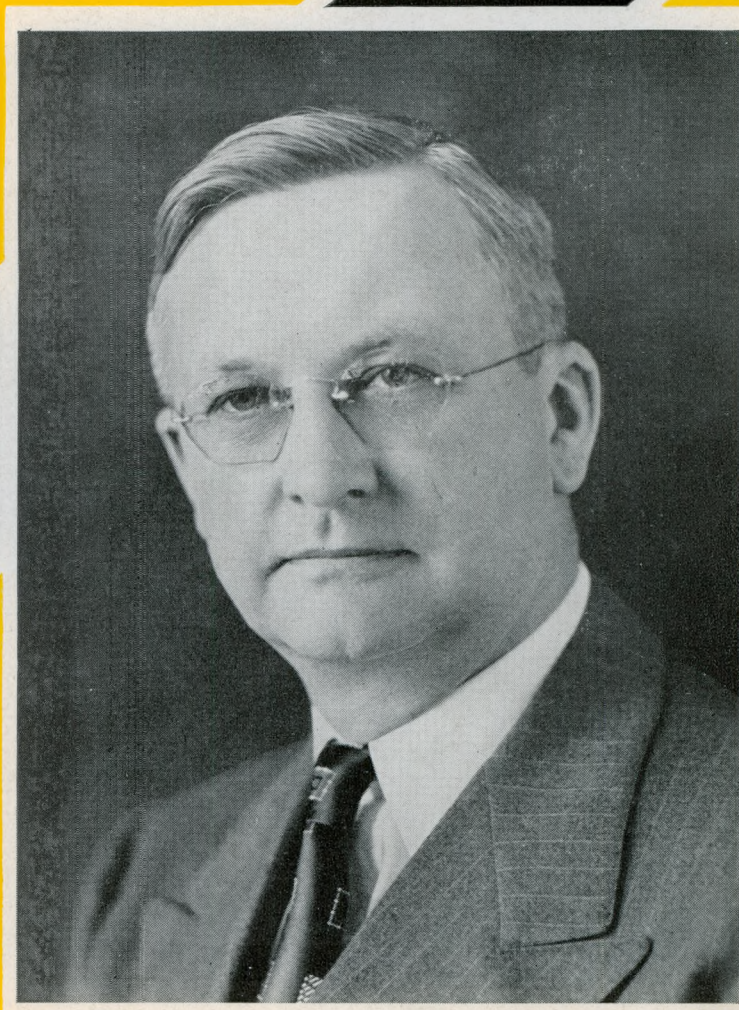


NORTHWESTERN *Banker*

AUGUST
1940



K. O. SATTRE
Cashier, Blue Earth State Bank, Blue Earth, Minnesota
President, Minnesota Bankers Association

What Happened at the Wages and Hours Hearing

Page 11

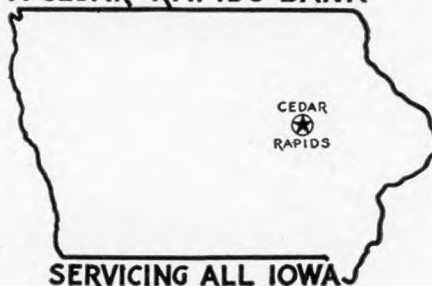


When Iowa Grain Goes to Market--

When Iowa grain goes to market Cedar Rapids and a Cedar Rapids bank connection take the spotlight. For this city is Iowa's outstanding grain center.

This bank is thoroughly equipped to handle your grain marketing needs with the same skill and precision that characterizes all Merchants National correspondent service.

A CEDAR RAPIDS BANK



MERCHANTS NATIONAL BANK

OFFICERS

JAMES E. HAMILTON, Chairman
S. E. COQUILLETTE, President
H. N. BOYSON, Vice President
ROY C. FOLSOM, Vice President
MARK J. MYERS, V. Pres. & Cashier
GEORGE F. MILLER, V. Pres. & Tr. Officer
MARVIN R. SELDEN, Vice President
FRED W. SMITH, Vice President
JOHN T. HAMILTON II, Vice President
R. W. MANATT, Asst. Cashier
L. W. BROULIK, Asst. Cashier
PETER BAILEY, Asst. Cashier
R. D. BROWN, Asst. Cashier
O. A. KEARNEY, Asst. Cashier
STANLEY J. MOHRBACHER, Asst. Cashier
E. B. ZBANEK, Building Manager

Cedar Rapids Iowa

Member Federal Deposit Insurance Corporation



Northwestern Banker, published monthly by the De Puy Publishing Company, Inc., at 527 7th Street, Des Moines, Iowa. Subscription, 35c per copy, \$3.00 per year. Entered as second-class matter at the Des Moines post office. Copyright, 1940.

Complete In Its
Correspondent Services

Always Prompt
and Courteous In
Its Attention to All
Correspondent Needs

"Iowa's Friendly Bank"

**THE CENTRAL NATIONAL BANK
AND TRUST COMPANY**

Fifth Avenue Between Locust and Walnut

DES MOINES, IOWA

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Statement of Condition, June 29, 1940

RESOURCES

CASH AND DUE FROM BANKS	\$1,467,007,452.80
U. S. GOVERNMENT OBLIGATIONS, DIRECT AND FULLY GUARANTEED	1,039,030,754.02
STATE AND MUNICIPAL SECURITIES	127,895,549.51
STOCK OF FEDERAL RESERVE BANK	6,016,200.00
OTHER SECURITIES	151,938,094.22
LOANS, DISCOUNTS AND BANKERS' ACCEPTANCES	607,858,800.76
BANKING HOUSES	32,773,713.63
OTHER REAL ESTATE	8,126,541.88
MORTGAGES	10,677,143.08
CUSTOMERS' ACCEPTANCE LIABILITY	11,944,699.23
OTHER ASSETS	9,510,536.59
	<u>\$3,472,779,485.72</u>

LIABILITIES

CAPITAL FUNDS:

CAPITAL STOCK	\$100,270,000.00
SURPLUS	100,270,000.00
UNDIVIDED PROFITS	<u>33,820,953.64</u>
	\$ 234,360,953.64
DIVIDEND PAYABLE AUGUST 1, 1940	5,180,000.00
RESERVE FOR CONTINGENCIES	14,507,676.95
RESERVE FOR TAXES, INTEREST, ETC.	2,214,575.31
DEPOSITS	3,190,822,926.19
ACCEPTANCES OUTSTANDING	13,488,305.37
LIABILITY AS ENDORSER ON ACCEPTANCES AND FOREIGN BILLS	1,004,017.12
OTHER LIABILITIES	<u>11,201,031.14</u>
	<u>\$3,472,779,485.72</u>

United States Government and other securities carried at \$141,972,500 are pledged to secure public and trust deposits and for other purposes as required or permitted by law.

Member Federal Deposit Insurance Corporation

**REASONS WHY BANKS PREFER
LA MONTE SAFETY PAPERS**

	PROTECTION
	GOOD WILL VALUE
✓	RECOGNITION
✓	PRESTIGE
	INDIVIDUALITY
	ACCEPTANCE
	WRITING SURFACE
	PRINTING SURFACE
	DURABILITY
	UNIFORM QUALITY

PRESTIGE



The American Eagle, incorporated in the design of our
National Coat of Arms and The Great Seal of the United
States, has, through long usage, become an established
symbol of Federal authority » » » Similarly, 69 years of
public service has given the "safety paper with the wavy
lines" widespread recognition as America's standard
of protection for checks and other negotiable instruments.



GEORGE LA MONTE & SON, NUTLEY, N. J.



**IDLE HANDS
FILL EMPTY POCKETS**

when

FIRE HALTS PRODUCTION . .

but U & O Saves Earnings—Safeguards Loans

THRIVING in a prosperous plant are *invisible* values created as raw products become finished goods . . . earnings, profits, commissions. These values are needed to pay debts and charges, to meet payrolls and to liquidate loans. Manufacturers who lose earnings choked off by fire need not be without expected income, even though belts are stopped and busy hands made idle. Use & Occupancy insurance, a valuable supplementary coverage, will reimburse for the loss of *invisible* values, just as though mishap had not come. This useful protection can be made to fit the individual requirements of all types of establishments.

If you are interested in the financial health of concerns to which you have advanced funds, U & O will be, to you, a defender of loan security. The HOME agent near you will gladly discuss this supplementary form and show how it applies to the needs of your borrowers. He will also explain other forms written by THE HOME to protect *invisible* values.

**THE HOME INSURANCE
COMPANY
NEW YORK**

FIRE — AUTOMOBILE — MARINE and ALLIED LINES OF INSURANCE

...
AUGUST
1940
...

NORTHWESTERN *Banker* DES MOINES

FORTY-FIFTH YEAR

NUMBER 637

Oldest Financial Journal West of the Mississippi River

IN THIS ISSUE

Editorials

Across the Desk from the Publisher..... 8

CLIFFORD DE PUY
Publisher

RALPH W. MOORHEAD
Associate Publisher

HENRY H. HAYNES
Editor

J. STUART DAVIS
Associate Editor

527 Seventh Street,
Des Moines, Iowa
Telephone 4-8163

...

NEW YORK OFFICE
Frank P. Syms
Vice President

505 Fifth Ave. Suite 1202
Telephone MUrray Hill 2-0326

MINNEAPOLIS OFFICE
J. A. Sarazen
Associate Editor
Telephone Hyland 0575

Feature Articles

Frontispiece 10
Wages and Hours Hearing in Washington..... *C. W. Stafford and H. L. Huston* 11
Don't Worry About Drop in Government Bonds..... *J. Franklin Ebersole* 12
What I Learned About Rutgers..... *Preston E. Reed* 13
News and Views..... *Clifford De Puy* 14
More Than 81 Per Cent Opposed to Branch Banking..... 15
Legal Questions and Answers..... 16
How Dedecorating Improved a Bank Loan..... *Lee Potter* 17
How To Select Employes for Your Bank..... *R. K. Brown* 18
How Field Warehousing Is Serving Both Business and Banker..... *E. A. Baker* 20

Insurance

Why I Keep a Record of My Sales Effort..... *Emerson Davis* 22

Bonds and Investments

The Month's Market Maneuvers..... *James H. Clarke* 25
Iowa Investment Banking News..... 28
What Their Statements Show..... 29
Nebraska Investment Banking News..... 31

State Banking News

Nebraska News 33
Omaha Clearings 35
Lincoln Locals 37
South Dakota News..... 39
Minnesota News 41
Twin City News..... 42
North Dakota News..... 45
Montana News 46
Iowa News 47
News from Des Moines..... 56
Iowa News from Here and There..... *J. A. Sarazen* 51

Savings and Loan

Operating Plan of "Own-A-Home" Clubs..... *George W. West* 63

The Directors' Room

A Few Short Stories to Make You Laugh..... 66

MEMBER
Audit Bureau of Circulations
Financial Advertisers Association



Across the Desk From the Publisher

By Clifford DePuy

Is Foreign Trade Everything?

With so many countries now under Hitler's totalitarian domination, we are naturally worried about what will happen to our foreign trade when World War No. 2 is over.

We have no desire to minimize the importance of our foreign trade but when we figure our total exports against our national income it figures to a little more than 2.1 per cent.

To be specific, in the year 1939 our total national income was about 69 billion dollars and of this \$3,177,344,000, or only 2.1 per cent, represents our total exports.

Why, therefore, should we put so much emphasis on our foreign trade and not give as much thought perhaps as we should to the developing of our business among ourselves, which amounts to 98 per cent of our total income.

Figures for 1938-1939 showing exports and imports are as follows:

	Exports	General Imports
1938	\$3,094,440,000	\$1,960,428,000
1939	3,177,344,000	2,318,258,000

Foreign trade is certainly important but it is not everything, as far as our domestic economy is concerned. Trading with ourselves amounts to 98 per cent, and that is a very favorable thing to consider when we are facing competition with Nazi controlled countries.

Raising 1 Billion Dollars By New Taxes

The revenue act of 1940 which was signed by the President recently, makes permanent increases in corporate and individual income taxes and in addition imposes increases for five years upon those taxes and practically all others, including estate, gift, and excise levies but not the payroll taxes.

The new law is designed to raise additional revenue of approximately 1 billion dollars yearly.

At the same time it increases the federal debt limit by 4 billion dollars to 49 billion dollars.

The estimated revenue from these taxes is as follows:

Individual income taxes.....	375 million
Corporation income taxes.....	205 million
Capital stock and excess profits taxes..	12 million
Estate and gift taxes.....	32 million
Alcoholic beverage taxes.....	125 million
Tobacco taxes	34 million
Gasoline and lubricating oil excess tax	116 million
Auto, truck, etc., excise taxes.....	14 million
Taxes upon admissions to theatres, etc.	60 million
Other taxes	21 million

Total increase994 million

Corporation income taxes are increased permanently from 12.5 per cent, 14 per cent, 16 per cent, and 18 per cent to 13.5 per cent, 15 per cent, 17 per cent and 19 per cent.

Both the permanent and temporary increases are applicable to taxable years beginning after December 31, 1939.

No one objects to "pay as we go" for our huge increase in Government spending for armaments. But, isn't it also time to reduce the expenses of dozens of unnecessary bureaus in order that the money may be saved and put into our national defense?

Conquest of South America By Hitler

Every informed writer about South American affairs knows that Hitler and his Nazi gang of intriguers, fifth-columnists and international racketeers are doing everything they can to get control of South America and South American trade.

That is why it is so absurd to read in the German propaganda bulletin, "Facts in Review," published at 17 Battery Place, New York, the following statement by Hitler:

"Germany is one of the few countries which hitherto has refrained from interfering in America in any way. Germany has never had any territorial or political interests on the American continent, nor has Germany any such interests now. Whoever asserts the contrary is lying for some purpose.

"Thus, the manner in which the American continent shapes its life is of no interest to us. That holds true not only for North America, but equally so for South America."

In all the history of the world to date, there has never been any ruler of a great nation who has been so consistently treacherous and deceitful as has Hitler and who by his own statements in his book *Mein Kampf* admits that treachery and deceit are part of the weapons of international progress.

Farmers Received 9.4 Per Cent in Government Payments in 1939

The Bureau of Agricultural Economics of the United States Department of Agriculture has just released the official figures covering income to farmers from their farm marketing and also from government payments for 1939.

During 1939 the government paid farmers \$807,065,000 and for that same year the total income, including government payments to farmers, amounted to \$8,518,046,000.

Therefore, farmers received approximately 9.4 per cent of their total income from government payments during the last calendar year.

The figures for the NORTHWESTERN BANKER states are a little higher and show that farmers in this area received 11.5 per cent of their total income from government payments.

The figures for the NORTHWESTERN BANKER states are as follows:

	Total Cash Income From Farm Marketing	Government Payments	Total Including Gov't Payments
Iowa	\$ 589,915,000	\$ 69,444,000	\$ 659,359,000
Minnesota	332,766,000	26,599,000	359,365,000
Nebraska	219,074,000	28,078,000	247,152,000
North Dakota	108,815,000	29,345,000	138,160,000
South Dakota	100,907,000	23,052,000	123,959,000
Montana	83,752,000	12,271,000	96,023,000
	\$1,435,229,000	\$188,789,000	\$1,624,018,000

From this it will be seen that the total farm income in the NORTHWESTERN BANKER area, including government payments, amounts to \$1,624,018,000, and that farmers received in government payments \$188,789,000 or approximately 11.5 per cent of their income was in government payments or 2.1 per cent above the national average.

Bankers Manufacture Credit

Bankers manufacture credit and offer it for sale and so does the government.

And if bankers are to stay in the business of manufacturing credit, they must do it on a basis which will compete with the government and give to the ultimate purchaser of the credit better service, less red tape, and better cooperation than they can get from government credit agencies.

"The less sound substitute" offered by the Government to the prospective users of credit is neither good business for the Government or for the banks, and if bankers continue to give the service which they really know how to give Government competition should be held to a minimum or at least greatly reduced.

Business Men Can Help If Given a Chance

Business men and bankers throughout the nation are anxious to help in the preparedness program for the government, if they are given a chance.

They cannot, however, be appointed on committees and advisory councils and then have politicians and governmental red tape keep them from doing the job which they should and can do.

Discussing economic preparedness recently, Emmett F. Connely, president of the Investment Bankers Association of America, said:

"Businessmen, not politicians, built this nation, and businessmen will save it if given the opportunity. It should be your duty and mine to insist that our representatives in Washington, whether they be Democrat or Republican, turn this job over to experienced workmen who know how to do the job because they have been through the mill of hard knocks."

President Roosevelt's recent advisory committee includes some of the biggest industrialists in the country, but unless they are given more leeway than they have been given so far, they will be bogged down by politicians and governmental red tape experts who will prevent these distinguished gentlemen from doing the job which they really can do.

And, isn't it interesting to think that the very men who have been kicked and cuffed around by the administration should now be called upon to prepare this country to face the greatest emergency it has ever faced in its lifetime?



WHAT HAPPENED at the *Wages and Hours* Hearing IN WASHINGTON

Iowa Bankers Clay W. Stafford and H. Lee Huston Report on
Recent Conference

FOR some months past the Iowa Bankers Association, through its administrative committee and other officers and cooperating bankers, selected by President C. R. Gossett, all with the able assistance of Secretary Frank Warner, has been working closely with the Federal Legislative Committee of the American Bankers Association with a proposal to get a re-definition of the terms "executive," "administrative" and "professional" employees, as they now appear in the Wage and Hour regulations.

Represented on the committee were Iowa banks of nearly every type and size. When the Wage and Hour hearing was held in Washington on July 9th, having been arranged by the American Bankers Association, Clay W. Stafford, cashier of the Ames Trust & Savings Bank, was selected to represent banks located in larger and medium sized cities in Iowa, and H. Lee Huston, cashier of the Columbus Junction Savings Bank, to represent banks in towns of 1,000 population or less.

We asked Mr. Stafford and Mr. Huston to prepare for our readers an account of the Washington conference, and the following is their report:

Clay W. Stafford Says:

"There were eleven bankers in all who made the trip to Washington to represent the American Bankers Association. These bankers represented the small, the medium sized and the large banks in the United States. In addition to the two from Iowa, there was one banker from each of the following towns and cities — Bucyrus, Ohio; Rocky Mount, North Carolina; Winchester, Virginia; Chicago, Illinois; Philadelphia, Pennsylvania; Washington, D. C.; New York City, New York; and Norwich, Connecticut. All of these bankers met at the office of D. J. Needham, general counsel for the American Bankers Association, in Washington, on the morning of July 8th, for the purpose of reviewing these reports

from the various banks and in order that each one might make final preparation and summarize the personnel operations of his bank in such manner that a true picture of the situation could be presented to the representatives of Federal Wages and Hours Law. Too much credit cannot be given A. L. M. (Lee) Wiggins, chairman of the American Bankers Association Legislative Committee, who acted as chairman at this preliminary meeting on July 8th, and who through his past experience in legislative matters was able to anticipate in general the information which the Wages and Hours Administration would like to have.

"On the morning of July 9th, these bankers met as previously arranged in an auditorium at the Willard Hotel for the hearing, which was conducted by Harold Stein, assistant director of the Hearing Division of the Fair Labor Standards Act. A. L. M. Wiggins opened the hearing with a very excellent and complete statement for the member banks of the American Bankers Association, and called attention to the fact that the proposed re-definition, copies of which had previously been submitted to the Wage and Hour Division, suggested the administrator approve either the re-definition of "executive," "administrative" and "professional" employees on a functional basis or on the basis of salary received.

"Mr. Wiggins made a very clear statement to the effect that even though it was apparently not intended that bank employees should come under the provisions of this act, that the banks have not attempted to evade the law but rather to cooperate so far as possible in complying with the law under the assumption that they were technically included under the provisions of the act and therefore expected to comply. He brought out the fact that banking in the United States is in reality a small business, as the membership of the American Bankers As-

sociation shows that a very large percentage of the total number of banks are small business men and operating banks having a million in deposits or less. He further brought out the fact that in these small banks, the work of officers and employees was not specialized but that all employees shared in all of the various phases of the daily routine carried out in these institutions.

"Following Mr. Wiggins' statement, these bankers who had been called in by the American Bankers Association were each called upon to present to Mr. Stein and his associates, as clearly as possible, the picture of the personnel operations of their banks and particularly as this operation is related to the problem of complying with the provisions of the Wage and Hour Law.

"Testimony from each banker clearly showed that the proposed re-definitions of executive, administrative and professional employees, would exclude from the provisions of the act many employees of banks who now are required to comply with the terms of the act and would thus be of very definite benefit to all banks. The testimony of H. Lee Huston, of Columbus Junction, Iowa, was particularly interesting because he represented the smallest sized banks and his testimony showed that in such banks it is difficult to determine where the cashier's work stops and the bookkeeper's work begins. In other words, in the small sized bank, which banks represent by far the largest percentage of the banks in our country, it is practically impossible to departmentize the banking routine but all employees do all of the kinds of work to be done in such institutions. The testimony which I presented brought out the fact that in our institution there are on the average about ten days in each month that may be called peak load days and it is not practical to handle the volume of work required on those days without exceeding considerably the present limit of 42 hours which an employee

may work without being in the overtime classification. This same condition exists in many, many banks who do regularly have peak load days for every person in every month of the year.

"Millard Jones, of Rocky Mount, North Carolina, stated the tobacco industry made it necessary for them to keep their bank open until 5, 6 and 7 o'clock on the dates of tobacco sales in order that the farmers might collect their checks on the date of the sale. He stated that during the period of the year when these tobacco sales are held, it was necessary for their tellers to put in a considerable amount of overtime and many other banks in the tobacco section have the same problem.

"In general the testimony of all the bankers tended to show:

"First. That the employees of banks

feel that they were being discriminated against by being required to adhere to a plan which, if continued, would put them on hourly pay basis.

"Second. In attempting to comply with the law, the banks in general have had to curtail their service to the public by shorter hours, less personal attention to customers, etc.

Third. The plan in effect gives the employees less opportunity to prepare himself or herself for advancement by voluntarily devoting additional time to educating himself in the various phases of bank work.

"Fourth. That banks, and particularly smaller banks, are primarily service institutions and that any participation which these banks have in inter-state business is purely incidental in connection with the service which they render.

"It will, no doubt, be many weeks

before the administrator of the Wage and Hour Division will have an opportunity to review the information brought out at this hearing by testimony and questioning but it is to be hoped that the final result will be favorable."

H. Lee Huston Says:

"As secretary of Group 11 of the Iowa Bankers Association, the writer has had the pleasure of working with the administrative officers and the other Iowa bankers selected by our president, C. R. Gossett, to serve as a bank Wage and Hour committee. When the time came for the bank Wage and Hour hearing that was held in Washington, D. C., on Tuesday, July 9, 1940, it was with pleasure that the writer accepted the appointment by Mr. Gossett, president of our association, to represent our State Association and to cooperate with the American Bankers Association, who had arranged the details for the Washington hearing. It so happens that I am cashier of a bank (Columbus Junction State Bank, Columbus Junction, Iowa) in a town of 1,000 people. Therefore, I was more or less chosen to represent the smaller rural banks of our state located in towns of 1,000 people or less.

"This group was headed by A. L. M. Wiggins, chairman of the Committee on Federal Legislation for the American Bankers Association, and president of the Bank of Hartsville, Hartsville, South Carolina, and it was he who so well presented the picture for the banks and trust companies. He pointed out that as a whole bank employees were receiving a wage in excess of minimum as set up by the law. He explained the effects of the law upon the services rendered to the public as well as the effect upon the employees themselves in the possible curtailment of advancement in position and in some instances the actual lessening of the wages received by the individual. He showed how banks were subject to seasonal expansion and contraction, as well as daily and weekly.

"Mr. Wiggins left no stone unturned, no fact untouched in very pleasantly and clearly giving a word picture of the work of a bank. He, likewise, just as clearly outlined an approach to the solution of the problems, by redefining the meaning of the terms 'executive,' 'administrative' and 'professional' employee and separating each class of employees instead of grouping them as they now are.

"In fact, Mr. Wiggins gave a complete and satisfactory presentation of the problems and their possible solution.

(Turn to page 26, please)

Don't *Worry* About the Drop In Government Bonds

By Professor J. Franklin Ebersole

In Harvard Business School Alumni Bulletin

1. Either you are a banker, or you are not a banker; if you are not a banker, you have nothing to worry about.

2. If you are a banker, either you have some bonds or you have no bonds; if you have no bonds, you have nothing to worry about.

3. If you do have some bonds, either you have many bonds or you do not have many bonds; if you do not have many bonds, you have nothing to worry about.

4. If you do have many bonds, either they are of very short terms, or they are not of very short terms; if they are of very short terms, you have nothing to worry about.

5. If you do have bonds that are not of very short terms, either they will fall in price, or they will not fall in price; if they do not fall in price, you will have nothing to worry about.

6. If your bonds do fall in price, either they will fall soon or they will not fall soon; if they do not fall soon, you will have nothing to worry about.

7. If your bonds do fall soon, either they will fall very rapidly, or they will not fall very rapidly; if they do not fall very rapidly, you will have nothing to worry about.

8. If your bonds do fall very rapidly, either you will have sold them beforehand, or you will not have sold them beforehand; if you do sell them beforehand, you will have nothing to worry about.

9. If you do not sell your bonds beforehand, either you will have a need for cash, or you will not have a need for cash; if you do not have a need for cash, you will have nothing immediate to worry about.

10. If you do have a need for cash, either you will borrow on your bonds at par from the Federal Reserve, or you will not borrow on your bonds at par from the Federal Reserve; if you do borrow on your bonds at par from the Federal Reserve, you will have nothing immediate to worry about.

11. If you do not borrow on your bonds at par from the Federal Reserve, and if you do have a need for cash, and if you do not sell beforehand, and if the prices do fall, and if the prices do fall soon, and if the prices do fall rapidly, and if you do have not very short terms, and if you do have many bonds, and if you are a banker, you will have so much company in your plight that you will have nothing to worry about.

What I Learned *About* Rutgers

At the Request of the Northwestern Banker, Mr. Reed Gives His Impressions of the Graduate School and What He Heard and Saw on a Recent Visit There

By Preston E. Reed

Executive Vice President
Financial Advertisers Association
Chicago

"THESE students, all on the same plane, as there is no distinction between Freshmen and Seniors, from all sections of the country, from various types of banking institutions of different sizes, learn that there is one common denominator and that is, 'we are all Americans.' At least 698 men now know that there is a real responsibility placed on them as leaders in their respective communities for the teaching of what must be done to maintain our dearly bought rights of being a free people. These men know that to retain even their bread and butter jobs as bankers, right thinking on the part of their customers is most important. Most of these students, if not all, will do their part in bringing back to their communities a desire to think things through to factual and truthful conclusions."



PRESTON E. REED

Brunswick station I was hustled through the depot, down the steps, where a line of hungry-for-fares taxicab drivers were waiting for their prey. We took one and soon arrived at the Administration Building of the Graduate School of Banking at the famous Hamilton Street address. Already one felt the classical atmosphere of old Queen's College established in 1776—the original campus being just across the street. Here we were ushered into the office of the founder of this institution for adult education for bank officers, Dr. Harold Stonier. Although his tasks are great, he always seems to have time to see his friends. We were invited to have luncheon with him that noon in the gymnasium. Just what that meant I didn't know at the time. As it was almost noon and we wanted to see the campus, we started almost on the run from place to place. There was little activity on the campus

—we saw very few people. At 12:30 we arrived at the gym and it seemed that almost in no time from every direction came literally hundreds of bankers. Everyone was ready for lunch.

As we entered the gym on the floor of that great building there were oblong tables each seating 10 men, and across the long end of the room was a high platform with a head table for 30. What a sight! What organization! What food and what service! It was a good meal, far superior to my expectations; for to serve a group that size is a real job in itself. And the luncheon proceeded like clockwork. There was never a hitch, never a pause, never a weak moment. It was timed as carefully as though it were on a radio schedule.

Did you ever hear a group of bankers sing? They do at Rutgers. Did you ever hear a group of bankers laugh? They do at Rutgers. Did you ever see a group of bankers lean forward in their chairs so as not to miss a single word from a speaker? They do at Rutgers.

It seemed that in no time the luncheon was over, but it was 2:15. As quickly as the great gym was filled so was it emptied. The bankers flocked out and congregated in front of the building or hastened to other buildings for classes.

Now, I am not a banker and trade association work is my profession. I wanted to see the wheels go round. To the basement of the gym we went to see the kitchen where the food is prepared—modern and efficient. Then a few brief calls at several buildings where we looked in on classes—serious, intent, and hardworking. We did catch the train back to New York, but I couldn't get away from Rutgers. There was something about it that had caught hold. The faster the train went and the quicker the tempo of the wheels on the tracks, the faster we talked about G. S. B. No, he (my kidnapper) was not trying to sell me. I had sold myself—better, it had sold itself. There was a spirit that was felt. It wasn't the enthusiasm of crowd

(Turn to page 28, please)

KIDNAPPED last summer by a friend while in New York, I was hustled down to the ferry and soon found myself on a train heading for New Brunswick where is located a four-year-old institution which has the whole-hearted and enthusiastic support and approbation of the banking fraternity. It is an institution which was carefully conceived, duly launched and is now operating at as nearly 100 per cent efficiency and capacity as humanly possible.

As the train pulled into the New

NEWS AND VIEWS

OF THE BANKING WORLD

By Clifford DePuy

John F. Flaacke, assistant secretary of the Chemical Bank and Trust Company, started working for that institution when he was 16 years of age, and he is now 85. He has been with the bank for 69 years and is now starting on his 70th year of continuous service with the institution.

As far as we know that is the all time record in the United States for any bank executive with the same institution.

Merle Thorpe, editor of *The Nation's Business*, speaking before the North Carolina's bankers conference, pointed out that, "It seems the irony of fate that in the hours of physical fear we have decided to replace the war leaders of 1933 and 1940 with the discredited captains of industry. Not in a decade has there been such encouragement for the country's future. And this encouragement has come from the people themselves."

Maxwell S. Stewart, in his "Pensions After Sixty" booklet published by the Public Affairs Committee of New York City, says: "There seems little reason for singling out the old group for special treatment when there are other groups of the population whose need is every bit as great."

Mr. Stuart says that the Townsend plan would cost the country 29 billion dollars or close to half the national income, and furthermore no justification is found for the contention that the payment of huge pensions would really increase the nation's prosperity.

The candidacies for the office of second vice president of the American Bankers Association seems to be gaining speed and momentum as **W. L. Hemingway**, president of the Mercantile-Commerce Bank and Trust Company of St. Louis and **Russell G. Smith**, executive vice president of the Bank of America National Trust and Savings Association of San Francisco get into the home stretch before the A. B. A. convention, which meets at Atlantic City September 22nd to 26th.

