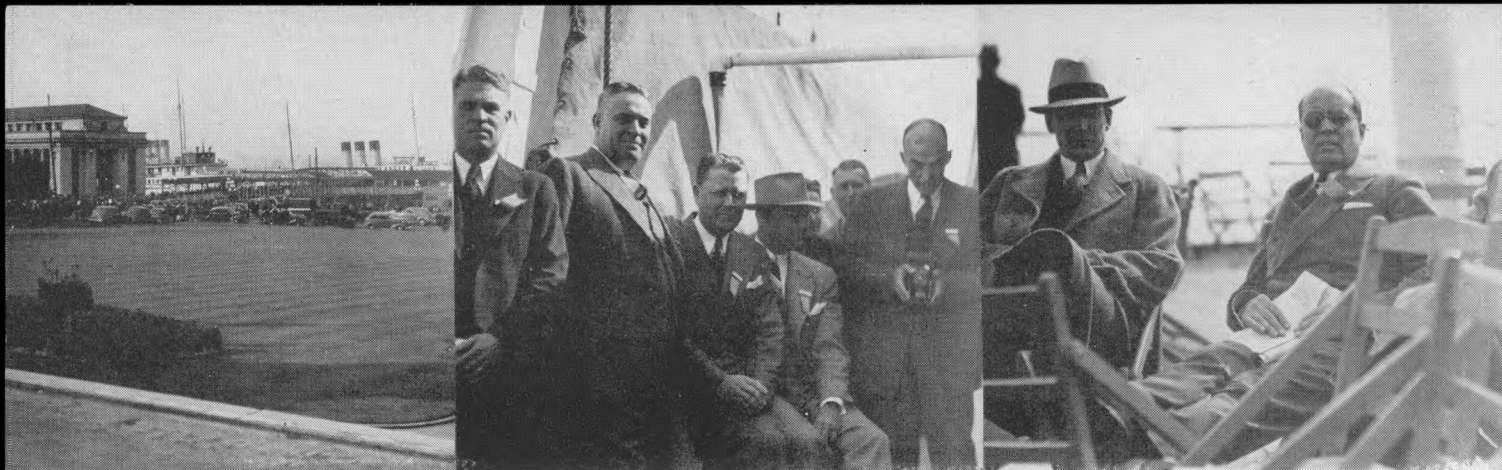
Clarence Diehl, vice president, the Iowa-Des Moines National Bank and Trust Company, made a vacation trip of the Seattle convention, visiting his son Phil who lives at Yakima, Washington, near Seattle. Clarence then returned by way of San Francisco, Los Angeles and Houston, visiting friends and relatives.

Orville Adams, ex-president of the A. B. A., was much in evidence at the convention and A. B. A. members still talk of the vitality he instilled in Association affairs during his incumbency. Mr. Adams wished to be remembered particularly to Publisher Clifford DePuy, of the Northwestern Banker who was unable to attend the Seattle meeting. This is the first ABA convention in years that Clifford has missed. The reason for his absence was the fact that he had just attended the Financial Advertisers Association convention in Toronto and then proceeded to New York on business. Clifford served this year as a director of the F. A. A. and this year headed the press committee at Toronto, in addition to leading a round table discussion at the convention.

(Turn to page 22, please)

J. H. Sharpe, president La Salle (Illinois) National Bank; Ralph W. Place, cashier Metals Bank & Trust Company, Butte, Montana; O. Howard Wolfe, cashier Philadelphia National Bank; Mrs. Wolfe, and two daughters (on S. S. Marguerite); Carl Fredricksen, president Live Stock National Bank, Sioux City; William C. Rempfer, cashier First National Bank, Parkston, South Dakota.





Victoria Dock taken from the steps of the House of Parliament, Victoria, B. C.; **J. F. Wanberg**, president First National Bank, Evanston, Illinois; **William H. Miller**, vice president City National Bank & Trust Company, Chicago; **Fred Nabor**, second vice president Continental Illinois National, Chicago; **Arthur W. Kincade**, executive vice president Fourth National Bank, Wichita; **Dwight Ferguson**, president Bank of Woodward, Oklahoma; **Norman Shaffer**, second vice president Continental Illinois National, Chicago; **Charles R. Gossett**, president Security National Bank, Sioux City, and president Iowa Bankers Association; and **Frank Warner**, secretary Iowa Bankers Association (on board S. S. Marguerite).

From the Speaker's Platform

(At Seattle)

Henry W. Koenke, president, the Security Bank of Ponca City, Oklahoma, said at Seattle:

"The American people are individualists, full of initiative, willing to adventure. Is our initiative killed? Have we lost our confidence to see a thing through successfully? Are we lacking in courage and the spirit of adventure as applied to business? We believe not but must admit that for some reason we have been greatly subdued.

"There are two sure signs that business is picking up, that recovery is on the way. These are when interest rates begin to increase and loans to pick up. One may then know that business men are regaining confidence in themselves and in the country. When this occurs we shall be catching up with that corner which we have been trying to turn since the depression hit."

Maintaining the nation's dual system of independent state and national banks is the "greatest single factor in assuring the liberty of a democratic people", **R. E. Gormley**, superintendent of banks in Georgia, told members of the State Bank Division of the American Bankers Association at their meeting in Seattle.

Mr. Gormley urged the bankers to continue their efforts in preserving the system from further centralization of banking powers in government agencies or by multiple branch banking.

"I do not believe the American people, accustomed to social and economic liberty, will accept a system of banking contrary to the very plan on

which this government was founded," Mr. Gormley said. He voiced opposition to any system permitting "absentee control and the monopolization of a factor so vital to our financial welfare."

Labor, management, and government were called upon to unite in building the national economy to meet the strains and stresses that war in Europe will inflict on America, by **Philip A. Benson**, president of the American Bankers Association, in his address opening the first general session of the A. B. A.

He said: "It is to be hoped that in time of developing crisis there may be an abatement of the conflict between the philosophies of business and government; he said, "The least that we should accomplish is the end of disunion within our borders. We have had our full measure of drastic changes imposed by legislation. It is necessary to have an opportunity to digest them. What we need now more than anything else is stability. Labor, management, and government should act as a unit to rebuild our economy to meet the strains and stresses that the war will inflict on us."

"National banks were never collectively so strong to play their part in the great decisions which lie ahead," executives of national banks were told by **Preston Delano**, Comptroller of the Currency.

Referring to what he called "the resumption of hostilities between the major European Powers," he remarked that "it would seem that we are witnessing the beginning of a fundamental struggle between economic and social regimentation on one hand and the forces of an individualistic society and a free economy on the other.

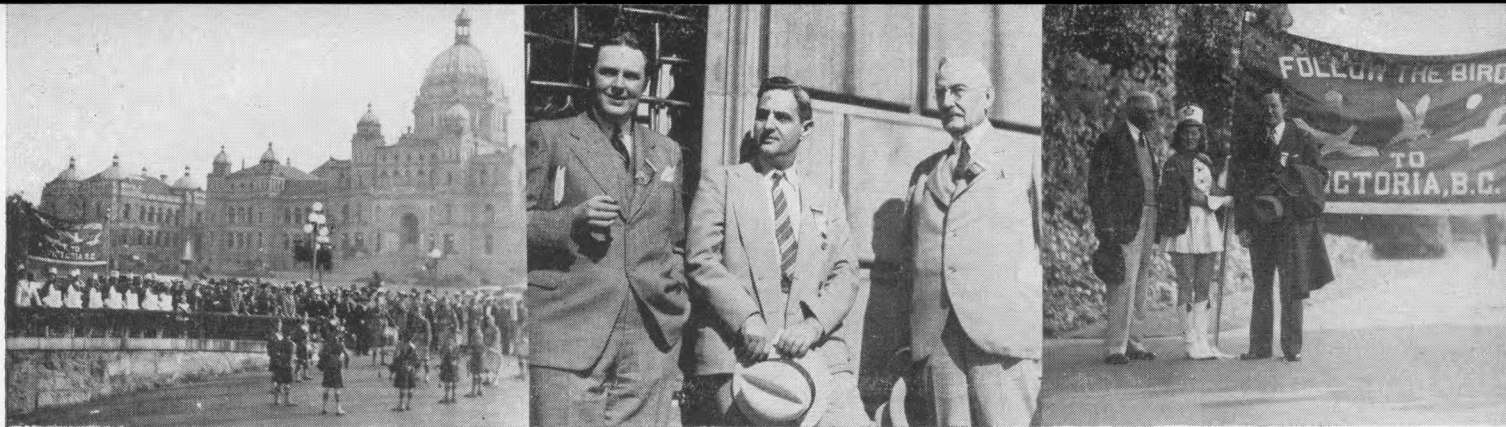
"Whatever role may be reserved for this young republic in the grim drama now unfolding both to the east and the west, there will be heavy responsibilities placed on all leaders of men," he said.

"Banks are the nerve centers in the intricate and involved system by which we live, and there will be need for steady hands. America is equipped for the job. Whether we consider wealth in terms of the necessities and conveniences of life or in terms of gold and banking assets, we have it.

The outbreak of war in Europe has given stimulus to American business activity which, combined with further increased efforts by banks to find borrowers, will produce an expansion in bank loans to trade and industry, **H. E. Cook**, president of the Second National Bank, Bucyrus, Ohio, said.

While sufficient time has not elapsed since the beginning of the war to foretell accurately the ultimate effect upon the nation's business, "banks will in all likelihood experience an increased demand for loans and firmer money rates," Mr. Cook said.

"As conditions now exist, there are ample bank funds available for loans, and there is no doubt that banks not only are willing but eager to lend," he added.



At Victoria a Scotch Kilties Bagpipe Unit and a Girls Drill Team welcomed visiting bankers from the States—in the distance appears the beautiful House of Parliament, Victoria, B. C.; **O. Paul Decker**, vice president American National Bank and Trust Company, Chicago; **Leonard A. Usina**, president Florida National Bank, Miami; **E. L. Johnson**, president First National Bank, Waverly, Iowa; **R. S. Leonard**, Firestone Park Trust and Savings Bank, Akron; a charming member of the Victoria Girls Drill Team; **Charles Gambrell**, assistant vice president, Irving Trust Company, New York.

The American system of independent locally-owned banks must be preserved as a safeguard against further centralization of government powers and the destruction of individual and states' rights, **Wood Netherland**, vice president of the Mercantile-Commerce Bank and Trust Company, St. Louis, Missouri, told the annual meeting of the State Bank Division of the A. B. A.

Mr. Netherland described the trend toward centralization of government administrative powers over business, labor, banking, and industry as contrary to the system of checks and balances among the branches of the government established by the Constitution. In addition, he termed it a step toward eliminating individual initiative and substituting government control comparable to that of totalitarian nations.

"The recent trend of business activity has been encouraging. I believe it will not only continue to improve of its own momentum, but will also receive a very decided impetus from the new conditions prevailing abroad since the early part of this month," bankers attending the annual convention of the American Bankers Association here were told today by **H. Donald Campbell**, president of the

Chase National Bank of New York.

"I also have in mind," Mr. Campbell said, "the broader markets available to us in Latin America and other parts of the world because of the inability of the large industrial countries of Europe to devote as much attention to them as in the past.

"Thus we may expect an increased use of our super-abundant bank deposits," he added, "a quickening of productive activity, a rise in capital values, and finally, greater employment and a fuller utilization of existing plant and equipment. To set this sequence in motion complete recovery is not required. The improvement we are now experiencing should be sufficient.

Continuation of the nation's system of individual, locally-owned banks as the best means of serving the credit and banking needs of the public was predicted by **Dr. Howard H. Preston**, Dean of the School of Economics and Business of the University of Washington.

Citing the beliefs of some government economists that the entire banking structure should be taken over by Federal agencies in Washington, Dr. Preston said:

"I do not see any strong possibility

that this will take place. Businessmen are generally opposed to government ownership of banks. The history of government credit-granting shows the dangers of political influence and stands as a strong deterrent to a complete transfer of the control of credit from private institutions to public hands."

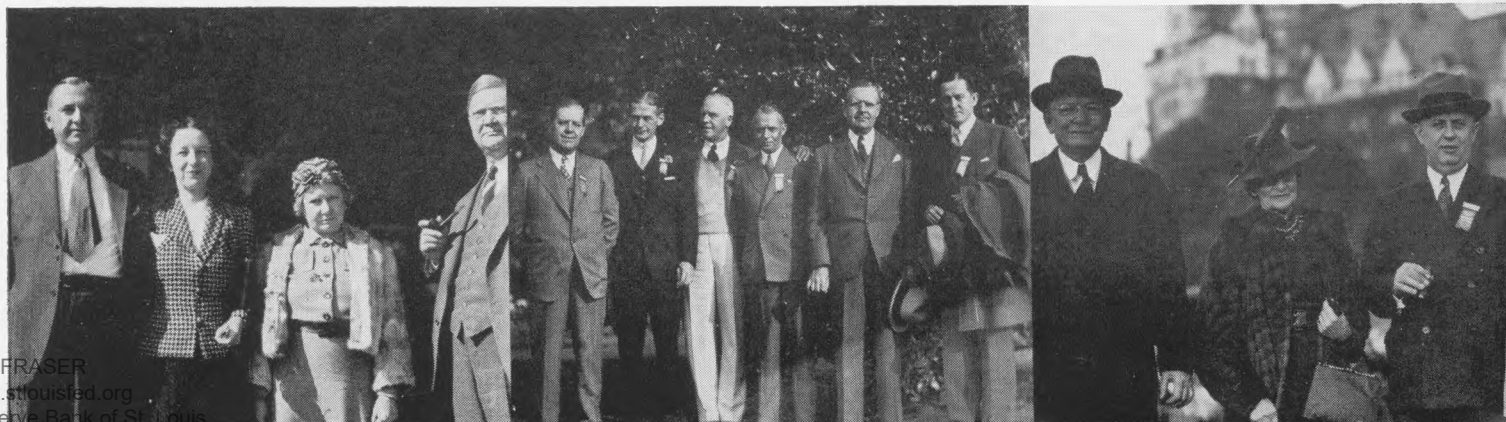
The nation's banks are the "first line of defense in combating the counterfeiter," **Julian T. Baber**, of the U. S. Treasury Department's Secret Service Division, told members of the Savings Division of the American Bankers Association.

"With a comparatively small field force scattered at strategic points, the responsibility for keeping our money clean rests squarely upon the Secret Service. Bankers share with us a common interest in this responsibility and we rely upon them in coping with a problem which has developed into an organized racket with underworld connections extending throughout the country and even into foreign countries," Mr. Baber said.

The supply of idle money in the nation's banks is due in part to the "cheap money" policy of the Federal

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Ray Ridge, vice president Omaha National Bank; **Mrs. Ray Ridge**; **Mrs. Oscar F. Meredith**; **Mr. Meredith**, vice president First National Bank, Chicago; **Fred E. Smith**, president First Security Trust Company, Salt Lake City; **William Feick**, vice president Irving Trust Company, New York; **R. S. Leonard**, Firestone Park Trust & Savings Bank, Akron; **John T. Rohr**, president Toledo Trust Company; **Charles Smith**, president First National Bank, Salt Lake City; **Charles G. Gambrell**, assistant vice president Irving Trust Company, New York.



NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

We were in Toronto, Canada, when the Dominion officially declared war on Germany. It was the last day of the **Canadian National Exhibition** which is held annually in Toronto and after the final fireworks at the night performance, the **48th Highlanders** and the **Toronto Scottish** marched by with the young Canadians who had just enlisted for the war. They did not have uniforms yet and were in their civilian clothes but the ovation they received from the thousands in the grand stand was awe inspiring.

There is no question in our minds but that the recent visit of the **King and Queen to Canada** had a tremendous amount to do with the increased determination which the Canadians have to assist their mother country in winning this war and as **Sir Phillip Gibbs**, famous war correspondent in London, said in one of his dispatches, "This war business is all very grim but there have been other grim times in a thousand years of history. England does not falter." And neither does Canada when her help is needed.

In Toronto the violators of the speed laws are fined one dollar per mile for every mile they go beyond 50. That is, if you are going 60 miles an hour, which is 10 miles over the allowable speed limit, it will cost you one dollar per mile or \$10.

During the Financial Advertisers Convention in Toronto, the delegates and guests were entertained at the **Royal Canadian Yacht Club** which was established in 1853, and this was the first time that any outside group had ever been allowed the use of the delightful Club facilities. We noticed that even in such an exclusive club as this that sometimes the members do not pay their dues promptly but we were surprised to notice that the name of one man posted as "In arrears for dues" was **F. L. Shipp**.

At every luncheon or banquet in Canada, a toast is first given to the **King** before anyone is allowed to smoke. This custom, like many others in Canada and England, has many years of tradition behind it and this one goes back to the days of **Queen Elizabeth** who was opposed to smoking.

Theoretically, after a toast had been given to the **King** or the **Queen** the meeting was then adjourned and smoking could be resumed. But, today the toast to the **King** is given soon after the meal is in Progress so that smoking may be resumed almost immediately.

Because of the large number of French Canadians in the Dominion all radio announcements are given in both **English and French**.

"Tea revives you—Come in for four o'clock tea," is the sign seen on many cafes in Toronto.

If you want a Sunday paper when you are in Canada, you can't get it. There is a law which prevents the publishing of any Sunday newspaper in the Dominion. We presume this is so that the citizens can have more time to go to church—or perhaps to play golf.

All liquor in Canada is sold through Government stores and there are no bars—no cocktail lounges—and no set ups allowed. Only beer is sold by the drink, and that, in hotels only.

During the week that war was declared, for every American dollar you exchanged in Toronto currency, you received \$1.12 or an increase of 12 per cent.

Over \$175,000,000 is the income received in Canada from the tourist trade which is primarily from the United States.

In the **Hart House** of the University of Toronto we saw the original signatures of the **King and Queen**. The Queen signs here name "**Elizabeth R.**"

The University of Toronto is the largest in the British Empire.

The **Hart House** of the University of Toronto is so called in memory of the late **Hart Massey** of Toronto. To the **Honorable Vincent Massey** is due the idea of the house, the erection of which was carried out under his personal supervision. **Vincent Massey** is the brother of **Raymond Massey** who has taken the part of **Abraham Lincoln** so effectively on the American stage.

In talking with one of the newspaper representatives in Toronto who accompanied the **King and Queen** on their tour through the Dominion, we asked him what was the one thing that impressed the **King and Queen** the most during their trip. He said without any question of a doubt it was an event which took place at about 10:30 P. M. one night in a small northern Canadian town. The train was only scheduled to stop there for a few minutes to take on water. The town only had a population of 3,000, but that night there were between 20,000 and 25,000 people who had come to see the **King and Queen**. Many had driven 400 miles from the **Hudson Bay region**. They had been coming for days and nights from all sections of the country surrounding this small town. He said the **King and Queen** were very much impressed by this showing of cordiality and loyalty.

You perhaps have forgotten that **Mary Smith** was born in Toronto, and while there may be a million **Mary Smiths**, the stage and screen name of this one is **Mary Pickford**.

The **Toronto Stock Exchange** is housed in a beautiful, new modern up-to-date, air-conditioned building which was erected a few years ago. Since the war was declared, no local visitors are allowed in the exchange, but, an exception was made and members of the Financial Advertisers Association did have the privilege of going through this very beautiful building.

Seats on the Exchange are now selling for \$25,000 and the high price for such seats was \$200,000.

Over 100 mining stocks, mostly gold, are sold on the Exchange. Stocks which sold at 25c a share twenty years ago are now selling for over \$40 a share.

Perhaps some of the visitors to the **World's Fair** have forgotten that it celebrates the 150th anniversary of the inauguration of **George Washington** as the first President of the United States in New York City.

The fairgrounds cover 1,216 acres and 62 foreign nations are represented in addition to the United States building.

The "**World of Tomorrow**" is exemplified by the **Trylon** and the **Perisphere**.

Since the **World's Fair** in New York opened, 3 countries have been absorbed, obliterated or wiped off the map, just as you prefer, and they in-

(Turn to page 32, please)

Forty-second Annual Convention of the Nebraska Bankers Association

OMAHA
October 23 and 24



E. S. HOLCOMB
President, Nebraska Bankers Association

E S. HOLCOMB, president of the Nebraska Bankers Association, announces through the office of Secretary William B. Hughes that the program for the 1939 convention of the association is now complete, and officers and members of the organization are looking forward to another good meeting in Omaha on Monday and Tuesday, October 23rd and 24th. Headquarters this year will be at the Hotel Fontenelle.

Regular business sessions will begin on Monday noon, and carry through to the close of the convention late Tuesday afternoon. Pre-convention activities will include a special program for junior officers and clerks on Sunday evening, October 22nd, a meeting of the executive committee that same afternoon, and the dinner of the Association of Former Presidents held Sunday evening. Registration will also begin late Sunday afternoon, and the desk will be maintained throughout the convention.

Registration

Sunday evening, October 22nd, at about five o'clock, the secretary's desk

will be opened on the mezzanine of the Hotel Fontenelle for registration of delegates, and will be maintained throughout the convention.

Business Sessions

There will not be any session of the general convention on Monday morning. Just registration, visiting and committee meetings.

The first business session of the general convention at 1:45 o'clock, Monday afternoon, will be held in the ballroom of the Hotel Fontenelle.

The two sessions on Tuesday will also be in the ballroom of the Hotel Fontenelle.

Junior Conference

On Sunday evening, October 22nd, at Hotel Fontenelle a special program for junior officers and clerks will be presented.

Executive Council Meetings

Sunday afternoon, the 22nd, at 4:00 o'clock at Hotel Fontenelle, a business meeting of the executive council, with dinner tendered by the association at 6:15. Parlors B and C.

Tuesday afternoon, the 24th, immediately following adjournment of the

general convention, an organization meeting of the new executive council. On the rostrum.

Association of Former Presidents

Dinner at 6:15 Sunday evening, October 22nd, in Parlor A, the mezzanine, Hotel Fontenelle.

Committee Meetings

Resolutions Committee—Monday at 10:30 o'clock. In secretary's office on mezzanine.

Nominating Committee—Monday at 11:30 o'clock. In secretary's office on mezzanine.

Program

Monday Afternoon, October 23rd Ballroom, Hotel Fontenelle

- 1:45 Call to order by President E. S. Holcomb.
- 1:45 Invocation by Rev. Stephen E. McGinley, Dean Trinity Cathedral.
- 1:55 Welcome, by F. W. Thomas, vice president, First National Bank of Omaha.
- 2:00 Annual address of the president, E. S. Holcomb, president, (Turn to page 44, please)



STEPHEN H. FIFIELD
New President, F. A. A.

HIGHLIGHTS

of the

Financial Advertisers Convention

in Toronto

By Frank P. Syms

Vice President
The Northwestern Banker

OVER four hundred members, wives, and guests attended the twenty-fourth annual convention of the Financial Advertisers Association, held in the resplendent rooms of Canada's leading hotel—The Royal York—in the Queen City of Canada—Toronto—from September 10th to 14th inclusive.

There, **G. L. Spry**, Canadian director of the Canada Trust Company, London, Ontario; and other members of his executive committee, despite the rumblings of war and the all too apparent evidence that the meeting was being held within the borders of a belligerent country, "carried on" in the true British manner and presented for the members in attendance a convention program that will long be remembered for its educational sessions, its sparkling and original entertainment, and its real Canadian hospitality.

James A. Cowan, of the Company of Public Relations, Toronto, entertained the early arriving members of

the executive committees at the final showing of the Canadian National Exhibition. It was a strange coincidence that the Peace Pageant presented on the huge outdoor stage during the course of the evening, was exactly similar to the one presented just twenty-five years ago; at the start of the World War in 1914. And while this one had been planned and created

New Officers

President—**Stephen H. Fifield**, vice president, Barnett National Bank, Jacksonville, Florida.

First vice president—**Robert J. Izant**, Central National Bank, Cleveland.

Second vice president—**Victor Cullin**, Mississippi Valley Trust Company, St. Louis.

Third vice president—**L. E. Townsend**, Bank of America N. T. & S. A., San Francisco.

Executive vice president—**Preston E. Reed**, Chicago.

Treasurer—**Fred W. Mathison**, National Security Bank, Chicago.

in an hour of peace, and had been intended to take in all countries of the world, intense feeling had forced the withdrawal of all reference to Germany, and seriously threatened the scenes devoted to Italy.

Before the week was out, members from the "States" were brought face to face with the realities of the conflict when a ten-cent-a-pound tax was placed on coffee and tea, public buildings were guarded by ex-service men with fixed bayonets, an embargo was placed on money going out of the country, and the price of liquor was raised thirty per cent.

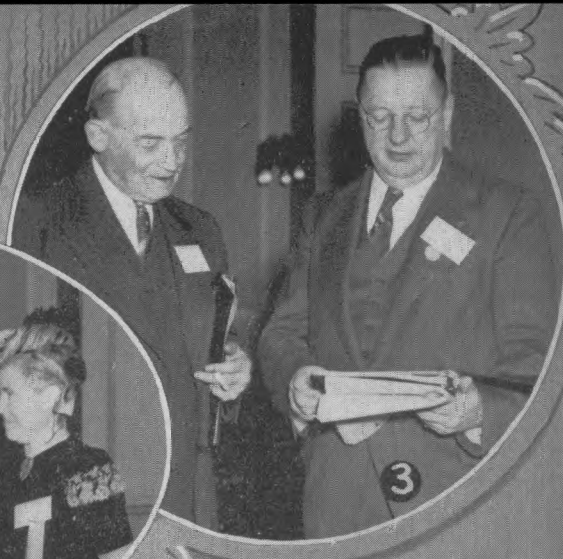
During the course of the "early birds" party, **Lewis F. Gordon**, vice president of the Citizens and Southern National Bank of Atlanta, Georgia; acted as temporary toastmaster and gave a touching eulogy in honor of the past presidents of the Financial Advertisers Association. Then as a fitting climax and tribute to their untiring efforts on behalf of financial

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AT THE FINANCIAL ADVERTISERS CONVENTION →

Pictured on the opposite page are a number of those attending the recent F. A. A. Convention in Toronto. Reading from left to right, they are, 1—**Miss Lucy V. David**, secretary to Mr. Reed; and **Preston E. Reed**, executive vice president of the F. A. A. 2—**G. L. Spry**, Canada Trust Company, London, Ontario; and **Miss Margaret Brown**, chairman ladies' committee, Toronto convention. 3—**Frank G. Burrows**, Irving Trust Company, New York; and **Fred W. Mathison**, F. A. A. secretary and treasurer, Chicago. 4—**Stephen H. Fifield**, Barnett National Bank, Jacksonville, Florida; **P. M. Robins**, Sherbrooke Trust Company, Sherbrooke, Quebec; **Guy W. Cooke**, First National Bank, Chicago; and **T. J. Kiphart**, Fifth-Third Union Trust Company, Cincinnati. 5—**George O. Everett**, First Citizens Bank and Trust Company, Utica, New York; **Mrs. George O. Everett**; and **Frank**

Hilton, Recordak Corporation, New York. 6—**J. L. Lafferty**, Fort Worth National Bank; **Richard H. Wells**, State Planters Bank and Trust Company, Richmond. 7—**John Garver**, Manufacturers and Traders Bank, Buffalo; **Fred Whitney**, Lincoln Alliance Bank and Trust Company, Rochester, New York; **S. P. Goodenough**, of the same bank; and **Lewis F. Gordon**, Citizens and Southern National Bank, Atlanta. 8—**C. M. Short**, Canadian Bank of Commerce, Toronto; **W. M. Langston**, Canadian Bank of Commerce; and **L. E. Townsend**, Bank of America, San Francisco. 9—**J. T. S. Lyle**, Pacific First Federal Savings, Tacoma; **John P. Gillispie**, First Federal Savings and Loan, Youngstown, Ohio; **Richard Hirsch**, Financial Displays, Chicago; **Vern G. Soash**, Minnesota Federal Savings and Loan, St. Paul; and **John Bodfish**, First Federal Savings and Loan, Chicago.



The Western Mutual Fire Insurance Company Occupies New Home

Thirty - second Anniversary of the Company Celebrated This Year

THE Western Mutual Fire Insurance Company, after 32 successful years, starts its thirty-third year in a fine new building built especially for their use on one of Des Moines' busiest corners. The new building at the corner of Ninth and Grand is occupied exclusively by Western Mutual's growing organization and is designed in such a way as to allow for future expansion. Western Mutual Fire Insurance Company employs from 40 to 50 people who are very comfortably housed in this modern structure.