With Mr. Hemingway representing the independent banks of the association and Mr. Smith representing branch banking, it looks like a real contest.

Branch banking will, of course, be the issue and it is understood that **A. P. Giannini** has told Mr. Smith to "stay in and fight" until the last gong is sounded, and if necessary to take the fight to the floor of the convention.

If Mr. Smith follows the advice of his boss there is no question but that he will be defeated because independent bankers of America are opposed to branch banking and believe that it would be especially unwise to bring a Giannini man in line for the A. B. A. presidency at this time.

Mr. Hemingway and Mr. Smith are both estimable gentlemen personally, but they represent two distinct groups of bankers in the A. B. A. and for that reason it looks like a "fight to the finish" with the odds very definitely favoring Mr. Hemingway.

It must be remembered that the American Bankers Association went on record at the convention in Boston in 1937 as being "definitely opposed to any proposal or device looking to the establishment of branch banking privileges across state lines, directly or indirectly".

Branch banking within states is left entirely to the laws of each particular state, but Mr. Giannini and his associates not only favor state-wide branch banking but nation-wide branch banking, which is in direct violation to the resolution referred to above and which as passed at the Boston conference reads as follows

"Pursuant to the action of the executive committee of the State Bank Division, which has been transmitted to us by the president of that division, **H. M. Chamberlain**, with a request for clarification of the position of the American Bankers Association upon questions involved in dual and branch banking, the resolutions committee, in response to the request of the State Bank Division, desires to submit the following resolution for adoption by this convention, so that all divisions, sections, committees, and commissions of the Association shall be guided accordingly:

"We favor the preservation and continuation of the dual banking system by which banks are free to operate under either state or national charter. We also believe that the system of unit

banks has been peculiarly adapted to the highly diversified community life of the United States. However, many of the states now authorize by law the operation of branch banks. We believe that national banks should, as they do now, continue to enjoy an equality with state banks of branch banking privileges within those states. The Association supports in every respect the autonomy of the laws of the separate states with respect to banking. We reiterate our belief that no class of banks in any state should enjoy a greater right in respect to the establishment of branches than banks chartered under state laws. We are definitely opposed to any proposal or device looking to the establishment of branch banking privileges across state lines, directly or indirectly."

Ben S. Summerwill, president of the Iowa State Bank & Trust Company of Iowa City, has been discharged as examiner in charge of the receivership of the Johnson County Savings Bank from all liability growing out of the receivership and the indebtedness of **Orval** and **Mattie Simmons** of Iowa City, upon the payment by Mr. Summerwill of \$600.

The order settling and closing the case of **D. W. Bates**, State Superintendent of Banking, against the Johnson County Savings Bank was filed in the District Court of Iowa City recently.

The National City Bank of New York, in their recent bulletin, expresses the opinion that people who are viewing the prospects with almost hysterical alarm fail to remember that the problem of maintaining a standard of living against foreign competition has not risen over night but is as old as the industrial revolution. The real danger, this bulletin points out, to this country is the failure to get the domestic situation in order; to resume capital investment, by which the productivity of labor is increased, costs reduced and goods improved; and to understand that the American standard of living has not been created and cannot be guaranteed by legislative enactment but is based upon the cooperation of research and engineering, management, capital and labor, to produce more goods at lower unit costs.

Emmet F. Connely, president of the Investment Bankers Association of America, in discussing the willingness of capital to do its part in the present crisis, has this to say.

"It is well known that the capital is available in amounts beyond any

(Turn to page 58, please)

More Than 81%

Opposed to Branch Banking

A Recent Survey Made by the American Banker Shows Opposition to Branch Banking, and Good Future for Independent Banking

IN A recent survey made by the American Banker on the question of branch banking, questionnaires were sent to 10,000 bank presidents and replies from 1,300 bank presidents show that they opposed branch banking, while less than 300 declared that they were unopposed.

Returns from this survey are as follows:

Question: Do you believe in branch banking?

No: 81.4%

Yes: 16.7%

Don't know: 1.9%

Faith in Independent Banking Runs High

"The percentage return on faith in the unit bank was even heavier.

"More than 1,400 bank presidents declared full faith in the future of independent banking. Less than 150 expressed doubt or lack of conviction.

"The detailed response would indicate that the ratio of American bank presidents' views on this question are as follows:

Question: Do you believe that there is a future for independent banking in the United States?

Yes: 91.3%

No: 6.3%

Don't know: 2.4%

"No attempt was made in sending out the questionnaires to the bankers of the country to eliminate men who might be in favor of branch banking, and banks in large cities as well as small cities were canvassed. Of course, no questionnaires were sent to branches of banks, although inquiry was directed to heads of branch systems. It is possible that bankers from small centers took occasion to answer the questionnaire and that bank officials in larger cities might have waste-basketed their replies, but a survey of the answers received from the larger cities of the country does not indicate that this is the case, and sentiment for independent banking seems as strong in

larger cities as in the smaller communities."

Branch Banking Popular In Few States

"Replies from individual states were generally heavily against branch banking. In only a few states did the percentage run more than 20 per cent in favor of branch banking. New York state's bank presidents' replies were 50 per cent for and 50 per cent against branch banking. Montana replies were 48 per cent for branch and 52 per cent against. California replies were 25 per cent in favor of branch banking; Alabama showed 30 per cent for branch banking; Indiana was about 35 per cent for branch banking; Mississippi about 28 per cent; North Dakota about 27 per cent; Ohio about 53 per cent; Oregon about 44 per cent; South Dakota about 27 per cent; Virginia about 27 per cent; Washington about 27 per cent; Wisconsin 18 per cent. Maine was seven to one in favor of branch banking, or about 86 per cent for it, and Vermont 66 per cent for branch banking. These were the highest percentages favoring branch banking. In the remainder of the states the replies favoring branch banking were minorities of less than 15 per cent, and in a few states there were no replies in favor of branch banking at all."

Faith in Future of Independent Banking General

"On the score of faith in the future of independent banking, a curious phenomenon developed.

"Even in states where there was a substantial percentage favoring branch banking, there was offsetting sentiment to the effect that there was still a future for independent banking.

"In New York state, where the vote was 50 per cent for and 50 per cent against branch banking, the percentage who felt that there was no future for independent banking was very

small, with only 16 per cent taking the position that they could see no future for the unit bank, while 84 per cent said that they felt there was a future for independent banking.

"In California every single vote cast was that there was a future for the unit bank. California is the most branch-banked state in the union, yet even those who said that they believed in branch banking voted unanimously that they felt that there was a future for independent banking. This was also true in Maine, where there are many branch banks, and where there was a heavy percentage of belief in branch banking. Maine also gave a vote of 100 per cent to the effect that unit banking has a future. Branch bank proponents evidently do not consider that their ideas will hurt unit banking.

"Curiously, on the other side, the largest (though still small) minorities which seemed to be discouraged about unit banking included two non-branch bank states, Illinois and Texas.

"In Illinois, where branch banking is prohibited and where the bank presidents' replies were 86 per cent against branch banking, there was a minority of 19 per cent which admitted that they felt that there was doubt as to the future for independent banking, although 81 per cent still held to faith in the unit bank.

"In Texas, where there are no branch systems, and where the replies were nine to one against branch banking, the majority still believe in the future of the unit bank, but 15 per cent shook their heads in doubt.

"Georgia, Kentucky, Maryland, Mississippi and South Carolina were more than 80 per cent assured as to the future of the unit bank, but otherwise had majorities ranging above 10 per cent who were wondering whether the unit bank had a chance. The rest of the states' replies were virtually solidly to the effect that there is a future for the independent bank."

Is a Promissory Note Made to Self *Legal* Without Endorsement?

A Minnesota banker employed Jordan to manage a grain elevator owned by him in that state. Jordan, in breach of his duty of loyalty to his employer, sold, in his own name, some of the grain coming to the elevator and made a secret profit thereon. To make the sale, it was necessary to pay for trucking the grain to certain destinations. The banker learned of these transactions and required Jordan to make good in the matter. Was the banker entitled to Jordan's gross profits or net profits?

Under the Minnesota law the view is taken that a principal or other employer is entitled to the gross profits derived from adverse or independent transactions by an agent or an employee in breach of his duty of loyalty to his employer. This means that under the facts outlined Jordan was obliged to account to the banker for his gross profits without deducting the trucking costs involved in making those profits.

Smith died in Tennessee, leaving to Brown his entire estate, as well as appointing him executor thereof. Smith, prior to his death, gave Jackson certain property. Brown sued as executor to recover it but was unsuccessful. Could the property going to Jackson be subjected to the payment of the expenses incurred by the executor in prosecuting the claim by him that the property was assets of Smith's estate?

No. In the few cases in which the question has arisen, the courts have adopted the rule that the personal representative of a decedent is not entitled to allowances out of the property involved for expenses incurred in an unsuccessful effort to claim such property for the estate (even though it is the duty of such personal representative to protect the interests of the estate), since his charges for expenses incurred as personal representative can be allowed only from assets belonging to such estate.

Quite often in the rush of bringing a legislative session to a close, words

These and Other Timely Legal Questions Are Answered

By the
LEGAL DEPARTMENT

will be omitted from legislative bills which become law. When such omissions occur, may the courts supply them in interpreting the laws?

The general rule is that where words have been omitted from a statute or ordinance by inadvertence or clerical error and the intent of the legislature is ascertainable from the context, the courts will insert the words necessary to carry out that intent. They will not permit an act to be declared invalid for uncertainty where reason demands the insertion of words therein.

Walker made out a negotiable promissory note payable to himself and handed it to McMillan without indorsing it. Can McMillan recover thereon?

No, as a general rule. It has frequently, though not universally, been held in effect that an instrument in form of a promissory note payable to the maker but not indorsed by such maker, is a nullity or is invalid, incomplete and not enforceable as a contract. There are three holdings in accordance with this general rule in Iowa, North Dakota and South Dakota, as well as in other states.

Anderson, a lawyer, was consulted by Phelps, a banker, regarding certain defects in the title to a piece of property owned by Phelps. As the result, Anderson obtained certain confidential information that would not otherwise have been available to him. Thereafter Blackwell, who claimed an outstanding interest in the property against Phelps, sought to employ Anderson to represent him in prosecuting his claim for the interest. Could Anderson so act?

No. An attorney who has been made the recipient of the confidences of a client concerning matters properly privileged within the relationship of attorney and client is thereafter disqualified from acting for any other party adversely interested in the same general matter. Decisions to this effect are to be found in Nebraska, Wisconsin and numerous other states.

Dingee, a banker, owned an apartment building. She leased one of the apartments to Ferguson for one year. After Ferguson had been in possession for approximately two months, she vacated the premises without cause and refused to continue to occupy them and pay rent for them for the remainder of the term of her lease. Dingee sued. In the suit Ferguson contended that it was Dingee's obligation to obtain a new tenant for the unexpired term of the lease in order to mitigate her damages. Should such contention be sustained?

The majority view is that a landlord is under no obligation to seek a new tenant when his tenant abandons the premises; nor need he accept a new lessee if one is offered. According to this rule, a landlord may allow the premises to lie idle and recover the rental agreed on without taking any steps to lessen the damages.

Murch was injured in an accident that happened in circumstances whereby a bank and an employee of the bank were liable to him for his damages. Thereafter Murch accepted a small settlement from the bank's employee and released him from liability. Did such release operate also to release the bank?

Yes. As a general rule, where both a master and his servant are liable to a third party for a wrong of the servant, a valid release of either the master or the servant from liability for the wrong operates to release the other. It follows that the release of the employee in this case also operated to release the bank. Decisions to this effect may be found in Minnesota, Illinois, Michigan and other states.

(Turn to page 25, please)

How Redecorating Improved a Bank Loan

GO THROUGH any city, town or hamlet in the country and you can pick out the business houses that are making their mark and considered successful. One place will be dark, dingy and in need of a general cleaning up. They will also need customers and a bank balance. Maybe the place next door will be bright, fresh appearing and tastefully decorated. That place will not have to spend any great amount of money for oil to keep their front door from getting rusty.

The proof of my contentions cannot be better emphasized than by relating the statements made to me recently by a business friend of mine. He is vice president of a rather successful bank in a nearby small town. Because he revised his views and remedied a fault in himself at the same time through a discovery it is my impression that it may bring a message home to you. I would like to relate his statements that went something like this.

It wasn't until a short time ago that I found out where at least a part of the trouble with banking lies. As it is in my department naturally I have reference to the loan end of the business. An unusual occurrence, or rather a sequence of occurrences, brought the facts of the case home to me.

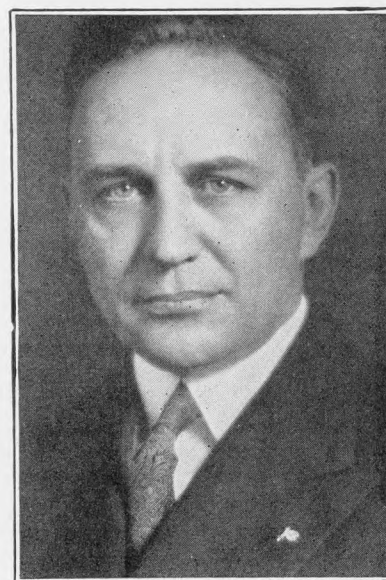
Along about three months ago in the course of an average day I was called upon to pass judgment on the credit of two men who have been customers of the bank for a number of years. Both were in the same business. One note was for a sizeable amount while the other was considerably smaller. Without boring you with long drawn out details, I passed on both amounts, but as many bankers know, there kept following me as sort of a specter the feeling that my judgment had erred and peculiarly it was the note of smaller denomination that perturbed me. But, well, the loan was made and there was no recourse open to me. Again, as bankers know, I could but await developments.

According to the wishes of both individuals repayment was to be made in monthly installments so it was thirty days before the matter came

By Lee Potter

President
Forman, Ford Company
Minneapolis

"If more men in banking institutions would get out of their offices and maintain a closer contact with the accounts they are doing business with, then errors such as the ones I made would be more rare or eliminated entirely. I wish it were possible to get this message to other bankers for their errors may not end as mutually pleasant as mine did."



LEE POTTER

to my attention again. Payment on the larger note was prompt but no record of even an interest payment on the smaller transaction was noted. Now, I don't believe that I am any lazier than the average man but I am afraid that guilt for not making an immediate investigation falls on my shoulders.

Shortly after this I was called away on business and didn't return for about two months with the result that by the time the next loan report reached me the two accounts that I have mentioned were well along. Investigation showed that the larger loan had been paid in full taking advantage of a well earned discount. But, the other account was well in arrears with only a feeble effort to prevent excessive delinquency having been made. Being fairly honest regarding myself I decided that I had been a victim of neglect, lethargy or plain laziness long enough, and decided to investigate.

On my way to see the delinquent client I stopped at the drug store of the other man to express the bank's and my personal appreciation of the way his account had been handled. A new store front surprised me and complete redecorating completed my amazement. The spic and span appearance told the story of why this particular store was a success and

why the loan had been promptly taken care of. Restful decorations that fairly ballyhooed cleanliness and a color combination that seemed to buoy up the spirits, told more effectively, concisely and thoroughly the story of achievement. After talking with the owner a short time I congratulated him on taking care of the note and doubled my laudatory statements in telling him of the fine appearance of his store. His reply taught me something that I am happy to have learned. He said, "I borrowed the money to do this because I figure that any time I improve the looks of my place of business or purchase equipment to better serve people, I am stepping one rung higher on the ladder of success. I'm coming to you again soon for money to get a modern refrigerator and ice cream display case. It will cost money but it's worth it." I agree with him thoroughly.

When I left the store I was in a not too pleasant frame of mind. The thoughts regarding the other loan were rugged. I reasoned that if one man in the same business can take care of his obligations so can another man and I intend to see why he hadn't.

Upon turning the corner I had my answer at once. The outside of the sec-

(Turn to page 30, please)

How to Select *Employees* For Your Bank

By R. K. Brown
Mississippi Valley Trust Co.
St. Louis

The two factors concerning
a prospective employe in
which the employment
manager is most interested
are his intelligence and
clerical aptitude

AS A general rule there are two typical reactions to the subject of tests and measurements as applied to the field of employment. There is the reaction of the person who, while perhaps admittedly knowing little or nothing of the subject, nevertheless has a very definite conviction that there could be no information of any value to be gained from such a source. Equally fallacious is the reaction of the person who sees in this medium the solution to all of his problems and the panacea for all the ills which may affect the personnel of his particular organization. As a matter of fact, of course, neither of these extremes represents the attitude which is most likely to be productive of beneficial results. In this, as in so many other things, a "middle of the road" position is the more logical one to adopt. The time-tried methods of selecting employes on the basis of interviews, education, training, background, appearance and personality, have lost none of their importance. Tests can, however, give to the personnel director or to the officer in charge of personnel, a very useful and valuable tool.

Obviously, to give tests to all applicants for positions would not only be a time-consuming operation but would result in a great deal of unnecessary work. A large percentage of applicants can be eliminated because of their failure in some respect to conform to established standards. From the remaining applicants it will ordinarily be possible to select a small group which, overtly at least, seems qualified for whatever position may be available. Since the majority of new employes entering the banking business do so as office boys or messengers and enter such employment directly from high school in most cases, they seldom have a record of previous employment which will be particularly indicative of their potential value. Test results from the group surviving the preliminary weeding-out process can, at this point, be very helpful in making a final selection.

There is a wide variety of test material available, designed to measure almost every component of an individual. From a practical standpoint and

as a matter of routine, however, many of these must be eliminated. In the final analysis, the two factors concerning a prospective employe in which the employment manager is most vitally interested, are his intelligence and his clerical aptitude. The establishment of the intelligence level is important in determining its conformity to acceptable standards and, since the majority of bank employes are engaged in some phase of clerical routine, it is important to know that the requisite degree of ability along this line is possessed by the prospective employe.

The administration of these two tests is a comparatively simple matter requiring only slightly more than half an hour for both. If necessary, they can be administered to fairly large groups simultaneously. Scoring of the tests is also simplified and can be done by the average clerk with a minimum of instruction.

In the establishment of a testing program it is well to begin with present employes. This serves a twofold purpose; it provides the personnel department with valuable additional information concerning those already on the payroll and makes it possible to establish tentative standards for future employments. It is usually possible to form a fairly accurate estimate of the ability of an employe and by checking his test results against the daily performance of his assigned duties, establish the degree of correlation between

the two. The medium range for a group of employes performing the same type of work will then constitute the "norm" for that particular job classification.

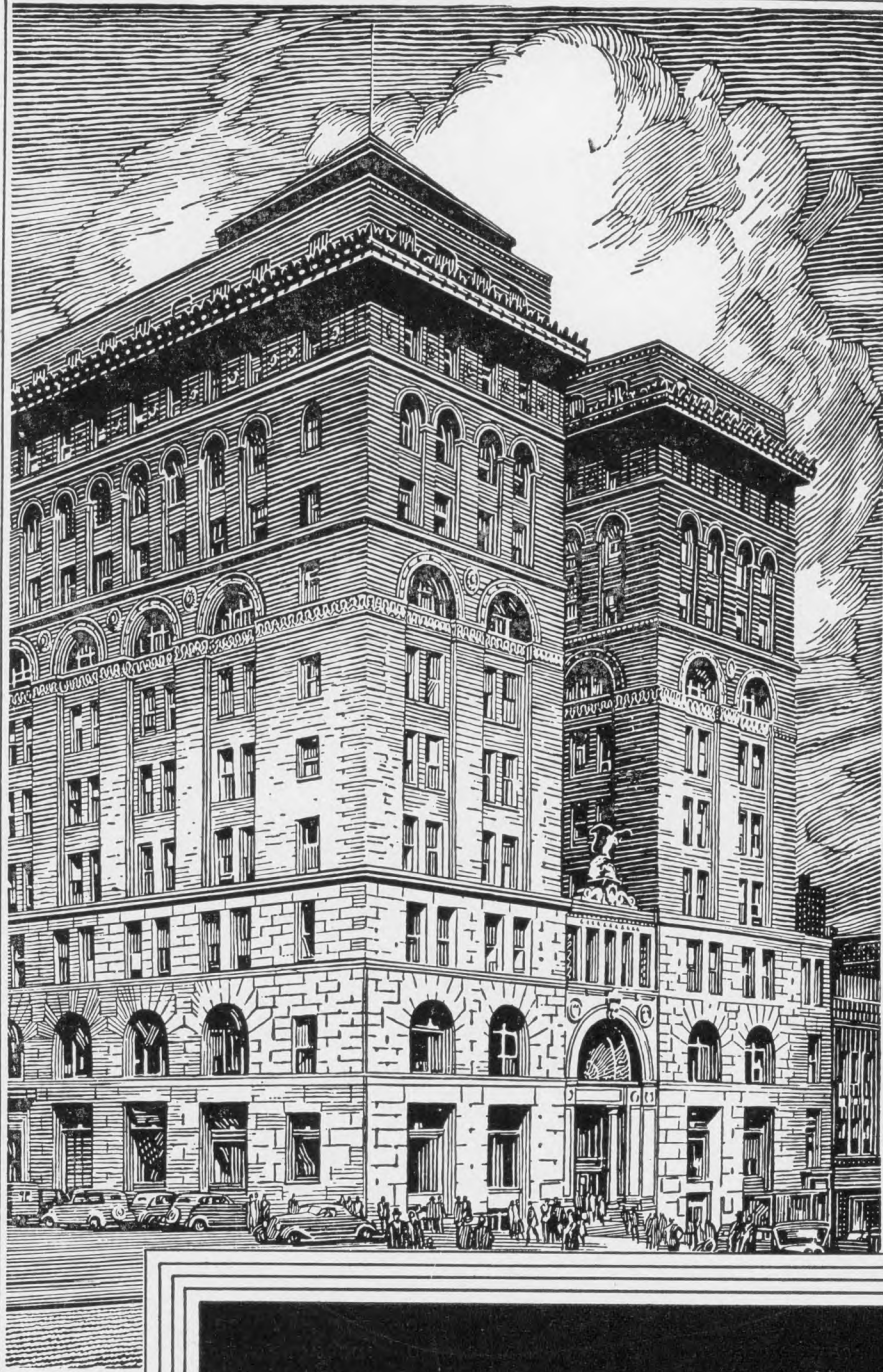
After the test result standards for the various types of jobs have been established, these may then be used as a guide in selecting only those applicants who can meet at least the minimum requirements. It is advisable to establish maximum as well as minimum standards. Generally speaking, a prospective employe in the "near genius" level of intelligence would not be as good a prospect for bank work as one in the high average or average level. The former would, in all probability, become dissatisfied with the comparatively slow progress ordinarily made and would soon terminate his employment voluntarily.

An essential part of any testing program is an adequate system of following up the progress of new employes, determining, as accurately as possible, the degree of correlation between the predictive interpretations of the test results and the actual performance on the job. In cases of unsatisfactory progress, test information makes it easier to determine whether lack of ability or lack of interest may be the underlying cause, and makes it easier to arrive at a decision concerning the most logical course of action to be followed in such cases.

Problem cases develop in every organization from time to time. Here again, test results may be the means of providing a solution to such problems. In addition to the test information concerning intelligence and clerical aptitude secured as a matter of routine, information concerning the personality, temperament or interests of an employe will often provide the key for the solution of a problem of maladjustment.

The installation of a testing program is not a task to be approached lightly or without adequate preparation. The material to be used must be carefully selected and the plan to be followed must be carefully determined in advance of the actual establishment of the testing program, if the desired re-

(Turn to page 46, please)



MEMBER
FEDERAL
DEPOSIT
INSURANCE
CORPORATION

The Omaha National Bank

How Field Warehousing Is Serving Both Business and *Banker*

By E. A. Baker

Vice President
Douglas-Guardian Warehouse Corp.

FROM a refinery site in Texas to a bank vault in Chicago, 100,000 barrels of crude oil, required as collateral for a loan, were recently moved in five hours . . . not by pipe line, not by rail in tank cars, but . . . by plane in an envelope three and one-half by seven inches.

That same day, two carloads of canned cherries from northern Michigan were moved to the vaults of a bank in Grand Rapids . . . a hundred thousand feet of lumber were put into the safe-keeping of a bank in Portland, Oregon . . . a warehouse of clover seed was transported to a bank in Des Moines . . . two months' supply of cotton in the hands of a New England mill was moved to a bank in New York City . . . yet not a carton, a plank, a bag of seed, or a bale of cotton was moved from its location. The moving that took place was one of values, not of materials.

The "magic" which made possible the speedy and complete transfer of merchandise from storage to the bank was that young giant among modern methods of financing in action . . . field warehousing.

As it is strictly a branch of the aged and honorable warehouse industry, field warehousing has in recent years established itself as a sound and timely complement to modern financing, offering as it does the security of third party bailment, traditionally prized by bankers.

All the advantages offered lenders by warehouse receipts are present, with a number of additional advantages, not the least of which are savings in handling, transportation and storage charges.

Under ordinary warehouse procedure, the important and most valuable function of the warehouse receipt is the creation of a bona fide pledge by the borrower or pledger, in favor of the lender or pledgee. It has been held in the highest courts that transfer of title through a warehouse receipt is as complete as if the goods represented were actually delivered into the possession of the holder of the warehouse receipt.

The advantages of borrowing under such conditions are made available to

The borrower is well served by Field Warehousing because it enables him to obtain maximum credit facilities at reasonable rates. It allows him to pay his loan in an orderly manner as he sells his inventory and funds become available.

the owners of inventories of considerable volume, through field warehousing, with no interference whatsoever to normal business operation.

To pledge the inventory offered as collateral for the proposed loan, the method of the field warehouseman reverses that of general merchandising warehousing, by creating a public bonded warehouse at the spot occupied by the inventory. In the case of the cherry-canner, the inventory was in the warehouse of the factory. The oil was in tanks at the refinery. The lumber was in piles at the mill. The clover seed was in a storehouse of a large seed distributor. The cotton was in the warehouse of a textile company.

In each of these cases, the inventory as such possessed a collateral value of exactly nothing. But in the hands of a field warehouseman it immediately took on a loan value representing a major percentage of its appraised value.

By engaging the services of accredited field warehousemen, the owners of the inventory were able to secure warehouse receipts which were gladly accepted as collateral for a generous loan on better terms than would otherwise be granted.

It has been pointed out that the bank which loans on warehouse receipts

collateralized by a field warehousing setup has double protection . . . for back of the receipts is the value of the inventory itself, the value of which is clearly set forth in the appraisal made before the agreement is consummated.

Three simple steps lead up to the conversion of inventory into gilt-edged collateral on which the banker is glad to loan money.

(1) A warehousing agreement or contract is entered into between the manufacturer or producer. This contract is simple in its provisions and, of course, fair to both parties.

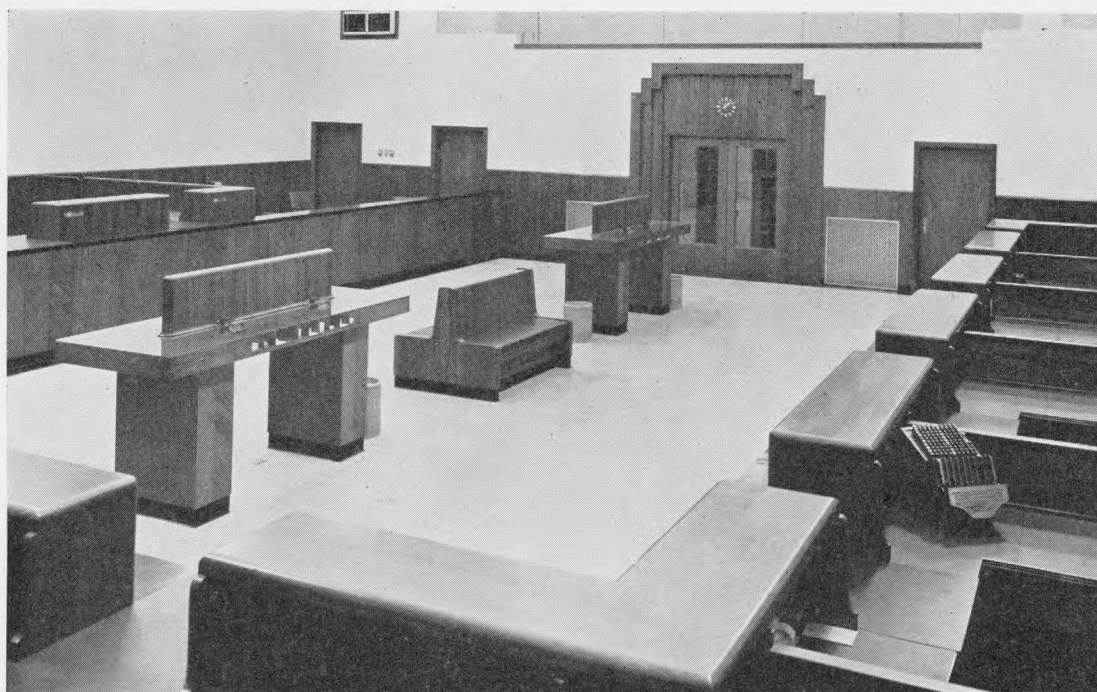
(2) The physical site occupied by the inventory is leased to the field warehousing company. (It may be part of a warehouse, a lumber yard, tanks at a refinery, a grain elevator, or any number of other locations.) With possession legally established, proper legal notice is given to the public of the existence of the field warehouse, and signs are posted in conspicuous places.

(3) A competent custodian is engaged by the field warehouse company to act as local warehouse manager under adequate bond. This representative is hired by the field warehouseman and his salary paid by them.

Through this simple transition, inventory which represents idle money or "money eating its head off" in storage costs, interest charges, etc., is harnessed and put to work at a nominal cost to the customer. By utilizing the storage space of his customer and, in most cases, taking over the services of a custodian in the employ of the customer, the field warehouseman obtains a low cost of operation, of which the customer gets the benefit.

As the pledged inventory is needed by the manufacturer, and he is able to take up the loan, settlement is made with the bank, and the bank in turn authorizes the field warehousing company to release the quantity represented by the part of the loan repaid. All of the necessary forms are supplied by the field warehouse company, and the mechanics of the transaction are carried on with precision and dispatch.

During the period that the field
(Turn to page 46, please)



NEW FIXTURES— AN ASSET—

ASSETS	
Cash on Hand and in Banks.....	\$4,327,608.11
Bonds—	
U. S. Government.....	6,436,229.64
Other Bonds	2,842,396.44

NEW fixtures are a decided asset to any bank. While they may not affect your statement they do improve your standing as a banking institution.

Attractive fixtures such as Fisher installs advertise your bank's solidity and its modern methods of operation. They are immensely important in every phase of your public relations.

LET FISHER SOLVE YOUR REMODELING PROBLEM

Having our representative call and talk the matter over will not place you under any obligation to buy from us.

The FISHER COMPANY

ESTABLISHED
1870

Charles City, Iowa

BANK FIXTURE HEADQUARTERS

Why I Keep a Record of My Sales Effort

WE ALL know that the art of selling is the technique of leading the prospect through certain definite psychological processes—always the same, and always in the same sequence. In every sale that is ever made it is necessary to first, secure the attention of the prospect; second, arouse his interest in the product offered; third, lead him to desire it; and fourth, more him to affirm his desire for ownership by acting now. Attention, interest, desire, and action are the four inevitable psychological steps of every sale through which the prospect invariably must be led. Such is the art of selling.

The business of selling accident and health insurance consists of planning, prospecting, and interviewing. The natural subdivisions of a selling interview are the approach, the presentation, and the close. To master the art of selling it is necessary only to master a few principles applicable to the busi-

By Emerson Davis

Manager
Mutual Benefit Health
and Accident Association
Dayton, Ohio

ness of selling. I am confident you will agree that how well a salesman prospects and plans his call determines the degree of his success in securing his prospect's attention; that there is, therefore, a definite relationship between planning and prospecting on the one hand and securing attention on the other. Similarly, there is a definite relationship between the business of approaching a prospect and the art of arousing his interest, between the business of making a presentation and art of leading a prospect to desire your product, between the business of closing the sale and the art of causing a prospect to act now.

To determine exactly what this relationship is, is the reason why the business of selling requires an accounting system. Adequate records of the results of your selling efforts will enable you to determine your aptitudes or relative weaknesses in the practice of the selling art. Knowing the definite relationship between each division of the business of selling and each division of the art of selling, and having determined your relative strength and weaknesses in the art of securing a prospect's "attention," "interest," "desire," and "action," successful selling of accident and health insurance requires merely that you intelligently set about improving yourself in that phase of your business where need for improvement is indicated. Having localized the cause of unsatisfactory results, whether it be in the planning and prospecting, the approach, presentation, or close, the remedy is simple.

There is a wealth of material on how to sell accident and health insurance and every issue of our house organs and trade papers contains innumerable ideas and suggestions for improving our sales technique. As a matter of fact, there is so much of it that a salesman desiring to improve himself in the business of selling, no matter how

earnest his desire may be, is simply overwhelmed by the volume of material that is available and unless he has some means of knowing precisely what his need is so that he can intelligently select the material that will help him, he is doomed to mediocrity or failure. An experienced manager or sales instructor may be able to correctly diagnose the difficulty of such a salesman but frankly, I believe instructors are more efficient in prescribing a remedy after a correct diagnosis has been made than they are in correctly diagnosing the trouble unless the accounting department in your business of selling has been functioning efficiently and adequate records are available.

And that brings us to the question: "What kind of records should be kept?" My answer is: "The simplest possible!" Too many agent's records, time control charts, etc., have been devised by theorists. I don't mean their inventors necessarily lack practicality, but they are often statisticians and actuaries at heart, and there is nothing so inimical to the necessary enthusiasm of a sales personality and the debilitating effect of keeping voluminous records that have little or no bearing on the salesman's immediate problems. Too often we become enmeshed in the intricacies of methods and lose sight of our main objective. I've seen salesmen's records that were almost an end in themselves, rather than a means to an end. Which is why I always approach the subject of record keeping with a considerable degree of terpidation.

However, some sort of record is essential to the successful operation of any business and the business of selling accident and health insurance successfully is no exception to the rule. But adequate records can be very simple. Twelve or fifteen years ago I came across published in the salesmanship section of Accident and Health, a 3x5 record card quite similar to one I was and am still using, which merely lists on a line following the name of the day of the week, the number of calls, contracts, interviews, prospects, and sales made that day, the recording of which requires possibly two minutes. A separate line is provided for each day of



EMERSON DAVIS

the week and by simply entering the same information each day and totaling the number of calls, contacts, interviews, prospects, and sales, at the end of the week you ascertain precisely what has been accomplished in sales effort, and the entire record for the entire week requires no more entries than can be easily made on one side of a card 3x5 inches in size. By accumulating the totals in each category and carrying them forward to a card for the current week you will always have at hand as comprehensive a record as you will ever need to determine the degree of your effectiveness in each department of the art and business of selling.

The ratio of contacts to calls shows how well your work was planned. The ratio of interviews to contacts shows how effective your approach is. The ratio of the sum of prospects and sales to interviews indicates your effectiveness at closing. You should approximate seven interviews for each 10 contacts, two prospects and one sale for each seven interviews and make no less than 10 contacts each working day. If you find you are below this standard in any department of the business of selling, the remedy is readily available. When your records show you are up to standard in each department of your business, then you have mastered the art of selling, and the question of how to achieve success in the sale of accident and health insurance has been answered.

Warner Expands

The Northern Mutual Insurance Company of Des Moines has been taken over by Elmer H. Warner and Associates of Des Moines. Mr. Warner is secretary and manager of the Merchants Mutual Bonding Company of Des Moines.

The Northern Mutual was organized and licensed in 1932 for the purpose of writing bonds for the Stock Food Men's Association. It wrote some business during that year, but since then has not been active in the bonding business.

The Northern Mutual will be used for reinsurance purposes by the Merchants Mutual Bonding Company and officers will be as follows: President, E. H. Warner; vice president, Barry Oakes; secretary, Estelle Oakes; treasurer, M. O. Milligan. Offices will be in the Valley Bank Building.

Make It Plenty

Husband (seeing her off on the train): "Now, dear, as soon as you arrive you must telegraph."

Wife: "Very well, dear. How much shall I telegraph for?"

1776

1940



IT'S THE SPIRIT OF THE THING

A Motivating SPIRIT which gets things done. The same SPIRIT of mutual assistance that helped build a great nation is at work today building better and more profitable insurance agencies. This spirit can't be bought, but is given freely to every Western Mutual agent in addition to liberal commissions. A spirit and a product that succeed.

Legal Reserve

Non-Assessable

Fire and Auto Policies

WESTERN MUTUAL

FIRE INSURANCE COMPANY

DES MOINES

**Over a Third of a Century of Safety and
Service With Savings**



Northwestern Banker August 1940

DOES INVESTMENT BANKING

Perform A Necessary Service?

Here are some of the services that Investment Banking has rendered to American business and to the American public. After studying them, you may arrive at your own conclusions as to whether or not you regard them as essential.

Investment Banking aids sound business in acquiring new capital for plant expansion, new equipment, additional working funds, and other constructive purposes—by underwriting their securities and distributing them to the public.

Investment Banking helps financial executives

in working out sound plans for the readjustment, or reorganization, of the capital and set-up of their company.

Investment Banking provides funds for state, county and municipal needs—highways, bridges, school buildings, and other needed public improvements—by buying entire bond issues on a competitive basis.

Investment Banking provides the investing public with attractive issues of registered securities, high grade, medium and speculative—from which to select, each according to his own particular requirements.

Iowa Investment Bankers Association

The Month's Market Maneuvers



JAMES H. CLARKE

It is Monday morning, July 29th, as we write this—and except for reports of German and British air raids, plus the usual daily report from the Italian high command that Eng-

land was swept from the Mediterranean yesterday—the war fronts are quiet. They were quiet also just before the invasion of Norway and of the Low Countries. Each day there is some new interpretation placed on Germany's delay—this morning there is the report that traffic between the occupied and unoccupied areas of France has been halted. Perhaps this is the cue for the attack. All this may be known when we go to press.

But if war has quieted down as an item of reader interest, it is still the most potent factor in our business and our markets. With the news from European fronts pretty much at a standstill at this writing, the stock markets are displaying little activity. Volume of trading on the Big Board has been averaging around 200,000 shares a day—an almost unbelievably low figure. On Wednesday, July 24th, the turnover was 195,300 shares—the smallest volume in almost twenty-two years—September 19, 1918, in fact. The full influence of the war in slowing up our markets can be measured if we look at some of the headlines of that same day—July 24th. We refer to: "Steel rate up to new 1939 high of 89%, Chicago at 96.5%," "Power output highest since early February," "June tire shipments set 8-year high," "Baldwin Locomotive orders up sharply," "Many corporations report increased second quarter earnings," etc., etc.

There was a time—one, at least—when war news brought booming stock prices. But the news of taxes and more taxes has changed all that. Thus the tax legislation now in Congress and that to come will be more important to watch closely than the earnings per share of common.

A quick look at the stock market in July shows that including Saturday, the 27th, there were twenty-three days of trading. Using the Dow-Jones Industrial Averages as a measuring stick, there were thirteen days on which gains were recorded, nine days of loss-

Prepared for
The Northwestern Banker

By James H. Clarke

Assistant Vice President
American National Bank & Trust Co. .
Chicago

es and one day when no change was reported. The actual change for the full month was practically nil—on the last trading day in June the average was 121.87—last Saturday morning it was 122.45, about a half point change in almost a month of trading.

While general activity in the bond market was limited during the month—and some feelings expressed that prices were pretty high again—nevertheless, the market showed some life in the way it absorbed government and corporate offerings. The \$600,000,000 Government 2¼'s of 1954-56 were oversubscribed eleven times, went to a premium immediately and today are quoted around 102.13. That the \$250,000,000 offering of ¾% notes of 1943 of the Commodity Credit Corporation was well received is evidenced by the premium at which the notes are selling and the announcement this morning that allotments will be on a basis of 9% of subscriptions.

There were a number of corporate offerings in the month—primarily refundings. Such issues as the \$10,000,000 Scovill Manufacturing Company debentures and the \$32,000,000 of Indianapolis Power and Light first mortgage 3¼'s met with sharp demand. Texas Corporation also sold \$60,000,000 debentures, while Iowa Southern Utilities brought out \$10,000,000 in first mortgages and \$2,660,000 in debentures. These received a fair reception. The \$50,000,000 Cleveland Electric Illuminating Company long 3's were a bit slow and are now quoted at 104½ compared to the offering price of 105½. Another case of overpricing in a somewhat nervous market.

While some of the agencies may offer bonds in August, it is not expected now that the government itself will do much before fall. The \$32,000,000 deal of International Paper Company has been deferred—but there are a number of deals which may break in

August—market conditions permitting. There is talk on the street of United Gas Corporation doing a \$75,000,000 refunding job—other companies mentioned are Columbus Railway Power & Light, Northwestern Public Service, Florida Power & Light, Kings County Lighting, New Jersey Power & Light, New York State Electric and Gas and Safe Harbor Water Power.

Following a slight dip in the early part of July, the New York Times Index of Business Activity has turned up again. In the week ended July 20th—the latest available—the index stood at 101.1. On the average, business is good—but badly distorted because of war orders. Steel production is around 89½% of theoretical capacity compared with 59.3% a year ago—carloadings are approximately 12% better than last year—electric power output 10% better. The automobile industry is reflecting seasonal influences as production drops in the period of model change. If England survives the German onslaught when and if it comes, the orders from that country will continue to mount—hence play an increasingly important role in our domestic economy. If England fails—a temporary slump in our business is inevitable, at least until this country is in a position to assume the orders she has placed with American manufacturers.

With the nominating conventions out of the way and with candidates selected who are clearly pro New Deal and anti New Deal, the campaigns could be conducted on purely domestic lines. There appears to be little to choose from on foreign policies, but even so the progress of the war over the next two months will probably be more important than local problems. Such a situation should lead to caution among investors—and cautious investors make for colorless markets. The continuance of a conservative policy seems definitely in order.

LEGAL QUESTIONS

(Continued from page 16)

Channing made a will appointing a Trust Company the executor of his estate and providing for the disposal of his property to certain individuals. The will was lost and proceedings were instituted to establish its contents as a lost will. In such proceedings, were declarations of the testator admissible to prove the contents?

It is generally, although not universally, recognized that the declarations of a testator are admissible to prove the contents of an alleged lost will in a proceeding seeking its establishment or admission to probate. Iowa and Wisconsin are two of the states so holding.

Roberts mailed a letter to his bank in Kentucky directing it to transfer a savings account deposit in his name to his sister, and enclosed with the letter his passbook. On the same day he mailed the letter, but before it reached the bank, he committed suicide. Was the sister entitled to his savings account?

No, according to a recent Kentucky decision. The holding there was that it was necessary that there be a delivery whereby the donor gave up dominion and control over the subject mat-

ter and placed the control of it in the donee during their lives in order for the gift to become effective and that such was not accomplished. In this connection it was pointed out that under postal regulations the sender of a letter may, by proper application, have it returned to him at any time before it is delivered by the postal authorities to the addressee.

Quite often a trust officer will find himself confronted with a situation where a life tenant in possession of the real estate of an estate will wish to excuse himself from paying the ordinary taxes on the property. Where this occurs should the life tenant be permitted to do so?

No. It is a well-established general principle—sometimes prescribed by a controlling statute—that it is the duty of a life tenant in possession of real

estate to pay the ordinary taxes thereon. Where the trust agreement provides to the contrary, such provision should control, but where this is not the case, the general rule prevails.

WAGES AND HOURS HEARING

(Continued from page 12)

"As to the other bankers present, their position was one of witnessing to the facts presented by Mr. Wiggins. Each one presented his views, outlining different types of problems, because of locality, size, etc. Their views were taken from their personal experience in their own situations and each was subject to questioning for additional information.

"The hearing was ended in the same pleasant manner in which it was begun. While no decision could immediately be arrived at, it was, without question, the opinion of all of the bankers present that the information presented was very beneficial and that the reclassifying of the employees according to the re-definition of the terms 'executive,' 'administrative' and 'professional' employees would permit the application of the law with greater service to the public and with better consideration to the employee.

"The spirit prevailing at the recent wage and hour hearing for banks, bankers and trust companies was indeed a friendly one on the part of the bankers and the administration officials as well. Evidently the preliminary work had been very well and efficiently done because it seemed that every one present felt that a task was to be performed, a problem to be solved, to arrive at the best possible method of applying the principles of the Wage and Hour Law to banking.

"The assumption at this meeting was that it would be necessary for banks to comply with the law until it was found that they do not come under it or amendments to the law are made to relieve them from it.

"The definite purpose of this meeting and hearing was to explain to the administration and to give them a close up view of the work done in a bank; to show how the present law, while no doubt sound in principle, did work hardships on the banks in rendering their services to the public and to the employees themselves. These problems being shown, it was then the purpose to present a solution by re-defining and reclassifying the employees of banks in order that at least enough employees might be relieved from the operations of the law to allow for the ever expanding and contracting business of all banks."

Shaw, McDermott & Sparks

Investment Securities

Suitable for Investment of Banks,
Institutions and Trust Funds

307 Equitable Bldg.

Phone 3-6119

DES MOINES, IOWA

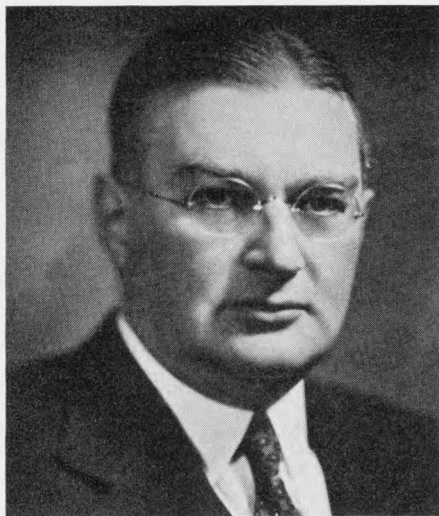
V. W. BREWER CO. MUNICIPAL BONDS

North Dakota and South Dakota are Number One and
Number Two in percentage of debt reduction in the
entire United States.

FIRST NAT-SOO LINE BLDG.
MINNEAPOLIS

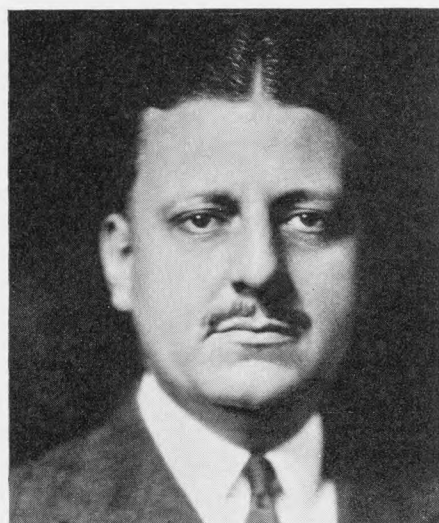
Heads National City Board

Gordon S. Rentschler, who has been president of The National City Bank of New York since 1929, has been elected chairman of the board of di-



GORDON S. RENTSCHLER

rectors and chief executive of the bank. He succeeds the late James H. Perkins. W. Randolph Burgess continues as vice chairman of the board and a director but was elevated to second in command whereas formerly he was third. William Gage Brady,



WM. GAGE BRADY, JR.

Jr., was elected president and a director. Mr. Brady has been a senior vice president.

The board also elected William S. Lambie and Howard C. Sheperd vice presidents in addition to Joseph H. Durrell who continues as senior vice president in charge of overseas operations.

Nathan C. Lenfestey was elected

vice president in addition to his title of cashier which he has held for more than twenty years.

The former executive setup, with Mr. Perkins as chairman of the board, had Mr. Rentschler as president in second command and Mr. Burgess third.

Faculty Member

O. P. Decker, vice president of the American National Bank and Trust Company of Chicago, served as a member of the faculty of the Life Officers Investment Seminar, held on the campus of Indiana University, Bloom-

ton, from July 15th to 26th. The seminar is an institution for the advanced study of the investment problems of life insurance companies, and is conducted annually by the American Life Convention in cooperation with the School of Business, Indiana University. Registration is limited to investment officers of life insurance companies, and certificates are awarded to qualified students after attending resident seminars for three summers. Mr. Decker lectured on July 22nd as a part of the sessions on "The Practices of Investment Management," his particular subject being "Industrial Securities."

GMAC

GENERAL MOTORS ACCEPTANCE CORPORATION

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 and other 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.

GENERAL MOTORS INSTALMENT PLAN

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

EXECUTIVE OFFICE
NEW YORK

BRANCHES
IN PRINCIPAL CITIES



WALTER E. VIETH
President
Davenport

IOWA

Investment Bankers Association

Organized 1935



ROY W. LERICHE
Secretary
Des Moines

PLANS for the 1940 Field Day of the Iowa Investment Bankers Association are gradually taking shape as the general committee headed by **Arthur Keyes** as chairman continues its work. The Field Day will be held at the Wakonda Club in Des Moines, on the afternoon and evening of Wednesday, September 11th. This date was selected because it is the closing day of the annual meeting of the Iowa Bankers Association in Des Moines. The bankers' sessions conclude at noon of the 11th, and since many investment bankers from Iowa and surrounding states attend the bankers' conference, it was thought that they could save themselves additional traveling by staying over for their own gathering at the conclusion of the bankers meeting.

Those appointed on the Field Day committee to serve under Mr. Keyes are **T. C. Henderson, James A. Cummins, Kenneth Henkle, Winfield Jackley, Harry Kaupp, Harry L. Westphal, Harry B. Graefe, and G. D. Murdoch.**

Another committee, working under cover without identity, is preparing copy for the 1940 edition of **The Northwestern BUNKER**, and from all indication the dirt this year will be much thicker and more smeary than any verbal goo stirred up for past numbers. It is suggested that members wear dark suits at the Field Day—the mud spots won't be quite so evident.

Walter E. Vieth, president of the Iowa Investment Bankers Association, has appointed a committee to work out a program toward the revision and clarification of the trust laws of the state of Iowa as they apply to investment of trust funds. The committee consists of **Walker D. Hanna**, chairman, and **Floyd Duncan, Julian White, Harry Westphal and Harry Graefe.**

In recognition of the fact that good public relations begin at home, the Central States Group of the Investment Bankers Association of America inaugurated its part of the associa-

tion's national public information campaign by staging a dress rehearsal of a typical program, such as is planned for public audiences during the next year or more, for the exclusive benefit of the personnel of member houses. More than four hundred individuals, ranging from the youngest messenger to senior executives, of LaSalle Street houses attended a meeting held at the LaSalle Hotel.

Emmett F. Connely of Detroit, president of the association and chairman of its public information committee, in outlining the broad purpose behind the program, said, "We have an essentially simple story to tell. It is merely that in modern industry an investment of money to provide equipment and tools is prerequisite to jobs. Hence, new jobs for the unemployed and general business improvement hinge upon new capital investments."

"There are a number of things now interfering with the normal flow of capital into job-making investments. We propose to call attention to them. It is our conviction that if the public has the information it will assist us in clearing the channel and encouraging the use of new capital."

WHAT I LEARNED ABOUT RUTGERS

(Continued from page 13)

activity; no convention atmosphere with rousing speeches and glad-handing. Whatever it was, it had me.

Now, as I said, I am not a banker and the school is for bank officers. But I couldn't get it out of my mind. The outcome was that through special dispensation I was allowed to enroll this year. It was one of my greatest experiences. For two weeks 698 men went to school together. And this isn't the end, as extension work will keep them busy all during the year, culminating in an oral panel examination and an acceptable thesis.

As a composite, let me picture this man as 42 years old, married, with two children. He is an officer in the most progressive bank in his town. He has responsibility which he carries without complaint—no 40 hour week handicaps him. He has completed a high

BONDS

Public Utility

Industrial

Railroad

Municipal

A.C. ALLYN AND COMPANY

Incorporated

100 West Monroe Street, Chicago

New York	Milwaukee	Omaha	Boston
Representatives:	Waterloo	Des Moines	Cedar Rapids

Over-Counter Facilities
in All Markets

Primary Markets in Iowa
Securities

McGUIRE, WELCH & CO.

231 So. LaSalle
CHICAGO

Bankers Trust Bldg.
DES MOINES

What Their Statements Show

Figures Reported by New York, Chicago and St. Louis Banks According to Their Statements of June 29, 1940

TOWN	BANK	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Chicago.....	American National Bank & Trust.....	\$ 1,600,000	\$ 1,651,588	\$ 19,681,287	\$ 27,313,488	\$ 26,322,636	\$ 69,160,944
Chicago.....	City National Bank & Trust.....	4,000,000	3,559,906	41,304,087	44,050,432	82,100,666	159,365,407
Chicago.....	Continental-Illinois National.....	50,000,000	50,213,034	156,347,094	705,789,531	660,976,022	1,421,459,288
Chicago.....	Drovers National.....	1,000,000	1,111,198	3,633,664	3,001,250	28,156,427	32,276,517
Chicago.....	First National.....	30,000,000	40,075,902	264,807,145	473,561,479	464,253,471	1,140,723,524
Chicago.....	Live Stock National.....	1,000,000	1,604,311	5,946,546	4,342,560	19,411,915	27,670,390
Chicago.....	Northern Trust.....	3,000,000	10,636,868	39,433,325	199,711,258	161,523,825	378,573,534
Detroit.....	National Bank of.....	17,461,875	14,689,695	76,141,435	249,420,078	210,996,354	506,015,243
Kansas City.....	Commerce Trust.....	6,000,000	6,263,959	37,894,276	81,273,342	74,301,350	184,046,942
New York.....	Central Hanover Bank & Trust.....	21,000,000	73,285,329	158,964,711	422,608,154	729,766,474	1,238,311,827
New York.....	Chase National.....	100,270,000	134,090,953	607,858,800	1,318,864,397	1,467,007,452	3,190,822,926
New York.....	Guaranty Trust Co.....	90,000,000	185,639,400	388,958,340	1,035,812,228	1,134,793,026	2,302,794,072
New York.....	Manufacturers Trust.....	41,747,960	40,151,108	203,332,207	385,597,399	250,650,148	792,181,953
New York.....	Public National Bank & Trust.....	7,000,000	10,067,706	59,619,246	42,527,046	68,478,764	151,920,946
Philadelphia.....	Philadelphia National Bank.....	14,000,000	29,247,145	81,016,634	243,431,864	325,222,759	605,087,948
St. Louis.....	Boatmen's National.....	2,000,000	2,439,763	16,488,576	30,854,327	18,552,687	61,517,914
St. Louis.....	First National.....	10,200,000	8,762,223	63,087,046	87,540,138	127,073,290	260,999,650

school course; has had some college work and besides he has gone to school at night and now holds an A. I. B. certificate. His job is no bed of roses, but sitting on a cushioned swivel chair for 50 weeks (less vacation) is an easy job compared to the two weeks he spends (if he is fortunate) at Rutgers Graduate School of Banking.

For here he gets up at 6:00 a. m.; breakfast in the gymnasium three miles away at seven o'clock; then hurriedly he reads the New York Times, the American Banker and the Morning Milk (the daily school paper) and is in his class room at 8:30, where he sits on a hard oak chair with a writing arm until 12:30. And do those chairs get hard! He hastens back to the gymnasium ravenously hungry, not only for food, but for the inspiration hour of song, story and fellowship.

The afternoon sessions, panel dis-

cussions and lectures, from 2:30 to 4:30 do not complete his day. There is the afternoon athletic period of tennis, horseshoe pitching, handball and softball. Most of the ping-pong is played after midnight.

The dinner hour at 6:15 is the climax of the day. Here is where all the power of personality and persuasion is turned on. Lectures by the outstanding economists and philosophers make one forget the hard seats and lack of sleep. One would have thought this banker would be ready to turn in after such a day, but the Roger Smith Hotel and the Fig Tree Inn are rendezvous which no one wants to miss. It is here that friendships are cemented through spirited discussions of the day's lectures and also present political, social and economic problems. It is here

that ideas are "jelled" through differences of opinion earnestly and truthfully expressed. The student is across the table from the professor and ideas and also ideals are formulated. These bankers and professors are honest men. They are seekers after truth and it is here that some of them for the first time realize that they have become so specialized in their own particular field that they have lost sight of those broader horizons and fundamental movements which have been changing the thinking and beliefs of our people.

These students, all on the same plane, as there is no distinction between freshmen and seniors, from all sections of the country, from various types of banking institutions of different sizes, learn that there is one com-

JAMIESON & COMPANY

Stocks & Cotton
Bonds & Butter
Grain & Eggs
Commodity Brokers

Members

New York Stock Exchange
and Other Principal Exchanges

ST. PAUL — MINNEAPOLIS

Government — Municipal
Corporation Bonds

CHARLES C. RIEGER

Manager

Bond Department

Minneapolis — Atlantic 8235

Federal Discount Corporation

Dubuque, Iowa

AUTOMOBILE FINANCE

Time Payment Plans for

Purchasers of Automobiles and Household Appliances

■ ■ ■

SMALL LOANS

■ ■ ■

Branches in Iowa—Minnesota—Wisconsin

Capital, Surplus and Undivided Profits

Exceed One Million Dollars

■ ■ ■

Short Term Collateral Trust Notes

Information on Request

mon denominator and that is, "we are all Americans." At least 698 men now know that there is a real responsibility placed on them as leaders in their respective communities for the teaching of what must be done to maintain our dearly bought rights of being a free people.

These men know that to retain even their bread and butter jobs as bankers, right thinking on the part of their customers is most important. Most of these students, if not all, will do their part in bringing back to their communities a desire to think things through to factual and truthful conclusions.

HOW REDECORATING IMPROVED A LOAN

(Continued from page 17)

ond drug store had the run-down look that can come only from extreme neglect. Paint was dulled to the point of being nondescript and was peeling off in spots. An awning that was little more than a shred would have been better left rolled up out of sight. The interior of the store was dark, dingy, and appeared dust laden. There wasn't a part of the whole store that showed any life and this was especially true in the region of the cash register.

In the ensuing few minutes of observation I saw clearly just why this part of the bank's investment had gone awry. After viewing the dull, really decrepit and depressing appearance of the walls and ceiling, as well as the shelves and fixtures and the interior in general and talking with the owner for a short time, my antagonism retarded and I became aware of a thought that was trying to make itself apparent to me. This man wasn't wholly at fault for the condition of his indebtedness to the bank. He wasn't entirely at fault because his business proceeds left no surplus with which to clear away the note. No—the real fault lay with me and the spirit of lethargy with which I had conducted the entire transaction. If I had but left my comfortable office and properly investigated that loan before passing on it I could have prevented a great share of the trouble we were both in. The fault was one of omission on my part rather than one of commission on his part.

In that realization I determined to try and right the matter. The owner and I went over an inventory sheet; we calculated his assets and potentialities; we made an appraisal of the expenditure necessary to put the store back in first class shape with the aid of a painting contractor. The contractor called in a woman from his office versed in color and its relation to combinations that produce psychological effects on prospective customers, that is, placing them in a buying frame of mind, and selections were made. We started work at once, as with the newly developed "no paint odor" covering, business could continue.

The transformation caused the usual furore that such things do in small towns. Within a short time the place was practically unrecognizable and the upturn in business was amazing to the owner and in reality to us at the bank also. Today that man has a substantial, well founded, progressive business and the bank has become merely a place to deposit money and seek counsel regarding investments. And, all this done with no harm to the other store in the way of trade. Today we have two prospering, wide awake drug stores, where before we had only one.

Concluding his story the banker turned to me and said, "The story of these two men has a double barreled parable. It proved to me that no matter what the business may be, whether it is a lumber yard, clothing store, shoe shop, restaurant, bakery, hardware store, or a drug store, the value of maintenance of a place of business depends on the condition in which it is kept. Judicious use of paint at frequent enough intervals to assure a

(Turn to next page, please)

FEDERAL INTERMEDIATE CREDIT BANK CONSOLIDATED DEBENTURES

Exempt from all Federal, State, municipal and local taxes

Legal Investment for savings banks in various States, including New York

Eligible for purchase by the Federal reserve banks in maturities not exceeding 6 months

Acceptable as collateral security for 15-day loans by the Federal reserve banks

Eligible as security for fiduciary, trust and public funds held under the authority or control of officers of the United States

Approved as security for deposits of postal savings funds

... Debentures are offered through recognized security dealers and dealer banks. Inquiries should be addressed to the Fiscal Agent or to dealers.

Charles R. Dunn, Fiscal Agent

31 Nassau Street

New York, N. Y.

THE FEDERAL INTERMEDIATE CREDIT BANKS

Springfield, Mass.
Baltimore, Md.
Columbia, S. C.
Louisville, Ky.

New Orleans, La.
St. Louis, Mo.
St. Paul, Minn.
Omaha, Neb.

Wichita, Kan.
Houston, Tex.
Berkeley, Cal.
Spokane, Wash.