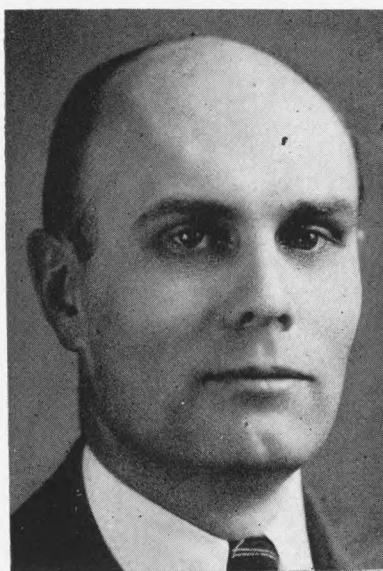
The building is of brick and glass brick construction with the front trim of black glazed brick and aluminum bars. Construction has been arranged so that a second story may be added and an additional 44 feet of space at the back of the building utilized in future expansion programs. The new building should adequately take care of the growing needs of this company for several years to come.

We feel sure that our readers will be interested in the success story taken from the past history of this progressive company and to review briefly some of those things pertinent to its continued success.

Western Mutual Fire Insurance Company, organized in 1907, started out by writing a very limited line of fire and windstorm insurance. For several years this policy was unchanged. Through the period of the last world war and the hectic years that followed, the company's financial structure remained sound and business was carried on in a very conservative manner. In 1926, a young man, D. O. Milligan, who was to become a guiding hand in the company's future development, started his insurance career in the Western Mutual offices. Two years later, in 1928, this young fellow was elected to the presidency of the company, at which time he was perhaps the youngest man in the United States to hold such a position. Proof that Dave Milligan was thoroughly qualified for this position is read from the continued success and constant growth of the company since that year.

The field of activity in which West-

ern Mutual operated was expanded, a broader acceptable list was introduced, and new lines of insurance were added in the years that followed. The fact that Western Mutual's future has always been well planned is evident from the past experience and financial



D. O. MILLIGAN
President

statements of the company. In 1928, when the responsibilities of management and administration were passed to Mr. Milligan, the company had assets of \$129,000 and a surplus of \$50,000. Only two years later, in 1930, the company showed assets of \$180,000 and a surplus of \$82,000. All of this was accomplished in the short space of two years. Four years later, in 1934, the company held assets of \$213,000 and a surplus of \$96,000. These years saw the worst part of the depression, with many financial institutions falling by the wayside. In the four years that followed, the company had a steady growth each year and at the close of 1938, enjoyed assets of \$417,000 with a surplus of \$152,000. Since 1929, it has been extremely difficult to find investments that paid a fair return and at the same time qualified for conservative investment. The management of Western Mutual has continually upheld very high standards in

their investment portfolio. No speculative securities have ever been held. The security of the policyholders has always been a first consideration. Forty-four per cent of the entire assets of Western Mutual at the close of 1938 were in cash, which is conclusive proof of the continuance of the conservative policy the company has followed throughout its 32 years of success.

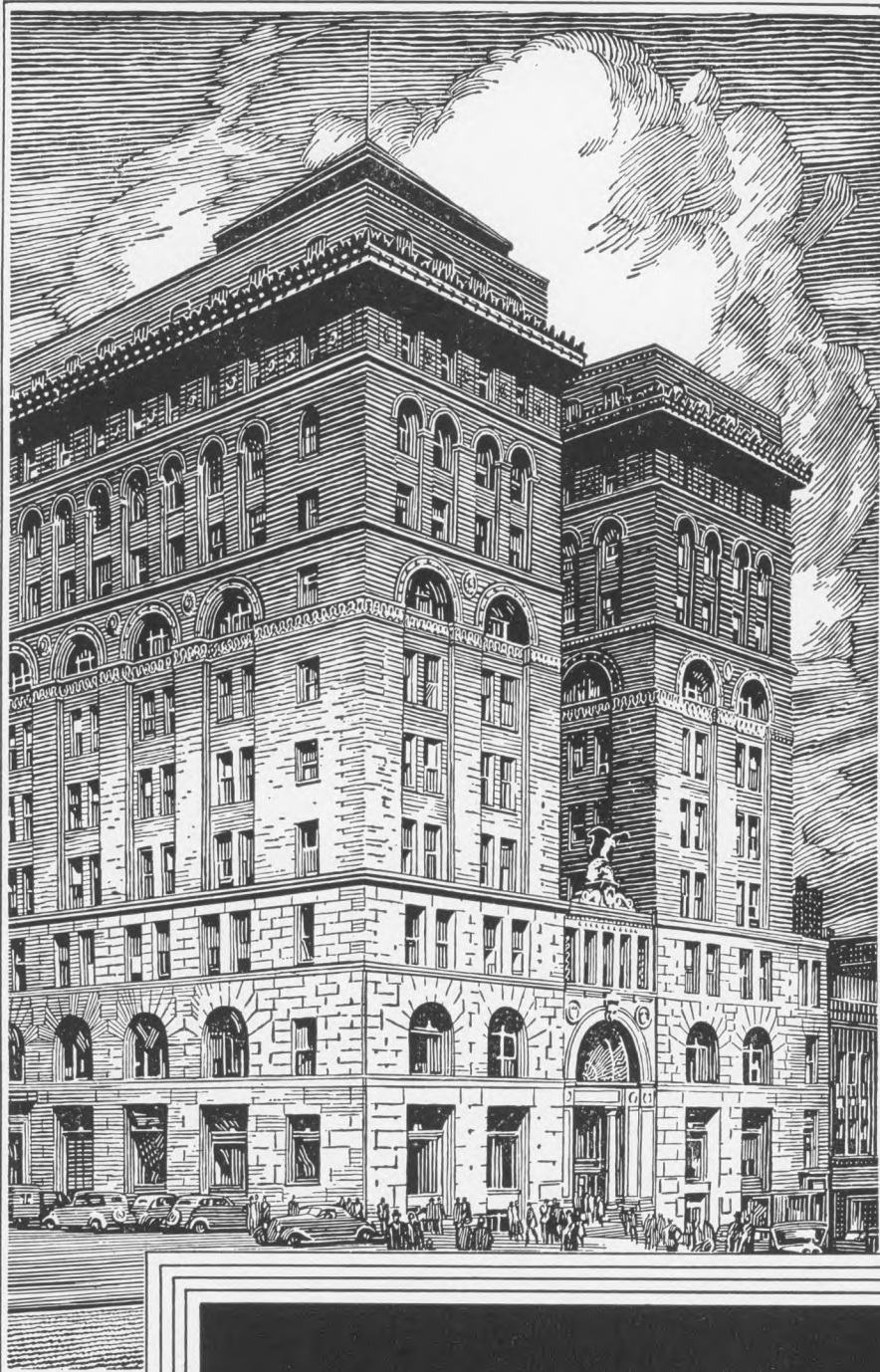
With business continually increasing, a breakdown of the company's loss and expense ratio shows that with the tremendous increase in volume, the expense items have been thoroughly under control and have steadily decreased in proportion to the volume. In the last four years, with volume steadily increasing, expenses have been decreased 12 per cent. The broadening of the acceptable list of the company was accompanied by a very fine job of underwriting. The loss ratio increased only slightly. The adjustment expense remains practically constant. A very liberal schedule of agents commissions has been continually maintained, with savings to policyholders increasing each year.

In 1933, having had a favorable experience in their broader field of operation with fire lines, the company started writing automobile insurance and later added public liability and property damage. In a scant six years, the volume of automobile business written by the company has increased from nothing in 1933, to a figure which should exceed a quarter of a million dollars in 1939.

Today finds the company writing a full line of fire and automobile insurance as well as plate glass, wind storm and extended coverage. Their acceptable list includes dwellings, mercantile property, public buildings, and insurance also is written on the higher type of farm property in surplus grain areas.

Strange as it may seem, the numerals 33 seem to have played an important part in the launching of Western Mutual's thirty-third year in business. Just to point out a few: in starting their thirty-third year in business, the

(Turn to page 31, please)



MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION

The Omaha National Bank

SEEN AND SAID AT SEATTLE

(Continued from page 13)

J. M. Sorenson, Fremont banker and ex-president of the Nebraska Association, is head of a Fremont committee to work out plans for an irrigation project in that community. Nebraska bankers do not like the dry weather that has prevailed there the past few years, and are studying the possibilities of irrigation where it may be practical. Mr. Sorenson, incidentally, in addition to attending the Seattle meeting, also took in the San Francisco fair with his family in July and attended the A. B. A. spring meeting in New York.

The last time the A. B. A. met in Seattle was in 1915. The **World War** had been in progress just a year. This year finds us with another prospective world war, just a few weeks old.

Another anniversary was pointed out by **H. E. Cook**, president of the National Bank Division who reminded his audience that the Division was organized in 1915 at the previous Seattle meeting.

William C. Rempfer, cashier the First National Bank, Parkston, South Dakota, and this year president of the South Dakota Association, was much in evidence at the Seattle meeting. He chuckled at a slight typographical error in the first printed list of delegates at the convention, which made the South Dakota list look unusually large. A dozen Tennessee delegates were listed by mistake under South Dakota, but as Mr. Rempfer said, "I must admit we have no Nashville or Memphis in South Dakota."

Bank "Birth Control" was recommended by **Dr. Howard Preston**, of the University of Washington, in his address to the National Bank Division. The Doctor reviewed the history of banking since 1931 and said too few banks is preferable to too many banks as in the twenties.

In company with Secretary **Harry Hausman**, of the Illinois Bankers Association, **E. L. Johnson** of Waterloo and **Floyd Harris** of Gladbrook, the writer enjoyed a most interesting motor tour of Seattle with **Ward Walker**, assistant vice president of the

Peoples National Bank of Washington. Mr. Ward was a delightful host and knows his Seattle. He is a graduate of West Point, and served seven years in the regular army resigning with the rank of Captain. He is a strong advocate of peace and staying out of any European conflict at all costs.

Seattle newspapers and news reporters did a fine job with the Seattle meeting. As a preliminary convention good will gesture, the Seattle news hawks held a get-together party and banquet for all visiting newspaper and magazine representatives on the Sunday evening preceding the convention opening. The party was at the Washington Press Club headquarters, which are splendidly equipped. The banquet was presided over by an able news man, **E. W. Knight**, president of the Alaska Weekly Corporation, of Seattle.

Seattle newspapers know how to sell their town to visitors. Under the heading, "Memo to the A. B. A.," one newspaper gave these facts about Seattle's economic life: "World's greatest pontoon bridge, cost \$14,000,000. Boeing airplane factory at peak production on government and private orders. Five ships to be built in Seattle and Tacoma, cost \$10,000,000. Puget Sound navy yard working an augmented force upon government orders . . . The \$200,000,000 Coulee Dam, biggest thing in the world, nearing completion."

Best-dressed men at the convention (middle west **E. N. Van Horne**, executive vice president, American National Bank and Trust Company, Chicago; Frank Welch, president Peoples Savings Bank, Cedar Rapids; R. R. Rollins, vice president, Bankers Trust Company, Des Moines; E. A. Ebersole, cashier, State Center Savings Bank, Keokuk, Iowa; and (you name the others).

The breakfast given by Northern Trust of Chicago, on Tuesday A. M., was most enjoyable. Vice President **Charles M. Nelson**, Vice President **Fred Cuscaden** and other officers as hosts. Originally scheduled for 8 A. M. it was advanced to 7:30 A. M. so

all could conveniently catch the boats to Victoria.

The Tuesday **Boat trip** to Victoria, British Columbia, was a highlight of the convention. Cameras clicked and American money jingled into Canadian hands as bankers and their wives enjoyed Victoria scenery and bought Canadian knick-knacks. The day was perfect for the cruise, although a bit hazy and Seattle bankers did themselves proud in selecting such entertainment.

Highlight of the Seattle convention, however, in the memories of those who attended, will probably be the "woman overboard" on the return from the Victoria cruise. Two boats, the Princess Marguerite and Princess Kathleen, both Canadian Pacific Railroad steamers, were used for the trip. On the return voyage of the Marguerite, about 9:30 P. M., eight miles from Seattle, a woman fell overboard, from the top deck. The alarm was sounded, searchlights were turned on, the steamer turned round and a life boat was lowered. While the eleven hundred passengers eagerly looked on, the life boat crew located the woman in the water, hauled her in and performed a neat rescue. All this required only about fifteen minutes and was very thrilling. The woman in question was not registered at the convention, and immediately these rumors ran the rounds of the convention: (1) She accidentally fell from the boat (2) She was pushed from the boat by a companion (male) (married) (unmarried) (3) It was all a neat publicity thrill and she was an expert swimmer and diver . . . Take your choice.

Convention city next year looks like **Atlantic City**. At least, Atlantic City literature and souvenirs were distributed at Seattle.

The salmon fishing derby early Wednesday morning was a complete success with about two hundred participating. Some thought there were more fishermen than salmon, but some good catches were reported. **Hoyt R. Young**, cashier, American National Bank, Arlington, Iowa, was one of the fishermen who participated, but in his official communique said "The biggest ones got away."

In this Special Session —

Watch for Banking Legislation In Washington

By Paul F. Lavezzo

Washington Correspondent
The Northwestern Banker

EAGER to leave Washington last August, Congress was apparently pleased to be back on the job for the special session on September 21, three weeks after war had broken out in Europe. The legislators want to watch closely what is going on and be in a position to have something to say about it. Roosevelt probably realized this when he said he hoped action would be confined chiefly to revision of the neutrality law, pushed aside in the rush for adjournment two months ago.

He knew, too, that the embargo on arms exports to warring nations would not be repealed without a thorough debate and probably a long struggle. To lift the embargo would probably mean expansion of our munitions industry, putting it in an advantageous position should we be drawn into the conflict. It would also give material aid to Britain and France.

In his message to Congress, Roosevelt declared the lifting of the embargo, coupled with cash and carry provisions, would help this nation remain at peace.

"It has been erroneously said that return to that policy (international law) might bring us nearer to war," the President declared. "I give you my deep and unalterable conviction, based on years of experience as a worker in the field of international peace, that by the repeal of the embargo the United States will more probably remain at peace than if the law remains as it stands today. I say this because with the repeal of the embargo this Government clearly and definitely will insist that American citizens and American ships keep away from the immediate perils of the actual zones of conflict.

"Repeal of the embargo and a return to international law are the crux of this issue."

Opposition

Oppositionists still hold to the belief, more widespread when the embargo law was passed, that we should not supply instruments of destruction to any nation at war. It is claimed that

to supply arms to the allies now would be actual participation in the war and might lead to participation on the military as well as the economic front. Before the session opened Senator Borah, leader of the opposition, stated his case frankly in a nation-wide broadcast.

"Both as a matter of morals and as a matter of international law, as a sovereign right, we had the undoubted right to establish this policy of declining the sale of arms, munitions and implements of war to any nation engaged in war," Borah declared.

"It is now proposed to repeal it to enable this Government to furnish arms to one side and to withhold them from the other. Undoubtedly, as I say, we have the right to repeal the law. But when we coupled the repeal with the announced and declared program of furnishing arms and munitions to one side and withholding them from the other, such a program will unquestionably constitute intervention in the present conflict in Europe."

Barring a general protest from the people themselves, it seems certain the embargo will be lifted, but embargo or no embargo, a substantial boom seems to be in store for American Business. Indexes are rising; investors, seeing an opportunity for profits, are going into action; foreign markets, particularly South America, abandoned by the belligerents, are ready for our salesmen.

But will it be a long war? Instead of war scares investors might suffer for awhile now from peace scares. While London is planning on a three-year war, prospects for the allies do not look too promising at this writing. Plans may change swiftly and no one can predict what will happen a month or more ahead.

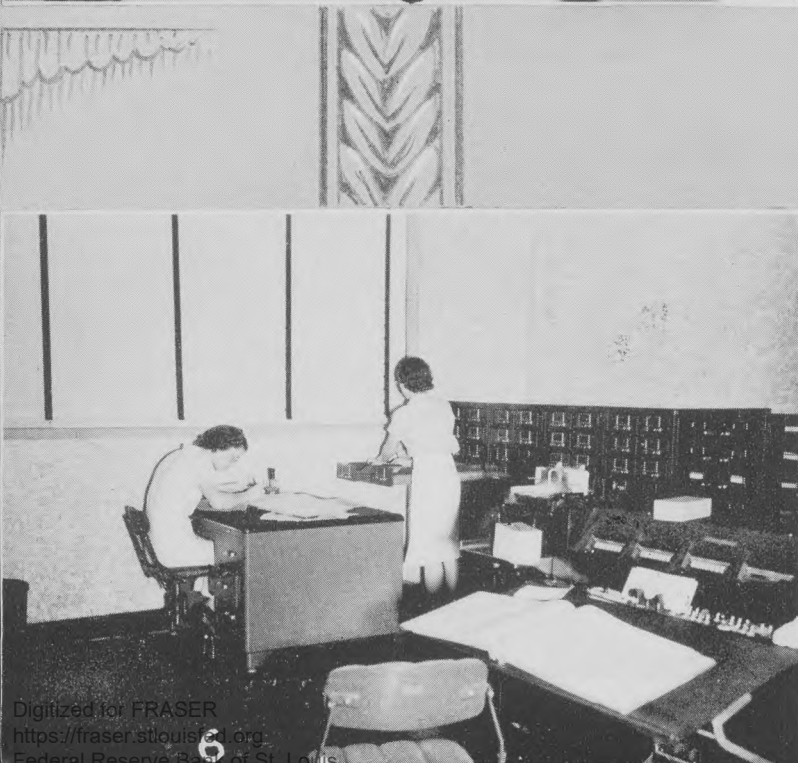
Rising Prices

Rising prices already promise a better income for farmers but a general price rise is likely to meet with stiff consumer resistance if nothing more drastic. Secretary Wallace, referring recently to "runs on grocery stores" compared Government reserves of commodities to monetary reserves of the Federal Deposit Insurance Corporation.

"Housewives don't know it yet," he said, "but they will soon find out that we have in agriculture a mechanism which in a measure does for agriculture what the Government insurance of bank deposits does for banks. Today, no one would rush to a bank to get his money out because he knows that the Federal Government has set up bank reserves to protect him. In

(Turn to page 39, please)



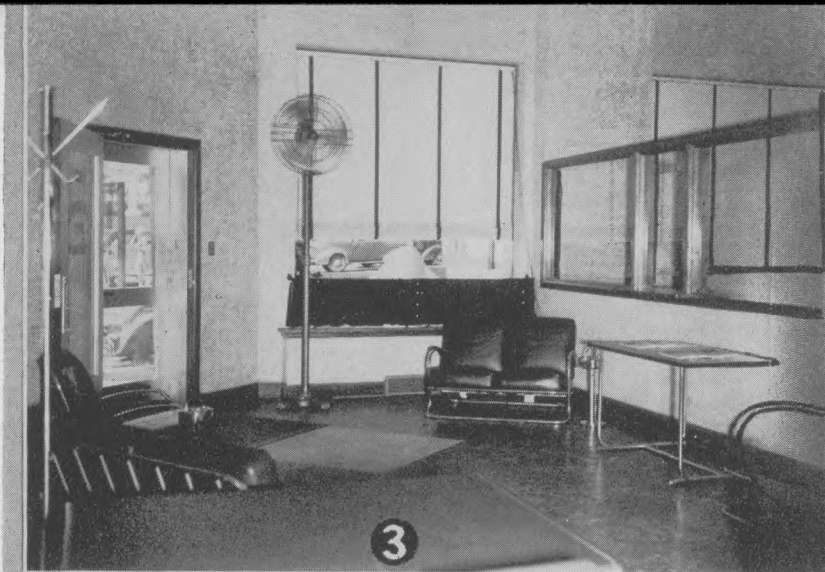


YEAR AFTER YEAR FOR OVER 30 YEARS

OVER thirty years of steady conservative progress without a backward step. Over thirty years of continually better service have made and held for Western Mutual an ever-increasing number of loyal Banker friends and agents. Our solid growth has always been encouraged by conservative principle and management.

We have grown, prospered and expanded through the years, to our present well-earned position as Iowa's oldest legal reserve, non-assessable, general writing mutual insurance company protecting policyholders from loss on their public buildings, mercantile property, town dwellings, farm property, plate glass, and writing full coverage on all automobile lines.

**WESTERN MUTUAL
FIRE INSURANCE**
Company
DES MOINES, IOWA



WE START THE 33rd IN OUR NEW HOME

COME have a look at our new home. Picture 1 is a view of the building at Ninth and Grand. Number 2 is a shot of the main office room looking toward the front while Number 3 shows the reception room. 4 is an angle shot of the President's Office which shows a part of the Loss Department.

5 is another part of the main office with a view of some of the private offices in the background. 6 is the bookkeeping department. 7 pictures the City Office and part of the main room, while 8 is the Library. We are very proud of all this and would enjoy showing it to you along with the numerous advantages of a Western Mutual Contract. May we expect a call?

**WESTERN MUTUAL
FIRE INSURANCE**
Company
DES MOINES, IOWA



Does Robbery Insurance Cover In Case of Part-time Employee?

The operator of a window cleaning company contracted with a bank to furnish janitor service to its bank building premises. His workman was instructed to do any general work reasonably related to janitor work which the bank might request of him but the bank had no right to direct and control him. An insurance company insured the bank against robbery and the policy required the presence of a custodian and at least one other employe at the time of any robbery for the insurance to be payable. A robbery occurred when only the cashier and the janitor were in the bank. Was the janitor an employe within the meaning of the insurance policy so that the insurance could be collected?

Yes. In a recent case before one of the Federal Circuit Courts of Appeal involving somewhat similar facts it was held that the insured could recover on its insurance policy. The holding there ran to the effect that the janitor was an employe within the meaning of the insurance policy and that the intent with which the parties used the term, employe, will govern without any niceties of legal reasoning.

Dickerson, a Minnesota banker, was defrauded of certain property by a corporation in that state. The corporation promptly conveyed the property for a valuable consideration to another corporation that had an interlocking and common agreement with it. Did the second corporation receive the property free and clear of any claim by the banker on some theory to the effect that it was an innocent purchaser for value without notice of any defects in its grantor's title?

No. Where two corporations have an interlocking and common management, and one of them procures the property of a third party by fraud, the other corporation is charged with notice of the fraud, and, if it takes the property, it is chargeable with the value thereof in an action by the third party.

A Nebraska banker carried a \$100 bill in his pocket. He was approached by two alleged friends, induced to

These and Other Timely Legal Questions Are Answered

By the
LEGAL DEPARTMENT

play a game of billiards, and the next thing he knew the bill was gone. The bill was later found in an automobile occupied by the two. One of them admitted he was with the other but claimed he had nothing to do with the matter of taking the money. He was, nevertheless, charged with being an accessory to the crime of larceny. Who should decide his guilt? The other alleged friend admitted that he was the one that actually took the money.

Where a person, by his own testimony, connects himself with another who actually committed a larceny, the question of whether he was present as an honest dupe, or as a criminal accessory, is one for a jury under all the circumstances.

Maxwell purchased an automobile from Chrysler, a banker, executing a conditional sale contract, which was recorded, for a balance of the purchase price that was to be paid in installments. The contract contained an after-acquired property clause providing that Chrysler's lien should cover any equipment or replacements thereafter placed on the car. Later Maxwell purchased tires from a tire dealer, giving him a chattel mortgage on the tires to secure the purchase price. This was also recorded. Maxwell defaulted. Chrysler repossessed the car and the tire dealer sought to repossess the tires. Could he do so?

Yes. Chrysler's rights to the tires were secondary to those of the tire dealer because the tires were mortgaged to the tire dealer at the time they were placed on the car and Chrysler's lien was therefore subsequent to or after the tire dealer's lien. This question and answer is based principally on a recent North Carolina Supreme Court decision. The Federal and Indiana courts have had similar

problems before them and have decided them the same way.

Johnston owed a Milwaukee, Wisconsin, bank \$5000. As security he pledged with it stock worth \$7000. Johnston entered into an agreement with Kinkaide that he, Johnston, would pay him \$2000 within a certain time and that, if this was not done, the bank should sell the collateral, satisfy its indebtedness, and remit the remaining \$2000 to Kinkaide. Johnston did not pay Kinkaide within the time set and the loan from the bank fell due and was not paid. Johnston died. The bank sold the collateral for \$7000, satisfied the \$5000 indebtedness to it, and remitted the remaining \$2000 to Kinkaide. Was this proper?

Yes. In most jurisdictions there would be no question but what the bank acted properly but Wisconsin, along with Missouri and a few other jurisdictions, holds to the view that a creditor cannot make partial assignments of a claim he may have against a debtor without the debtor's consent and it was contended in the case upon which this question and answer is based that such would be violated by remitting to Kinkaide. The court held, however, that in remitting the bank had only one payment to make and that, therefore, no violation of the rule against partial assignments occurred.

Champ assigned to a Wisconsin bank his expectancy in his mother's estate to secure a \$1000 loan. Later his mother died. One of Champ's other creditors sought to garnish the property coming to Champ while it was in the hands of the administrator of the estate. The bank intervened in the garnishment proceedings and claimed a prior right to the property by reason of the assignment. Should its claim be allowed?

Yes. An assignment by an heir apparent of his expectancy in a living ancestor's estate is enforceable in Wisconsin and several other jurisdictions, including Illinois. They are closely scrutinized, however, and will not be approved if the surrounding circumstances show any imposition on the heir.

Jordan entered into a contract with a North Carolina town for the construction of a water system. He assigned to the surety on his performance bond all payments due and to become due from the town to secure the surety from loss on performance bonds given by him for this and other construction projects. Later Jordan assigned the same monies to the local bank to secure a loan. Before making the loan and accepting the assignment the bank inquired of the town and was told that there were no previous assignments. The bank gave notice to the town of its assignment before any notice was given by the surety. Jordan became involved financially and both the surety and the bank made claim to the moneys coming from the town. Who should have the first claim?

The bank is entitled to the first claim. The assignment to the surety was not completed before the assignment to the bank because the surety had not notified the town of its interest. A similar holding might be expected in Tennessee but in Indiana and Kentucky the surety would probably be given first claim simply because its assignment was obtained before the bank obtained its assignment.

The treasurer of an Iowa county failed to account to the county for certain money received by him as treasurer. The board of supervisors, composed of the county's leading banker and other leading citizens, ordered his salary withheld. The treasurer was insolvent and was not the head of a family. Could he require, by mandamus, that his salary be released?

No. Where a county treasurer is insolvent and not the head of a family, a county can set off a claim by him for salary against an indebtedness by him to the county that arises by reason of his failure to account for certain money which came into his hands as county treasurer.

A South Dakota banker sought to adopt his grandson by former legal proceedings. The child's mother, who was the banker's daughter, was dead. It was the banker's contention that the child had been abandoned by his father. At the adoption hearing, however, the father appeared, objected to the proposed adoption, and proved that he had not abandoned the child and that he had amply provided for him. In such circumstances should an adoption order in favor of the banker be entered?

No. In an adoption proceeding the burden of proof is upon the petitioner, who in this case was the banker, to

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does not object to paying for the service he gets, provided he gets the quality of service for which he is asked to pay.

Thus service charges and compensating balances are definitely concerned with prompt and efficient collection of checks and other items.

An account with this Bank is assurance that you are making available to your customers the best that modern banking facilities afford.

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PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

Capital, Surplus and Undivided Profits
\$41,000,000

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establish facts justifying adoption. Courts strongly favor the retention by a parent of his natural right to the control and custody of his children. Since the father objected to the adoption in this case, it was up to the grandfather to prove an abandonment, which he was unable to do. By reason of this, the grandfather failed in the adoption proceedings.

The North Dakota Workmen's Compensation Act provides that compensable injuries shall include any disease approximately caused by any person's employment. Blackwell contracted pneumonia and died as a result of exposure sustained while he was at work for a large contracting firm. Should workmen's compensation benefits be paid to his dependents? A banker in that state was interested by reason of certain family relationships.

Yes. The law involved provides that compensable injuries shall include disease caused by the decedent's employment. By reason of this, pneumonia contracted by the decedent due to exposure to which he was subjected as a result of his employment is an injury compensable under the law and his dependents are entitled to compensation benefits upon his death from that cause.

Portable Adding Machine

Business, large and small, long desiring the convenience of a standard, fully portable adding machine combining sturdiness and low price, is now having that desire gratified with the introduction of the new Victor 600 manufactured by the Victor Adding Machine Company of Chicago.



The new Victor 600

The Victor 600 is a new type Portable Standard adding machine which brings to the user a new convenience in adding machine service. It weighs less than nine pounds and, unlike the large adding machines in general use, it can easily be carried to the work instead of having the work brought to the machine. Its compact size requires no more desk space than a tele-

phone. Its streamlined exterior is also new in office equipment.

The construction of this new adding machine represents a basically new engineering accomplishment in design and operation. Actual numbers of parts are only about half those necessary in other machines, and the travel distances of moving parts have been reduced by 50 per cent; minimizing wear, and insuring longer life and higher operating efficiency. Back of the Victor 600 is a manufacturing experience of 21 years—specializing in adding machine construction.