HOWARD BUFFET
President
Omaha

NEBRASKA INVESTMENT BANKERS ASSOCIATION

CECIL W. SLOCUM
Secretary

AK-SAR-BEN in July retired another \$100,000 of bridge bonds, making a total of \$300,000 retired since the civic organization took over the Douglas street bridge between Omaha and Council Bluffs two years ago.

In addition, improvements costing \$265,000 have been paid for, out of income. The current payment reduced indebtedness to \$2,050,000. Another substantial payment is contemplated for the end of the year, according to President A. A. Lowman of the Ak-Sar-Ben Bridge Association.

More than 28,000 Nebraska farmers and stockmen will benefit directly from action of congress in continuing reduced interest rates on farm loans, according to Charles McCumsey, president of the Federal Land Bank of Omaha.

The new law retains for two years the special rate of 3½ per cent on land bank loans and reduces the rate on land bank commissioner loans to a new low of 3½ per cent for two years.

McCumsey estimated the member-borrowers in Nebraska will save a total of \$3,937,000 in interest charges during the next two years as a result of the continued low rates. This is an average saving of about \$141 per farmer-borrower.

Objections to Attorney Ross Newkirk's appraisal, which listed an additional \$158,958 for inheritance tax purposes in the Sadie L. Hayden estate of Omaha, were filed recently in Omaha by Lucille H. Madden, surviving executrix of the estate, through her attorney, W. C. Fraser.

The objections stated the appraisal did not reflect the facts. At the same time, County Attorney English filed an application asking County Judge Crawford to fix the inheritance tax on the alleged additional estate.

The Newkirk report listed as part of the estate an undivided one-third interest in a mortgage on a Forest Hills, New York, property worth \$123,994.

Mr. and Mrs. Andrew Kopperud and their daughters, Mary Jane and Della, left in July for a tour of the Black Hills. They stopped at Yankton, South Dakota, to visit former Omahans, Mr. and Mrs. E. R. Heaton. On their return, Miss Della was to stop at Camp Cheley, near Estes Park, Colorado, for a stay of five weeks.

Miss Mary Jane has completed her sophomore year at Vassar college. Miss Della has finished her freshman year at Iowa State college.

A recent guest of Mr. and Mrs. A. C. Potter in Omaha was Mrs. Fred Bate, wife of the European news director of the National Broadcasting company. Mrs. Bate came from London in June. Mrs. Potter and Mrs. Bate were girlhood friends. During her Omaha stay, Mrs. Bate heard her husband broadcast from London.

Mrs. Potter and Mrs. Bate went by plane to Minneapolis for a visit and Mr. Potter followed by motor to visit Mrs. Potter's sister, Mrs. Lucian Strong, and Mr. Strong.

In July, the Potters, with their daughter, Diane, and son, Tony Boalt, went to Tepee Lodge ranch, 18 miles north of Sheridan, Wyoming, for a vacation of a month. Mr. Potter is head of Burns-Potter & Company of Omaha and Lincoln.

HOW REDECORATING IMPROVED A LOAN

(Continued from page 30)

clean, airy, up to the minute interior and exterior with color schemes that promote, rather than retard good feel-

ings with a customer, spells the success or failure of an enterprise. Not flamboyant, wild colors, but combinations that have been proven a mental stimulus. Use them and you will see the results in the cash register and your bank balance."

"If more men in banking institutions would get out of their offices and maintain a closer contact with the accounts they are doing business with, then errors such as the one I made would be made more rare or eliminated entirely. I wish it were possible to get this message to other bankers, for their errors may not end as mutually pleasant as mine did.

That is one man's illustration of "The Value of Paint in Sales Promotion." There are hundreds more that I could give but this one proved a double error, in that it showed the necessity of bankers' contact with their customers also. That banks believe in the psychology of color can be proven by the trends of the times toward changing from customary austerity in their institutions to light shades that promote efficiency and consider the mental reactions of their customers.

LAMSON BROS. & Co.

ESTABLISHED 1874

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

Our branch offices are equipped to render complete brokerage service in the handling of grain (cash and futures), stocks, bonds, cotton and provisions. Private wires direct to all markets.

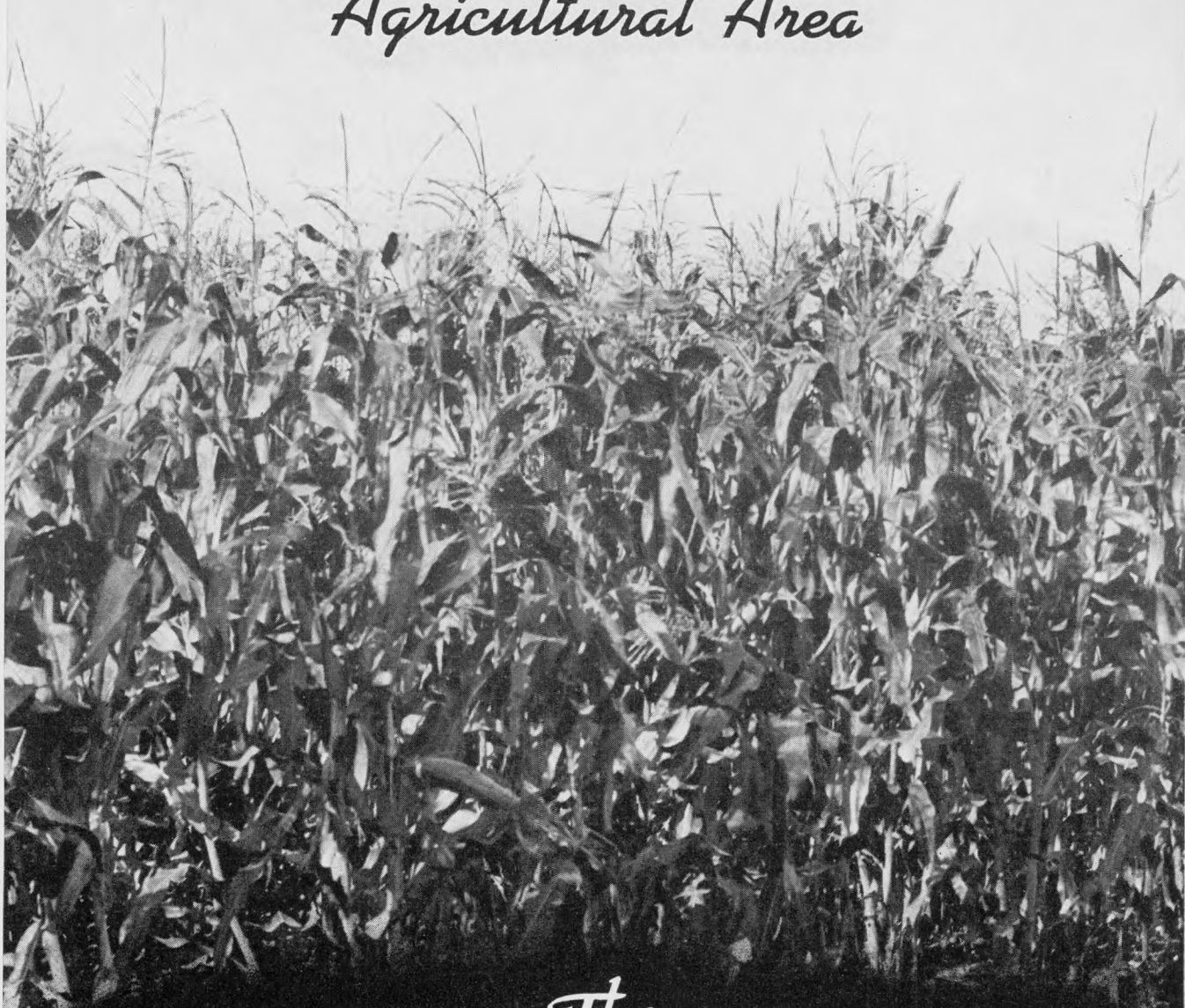
BRANCH OFFICES

New York, N. Y.	Minneapolis, Minn.
Buffalo, N. Y.	St. Paul, Minn.
Cedar Rapids, Iowa	Kansas City, Mo.
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

Northwestern Banker August 1940

*Attuned to the Needs
of a Great
Agricultural Area*



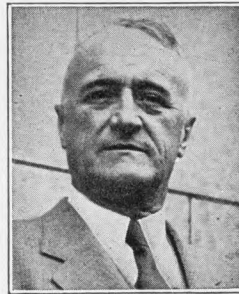
The
UNITED STATES
National BANK of Omaha

(Member Federal Deposit Insurance Corporation)



C. C. NEUMANN
President
Oakland

NEBRASKA NEWS



WM. B. HUGHES
Secretary
Omaha

Public Relations Program

The Education and Public Relations Committee of the Nebraska Bankers Association, consisting of W. N. Mitten, chairman, and T. F. Green, and R. K. Hancock, is seeking to establish a program to help Nebraska bankers build good will for their banks in the several communities throughout the state.

As a starter, the committee has issued a pamphlet to each member, en-

titled "How to Sell Your Bank", meaning how to sell it to customers and the public. Information contained in the booklet is most interesting and should go a long way to stimulate the desired results.

In a letter to bankers of the state, the committee says:

"It is our hope that we may, through your cooperation, present to the people of your community actual facts of how the banking business operates

and is conducted, and why. Altogether too much misunderstanding on banking practices and procedure and economics is prevalent in the minds of the people generally. Let's lift the veil of mystery that has been hanging over our business. Let's tell the world about it ourselves, in a way that it understands."

Dies in California

John Crosby, former Winside banker, died at Wilmington, California, at the home of his sister, Mrs. H. I. Miller, on July 14. Mr. Crosby was an official of the first Winside bank. He is survived by his daughter.

Dies in Chicago

Word has been received in Cedar Rapids of the death of Austin J. Lindstrom, 58, of Chicago, and a former resident of Cedar Rapids.

Mr. Lindstrom lived there about 35 years ago, when he was assistant cashier of the S. S. Hadley Company Bank. He died at the Evanston Hospital of

What Nebraska Statements Show

JUNE 29, 1940

The Northwestern Banker is pleased to publish Bank Statements received before going to press—put us on your mailing list and send us your statements immediately after each call. If your bank is not included in the list below it is because YOU did not send in your statement. Please do so next time.

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Alliance	Alliance National	E. M. Knight	\$ 75,000	\$ 87,020	\$ 245,426	\$ 291,539	\$ 1,432,320	\$ 1,841,766
Alliance	Guardian State	C. H. Sudman	125,000	49,549	1,253,707	184,079	330,568	1,582,014
Beatrice	Beatrice National	Ed. C. Austin	100,000	132,716	1,004,200	903,976	1,193,182	2,894,642
Clarkson	Clarkson Bank	J. A. Krcera	40,000	8,774	106,956	151,578	80,598	291,179
Columbus	Central National	Howard Burdick	100,000	63,299	1,020,595	660,457	847,891	2,366,710
Fairbury	First National	H. Livingston	150,000	114,394	1,334,803	492,993	633,655	2,344,259
Fairmont	Farmers State	Chas. F. Tous	25,000	13,322	39,429	58,055	135,492	199,934
Fremont	Stephens National	J. G. Edloff	100,000	88,942	885,652	303,194	740,557	1,744,750
Gordon	First National	D. V. Sorensen	50,000	90,071	504,212	210,950	211,635	790,854
Grand Island	Commercial National	Edward Huwaldt	100,000	125,910	522,692	916,760	610,607	1,860,590
Grand Island	First National	F. J. Cleary	200,000	448,324	1,288,661	2,739,157	857,597	4,326,698
Grand Island	Overland National	Geo. J. Armstrong	100,000	42,690	499,671	271,217	352,732	986,971
Hartington	Bank of	Edgar M. Hoar	25,000	26,037	307,375	54,251	219,777	538,273
Hastings	City National	Floyd A. Hansen	100,000	73,285	724,971	835,220	500,282	1,443,815
Hastings	Hastings National	Chas. E. Deets	120,000	136,168	1,128,812	866,732	803,821	2,579,552
Hebron	Thayer County	H. R. Killinger	40,000	19,895	249,614	87,582	161,701	393,050
Kearney	Fort Kearney State	Paul H. Kannow	75,000	46,165	405,812	185,950	863,541	1,349,500
Kenesaw	Adams County	S. H. Izen	25,000	8,150	92,610	54,000	52,113	166,539
Keystone	Bank of	T. B. Cole	15,000	16,835	148,436	35,773	95,683	248,116
Kramer	Farmers State	Benj. C. Billhorn	10	6,381	41,833	19,720	12,732	55,871
Lexington	Farmers State	Peter Jensen	35,000	20,282	207,857	54,034	171,972	385,908
Lincoln	Continental National	C. W. Battey	634,000	354,437	3,885,965	4,796,771	3,488,967	11,317,770
Lincoln	First National	Howard Freeman	1,000,000	490,427	3,367,657	11,304,708	6,859,396	20,496,643
Lincoln	National Bank of Commerce	B. G. Clark	350,000	433,503	3,901,111	3,957,000	4,733,599	11,426,797
Loup City	First National	C. H. Ryan	25,000	27,987	241,327	269,017	269,017	452,589
McCook	First National	H. M. Krogh	75,000	63,064	528,573	498,495	746,610	1,622,880
Nebraska City	The Farmers Bank	J. R. Stevenson	50,000	128,525	334,360	552,717	641,647	1,351,199
Nebraska City	Otoe County National	I. D. Stocker	50,000	41,575	317,910	96,100	316,923	657,722
Norfolk	National Bank of	Robert Weidenbach	100,000	27,976	606,341	291,833	322,911	1,100,126
North Platte	First National	W. H. Munger	100,000	120,388	876,594	553,046	829,104	2,037,521
North Platte	McDonald State	L. Y. Castle	100,000	38,408	456,159	211,640	642,164	1,175,106
Omaha	First National	J. T. Stewart, III	1,500,000	1,375,282	9,711,322	5,840,999	14,160,225	28,535,008
Omaha	Live Stock National	Paul Hansen	500,000	608,782	5,712,237	4,967,700	4,029,483	13,446,819
Omaha	Omaha National	Clyde O. Darner	2,000,000	1,955,134	13,751,449	18,329,472	16,816,411	45,577,555
Omaha	Packers National	L. Dale Matthews	200,000	104,195	1,572,212	454,844	1,061,423	2,814,288
South Omaha	Stock Yards National	John McCumber	570,000	283,858	2,738,938	2,604,140	3,047,372	7,641,153
Omaha	United States National	A. L. Vickery	1,100,000	876,295	5,914,457	13,355,736	8,552,824	26,328,414
Plattsmouth	Plattsmouth State	Frank A. Clodt	50,000	108,578	686,511	265,215	191,572	988,316
Rushville	Stockmen's National	Edw. B. Otteman	35,000	45,889	555,830	178,565	130,729	777,673
Scottsbluff	Scottsbluff National	J. L. Witters	100,000	138,580	638,765	131,482	1,614,242	2,172,910
Sidney	American National	R. F. Dedrick	65,000	26,340	287,352	237,240	471,609	928,624
Spalding	Spalding City	M. J. Dolce	30,000	24,091	150,849	18,577	38,675	164,585
Tekamah	First National	H. J. Wragge	62,500	75,108	634,329	138,448	410,661	1,062,112
Wahoo	First National	James L. Kudrna	80,000	84,322	704,375	259,621	263,421	1,123,021
Wisner	First National	Neil D. Saville	50,000	53,650	364,494	97,100	107,959	406,059
Wymore	Wymore National	L. Boyd Rist	50,000	13,970	143,821	189,946	168,750	439,838
York	First National Bank	H. E. Nordlund	150,000	216,671	634,518	769,488	779,782	1,888,475

* Includes Bonds and Securities.

a heart ailment on July 9th, after having been ill for about a year.

New at Dalton

Guy E. Ellsworth of Rushville arrived in Dalton recently and assumed the duties of executive officer in the Dalton State Bank following his purchase of a block of stock in the institution. George W. Barlow, cashier the past five or six years, has retired and for the immediate future will devote his time to his personal interests.

Mr. Ellsworth was executive officer in a Rushville bank for 23 years, but retired nearly a year ago, following the sale of the bank. Since that time he has been looking for a location and came to the conclusion that the Dalton institution and the community in general came close to meeting his desires.

President Resigns

At a meeting of the board of directors of the Lexington State Bank, Roy F. Stuckey tendered his resignation as

president of the institution. Mr. Stuckey has been associated with the bank for the past 33 years, having entered the banking business as an official in 1910, when he became a partner in ownership of the old Lexington Bank. Mr. Stuckey has not announced his plans for the future.

Tom Reed, a prominent cattle feeder and business man in Lexington, has been elected as president of the bank to succeed Mr. Stuckey. J. S. Van Auken was re-elected as vice president; Sim Bonsall, cashier, and H. O. Barrett, assistant cashier. It is expected that the personnel and routine of the bank will continue as in the past.

Guaranty Trust Company of New York

140 Broadway
Fifth Ave. at 44th St. Madison Ave. at 60th St.
LONDON PARIS BRUSSELS LIVERPOOL HAVRE ANTWERP

Condensed Statement of Condition, June 30, 1940

This Statement includes the assets and liabilities of London and Liverpool Branches as of June 30, 1940; Paris, Havre and Brussels Branches as of April 30, 1940; and Antwerp Branch as of March 31, 1940.

RESOURCES

Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers	\$ 1,134,793,036.68
U. S. Government Obligations	959,055,409.42
Public Securities	51,867,512.04
Stock of the Federal Reserve Bank	7,800,000.00
Other Securities and Obligations	24,889,307.10
Loans and Bills Purchased	388,958,340.26
Credits Granted on Acceptances	9,080,480.35
Accrued Interest and Accounts Receivable	7,246,892.93
Real Estate Bonds and Mortgages	3,991,744.62
	<u>2,587,682,723.40</u>
Bank Buildings	11,582,091.69
Other Real Estate	1,459,209.61
Total Resources	<u>\$2,600,724,024.70</u>

LIABILITIES

Deposits	\$2,292,946,973.64
Checks Outstanding	9,847,698.96
	<u>\$2,302,794,072.60</u>
Acceptances	\$15,749,931.23
Less: Own Acceptances	
Held for Investment	6,669,450.88
	<u>9,080,480.35</u>
Liability as Endorser on Acceptances and Foreign Bills	681,040.00
Agreements to Repurchase Securities Sold	218,000.00
Dividend Payable July 1, 1940	2,700,000.00
Items in Transit with Foreign Branches and Net Difference in Balances Between Various Offices Due to Different Statement Dates of Some Foreign Branches	221,636.76
Miscellaneous Accounts Payable, Accrued Taxes, etc.	9,389,394.80
	<u>2,325,084,624.51</u>
Capital	\$ 90,000,000.00
Surplus Fund	170,000,000.00
Undivided Profits	15,639,400.19
Total Capital Funds	275,639,400.19
Total Liabilities	<u>\$2,600,724,024.70</u>

Securities carried at \$20,595,624.13 in the above Statement are pledged to qualify for fiduciary powers, to secure public monies as required by law, and for other purposes.

Member Federal Deposit Insurance Corporation

Sale of Assets

Remaining assets of the old Union National Bank, Fremont, of which C. C. Marshall is shareholders' agent, will be sold at public auction August 10.

The bank closed February 3, 1933, and Marshall was elected shareholders' agent in August, 1937. There are 196 stockholders.

Since the bank closed depositors have been paid in full plus 7 per cent interest. The interest totaled \$42,000. In addition, stockholders have received two dividends totaling 16 per cent.

Former Banker Dies

John G. Lowe, Sr., 74, president of the Farmers State Bank in Kearney 40 years until it closed in 1933, died recently at his home. He was in the loan business.

A native of Great Britain, Lowe was active in civic affairs and was president of the chamber of commerce in 1936. He was also president of the state bankers association in 1931.

Surviving are his wife and four children: Mrs. Kenneth Cox, Sheridan, Wyoming; Mrs. Frederick Daly, Omaha; John Jr., Kearney, and Stephen, Hastings.

Falls City Meeting

The regular meeting of the Fourth Regional Clearing House Association was held at the Weaver Hotel in Falls City.

The business meeting was preceded by a dinner at 6:30. The State Bank of Stella was represented by D. S. Hinds, Emile Nombalais, Richard McMullen and Mrs. Keith Cook.

The meeting was in honor of the junior officers and clerks of the different banks. The lady employees were especially honored and were presented corsages from the two Falls City banks.



Omaha Clearings

WDALE CLARK, president of the Omaha National Bank, has been selected as chairman of an Omaha Chamber of Commerce national defense committee of business and industrial leaders to co-ordinate all Omaha's efforts to place the city in its proper place in the defense setups.

The committee was named by President W. C. Fraser of the chamber, who said the committee will provide the leadership for a general effort to give Omaha a prominent place in the defense picture, lay plans for the most efficient use of Omaha's industrial organization, geographical location and climate, natural resources, transportation facilities and labor.

De E. Bradshaw, A. H. Clarke, Frank J. Daugherty, J. E. Davidson, Gould Dietz, J. M. Harding, W. D. Hosford, William M. Jeffers, A. A. Lowman, Francis P. Matthews, F. R. Mullen, Sam W. Reynolds, W. H. Schellberg, E. J. Shoemaker, Amos Thomas.

Omaha banks recently offered "full co-operation" toward supplying industrial capital needs of the national defense program.

The Omaha Clearing House association sent a statement to the national defense advisory commission, stating that the six national banks in the city "were prepared to make all loans necessary in their trade territory for advancement of the nation's defense plans."

SELL YOUR BANK

The "Walters" Way
Without Publicity

Qualified, carefully investigated bank
employees furnished free

THE CHARLES E. WALTERS CO.
Omaha, Nebraska

Brotherly co-operation has earned law degrees, cum laude, and the right to practice law in Nebraska for Herbert and Otto Spielhagen of Omaha. A malady which puzzled doctors afflicted Herbert in 1929 and he was unable to walk. For two years, his mother, Mrs. Gertrude Spielhagen, wheeled him 14 blocks to school. Then schoolmates took him to Creighton Prep, from which he was graduated in 1935.

When he decided to take up law at the University of Omaha Law

School, there still was the matter of transportation. It was solved when Otto, six years his senior and a clerk at the United States National Bank, enrolled for the same course. They have gone to classes together for four years. Otto, shorter and slight, carried Herbert into the ground floor entrance to the building where classes are held. There a wheel chair was always waiting.

Herbert finished school with the highest honors in his class (his average was 90.7) and Otto was not far behind, with 90. Both passed the Nebraska bar examination. Otto expects to stay at his job in the bank. Herbert plans to practice law in Omaha.

Both youths were born in Germany. Their father, Frederick Spielhagen, a wealthy cigaret wholesaler, was killed while fighting with the German army in Russia. Their brother brought her family to Omaha in 1925.

Five principal Omaha business indicators showed gains during the first six months of 1940 over the same period of 1939.

Among the gains were bank clearings, 3.3 per cent; bank debits, 1.4 per cent.

For the 12-month period ended June 30th this year, all but grain receipts and shipments showed increases over



Send Us Your Grain and Hay Drafts

Also Other Collection Items

Prompt Presentation Made of All Drafts
in All Parts of the City

Live Stock National Bank Omaha

(Member Federal Deposit Insurance Corporation)

the previous 12-month period. Clearings were up 4.7 per cent, debits 2.9 per cent.

For the first six months this year, clearings totaled \$770,212,971; debits, \$844,370,131.

Omaha bank deposits decreased from March 29th to June 29th, date of the last bank call, but loans were slightly higher.

All banks reported deposits totaling \$127,086,764, a decrease of \$8,465,432 from the record-breaking figure of

March 29, but a gain of \$5,559,202 over June 30, 1939.

Bankers said the decrease, due chiefly to withdrawals by smaller correspondent banks in the territory, was normal.

Loan figures for the banks was \$40,819,199, which was \$630,144 greater than on March 29th and \$2,439,251 larger than a year ago. It was the highest call date loan figure on record since December, 1931, except the December, 1939, total of more than \$42,000,000.

Omaha banks will cooperate 100 per cent with the Douglas county food industry stamp committee in handling food stamps under the new surplus commodities distribution plan, **John Changstrom**, vice president of the Omaha National Bank and representative of the banks on the stamp committee, said recently.

Mr. Changstrom said the banks will accept stamps from merchants and send them through the local and Kansas City offices and return the money to them if the merchants prefer to handle the stamps through banks rather than through the local surplus commodities office.

Mr. and Mrs. T. L. Davis left the middle of July to occupy their summer home at Lake Milona, Alexandria, Minnesota. Mr. Davis is president of the First National Bank of Omaha.

Wallace E. Spear, trust officer of the First National Bank, and his daughter, Barbara, left in July for their summer home at Milona and were followed the next week by Mrs. Spear and their other daughter, Sara.

Mr. and Mrs. Lawrence Brinker also have gone to their summer residence at the same resort.

Mr. and Mrs. Harry E. Rogers and children, Billy, Douglas and Marilyn, went to Park Rapids, Minnesota, where they planned to spend several weeks. Mr. Rogers in a United States National Bank of Omaha executive. They spent several days at Lake Okoboji en route north and also planned to stop at Minneapolis.

A Pueblo, Colorado, man, recently sentenced in Omaha to 30 days in jail on a vagrancy charge after police discovered he had taken \$550 from a niece in Pueblo, had opened a bank account in Omaha, toured real estate offices and furniture stores, preparing to purchase an "expensive house and furnishings." He also ordered an expensive car, applied for membership in the Omaha Athletic Club, telling club officials he was a "retired banker."

The First National Bank of Chicago

Statement of Condition June 29, 1940

ASSETS

Cash and Due from Banks,	\$464,253,471.13
United States Obligations—Direct and fully Guaranteed, Unpledged,	\$321,697,706.50
Pledged—To Secure Public Deposits and Deposits Subject to Federal Court Order,	34,353,897.23
To Secure Trust Deposits,	38,882,397.20
Under Trust Act of Illinois,	550,000.00
Other Bonds and Securities,	395,484,000.93
Loans and Discounts,	78,077,479.23
Real Estate (Bank Building),	264,807,145.87
Other Real Estate,	5,614,971.35
Federal Reserve Bank Stock,	1,105,245.24
Customers' Liability Account of Acceptances,	1,950,000.00
Interest Earned, not Collected,	2,180,671.60
Other Assets,	3,011,164.91
	117,023.40
	<u>\$1,216,601,173.66</u>

LIABILITIES

Capital Stock—Common,	\$30,000,000.00
Surplus Fund,	35,000,000.00
Other Undivided Profits,	5,075,902.09
Discount Collected but not Earned,	606,075.19
Dividends Declared, but Unpaid,	600,000.00
Reserve for Taxes, etc.,	1,934,586.07
Liability Account of Acceptances,	2,415,278.91
Time Deposits,	\$184,921,195.80
Demand Deposits,	880,286,474.35
Deposits of Public Funds,	75,515,854.11
Liabilities other than those above stated,	245,807.14
	<u>\$1,216,601,173.66</u>

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Lincoln Locals

Lincoln bank clearings for the first half of 1940 exceed \$73,000,000 and are \$7,000,000 greater than for the first half of 1939.

The totals were announced by **Don Cozad**, secretary of the Lincoln Clearing House Association.

June, 1940, had clearings of \$13,259,053 as compared with \$11,598,119 for June a year ago. The total for May, 1940, was \$13,441,797.

Exact totals for the first six months this year and last are: 1940—\$73,609,279; 1939—\$66,798,390.

Thirty-six per cent of Nebraska's commercial banks made more than 326,000 loans totaling over \$239,000,000 to business firms and individuals throughout the state during the year 1939, according to the second semi-an-

nual survey of bank lending activity of the American Bankers Association recently made public.

The survey, which was participated in by 155 banks, or 36 per cent of the 423 commercial banks of the state, showed a definite expansion of bank credit in the field of new loans. The number of new loans made between July 31st and December 31st was 6,646 greater, or 7 per cent greater, and the dollar volume of new loans made during this period was \$6,432,510, or 12 per cent greater than reported by an equivalent number of banks for the previous six months.

The 155 banks reported that during 1939, they made 188,646 new loans totaling \$113,268,940; 135,421 renewals of loans totaling \$122,766,941; 2,339 mortgage loans totaling \$3,484,837.

The average number of new loans

made per bank was 1,217 and the average new loan was \$600.

The average number of renewals per bank was 874 and the average renewal was for \$907.

The average number of mortgage loans per bank was 15 and the average mortgage was for \$1,490.

T. E. Stevens filed a motion with the supreme court recently, asking for a rehearing of the case which involves **E. H. Luikart**, receiver for the State Bank of Blair. Luikart lost in the lower court and on his appeal to the supreme court the decision was reversed. Stevens is now asking for a rehearing. The question involves the liability of the owner of a stock certificate and whether the liability is fixed at the time the bank is taken over or when the bank is found to be insolvent.

The state banking department announced a final payment of 15 per cent in the liquidation of the Security State Bank of Lawrence, which went into receivership last October. The bank had previously paid 85 per cent, making the total amount 100 per cent or \$79,970.

Depositors received payment of their interest claims on time deposits and the remainder of the money was paid over to the Federal Deposit Insurance Corporation, which had previously paid off depositors last November.

Payment in full in less than six months, as in this case, is unusual and indicates that the bank was not in bad condition at the time of closing.

Hotel Wellington

We are happy to list among our regular guests, a large number of the banking fraternity.

You too will thoroughly enjoy our Courtesy and Hospitality.

Surprisingly Reasonable Rates

Rooms With Bath
\$2.00—\$2.50

Farnam at 18th Street
OMAHA



"Constructive"

Continental National Bank correspondent service is constructive. By helping you meet today's problems, it also builds for tomorrow.

The
CONTINENTAL NATIONAL BANK
of
LINCOLN



Member Federal Deposit Insurance Corporation

Bankers Meet

The Antelope County Bankers Association met at Neligh recently for a business meeting. H. D. Miller was elected president and Oscar Krohn of Neligh secretary. Ewing bankers were invited guests.

Assistant Cashier

Following the semi-annual meeting of the board of directors of the Curtis State Bank, R. Scott Wilkinson was named assistant cashier.

Mr. Wilkinson has had previous ex-

perience in the bank, in portions of 1934, 1935 and 1936. He is a graduate of the University of Nebraska where he majored in business administration and accounting. While in Lincoln he was employed in the accounting offices of Dana Cole.

Another Payment

Recently the Farmers State Bank of Sargent began the distribution of checks for the seventh 10 per cent payment on what has been called the Depositors' Pool Recovery Account.

It will be recalled that this bank closed its doors on February 1, 1932. The stockholders were determined to reorganize the bank in such a way that the depositors would ultimately be paid in full on their deposits and that the bank could be reopened for business as quickly as possible. Under the direction of the state banking board a plan was devised by which this was done.

As each 10 per cent payment amounts to nearly \$11,600, the total payments made by the bank on the Depositors' Pool Recovery Account amounts to about \$81,000. This leaves nearly \$35,000 to be paid yet.

The management of the bank, that is the officers, the directors and the stockholders of this bank, are to be congratulated for what they have accomplished since the bank was reopened nearly eight years ago.

Low Interest Rate

Farmers and stockmen in Frontier county will save better than \$54,672 in the next two years as a result of the continuation of special interest rates on Federal Land Bank and land bank commissioner loans, according to Brett W. Simonds, secretary-treasurer of the National Farm Loan Association at McCook, Nebraska.

Simonds announced that a new law passed by Congress, retaining the special rates of 3½ per cent on land bank loans and reducing the rate on commissioner loans to 3½ per cent, will directly benefit 411 Frontier county farmers and livestock operators.

On the average this means a saving of about \$132 in the interest bill of an individual borrower over the next two years.

Dividend

Directors of the Nebraska State Bank, Weeping Water, held their semi-annual meeting, declaring the regular stock dividend. A report that business for the first half of the year had been satisfactory came out of the meeting.

Placek Returns

E. E. Placek, president of the First National Bank, Wahoo, returned home last month from a combined business and honeymoon trip with Mrs. Placek.

They drove to Canada, Utah and Seattle. While in Seattle they visited Oscar Linderkamp, formerly of Wahoo. On their way back, Mr. Placek gave one of the main speeches at the Colorado Bankers Association convention, held at Estes Park.



"The Bank at the Yards"

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

DIRECTORS

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

LOCATION---AND SPEED

The speed you obtain when this bank handles your grain, hay and live stock items in Sioux City is merely routine in Live Stock National Bank service. A live stock shipment from your community can be credited to your account on the day of sale. The reason is our ground floor location in the Stock Yards district.

We invite you to use our correspondent facilities . . . and benefit from our strategic location here in Sioux City.



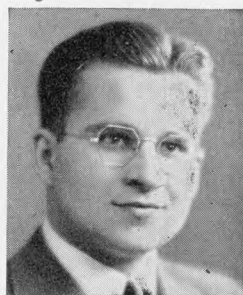
Sioux City, Iowa

Member Federal Deposit Insurance Corporation



F. F. PHILLIPPI
President
Milbank

SOUTH DAKOTA NEWS



GEORGE M. STARRING
Secretary-Treasurer
Huron

Charles W. Christen, Roscoe, was named to a three-year term on the banking commission, succeeding H. N. Thomson, Presho.

Semi-Annual Meeting

The semi-annual meeting of the board of directors of the Bank of Kimball was held at Kimball recently, with the following directors in attendance: M. Plin Beebe and Lloyd Cronholm of Ipswich, L. M. Larsen of Wessington Springs, Mrs. J. H. Drips of Gann Valley and R. A. Johnson of Kimball.

The directors also went to Pukwana to look over the new exchange office at that place, which is in charge of Mr. Larson of Pukwana.

Bank Celebrates

The Northwest Security National Bank, Sioux Falls, largest banking institution of the state, observed its 50th anniversary last month.

Fred H. Hollister, president of the institution, also had occasion to celebrate, for he has been continuously connected with the bank as either an officer or director throughout the entire 50-year period.

Hollister and his brother, W. C. Hollister, were two of the original incorporators of the bank. The charter was granted July 8, 1890.

In those days the bank—the State Banking and Trust Company, as it was first named—was located at 120 West Ninth Street, in the five-story building which the Hollisters erected.

In 1916 it moved into its present six-story home, which the bank itself owns.

On June 11, 1912, the name of the bank had been altered slightly to the State Bank and Trust Company, and on July 28, 1914, it was changed to the Security National Bank of Sioux Falls.

On February 21, 1929, the name was changed to the Security National Bank and Trust Company of Sioux Falls,

and on August 31, 1935, there was another change, to its present name.

New Bank

The opening of the new bank at Alexandria as an expansion of the Security State Bank of Emery was well received by the business men and the people in general in Alexandria and vicinity, according to C. T. Coyne, cashier, who has personal charge, and the outlook is bright for one of the strongest and safest banks in the state, and with continued crop improvements the new bank will enjoy its share of prosperity.

Appointments

Governor Bushfield has filled vacancies on the engineering and architectural examiners board and the state banking commission.

Appointees to four-year terms on the engineering board are Carl Johnson, Clear Lake; James H. Lake, Rapid City; H. B. Blodgett, Brookings, and Walter J. Dixon, Mitchell. They succeeded W. R. Edgington, Pierre; J. O. Kammerman, Rapid City; C. T. Trimmer, Madison, and George Hugill, Sioux Falls.

Assistant Cashier

At a recent meeting of the board of directors of the Commercial Trust and Savings Bank, Mitchell, Miss Hazel Stebbins was named assistant cashier, it was announced by H. R. Kibbee, president. Miss Stebbins fills the position formerly held by Phil Thompson, who left several months ago for Nebraska.

Making Loans

Forty-six per cent of South Dakota's commercial banks made more than 196,000 loans totaling over \$60,000,000 to business firms and individuals throughout the state during the year 1939, according to the second semi-annual survey of bank lending activity of the American Bankers Association made public last month.

The survey, which was participated in by 77 banks, or 46 per cent of the 165 commercial banks of the state, showed a definite expansion of bank credit in the field of new loans. The number of new loans made between

What South Dakota Statements Show

JUNE 29, 1940

The Northwestern Banker is pleased to publish Bank Statements received before going to press—put us on your mailing list and send us your statements immediately after each call. If your bank is not included in the list below it is because YOU did not send in your statement. Please do so next time.

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Aberdeen	Aberdeen National	Clayton Walker	\$ 100,000	\$ 161,161	\$ 576,015	\$ 1,380,943	\$ 598,986	\$ 2,359,467
Aberdeen	First National	J. E. Koch	400,000	133,432	2,137,421	1,858,058	1,606,275	5,259,869
Centerville	The Bank of	John N. Thomson	50,000	9,747	277,638	87,009	170,326	479,953
Lake Preston	Community State	Gorden Maxam	25,000	40,845	186,876	104,021	100,587	338,165
Milbank	Dakota State	F. F. Phillippi	25,000	15,094	260,718	80,800	68,636	372,403
Mitchell	Mitchell National	J. N. Shelby	120,000	30,144	629,000	314,886	546,811	1,394,885
Pierre	First National	L. L. Branch	50,000	17,025	201,632	244,299	201,755	591,555
Rapid City	First National of Black Hills	Noel W. Klar	675,000	417,324	5,323,407	3,419,268	2,185,955	10,058,963
Sioux Falls	First National Bank & Trust	W. E. Perrenoud	385,000	262,602	2,451,852	2,235,107	1,831,644	6,057,269
Sioux Falls	Northwest Security National	J. Virgil Lowe	800,000	263,200	5,289,381	3,047,715	2,975,192	10,686,368
Vermillion	Citizens Bank & Trust	F. E. Bowman	50,000	18,414	328,510	100,025	138,083	528,130
Watertown	Farmers & Merchants	S. B. Crothers	50,000	49,477	452,927	350,762	262,683	981,930
Yankton	First Dakota National	H. C. Danforth	100,000	58,083	541,041	330,628	636,970	1,413,558

Northwestern Banker August 1940



The Burke State Bank opened an office at Bonesteel not long ago, and last month moved into new quarters in the old Dakota State Bank building. Harvey Willoughby is the office manager, assisted by his wife. The picture above was taken in the new quarters, and reading from left to right, those appearing are: **L. L. Lillibridge**, president of the Burke State Bank; **Erling Haugo**, South Dakota superintendent of banks; **Harvey Willoughby**, manager Bonesteel office; **Mrs. Spitzenberger**, an assistant; **Mrs. Willoughby** (her back to the camera); and **Arthur Prettyman**, a farmer customer.

July 31st and December 31st was 27,347 greater, or 48 per cent greater, and the dollar volume of new loans made during this period was \$8,737,478, or 74 per cent greater than reported by an equivalent number of banks for the previous six months.

A Good Job

South Dakota banks did an excellent job of financing the purchase of breed and herd livestock during 1939 and 1940, according to R. M. DePuy, of Brookings, chairman of the South Dakota Bankers Association.

Returns from less than half of the banks in the state in a survey conducted by the committee, says DePuy, show that the banks financed farmers in the purchase of 8,902 registered animals and 242,055 grade or herd animals.

The amount of money loaned for the purpose totaled \$3,317,014, or an average of more than \$40,000 for the 82 reporting banks.

Loan Manager

Recently Carle B. Lenker took up his duties as secretary-treasurer of the Winner Group Management Unit of

National Farm Loan Associations, having charge of the servicing of Federal Land Bank loans, real estate and real estate sales, in the counties of Tripp, Gregory, and parts of Mellette and Todd.

Formerly he practiced veterinary medicine in the town of Colome, and for the past eight years has been connected with the Emergency Crop and Feed Loan Division of the Farm Credit Administration, in a supervisory capacity, traveling the entire state of South Dakota and the western United States.

At Rapid City

Miss Cecelia Hawkins, a graduate and valedictorian of the Fort Pierre high school class of 1939, has accepted a position as stenographer of the First Federal Savings and Loan Association of Rapid City. She received her business training at the Black Hills Commercial College and secured the position through the employment department.

Low Rate Continues

Farmers and stockmen in Minnehaha, McCook and parts of adjoining counties serviced by the Sioux Falls group management unit of national farm loan associations, will save better than \$220,622 in the next two years as a result of the continuation of special interest rates on federal land bank and land bank commissioner loans, according to H. D. McKinnon, secretary-treasurer.

Mr. McKinnon announced that a new law just passed by Congress, retaining the special rates of 3½ per cent on land bank loans and reducing the rate on commissioner loans to 3½ per cent, will directly benefit 1,257 farmers and livestock operators in this vicinity.

On the average this means a saving of about \$186 in the interest bill of an individual borrower over the next two years.

New Office

Authority has been given the Ipswich State Bank to establish a bank office at Leola, Erling Haugo, state superintendent of banks, has announced.

That Depends

She: "Do you always take the other girls for such long rides?"

He: "No, it isn't always necessary."

Smart Kids

Becoming disgusted with the late hours his daughter's callers kept, the father turned the lights out after ten. From then on, he noticed they came in after ten.

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 LASALLE STREET

(Member Federal Deposit Insurance Corporation)



K. O. SATTRE
President
Blue Earth

MINNESOTA NEWS



WILLIAM DUNCAN, Jr.
Secretary
Minneapolis

Minnesota News Notes

E. Brogger, cashier of the State Bank of Butterfield, spent a part of his vacation in Mt. Lakes, New Jersey, where he went to attend the wedding of his daughter there.

A. Kaiser, president of the First National Bank of Bagley, has been absent

from the bank on account of illness. He has headed this bank for the past forty-seven years. G. B. Courtney, cashier of the institution, reports business and crop conditions very good in that territory.

L. Jensen, cashier of the First State Bank of Clearbrook, ran into a little

trouble on returning from his vacation in Washington state. But just east of Red Lake Falls, Minnesota, his car turned over and the result was a few days in the hospital for Mr. Jensen. He has now recovered completely, however.

L. G. Nordlund, also of the First State, was married last month to Miss Catherine Lindow. The couple vacationed and honeymooned in the Black Hills.

C. G. Nybakken, cashier of the Peoples State Bank of Warren, is the proud father of a baby girl. She has been named Lois.

And They Would

Teacher: Johnny, if you are always very kind and polite to all your playmates, what will they think of you?"

Johnny: "Some of 'em would think they could lick me."

What Minnesota Statements Show

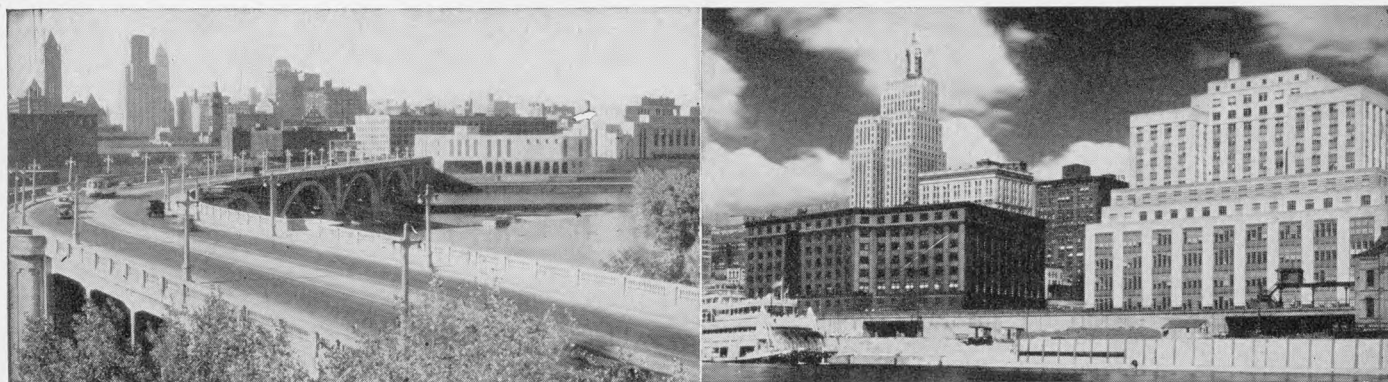
JUNE 29, 1940

The Northwestern Banker is pleased to publish Bank Statements received before going to press—put us on your mailing list and send us your statements immediately after each call. If your bank is not included in the list below it is because YOU did not send in your statement. Please do so next time.

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Albert Lea	First National	E. A. Campion	\$ 150,000	\$ 57,063	\$ 736,242	\$ 269,839	\$ 569,272	\$ 1,955,295
Arlington	Arlington State	N. A. Welle	30,000	42,967	378,434	192,685	156,413	670,128
Benson	First State	C. E. Gesme	25,000	17,495	217,092	204,731	98,718	492,732
Bird Island	State Bank of	J. A. Herzog	30,000	58,015	492,762	123,381	115,124	629,899
Brainerd	Citizens State	Jas. K. Tinkelpaugh	50,000	52,309	575,008	684,201	514,176	1,614,489
Conger	State Bank of	H. C. Hanson	10,000	24,591	173,758	71,131	89,492	302,082
Cosmos	First State	H. C. Swanson	10,000	3,198	92,043		46,133	120,679
Crookston	First National	H. A. Wilson	100,000	70,790	277,976	197,898	856,897	1,180,625
Duluth	First & American National	Willis A. Putman	2,000,000	1,304,416	6,990,779	14,946,195	13,688,656	32,740,731
Duluth	Minnesota National	Jorice E. Brown	400,000	247,859	1,909,281	2,446,672	3,812,745	7,697,368
Duluth	Northern National	L. O. Anderson	1,000,000	428,205	3,934,729	4,467,318	5,135,593	12,205,857
Dunnell	First National	G. E. Heyman	30,000	17,984	190,920	68,740	68,082	295,155
East Grand Forks	Minnesota National	H. M. Mackenzie	50,000	20,154	178,067	347,018	220,001	687,141
Fairmont	Fairmont National	W. H. Norman	50,000	84,192	588,944	515,651	364,228	1,375,266
Faribault	Security National	George E. Kaul	125,000	158,641	1,062,317	851,481	643,364	2,338,663
Faribault	State Bank of	Ray Meyer	50,000	40,202	385,218	218,906	170,473	712,833
Fergus Falls	First National	R. E. Lincoln	100,000	169,876	867,098	762,195	525,849	1,935,826
Fulda	Citizens State	B. W. Lloyd	25,000	61,000	868,038	137,790	169,779	1,127,304
Hopkins	First National	S. H. Severson	50,000	66,989	269,468	585,992	227,554	985,854
Jeffers	State Bank of	C. R. Duroe	25,000	43,754	451,052	97,478	55,761	540,044
Kimball	State Bank of	E. A. Erickson	25,000	11,689	123,169	82,500	45,721	234,288
Lonsdale	State Bank of	F. J. Machacek	20,000	16,185	236,457	139,833	73,002	421,758
Mankato	National Bank of Commerce	F. A. Buscher	100,000	34,055	483,014	345,542	480,326	1,174,840
Mankato	National Citizens	P. R. Kenefick	200,000	244,152	2,560,248	1,006,069	850,486	4,175,400
Marshall	First National	K. E. Sheffield	50,000	87,009	747,503	545,568	373,585	1,558,017
Minneapolis	First National	J. G. Maclean	6,000,000	8,219,075	38,094,591	59,486,512	65,747,614	150,122,285
Minneapolis	Marquette National	Merth E. Mortenson	355,000	305,538	3,371,513	437,300	2,668,443	5,994,703
Minneapolis	Midland National	Lawrence O. Olson	947,775	672,564	7,719,938	5,601,585	6,922,139	18,619,427
Minneapolis	Northwestern National	Guy E. Masters	6,350,000	4,594,212	39,437,393	51,537,726	54,464,630	136,843,544
Montevideo	Union State	B. E. Bonn	50,000	33,079	508,223	139,007	101,357	679,344
Moorhead	First National	Lawrence Mauritsen	100,000	59,728	656,427	363,733	494,276	1,391,322
Mora	Kanabec State	H. R. Ness	60,000	62,145	666,129	191,667	289,063	1,045,625
Northfield	First National	H. O. Dilley	75,000	69,007	280,953	518,632	390,259	1,052,483
Red Wing	Goodhue County National	H. J. Croke	125,000	148,361	635,363	1,248,369	744,086	2,418,066
Redwood Falls	Citizens State	M. O. Hanson	25,000	81,595	530,659	255,054	590,681	1,277,667
Rochester	Union National	A. C. Burgan	125,000	78,315	696,797	734,334	873,414	2,136,251
Ruthon	Farmers & Merchants State	J. J. Ekse	20,000	18,108	293,150	63,133	75,977	408,457
St. Charles	First National	Geo. Eckles	50,000	29,748	343,619	298,955	135,602	711,380
St. Paul	American National	P. A. F. Smith	1,682,000	668,906	5,554,498	12,228,393	16,698,962	31,803,651
St. Paul	Empire National	C. T. Dedon	450,000	290,464	4,559,895	1,875,162	3,313,177	8,964,200
St. Paul	First National	Arthur W. McNee	6,000,000	7,540,390	53,668,197	29,824,303	69,608,377	142,070,531
St. Paul	First State	Walter E. Olson	100,000	117,219	511,424	1,761,542	208,850	2,302,329
St. Paul	Midway National	T. H. Magee	230,000	203,863	1,719,495	2,576,093	1,449,938	5,201,056
St. Paul	St. Anthony State	G. H. Greaves	30,000	16,155	255,422	174,635	179,372	576,769
South St. Paul	Drovers Exchange	H. G. Swanson	100,000	78,211	1,041,959	628,917	603,042	2,038,053
South St. Paul	Stock Yards National	A. A. Bibus	250,000	268,800	2,723,168	1,635,996	2,440,205	6,306,829
Sauk Centre	Merchants National	J. H. Hansen	50,000	33,077	183,619	589,431	219,244	935,593
Thief River Falls	Union State	E. O. Peterson	50,000	71,689	410,626	458,471	198,029	971,834
Virginia	State Bank of	R. H. Willenbring	50,000	65,584	364,296	627,738	304,071	1,171,650
White Bear Lake	First State	F. J. Taylor	25,000	17,329	161,203	125,251	213,622	472,821
Willmar	Security National	George W. Odell	100,000	26,615	336,882	626,699	412,359	1,296,238
Winona	First National	C. F. Witt	350,000	240,337	1,748,036	3,002,979	1,322,835	5,703,816
Winona	Winona National & Savings	John Ambrosen	200,000	257,111	1,297,457	2,229,020	854,286	4,096,452

Northwestern Banker August 1940

TWIN CITY NEWS



HENRY VERDELIN, of Minneapolis, has been appointed vice president and general manager of the Real estate Department of The Mutual Life Insurance Company of New York.

Verdelin left the First National Bank and Trust Company of Minneapolis, where he has been assistant vice president since 1937, and with which he has been directly and indirectly associated for more than twenty years. He has occupied many

By James M. Sutherland

Special Correspondent

posts of responsibility, including work on real estate protective and reorganization committees, jurisdiction over intermediate credit and the making of mortgage loans.

He served as president of the American Institute of Banking in 1936 and 1937, and is widely known throughout the country. Mr. Verdelin attended the University of Minnesota and is a member of the Minnesota bar.

The **Minnesota** Banking Department has passed on a license for an office of the Equitable Loan Association to be established in Fergus Falls, Minnesota. The new office will be owned and operated by the Equitable Loan Association of Minneapolis.

S. B. Ruohoniemi, assistant cashier of the First State Bank of Floodwood, Minnesota, has helped in formulating plans for the protection of the vital Duluth-Superior harbor system and the Mesabi and Cuyuna iron ranges of northern Minnesota under the National Defense program.

The plans have been submitted to the War Department through Congressman Pittenger of Duluth.

Sigurd Myklebust was general chairman of the annual picnic of officers and employes of Midland National Bank & Trust Company, held at Spring Park, Lake Minnetonka. Assisting him were **Hokan Moreen**, **Dagne Naeseth**, **Ralph Spearing**, **Joan Short**, **Virginia Wolfe**, **Harry Shephardson**, **Robert Ervin**, **George Magnuson** and **Stuart Johnson**.

F. A. Amundson, acting state banking commissioner in Minnesota for the past year, can take that word "acting" out of his title now.

For Governor Harold E. Stasson has appointed him commissioner of banks. Mr. Amundson took over the post as acting commissioner on the resignation of **Robert D. Beery**.

Tri-County Meeting

Roger Peavey, president of the Security National Bank of Faribault, presided as president of the annual meeting of the Tri-County Clearing House Association held at Red Wing. Bankers of Red Wing served as hosts to the visiting bankers.

The program included an excursion on the Mississippi river through the locks, dinner, and an entertainment program in the evening. Twenty-eight banks are members of the association from Wabasha, Rice and Goodhue counties.

Attending the meeting from Faribault were Mr. Peavey, George Kaul, Charles McKenzie, Herb Krenz, Ray Hayes, Howard Barrett and Leo Shandorf, of the Security National Bank; John Carlander, president; Ray Meyer, and William F. Hopke, of the Faribault State Bank.

E. W. Harrington, vice president of the First National Bank of Plainview, headed the Tri-County Bankers as president following its annual meeting.

Also elected were H. H. Billings of Pine Island, vice president, and F. Sprague of Lake City, secretary-treasurer. H. J. Croke of Red Wing was elected to the board of directors, which includes Arthur Funke of Hammond.

Remodeling

Only two major remodeling projects in several started last spring in downtown Duluth remained to be completed.



Last year \$94,383,000.00 was paid to 278,000 patrons of this market for their livestock.

These market patrons are your customers and you can improve your service to them through an account with us.

**STOCK YARDS
NATIONAL BANK**
SOUTH ST. PAUL, MINNESOTA

Member Federal Deposit Insurance Corporation



This picture shows one corner of the complete "Northwestern" Grain Draft department. Personnel and mechanical equipment are ready now for the peak season on grain drafts, when up to 2,500 drafts are handled in a single day!

Grain Draft Worry

ELIMINATE worry about special handling of grain drafts. Use these services of "Northwestern" grain draft specialists:

- 1.** We have a half century's experience and knowledge in handling grain drafts.
- 2.** We offer the services of a special grain draft department.
- 3.** We use every possible method which provides safety and expedites collections.

No wonder we handle more than a quarter million grain drafts—totaling more than \$50,000,000—in a single year. Send your grain drafts to the "Northwestern,"—and end worry!

Use "Northwestern" Services

Department of Banks and Bankers

WM. N. JOHNSON
Vice President

D. E. CROULEY
Asst. Cashier

F. W. CONRAD
Asst. Vice Pres.

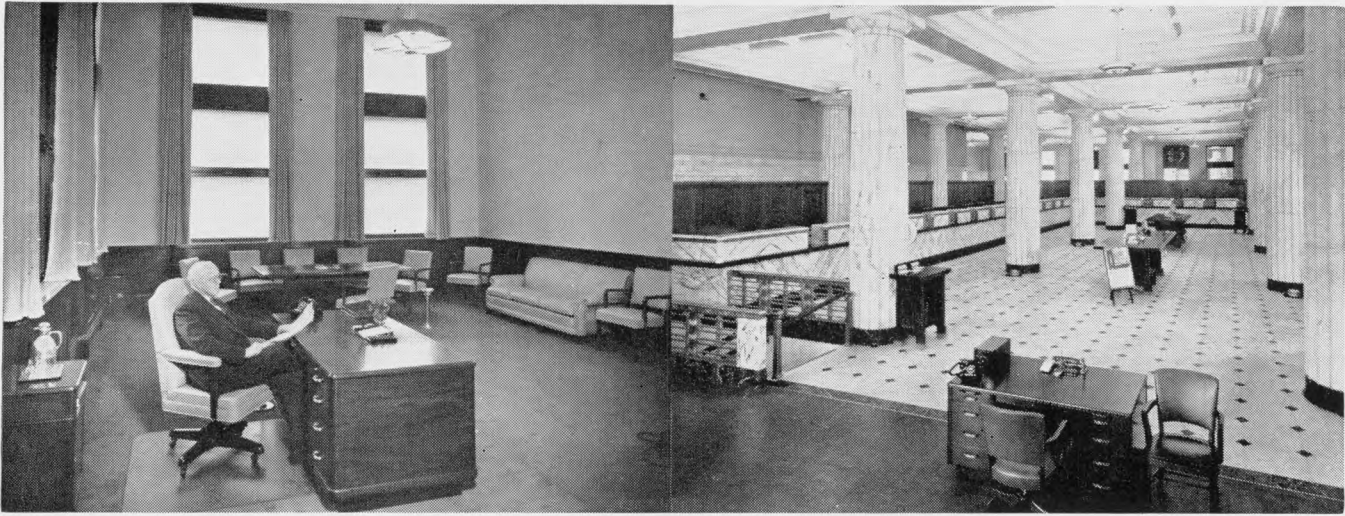
L. P. GISVOLD
Asst. Cashier



NORTHWESTERN NATIONAL BANK AND TRUST COMPANY

MARQUETTE AVENUE—6th to 7th STREETS
Minneapolis

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Above are two views of the interior of the recently reconstructed Midland National Bank of Minneapolis. At the left President Edgar L. Mattson is seated at his desk in his remodeled and newly furnished office. At the right is pic-

tured a portion of the main banking room, with the new low type counters. New furniture, in harmonizing color effects, has been installed throughout.

These include the construction of new quarters for the Bank of Commerce in the Torrey Building at a cost of \$40,000, and the erection of a new front for the Eagles Lodge Building at 213 East Second Street, costing \$30,000. The former is scheduled to be ready for occupancy about September 1st, and the latter on September 17th.

Reconstruction Completed

Edgar L. Mattson, president of the Midland National Bank, Minneapolis, sent the following letter to friends and customers of the bank upon completion of its recent remodeling and reconstruction program. Pictures of the new interior appear elsewhere in this issue. Mr. Mattson says:

"It gives me real pleasure to an-

nounce to all our friends in Minneapolis and throughout the northwest that reconstruction of our banking floor is complete.

"We invite all our friends to come in and look us over.

"Our low, smooth-topped, rare old Italian marble-faced tellers' counters are not only modern and beautiful in appearance, but are a real convenience for our customers.

"We have centralized our important automobile financing and installment loan departments where they are convenient for public use, free from interruption, affording all the privacy that may be desired.

"Our trust department coupon room and vaults for safekeeping securities held in custodian accounts, are secluded but still a part of the main floor. Our safe deposit vaults and boxes are reached through the main lobby.

"Our officers are all easily reached in the main lobby.

"Substantial new furniture, harmonizing with color effects of the lobby, has been installed, including comfortable chairs for customers at desks of officers.

"In the rear of the main banking room in the annex to our building, accessible by convenient doorways, we have completely remodeled and well furnished and equipped rest rooms for our employees, including a lounge with facilities for light lunches.

"We take pride in our new banking room. It is a monument to the cordial relations that exist between the Midland Bank and the public. It is typical of the fine progress that the business institutions of Minneapolis and the northwest are making."

THE TRAVEL TREND
is Toward

A location in the center of the downtown district, with shops and amusements nearby, attracts travelers to this fine hotel - where they invariably enjoy the comfortable accommodations, the fine food in the Coffee Shop, and the superior service. Garage service. All rates reasonable.

WITHOUT BATH \$1.50 UP WITH BATH \$2.00 UP

4th STREET AT HENNEPIN

Stop at the ANDREWS HOTEL

in **Minneapolis**

A. W. STADE
Manager

NORTH DAKOTA NEWS

MARTIN AAS
President
New Rockford



C. C. WATTAM
Secretary
Fargo

ing or are unable to play their part in this program.

New Committees

The following are the names of committees and committee members as recently appointed by Martin Aas, president of the North Dakota Bankers Association:

Agricultural Committee—Fred A. Irish, chairman, Fargo; A. L. Netcher, Fessenden; Dugald Stewart, Bowman; F. A. Foley, Rolla; Clarke Bassett, Fargo.

Legislative Committee—W. S. Davidson, chairman, Williston; F. D. McCartney, Oakes; J. O. Milsten, Belfield; H. A. Fischer, Washburn; Fred Heath, Bismarck.

Public Relations Committee—R. A. H. Brandt, chairman, Minot; R. H. Barry, Fargo; G. A. Klefstad, Forman; H. M. Weydahl, Killdeer; V. A. Helberg, Minnewaukan.

Consumer Credit Committee—Fred Orth, chairman, Grand Forks; O. J. Olson, Wahpeton; A. C. Idsvoog, Grafton; E. D. Saltzman, Bismarck; M. G. Pederson, Hope.

Bank Management Committee—W. A. Lilyquist, chairman, Lisbon; S. K. Fisher, Devils Lake; J. R. Madsen, Mandan; H. M. Grant, Minot.

Building Sold

R. J. Moore of Grand Forks bought the Red River National Bank Building for \$52,500 cash at a receiver's hearing.

The building was offered for sale by L. E. O'Connor, receiver for the old First National Bank, which owned the structure. The buyer will take possession August 7st. Moore was the only other bidder except the Red River National Bank, which had offered \$52,000. O'Connor had petitioned to sell at that price and the hearing was held on his petition.