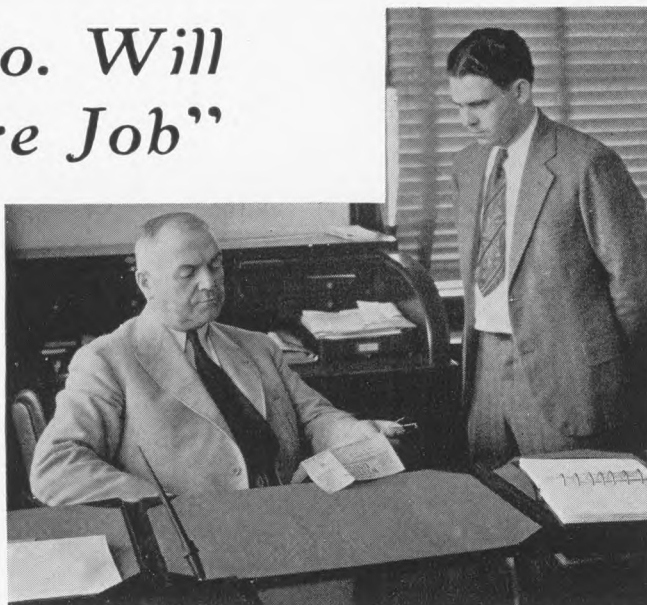
Possibly the most interesting feature of the Victor 600 is its new low price, which gives the user a complete standard adding machine—in a size which adds six columns of figures. The machine is also made in a seven column size and a nine column size.

It is interesting to note that manufacturers of office machinery are following the general trend of other machinery in the introduction of smaller size, lower priced models. The automobile, the farm tractor, the truck and other machines are being produced in smaller size units. Portability and convenience for individual service seems to be the new trend in office equipment as well. The Victor 600 portable adding machine is opening a new market in this field.

—“and Fisher Co. Will Handle the Entire Job”

From the word “go” The Fisher Company assumes all responsibility, relieves your directorate of the heavy burden of building construction detail and consequently makes it possible for your institution to continue its daily business without unnecessary interruption.

The Fisher Company organization, with over 70 years actual experience in Bank Fixture construction work, knows to the 'nth degree what it will cost and how long it will require to make the installation. Our services have pleased hundreds of Banks here in the Northwest—and we believe service rendered satisfactorily to all concerned is the last word in recommendations. Our experienced organization, facilities, and long list of Bank fixture installations are at your command. May we not consult with you concerning your new Banking Home?



The Fisher Co.
BANK FIXTURE HEADQUARTERS
Charles City, Ia

Outlook for Next Few Months Points to

Rapid Business Expansion

AS SHOWN by the chart, business activity expanded in August for the third consecutive month. The preliminary August index is 92.6, as compared with 91.2 (revised) for July. The August index was still slightly below last November's peak of 93.9; but it is estimated that by the end of August all of the ground lost in the recession that began in December had been regained.

This was the condition of business on the eve of the outbreak of the second world war and accounts in part of the unexpectedly prompt and vigorous expansion in business that has occurred since the first of September, in sharp contrast with the business depression that set in immediately following the outbreak of the first world war. It is impossible to measure statistically the extent of the September expansion, but it seems to be limited only by the ability of manufacturers producers to increase their output. It would be surprising if our business index for September did not show an advance of at least five points.

The rush of business began with urgent demand for raw materials which consumers believed would be required for war purposes. The immediate result of the outbreak of war was consequently an unprecedented rise in raw material prices, particularly those over which producers exercise little or no control, such as hides, rubber, cotton cloth and wool. There were fairly sharp increases in nonferrous metal prices, but in most cases producers repeatedly withdrew from the market in an effort to prevent too rapid price increases. Producers feared political repercussions. Farm products advanced swiftly without any fear of political repercussions.

Manufacturers of products of virtually every description were swamped with orders. It appeared to make no difference whether or not producers told their customers prices were going up or whether they gave customers a considerable period in which to order at unchanged prices. Manufacturers of certain prepared foods products gave their customers a week's notice of an advance in prices and received enough orders to keep their factories

Prepared for
THE NORTHWESTERN BANKER
by an organization of
leading economists

running for months. The steel manufacturers, on the other hand, "re-affirmed" third quarter prices for fourth quarter delivery and received enough orders to keep the mills running for months.

The immediate effect is to bring about a sudden and powerful stimulus to business activity generally. It is not merely a case of a few industries being favorably affected by war orders and the prospect of receiving still more now that the war is on. The general price commodity price situation is such that efforts to anticipate what are regarded as inevitable price increases have completely changed the general business outlook from one which was moderately favorable to one of virtual certainty that the business activity index will go much higher. It is impossible to have a definitely favorable outlook for a few manufacturing industries without the optimism thus generated spreading to practically all branches of industry and trade, the only exceptions in the present instance being a few industries such as motion pictures which have been hurt by loss

of foreign markets. How widespread the present improvement is likely to become is illustrated by the situation in agriculture, which until the end of August was limping along with the help of huge Federal subsidies. The rise in grain and other farm prices in the first half of September, despite the fact that some of the crops were already harvested, has added tremendously to the farmers' cash farm incomes and has reduced their dependence on the government. The outbreak of war has also intensified the efforts of this country toward military preparedness, and the result has been to speed up government orders for ships, thus piling up the orders for steel and other materials.

The only question that remains is how long the boom will last. That depends in turn on how long the war will last. Wall Street appears to have been none too happy over the completeness of German military success in Poland, followed by Russian military activity and Russia's truce with Japan. Nobody wants a long war; but a short war with England and France defeated would not only be disastrous from a military and political standpoint but would deprive the industrial boom in the United States of most of its present foundation. And the outlook for England and France is none

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The Month's Market Maneuvers

Prepared for THE NORTHWESTERN BANKER by JAMES H. CLARKE,
Assistant Vice President, American National Bank & Trust Company, Chicago



JAMES H. CLARKE

AS AUGUST ended, the war started and world markets cracked wide open. Thus we entered the Labor Day weekend with both bond and stock prices in rapid retreat. But stocks were soon to reverse that trend—more of that later. The following week's markets were wilder than any we have witnessed since 1929—the stock market got back on the front page—the brokers' board rooms were packed—"war babies" soared and took most of the stocks with them—but high grade bonds sold off sharply.

The enthusiasm engendered in the stock market spread to business in general and large orders for materials were the result. Hand to mouth buying was quickly abandoned—orders were placed even at rising prices—and steel production, which was 63 per cent of capacity for the last week in August, is 84 per cent as we write this article on the twenty-ninth of September. All of the other usual business indicators have also improved—carloadings are now within gunshot of the best 1937 figures, probably will exceed them soon—electric power production has reached a new high—it has been estimated that the Federal Reserve Board Index will reach 115 before the year is over—it was 102 for August.

All of this has happened without many actual orders from abroad. In other words there has been a sharp change in the ownership of goods in this country as inventories have been built up—but orders must now develop to justify this activity. If the war is a long one, these orders will develop—if a truce is declared they will not—and the latter is an eventuality that cannot be overlooked with Poland already partitioned and a stalemate on the Western Front. The action to be taken by Congress on the repeal of the arms embargo is another factor in the business picture, and there are others which will be given more consideration now that the first wild enthusiasm has died down.

To get a real picture of what happened to the high grade bond market—let's look at a few prices of Governments and corporates. On August fifteenth the long Treasury 2½s of 65/60 were selling at about 107.15 with a yield of 2.37 to maturity—(the high for 1939 was 108.12). On the day after Labor Day the bid was 101.30, a drop of 5.17 points—but that was not the worst. By September twenty-fifth this issue had gone down a couple of points more to 99.12—and on the same day six Treasury bonds, three note issues and a number of guaranteed issues were all below par.

All of this recession took place despite support buying from the Fed. This buying was done, of course, to cushion the decline and not in an attempt to actually stop it—the result: the Federal Reserve Banks bought about four hundred million bonds in the first two weeks of the month, then tapered off their activities sharply. And now we have two schools of thought—the first which backs the action of the Fed—the second which feels Governments should have been given a free market to seek their own level. Neither school can be sure which is correct—never will know—but in the past few days small buying has appeared—the markets have moved up slightly, and the long 2½s are quoted around 101 as we write this. Some short positions have probably been covered this week—but there is also the remote possibility, at least, of some settlement abroad as Germany and Russia discuss it.

Practically every bank in the country is a holder of substantial amounts of Governments. In times of such uncertainty a policy of shortening maturities is doubtless in order, even giving recognition to peace possibilities. And a sudden peace coming on top of record excess reserves could send this Government market up in a hurry. But banks have to play it safe—they have practically no choice at this time except to believe the war will be long and make plans accordingly.

High grade corporates shared the wild fluctuations which followed Labor Day. Commonwealth Edison 3½s which had previously sold as high as 111 dropped to around par—have since recovered three or four points; Pacific G & E 4s, after an earlier high of about 113, broke to around 101 to 102—and have since regained some of the loss. These are a couple of typical examples in the high grade corporate field—but are representative. On the other hand the medium grade bonds—particularly the rails—followed the course of the stock market. Nickel Plate 4½s climbed about 18 points in September, while Southern Pacific 3½s were up eight or nine points from August prices—again these are typical examples.

When we wrote last month's article on August twenty-fifth, the Dow-Jones Average for industrial stocks was 131.33—today at the close it was 150.19—in short, an improvement of 18.86 points. Strangely enough, the bulk of the advance took place in one day—September sixth—when a gain of over 10 points was recorded. Almost six million shares were traded that day and for several days thereafter—averages reached their high in the trading of September twelfth, when 155.92 was reached—since that

(Turn to next page, please)

MARKET MANEUVERS

(Continued from page 30)

time there has been a period of slowly declining prices coupled with declining volume.

Certainly more has been crowded into the September markets than into the preceding eight months. It is too early to get a calm view of market trends even now—and that may be true for months—or at least as long as intangibles abroad shape our markets. If this war lasts long enough—and we keep out of it—bankers may very well find that they are back in the banking business again—making loans.

BUSINESS EXPANSION

(Continued from page 29)

too bright. Much will depend also on the outcome of the special session of Congress called to amend the Neutrality Act. Just as the present Neutrality Act did not work out as expected, it is quite possible that whatever new legislation is passed will have unforeseen consequences. Hence there is every reason for caution with respect to the longer-range business outlook, although so far as the next few months are concerned a marked expansion is a foregone conclusion.

SPEAKER'S PLATFORM

(Continued from page 15)

government, **O. Paul Decker**, vice president of the American National Bank and Trust Company, Chicago, Illinois, told a round table conference on Bank Investments and Mortgages at the A. B. A. meeting.

"The 'cheap money' policy of the Federal government has aided in forcing interest rates to the low levels reached in July this year and has produced in part the tremendous supply of excess reserves under which all banks labor."

An appeal for the government to cease excessive spending and regulation of business and to correct and clarify laws restricting private enterprise was sounded by **Dr. Fred I. Kent**, a director of the Bankers Trust Company, New York.

"The condition that prevails in the United States today, under which nearly ten millions of persons are unemployed and the Federal budget is running huge deficits from year to year, must be corrected immediately or we will have to face a very real disaster," **Dr. Kent** said.

And Money

He: "Do you believe in love at first sight?"

"She: "Well, I think it saves a lot of time."

NEW HOME

(Continued from page 20)

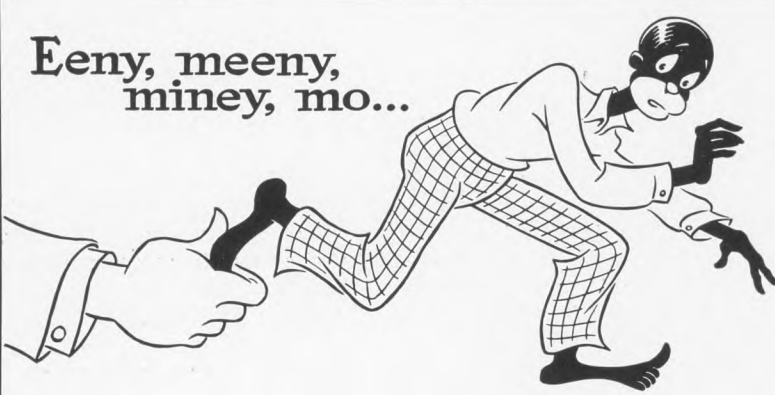
Western Mutual Fire Insurance Company began with a new building, a new sales manual and several new coverages. Accumulative increase which aggregates 33 per cent and the average age of the men working for the company, 33 years, makes these facts sound like "Believe It or Not."

The Western Mutual Fire Insurance Company maintains a peculiar position in Iowa insurance circles due to the fact that it is Iowa's oldest legal re-

serve, nonassessable, general writing, mutual insurance company protecting policyholders from loss on their public buildings, mercantile property, town dwellings, farm property, plate glass and writing full coverage on all automobile lines.

Officers of the Western Mutual Fire Insurance Company are **D. O. Milligan**, president and general manager; **F. D. Milligan**, vice president; **G. S. Blount**, secretary; and **J. D. Kent**, treasurer. Territory covered includes the states of Iowa, Nebraska, and South Dakota.

Eeny, meeny, miney, mo...



THE kids have an easy way of solving all problems—when they can't make a decision any other way they resort to the "Eeny-meeny-miney-mo" method.

But bank executives cannot afford to choose their blanket bonds and other forms of protection by such a simple system. They must investigate every possibility and be **SURE** they get the maximum of safety and service at the minimum cost.

It is that kind of careful analysis which has brought an ever increasing number of banker friends to

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JOHN J. QUAIL
President
Davenport

IOWA

Investment Bankers Association

Organized 1935



ROY W. LERICHE
Secretary
Des Moines

ANOTHER Iowa Investment Bankers Field Day passed into history last month, with some 200 participants from all sections of the middlewest and some from the south joining in a good fellowship picnic that will long be remembered. There was plenty of heat and sunshine, but apparently the bond boys can take it, because the golfers who braved the frying fairways were just about as numerous as in former years, when it has been cooler. Someone remarked that as far back as they could remember, Iowa Investment Bankers had never had rain on their annual field day. Probably because they live right.

Even more hardy were the tennis enthusiasts, for tennis is somewhat different from that good old game of chess, especially on a hot day. The majority were content to remain indoors where they tried to keep cool, or perhaps relax in the shade of Wakonda's oak trees.

Among those who shared in the golfing honors were Tom Crabbe of Cedar Rapids, Bob McCrary and Jim

Cummins of Des Moines, and John Vavra of Cedar Rapids, and they all received appropriate awards for their efforts and skill. But speaking of prizes, when it came to those of the "door" variety, the committee really "went to town." At annual affairs heretofore, the golfers received the bulk of the prizes—this year it was reversed, and everyone present had a chance to win one of more than fifty awards for holding a lucky number.

Pictured on another page are a number of those attending the Iowa Investment Bankers field day.

NEWS AND VIEWS

(Continued from page 16)

clude **Czecho-Slovakia** and **Albania** and more recently **Poland**.

A mammoth National Cash Register tells the total attendance each day at the fair and on one of the days we were there it registered 273,856, which was a much larger day than many they have had.

The Russian building is attracting a great deal more interest than formerly since Russia's political alignment with Germany.

We were interested in reading some of the quotations in the Russian Building, among which were these. "For the U. S. S. R. Socialism is already achieved and won," signed Stalin.

Another quotation by Stalin said, "Socialism and Democracy are Invincible." This statement we were not quite able to translate because we assumed that Socialism was endeavoring to stamp out Democracy, but if Democracy is invincible that is the highest compliment that it can be paid.

Another quotation in the Russian building and signed by Lenin says, "The Russian revolution must in its final results lead to the victor of Socialism."

The industrial exhibit which still attracts the greatest crowds at the fair is the one built by **General Motors** at the cost of \$8,000,000 and while it only takes 15 minutes to see it, you sometimes have to wait in line for over an hour. About 26,000 see the exhibit daily.

In the amusement area, **Bill Rose's Aquacade** still draws the big crowds.

Seats are only 99c for the best ones but the crowd lines up an hour before the 8:30 P. M. performance and the 10:45 P. M. performance in order to get tickets. The amphitheater seats about 12,000 people.

The singers, actors and announcers all have three microphones in front of them and why they do not reduce the amplification is more than I can tell because they roar like volcanos. This is due to the fact that the big swimming pool in front of the stage acts as a sounding board.

Billy Rose, by the way, before he made his millions in the show business, was one time **short-hand champion** of New York City.

The **Queen Mary** and the **Normandie** may be seen any day at their docks in the Hudson river. They will probably remain there for some time and in the interval they are being repainted and decorated.

W. J. Pickering, president of the Allen Wales Adding Machine Corporation of New York City, together with **Mrs. Pickering** and her sister **Mrs. Verda Whitney** of Des Moines, returned recently from a two month trip to Europe.

(Turn to page 34, please)

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Suitable for Investment of Banks,
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DES MOINES, IOWA



AT THE IOWA BOND PICNIC

Reading from left to right, those in the above pictures are: 1—**Sherman Fowler**, Iowa-Des Moines National Bank & Trust Company; and **Homer A. Cook**, Wheelock & Cummins, Des Moines. 2—Seated around the table are **Walter Yaeger**, J. L. Ruppert & Company, St. Louis; **Victor Becker**, Carlton D. Beh Company, Des Moines; **R. R. Rollins**, vice president Bankers Trust Company, Des Moines; **Mike Ruhl**, Quail & Company, Davenport; **M. D. Dearth**, Murdoch, Dearth & White, Des Moines; **Rae Lander**, Moseley & Company, Des Moines; **A. R. Hughes**, Hughes & Company, Chicago; and **Julian White**, Murdoch, Dearth & White. 3—**Walter Lang**, Herriman, Rippley, Chicago; **Mayfield Marshall**, Shaw McDermott & Sparks, Des Moines; **Fred D. Blake**, Farwell, Chapman & Company, Chicago; **Jack Sparks**, Shaw,

McDermott & Sparks, Des Moines; **Marshall Barlow**, Carleton D. Beh Company, Des Moines; **H. C. Plagman**, Des Moines; and **Ira Allen**, Jackley & Company, Des Moines. 4—**John Pyper** and **Walter Pyper**, Pyper & Company, Council Bluffs; **John Quail**, Quail & Company, Davenport; **Harry Greenway**, Greenway & Company, Omaha; **John Brady**, Council Bluffs; **Winfield Jackley**, Jackley & Company, Des Moines; and **Franklin Schurick**, Straus Securities, Chicago. 5—**Miss Janice O'Brien**, one of the entertainers. 6—**Ed Welch**, of McGuire, Welch & Company, taking a little before-dinner nap. 7—**A. M. McLaughlin**, Vieth, Duncan, Davenport; **E. D. Walker**, White, Phillips Corporation, Burlington; **John Brady**, Council Bluffs; **Owen P. McDermott**, Shaw, McDermott & Sparks; and **Tom Bowen**, Jackley & Company.

State and National Figures

The following figures were compiled by R. N. Sims, secretary-treasurer of the National Association of Supervisors of State Banks, and relate to the States of Iowa, Minnesota, Montana, Nebraska, North Dakota and South Dakota. They show aggregate resources in these states from figures supplied from heads of state banking departments, and are as of June 30, 1939. Figures for all National banks of the country are also shown.

STATES	No. of Institutions	CAPITAL	SURPLUS	Undivided PROFITS	Dep. Incl. Cer'fid. and Cash. Chks.	Loans and Discounts	Bonds, Stocks and Securities, etc.	Total Resources
Iowa	538	\$ 23,556,500.00	\$ 11,263,276.00	\$ 10,202,068.01	\$ 401,323,567.84	\$ 220,151,260.45	\$ 117,251,860.00	\$ 446,682,294.84
Minnesota	491	13,383,600.00	9,401,550.00	4,753,774.00	273,624,572.00	110,902,447.00	129,692,870.00	305,207,318.00
Montana	70	4,252,400.00	1,624,972.89	1,178,931.32	49,088,013.18	17,120,851.16	23,608,108.16	66,289,235.66
Nebraska	290	7,784,500.00	2,524,771.70	1,519,021.63	66,270,795.73	36,285,876.57	17,788,892.11	78,555,507.49
North Dakota	122	3,380,000.00	932,407.19	328,640.11	21,757,532.02	9,526,223.53	7,297,375.10	27,082,499.31
South Dakota	124	3,831,400.00	1,029,671.65	782,844.49	33,854,858.31	16,007,674.04	11,332,603.73	39,795,769.60
Total of ALL State Banks in Nation	10,086	\$1,514,225,854.60	\$2,419,887,292.41	\$540,039,850.01	\$35,006,997,410.86	\$13,047,729,907.21	\$15,769,154,321.16	\$40,454,162,170.76
Comptroller's Report of All National Banks	5,209	\$1,566,003,000.00	\$1,170,822,000.00	\$449,352,000.00	\$29,469,469,000.00	\$ 8,573,703,000.00	\$12,552,886,000.00	\$33,180,578,000.00



is engaged primarily in facilitating wholesale distribution and retail sales of the following products of General Motors Corporation and its world-wide affiliates: CADILLAC, LA SALLE, BUICK, OLDSMOBILE, PONTIAC, CHEVROLET automobiles; FRIGIDAIRE appliances for refrigeration and air conditioning; DELCO lighting, power and heating equipment; GMC trucks; BEDFORD, VAUXHALL, OPEL, BLITZ — foreign made automotive vehicles.

The business consists of investments in self-liquidating credits, widely diversified as to region and enterprise, capital employed being in excess of \$80,000,000.

In obtaining short term accommodation, GMAC issues one standard form of note. This obligation it offers to banks and institutions, in convenient maturities and denominations at current discount rates.



These NOTES are available, in limited amounts, upon request.

EXECUTIVE OFFICE NEW YORK - BRANCHES IN PRINCIPAL CITIES

NEWS AND VIEWS

(Continued from page 32)

They were in **London** the day that England declared War and were able to return to the United States a few days thereafter on the **S. S. Manhattan**.

Mr. Pickering does not believe that England will make Peace until "Hitlerism has been destroyed. It will be a long war and a war that will destroy Europe. The United States should repeal the embargo so that England and France may purchase munitions from us on a cash and carry basis," is his view of the situation.

Richard Pickering, division coast sales manager for the Allen Wales Company, had charge of their exhibit at the American Bankers Convention in Seattle.

The Manufacturers Trust Company of New York, which is the only bank at the World's Fair, is equipped exclusively with Allen Wales Adding Machines.

Paul Stewart of the New York Sun was our host at the **Stork Club** and seated at tables near us were **Bobby Riggs**, the new tennis champion, **Deems Taylor**, the composer and music critic, **Gloria Vanderbilt** and other well know persons.

We often wonder what makes these clubs popular because basically they are just another place to eat, drink and dance. But each one seems to have its own particular clientele and supposedly "different atmosphere."

Stopping one night to listen to the **soap box orators in Columbus Circle**, I bought a booklet from one of them who was speaking, "against Hitlerism."

The Pamphlet was entitled, "Brains Behind Barbed Wire."

It was an authentic report of what had happened to the various writers, artists and authors in Germany with whom Hitler has disagreed and the fate of all of them was the same because they had either been killed or put in concentration camps.

A sign on an eating place just off of Broadway says: "Pick a Rib."

Assistant Vice President

Stuart H. Smith, formerly assistant trust officer of the Tower Grove Bank & Trust Company, of St. Louis, was elected an assistant vice president of the First National Bank in St. Louis on September 19th. In making the announcement, F. O. Watts, chairman of the board, stated Mr. Smith would take over the duties of Lona B. Jennings, assistant vice president, who has resigned to accept a vice presidency of the First National Bank of Shreveport, Louisiana.

Stuart Smith is a son of Walter W. Smith, president of the First National Bank in St. Louis. He is a graduate of the University of Pennsylvania and the Wharton School of Finance. Prior to his association with the Tower Grove Bank & Trust Company, he was in the investment division of the General American Life Insurance Company of St. Louis.

Mr. Jennings will leave for Shreveport on October 1st, and Mr. Smith will take up his new duties on October 16th.

Named Director

The Iowa State Traveling Men's Association announces that Dutton Stahl has been named to the board of directors of the Association. Mr. Stahl was formerly associated with the trust department of the Iowa-Des Moines National Bank & Trust Company, in Des Moines.

Federal Discount

Total assets of \$4,471,918 are shown in the June 30, 1939, statement of condition of the Federal Discount Corporation of Dubuque, Iowa. This is an all time high and represents an increase of approximately \$1,400,000 in the last year and a half.

In the assets column the company's figures show \$596,980 cash on hand and due from banks; loans and discounts \$2,868,255 and small loans receivable \$709,562.

The Federal Discount Corporation specializes in automobile finance paper

and has branch offices in Iowa, Illinois, Wisconsin and Minnesota.

The company was organized in 1921 and has grown steadily throughout the years until it now ranks as one of the leading individual finance companies in the middlewest.

Officers of the Federal Discount Corporation include: John H. Jansen, president; R. L. Stotesbery, vice president; George F. Jansen, secretary; William F. Sawyer, treasurer; A. G. Fischer, assistant secretary; Fred B. Hallberg, assistant treasurer; M. E. Patrick, credit manager and George Allbee, special representative.

Bandit Protection

A new bandit and hold-up protection device, known as the Rohrig Armor Guard Hold-up Protection is now being manufactured and marketed by the Electric Guard Company of Milwaukee, Wisconsin.

The Rohrig Armor Electric Guard consists of a series of armor-steel shutters, suspended from a rocker arm, which is operated by an electromagnet, controlled from push buttons located at various strategical points in the banking room or private offices. Mechanical control is also provided through hand tripping levers, one such

THREE SERVICE FACTORS

For 22 years the White-Phillips Corporation has been a constructive part of the Iowa banking field. The effectiveness of our co-operation with Iowa banks is based on three solid factors:

1. SERVICE—The White-Phillips Corporation maintains an intimate personalized service to all clients.
2. EXPERIENCE—Our officers have had many years of practical experience in the investment banking field.
3. POLICY—For years we have specialized in municipal bonds which are especially suitable for bank investment.

May we serve you, too?

• • •

BLAIR A. PHILLIPS, President
ROBERT ALEXANDER, Vice President

CARL N. STUTZ,
Secretary

VERNE EHLERS,
Treasurer

WHITE-PHILLIPS CORPORATION

Investment Bankers

CHICAGO

DAVENPORT

lever being located above or near each cashier's wicket, or, connected with a foot tripping lever, if desired. This provides both electrical and manual control of the tripping mechanism. The armor shutters are concealed behind ornamental or bullet-proof screen, which encloses the banking

Municipal and General Bonds



Specialists in Nebraska
Municipals

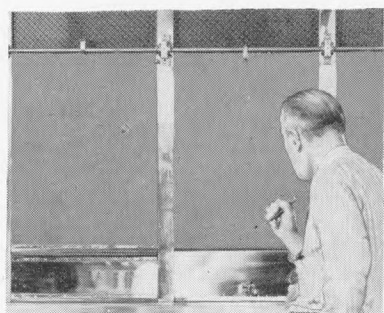


GREENWAY & CO.

Farnam Bldg.
OMAHA, NEBRASKA



This is a view into the lobby from the opposite side of the wicket structure. The armor-steel shutters are pushed up out of sight and out of the way.



Here is the same interior view one-fourth of a second after the button was pressed. The bank personnel and money is protected behind bullet-proof steel.

room to a point two feet above man height. The shutters run in slides—like window sash—and are raised out of sight while business is being transacted with legitimate bank patrons.

BONDS [Municipal Public Utility Industrial

A.C. ALLYN AND COMPANY

Incorporated

100 West Monroe Street, Chicago—Tel. Franklin 8400

New York Milwaukee Omaha Boston

Representatives: Waterloo Des Moines Cedar Rapids

As shown by the illustrations, there is nothing to interfere with that—"so desirable"—close personal contact between bankers and patron, while the shutters are up, yet, with lightning-like speed, all of the shutters can be dropped simultaneously, in case of danger.

The shutters for the tellers' wickets are ingeniously safeguarded so that closing—even should it close upon the hands of a baby—cannot do the slightest harm. This is accomplished by patented buffers and sponge rubber inserts. These rubber inserts do not affect the bullet-resisting qualities of the shutters in any way.

The Rohrig Armor Electric Guard is built in standard and special sections that can be adapted and fitted to any tellers' counter. That means, that it can be installed on existing fixtures, regardless of whether the counter or fixture top is wood, marble or metal. And, it can be supplied in an unlimited variety of designs and finishes best suited to the style and finish of the banking room or existing fixtures.

F. A. A. HIGHLIGHTS

(Continued from page 18)

advertising, he presented each past president with a symbolic gold emblem. Those receiving them were **Guy Cooke**, of the First National Bank of Chicago, **Charles H. Wettreanu** of the American National Bank of Nashville, **E. H. Kittredge**, Hornblower & Weeks of Boston, **Robert W. Sparks**, Bowery Savings Bank, New York—**H. W. Lyon**, of Lyon & Sturges, New York; **I. I. Sperling**, Cleveland Trust Company, **T. J. Kiphart**, Fifth Third Union Trust Company, Cincinnati, and **W. H. Neal**, of the Wachovia Bank & Trust Company, Winston-Salem, North Carolina. "Doc" Lyon and Bob Sparks missed the presentation ceremony, but were on hand early Monday morning for the official sessions.

George O. Everett, vice president of the First Citizens Bank & Trust Company of Utica, and retiring president of the Financial Advertisers Association, presided at the first official session on Monday morning, September 11th. In his address he urged that every member present take definite steps to enlist the aid of his bank's officers in every campaign and program that he initiated. For these officers were in a definite position to contribute to the success of the campaigns and in view of their constant contact with the public, their knowledge of what the public relations department was doing, was essential.

Ralph C. Day, mayor of Toronto, was delayed in his welcoming of the members to Canada by official busi-

ness—O. H. M. S.—On His Majesty's Service. The business being that of turning over the Toronto Exhibition Grounds and Buildings to the Canadian Government for the billeting and training of new army recruits.

Guy W. Cooke, of the First National Bank of Chicago, replied to the Mayor's welcome by recollecting that the Financial Advertisers Association had been conceived in Toronto just twenty-five years ago; when he and several of the other founders attended what was his first convention a—meeting of the Associated Advertising Clubs of the World.

C. R. Amott, of the Sales Analysis Institute of Chicago, placed selling on a purely mathematical basis when he expounded the plus and minus values of sales arguments before the wide awake members of the convention, who eagerly arose to hear his words of wisdom at nine a. m. each morning. And carrying out the war atmosphere they provided a rat-a-tat-tat of their own, when they placed the printed pages of information in the loose leaf folders that had been so thoughtfully provided for them by the convention committee. **James A. Rascovar** of Albert-Frank Guenther Law, Inc., New York, and newly elected departmental head of the investments division, succeeding **John J. Harris**, of Fenner & Beane, New York, kept the members on their toes and sometimes even tried the resources of the "Professor" with his interesting and timely questions.

The interim between these selling classes and the general sessions was occupied with a straightening of ties, tying of shoe laces, quick shaves, and real Canadian breakfasts served in the Coffee Shop of the Royal York.

The **General Sessions** were devoted to interesting talks on proven methods of improving public relations and developing new business for banks.

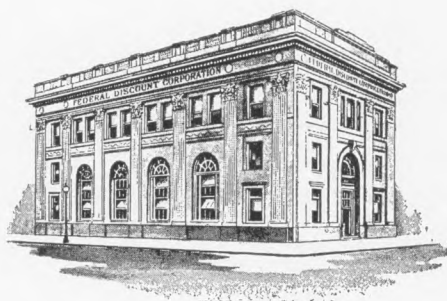
L. E. Townsend of the Bank of America, San Francisco, California, hastily recruited to fill a spot on the program that had unavoidably been left vacant by a previously invited speaker, repeated the educational talk that he gave on "Programs that Merchandise Bank Advertising" before the Texas Bankers Educational Conference at the University of Texas. His talk was a real inspiration, and his subsequent election to the third vice presidency of the Association is a fitting reward and tribute to his activities as a member of the Association since it first started. For he was present on the platform, along with Guy Cooke of Chicago, when the Association held its first meeting, twenty-three years ago.

A new departure in convention pro-

cedure was adopted this year which has unusual merit. Instead of asking various members to talk about themselves in an off-hand manner, a series of skits were drawn up dealing with the public relations department of a bank, its activities, and its dealings with the public and press. The characters in these skits were filled by people who had performed similar services in their own banks. Then as the skit proceeded and became either a comedy or a drama, depending upon the accomplishments of the actors selected, the audience was told just how each individual had conducted himself under a similar set of circumstances, in his own bank. In

this way, many worthwhile ideas were presented in short, snappy monologues, and the relationship of each to the whole idea was dramatically illustrated.

D. L. Reburn, general chairman of the entertainment committee and the other members of that committee deserve unstinted praise for the program they put on. For while **Lewis Brown** could not prevent the golf tournament from being practically "rained-out", the many novel and interesting features that were presented sent everyone home in the early hours well contented with the time spent. The members enjoyed a dinner and dance at the Royal Canadian Yacht



Automobile Finance

*Time Payment Plans for
Automobile Purchasers*

...

**Short Term
Collateral Trust Notes**

...

Branches in Iowa — Illinois — Wisconsin — Minnesota

...

**FEDERAL DISCOUNT
CORPORATION**

Capital and Surplus Over \$1,250,000

DUBUQUE, IOWA

Club—the first time that the club has been opened to a non-member group. Another night was spent at Hart House, where the Dolphinettes performed in true World's Fair fashion; Howland Smith of the Canada Trust Company exhibited a more than rudimentary knowledge of the game of badminton, and the guests enjoyed pleasant refreshment in the same room in which the King and Queen ate their lunch on their royal visit to Canada.

Apropos of the golf tournament, Roy H. Booth of the National Shawmut Bank of Boston, received many felicitations of sympathy, when he be-

moaned the fact that he only needed a four for a 72, and took a six on the eighteenth hole for a 76 instead—until the other players learned that he was referring only to his score on the last nine holes.

In the golf tournament, J. Ahern of the Manufacturers and Traders

Trust Company of Buffalo took the low gross with a 74. H. F. Kroeger of Edwin, Bird, Wilson of New York, won second with a 75. And Don Cameron of the Continental Illinois Bank & Trust Company was again in the scoring column with the low gross prize for the first nine holes.

An Entirely New Plan of Renewal Compensation

★ ★ ★

Now in Effect for NwNL Agents

Effective September 1, 1939, Northwestern National Life, by announcing a new plan of renewal compensation, took a great forward stride in the direction of rewarding its full-time producing agents in true proportion to the contribution made by them to the Company's welfare in properly selecting, selling, and servicing their business.

This new plan of renewal compensation is designed:

- (1) To encourage business that stays on the books to fulfill its purpose in protection, with consequent substantial savings to the public;
- (2) To pay well the agent who stays with the Company and serves his policyholders.

Instead of paying a percentage of the renewal premiums, *this new plan pays a flat amount per thousand of business renewing over and above certain required minimums*, thus assuring the man with a high persistency record a *rate of renewal compensation materially greater* than the man with average or low persistency. The amount of commission paid per thousand is the same regardless of type of policy or amount of premium, but is graded according to the year in which the business was produced. Under the plan, renewal commissions are *paid throughout the year in equal monthly instalments* and quickly become the dominant source of an agent's earnings, even exceeding the first-year commissions from substantial volumes of new business.

The new plan is not compulsory for any agent, but under it *four out of five of NwNL's full-time active agents benefit immediately by substantial increases in renewal earnings*. In no event will an agent get less in renewal commissions than he is entitled under his present agency contract, and there is no reduction in the schedule of first-year commissions paid.

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

Northwestern Banker October 1939

Buys Des Moines Building



Purchase of the building pictured above, on the southwest corner of Tenth Street and Grand Avenue, Des Moines, was announced recently by E. O. Fenton, director of the American Institute of Business. The building, renamed a few years ago as the A. I. B. building, was erected for use by the Polyclinic hospital. It is a four-story structure, in which the A. I. B. school has been housed four years. A fifth floor is to be added next year to be used as recreation space by students, Mr. Fenton said. The A. I. B. also operates the American Institute of Commerce at Davenport, Iowa, and owns the building in which it is located. The A. I. B. enrollment this fall is expected to be about 700 and the A. I. C., 300.

LIQUIDITY

Our Collateral Trust Notes afford the very maximum of investment liquidity. Let us help you invest your surplus funds.

TWENTY-TWO YEARS OF EXPERIENCE BACK OF EVERY NOTE

...

Iowa Guarantee, Inc.

Shops Building

Des Moines, Iowa

The official business of the Association was conducted at the luncheon held on Wednesday, September 12th. Reports were read by various committee chairmen. Golf prizes were awarded.

Stephan H. Fifield, newly elected president of the Association, presided at the annual banquet at which **J. E. Hammell**, Esquire, pioneer miner and financier, was the guest speaker. Mr. Hammell's talk on the mining development of Canada at times became so realistic and convincing that many of the members expected to be presented with a mining prospectus on the way out of the room.

On Friday morning, September 15th, the Royal York resumed its cloak of placid endurance, knowing full well that a real convention had been in progress, but content in the fact that many a trying guest had returned to his home a better man for his contact with Canada and its people; and the inspirational material that has been presented to him free of charge—his only admission being a membership in the F. A. A.

IN WASHINGTON

(Continued from page 23)

the same way, in agriculture, the Government has provided certain reserves."

Attorney General Murphy, discussing anti-profiteering legislation, said that it was being prepared to "encourage the normal recovery of things, not to retard them." He revealed that new legislation will be designed to correct weaknesses in the Lever Act of twenty years ago and be "as free from being vague as possible." Murphy said the policy of the department with respect to profiteering would be decided by the President who has emphasized there is an oversupply of foodstuffs in this country. Murphy pointed out the profiteering study was undertaken "so legislation will be ready if needed—that's all."

Rising prices mean not only better incomes for the farmer but savings for the Government as well. Secretary

Morgenthau said continued increases in commodity prices to parity levels would save the treasury \$220,000,000. Lifting the sugar quotas might save another \$50,000,000, it was pointed out.

"However," he cautioned, "you must remember there will be other extraordinary expenditures." Morgenthau said the treasury has no legislation in mind at present for the special session. The question of new taxes was left open.

Administration spenders, thoroughly defeated at the close of the last session of Congress, are likely to have their way yet. Spending may not be

for relief or even pretend to be self-liquidating but national defense and war spending might satisfy the group.

Banking Legislation

Controversial banking legislation including the Federal Home Loan Bank bill, believed dead until January might be pushed quietly through the special session while neutrality takes the spotlight. The FHLB bill succeeded in arousing stiff opposition from the banking world last session since it would in effect set up a third banking system paying a high rate of interest

(Turn to page 52, please)

10,000 Acres Devoted Exclusively To Producing Hybrid Seed Corn



Two rows of one strain (with tassels) pollinate six rows of another strain (detasseled). Photo, courtesy of Funk Bros. Seed Co., Bloomington, Illinois.

THE MAGIC OF HYBRID CORN

Product of the breeder's skill in applying the principles of Genetics and Rigid Selection

The golden grain crop of the midwest has yielded to the dictates of science. Geneticists now specialize in producing inbred (self-pollinated) strains of corn under carefully controlled conditions. In turn, these inbred strains are crossed and pre-tested for ability to produce increased yields; for better drought and disease resistant characteristics. Alert farmers plant the resultant seed, assured of amazingly higher yields.

Sixty percent of the corn grown in the midwest this year was hybrid corn. And four-fifths of this crop will be marketed via live stock. Thus, thousands of items based on hybrid-corn-fed stock will join the flow of daily transactions over the counters of the Drovers Banks.

The Drovers National Bank is a logical choice for the Chicago Correspondent of Midwest Banks. Your Inquiry is Invited.

Members, Federal Deposit Insurance Corporation

DROVERS NATIONAL BANK
DROVERS TRUST & SAVINGS BANK
UNION STOCK YARDS, CHICAGO

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"We have an immediate opening for a man 35 to 50 with moral integrity, good sales personality, with banking or investment background, who is capable of earning \$3,000 to \$5,000 upwards per year. Permanent position with old nationally-known company. Give full experience, earnings and snapshot in replying. Our own staff knows of this advertisement. Write Q. R. care of NORTHWESTERN BANKER.

R.E. CRUMMER & COMPANY
1ST NAT BANK BLDG. CHICAGO, ILLINOIS
ESTABLISHED 1897

MUNICIPAL BONDS

OMAHA OFFICE
 508 Insurance Building
 M. T. CRUMMER, Mgr.

DES MOINES OFFICE
 314 Equitable Bldg.
 WALTER P. DAVIS, Mgr.

Noted Economists On Investment Bankers Program

THE effects of the war on economic conditions in the United States will be discussed before the annual convention of the Investment Bankers Association of America by Benjamin M. Anderson, Jr., one of the foremost authorities on financial and monetary phases of economics. This was disclosed today by Jean C. Witter of Dean Witter and Company, San Francisco, president of the association, along with a number of other additions to the program for the meeting to be held at Del Monte, California, October 9 to 13.

Dr. Anderson, professor of economics at the University of California at Los Angeles, was formerly economist of the Chase National Bank of New York and author of the long series of Chase Economic Bulletins which have dealt with practically every important

economic development of the last fifteen years. He will address a general session of the convention on Thursday, October 12.

A fourth forum has been added to the program for Wednesday, October 11, Mr. Witter also stated. It will be on the subject of relations between the over-the-counter securities markets and the stock exchanges and presided over by F. Dewey Everett of Hornblower and Weeks, New York, chairman of the association's Stock Exchange Relations Committee. Paul H. Davis of Paul H. Davis and Company, Chicago, a governor of the New York Stock Exchange and one of those nominated for election as a vice president of the I. B. A. at the close of the convention, will participate in the discussion which is expected to deal extensively with the report recently made to the exchange by the Public Examining Board on Customers Protection. This is the body that considered suggestions for a special brokerage bank. Other forums, previously announced, deal with "Private Enterprise in America," "Municipal Revenue Bonds," and "Industrial Relations."

Another eminent economist, Lionel D. Edie, economic consultant of New York, will also address the convention, discussing private as contrasted with socialistic financing of industry, a subject that has been made particularly timely, spokesmen for the association point out, by the fact that conditions of emergency such as those produced by war inevitably lead to suggestions that the government take over more and more of private functions. Everett Dean Martin, professor of social philosophy at Claremont College, Claremont, California, and for many years director and head of the department of social philosophy of Cooper Union Forum in New York, will speak at the same session as Dr. Edie, discussing "Conflicting Philosophies of Government Today."

Other guest speakers already announced include Almon E. Roth, president of the San Francisco Employers' Council, who will address a forum on industrial relations, and James Lynn Beebe of the Los Angeles law firm of O'Melveny, Tuller and Myers, who will address the forum on revenue bonds on the subject, "The Intelligent Control of the Issuance of Revenue Bonds."

MORTGAGE INVESTMENT CORPORATION

SHORT TERM COLLATERAL TRUST NOTES

Secured by FHA Insured Mortgages

held under Trust Indenture

by

Central National Bank & Trust Company, Des Moines, Iowa, Trustee

Mortgage Investment Corporation

825 Fleming Bldg.

Des Moines, Iowa

Offices: Dallas, Texas—Des Moines, Iowa—Houston, Texas—Tulsa, Oklahoma

Over-Counter Facilities
 in All Markets
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 Securities
McGUIRE, WELCH & CO.
 231 So. LaSalle
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 DES MOINES

F. H. A. Insured Mortgages

Available for Bank Investment
 Originated and Serviced by

THE NATIONAL COMPANY OF OMAHA

500 First National Bank Building
 OMAHA, NEBRASKA

NEBRASKA

Investment Bankers Association

Organized 1920



ABE MARTIN
President
Lincoln



ROBERT P. ELICK
Secretary
Omaha

Omaha's Metropolitan Utilities District and city officials, on the basis of recent municipal bond levels, were counting tidy profits resulting from recent large-scale sales of sinking fund securities at peak quotations.

The portfolio adjustments, they explained, were largely a coincidence. One utilities director said: "We, began switching long-term for short-term sinking fund securities six months ago to obtain maturities in line with due dates of our own bonds."

City Comptroller Stenicka sold \$368,000 of city special assessment sinking fund investments to help pay off the \$466,000 police pension and \$72,000 county jail feeding judgments. The city actually realized a \$57,000 profit on its transaction. Shortly afterward, the same bonds would have yielded less than \$20,000 profit, the comptroller said.

Mr. and Mrs. John M. Douglas returned recently from Three Lakes, Wis., where Mrs. Douglas had spent a month with her mother, Mrs. George W. Sumner. She was then joined by Mr. Douglas for a two weeks' trip into Canada.

Formal opening of the new streamlined offices of the Occidental Building and Loan Association of Omaha was held recently, with President Ford E. Hovey and other officers as hosts.

The firm is observing its 50th anniversary. The new quarters were open for public inspection until 9 o'clock at night.

Unusual is the interior arrangement of the main lobby, with desks and departments arranged in circular effect.

Mayor Dan Butler of Omaha said recently he would oppose any contribution by the city of Omaha to help in a national fight against federal laws imposing federal income taxes upon state and municipal bonds.

The declaration was in response to a letter from the Conference of State

Defense. The Metropolitan Utilities District of Omaha contributed to the fund last year.

"If the treasury department succeeds in getting local bonds taxed by the government," Butler said, "the same rights will exist for us against federal securities. I don't believe this is a matter in which the city should get involved."

After stockholders of the Standard Oil Company of Nebraska voted recently to accept the offer of the Standard Oil Company of Indiana to purchase the Nebraska company's stock at \$17.50 a share, reorganization of the Nebraska concern immediately got under way.

H. W. Pierpont, president of the Nebraska company, said the vote on the basis of shares of stock was 81 per cent in favor of the sale and only 2 per cent opposed. Seventy-nine stockholders attended a meeting of the board of directors, representing 75 per cent of all holders.

New articles of incorporation for the Nebraska company were filed with the Nebraska secretary of state at Lincoln as a first step in completion of the deal.

Incorporators listed for the new company were Thomas C. Woods, Edwin H. Hammond and Richard W. Smith, all of Lincoln. The company is capitalized at \$2,500,000.

Appraisal of causes of the last depression and forecast of the business and banking future, chiefly as it applies to construction financing, were among subjects for discussion at the annual convention of the Mortgage Bankers' Association of America in Detroit October 4 to 6.

Omahans who attended included T. R. Richardson, vice president, Western Securities Company; C. J. Claassen, president, Farmers National Company; W. M. Hargleroad of the Service Life Insurance Company of Omaha; Linn P. Campbell, president, Byron Reed Com-

pany, Inc., and C. W. Mead, president, Nebraska Bond and Mortgage Corporation and a member of the board of directors of the national association.

Mr. and Mrs. Harold T. Landeryou have returned after a ten-day motor trip to Great Falls, Mont., Yellowstone Park and Estes Park, where they visited Miss Lorraine Landeryou, who spent the summer at the Cheley camps.

Chemical Bank

The board of directors of the Chemical Bank & Trust Company declared the regular quarterly dividend of 45 cents per share on the capital stock of the bank payable October 2, 1939, to stockholders of record September 19th.

At the same meeting, Frank I. Curry, formerly manager of the bank's office at Tenth Avenue and 23rd Street, was appointed as assistant secretary and transferred to the Waldorf Astoria office. John L. Brenner, formerly assistant manager at Tenth Avenue and 23rd Street, was appointed manager of that office to succeed Mr. Curry. John H. Pfeiffer, assistant manager, was transferred from the Waldorf Astoria office to the Tenth Avenue and 23rd Street office.

LAMSON BROS. & Co.

ESTABLISHED 1874

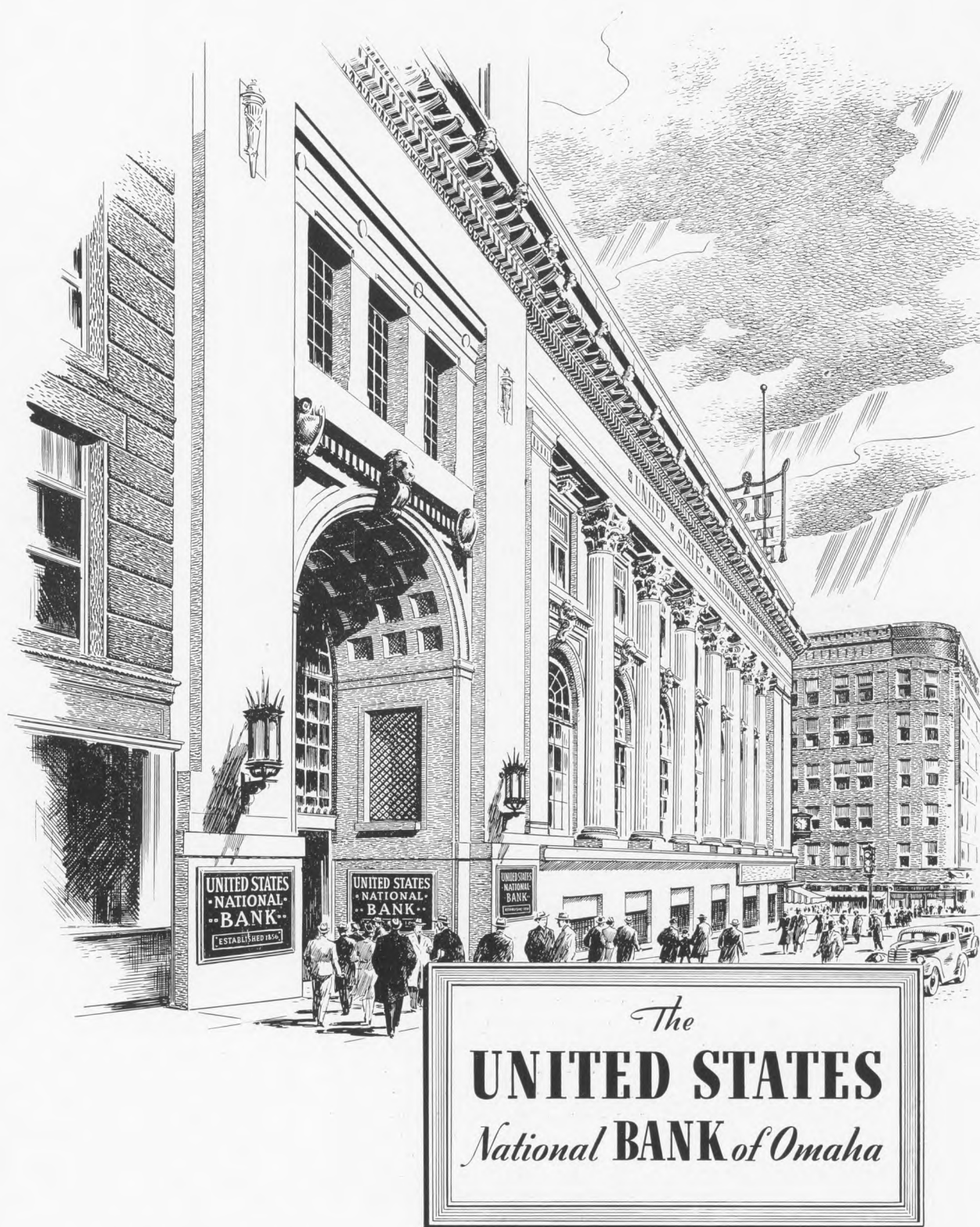
141 W. Jackson Blvd., Chicago
50 Broadway, New York

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Davenport, Iowa	St. Louis, Mo.
Des Moines, Iowa	Omaha, Neb.
Dubuque, Iowa	Lincoln, Neb.
Fort Dodge, Iowa	Bloomington, Ill.
Iowa Falls, Iowa	De Kalb, Ill.
Marshalltown, Iowa	Gilman, Ill.
Mason City, Iowa	Galesburg, Ill.
Sioux City, Iowa	La Salle, Ill.
Storm Lake, Iowa	Peoria, Ill.
Waterloo, Iowa	Quincy, Ill.
Frankfort, Ind.	Muskogee, Okla.
La Fayette, Ind.	

MEMBERS OF LEADING SECURITY
and COMMODITY EXCHANGES



Member Federal Deposit Insurance Corporation

Northwestern Banker October 1939



E. S. HOLCOMB
President
Broken Bow

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Loan Figures

Perhaps suggested by a recent survey on loans conducted by the NORTH-WESTERN BANKER, and published last month, the Continental National Bank of Lincoln made its loaning facilities the basis for an advertisement recently appearing in a Lincoln newspaper. The copy called attention of the reader that contrary to public opinion, that banks were not loaning money, the Continental National was loaning money to worthy individuals and firms in Lincoln and vicinity.

The advertisement listed 1,464 commercial loans totalling \$2,412,173; 415 automobile loans of \$122,351; and personal loans of 1,034 amounting to \$202,557. Adding these and several of smaller amounts, the total was 3,036 new loans from January 1st to July 31st, this year, in the amount of \$2,892,006. Total loans made and renewed during this period came to \$6,667,258.

Former Banker Dies

John S. Stevens, the first cashier of the Peoples State Bank of Ramona, died recently, victim of a heart attack. Mr. Stevens was with the bank for about five years after its organization in 1907, then moving to the province of Nova Scotia, where he lived since.

His death occurred shortly after his return from the New York World's Fair.

Regional Meeting

Members of the South Central Nebraska Regional Clearing House Association met in Hastings on the evening of September 28th, as announced by O. A. Riley, president.

It was the regular fall meeting of the bankers' organization. Officers

and executive committee for the ensuing year were elected.

The dinner meeting was at the Clarke Hotel, beginning at 6:45. From 70 to 80 officers and employees of the member banks attended.

Among subjects discussed was agriculture, the wage and hour law and social security.

A. I. B. In Columbus

Announcement has been made by Cashier Howard Burdick of the Central National Bank, Columbus, of the commencement of the second annual study course under the direction and sponsorship of the American Institute of Banking.

Instructor in the course will again be Marvin Schmid, who conducted the first class a year ago.

Last year, the course, which ran through 28 lessons, was exclusively for employees of financial institutions, with 15 students, 14 from Columbus and one from David City, finishing the course. The course was commercial law.

Mr. Burdick announced a change in the plan this year, which will enable anyone interested to enroll in the course at a considerably reduced fee.

Bookkeeper Dies

Fred J. Martis, 62, general bookkeeper of First National Bank, Omaha, who started there as a mail boy 47 years ago, died recently at a hospital of complications which followed an ear infection several weeks ago.

Mr. Martis had lived in Omaha all his life. The only job he ever held was with the bank. He was a member of Union Pacific Council, No. 1069 of Royal Arcanum.

National Bank of Commerce

Organized back in 1902, the National Bank of Commerce in Lincoln has grown to be one of Nebraska's outstanding banking institutions. From deposits of only a few thousands in its first few years, according to its June last statement the bank had deposits of \$10,374,451, and resources of \$11,527,740. Capitalized at \$300,000, the National Bank of Commerce has surplus, undivided profits and reserves of close to a million dollars. Loans and discounts and bonds and investments are both well above the \$3,000,000 mark, while the bank has cash and sight exchange of \$4,568,886.

Heads Merged Banks

George Froehlich is the newly elected vice president of the First National Bank at Falls City. The First National and the Falls City State Bank were merged, negotiations for the consolidation having been under way for several months.

Mr. Froehlich, only son of R. V. Froehlich, of Leigh, has been a resident of Falls City for two years during which time he was associated with the First National Bank. He is the operating head of the bank.

Besides Froehlich, other officers of the First National Bank are: E. H. Towle, president; John W. Towle, Omaha, vice president; F. W. Buchholz, cashier; A. D. Cameron, assistant cashier; and Edwin S. Towle, Harold Bedwell and Mrs. Mary Bedwell, directors.

Falls City now has two banks, the First National and the Richardson County. The First National was established 57 years ago.

Prizes Offered

4-H members showing at the county fair will have additional prizes in some divisions of the show as a result of some prize money being offered by the Farmers and Merchants State Bank of Bloomfield to the winners of the several divisions. The bank is offering \$60 in cash awards for the 4-H contest.

Returns From Vacation

Oscar Zimmerer, bookkeeper at the Avoca Bank, returned to work recently after a vacation spent in the west. He enjoyed his stay at Estes Park, but returned home a few days before he was due back on the job.

UNITED STATES CHECK BOOK COMPANY
OMAHA, NEBRASKA
• BANKERS SUPPLIES •

Resigns

Mrs. Ada Headley, who has been employed at the Citizens National Bank, Ashland, since it started in business, has tendered her resignation, effective last month.

Banker Married

Mrs. Harley Bovee before her recent marriage was Miss Henrietta Faudel, daughter of Mr. and Mrs. Charles Faudel, Pierce. The young

couple will make their home in Pierce where Mr. Bovee is assistant cashier of the Cones State Bank.

Genoa Merger

The First National Bank and the Genoa National Bank of Genoa merged recently and opened for business as the Genoa National Bank. The merger was effected as an economy measure.

Officers for the new bank are as follows: John Elm, president; C. R.

Wright, W. V. Kenner and B. D. Gorman, vice presidents; O. J. Irwin, cashier; W. N. Winnell and E. L. Burke, Jr., assistant cashiers and Dr. Homer Davis and Peter Larson, directors.

NEBRASKA CONVENTION

(Continued from page 17)

- Nebraska State Bank, Broken Bow.
- 2:20 Introduction of bankers of fifty years' experience.
- 2:35 Announcement of committees.
- 2:35 Address—"Public Responsibilities of the Banking Profession," by W. A. McDonnell, president, Arkansas Bankers Association, Little Rock.
- 3:05 Address by Dr. William J. Hale, research consultant, Dow Chemical Company, Midland, Michigan.
- 3:50 Round table discussion of the Wage-Hour Law, Chairman M. M. Taylor presiding. Opening statement by P. A. Ude, cashier, Nebraska Security Bank, Deshler.
- 4:00 Adjournment.
- 6:30 Dinner, entertainment and dance at the Hotel Fontenelle.

Tuesday Morning, October 24th Ballroom, Hotel Fontenelle

- 10:00 Call to order by the president, E. S. Holcomb.
- 10:10 Address—"By Their Faces Ye Shall Know Them," by Julian T. Baber, United States Secret Service, Washington.
- 10:15 Address—"Profitable Banking," by E. S. Woolley, director of banking installations, George S. May & Company, New York City.
- 10:55 Introduction of the winner of the association's essay contest on the subject "The Value of Your Local Bank to Your Community," Miss Mary Claire Jordan of Winside.
- 11:00 Round table discussion of General Lending Competition, Chairman M. M. Taylor presiding. Opening statement by J. Y. Castle, cashier, McDonald State Bank, North Platte.
- 11:45 Round table discussion of the Social Security Act, Chairman M. M. Taylor, presiding. Opening statement by R. I. Stout, president, First National Bank, Tekamah.
- 12:00 Adjournment.
- 12:15 Convention luncheon, Hotel Fontenelle.

(Turn to page 48, please)



In Observance of 50 Years of Service

Home owners and investors have used the facilities of the Occidental for a half-century. Our new quarters are testimony to the success of this fine old institution.

Statement October 1, 1939

RESOURCES			
Real Estate Loans.....	\$3,687,113.50		
Real Estate Sold on Contract.....	712,291.54		
Stock Loans.....	9,227.42	\$4,408,632.46	
Office Building.....		270,000.00	
Real Estate.....		177,518.27	
Foreclosure Account.....		27,723.14	
Furniture and Fixtures.....		1.00	
Cash and Bonds.....		822,433.90	
Taxes and Insurance Advanced.....		13,039.74	
Interest Accrued (Mortgage Loans).....		7,408.31	
Other Assets.....		372.00	
		\$5,727,128.82	
LIABILITIES			
Capital Stock.....	\$5,141,041.04		
Incomplete Loans.....	14,181.71		
Advance Payments on Taxes and Insurance.....	20,518.93		
Reserves and Undivided Profits.....	551,387.14		
		\$5,727,128.82	

OCCIDENTAL
Building & Loan Association
322 So. 18th Street Omaha, Nebraska

Ford E. Hovey, President

Northwestern Banker October 1939



Omaha Clearings

The **Bank of Florence** building, in suburban Omaha, which has been occupied by a banking house continuously since 1856, will be vacated December 1 when the present Bank of Florence moves to a new home at Thirtieth Street and Ames Avenue, nearer the center of the city.

The name of the bank will be changed, according to Robert Hall, executive officer, to the North Side Bank.

In the old building, one of Omaha's landmarks, is the original vault con-

structed about 1857. At one time, the original bank issued its own money, including \$1, \$2, \$3, and \$5 bills. It was one of only a few banks ever to issue a \$3 bill.

The present bank was organized in 1930 after a previous bank of the same name had closed. The present bank is owned principally by officers and stockholders of the First National Bank of Omaha.

The new building will be one story, 24 by 80 feet, and will give the bank more room to care for an increase in business.

President **Alvin E. Johnson** of the Livestock National Bank of Omaha and Mrs. Johnson were hosts recently at dinner honoring **Governor R. L. Cochran** of Nebraska, Mrs. Cochran, and their daughter, Mary Eileen. Miss Cochran and Miss Myrtle Louise Johnson were campmates this summer at Camp Lake Hubert. Miss Cochran is entering Ward-Belmont this fall.

Leon Powers, general agent for the Farm Credit Administration at Omaha, entered a hospital in Scottsbluff, Neb., recently for treatment after he was taken ill while in that city. He returned to Omaha soon afterward.

Mr. and Mrs. **Ray R. Ridge** have returned from a 10-day motor trip through Colorado and Wyoming. They were guests at the Tom Wolff ranch at Medicine Bow, Wyo., and attended the annual roundup there. Previously, they spent a short time at Northern Pine Lodge, Potato Lake, Minn., and at Winnipeg, Canada. Mr. Ridge is vice president of the Omaha National Bank.

Charley Dickerson, longtime employe of the Omaha National Bank, once was known as "Omaha's official butler."

A number of years ago, he prepared banquets for many notables who were

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Skillful business management applied to tenant farms is the secret of success. Names of owners for reference will be sent on request.

Write for our **FREE** booklet "Successful Farming For Absentee Owners."

**Farmers National
Company**

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Omaha, Nebr.



*We Will Welcome a Visit From You
During...*

NEBRASKA BANKERS CONVENTION

October 23 and 24

and

**AK-SAR-BEN LIVE STOCK AND
HORSE SHOW**

October 22 to 28, Inc.

**LIVE STOCK NATIONAL BANK
O M A H A**

Member Federal Deposit Insurance Corporation

entertaining in Omaha. He officiated at so many of these public and private gatherings that visitors to the city used to say: "There's that butler again." Charley knew the wines, the right temperature of drinks and the food preferences of prominent Omahans. He was in constant demand. A woman from Boston once said: "They give wonderful parties in Omaha, but they've all got the same butler."

Ethel Mellor, teller at the Omaha National Bank, spoke at the seventeenth annual convention of the Association

of Bank Women September 21 to 24 in Seattle, Wash. Her topic was "Serving the Woman Customer."

Other Omaha members of the association are Anna T. Olsson of the Live Stock National Bank, Minnie Phalen of the United States National Bank and Frances E. Stem of the First National Bank.

Mr. and Mrs. **Gwyer H. Yates** returned recently after an eastern trip which took them to Ogunquit, Maine, the White Mountains and New York City.

Mr. and Mrs. **Otis T. Alvison** spent a month with their daughter, Mrs. John W. Howard, and her family in Beloit, Wis. Mr. Alvison is vice president of the Omaha National Bank.

You hear lots of people say they envy bankers their hours.

But the truth is, they don't know what they're talking about. Banks may close at 2:00 p. m., but for most bank employes the work then really begins.

To prove this, The Omaha *World-Herald*, in its rotogravure section, recently featured a series of pictures taken in Omaha banks to show how, when the banking doors close behind the last of the day's customers, the day's business has to be recorded and the figures proved. That's why "bankers' hours" don't live up to their name.

The Live Stock National Bank of Omaha has received approval from the comptroller of currency to increase the bank's capital stock from \$450,000 to \$500,000, according to **President Alvin E. Johnson**. The increase is being made by payment of a stock dividend of \$50,000 in which all shareholders are participating in proportion to their holdings.

The bank board also voted to increase surplus from \$450,000 to \$500,000, thus making total capital and surplus \$1,000,000, with total resources exceeding \$15,000,000.

When the bank opened December 9, 1907, its capital stock was \$100,000.

W. B. T. Belt, former president and chairman of the board of the Northwestern Bell Telephone company, has been elected president of the National Security Fire Insurance company of Omaha, succeeding Denman Kountze, former banker, who resigned to form a new general insurance agency at Omaha.

E. H. Porter of Philadelphia, secretary-treasurer of the Insurance Company of North America, became secretary-treasurer of the National Security Fire Insurance Company, but will continue to live in the east.

Fred J. Martis, 62, general bookkeeper for the First National Bank of Omaha, who began at the bank as a mail boy 47 years ago, died recently at an Omaha hospital. He was a lifelong resident of Omaha.

Charter No. 209

First National Bank

of Omaha

●

The

Oldest National Bank

From Omaha West

Nationalized 1863

OFFICERS

T. L. DAVIS.....President	O. H. ELLIOTT.....Assistant Cashier
F. W. THOMAS.....Vice President	C. H. VEBER.....Assistant Cashier
J. F. McDERMOTT.....Vice President	E. F. JEPSEN.....Assistant Cashier
C. D. SAUNDERS.....Vice President	E. N. SOLOMON.....Assistant Cashier
J. T. STEWART, III.....Cashier	J. F. DAVIS.....Assistant Cashier
A. H. CHISHOLM.....Assistant Cashier	H. A. ARNSBERGER.....Assistant Cashier
W. E. SPEAR.....Trust Officer	
E. G. SOLOMON.....Assistant Trust Officer	

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Federal Reserve System

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Federal Deposit Insurance Corporation

YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA



Lincoln Locals

District Judge Broady, in Lincoln, recently entered judgment in the case of E. H. Luikart, receiver of the First State Bank of Bethany, against a number of stockholders for double liability. The judgments entered were against Henry Heiliger for \$12,200, H. P. Heiliger for \$5,189, against Ernest Niemeier for \$3,000, J. Loyd McMaster \$1,000, Charles Phillips, Jr., \$1,500, C. E. Sanden \$4,000, Mrs. C. Roscherk \$392.87, Adam Heiliger \$5,000 and Frank Pool, as executor of the estate of Charles W. Pool, \$400.

The Bethany Bank was taken over by the banking division of the department of trade and commerce on November 26, 1929. At that time there was \$164,468.01 due creditors. The indebtedness was reduced to \$39,294 in 1936 and the judgment against stock-

holders was entered to obtain funds under the liability act to take up most of the remaining indebtedness.

Nebraska state banks at the end of June this year found themselves with almost two million dollars more business on their books than they had July 1, 1938.

But more than that, Ben N. Saunders, state banking department director, has a feeling the 290 state banks are on an even more sound base than they have been for several years. During the last twelve months only one bank has been closed and the department, as its liquidating agent, has already reimbursed the FDIC for eighty per cent of the deposits it paid in full.

Attorneys for the First National Bank of North Platte filed a brief in

supreme court recently asking that the judgment of \$5,838 entered against it in district court in favor of the trustee of the bankrupt Goodman-Buckley Trust Company be set aside.

W. H. Munger, bank officer and guardian for Frank A. Mooney, incompetent now deceased, loaned \$6,000 to the trust company.

Buckley, as managing officer of the trust company, transferred \$4,200 of the money received to a corporation owned by himself, and used this sum to pay off an overdraft. The district court held that this was, in law, conversion by the bank of that sum, and directed that it repay the trustee, because Munger knew that Buckley was occupying a place of trust with the company and could not thus use its moneys.

The bank says that it was entitled to a jury trial to determine whether it acted with any fraudulent intent, and denies that the trust company was at the time or is now insolvent. Its attorneys claimed the court ignored the fact that the estate of the incompetent lost nothing because the mortgages taken for the loan were foreclosed, and that Buckley repaid the money.

The Nebraska banking department announced recently that an additional 15 per cent dividend of \$1,172 had been paid on deposits of the closed Cowles State Bank at Cowles, Webster county. The payments brought the total distributed to \$3,908, which was 50 per cent of the deposits.

PYPER COMPANY
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**MUNICIPAL
BONDS**

Over-Counter Facilities
In All Markets

305 City National Bank Bldg.
COUNCIL BLUFFS, IOWA



**Efficient
Correspondent Service
with
a
"Personal Touch"**

The **CONTINENTAL NATIONAL
BANK
of
LINCOLN**



Member Federal Deposit Insurance Corporation

Air-Conditions Its Safety Deposit Vaults

Deep in the underground strongholds that protect the safety deposit vaults of The United States National Bank of Omaha, customers may now go over their valuables in air-conditioned comfort. The United States National Bank is the first institution of its kind in downtown Omaha to install air-conditioning in this department.

Now, tempered air comfort prevails in both the lower vault, which holds the safety deposit boxes of the bank

and major business concerns, and the upper vault immediately below the bank's main floor, devoted principally to the use of individuals and business firms who do not require the larger vault capacity. Every customer room, corridor, and even the vault themselves receive constantly circulated, washed air, at a comfortable year 'round temperature.

The installation required several structural changes. The steel grill and barred door entrance to the large vault have been faced with heavy, three-ply, bullet-resisting glass. Two one-quarter

inch laminations of glass face both sides of a solid panel three-quarters of an inch thick.

In demonstration tests, a bullet fired from the Springfield army rifle at 60 feet, penetrated a $\frac{3}{8}$ inch thickness of boiler plate, while under the same conditions, the bullet dug a hole $\frac{1}{2}$ inch deep in the three ply glass, but did not penetrate further or cause any glass to leave the reverse surface.

A speaking tube has been installed for communication with the guards in constant attendance behind this wall of glass. Not only does this installation give the last word in protection but it also confines the conditioned air within the vault.

This air-conditioning project marks another progressive step by The United States National Bank of Omaha in the interests and consideration of its customers.



"Our Kind of Bank"

"THE thing that makes the American National so useful to us as a Chicago correspondent is that they really understand our problems. It's our kind of bank and its officers seem able to give us just the sort of information and help we need."

★ ★ ★ ★

The American National Bank
and Trust Company of Chicago



is equipped to render to correspondent banks everything they need in the way of speedy, accurate service. In addition it offers the personal attention of men whose actual experience has made them conversant with the problems of banks in smaller communities. Come in and see us the next time you are in Chicago.

AMERICAN NATIONAL BANK AND TRUST COMPANY

of Chicago

LA SALLE STREET AT WASHINGTON

Member Federal Deposit Insurance Corporation

COMMERCIAL • CHECKING • SAVINGS • TRUSTS

NEBRASKA CONVENTION

(Continued from page 44)

**Tuesday Afternoon, October 24th
Ballroom, Hotel Fontenelle**

- 1:45 Call to order by the president, E. S. Holcomb.
- 1:45 Report of the secretary, Wm. B. Hughes.
- 1:55 Report of the treasurer, F. W. Thomas.
- 2:05 Election of Nebraska officers for the American Bankers Association—by members of that organization, M. M. Taylor of Columbus, state vice president for the A. B. A., presiding.
- 2:25 Report of the Resolutions Committee by W. F. Wenke, cashier, Pender State Bank.
- 2:45 Report of the Auditing Committee by M. M. Taylor, president, Central National Bank, Columbus, chairman.
- 3:30 Address—"Recurrent Drouths; Nebraska's Problem," by Emil E. Placek, president, First National Bank, Wahoo; chairman, Committee on Agriculture, N. B. A.
- 4:00 Round table discussion of Safety Deposit Box Methods, Chairman M. M. Taylor presiding. Opening statement by Norman E. Shaffer, cashier, First National Bank, Hooper.
- 4:45 Report of the Nominating Committee, by Chairman W. S. Collett, president, Crete State Bank.
- 4:50 Installation of new officers.
- 5:00 Adjournment.

• NEBRASKA NEWS •

Entertainment**Monday, October 23rd**

- 12:30 Luncheon honoring 50-year bankers.
 6:30 Dinner in ballroom, Hotel Fontenelle. Floor show—dance. Golf. (Inquire at convention desk.)

Tuesday, October 24th

- 12:15 Convention luncheon, Hotel Fontenelle.
 8:00 Ak-Sar-Ben Horse Show. Golf. (Inquire at convention desk.)

plays—H. D. McCowan, Worcester, Massachusetts; golf—John F. Hollenbeck, Springfield, Ohio; ladies entertainment—Mrs. Grace Bryan, Wilmington, Delaware; news and publicity—Syd J. Hughes, New York, New York; nominations—Ralph W. Pitman, Philadelphia, Pennsylvania; program—R. W. Watson, New York, New York; registrations—Joseph E. Birnie, Atlanta, Georgia; resolutions—H. B. Weaver, Davenport, Iowa; and sectional associations—Charles H. Bryant, Des Moines, Iowa.

Appointment

Charles J. Zimmerer, vice president of the Commercial Credit Company of Baltimore, announces that effective this month Harvey W. Salmon assumes the responsibilities of resident manager of the bank relations department of the company in Chicago.

Mr. Salmon takes the position held until recently by George W. Provost, Jr., who has resigned to accept a position with the Central Hanover Bank & Trust Company, of New York.

Endorse Johnson

One thousand members of Chicago Chapter, American Institute of Banking, at a general meeting, heartily endorsed the action taken by the board of directors placing the name of C. Edgar Johnson, assistant cashier of The First National Bank of Chicago, in nomination for the executive council of the American Institute of Banking, at the next national meeting of the organization to be held at Boston in June 1940.

For the past twenty-eight years Mr. Johnson, a life member and an Institute graduate, has shown his loyalty to the Institute by outstanding service to Chicago Chapter. He has held numerous committee appointments and all of the elective offices locally, has been a member of several national committees, has actively participated in conference work at conventions and has served efficiently four years as associate councilman. His outstanding success as chairman of the 1933 convention committee was such a demonstration of organizing ability that there have been few bankers' meetings of any size in this city since that time which have not depended upon him for some degree of management.

Morris Plan Convention

Appointment of Wallace D. McLean as general chairman for the Twentieth Annual Convention of the Morris Plan Bankers Association, which will be held October 9th, 10th and 11th, at Rye, New York, has been announced by Harry E. Small, of Cleveland, president of the Association. Mr. McLean is chairman of the board of the Morris Plan Industrial Bank, New York City. Announcement has also been made of the various convention committee chairmen, which are:

Auditing—Elwood G. Childers, Washington, D. C.; redentials—R. A. Elmendorf, Evansville, Indiana; entertainment—M. P. Bradley, New Haven, Connecticut; exhibits and dis-

Northwestern Banker October 1939

Since 1881

F. E. DAVENPORT & CO.

Has served the Bankers in Time-lock, Safe and Vault Inspection

We are proud of this record and of our relations as the official experts of The Nebraska Bankers Association

Our 24-Hour Continuous Service Guarantees
You Immediate Attention

Distributors of YALE & TOWNE MFG. CO.
Bank Locks and Day Protection Equipment

F. E. DAVENPORT & CO.

OMAHA

CONDENSED STATEMENT, JUNE 30th, 1939

National Bank of Commerce

OF LINCOLN, NEBRASKA

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$ 3,659,409.48	Capital	\$300,000.00
Overdrafts	844.29	Surplus	300,000.00
Banking House, Furniture and Fixtures	253,000.00	Contingent Reserves.....	300,000.00
Real Estate	21,000.00	Other Reserves.....	200,000.00
U. S. Bonds.....	3,000,000.00	Undivided Profits....	41,288.81
Other Bonds	2,500.00		\$ 1,141,288.81
Warrants	4,100.34	Reserve for Dividends.....	12,000.00
Stock Federal Reserve Bank....	18,000.00	Deposits	10,374,451.74
Cash and Sight Exchange.....	4,568,886.44		
	\$11,527,740.55		\$11,527,740.55

Member of the Federal Deposit Insurance Corporation

OFFICERS

M. WEIL, President
 BYRON DUNN, Executive Vice President
 and Trust Officer
 ERNEST C. FOLSOM, Vice President
 ALBERT A. HELD, Vice President

JULIUS WEIL, Vice President
 B. G. CLARK, Cashier and Assistant
 Trust Officer
 D. S. COZAD, Assistant Cashier

New Omaha General Agency

A NEW general insurance agency, comprised of two well-known insurance men, John K. Morrison and Denman Kountze, has been organized in Omaha, and is starting business under the firm name of Morrison and Kountze.

John K. Morrison has been in the insurance business for many years, with headquarters in Omaha, operating through the western territory under the name of Morrison & Company, and is well known in insurance circles.

Denman Kountze is former president, secretary, treasurer and director of the National Security Insurance Company, the latter title which he still retains, and is well known in national and local insurance circles.

Associated with the firm of Morrison and Kountze are Norman N. Kemmler, Mark W. Besack and E. H. Dahlgard, who will be assisted by E. F. Anderson and Earl Woods, as field representatives.

The official set-up of the Morrison

and Kountz General Agency is John K. Morrison, president and treasurer; Denman Kountze, vice president and secretary, and Mark W. Besack, Norman N. Kemmler and E. H. Dahlgard, assistant secretaries.

The offices of the company will be maintained in the Brandeis Theatre Building, Omaha, and will operate as general agents and underwriting managers in the states of Nebraska, Iowa, Kansas and South Dakota for the following companies:

Alliance, Anchor, Columbia, Federal Union, Globe & Rutgers, Imperial Assurance, North River, Phoenix Assurance and Providence Washington.

OFFICERS

C. L. Fredricksen, President
M. A. Wilson, Vice President and Cashier
W. G. Nelson, Assistant Cashier
W. C. Schenk, Assistant Cashier
L. W. Ross, Assistant Cashier

Our Pair of Aces

Two policies—the "Aces" of our correspondent service—are rigidly maintained at the Live Stock National Bank of Sioux City.

1. There must be complete provision for every banking need.
2. There must be efficiency in our methods and equipment.

So, no matter whether you send us live stock, hay and grain items or general correspondent business, we can serve you well in Sioux City.

LIVE STOCK



NATIONAL BANK

Sioux City, Iowa

"The Bank at the Yards"

Member Federal Deposit Insurance Corporation

DIRECTORS

C. R. McKenna, President, Johnson Biscuit Co.
B. L. Sifford, Attorney, Sifford & Wadden
G. F. Silkknitter, President, Sioux City Stock Yards Company
C. L. Fredricksen, President
M. A. Wilson, Vice President and Cashier
H. C. Boswell, Sec.-Treas., Western Contracting Corp.

Rates Reduced

Manufacturers Trust Company, New York, announces that its discount rate for most classes of personal loans has been reduced to 3 1/3 per cent per annum, which is the lowest rate known to be available for this type of credit in New York City. The only additional charge is 1/2 per cent per annum for insuring the life of the borrower during the term of the loan. This form of insurance, which is a feature of the bank's personal loan plan, serves to protect co-makers as well as the estate of the borrower.

Personal loans are extended by Manufacturers Trust Company from \$60 to \$3,500, and are repayable in equal monthly installments over a period of 12 or 15 months at the option of the borrower.

Personal loan service was inaugurated by Manufacturers Trust Company a little over four years ago so as to enable salaried workers, wage earners, business men and others to obtain small loans on advantageous terms. During this period the bank's personal loan department has made over 100,000 loans at an average of about \$300. In making this rate reduction, the bank hopes that an even larger clientele will thereby be enabled to enjoy the benefits of this helpful service.

Not Important

First Golfer: "Shall we play another round next Monday?"

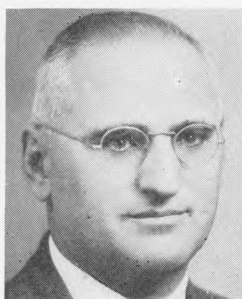
Second Golfer: "Well, I was to be married on Monday, but I can put that off till Tuesday."

SELL YOUR BANK

The "Walters" Way
Without Publicity

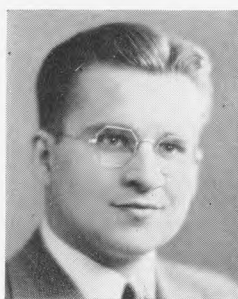
Qualified, carefully investigated bank employees furnished free

THE CHARLES E. WALTERS CO.
Omaha, Nebraska



WILLIAM C. REMPFER
President
Parkston

SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

Dividend

W. E. Stevens, president of the National Bank of South Dakota, Sioux Falls, announced that stockholders of record, September 12th, would receive a regular dividend of 4 per cent and an extra dividend of 2 per cent.

Operations of the bank for the first six months of 1939 are covered by the dividends, it was explained. The institution has affiliated branches at Vermillion and Huron.

Dies In Clark

Ransom J. Mann, 81, organizer of the Clark County National Bank, died at his home in Clark after a short illness.

A resident of Clark since 1900, Mr. Mann organized the bank in 1902. He served as president of the bank for several years. He was also connected with a bank at Browntown, Minnesota, which he helped organize in 1892.

Before opening the Clark Bank, Mr. Mann was in the real estate business. He also spent some time as brakeman and conductor on the Chicago and Northwestern Railroad.

Establish Bank

Leo Seppala, of Buffalo, and B. W. Keating of Buffalo Gap, have completed arrangements for establishing a bank in Edgemont, which, since 1932, has been without banking facilities. According to Mr. Seppala, arrangements with the State Banking Commission, for establishing a new bank, are completed. Mr. Seppala's experience in banking dates from 1920, when he first began work at the First State Bank in Buffalo. He has been cashier there from 1922 until the present.

Sioux Falls A. I. B.

Adolph Lodmell, chairman of the publicity committee of the Sioux Falls Chapter, reports that the annual commencement of the Sioux Falls A. I. B. was held September 7th, preceded by a banquet and a commencement address by C. A. Christopherson, president of the Union Savings Bank, Sioux Falls, South Dakota, who talked on present day problems and banking and finance.

Certificates were presented to this years graduates who were Paul E. Taubert, pre-standard certificate and Miss Bessie Dunn, standard certificate, both employes of the Northwest Security National Bank of Sioux Falls.

The evening ended by the showing of two vacation films by J. Virgil Lowe.

It was announced at this meeting that classes would open September

13th and 14th. The instructors are P. H. McDowell, vice president and trust officer of the Northwest Security National Bank of Sioux Falls, who will teach the course in Investments II and Clarence R. Beck, instructor from Washington High School of Sioux Falls, who will teach the course in Economics II.

Dividend Checks

Dividend checks for the State Bank of Irene are available according to F. R. Strain, liquidator in charge for the FDIC. The dividend is for 75 per cent of the total deposits at the time of the bank's closing about a year and a half ago. Mr. Strain has been in charge of the Irene bank since last October.

Liquidated

The liquidation of the receivership of the old First National Bank of Belle Fourche and the final closing of its affairs, was announced by the comptroller of the currency.

Total disbursements, including off-sets allowed, to depositors and other creditors of the bank aggregated \$485,557.

Anniversary

Members of the Pierre National Bank staff together with their families were guests of the management

1939 Group Meetings

South Dakota group officers have selected the dates October 14th to October 21st, inclusive, for the 1939 group meetings. A schedule of the seven meetings is as follows:

Saturday, October 14th, Group VII, at Sylvan Lake Hotel.

Monday, October 16th, Group I, at Gregory.

Tuesday, October 17th, Group III, at Mitchell.

Wednesday, October 18th, Group VI, at Mobridge.

Thursday, October 19th, Group IV, at Watertown.

Friday, October 20th, Group II, at Flandreau.

Saturday, October 21st, Group V, at Huron.

Officers of the seven Group Associations met in Huron recently to outline 1939 Group Meeting plans. About half of the Group Meetings will be afternoon and evening affairs, while the others will be only evening meetings. Tentative arrangements call for a talk on earnings by President Rempfer, a discussion of the Wage and Hour Act by someone well-versed on the subject, and a talk by someone apart from the banking business on what he expects from his bank. Some Groups may have other features on their programs aside from those enumerated above or may have something entirely different—the programs, of course, being entirely up to the officers.

UNITED STATES CHECK BOOK COMPANY
OMAHA, NEBRASKA
• BANKERS SUPPLIES •

at a banquet held last month. The bank celebrated its 50th anniversary.

Places were set for 42 at the dinner, after which Hon. Charles H. Burke, vice president, spoke on the past history of the organization, bringing it up to the present.

The bank received guests, friends and customers during the business hours, and the lobby was banked with flowers sent by friends of the institution and Pierre businessmen.

Annual Picnic

Bankers, representing the South-eastern South Dakota Regional Clearing House Association, and their families, held their annual picnic near Centerville recently. The picnic is held yearly for officers and employees of the banks and families. About 60 people were in attendance at this year's picnic.

George Starring, secretary of the state association, and Wm. C. Remp-

fer of Parkston, president, were present and spoke briefly. There was no program, the time being spent in visiting.

IN WASHINGTON

(Continued from page 39)

with insured liquidity but not subject to regular banking supervision.

The Patman bill to prohibit establishment of branches by any "financial institution" chartered or insured by a Federal agency received warm support from the Independent Bankers Association at its convention in St. Paul. The bill, which may come up at the special session, would apply to savings and loan associations as well as banks.

The Lee bill to draft wealth will be watched closely. It already has quite a bit of support and may be passed, but probably in a somewhat less drastic form.

Trust busting is likely to become less popular for a while at least. Government plans for coordination of business will likely require cooperation not permitted at present.

Doubts about the ability of the railroads to meet emergency demands are causing some concern. Federal Loan Administrator Jesse Jones made known recently that the roads are spending \$200,000,000 in the next six months for new equipment and repairs. Orders for \$125,000,000 of new equipment were placed recently. Mr. Jones estimated that reserve equipment could be repaired for from \$50,000,000 to \$75,000,000.

The sharp decline in the pound sterling since the war began has the Administration worried. Secretary Morgenthau announced the treasury is studying the situation created by the discrepancy between the official and unofficial quotation "with a view to combatting it." He did not disclose what steps might be taken. Reminded of emergency exchange control powers he said the United States is practically the only country left that has a free market and declared that "it is of great importance that we keep our markets open."