President's Message

In a recent letter to his membership, Martin Aas, president of the North Dakota Bankers Association, writes as follows:

As president of your association, permit me to express to you my appreciation of the privilege and opportunity to serve you during the coming year.

With the few banks left in North Dakota and the limited finances with which we have to operate, the problem of working out a program of activities for the year is a difficult one.

As suggested by the president of the Wisconsin association, in this day of wild discord, a program for the development of human relations would seem to be of real value; and I shall endeavor to develop the sort of a program which will bring the bankers of the state into closer relationship and create a more general and common understanding of the problems with which we are faced. Each day we are forced more and more to the conclusion that if our present banking system is to survive, it is necessary for bankers to work with rather than against each other. The spirit of keen competition existing in the past must be submerged for the good of all. Bankers must cooperate.

Meetings of groups and of the state membership at large are necessarily few in number.

Many questions arise which are perplexing and which might be explained if we were able to get together frequently for a round table discussion of them. In the absence of such opportunities, let me suggest that you call upon the secretary, Mr. Wattam, either by letter or in person, for any information on matters which may not be clear to you. The association office is maintained for that purpose and if you fail to use the service made available to you, it is your fault and not that of your officers.

A growing conviction is being established in the public mind that the existing private financial agencies are not equal to the requirements of a national defense program. It is important that this propaganda be met. The answer lies in the hands of the local banks. It is important for them to inform their public of their willingness to make loans, and to do everything they can to uncover such loan possibilities, not alone in the interests of the defense program, but for the development of local business also.

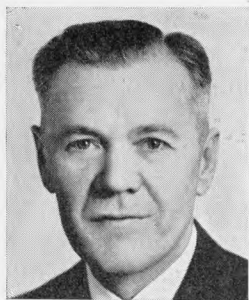
We must not let the public get the impression that the banks are not will-

What North Dakota Statements Show

JUNE 29, 1940

The Northwestern Banker is pleased to publish Bank Statements received before going to press—put us on your mailing list and send us your statements immediately after each call. If your bank is not included in the list below it is because YOU did not send in your statement. Please do so next time.

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Bismarck	First National	B. F. Lawyer	\$ 200,000	\$ 212,939	\$ 722,021	\$ 1,636,937	\$ 1,211,355	\$ 3,270,929
Drake	First National	H. M. Rossebo	25,000	31,852	216,783	122,228	138,484	433,875
Fargo	Merchants National	C. H. Olson	150,000	212,266	1,164,231	1,431,670	1,394,892	3,674,958
Jamestown	The National Bank	E. W. Mueller	100,000	45,695	378,393	545,561	334,510	1,143,197
Minot	Union National	J. S. Westlake	100,000	29,595	251,042	428,560	403,804	1,031,547
Page	First Bank of	E. G. Clapp	15,000	6,984	37,432	50,018	30,151	102,402
Rugby	Citizens State	L. N. Sessing	25,000	32,830	142,688	48,821	359,364	497,786
Valley City	American National	R. M. Hougen	50,000	26,896	221,562	225,172	195,279	616,479
Valley City	First National	J. T. Sanger	50,000	68,568	276,183	303,612	305,436	808,952
Watford City	First International	O. N. Stenehjem	15,000	5,045	84,544	30,579	102,279	183,882



R. D. MOUNTAIN
President
Conrad

MONTANA NEWS

ETHEL W. WALKER
Secretary-Treasurer
Helena

Banker Dies

Theodore Torbenson, former Kalispell resident and onetime local bank president, died recently in Minneapolis.

He left Kalispell in 1926 for Seattle, where he established a brokerage business. He went to Minneapolis in 1936. His widow and two sons survive.

HOW TO SELECT EMPLOYES

(Continued from page 18)

sults are to be obtained. Test records must be carefully compiled over a period of time in order to provide sufficient statistical data for the establishment of "norms" and the checking of results generally. Normally, too, there will be an educational campaign to carry on at the same time. If only passive resistance to such a program

from the various executives and department heads is encountered, the person responsible for it may consider himself fortunate. As time goes on, however, and the benefits of a more scientific method are evidenced, a change in attitude to one of enthusiastic cooperation may reasonably be anticipated.

FIELD WAREHOUSING SERVES BUSINESS AND BANKER

(Continued from page 20)

warehouse is in existence, the trained auditors of the field warehousing company make frequent inspections of the inventory at irregular intervals, without notice.

It is important both to the banker and the company using the service that they choose the field warehouseman

carefully. Both should investigate the warehouse company and its methods.

A warehouse company's balance sheet will show whether or not the company is a fixture in the field, or a fly-by-night. A wise selection can be based on the three "C's" of credit . . . character, capacity and capital.

Field warehousing is recognized by financial institutions everywhere and by the Federal Reserve System as a sound and successful method for the manufacturer and producer to raise money by storing and protecting inventory while awaiting its use or distribution in normal procedure.

1940 Conventions

- Sept. 22-26 Annual Convention Atlantic City, New Jersey.
Nov. 7-8 Second Mid-Continent Trust Conference, Chicago, Illinois.
Sept. 9-11 Iowa, Hotel Fort Des Moines, Des Moines.
Oct. 24-25 Nebraska, Lincoln.
Oct. 16-19 Annual Convention, National Association of Bank Auditors and Comptrollers, St. Louis, Missouri.
Oct. 28-30 Financial Advertisers Association, The Homestead, Hot Springs, Virginia.
Nov. 11-15 U. S. Savings and Loan League, Chicago, Illinois.
Dec. 9-13 Investment Bankers Association of America, Hollywood Beach Hotel, Hollywood-by-the-sea, Florida.

What Montana Statements Show

JUNE 29, 1940

The Northwestern Banker is pleased to publish Bank Statements received before going to press—put us on your mailing list and send us your statements immediately after each call. If your bank is not included in the list below it is because YOU did not send in your statement. Please do so next time.

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Anaconda	Daly Bank & Trust Co.	O. B. Silvey	150,000	\$ 137,657	\$ 781,086	\$ 2,343,268	\$ 1,080,812	\$ 3,967,538
Big Timber	Citizens Bank & Trust	Alva L. Lamb	100,000	27,020	377,306	180,424	514,061	956,733
Billings	Midland National	A. R. Hammer	200,000	194,913	1,106,114	2,058,943	1,940,305	4,817,502
Billings	Security Trust	O. M. Jorgenson	100,000	158,260	1,507,462	552,753	1,663,189	3,438,290
Bozeman	Security Bank & Trust	J. D. Street	100,000	54,905	382,769	223,400	446,199	920,963
Butte	Metals Bank & Trust	R. W. Place	600,000	601,546	1,850,955	6,104,002	7,423,657	14,275,631
Butte	Miners National	T. J. Fenlon	100,000	44,220	321,213	446,009	684,471	1,371,257
Columbus	Yellowstone Banks	L. J. Wallace	35,000	13,734	207,509	137,154	191,656	506,735
Cut Bank	Bank of Glacier Co.		30,000	15,383	191,703	114,733	180,868	456,518
Dillon	First National	J. W. Rees	100,000	94,255	422,213	691,592	383,213	1,437,700
Dillon	State Bank & Trust	R. M. Stone	100,000	102,542	1,252,160	470,242	224,651	1,763,513
Forsyth	Forsyth State	Dan Traub	25,000	38,241	170,347	354,182	156,528	628,403
Glendive	Merchants National	A. C. Schrupf	60,000	45,838	36,974	376,549	295,328	629,629
Great Falls	First National	L. F. Curry	600,000	407,815	1,971,712	4,335,000	4,601,176	10,267,118
Great Falls	Montana Bank & Trust Co.	Louis R. Fousek	100,000	158,188	1,021,835	767,981	975,835	2,611,051
Kalispell	Conrad National	J. G. Edmiston	250,000	93,656	814,714	1,077,710	1,259,728	2,905,357
Laurel	Yellowstone Banks	B. Meyer Harris	35,000	21,733	310,361	81,950	290,387	667,921
Missoula	First National	F. M. Elliott	200,000	190,602	738,895	1,139,877	2,900,711	4,501,127
Plentywood	Security State	R. O. Nelson	30,000	2,844	116,915	125,581	110,935	338,963
Ronan	Ronan State	B. G. Paige	25,000	34,500	254,717	57,071	191,771	445,933
Sidney	Sidney National	O. L. Anderson	30,000	10,974	130,182	68,465	247,619	426,492
Stanford	Basin State Bank	N. B. Matthews	25,000	22,648	176,128	178,965	197,765	511,828
Whitefish	First National Bank of	P. C. Lilly	50,000	17,254	163,855	285,034	198,295	614,747



C. R. GOSSETT
President
Sioux City

IOWA NEWS



FRANK WARNER
Secretary
Des Moines

New Building

With bids already called for Architect Henry J. Schneider announced the general contract for construction of the new Council Bluffs Savings Bank Building will be awarded soon. Closing date on bids is August 12th.

According to Schneider, the building will be erected in two sections. First part will be constructed behind the present bank, between Pearl and Main Streets. Rest of the building will be located where the bank now stands.

Election

The First Trust & Savings Bank, Remsen, closed its fiscal year and held its annual election of officers. All present officers were re-elected and the only change in the list was the addition of John Keffeler as vice president and member of the board of directors.

The bank, the oldest in Remsen and established in 1887 by the late James F. Toy, is still a member of the system organized by its founder.

Buys Bonds

A \$25,550 bond issue of the Clearfield Independent School District was purchased by the First State Bank of Diagonal. The bonds are to draw 2½

per cent interest and the local bank paid a \$40 premium on the issue. The bond issue can run until 1955, but is subject to optional retirement after 1945. Proceeds of the bonds will be used by the district to match a federal grant for rebuilding the school building destroyed by first last spring.

The local bank was represented at the bond sale by M. I. Roberts, president. There were seven other bidders present at the sale.

County Meeting

Bankers of Louisa and Washington counties met at the Country Club recently for a social meeting. Dinner was served to the 48 guests by the Presbyterian Ladies Aid Society.

Frank Crone, president of the association, presided at the meeting. Everett Griffith of the Iowa-Des Moines National Bank made a few remarks. Lee Huston of Columbus Junction, representative of the bankers association to a wage hour conference in Washington, D. C., gave a report of that conference.

Bankers in Washington were hosts of the evening, with Lee Holland, chairman of the committee on arrangements, assisted by Horace Hammer of Wapello. A few of the men accepted the invitation to play golf during the

late afternoon. Bank directors, as well as bankers, and their wives, attended the dinner.

The next meeting will be in September at Keota.

Appointed Bank Examiner

S. T. Egertson of Estherville has been appointed bank examiner for the Federal Reserve System, it was announced by E. A. Anderson, federal examiner. Mr. Egertson will assume his new duties October 1st.

Mr. Egertson has been an examiner for the state department of banking for 16 years, previous to which time he was engaged in bank work in Estherville. His new position is a promotion and recognition of his ability in the field of examining banks.

Celebrates

About fifty neighbors, relatives and friends assisted Gilbert E. Soland, former president of the Decorah State Bank, celebrate his 86th birthday.

Mr. Soland, who has been a lifelong resident of Winneshiek county, was born in Springfield township, July 15, 1854, a son of Engebert and Helene (Clement) Gulbrandson Soland, who were natives of Norway.

Before becoming a resident of Decorah, about twenty-five years ago, Mr. Soland operated 588 acres of land, half in Frankville and half in Springfield townships.

Mr. Soland resigned the presidency of the Decorah State Bank about a year ago, but is still a member of the board of directors.

Reserve Member

The Gladbrook state Bank has been admitted to membership in the Federal Reserve System. A. F. Walter is president of the bank; C. F. Harris, vice president, and J. S. Bauch, cashier.

What Iowa Statements Show

JUNE 29, 1940

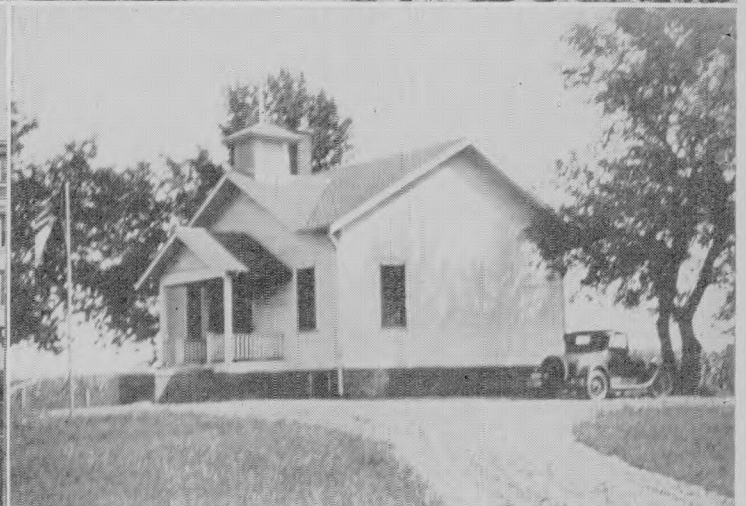
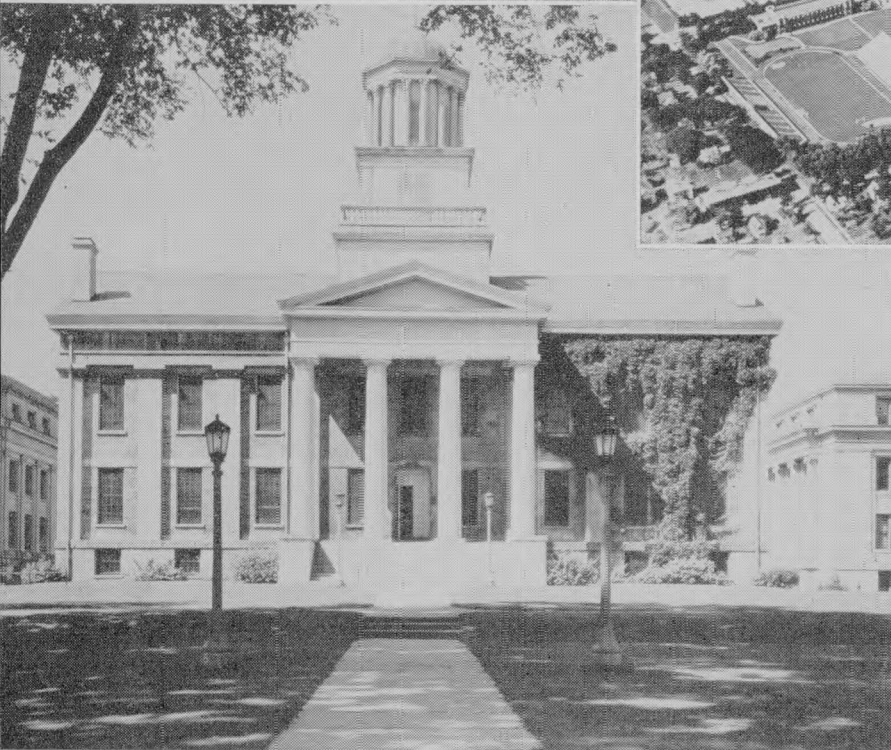
The Northwestern Banker is pleased to publish Bank Statements received before going to press—put us on your mailing list and send us your statements immediately after each call. If your bank is not included in the list below it is because YOU did not send in your statement. Please do so next time.

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Adel.....	Dallas County State.....	O. D. Ellsworth.....	\$ 25,000	\$ 27,451	\$ 444,402	\$ 102,651	\$ 116,719	\$ 609,158
Algona.....	Iowa State.....	H. L. Gilmore.....	50,000	82,250	706,838	1,400,634	447,666	1,716,050
Ames.....	Ames Trust and Savings.....	Clay W. Stafford.....	75,000	101,169	733,390	853,755	417,752	1,807,548
Ames.....	College Savings.....	E. T. LaVelle.....	50,000	91,118	459,963	652,852	539,987	1,531,795
Atlantic.....	Atlantic State.....	C. D. Emmert.....	50,000	121,046	584,722	685,690	516,973	1,634,455
Boone.....	The Citizens National.....	E. E. Wiemer.....	100,000	67,472	864,165	858,323	538,820	2,138,460
Breda.....	Breda Savings.....	F. Van Erdevyk.....	50,000	19,333	274,807	184,789	100,409	495,748

(Turn to page 50, please)

INVESTMENT IN

Iowa's Great Business of Education



Top Left—Many small towns and rural districts have fine consolidated schools like this. Top Right—The Iowa State College at Ames is recognized the world over. Center Left—The old State Capitol Building, administration building for the University at Iowa City, speaks for the pioneering spirit of Iowa education. Center Right—The "little school house" is now modernized—offering much better opportunity for rural children. Bottom—Modern high schools throughout the state complete a fine picture of advanced education.

BRAINS—

Iowa has a priceless heritage in the literacy of its people, ranking first among all of the states in the union. Probably no similar area in the world has such a high percentage of literacy.

Since 1830 when the first school in the state was established in what is now Lee County, building and maintaining this high standard of education has grown into a vast and complicated business.

It is hard to believe, however, that such a great investment in education could be maintained at such low cost. Latest figures from the state department of public instruction list 11,766 public schools in which nearly 25,000 teachers are employed. There are also more than 200 parochial schools, attended by some 50,000 pupils. Almost two-thirds of a million children regularly attend Iowa schools.

Figures are available only on the public schools. They show that the cost per pupil averages only \$82.72 per year, very little for the return in better citizenship. Iowa invests slightly more than \$1,000 in the education of each of its children.

Iowa pays approximately \$25,000,000 in public school teachers' salaries. About \$6,500,000 goes for school operation and maintenance—largely in fuel, power, and salaries.

During the 100 years in which this great education system has been in development, school structures have been built which have an estimated present value of \$140,000,000; 8,798 are so-called "open country" schools, 408 are consolidated schools and the remainder are in towns and cities.

Three great state schools, the University at Iowa City, the State College at Ames, and the State Teachers College at Cedar Falls, are representative of the fine higher education facilities offered. These three schools have a total enrollment of approximately 25,000 students annually. Combining these three with the state schools for the deaf and blind, the state appropriates approximately \$5,000,000 annually for them—further revenue coming from Federal grants, student fees and the like.

Ever since the state was founded, Iowa has kept an eye to the future—building for its people educational facilities without peer in the entire world. Careful planning and supervision have kept the costs of this great program well within reasonable bounds.

Bankers Trust Company, ever since its founding, has kept an eye to the future, planning better means of serving its customers. Among these customers are many banks throughout the state which have named Bankers Trust Company their Des Moines Correspondent.



BANKERS TRUST

6th and Locust Streets
Des Moines, Iowa

COMPANY

Member Federal Deposit Insurance Corporation

Member Federal Reserve System

WHAT IOWA STATEMENTS SHOW

(Continued from page 47)

TOWN	BANK	CASHIER	Capital	Surplus and Profits	Loans and Discounts	Bonds and Securities	Cash and Due From Banks	Deposits
Burlington	Burlington Savings	W. H. Swiler	100,000	197,767	1,675,734	338,395	1,297,527	3,576,772
Burlington	National Bank of Burlington	Thomas L. Dyer	200,000	88,835	1,176,194	1,136,793	985,972	3,062,289
Carlisle	Hartford-Carlisle Savings	G. D. Schooler	25,000	38,967	409,598	92,955	59,030	501,393
Cedar Falls	Cedar Falls Trust	H. C. Smith	50,000	30,745	530,306	124,579	548,214	1,142,397
Cedar Rapids	Guaranty Bank & Trust	Reginald B. Figge	200,000	114,515	1,330,099	998,008	1,195,963	3,210,225
Cedar Rapids	Merchants National	Mark J. Myers	500,000	2,185,536	9,867,770	12,734,849	11,232,504	32,234,660
Cedar Rapids	The Peoples Savings	W. Rinderknecht, Jr.	250,000	161,719	2,905,793	834,190	1,669,847	5,062,964
Center Point	North Linn Savings	Flora Tillotson	50,000	27,576	352,359	233,905	235,865	749,671
Centerville	First National	Roy E. Oughton	50,000	61,232	188,396	762,582	466,911	1,281,670
Chariton	First State Bank	Lester F. Smith	50,000	19,839	317,304	277,681	234,005	765,387
Chariton	National Bank & Trust Co.	E. L. Gookin	100,000	51,902	353,572	687,547	520,416	1,466,309
Charles City	First Security	Merten J. Klaus	100,000	56,496	1,003,158	87,892	731,176	1,653,570
Clarinda	Page County State	C. E. Bradley	50,000	53,584	582,533	132,079	428,895	1,058,020
Clinton	City National	J. H. Nissen	400,000	332,435	2,559,419	1,848,226	1,720,345	5,551,686
Clinton	Clinton National	L. J. Derflinger	60,000	93,805	362,343	495,076	861,511	1,594,183
Colfax	First National	H. E. Bell	25,000	52,830	508,710	167,519	119,569	725,022
Coon Rapids	First State	Paul H. Kinnick	25,000	16,543	321,549	101,575	84,975	466,124
Coon Rapids	Iowa Savings	Walter Bueneke	25,000	15,358	155,961	167,572	169,959	454,442
Council Bluffs	Council Bluffs Savings	E. H. Spetman	150,000	242,809	2,696,128	897,834	1,450,075	4,677,409
Council Bluffs	State Savings	H. L. Tinley	100,000	85,096	1,419,599	281,603	452,869	1,961,654
Crawfordsville	Peoples Savings	K. A. Coates	20,000	31,893	231,784	43,900	109,791	338,604
Davenport	Davenport Bank & Trust	Herman Staak	600,000	1,493,211	8,937,826	14,002,594	11,690,349	31,842,731
Davenport	First Trust & Savings	F. A. Johnson	135,000	59,189	1,391,143	750,295	1,174,607	3,003,541
Des Moines	Bankers Trust Co.	F. C. Atkins	1,000,000	837,022	10,221,699	6,350,664	6,699,842	21,372,325
Des Moines	Capital City State	Raymond G. Miller	150,000	123,022	1,361,542	1,133,541	552,085	2,855,954
Des Moines	Central National	J. R. Capps	1,000,000	734,020	13,170,260	5,276,556	7,347,453	23,925,720
Des Moines	Iowa-Des Moines Nat'l & Trust	Harry G. Wilson	3,000,000	1,097,400	17,296,081	13,394,522	13,143,370	41,254,598
Des Moines	The Valley Savings	J. R. Astley	150,000	313,133	4,061,298	725,006	2,004,527	6,261,950
Dubuque	American Trust & Savings	Albert C. Lantzy	250,000	140,470	1,331,963	3,068,909	1,284,799	5,259,435
Dubuque	First National	Joseph V. Keppler	300,000	415,214	1,698,371	6,707,964	2,292,141	9,946,019
Dunlap	Dunlap Savings	Glen H. Millard	25,000	30,233	172,156	204,999	76,119	407,073
Eldora	Hardin County National	Eastman W. Muckolls	75,000	55,955	511,253	504,010	381,372	1,312,371
Emmetsburg	Iowa Trust & Savings	Chas. J. Spies	25,000	137,275	485,373	449,225	312,561	1,085,109
Estherville	Emmet County State	Robert S. Knight	50,000	107,353	897,343	984,031	297,036	2,041,045
Estherville	Iowa Trust & Savings	Donald T. Lawler	25,000	47,100	441,721	203,509	184,212	779,534
Fonda	First National	A. M. Kuhl	25,000	34,860	184,961	315,780	138,731	593,262
Fort Dodge	The State	Harry T. Huff	100,000	158,572	1,734,987	418,904	958,245	2,863,890
Fort Madison	Iowa State	Milton E. Lehning	100,000	33,011	228,653	288,995	193,103	585,588
Fort Madison	Fort Madison Savings	H. H. Mohrfeld	205,000	86,409	716,085	1,688,853	1,113,747	3,249,944
Garner	Hancock County National	H. L. Ollenburg	50,000	24,185	327,329	89,953	336,496	692,997
Garwin	Farmers Savings	A. F. Agena	20,000	24,816	197,688	215,683	48,990	329,576
George	George State	R. W. Rossow	25,000	34,696	484,496	91,639	156,469	676,366
Gladbrook	State Bank	J. S. Bauch	50,000	50,212	657,166	42,300	171,420	775,882
Grinnell	Grinnell State	L. M. Lanning	60,000	29,023	612,732	129,500	421,956	1,094,209
Grundy Center	Grundy National	Wesley T. Hecht	50,000	28,078	302,941	275,154	122,934	611,303
Hawarden	First National	H. Visser	50,000	28,685	243,026	129,885	135,703	445,734
Hospers	Hospers Savings	C. F. Sheel	25,000	31,048	381,320	83,922	86,496	505,376
Humboldt	Humboldt Trust & Savings	J. L. Campbell	50,000	80,942	849,794	343,013	275,283	1,304,819
Indianola	Peoples Trust & Savings	M. H. Henderson	100,000	87,765	637,897	767,283	380,498	1,625,860
Jefferson	Home State Bank	Warren Garst	50,000	42,228	672,571	121,980	89,706	804,325
Jefferson	Jefferson State	Verne W. Miller	50,000	96,027	723,023	701,190	418,237	1,709,973
Knoxville	Community National	J. R. Dyer	50,000	56,035	842,872	154,292	367,542	1,211,736
Laurel	Peoples Savings Bank	Hugh C. McCleery	15,000	11,780	148,926	119,843	70,584	311,090
Le Mars	First National	R. E. Tool	60,500	17,784	207,948	330,944	299,966	792,367
Lisbon	Lisbon Bank & Trust	G. L. Hill	50,000	50,418	372,361	145,440	235,725	657,336
Madrid	City State Bank	C. W. Abdersib	25,000	17,764	252,426	241,987	61,735	516,493
Manson	Manson State	G. L. Scoles	25,000	33,639	510,876	117,914	123,826	696,693
Marshalltown	Fidelity Savings	A. T. Davis	100,000	175,240	1,346,086	1,165,465	1,854,263	4,151,182
Marshalltown	Security Savings Bank	G. B. Brown	50,000	69,221	886,201	590,769	454,177	1,833,144
Martelle	Farmers Savings Bank	Guy C. Martin	25,000	20,126	132,280	131,134	24,330	251,305
Mason City	First National	William W. Boyd	400,000	274,274	2,910,313	1,193,580	1,952,995	6,728,254
Mason City	United Home Bank & Trust	R. A. Potter	100,000	70,358	1,389,097	51,174	456,940	1,763,343
Missouri Valley	First National	H. F. Foss	50,000	34,998	219,101	402,039	236,896	782,786
Mount Ayr	Security State Bank	Carson Williams	30,000	30,669	321,966	167,320	85,558	557,084
Mount Vernon	Mount Vernon Bank	D. U. Van Metre	50,000	72,993	542,687	145,108	225,613	787,993
Muscatine	Central State	Glen Downing	125,000	58,989	965,770	1,009,683	780,980	2,559,559
Muscatine	Muscatine Bank & Trust Co.	B. L. McKee	125,000	194,172	1,085,438	1,656,738	3,263,330	5,715,338
Newton	Jasper County Savings	A. E. Hindorf	100,000	172,413	2,765,830	331,065	570,953	3,410,849
Newton	Newton National	Walter T. Robinson	100,000	64,785	737,235	390,624	311,760	1,325,549
Oakland	Citizens State	D. F. Bnsse	40,000	30,404	369,513	187,524	109,308	603,642
Oelwein	First National	M. C. Hanson	50,000	101,140	305,270	850,803	533,221	1,571,157
Onslow	Onslow Savings	Geo. H. Paulsen	20,000	39,371	294,830	103,700	93,839	433,013
Orange City	Northwestern State	H. C. Moret	65,000	57,863	616,611	208,755	342,240	1,065,750
Osage	Osage Farmers National	E. A. Heiden	100,000	92,651	687,251	362,955	298,813	1,172,661
Ottumwa	Union Bank & Trust Co.	Max von Schrader	300,000	258,979	2,033,949	2,013,761	2,261,127	5,892,813
Pella	Pella National Bank	H. P. Scholte	50,000	49,856	502,648	488,720	565,761	1,463,595
Perry	First National	C. S. Johnson	50,000	110,359	838,265	102,031	440,185	1,240,946
Randolph	Randolph State	J. H. Brekken	25,000	8,479	133,658	88,726	57,295	253,054
Red Oak	Houghton State Bank	Oscar Helgersen	100,000	58,593	1,244,197	347,333	793,771	2,261,327
Red Oak	Montgomery County National	Ivan Erickson	50,000	38,111	607,243	83,845	375,080	995,504
Reinbeck	Lincoln Savings Bank	J. W. Hepperle	25,000	43,099	684,587	80,926	102,471	796,927
Rock Valley	Valley State	J. P. Schutt	35,000	41,977	340,165	374,004	244,902	889,342
Sheldon	Security State	R. A. Schneider	50,000	36,129	533,352	121,634	354,836	940,697
Shenandoah	Security Trust & Savings Bank	W. H. Longman	60,000	60,793	590,308	338,183	481,267	1,300,166
Sioux City	First National	Fritz Fritzson	400,000	199,800	3,103,610	4,527,248	2,607,570	6,658,682
Sioux City	Live Stock National	M. A. Wilson	250,000	288,928	3,012,549	961,850	3,024,610	6,411,428
Sioux City	Security National	R. Earl Brown	250,000	247,128	1,136,054	3,062,524	2,838,876	6,718,084
Sioux City	Toy National	E. E. Erickson	300,000	374,436	2,714,337	3,034,689	2,195,098	7,395,441
Sioux City	Woodbury County Savings	C. T. McClintock	100,000	101,075	1,769,050	562,480	559,886	2,675,875
Spencer	Clay County National	A. E. Anderson	60,000	85,504	1,343,167	285,389	508,316	1,995,941
Storm Lake	Citizens First National	Wayne A. Myers	75,000	203,383	1,192,940	296,140	788,755	1,986,816
Storm Lake	Commercial Trust & Savings	E. J. Knebel	50,000	41,110	306,915	245,700	171,615	646,399
Stratford	Farmers Savings	E. J. Johnson	20,000	14,747	229,220	72,100	49,084	318,825
Stuart	First National	C. L. Beech	35,000	33,921	172,858	114,888	143,625	375,200
Toledo	The National Bank of Toledo	Asa Thomas	80,000	59,258	718,942	189,132	280,922	1,057,933
Vinton	State Bank of	Charles B. Barron	65,000	98,922	963,881	390,029	357,728	1,567,796
Wall Lake	Wall Lake Savings	C. W. Shaw	30,000	56,567	335,393	220,666	138,950	625,491
Wapello	State Bank of	H. B. Hammer	25,000	13,935	323,102	41,020	121,542	444,350
Washington	National Bank of	E. F. Mick	80,000	44,171	462,682	441,580	462,900	1,242,151
Waterloo	National Bank of	R. L. Penne	250,000	285,810	2,740,468	2,972,923	1,766,507	6,947,346
Waterloo	Waterloo Savings	J. J. Miller	175,000	197,361	2,805,491	1,380,863	2,505,563	6,423,064
Wayland	Wayland State	Melvin G. Roth	25,000	32,027	267,925	139,077	95,289	447,714



J. A. SARAZEN

IOWA NEWS FROM HERE AND THERE

By J. A. Sarazen, Associate Editor

LORENZ MATTHIAS was recently elected to the board of directors at the Readlyn Savings Bank. He succeeds H. J. Schumacher who passed away. **Fred Kuhlmann** was also elected to the board, succeeding F. H. Rathe.