It is not expected that the stabilization fund will be used independently to support the sterling. It seems more likely efforts will be made to get the British themselves to close the gap between the two quotations. The Government has been in communication with Britain over the situation caused by use of the "blocked" sterling to pay for purchases from nations outside the empire. Sellers are paid as usual; the money is deposited in a British bank

(Turn to page 66, please)

A Recognized Collection Service

Correspondent banks in all parts of the country facilitate the service in collection and transfer of funds for which this bank is recognized.

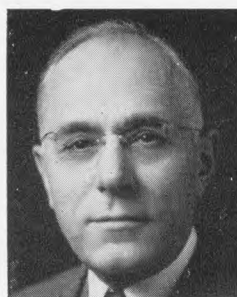
**Continental Illinois
National Bank
and Trust Company**
OF CHICAGO

Member Federal Deposit Insurance Corporation



A. B. LATHROP
President
St. Paul

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Bank Director Dies

E. J. Sterns, 83 years old, prominent in civic affairs and a leading business man in Hutchinson, died recently following a heart attack at his home.

Mr. Sterns had served as president of both the school board and the library board, and was a former mayor of Hutchinson. At the time of his death he was a bank director and head of twelve lumber yards in southern Minnesota.

Hold "Open House"

The State Bank of Fairbault, for many years prominently identified in Fairbault business, industrial, development and civic activities, announced a public event for Saturday, September 22rd, which commemorated the completion of a new project in the bank's distinctive record of progress—the complete remodeling and re-decorating of the bank building located on the corner of Central Avenue and Third Street.

The observance of the extensive new improvement program consisted of "open house" both afternoon and evening to the many friends and customers of the local banking institution. Several prominent bankers from nearby and distant communities attended the "open house" and personally offered their congratulations to the officers of the local bank.

Named Cashier

C. A. Lofgren has been named cashier of the Farmers State Bank of Hoffman to succeed his brother, the late G. A. Lofgren, according to an announcement of the board of directors. H. J. Malm of Glenwood was chosen to fill Mr. Lofgren's former position as assistant cashier.

County Election

The annual gathering of the Watonwan County Bankers Association was held last month in St. James with all but two of the county banks represented.

Dinner was served the group, after which the representatives retired to the directors' room at the First National Bank for a business session.

Officers were elected for the ensuing year. A. G. Ibeling of Darfur was chosen to lead the line-up as president, M. T. Laingen of Odin will serve as vice president, and M. E. Coltviet of Madelia will be scribe and handle financial affairs of the organization.

Dies at Spring Valley

Harry H. Steffens, Spring Valley resident since 1900 and for more than 30 years connected with various banks there, died suddenly at his home, from a heart attack. He was 60 years old.

He was born in Sumner township, March 12, 1879, and as a young man went to Montana where he was a bank employe before coming to Spring Valley in 1900. Eight years ago he retired from the banking business there to become an appraiser for the federal land bank.

New Officer

The resignation of George Daley was accepted by the board of directors of the First National Bank, Pine City, at the board meeting, and Robert E. Anderson was appointed assistant cashier, succeeding Mr. Daley.

Mr. Daley was appointed village clerk, following the resignation of Clark Pennington, and assumed his new duties at once.

Remodeled

The Farmers and Merchants State Bank, Appleton, has completed extensive improvements in their bank building and equipment and the officers, directors and staff extended an invitation to the public to attend "open house" at the bank on Saturday, September 23rd.

Improvements made include the installation of a new front, the interior has been enlarged and completely modernized, new furniture and equipment has been installed and the result

has been to make it one of the most handsomely appointed banks in this section of the state.

Bank officials staged the "open house" day to give the public an opportunity to view the improvements.

Fifty Years

Citizens State Bank of Brainerd celebrated its golden anniversary last month.

Fifty years ago—on September 16, 1889, an institution, terming itself the Northern Pacific State Bank and Trust Company, opened its doors.

Identified with the new enterprise were names that since have become prominent in Brainerd history—among them Leon Lum, C. M. Parker, H. W. Topping and H. W. Ribbel. Mr. Parker was the first president of the infant institution and J. M. Nevers served as its cashier.

Through the intervening years the bank has grown from a relatively tiny banking house, whose first statement showed combined assets at approximately \$100,000, to an institution with over a million and a half in deposits. It has a present capital of \$50,000; surplus of \$30,000. Its loans and discounts are well over \$500,000.

The bank changed its name to the present one in 1906. In 1927, the Bremer interests took over control of the bank and have been a controlling factor in its success and stability since.

In South St. Paul Bank

Coming to South St. Paul to fill the vacancy in the post of manager of the Stock Yards Mortgage Company, affiliated with the Stock Yards National Bank, left when T. A. Valine, Jr., resigned, Edward J. Bachman of St. Paul assumed his new duties recently. Mr. Bachman, for the past two years, has been in charge of the insurance agency connected with the First State Bank of St. Paul and has also had eight years of banking experience in that city in addition to special training in insurance work.

Modernized

Moorehead's First National Bank has gone "streamlined."

Recently workmen finished a remodeling and modernization job which completely altered the interior of the bank. All old "cages," behind which tellers and clerks have worked for years, were removed and replaced with "streamlined" counters, providing more informal dealing with patrons and also allowing more efficient business transactions. Lighting was improved considerably.

Northwestern Banker October 1939

TWIN CITY NEWS



Edmund S. Jones has been elected president of Chicago Lake State Bank, Minneapolis, to fill the vacancy created by the death of Malvern H. Manuel.

Gordon E. Larkin was named vice president to succeed Mr. Jones. Both men will continue as vice presidents of Marquette National Bank.

Frank J. Gavin, executive vice president and operating head of the Great Northern Railway, has been elected a director of First National Bank of St. Paul. He fills the vacancy created by

By **JAMES M. SUTHERLAND**
Special Correspondent

the death last January of W. P. Kenney, Great Northern president.

Stanley M. Gates, St. Paul, has been elected chairman of the Minnesota group of the Investment Bankers Association of America.

Other officers named are **James M. Dain**, Minneapolis, vice chairman; **Donald H. Brown**, Minneapolis, secretary-treasurer, and **Cecil A. Burnham**, Minneapolis, **Robert L. John**, Minneapolis, and **Alman A. Greenman**, St. Paul, members of the executive committee for two-year terms.

Paul Loudon, Minneapolis, will represent the Minnesota group on the national board of the I. B. A.

Seventy-five members of the Minneapolis chapter, American Institute of Banking, were awarded graduation certificates at the chapter's annual commencement dinner Sept. 19 at the Nicollet Hotel.

Commencement address was delivered by William A. Irwin, New York, associate educational director of the A. I. B. **Arthur W. Johnson**, chapter president, was toastmaster, and **Oliver S. Powell**, first vice president of the Minneapolis Federal Reserve Bank, presented the diplomas.

Abbott McC. Washburn, 52, vice president and general counsel of First National Bank & Trust Co., Minneapolis, and First State Bank Corporation, died Sept. 10 at Abbott hospital here.

He succumbed to a rare blood ailment from which he had been suffering for three years.

He was born in Mankato, Minn., April 25, 1887, and was a graduate of Andover, Harvard and the University of Minnesota law school. From 1912 to 1929 he was a member of the Duluth law firm of Washburn, Bailey & Mitchell.

During the World War he saw action overseas as a captain in the 351st infantry, 88th Division.

Mr. Washburn was a director of the bank and its holding company, and held office in several affiliates.

Surviving are the wife, a son, his mother, a brother and three sisters.

Honorary pallbearers at the funeral at Lakewood Chapel Sept. 13 were **Lyman E. Wakefield**, **S. T. McKnight**, **S. W. Wells**, **Orren E. Safford** and **R. B. Rathbun** of Minneapolis; **Phillip L. Ray**, **John G. Ordway**, **Edwin White** and **Milton W. Griggs**, St. Paul, and **C. R. McLean**, Duluth.

Veteran bankers are watching with sentimental wistfulness the demolition of one of Minneapolis' older banking buildings—the former **Northwestern Bank** building.

Home of that bank and of Northwest Bancorporation for years, the building is now falling before the March of Time—to become a parking lot.

The bank and bank holding company several years ago abandoned it to move into the new 16-story Northwestern Bank building a block away. Since then it has been used by a government agency and for a time by a retail store.

Floyd W. Larson, former president and executive secretary of the Minneapolis chapter, American Institute of Banking, and now assistant national secretary, was principal speaker at the chapter's membership and enrollment dinner.

Committee chairmen appointed by newly-elected President Arthur W.



Vitally Important
to a bank located in a community where livestock is a factor
is a
BANKING CONNECTION
In a Livestock Center
We Invite Your Account
STOCK YARDS
NATIONAL BANK
SOUTH ST. PAUL, MINNESOTA
Member Federal Deposit Insurance Corporation

Northwestern Banker October 1939

Johnson are: A. J. Berglund, Sumner G. Sinclair, Charles A. Cells, William R. Chapman, Christian Ries, Edna D. Johnson, Lubin G. Boehme, Arthur W. Johnson, John P. Knutson, H. C. Timberlake, F. L. Durand, Clarence L. Smith, G. Alice Catlin, Genevieve M. Nevin, Mildred V. Olson, Gordon E. Larkin, Evelyn G. Swanson, F. Mariner Clark, R. C. Rutherford and Gertrude Jacobson.

Named President

Edmund S. Jones has been selected by directors of Chicago Lake State Bank, Minneapolis, as president to fill the vacancy created by death of Malvern M. Manuel, according to Ralph W. Manuel, president of Marquette National Bank.

Gordon E. Larkin succeeds Mr. Jones as vice president of the Chicago Lake Bank. Both men will continue as vice presidents of Marquette.

New Staff Member

Mrs. D. E. Crary Mudd, secretary of the Minnesota League of Building, Savings and Loan Associations, recently joined the staff of the Northwestern Federal Savings and Loan Association of Minneapolis, as assistant to John E. Koch, manager. She will have charge of new business and public relations.

Officers Reelected

It is up to business, and not to government made-work programs, to provide employment for all the people, Senator Joseph C. O'Mahoney of Wyoming declared last month in St. Paul.

He spoke at the closing dinner of the tenth annual convention of the Independent Bankers' Association at Lowry Hotel.

Senator O'Mahoney, chairman of the temporary national economic committee which is studying monopolies, declared balancing local needs with national business is the central economic problem of the day.

"The achievements of business have been great," he declared, "but I am not convinced there is not yet unlimited opportunity for expansion of business into new fields." He suggested housing and manufacture of luxuries as among the possibilities.

Stressing the necessity for business to work toward increasing the purchasing power of the individual, he declared:

"I know of no group of Americans who can contribute more to solution of the problem than can bankers, be-

cause they deal with the fundamental factor of credit."

He commented that there had been a lag in private investment, and he wondered whether bankers as a whole had given sufficient study to the possibility of developing new local enterprise in the communities they serve.

Senator O'Mahoney was introduced by Senator Henrik Shipstead of Minnesota, who spoke in the afternoon on agriculture. Senator Shipstead said the vast program of government lending to farmers has not benefited them but merely "bailed out" banks,

mortgage and insurance companies and other lenders. He made no suggestions for remedying the situation.

All association officers were re-elected. They are M. L. Erickson, of Lake City, president; W. R. Spensley, of Hibbing, vice president; Harry Lee of Long Prairie, treasurer, and Ben Dubois of Sauk Centre, secretary.

Hold Election

A meeting of the South Western Minnesota Bankers Association was held at Luverne last month and in-

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buys and sells United States Government, Municipal and State bonds, and executes orders for the purchase and sale of other securities.

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Department of Banks and Bankers

WM. N. JOHNSON	F. W. CONRAD	D. E. CROULEY	L. P. GISVOLD
<i>Vice President</i>	<i>Assistant Cashier</i>	<i>Assistant Cashier</i>	<i>Assistant Cashier</i>

NORTHWESTERN NATIONAL BANK AND TRUST COMPANY

Marquette Avenue: Sixth to Seventh Street
MINNEAPOLIS, MINNESOTA

Member Federal Deposit Insurance Corporation

cluded in the party from Pipestone attending the gathering were Mr. and Mrs. E. J. Feldman, Mr. and Mrs. A. H. Jansen and daughter Phyllis, Mr. and Mrs. Arthur Stillwell, Mrs. R. E. Vibral and the Misses Ethel Waterman, Mildred Burnison, Elizabeth Reinsmith, Ann Woelber and Vivian Smallfield.

Mr. Feldman, president of the association, presided at the business session and officers for the new year were elected. A. A. Anderson of the

Luverne National Bank was selected as president to succeed Mr. Feldman. E. A. Timm of Balaton was elected vice president and B. W. Lloyd of Fulda secretary and treasurer. Hans Peterson of Ruthton was elected as one of the board of directors from Pipestone county to succeed A. C. Walker whose term had expired.

Anniversary

The First National Bank of McIntosh celebrated its fiftieth anniversary

recently, and to commemorate the event, the officers and directors held open house. The bank officers had extended an invitation to the community to help observe the day, and the response was overwhelming.

Over 1,000 people called at the bank and registered in the guest books, and each received a gift from the institution. Seven hundred fifty adults were presented with souvenir booklets, pencils and lunch tickets, and 300 children were presented candy bars.

Among those who called at the bank were residents of the Canal Zone, Wisconsin, Ohio, Washington and South Dakota.

Merger

Merger of the two Stewartville banks was effected last month when the Stewartville National Bank took over the assets and liabilities of the First State Bank of Stewartville.

M. J. Dixon, president of the state institution, retired from the banking business and will continue as secretary of the Farmers Elevator Company, Inc., and also will continue as agent for insurance companies.

H. N. Lenton, cashier, and E. E. Olson, teller, have taken positions with the National Bank. The building formerly occupied by the state bank remains the property of stockholders of the First State Bank.

The merger gives the Stewartville National Bank a capital of \$55,000 and surplus of \$12,000. Deposits are about \$700,000. Officers are Dr. C. E. Fawcett, president; E. J. Schatz, vice president; Homer Wooldridge, cashier, and Reinhardt Fitting, assistant cashier.

Returns to National of Detroit

Alvan Macauley, Jr., who left the National Bank of Detroit in 1937 to accept appointment as commissioner of banking for the State of Michigan, has completed his term in that capacity and has returned to the bank as an assistant vice president.

Mr. Macauley will devote his time to correspondent banking relations.

Dividend

The directors of The Northern Trust Company, Chicago, have declared the 167th quarterly dividend. The dividend was payable October 1, 1939, at the rate of \$4.50 per share; payable to stockholders of record as of September 19th.

1863



1939

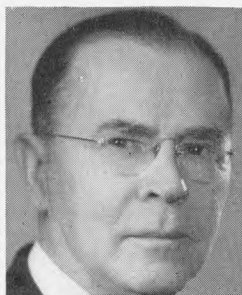
A Background to Meet Today's Problems

The accumulated experience of The First National Bank of Chicago covers seventy-six years. During that time the bank has seen the nation pass through many business cycles, each with its succession of complicated economic factors. Each of these phases in turn has created its own special problems.

To meet specifically the requirements of business, the Divisional Organization of The First National Bank was developed in 1905. This distinctive feature brings bankers into immediate contact with officers who are specialists in the requirements of correspondents. The long and valuable experience of the bank thus becomes immediately applicable to the problems of today.

The First National Bank of Chicago

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



FRANK R. SCOTT
President
Fargo

NORTH DAKOTA NEWS



C. C. WATTAM
Secretary
Fargo

Bank Debits

Fargo bank debits in August were ahead of those for the same month of 1938, a trend which has been evident throughout the year to date, according to the monthly report of the Ninth Federal Reserve district.

Debits for various northwestern points follow:

North Dakota			
	Aug. 1939	July 1939	Aug. 1938
			July 1938
Bismarck	\$10,786	\$12,216	\$ 9,651
Devils Lake	1,347	1,374	1,228
Dickinson	1,492	1,320	1,010
Fargo	17,430	17,941	17,171
Grafton	1,233	969	1,369
Grand Forks	5,232	5,084	5,940
Jamestown	1,599	1,610	1,499
Lisbon	248	276	278
Mandan	795	880	828
Minot	3,870	3,898	3,715
Valley City	1,014	982	1,036
Wahpeton	1,193	986	1,021
Williston	1,641	1,563	1,495

Pioneer Dies

L. O. Lystad, 82, president of the East Grand Forks Federal Savings and Loan Association and a pioneer resident, died recently after an illness of six months.

Mr. Lystad had served 17 years as a member of the school board and was a member of the city council from 1920 to 1928. He was on the city school board and was a member of the city water and light commission from 1928 until the time of his death. For 12 years he was a member of the Polk county board of commissioners.

Mr. Lystad came to Grand Forks in 1880 and to East Grand Forks in 1889. For a number of years he was in the grading-contracting business. He did a great deal of work for the Great Northern railroad.

Leaving Williston

Clarence E. Cunningham, for many years a resident of Williston and one of the organizers of the First and Commercial National Bank, has announced the sale of most of his stock in that institution to R. G. Rasmussen and plans to leave Williston.

Mr. Cunningham says he has not decided whether to continue in the banking business or enter some other

line, but is examining various proposals. A factor which he says has influenced his action is that he is subject to hay fever which makes his summers very uncomfortable, but which does not bother him in some of the locations that he has in mind.

Mr. Cunningham has been prominent in banking circles in the state and is a past president of the North Dakota Bankers' Association, having held several offices in that organization.

Dies In Jamestown

Louis B. Niemeyer, 72, long prominent in business and banking circles in Jamestown, and former county auditor, died recently in a Jamestown hospital. He had been in poor health for ten years.

He was, at his death, vice president and general manager of Beck Clothing Company, which he founded in 1902 with Morris Beck and the late Abe Simmons.

He was former chairman of the board of directors of the National

Bank of Jamestown, and was vice president of one of its predecessors, the Farmers and Merchants National Bank.

Paying Station

The Walsh County State Bank, Grafton, was granted permission to establish and operate a paying and receiving station at St. Thomas, and the certificate of authority for such station has been issued by the State Banking Board.

Counterfeit Losses

Banks in the United States sustained a loss of \$5,340 through acceptance as genuine of 604 counterfeit notes in August, Chief Frank J. Wilson, of the U. S. Secret Service, announced today. This figure represents a reduction in bank loss over previous months.

Chief Wilson has offered to assign agents to banks throughout the country to exhibit specimens of currently appearing counterfeits and coach tellers in the detection of counterfeit issues. Many banks have arranged night meetings to enable their tellers to receive special instructions.

The chief also urges banks, as part of their public relations activity, to warn their depositors against acceptance of Government checks from strangers without full and proper identification. "The same care", said Chief Wilson, "should be exercised in cashing a Government check as is used in negotiating a personal check, as loss is certain if the check carries a forged endorsement."

Out-of-Town Banks

Out-of-town banks and bankers will find here complete banking facilities for prompt and economical handling of accounts in Chicago. We would appreciate the opportunity of serving you.

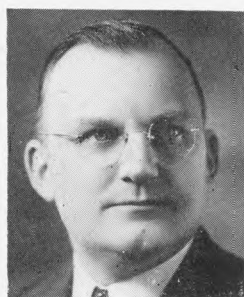
CITY NATIONAL BANK

AND TRUST COMPANY of Chicago

208 SOUTH LA SALLE STREET

(Member Federal Deposit Insurance Corporation)

Northwestern Banker October 1939



O. M. JORGENSON
President
Billings

MONTANA NEWS

ETHEL W. WALKER
Secretary-Treasurer
Helena

Bank Sells Assets

At meetings held early last month, stockholders and directors of the Bank of Miles City, Montana, voted to withdraw from business in Miles City and accepted an offer by the First National Bank of Miles City to assume the deposit liability and purchase certain assets of the bank. The decision came as the result of negotiations which had been in progress for several days and reduced the number of banks in Miles City from two to one.

For the time being L. R. Gillett, president of the Bank of Miles City, will maintain an office in his present quarters to wind up the affairs of the institution. Commenting on the change, Mr. Gillett said, "Our decision

to withdraw from business is the result of long and careful deliberation on the part of officers, directors and stockholders. For many years it has been our privilege to serve a large number of loyal customers. With the assistance of Northwest Bancorporation, our principal stockholder since 1929, we have tried earnestly to give them and the territory in general an efficient and constructive banking service.

"While the bank was in the strongest condition in its history, we recognized the reduction in the volume of available banking business, which has resulted from unfavorable climatic conditions in the recent past, and thought it advisable to make a favor-

able sale of the business. We wish to express to the public our sincere appreciation for the business we have enjoyed. It is with regret that we terminate our business contracts with our many loyal friends and patrons. We are confident that they will be adequately and efficiently served by the First National Bank."

To facilitate the handling of increased business, the staff of the First National will be augmented by the addition of M. J. Flinn as vice president, formerly cashier of the Bank of Miles City.

The First National Bank is an affiliate of First Bank Stock Corporation, which, like Northwest Bancorporation, owns a controlling interest in a number of banks in the Ninth Federal Reserve District, including several in Montana. Total resources of the bank at the opening of business September 5th were \$2,216,052 and deposits \$1,997,474. Officers of the bank are Claude M. Jones, president; H. F. Lee and M. J. Flinn, vice presidents; W. H. Williams, cashier; and George A. Anderson, assistant cashier. Directors include Messrs. Jones, Lee and Williams and, in addition, P. S. Richardson and Fred W. Woolsey.

With Reserve Bank

Mr. and Mrs. Earl J. Summers have gone to Reserve, Montana, to make their home, Mr. Summers having accepted a position as assistant cashier of the First National Bank of that town.

Since 1927, Summers was assistant cashier of the Farmers State Bank in Bainville. He later had charge of the Bainville branch of the American State Bank of Williston, North Dakota, for some time, and was clerk for both the town of Bainville and the local school board for several years.

Helena Visitors

A. H. Kennedy, vice president of the First Bank Stock Corporation, and G. Sidney Houston, manager of the investment research department of the First Service Corporation, affiliate of the former group, visited Fred Heinicke, vice president of the First National Bank, and other bank officials in Helena.

In referring to the war situation, Mr. Houston, who is a nationally known economist, stated that he did not believe the economy of 1918 should be accepted as a pattern for current times.

The two bankers, who are from Minneapolis, were accompanied from Butte by James E. Woodard, president of the Metals Bank and Trust Company of Butte.

"Glad we could help you!"



● The chap on the other end of the line had cashed a "No Account" check for a man, who used a check from his employer's book.

Because of perfect control in the distribution of its blank check stock, through Safety Numbering, this banker could tell the check-casher to whom the check had originally been given. It led to quick identification of the check-passer and recovery of the money.

Safety Numbering is not costly. Tell us how many stock checks you use a year, and we'll send you an estimate; also our booklet about Safety Numbering.

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CLEVELAND
ST. PAUL

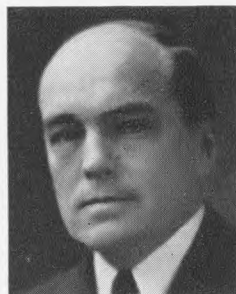
THE
BANK
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Spear
OF BANK
MERCHANDISING



C. R. GOSSETT
President
Sioux City

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

Attends Contest

I. G. McQueen, cashier of the Farmers State Bank, Ridgeway, Iowa, and secretary of Group 4 of the Iowa Bankers Association, has recently returned from the government's annual National Rifle contest held at Camp Perry, Ohio, and reports having had a splendid time. Mr. McQueen has been one of the crack pistol shots in Iowa for many years. He is a reserve officer. He took his young son with him to Camp Perry for the boy's first time and if Mr. McQueen has his way the son will follow in the father's footsteps when it comes to marksmanship in handling firearms.

With Ames Bank

Helen Mahoney, formerly of Fort Dodge, who has been with the State Banking Department for the past ten years as secretary to Grover S. Krouth, has resigned her position and is now secretary to H. W. Stafford, president of the Ames Trust and Savings Bank.

County Meeting

A meeting of the Allamakee Bankers' Association was held in Waukon on September 13th. The dinner, followed by a business session at the Waukon State Bank building, was attended by 20 representatives of the banks of the county. A resolution was passed at the business meeting whereby all of the banks of Allamakee county will, after October 1, 1939, change their closing hour from four to three p. m. It was also decided to hold another meeting on October 19th, at which time the election of officers for the ensuing year will take place. The present officers are: President, C. V. Nelson, cashier, Farmers and Merchants Savings Bank, Waterville;

vice president, W. A. Kneeland, cashier, Postville State Bank, and secretary-treasurer, Earl Welsh, cashier, New Albin Savings Bank.

Keokuk A. I. B.

Miss Marie L. Hayes, assistant cashier State Central Savings Bank and A. I. B. member, vacationed in August in the Dells in Wisconsin.

E. A. Ebersole, cashier State Central Savings Bank, and member A. I. B. class, with Mrs. Ebersole attended the American Bankers Association convention at Seattle, making the trip by motor and stopping in California

to visit with Mrs. Ebersole's parents, Mr. and Mrs. Walter R. Buck, at Oakland.

Keokuk's Fall Celebration and Street Fair, September 18th to 23rd was the usual gay interlude. Main Street from 3rd to 9th was "Coney Island" for a week!

Des Moines A. I. B.

A. I. B. in Des Moines held its annual "kick off" dinner and dance at the Waveland Park Club house on September 13th. One hundred and fifty were present.

President Leo Regan outlined the plans for the coming year and Vice President Kenneth Griffith spoke about the educational program. Classes offered this year are Negotiable Instruments for the prestandard course and Credit Administration as the Standard course. Public speaking and beginners banking class will also be offered.

Monday, September 18, 1939, started the annual A. I. B. membership drive.

Professor: "When water becomes ice, what great change occurs?"

Student: "A change in price."

An Old-Timer



The above picture portrays one of the vehicles which appeared in a Pioneer Days celebration held this fall in Indianola, Iowa, and was received too late to appear in the September issue of THE NORTHWESTERN BANKER. The old carriage is owned by Clarence Diehl, vice president of the Iowa-Des Moines National Bank & Trust Company, and was taken from Des Moines to Indianola to have a place in the parade.

UNITED STATES CHECK BOOK COMPANY

OMAHA, NEBRASKA

• BANKERS SUPPLIES •

Northwestern Banker October 1939



INSTITUTIONS THAT MAKE

Above: — The Cedar Rapids plant of Quaker Oats, the largest oats processing plant in the world. (Air Photo—Courtsey Des Moines Register and Tribune.) • *Lower Left:* — Robert Stuart, founder of the Cedar Rapids plant who played an important part in the development of both the industry and the Quaker Oats Company. • *Lower Right:* — The Stuart and Douglas Mill in 1873, forerunner of the present great plant.

BANKERS

6th and Locust Streets

DOMINATING

A Great Food Industry

Iowa occupies an important place in the feeding of the nation and the world. It is entirely fitting, then, that it should have played an important part in the founding of a great branch of the food industry, and that it should be the home of the greatest plant in the world producing that food.

The Quaker Oats Company plant in Cedar Rapids is the largest plant processing oats for human consumption in the world. It is the outward symbol of an industry which began in 1854 in Akron, Ohio, where Ferdinand Schumacher began hand grinding oats in the back room of his grocery store.

In 1873, John and Robert Stuart, Scotch father and son who had been milling oats in a tiny mill in Oxford County, Canada, sought wider fields for their endeavors and settled upon Cedar Rapids as the site.

They acquired a building and began installation of an oats mill. Shortly after, they were joined by another Scotsman, George Douglas, already a resident of Cedar Rapids. The Stuart and Douglas North Star Mill was the start of what is now the largest single oats processing mill in the world.

The years that followed were harrowing ones for the entire oats milling industry. It had the task of educating the conglomerate population of a rapidly growing nation to the eating of oatmeal. And it had the internal troubles which accompany mushroom industrial growth—oversupply, uncertain quality, ruinous price competition.

Quaker Oats Company was the outgrowth of early attempts within the industry to stabilize the turbulent infant, led by several of the larger organizations, prominent among them the Stuart and Douglas company. 1891 saw the founding of the American Cereal Company by merger of several of the more important companies. Immedi-

ately steps were taken to consolidate operations, and by 1893, Cedar Rapids and Akron, Ohio, had become the centers of operation. The Quaker Oats Company was formed in 1901. Robert Stuart was treasurer of both companies and served Quaker Oats actively, until his death in 1926.

The Quaker Oats Company now has plants scattered over the entire country and in many foreign countries. There are few cereal products it does not manufacture.

But Iowa with the great plant in Cedar Rapids and another in Fort Dodge, has played an important part in building this great organization. The names of Iowans—Stuart and Douglas—have played a great part in the founding of an industry and in the development of the largest single unit in it. Today those names are prominent in the roster of officers. John Stuart and R. Douglas Stuart, sons of Robert Stuart, are president and first vice-president respectively, and D. B. Douglas is vice president in charge of advertising.

Although its headquarters have been outside of the state since the first of this century, Quaker Oats Company, with its roots deep in the agricultural and industrial development of the state is certainly one of the "Institutions that Make Iowa."

Quaker Oats Company is the result of years of hard work and planning in the development of a new industry. Bankers Trust Company, too, is the result of years of planning to develop a new conception of banking service. How well this end has been accomplished is apparent in the fact that in little more than 20 years, Bankers Trust has become one of Iowa's important banks, as evidenced by an ever-growing list of correspondent banks over the state.

IOWA



TRUST COMPANY

Member Federal Deposit Insurance Corporation
Member Federal Reserve System

Des Moines

Rotary Speaker

Robert E. Lee Hill, public interest director of the Federal Home Loan Bank at Des Moines and a past president of Rotary International, spoke on "Our Federal Home Loan Bank System" at a luncheon of the Rotary Club in Dubuque.

He told of the banking system which was originally set up through a federal appropriation but is now on a self-supporting basis. It has financed thousands of homes throughout the country.

H. R. Hanger, secretary and active

manager of the Dubuque Building and Loan Association, made arrangements for Mr. Hill's appearance.

Fifth Birthday

On September 30th the Home State Bank, Jefferson, was host at a public birthday anniversary party. The event celebrated the 5th anniversary of the establishment of the bank in Jefferson.

The entertainment was held at the armory where a double-feature motion picture was shown and light refreshments served.

With Walford Bank

Robert S. Nelson, of Waterville, was recently accepted by the Farmers Savings Bank of Walford, to fill the position of assistant cashier. Robert S. is a son of C. V. Nelson, cashier of Farmers and Merchants Savings Bank, Waterville.

Story County A. I. B.

The Story county study group of the American Institute of Banking met recently in Ames to elect the following officers for this year:

G. R. Alley, Ames Trust and Savings Bank, president; Gilbert Henry, Nevada National Bank, vice president; George Sherwood, College Savings Bank, secretary-treasurer; Fred Klein, Union Story Trust and Savings Bank, and W. H. Brown, Story County State Bank, Story City, members of the board of governors.

The meeting was preceded by a dinner, with Dale Smith, assistant councilman for the A. I. B. in Ioka, as guest speaker.

New by-laws and articles of organization to recent requirements of the national organization were also adopted. Towns included in the Story county group are Nevada, Ames, Story City, Zeoring and Roland.

Classes will begin for the group October 4th, when they will take up the study of economics under the supervision of Prof. William H. Schramper, Iowa State College. These classes will meet one evening a week, for two hours each meeting throughout the winter. A different subject pertaining to banking is selected each year. Schramper has taught these courses for the past two years.

Bates Named President

D. W. Bates, Iowa superintendent of banks, was chosen president of the National Association of Bank Supervisors at its recent annual convention in Salt Lake City.

J. D. Hospelhorn of Maryland became first vice president succeeding Bates. Others elected were I. A. J. Lawres of New York, secretary, and E. A. Wayne of South Carolina, treasurer.

Resigns

Ed Spengler has resigned as an active officer of the Melvin Savings Bank and has been elected president of the Ocheyedan Savings Bank.

Mr. Spengler has been connected with the Melvin bank for more than 23 years. H. W. Glade will continue as vice president at Ocheyedan and

★

HEADQUARTERS for NORTHEASTERN IOWA BANKERS

★

The advantages of our quick,
efficient service and complete
facilities make this bank
your logical channel for your
Northeastern Iowa business.

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THE NATIONAL BANK OF WATERLOO

MEMBER . . Federal Reserve System
Federal Deposit Insurance Corporation

★

• IOWA NEWS •

R. G. Rhodes will continue as cashier. W. D. Shuttleworth is retiring from active business.

Adolph Knock will continue as president and Thomas E. Benz as cashier of the Melvin Bank. Both banks are members of the Federal Deposit Insurance Corporation.

Dies at Boone

Charles Buech, 63, for 20 years a cashier at the old Merchants National Bank in Clinton, died recently in his farm home near Boone. Funeral services were held in Boone.

Hours Changed

New banking hours have been established by the Alden office of the Iowa Falls State Bank. Heretofore the bank has been opening at 10 o'clock and closing at 3 o'clock, but now will open at 9:30 in the forenoon and close at 2:30 in the afternoon. The change is made to facilitate compliance with the federal wages and hours law which was passed about a year ago, forcing a reduction in working hours.

Ralph Bunce Honored

Ralph Bunce, formerly of Washington, and now connected with the Iowa banking department as deputy superintendent, was recently honored nationally by election to the presidency of the National Association of Small Loan Supervisors. The national meeting was held in New Jersey.

Banker Talks

Members of the Sidney Community Club were interestingly entertained recently when K. G. Kalde of the State Savings Bank of Council Bluffs gave a short talk on the banking question in general. The evening's program was in the hands of J. H. Pullman, local banker, who brought Mr. Kalde for the evening.

Consolidation

The sale of controlling interest in the First National Bank, Red Oak, to H. C. Houghton, Jr., and associates in the Houghton State Bank, was announced recently.

The sale involves 520 shares of the 1,000 shares of the capital stock of the First National Bank and largely

comprises the holdings of T. J. Hysham, C. T. Gadd and others who will retire as stockholders and directors of the institution.

Coincident with the announcement, Mr. Hysham, long the largest stockholder in the First National, said that the sale was consummated in order that he might be relieved of business responsibilities owing to the state of his health.

Consolidation of the Houghton State Bank and the First National Bank is under way, officials said. Combined

deposits of the two institutions will probably exceed \$2,000,000, after final consolidation has been made within the next few days.

Assistant Cashier

C. M. Stenberg of Genoa, Nebraska, has started work at the Odebolt State Bank as assistant cashier, succeeding Walter R. Wadsley, who resigned recently to become clerk of the district court.

Before coming to Odebolt, Mr. Sten-



IN SIOUX CITY ...

Sioux City enjoys the natural advantages of an excellent location in a great farm and marketing area. In the center of this area, the First National Bank is equipped to serve you quickly and accurately.

We cordially invite the accounts of bankers who wish dependable service in Sioux City.

OFFICERS

A. S. HANFORD
President

J. P. HAINER
Executive Vice President

FRITZ FRITZSON, Vice President & Cashier

J. R. GRANING
Assistant Cashier
E. A. JOHNSON
Assistant Cashier
J. T. GRANT
Assistant Cashier

Member Federal Deposit Insurance Corporation

WANTED—Substantial interest or control of Iowa bank with \$25,000 to \$50,000 capital. ABC, c/o Northwestern Banker.

berg was assistant cashier of the First National Bank at Genoa. He was employed at this bank for 23 years, with the exception of 18 months in World War service, 12 months of which he spent in France.

Office Manager

James S. Hunt of Manchester has been named manager of the Greeley office of the Home Savings Bank, and assumed his duties on September 8th. Mr. Hunt has been engaged in the insurance business and before coming to Manchester was in charge of the

bank at Dundee. Mr. Hunt has a wide acquaintance over the county and is well qualified for the duties which he has assumed in the Greeley Bank. Mr. Hunt succeeds James Henry, who has been in charge of the bank for some time.

Office at Colo

The R. W. Brouhard building at Colo, formerly used as a garage, has been remodeled and will be used as an office of the First State Bank of State Center. Banking hours will be from 10 a. m. to 12 noon and 12:30 to

2 p. m. and on Saturdays from 10 a. m. to 12 noon.

With Pomeroy Bank

Miss Carol Mitchell of Wessington, South Dakota, is the new stenographer in the Pomeroy State Bank, taking the position left vacant by the resignation of Miss Jessie Patterson, who recently was married.

New Schedule

The Kellogg Savings Bank is opening at 9 a. m. and closing at 3 p. m. under a new schedule of hours which became effective September 5th. The new schedule is in accordance with the wage and hour law which will become effective October 1st, officials have explained.

Previously the bank opened for business at 8 a. m.

Eastburn Elected

The board of directors of the Iowa State Bank and Trust Company, Fairfield, has announced the election of Ralph Eastburn as executive vice president of the institution.

Mr. Eastburn is well known to the local community having been on the staff of the State Department of Banking for several years with his office and headquarters in Fairfield. He is a native Iowan, having been born and raised in Sigourney.

Prior to his being called to the staff of the State Department, Mr. Eastburn was an officer of banks in Delta and in Charles City in this state. He was also for a period an examiner with the Federal Deposit Insurance Corporation.

Annual Meeting

All officers and directors were re-elected at the annual meeting of stockholders of the Peoples State Bank, Missouri Valley. The officials are Dr. J. L. Tamisiea, president; D. A. Schwertley, vice president; J. A. Kovar, cashier; D. F. Schwertley, assistant cashier, and Dr. Tamisiea, D. A. Schwertley, F. E. Egan, Miss Katherine Schwertley and J. A. Kovar, directors.

Elect Officers

All of the old officers and directors of the Clutier State Bank were re-elected at the annual meeting of the stockholders. The directors are J. P. Novak, John Holst, Lorenz Lorenzen, John W. Roubinek and Paul Kouba. Mr. Novak continues as president; John Holst, vice president; A. H.

PIONEER

First Commercial Producer of

HYBRID SEED CORN

Pioneer Hybrid Seed Corn was
planted by more than 140,000
corn belt farmers in 1939.

**PIONEER HI-BRED CORN
COMPANY**

DES MOINES, IOWA

• • •

GARST AND THOMAS HYBRID CORN COMPANY

Coon Rapids, Iowa

Fischer, cashier; and Harry Ziskovsky, assistant cashier.

A dividend of 4 per cent to the stockholders was declared by the directors.

Convalescing

Paul C. Ackley, president of the First Bank and Trust Company, Ottumwa, who was injured in an auto accident recently, is greatly improved and left the St. Joseph Hospital for his home, where he now is convalescing. He is not yet able to receive friends and it will be some little time before he will be able to return to his post at the bank.

Accepts Position

The Livermore State Bank, which opened about two years ago, has added more help to its force. Richard Thul of St. Joe, son of Mr. and Mrs. John Thul, has accepted the position and entered upon his new duties.

Robert Fishbaugh Married

Miss Zoanna Field, elder daughter of Mr. and Mrs. Frank Field, and Robert Fishbaugh, youngest son of Mr. and Mrs. Earl C. Fishbaugh, Sr., were married in Shenandoah recently.

Robert Fishbaugh is a graduate of the Shenandoah High School. He attended two years at the Junior College at Red Oak, and summer school at the University of California at Berkeley and completed his education at the University of Nebraska.

He is associated with his father in the Security Trust and Savings Bank which was established by his grandfather, the late C. W. Fishbaugh, thirty-one year ago.

Bert Pollock Dies

W. A. "Bert" Pollock, 74, long-time resident of Zearing, died early last month on a Union Pacific train en route to his home at Glendale, California, from Zearing, where he had spent about three months.

Bert Pollock was one of the three sons of Mr. and Mrs. T. J. Pollock who came to Zearing from Iowa Falls about 50 years ago and engaged in the mercantile and banking business.

Onslow Meeting

Annual meeting of the Onslow Savings Bank was held in the bank rooms. N. C. Holst was reelected president.

Other officers named are C. M. Holst, vice president; George H. Paulsen, cashier; M. C. Ingwersen, assistant cashier; L. M. Petersen, bookkeeper.

The directors remain the same. The usual dividend was declared.

Elected President

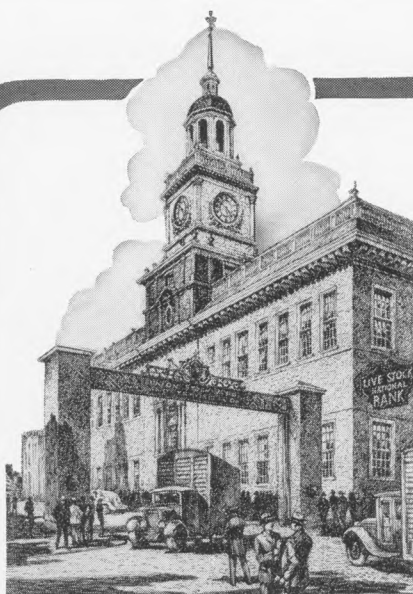
Raymond B. McConlogue of Lisbon, who has been vice president of the

Lisbon Bank and Trust Company since January, 1936, was elected president at the regular meeting of the board of directors held last month. He will fill the office left vacant by the death of John Auracher who was connected with the Lisbon bank for more than 53 years.

Director Resigns

N. W. Inghram has resigned as a member of the board of directors of the First National Bank, Denison.

Inghram has served as a member



Main Entrance, Union Stock Yards, Chicago

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The
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LIVE STOCK NATIONAL is located *inside* Chicago's great Union Stock Yards — next door to the Yards packing houses, commission men, shippers, and rail and mail distribution points.

Isn't it logical that, during its 71 years here, Live Stock National should have acquired a unique and specialized knowledge of agricultural needs? Isn't it logical that, throughout this time, nearly 500 other agricultural banks have selected Live Stock National as their Chicago correspondent? And isn't it logical that if you are interested in agriculture, you too will find profit in Live Stock National's fast and experienced services?

Your inquiry is cordially invited.

Live Stock

National **Bank** of Chicago
UNION STOCK YARDS

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Northwestern Banker October 1939

WANTED

\$10,000 a Year Men

—who understand banking — to sell
BETTER Holdup Protection for LESS
Money, to Suburban and Rural Banks.

Write to

J. B. LINDL, Miller Block, Milwaukee, Wis.

since February, 1925, but owing to his age and the difficulty of getting in to board meetings, especially in the winter, he found it necessary to resign.

Floyd E. Page, attorney, has been appointed to the board for the balance of Inghram's term.

Back to Iowa

Frank B. Yetter, for 25 years engaged in the banking business in Davenport, and for the last three years in the sales department of a leading

Los Angeles investment house, returned from the west recently with Mrs. Yetter to become associated with A. J. Faerber, head of the Bureau of Analysis in Davenport.

"California is a great state, but Iowa is a better one," Mr. Yetter said upon his return. "I am overjoyed at being back in my home state, among my friends in Davenport."

Vice President

Dr. A. Carson, physician, of Des Moines, was named a vice president

of the First Federal State Bank. Dr. Carson has been a member of the board of directors several years.

Grant McPherrin, president of the bank, said the second vice presidency was a newly created office.

IN WASHINGTON

(Continued from page 52)

where it remains until authorities permit conversion into foreign currency. Under the tripartite monetary agreement among Great Britain, France and the United States the adherents agreed to inform one another of any monetary changes.

Idle Men and Machines

An inquiry into "the structure of the American economy" by the National Resources Committee revealed that idle men and machines have cost the Nation \$200,000,000,000 during the depression. A remedy suggested by the committee's report was a general rise in the income of all the Nation's people. What experiment and spending have failed to do, possibly the war will accomplish.

Now that Congress is back on the job many observers believe that it will remain for quite a while. Senator Clark (Democrat, Missouri), critic of the New Deal foreign policies, said he hoped "Congress remains in session as long as the emergency exists."

"We will certainly have enough work to keep us here continuously," declared Senator Borah, "but whether Congress will desire to stay here is another question."

While differences of opinion over how to keep America out of war are loudly stated and old political groups are split, everyone seems united on the main objective. The board of directors of the United States Chamber of Commerce has urged Congress to emphasize its determination to keep the United States out of war unless it is attacked.

"At a time when war raises in the minds of all of our people the danger of our own involvement in its bloodshed and destruction the Chamber of Commerce of the United States directs public attention to its established position in support of all efforts for the preservation of peace," the board said. It added that an America at peace will endure as the great stronghold of representative democratic government and as such could play "a potent part in the solution of world problems that will follow in the wake of the war."

THE character of a bank is reflected in the character of its customers.

Central Hanover numbers among its correspondents a representative list of the nation's oldest and strongest banks and trust companies.

CENTRAL HANOVER
BANK AND TRUST COMPANY
NEW YORK



MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Trust Conference Program

A symposium on trust investments will feature the Tenth Mid-Continent Trust Conference of the American Bankers Association, to be held at the Stevens Hotel in Chicago, on October 26th and 27th, according to the program for the conference announced by Samuel C. Waugh, president of the Trust Division of the A. B. A. and executive vice president and trust officer of the First Trust Company, Lincoln, Nebraska.

The role of government bonds, municipal bonds, corporate first mortgage bonds, debenture bonds, real estate mortgages, preferred stocks, and common stocks in trust-investment portfolios will be covered by experienced trust-department investment officers participating in the symposium which will be held on Friday morning, October 27th. Following a paper on "Some Problems in Trust Laws," given by Professor George G. Bogert of the University of Chicago Law School at the concluding session Friday afternoon, October 27th, there will be a question-box period.

The program has been developed to provide discussions of practical interest to the executives of the smaller and average sized trust institutions throughout the territory, Mr. Waugh stated.

A banquet will be held on the evening of Thursday, October 26th, and will be addressed by Ernest E. Norris, president of the Southern Railway System, of Washington, D. C.

The conference territory includes Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Texas, and Wisconsin.

The program for the conference is as follows:

Thursday, October 26th
Morning

Presiding—Carl W. Fenninger, vice president, trust division, American Bankers Association, and vice president, Provident Trust Company, Philadelphia, Pennsylvania.

Opening Remarks—

Lewis L. McArthur, Jr., president, Corporate Fiduciaries Association of Chicago, and vice president, The Northern Trust Company, Chicago, Illinois.

Greetings from American Bankers Association—

**YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA**



—in St. Louis

In correspondent bank relationships, the personal element has become an increasingly important factor. The maintenance of close personal contacts with the bankers we serve has been our policy, "through the years."

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Close Contact with the
Majority of
Michigan's Important Industries



NATIONAL BANK OF DETROIT

DETROIT, MICHIGAN

Member Federal Deposit Insurance Corporation

Northwestern Banker October 1939

Robert M. Hanes, president, American Bankers Association, and president, Wachovia Bank and Trust Company, Winston-Salem, North Carolina. Greetings from trust division—

Roland E. Clark, president, trust division of the American Bankers Association, and vice president, National Bank of Commerce, Portland, Maine.

Public relations—

Gwilym A. Price, chairman, committee on trust information, trust division, American Bankers Association, and vice president in charge of trusts, Peoples-Pittsburgh Trust Company, Pittsburgh, Pennsylvania.

Afternoon

Presiding—H. E. Emerson, presi-

dent, trust division, Illinois Bankers Association, and trust officer, First Bank and Trust Company, Cairo, Illinois.

Trust instruments — Some important Lessons from the depression—

Arthur F. Young, vice president and trust officer, The National City Bank of Cleveland, Cleveland, Ohio.

Cooperation—Not competition—

Charles J. Zimmerman, president, National Association of Life Underwriters, Chicago, Illinois.

Measuring trust fees in terms of service—

William A. Read, vice president, Central Hanover Bank and Trust Company, New York City, New York.

Annual Banquet

Presiding—Lewis L. McArthur, Jr., president, Corporate Fiduciaries Association of Chicago.

Address—Ernest E. Norris, president, Southern Railway System, Washington, D. C.

Friday, October 27th
Morning

Symposium on Trust Investments

Presiding—John E. Blunt, former vice president, Continental Illinois National Bank and Trust Company, Chicago, Illinois.

The role of government bonds in the investment of trust funds—

Milton R. Stahl, vice president, Mississippi Valley Trust Company, St. Louis, Missouri.

Why should preferred stocks be considered under present conditions?

Melvin J. Roberts, assistant trust officer, Colorado National Bank, Denver, Colorado.

Why purchase municipal bonds for trust accounts?—

Oscar L. Buhr, vice president, Detroit Trust Company, Detroit, Michigan.

Corporate first mortgage bonds versus debenture bonds—

Roy M. Huff, trust officer, The First National Bank and Trust Company, Tulsa, Oklahoma.

Common stocks as trust investments—

Leon M. Little, vice president, The New England Trust Company, Boston, Massachusetts.

Real estate mortgages as we know them—

Clarence E. Karn, vice president, The Central Wisconsin Trust Company, Madison, Wisconsin.

Afternoon
Open Forum

Presiding—Samuel C. Waugh, past president, trust division, American Bankers Association, and executive vice president and trust officer, The



For all banks which have business in Clinton that can be aided by cooperative, prompt and efficient service, we offer the facilities of the City National Bank

SINCE 1870

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CITY NATIONAL BANK
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"SAFE-T-STACK" LOCKS ALL STEEL STORAGE FILES TOGETHER



Patented and patents pending

THE STEEL STORAGE FILE CO.

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Single drawers of SAFE-T-STACK Steel Storage Files stack one on the other to save space and eliminate shelving but in addition to this they lock securely vertically and horizontally. The ingenious SAFE-T-STACK locking key goes into place instantly without tools, bolts or rivets. No danger of a loaded drawer tipping, falling or shifting. Files of varying sizes stack and lock with this exclusive feature.

SAFE-T-STACK record storage files were designed by a banker. They are made of heavyweight, welded steel in sizes to fit every form. They cost less than cardboard boxes and shelving. Ask how we can solve your record storage problem.

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STATIONERS - BUSINESS MACHINES

GRAND AVENUE AT FOURTH

1939 - Our 50th Anniversary Year

Northwestern Banker October 1939

First Trust Company, Lincoln, Nebraska.

Standardization of trust policies—

Gilbert T. Stephenson, director, trust research department, The Graduate School of Banking, American Bankers Association, New York City, New York.

Some problems in trust law—

George G. Bogert, James Parker Hall professor of law, University of Chicago, Chicago, Illinois.

Question-box period.

L. A. Meyer Dies

L. A. Meyer, 86, died at his home in Ossian recently. In 1880, together with M. J. Carter, he established the Ossian bank, which later became the Ossian State Bank. He retired from the banking business in 1927.

Woodbury Officers

W. M. McDonald, cashier of the Sioux Valley Savings Bank at Smithland, was named president of the Woodbury County Banking association at a meeting in Sioux City.

H. N. McMaster, cashier of the Corn Belt State Bank at Correctionville, was elected vice president, and Henry W. Bush, assistant cashier of the Farmers Savings Bank at Pierson, was re-elected secretary-treasurer.

Clearings Up

Bank clearings so far this year are almost \$9,000,000 in excess of the total at the corresponding time last year, according to a report issued by the Sioux City Clearing House association.

Clearings for the first six months of the year have totaled \$89,677,220.01. At the like time a year ago the total was \$80,936,213.42.

June's clearings totaled \$15,230,443.44 as compared with \$13,936,949.85 last June.

New Business Home

The Occidental Building and Loan Association of Omaha, celebrating its 50th anniversary this year, recently opened a newly modernized business home that compares favorably with any banking room in the country. Visitors to the Nebraska Bankers Convention are cordially invited to inspect the new quarters at Eighteenth and Harney streets, two blocks south of Hotel Fontenelle.

Increased efficiency in the new offices made it possible for the Occidental to reduce its occupied space by 35 per cent. Three large rooms were made available for rental, thus provid-

ing a new income that should pay for the remodeling in a few years.

The entire front of the Occidental building was rebuilt, and now uses five new plate glass windows on the Eighteenth street and six ceiling-high glass brick windows on Harney street. The exterior finish is in concrete stucco. Venetian blinds of spring steel are over all plate windows.

The entrance treatment is most unusual, being convex, with two doors set in at an angle. Above the doors is a surface-lighted name plate with raised bronze letters.

Entrance is made through a vestibule into the circular lobby. Opposite the entrance are three tellers' counters, a distinct departure from old fash-

ioned grilled or frosted glass cages. Two "islands" in the lobby provide check desks and leather upholstered seats, in colors to harmonize with the general interior decorations. Floor covering is marbled linoleum.

The ceiling has been lowered three feet, and now uses acoustically treated panels to deaden sound. Twenty-three indirect lighting fixtures provide ample light for every employe. Also in the ceiling are eight ornamental outlets used in the ventilating system.

Around the lobby are desks of officers and employes who have daily contact with the public. North of the lobby are the private offices of the president and vice president and the directors room. They are finished in



EXTENSIVE FACILITIES FOR CORRESPONDENTS

As The Northern Trust Company embarks upon its second half century of service, many more banks are discovering the advantages of a correspondent connection here. At their disposal are broad fact-finding facilities, backed by the knowledge gained in fifty years of banking and trust work, and a correspondent department geared to the day-to-day needs of out-of-town banks. Bankers considering the appointment of a Chicago correspondent are urged to keep this institution in mind.

1889 Fiftieth Anniversary 1939

THE NORTHERN TRUST COMPANY

50 SOUTH LA SALLE STREET, CHICAGO

Member Federal Deposit Insurance Corporation

TRUST Officer Says

"It's the best yield and safest investment for small trust funds today," said a Chicago trust officer, discussing his purchase of a First Federal investment certificate for an estate. Write today for a prospectus explaining the 3 per cent current yield, no market fluctuations, and insured safety of this convenient legal investment.

FIRST FEDERAL SAVINGS
and Loan Assn. of Chicago
130 South La Salle Street
Chicago



A view through the circular lobby of the Occidental Building and Loan Association, of Omaha. The Occidental recently completed modernization of its business quarters at 18th and Harney streets.

INSURED SAFETY

PLUS
MAXIMUM RETURN

Current Rate 3%
Write for Facts

STANDARD FEDERAL
Savings and Loan Association
OF KANSAS CITY
923 Walnut St. Kansas City, Mo.



Safety for Investors—

Service for Home Owners

Skillful management, and friendly service are constantly winning new friends for this fast-growing institution.

Assets \$1,215,000.00

**POLK COUNTY
FEDERAL**
Savings & Loan Assn.

511 Seventh St.
DES MOINES

Member Federal Home Loan Bank System

Federal Home Loan Bank of Des Moines

DES MOINES, IOWA

Statement of Condition August 31, 1939

RESOURCES

Advances to Members	\$15,120,218.08
U. S. Government Obligations and Securities Guaranteed by U. S.	1,367,000.00
Accrued Interest Receivable	77,673.13
Deferred Charges	21,653.02
Cash	2,640,544.33
	\$19,227,088.56

LIABILITIES

Government Stock Subscription	\$ 7,394,900.00
Members' Stock Subscription	2,290,850.00
Debentures Outstanding	7,500,000.00
Premiums on Debentures	4,687.50
Deposits	1,383,000.00
Accrued Interest Payable	55,017.35
Surplus:	
Legal Reserve	\$276,608.33
Undivided Profits	322,025.38
	598,633.71
	\$19,227,088.56

The association vault is located just west of the executive offices, and a wide stairway leads to the basement where additional storage vaults and working space has been provided.

Following strictly utilitarian lines, the telephone switchboard and many of the storage and filing cabinets are recessed into the wainscoting of the general office. The result is a smooth, streamlined effect that lends beauty as well as efficiency.

Wainscoting and other fixtures are all in American striped or quarter-sawn walnut, with desks in matching woods. Posture chairs are upholstered in blue spruce mohair.

In discussing the work that had been done, President Ford E. Hovey said that every dollar spent on the project went into the hands of Omaha builders, Omaha suppliers and Omaha workmen.



Current Dividends

4% on Savings
Paid Semi-annually

Write for Information

**INSURANCE PLAN SAVINGS &
LOAN ASSOCIATION**

522 Grand Ave. Des Moines

A Plan to PROMOTE BETTER HOMES

THE Federal Home Building Service Plan is being sponsored jointly by the American Institute of Architects and the Producers' Council, national organization of manufacturers of building material and equipment, in cooperation with the Federal Home Loan Bank Board, according to M. J. Waldron, field representative. Its objective is to promote soundly built homes—with emphasis on houses costing less than \$5000.

The program, although national in scope, functions principally through local programs. The national organization lays down only broad principles in the public interest, but permits the widest latitude to adjust operations to local conditions. Operative builders, local construction groups, national and professional trade associations—all interests concerned with residential building—participated in the program.

The Federal Home Building Service Plan, established by the Federal Home Loan Bank Board two years ago, provides a nucleus for the enlarged program. This plan, already in operation in many communities, through the member lending institutions of the Federal Home Loan Bank System, is being broadened and will cooperate with national and local programs which provide sound, economically planned small homes.

Briefly, the program seeks to make available technical aid in planning and supervising the construction of small homes—services heretofore restricted largely to those of ample means.

The service provides for the small home buyer:

Sound financing counsel—Most favorable financing consistent with the security—Competent architectural design suited to family needs, site and neighborhood—A qualified builder—Specification of proper materials—Supervision of construction, and certificate of registration.

The broad objective of the program, Mr. Waldron said, is the establishment of registered homes as a standard of value. The certificate of registration, identifying the home as a quality product, would add to the desirability of the home as security for an investment and to its value for resale or rental purposes. The result of the program, he believes, will be a



M. J. WALDRON

renewed confidence in home ownership, added stability to mortgage values, and as a corollary, cause a revival of the housing industry.

The entire program, Mr. Waldron emphasized, is essentially one of private enterprise, utilizing existing organizations. The national organization makes possible an exchange of

home designs between one section of the country and another, and provides facilities for nation-wide promotion which otherwise would be lacking. Under the Service Plan, some 400 home designs already have been contributed by 230 leading residential architects.

The plan, now in operation in Minneapolis and St. Paul, is available through all of the Federal Savings and Loan Associations there. Charles Hausler and H. W. Fridlund, two prominent local architects, have established the Central Bureau which is a clearing house for new construction jobs. They review the plans and specifications giving a cost estimate and make out a very comprehensive report including suggestions and remarks concerning the adequacy of the plans. In the past four months they have reviewed in excess of 150 plans for the Federal Savings and Loan Associations and most of these are now under construction and being supervised by these men.

The two Federal Savings and Loan Associations in Duluth, Minnesota, in cooperation with building supply dealers, put on an intensive advertising program during the past ten weeks pointing out the benefits of the plan.

The four Building, Savings and
(Turn to next page, please)

Forty - eighth Annual Convention Iowa Building and Loan League Waterloo, October 23 - 24, Hotel President

Monday October 23rd

9:30 A. M.

Call to order—Gold Room.

Address of welcome—E. C. Glas-
son, president Black Hawk County
Abstract Company, Waterloo.

Response—Vern M. Lynch, first vice
president, Ames.

Announcements.

Committee appointments.

President's address—T. H. Glasener,
Waterloo.

Secretary-treasurer's report—E. M.
Klapka, Fort Dodge.

Address—Hon. Frank W. Hancock,
Jr., Washington, D. C., Federal Home
Loan Bank Board.

Address—"Know Your Insurance
Policies"—Homer Templeton, Des
Moines.

Address—"Past, Present and Future
of Building and Loans"—George E.
Virden, Building and Loan supervisor,
Des Moines.

Luncheon.

• SAVINGS AND LOAN •

1:30 P. M.

Address—"Real Estate Titles" — Arthur A. Zimmerman, attorney-at-law, Waterloo.

Address — Robert J. Richardson, president Federal Home Loan Bank, Des Moines.

Address—"Our Iowa Tax Problem" — George E. Pike, attorney-at-law, Waterloo.

Address—Morton Bodfish, executive vice president United States Building and Loan League, Chicago.

7:00 P. M.

Banquet—Gold room, Hotel President.

Entertainment to be announced.

Address—"The American Way"—Carl Taylor, executive secretary, Wisconsin Building and Loan League, Milwaukee.

Tuesday, October 24th
7:30 A. M.

Breakfast meeting.

Round table discussions:

1. "How does war effect our business?"—J. E. Dempster, Waterloo, Leader.

2. "Changes in the State Building and Loan Law"—H. R. Hanger, Dubuque.

3. "Social Security and Unemployment Tax As It effects Building and Loans"—E. S. Tesdal, Des Moines.

4. "How long should it take to pay for a home?"—Elmer E. Miller, Des Moines.

5. "Getting New Loan Business"—John Schenk, Davenport.

6. "How we handle appraisals and collections"—Keith W. Thomas, Spencer.

Committee reports.

Unfinished business.

New business.

Election of officers.

Adjournment.

BETTER HOMES

(Continued from page 71)

Loan Associations of Fargo, North Dakota, promoted an intensive advertising program on the plan for the past twelve weeks. This developed into such an outstanding home construction program that it was decided to extend the advertising for another six weeks. The volume of new home construction in the Fargo-Moorhead area, for the first seven months of 1939, has been larger than any year for the past ten years. Much of this success has been attributed to the organization of the Fargo-Moorhead Better Homes Association which was sponsored by the Federal Home Building Service Plan. Several of the new homes now under construction will merit the certificate of registration.

Other cities in this district where Savings, Building and Loan Associations are operating under the Federal Home Building Service Plan are Des Moines, Kansas City, and very recently St. Joseph, Missouri, recognized the practicability of the plan and have adopted the use of it in a new subdivision now being developed.

Annual Convention

General Hugh Johnson, Federal Loan Administrator Jesse H. Jones, and Representative Albert Gore of Tennessee were among the nationally known personalities who addressed the United States Building and Loan League convention in Atlantic City, September 27-29. Others included Frank W. Hancock, Jr., member of

DIVERSIFY Your Investments

□

Purchase insured investment certificates in the Safety Federal, the largest savings and loan association operating entirely within the State of Missouri.

□

Accounts insured up to \$5,000 by the Federal Savings and Loan Insurance Association.

□

Current rate—3%

□


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Savings & Loan Association
910 Grand Avenue
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INVEST SMALL TRUST FUNDS

*this Safe, Profitable
Easy Way!*

United Federal Savings and Loan Certificates are the answer to the small trust fund problem. By investing the entire amount of such funds this way, you eliminate expensive bookkeeping, and useless detail. The principal of each account is insured up to \$5,000.00 by an agency of the U. S. government. Current assets exceed \$1,000,000.00. Current Surplus over \$24,000.00. Current dividends 4 per cent. Write for Free details.


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FEDERAL SAVINGS
AND LOAN ASSOCIATION
OF DES MOINES**
216 8th Street Phone 4-5324

Northwestern Banker October 1939

Where You
See This
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Your
Savings
Are SAFE

**Whether
From Individuals
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Large Corporations
each account receives equal
consideration.**

**3% Current Dividend
Assets \$1,700,000**

**GATE CITY
Building & Loan Association
69 Broadway
FARGO NO. DAKOTA
Member Federal Home Loan Bank System**



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INSURANCE COMPANIES

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INSURED - SAFETY**Current 3% Rate****BEN FRANKLIN FEDERAL
SAVINGS AND LOAN ASS'N.**

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St. Paul, Minn.

**SAFETY
OF
INVESTMENT**

We Invite Your Inquiry

**METROPOLITAN
SAVINGS AND LOAN ASSOCIATION**
107 W. 10th St.
KANSAS CITY - MISSOURI

**3 GOOD REASONS****WHY YOU WILL LIKE
THIS SAVINGS PLAN—**

1. Liberal Earnings
2. High Safety Margin
3. Friendly Service

**STATE BUILDING LOAN AND
SAVINGS ASSOCIATION**

519 6th Ave. DES MOINES

**SAFETY
IN
INVESTMENT**Accounts insured up to
\$5000.00

Statement on request

**FIRST FEDERAL
SAVINGS AND LOAN ASSOCIATION**

819 Francis St.

ST. JOSEPH - MISSOURI

the Federal Home Loan Bank Board, Murray Shields, New York financial economist, and Dr. Ray B. Westerfield of Yale University.

The gathering consisted of some 2,000 representatives of the savings, building and loan associations in the continental United States, Hawaii and Alaska and concentrated on factors affecting the thrift and home ownership activities of the American people from within and without. There were sessions for state supervisors of these institutions practically all of whom attended the convention. Attendance was also drawn from the executives of Federal Home Loan Banks, and many directors and appraisers for the associations.

The largest gathering of savings and loaners in three or four years, the convention looked toward the planning of 1940 procedures. The Society of Residential Appraisers holding its convention the day before the League, listed among its speakers its second vice president, Frank D. Hall of New York City. Savings and loan delegates attended these sessions also.

Making loans for new house construction, dividend and interest rates, the position of the Federal Savings and Loan Insurance Corporation, investment policies, institutional and other kinds of advertising, and variable rates on home loans were among the subjects discussed at the league meeting. Special sessions for managers, advertisers, and both federal and insured state-chartered institutions were arranged.

Savings, building and loan association executives from more than a score of states gave papers or addresses on the technical sides of the business, geographical range of the speaker list being from California to Massachusetts and from Texas and Florida to Wisconsin.

At the close of the convention several hundred of the delegates made a



—our Federally Insured up to
\$5,000 savings accounts are
the solution to your invest-
ment and trust problems.
Current dividend 4 per cent.

Statement on request.

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Des Moines, Iowa**INSURED SAFETY**

For Your Savings and Investment Funds

3% Current Dividend Rate 3%It Will Pay You to Get Our Literature
Before Investing

WRITE FOR BOOKLET "D"



Minneapolis, Minnesota

"TIME IS KIND TO THE THRIFTY"

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WITH
SAFETY****INSURED SHARES****INSURANCE PLAN
SAVINGS & LOAN
ASSOCIATION**

Walter J. Virden, Sec'y

MOUNT PLEASANT, IOWA

**DES MOINES BUILDING-LOAN &
SAVINGS ASSOCIATION****Oldest and Largest
in Des Moines**

For more than a score of years
this Association has aided in the
financing of more than 2400
homes in this locality. Here your
account is more than a number
—it means a friend.

411 6th Ave.

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Pres. and Sec. Asst. Sec.

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America's Finest

All that is best in Southern California revolves around the Town House . . . establishes it as "America's Finest Hotel." Yet tariff is in keeping with today's economical trend . . . Home of the Famous Zebra Room.

Under the Same Management as
The Gotham NEW YORK CITY
The Drake CHICAGO
The Blackstone CHICAGO
The Evanshire EVANSTON, ILL.
 A. S. Kirkeby, Managing Director

The Town House
 Wilshire Boulevard
LOS ANGELES

weekend visit to the New York World's Fair, including special ceremonies in connection with Savings and Loan Day at the fair, September 30. Host to the savings and loan party on its visit to the fair's home building center was the Celotex Company which had representatives to guide the party on their first visit to the grounds, and to give them a detailed tour through the Celotex house, one of the 21 model houses in this portion of the fair.

Ceremonies of Savings and Loan Day included an address of welcome by Grover C. Whalen, president of the fair, and by George W. West, the League's present first vice president.

FDIC Report

Resources of the 648 insured commercial banks in the State of Minnesota totaled \$999,377,000 on June 30, 1939, according to a survey made public by the Federal Deposit Insurance Corporation.

Deposits in the insured banks were listed as \$893,348,000. Demand deposits of the latest call date amounted to \$570,216,000 and time deposits totalled \$323,132,000.

Loans and discounts of the reporting banks amounted to \$302,170,000, an increase of \$18,622,000 over the June 30, 1938, total.

Direct and guaranteed obligations of the United States Government listed by the Minnesota banks amounted to \$242,202,000 on June 30, 1939. Other securities totalled \$112,072,000.

Loans and discounts of the 13,569 insured commercial banks throughout the country totalled \$16,040,373,000, an increase of \$314,793,000 or 2 per cent over the amount reported June 30, 1938. Deposits increased from \$47,460,741,000 reported the previous year to \$52,326,754,000, the highest figure since inauguration of deposit insurance.

We Specialize
 in

SURETY BONDS



Iowa's Own Company

Iowa Bank Agencies Solicited

**MUTUAL SURETY
 COMPANY**
 OF IOWA

Des Moines, Iowa

BE CAREFUL
 WHERE YOU PUT
 YOUR NEW

**Dobbs
 Cross Country
 Hat**

They're In Big Demand
 Among Those Who Love
 Fine Things

\$5

FRANKEL'S
 DES MOINES

SPECIAL COMBINATION OFFER

GENUINE ENGRAVED STATIONERY

1000 LETTERHEADS
 500 ENVELOPES
 200 BUSINESS CARDS

\$10⁷⁵

Write for samples

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 FOUNDED 1907 BY DANIEL E. MOON

PRINTING & ENGRAVING CO.

Creators & Specialists of
FINE BUSINESS STATIONERY

1210 Grand Ave.
 Des Moines, Iowa

Colonial Finance Company

□
 C. C. BROOKS, Jr., President
 O. L. WYNKOOP, Sec.-Treas.

□
DES MOINES IOWA
 923 Grand Avenue

Resources of the 165 insured commercial banks in the State of South Dakota totalled \$101,285,000 on June 30, 1939.

Deposits in the insured banks were listed as \$88,688,000. Demand deposits of the latest call date amounted to \$60,495,000 and time deposits totalled \$28,193,000.

Loans and discounts of the reporting banks amounted to \$37,820,000, an increase of \$4,845,000 over the June 30, 1938, total.

Direct and guaranteed obligations of the United States Government listed by the South Dakota banks amounted to \$16,709,000 on June 30, 1939. Other securities totalled \$15,438,000.

Resources of the 159 insured commercial banks in the State of North Dakota totalled \$78,123,000.

Deposits in the insured banks were listed as \$67,674,000. Demand deposits of the latest call date amounted to \$39,209,000 and time deposits totalled \$28,465,000.

Loans and discounts of the reporting banks amounted to \$23,738,000, an increase of \$358,000 over the June 30, 1938, total.

Direct and guaranteed obligations of the United States Government listed by the North Dakota banks amounted to \$18,770,000 on June 30, 1939. Other securities totalled \$10,014,000.

Resources of the 367 insured commercial banks in the State of Nebraska totalled \$341,564,000 on June 30, 1939.

Deposits in the insured banks were listed as \$303,076,000. Demand deposits of the latest call date amounted to \$242,204,000 and time deposits totalled \$60,872,000.

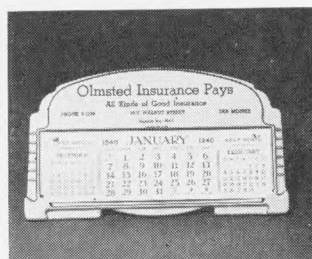
Loans and discounts of the reporting banks amounted to \$116,082,000, an increase of \$12,294,000 over the June 30, 1938, total.

Direct and guaranteed obligations of the United States Government listed

*Banking Supplies of Highest Quality—
Courteous Service—Sensible Prices.*



L. W. HOLLEY & SONS
Complete BANK and OFFICE Equipment
100 EAST GRAND DES MOINES, IOWA



Erickson METAL DESK CALENDARS

• Create customer good-will and establish year "round" "desk contact" for your firm name with these attractive, easel type, metal desk calendars. Made in several sizes and styles. For prices in various quantities, write:

C. E. ERICKSON CO.
Incorporated
DES MOINES, IOWA

WOOD BROS.
Specialized

HARVESTING MACHINERY

1886

1939

Threshers Combines Corn Pickers

Dependable products for over 50 years to Harvest and Thresh all grains and seeds.

A good investment for farm owners.

A profitable business for dealers.

Safe and desirable farm paper is profitable for local financing.

Wood Bros. Thresher Co.
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A COMPLETE KIT OF TOOLS

Participating. Non-participating. Juvenile. Annual and Single Premium Annuities—Everything that any good company has, and several contracts that many companies do not have.

There Is Nothing Better

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GRADY V. FORT, General Agent
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Iowa's Largest Business Training School
Many banks, bond-houses, insurance companies and other financial institutions employ A. I. B. graduates. Write or telephone when you need efficient office employees.

E. O. FENTON, Director

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DES MOINES
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The Gotham bespeaks
gracious living—its spacious
rooms, its atmosphere of
good taste, its superb cuisine . . . Elegance is apparent; economy not forgotten.



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The Evanshore EVANSTON, ILL.
The Blackstone CHICAGO
The Town House LOS ANGELES
A. S. Kirkeby, Managing Director

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Commercial Accident and Health

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You can be justly proud of the modern lighting system which we install

Write for Estimates

Louise A. Weston

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925 Grand Ave.

DES MOINES

IOWA

by the Nebraska banks amounted to \$71,871,000 on June 30, 1939. Other securities totalled \$36,605,000.

Resources of the 113 insured commercial banks in the State of Montana totalled \$151,587,000.

Deposits in the insured banks were listed as \$135,577,000. Demand deposits of the latest call date amounted to \$94,102,000 and time deposits totalled \$41,475,000.

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1939 - Our 50th Anniversary Year

There must
be a reason
for fifty years
continued growth
through Good
times and Bad.

KOCH BROTHERS

PRINTERS - BOOKBINDERS - OFFICE OUTFITTERS
STATIONERS - BUSINESS MACHINES
GRAND AVENUE AT FOURTH

1939 - Our 50th Anniversary Year

FOR OVER FIFTY YEARS

we have been

Selling to Bankers

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MESSENGER PRINTING CO.

Fort Dodge, Iowa

We advance cash to dealers who
sell automobile tires and other small
units of merchandise on our budget
plan.

financial
CREDIT
SYSTEM

Home Office, Flynn Bldg., Des Moines, Iowa

Grace Ransom Tea Room

Where Really Delicious Food
Is Served

LUNCHEON and DINNER
Sunday Service

STELLA E. BARKER

708½ Locust St. Des Moines, Iowa
(Second Floor)

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Hotel Wellington

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Rooms With Bath
\$2.00—\$2.50

And a Courtesy and Hospitality You
Will Thoroughly Enjoy

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Omaha

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Our policy provides a maximum
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One and Two—and 3½% in
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Carver Bldg. Fort Dodge, Iowa

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If you have a client who wants
a going business with excellent
possibilities for expansion...

Write Us

W. K. BREWER CO.
Crocker Building
DES MOINES IOWA

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Spinster: "So the waiter says to me,
'How would you like your rice?'"

Friend: "Yes, dearie, go on."

Spinster: "So I says wistfully,
'Thrown at me, big boy'."

MERCHANTS MUTUAL BONDING COMPANY

Incorporated 1933

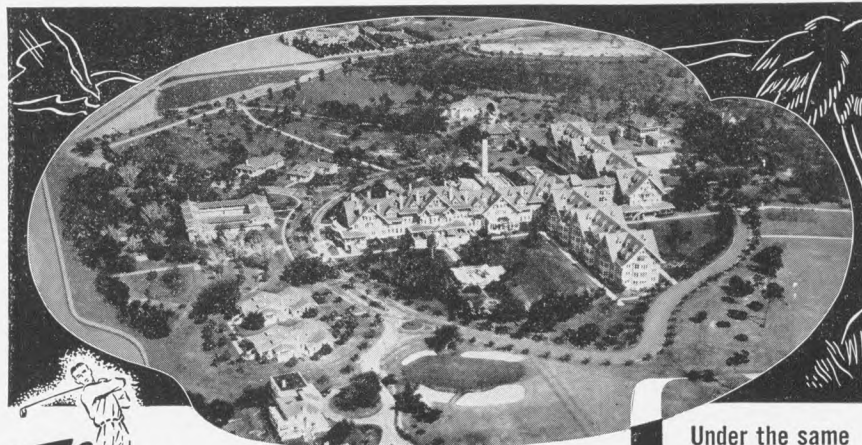
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IN THE DIRECTORS' ROOM

That for You!

Prospective Customer: "Do you keep fountain pens here?"

Clerk (brightly): "No, we sell them."

Prospective Customer: "Okay, but keep the one you might have sold me if you hadn't been so smart."



Where's That Chloroform?

Head Clerk: "I am very sorry to hear of your partner's death. Would you like me to take his place?"

Manager: "Very much, if you can get the undertaker to arrange it."

Perfume

Frosh: "I just brought home a skunk."

Roommate: "Where ya gonna keep him?"

Frosh: "I'm gonna tie him under the bed."

Roommate: "What about the smell?"

Frosh: "He'll have to get used to it like I did."

Free to Roam

Boy: "Say, dad, what does it mean when the paper says one man went to a convention as a delegate-at-large?"

Dad: "It means his wife didn't go with him, son."

Half Educated

Over in a corner near the fireplace, Uncle Ezry had been working industriously with a stub pencil and a piece of paper. Suddenly he looked up and smiled. "Doggone!" he exclaimed. "If I ain't learned to write."

Maw got up and looked over his shoulder at the lines scrawled across the paper. "What do it say?" she asked.

"I don't know," said Uncle Ezry, puzzled. "I ain't learned to read yet."

The Other Half Pound

"I sent my little boy for two pounds of plums and you only sent a pound and a half. Are your scales correct?"

"My scales are all right, madam. Have you weighed your little boy?"

Mixed with a Spoon

"Making love," says a handsome grocery clerk who is popular with the girls, "is like making pie. All you need is a lot of crust and some apple-sauce."

Fashioned by Satan

"Say, Pete, your girl looked quite tempting in that biblical gown she wore last night."

"What do you mean, biblical gown?"

"Oh, you know, sort of lo and behold!"

Beat Him to It

"What did your wife say when you came home soused last night?"

"She didn't say a word. And I was going to have these two teeth taken out anyhow."

Playing Safe

The barber was dark and swarthy, his eyes black and sparkling. It was evident that he was descended from Latin stock.

"What do you think of the Italian situation?" he inquired of the customer. "What is your opinion of Mussolini?"

"The same as yours," replied the man in the chair.

"But how do you know my opinion?" inquired the startled barber.

"I don't," admitted the man, "but you have the razor."

He'll Wait

The beautiful young girl shook her head decidedly. "No," she said, "I cannot marry you. You are over 70, and I am only 16."

The old man shrugged his shoulders. "All right, dearie," he signed, "I'll wait."

Natural Inference

The subject before the class was "The Cow." The teacher asked the class about the uses to which the parts of the dead animal were put, when it was brought out that the flesh was eaten, and from the hide leather for boots and shoes was made.

"And what do we make of the horns?" the teacher queried.

Up shot the hand of a small boy.

"Well, what is it, my boy?"

"Hornaments, sir."

Slight Change

"Your husband has a new suit."

"No, he hasn't."

"Well, something's different."

"It's a new husband."

History Up to Date

Teacher: "Jane, who was Anne Bol-eyn?"

Jane: "A flatiron, sir."

Teacher: "What do you mean?"

Jane: "Well, our history book says that 'Henry having disposed of Catherine, pressed his suit with Anne Bol-eyn.'"

Ain't Worth It

Rastus: "Here's dat quarter ah borrowed from you last year."

Sambo: "Yuh done kep' it so long dat ah don't know if it's wuff while for me to change my 'pinion of yuh jes' fo' two bits."

Efficiency

The department store engaged an efficiency expert, whose obsession was to move the departments to different parts of the store every day. One day a section would be on the top floor, the next it would be in the basement, and on the third it would be placed where the restaurant had been.

After three weeks of this an old lady approached a harassed floorwalker and asked him if he could tell her where the draperies department was.

"No, madam," he said wearily; "but if you'll stand here for a few minutes I'm sure you'll see it go by!"

Who'd Be a Teacher?

"B-e-d spells bed," said the teacher to her backward pupil. "Now do you understand, Tommy?"

"Yes," said Tommy glibly.

"Well, c-a-t spells cat, d-o-g spells dog, and b-e-d spells—what did I tell you b-e-d spells?"

"I've forgotten, teacher," whispered Tommy contritely.

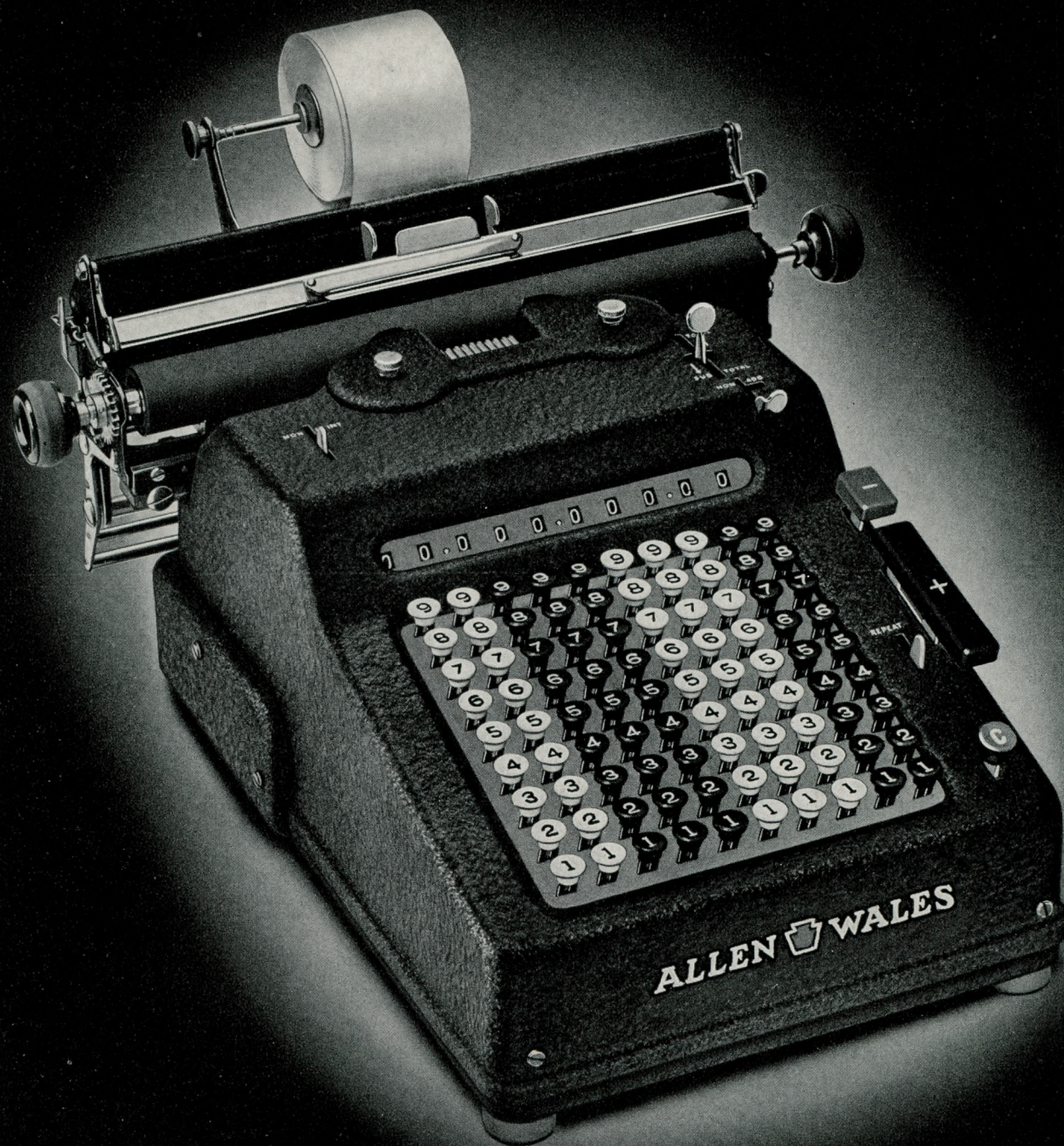
"Well, once more, b-e-d spells what you sleep in. Now what is it?"

"My shirt!"

Correct

Small Daughter: "What is alimony, Mother?"

Mother (former wife of insurance agent): "Alimony is a man's cash surrender value."



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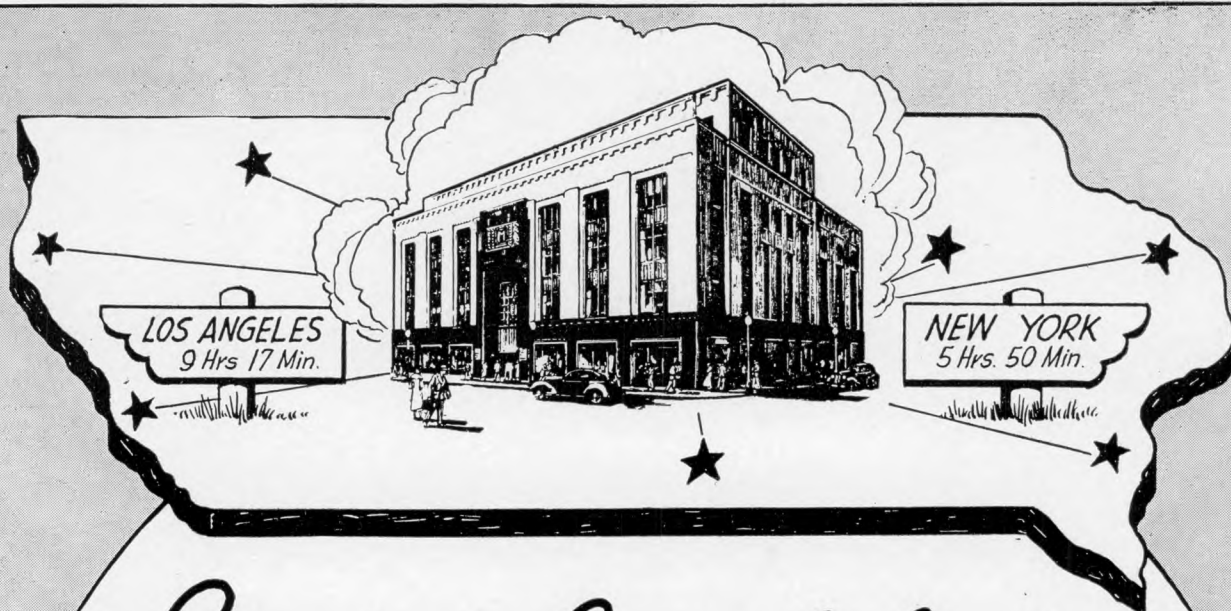
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