Both banks at **Decorah** reduced interest rates from $2\frac{1}{2}$ to 2 per cent last November. Officers here report a very few accounts were lost due to the lower rate and statements of these banks show a slight increase in deposits during the last six months.

Recent statement of the **Cresco Union Savings Bank** list deposits of \$1,939,000. Capital is \$100,000, surplus \$100,000 and undivided profits and reserves of \$109,000. We note imprinted on the bottom of this bank's statement: No loans, direct or indirect, to officers, directors or employees. This bank nor the one across the street, the Cresco State Bank, are members of the FDIC.

Bernice Dessel, assistant cashier in Fred Figge's bank at Ossian, was married to C. Werner on May 13th—still maintains her position with the bank. Congratulations, Bernice.

While many banks have cut banking hours drastically to the public, the Monticello State Bank continues to serve the public as in the past. Banking hours are from 9:00 a. m. to 4:00 p. m., and Saturday evening from 7:00 to 9:00 p. m. **H. M. Carpenter**, cashier, tells us that these two hours on Saturday evening are the busiest time of the week. Deposits are well over \$4,000,000.

Effective July 1st, the Jackson State Savings Bank, Maquoketa, limits the amount accepted on an interest bearing basis as follows: Up to \$2,500, 2 per cent. Amounts above, 1 per cent. **Lynn Fuller**, president, is spending his vacation up in Minnesota at his cottage.

The First National Bank, Bellevue, located on the banks of the Mississippi, lists deposits of \$576,000 in their recent statement. **Herman Kueter**, cashier, looks to profits instead of big footings

and three years ago reduced interest rates to 1 per cent. Incidentally, the assistant cashier here tells us that a four and one-half pound bass jumped

right into his boat while out fishing the other day—claims this is not a fish story.

Banking hours at **Clinton** are from 9:00 to 2:00 on week days, and 9:00 to 12:30 on Saturday.

The June 29th statement of the **Garnavillo Savings Bank** lists deposits of \$625,500, loans and bonds \$667,800. The \$50,000 pledged to the trust has been paid off and the bank still has a strong capital structure. Capital is \$50,000, surplus \$50,000, and undivided profits and reserves \$25,375. Two and one-half per cent interest is being paid on deposits.

4 CORRESPONDENT ADVANTAGES that Spell...

SPEED!

1. Its strategic **location inside the Union Stock Yards** gives Live Stock National Bank quick and direct access to the rail and mail terminals centered here for the benefit of leading agricultural interests.
2. More than **half of the Bank's staff** is especially trained to serve out-of-town customers—using
3. **methods and machines** developed and perfected during
4. **72 years of sound banking experience.**

Consider these advantages and you will understand why Live Stock National is able to handle the Chicago needs of nearly 500 agricultural banks—so quickly, completely and helpfully. If you are interested in agriculture, consider them, too, in the light of your own correspondent requirements.

Live Stock National Bank of Chicago

UNION STOCK YARDS
Established 1868

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Northwestern Banker August 1940

Banks in other cities recently visited paying 2½ per cent on deposits are as follows: **Waverly, Cascade, Monticello.**

The **Waukon State Bank** lists time money at \$793,000 and demand at \$582,000. Two per cent is paid on 12 month cash deposits and 1½ per cent for six months. Loans and discounts are \$735,000.

The **Luana Savings Bank** has retired all the preferred stock amounting to \$10,000 during the past year.

Demand deposits at the **First National, West Union**, are \$579,000 and time money \$265,500; 2 per cent is paid for 12 months, and 1½ for six months.

The **American Savings Bank, Tripoli**, pays 2 per cent on new money and 2½ per cent on old.

Dame Rumor, as relayed by J. Y. Floerchinger, cashier of the DeWitt Trust and Savings Bank, says that a certain dapper country bank man

working out of Chicago is spending a great deal of time in and around DeWitt lately. Reason surmised, but not definitely known.

To illustrate his attitude towards business conditions at all times, **Leo Wegman**, president, Citizens Savings Bank, Anamosa, quoted the following to us from heart:

An aged man at the railroad station
Discussed the business situation;
I said that times were mighty bad
And somehow or other it made him
mad.

That aged man he tapped my knee
You know what's wrong with things,
said he
I've been in fights, and the old man
glared,
And always got whipped when I got
scared.

Folks have forgot how to stand and
grin
When hard luck smacks them on the
chin.
Too much groaning and not enough
laughs,
Too much crepe hanging, too many
graphs.

It sure don't help a sick man's heart
To think of nothing but his fever
chart.
Too many people with an alibi
And I'd rather listen to a dang good lie.

If folks would just quit hanging crepe,
They'd soon find business in mighty
fine shape.
I have no use for golf as a game,
But I speak the language just the same.

Not enough drives and too many puts,
Plenty cold feet and not enough guts.
You're not my son, but if you were
mine,
I'd damn soon teach you not to whine.

He wasn't cultured and his words were
rough,
But the old boy seemed to know his
stuff.

The **Sibley State Bank** paid a \$4 per share dividend to stockholders recently. The bank has 1,200 checking accounts and deposits average between \$750,000 and \$800,000. Officers will endeavor to add \$250 per month to surplus and profits.

The **First National Bank, Gowrie**, has installed new low type box fixtures and modern lighting fixtures.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

Statement of Condition, June 29, 1940

RESOURCES

Cash and Due from Banks	\$ 660,976,022.11
United States Government Obligations, Direct and Fully Guaranteed	645,413,466.22
Other Bonds and Securities	60,376,065.86
Loans and Discounts	156,347,094.22
Stock in Federal Reserve Bank	2,400,000.00
Customers' Liability on Acceptances	444,251.87
Income Accrued but Not Collected	2,557,917.60
Banking House	12,450,000.00
Real Estate Owned other than Banking House	2,952,375.45
	<u>\$1,543,917,193.33</u>

LIABILITIES

Deposits	\$1,421,459,288.57
Acceptances	446,123.56
Reserve for Taxes, Interest and Expenses	5,010,687.05
Reserve for Contingencies	16,561,200.27
Income Collected but Not Earned	226,859.26
Common Stock	50,000,000.00
Surplus	30,000,000.00
Undivided Profits	20,213,034.62
	<u>\$1,543,917,193.33</u>

United States Government obligations and other securities carried
at \$148,194,254.81 are pledged to secure public and trust deposits
and for other purposes as required or permitted by law

Member Federal Deposit Insurance Corporation

• IOWA NEWS •

The **First National Bank, DeWitt**, has served the community under National Charter, for 56 years without taking advantage of any special situation to the disadvantages or loss of one cent to any depositor or customer. Deposits are \$775,000 and 1 per cent interest is being paid.

The **Tipton State Bank** has a large volume of loans and discounts amounting to \$900,000, with deposits around \$1,130,000.

Cedar County Bankers will hold a meeting the first part of August to decide on closing uniformly for a half day each week. At present some banks close Wednesday afternoon, some on Thursday afternoon and others Saturday afternoon.

The new low type fixtures at the **Central Savings Bank, Eldridge**, has added greatly to appearance and convenience.

The **State Bank of Ledyard**, located in a town with a population of 350, has footings of over \$520,000. Loans and discounts, including corn loan, amount to \$507,000.

The **First Trust & Savings Bank, Wheatland**, is a progressive bank, with deposits of \$500,000; 1 per cent interest has been paid on deposits for the last four years.

The **Liberty Trust Bank at Durant** has enlarged officers' quarters and made other improvements, including completely covering the floors with new linoleum.

Business is good at the **Hayesville Savings Bank**. Surplus and profits were increased \$5,000 during the last six months, and resources were increased 20 per cent, or about \$75,000.

Chas. A. Cuhel was named a director of the Swisher Bank, succeeding W. M. Holets.

Recent Florida visitors were **Reginald Figge**, cashier of the Guaranty Bank & Trust Company, Cedar Rapids, and Mrs. Figge, and **J. M. Hutchinson**, trust officer of the Davenport Bank & Trust Company, and wife and two daughters. Mr. Figge accomplished what hundreds of those fishing in Florida waters try to do, but don't. He caught a sail fish measuring five feet and ten inches.

Grain Loans

The Dixon Savings Bank has signed up their agreement with the Commodity Credit Corporation so that they are now in position to make rye, barley and wheat loans to all farmers that are in the 1940 conservation program.

These papers will be handled in the manner similar to that of the corn loans.

Sells Bank Interest

Otto T. Brehmer, president of the Walnut State Bank of Walnut, Iowa,

has disposed of his stock through the Walters Company to Walter Otto, formerly engaged in the banking business in the irrigated section of western Nebraska and more recently president of the First National Bank of Riverton, Wyoming. Mr. Otto has been elected president of the Walnut State Bank, to succeed Mr. Brehmer. This bank has \$25,000 capital, \$20,000 surplus and profits, and deposits of \$252,000.

116 Per Cent

Final dividends of 20 per cent will be paid by the Farmers Security Sav-



UR service is well rounded and we are equipped to handle not only your commercial items, but all items on the Sioux City live stock and grain markets as well.

OFFICERS

A. S. HANFORD
President

A. G. SAM
Vice President

J. P. HAINER
Vice President

J. R. GRANING
Assistant Cashier

E. A. JOHNSON
Assistant Cashier

J. T. GRANT
Assistant Cashier

FRITZ FRITZSON, Vice President & Cashier

Member Federal Deposit Insurance Corporation



FIRST NATIONAL BANK

IN SIOUX CITY

Northwestern Banker August 1940

ings Bank at Cleves at the office of the Peoples Savings Bank there.

The bank will have paid out 100 per cent and in addition depositors will receive 16 per cent interest as a part of the final dividend.

The charter of the Security Savings Bank was taken over by the Peoples Savings Bank of Wellsburg, which will maintain an office at Cleves.

Commercial Loans

Forty percent of Iowa's commercial banks made more than 584,000 loans

totaling over \$382,000,000 to business firms and individuals throughout the state during the year 1939, according to the second semi-annual survey of bank lending activity of the American Bankers Association.

The survey, which was participated in by 264 banks, or 40 per cent of the 646 commercial banks of the state, showed a definite expansion of bank credit in the field of new loans. The number of new loans made between July 31st and December 31st was 11,862 greater, or 6 per cent greater, and the

dollar volume of new loans made during this period was \$12,073,220, or 13 per cent greater than reported by an equivalent number of banks for the previous six months.

The 264 banks reported that during 1939 they made:

387,322 new loans totaling \$199,138,664
192,650 renewals of loans totaling \$119,135,050

5,011 mortgage loans totaling \$14,583,603

A total of 584,983 totaling \$332,857,317

The survey reveals that business firms in the state are using less than two-thirds of the "open lines of credit" maintained for their use on the books of the banks. Twenty-nine banks in the larger centers of the state reported that they carried on their ledgers during the second half of the year \$21,126,325 in "open lines of credit" consisting of specific amounts of credit offered to and kept available for established borrowers for use as needed by them. Of this amount \$12,843,337, or 60.7 per cent, was actually used.

The average number of new loans made per bank was 1,467 and the average new loan was \$514.

The average number of renewals per bank was 730 and the average renewal was for \$618.

The average number of mortgage loans per bank was 19 and the average mortgage was for \$2,910.

The Iowa survey was part of a national bank lending activity survey, made by the American Bankers Association.

Claims Approved

Judge Ralph W. Hasner of Waterloo recently approved a number of claims against the Masonville Community Credit Union of Masonville, which has operated for several months as sort of a banking institution managed by farmers and others of the Masonville community.

Judge Hasner approved a claim against the organization for \$2,655.54 in favor of the Masonville creamery, and another claim for \$1,181.54 in favor of Thomas C. Powell, Masonville elevator operator.

Judge Hasner ordered that all others having claims against the union must present them before August 8th, and ruled that any objections to these claims by the credit union must also be filed by that date.

WANT TO BUY—Controlling stock or minority interest in north central or north eastern Iowa bank. Address C. W. care of Northwestern Banker, Des Moines, Iowa.

CENTRAL HANOVER BANK AND TRUST COMPANY NEW YORK



Statement of Condition at Close of Business June 29, 1940

ASSETS

Cash and Due from Banks	\$729,766,474.74
U. S. Government Securities	371,261,369.44
State and Municipal Securities	26,350,677.95
Other Securities	24,996,108.61
Stock in Federal Reserve Bank	2,430,000.00
Loans and Bills Purchased	158,964,711.18
Real Estate Mortgages	7,089,953.42
Banking Houses	15,218,010.00
Other Real Estate	1,652,030.56
Interest Accrued	1,887,447.91
Customers' Liability Account of Acceptances	3,715,448.44
Total	\$1,343,332,232.25

LIABILITIES

Capital	\$21,000,000.00
Surplus	60,000,000.00
Undivided Profits	13,285,329.08
Reserve for Taxes, Interest Accrued, etc.	5,735,815.59
Dividend Payable July 1, 1940	1,050,000.00
Acceptances	3,949,260.30
Deposits	1,238,311,827.28
Total	\$1,343,332,232.25

There are pledged to secure public monies and to qualify for fiduciary powers

U. S. Government Securities \$6,380,331.61

Member Federal Deposit Insurance Corporation

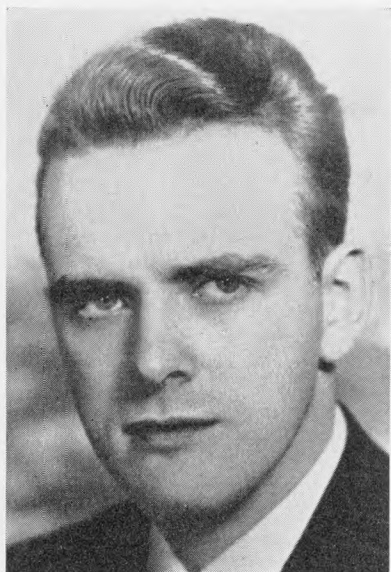
Travelers Enters Bonding Field

Announcement has been made by The Travelers Indemnity Company of the personnel of the company's new fidelity and surety organization in charge of the business in Des Moines



E. V. PROUDFOOT

and Minneapolis. Edwin V. Proudfoot has been appointed assistant manager of the fidelity and surety department in the company's Des Moines office; and John Kahl has accepted the assist-



JOHN KAHL

ant managership of the fidelity and surety department in the Minneapolis office. The Travelers enters the bonding field July 1st in order to complete its portfolio of insurance coverage.

Mr. Proudfoot is a native of Indianola, Iowa, and is a graduate of the University of Chicago Law School, holding Ph.B. and J.D. degrees. He has been associated with the bonding business since 1926.

Mr. Kahl was born in Lafayette, Indiana, and received his education in the public schools of that city. In addition he holds an LL.B. degree from the John Marshall Law School in Chicago, Illinois, and entered the bonding field in 1930.

Why He Resigned

A desire to devote his time to the cause of the religious sect, Jehovah's Witnesses, was given by Otto T. Brehmer as the reason for his resignation as president of the Walnut State Bank.

"I have decided to take my stand fully on the side of God and His Kingdom and give allegiance to Him," Brehmer said. He declared the "Battle of Armageddon" is at hand.



Assets of the Pioneer—a handful of household effects, a prairie schooner and a team of oxen or horses PLUS those valuable yet intangible assets of CONFIDENCE, OPTIMISM, INITIATIVE, INDUSTRY AND THRIFT.

A MIGHTY NATION MOVES WESTWARD

—and America blossoms into the most productive and most diversified nation of all time.

From the close of the civil war to the 1890's, the greatest migration in history gained momentum; reached its amazing climax (1885-1893) when government lands were "opened up" and free farms of 160 fertile acres were made available to each settler just for the "settling." Oldtime cowboys, far-flung ranches and picturesque round-ups disappeared—submerged under wave after wave of eager pioneers who pushed the frontiers of civilization constantly forward until the midwest and west were joined in one vast manufacturing and food-producing empire.

The Drovers National Bank is proud to have had a part in this great westward expansion. Established in 1882—seventeen years after the Civil War—it quickly developed a complete and

unique service in Chicago for Banks and their customers of this fast-growing agricultural area.

True, pioneer days and needs of yesterday have long since passed. But the rich experiences gained then, give background and meaning to present day affairs. And a changing world presents new horizons; a maze of new problems to be solved; a new call upon those same valuable pioneer characteristics—now as before.

The Drovers brings to every banking problem the helpfulness and benefits of long experience PLUS the progressive viewpoint so much needed in the fast moving world of today. It's a "natural" as a Chicago Correspondent for midwestern Bankers whose customers ship live stock to Union Stock Yards.

Members Federal Deposit Insurance Corporation

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

Northwestern Banker August 1940

News From Des Moines

D. J. VAN LIEW, vice president of the Capital City State Bank and dean of Des Moines bankers, retired last month after 52 years of service with that bank.

Van Liew had been a vice president of the bank for the last 21 years, and a member of the board of directors for 32 years. He began as a collector January 31, 1888, and has been with the bank continuously since that date.

Van Liew was a guest of directors, officers and employees of the bank at Wakonda Club at a dinner. He was presented with a radio.

Check transactions through banks of nine leading Iowa cities showed a gain of \$50,277,000 for the first six months of 1940 as compared with those of the corresponding six months of 1939.

The total for the first half of the present year was \$1,340,974,000, while that of the like period of last year was \$1,290,697,000.

Of the total increase in check payments, \$2,033,000 was registered during the first quarter of 1940, and \$48,244,000 during the second quarter.

As check transactions through banks furnish an accurate picture of the movement of money in local communities and the state at large, indications are that Iowa business was much more active during the second quarter of the year than the first.

Des Moines led the state in check transactions for the six-month period, with a total of \$559,439,000. Sioux City was second with \$216,509,000, Cedar Rapids in third place with \$145,110,000, and Davenport ranked fourth with \$131,739,000.

Iowa's 297 savings banks, 243 state banks and three trust companies had total resources of \$486,872,883 as of June 29th.

The average cash reserve in all banks was 28 per cent.

The resources showed an increase of \$40,190,539 over those of June 30, 1939, and a decrease of \$7,614,782 from March 26, 1940.

Listed among assets of the banks were: Loans and discounts, \$296,836,771; credits subject to sight drafts, \$106,322,710; United States securities,

\$45,127,956; securities guaranteed by the United States government, \$14,613,434, and cash on hand, \$14,003,139.

Deposits totaling \$438,922,631 were on hand June 29th, an increase of \$37,599,063 over June 29, 1939, but a decrease of \$8,316,626 from March 26, 1940.

The Iowa assessment on public deposits held by banks ceased last month for the first time in 15 years.

The assessment amounted to 1 per cent a year on 90 per cent of the daily balance of public deposits held by the banks.

The state treasurer's office notified banks holding such deposits that the assessment will not be made for the six months beginning July 1st.

Garden Picnic

The garden at the L. R. Bassett home, Nevada, with its new outdoor fireplace and its garden table and chairs provided a delightful setting for a picnic get-together of the Nevada National Bank force, which honored Mr. and Mrs. Harlan Sarsfield.

The delicious dinner was served about 7 o'clock. Mr. and Mrs. Sarsfield were presented with a wedding gift from the bank group.

Those present were Mr. and Mrs. Sarsfield, Mr. and Mrs. Bassett and daughter, Peggy, Muriel Shaw, Mr. and Mrs. G. L. Henry and family, Mr. and Mrs. F. G. King and family, Mr. and Mrs. F. G. McConnell, Mr. and Mrs. E. F. Schoonover, Mr. and Mrs. Howard Remien, Miss Ruth McCollom and Leslie Henderson.

Boone A. I. B.

Eight Boone county bankers recently received certificates signifying completion of a four-year course as prescribed by the American Institute of Banking.

Those receiving the certificates are A. C. Herman and E. E. Weimer of the Citizens National Bank, R. M. Wilson, A. B. Deering, Jr., and C. M. Canady of the Boone State Bank and Trust Company, and Arnold Boehm, H. A. Boehm and Richard Nachazel, all of Ogden.

The course was started four years ago by T. L. Ashford for Boone county bank employees. He taught the first year with the subject being "Bank Organization." L. R. Johnson was instructor for two years, teaching "Commercial Law" and "Negotiable Instruments," while Professor Schramper of Iowa State College taught the final year with the subject being "Economics One."

R. M. Wilson was president for three years of the class, with Arnold Boehm being president this past year. Vern

Wessling Services

BANKERS—YOU'LL FIND IT PROFITABLE TO USE ADVERTISING BY WESSLING

D. R. WESSLING, PRESIDENT

Des Moines, Iowa

**OVER \$2000⁰⁰ NET PROFIT
ON A \$200 INVESTMENT
IN ONLY TWO YEARS!**

—Name of Bank on Request

Increase Revenue, Secure NEW Customers, Create Good Will with the Amazing "PAYC" Plan.

New customers and greater profits are yours with PAYC (Pay As You Check) Plan. That is because small depositors, wage earners like this new, convenient service. It solves your "money-order" problem; ends minimum balance, service charge problems; simplifies account handling; ends check charge computing; and provides uniform handling in advance. Many leading banks now using this plan. Write today for full details.



WRITE FOR PROFIT BUILDING DETAILS TODAY

Get your share of this small depositor business. Write today, let us show you. PAYC copyrighted but no royalty charged. Complete details of plan on request. Address Dept. NW-A.

United States Check Book Co.
1309-15 HOWARD STREET • OMAHA, NEBRASKA

Northwestern Banker August 1940

Kuhl was elected president for the coming year and the class will be continued.

Annual Meeting

The annual meeting of the officers and stockholders of the Oakland Savings Bank was held Tuesday evening, July 2nd. Re-elected for the coming year were the following officers and directors:

W. L. Spencer, president; H. H. Spalti, vice president; M. H. Evans, cashier; J. J. Evans, D. J. Spencer and H. R. Spencer, assistant cashiers; W. L. White and E. E. Spalti, directors.

A highly successful year, both from the standpoint of profits and totals, was revealed in the annual report. The officers of the bank pointed out an increased total of local loans made during the year and a continued bright outlook on business conditions for the coming year.

Still active in the affairs of the bank is one of its founders, H. H. Spalti. Mr. Spalti helped organize the bank in 1892. It was incorporated in 1907.

Keokuk A. I. B.

Harold F. Martin, assistant cashier of the Security State Bank, who has been A. I. B. work enthusiast No. 1 in Keokuk, being instrumental in the organization of the Study Group two years ago and having served as president of the group for the two years the class has been in existence, is receiving congratulations from his friends on the successful passing of his bar examination recently. Harold has been with the Security State Bank for the past six years and has studied law through the correspondence course of the American Extension of Law School at Chicago since September, 1935. He passed his examination and was admitted to the bar on June 25, 1940.

Dies in Oskaloosa

James W. Williams, retired Oskaloosa business man and civic worker, succumbed there recently following an extended illness, at the age of 82 years, five months and 13 days.

Mr. Williams was a self-educated man and rose from the ranks of a laborer in the mines at Beacon to one of Oskaloosa's outstanding citizens who not only acquired somewhat extensive holdings and interests locally but who gave his latter years to unselfish community service.

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

WHEN your customers are in need of special or unusual service, such as

Quick returns upon doubtful items;

Close and reliable credit information;

Investment counsel;

call upon this Bank.

Long years of experience in dealing with these and similar banking problems enable us to give you prompt and dependable service.

... THE ...

PHILADELPHIA NATIONAL BANK

ORGANIZED 1803

PHILADELPHIA, PA.

**Capital, Surplus and Undivided Profits
\$43,000,000**

Member of Federal Deposit Insurance Corporation

He served as director of the Mahaska County State Bank many years and devoted much of his time to serving the Oskaloosa Young Men's Christian Association and the Mahaska county Red Cross chapter, of which he was president.

Officers Named

The annual meeting of the stockholders of the State Bank of Ledyard was held at the bank with the re-election of all of the officers. They are: President, Mrs. Levi Weimer; first vice president, W. C. Carlson; second vice president, Ed T. Halvorson; directors, D. A. Carpenter, Herman Goetz and Mrs. Frank Weimer; cashier, William E. Weimer.

Resources Increase

Resources of Waterloo's two banks increased a total of \$163,332.82 during the six-month period ending June 29th, statements of condition revealed.

Deposits showed a gain of \$118,165.18 during the six-month period, with both banks sharing in the increase.

Resources as of June 29th totaled \$14,334,108.42, as compared with the total of \$14,170,775.59 on the same date a year ago.

The total of deposits amounted to \$13,370,410.94, as compared with \$13,252,245.76 a year ago.

Bank Remodels

Finishing touches were made recently on the interior decorating of the Commercial State Bank in Denison.

Under the supervision of Denison men, the sidewalls and ceiling were covered with celotex. Lower half of the walls is of dark green material, the balance and the ceiling are covered with modernistic blocks, light green in color.

Latest type fluorescent lights were placed in the ceiling.

Remodeling the bank marks 21 years of continuous operation for the establishment.

Present officers are: J. W. Miller, Jr., president; L. C. Thiedeman, vice president, and J. J. Miller, cashier. Directors include J. W. and J. J. Miller, Thiedeman, W. E. Kahler and Frank Hoffmann.

Active along with the Miller brothers in serving patrons of the bank are George Sievert, assistant cashier; Rae Hoffeins, teller, and Joyce Nahnsen, stenographer.

Dividend

The Security Trust & Savings Bank, Shenandoah, of which E. C. Fishbaugh is president, has declared its semi-annual dividend of 4 per cent. This is the thirty-eighth dividend the bank has declared since it opened 31 years ago.

NEWS AND VIEWS

(Continued from page 14)

conceivable demand and at the lowest rates in history. Nevertheless, the suggestion has been advanced in certain quarters in Washington that the government might have to take over the functions of financing the industrial side of preparedness. Such a step would, of course, be one of the Trojan horse maneuvers that must be exposed to public scrutiny if we are not to nurture in our own midst one of the characteristics of totalitarianism against which we are preparing to defend ourselves."

In these days when there is a considerable amount of pessimism and defeatism in the air, perhaps the following optimistic analysis of the future by one of the leading investment

AMERICAN NATIONAL BANK AND TRUST COMPANY

of Chicago

LA SALLE STREET AT WASHINGTON

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Statement of Condition as of June 29, 1940



RESOURCES

CASH AND DUE FROM BANKS	\$26,322,636.66
U. S. GOV'T OBLIGATIONS—DIRECT AND FULLY GUARANTEED	12,910,565.60
MUNICIPAL AND OTHER MARKETABLE SECURITIES	14,402,923.35
LOANS AND DISCOUNTS	19,681,287.82
FEDERAL RESERVE BANK STOCK	78,000.00
CUSTOMERS' LIABILITY ON ACCEPTANCES	12,602.35
ACCRUED INTEREST RECEIVABLE	212,247.62
REAL ESTATE OWNED	1.00
OTHER ASSETS	33,075.50
	<u>\$73,653,339.90</u>

LIABILITIES

CAPITAL STOCK—PREFERRED	\$ 600,000.00
CAPITAL STOCK—COMMON	1,000,000.00
SURPLUS	1,000,000.00
UNDIVIDED PROFITS	651,588.65
PREFERRED STOCK RETIREMENT FUND	140,000.00
RESERVE FOR TAXES, INTEREST, CONTINGENCIES, ETC.	921,133.58
UNEARNED DISCOUNT	167,071.25
LIABILITY ON ACCEPTANCES	12,602.35
DEPOSITS:	
DEMAND	\$56,739,239.90
SPECIAL DEPOSIT	3,750,671.94
(Subject to court order)	
UNITED STATES GOV'T	2,600,000.00
OTHER PUBLIC FUNDS	135,662.79
SAVINGS	5,710,369.44
OTHER TIME DEPOSITS	225,000.00
	<u>69,160,944.07</u>
	<u>\$73,653,339.90</u>

services is worth considering. Here it is:

"Of one thing we are certain—A tremendous industrial and rearmament boom—One that will take at least five years, and possibly ten (if the 'cycle' theory has not been upset by Hitler)—and one on which eventually more than **20 billion dollars** will be spent. That boom will abolish unemployment and make for a 'full dinner pail.' And most important a **UNITED NATION**—one **not** based on **CLASS HATRED** will emerge. Each will get his share according to ability, training, and **INITIATIVE**. **That is what Willkie stands for.** Eventually stock market prices will respond to the influence of inflation—balanced in due measure by imposed taxation on profits. **Trading in the next five years should have none of the hectic phenomena of the last three years.** It should repeat the Bull period of 1932-1937 without bearing a 'baby bear' every few months. What is said about stocks holds good to commodities—such as wheat. **Edible commodities should move higher because of the expected famine in Europe and the fact that we may have to feed a great part of the world during the next few years.** 'FOOD IS A WEAPON'. It is my opinion that the time is near when **we**, with **FULL GRANARIES** will not only dictate **DEMOCRACY** to a starving world but 'make them like it'.

"What is the actual cost of a personal loan" is a very interesting pamphlet recently sent out by **William G. Rabe**, vice president of the Manufacturers Trust Company, 55 Broad Street, New York.

In his letter to the **NORTHWESTERN BANKER**, Mr. Rabe says, "This is the first time, we believe, that any bank or lending institution has set forth fully and frankly the true costs of a personal loan in terms of discount, simple interest and actual dollars and cents."

If you have not received a copy of this very interesting folder, we are sure that **Mr. Rabe** will be glad to send one to you.

The French are rapidly finding out that they are not to be responsible for administration in the occupied areas of their country. Objections have already been made to Germany that the

Bank for Sale

Controlling stock, northern Iowa town of 900 \$25,000.00. Address C. B., c/o **NORTHWESTERN BANKER**, 555 Seventh St., Des Moines, Iowa.

A Friendly Des Moines Bank

*offering complete,
modern facilities —*

VALLEY SAVINGS BANK DES MOINES

Member Federal Deposit Insurance Corporation

Officers

Frederick M. Morrison, *President*
Winfield W. Scott, *Vice President*
J. R. Astley, *Cashier*
Edward P. Kautzky, *Assistant Vice President*
Marvin L. Payne, *Assistant Cashier*
Frank M. Thompson, *Assistant Cashier*



THE HOTEL OF TODAY *The Criterion of Tomorrow*

Delving into the future, the designers of the recreated Fontenelle have set the style for the hotel of the next decade. Beauty and comfort are emphasized in the new features and in the new interiors throughout the hotel — including lobbies, guest rooms, dining and entertainment rooms, and the convention facilities — all of which depict the fashion of 1940.

HOTEL FONTENELLE OMAHA

AIR-CONDITIONED for year 'round comfort.

YOUR GRACIOUS HOST FROM COAST TO COAST



The Gotham



The Drake

The Blackstone



The Town House



Bellevue Biltmore

A.S. KIRKEBY, Managing Director

KIRKEBY HOTELS

armistice terms have been violated because Germany has issued an order whereby they assume control of all currency in the occupied area and require all banks to submit lists of valuables for their own or personal accounts. **These valuables include stocks, bonds, gold, precious stones, currency and all other similar objects of value.**

If France thinks that she is going "to get off easy" under German domination, she is rapidly finding out the contrary.

The United States Department of Commerce through figures recently issued, show that **exports of airplanes and other aeronautic products in May 1940 were valued at \$22,590,000**, as compared with \$21,795,000 in April 1940 and \$10,365,000 in May 1939.

The Continental Illinois National Bank and Trust Company of Chicago has recently put out a new booklet, "What a Trust Department Does". Copies have been distributed to all officers, division managers and supervisors of the bank and in addition some of the booklets have been distributed outside the bank according to **Julius K. Waibel**, advertising counsel of the bank.

The Continental Illinois National Bank and Trust Company has also published a "Stenographic Manual" for the benefit of every typist and stenographer in the institution.

Something new and outstanding in summer entertainment was put on July 29 to August 3 in Sioux City under the name of "Sioux City's \$25,000 Summer Circus." We are advised by **Carl Fredericksen**, president of the Live Stock National Bank, it was one of the most spectacular events ever staged in that energetic metropolis. Carl also sent a number of tickets to the event which was sponsored by business men, manufacturers, bankers and Sioux City people in general, who sent out invitations to more than 400,000 people in Iowa, Nebraska, Minnesota and South Dakota.

Stars of vaudeville, musical comedy, Sioux City's famous white horse patrol and World Champion Monahan Post Band were on hand to entertain the visiting thousands in this Summer Festival. Twice a day there was a big musical comedy program in the Grandview Park band shell and twice a day also the circus performed at the Stock Yards ball park.

"Hints for Hustlers" is the name of



An ultra modern hotel in the heart of Chicago with comforts and services offering you the ultimate in excellent living.

Emil Eitel
Karl Eitel
Roy Steffen

"Known the world
over for good food"

BISMARCK

HOTEL CHICAGO

RANDOLPH AND LA SALLE

a booklet issued by the Education and Public Relations Committee of the Missouri Bankers Association, of which **William S. Sherrill**, advertising manager of the First National Bank in St. Louis, is a member. In fact Bill is now serving his third consecutive year on this very important committee.

The booklet has received very favorable comment from bankers in Missouri and in many other states throughout the country.

With **Franklin D. Roosevelt** breaking a 150 year precedent by allowing himself to be a candidate for a third term and with **Henry A. Wallace** forced on the democratic delegates for the vice presidency because the "big boss" said they must, the coming campaign looks like a very interesting and exciting one.

Incidentally, as the new dealers seek to break all the rules by continuing in power for 12 years a "look at the record" shows that the total gross United States public debt outstanding is 49 billion dollars and the guaranteed debt is \$5,532,000,000. All obligations, including guaranteed issues, **total nearly 38 times the Government debt when the United States entered World War No. 1.**

J. W. Massie, auditor of the Republic National Bank of Dallas, and president of the National Association of Bank Auditors and Comptrollers, announces that their sixteenth annual convention will be held in St. Louis, Missouri, October 16 to 19, 1940.

A very fine program is being arranged and capable and outstanding men will discuss such subjects as "Auditors' and Comptrollers' Reports as an Aid to Bank Management", "Installment Loans—Audit and Control", "Trust Audits and Controls", "The Objectives of Bank Supervision", "Mortgage Loans—Audit and Control", "Educating the Bank Auditor", and "Bank's Reserve Accounts".

Auditors, comptrollers, and other bank men are urged to attend and listen to these very interesting discussions.

Chester C. Hammond is chairman of the convention committee and those desiring to make reservations can write him care of the First National Bank of St. Louis.

The following bankers in the NORTHWESTERN BANKER territory graduated in the 1940 class of the **Graduate School of Banking at Rutgers**. There were 232 members in the graduating class.

K. J. McDonald, Iowa Trust and Savings Bank, Estherville, Iowa; **Oscar A. Otto**, Whitney Loan and Trust Company Bank, Atlantic, Iowa; **S. H. Fin-**

ger, First Service Corporation, Minneapolis, Minnesota; **Milford E. Lysen**, Federal Reserve Bank, Minneapolis, Minnesota; **Theodore D. Maier**, First National Bank, St. Paul, Minnesota; **O. H. Odin**, Marquette National Bank, Minneapolis, Minnesota; **Otis R. Preston**, Federal Reserve Bank, Minneapolis, Minnesota; **Harold B. Thomson**, Farmers and Merchants State Bank, Presho, South Dakota.

Cedric H. Smith, president of Smith, Burris and Company, 135 South La Salle Street, Chicago, has just issued a memorandum on the business outlook and the security business which is one of the most concrete and potent analyses of the security business which we have read in a long time. If you haven't received a copy we suggest that you write and get one.

Among other things Mr. Smith says is this: "We, in the security business, are too easily licked. If the wind isn't blowing from the west, we assume we can't sail eastward. Yet a couple of strong arms can row a boat even if there's a calm. That's what the financial fraternity forgets. I've seen securities sold when they all said it couldn't be done. But they've been sold—not order-taken.

"Right now the security selling-and-trading business of this country has

MERCHANTS MUTUAL BONDING COMPANY

Incorporated 1933

Home Office
VALLEY BANK BUILDING
Des Moines, Iowa

• •

This is Iowa's oldest surety company.

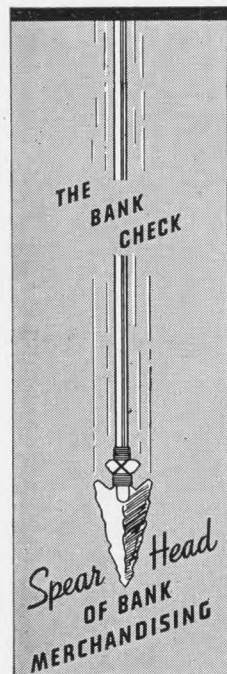
A progressive company with experienced, conservative management. We are proud of our hundred and fifty bank agents in Iowa.

To be the exclusive representative of this company is an asset to your bank.

• •

Write to
E. H. WARNER
Secretary and Manager

Do Your personal accounts use PERSONALIZED CHECKS?



● Everyone likes to see his name in print. And everyone would like to have his name printed on his checks—if he could buy them at a reasonable price.

Under our De Luxe Personalized Pocket Check Sales Plan, a bank can group the orders of five customers and save as much as 45% of the cost. Two hundred checks complete, including paper, lithography, imprinting, numbering and binding, may be purchased for as little as \$1.00.

Write for Folder No. 13 which summarizes the Plan and details the advantages to you and your customers. It will take you seven minutes to read it.



De Luxe

CHECK PRINTERS, INC.

Lithographers and Printers

Plants at
KANSAS CITY

CHICAGO
NEW YORK

CLEVELAND
ST. PAUL

Northwestern Banker August 1940

before it one of its greatest and most golden opportunities. It is an opportunity for service to the American investor. It is an opportunity to encourage action—action on the part of security buyers—action that will focus attention on the real security bargains that are right in front of our noses—opportunities we can touch, but cannot see.”

The other day a banker friend of mine in New York sent me the following letter which has been written by William H. Griffith to Wendell Willkie:

“You may be interested in the following copy of a letter mailed to **Wendell Willkie**:

“We, the people, nominated him, and we, the people, must do all in our power to elect him.

“There is too much at stake to overlook **any** opportunity to serve our country, our future, and our self-respect.

“Perhaps this letter will suggest to you similar opportunities.”

275 Manhattan Avenue,
Crestwood, Younkers, New York.

“Mr. Wendell Willkie,
care Republican National Committee,
Washington, D. C.
Dear Mr. Willkie:

Based upon conversations with a host of people these last few days, the big question each man is asking is “What can I do next to **insure** putting Willkie in the White House?”

None of us, as yet, knows the best answers to that question because we don't know much about politics, although you can be sure that before many months have passed we will be going full steam.

Meanwhile, no matter what else your campaign requires, it will certainly need money—lots of it, probably, because such opposition as you will have seems to have unique access to unlimited funds.

Therefore, simply as a first step, I take pleasure in sending you \$4.00—one for myself, one for my wife, and one for each of my two children. With this money we send you the best wishes and sincere support of an American home.

Very truly yours,
William H. Griffiths.”

Phyllis Otto, the 15 year old (birthday August 7th) daughter of **Oscar A. Otto**, vice president of the Whitney Loan and Trust Company of Atlantic, won the Iowa Women's Golf Championship recently at Wakonda Country Club, Des Moines, by defeating **Kathleen Carey**, Vassar champion, of Cedar Rapids. In the first 18 of the 36 holes of the championship flight Miss Otto shot a 79, smashing Wakonda's competitive course record for women.

Guaranty Trust, New York

The statement of condition of the Guaranty Trust Company of New York as of June 30, 1940, published today (July 2nd) shows total resources of \$2,600,724,024.70, as compared with \$2,653,187,645.96 at the time of the last published statement, March 31, 1940, and \$2,215,168,135.01 on June 30, 1939. Deposits of \$2,302,794,072.60 on June 30, 1940, compare with \$2,343,234,641.08 on March 31, and with \$1,898,035,301.81 a year ago.

Holdings of United States government obligations are shown at \$959,055,409.42, as compared with \$840,110,253.69 on March 31 and with \$636,527,767.39 on June 30, 1939. Cash on hand, in Federal Reserve Bank, and due from banks and bankers is \$1,134,793,036.68, which compares with \$1,239,001,641.16 on March 31, and with \$1,013,232,650.33 on the corresponding date a year ago.

MONEY INVESTED HERE

is secured by

Well Built

Well Financed

ABOVE-average HOMES!

All accounts insured up to
**\$5,000 by an agency of the
Federal Government.**

POLK COUNTY FEDERAL

Savings & Loan Assn.

511 Seventh St.

DES MOINES

Assets \$1,500,000.00

Member Federal Home Loan Bank System

Since 1878

LIBERAL EARNINGS with SAFETY

Statement on request

Waterloo Building and Loan Association

East Fifth at Lafayette

WATERLOO

IOWA

Federal Home Loan Bank of Des Moines

DES MOINES, IOWA

STATEMENT OF CONDITION JULY 31, 1940

RESOURCES

Advances to Members.....	\$14,507,062.50
U. S. Government Obligations and Securities Guaranteed by U. S.....	1,367,000.00
Accrued Interest Receivable.....	45,750.25
Deferred Charges.....	17,716.11
Cash.....	3,117,294.77
	\$19,054,823.63

LIABILITIES

Members' Stock Subscription.....	\$ 2,523,200.00
Government Stock Subscription.....	7,394,900.00
*Debentures Outstanding.....	7,500,000.00
Premiums on Debentures.....	1,250.00
Deposits.....	916,103.82
Accrued Interest Payable.....	40,395.48
Surplus:	
Reserves.....	\$471,571.38
Undivided Profits.....	207,402.95
	678,974.33
	\$19,054,823.63

*Participation in \$48,500,000 consolidated Federal Home Loan Bank debentures outstanding, which are the joint and several obligations of the twelve Federal Home Loan Banks.

The Operating Plan of "Own-A-Home" Savings Clubs

By George W. West

President

United States Savings and Loan League

A NEW purpose for saving money systematically began to be suggested to American communities with a combined population of 10,000,000 recently when 60 savings, building and loan associations started developing "Own-a-Home Savings" clubs. Simple in operation and in objective, the clubs seek to reach couples who will want homes three years or more from now and to start them taking something out of each pay envelope now to lay aside for that home. Experience of recent years has shown that the first or "down" payment on a home is the biggest bugaboo any family faces when it sets out to acquire property. Most people in ordinary financial circumstances don't have \$1,000 or \$1,500 in cash which they can spare to invest in a home, either now or anytime later.

What to do about it is the next question. One answer which has been attempted in the past four or five years has been the increasing whittling away at the required down payment. The first plans for mutual mortgage insurance by a government agency made the big leap of suggesting only a 20 per cent down payment requirement when 25 or 30 per cent was established practice. Within a couple of years they were proposing a mere 10 per cent down payment, and nowadays a plan has been worked out to build \$2,500 homes for a nominal 5 per cent down payment. But the experienced mortgage lender, the experienced credit executive of any sort, knows that this isn't good lending practice.

The other way to approach the same problem is to encourage the prospective home-owners to accumulate the down payment and that is the objective of the "Own-a-Home Savings" clubs. Now the most effective way to encourage people is to pay them for doing something. So the "Own-a-Home Savings" clubs operate on a plan which pays the future home-owner to accumulate his down payment with monthly savings. Semi-annual dividends are credited on his savings club account in the sponsoring savings and loan association, and the per annum rate is anywhere from 3 to 4 per cent in the associations which have started the clubs so far. For example, for a couple sav-

ing \$25 a month to accumulate a down payment for a \$4,000 house in three years, between \$43 and \$50 of the total accumulation will represent dividends credited by the association and the actual money put in by the savers will be only \$900. If five years are taken to save as much as \$1,500 with monthly payments of \$25, the dividends will amount to \$120 or so. Thus the members of the new clubs are to be well paid for their pains of foregoing the use of that \$25 a month, or \$15 or \$50, depending on the kind of home they want to build and how long they want to save for it.

There are obviously many advantages in getting home-owners of the future to thinking about their plans several years ahead of time—advantages in addition to the financial ones. Members of these clubs—and they will be bona fide clubs with their own special passbooks, membership cards, and periodic communications designed for members—will have lots of time to think about the kind of homes they want. They will have time to study different plans and not be rushed around thinking they have to make up their minds while the time is ripe to build a home. A family which has \$1,000 or \$1,500 set aside specifically for a home is naturally in a better bargaining position all the way around. The people who have some money, experience has long since proved, can come nearer to making terms to suit themselves than those who have to borrow practically all of it.

Savings and loan associations have taken the initiative in establishing these clubs because the function of making homeowners out of those who start with no capital at all dates right back to their beginnings in this country. In the first savings and loan institution in 1831, there was a limited number of members, one of whom borrowed the money which the rest of them were accumulating. Depending on how long each waited to borrow

from the institution, the actual amount he had to borrow was larger, or smaller. They all went along putting in so much a month, regardless of whether they planned to borrow the "fund" next year or five years from then. So in that early form of the building and loan association there is the definite seed of today's "Own-a-Home Savings" clubs which will probably number 100 or so before the year is out.

It is too early to predict what their average membership will be, since the clubs are just getting under way, but even if the sixty associations now sponsoring them should have an average of only ten members saving an average of \$15 a month (a conservative estimate all the way around), there would be set aside for future home ownership in this country \$9,000 every month, and it is more likely to be twice that much by the last months of this year. That will be the most concentrated piece of financial foresight in which the Americans have ever indulged in the interest of home ownership. And to the savings and loan executives from Meriden, Connecticut, to Rock Hill, South Carolina, from Staten Island to Santa Barbara, California, and Aberdeen, Washington, and the sixty large and small cities in between, it seems high time this was done.

Clubs in the northwest are being sponsored now by the Ames Building and Loan Association, Ames, Iowa; the First Federal Savings and Loan Association, Sioux City, Iowa; the Waseca Savings and Loan Association, Waseca, Minnesota, and the Minot Federal Savings and Loan Association, Minot, North Dakota.

Graduate School

The Second Graduate School of Savings and Loan held in Chicago under auspices of the American Savings and Loan Institute and Northwestern University, July 29th to August 9th, repeated the first year course for some sixty newcomers and offered a meaty curriculum of advanced studies for the more than two-thirds of last year's student body who returned. The states in the northwest sent nine representatives, four beginners and five repeaters.

Hailed throughout the savings and loan business as the most forward-looking step ever taken in management training, the Graduate School now has complete plans for a three-year course, which can be finished in three summer sessions. The third year will not be given until 1941, when this

year's middle-year men will be ready to go into the home stretch. An original thesis on a savings and loan subject is also a requirement for the diploma from the Graduate School and students are now submitting the titles of their projected theses which must be in a year ahead of time.

The faculty and visiting lecturers have been drawn from the colleges, universities, financial institutions and professions in Chicago and a few other cities relatively close by and from the personnel of the United States Savings and Loan League.

A fundamental course in "Savings and Loan Management" will be conducted for the first year students by Dr. Henry E. Hoagland of Ohio State University, and an advanced course in the same subject will be given by Dr. Harry G. Guthmann of Northwestern University. First year men will also be taught "Savings and Loan Law" by Horace Russell, general counsel of the United States League; "Business Forecasting" by Ralph H. Richards, president of the Federal Home Loan Bank of Pittsburgh, and "Construction Procedure and Supervision," by Franklin Hardinge, Jr., secretary, Society of Residential Appraisers. The other three subjects in the second year course are "Advertising Principles and Technique" under Dr. Lyndon O. Brown, associate professor Northwest-Brown, associate professor Northwestern University; "Financial Systems" under Dean Chas. S. Tippetts, School of Business Administration, University of Pittsburgh; and "Personnel Management and Development" under E. F. Wonderlic, director of personnel, Household Finance Corporation.

This year's course for all students includes nine special lectures and round table conferences starting the first night of school. Subjects and lecturers are: "Our Present Position in the Business Cycle," by Melchior Palyi, former economist of the Deutsche Bank and now investment counselor in Chicago; "The Mechanics of Legislation," by Morton Bodfish, executive vice president of the United States Savings and Loan League; "Recent Developments in Commercial Bank Policy," by Dr. Walter Lichtenstein, vice president of the First National Bank of Chicago; "Architectural Development in the Contemporary Small Home," by George Fred Keck, professor of architecture, American School of Design, Chicago; "Modern City Planning," by Dr. Albert Lepawsky, executive director Federation of Tax Administrators, and research associate at the University of Chicago; "The Responsibility of the Business Man to the Public," by Dr. Ernest O. Melby, Dean of the School of Education, Northwest-



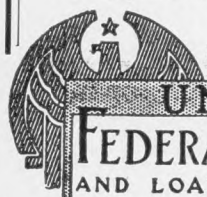
HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF DES MOINES

—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.

904 Grand Avenue
Des Moines, Iowa

ASSETS OVER \$1,200,000.00



UNITED FEDERAL SAVINGS AND LOAN ASSOCIATION OF DES MOINES

216 8th Street

Phone 4-5324

UNBROKEN DIVIDEND RECORD FOR 20 YEARS

HOME Building and Loan Association

FORT DODGE, IOWA

Member Federal Home Loan Bank System

DES MOINES BUILDING-LOAN & SAVINGS ASSOCIATION

Oldest and Largest in Des Moines

411 6th Ave.

Dial 4-7119

ELMER E. MILLER HUBERT E. JAMES
Pres. and Sec. Asst. Sec.

Member Federal Home Loan Bank System

SAFETY IN INVESTMENT

Accounts Insured Up To
\$5,000.00



350 Cedar St.

St. Paul, Minn.

Policyholders Mutual Casualty Company

Legal Reserve—Maximum Service

Home Office: West Liberty, Iowa
Business Office: Des Moines, Iowa

Full Coverage Automobile
Accident and Health

Agency Inquiries Invited

R. J. FLYNN, Pres. D. L. DUNGAN, Secy.
Lessing
Advertising Co.
INC.

*Advertising for
Immediate Sales*
DES MOINES



Iowa's Largest Business Training School
Many banks, bond-houses, insurance
companies and other financial insti-
tutions employ A. I. B. graduates.
Write or telephone when you need
efficient office employees.

E. O. FENTON, Director

American Institute of Business
DES MOINES

10th and Grand

Tel. 4-4221

ern University; "The Functions of the Business Executive," by A. D. Theobald, assistant vice president, United States Savings and Loan League; "Growth of Cities from a Sociological Viewpoint," by Dr. Louis Wirth, professor of sociology, University of Chicago; and "The Uses of Statistical Reports," by Fred T. Greene, president of the Federal Home Loan Bank of Indianapolis.

Students in the school from Wisconsin, Minnesota, Iowa and Nebraska include: John W. Haley, secretary of the First Federal Savings and Loan Association of Madison, Wisconsin; Robert J. Pittelkow, secretary of the Equitable Savings and Loan Association, Milwaukee; W. Conan Thornton, president, First Federal Savings and Loan Association, Fon du Lac, Wisconsin; Axel A. Olson, executive secretary of the St. Paul Federal Savings and Loan Association, St. Paul, Minnesota; Hu-

bert E. James, assistant secretary of the Des Moines Building, Loan and Savings Association, Des Moines; Geo. E. Virden, building and loan supervisor, state of Iowa, and George T. Carson, state examiner from the Iowa State Auditor's office; Arthur G. Christensen, secretary-treasurer of the Equitable Building and Loan Association, Fremont, Nebraska; Urbin P. Schulz, assistant secretary of the Nebraska State Building and Loan, Fremont, and Chauncey Evans of the Omaha Loan and Building Association.

Index to Advertisers

A	
Allen Wales Adding Machine Corp.	67
A. C. Allyn and Company	28
American Institute of Business	64
American Nat'l Bank & Trust Co.	58
Andrews Hotel	44
B	
Bankers Trust Company	48-49
V. W. Brewer Company	26
C	
Chase National Bank	4
Central Hanover Bank and Trust Co.	54
Central National Bank and Trust Co.	3
City National Bank and Trust Company	40
Continental-Illinois National Bank & Trust Company	52
Continental National Bank	37
D	
F. E. Davenport and Company	36-57
De Luxe Check Printers, Inc.	61
Des Moines Bldg., Loan and Sav. Assn.	64
Drovers National Bank	55
E	
Employers Mutual Casualty Company	65
Eppley Hotels Company	59
F	
Federal Discount Corporation	29
Federal Home Loan Bank of Des Moines	62
Federal Intermediate Credit Bank	30
First Federal Savings and Loan Assn., St. Paul	64
First National Bank, Chicago	36
First National Bank, Sioux City	53
Fisher Company	21
G	
General Motors Acceptance Corp.	27
Guaranty Trust Company of New York	34
H	
Hawkeye Mutual Hail Insurance Co.	65
L. W. Holley and Son	65
Home Building and Loan Ass'n	64
Home Federal Savings and Loan Ass'n	64
Home Insurance Company	6
Hotel Bismarck	60
Hotel Wellington	37
I	
Iowa-Des Moines National Bank & Trust Co.	68
Iowa Investment Bankers Ass'n	24
J	
Jamieson and Company	29
K	
Koch Brothers	65
Kirkeby Hotels Group	60
L	
George La Monte and Son	5
Lamson Brothers and Company	31
Lessing Advertising Company	64
Live Stock National Bank, Chicago	51
Live Stock National Bank, Omaha	35
Live Stock National Bank, Sioux City	38
M	
McGuire, Welch and Company	28
Merchants National Bank	2
Merchants Mutual Bonding Company	61
N	
Northwestern National Bank and Trust Company	43
O	
Omaha National Bank	19
P	
Philadelphia National Bank	57
Policyholders Mutual Casualty Co.	64
Polk County Federal Savings and Loan Association	62

S	
Shaw, McDermott and Sparks	26
Stock Yards National Bank, St. Paul	42
U	
United Federal Savings and Loan Ass'n	64
United States National Bank	32
U. S. Check Book Company	56
V	
Valley Savings Bank	59
W	
Want ads	54-59
Charles E. Walters Company	35
Waterloo Building and Loan Ass'n	62
Wessling Services	56
Western Mutual Fire Insurance Co.	23
Wood Brothers Thresher Company	65

Lowest Cost

Our policy provides a maximum assessment of 2½% in Zones One and Two—and 3½% in Zone Three (Western Iowa).

Hawkeye Mutual Hail Insurance Association

Carver Bldg. Fort Dodge, Iowa

Visible Forms for Banks? WHY NOT?

Book Type Visible Records
Incorporate the following:
Quickest finding, fastest posting, speediest sheet-changing records known.
Most economical form of the efficient visible record.

Ask for our
Visible Promissory Note
Visible Installment Note
Visible Collateral Envelope
Visible Sale Deposit Contract
Visible Liability Ledger Sheet

L. W. Holley & Sons Company
Complete Bank Outfitters
100 East Grand Des Moines, Iowa

WOOD BROS. Specialized

HARVESTING MACHINERY

1886 1940

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.
Des Moines, Iowa



THE keen executive equips his clerical force with G-F Goodform chairs of aluminum. He knows it's good business to keep his office help comfortable and relaxed.

KOCH BROTHERS
PRINTERS - BOOKBINDERS - OFFICE OUTFITTERS
STATIONERS - BUSINESS MACHINES
GRAND AVENUE AT FOURTH

Northwestern Banker August 1940

IN THE DIRECTORS' ROOM

A Long Way to Go

Weary Willie's financial position was very shaky, and when he met a kind old lady in the park he decided to tell her his story.

"Yes, ma'am," he said, "I've asked for money, and begged for money, and cried for money."

"Have you ever thought of working for it, my man?" she asked.

"No, not yet, ma'am," said Willie. "You see, it's like this, I'm going through the alphabet, and I ain't got to 'W' yet."

He Should Know

Prospective Bridegroom (gaily): "Will it take much to feather a nest?"

Furniture Dealer: "Oh, no; only a little down."

Handsome Brute

A woman rushed into a police station with a photograph in her hand.

"My husband has disappeared," she sobbed. "Here is his photograph. I want you to find him."

The sergeant looked at the photograph.

"Why?" he asked.

The Opposite

The grocer was busily engaged attending the wants of his customers when he suddenly caught sight of a small boy gazing hard at a large crate of oranges.

"Now then, my lad," he began, "what are you up to?"

"Nothing," replied the boy.

"Nothing" echoed the grocer. "Well, it looks to me as if you were trying to take one of those oranges."

"You're wrong, mister," retorted the boy. "I'm trying not to."

Quiet, Please

Husband: "Did you ever notice, my dear, that a loud talker is generally an ignorant person?"

Wife: "Well, you needn't shout so; I'm not deaf."

Easy for Him

Betty: "I'm sorry. No doubt you'll find some other girl who'll make you forget me."

Frank: "Oh, but I can never forget you."

Betty: "Nonsense. You did it on my last birthday without any trouble."



Great Minds

They were sitting in the parked car. For a long while neither one spoke a word. Finally the girl asked: "What are you thinking about?"

"The same thing you are," replied the boy, whereupon she promptly slapped his face.

Safety First

A woman motorist was driving along a country road when she noticed a couple of repair men climbing telephone poles.

"Fools!" she exclaimed to her companion, "they must think I never drove a car before."

Remit at Once

Doubtful: "I've been getting threatening letters through the mail. Isn't there a law against that?"

Post Office Official: "Of course there is. It's a very serious offense to send threatening letters. Have you any idea who's doing it?"

"Sure. The Woofus Furniture Company."

Try Spinach

The conversation was on the fashionable topic. It was about dieting.

"Yes, said Fellowes. 'I've eaten beef all my life.'"

"But do you think it has done you any good?" she asked.

"Good?" he returned confidently. "I feel as strong as an ox."

"That's strange," she ventured. "I've been eating fish for about three months, and I can't swim a stroke."

A Safe Bet

The old martinet was lecturing his nephew.

"Never known such a generation," said the old fellow. "You modern boys want too much."

The boy was tactfully silent.

"Do you know what I was getting when I married your aunt?" asked the uncle.

"No," replied the nephew, realizing the time had come to terminate the argument, "and I bet you didn't, either."

Cheaper

A Chicago actress entered a lawyer's office and said, "I want a divorce."

"Certainly," said the lawyer. "For a nominal fee I will start proceedings."

"What is a nominal fee?"

"Five hundred dollars."

"Nothing doing," retorted the actress. "I can have him shot for ten."

Not Always

Customer: "Oh, Mr. Moss, it's the old story—the woman always pays."

Shopkeeper: "Well, if you'd look through my books, you'd find that some of them don't."

That'll Work

Smithson: "My wife is prolonging her holiday. I need her at home, but it seems useless to write suggesting that she return."

Friend: "Get one of the neighbors to suggest it, old boy."

He Knew

The very newly married couple stopped for lunch at a little wayside hotel. During the meal the manager was over-attentive, and the young husband began to get angry. For about the tenth time in a quarter of an hour the manager came to their table. "And what can I get for you now?" he asked.

"Some honeymoon salad!" snapped the young husband.

"Honeymoon salad?" echoed the manager. "What ever does that consist of?"

"Just lettuce alone," came the reply.

He Surely Would

Teacher: "If Columbus were alive today would he be looked on as a remarkable man?"

Billy: "Yes, he'd be five hundred years old."

Enemies

"Sir, if you don't leave my door immediately, I'll call my husband—and he's an old Harvard football player."

"Mam, if you love him, don't call him 'cause I used to play for Yale!"

Chilly

He: "I dreamed of you last night."

She (coldly): "Really!"

He: "Yes; then I woke up, shut the window, and put an extra blanket on the bed."



There is more to an adding machine
than appears on the surface—
look into an Allen Wales—try one,
there is no obligation.

ALLEN WALES ADDING MACHINE CORPORATION

444 Madison Avenue, New York, N. Y.

SALES AND SERVICE IN 400 AMERICAN CITIES AND IN 40 FOREIGN COUNTRIES

Manufacturers of Adding Machines Since 1903

FAST and Dependable Collection Service



Prompt collection of checks and drafts is an important service your customers expect of your Bank.

Collections are made with utmost speed when you route transit items through Iowa's Largest Bank.

Fast service is insured because of Des Moines' central location . . . because of its excellent rail and air mail connections . . . because of its nation-wide contacts . . . and because the Transit Department of this Bank is staffed by experienced, well-trained personnel.

Use the complete, modern facilities provided here to give your customers time-saving collection service.



IOWA-DES MOINES NATIONAL BANK & TRUST COMPANY

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION